

FACT SHEET Q4/FY 2021/22

Q4 2021/22

- **Sales** adjusted for currency effects, portfolio changes and pre IAS 29¹ increased by +3.6% yoy (+4.1% on a like-for-like basis), despite adverse sector-related headwinds, supported by elevated and focused marketing campaigns
- **Online sales** rose by +6.3 % yoy to €1.1 bn compared to undistorted PY; online sales share at 21.5% of total sales (Q4 2020/21: 20.5%); pick-up ratio of 40%, providing relevant cross- and upselling opportunities
- **Services & Solutions sales** increased by +22.9% yoy, amounting to 7.4% of total sales (Q4 2020/21: 6.1%); which is the highest recorded quarterly sales share. All service categories showed high demand, especially GSM/contracts and financing
- **Adjusted EBIT² excl. associates** decreased by €–36 m yoy to €95 m (Q4 2020/21: €131 m); primarily due to pressure on goods margin, which overcompensated higher income contribution from Services & Solutions business
- **Reported EBIT** declined by €–49 m yoy to €45 m mainly due to operational development and slightly higher non-recurring negative earning effects
- **Undiluted EPS³** increased by €+0.13 yoy to €0.25 € supported by first-time recognition of tax benefits from Convergenta transaction through profit or loss

FY 2021/22

- **Sales** adjusted for currency effects, portfolio changes and pre IAS 29¹ increased by +3.2% yoy (+3.5% on a like-for-like basis) thanks to recovery in brick & mortar and strong growth in Services & Solutions business
- **Online sales** back to normalized levels compared to extraordinary COVID-19 supported previous years, declined by –22.9% yoy to €5.3 bn; online sales share remained on elevated level and reached 24.6% of total sales (FY 2020/21: 32.5%)
- **Services & Solutions sales** increased by +21.6% yoy to €1.3 bn, accounting for 6.2% (FY 2020/21: 5.2%) of total sales; significant growth of Services & Solutions income and sales nearly across all service categories, especially GSM/contracts and SmartBar services
- **16 store openings** (mainly in Turkey, Hungary, Italy, Spain) and **10 store closures** (mainly in Germany); average store size reduced by –4% to 2,454 sqm

- **Adjusted EBIT² excl. associates** dropped by €–40 m yoy to €197 m (FY 2020/21: €237 m), which was affected by increased competition, high inflation, low consumer sentiment and the absence of COVID-19 subsidies
- **Reported EBIT** decreased by €–221 m yoy to €105 m, which is due to an impairment of the Fnac Darty S.A. stake (€–56 m) while PY had benefitted from an impairment reversal (€+150 m)
- **Reported Tax rate** at –163.7% (FY 20/21: 17.8%) is mainly affected by the first-time recognition of tax benefits from Convergenta transaction (€195 m) at the level of CECONOMY AG following the Convergenta transaction
- **Undiluted EPS³** declined by €–0.30 yoy to €0.31, mainly due to the impairment of the Fnac Darty S.A. stake, partially offset by the first-time recognition of tax benefits from the Convergenta transaction in CY
- **Change in net working capital (NWC)** as per cashflow statement slightly decreased by €–7 m to €–361 m, mainly due to prolonged and elevated stock position, seasonal increase of back-margin receivables due to Q4 campaigns and lower regulatory payment days in Belgium
- **Cash investments** as per cash flow statement increased by €+38 m yoy to €254 m (or 1.2% of sales) due to investments for modernization including store-refresh and IT
- **Lease-adjusted Free Cash Flow⁴** stood at €–533 m and was €–263 m lower than PY; mainly due to non-recurring cash outflows and the to 2023 deferred NWC trend reversal
- **Group NPS** continues strong improvement by +5 points yoy to **50**

¹From the third quarter of 2021/22, Turkey is classified as a hyperinflationary economy. For this reason, the activities there were recognized in accordance with IAS 29 for the first time.

²Guidance-relevant EBIT excl. associates, adj. for portfolio changes, pre IAS 29 and excl. non-recurring effects.

³Average number of shares in Q4 2021/22 (485,221,084) and FY 2021/22 (400,779,988).

⁴Lease-adjusted free cash flow subtracts the repayment of lease liabilities for better FCF comparability under IFRS 16.

Outlook FY 2022/23

CECONOMY is actively preparing for a phase of high macroeconomic and geopolitical uncertainty, which also affects the outlook. We therefore consider it prudent and appropriate to present the key performance indicators in two different future scenarios with their respective assumptions. Both scenarios for sales and earnings could materialize. From today's perspective, guidance scenario 1 is more likely:

	FY 21/22	FY 22/23 Guidance scenario 1	FY 22/23 Guidance scenario 2
Fx-adjusted sales (pre IAS 29)	€21,768 m	Slight increase	Clear decrease
Adjusted EBIT (excl. associates)	€197 m	Clear increase	Clear decrease
Key assumptions	-	No deterioration of current macroeconomic conditions (inflation, customer demand, availability of goods, no overall restrictions in the retail sector); relevant market for consumer electronics shrinks moderately at most.	Less favorable development of the overall economic environment; declining demand in the consumer electronics market, which is relevant for the country portfolio.

The outlook was adjusted for portfolio changes and did not take into account the earnings effects from companies accounted for using the equity method. It also does not include non-recurring effects from efficiency increases in connection with the simplification and digitalization of central structures and processes, the streamlining of the product assortment and the strengthening of the retail brands in Germany. Accounting effects of the application of IAS 29 in Turkey as a hyperinflationary economy are likewise unaccounted for.

Financial figures at a glance¹

€m	Q4 20/21	Q4 21/22	FY 20/21	FY 21/22
Sales	5,168	5,237	21,361	21,768
thereof IAS 29 ² (hyperinflation in Turkey)	-	14	-	80
Sales development adjusted for currency and portfolio change effects	-1.0%	-1.0%	3.6%	3.2%
Like-for-like sales development	-1.2%	-1.2%	4.1%	3.5%
Gross margin	20.2%	18.3%	17.1%	17.5%
EBIT	94	45	326	105
Adjusted EBIT³	131	95	237	197
Net financial result	-34	-28	-31	-56
Tax rate	9,2%	-610.0%	17.8%	-163.6%
Profit or loss for the period	55	121	243	130
attributable to non-controlling interest	13	1	21	4
attributable to shareholders of CECONOMY AG	42	120	222	126
EPS undiluted⁴ (€)	0.12	0.25	0.62	0.31

¹Reported figures from continuing operations.

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Online and Services & Solutions

	Sales (€m)		Change Q4 21/22	In % of total sales Q4 21/22	Sales (€m)		Change FY 21/22	In % of total sales FY 21/22
	Q4 20/21	Q4 21/22			FY 20/21	FY 21/22		
Online	1,060	1,127	6.3%	21.5%	6,932	5,346	-22.9%	24.6%
Services & Solutions	318	390	22.9%	7.4%	1,102	1,340	21.6%	6.2%

Store network

	30/06/22	Openings	Closures	30/09/22	30/09/21	Openings	Closures	30/09/22
		Q4 21/22	Q4 21/22			FY 21/22	FY 21/22	
Germany	402	0	-3	399	405	1	-7	399
Austria	52	0	0	52	52	0	0	52
Switzerland	25	0	0	25	25	0	0	25
Hungary	32	4	0	36	32	4	0	36
DACH	511	4	-3	512	514	5	-7	512
Belgium	23	0	0	23	24	0	-1	23
Italy	122	0	0	122	119	3	0	122
Luxembourg	2	0	0	2	2	0	0	2
Netherlands	49	0	0	49	49	0	0	49
Portugal	10	0	0	10	10	0	0	10
Spain	107	1	-1	107	106	2	-1	107
Western/Southern Europe	313	1	-1	313	310	5	-2	313
Poland	81	0	0	81	81	0	0	81
Turkey	89	0	0	89	85	5	-1	89
Eastern Europe	170	0	0	170	166	5	-1	170
Sweden	29	0	0	29	28	1	0	29
Others	29	0	0	29	28	1	0	29
CECONOMY	1,023	5	-4	1,024	1,018	16	-10	1,024

Financial calendar

Q1 2022/23 results	Tuesday	14 February 2023
Annual General Meeting	Wednesday	22 February 2023
Q2/H1 2022/23 results	Monday	15 May 2023
Q3/9M 2022/23 results	Thursday	10 August 2023
Q4/FY 2022/23 trading statement	Thursday	26 October 2023
Q4/FY 2022/23 results	Monday	18 December 2023

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