

INVESTOR PRESENTATION



FNAC DARTY



A EUROPEAN OMNICHANNEL LEADER WITH AN EFFICIENT CENTRALISED OPERATIONS PLATFORM

🏷️ **€7.9bn Group revenue in 2022 – 25,000 employees**

🏷️ **Top European omnichannel retailer**

- 22% of total sales in 2022 are online sales
- c. 50% of online sales are omnichannel (click & collect)

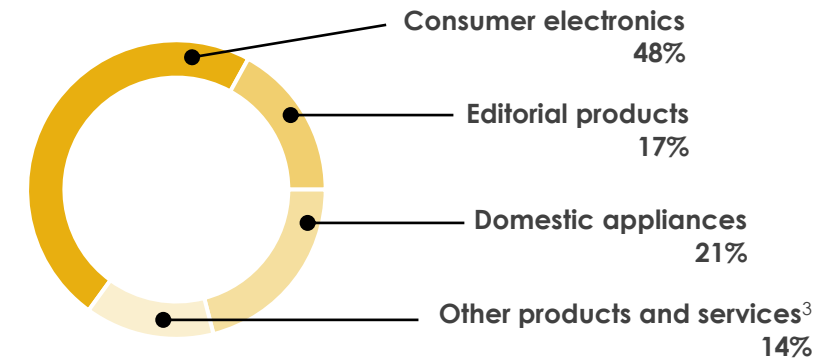
🏷️ **987 multiformat stores¹**

- 420 franchises stores (43%)
- c. 90% of customers have a store less than 15' from home

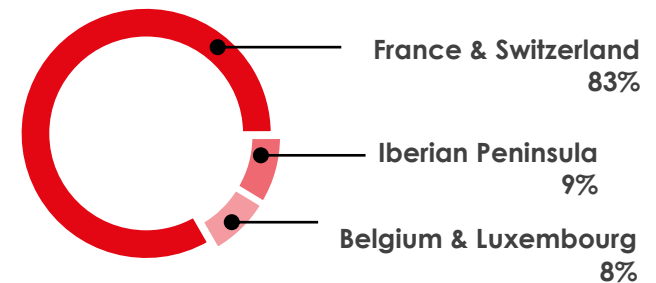
🏷️ **No. 1 after-sales service in France²**

- 2.3 million products repaired in 2022
- c. 3,000 employees dedicated to after-sales service

2022 revenue breakdown by category



2022 revenue breakdown by region



¹ As of 31 December 2022

² Internal customer studies

³ Including ticketing, B2B, after sales service, franchise fees, insurance, consumer credit

OUR STRATEGIC PLAN EVERYDAY

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

➤ **Build a digitized omnichannel retail**

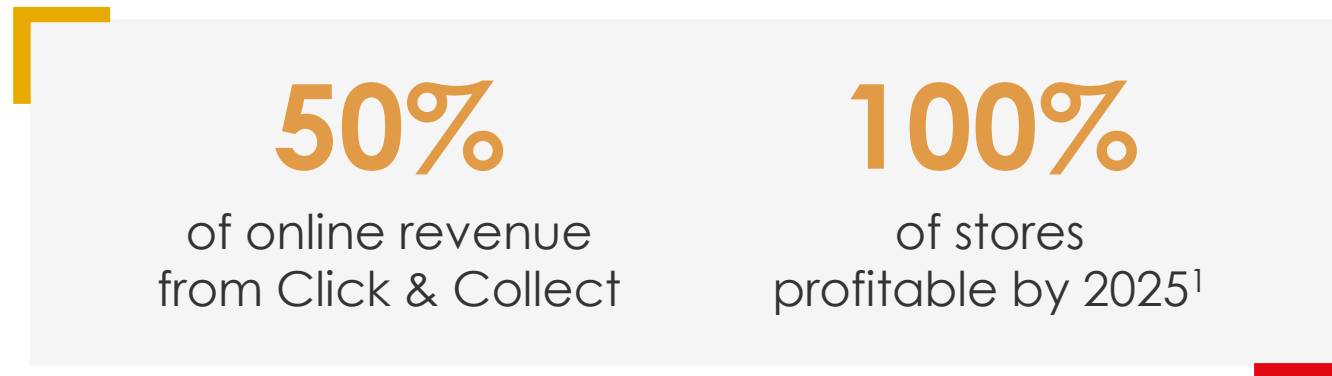
➤ **Scale the next in-home subscription-based assistance service**



➤ **Lead durable behaviors**

BUILD A DIGITIZED OMNICHANNEL RETAIL

- **Best-in-class online capacities**
- **A profitable and digitized store network**, fostering the expertise of salespeople and digital footprint
- **An uncompromised acceleration to offer high-value products to all**



LEAD DURABLE BEHAVIORS

- **A more durable offer, combined with customers' orientation towards durable products**
- **The promotion of responsible behaviors, notably through eased access to repair**

135

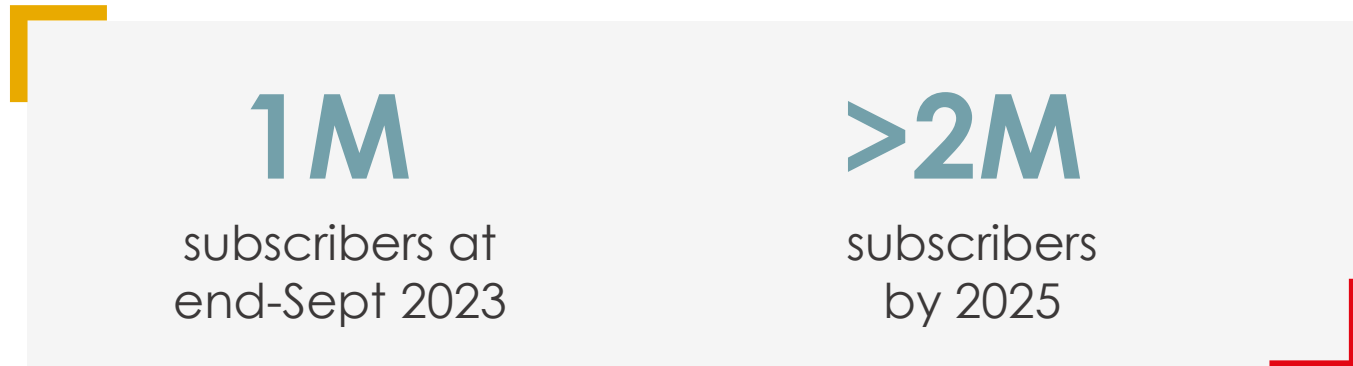
“sustainability score”
by 2025¹

c.2.5M

products repaired
in 2025²

SCALE THE NEXT IN-HOME SUBSCRIPTION-BASED ASSISTANCE SERVICES

- **Unlocking the full potential of our exclusive unlimited repairs subscription program**
- **To become the leader of in-home assistance solutions**



FNAC DARTY PROFILE IN 2025



135

“Durability score”
by 2025⁵

c.2.5m

Products repaired in 2025⁶

-50%

Transport & energy CO₂
emissions in 2030 vs 2019



>30%

Online revenue penetration
by 2025

>2M

Subscribers to our unlimited repairs
subscription program by 2025

100%

Stores profitable by 2025¹

c.€120m

Total annual normative capex budget
over the period by 2025²

≥ €240m

Run rate Free Cash Flow³ in 2025

Conservative Financial Policy

Leverage⁴ of max 2.0x

Shareholder Return

>30% mid-term payout ratio

Add. opportunistic shareholder
return



¹Group owned stores perimeter

²Excluding major strategic initiatives

³Net 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

⁴ Leverage measured with net debt excluding IFRS16 and 12-month rolling EBITDA excluding IFRS16

⁵ Durability scores weighed by volumes

⁶ Repaired or dysfunction resolved

ENSURING SUSTAINABLE SHAREHOLDER RETURNS

Increased
Free Cash Flow



Controlled net debt

Leverage¹ (net debt/ EBITDA)
of max 2.0x



Fund profitable growth

- Reinvest in the business
- Tactical bolt-on M&A



Shareholder return policy



Opportunity-driven decision

Incremental
shareholder return

- Leverage¹ of max 2.0x
- Via special dividend or share buyback

1. 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

Q3 2023 REVENUE

FNAC DARTY



STRATEGIC HIGHLIGHTS

c. €130m
of positive cash impact

COMET Court of Appeal in London rules in favor of Fnac Darty

€140m
revenue in 2022

MEDIAMARKT Closing of the acquisition in Portugal

1M
Subscribers reached

DARTY MAX well on track to reach its 2M subscribers target by 2025

c. €200m
revenue by 2028

WEAVENN Creation of a joint venture with CEVA Logistics

WEAVENN: A STRATEGIC JV ADDRESSING THE EUROPEAN MARKET

Combined skills and expertise in e-commerce, fulfillment and transport.

European market that can be addressed and is valued at around €80bn¹, estimated CAGR > 10%

Existing technical assets to accelerate the deployment of a complete Marketplace and fulfillment solution

FNAC DARTY

BRAND CREDIBILITY  

+3,000 VENDORS 






NETWORK OF ~1,000 STORES 

LAST MILE DELIVERY EXPERTISE 

CUSTOMER SERVICE EXPERTISE 



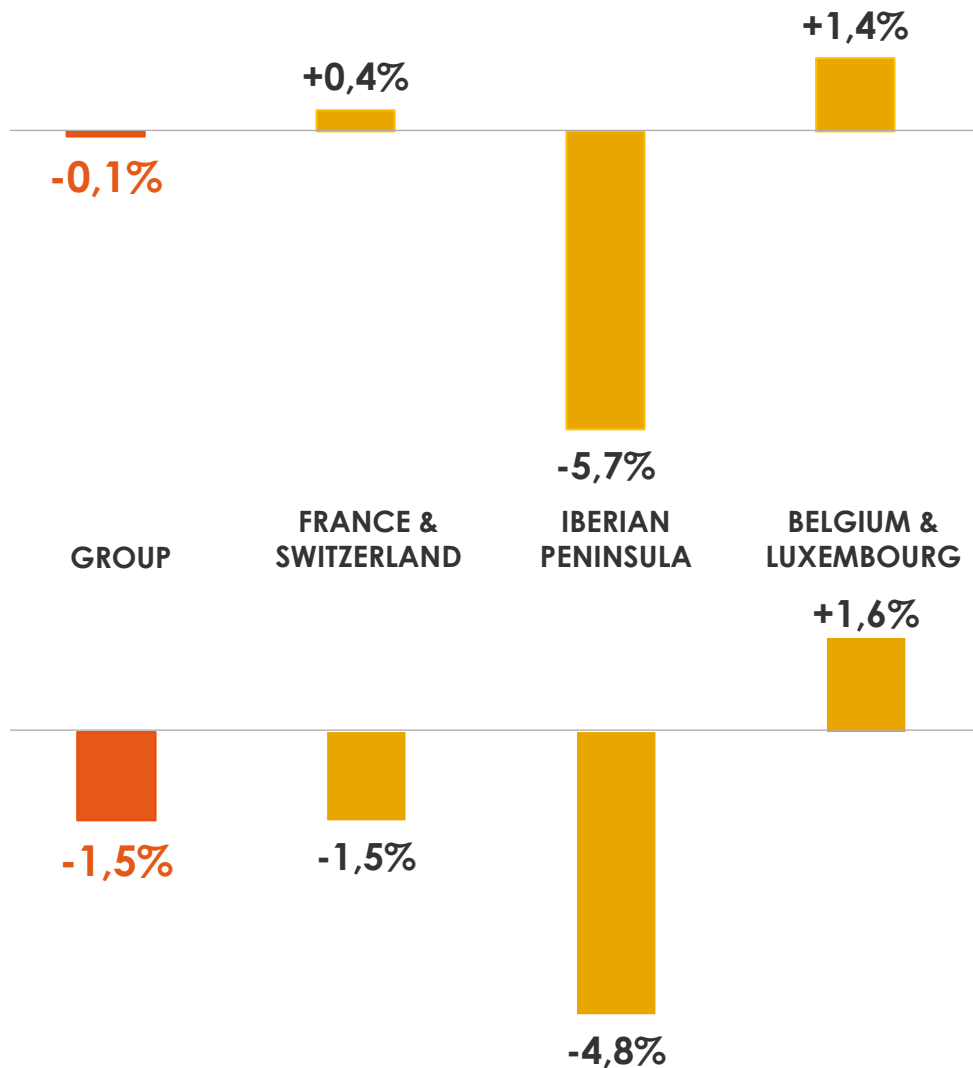
CEVA LOGISTICS

-  10.3M SQM OF WAREHOUSE
-  GLOBAL NETWORK COVERING 170 COUNTRIES
-  GROUND/AIR/OCEAN EXPERTISE - 22.5M TONS/YEAR
-  FULFILMENT & 3PL TECHNOLOGY
-  CUSTOMER SERVICE EXPERTISE

¹ European e-commerce logistic market – Global e-commerce Logistics 2023 – Ti Research – March 2023

REVENUE RESILIENCE DESPITE A CHALLENGING ENVIRONMENT

YTD 2023 vs. YTD 2022 LFL¹ Q3 2023 vs. Q3 2022 LFL¹



📌 **Flatish Q3 revenue €1,840 million** down by **-0.5%** on a reported basis and **-0.1%** on a LFL basis¹ vs Q3 2022 mainly due to challenging market environment

- Strong momentum in **Editorial products** not compensating decrease in **Technical products and Appliances**
- **France and Switzerland** back on track of growth
- **Iberian Peninsula** suffering from high inflation rate and decrease in consumer spending
- **Belgium and Luxembourg still growing**

📌 **Increasing Q3 gross margin by +70 bps** excl. dilutive impact from franchise

- Pushed by **services performance** and **positive channels/products mix**

📌 **YTD revenue €5,184m and Increasing gross margin by +40 bps** excl. dilutive impact from franchise

¹ Like-for-like: excluding the effect of changes in foreign exchange rates and scope of consolidation, openings and closures of integrated stores

STILL OUTPERFORMING THE MARKET

FNAC DARTY



France & Switzerland (LFL)¹

Market evolution (retail trade)²

Q3 2023
VS.
Q3 2022

+0.4%



-2.6%

9m 2023
VS.
9m 2022

-1.5%



-3.6%

¹ Like-for-like: excluding the effect of changes in foreign exchange rates and scope of consolidation, openings and closures of integrated stores

² Banque de France – Monthly statistics – June 2023 – Internal estimate based on Fnac Darty portfolio breakdown

OUTLOOK

📌 For FY 2023:

- Cautiousness about the rebound in consumer consumption initially anticipated
- Confidence about the ability to achieve a good level of activity in Q4 2023 driven by the year-end major sales events (Black Friday and Christmas)
- H2 2023 Current operating income expected to be in line with that of H2 2022
- Current operating income in 2023 therefore expected to be around €180 million¹

📌 Share buyback program for €20M approved by the Board of Directors

📌 Medium-term guidance confirmed:

- Objective of ≈ €500 million in cumulative free cash-flow from operations² confirmed for the 2021–2024 period
- Objective of ≈ €240 million in free cash-flow from operations² on an annual basis starting 2025

¹ Compared to "around €200 million" COI guidance communicated on 23 February 2023

² Excluding IFRS 16.

APPENDICES

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 "non-current operating income and expenses."
- Current 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
<p>Current EBITDA</p> <p>Current operating income before depreciation, amortization and provisions on fixed operational assets recognized in current operating income</p>	<p>Rents within the scope of IFRS 16</p>	<p>Current EBITDA excluding IFRS 16</p> <p>EBITDA including rental expenses within the scope of IFRS 16</p>
<p>Operating free cash-flow</p> <p>Net cash provided by operating activities less net operating investments</p>	<p>Disbursement of rents within the scope of IFRS 16</p>	<p>Operating free cash-flow excluding IFRS 16</p> <p>Free cash-flow from operations including cash impacts relating to rents within the scope of IFRS 16</p>
<p>Net debt</p> <p>Gross financial debt less gross cash and cash equivalents</p>	<p>Rental debt</p>	<p>Net debt excluding IFRS 16</p> <p>Net financial debt less rental debt</p>
<p>Net financial income</p>	<p>Financial interest on rental debt</p>	<p>Net financial income excluding IFRS 16</p>

Q1/Q2/H1 REVENUE

(€m)	Q1 2023	Change vs. Q1 2022			Q2 2023	Change vs. Q2 2022			H1 2023	Change vs. H1 2022		
		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	1,466	-0.3%	-0.4%	-0.3%	1,300	(5.3)%	(5.5)%	(4.9)%	2,766	(2.7)%	(2.9)%	(2.5)%
Iberian Peninsula	155	-1.6%	-1.6%	-1.6%	137	(7.2)%	(7.2)%	(7.2)%	292	(4.3)%	(4.3)%	(4.3)%
Belgium and Luxembourg	160	+4.0%	+4.0%	+3.1%	126	+0.2%	+0.2%	0.0%	286	+2.3%	+2.3%	+1.7%
Group	1,781	0.0%	-0.2%	-0.1%	1,563	(5.1)%	(5.2)%	(4.7)%	3,344	(2.5)%	(2.6)%	(2.3)%

H1 2023 REVENUE AND GROSS MARGIN

€m	H1 2022	H1 2023	% LFL change ¹
Revenue	3,428	3,344	(2.3)%
<i>France and Switzerland</i>	2,844	2,766	(2.5)%
<i>Iberian Peninsula</i>	305	292	(4.3)%
<i>Belgium and Luxembourg</i>	279	286	+1.7%
Gross margin As a % of revenue	1,058 30.9%	1,039 31.1%	(19) +20 bps

📌 Slightly lower revenue €3,344 million in H1 2023

- Down by **-2.5% on a reported basis and -2.3% on a LFL basis¹** compared to H1 2022 mainly due to lower sales volumes
- Strong momentum in **Editorial products** not compensating decrease in **Technical products and Appliances**
- **France and Switzerland** as well as **Iberian Peninsula** suffering from high inflation rate and decrease in consumer spending
- **Belgium and Luxembourg growing in H1 2023**, thanks to a higher level of consumer spending

📌 Increasing gross margin by +35 bps excl. franchising dilutive impact in H1 2023

- Pushed by **services performance** and **positive channels/products mix**

¹ Like-for-like basis: excludes effect of changes in foreign exchange rates, changes in scope, and openings and closings of directly-owned stores. – only for Revenue

H1 2023 GROUP FINANCIAL RESULTS

€m	H1 2022	H1 2023	change
Current operating income	19	(35)	(54)
Non-current operating income and expenses	(14)	(100)	
Operating income	5	(136)	(141)
Net financial expense	(18)	(44)	
Income tax	(3)	19	
Net income from continuing operations, Group share	(17)	(163)	(146)
Net income from continuing operations, Group share excl. ADLC	(17)	(78)	(61)
Income from discontinued operations	(0)	29	
Net income, Group share	(18)	(134)	(116)

📌 **Current Operating Income down €54m:** lower sales, OPEX increase (energy cost and inflation not fully compensated by performance plans)

📌 **Operating income includes a €85m** one-off non-cash expense (ADLC)

📌 **Net financial expense down €26m**

- Cost of financing: almost stable
- IFRS 16 component: -€5m
- Non-recurring financial expense: -€19m mainly related to impairment and disposal of the investment in the Daphni Purple fund¹

📌 **Net income from continuing operations, Group share excl. ADLC down €61m** linked to activity decrease

¹ As a reminder, since the inception in 2016, the investment in the Daphni Purple fund has generated a cumulative capital gain of 10.4 million euros.

H1 2023 FREE CASH-FLOW FROM OPERATIONS

€m	H1 2022	H1 2023
EBITDA	192	143
IFRS 16 impact	(126)	(128)
Non-current cash items and EBITDA non-cash items	2	(12)
Cash-flow before tax, dividends and interest, excluding IFRS 16	68	2
Change in WCR ¹	(735)	(635)
Operating investments ²	(56)	(63)
Income tax paid	(40)	36
Free cash-flow from operations³	(764)	(660)

- 📌 **Free Cash Flow from operations reached -€660m in H1**, following the traditional negative seasonality of the business
- 📌 **Clear improvement vs. H1 2022** thanks to the **normalization of the working capital**, and despite a challenging context in Q2
- 📌 **Good control of Capex**

¹ Includes the change in payables and receivables relating to non-current assets.

² Investments net of divestments.

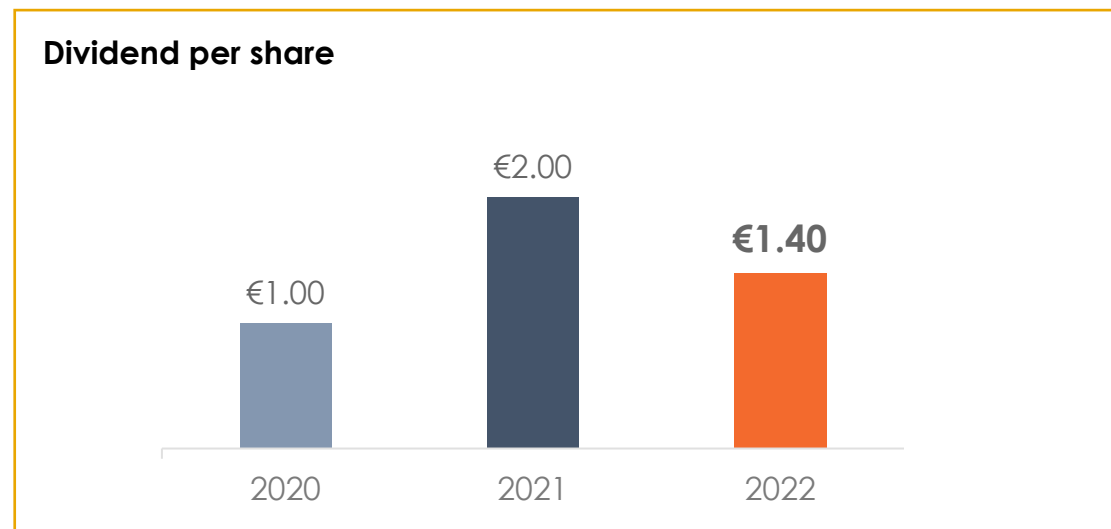
³ Excluding IFRS 16.

CASH-FLOW STATEMENT

€m	H1 2022	H1 2023
Net Cash as of 1 January excl. IFRS 16	247	(5)
Operating free cash-flow (excl. IFRS 16)	(764)	(660)
Dividends paid	(55)	0
Interest paid net of interest and dividends received	(11)	(13)
Acquisition/disposal of other financial assets (net)	2	10
Increase/decrease in equity and other transactions with shareholders	(2)	0
Cash-flow related to discontinued activities	0	(6)
Other	(3)	0
Change in Net Cash excl. IFRS 16	(832)	(669)
Net Cash as of 30 June excl. IFRS 16	(586)	(674)

FINANCIAL STRUCTURE

€m	31/12/2022	30/06/2023
Shareholders' equity	1,523	1,355
Net debt¹	5	674
<i>Gross financial debt</i>	937	1,102
<i>Cash and cash equivalents</i>	932	427
Leasing debt IFRS 16	1,141	1,065



📌 **Strong equity position**

📌 **Controlled leverage: covenants met at 30 June**

– **1.96x** EBITDA (excl. Comet)

📌 **Dividend payment: €1.40/share** paid on 6 July 2023, representing a payout ratio of 38%²

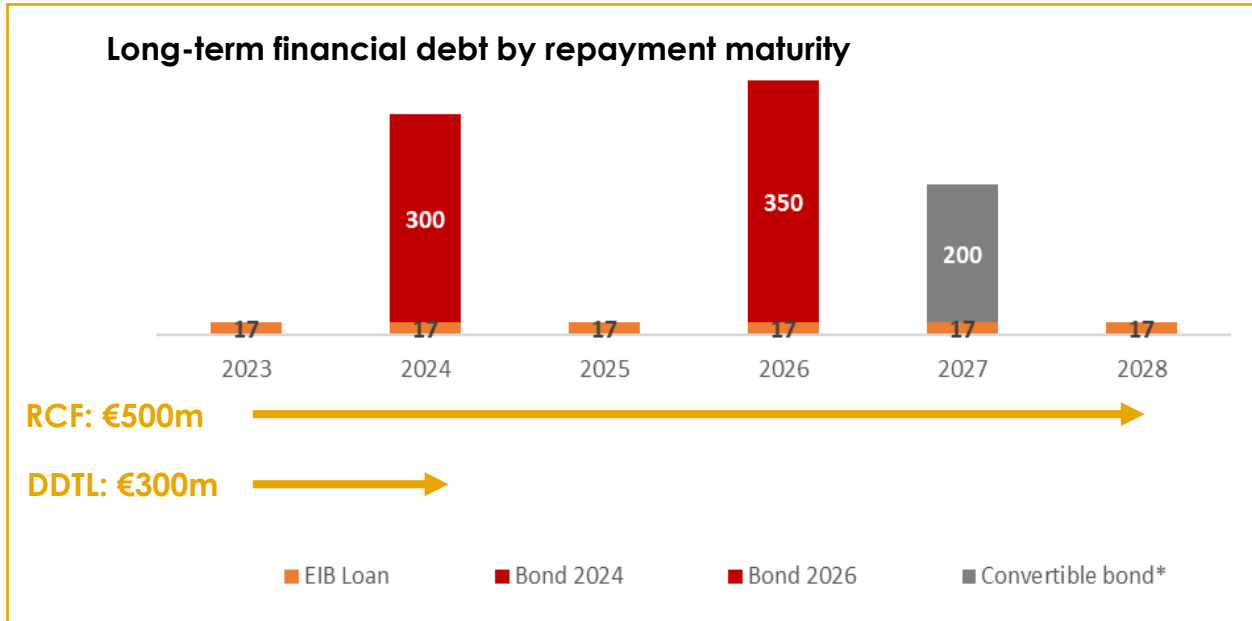
– **Dividend paid in cash: €21m**

– **Dividend paid in shares: 535,616** new shares created as of 6 July 2023

¹ Excluding IFRS 16.

² Calculated on the basis of the 2022 net income from continuing operations, Group share.

DEBT MATURITY



Securing the refinancing of the next major bond debt maturity of 2024

- Additional bank credit line (in the form of a delayed drawn term loan - DDTL) of €300 million, which is as yet undrawn
- Drawn down only once by the Group and only to repay the bond loan maturing in 2024
- Maturity of three years in case of a drawdown, which can be extended by two years

S&P Global Ratings

BB+

Negative
April 2023

FitchRatings

BB+

Stable
September 2023

SCOPE

BBB

Negative
April 2023

MOODY'S

Ba2

Stable
April 2022

Corporate Rating

Outlook

¹ In the event of non-conversion.

² unsolicited

SIMPLIFIED P&L

€m	H1 2022	H1 2023
Revenue	3,428	3,344
Current operating income	19	(35)
Non-current operating income and expenses	(14)	(100)
Operating income	5	(136)
Financial expense	(18)	(44)
Tax	(3)	19
Consolidated net income from continuing operations, Group share	(17)	(163)
Net income from discontinued operations	0	29
Consolidated net income, Group share	(18)	(134)

BALANCE SHEET

Assets in €m	31 Dec. 2022	30 June 2023
Goodwill	1,654	1,654
Intangible assets	562	575
Tangible assets	570	543
Rights of use relating to lease agreements	1,115	1,035
Investments in associates	2	1
Non-current financial assets	44	22
Deferred tax assets	60	48
Other non-current assets	0	0
Non-current assets	4,008	3,879
Inventories	1,144	1,146
Accounts receivable	250	160
Current tax receivables	6	43
Other current financial assets	19	19
Other current assets	389	321
Cash & cash equivalents	932	427
Current assets	2,739	2,116
Assets held for sale	0	0
Total assets	6,747	5,995

Equity and Liabilities in €m	31 Dec. 2022	30 June 2023
Share capital	27	27
Reserves related to equity	971	971
Conversion reserves	(4)	(5)
Other reserves	518	349
Equity, Group share	1,512	1,342
Equity attributable to minority interests	11	13
Equity	1,523	1,355
Long-term liabilities	917	919
Long-term leasing debt	897	827
Provisions for retirement and similar benefits	145	146
Other non-current liabilities	22	11
Deferred tax liabilities	165	165
Non-current liabilities	2,147	2,067
Short-term liabilities	20	183
Short-term leasing debt	244	238
Other current financial liabilities	10	8
Accounts payable	1,965	1,375
Provisions	37	119
Tax liabilities	0	9
Other current liabilities	803	641
Current liabilities	3,078	2,573
Liabilities associated with assets classified as held for sale	0	0
Total liabilities and equity	6,747	5,995

STORE NETWORK

	31 December 2022			30 September 2023		
	Owned	Franchised	Total	Owned	Franchised	Total
France and Switzerland ¹	412	414	826	407	427	834
Iberian Peninsula	69	6	75	72	6	78
Belgium and Luxembourg	86	0	86	86	0	86
Group	567	420	987	565	433	998

¹* Including 14 foreign Fnac stores: 1 in Saudi Arabia, 1 in Cameroon, 1 in Congo, 2 in Ivory Coast, 3 in Qatar, 2 in Senegal and 4 in Tunisia, as well as Nature & Découvertes subsidiaries managed from France.

PROMOTING SUSTAINABLE CONSUMPTION

Durability score

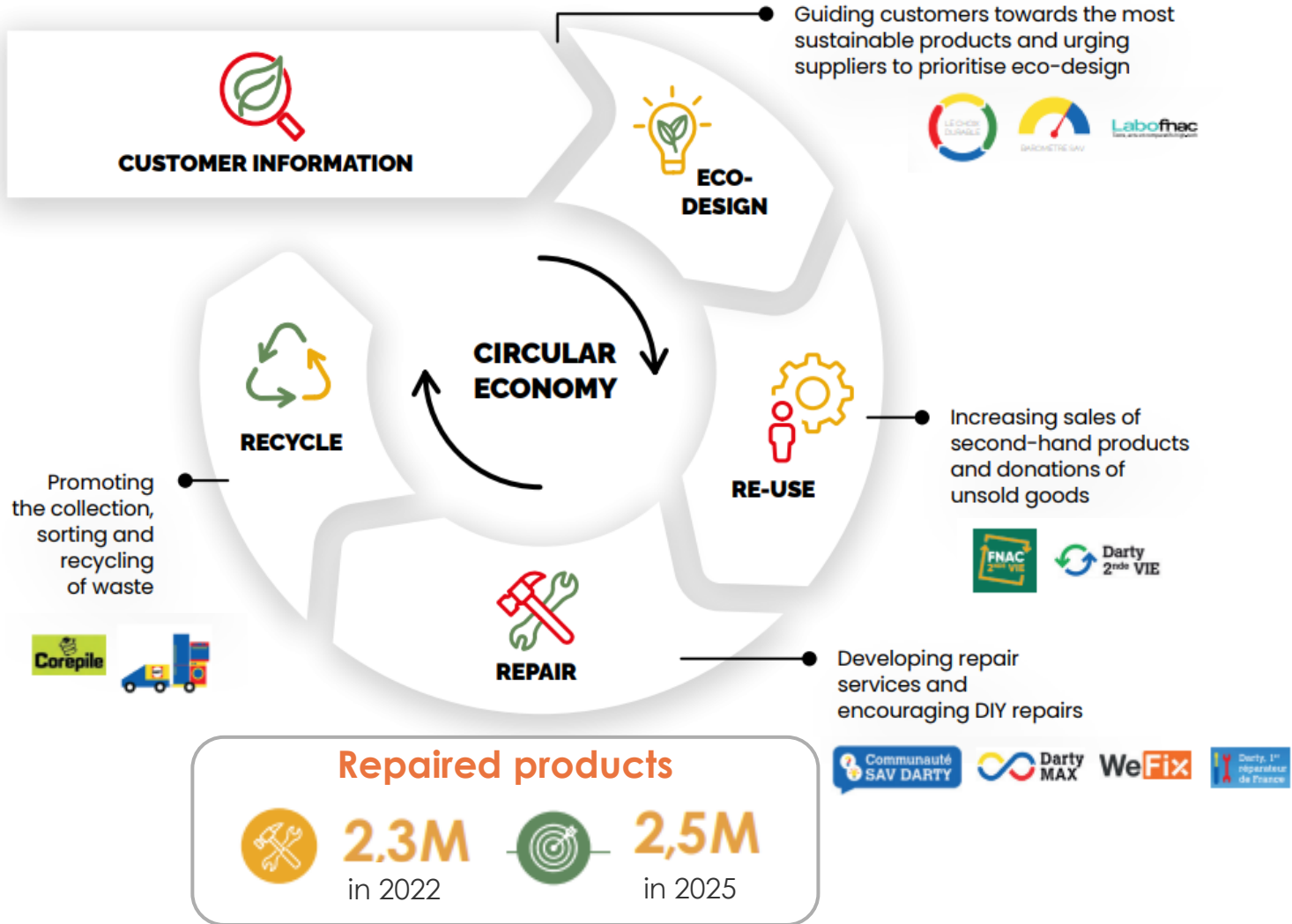
 **115**
in 2022

 **135**
in 2025

Recycle

Launch of free collection of large household appliances, with no purchase necessary

 **1st collector of WEEE in France**



Repaired products

 **2.3M** in 2022


 **2,5M** in 2025


2nd life

1.5 M
Second Life products sold in 2022

500 K
donated products

Darty Max

 **800K**
in 2022

 **2M**
in 2025

A RESPONSIBLE RETAILER VALUED BY ESG RATING AGENCIES



A- rating
vs. sector at C



Low ESG Risk
12.1



A1+
(Advanced)
based on an overall
score of **61/100**
(+ 7bps yoy)



AA in 2022 for the
fourth consecutive
time



71/100 in 2022
vs. 66/100 in 2021



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