

Press release

## Consistently successful: MediaMarktSaturn's parent company CECONOMY grows significantly in sales and earnings

- Sales up 5.3 per cent<sup>1</sup> to €22.4 billion (FY 2022/23: €22.2 billion)
- Adjusted EBIT<sup>2</sup> increases by 26 per cent to €305 million (FY 2022/23: €243 million)
- Profit for the period increased by more than €100 million
- Change in business model progresses, growth areas show strong performance
- Highest customer satisfaction value to date on an annual basis

**Düsseldorf, December 18, 2024** – Customer focus as a success factor: The success of CECONOMY AG (CECONOMY) and MediaMarktSaturn in financial year 2023/24 is closely linked to the consistent focus of the entire company on the needs of its customers. Customers are more satisfied than ever. The “Net Promoter Score” (NPS), which measures customer satisfaction, reached a new annual high of 58 (plus 5 points).

“We delivered in an extremely challenging market environment. When you think of electronic devices, you think of MediaMarktSaturn. Our goal is that our customers can reach us quickly at any time - whether online, via app or in-store. For us, this is omnichannel at its best. And our figures for the past financial year show that we are on the right track with this claim. I would like to thank our customers for their trust and our employees for their performance. We will continue with this successful path,” says Dr Karsten Wildberger, CEO of CECONOMY.

### Profitable growth for seven quarters in a row

In financial year 2023/24, CECONOMY increased sales by 5.3 per cent<sup>1</sup> to €22.4 billion. Sales grew in all four quarters. Adjusted EBIT<sup>2</sup> rose by 26 per cent year-on-year to €305 million. Hence, profitability improved for the seventh consecutive quarter. CECONOMY has thus achieved the financial targets it set itself for this financial year and is well on track to meet its medium-term targets. The CECONOMY growth businesses account for 32 per cent of

<sup>1</sup> Currency and portfolio-adjusted sales growth, before IAS 29.

<sup>2</sup> Adjusted EBIT before non-recurring effects, companies accounted for using the equity method and portfolio changes.

<sup>3</sup> Excluding portfolio changes (Sweden, Portugal), before IAS 29. Growth additionally adjusted for currency effects.

<sup>4</sup> Operational Services & Solutions income in per cent of total net sales (excluding e.g., Retail Media, Marketplace commissions & fees, deliveries).

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group gross profit.

At the same time, CECONOMY achieved a significantly improved net result: in financial year 2023/24, a net profit of €77 million was achieved, after a negative result of minus €37 million in the previous year. This corresponds to earnings per share (EPS) of €0.16 - a sharp increase of €0.24. Adjusted EPS, which more accurately reflects the operating performance, was at € 0.22.

“Our good results show that we stand by our promises and successfully confirm our ambitious forecasts. The company is financially stable and is supported by a committed team. We have managed with strict cost discipline and made ourselves leaner. We want to use this potential and strength to consistently drive forward our development and growth. Our new business areas in particular offer great opportunities, which we will continue to exploit in a targeted manner. In the future, our shareholders should also benefit from this success with an attractive dividend,” says Dr Kai-Ulrich Deissner, CFO of CECONOMY.

### **Dividend policy specified**

The company is aiming for a dividend payout ratio of 10 per cent to 25 per cent of earnings per share in the future. Therefore, the capital requirements for both existing and new business ventures are always taken into account.

### **Successful position as an omnichannel provider: market shares stable or growing in nine out of eleven countries, store portfolio further expanded**

A decisive factor for the positive development in the past year is the successful positioning away from a traditional retailer towards a customer-centric omnichannel service platform. The intelligent linking of bricks-and-mortar retail with online channels and the targeted development of new business areas that complement the core business and make a significant contribution to profitability have created a strong foundation. Growth areas such as Services & Solutions, Marketplace, Retail Media and Own Brands made it possible to achieve strong results despite a challenging market environment.

### **Modernization of stores and expansion of store portfolio**

64 per cent of stores in Europe now have a new look (FY 2022/23: 50 per cent). By the end of the financial year 2025/26, over 90 per cent of the stores in all eleven countries in which the company operates will have a new design that is even more attractive to customers and will further improve the shopping experience.

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In the 2023/24 financial year, MediaMarktSaturn opened three new “lighthouses” in Germany, Austria and Turkey - including Europe's largest electronics store in Hamburg with around 15,000 m<sup>2</sup> of space. These “lighthouses” are huge flagship stores in attractive locations that are designed like a technology fair.

### **Takeovers and growth in Switzerland**

In Switzerland, the company has strengthened its market position and taken over 20 Melectronics locations from the Migros Group. Of these, 19 stores have already been reopened under the brand MediaMarkt.

### **Online growth driven forward**

MediaMarktSaturn is also successful online. The online share (incl. net merchandise value of the Marketplace) was just under 24 per cent last year. Online sales<sup>3</sup> grew by 7.3 per cent to €5.1 billion (FY 2022/23: €4.8 billion). An online share of 30 per cent is planned for the financial year 2025/26.

### **Services & Solutions: income increases by 17 percent**

Income with Operational Services & Solutions increased by 17 per cent<sup>4</sup>. Operational Services & Solutions revenue accounted for 5.1 per cent of total revenue. The aim is to increase this share of revenue to 5.5 per cent of total sales by the financial year 2025/26. There was particularly strong demand for device insurance, extended warranties and telecommunications services in the past financial year. The repair service was also well received by customers.

### **Retail Media achieves medium-term target ahead of schedule**

Retail media is a key driver of corporate profitability. Retailers use their platforms - such as websites, apps or brick-and-mortar stores - as advertising space for brands to enable targeted campaigns based on customer data and shopping behavior. Thanks to the targeted strategy and in-depth expertise, the company's retail media revenue grew by €30 million to €48 million. CECONOMY has thus already exceeded its earnings target of €45 million for financial year 2025/26. MediaMarktSaturn will continue to invest in AI and data-driven products, among other things, in order to grow further.

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### **All signs point to growth at the Marketplace**

Following the roll-out in Italy and the Netherlands in the last financial year, the Marketplace is now available in five countries. The company was able to increase Marketplace sales (gross merchandise value) to €277 million. This corresponds to an increase of €140 million. CECONOMY is aiming for €750 million by the end of financial year 2025/26. Around 1,600 sellers offer around 2 million products on the Marketplace. The Marketplace is set to launch in Belgium, Poland and Turkey in financial year 2024/25.

### **Own brand share increased**

The positive development of the own brands has gained momentum over the last four quarters: The own brand share of total sales improved slightly to 2.7 per cent (FY 2022/23: 2.4 per cent). Growth was driven by large electrical appliances, TVs and accessories. The company sees further potential here and has already invested in improvements of the product range.

### **Strict cost discipline pays off, financing secured for the long term**

Thanks to the strong operating performance, free cash flow developed solidly and amounted to €119 million. At the same time, the company secured its long-term financing structure with the successful placement of a bond linked to sustainability targets on the capital market.

### **Outlook: Moderate increase in currency and portfolio-adjusted total sales and significant increase in adjusted EBIT**

CECONOMY aims to continue its growth. The company anticipates a moderate increase in fx- and portfolio-adjusted total sales. All segments are expected to contribute to sales growth. CECONOMY expects a clear increase in adjusted EBIT. The improvement in adjusted EBIT is driven by DACH and Western/Southern Europe.

“On behalf of all our employees, I would like to thank our customers for making us number one for them. We want to continue to work and invest in transforming our business model into a platform approach and offer even more opportunities for our customers. If we succeed in this, then we will also be successful in the future,” says Dr Karsten Wildberger.

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### **About CECONOMY**

CECONOMY AG simplifies life in the digital world. The company is a leader for concepts and brands such as MediaMarkt, MediaWorld and Saturn in the consumer electronics sector in Europe. The companies in the CECONOMY portfolio have billions of consumer contacts per year and offer products, services and solutions that make life in the digital world as easy and convenient as possible. In this way, they create added value for customers and investors alike.

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