



CECONOMY

Media Markt

SATURN

# General Investor Presentation

# Europe's leading consumer electronics retailer with good traction

## Profitable growth

- / Europe's largest consumer electronics retailer with leading positions in 9 of 11 markets
- / Strong diversification across business models, regions, and product categories
- / Reinvented long term business model („from retail to service platform“) with a proven track record of growth and enhanced profitability
- / Focus on strategy-aligned investments (e.g., bolt-on-acquisitions)

## More than a retailer

- / Transforming our business model to a customer-centric omnichannel platform
- / Profitable growth businesses complementing retail core business are already substantial in size:
  - Services & Solutions
  - Retail Media
  - Marketplace
  - Private Label

## Soundly financed

- / Proven commitment to solid BB rating and further improving credit metrics
- / Prudent financial policy and ample liquidity underpinned by a strong improvement of leverage ratio

## 1. Company Overview

I. CECONOMY at a glance

II. Our history

III. Purpose & Strategy

IV. Environmental, Social and Governance

2. Business model deep-dive

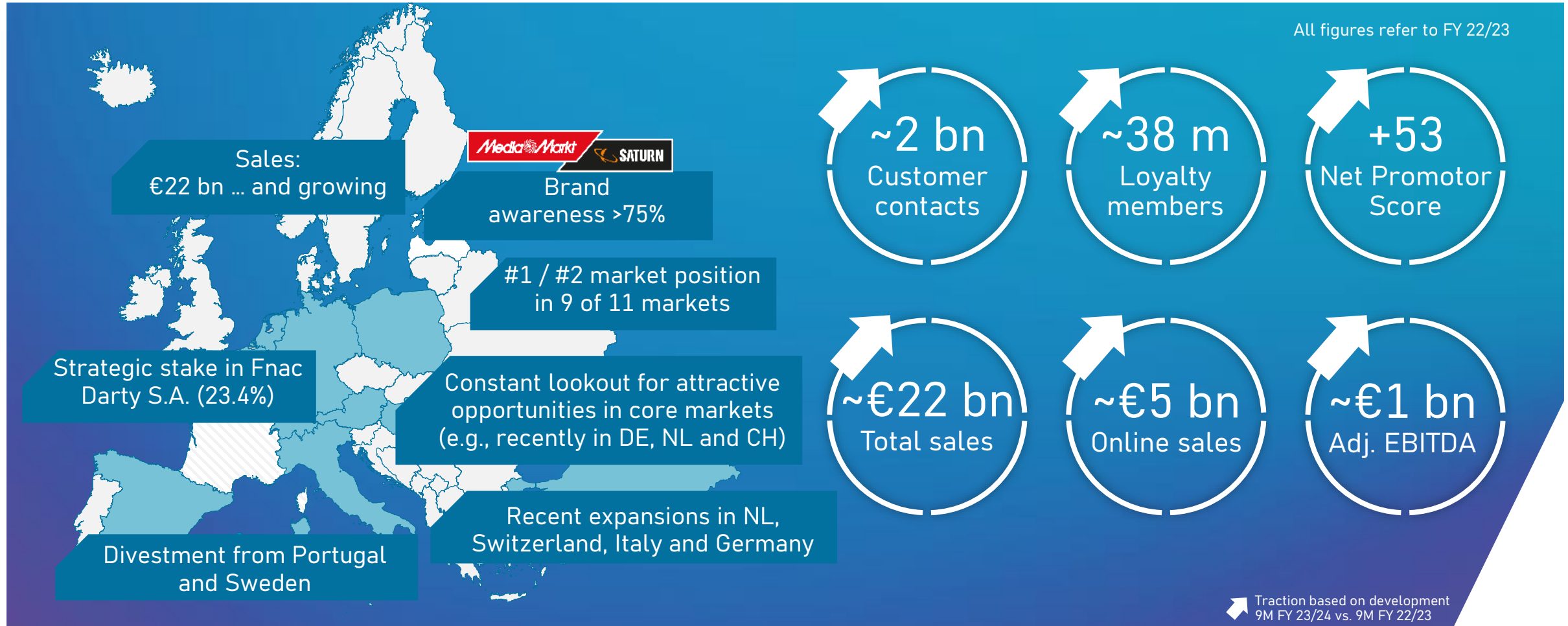
3. Market overview

4. Financials

5. Outlook

6. Capital Market

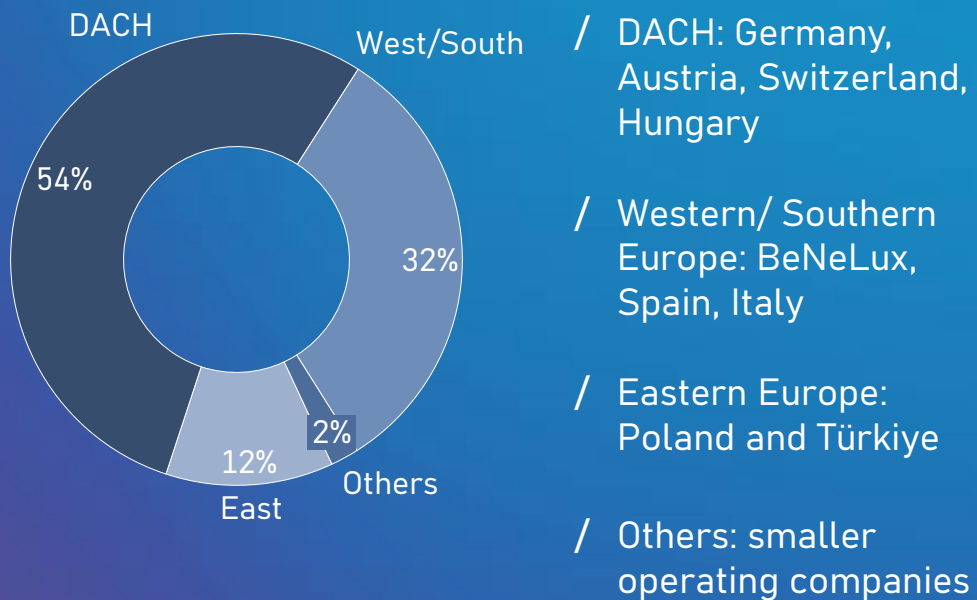
# We are market leader in consumer electronics in Europe



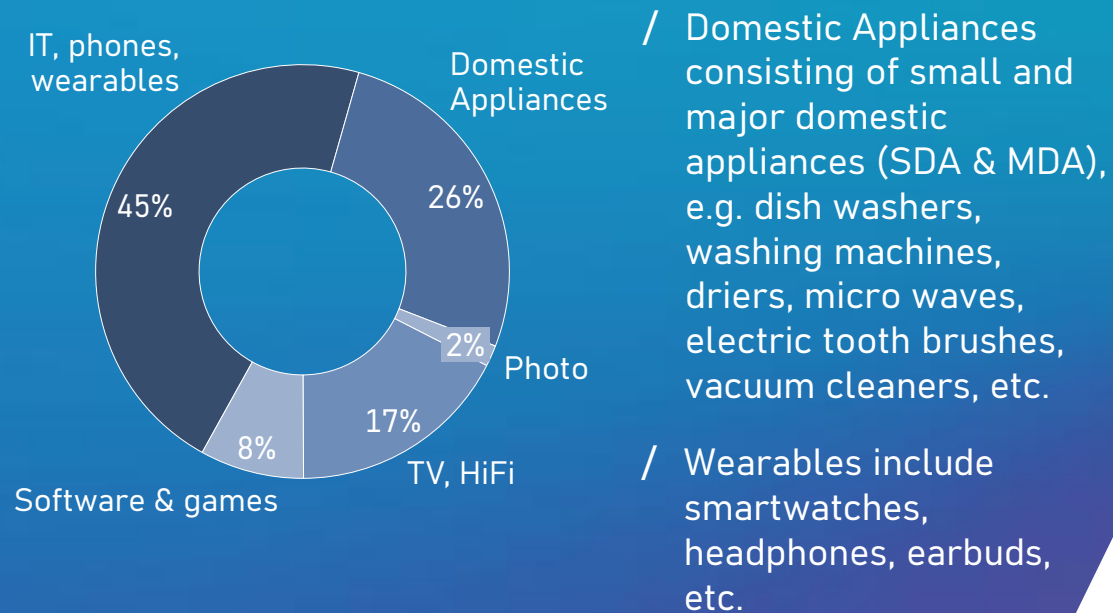
# We are well-diversified in terms of both regional and product sales

## Overview segmentation based on FY 22/23

### Sales share by regional segments

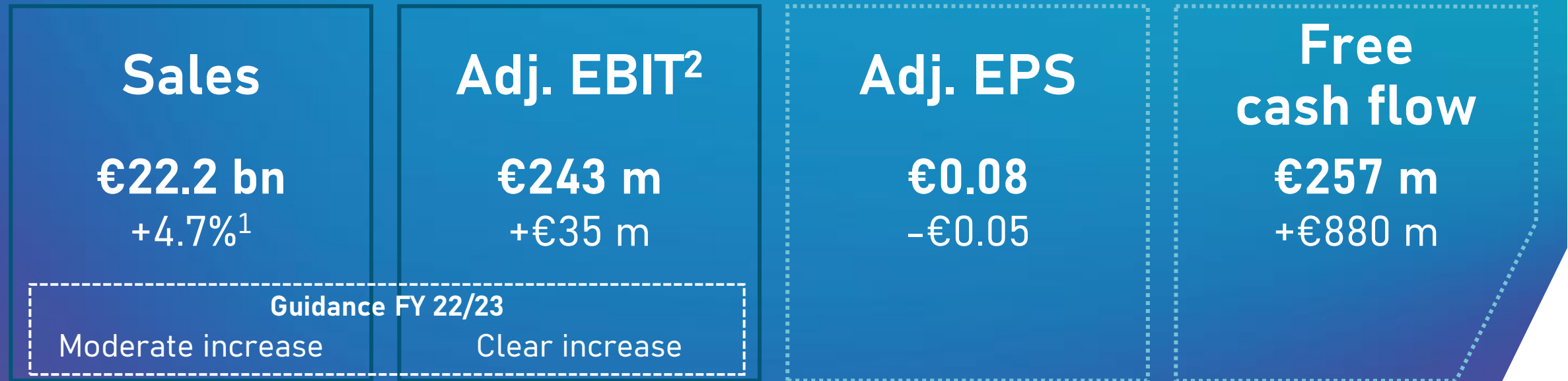


### Sales share by product segment



# For the financial year 2022/23 we have delivered on our guidance

## Financial results and YoY change



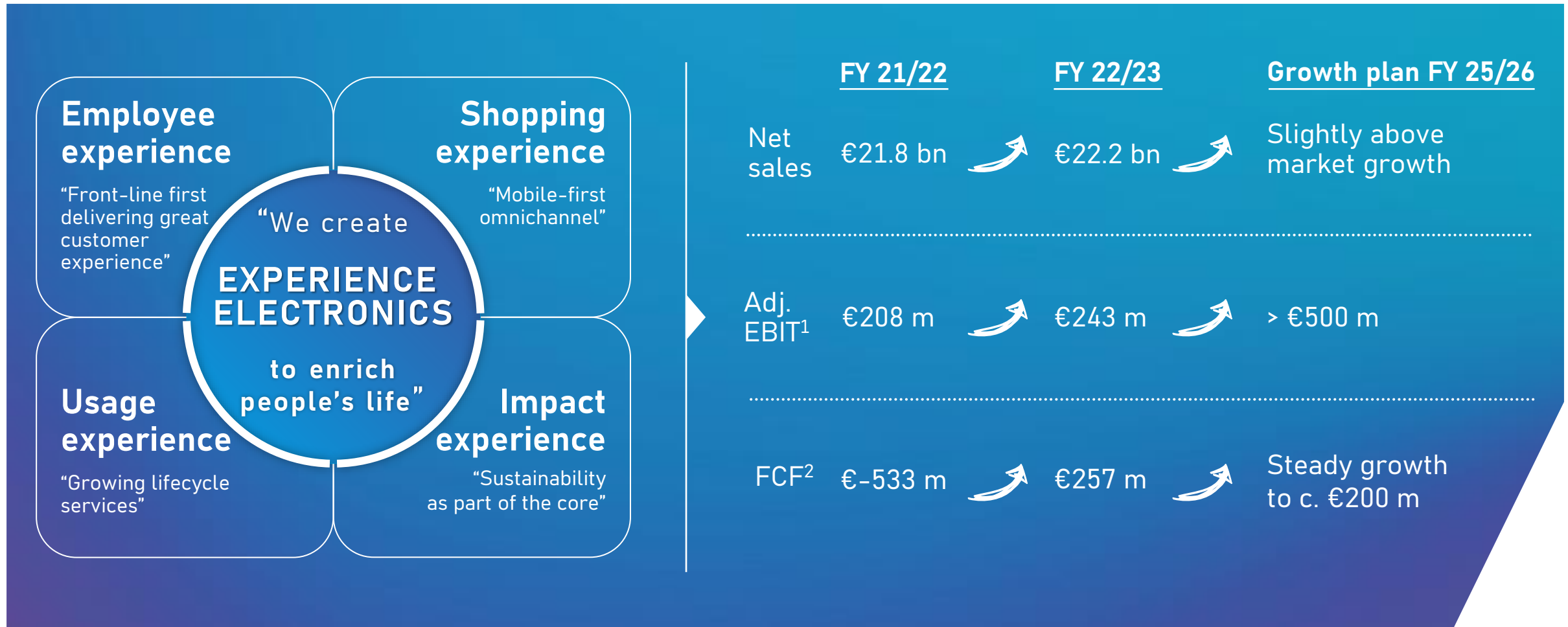
<sup>1</sup>Adjusted for FX and portfolio effects, pre-IAS 29. <sup>2</sup>Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects.

# We updated our outlook twice in FY 2023/24



The outlook is adjusted for portfolio changes and does not take into account the earnings effects from companies accounted for using the equity method. Accounting effects of the application of IAS 29 in Türkiye as a hyperinflationary economy are also not taken into account. It excludes non-recurring effects, particularly in connection with the simplification and digitalisation of central structures and processes or changes to the legal environment.

# We create Experience Electronics to enrich people's life – Our omnichannel strategy shows visible progress



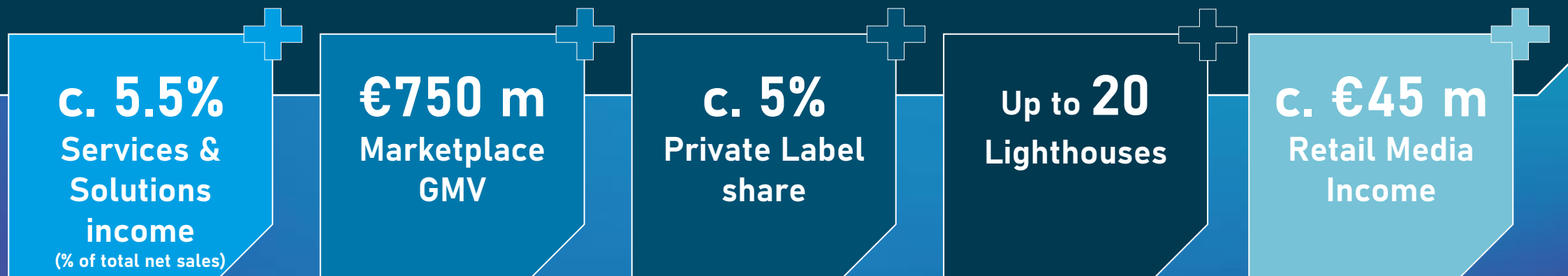
<sup>1</sup>Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects; <sup>2</sup>Adjusted for IFRS 16 leases



# We transform and enhance our business model to strengthen financial performance with proven track record

## Ambition until FY 25/26

Retail Core: Moderate sales growth & c. 30% online share



>€500 m EBIT<sup>1</sup> FY 25/26

<sup>1</sup>Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects








# Our history

“ We are not just any retail company ”

# CECONOMY's transformation from a decentralised retailer to a customer-centric service platform

## Since 2017, CECONOMY has...

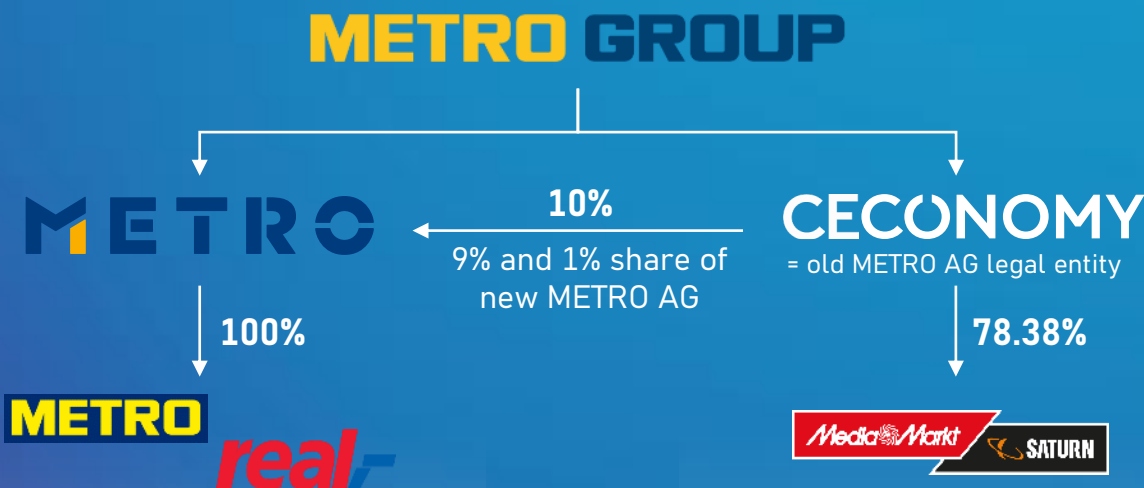
-  centralised its organisation and optimised processes and country portfolio
-  established a prudent financial policy
-  reorganised and simplified its shareholder structure
-  reinvented long term business model to service platform
-  accelerated transformation, with proven track record

- |                      |   |
|----------------------|---|
| <i>pre-pandemic</i>  | <b>1979</b>   / MM foundation in Munich by Leopold Stiefel, Erich Kellerhals, and Walter Gunz   |
|                      | <b>1990</b>   / Acquisition of Saturn. Operation under the Media-Saturn-Holding umbrella  |
|                      | <b>2017</b>   / METRO GROUP demerger – CECONOMY officially becomes an independent company<br>/ CECONOMY acquires 24.3% of Fnac Darty S.A. as strategic investment   |
| <i>pandemic</i>      | <b>2018</b>   / CECONOMY increases its share capital by ~10% to strengthen its financial position   |
|                      | <b>2020</b>   / CECONOMY responds to COVID-19 pandemic: Revolving Credit Facility with KfW<br>/ Shareholder agreement with Convergenta <sup>1</sup> ; introduction of harmonised group-wide organisational structure  |
| <i>post-pandemic</i> | <b>2021</b>   / CECONOMY defines post pandemic financing structure with a new RCF and a corporate bond  |
|                      | <b>2022</b>   / Acquisition of minority share in MediaMarktSaturn (21.62%) financed mainly by capital increase, while Convergenta becoming new anchor shareholder of CECONOMY AG <sup>1</sup>   |
|                      | <b>2023</b>   / Efficiency program for simplification and digitisation of central structures and processes<br>/ Capital Markets Day – CECONOMY to become a customer-centric service platform<br>/ “Lead or leave strategy” – Optimising footprint by selling the Sweden and Portugal businesses |
|                      | <b>2024</b>   / Accelerated transformation with recent update of guidance   |

<sup>1</sup>On 14 December 2020, CECONOMY concluded an agreement with the minority shareholder of MSH, Convergenta Invest GmbH („Convergenta“) which included the acquisition, transfer and contribution of the stake in MSH held by Convergenta to CECONOMY. The Convergenta Transaction was closed on 3 June 2022 by entering the respective measures in the commercial register of CECONOMY AG.

# Demerger of METRO and CECONOMY in 2017

## Overview of transaction structure



+ Property assets and service companies of METRO GROUP  
 + Indebtedness to third parties

+ Pension liabilities of METRO AG employees who have already left the company

/ Combination of **hive-down and spin-off**

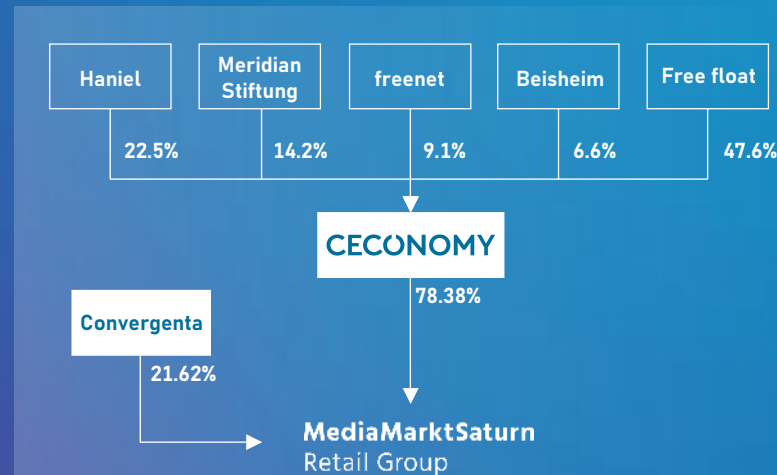
/ **Distribution ratio 1:1**  
 Existing METRO AG shareholders received one share in the “new” METRO AG in addition to the “old” METRO share (new CECONOMY share)

/ **CECONOMY held 10% of the “new” METRO AG shares to strengthen its capital base:**  
 9% sold in 2018  
 1% still in portfolio

# Convergenta transaction in 2022: Simplified governance & structure

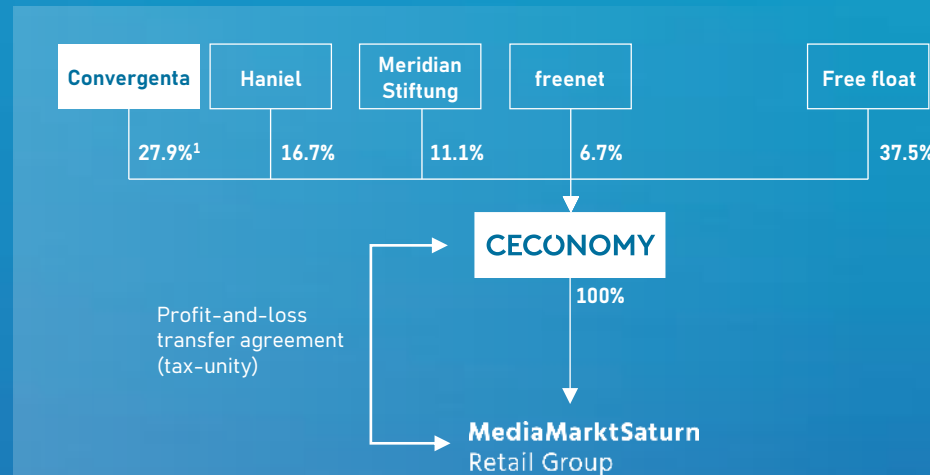
## Shareholder structure

### Before June 2022



/ MediaMarktSaturn fully consolidated, with minorities/non-controlling interest in P&L and B/S

### In June 2022



/ MediaMarktSaturn fully consolidated, with shift of Convergenta's share to majority shareholders in P&L and B/S

/ Transaction enables CECONOMY to use tax-loss carryforwards of >€2.5 bn

## Remuneration

/ 125.8 m new ordinary CECONOMY shares issued

/ CECONOMY convertible bond (c. €160 m²)

/ Cash component (€130 m)

<sup>1</sup>Convergenta can increase its shareholding further via conversion of new convertible bond. This corresponds to Convergenta's intention of becoming a long-term anchor shareholder with a stake of up to 33.7% of ordinary shares. <sup>2</sup>Issue price, nominal amount €151 m.

# Overview of CECONOMY investments<sup>1</sup>

## At Equity Investments

### 23.4% stake in Fnac Darty

- / Fnac Darty is a leading French retailer for consumer electronics and household appliances
- / Thanks to its franchisee system, the company benefits from a solid territorial network with nearly 1,010 stores
- / Mainly present in France, the Group is also established in Spain, Portugal, Belgium, Switzerland, Luxembourg, Tunisia, Qatar, Ivory Coast, Cameroon, Congo, Senegal and Saudi Arabia.
- / Stake in the electronics retailer was acquired in 2017

### 20% stake in Power Sweden

- / Share held since divestment of Swedish MediaMarkt business in August 2023

## Financial Investments

### 1% stake in METRO AG

- / Share held since demerger in 2017
- / Additional 9% stake of METRO sold to EP Global Commerce II GmbH in 2018

### 6.6% stake in METRO Properties

- / Share held since demerger in 2017

### 15% stake in M.video

- / Share held since divestment of Russian MediaMarkt business in 2018

<sup>1</sup>As of September 2024

# Freed from the burdens of the past, we are driving our transformation faster

“Myth”	↔	“Reality”
 <p>Shareholders' conflicts</p>		Shareholder structure simplified, effective governance established, and conflicts resolved
 <p>Complex store ownership structure</p>		Centralisation on national level completed – c. 99% of stores fully owned by the group
 <p>Bricks &amp; Mortar only</p>		C. 25% online sales share and we are omnichannel market leader in consumer electronics in Europe
 <p>Unclear strategy</p>		Refreshed strategy with clear growth levers and ongoing execution
 <p>Lacking portfolio strategy</p>		Continuous optimisation according to “lead or leave” portfolio strategy

# We effectively shifted from being a discount-focused retailer to becoming the experience electronics champion

Old to new – our brand transformation

Integrating new branding into campaigns, making them more purpose-oriented

# LET'S GO!

Focus on messaging our experience in consumer electronics to customers

New bold, dynamic brand design while maintaining identity

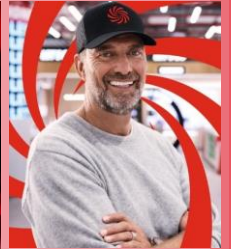
Since 2022

Past

Discount-focused retailer, based on aggressive pricing and promotional campaigns

## WE CREATE EXPERIENCE ELECTRONICS TO ENRICH PEOPLE'S LIFE

## EXPERIENCE WHAT'S POSSIBLE







# Our Purpose

“ We create Experience Electronics to enrich people’s life ”

# We guide customers through an increasingly complex world

## Convenient and seamless shopping experience



- / Pick-up in 30 min
- / Delivery in 90 min via Uber in DE
- / >1000 physical stores

## Customer-centric assortment



- / Core-portfolio of 7k SKU<sup>1</sup>s per country
- / Expanded by 1.6m products via Marketplace<sup>2</sup>

## Lifecycle services



- / Repair and Trade-in Service across all our stores
- / Financing and Insurance solutions

## Sustainable products and solutions



- / Own sustainable label "BetterWay"
- / Wide refurbished products offering

## Strong and reliable partner to the industry



- / Strong cooperations via our space-as-a-service concepts
- / Retail Media to support our partners

<sup>1</sup>SKU: Stock Keeping Unit; <sup>2</sup>As of June 2024

# We operate in a constantly growing industry

## Growth opportunities



### Sustainability

Sustainable and energy-efficient products

**+50%**

CAGR<sup>3</sup> in energy-efficient category segments<sup>1</sup>



### AI-powered consumer electronics

AI enhancing user experiences through innovative features



Some of the most evident applications of AI are in smart home, creativity and productivity



### Affordable premium

More premium products in key categories

**47%**

of consumers prefer fewer but higher quality items<sup>1</sup>



### New product categories

Growth in new categories – health, mobility, virtual reality

**+16%**

CAGR<sup>2,3</sup>



### Adjacent service business

Services for higher convenience and “peace of mind”

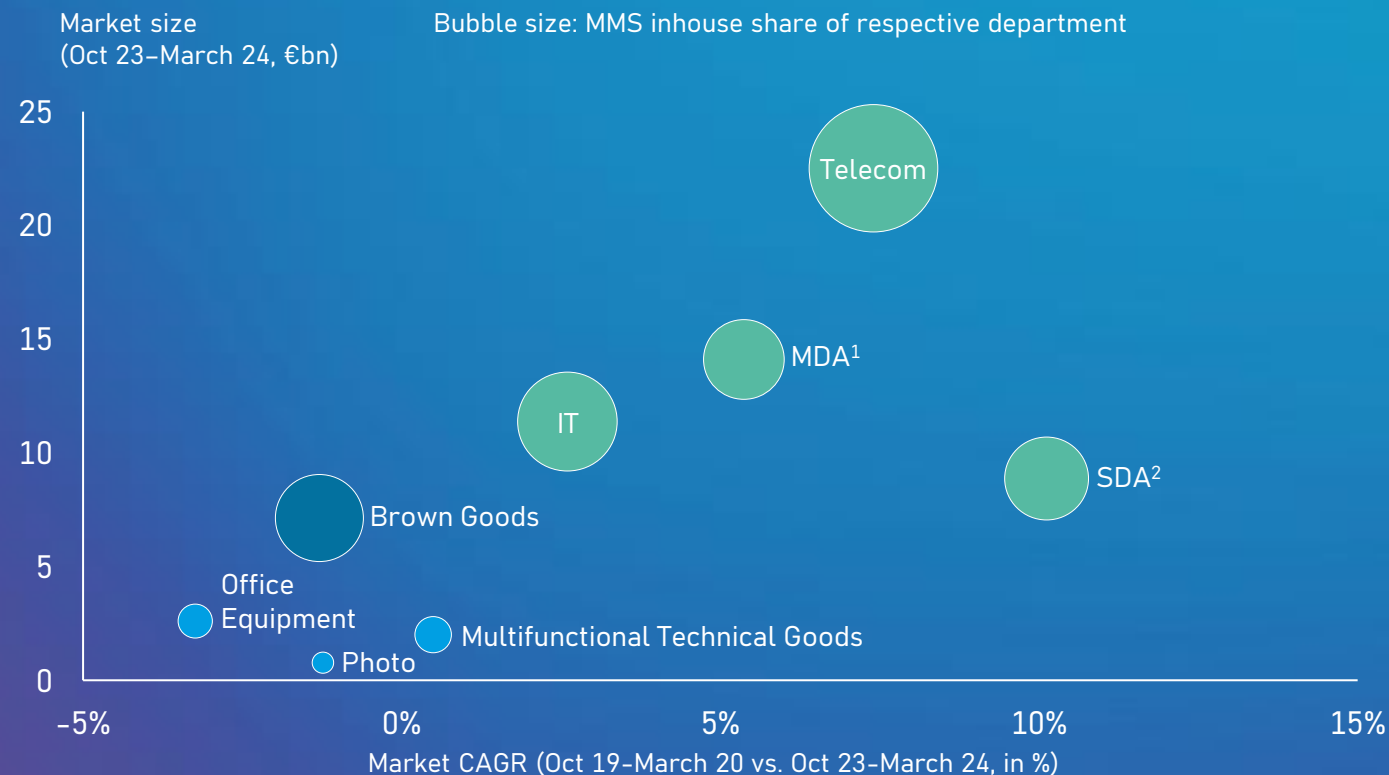
**+10%**

CAGR<sup>2,4</sup>

<sup>1</sup>GfK trend analysis, Source: GfK, CECONOMY analysis; <sup>2</sup>Including MMS countries, Denmark, France, Norway, Russia, and United Kingdom. Including smart home devices, addressable residential solar PV, AR/VR devices, addressable e-mobility, and digital health; <sup>3</sup>Compound annual growth rate between 2022 and 2026; <sup>4</sup>Compound annual growth rate between 2021 and 2025

# We are well positioned to gain further share as we are focusing on growth trends

Today: Approx. 80% of our product mix on growing categories<sup>3</sup>



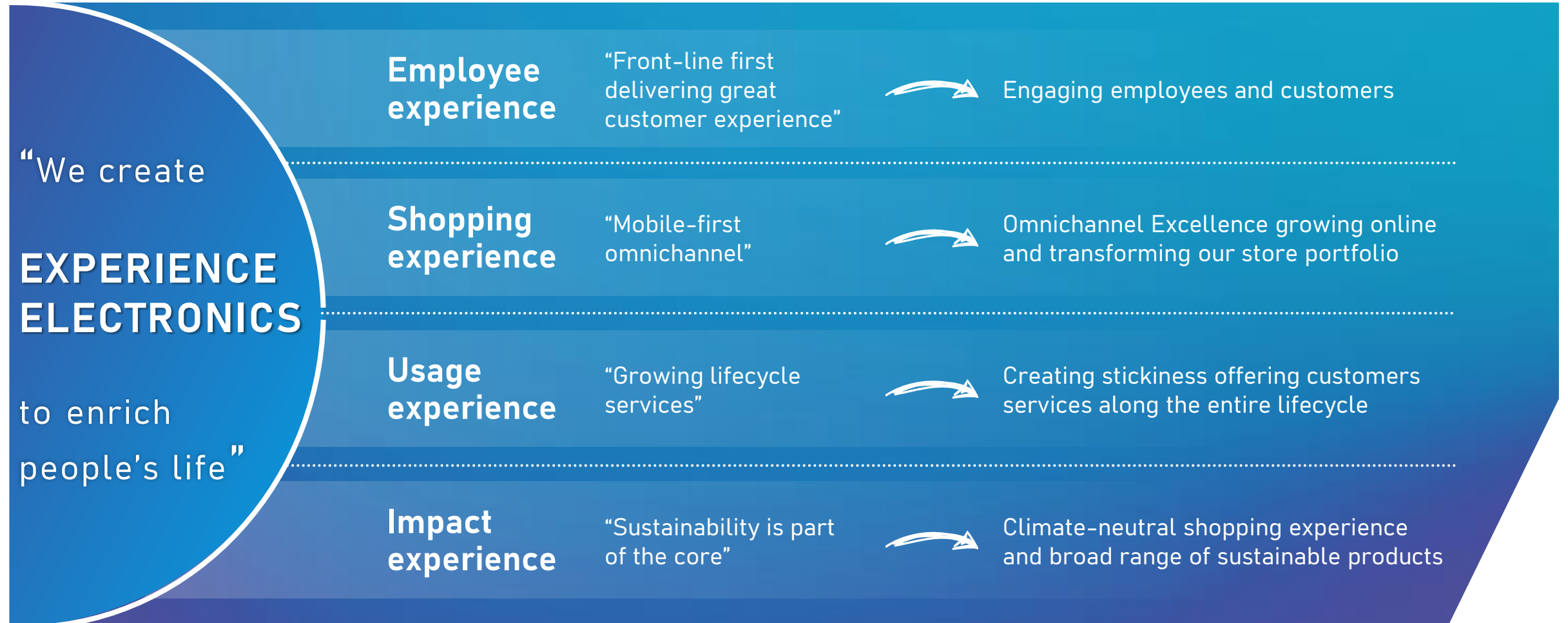
We are focusing on growth categories

At the same time, we are developing new categories (e.g., E-mobility, AR/VR, fitness, smart home)

We design each category holistically (e.g., BaristaClub – not „just coffee machines“, but a full customer experience)

<sup>1</sup>MDA: Major Domestic Appliances; <sup>2</sup>SDA: Small Domestic Appliances; <sup>3</sup>Own CECONOMY analysis based on market research data by GfK – An NIQ Company incl. CECONOMY countries w/o LU

# Our four strategic pillars provide direction



# We are better placed than many competitors to deliver a great omnichannel experience

## Conditions for a strong omnichannel experience

### Awareness



- / >75% brand awareness<sup>1</sup>
- / >2 bn customer contacts p.a.<sup>2</sup>
- / >38 m loyal customers<sup>2</sup>

### Presence



- / Market leading position in 9 out of 11 countries<sup>2,3</sup>
- / Network of >1,000 "customer service hubs"<sup>2</sup>

### Omnichannel Excellence



- / Seamless omnichannel journey
- / Value-added services online and in-store
- / c. 50K tech-savvy store employees<sup>2</sup>

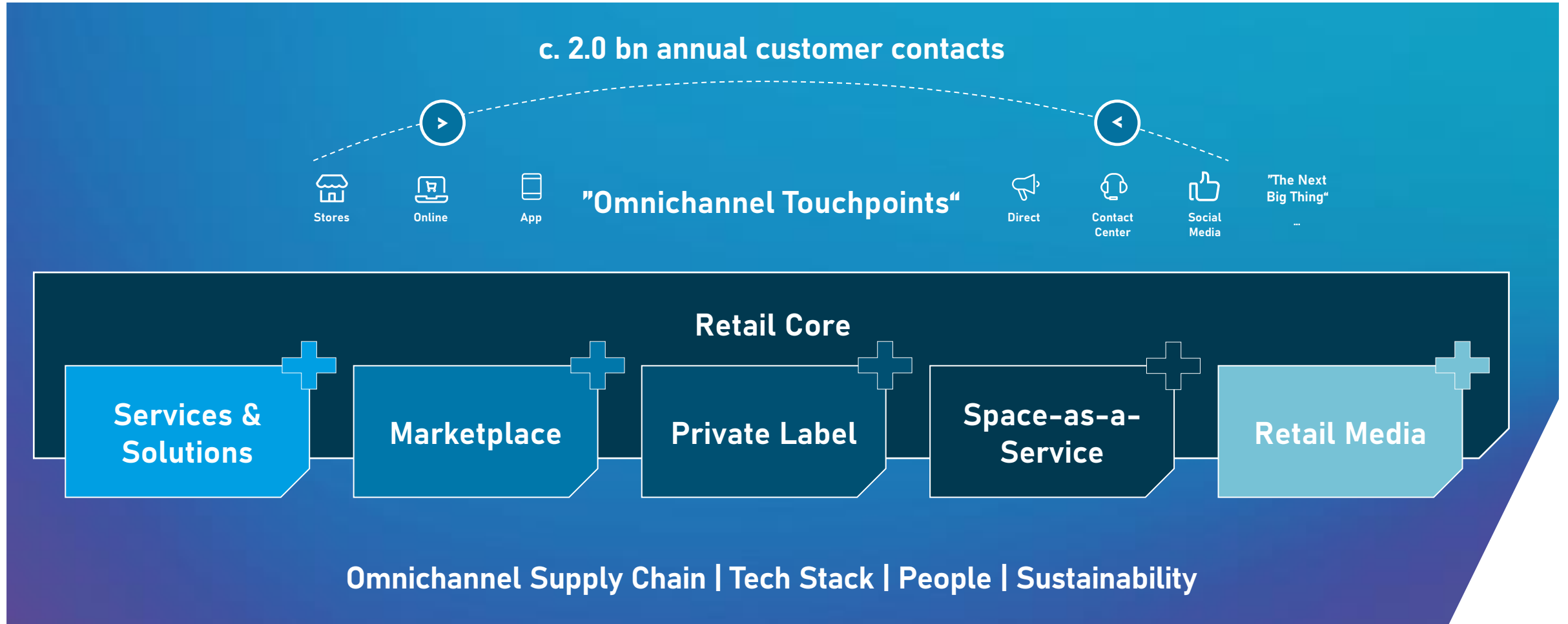
### Industry Relationships



- / Long-standing industry relationships
- / Supplier services – digital, in-store, and Marketplace

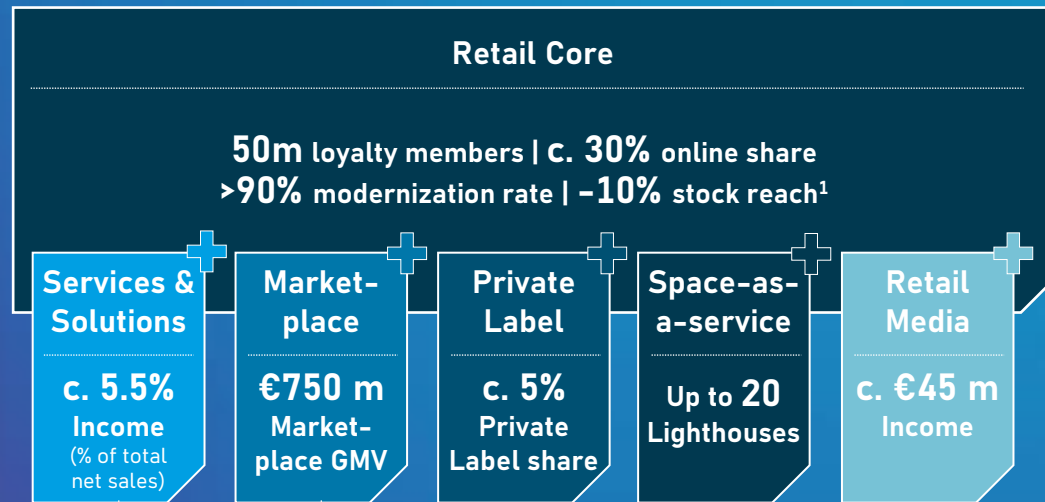
<sup>1</sup>Source: Externally conducted surveys between July to September 2023; <sup>2</sup>Based on FY 22/23; <sup>3</sup>Own CECONOMY analysis based different sources for 2023

# We are moving from traditional retail to a service platform with attractive and growing business models



# Our strategy is underpinned by clear KPIs until 25/26

## Our key pledges for FY 25/26...



## ...and further KPI targets

regularly communicated to capital markets

Retail core	
# of customer contacts	2.2 bn
Sales with loyalty members	c. +60% <sup>1</sup>
Area productivity	c. +10% <sup>1</sup>
Location costs (% of net sales)	-0.2%p. <sup>1</sup>
# of Lighthouse stores	up to 20
BetterWay sales share	c. 20%
# of BetterWay products	c. 7,000
# of sold refurbished products	c. 220,000
Availability	>90%
Centralisation of inbound logistics	80%
Delivery and pick-up NPS	70
# cities with zero-emission delivery	>80
Carbon emission scope 1&2	Net-zero
Marketplace	
Marketplace share <sup>2</sup>	c. 10%
Services & Solutions	
Number of repairs	c. 3.5 m
# of Trade-Ins	>600,000

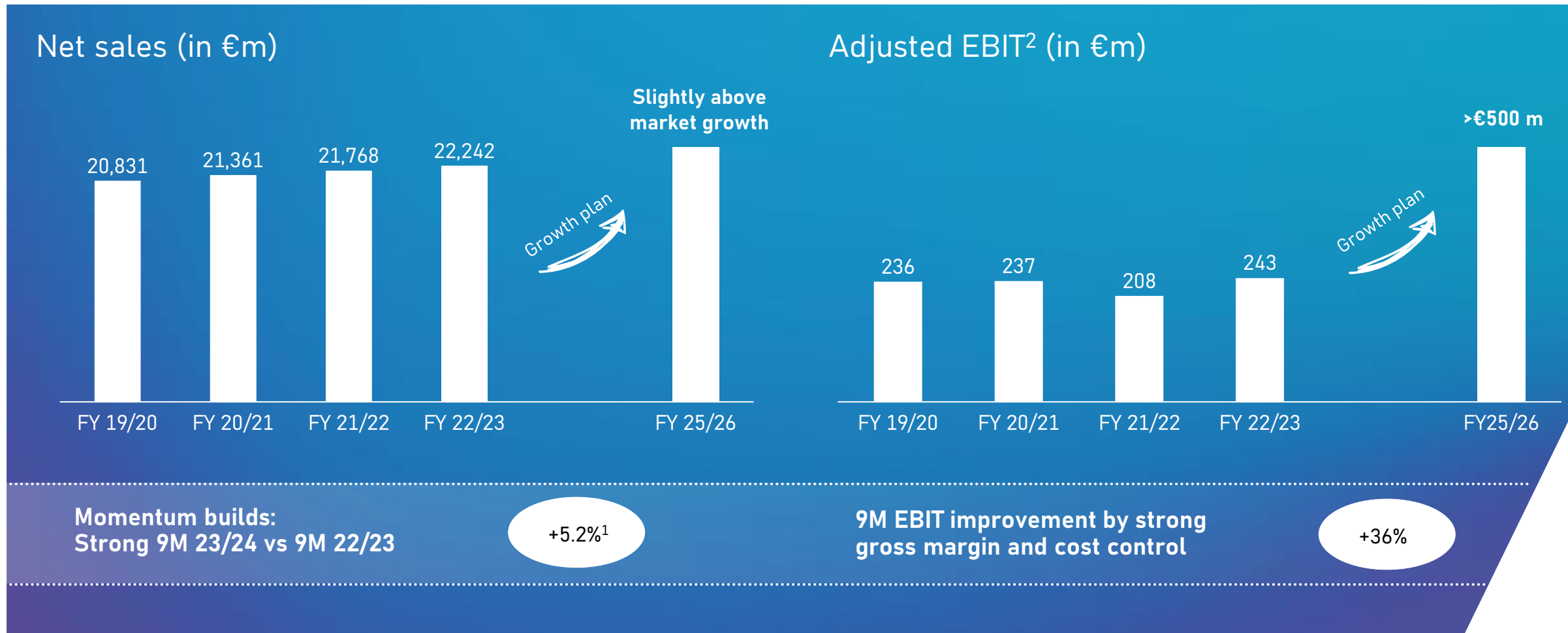
<sup>1</sup>Compared to FY 21/22; <sup>2</sup>Marketplace gross merchandise value in % of total gross merchandise value (Marketplace + Retail Online), only countries with a Marketplace considered



# Our key focus areas show transformative progress



Business fields	KPI	FY 2021/22	FY 2022/23	Target FY 2025/26
Retail Core	Loyalty members	33 m	38 m	50 m
Retail Core	Online share	25%	22%	c. 30%
Retail Core	Modernization rate	30%	50%	> 90%
Retail Core	Stock reach progress	10.3 weeks	9.1 weeks (-11%)	- 10%
Space-as-a-service	# Lighthouses	6	8	Up to 20
Services & Solutions	Income in % of total sales	4.5%	4.5%	c. 5.5%
Marketplace	GMV	€65 m	€137 m	€750 m
Private Label	Private Label share	2.3%	2.4%	c. 5%
Retail Media	Income	c. €5 m	€18 m	c. €45 m

# We aim to achieve €500 m adj. EBIT and grow our sales slightly above market growth by FY 25/26



<sup>1</sup>Adjusted for fx- and portfolio effects, pre-IAS 29; <sup>2</sup>Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects

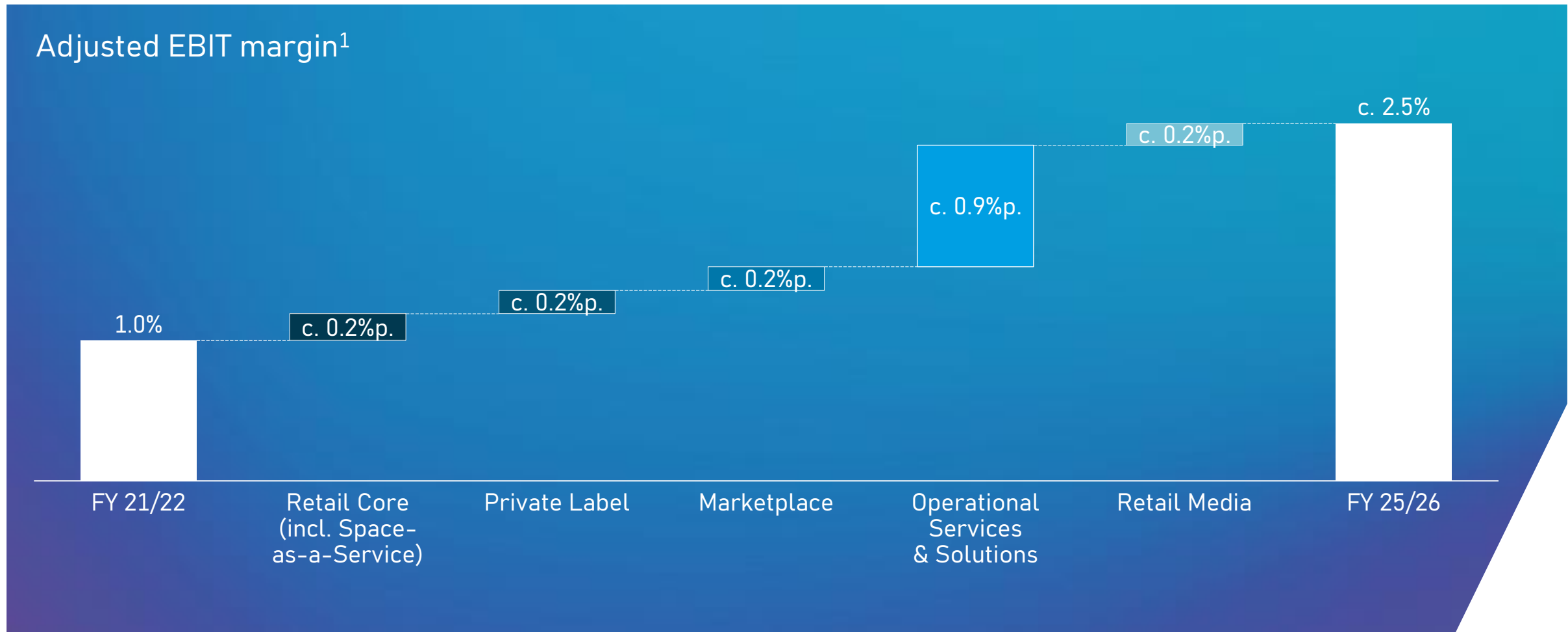
# Our growth leads to higher gross margin and increased free cash flow generation

Key financial figures	FY 21/22	FY 22/23	Growth plan FY 25/26	
<b>Adjusted EBIT</b>	€208 m <sup>1</sup>	€243 m <sup>1</sup>	>€500 m	 <p><b>EBIT</b> increase of c. 150%</p>
<b>Gross margin</b>	17.6% <sup>1</sup>	17.9% <sup>1,2</sup>	c. 20%	
<b>Adjusted OPEX ratio</b>	17.7% <sup>1</sup>	17.6% <sup>1</sup>	c. 18%	
<b>Net Sales</b>	€21.8 bn <sup>1</sup>	€22.2 bn <sup>1</sup>	Slightly above market growth	 <p><b>Free Cash Flow</b> increase of c. €700 m</p>
<b>Cash Investments</b>	€254 m	€258 m	c. €300 m	
<b>Free Cash Flow<sup>3</sup></b>	-€533 m	€257 m	Steady growth to c. €200 m	

<sup>1</sup>Portugal & Sweden adjusted; <sup>2</sup>Excluding associates, pre-*IAS 29* and excluding non-recurring effects; <sup>3</sup>Adjusted for *IFRS 16* leases

# Based on our growth businesses, we strive to achieve our 25/26 profitability ambition

Simplified illustration



<sup>1</sup>Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects

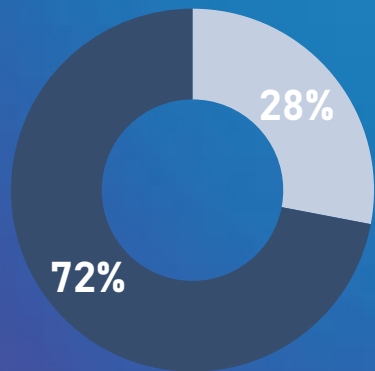
# Our growth businesses are substantial and further growing

Simplified illustration

Surge in gross profit fueled by our expanding growth businesses

Retail Core gross profit contribution
  Growth businesses profit contribution

FY 21/22



FY 23/24<sup>1</sup>



FY 25/26<sup>1</sup>



<sup>1</sup>Growth plan FY 25/26

# With sustainability as part of our DNA, we pursue an extensive sustainability strategy



## Impact Experience

Impact experience is a core component of our strategy. By adapting our offerings and reducing our emissions we aim to help our customers to lead a sustainable lifestyle. To achieve our ambitions, we seek to ensure environmental and social responsibility at every stage of the value chain.

We aim to offer a climate-neutral shopping experience, the most sustainable range of CE products and be circular business pioneers in Europe

Environment

- / We have set ambitious climate targets to reduce our carbon emissions
- / **Maximum circularity:** Through energy-efficient, sustainably produced and packaged products, as well as through offers that makes products attractive and longer usable for customers

We aim to take social responsibility for our employees, suppliers and communities

Social

- / **Social Responsibility** towards our employees, along the supply chain and in the communities
- / Diversity plays a central role for the Group

We aim to ensure ethical business practices and a culture of integrity in our company's steering and management bodies

Governance

- / **Supervisory board with a broad skillset** covering all essential capabilities for prudent oversight
- / Dedicated sustainability committees monitoring executive progress towards our pledges
- / Sustainability-linked KPIs for executive remuneration

# Our sustainability strategy focuses on 7 of the United Nation's 17 Sustainable Development Goals (SDGs)

## Our Sustainable Development Goals (SDGs)

<p><b>5 GENDER EQUALITY</b></p>  <p><b>SDG 5: Gender Equality</b> To ensure social diversity, we are working towards a share of women in companies and management positions that reflects the overall employee structure.</p>	<p><b>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</b></p>  <p><b>SDG 9: Industry, innovation and infrastructure</b> We provide people all over Europe access to communications technology and the opportunity to participate in the digital world</p>	<p><b>17 PARTNERSHIPS FOR THE GOALS</b></p>  <p><b>SDG 17: Partnerships for the goals</b> Through partnerships, we address current and future complex challenges. We have committed to ambitious goals by signing the EU's Sustainable Consumption Pledge.</p>
<p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>  <p><b>SDG 7: Affordable and clean energy</b> For the expansion of renewable energy, we continue to advance the group-wide conversion to green electricity and offer green power contracts to our customers.</p>	<p><b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b></p>  <p><b>SDG 12: Responsible consumption and production</b> With a c. 2 bn customer contacts per year, we exert a substantial influence on sustainable consumer electronics and actively support a conscious lifestyle</p>	 <p>The UN's 17 SDGs are among the world's best guidelines for sustainability. They set out a clear plan for sustainable social development while also accounting for environmental constraints. Our materiality analysis has identified seven SDGs on which our own sustainability strategy is based.</p>
<p><b>8 DECENT WORK AND ECONOMIC GROWTH</b></p>  <p><b>SDG 8: Decent work and economic growth</b> As an employer of c. 50,000 people, it is our duty to offer safe and attractive jobs while ensuring that our suppliers adhere to environmental and social standards.</p>	<p><b>13 CLIMATE ACTION</b></p>  <p><b>SDG 13: Climate action</b> We continuously strive to reduce our environmental footprint by adjusting our product offering, optimising our processes and supporting consumers to repair and buy used products</p>	

# Our environmental, social and governance focus areas

## Focus areas

Environment	 	Climate action	Reduction of GHG emissions through emission-free energy sourcing, low emission logistics and sourcing and sale of more energy efficient products
	 	Resource conservation	Reduction of resource consumption through promotion of sustainable products, extension of product lifecycles and waste management
Social		Diversity, equality and inclusion	Promotion of fairness at the workplace and reduction of barriers for diversity
		Working conditions	Promotion of a desirable workplace that supports employees
		Development & talent promotion	Promotion of employees' personal and professional development
		Effects on suppliers	Partnerships with suppliers and industry partners to achieve ambitions
Governance		Management and leadership	Integration of compliance and ethics within managerial structure and guidelines
		Data protection & Information security	Safeguarding of the safety and integrity in storing and managing data and information



# We have set ourselves ambitious sustainability targets

Environment

## Our growth levers

Approved “Science Based Targets” (SBTi) and participation in the EU Sustainable Consumption Pledge

Beyond Value Chain Mitigation (BVCM) actions buying CO2 certificates for all not reduced and unavoidable Scope 1&2 GHG emissions

Renewable Electricity use in 100% of our stores, headquarters, central hubs and warehouses since January 2024<sup>1</sup>

CECONOMY will engage 74% of its retail suppliers by sales volume to set climate targets until 2028

## Reducing carbon emission

Scope 1&2  
Our operations

**At least absolute target reduction of 58% by 2033<sup>1</sup>**

0.3%  
of our carbon footprint

Scope 3  
Upstream and downstream

**At least absolute target reduction of 33% by 2032/33<sup>2</sup>**

99.7%  
of our carbon footprint

## Our ESG ratings

Rating company	2022/23	Update	2023/24
MSCI	A	April 2024	AA
CDP	B-	February 2024	B
Sustainalytics	15.8	March 2024	13.3

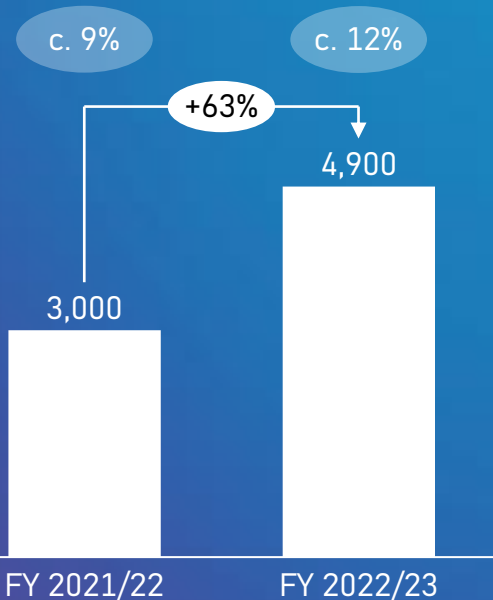
<sup>1</sup>Directly purchased electricity; <sup>2</sup>In Private Label, external brands, transport and distribution, baseline 2022, SBTi targets

# Sustainability is part of our DNA and represents a growing business opportunity

Environment

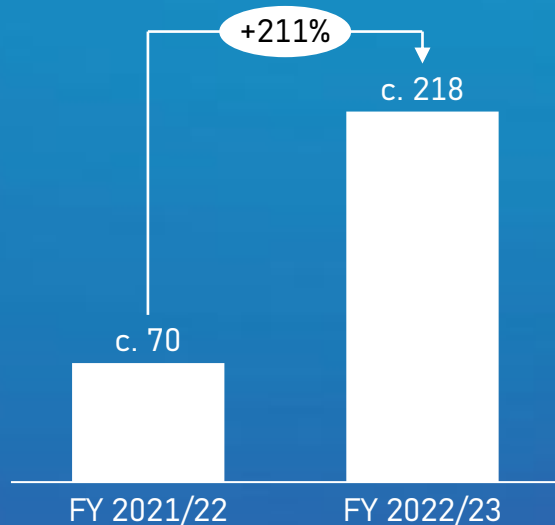
## Sustainable products

Number of BetterWay products and sales share



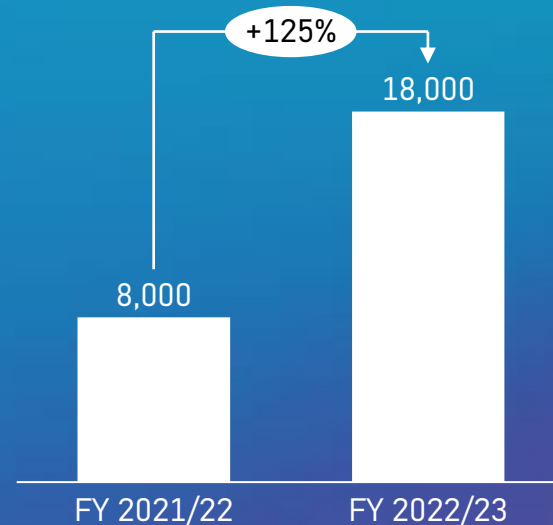
## Trade-in products (in thousands)

Used devices exchanged for a gift card



## Refurbished products (in thousands)

Used devices repaired & sold for a second lifecycle







# By marking more sustainable products with BetterWay, we are guiding customers towards a sustainable lifestyle

Environment



BetterWay serves our customers a tool to navigate the increasingly complex product specifications landscape, helping customers cut through the informational noise. Based on our set of solid criteria, our BetterWay logo signals to our customers a high degree of economical friendliness,

A product qualifies to receive the BetterWay logo when it fulfills at least one of the following criteria:

- ✓ It is certified with a Type 1 ecolabel 
- ✓ It is among the most energy-efficient products according to the EU energy label + additional BetterWay criteria 
- ✓ It is among the most repairable products according to the French Repair Index 
- ✓ It is made from certified recycling material 

## BetterWay products in our assortment<sup>1</sup>



Our target for FY 25/26 **7,000**

<sup>1</sup>By our definition, BetterWay products (products labelled with the BetterWay logo) equal sustainable products

# Social: we care for our employees

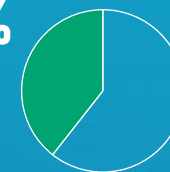
Social

Our efforts on diversity and equality in FY 22/23

Employees from	<b>133</b> nations
Training	<b>3.2</b> days per employees
Part-time ratio	<b>31.4%</b>

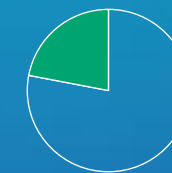
Share of female employees

39.4%



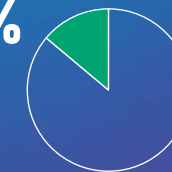
Women in management positions

22%



Share of women in top two management levels

13.9%



# We integrate sustainability into our governance

Governance

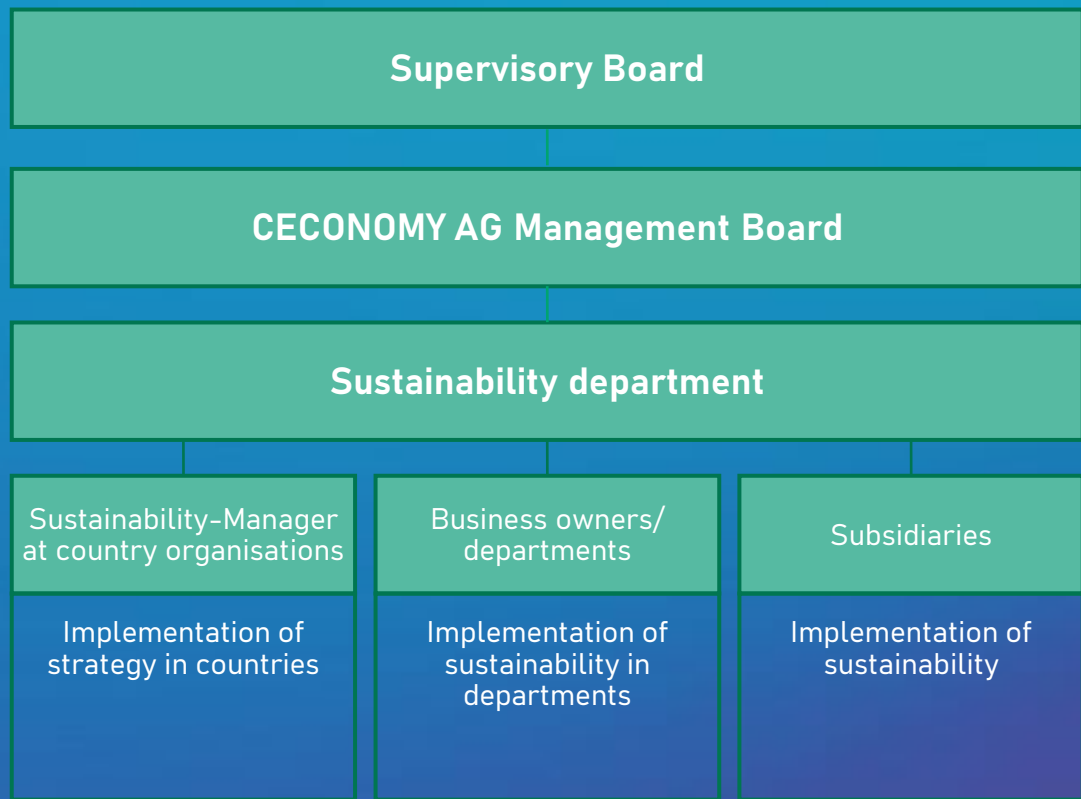
## Our sustainable governance

The company's sustainability strategy lies within the core responsibilities of the CEO

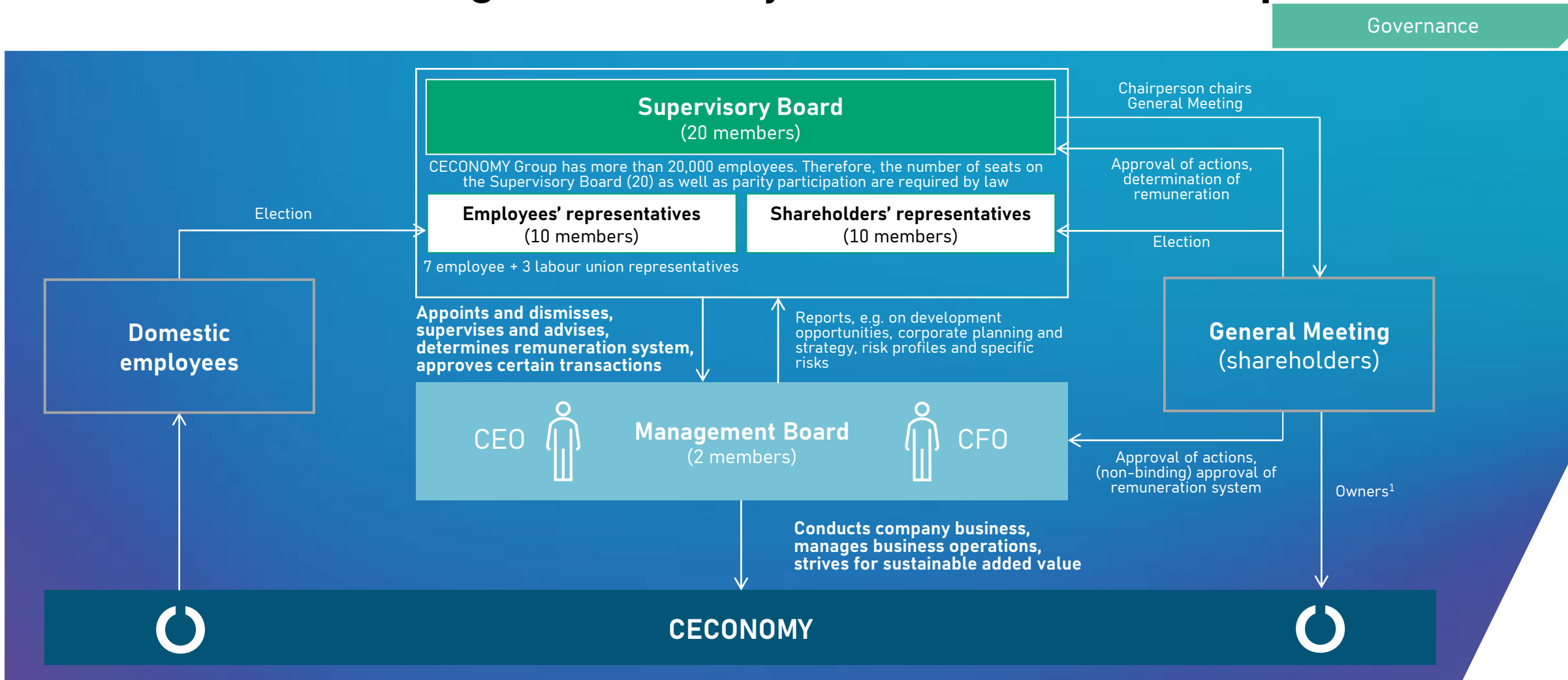
Sustainability is integrated into the executive compensation structure, with LTI linked to sustainability objectives

Targets, measures and progress are regularly discussed with the Supervisory Board which includes two ESG representatives

Our Sustainability department controls the implementation and further development of our sustainability strategy



# Collaboration between Supervisory and Management Board following the German two-tier governance system with defined responsibilities



<sup>1</sup>Certain measures further require a resolution of the General Meeting, e.g. appointment of the Auditor or capital increase

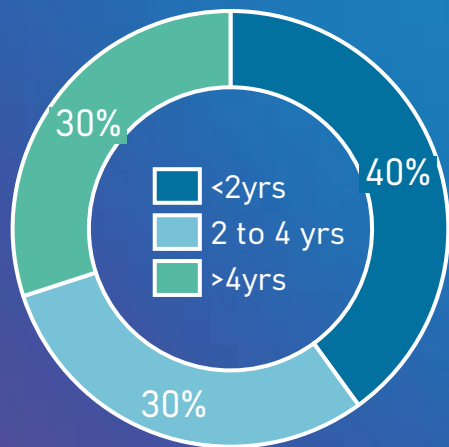
# CECONOMY's Supervisory Board – Diversity profile

Governance

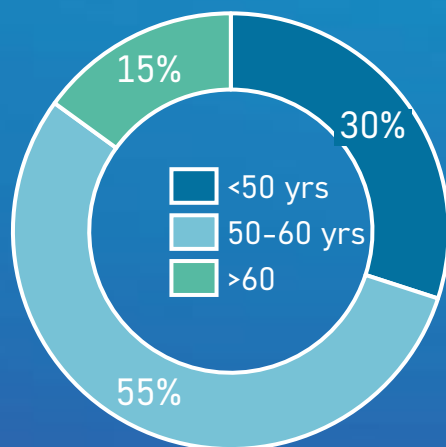
## Supervisory Board demographic overview



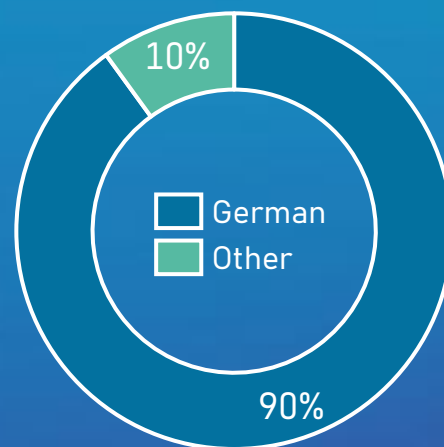
### Member of CECONOMY's Supervisory Board since



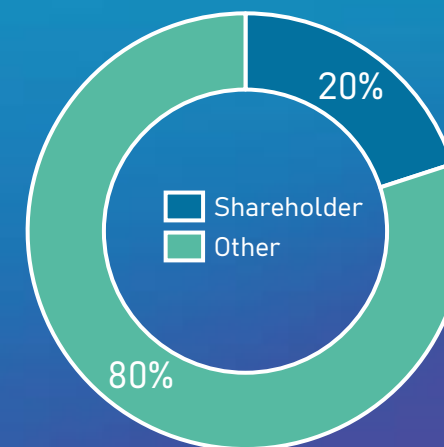
### Age



### Nationality



### Direct shareholder representation<sup>1</sup>



<sup>1</sup>Based on direct representation of major shareholder group in supervisory board

# CECONOMY Supervisory Board – Shareholders’ representatives

Governance



**THOMAS DANNENFELDT**  
 Chairman of the Supervisory Board  
 Self-employed entrepreneur  
 Born 1966, German  
 Member since 2021



**Katrin Adt**  
 Born 1972, German  
 Member since 2021  
 Vice President Corporate Audit, Mercedes-Benz Group AG



**Doreen Huber**  
 Born 1982, German  
 Member since 2022  
 Independent entrepreneur, investor and partner, EQT Ventures



**Erich Schuhmacher**  
 Born 1967, Austrian  
 Member since 2022  
 Several leading roles at Convergenta Invest and Managing Director of several shopping centers and trading companies



**Karin Dohm**  
 Born 1972, German  
 Member since 2016  
 Member of the Management Board, Hornbach Baumarkt AG und Hornbach Management AG



**Jürgen Kellerhals**  
 Born 1964, German  
 Member since 2022  
 Independent entrepreneur



**Christoph Vilanek**  
 Born 1968, Austrian  
 Member since 2019  
 Chief Executive Officer, freenet AG



**Sabine Eckhardt**  
 Born 1972, German  
 Member since 2020  
 ESG Officer  
 Non-Executive Board Member, Advisor and Lecturer



**Birgit Kretschmer**  
 Born 1970, German  
 Member since 2024  
 Chief Financial Officer, C&A Mode GmbH & Co. KG



**Peter Kimpel**  
 Born 1968, German  
 Member since 2024  
 Independent Entrepreneur and Senior Advisor



# CECONOMY Supervisory Board – Employees’ representatives

Governance



**Juergen Schulz**  
 Deputy Chairman of the Supervisory Board  
 Department manager of the Service Department, Saturn Bielefeld  
 Born 1961, German  
 Member since 2015



**Daniela Eckardt**  
 Born 1974, German  
 Member since 2017  
 ESG Officer  
 Service Coordinator, Saturn Alexanderplatz Berlin, Deputy Chairwoman of the Works Council, Saturn Alexanderplatz Berlin



**Henrike Eickholt**  
 Born 1965, German  
 Member since 2024  
 Regional department head, ver.di trade department North Rhine-Westphalia



**Ludwig Glosser**  
 Born 1962, German  
 Member since 2017  
 Lead Problem Manager and Sourcing Manager, IT Service Management, MMS Technology GmbH, and Chairman of the Works Council of MMS Technology GmbH



**Corinna Groß**  
 Born 1968, German  
 Member since 2023  
 Trade union secretary, ver.di Landesbezirk NRW



**Maria Laube**  
 Born 1990, German  
 Member since 2023  
 Chairwoman of the Works Council, MediaMarkt Rosenheim, Retail Saleswoman, Major Equipment Department, Rosenheim



**Paul Lehman**  
 Born 1987, German  
 Member since 2023  
 Trade Union Secretary, ver.di Oberfranken



**Julian Norberg**  
 Born 1983, German  
 Member since 2023  
 Division Manager and Authorised Signatory Operational Excellence, Media-Saturn Deutschland GmbH



**Jascha Sperl**  
 Born 1977, German  
 Member since 2024  
 Chairman of the General Works Council and Retail Salesman, Computer Department, MediaMarkt Heilbronn



**Sylvia Woelke**  
 Born 1978, German  
 Member since 2017  
 Manager Corporate Risk Management & Internal Controls, MMS Retail Group, Chairwoman of Works Council

# Our Management Board is supported by the expertise of our best-in-class Executive Committee management team

Governance

## Management Board (CEO + CFO)



**Dr Karsten Wildberger**  
CEO



**Dr Kai-Ulrich Deissner**  
CFO



## Executive Committee



**Kathy Keppeln**  
Chief Assurance Officer



**Dr Sascha Mager**  
COO - Germany



**Guido Monferrini**  
COO - Italy, Austria, Hungary, Switzerland



**Iris Pruefer**  
Chief Human Resources Officer



**Remko Rijnders**  
COO - BeNeLux, Spain, Türkiye, Poland



**Michael Schuld**  
Chief Marketing & Media Officer



**Alexander Rauchut**  
Chief Commercial Officer



**Andrew Wolfe**  
Chief Technology Officer



# Modified Management Board remuneration system approved with 91.98% by AGM in February 2022

Governance

≈ 43%	Fix (Non-performance-related)	34.0%-38.5%	<b>Annual fixed remuneration (salary)</b> <ul style="list-style-type: none"> <li>– Agreed with each Management Board member</li> <li>– Paid in monthly instalments</li> </ul>	
		3%-6%	<b>Contributions to the occupational pension plan</b> <ul style="list-style-type: none"> <li>– Capped at €100,000 per year</li> <li>– Financed by Management Board member and company together ("5 + 10")<sup>1</sup></li> </ul>	
		1.5%-3.0%	<b>Other supplemental benefits</b> <ul style="list-style-type: none"> <li>– Contributions to accident insurance; allowances for health/nursing insurance; assumption of health care costs; company car</li> <li>– Capped at €50,000 per year</li> </ul>	
≈ 57%	Variable (Performance-related)	≈ 23%	<b>Short-term incentive (STI)</b> <ul style="list-style-type: none"> <li>– Granted for 1 financial year and paid out after the end of the respective financial year</li> <li>– Based on: EBIT, sales growth, net working capital, NPS</li> <li>– Payment capped at 200% of target amount</li> </ul>	Malus <sup>2</sup> Clawback <sup>3</sup>
		≈ 34%	<b>Long-term incentive (LTI)</b> <ul style="list-style-type: none"> <li>– Granted annually and paid out after a performance period of 4 years</li> <li>– Components: financial performance targets + non-financial performance targets</li> <li>– Payment capped at 200% of target amount</li> </ul>	
Max. remuneration: CEO → €5.15 m; CFO → €2.65 m				

<sup>1</sup>If a member contributes 5% of his/her defined assessment basis (basic remuneration and STI target amount), the company pays double the amount of his/her contribution (capped to €100,000).  
<sup>2</sup>If a member breaches his/her statutory duties or there is a reason for revoking his/her appointment, his/her entitlements to payment of the variable remuneration will lapse ("malus");  
<sup>3</sup>Or can be reclaimed by the company after they had been paid ("clawback").

# Management shareholding programme

Governance

## Shares to be acquired by the Management Board

Amount <sup>1</sup>			Deadline	Progress September 2024
CEO	150%	X	August 2025	Approx. 55% achieved
CFO	100%	X	January 2027	Approx. 76% achieved

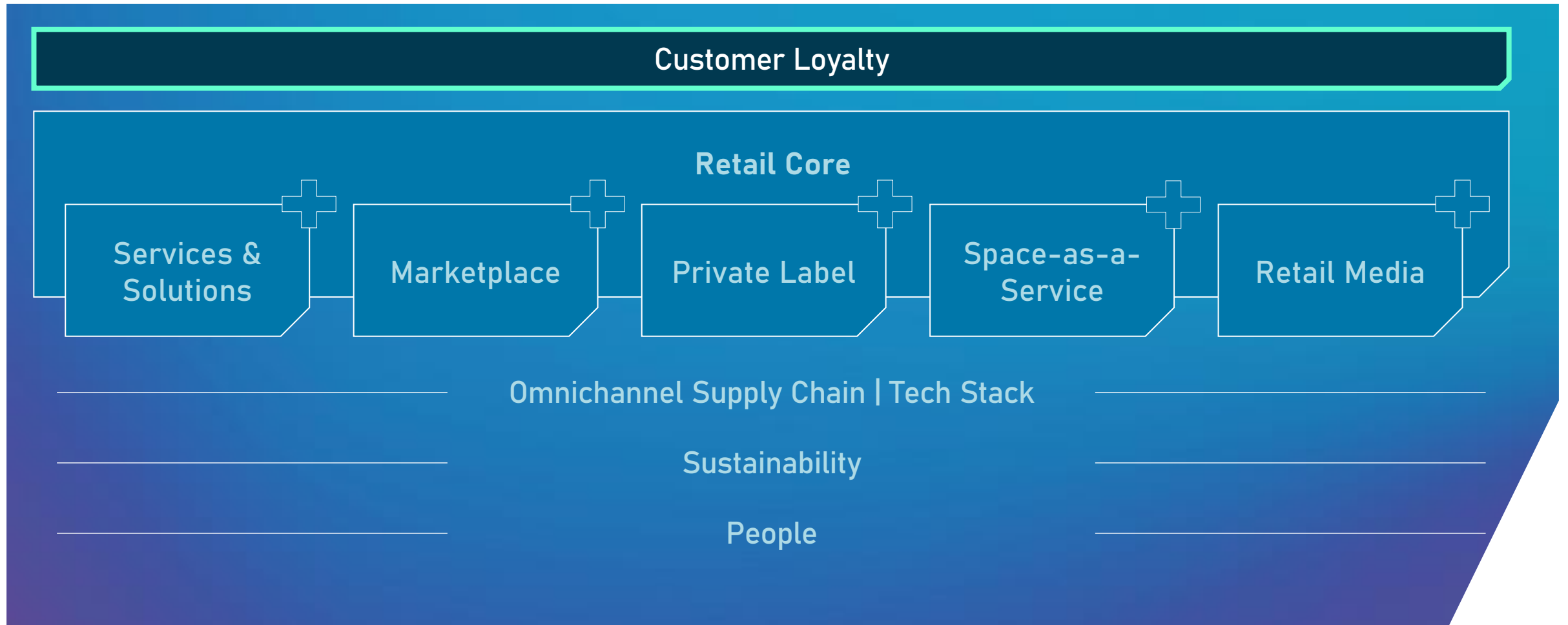
Annual fixed remuneration (salary)  
Within 4 years from the start of contract as a member of the Management Board

<sup>1</sup>Measured by the sum of shares times purchase price

1. Company Overview
2. Business model deep-dive
  - I. Retail Core & Space-as-a-service
  - II. Services & Solutions
  - III. Marketplace
  - IV. Private Label
  - V. Retail Media
  - VI. Strategic Pillars
3. Market overview
4. Financials
5. Outlook
6. Capital Market

# Building Blocks of our Strategy

## Rewarding customer loyalty



# Boosting service quality and loyalty programs to maximise loyal customer base

## Our growth levers

myMediaMarkt already launched in eight countries by FY 23/24 with further rollouts planned, e.g. Spain in FY 24/25

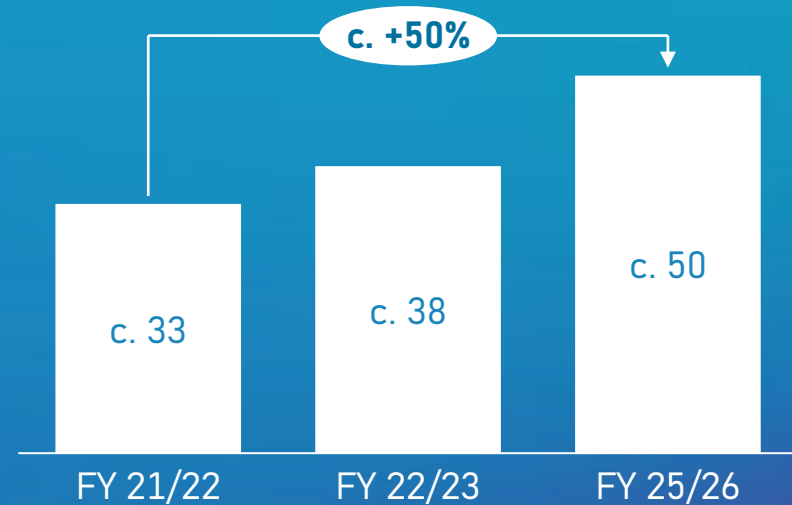
Omnichannel communication platform in all countries until end of FY 23/24

Thanks to our new benefit system, we have been able to confirm sound growth in loyalty members in FY 22/23

We are on the right trajectory to achieve our loyalty member target for FY 25/26

## How we measure success

Number of loyalty members across the group in millions



Sales with loyalty members in Germany (€bn)



# myMediaMarkt is a core program to engage with our customers and elevate the customer experience to a new standard

## MediaMarkt Club

2016 - 2022



- / MediaMarkt Club (MMC) program was introduced in 2016
- / Members gained access to discounts and campaigns

## myMediaMarkt

Since 2022



- / myMediaMarkt was rolled in October 2022, replacing MMC to build a more intertwined relationship with the customer
- / Additional benefits are, e.g., zero-interest short term loans and extended right of return

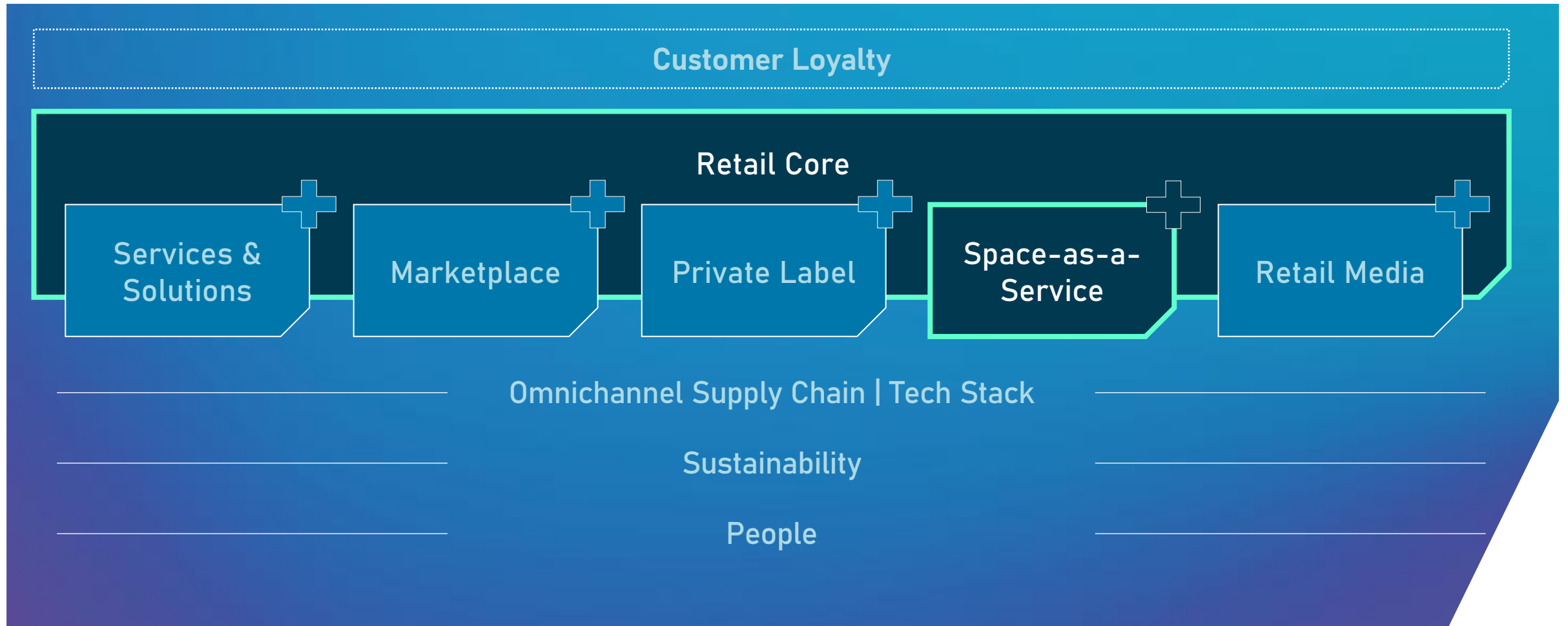
- / It enables a more individualised customer experience
- / Additionally, customers will have the option to expand service benefits through myMediaMarkt+

- / myMediaMarkt+ is a subscription model, offering a range of repair and care services



# Building Blocks of our Strategy

## Omnichannel Excellence



# We offer unique omnichannel capabilities

**Mod. sales growth  
c. 30% online  
share<sup>1</sup>**

Market share growth with significant increase in online and stable market shares offline

Online orders ready for pick-up within 30 minutes

Click & Collect is used by over a third of our customers

Over 60% modernisation rate<sup>2</sup> highlights our progress in reaching modernisation rate pledge by FY 25/26

Chat with experts in-store or via video from home

## Leading omnichannel CE player in Europe

Online sales development (€bn)

Fiscal Year	Online Sales (€bn)	Online Sales Share
FY 18/19	2.9	14%
FY 22/23	4.9	22%
FY 25/26	c. 30%	c. 30%

Online sales share

### >1,000 stores & 4 store formats

<b>LIGHTHOUSE</b> Inspiration & experience >4,000sqm	<b>SMART</b> Omnichannel & city center c. 70-500sqm
<b>CORE</b> Availability & advice c. 1,200-3,500sqm	<b>XPRESS</b> Proximity & convenience c. 400-1,100sqm

<sup>1</sup>Growth plan FY 25/26; <sup>2</sup>As of 30 June 2024

# Four store formats, all around experience zones, services, and the human touch (1/2)

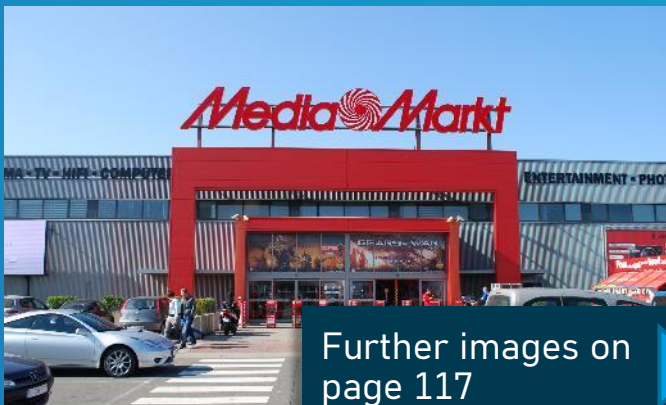
## CORE

Availability and

Advice

c. 1,200-3,500sqm

972 stores



Further images on page 117

- / Traditional store format
- / Mostly located outside of city centers with parking lots
- / Main target of modernisation program

## SMART

Omnichannel and

City center location

c. c. 70-500sqm

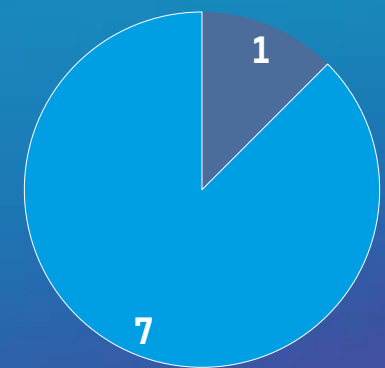
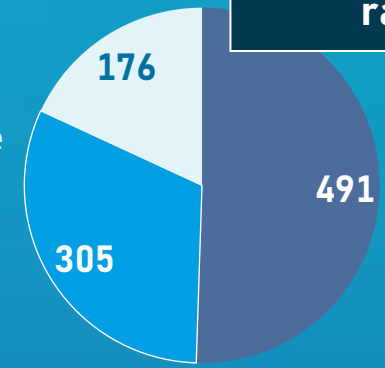
8 stores



Further images on page 118

- / Smallest store format
- / Focus on delivering services and offering supplementary products

**>90%  
Modernization  
rate<sup>1</sup>**



■ DACH ■ West/South ■ East

As of 30 June 2024

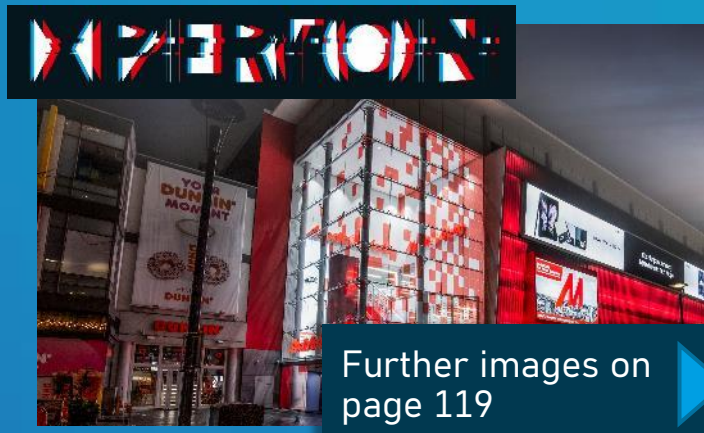
<sup>1</sup>Growth plan FY 25/26

# Four store formats, all around experience zones, services, and the human touch (2/2)

## LIGHTHOUSE

Inspiration and Experience

>4,000sqm  
7 stores



Further images on page 119

- / Extensive presentation space
- / Leveraging the full potential of our SaaS<sup>2</sup> services
- / Flagship stores to promote MMS branding

## XPRESS

Proximity and Convenience

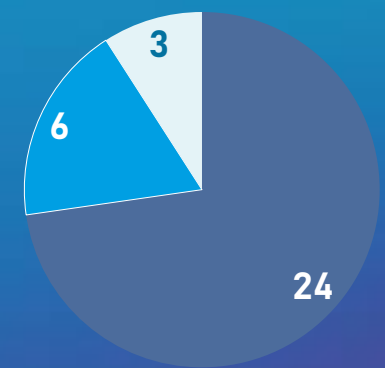
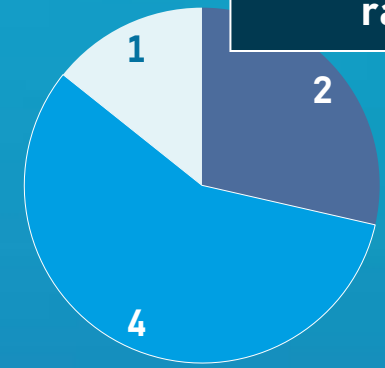
c. 400-1,100sqm  
33 stores



Further images on page 120

- / Accommodation of customers' needs in urban-central areas
- / Smaller assortment and store size with integration of online offering and advisory

>90%  
Modernization rate<sup>1</sup>



■ DACH ■ West/South ■ East

As of 30 June 2024

<sup>1</sup>Growth plan FY 25/26; <sup>2</sup>Space as a Service, dedicated store space rented to brands of industry partners

# We target the complete overhaul of core store portfolio by FY 25/26

## Refreshing our store portfolio

Core refresh: optimised assortment & customer journey increasing space utilisation & service offerings

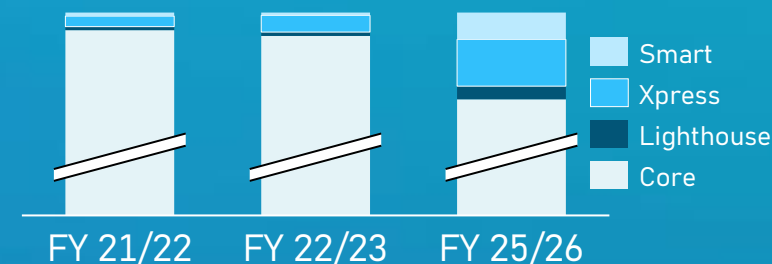
Area productivity increased by 3% since 18/19 - target is +10% by 25/26

6 Lighthouse stores with significantly increased frequency & profitability - 20 stores planned until FY 25/26

Successful operation of >10 Xpress stores in Hungary since 2016 - further expansion in other countries

## How we measure success

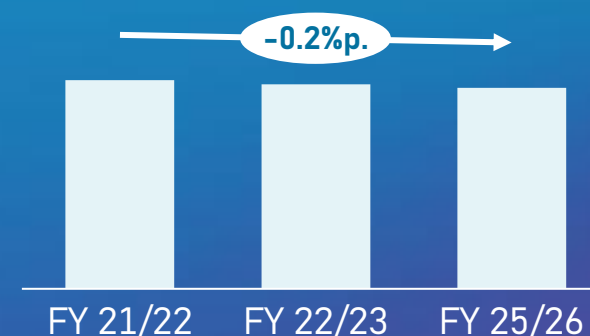
### Store portfolio development (#stores)



### Core modernisation rate



### Location cost development<sup>2</sup> (% of net sales)



**-0.2%p.**  
Location costs (% of net sales)<sup>1</sup>

<sup>1</sup>Growth plan FY 25/26; <sup>2</sup>Rental costs & IFRS 16 depreciations, occupancy costs, location depreciations

# Our future range of Space-as-a-Service should cater to all our partners' needs

Up to 20 Lighthouses<sup>1</sup>

## Overview of Space-as-a-Service offering (SaaS)

SaaS serves as a complementary business field to improve per square profitability

Additional benefits: gain of external expertise, supplier-specific promotions, deepening supplier relationship

Several SaaS formats are in development to promote supplier products, brand, or campaign

Lighthouses function as flagship store formats to utilise the whole breadth of SaaS potential

## SaaS offering examples (selection)

Boutiques



Shop-in-Shop



Entrance Statement

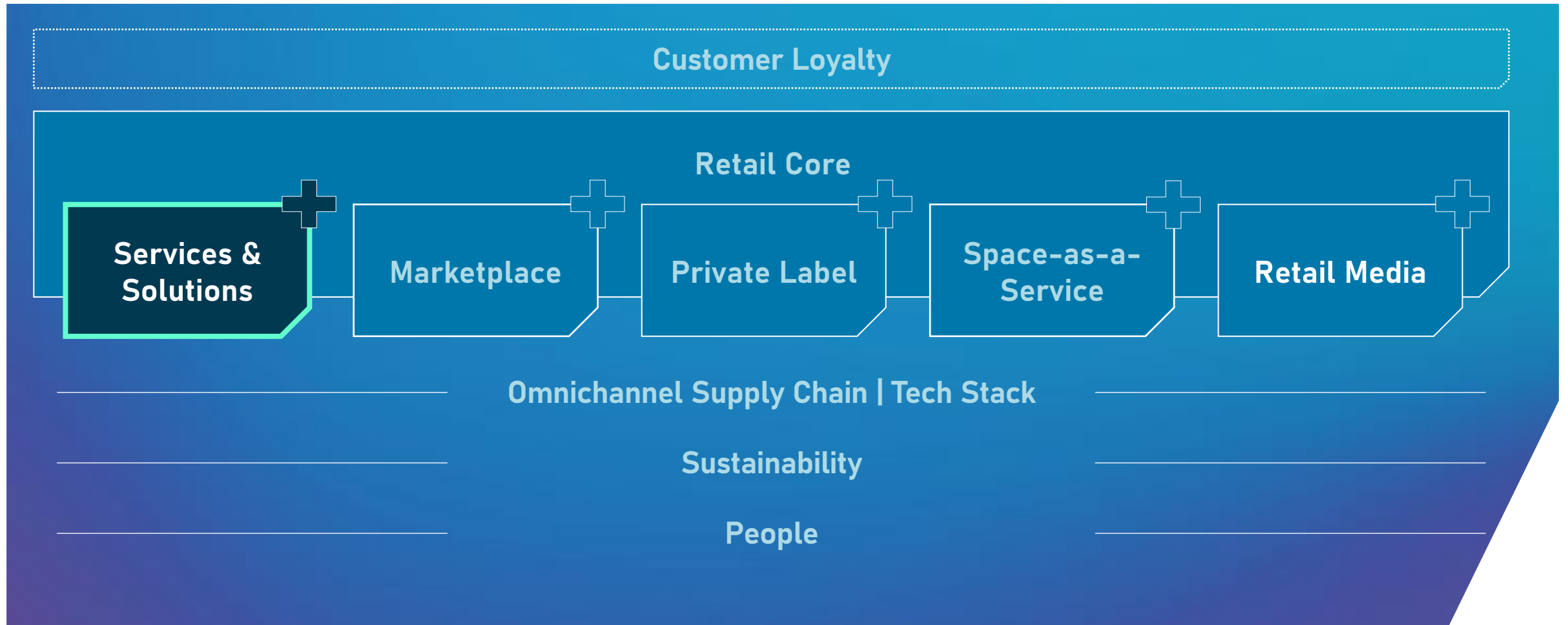


Branded Elements



# Building Blocks of our Strategy

## Growing our service platform



# Our Services & Solutions portfolio responds to customers' needs

**c. 5.5%**  
S&S income<sup>1</sup>



-  Insurance and warranties (partner based)
-  Telecom and digital products
-  Advice, installation and repair services
-  Consumer financing (partner based)
-  Sustainability services and others

<sup>1</sup>Growth plan FY 25/26 (Operational S&S income (gross profit) in percentage of total net sales)



# Deep dive on our Services & Solutions portfolio

**c. 5.5%**  
S&S income<sup>1</sup>

Customer needs		Our services
 Peace of mind and security	>	Insurance and warranties (partner based) / Extension of producer warranties and expansion of damage coverage
 Convenient shopping experience	>	Telecom and digital products in bundles / Sale of a variety of mobile contracts complementing product assortment / Products include software subscriptions (e.g., Office 365)
 Professional support	>	Advice, installation and repair services / Advisory and installation services / Standardised repair services, leveraging supplier connections
 Financial accessibility	>	Consumer financing (partner based) / Provision of loans for B&M and online purchases / Lever to increase sales, profitability and consumer loyalty
 Sustainable lifestyle	>	Sustainability services and others / Additional services that extend product lifecycle and minimise resource waste, e.g., refurbishment and trade-in programmes / Future subscription services

<sup>1</sup>Growth plan FY 25/26 (Operational S&S income (gross profit) in percentage of total net sales)

# Services along the entire product life cycle – Our "life-time promise"



<sup>1</sup>Growth plan FY 25/26 (Operational S&S income (gross profit) in percentage of total net sales)

# We expect substantial increase in Services & Solutions income by FY 25/26

## Our growth levers

Initiatives for store managers to train store employees (train-the-trainer) and continuously improve sales excellence – all addressable employees trained by end of FY 23/24

Continuous development of own service subscription platform for all countries

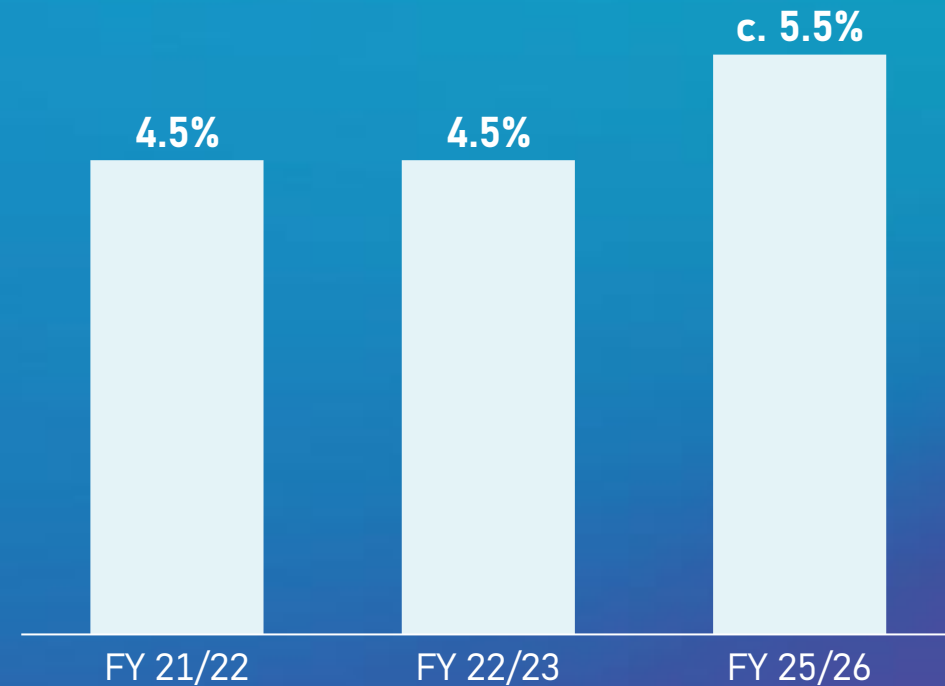
Introducing subscription based full protection package for all our customer’s devices (“Full care service package”)

Building up a service ecosystem where customer can buy services without products

## How we measure success

Operational Services & Solutions Income in % of total net sales<sup>2</sup>

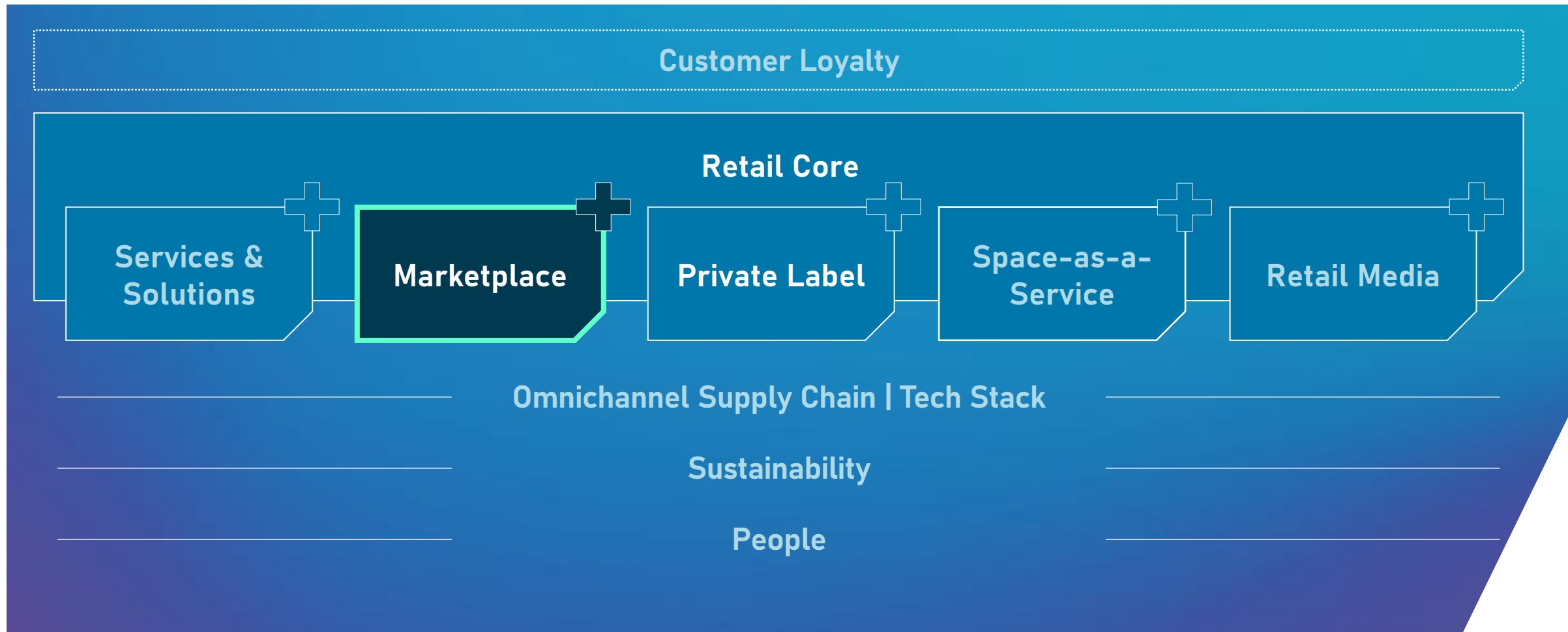
**c. 5.5%**  
S&S income<sup>1</sup>



<sup>1</sup>Growth plan FY 25/26 (Operational S&S income (gross profit) in percentage of total net sales)

# Building Blocks of our Strategy

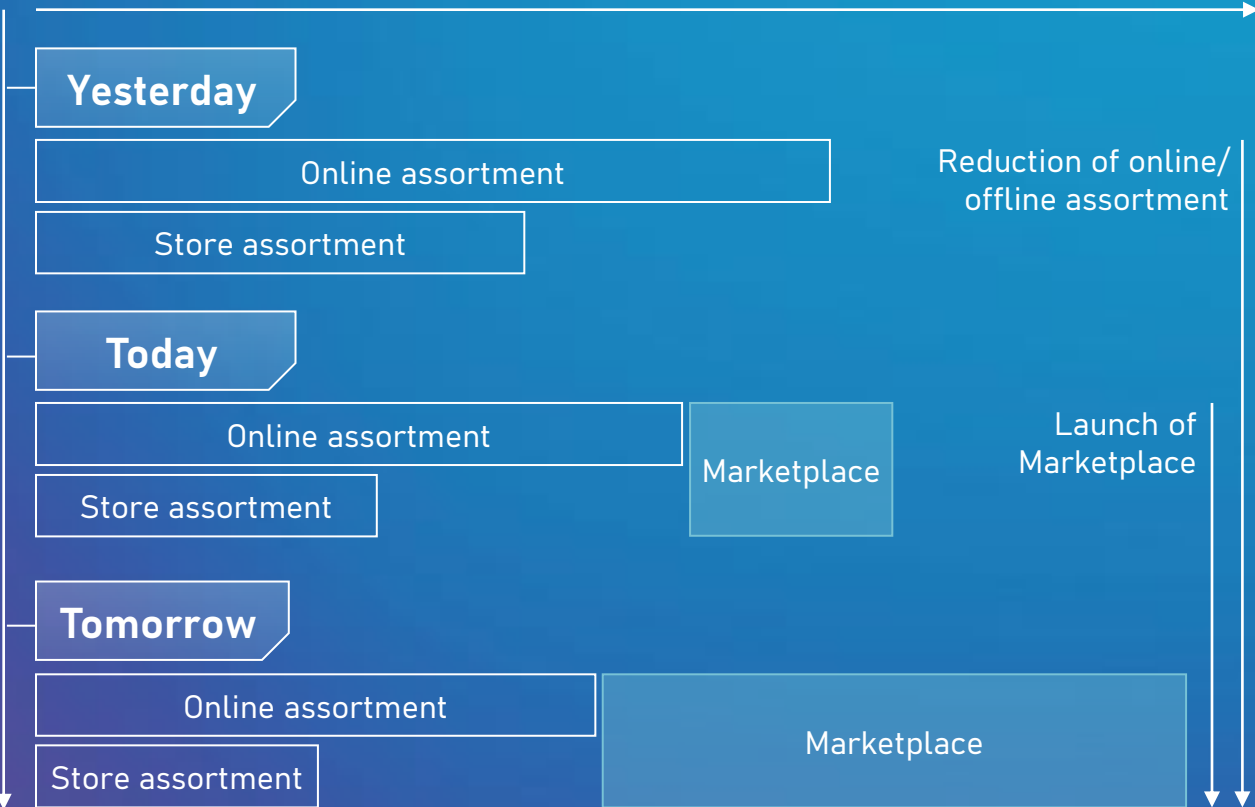
## Improving our Marketplace offering



# Marketplace enables an endless aisle and enhances customer satisfaction, as well as profitability

**€750 m**  
Marketplace  
GMV<sup>1</sup>

Breadth of assortment →



- / Through our web shop, third party vendors are enabled to offer their products to a wider range of potential customers
- / Purely commissions-based business, allowing for max. choice and availability while reducing stocks
- / Growth triggered through new product categories and widened assortment, preventing cannibalisation of existing business
- / Sellers are selected based on extensive quality background checks and matching product offering

/ Since Q4 2023/24, live in 5 countries, representing ~80% of our sales, with further roll-outs planned



<sup>1</sup>Growth plan FY 25/26

# We are making great progress in achieving our Marketplace ambition

## Our growth levers

### Assortment:

c. 1,500 vendors as of June 2024 offering c. 1.6 m SKUs with aim to further accelerate seller onboarding & SKU growth

### Customer satisfaction:

Product rating at 4.5<sup>2</sup>, seller rating at 4.2 stars<sup>2</sup>

### Delivery promise:

Average shipping time<sup>3</sup> <9 hours<sup>2</sup>

### Platform reach and expansion speed:

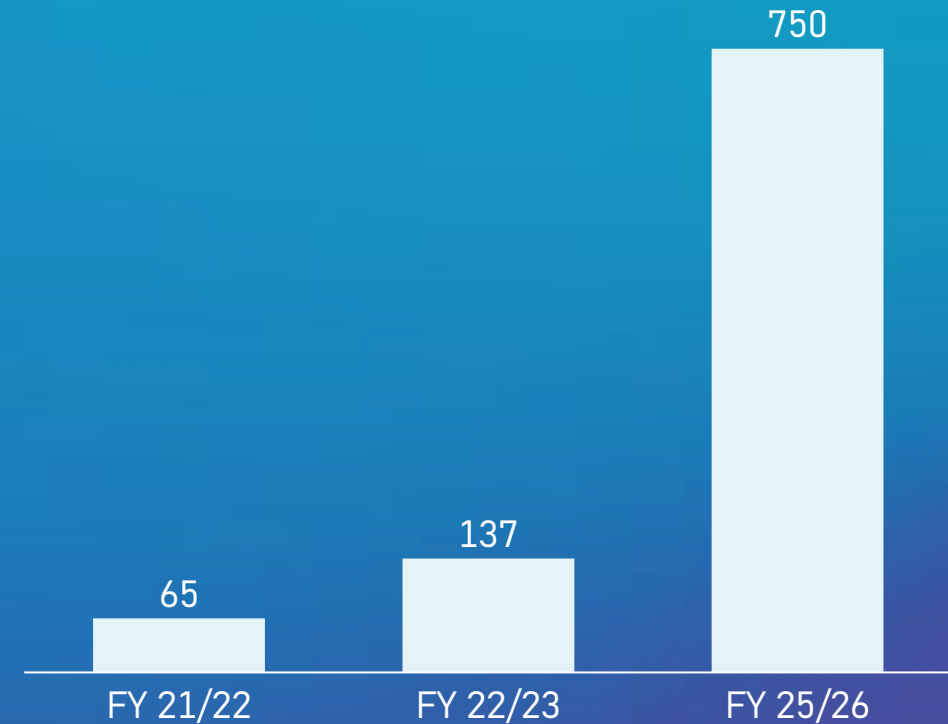
Fast-paced roll-out of Marketplace to additional countries

Integration of value-added services into Marketplace offering, increasing overall attractiveness for vendors and customers

## How we measure success

Gross Merchandise Value in €m<sup>4</sup>

**€750 m**  
Marketplace  
GMV<sup>1</sup>

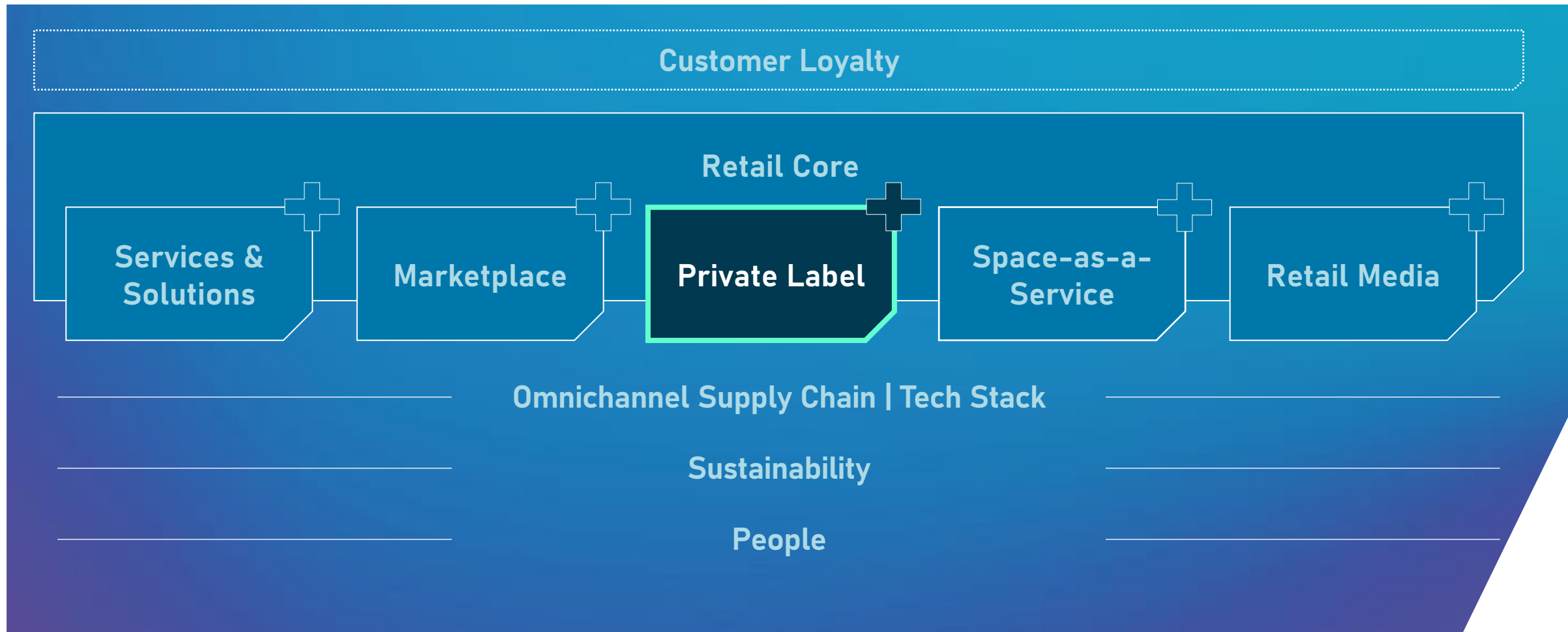


<sup>1</sup>Growth plan FY 25/26; <sup>2</sup>01.01.23 – 23.02.23; <sup>3</sup>Median time period between acceptance of an order and marked as shipped by the seller (median);

<sup>4</sup>Marketplace gross merchandise value in % of total gross merchandise value (Marketplace + Retail Online), only countries with a Marketplace considered

# Building Blocks of our Strategy

## Making our assortment even more attractive



# Our margin accretive Private Label products are an important part of our assortment

**c. 5%**  
Private Label share<sup>1</sup>

## Three key consumer demands...

**1 Price**  
Consumers are value-focused and want to buy for the best price

**2 Quality**  
Unbroken consumer demand for high-quality products

**3 Design**  
Consumers value simple and timeless product design

## ...addressed by 4 very strong Private Label brands



- ✓ Differentiated offering
- ✓ Drive recurring purchases
- ✓ Improve margins
- ✓ Facilitate access to affordable premium products

<sup>1</sup>Growth plan FY 25/26



# Deep-dive Private Label brand portfolio

**c. 5%**  
Private Label share<sup>1</sup>



## KOENIC

## PEAQ

## ISY

Household appliances for every situation

Consumer electronics par excellence

Lifestyle electronics with added value

Functional everyday appliances

Strategy

- / MDA<sup>2</sup>: high efficient energy class
- / SDA<sup>3</sup>: stainless steel(ish) design language
- / Target on design orientated but price sensitive customers

- / Strong focus on good price quality equation within brown goods space
- / Dark, pleasing design with an appearance of a higher quality
- / Open for innovations, e.g., portable TV

- / Higher margin product category
- / Focus on young price-aware consumer groups, looking for reliable accessories

- / Price entry – but not the cheapest
- / SDA with competitive pricing and MDA offering value for money
- / Clear target: B-Brands

Examples



<sup>1</sup>Growth plan FY 25/26; <sup>2</sup>Major domestic appliances; <sup>3</sup>Small domestic appliances

# We set ourselves ambitious targets to grow our margin accretive Private Label business

## Our growth levers

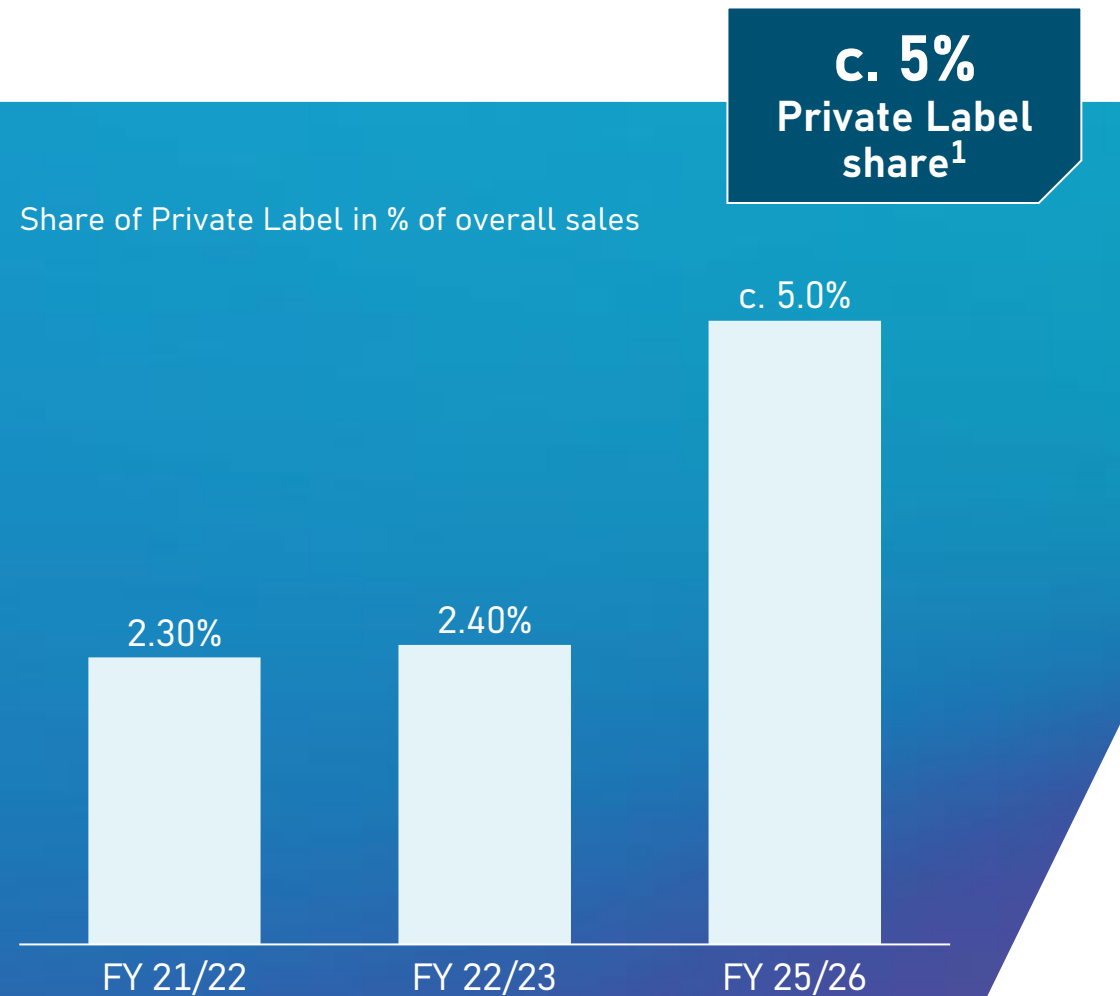
Rollout of refreshed branding campaign and organisation

New logistics process enabling faster import

Our 4 brands (PEAQ, KOENIC, OK, ISY) offer a strong price-quality equation

New organisation and overhaul of our category management since end of 2023

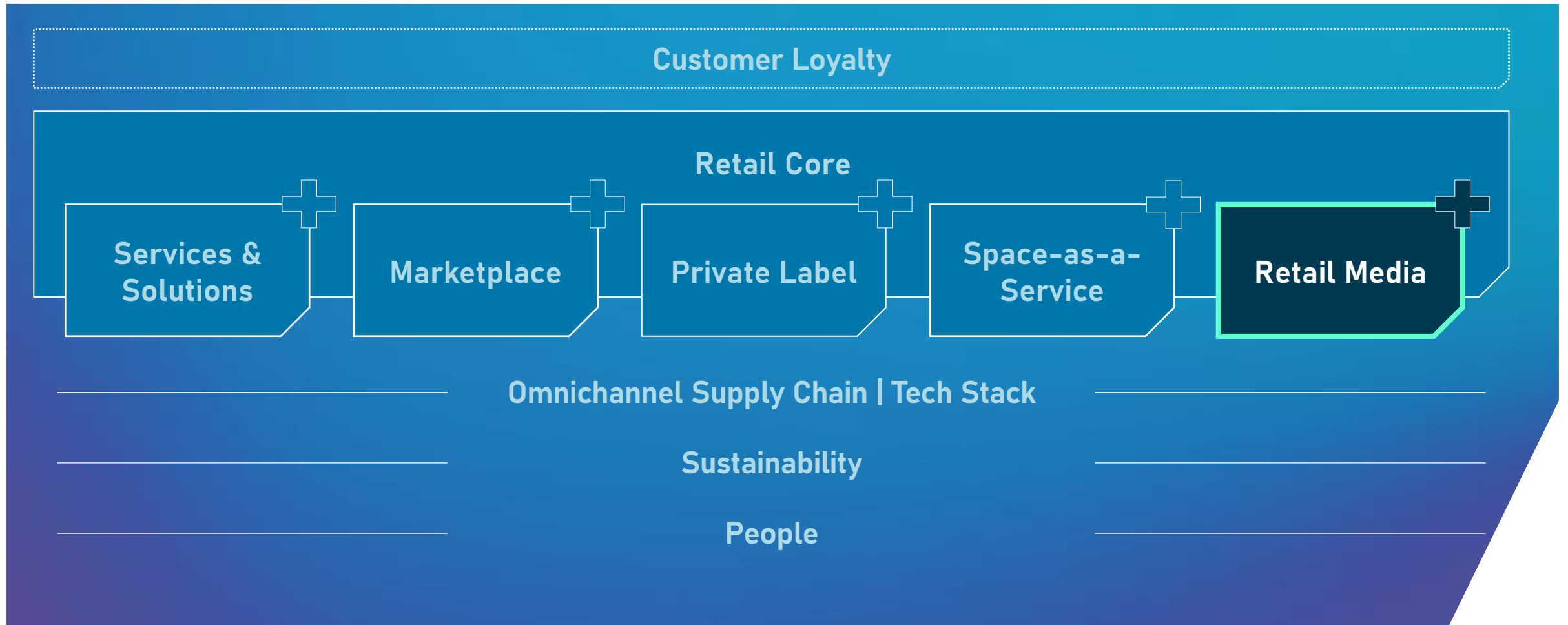
Share of Private Label in % of overall sales



<sup>1</sup>Growth plan FY 25/26

# Building Blocks of our Strategy

## Scaling Retail Media



# General Introduction to Retail Media

**c. €45 m**  
Retail Media  
Income<sup>1</sup>

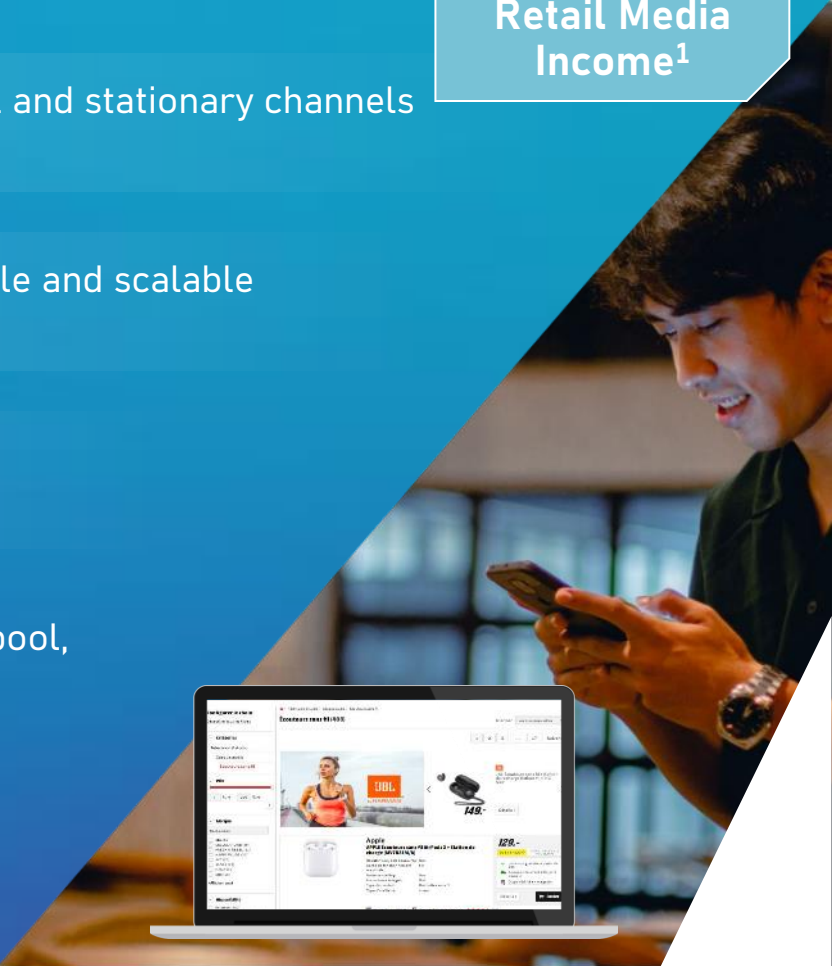
Retail Media<sup>2</sup> enables manufacturers and advertisers to use the wide reach of our digital and stationary channels for their own marketing activities with measurable results

Based on our existing retail platform, industry partners gain access to highly customisable and scalable state-of-the-art marketing solutions

Retail Media offers brands a unique opportunity to engage with customers at the point of purchase, allowing for higher return on investments

Retail Media is a young and growing market which allows us to tap into a greater budget pool, beyond promotional advertisement activities

We currently provide four Retail Media products, with our main product line, sponsored product ads (SPA), currently available in 10 out of 11 countries



<sup>1</sup>Growth plan FY 25/26; <sup>2</sup>Excluding digital out of home (DOOH)  
Note: All personal data are handled with the utmost care and compliant with national and EU regulations, e.g., Art. 5 GDPR

# Growing Retail Media market with growth potential for MMS

**c. €45 m**  
Retail Media  
Income<sup>1</sup>

## Our value proposition

### For advertisers

Reach: c. 2 bn omnichannel customer contacts p.a.<sup>2</sup>

Rich first party data, incl. +38 m loyalty members

Optimised campaign effectiveness on competitive level: increased ROAS / ROI

### For B2C end-customers

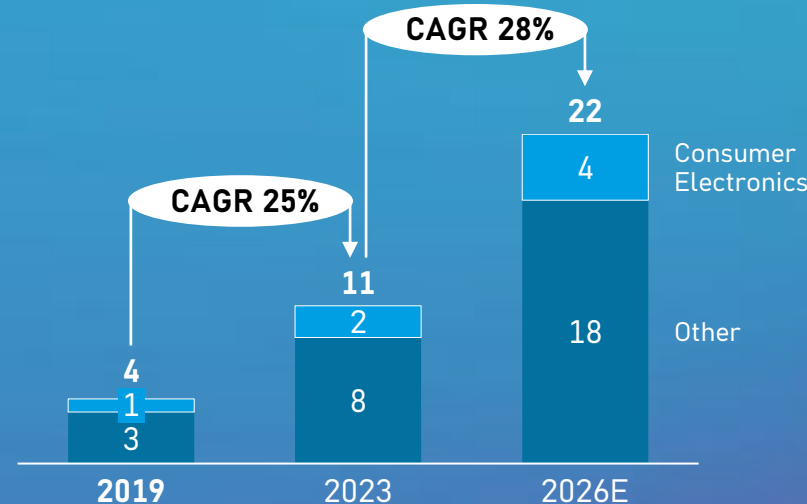
More targeted and relevant advertising

Additional inspiration for seamless shopping experience

Omnichannel customer experience through omnichannel targeting

## Market opportunity Europe

### Retail Media spendings<sup>3</sup> (in bn€)



Of which 75% addressable in our 11 markets (€3 bn)

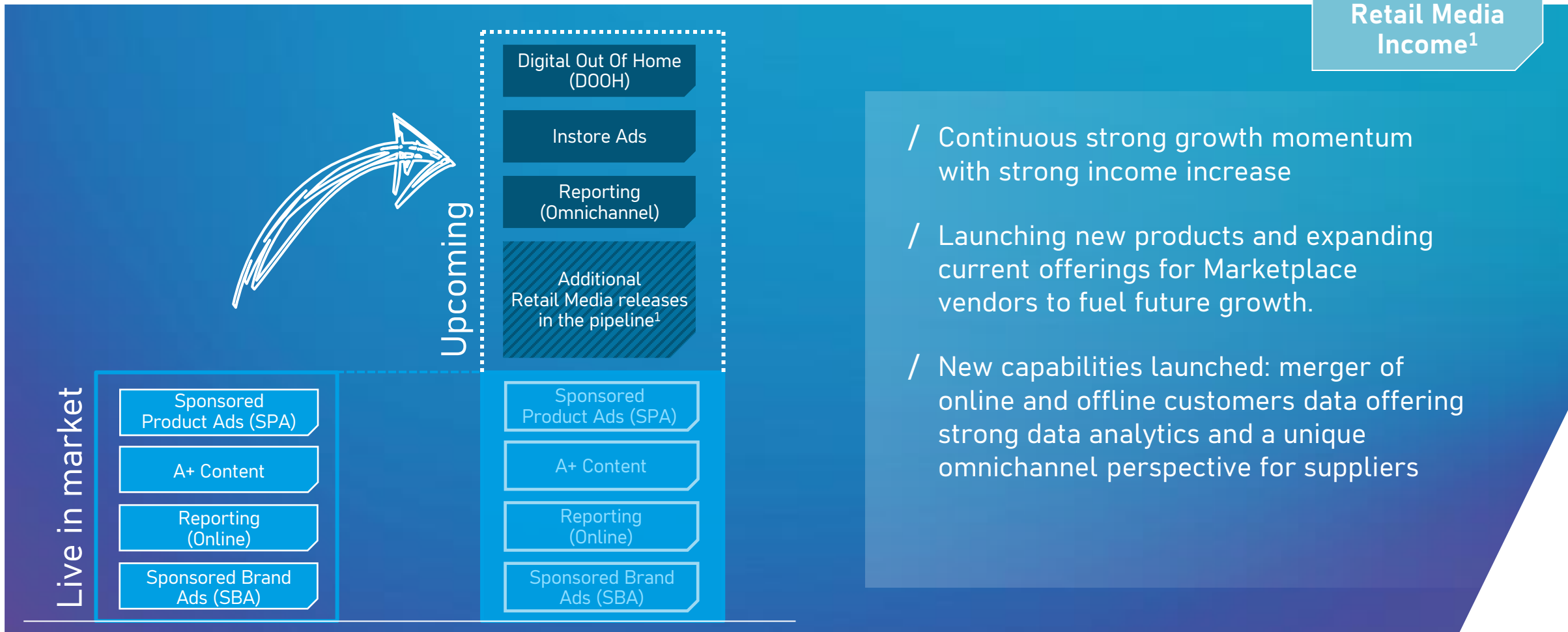
Adjacent market coverage opens up additional potential

<sup>1</sup>Growth plan FY 25/26; <sup>2</sup>73% online, 27% offline; gross count, no deduplication; source: CECONOMY;

<sup>3</sup>Source: Statista & IAB Europe; assumption: 20% CE share for Retail; MMS covering c. 60% of European market, leading to c. €3 bn potential as basis for market share-calculation

# Future Retail Media offering will be expanded with several new product releases

c. €45 m  
Retail Media  
Income<sup>1</sup>



<sup>1</sup>Growth plan FY 25/26

# Our Retail Media product portfolio

c. €45 m  
Retail Media  
Income<sup>1</sup>

Ongoing



**Sponsored Product Ads (SPA)**

Product ads pushed to visible position in product listing of search results; auction-based process



**Reporting (Online)**

Data-driven insights into customer behaviour retrieved from online platforms



**Sponsored Brand Ads (SBA)**

Ads for increasing brand awareness linking to brand category/product detail page



**A+ Content**

Detailed product descriptions provided by supplier via automated technical interface to make product more tangible, e.g., product videos

Upcoming



**Connected TV (CTV)**

Ads on TV devices supporting video content streaming, e.g., Amazon Fire TV



**Reporting (Omni-Channel)**

Data-driven insights into customer behaviour retrieved from online and B&M platforms



**Digital Out Of Home (DOOH)**

Ads on screens close to point of sale, e.g., showcase, shopping mall with MediaMarkt store



**Offsite Audience Extension**

Ads are displayed outside of the webshop (for example on Google, Facebook etc..)



**Instore Ads**

Display & Video: one-to-many-advertising on Instore screens to address users at point of sale

<sup>1</sup>Growth plan FY 25/26

# We are continuously growing our Retail Media business to drive additional income

## Our growth levers

Rollout to all countries by calendar year 2024 incl. implementation of new products

Partnership with global ad-tech company Criteo successfully established

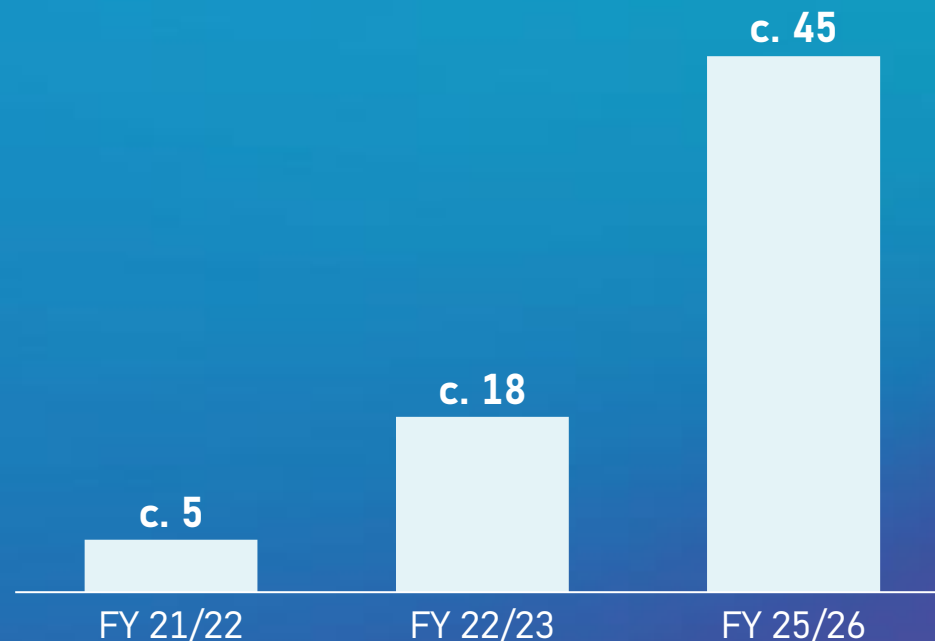
Organic capabilities growth through investment into own business

Increased promotion of Retail Media services to our industry partners

## How we measure success

Retail Media Income €m

**c. €45 m**  
Retail Media Income<sup>1</sup>

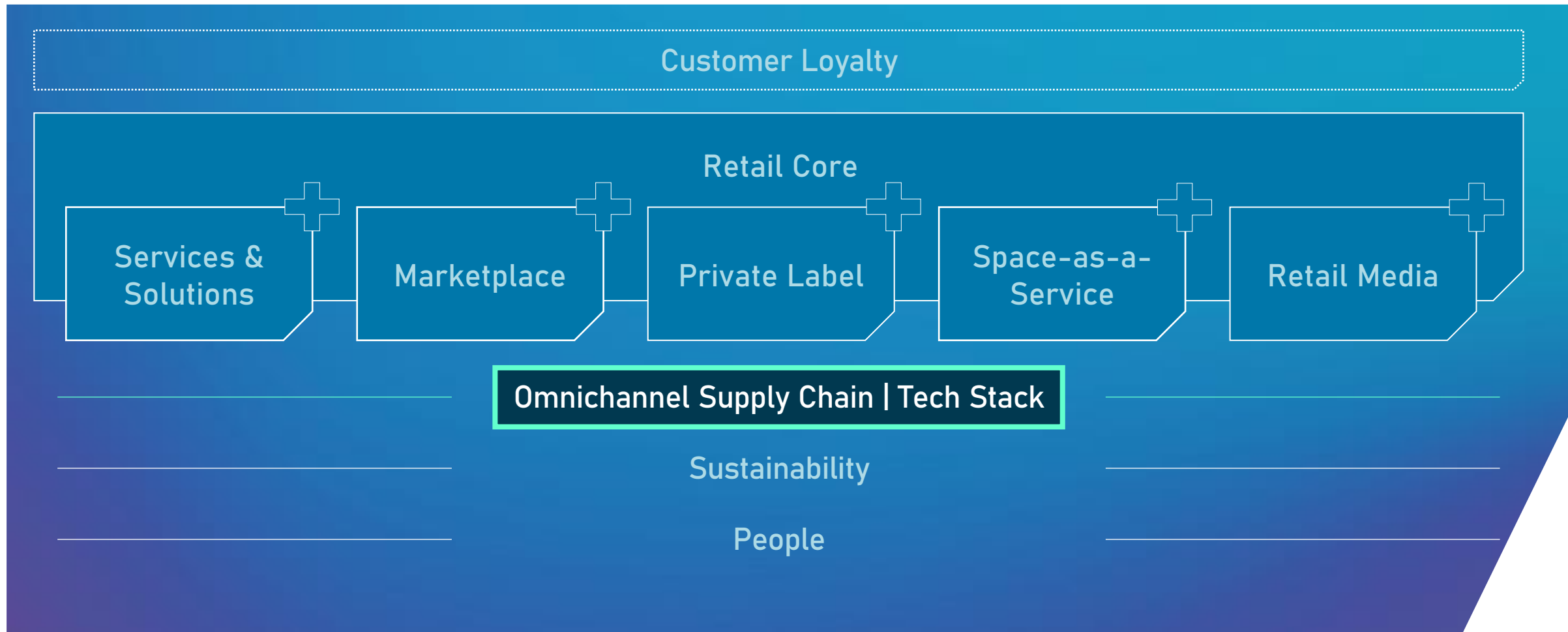


<sup>1</sup>Growth plan FY 25/26



# Backbone of our Strategy

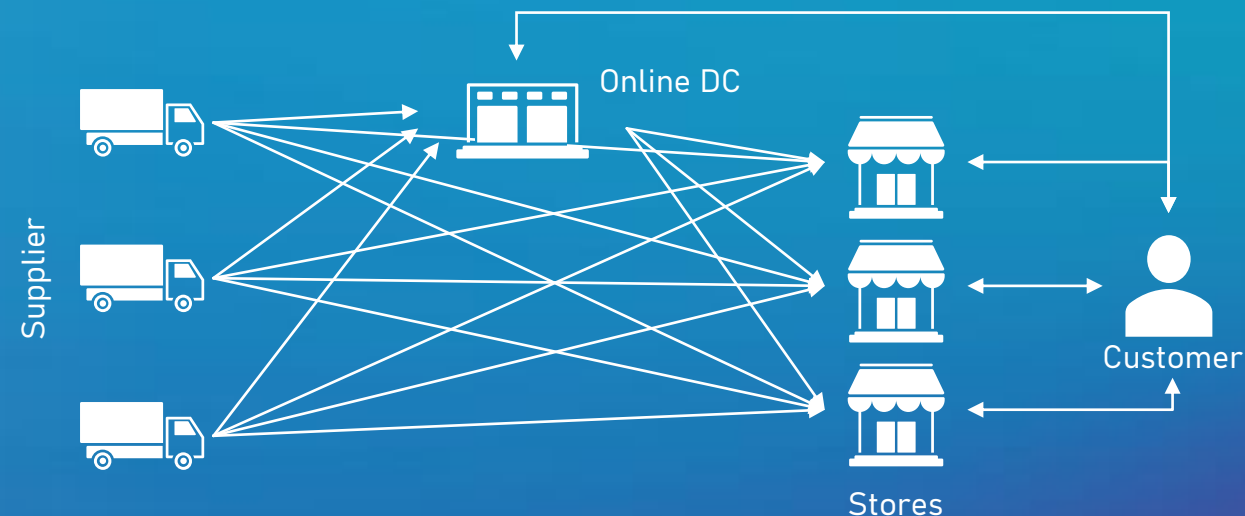
## Supply chain and tech transformation



# We used to run a decentralised logistic network

## Yesterday (until 2022)

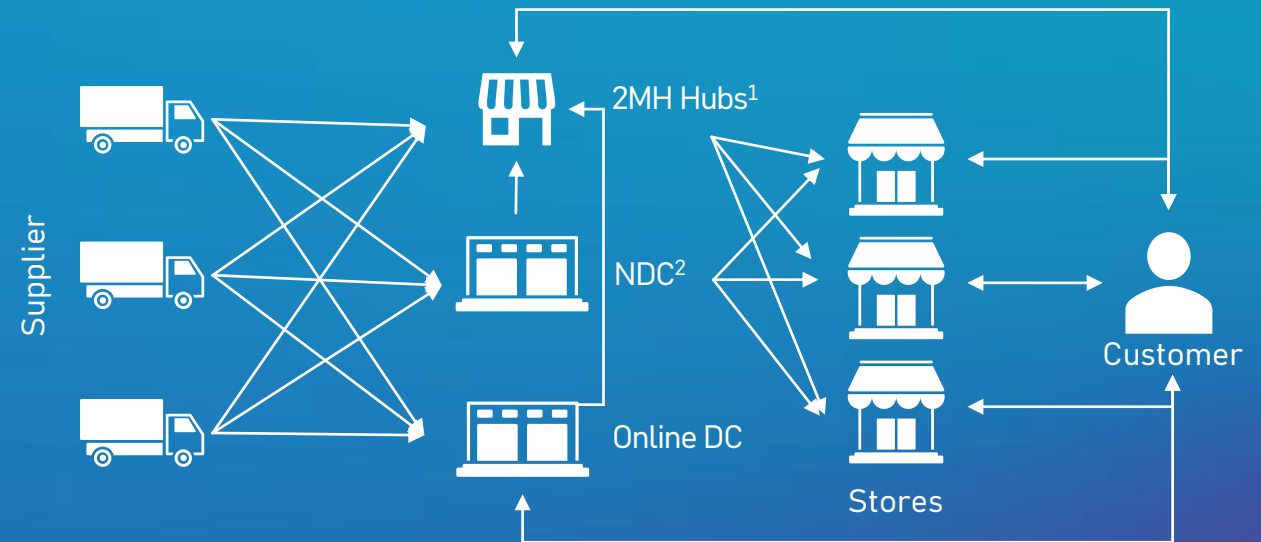
- Each supplier delivered to each store decentralised
- On- and offline business disconnected, no endless aisle experience for customer
- Inefficient and highly complex stock management
- Environmentally unfriendly and wasteful organisation of transportation



# We are moving towards a more centralised logistics approach

## Today (starting 2022)

- + Partially central: many suppliers deliver to several central distribution centers or hubs
- + Consolidated delivery from supplier to central platform; controlled replenishment
- + Hubs serve as an extended warehouse for 2MH<sup>1</sup> goods (Today in DE & ES)
- + Improved stock reach and less stock aging issues

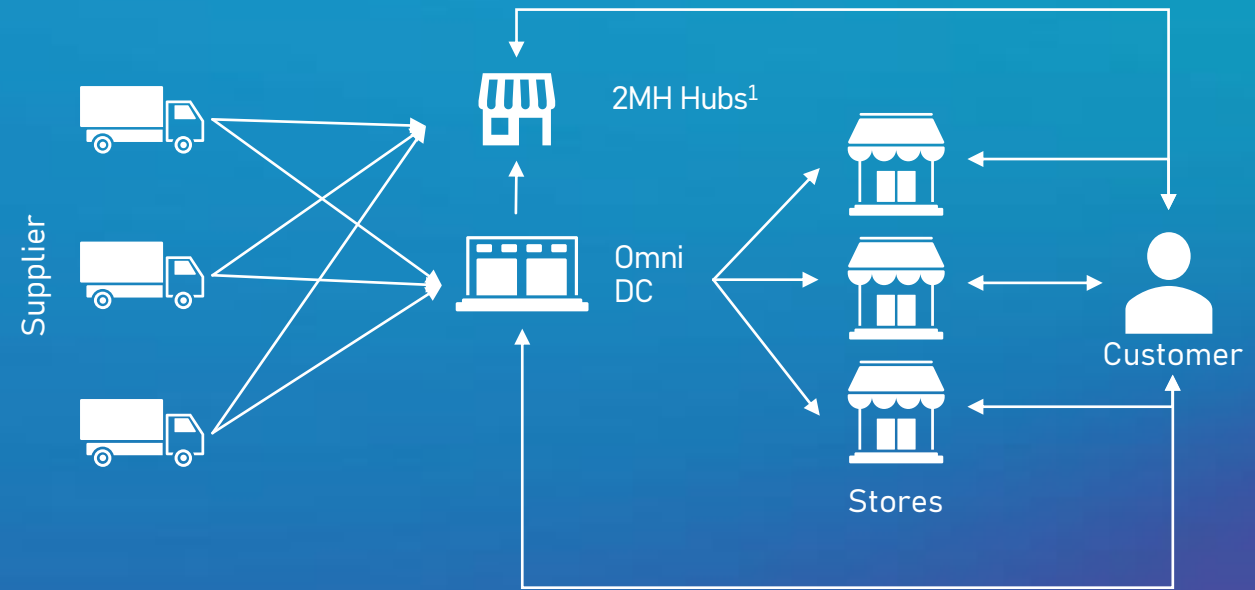


<sup>1</sup>Hubs for bulky/Two-men handling (2MH) products; <sup>2</sup>NDC = National Distribution Center mainly for "offline" products

# Our goal is an efficient and state of the art omnichannel logistics system

## Tomorrow

- + Fully central: all suppliers deliver to one central omnichannel distribution center which replenishes the stores and delivers to customers
- + Further expansion of city fulfillment centers
- + Increased availability and improved stock reach<sup>1</sup>



<sup>1</sup>Same stock reach as Amazon or Best Buy that have 7-8 weeks

# We are transforming our tech infrastructure and will operate fully cloud based in three years<sup>1</sup>

## Our tech stack transformation

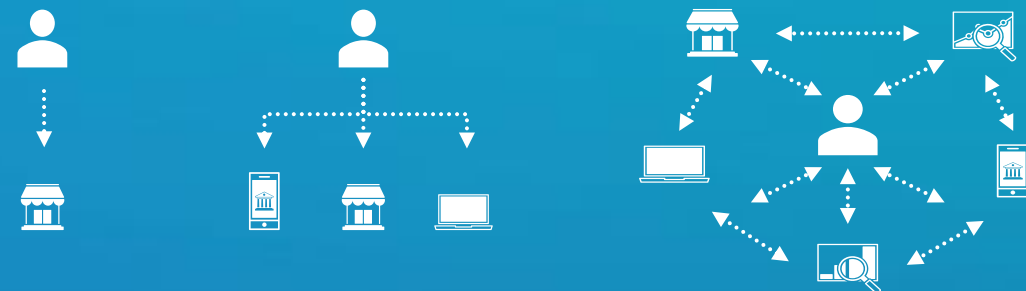
We are replacing our legacy IT systems

New IT capabilities enable us to develop new business fields (data lake on google cloud)

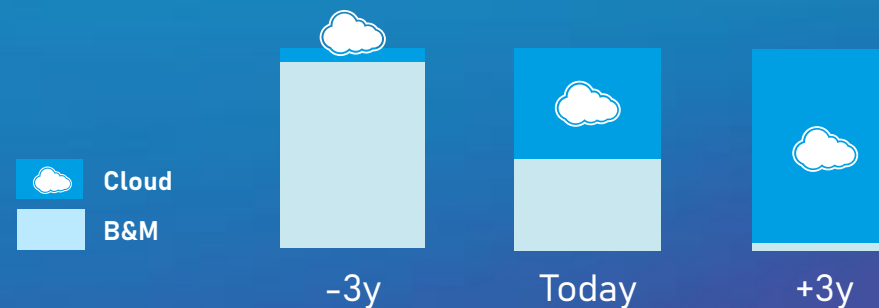
C. 50% of our IT landscape is already provisioned on the cloud

Key milestone reached in Q3 2023/24: upgrading our online backend infrastructure to the latest technology

## The move from single channel and multichannel to omnichannel ...



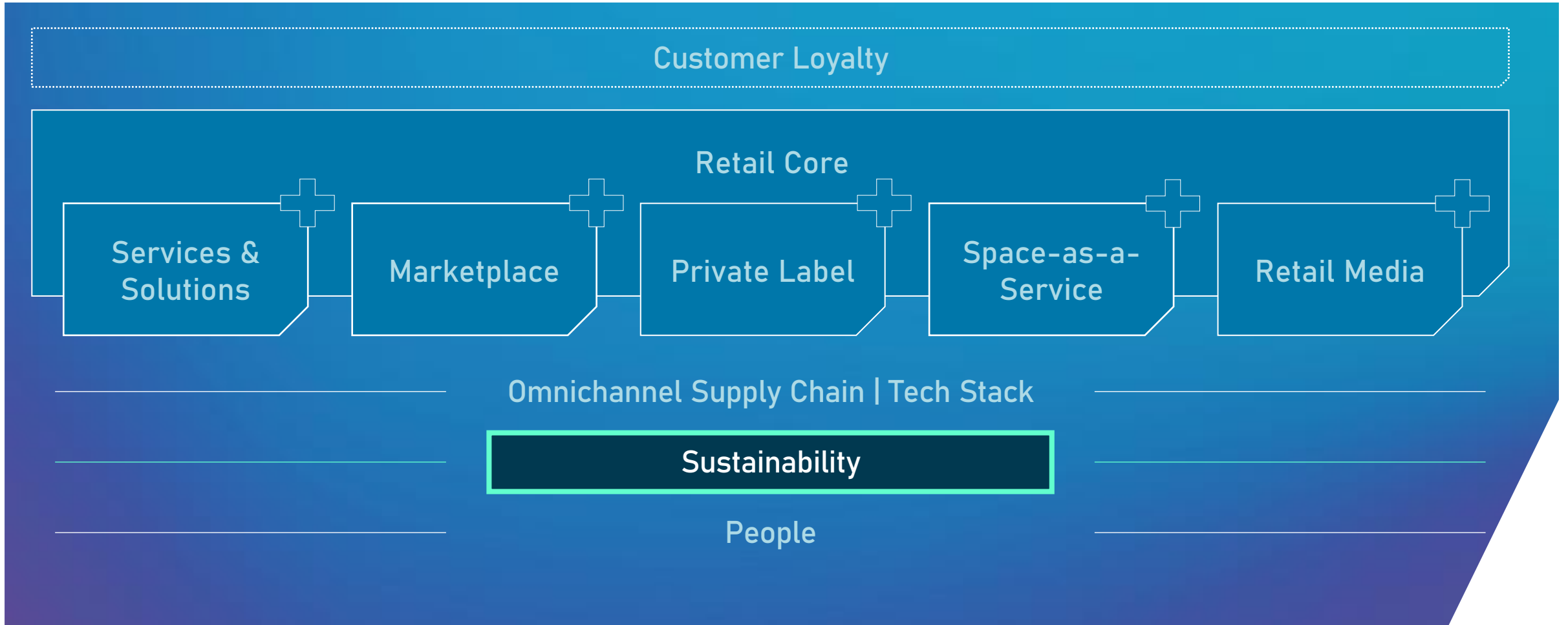
## ... is changing our tech infrastructure



<sup>1</sup>Information on this page as of June 2023

# Backbone of our Strategy

## Delivering our sustainability agenda



# We continuously increase the share of sustainable and energy-efficient products in our assortment

## Our growth levers

Double the number of BetterWay products in our assortment to c. 7,000 in FY 25/26

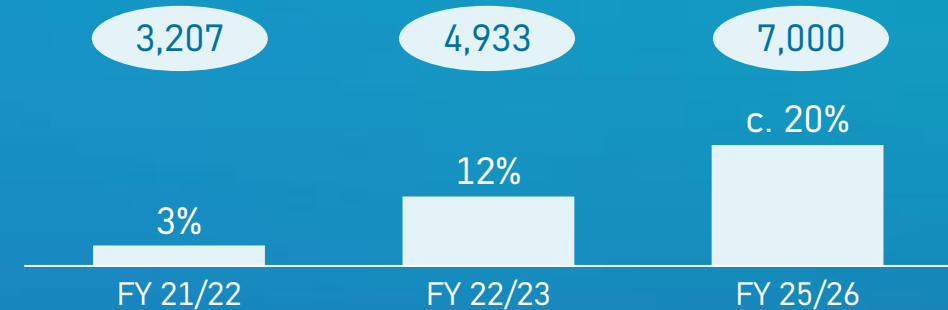
Extension of refurbished products to all product groups with high customer demand

Growing share of energy efficient products in top categories (e.g., white goods)

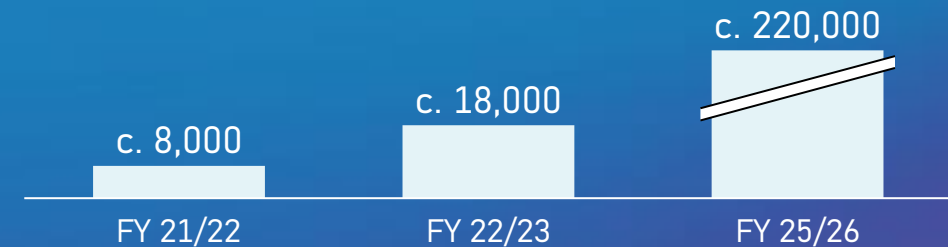
## How we measure success

BetterWay products in assortment and sales share

Retail Core



## Refurbished products – Sold units



# Our service offering enables the extension of the product lifecycle and drives circularity

## Our growth levers

Focus on organic growth by ensuring profitability & scalability through International Repair Growth initiative

Expanding the repair services by offering instant repairs (Smartbar) and remote services

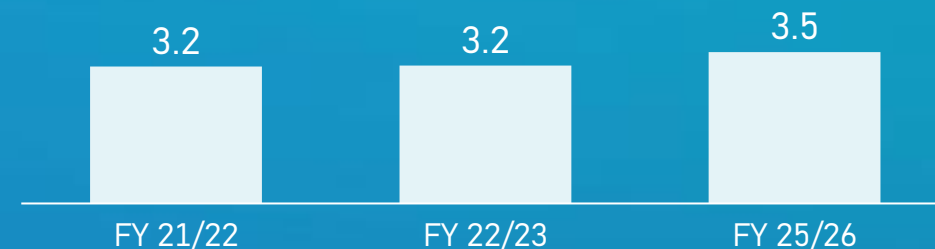
Trade-in proposition live across all channels – customers can return used devices for vouchers

Strategic partnerships enable us to provide customers with new value propositions around sustainability, e.g., trade-in system is based on group-wide partnership with Foxway

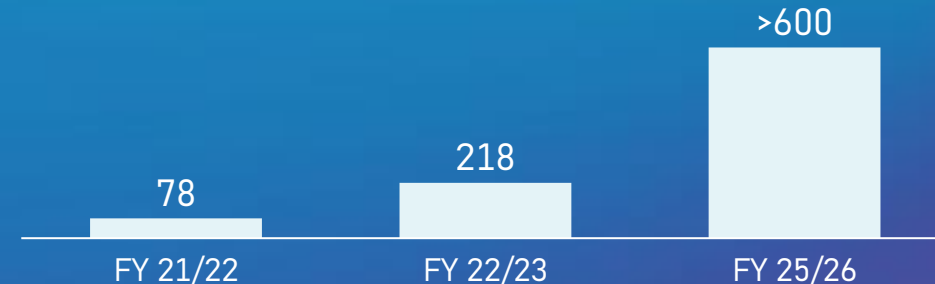
## Services & Solutions

### How we measure success

Repairs – group wide in million



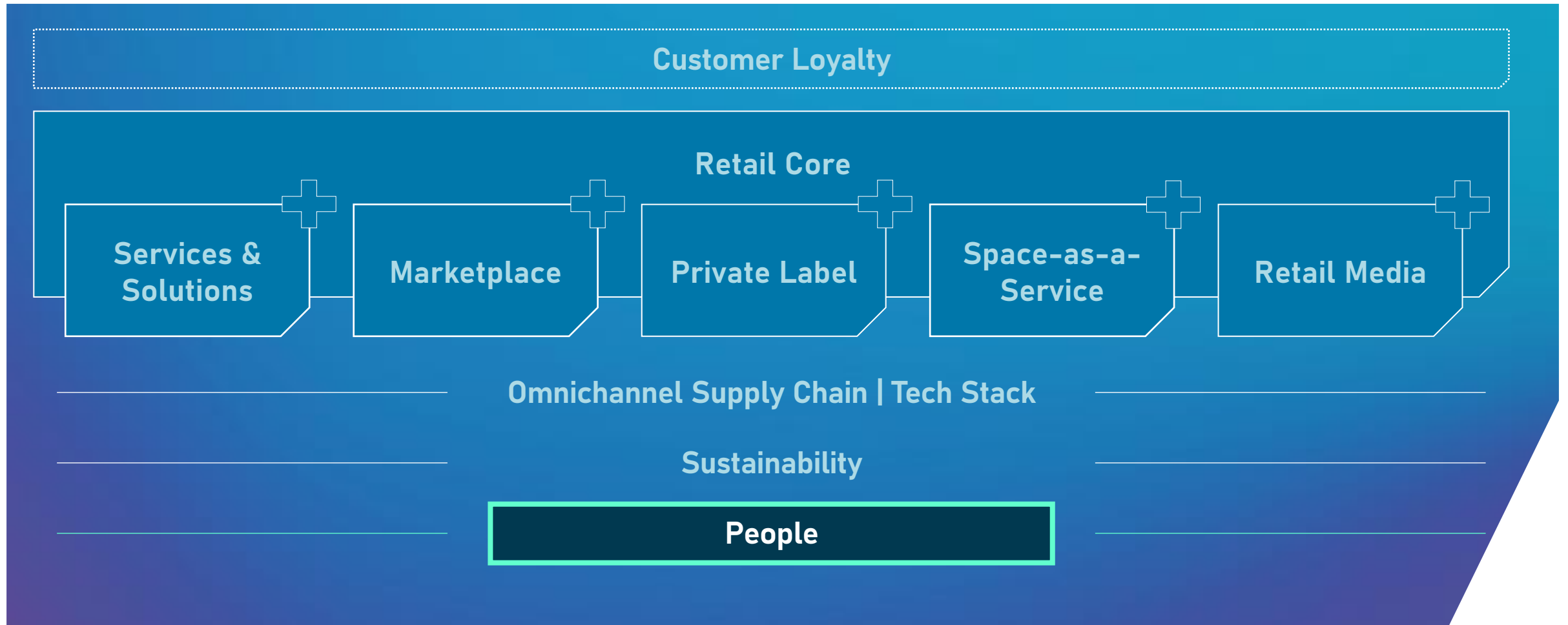
Trade-in target across the group in 1,000 devices





# Backbone of our Strategy

## Engaging employees and customers

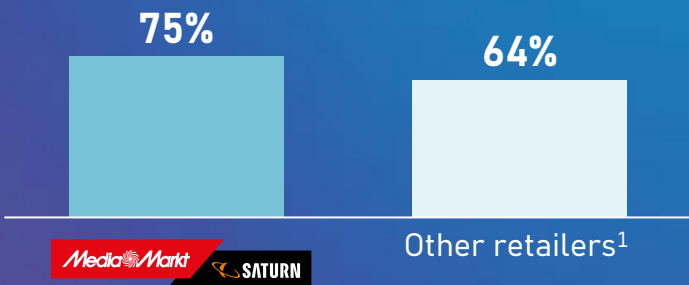


# Employee experience: Putting our front-line first

## Employer Branding



Higher employer attractiveness



## Net Promoter People



Increased NPP scores



## Store Upskilling



Investment into people

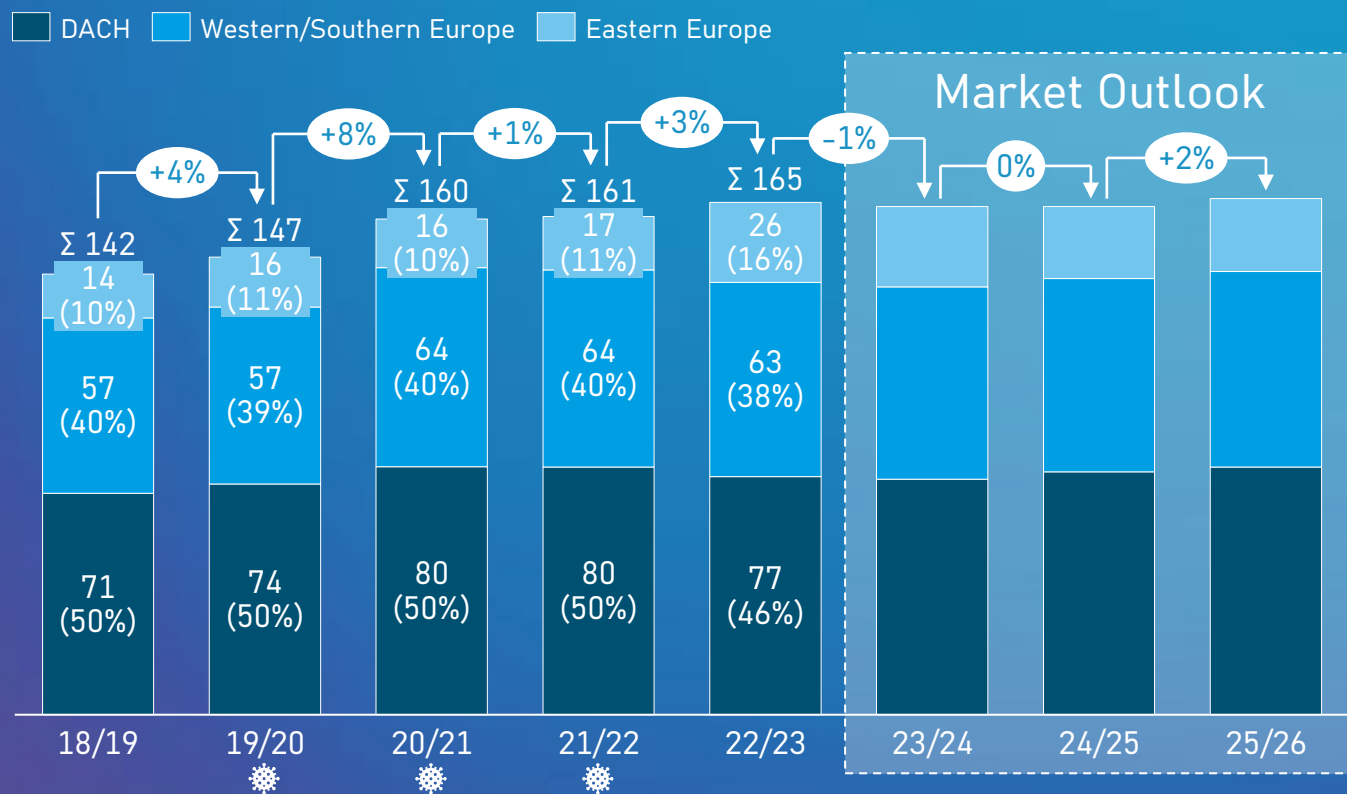


<sup>1</sup>Other retailers including Amazon, Expert, Kaufland, OBI, and Otto  
Source: Mindline survey conducted for MMS in early 2023; 600 participants in 15 minutes interviews

1. Company Overview
2. Business model deep-dive
3. Market Overview
  - I. Retail electronics market development
  - II. Product-mix development
  - III. Competitive landscape
4. Financials
5. Outlook
6. Capital Market

# We operate in an attractive and growing market

YoY regional market development (in €bn market volume and % of total)

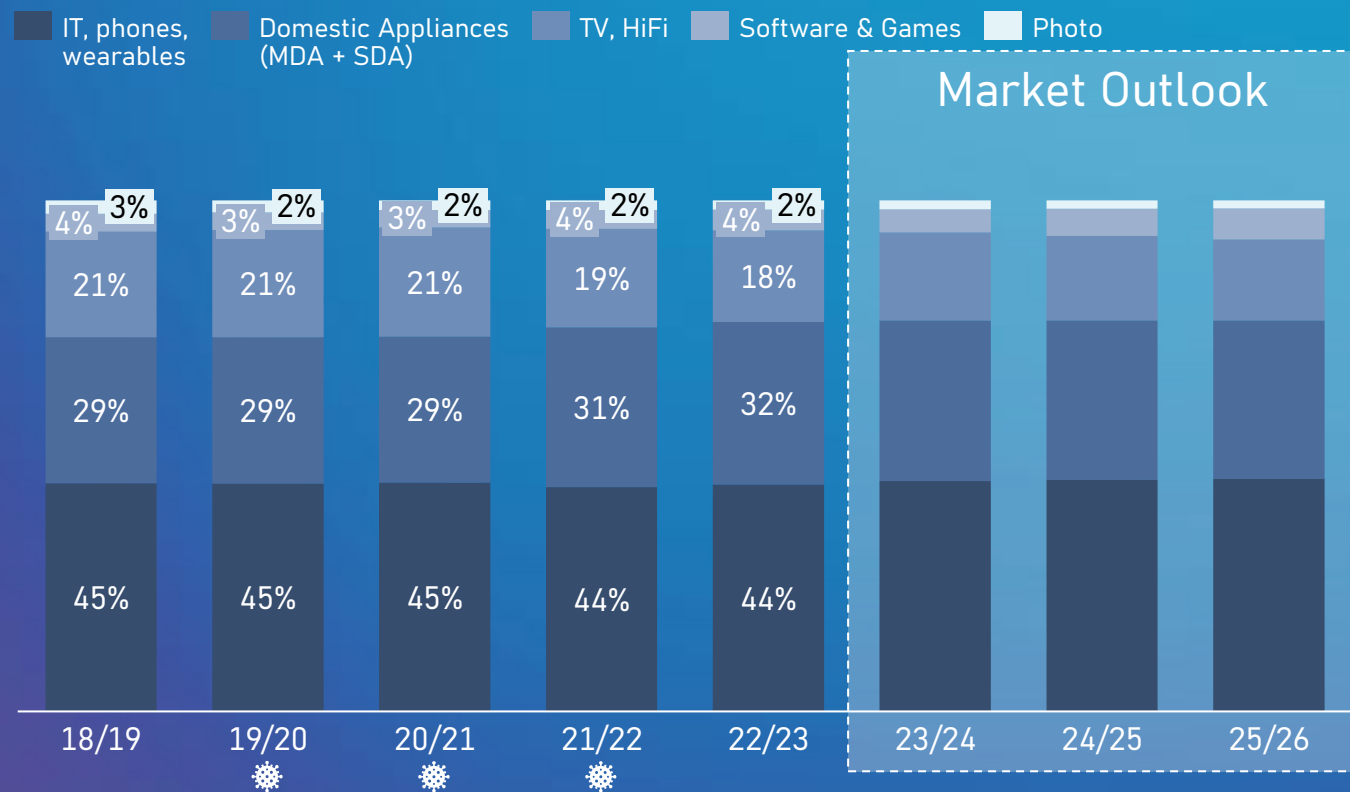


- Market Outlook**
- / Substantial increase of the addressable consumer electronics market in COVID years
  - / Post normalisation in FY 22/23, growth is expected to resume in the DACH region
  - / Western/Southern Europe market expected to recover after low point in FY 23/24
  - / Decline in Eastern Europe expected from FY 23/24 due to a challenging environment

Source: Own CECONOMY analysis based on market research data by GfK – An NIQ Company and further market research sources.  
<sup>1</sup>Poland excluded

# Consumer lifestyle change continues to impact the consumer electronics product mix

Market product segment performance (in % of total)<sup>1</sup>



### Market Outlook

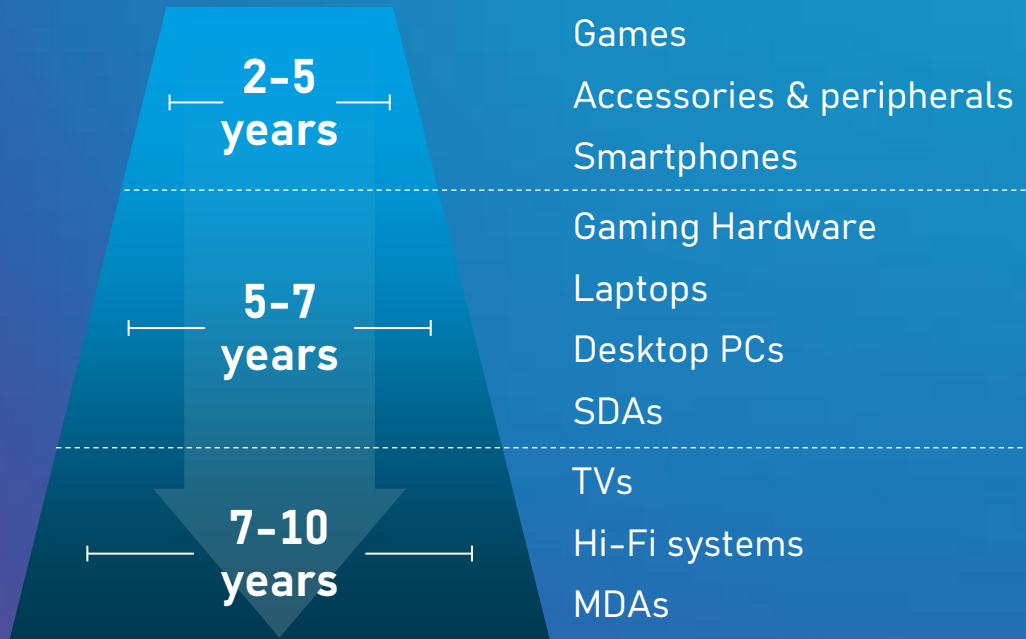
- / IT, phones and wearables expected to grow driven by AI and more expensive price points
- / Downward trend expected to continue in the Photo segment (cameras and camera accessories)
- / TV, HiFi share decline as consumers use more alternative devices (mobile)
- / Strong growth within Software & Games driven by cyclical demand within product lifecycle

Source: Own CECONOMY analysis based on market research data by GfK – An NIQ Company and further market research sources.  
<sup>1</sup>Poland excluded

# Upcoming replacement cycles of consumer electronics can accelerate through innovation such as AI integration

## Replacement cycles and accelerators

### Short replacement cycles



### Long replacement cycles

/ Typical replacement cycle in consumer electronics span ranges between 2 to 7 years

/ GenAI has the potential to accelerate replacement cycles for smartphones and PCs<sup>1</sup>

/ Industry experts forecast the market share of AI integrated phones can reach up to +70% per year by 2028

/ AI integrated PCs are expected to dominate the market with an estimated penetration rate of over 50%

/ Within AI of Things ecosystems, such innovations can even accelerate SDA and MDA replacement cycles in the future<sup>1</sup>

Source: Own CECONOMY analysis based on different sources.  
<sup>1</sup>Based on Canalis 2024 study

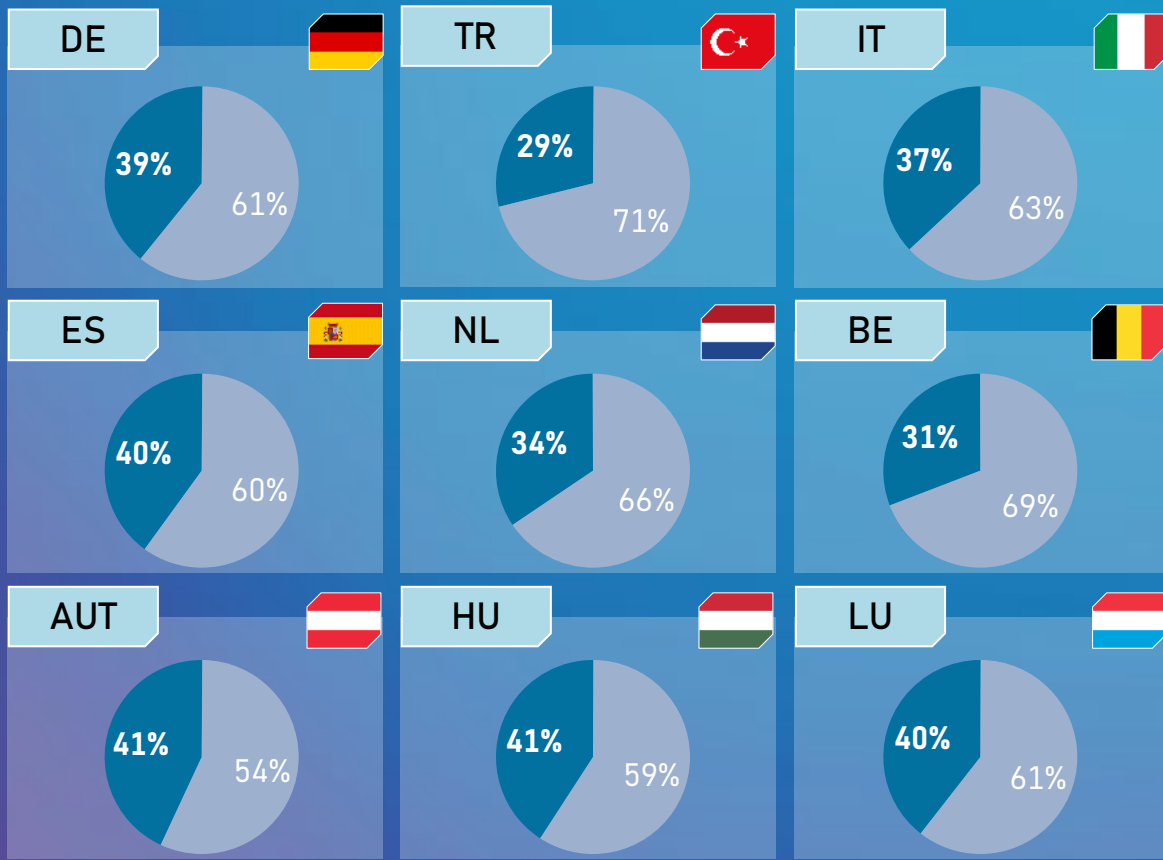
# We have an established leadership positions in key European markets



Source: Own CECONOMY analysis based on different sources for calendar year 2023

# We operate in highly fragmented markets

Market share of top three retailer in 2023 ■ Top three ■ Rest



/ The consumer electronics retail market remains largely fragmented in Europe

/ Each market contains numerous local players

/ Slow signs of consolidation visible in several markets

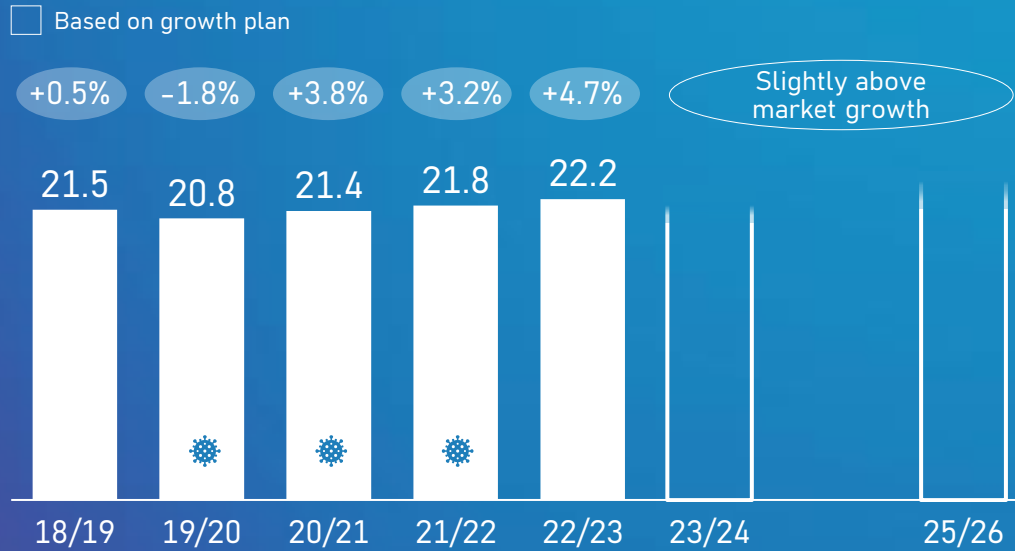
Source: Own CECONOMY analysis based on different sources for calendar year 2023; Note: Third party sales not included in top three



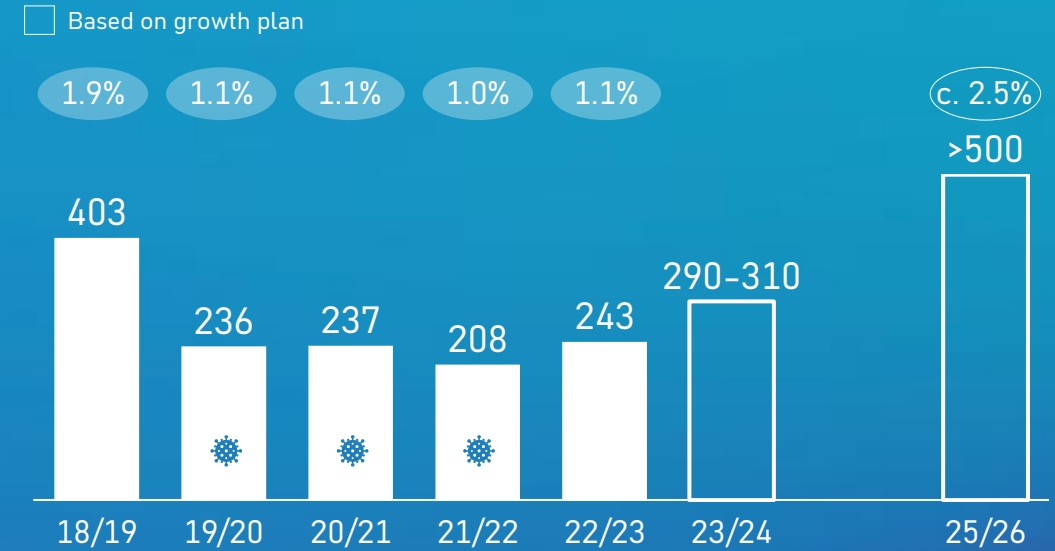
1. Company Overview
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  - I. Sales & Earnings
  - II. Costs
  - III. Free cash flow & NWC
  - IV. Cash & Debt
  - V. Credit ratings
5. Outlook
6. Capital Market

# Top line growing above market while EBIT has recovered after COVID years

### Net sales (in €bn) and adjusted growth<sup>1</sup>



### Adjusted EBIT<sup>2</sup> (in €m) and margin<sup>3</sup>



/ COVID disruptions in 19/20 due to store closure, sales uplift the outer years

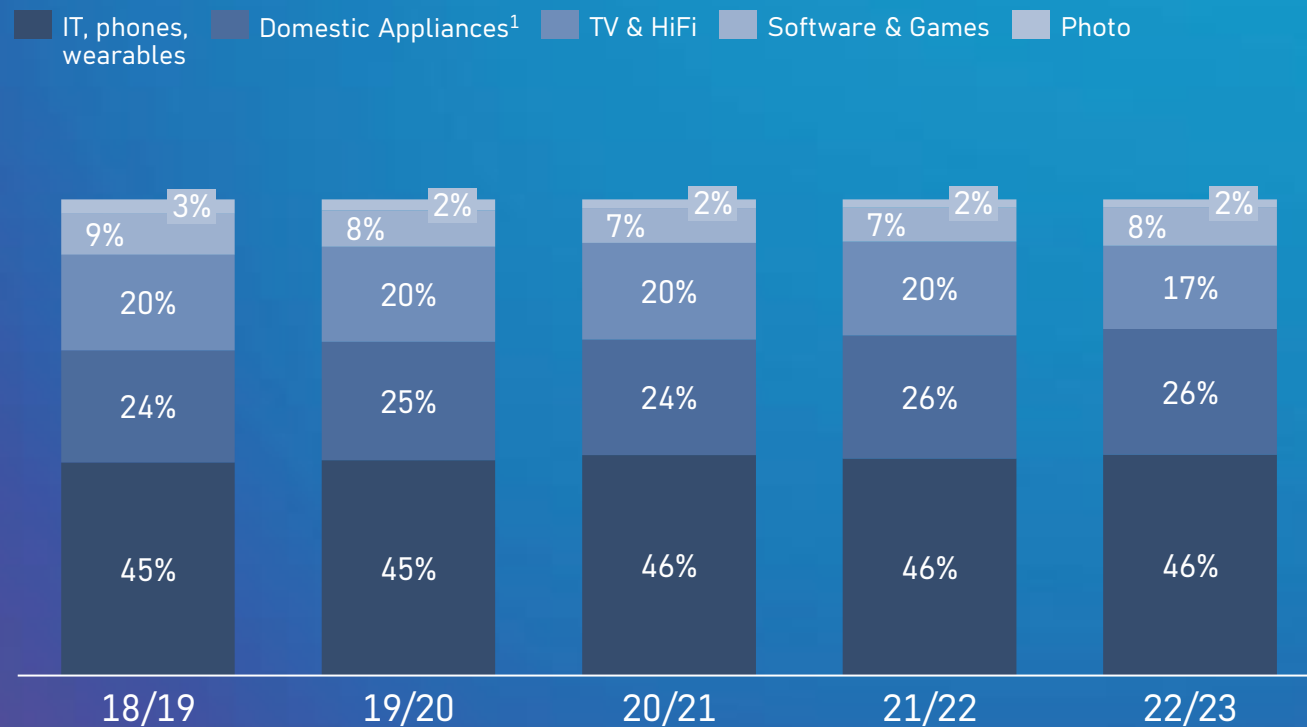
/ FY 19/20 impacted by COVID (higher cost, more online, unprofitable product mix), partially compensated by state subsidies

Note: Adjusted figures from 2021/22 onwards excl. Sweden and Portugal.

<sup>1</sup>Adjusted for fx- and portfolio effects, pre-IAS 29; <sup>2</sup>Excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects; <sup>3</sup>Based on adjusted EBIT and reported sales pre-IAS 29

# CECONOMY product sales remained overall stable – Overall market trends are main drivers for change

Company product segment mix (in % of total product sales)



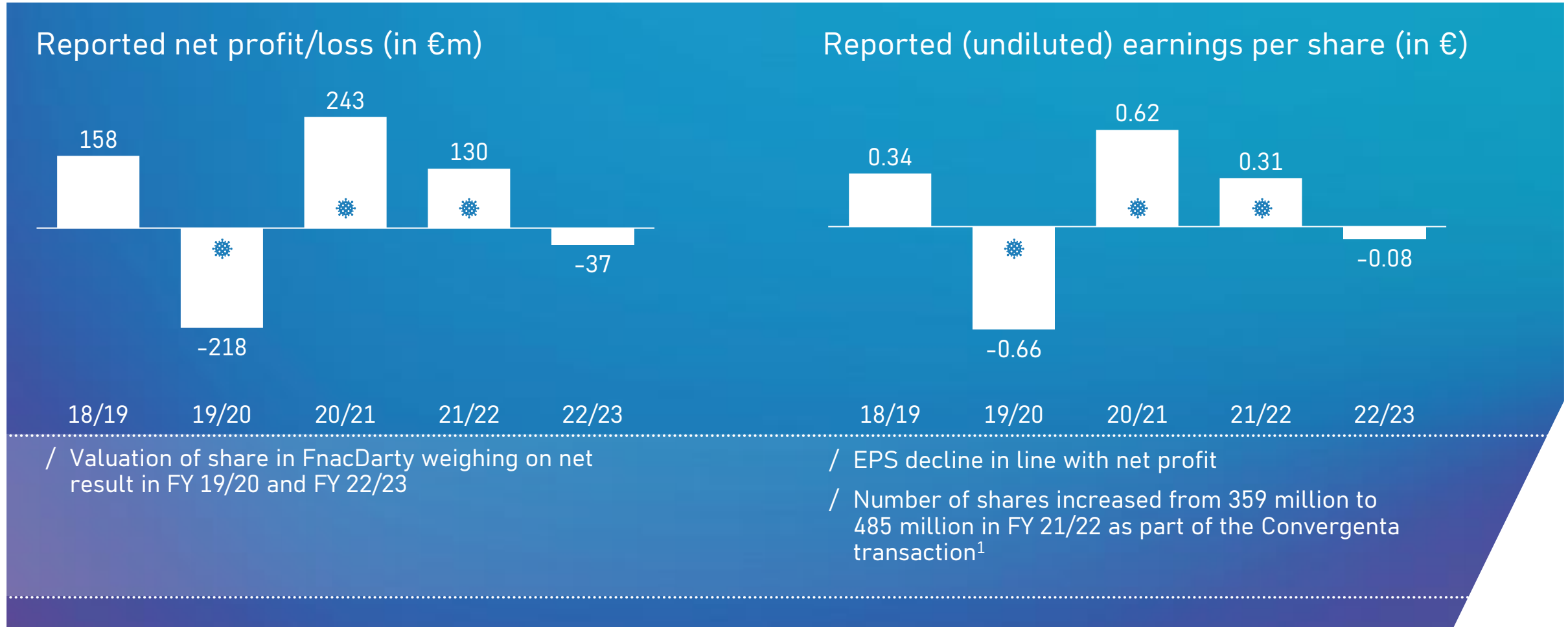
/ Product mix developed similarly with the overall market

/ Slight differences to market distribution, e.g., Software & Games, due to positioning in market

/ Overall stable product mix over the years with slight decline in TV & HiFi

<sup>1</sup>Consisting of small domestic appliances (SDA) and small domestic appliances (MDA)

# Past net profit distorted by non-recurring costs

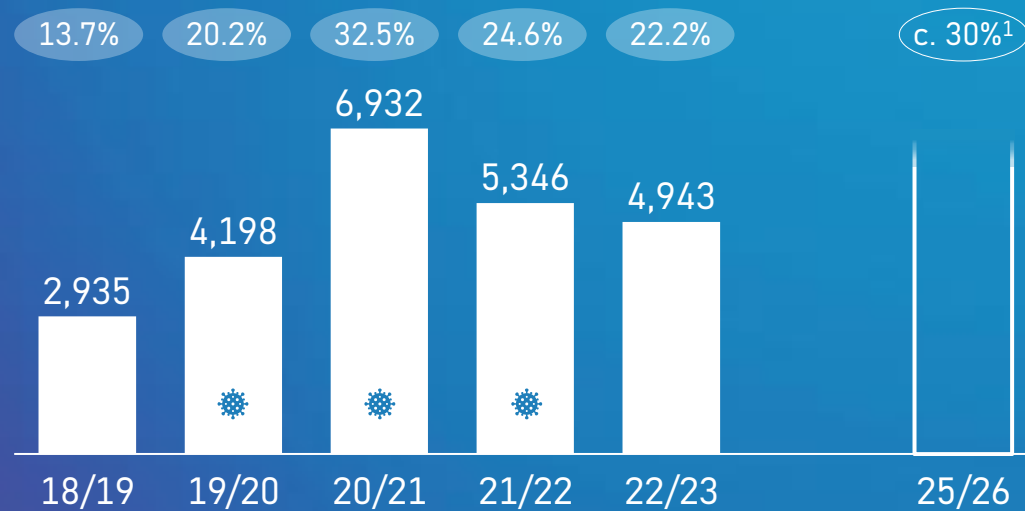


<sup>1</sup>Acquisition of Convergenta Invest GmbH's minority stake in MediaMarktSaturn.

# Significant uptick in online sales during pandemic with lasting effect

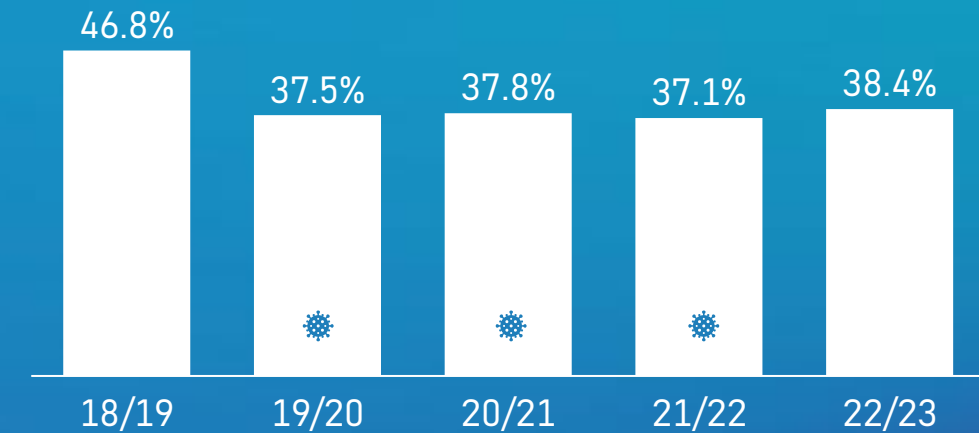
## Online Sales (in €m) and share of net sales

Based on growth plan



/ FY 20/21: COVID impact led to strong online sales followed by normalisation

## Pick-up rate (as % of online orders)



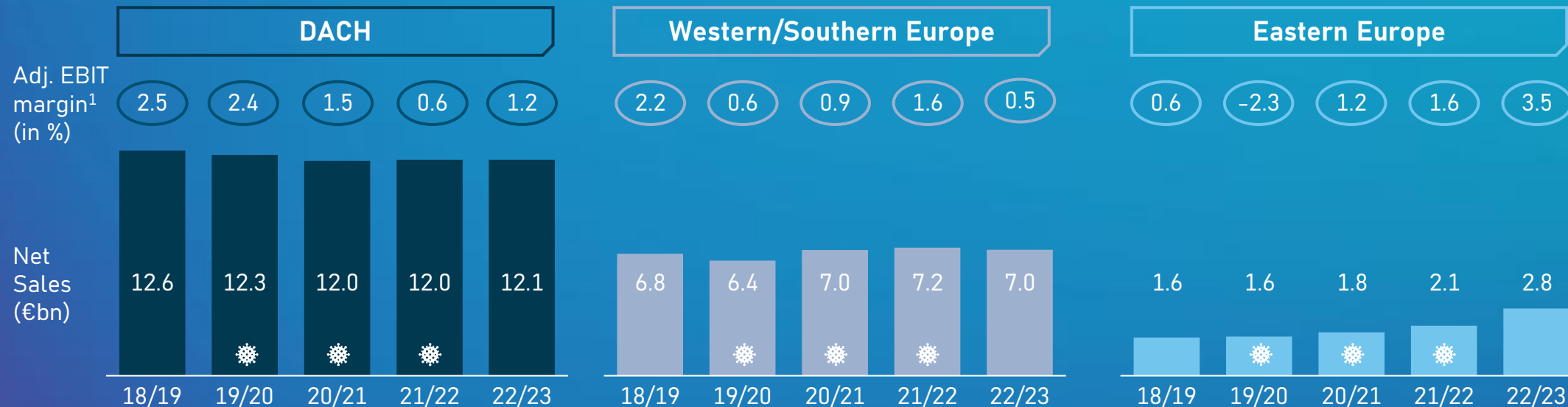
/ Pick-up rate decreased due to temporary store closures during COVID

/ Absolute number of pick-ups increased steadily, online business grew disproportionately

¹Including Marketplace, Net Merchandise Value (NMV).

# Our core region in terms of sales and EBIT share remains DACH

## Regional segment performance



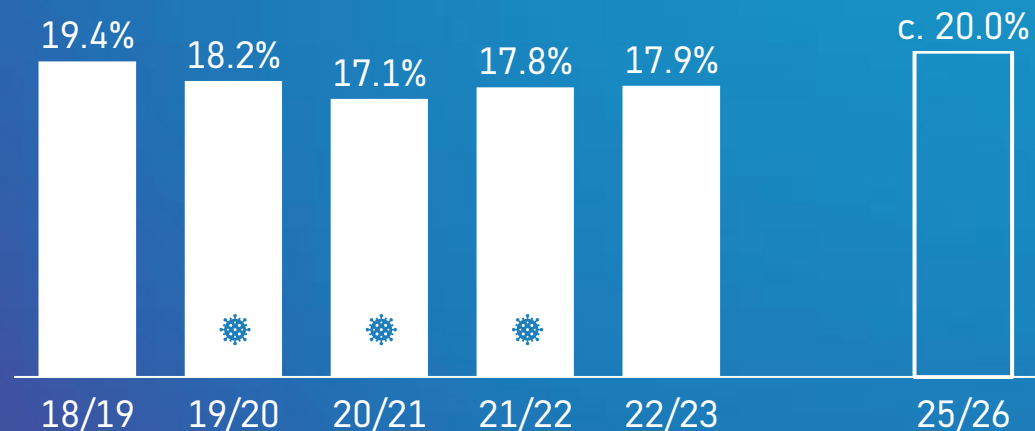
- / Broadly stable distribution of sales across regions, stronger sales momentum in Western/Southern Europe and Eastern Europe visible
- / COVID pandemic impacted profitability
- / Eastern Europe segment reflects strong performance in emerging market Türkiye over time
- / Currently, the majority of EBIT contribution originates from DACH

<sup>1</sup>Adjusted EBIT excluding associates, adjusted for portfolio changes, pre-IAS 29 and excluding non-recurring effects. Margin calculation based on sales pre-IAS 29.

# Solid margin improvement after COVID based on S&S impact and cost discipline

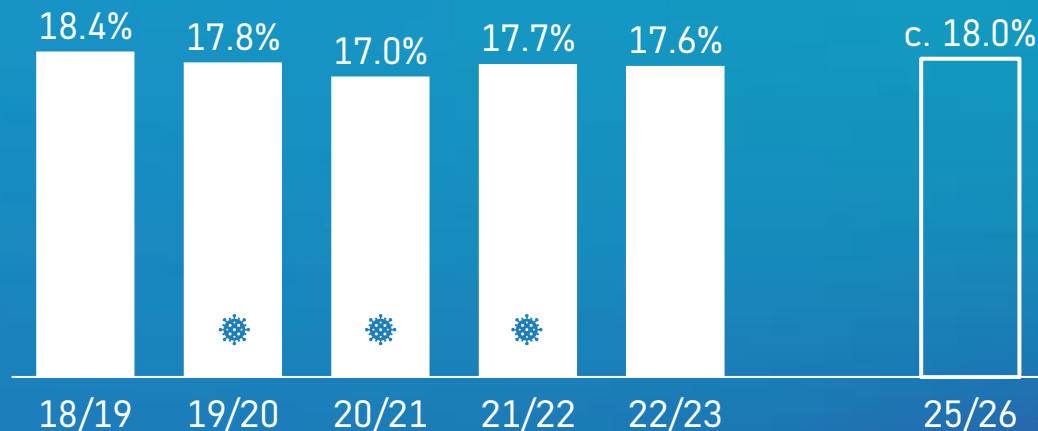
## Gross margin<sup>1</sup> (as % of net sales)

Based on growth plan



## OPEX ratio<sup>1</sup> (operating costs as % of net sales)

Based on growth plan



/ Under COVID: Gross margin declined compared to FY 18/19 due to increase in online penetration and unfavorable product mix (less domestic appliances, more mobile phones)

/ Recovery since 2021/22 reflecting increasing share of Services & Solutions and growth businesses

/ Broadly stable OPEX ratio due to efficiency measures, e.g., organisational transformation, centralisation and restructuring

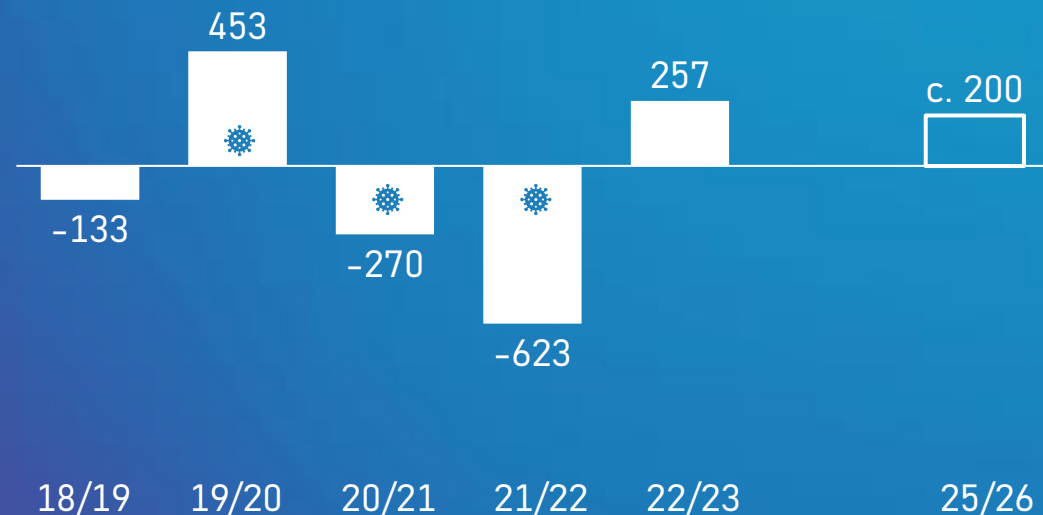
Note: Adjusted figures from 2021/22 onwards excl. Sweden and Portugal.

<sup>1</sup>Adjusted for portfolio effects, pre-IAS 29 and excluding non-recurring effects

# Volatile free cash flow due to strongly fluctuating NWC throughout COVID years

Lease-adjusted free cash flow (€m)

Based on growth plan



Net working capital and YoY change (in €m)



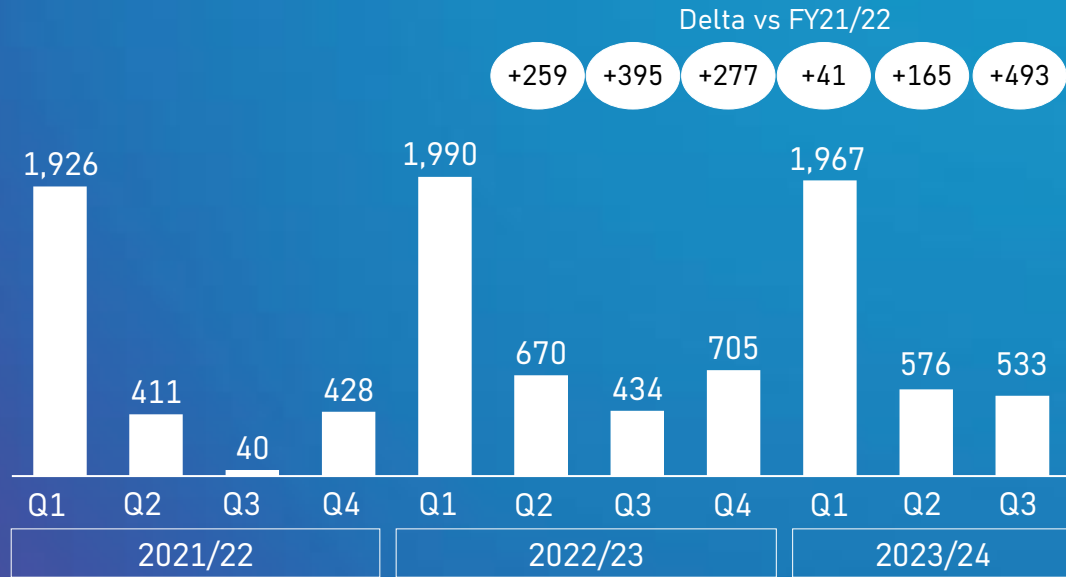
- / Free cash flow decline in COVID years due to inventory build-up, increased investments for transformation and weaker operating result
- / Strong free cash flow recovery in FY 22/23 mainly caused by working capital management

- / COVID years have been a primary driver for strong NWC fluctuations
- / Slowly normalising NWC in FY 22/23

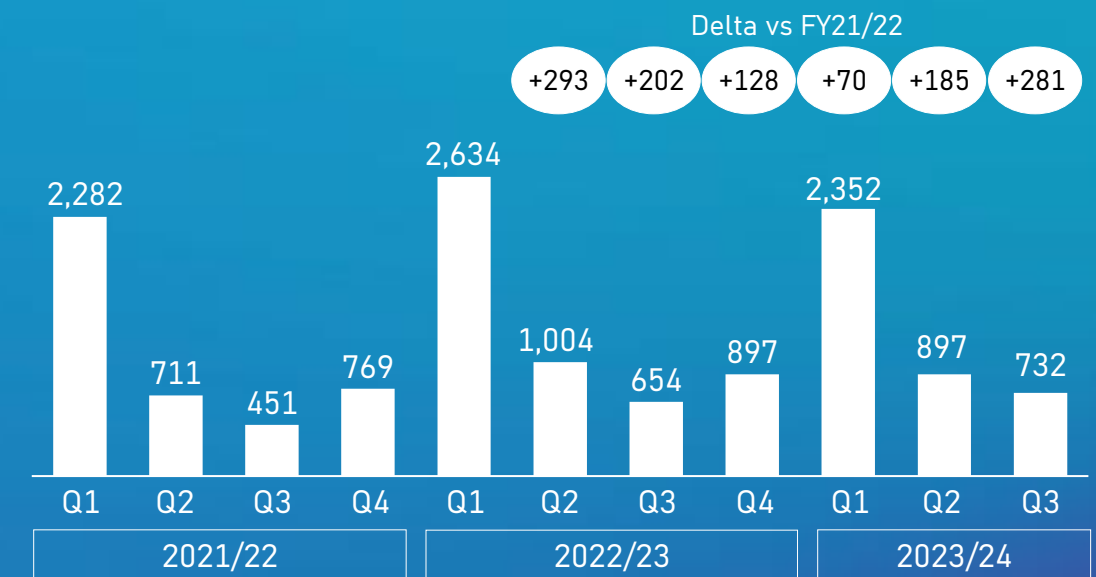


# Typical seasonal variation in NWC throughout the year – Cash management improved substantially

Net working capital<sup>1</sup> (in €m, negative)



Cash & cash equivalents (in €m)



- / Negative NWC (cash inflow) is typical in our business
- / Seasonal swings based on consumer behavior
- / Significant improvement with main focus on inventory management, also driven by supply chain optimization

- / Strong liquidity position
- / RCF undrawn over the entire period

Note: FYE Sep; <sup>1</sup>Inventories plus (i) trade receivables and similar claims and (ii) receivables due from suppliers less trade liabilities and similar liabilities

# FCF development over the years

## Year-over-year development of FCF (in €m)

€m	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
EBITDA	465	991	948	866	813
Δ NWC	-392	297	-354	-381	332
Tax	-152	17	-104	-130	-109
Other	144	-138	-41	-229	-33
Cash investments	-193	-184	-216	-254	-258
<b>Free cash flow (FCF)</b>	<b>-128</b>	<b>983</b>	<b>233</b>	<b>-127</b>	<b>747</b>
Lease repayment	-5	-530	-503	-496	-489
<b>Lease-adjusted FCF<sup>1</sup></b>	<b>-133</b>	<b>453</b>	<b>-270</b>	<b>-623</b>	<b>257</b>

/ Substantial jump in EBITDA from FY 18/19 to 19/20 caused by change of accounting of leases under IFRS 16

/ Substantial free cash flow in FY 19/20 due to growth in NWC

/ Significant increase in cash investments for modernisation efforts

<sup>1</sup>Lease-adjusted FCF subtracts the repayment of lease liabilities for better FCF comparability under IFRS 16.

# NWC development over the years

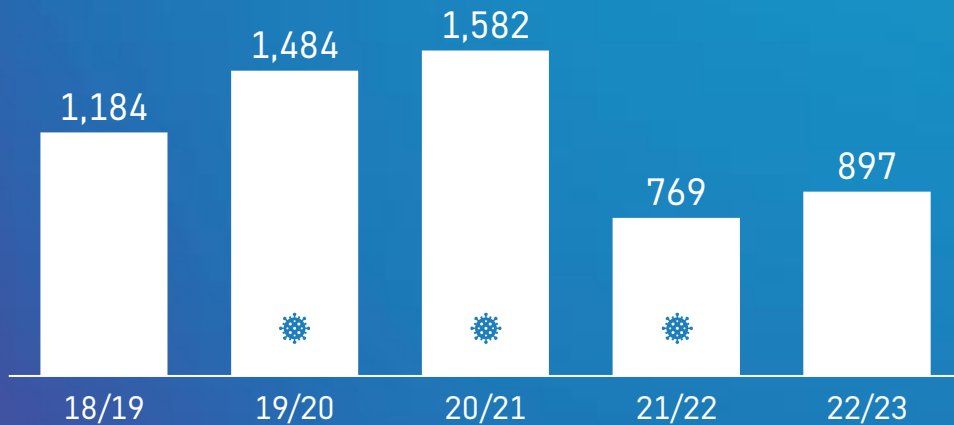
Year-over-year development of NWC (in €m)

€m	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23
Inventories	2,548	2,949	3,111	3,176	2,918
Trade receivables and similar claims	455	488	361	440	490
Receivables due from suppliers	1,295	1,302	1,142	1,296	1,207
Trade liabilities and similar liabilities	-5,321	-5,996	-5,470	-5,340	-5,320
<b>Net working capital</b>	<b>-1,023</b>	<b>-1,256</b>	<b>-855</b>	<b>-428</b>	<b>-705</b>

/ **Receivables due from suppliers** occur e.g. as cost reduction or reimbursement: Supplier compensation is frequently linked to certain product sales targets agreed with suppliers. It is often referred to as “later income”. Receivables are recognized on an accrual basis, provided a contractual agreement is in place and that realization is likely.

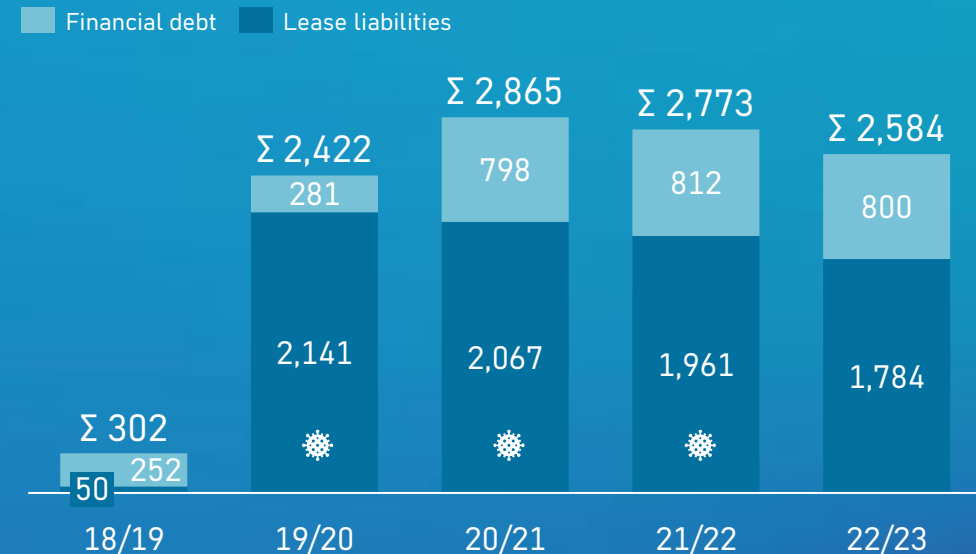
# Since our bond emission in June 2021, CECONOMY has a low and stable financial debt on a lease adjusted basis

Cash & cash equivalents (in €m)



- / Cash & cash equivalents are mainly impacted by changes in net working capital (NWC)
- / FY 20/21 negative NWC impact compensated by cash-in from bond emission

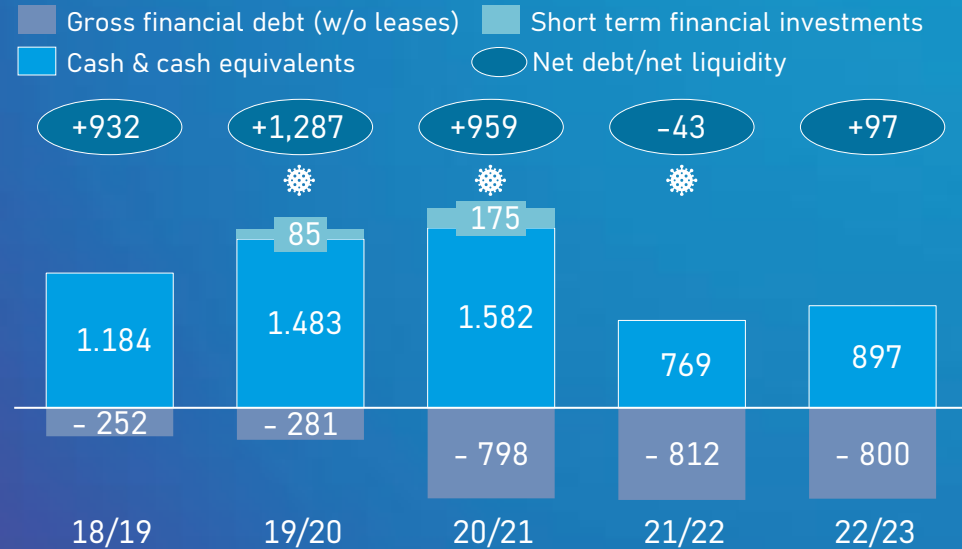
Gross debt components (in €m)



- / From FY 19/20: Application of IFRS 16 (accounting of leases), no change in business model
- / Lease contracts with low duration provide high flexibility (average remaining duration ~2.8 years, decreasing YoY)

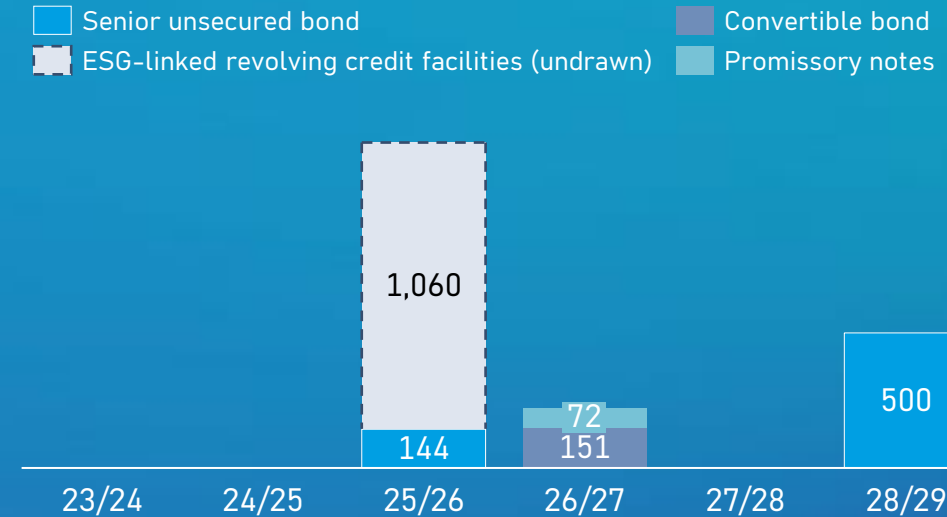
# CECONOMY has no major debt repayment before 28/29

## Components of net debt pre-IFRS 16 (in €m)



/ Stable debt profile since bond issuance in June 2021

## Financing structure (in €m)

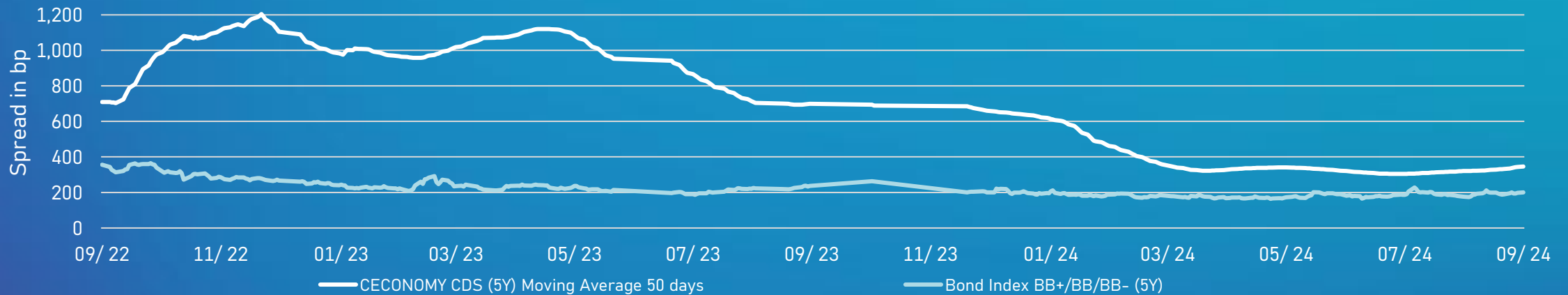


/ Proactive management of maturity profile by early refinancing our bond due 2026, €144 m remaining

/ Revolving credit facility (RCF) prolonged to 2026 and never drawn

# Strong improvement in credit spread since start of calendar year 2023

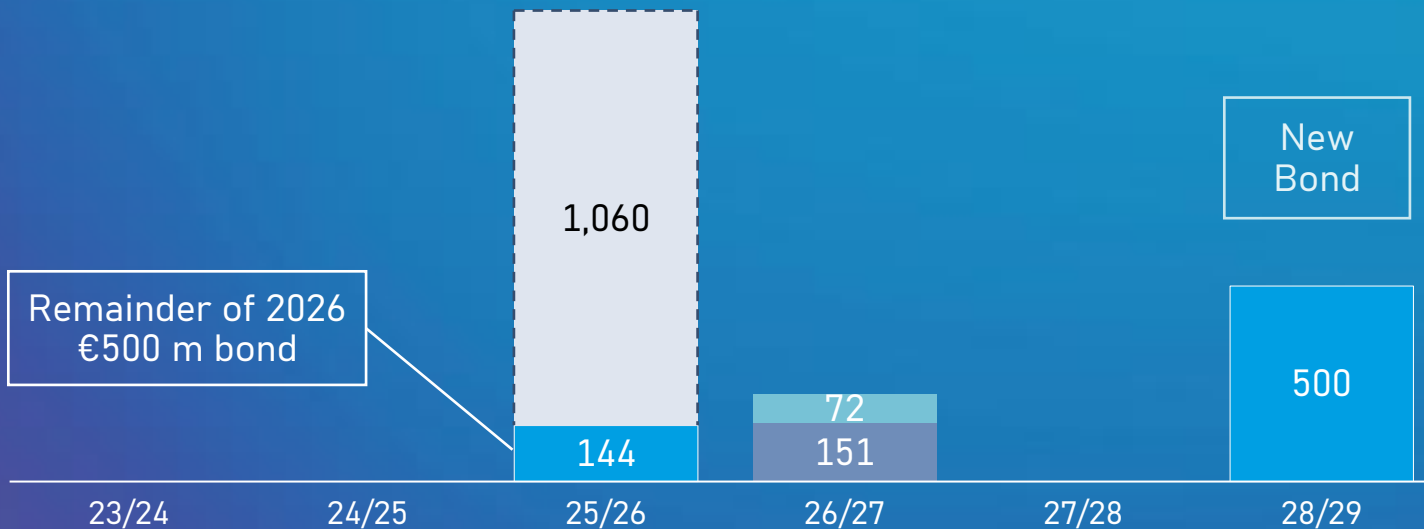
Credit Default Swap development since September 2022



- / **Market acknowledgement**  
Track record reflected in continuous reduction of risk perception (credit spread)
- / **Conservative funding of acquisitions**  
Capital increase for full acquisition of MediaMarktSaturn in 2022
- / **New bond issued in July 2024**  
Successful early refinancing of 2026 bond
- / **ESG-linked syndicated RCFs**  
Pure back-up line, never been drawn

# Bond refinancing transaction overview

New financing structure (in €m)<sup>1</sup>

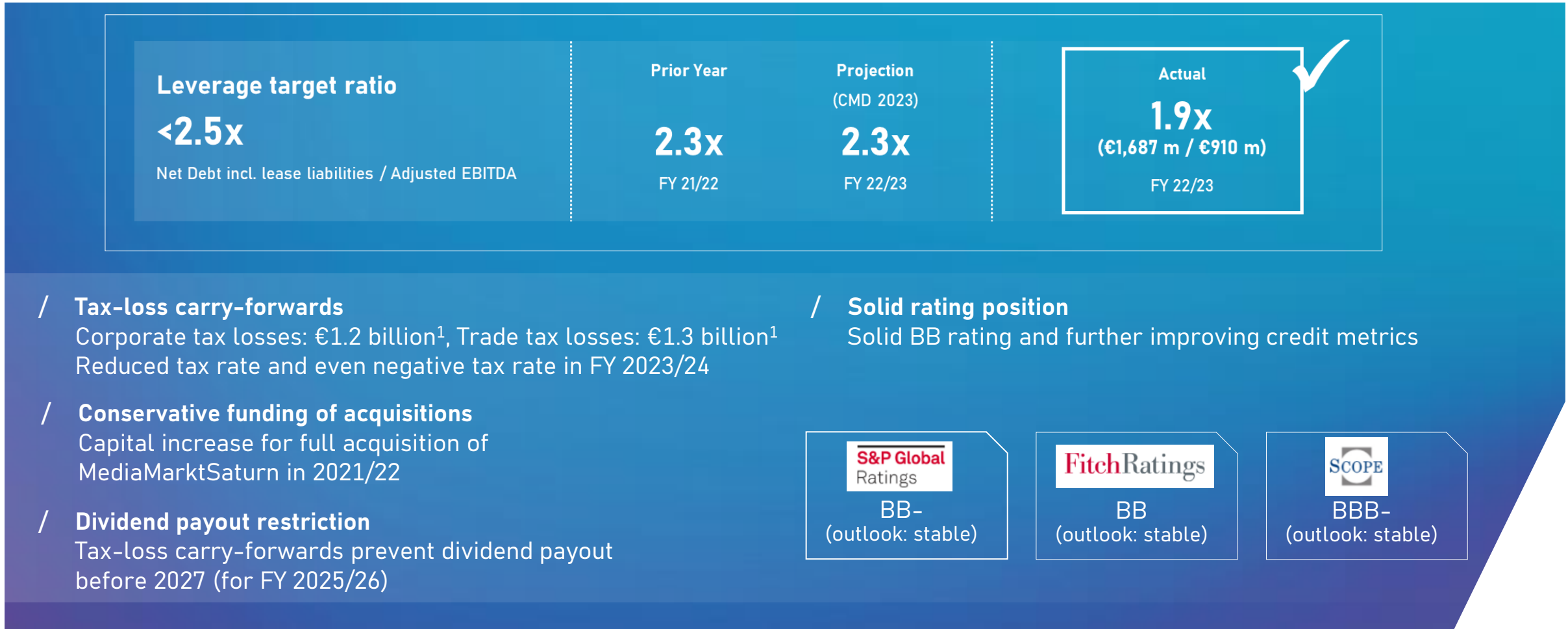


- / Proactive management of maturity profile by early refinancing our bond due 2026
- / New sustainability-linked bond with maturity in July 2029 and 6.25% coupon
- / Previous €500 m bond partly repaid via tender offer (acceptance rate at c. 71%), leaving €144 m remaining
- / Revolving credit facility (RCF) recently prolonged to 2026 – never drawn
- / Stable net debt/adj. EBITDA ratio of 1.8x (as of June 2024)

■ Senior unsecured bond 
 ■ ESG-linked revolving credit facilities (undrawn) 
 ■ Convertible bond 
 ■ Promissory notes

<sup>1</sup>Based on September 2024

# Prudent financial policy underpinned by much improved leverage ratio



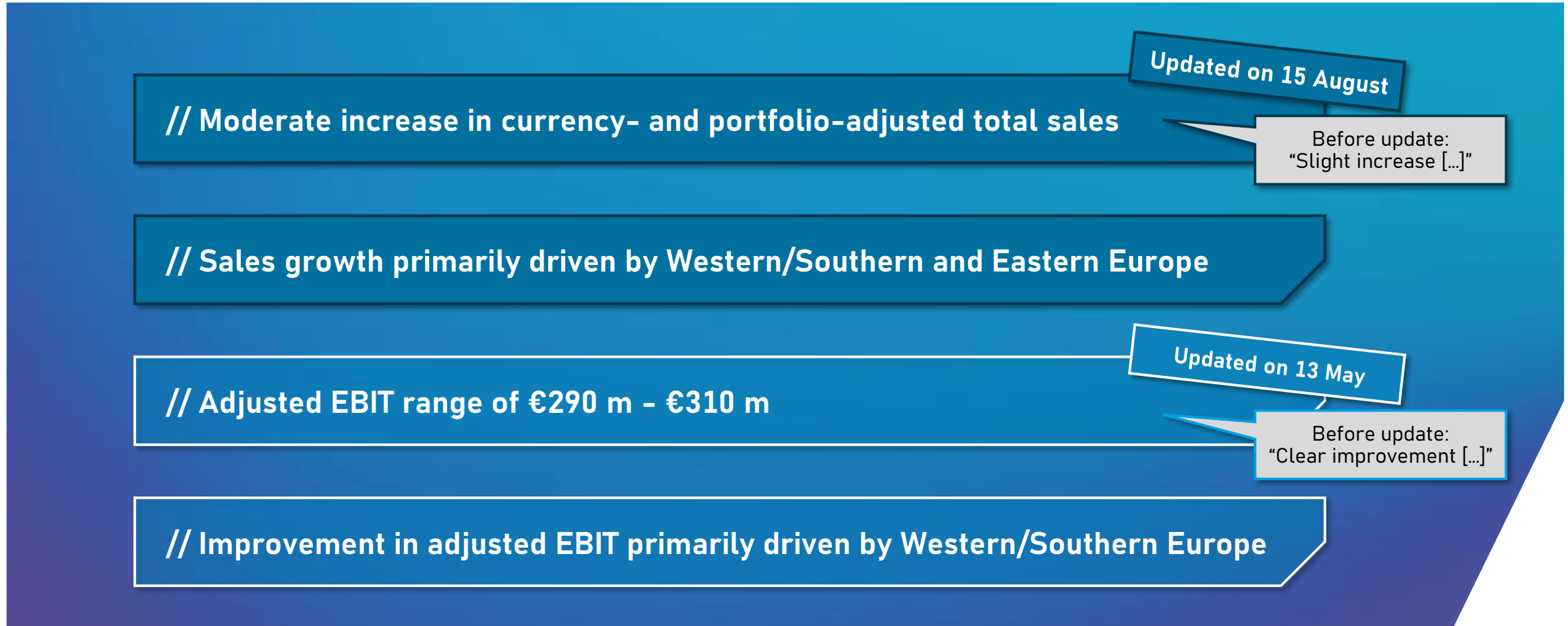
<sup>1</sup>As of 30 September 2023





1. Company Overview
2. Business model deep-dive
3. Market Overview
4. Financials
5. Outlook
  - I. Overview
  - II. Our Progress
6. Capital Market

# We updated our outlook twice in FY 2023/24



The outlook is adjusted for portfolio changes and does not take into account the earnings effects from companies accounted for using the equity method. Accounting effects of the application of IAS 29 in Türkiye as a hyperinflationary economy are also not taken into account either. It excludes non-recurring effects, particularly in connection with the simplification and digitalisation of central structures and processes or changes to the legal environment.

# We are on track to reach our mid-term target for FY 25/26

Key financial figures	FY 22/23	Outlook 23/24	Growth plan FY 25/26
Adjusted EBIT	€243 m <sup>1</sup>	€290 m - €310 m	>€500 m
Gross margin	17.9% <sup>1,2</sup>	-	c. 20%
Adjusted OPEX ratio	17.6% <sup>1</sup>	-	c. 18%
Net Sales	€22.2 bn <sup>1</sup>	Moderate increase	Slightly above market growth
Cash Investments	€258 m	-	c. €300 m
Free Cash Flow <sup>3</sup>	€257 m	-	Steady growth to c. €200 m

**EBIT**  
increase of  
c. 150%<sup>4</sup>

**Free Cash Flow**  
increase of  
c. €700 m<sup>4</sup>

<sup>1</sup>Portugal & Sweden adjusted; <sup>2</sup>Excluding associates, pre-IAS 29 and excluding non-recurring effects; <sup>3</sup>Adjusted for IFRS 16 leases; <sup>4</sup>Compared to base FY 21/22

# We continue to make good progress on our CMD KPIs

Business fields	KPI	FY 2021/22	FY 2022/23	Target FY 2025/26	Progress Q3 23/24
Retail Core	Loyalty members	34 m	39 m	50 m	↖
Retail Core	Online share	25%	23%	c. 30%	↖
Retail Core	Modernization rate	30%	50%	> 90%	↑
Retail Core	Stock reach progress	10.3 weeks	9.1 weeks (-11%)	-10%	↑
Space-as-a-service	# Lighthouses	5	8	Up to 20	↖
Services & Solutions	Income in % of total sales <sup>1</sup>	4.5%	4.5%	c. 5.5%	↑
Marketplace	GMV	€65 m	€137 m	€750 m	↑
Private Label	Private Label share	2.3%	2.4%	c. 5%	↑
Retail Media	Income	c. €5 m	€18 m	c. €45 m	↑

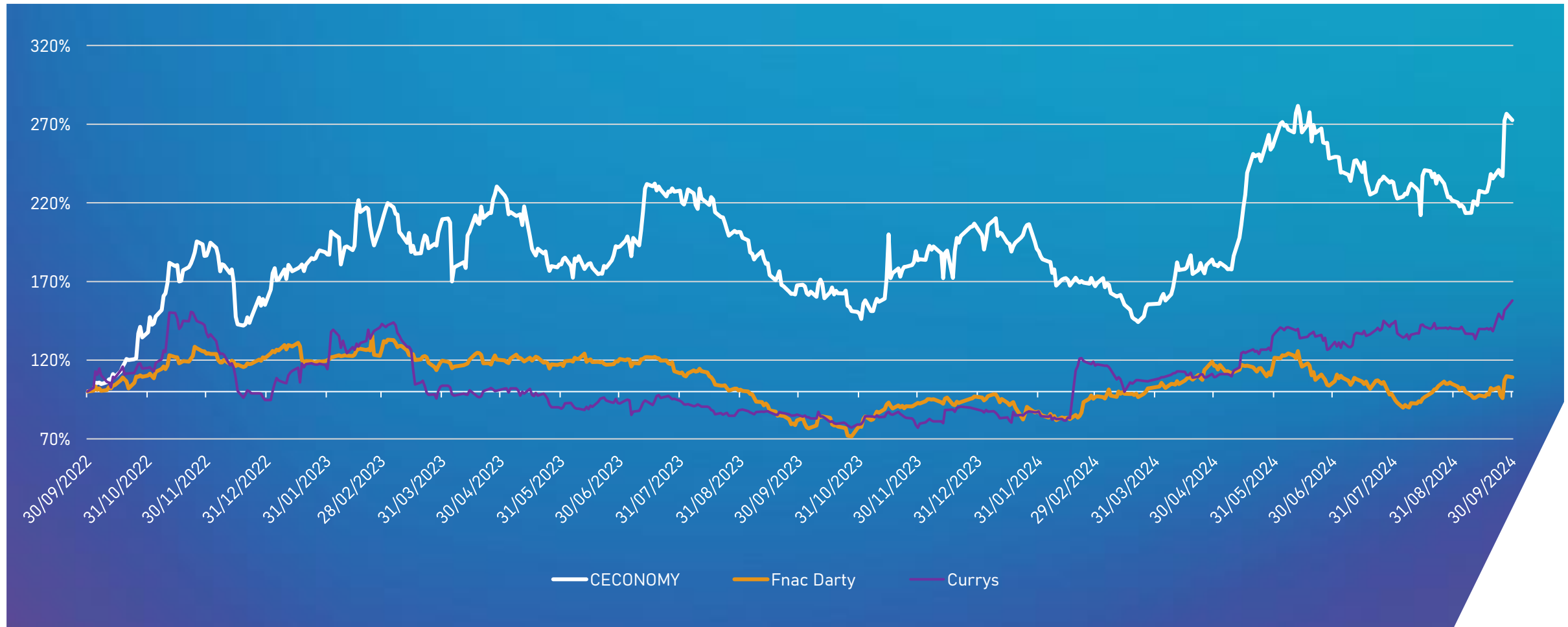
<sup>1</sup>Operational Services & Solutions income in % of total net sales (excluding e.g., Retail Media, Marketplace commissions & fees, deliveries) ● Update since Q2



MediaWorld

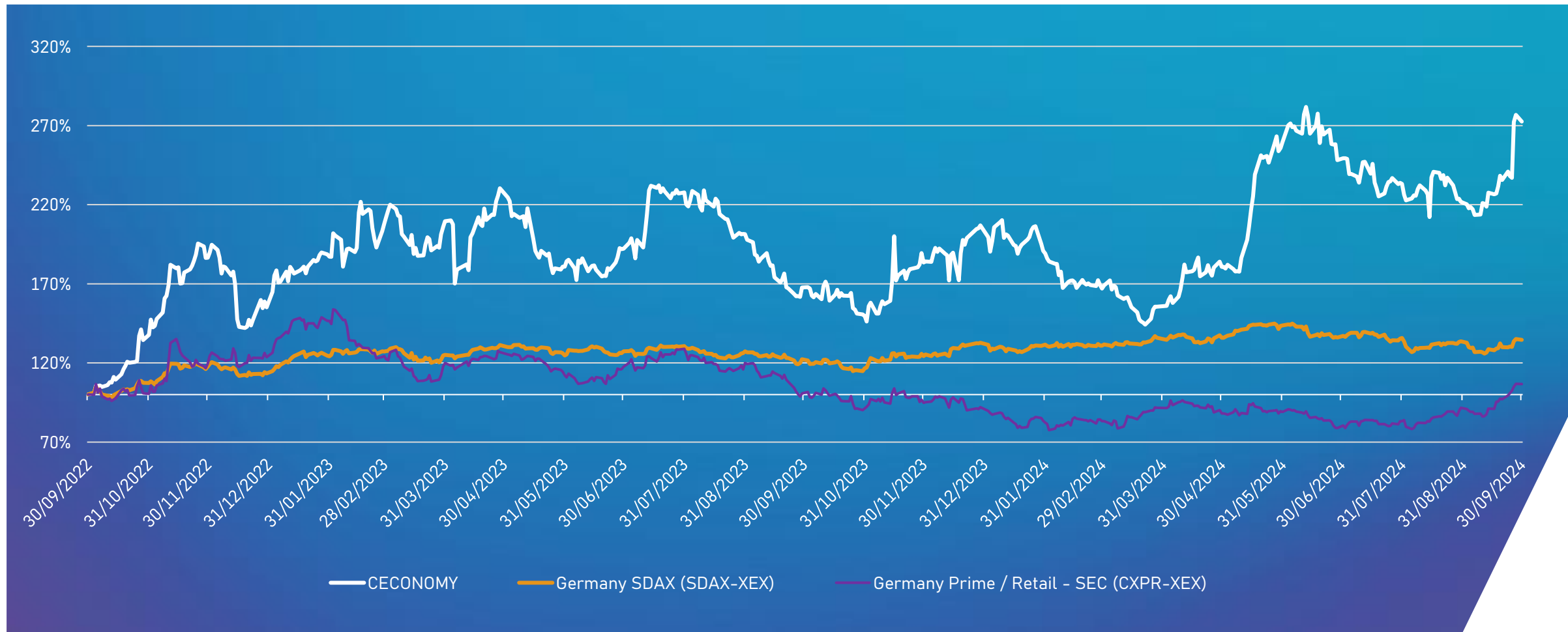
1. Company Overview
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6. Capital Market
  - I. Share price performance
  - II. Capital allocation & dividends
  - III. Analyst coverage
  - IV. Ownership & Capital structure

# CECONOMY outperformed its peer group starting FY 22/23<sup>1</sup>



Source: FactSet  
<sup>1</sup>New strategy has been introduced on the Capital Markets Day, 2nd of June, 2023

# CECONOMY achieved a total shareholder return of c. 170% since start of FY 22/23<sup>1</sup>



Source: FactSet  
<sup>1</sup>New strategy has been introduced on the Capital Markets Day, 2nd of June, 2023

# Our capital allocation framework

**We aspire to offer attractive dividends**

**When considering potential dividend payouts, we prioritise the need to maintain sufficient capital reserves**



# CECONOMY is actively covered by 8 analysts

## Active equity analyst coverage<sup>1</sup>

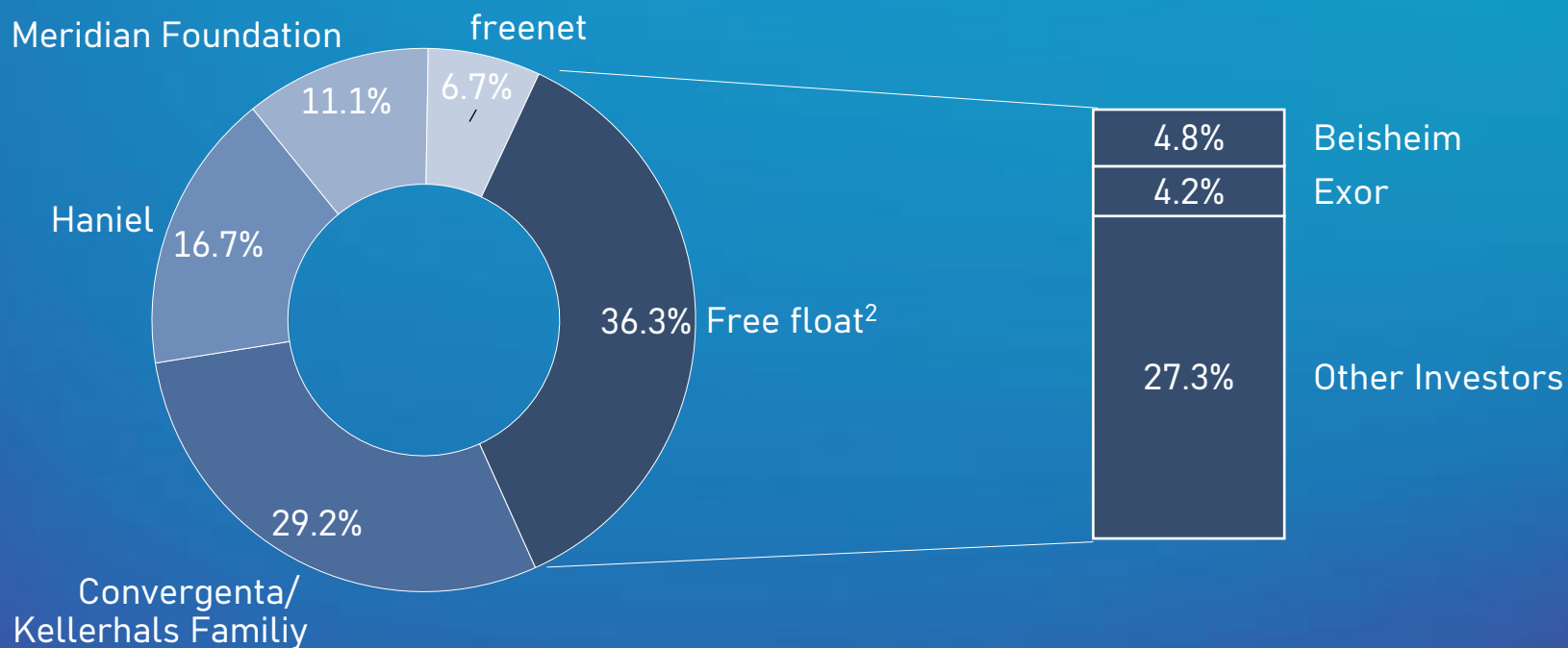
	Analyst
Baader Bank	Volker Bosse
Barclays Capital	Nicolas Champ
Bryan Garnier	Clément Genelot
HSBC	Emmanuelle Vigneron
KeplerCheuvreux	Alessandro Cuglietta
M.M. Warburg Research	Thilo Kleibauer
mwb Research	Alexander Zienkowicz
Oddo-BHF	Andreas Riemann

Please consult the official CECONOMY Investor Relations website for additional information on the analyst consensus

Click here to visit the website 

# CECONOMY shareholder structure<sup>1</sup>

## Shareholder structure based on voting rights



<sup>1</sup>Voting rights notifications pursuant to sections 33 et. seq WpHG (excl. Instruments) as well as notifications pursuant to Art. 19 EU Market Abuse Regulation (Directors' Dealings) are taken as the basis for the calculations; total number of shares/voting rights: 485,221,084 as of 20.09.2023; <sup>2</sup>Free float as defined by Deutsche Börse (German Stock Exchange), <https://deutsche-boerse.com/dbg-en/our-company/know-how/glossary/glossary-article/Float-246568>

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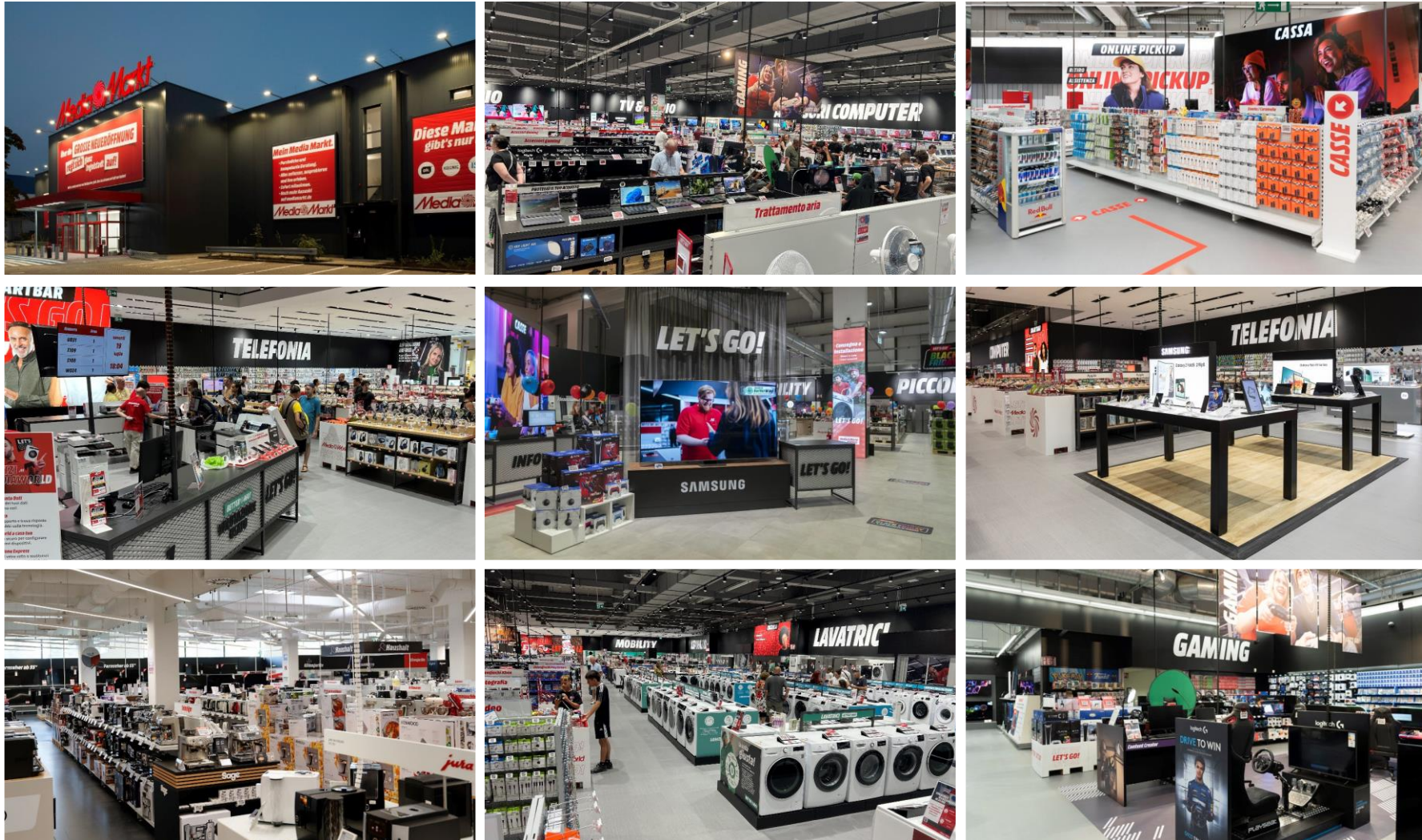
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Such financial information is not necessarily indicative for the operational results, the financial position and/or the cash flow of the CECONOMY business on a stand-alone basis neither in the past nor in the future and may, in particular, deviate from any historical financial information based on corresponding combined financial statements with respect to the CECONOMY business. Given the aforementioned uncertainties, (prospective) investors are cautioned not to place undue reliance on any of this information. No representation or warranty is given and no liability is assumed by CECONOMY AG, express or implied, as to the accuracy, correctness or completeness of the information contained in this presentation.

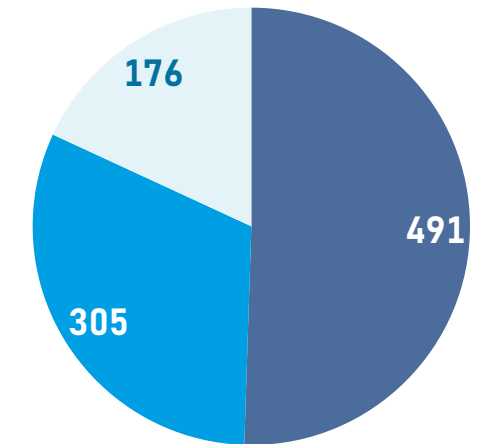
This presentation contains certain supplemental financial or operative measures that are not calculated in accordance with IFRS and are therefore considered as non-IFRS measures. We believe that such non-IFRS measures used, when considered in conjunction with (but not in lieu of) other measures that are computed in accordance with IFRS, enhance the understanding of our business, results of operations, financial position or cash flows. There are, however, material limitations associated with the use of non-IFRS measures including (without limitation) the limitations inherent in the determination of relevant adjustments. The non-IFRS measures used by us may differ from, and not be comparable to, similarly-titled measures used by other companies. Detail information on this topic can be found in CECONOMY's Annual Report 2022/23, pages 32-35.

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.

# Store format display: CORE



- / 972 stores
- / c. 1,200-3,500sqm
- / Traditional store format
- / Mostly located outside of city centers with parking lots
- / Main target of modernisation program



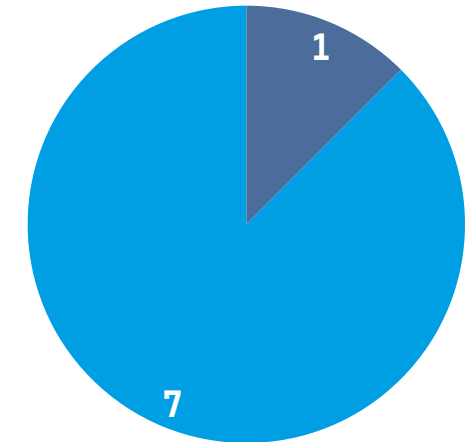
■ DACH  
■ West/South  
■ East

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# Store format display: SMART



- / 8 stores
- / 70-500sqm
- / Smallest store format
- / Focus on delivering services and offering supplementary products



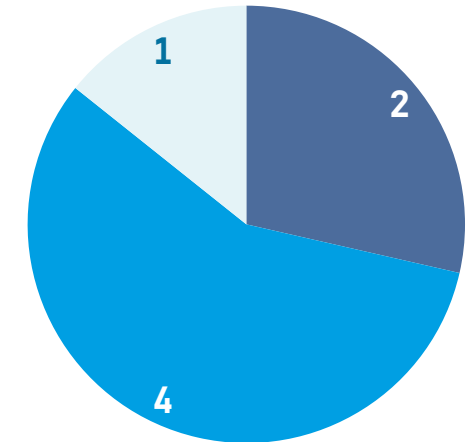
■ DACH  
■ West/South

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# Store format display: Lighthouse



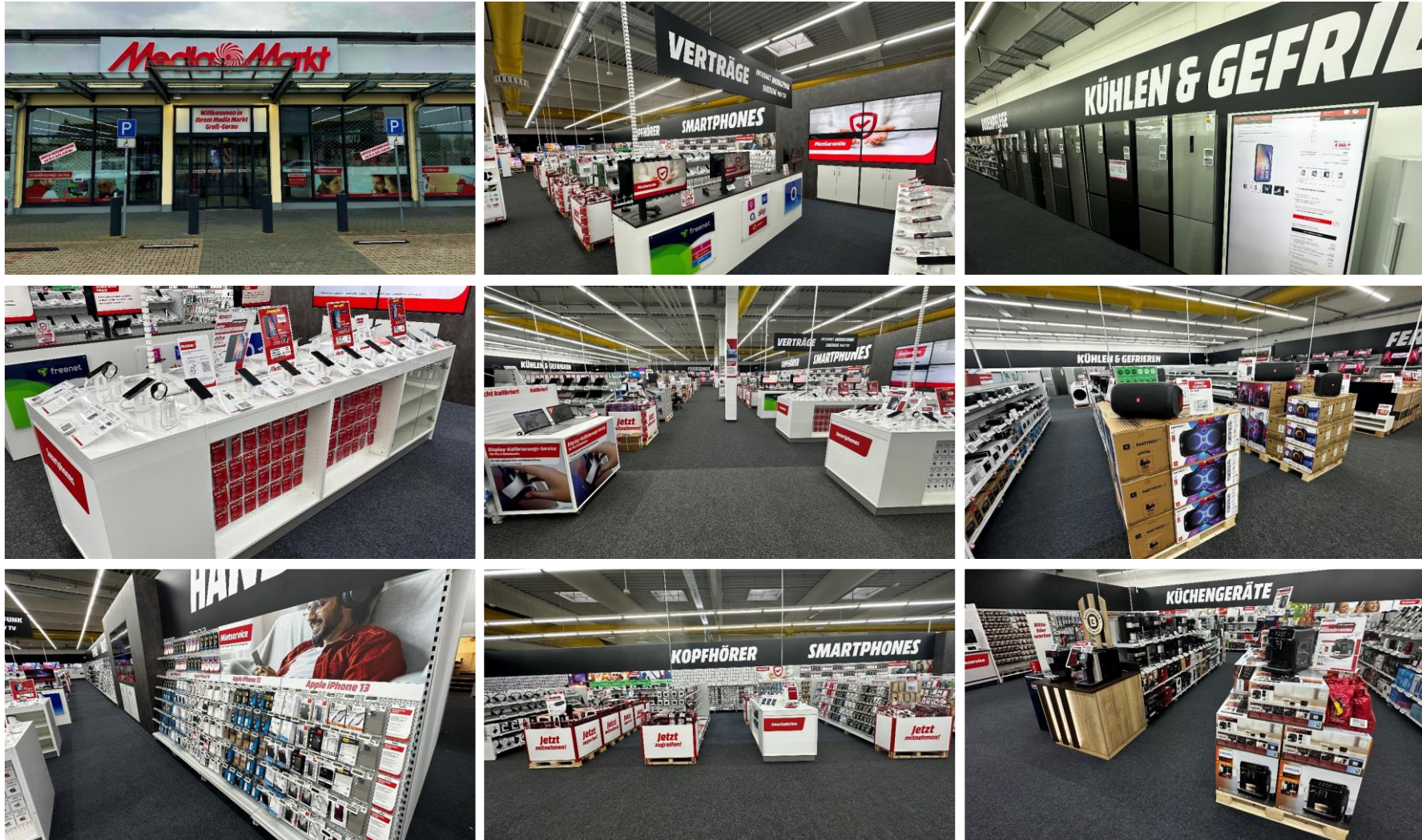
- / 7 stores
- / >4,000sqm
- / Extensive presentation space
- / Leveraging the full potential of our SaaS services
- / Flagship stores to promote MMS branding



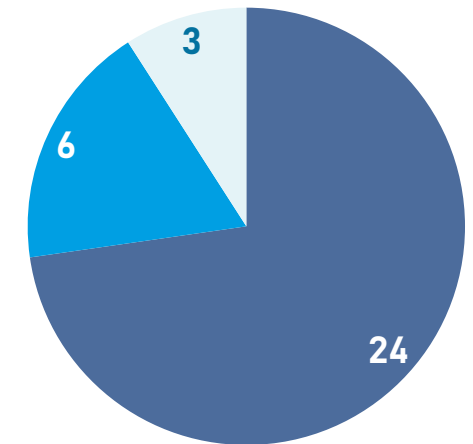
■ DACH  
 ■ West/South  
 ■ East

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# Store format display: XPRESS



- / 33 stores
- / c. 400-1,100sqm
- / Accommodation of customers' needs in urban-central areas
- / Smaller assortment and store size with integration of online offering and advisory



■ DACH  
■ West/South  
■ East

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