



Results Presentation Q2/H1 2020/21

11 May 2021

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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

HIGHLIGHTS

2

FINANCIAL PERFORMANCE & OUTLOOK



1

HIGHLIGHTS

2

FINANCIAL PERFORMANCE & OUTLOOK

The second quarter again proves the resilience of our business and the steady progress of our transformation



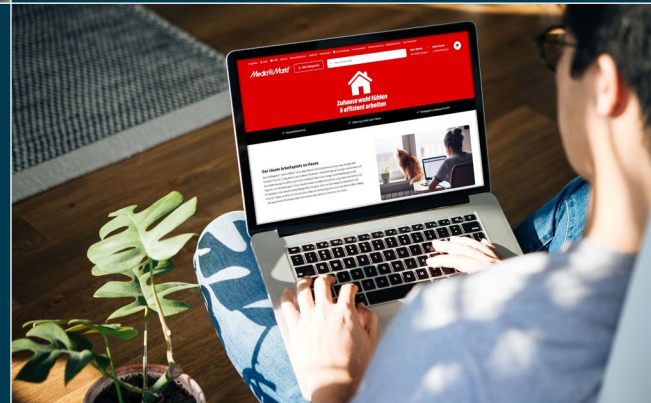
Only slight decline in sales¹ and EBIT² despite severe restrictions or prolonged lockdowns for the stationary business



In a very challenging environment, the progress of our transformation remains well on track



Outstanding performance of online business and ongoing strong consumer demand for our offerings in countries not affected by nationwide temporary store closures

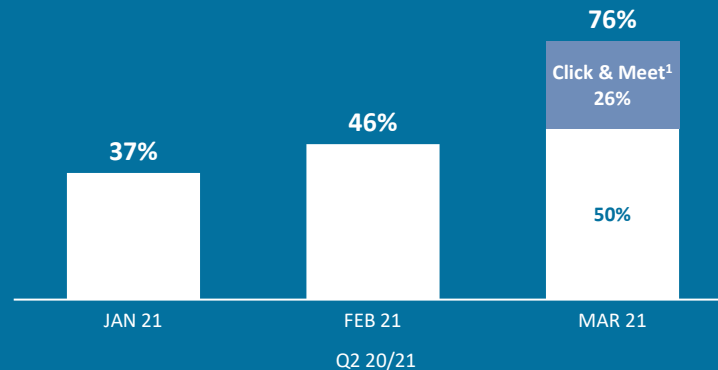
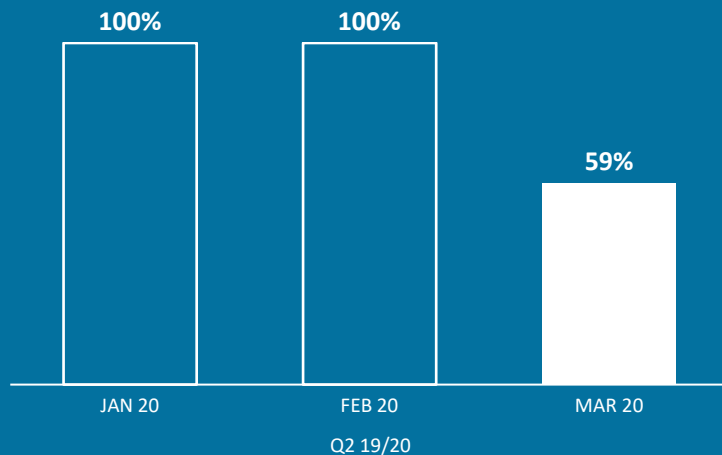


¹Adj. for currency and portfolio change effects. ²Adjusted EBIT excl. associates.

Stationary business much longer and more severely affected by COVID-19 regulations than in prior year quarter



Monthly average of open stores
(% of total stores)

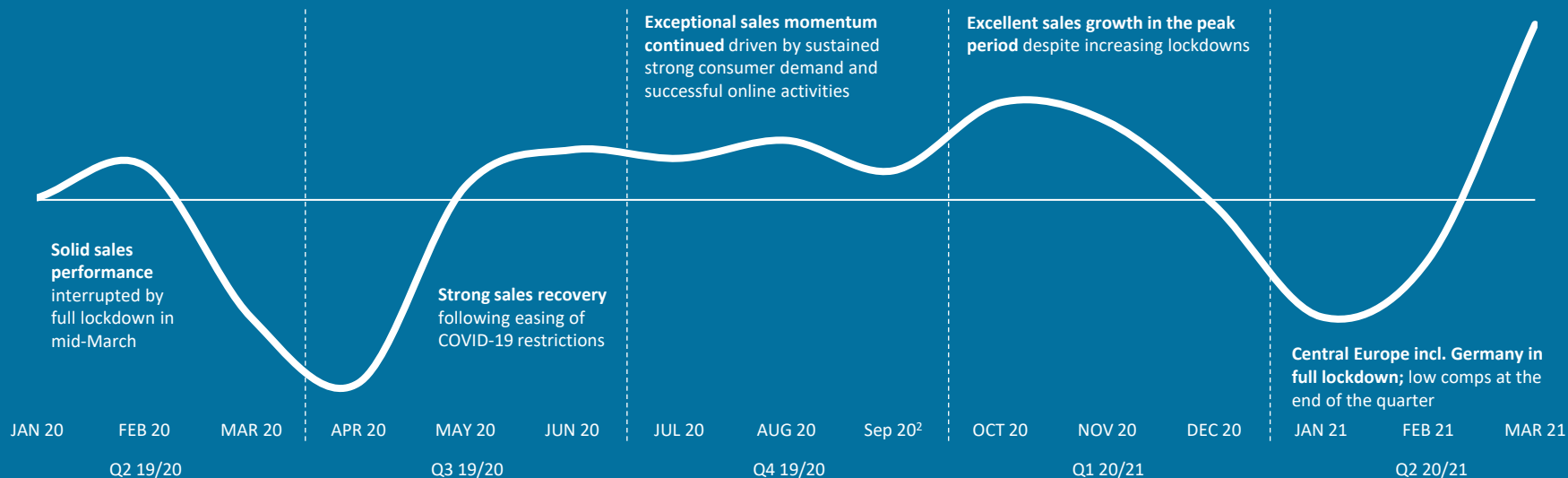


¹Several stores in Germany, the Netherlands and Belgium were only open with prior appointment ("Click & Meet"). Openings/Closures in Germany were incidence-based and thus the number of opened/closed stores changed daily.

COVID-19-related sales disruptions interfere with a positive underlying sales trend



Monthly sales¹ development during the pandemic (yoy change)



¹Adj. for currency and portfolio change effects. ²Adjusted for technical effect due to switch from agent to principal model for online sales of mobile phones and related contracts as a bundle in Germany.

In light of the persistent COVID-19 restrictions, H1 sales and earnings performance demonstrate the resilience of our business



Sales¹ development



Adj. EBIT² excl. associates vs. PY

Q2

-5.7%

Q2

-15 €m yoy

H1

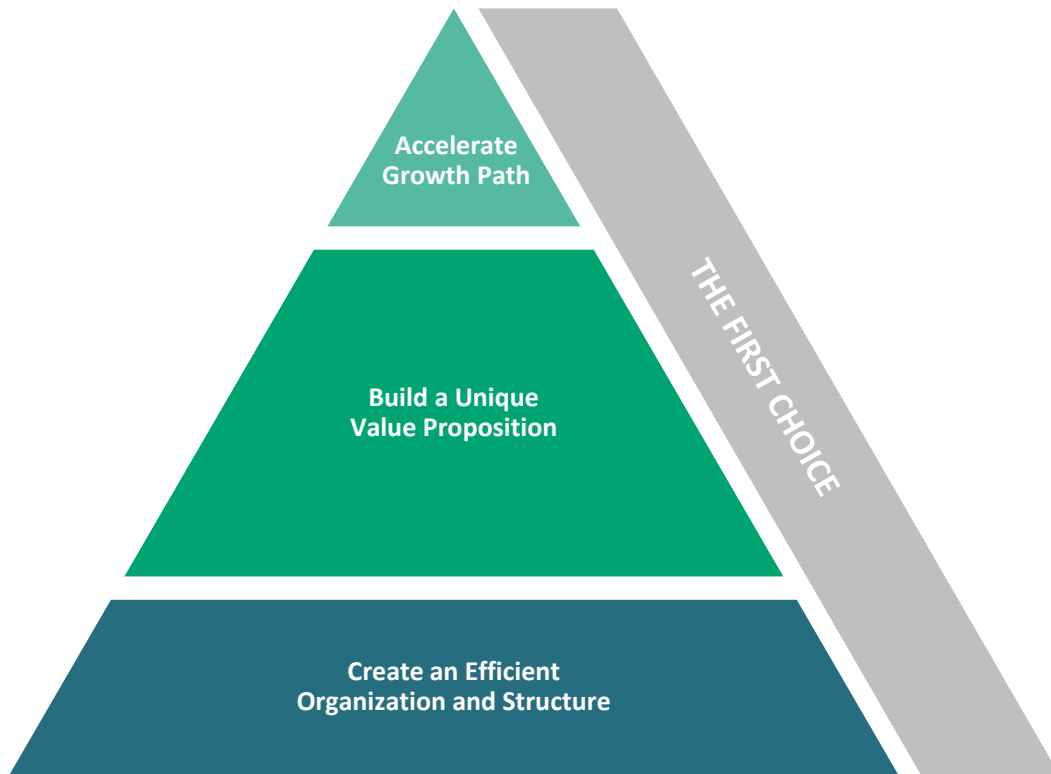
+4.5%

H1

+41 €m yoy

¹Adj. for currency and portfolio change effects. ²Adj. for portfolio changes and excl. non-recurring effects in connection with (1) COVID-19-related store closures, (2) the introduction of the new Operating Model and (3) transaction costs related to acquisition of minority shareholding in MediaMarktSaturn.

Our way forward.



We also remain on track in our transformation process



Create an Efficient Organization and Structure

- ▶ Speed of new Operating Model implementation ahead of schedule
- ▶ Global Shared Service Center in Spain fully operational



Build a Unique Value Proposition

- ▶ Implementation of monthly extended warranties subscription online
- ▶ “Passion for customer” concept successfully launched
- ▶ Successful consolidation of Spanish market (17 Worten stores)



Accelerate Growth Path

- ▶ Expansion of MediaMarkt marketplace and launch of Saturn marketplace in Germany with good initial momentum



1

HIGHLIGHTS

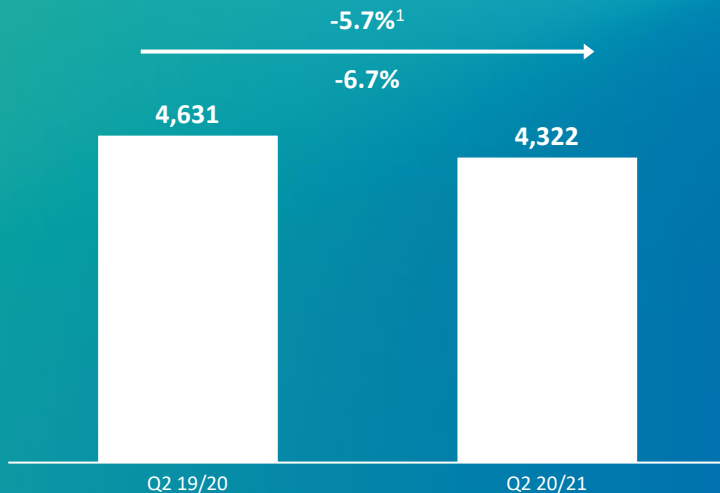
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FINANCIAL PERFORMANCE & OUTLOOK

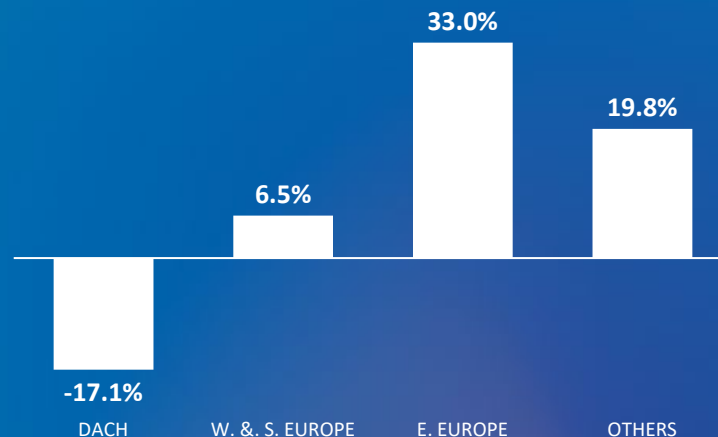
Sales performance impacted by long lasting lockdowns, especially in DACH – Strong positive trend where stationary is open



Total sales
(in €m)



Sales¹ by segment
(yoy change)

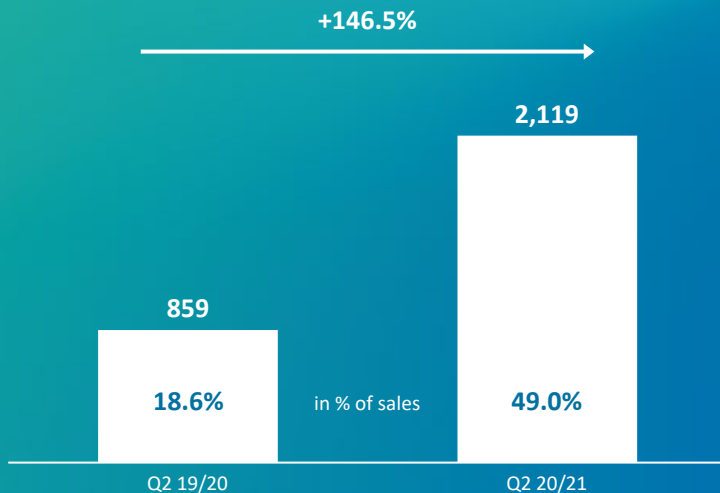


¹Adj. for currency and portfolio change effects.

Continued strong online momentum, demonstrating strength of omnichannel model



Online sales
(in €m)



▶ COVID-19 pandemic pushes online share to almost 50% of Group sales; significant increase also in countries with open stores

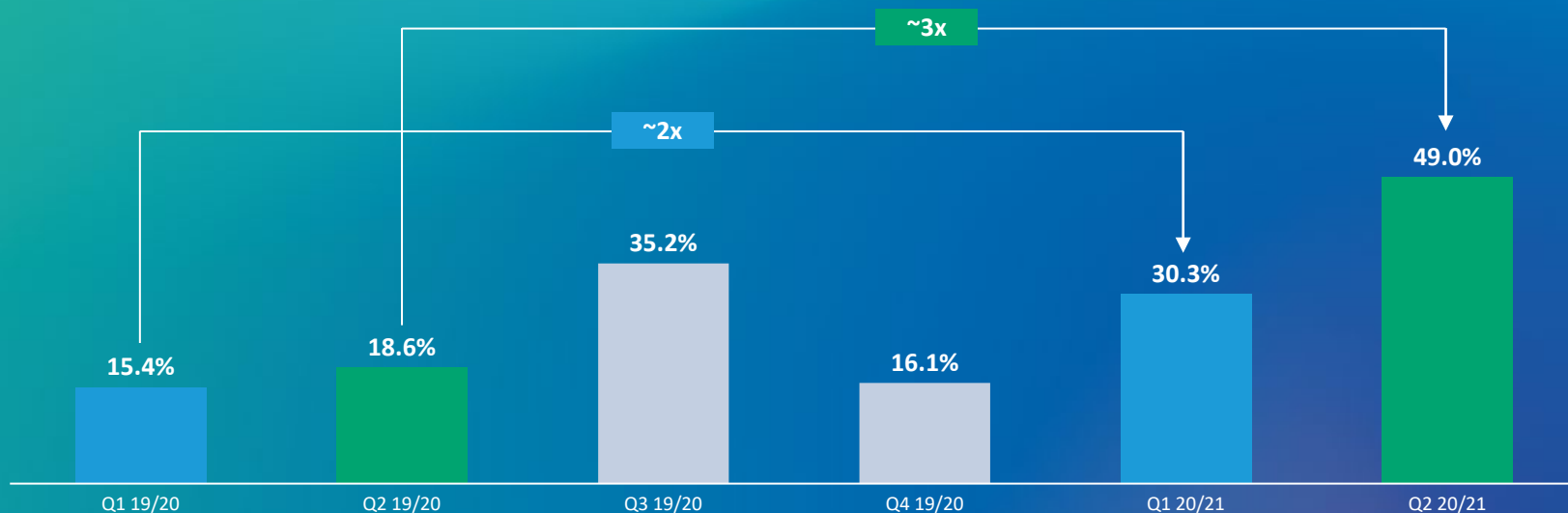
▶ Strong uplift in traffic and conversion

▶ Pick-up orders significantly up with pick-up ratio levelling at ~40% despite ongoing restrictions and significant increase of total online volume

Inhouse online sales share significantly higher than during first lockdown in early 2020 – and will likely remain on elevated level yoy



Online¹ sales
(in % of sales)



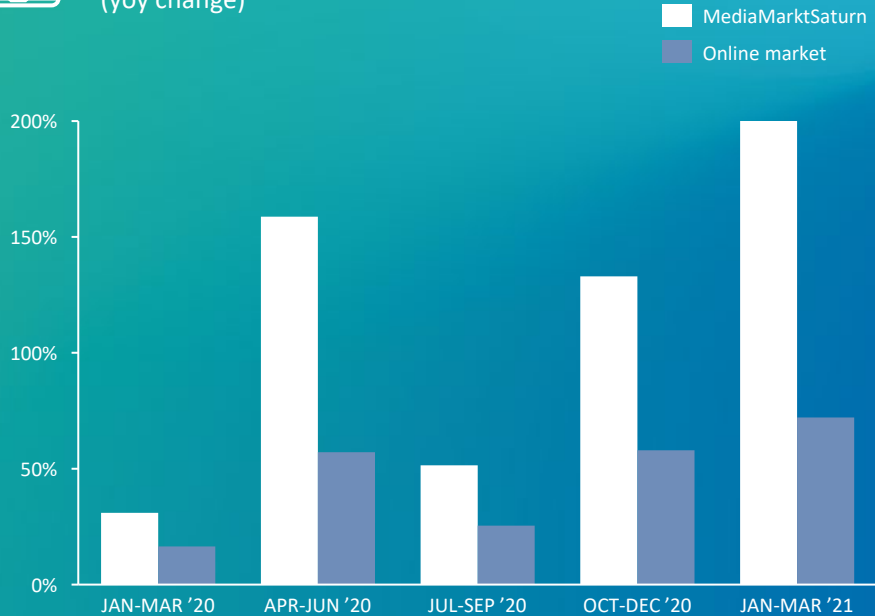
¹Excl. MediaMarkt Greece business (portfolio change).

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Especially in Germany, our online sales growth has clearly outperformed the market



Online growth in Germany (yoy change)



Significant market share gain in the online channel reaching >20% in Q2



Online market represents almost 60% of the total CE market in Germany in Q2

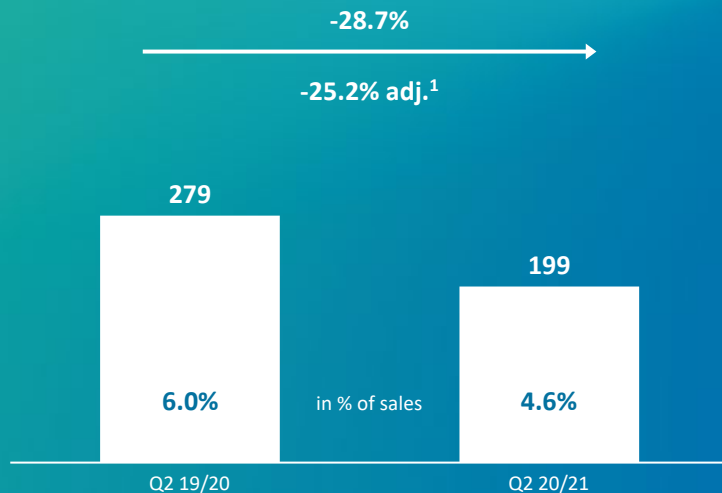
Source: Online market development for Technical Consumer Goods (TCG) based on GfK Retail Panel.

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Services & Solutions business impacted by lockdowns and lower traffic in stores



Services & Solutions sales (in €m)



▶ Subscription and power services performance down due to low B&M traffic and more transactional business during pandemic

▶ Growing penetration of online services

▶ Encouraging sales development in countries not affected by lockdown

¹Excl. a technical effect due to switch from agent to principal model for online sales of mobile phones and related contracts as a bundle in Germany.

Rising online share and COVID-19 effects weigh on gross margin development



Gross margin¹
(in % of sales)



▶ Negative impact from channel shift & logistics costs in line with rising online share

▶ Underlying operational goods margin showing improvement yoy

▶ Non-sustainable, negative impact from goods valuation driven by COVID-19-related stock aging

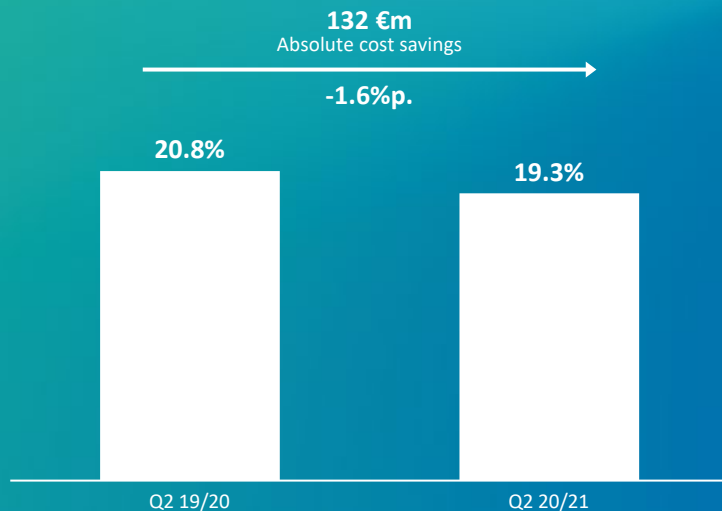
▶ Trend improvement in Q3 expected

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

Improvement in operative cost performance and support from COVID-19 cost measures



OPEX^{1,2}
(in % of sales)



Strong COVID-19-related cost mitigation



Lower personnel expenses also driven by FTE reduction and new Operating Model savings



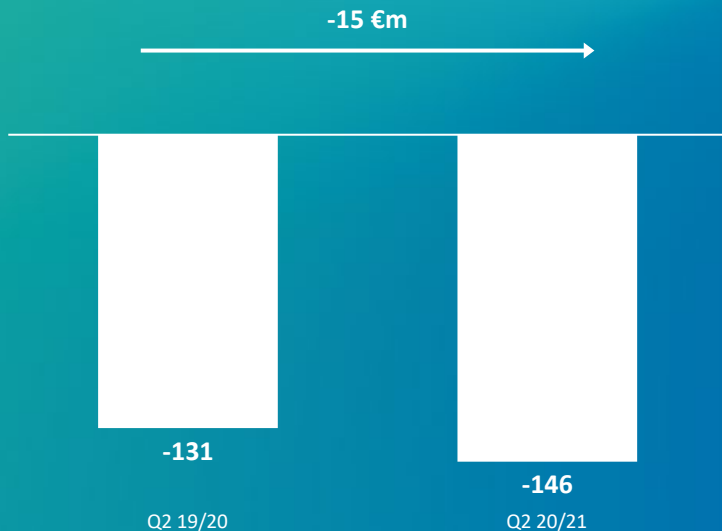
Increased transaction costs impacted by higher online business

¹Excl. non-recurring effects and adj. for portfolio changes. ²Sum of SG&A expenses and other operating expenses (excl. associates).

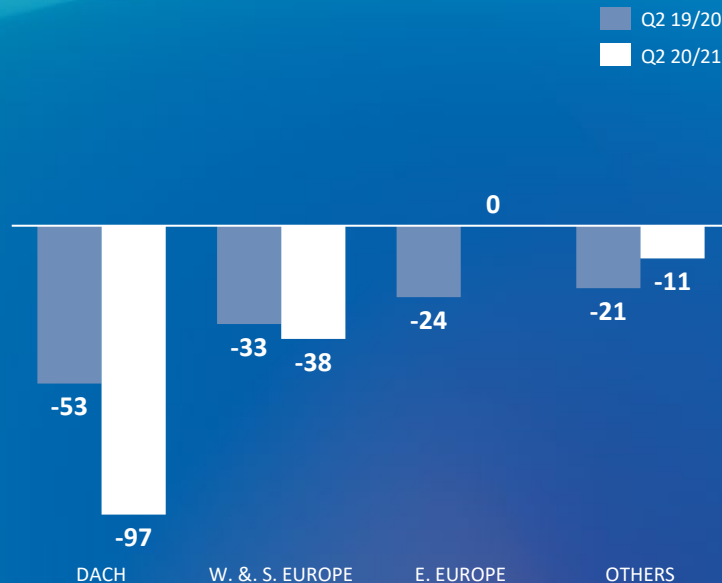
COVID-19-related sales and gross margin decline largely compensated by cost reductions – decline in DACH region driven by severe restrictions



Adj. EBIT¹ excl. associates
(in €m)



Adj. EBIT¹ excl. associates by segment
(in €m)

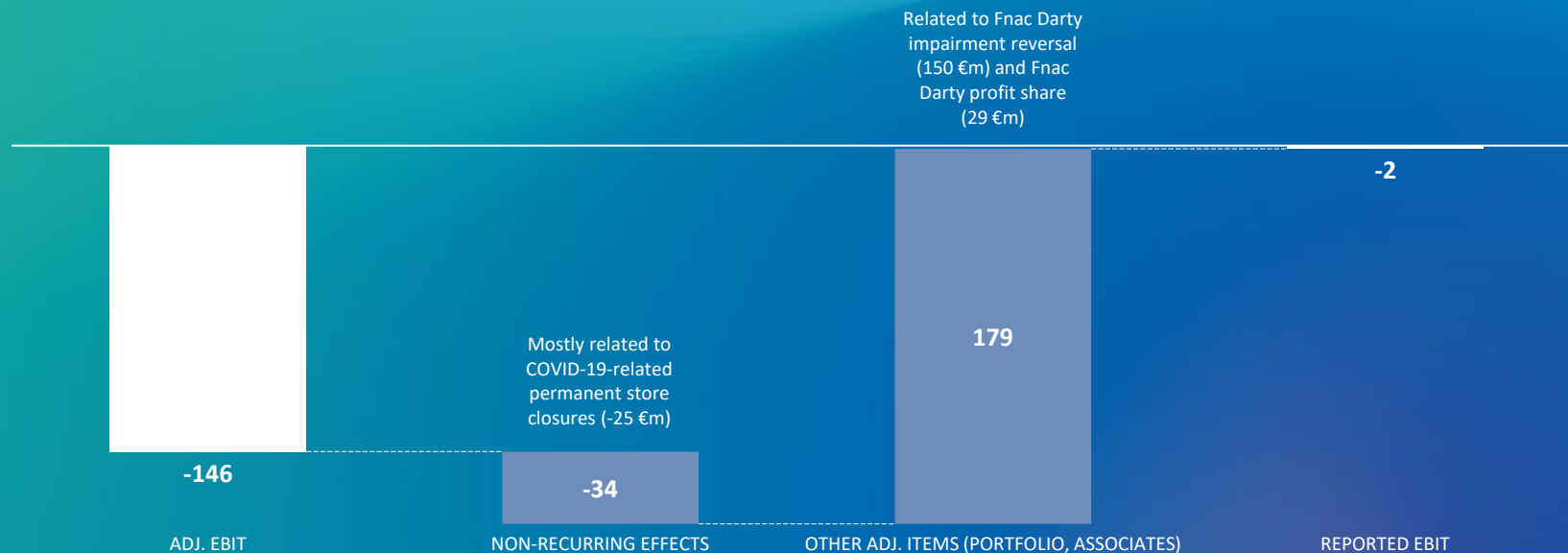


¹Excl. non-recurring effects and adj. for portfolio changes.

Reported EBIT in CY supported by Fnac Darty impairment reversal



Adj. EBIT¹ excl. associates to reported EBIT in Q2 20/21
(in €m)



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

Strong EPS improvement essentially driven by Fnac Darty impairment reversal



EBITDA to EPS
(in €m)

| €m | Q2 19/20 | Q2 20/21 | Change |
|--------------------------------------|--------------|-------------|-------------|
| EBITDA | 102 | 54 | -47 |
| EBIT | -368 | -2 | 366 |
| Net financial result | -23 | 4 | 27 |
| Earnings before taxes | -391 | 2 | 393 |
| Income taxes | 82 | 64 | -17 |
| Profit or loss for the period | -309 | 66 | 376 |
| Non-controlling interest | -15 | -27 | -12 |
| Net result | -295 | 94 | 388 |
| EPS (in €) | -0.82 | 0.26 | 1.08 |



Reported EBIT in PY impacted by Fnac Darty impairment (-268 €m), CY includes Fnac Darty impairment reversal (150 €m)



Financial result supported by higher METRO Properties dividend in CY



Tax rate in H1 at 18.5% mainly due to Fnac Darty impairment reversal; benefits related to acquisition of MMS minority stake not yet included

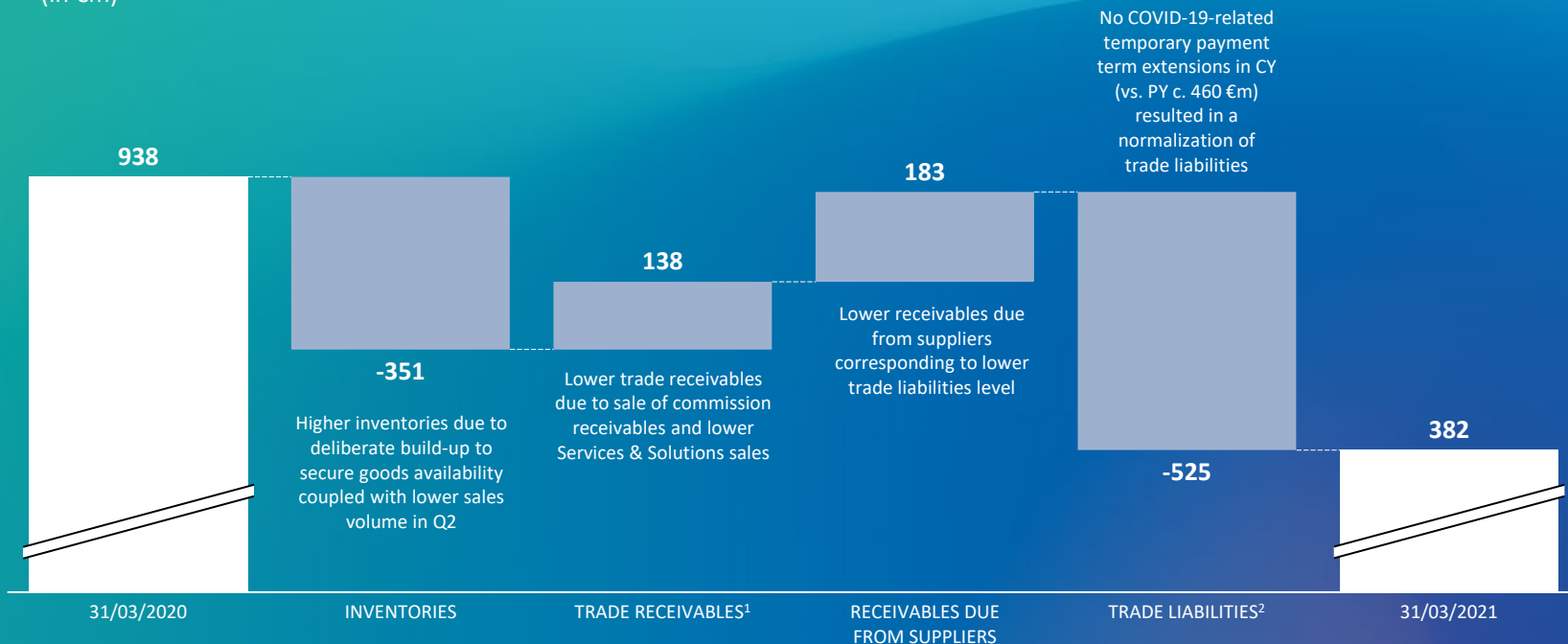
Note: From continuing operations and based on reported figures.

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Non-recurrence of past year's payment term extensions due to improvement of overall cash position – stable operative NWC trend despite COVID-19 impacts



Net Working Capital (in €m)



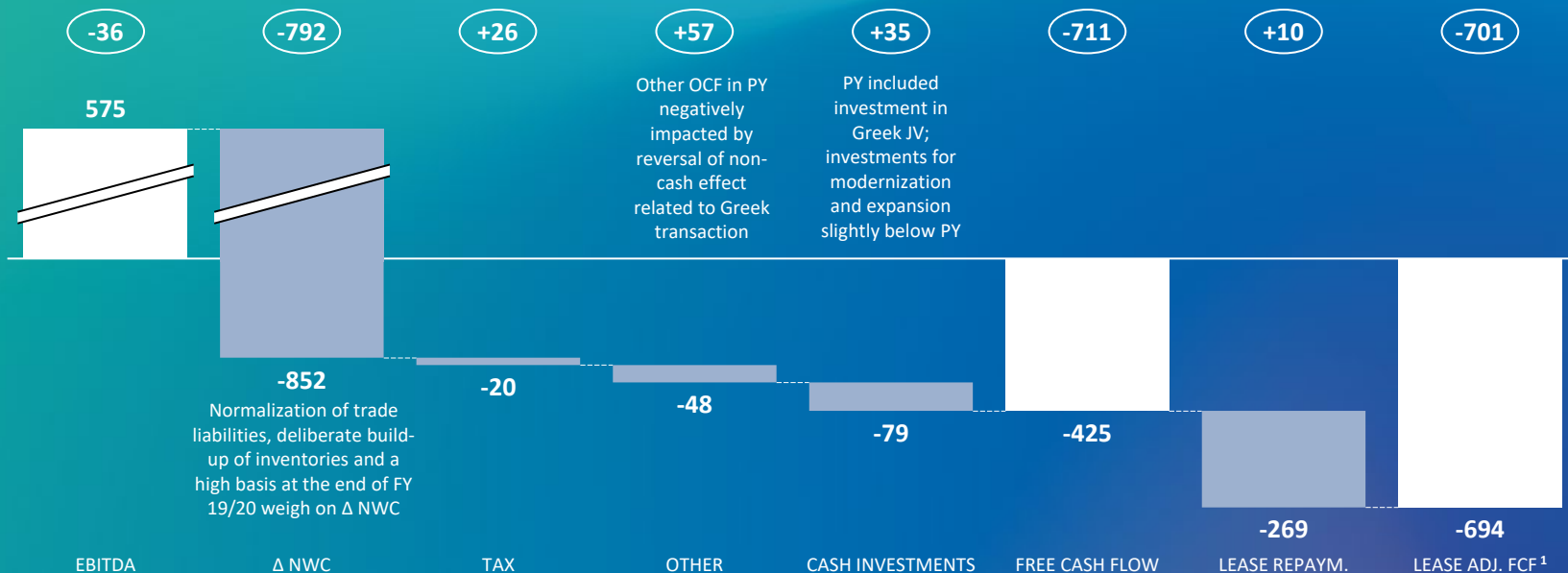
¹Trade receivables and similar claims. ²Trade liabilities and similar liabilities.

Free Cash Flow development characterized by deliberately lower liquidity safeguarding measures compared to prior year



Free Cash Flow in H1 20/21 (in €m)

○ Yoy change



¹Lease adjusted FCF subtracts the repayment of lease liabilities for better FCF comparability under IFRS 16.

Further course of business development in FY 20/21 subject to significant uncertainties in light of the ongoing pandemic



Uncertainties/unknowns

- ▶ The continuous extension of the lockdown in Germany
- ▶ High volatility of regulatory measures
- ▶ Unclear further opening and vaccination strategy, especially in Germany
- ▶ Unknown extent of possible catch-up effects
- ▶ Possible shift in consumer behaviour



Scenarios for FY 20/21

Sales¹ development vs. PY



If the lockdown in Germany continues until June 2021 and only moderate catch-up effects occur



Should the catch-up effects be higher, and openings, esp. in Germany, be implemented more quickly

Adj. EBIT² excl. associates vs. PY



If the lockdown in Germany continues until at least end of May 2021 with only moderate catch-up effects



Should the catch-up effects be higher, and openings, esp. in Germany, be implemented more quickly

¹Adj. for currency and portfolio change effects. ²Adj. for portfolio changes and excl. non-recurring effects in connection with (1) COVID-19-related store closures, (2) the introduction of the new Operating Model and (3) transaction costs related to acquisition of minority shareholding in MediaMarktSaturn.

Key take-aways

- ▶ Our H1 sales and earnings performance demonstrate the resilience of our business.
- ▶ We are well prepared for the reopening of our stores.
- ▶ Succession is in place. We will have unified board structures.
- ▶ We will continue the transformation as planned.





Dr Bernhard Düttmann
CEO



Florian Wieser
CFO

Contact

CECONOMY AG Investor Relations

Kaistr. 3
40221 Düsseldorf
Germany

PHONE +(49) 211 5408-7222

EMAIL IR@ceconomy.de

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



Net Working Capital

| €m | 30/09/2019 | 31/03/2020 | Change | 30/09/2020 | 31/03/2021 | Change |
|---|---------------|-------------|-----------|---------------|-------------|------------|
| Inventories | 2,548 | 3,161 | 613 | 2,949 | 3,512 | 562 |
| Trade receivables and similar claims | 455 | 460 | 4 | 488 | 322 | -166 |
| Receivables due from suppliers | 1,295 | 1,277 | -18 | 1,302 | 1,094 | -208 |
| Trade liabilities and similar liabilities | -5,321 | -5,835 | -514 | -5,996 | -5,310 | 686 |
| Net Working Capital | -1,023 | -938 | 86 | -1,256 | -382 | 874 |

Store network

| | 31/12/2020 | Openings/ Additions | Closures/ Disposals | 31/03/2021 |
|--------------------------|--------------|------------------------|------------------------|--------------|
| Germany | 420 | – | -1 | 419 |
| Austria | 53 | – | – | 53 |
| Switzerland | 25 | – | – | 25 |
| Hungary | 32 | – | – | 32 |
| DACH | 530 | – | -1 | 529 |
| Belgium | 27 | – | – | 27 |
| Italy | 117 | – | – | 117 |
| Luxembourg | 2 | – | – | 2 |
| Netherlands | 50 | – | – | 50 |
| Portugal | 10 | – | – | 10 |
| Spain | 89 | 17 | – | 106 |
| Western/S. Europe | 295 | 17 | – | 312 |
| Poland | 88 | – | -2 | 86 |
| Turkey | 80 | 2 | – | 82 |
| Eastern Europe | 168 | 2 | -2 | 168 |
| Sweden | 28 | – | – | 28 |
| Others | 28 | – | – | 28 |
| CECONOMY | 1,021 | 19 | -3 | 1,037 |

▶ 2 store openings in Turkey and addition of 17 Worten stores in Spain, which reopened under the MediaMarkt banner in Apr 21

▶ 3 store closures: 1 in Germany and 2 in Poland

▶ Average store size reduced by -0.8% to 2,563 sqm at the end of March 2021 vs. December 2020

Financial calendar

**Q3/9M 2020/21
results**

12 AUGUST 2021



**Q4/FY 2020/21
trading statement**

26 OCTOBER 2021



**FY 2020/21
results**

14 DECEMBER 2021



Upcoming events

**KeplerCheuvreux
Virtual Roadshow post-Q2 w/ CFO**

12 MAY 2021



**CIC Market Solutions Forum
IR-only**

20 MAY 2021



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