



ISR PRESENTATION 2021

FNAC DARTY



September 2021

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GROUP PRESENTATION & STRATEGY

FNAC DARTY

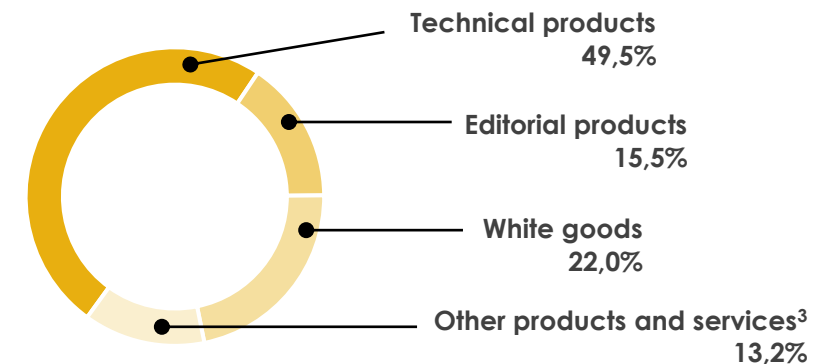


FNAC DARTY AT A GLANCE

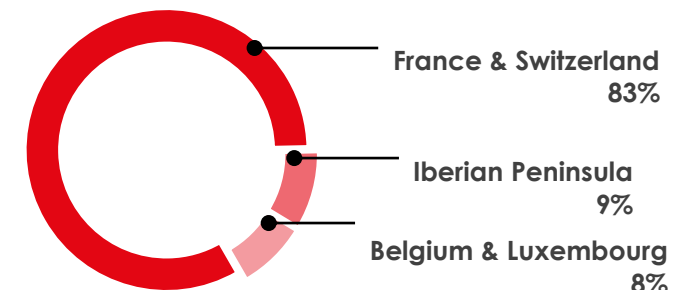
A EUROPEAN OMNICHANNEL LEADER WITH AN EFFICIENT CENTRALISED OPERATIONS PLATFORM

- **€7.5bn in revenue – c.25,000 employees**
- **Top 3 European Omnichannel Retailer:**
 - 30 million references available
 - 42% of online sales are omnichannel
- **908 multiformat stores in 12 countries**
- **2nd largest e-commerce retailer in France¹**
- **No. 1 after-sales service in France²**
- **c.10 million loyalty program members**
- **A portfolio of complimentary brands and new acquisitions**

2020 revenue breakdown by category



2020 revenue breakdown by region



¹ Source: FEVAD, 2020

² Internal customer studies

³ Include: Ticketing, B2B, after sales service, membership fees, franchise fees, insurance, consumer credit

FNAC DARTY, TWO ICONIC BRANDS WITH **RESPONSIBLE VALUES** IN THEIR **DNA**



INDEPENDENT EXPERTISE AND CUSTOMERS' ADVICE

- ◆ Give access to culture
- ◆ Independent vendors to give best advice for an educated purchase

1972 launch of Fnac Labo

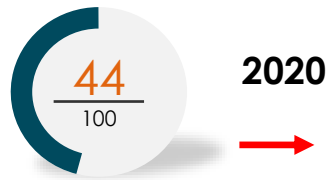


RESPONSIBLE PRODUCTS AND SERVICES

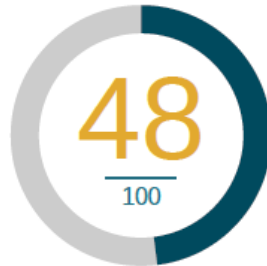
- ◆ Strong services offer for repair, re-use and product recycling
- ◆ #1 after-sales service

1973 launch of Darty
« contrat de confiance »

A RESPONSIBLE RETAILER RECOGNIZED BY **EXTERNAL ESG ORGANISATIONS**



Information rate of 88%



- Top 20% worldwide (rank in Universe: 529 / 4,846)
- Rank in Sector 9 / 73 (vs. 11/76 in 2019)
- Information rate of 91%



For the 3rd time in a row



OUTPERFORMER

AVERAGE PERFORMER



2019

2020



Overall ESG score



Relative position

MSCI
ESG RATINGS



LAST UPDATE: November 05, 2020



2019

2020



Score adjusted to the retail industry



OUR NEXT TRANSFORMATION WILL BE DRIVEN BY OUR POWERFUL **GROUP RAISON D'ÊTRE**

Since 2018, Fnac Darty has adopted a **corporate raison d'être**

“

COMMIT TO AN EDUCATED CHOICE AND A SUSTAINABLE CONSUMPTION

”

At a time of hyperchoice and consumer expectations for more responsible consumption, this mission aims to guarantee the best offer of products and services, enriched by the strong expertise of our vendors

This raison d'être is intended to irrigate the entire Group and guide our strategic choices

3 CSR RELATED AMBITIONS IN OUR NEW STRATEGIC PLAN, EVERYDAY, INCLUDING 1 CLEARLY STATED CSR PILLAR

HOW DO WE COMMIT TO AN EDUCATED CHOICE AND A SUSTAINABLE CONSUMPTION, EVERYDAY?

» Build a digitized omnichannel retail



» Scale the next in-home subscription-based assistance service

» Lead durable behaviors

OUR 5-PILLAR CSR STRATEGY



CSR OBJECTIVES ALSO INCLUDED IN OUR FINANCING STRATEGY



In our new financing strategy launched in March 2021, we have extended our RCF line of credit to €500 million maturing maximum in 2028 with **a CSR component** that will permit the Group to improve its financing terms if the designated targets are achieved:

- **A durability score indicator** to reach 135 by 2025
- **A repair indicator** to reach c. 2.5M of products repaired by 2025
- **A gender equality indicator** to reach > 35% of female in the top 200 managers of the Group by 2025

OUR STRATEGY AND COMMITMENTS MEETS BUSINESS CHALLENGES & OPPORTUNITIES

CONSUMERS' EXPECTATIONS

AGILITY / PROXIMITY



**BEST IN CLASS
OMNICHANNEL EXPERIENCE**



GREATER ENVIRONMENTAL
CONCERN
MORE DURABLE PRODUCTS



**A MORE DURABLE OFFER
PROMOTION OF RESPONSIBLE
BEHAVIORS**



EXPERIENCE OVER GOODS
QUALITY
ADVICE

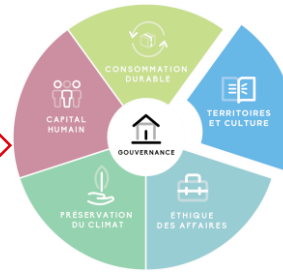


**BEST IN CLASS PRODUCTS
OFFER AND LINEUP
UNIQUE AFTER-SALES SERVICE**



FNAC DARTY STRATEGY

FNAC DARTY CSR COMMITMENTS



CONTRIBUTION TO THE **LOCAL ECONOMY, CULTURAL AND SOCIAL LIFE** THROUGH FNAC DARTY **OMNICHANNEL PLATFORM**

KEY INITIATIVES TO A MORE **CIRCULAR ECONOMY**

- Durable offer and customers' information
- Re-use & Second Life
- Repair
- Recycling



→ **COMMITMENT TO EXTENDING THE DURABILITY OF PRODUCTS**

- Best advice through **Fnac Labo**
- **Disruptive initiatives** to highlight the most sustainable products and promote Products repair
 - ✓ Fnac Darty Barometer,
 - ✓ Sustainable choice label
 - ✓ Unlimited MDA repair subscription service, **Darty Max**

OUR CSR RELATED AMBITIONS WILL HELP US TO ACHIEVE OUR FINANCIAL OBJECTIVES

Everyday ambitions

Build a digitized omnichannel retail

Lead durable behaviors

Scale the next in-home subscription-based repair service

ESG related objectives by 2025

- ✓ 50% of online sales will be Click & Collect
- ✓ Continued stores network deployment mainly through franchise
- ✓ Reach a durability score of 135¹
- ✓ +50% of product repair vs. 2019
- ✓ Integration 100% of "non-saleable" products into a secondlife sector by 2025
- ✓ >2M subscribers to our unlimited repairs subscription program

Business value added

- ✓ Favor C&C, less environmental impacting, than home delivery
- ✓ Widen access to culture
- ✓ Increase the positive impact on the territories (employment and solidarity)
- ✓ Differentiated offering
- ✓ Extended equipment durability
- ✓ Increased customer loyalty
- ✓ Differentiated offering
- ✓ A captive ecosystem and increased customer loyalty
- ✓ A solution to tackle planned product obsolescence
- ✓ Premiumisation

Financial objectives by 2025

Generating recurring cash flows

- ✓ **Cumulative Free Cash Flow²c.€500m 2021 -2023**
- ✓ **Run rate Free Cash Flow² ≥ €240m in 2025**

¹ Durability scores weighed by volumes

² Net cash provided by operating activities excluding net financial charges less net operating investments and cash impacts relating to rents within the scope of IFRS 16

FNAC DARTY PROFILE IN 2025: FINANCIAL AND EXTRA-FINANCIAL AMBITIONS

ESG AMBITIONS

135

"Durability score"
by 2025¹

-50%

Transport & energy CO₂
emissions in 2030 vs 2019

+50%

Products repaired in 2025²
vs. 2019 to reach c. 2.5M

35%

Of women in Top 200
managers of the Group

BUSINESS & FINANCE AMBITIONS

>30%

Online revenue penetration
by 2025

>2M

Subscribers to our unlimited repairs
subscription program by 2025

100%

Stores profitable by 2025³

c.€120m

Total annual normative capex budget
over the period by 2025⁴

≥ €240m

Run rate Free Cash Flow⁵ in 2025

Shareholder return

>30% mid-term payout ratio

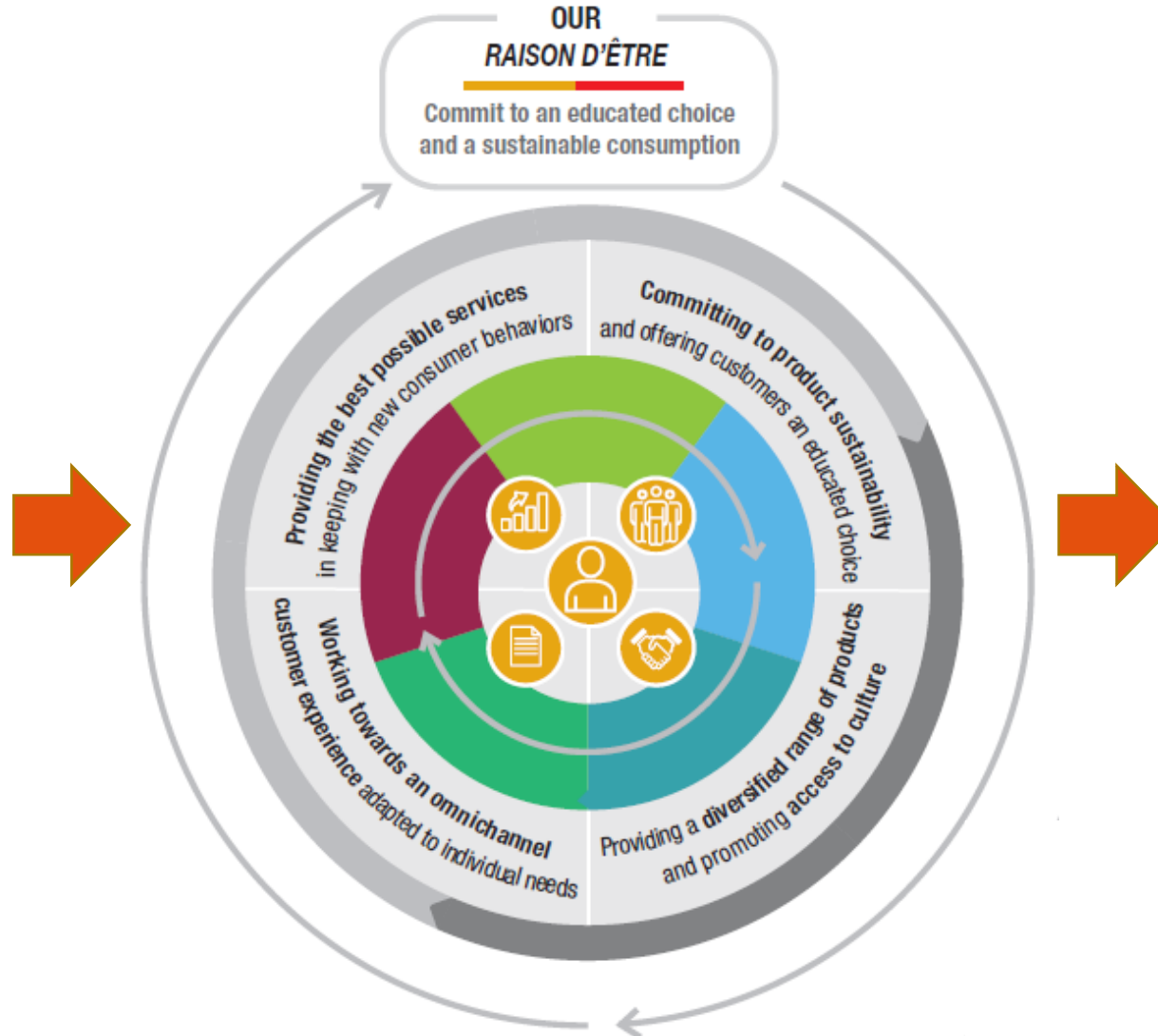
Add. opportunistic shareholder return
Leverage⁶ of max 2.0x

1. Durability scores weighed by volumes 2. Repaired or dysfunction resolved
3. Group owned stores perimeter
4. Excluding major strategic initiatives

5. Net cash provided by operating activities excluding net financial charges less net operating investments and cash impacts relating to rents within the scope of IFRS 16
6. Leverage measured as of end of June with net debt excluding IFRS16 measured as of end of June and 12-month rolling EBITDA excluding IFRS16

A BUSINESS MODEL THAT CREATES SUSTAINABLE VALUE FOR OUR STAKEHOLDERS

- Committed human capital
- A strong financial position
- An omnichannel model
- A centralized and internalized logistics network
- Key markets
- Governance at the highest standards



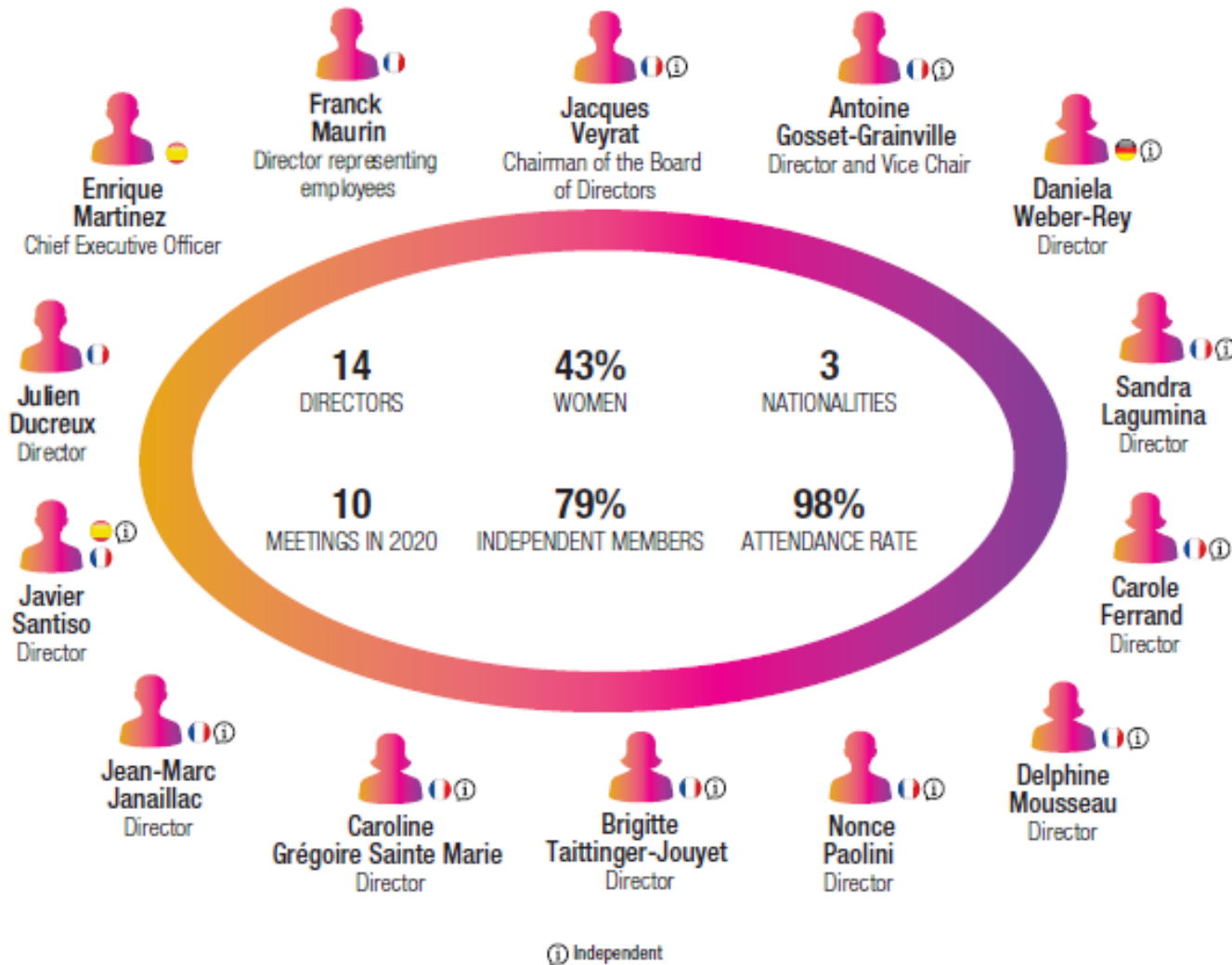
- **CLIENTS:** services, independent advice and diversified product offerings
- **EMPLOYEES:** training, quality of life at work and professional equality
- **PARTNERS:** a sustainable partnership ecosystem
- **SHAREHOLDERS:** a healthy balance sheet and a solid liquidity position
- **SOCIETY AND PUBLIC AUTHORITIES:** democratization of culture and fiscal responsibility
- **ENVIRONMENT:** extending product lifespan, reducing CO₂ emissions and products recycling



A SOLID GOVERNANCE

FNAC DARTY

A SOLID AND STABLE BOARD OF DIRECTORS...



- 79% of independent members
- 43% of female members
- 2 employees Directors
- 4 committees chaired by independent Directors of which:
 - Audit Committee
 - Appointments and Compensation Committee
 - Strategy Committee
 - **Corporate, Environmental and Social Responsibility Committee**
- Chairman of CSR committee is also member of Appointments & Compensation Committee and Strategy Committee

... WITH STRONG, DIVERSE AND MIX EXPERIENCES AND SKILLS THAT SUPPORT LONG-TERM VALUE CREATION

Name	Retail	International	Finance	Governance	Management/ Strategy	CSR	HR	Digital
Jacques Veyrat			X	X	X	X		
Antoine Gosset-Grainville			X	X	X		X	
Daniela Weber-Rey		X	X	X	X			
Sandra Lagumina			X	X	X			
Carole Ferrand	X		X		X			
Delphine Mousseau	X	X			X	X		X
Nonce Paolini	X			X	X		X	
Brigitte Taittinger-Jouyet		X			X	X	X	
Caroline Grégoire Sainte Marie		X	X		X	X		
Jean-Marc Janailac		X	X	X	X	X		
Javier Santiso		X	X		X			X
Enrique Martinez	X	X			X		X	
Franck Maurin	X							
Julien Ducreux	X							X

A **QUALIFIED** AND **EXPERIENCED** EXECUTIVE TEAM FULLY DEDICATED TO THE NEW STRATEGIC PLAN



ENRIQUE MARTINEZ
CHIEF EXECUTIVE OFFICER of Fnac Darty

- ✓ More than 20 years at Fnac Darty in various positions of responsibility
- ✓ Member of the Executive Committee since 2004

 38% of female members
 13 members



JULIEN PEYRAFITTE
COMMERCIAL Director



OLIVIER THEULLE
E-Commerce and
DIGITAL Director



ANNE-LAURE FELDKIRCHER
Executive Director of
TRANSFORMATION & STRATEGY



JEAN-BRIEUC LE TINIER
Group Chief **FINANCIAL**
Officer



SAMUEL LOISEAU
CLIENT, Marketing and Business
Development Director



VINCENT GUFFLET
SERVICES and Operations
Director



FRÉDÉRIQUE GIAVARINI
Group's **GENERAL SECRETARY**, **CSR**
and Managing Director of
NATURE & DÉCOUVERTES



TIFFANY FOUCAULT
HUMAN RESOURCES Director



FRANCOIS GAZUIT
OPERATIONS Director



ANNABEL CHAUSSAT
Managing Director of
Fnac **SPAIN**



CHARLES-HENRI DE MALEISSYE
CEO of **FNAC VANDEN BORRE** in
BELGIUM



CELINE TRUNET FAVRE
COMMUNICATIONS & PUBLIC AFFAIRS
Director

GOVERNANCE THAT STRENGTHENS THE INTEGRATION OF CSR CHALLENGES

- A **Corporate, Environmental and Social Responsibility Committee** has been created at Board level since 2013
- **CSR is overseen by the General Counsel in charge of CSR and Governance**, a member of the Executive Committee
- The **Ethics Committee (2018)** oversees compliance with transparency, due diligence and data protection laws
- A **Climate committee (2019)**, presided by the CSR Group Director, manages the **climate roadmap** in order to **meet** the Group's **CO₂ reduction commitments**
- A **Circular Economy committee (2021)**, presided by the General Counsel in charge of CSR and Governance, manages the issues related to **waste recycling**
- Involvement of all the business lines daily through the nomination of a **CSR referee**, the creation of **roadmaps** with the **definition of objectives specific** to each department of the Group, and regular monitoring of those **objectives**

CSR ALSO INCLUDED IN REMUNERATION POLICY

- **10% of the total bonus of the Executive Committee** members is related to **CSR objectives**, 5% of which to the Group's extra-financial rating
- Continued to strengthen the integration of CSR criteria in the variable compensation with **10% of the bonus of all Group managers** based of CSR objectives
- Increased weight of CSR criterion in **long term benefit for members of the Executive Committee** to **10%**
- Nomination in 2021 of an **employee Director** at the **Appointments and Compensation Committee** to represent the employees' interest in this committee



FNAC DARTY CSR STRATEGY

4 MAJOR KEY RISKS, COVERED BY OUR CSR POLICY, HAVE BEEN IDENTIFIED BY A MATERIALITY ANALYSIS



Key issues



Fnac Darty Focus

Reduce impacts on the climate



**Promote sustainable consumption & an educated choice
Contribute to the social & cultural development of territories**



Develop human capital



Ensure exemplary Business conduct



A 5-PILLAR CSR POLICY TO ADDRESS OUR RISKS AND SEIZE BUSINESS OPPORTUNITIES





PROMOTING A SUSTAINABLE CONSUMPTION

OUR RECENT ACHIEVEMENTS

- 1.7M** of repair products in 2020
 **No. 1 REPAIR IN FRANCE**
- +50KT** WEEE collected and recycled at Group level
 **No. 1 WEEE COLLECTOR IN FRANCE**
- +21** new **WeFix** openings in 2020 to 117 points of sale
- +40%** of products resold in 2020 through Fnac 2nd vie or Darty Occasion
- +5pts** Durability score¹ (105 in 2020)
- 9%** proportion of Sustainable Choice products in revenue in 2020

OUR COMMITMENTS

- Help customers to make an **educated choice**
- Encourage **repairs**, give a **second life** to products and ensure **waste collection** and **recycling**
- Contribute to **public debate** around **sustainability**

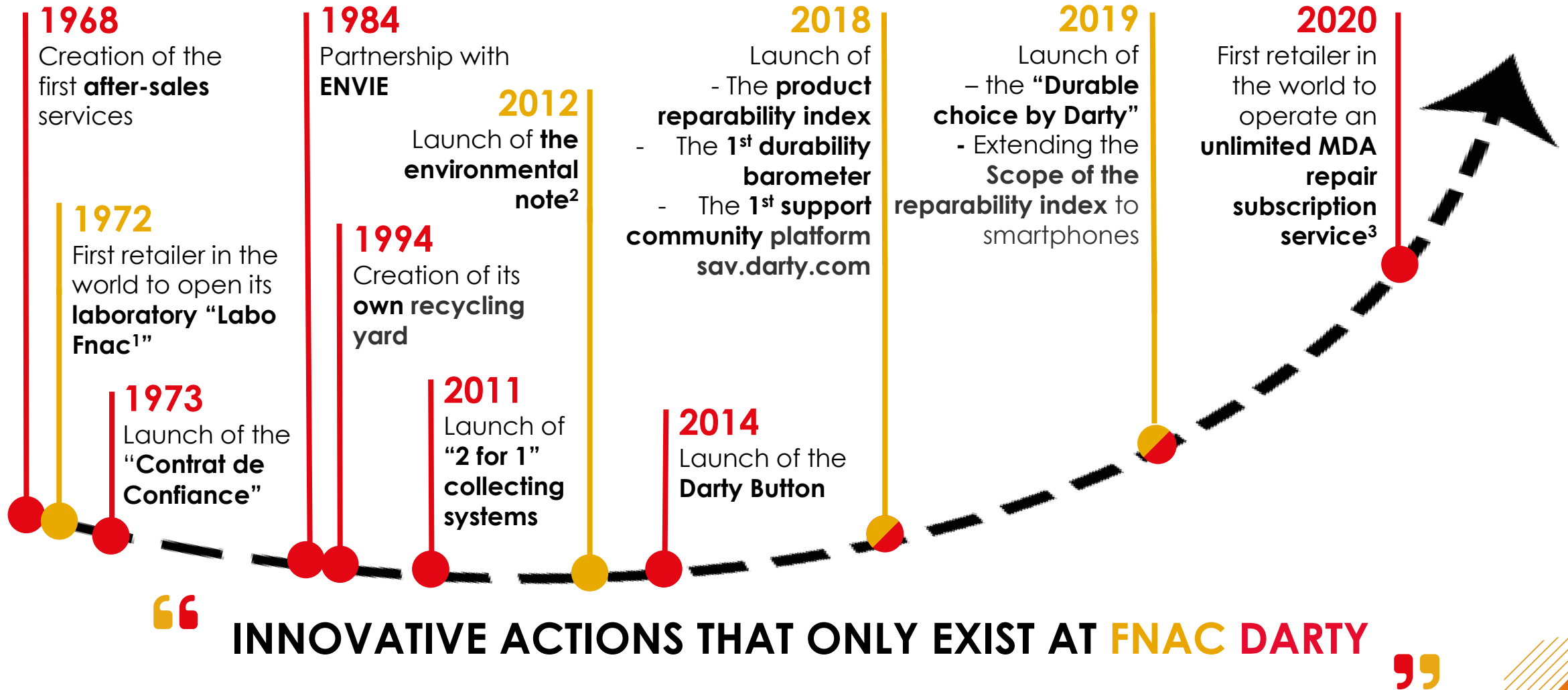
-  **+50% OF PRODUCTS REPAIR BY 2025 (2.5M)**
- DURABILITY SCORE¹ OF 135 BY 2025**
- INTEGRATION 100% OF “NON-SALEABLE” NEW PRODUCTS INTO A SECONDLIFE SECTOR BY 2025**

OUR ACTIONS

- Highlight the most **sustainable products** through the **After-Sales Service Barometer** and the **Sustainable Choice label**
- Deployment of **subscription repair service, Darty Max** through B2C and B2B
- Rapid development of the **second-hand product offers**
- Continuation of partnerships with the **social inclusion body, “Envie”**

¹ Products durability scores weighted by volumes

AN INDEPENDENT EXPERTISE AND CUSTOMERS' ADVICE FOR A RESPONSIBLE CONSUMPTION



1. The Labo Fnac compares the characteristics and performance of technical products **1 038 tests on 492 products in 2018**
2. The environmental note indicates the environmental impact of TVs, Tablets, PCs and smartphones

3. Official launch : end 2019

EXTENDING PRODUCTS' LIFE SPAN IS A KEY ENGAGEMENT TO OUR CUSTOMERS



ASSISTANCE &
REPAIR

SECOND LIFE



EDUCATED
CHOICE

RECYCLING

2+1 collecting system
A 100% Fnac Darty
recycling yard since 1994



FNAC DARTY, AN ECONOMIC, SOCIAL AND CULTURAL ACTOR



OUR RECENT ACHIEVEMENTS



#1

Bookstore in France
Ticket vendor in France
Record shop owner in France



Creation of a digital medium, **La Claque Fnac**

908

multi-format stores of which 742 stores in France and 166 international stores

2,000

free cultural events organized in France

411K

books passed on to associations

13,7 M€

2,803 projects financed to protect biodiversity and educate about nature



OUR COMMITMENTS

- Provide **access to culture** to as many people as possible
- Increase the **positive impact on the territories** (employment and solidarity)



OUR ACTIONS

- Gradually **expansion of the territorial network** with the opening of some additional stores every year mainly in Franchise
- Continuation of **cultural events in stores and online**
- **Solidarity operations** maintained despite the context
- Local projects financed by the Nature & Découvertes Foundation (108 in 2020)
- Historical partner of the "Pass Culture¹" in France



¹ The "Pass Culture" allows young people aged 18 of having a budget of €300 for 24 months to enjoy cultural activities in France



FNAC DARTY'S CLIMATE STRATEGY



OUR RECENT ACHIEVEMENTS



NEW

Member of the **Ambition 4 Climate movement**

Signature of a **voluntary commitment charter** with the French government to reduce the **environmental footprint** of the Group's **e-commerce** activity

-12%

CO₂ emissions resulting from site energy consumption in France vs. revenue

14%

renewable energy in France

>95%

renewable energy in Spain, Portugal, Belgium and Switzerland

8%

replaced trucks by CNG trucks in internal fleet



OUR COMMITMENTS

- Limiting the environmental impact of our activities through an ambitious CO₂ and waste policy
- Working on the definition of a CO₂ emission reduction objective on scope 3 validated by the SBT by 2022 to cover more than 90% of our carbon footprint



REDUCING BY 50% CO₂ EMISSIONS BY 2030 vs. 2019
(scope 1 + 2)



OUR ACTIONS

• **Transport**

- ✓ Optimisation of flow and truck filling
- ✓ Renewal of part of Diesel truck fleet with Compressed Natural Gas (CNG) trucks
- ✓ Selection of partners with less impact on environment: bike deliveries in major cities
- ✓ Effective actions to reduce delivery failures and to develop in-store pick-up (between 25% and 65% fewer CO₂ emission compared to home delivery)

• **Energy consumption**

- ✓ Investing in equipment to reduce energy consumption: central building energy management system, LED roll-out
- ✓ Supplying electricity from renewable sources (PPA)

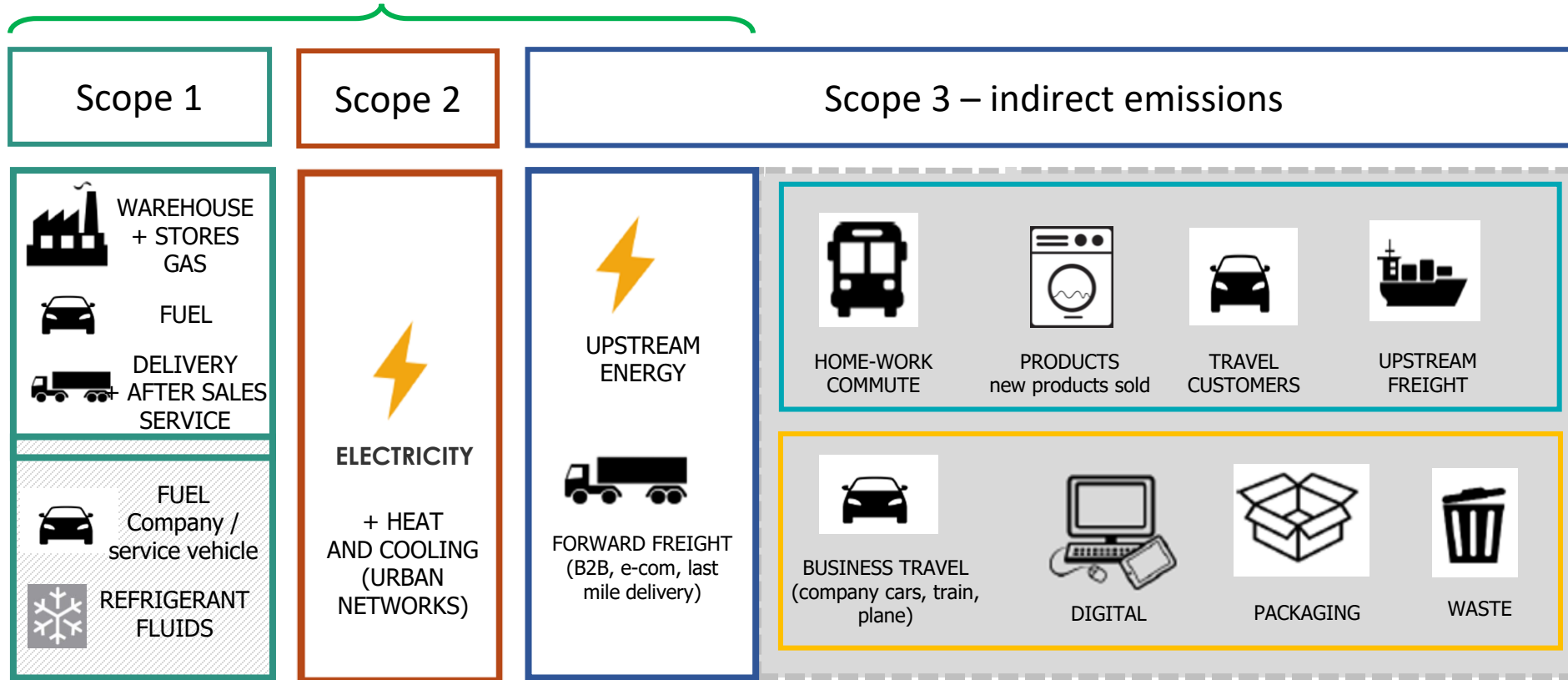


FNAC DARTY'S CLIMATE STRATEGY

SCOPE OF COVERAGE

FNAC DARTY IS COMMITTED TO REDUCING CO₂ EMISSIONS BY 50% BY 2030 vs. 2019

An objective in line with science and the 1.5°C trajectory



WORK IN PROGRESS TO MEET THE SBT INITIATIVES

2022

HUMAN CAPITAL OUR KEY ASSET

DEVELOP SKILLS AND EMPLOYABILITY



OUR RECENT ACHIEVEMENTS

- NEW** career website enhancing the recruitment experience
- 2.8%** payroll allocated to training
- >9hrs** hours of training per employee trained
- 3 out of 4** employee which has validated at least one e-learning training

OUR COMMITMENTS

- Continuation of strategic training programs
- Development of sales expertise and strengthening managers' leadership skills
- Development of programs to train in professions where staff are harder to find

RECRUIT 500 ADDITIONNAL TECHNICIANS BY 2025

OUR ACTIONS

- In-house training Academy
- **18-month graduation program, Project Manager 2020** – 700+ employees trained
- **18-month / 84-hour graduation program, Excellence Client** – 800+ employees trained
- Launch of the **Tech Academy** and ongoing opening of 13 apprentice classes in France to develop technicians' skills



HUMAN CAPITAL OUR KEY ASSET

PROMOTE GENDER EQUALITY AND QUALITY OF LIFE IN THE WORKPLACE



OUR RECENT ACHIEVEMENTS

Professional equality

40% women in the total workforce

24% women in the Leadership Group¹

38% women in the Executive Team

90
/100 gender equality index

Diversity & professional integration

4.1% people with disabilities in the total workforce as of December 31

4.3% employees under professional development or apprenticeship contracts



OUR COMMITMENTS

- Guaranteeing equal treatment, promoting diversity in its teams, and fostering equal opportunities



>40% OF THE UNDER-REPRESENTED GENDER ON THE EXECUTIVE COMMITTEE BY 2025
35% FEMALE REPRESENTATION IN THE “LEADERSHIP GROUP” BY 2025



OUR ACTIONS

- Support for **women in leadership positions**¹ – partnership with Assises de la Parité, an event organized by the International Women’s Forum
- **Female Store Manager Program** launched in 2018
- Increase **diversity recruitments** and integration through the use of **recruitment partners**
- Creation of a **internal network dedicated to gender**

¹ Top 200 managers in the Group

HUMAN CAPITAL OUR KEY ASSET

GUARANTEE EMPLOYEE HEALTH & SAFETY AND DEVELOP COMMITMENT



OUR RECENT ACHIEVEMENTS

Employee commitment

75%

internal net promoting score at Group level in december¹

c.20%

overall subscription rate to employee stock purchase plan

10%

Nature & Découvertes employees members of a green network, lever of commitment

Employee health and safety

-5%

frequency rate of accidents in the Fnac Logistics entity, despite increased activities

-16%

accident severity rate for Fnac warehouses



OUR COMMITMENTS

- Give **meaning to work** and manage **employee commitment**
- **Prevention** for delivery **and installation personnel** and **after-sales technicians**
- **Risk prevention in logistics:**



c.40M€ OF ADDITIONAL CAPEX BY 2025 ALLOCATED TO MODERNIZE LOGISTICS WAREHOUSE



OUR ACTIONS

- A digital, short and monthly employees survey **Supermod**
- Employee stock purchase plans implemented in 2018 and 2019
- Modernization of one of the Group's warehouse continued with the extension of a fully-automated solution to reduce handling work and to optimize workstation ergonomics
- Signing of the Charter of employers committed to road safety in 2018

¹ 75% of respondents recommend Fnac Darty as a great place to work (% of scores from 7 to 10, on a scale from 0 to 10)



FNAC DARTY FACES ETHICAL REQUIREMENTS



OUR RECENT ACHIEVEMENTS

NEW

BUSINESS CODE OF CONDUCT in Feb 2021 available in all countries where the Group operates

RE-BUILD

The **warning system** has been completely redesigned, with the implementation of an **outsourced solution**

+1pt

Proportion of **plants whose audit result deemed to be average or compliant** (99% in 2020)

2.6%

Level of **repairs and post-sale exchanges for branded products**

122M

Taxes and contributions paid in each country where the Group operates (91% in France)



OUR COMMITMENTS

- Protecting the personal data of employees and customers
- Preventing the risks of corruption Implementing a Vigilance Plan
- Ensuring fiscal responsibility



OUR ACTIONS

- Ensure compliance with regard to cookies and advertising tracking techniques
- Integrate tests on compliance with the requirements of the French Sapin II law during audits and in self-assessment questionnaires
- Incorporate ethics training into the mandatory training courses which must be done by all employees
- Inform and support the subsidiaries (countries and Nature & Découvertes) in mapping their risks
- Prepare subsidiaries for the new rules under the e-Commerce Directive
- Standardize the tax risk recognition process and increase transparent in terms of tax paid by country



FINANCE

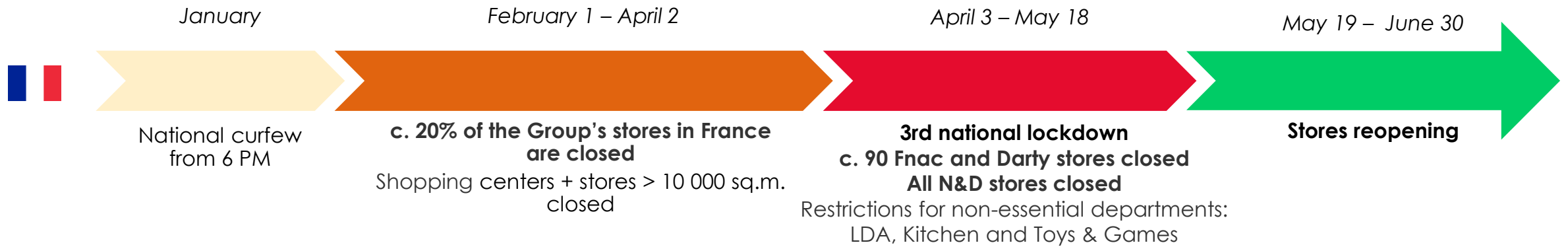
FNAC DARTY



H1 2021 RESULTS

FNAC DARTY

CONTINUING PUBLIC HEALTH RESTRICTIONS IN H1 2021 IN ALL REGIONS WHERE THE GROUP OPERATES



 All stores closed with Click & Collect permitted for 6 weeks (from Jan. 18 to Feb. 28)

 Lockdown by region with shopping centers and stores affected > 400 sq.m. closed in Catalonia

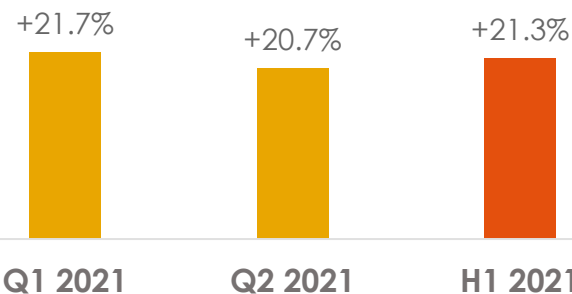
 Lockdown by region with the closure of stores deemed as non-essential and opening hours restricted on weekdays and weekends from April 19

 3rd national lockdown for a period of 6 weeks (from March 27 to May 11), with a limited impact on the Group's stores

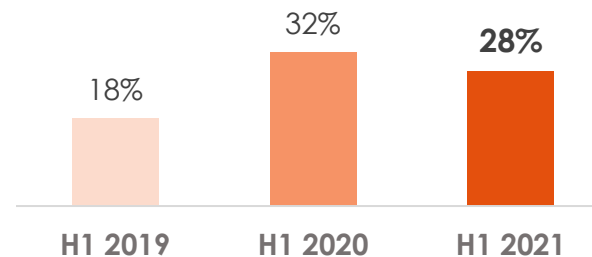
SOLID H1 2021 RESULTS DESPITE THE UNPRECEDENTED CONTEXT

- **Strong operational execution in H1 2021**
 - **Group revenue at €3,465m in H1 2021, up +21% on a like-for-like basis¹** thanks to the strong momentum in all regions and all product categories
 - **Strong performance of stores of c.+28%¹ and online sales growth of +7%¹**, despite some store closures and the high basis of comps for online sales
 - **Online sales penetration remains of a high level of 28%**
- **Gross margin rate at 29.7%, up +10 bps vs. H1 2020 and up +65 bps excl. ticketing and franchise**
 - **A more favorable product mix and good performance in services...**
 - ... more than compensate for the decline in ticket sales caused by health measures, the decline in Nature & Découvertes' sales due to the closure of the stores for several weeks, and the technical dilutive impact of the strong performance of the franchise business
- **Current operating income at €34m, up vs. H1 2020 and vs. H1 2019 proforma²**

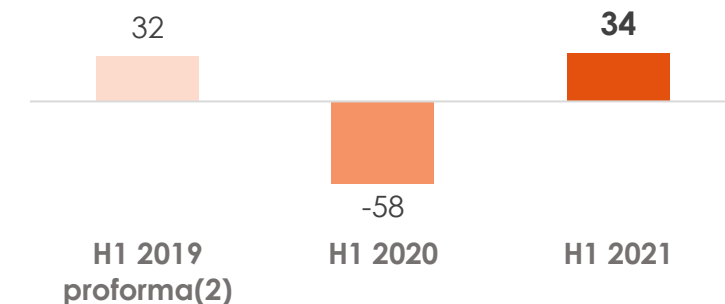
Group LFL revenue growth¹



Online sales penetration



Current operating income
(in €m)



(1) Like-for-like: excluding FX, scope and expansion effects
(2) Including Nature & Découvertes on a full-year basis and excluding BCC

H1 2021 GROUP FINANCIAL RESULTS

€m	H1 2020	H1 2021
Revenue	2,849	3,465
Gross margin	844	1,029
Costs	902	995
Current operating income	-58	34
Non-current operating income and expenses	-25	-3
Operating income	-83	32
Financial expense	-23	-25
Tax expense	26	-9
Net income from continuing operations	-80	-2
Discontinued operations	-42	17
Consolidated net income, Group share	-118	17

- **Current operating income** at €34m, up €92m compared to H1 2020 and higher than the level in H1 2019 on a comparable basis¹
- **Continued tight control of operating costs**, enabling the Group to significantly reduce costs as a percentage of revenues by 300 bps to 28.7%
- **Consolidated net income, Group share for H1 2021 is positive at €17m**, up by €136m year-on-year

(1) Including Nature & Découvertes on a full-year basis and excluding BCC

H1 2020 FREE CASH FLOW GENERATION

€m	H1 2020	H1 2021
EBITDA	119	210
IFRS 16 impact	-124	-125
Non-recurring cash elements	-9	2
Cash flow from operations before tax, dividends and interest	-14	88
Change in working capital ¹	-415	-581
CAPEX ²	-50	-46
Tax	-24	-38
Operating free cash flow¹	-503	-577

- **EBITDA up €91m** including the impact of IFRS 16 vs. H1 2020, in line with the current operating income trend
- Operating free cash flow stands at -€577m, mainly impacted by:
 - The reduction in working capital requirements due to the **rebuilding of inventories** as a result of the strong sales momentum in Q4 2020, which continued in H1 2021
 - The higher level of tax paid due to higher income achieved in H1 2021
- CAPEX for the year 2021 amounts to €46m in H1 2021, down by -€4m vs. H1 2020

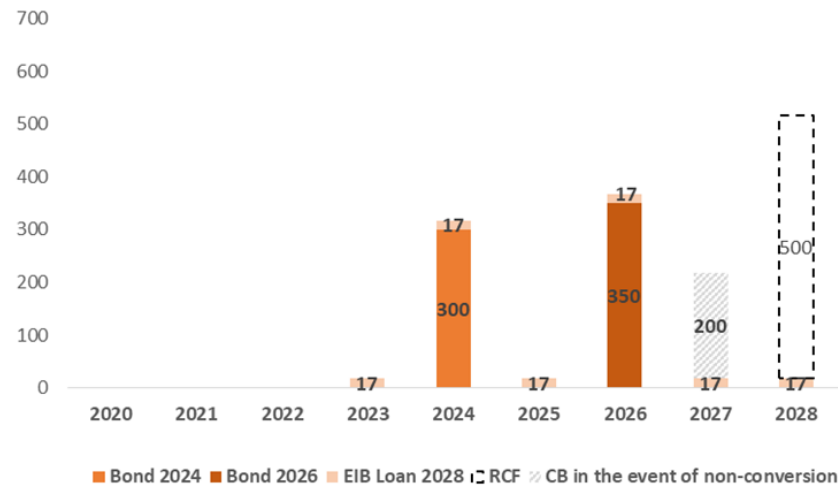
¹ excluding IFRS 16

² including CAPEX for 2019 disbursed in 2020 for €13m in H1 2020

A STRONG LIQUIDITY POSITION AT THE END OF JUNE

€m	At December 31, 2020	At June 30, 2021
Shareholders' equity	1,373	1,409
Net debt ¹	-114	454
Gross debt	1,455	933
Cash & cash equivalents	1,569	479
Rental debt (IFRS 16)	1,114	1,050

New debt schedule for the Group as a result of the new financing strategy



- **New financing structure** implemented in March 2021 to strengthen the Group's financial flexibility, with:
 - Placement of a first OCEANE bond for €200m maturing in 2027
 - Extension of the RCF credit line to €500m with a CSR component, maturing at the latest in 2028, and repayment of the Senior Term Loan Facility of €200m, maturing in April 2023
 - Full repayment of the €500m state-guaranteed loan
- **Good cash position at €479m**, thanks to the strong business dynamics and solid financial management
- **1st dividend of €1/share paid** on July 7

¹ excluding IFRS 16

2021 OUTLOOK

- Current restrictions on opening hours in the Iberian Peninsula and following the latest announcements by the French government, the conditions of access to shopping centers of more than 20,000 sq.m. may change and consequently could affect the operating conditions of some of the stores in the 2nd half of 2021.
- However, the Group remains confident but cautious about the performance of its markets for the rest of 2021, and will continue to focus on its commercial execution in order to fully succeed in the major commercial events of the 2nd half of the year, as well as on cost control and cash-flow generation.
- Consequently, the **Group is upgrading its FY2021 guidance**¹ with:
 - **Total revenue expected to increase by c.5%**² compared with 2020
 - **Current operating income expected to stand between €260m and €270m**, which is equivalent to pro-forma³ FY2019 current operating income, excluding ticketing.

¹ Subject to there being no further prolonged periods of store closures.

² Like-for-like: excludes the effect of changes in foreign exchange rates and scope of consolidation, and directly owned store openings and closures.



APPENDICES H1 2021



FNAC DARTY



DEFINITIONS (1/2)

- **Definition of Like-for-like sales growth**

- This indicator measures changes in revenue excluding exchange rate fluctuations, the impact of change in scope and the impact of the opening and closing of directly owned stores since January 1, N-1.

- **Definition of Current operating income**

- The monitoring of the Group's operating performance uses current operating income as the main operating balance. It is defined as the difference between the total operating profit and "Other non-current operating income and expenses."
- Recurring operating income is an intermediate line item intended to facilitate the understanding of the entity's operating performance and that can be used as a way to estimate recurring performance.

DEFINITIONS (2/2)

With application of IFRS 16	IFRS 16	Without application of IFRS 16
EBITDA Current operating income before depreciation, amortization and provisions on fixed operational assets	<i>Rents within the scope of IFRS 16</i>	EBITDA excluding IFRS 16 EBITDA including rental expenses within the scope of IFRS 16
Free cash flow from operations Net cash provided by operating activities less net operating investments		Free cash flow from operations excluding IFRS 16 Free cash flow from operations including cash impacts relating to rents within the scope of IFRS 16
Net cash Gross cash and cash equivalents less gross financial debt	<i>Rental debt</i>	Net cash excluding IFRS 16 Net cash less rental debt
Net debt Gross financial debt less gross cash and cash equivalents		Net debt excluding IFRS 16 Net financial debt less rental debt
Net financial income	<i>Financial interest on rental debt</i>	Net financial income excluding IFRS 16

Q1/Q2/H1 2021 REVENUE VS. 2020

(€m)	Q1 2021	Change vs. Q1 2020			Q2 2021	Change vs. Q2 2020			H1 2021	Change vs. H1 2020		
		Reported	At constant FX and comparable scope of consolidation	Like-for-like		Reported	At constant FX and comparable scope of consolidation	Like-for-like		Reported	At constant FX and comparable scope of consolidation	Like-for-like
France and Switzerland	1,505	24.8%	24.8%	24.5%	1,374	20.9%	20.9%	20.5%	2,878	22.9%	22.9%	22.6%
Iberian Peninsula	145	3.5%	3.5%	3.0%	140	41.1%	41.1%	39.6%	285	19.1%	19.1%	18.2%
Belgium and Luxembourg	168	16.7%	16.7%	16.3%	133	8.3%	8.3%	8.3%	301	12.8%	12.8%	12.6%
Group	1,818	22.0%	22.0%	21.7%	1,647	21.2%	21.3%	20.7%	3,465	21.6%	21.7%	21.3%

H1 2021 CASH FLOW STATEMENT VS. 2020

(€m)	H1 2020	H1 2021
Net debt excluding IFRS 16 as of January 1	18	(114)
Cash flow from operations before tax, dividends and interest	109	212
Change in working capital	(415)	(579)
Corporate income tax paid	(24)	(38)
Operating investments	(50)	(46)
Operating free cash flow	(380)	(451)
Interest paid net of interest and dividends received	(15)	(17)
Acquisition / disposal of subsidiaries net of cash transferred	(1)	0
Acquisition / disposal of other financial assets (net)	0	2
Increase / decrease in equity and other transactions with shareholders (incl. OCEANE)	1	20
Repayment of rental debts	(112)	(116)
Interest paid on rental obligations	(11)	(11)
Cash flow related to discontinued operations	(13)	(2)
Other	(1)	8
Change in net debt, excluding IFRS 16	(531)	(568)
Net debt excluding IFRS 16 as of June 30	549	454
Rental debt	958	1,050
Net debt including IFRS 16 as of June 30	1,507	1,504



Operating free cash flow excluding IFRS 16: **€(577)m**



BALANCE SHEET

Assets in €m	At December 31, 2020	At June 30, 2021
Goodwill	1,654	1,654
Intangible assets	506	512
Tangible assets	594	575
Rights of use relating to lease agreements	1,109	1,042
Investments in associates	0	1
Non-current financial assets	33	32
Deferred tax assets	67	60
Other non-current assets	0	0
Non-current assets	3,964	3,875
Inventories	960	1,055
Accounts receivable	285	168
Current tax receivables	4	21
Other current financial assets	7	6
Other current assets	361	170
Cash & cash equivalents	1,569	479
Current assets	3,186	1,899
Assets held for sale	0	0
Total assets	7,149	5,774

Equity and Liabilities in €m	At December 31, 2020	At June 30, 2021
Share capital	27	27
Reserves related to equity	971	971
Conversion reserves	-5	-6
Other reserves	375	416
Equity, Group share	1,369	1,408
Equity attributable to minority interests	5	2
Equity	1,373	1,409
Long-term liabilities	902	930
Long-term leasing debt	884	820
Provisions for retirement and similar benefits	206	178
Other non-current liabilities	124	106
Deferred tax liabilities	165	165
Non-current liabilities	2,281	2,199
Short-term liabilities	553	3
Short-term leasing debt	230	230
Other current financial liabilities	13	5
Accounts payable	1,784	1,231
Provisions	31	30
Tax liabilities	30	0
Other current liabilities	854	667
Current liabilities	3,495	2,166
Liabilities associated with assets classified as held for sale	0	0
Total liabilities and equity	7,149	5,774

← €1,050m of IFRS 16 impact related to rental debt

STORE NETWORK EVOLUTION

	December 31, 2020			June 30, 2021		
	Owned	Franchised	Total	Owned	Franchised	Total
France and Switzerland⁽¹⁾	412	339	751	412	354	766
Iberian Peninsula	67	5	72	67	5	72
Belgium and Luxembourg	85	0	85	85	0	85
Group	564	344	908	564	359	923

(1) including 13 foreign stores: 3 in Morocco, 4 in Tunisia, 1 in Congo, 1 in Cameroon, 2 in Ivory Coast and 2 in Qatar; and 17 overseas stores



APPENDICES FY 2020

FNAC DARTY



Q1/Q2/Q3 2020 REVENUE VS. 2019

€m (IFRS 5 excluding BCC)	Q1 2020	Change vs. Q1 2019			Q2 2020	Change vs. Q2 2019			Q3 2020	Change vs. Q3 2019		
		Reported	At constant FX and comparable scope of consolidation	Like-for-like		Reported	At constant FX and comparable scope of consolidation	Like-for-like		Reported	At constant FX and comparable scope of consolidation	Like-for-like
France and Switzerland	1,206	-8.5%	-11.0%	-11.1%	1,137	-5.7%	-8.0%	-8.2%	1,538	10.1%	9.4%	9.0%
Iberian Peninsula	140	-7.3%	-7.3%	-9.8%	99	-31.2%	-31.2%	-31.6%	163	-3.7%	-3.7%	-6.1%
Belgium and Luxembourg	144	-2.6%	-2.6%	-3.5%	123	-1.5%	-1.5%	-2.4%	159	7.9%	7.9%	6.6%
Group	1,490	-7.9%	-9.9%	-10.3%	1,359	-7.9%	-9.7%	-10.0%	1,859	8.5%	7.9%	7.3%

Q4/FY 2020 REVENUE VS. 2019

€m (IFRS 5 excluding BCC)	Q4 2020	Change vs. Q4 2019			2020	Change vs. 2019		
		Reported	At constant FX and comparable scope of consolidation	Like-for-like		Reported	At constant FX and comparable scope of consolidation	Like-for-like
France and Switzerland	2,348	11.3%	12.1%	11.7%	6,228	3.3%	2.2%	1.9%
Iberian Peninsula	252	-2.4%	-2.4%	-3.3%	654	-9.5%	-9.5%	-11.1%
Belgium and Luxembourg	183	4.2%	4.2%	3.8%	609	2.2%	2.2%	1.4%
Group	2,782	9.4%	10.0%	9.6%	7,491	1.9%	1.0%	0.6%

SIMPLIFIED P&L

€m (IFRS 5, excluding BCC)	Reported	
	2019	2020
Revenues	7,349	7,491
Current operating income	293	215
Non-current operating income and expenses	-29	-16
Operating income	265	199
Financial expense	-79	-51
Tax	-72	-60
Consolidated net income from continuing operations, Group share	115	96
Net income from discontinued operations	-10	-94
Consolidated net income, Group share	105	1
Operating free cash flow¹	173	192

¹ Excluding IFRS 16

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