

## RESILIENT BUSINESS IN Q1 2024

### OUTLOOK CONFIRMED

- **Q1 2024 revenue of €1,793m**, up +0.7% on a reported basis compared to Q1 2023
- **Gross margin rate up +30 bps** compared to Q1 2023, excluding dilutive impact from franchise
- **Successful omnichannel strategy: Click&Collect represents 51% of online sales**
- **Sound financial structure following the successful bond refinancing, no major debt repayment due before April 2029**

#### Enrique Martinez, Chief Executive Officer of Fnac Darty, declared:

*“Over this first quarter, the Group demonstrated the excellent resilience of its business, with stable revenue and improved gross margin.*

*In a market with mixed performances, the Group once again demonstrated the relevance of its sustainable, omnichannel and service-oriented strategy.*

*The success of the bond refinancing transaction reflects the confidence that the markets have in our business model and the trajectory adopted by the Group.*

*Fnac Darty and all its employees are now preparing for the big sports events coming up in the second and third quarters as well as the peak sales periods at the end of the year.”*

#### FIRST QUARTER 2024 REVENUE

	Q1 2024 in €m	Change vs Q1 2023	
		Reported	Like-for-like basis - LFL <sup>1</sup>
France and Switzerland	1,456	-0.7%	-0.7%
Iberian Peninsula	179	+15.5%	-2.6%
Belgium and Luxembourg	159	-0.5%	-0.4%
<b>Group</b>	<b>1,793</b>	<b>+0.7%</b>	<b>-0.8%</b>

First-quarter sales amounted to €1,793 million, showing a +0.7% increase in reported basis and a slight decline of -0.8% on a like-for-like basis<sup>1</sup>. This occurred in a market environment where consumer spending did not improve compared to previous quarters.

The strong in-store sales performance during the period offset the decrease in digital activity, which accounts for 21% of the Group's total sales. Omnichannel sales represented 51% of the total online sales for the first three months of the year.

<sup>1</sup> Like-for-like basis – LFL: excludes the effect of changes in foreign exchange rates, changes in scope, and store openings and closures.

# FNAC DARTY

## Changes by product category

**Editorial products** showed contrasting trends. As the market stabilized, the Books segment posted a strong performance (mainly driven by consumer appetite for Romance books). As anticipated, the gaming sector was impacted by a very high comparison base. **Services** continued to grow.

**Domestic appliances** sales returned to growth after two difficult years. The category benefitted from the strong performance of small appliances while large appliances are stabilizing.

**Consumer electronics** showed varying trends across segments: audio (primarily headphones) and photography segments were dynamic; telephony remained stable but did not compensate for the ongoing decline in hardware. Finally, the **Diversification** category was driven by double-digit growth in the toys and games segment, while urban mobility declined, mainly as a result of having discontinued in-store sales of electric bicycles since the beginning of 2024.

## Changes by region

Sales in the **France and Switzerland** region totaled €1,456 million, experiencing a slight decline of -0.7% on a like-for-like basis<sup>1</sup> compared to the first quarter of 2023. This performance was notably bolstered by a good momentum in small domestic appliances, the positive impact of the *Pass Culture* in France and the continued development of Services, particularly Darty Max. *Nature & Découvertes* activity was almost stable in Q1 2024.

Regarding the **Iberian Peninsula**, first-quarter revenue stood at €179 million, down -2.6% on a like-for-like basis<sup>1</sup> and up +15.5% on a reported basis compared to the first quarter of 2023. Portugal posted double-digit growth on a reported basis, benefiting from the activity of the 10 MediaMarkt stores that have been consolidated since October 1, 2023. Although still declining, Spain showed sequential improvement throughout the quarter and returned to growth in March.

For the **Belgium and Luxembourg** region, revenue stood at €159 million, virtually unchanged compared to the first quarter of 2023.

## Gross margin rate

Driven primarily by the growing positive impact of services related to Darty Max, the **Group's gross margin rate** has increased by 10 basis points compared to the first quarter of 2023. Excluding the dilutive impact of the franchise, it was up 30 basis points.

## FINANCIAL STRUCTURE

On March 19, Fnac Darty successfully carried out a bond issuance for a total amount of €550 million, maturing in April 2029, with a fixed annual interest rate of 6.0%. This operation was favorably received by a diverse base of institutional investors both in France and internationally, and it was oversubscribed multiple times.

Taking advantage of a favorable market environment, Fnac Darty proactively refinanced its entire bond debt: the €300 million bond with an interest rate of 1.875%, originally due in May 2024 and the €350 million bond with an interest rate of 2.625%, originally due in May 2026.

Simultaneously, Fnac Darty obtained approval from its banks to extend the maturity of its €100 million DDTL credit line from December 2026 to March 2028, with the addition of two one-year extension options (exercisable at the request of Fnac Darty and subject to lender approval) to March 2029 and March 2030.

Additionally, the Group also has an RCF credit line of €500 million, maturing in March 2028, which can also be extended until March 2030. As of now, this credit line remains undrawn.

Through this operation, the Group reduced its gross debt by €100 million while maintaining a sound level of liquidity.

Furthermore, in early April 2024 the Group completed the share buyback program launched in October 2023. A total of 765,012 shares representing €20 million were acquired to offset the dilution resulting from the acquisition of free shares granted to employees.

<sup>1</sup> Like-for-like basis – LFL: excludes the effect of changes in foreign exchange rates, changes in scope, and store openings and closures.

# FNAC DARTY

## OUTLOOK

As communicated in February, Fnac Darty confirms that growth is expected to pick up in 2024, supported by the declining inflation and savings rate level. Energy costs will benefit from a favorable comparison base, while rental costs and wages are expected to rise.

Business activity in the first quarter was stable compared to previous quarters. The timing of volumes recovery remains uncertain.

The Group is continuing to have a cautious view of the economic and geopolitical context, and therefore, at this stage, reaffirms its target to reach a **Current Operating Income (COI) for 2024 at least equal to that of 2023** and a **cumulative free cash-flow from operations<sup>1</sup> of approximately €500 million** over the period 2021–2024 (i.e. €180 million in 2024).

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## PRESENTATION OF FIRST QUARTER 2024 REVENUE

**Jean-Brieuc Le Tinier, Group Chief Financial Officer**, will host a conference call for investors and analysts in French, with simultaneous interpretation into English, on Wednesday April 24, 2024, at 6:30 p.m. (CEST); 5:30 p.m. (UK); 12:30 p.m. (East Coast USA).

The webcast will be available [here](#).

### In French

For people wishing to connect to the conference call in French and ask questions by phone:

France: +33 1 70 91 87 04

### In English

For people wishing to connect to the conference call in English and ask questions by phone:

UK: +44 1 212 818 004 / USA: +1 718 705 8796

### Replay

You can listen to a recording of the presentation at any time, in either French or English, via [www.fnacdarty.com](http://www.fnacdarty.com).

## FINANCIAL CALENDAR

**May 29, 2024:** General Meeting 2024

**July 24, 2024 (after market close):** Half-year results 2024

**October 23, 2024 (after market close):** Third quarter 2024 revenue

## CONTACTS

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<sup>1</sup> Excluding IFRS 16.

# FNAC DARTY

## APPENDIX – STORE NETWORK

	Dec. 31, 2023	Opening	Closure	Mar. 31, 2024
<b>France and Switzerland*</b>	<b>838</b>	<b>2</b>	<b>1</b>	<b>839</b>
<i>Traditional Fnac</i>	96	0	0	96
<i>Suburban Fnac</i>	17	0	0	17
<i>Travel Fnac</i>	37	0	0	37
<i>Proximity Fnac</i>	82	0	0	82
<i>Connect Fnac</i>	7	0	0	7
<i>Darty</i>	492	2	1	493
<i>Fnac/Darty France</i>	1	0	0	1
<i>Nature &amp; Découvertes**</i>	106	0	0	106
<i>Of which franchised stores</i>	<i>431</i>	<i>2</i>	<i>1</i>	<i>432</i>
<b>Iberian Peninsula</b>	<b>88</b>	<b>0</b>	<b>1</b>	<b>87</b>
<i>Traditional Fnac</i>	53	0	0	53
<i>Travel Fnac</i>	4	0	0	4
<i>Proximity Fnac</i>	18	0	0	18
<i>Connect Fnac</i>	3	0	1	2
<i>MediaMarkt Portugal</i>	10	0	0	10
<i>Of which franchised stores</i>	<i>6</i>	<i>0</i>	<i>1</i>	<i>5</i>
<b>Belgium and Luxembourg</b>	<b>84</b>	<b>2</b>	<b>2</b>	<b>84</b>
<i>Traditional Fnac***</i>	12	2	1	13
<i>Proximity Fnac</i>	1	0	0	1
<i>Darty (Vanden Borre)</i>	71	0	1	70
<b>Fnac Darty Group</b>	<b>1,010</b>	<b>4</b>	<b>4</b>	<b>1,010</b>
<i>Traditional Fnac</i>	161	2	1	162
<i>Suburban Fnac</i>	17	0	0	17
<i>Travel Fnac</i>	41	0	0	41
<i>Proximity Fnac</i>	101	0	0	101
<i>Connect Fnac</i>	10	0	1	9
<i>Darty/Vanden Borre</i>	563	2	2	563
<i>Fnac/Darty</i>	1	0	0	1
<i>MediaMarkt</i>	10	0	0	10
<i>Nature &amp; Découvertes</i>	106	0	0	106
<i>Of which franchised stores</i>	<i>437</i>	<i>2</i>	<i>2</i>	<i>437</i>

\* including 13 Fnac stores abroad: 3 in Qatar, 3 in Tunisia, 2 in Senegal, 2 in Ivory Coast, 1 in the Congo, 1 in Cameroon, 1 in Saudi Arabia and 3 Darty stores abroad in Tunisia; and including 18 stores in the French overseas territories. Excluding 17 Fnac shop-in-shops opened in Manor stores.

\*\* including Nature & Découvertes subsidiaries managed from France: 4 stores in Belgium, 1 store in Luxembourg, 7 franchises in Switzerland, 1 franchise in Portugal and 5 franchises in the French overseas territories.

\*\*\* Including one store in Luxembourg, which is managed from Belgium.