



CECONOMY @ Commerzbank and ODDO BHF Corporate Conference

8 September 2022

Disclaimer and Notes

This disclaimer shall apply in all respects to the entire presentation (including all slides of this document), the oral presentation of the slides by representatives of CECONOMY AG, any question-and-answer session that follows the oral presentation, hard copies of the slides as well as any additional materials distributed at, or in connection with this presentation. By attending the meeting (or conference call or video conference) at which the presentation is made, or by reading the written materials included in the presentation, you (i) acknowledge and agree to all of the following restrictions and undertakings, and (ii) acknowledge and confirm that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of the presentation.

To the extent that statements in this presentation do not relate to historical or current facts, they constitute forward-looking statements. All forward-looking statements herein are based on certain estimates, expectations and assumptions at the time of publication of this presentation and there can be no assurance that these estimates, expectations and assumptions are or will prove to be accurate. Furthermore, the forward-looking statements are subject to risks and uncertainties including (without limitation) the risk that CECONOMY shareholders do not approve the transaction, future market and economic conditions, the behaviour of other market participants, investments in innovative sales formats, expansion in online and omnichannel sales activities, integration of acquired businesses and achievement of anticipated cost and tax savings and productivity gains, and the actions of public authorities and other third parties, many of which are beyond our control, that could cause actual results, performance or financial position to differ materially from any future results, performance or financial position expressed or implied in this presentation.

Accordingly, no representation or warranty (express or implied) is given that such forward-looking statements, including the underlying estimates, expectations and assumptions, are correct or complete. Readers are cautioned not to place reliance on these forward-looking statements. See also "Opportunity and Risk Report" in CECONOMY's most recent Annual Report for risks as of the date of such Annual Report. We do not undertake any obligation to publicly update any forward-looking statements or to conform them to events or circumstances after the date of this presentation. This presentation is intended for information only, does not constitute a prospectus or similar document and should not be treated as investment advice. It is not intended and should not be construed as an offer for sale, or as a solicitation of an offer to purchase or subscribe to, any securities in any jurisdiction. Neither this presentation nor anything contained therein shall form the basis of, or be relied upon in connection with, any commitment or contract whatsoever. CECONOMY assumes no liability for any claim which may arise from the reproduction, distribution or publication of the presentation (in whole or in part). The third parties whose data is cited in this presentation are neither

registered broker-dealers nor financial advisors and the permitted use of any data does not constitute financial advice or recommendations.

This presentation contains forecasts, statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data on the Company's business and markets (together the "market data") provided by third party sources as interpreted by us. This market data is, in part, derived from published research and additional market studies prepared primarily as a research tool and reflects estimates of market conditions based on research methodologies including primary research, secondary sources and econometric modelling. We want to point out that part of the market data used has been collected in the framework of a market survey carried out as a panel observation. The panel is a regular survey monitoring sales of specific products and product categories, using a range of distribution channels including internet, retail outlets (e.g. high street, mail order) and companies (e.g. resellers). The market data does not represent actual sales figures globally or in any given country; rather, the market data represents a statistical projection of sales in a given territory and is subject to the limitations of statistical error and adjustments at any time (e.g. reworks, changes in panel structure). The representativeness of the market data may be impacted by factors such as product categorization, channel distribution and supplier universe identification and statistical sampling and extrapolation methodologies. The market data presented is based on statistical methods and extrapolation.

In addition, market research data and trend information as interpreted or used by CECONOMY is based on certain estimates and assumptions and there can be no assurance that these estimates and assumptions as well as any interpretation of the relevant information by CECONOMY are accurate. The market research institutes which data CECONOMY used as basis for this presentation are neither registered broker dealers nor financial advisors and the permitted use of any market research data does not constitute financial advice or recommendations.

Historical financial information contained in this presentation is mostly based on or derived from the consolidated (interim) financial statements for the respective period. Financial information with respect to the business of MediaMarktSaturn Retail Group is particularly based on or derived from the segment reporting contained in the aforementioned consolidated (interim) financial statements. The information contained in this presentation may comprise financial and similar information which is neither audited nor reviewed and should be considered preliminary and subject to change.

Such financial information is not necessarily indicative for the operational results, the financial position and/or the cash flow of the CECONOMY business on a stand-alone basis neither in the past nor in the future and may, in

particular, deviate from any historical financial information based on corresponding combined financial statements with respect to the CECONOMY business. Given the aforementioned uncertainties, (prospective) investors are cautioned not to place undue reliance on any of this information. No representation or warranty is given and no liability is assumed by CECONOMY AG, express or implied, as to the accuracy, correctness or completeness of the information contained in this presentation.

This presentation contains certain supplemental financial or operative measures that are not calculated in accordance with IFRS and are therefore considered as non-IFRS measures. We believe that such non-IFRS measures used, when considered in conjunction with (but not in lieu of) other measures that are computed in accordance with IFRS, enhance the understanding of our business, results of operations, financial position or cash flows. There are, however, material limitations associated with the use of non-IFRS measures including (without limitation) the limitations inherent in the determination of relevant adjustments. The non-IFRS measures used by us may differ from, and not be comparable to, similarly-titled measures used by other companies. Detail information on this topic can be found in CECONOMY's Annual Report 2020/21, pages 29-32.

All numbers shown are as reported, unless otherwise stated. All amounts are stated in million euros (€ million) unless otherwise indicated. Amounts below €0.5 million are rounded and reported as 0. Rounding differences may occur.

In the document, the term "CECONOMY" will be used (for simplicity reasons) also in situations where the business of MediaMarktSaturn Retail Group is concerned.



1

COMPANY PROFILE

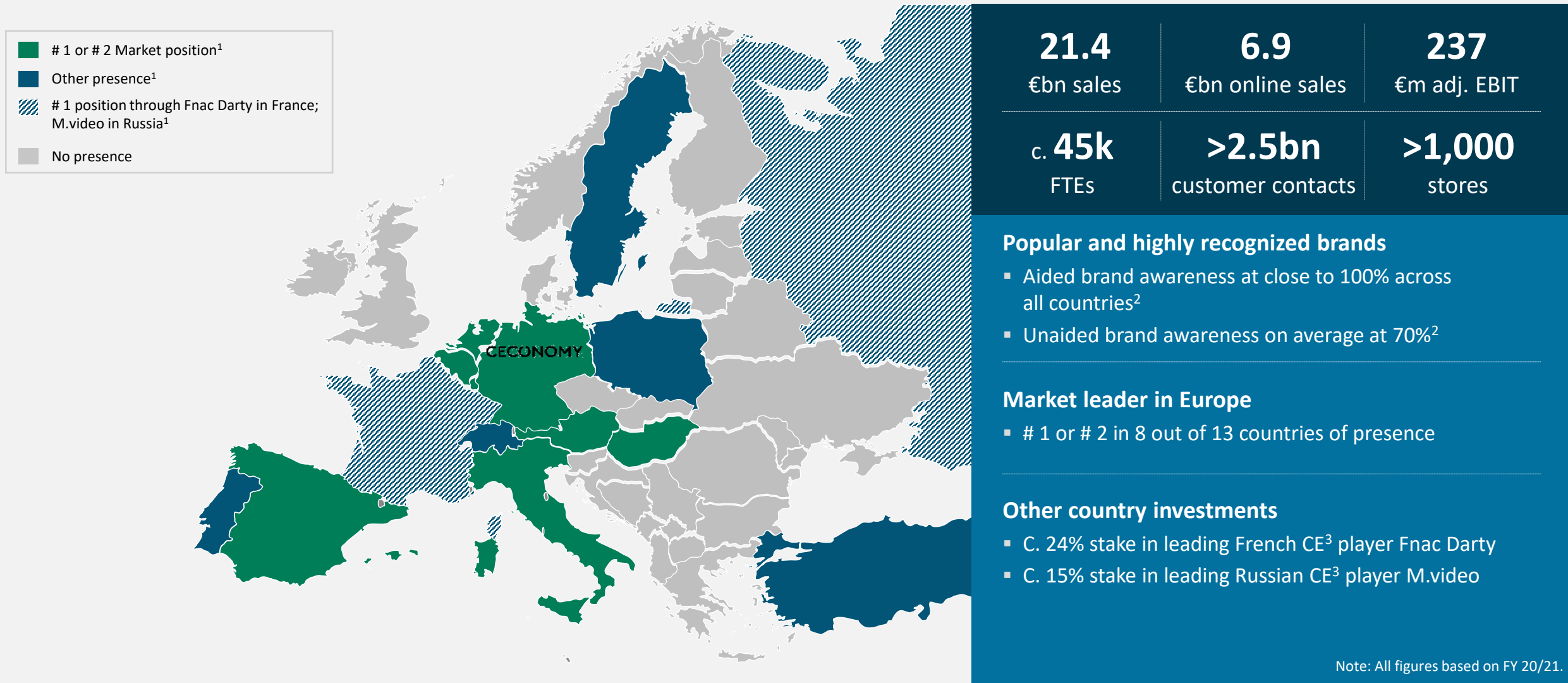
2

WAY FORWARD

3

Q3 21/22 SNAPSHOT

We are the largest and well known Consumer Electronics specialist in Europe



¹Source: Own CECONOMY analysis based on market research data by GfK and further market research sources. ²Source: Kantar, Brand Health Tracking. ³Consumer Electronics.

How we are re-inventing ourselves

From

To

Achievements

Transaction



Experience

NPS improvement
Services & Solutions as key differentiator

Decentral



Smart central

Organizational re-design implemented,
and cost targets overachieved
Logistics optimization

Bricks & Mortar



Omnichannel

65% online growth in FY 20/21
New store formats

Fixing



Creating

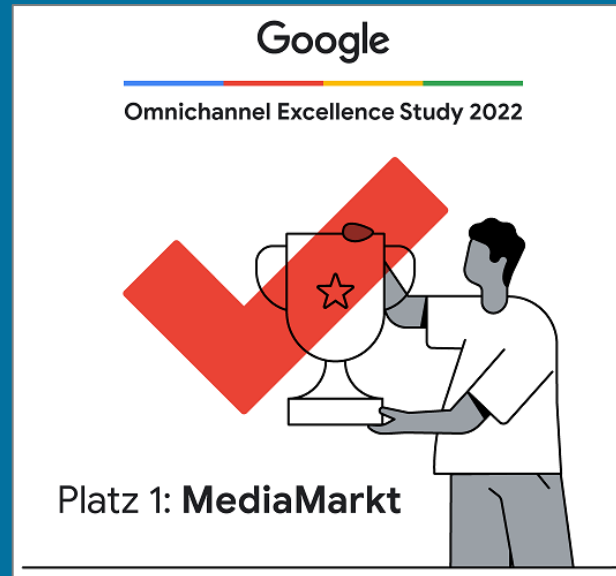
Marketplace expansion
Extended assortment

We are receiving recognition for our efforts and our progress

#1 in customer satisfaction



Omnichannel player

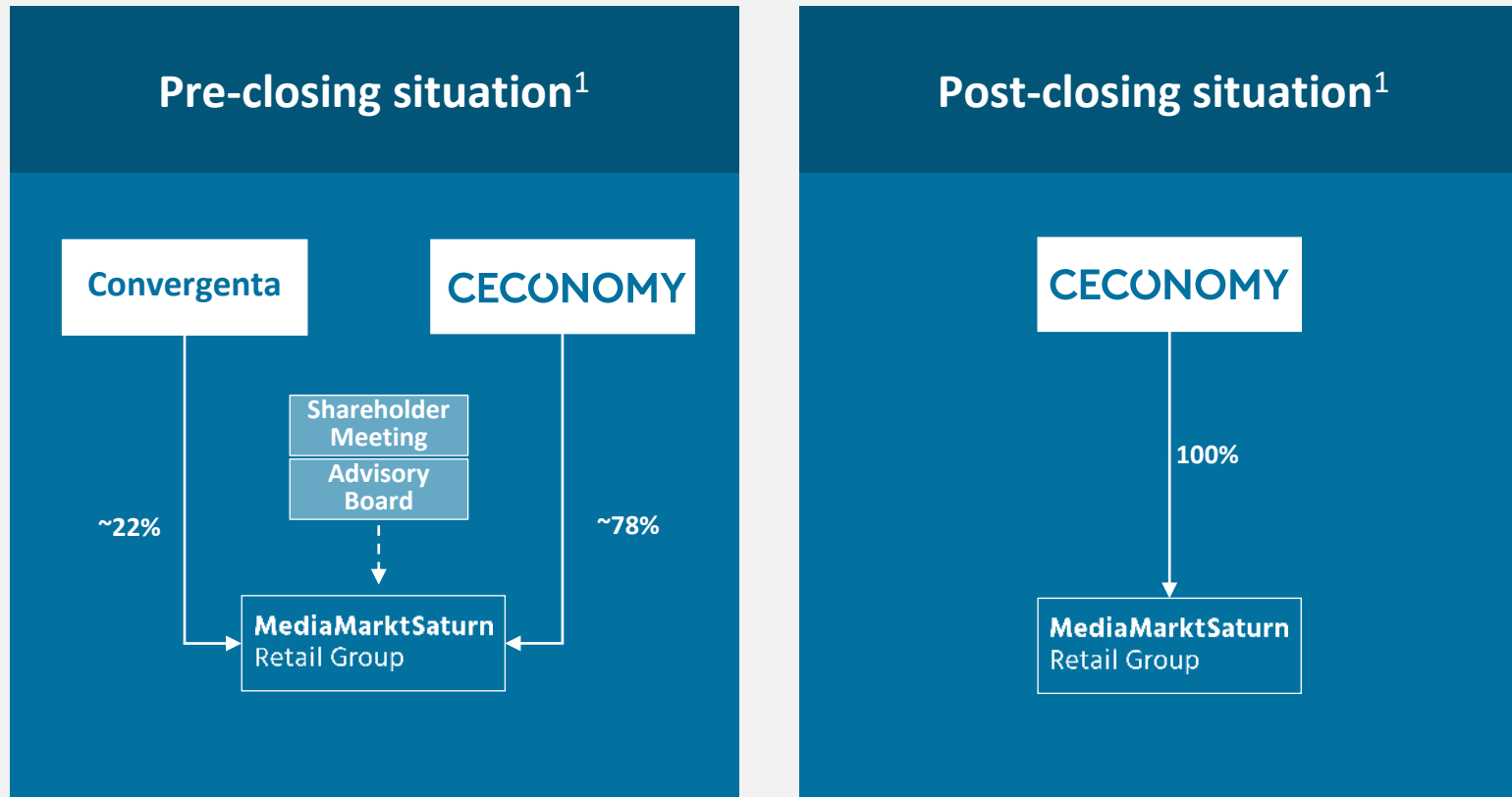


Leading ESG player

Best German ESG Retailer 2022



Convergenta transaction: We are simplifying our structure and governance



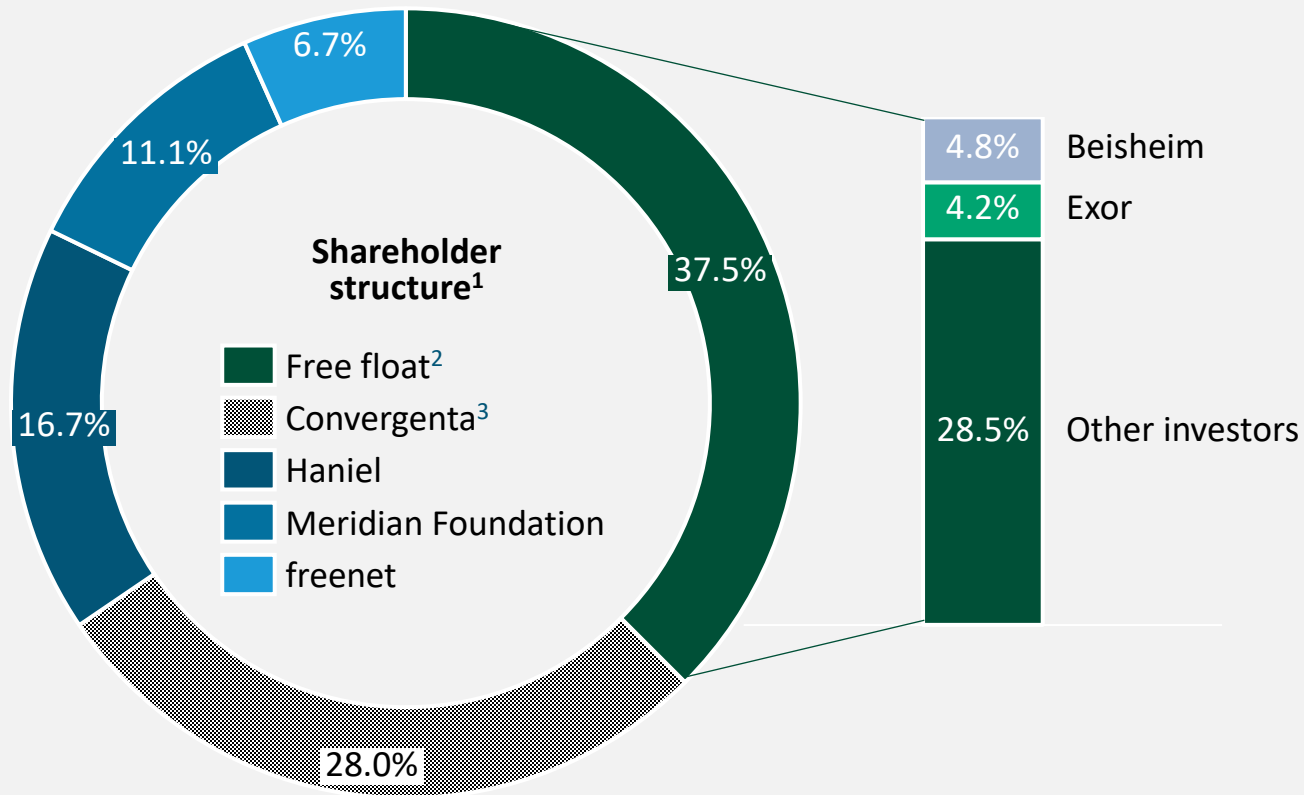
Transaction closed at the beginning of June 2022

Simplification & strong value creation

- ▶ Fewer committees, accelerated decision-making and full focus on operations
- ▶ Unified shareholder structure
- ▶ Use of existing tax loss carry-forwards amounting to ~1.1 €bn for corporate income tax and ~1.5 €bn for trade tax²
- ▶ Transaction mainly financed by capital increase, limited debt and cash component

¹Simplified presentation. ²Partly relating to assessment periods still subject to usual tax audits.

Shareholder structure and number of shares after conversion of preference shares and Convergenta transaction



Original # of ordinary shares:	356,743,118
# of converted preference shares:	2,677,966
# of new ordinary shares:	125,800,000
Total # of ordinary shares:	485,221,084

¹Shareholder structure with 485,221,084 shares totalling from capital increase against contributions in kind (incl. ordinary and converted preference shares); based on voting rights notifications pursuant to sections 33 et. Sec WpHG (excl. instruments); as of 09/06/2022.

²Free float as defined by Deutsche Börse (German Stock Exchange).

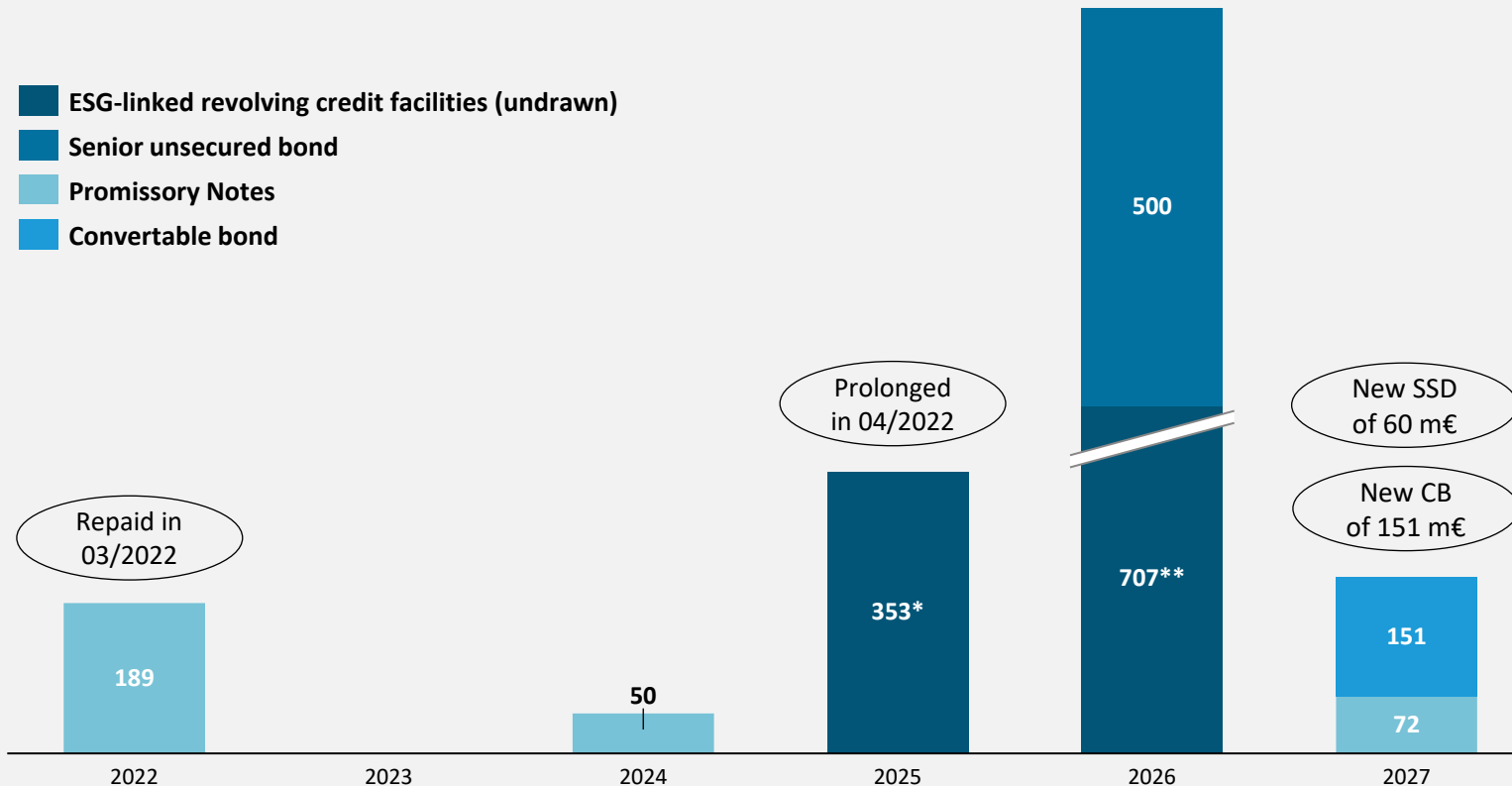
³Convergenta can increase its shareholding further via conversion of new convertible bonds. This corresponds to Convergenta's intention of becoming a long-term anchor shareholder with a stake of up to 29.9% of ordinary shares.

CECONOMY sustainably secured its financial flexibility with an extended, long-term maturity profile



Post-pandemic financing structure (€m)

- ESG-linked revolving credit facilities (undrawn)
- Senior unsecured bond
- Promissory Notes
- Convertible bond



* With one one-year extension options; first extension option executed in 04/2022

** With two one-year extension options (2023/2024)

- ▶ **Revolving Credit Facilities (RCF):** first extension option was used to extend the 3-year facility by one year until May 2025 → all bank partners have extended their commitment (As of Aug 31 completely undrawn)
- ▶ Issuance of 60 m€ **Promissory Notes (SSD)** in 06/2022 to strengthen long-term funding of the group
- ▶ **Convertible bond (CB)** issuance as part of the full takeover of MediaMarktSaturn in 06/2022



1

COMPANY PROFILE

2

WAY FORWARD

3

Q3 21/22 SNAPSHOT

Outlook FY 21/22: Adjusted due to adverse macro conditions

Updated guidance FY 21/22

Sales¹:
On PY level

[20/21: €21,361 m]

Adj. EBIT²:
€150 m to €210 m

[20/21: €237 m]

Underlying assumptions

The previous outlook assumed that consumer sentiment would improve after COVID-19 and that inflation would return to normal. The situation has been deteriorating since May, and so these assumptions were no longer valid.

The updated outlook assumes for Q4 21/22

- ▶ Adverse macro conditions to remain
- ▶ Russian war against Ukraine will not reach another crisis level and will not cause additional negative impact in Europe
- ▶ Energy supply shortages will not lead to new far-reaching restrictions on the retail sector
- ▶ Future COVID-19 restrictions will not affect the retail sector

¹Adj. for currency and portfolio change effects, pre IAS 29. ²Excl. associates, adj. for portfolio changes, pre IAS 29 and excl. non-recurring effects.

CECONOMY's focus for Q4 21/22 and beyond: Strengthening our competitive position and gain market share

Navigating through the storm

Cost & margin protection

- Leveraging market position in campaigning and negotiations
- Adjustment of cost structure

Liquidity management

- RCF of €1.06 bn entirely undrawn
- Extended maturity profile

Executing our omnichannel strategy

Customer experience

- Continued focus on NPS
- New global brand campaign
- New MM membership program in Germany

Online expansion

- Go-live marketplace in Austria
- Launch of new functionalities

Store landscape

- 4 new lighthouses until Oct
- 275 refreshed stores at the end of Q4 and additional 250 stores scheduled for FY 22/23

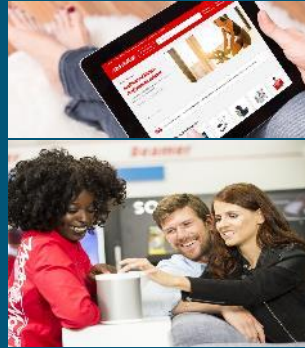
ESG

- Trade-in proposition available in all countries
- Campaigns to guide customer towards sustainable offering

Very good position to accelerate our omnichannel strategy

>2.5 bn

Customer touchpoints per year across all channels



2nd largest consumer electronics webshop in Europe¹

3rd largest webshop overall in Germany²

6.9 €bn
(online sales)

8 countries

#1 and #2 market leading position



14 million online orders were picked up in our stores, with additional cross-selling opportunity

38% pick-up rate

Note FY 20/21 figures. ¹Own analysis based on company reports. ²This refers to the MediaMarkt and Saturn webshops combined. Source: EHI – E-Commerce Markt Deutschland 2021.

Key strategic areas



Continuous improvement of **customer experience** through new service standards & processes



Growing **online business** and expansion of **marketplace**



Strengthening of our B&M business by **modernizing our store landscape**



Building an integrated, **customer-centric logistics network**



Evolving **sustainability** from hygiene factor to **differentiating factor**



In summary

- ▶ We have been dealing with a deteriorating consumer climate in the course of 2022
- ▶ We are preparing ourselves for further macroeconomic headwinds and have crisis management in place
- ▶ We are increasing efficiency in our operations, in stores, online and in our logistic networks
- ▶ We are relentlessly executing our omnichannel strategy to strengthen our competitive position and gain market share



1

COMPANY PROFILE

2

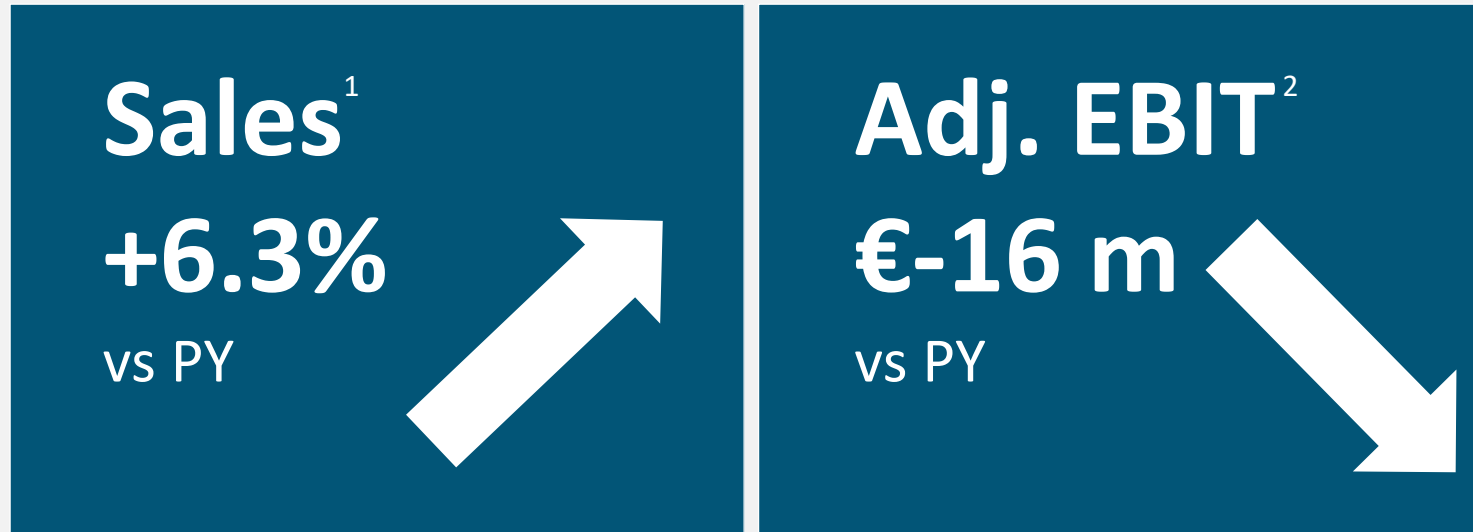
WAY FORWARD

3

Q3 21/22 SNAPSHOT

Q3 21/22: Gloomy market climate

Results Q3 21/22



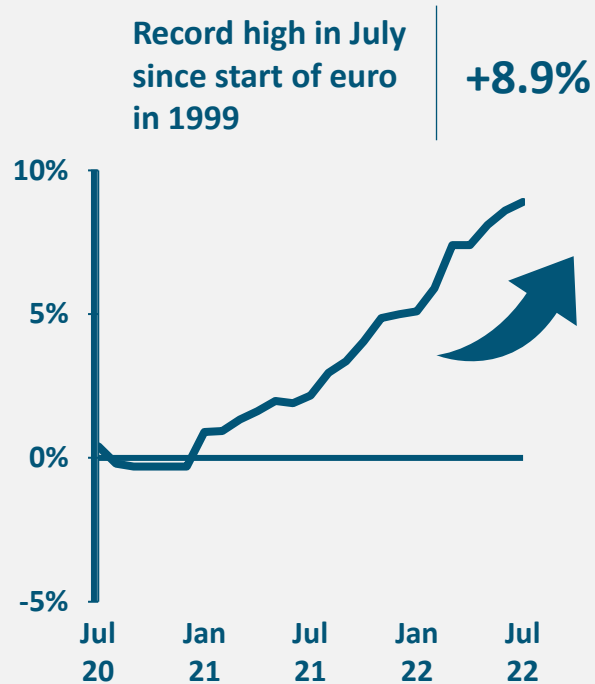
Key developments in Q3

- + Market share gain of 0.4%-points³
- + NPS improved by 6 point to 53
- + Convergenta transaction closed
- Macro environment deteriorated
- Sales trend slowed down considerably since June
- Lack of governmental subsidies; COVID-19 support of €45 m in PY

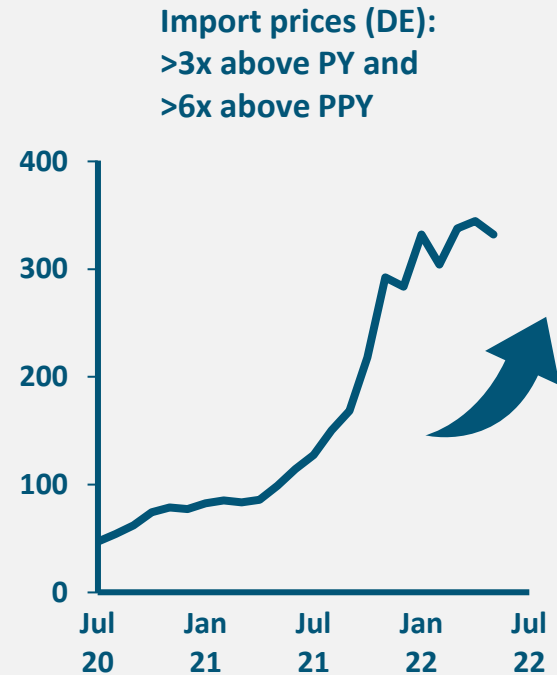
¹Adj. for currency and portfolio change effects, pre IAS 29. ²Excl. associates, adj. for portfolio changes, pre IAS 29 and excl. non-recurring effects. ³Based on information published by the market research institute GfK.

Macroeconomic environment characterized by accelerating inflation and declining consumer confidence

European inflation¹

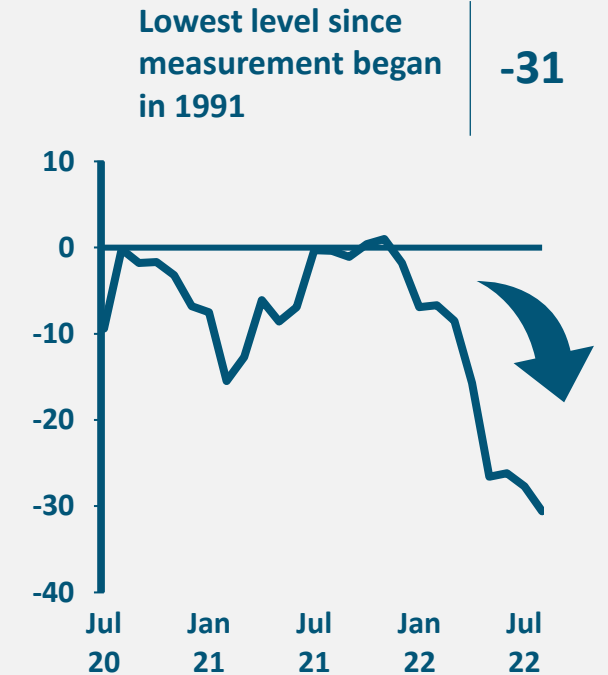


Gas price development²



Calendar year 2015 = 100

German consumer sentiment³



Long-term average = 0

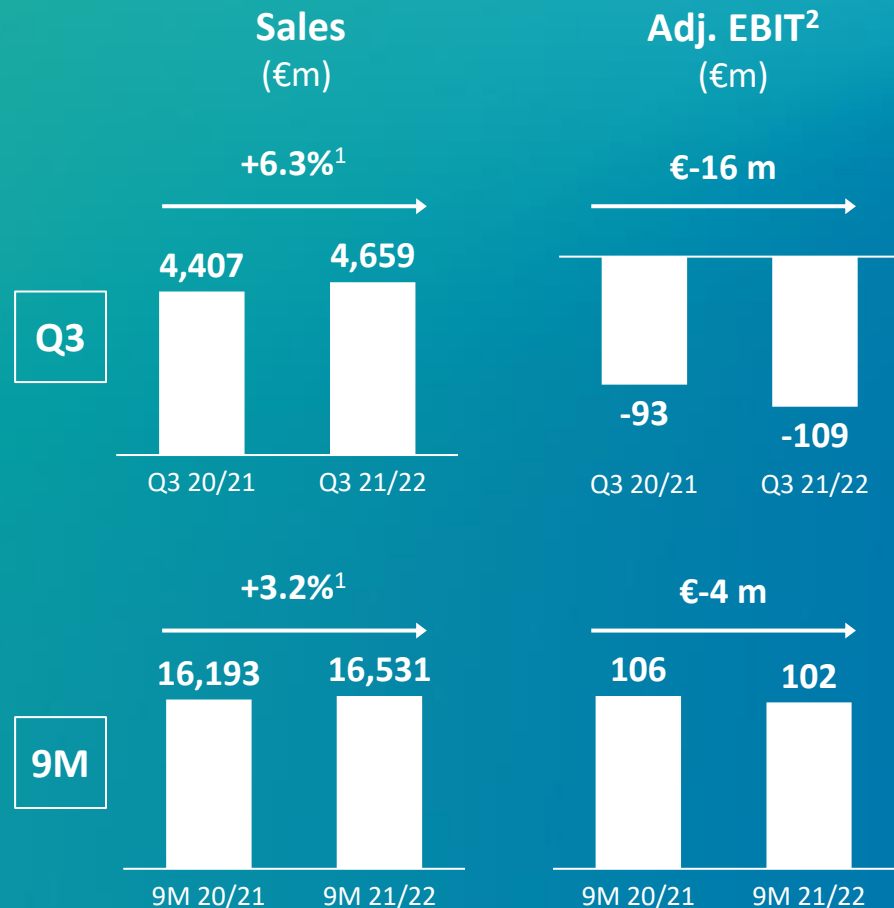
¹Eurostat – Harmonised index of consumer prices (HICP) for Euro area. ²Statistisches Bundesamt – Index for natural gas import prices to Germany. ³GfK – consumer climate index for Germany (estimate for August).

Targeted action plan to manage current challenges

Task force set up to manage the crisis

Cost control & margin protection	Create market momentum	NWC and stock management	Prepare for potential gas restrictions (DE/AT)
<p>Reasonable price increases</p> <p>OPEX reduction wherever possible</p>	<p>New promotions and campaign formats</p> <p>Additional supplier support</p>	<p>Active stock management</p> <p>Combination of high product availability and improved stock ageing</p>	<p>Energy-saving measures in stores</p> <p>Alternative heating solution to gas</p>

Deteriorating consumer sentiment after solid start into Q3



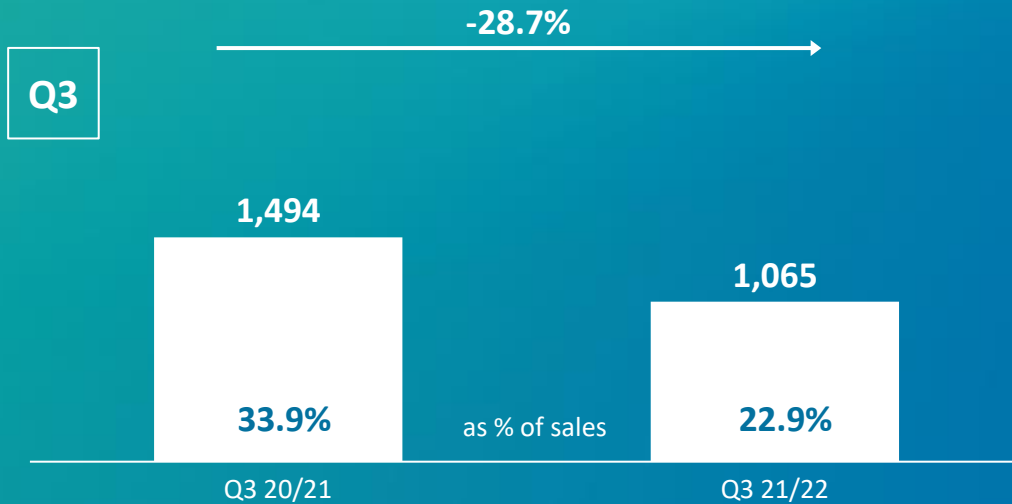
- ▶ Sales growth driven by Eastern Europe and DACH against a COVID-19 impacted PY base; however, sales trend reversed during Q3 due to deteriorating consumer sentiment
- ▶ EBIT negatively impacted by DACH, where sales growth was outweighed by a challenging competitive environment, inflationary cost increases and COVID-19 subsidies in PY
- ▶ 9M sales above PY driven by recovery of brick & mortar business
- ▶ 9M adj. EBIT broadly on PY level; earnings growth in Western & Southern Europe and Eastern Europe almost offsets the decline in DACH

¹Adj. for currency and portfolio change effects, pre IAS 29. ²Excl. associates, adj. for portfolio changes, pre IAS 29 and excl. non-recurring effects.

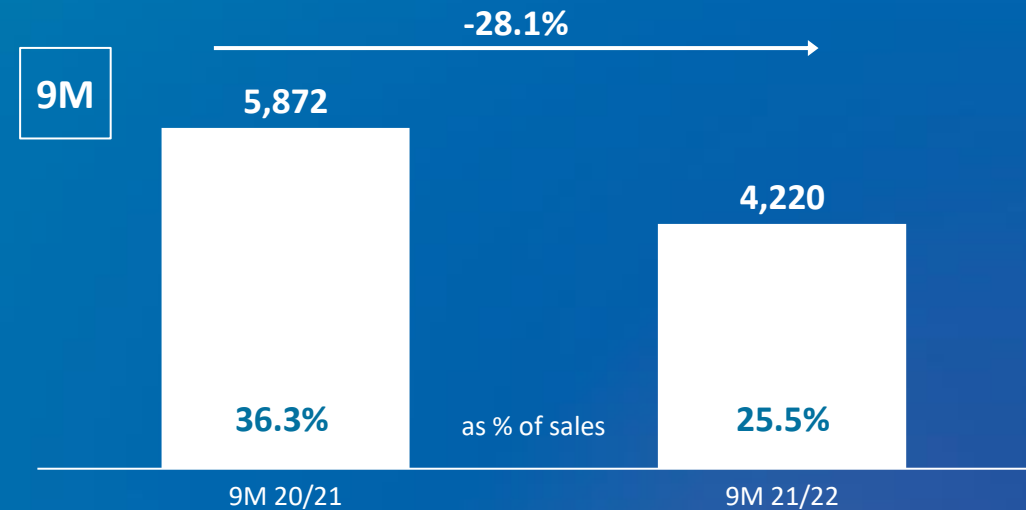
Online sales share remains clearly above pre-COVID-levels



Online sales (€m)



- ▶ Online sales in line with expectations and nearly doubled compared to pre-pandemic levels (Q3 18/19: 13.0%)
- ▶ Higher offline share in current year thanks to no COVID-19 restrictions in Q3

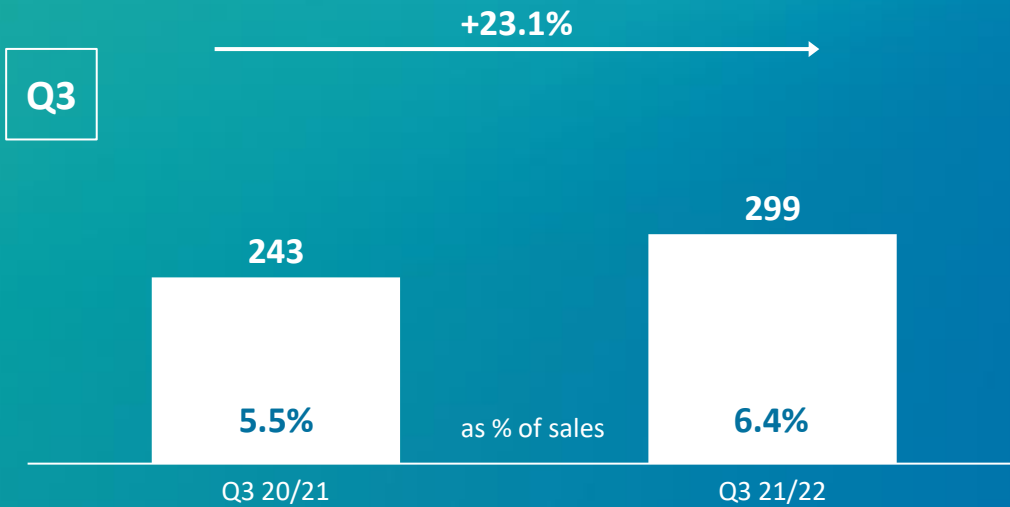


- ▶ Online sales benefit from higher order value; continued elevated online sales share in an environment with few COVID-19 restrictions
- ▶ Online affinity of customers remains especially high in DE and NL; pick-up ratio for the group at 36% (9M 20/21: 37%)

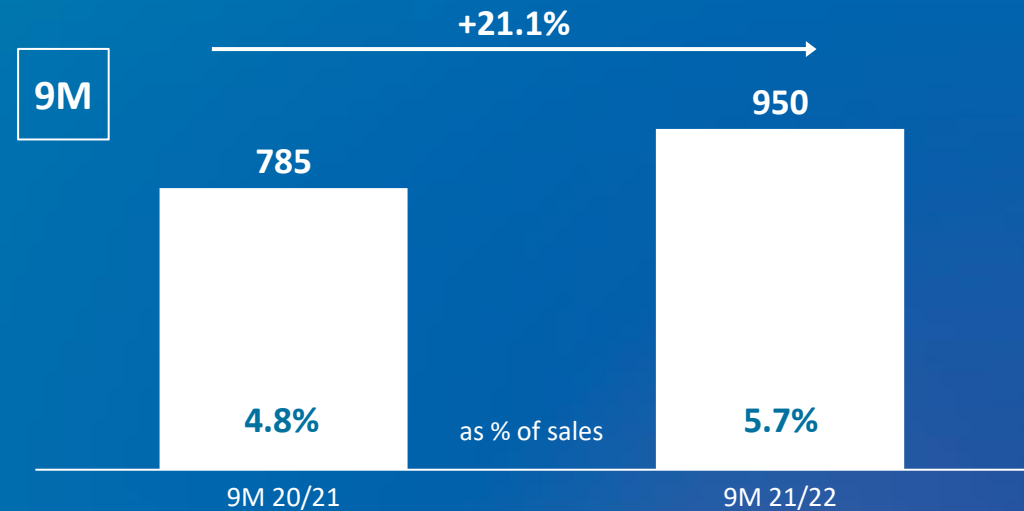
Services & Solutions business with continued encouraging development



Services & Solutions sales (€m)



- ▶ Strong growth in Services & Solutions continued in Q3 and resulted in the highest sales share since Q4 18/19
- ▶ Services & Solutions sales increased in all service categories, especially mobile contracts and financing



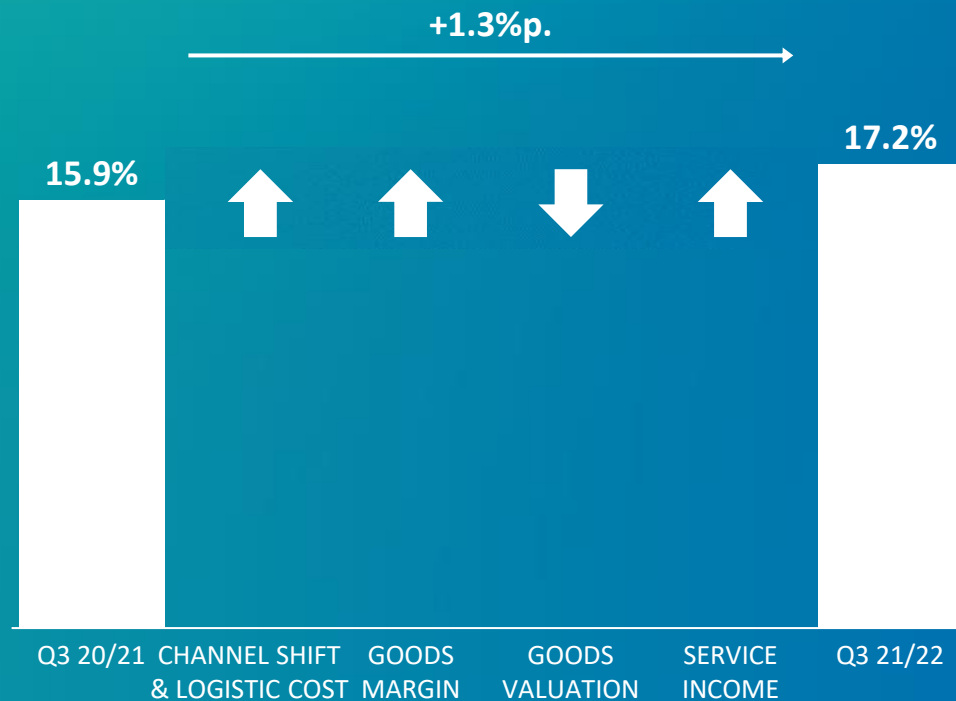
- ▶ Double digit sales growth in Services & Solutions as a result of the recovery of B&M business and operational progress
- ▶ Attach rate of Services & Solutions increased significantly, driven by both, online and offline

Services & Solutions fuelled gross margin improvement versus weak prior year



Gross margin¹
(as % of sales)

Q3



- ▶ Recovery of stationary business in Q3 influenced gross margin positively
- ▶ Goods margin slightly improved vs COVID-19 affected PY; margin recovery dampened by rising inflation and competitive environment
- ▶ Stock ageing leading to slight deterioration of goods valuation
- ▶ Continued growth of Services & Solutions drives gross margin improvement

¹Excl. non-recurring effects and adj. for portfolio changes.

Q&A



Florian Wieser

Contact

CECONOMY AG

Kaistr. 3
40221 Düsseldorf
Germany

Investor Relations

PHONE +(49) 211 5408-7222

EMAIL IR@ceconomy.de

<https://www.ceconomy.de/en/investor-relations/>

Creditor Relations

PHONE +(49) 211 5408-7245

EMAIL creditor-relations@ceconomy.de

<https://www.ceconomy.de/en/investor-relations/fixed-income-ratings/>

Financial calendar

**Q4/FY 21/22
trading statement**

26 OCTOBER 2022



**Q4/FY 21/22
results**

15 DECEMBER 2022



Upcoming events

SdK virtual company presentation
(in German)

14 SEPTEMBER 2022



**Baader
Investment Conference**

20 SEPTEMBER 2022

