



*RECORD SEMESTER IN THE
MIDST OF UNCERTAINTY*

H1 2020/21 Results
12 November 2020

Disclaimer

IFRS-16

One year after the first adoption of IFRS 16, the transitional phase during which Unieuro's financial reporting was based on adjusted data and in continuity with the previous accounting standard IAS 17 and the interpretations thereof has ended.

From the quarter under review, in line with practices that were gradually established among retailers listed on international markets, the Company will therefore comment only on the economic figures after the application of the above accounting standard, focusing on Adjusted EBIT and Adjusted Net Profit.

On the other hand, net debt and cash flow will still not include the notional component linked to the application of IFRS 16.

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Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Agenda

- **Highlights**
 - **Market & Business Performance**
 - **Financials**
 - **Going Forward**

Highlights – Key Messages



Business resilience to Covid-19 and effective contingency actions driving to **unexpected record-breaking H1 2020/21 results**

Good performance of revenues in September and October. Limited impact so far from the second wave of pandemic

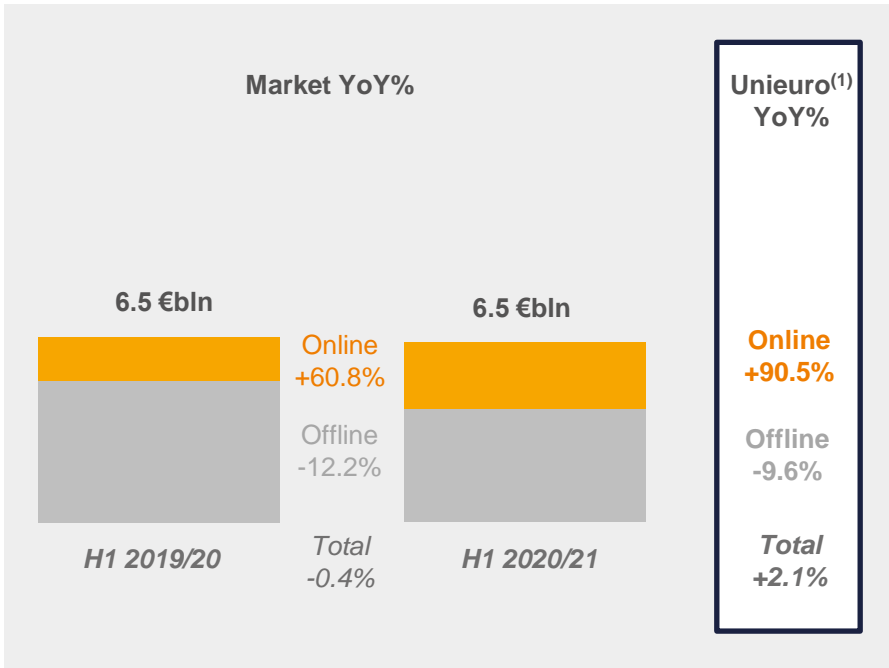
Ready to tackle any scenario by leveraging on our rapid response ability and omnichannel strategy

Restart of business expansion through internalisation of shop-in-shops, indirect coverage of Naples and new store openings

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Market Scenario: Channel Mix Impacted by Covid-19



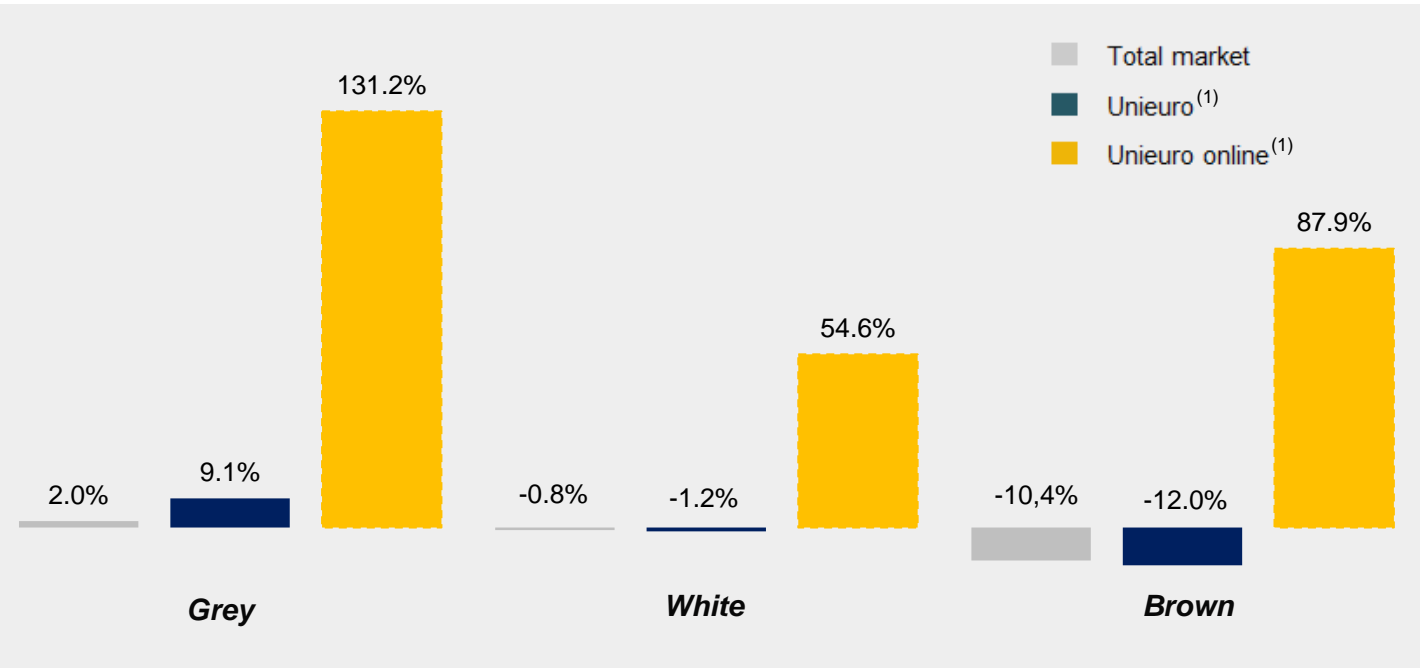
Growth: strong increase in Q2 fully offsetting fall in Q1

- Offline: driven down by lockdown and social distancing rules in Q1, especially hard on Tech Superstores
- Online: extraordinary growth mitigating brick-and-mortar sales decrease

Competitive Scenario: Mass Merchandisers (incl. pure players) +20% and Electrical Specialists +10% benefitting from the emergency context. Tech Superstore (-1%) recovering in Q2

Internet penetration: approx. 26% in H1 2020/21, +10 p.p. yoy

Unieuro: online success and offline recovery in Q2 enabling the Company to overperform again the consumer market



Grey goods: strong increase for IT products (+37%), supported by underlying consumption trends (i.e. smart working, e-learning), arising from the need to connect and communicate during a long forced isolation as well as “new normal”

White goods: recovery in Q2 after a negative Q1 (-11%).:

- MDA, whose purchase is more frequently linked to in-store experience, suffering lockdown
- SDA (+12.8%) boosted by domestic food preparation and household cleaning (especially high-end vacuum cleaners)

Brown goods: strong decrease in TV sales, also because of sport events cancellation, despite impressing online performance

Unieuro⁽¹⁾: buoyant online performance in all product categories despite competitive pressure from pure players. Positive effect from the prompt release of omnichannel services.

Unieuro Managing Exceptional Business Volatility



- **March and April sales -30% yoy, May +20%**
- Lockdown effect on physical channels, partially offset by **booming e-commerce (+142.8%)**
- Limited impact of the emergency on profitability thanks to **management timely actions**
- Corporate soundness intact

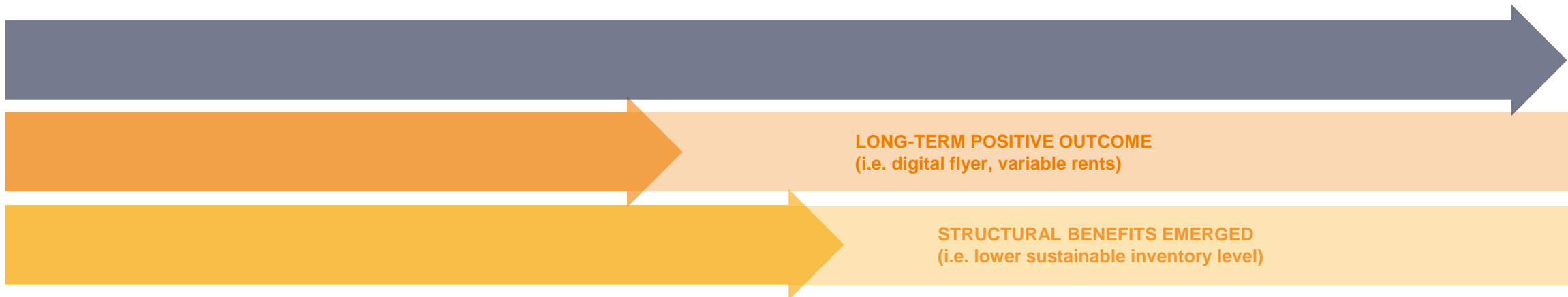
- **Exceptional sales performance** across all channels and product categories
- **Gradual recovery in store traffic coupled with high conversion rate**
- **Strong growth in profitability and cash flow**, also thanks to the non-replicable benefits of undertaken actions

- **Good sales performance in September and October**
- Restrictive measures currently in place imposing the **closure on public holidays and pre-holidays of ca. 50% of DOS** up to December 3
- Limited impact so far




PEOPLE PROTECTION MEASURES

P&L PROTECTION MEASURES

BALANCE SHEET PROTECTION MEASURES



Long-Term Strategy Always in Place

STRATEGIC PILLAR	 Proximity	 Experience	 Retail Mix
	<ul style="list-style-type: none"> • 4 new DOS, two of which inside Spazio Conad hypermarkets and one within the scope of partnership with Finiper • Direct stores shipping directly to customers during pandemic peak, fulfilling online orders also when closed to the public • 2 Unieuro by Iper shop-in-shops switched from affiliates to DOS in view of total internalization of the business 	<ul style="list-style-type: none"> • Gradual and careful restart of store refurbishment activity • “Steward” new figure: a store employee specifically trained to manage traffic in store, respecting rules and optimizing people flows • Pay&Collect option introduced to satisfy new social distancing needs: order and payment online, pick-up in store • Launch of new omnichannel services aiming at safeguarding customers’ health and time during the pandemic 	<ul style="list-style-type: none"> • White goods and services online offer strengthened to face temporary and structural evolution of consumer habits
	<p>> Supply Chain: Piacenza logistics hub always operational</p>		
ENABLER	<p>> Brand Equity: 2,000 smartphones donated to hospitals, underlining how Unieuro is close to the Italian people</p>		
	<p>> Partnership with Suppliers: strong support by vendors during the Covid peak</p>		

Facing Restrictions Through New Omnichannel Services

An innovative omni-channel project to face current and structural changes in consumer habits

- Covid crisis and “new normal” leading to a quick evolution of customer needs and behaviour
- Disruption to be managed **rethinking the customer experience**
- **5 new services, all free**
- **4 services – aTuperTU, CIAOfila, AUTOritiro and CLICCA&ritira** – already in place and aimed at feeling safer and saving time
- **Remote advise via videocall** currently available for some products and brand (i.e. Samsung, Dyson)

1



CIAOfila!
Prenota online il tuo orario di ingresso in negozio e non perdi tempo in fila.

Personalized in-store one-to-one advise, to be booked in advance through Unieuro's digital platform

2



aTuperTU
Prendi appuntamento con un addetto dedicato a te quando preferisci tu.

Booking of entrance time slot via website or app, thus avoiding time waste and queues

3



AUTOritiro
Compra online e ritira direttamente dalla tua auto. I prodotti te li consegniamo noi fuori dal negozio.

Product pick-up outside the shop, without even exiting the car, through app notifications

4



CLICCA & ritira
Ordina un prodotto online e ritiralò in negozio quando vuoi tu senza fare la fila.

Advanced click&collect service, bookable online, available all around the shop and not only at the cashier

Strategic Rationale

- Leveraging Unieuro's digital presence (website, app, Google My Business) to boost “drive-to-store”
- Engaging “heavy digital” and “smart multichannel” customers
- Stimulating higher traffic, appeal and customer loyalty, during Phase 2 and going on
- Focusing on advisory and upselling activities, boosting the whole level of customer service
- Saving people's time and respecting public and internal safety measures by monitoring accesses to store

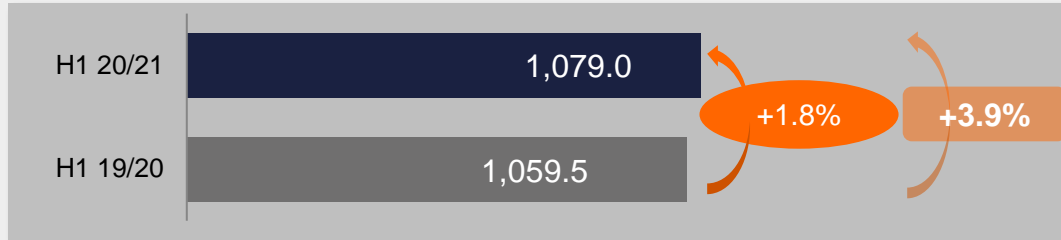
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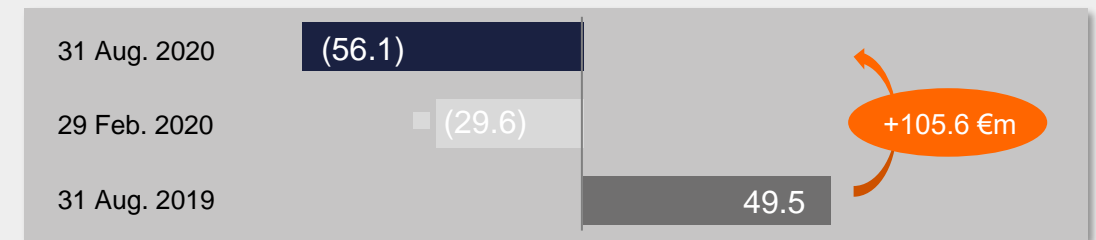
H1 2020/21 Key Financials

Sales (€m)

Like-for-like growth



Net Financial Debt (Cash) (€m)

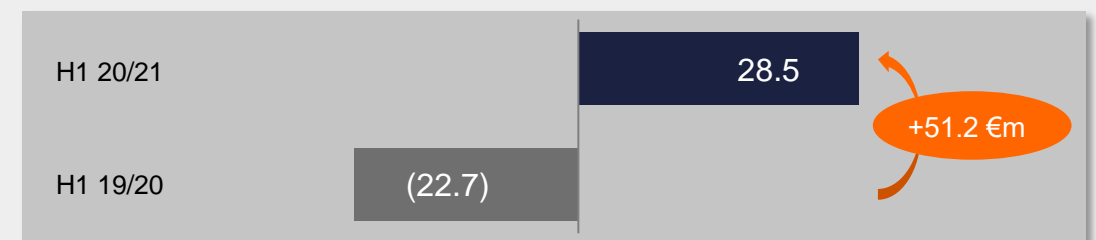


Adj. EBIT (€m)

Adj. EBIT margin



Adj. Free Cash Flow (€m)

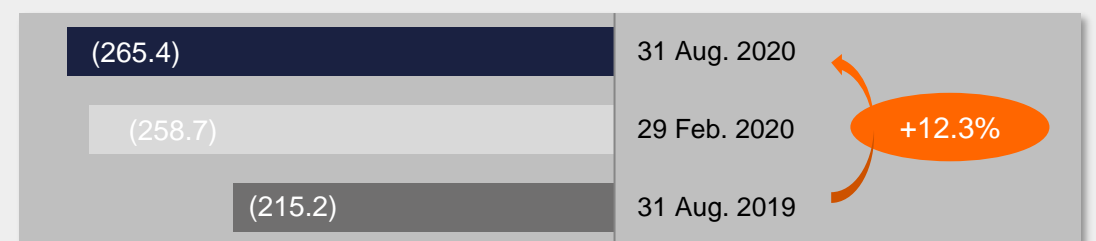


Adj. Net Income/(Loss) (€m)

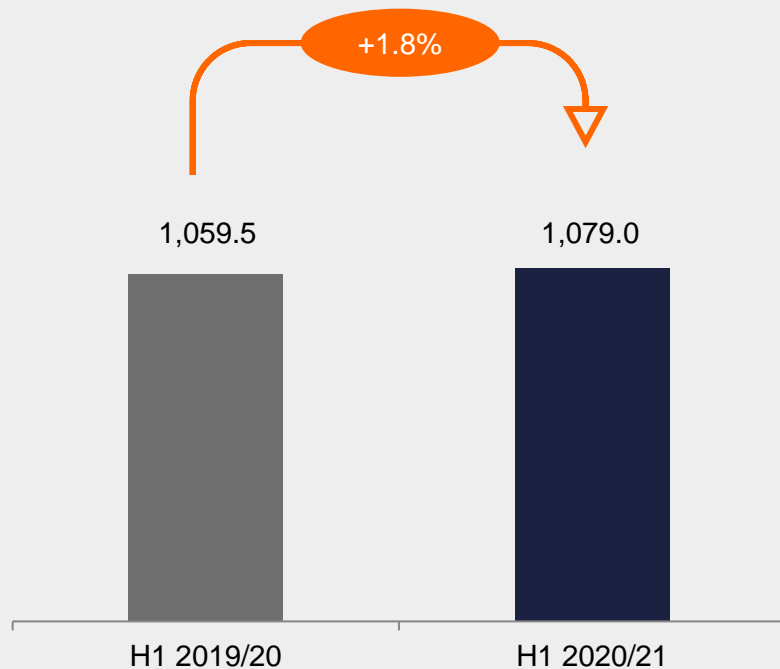
Adj. Net margin



Net Working Capital (€m)



Strong rebound in Q2 (+15.2%) compensating lockdown effects on Q1 (-9.5%) and leading to a new record

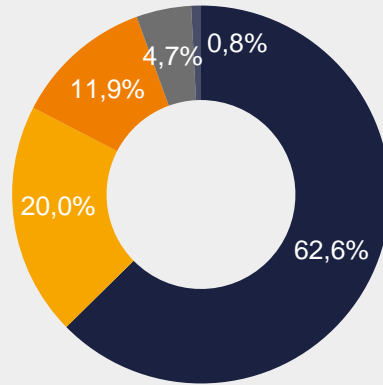


- **March and April (epidemic peak in Italy): sales -30% yoy**
 - restrictions imposed by Authorities
 - 16 days of voluntary shutdown of the entire DOS network
 - forced switch to e-commerce and changes in consumer habits
- **From May to August (start of “Phase 2”): sales recovery**
 - softening of lockdown regulation
 - rising demand on almost all product category
 - quiet summer bringing a gradual recovery of store traffic to pre-Covid levels
- **Like-for-like sales: +3.9%**
 - +6.5% excluding from the scope the stores adjacent to newly opened stores, and therefore not included in the like-for-like computation
 - strong underlying consumer trends supporting IT (smart working, e-learning) and SDA (house cleaning, food preparation)
 - Online +91.9%, decelerating after the emergency peak
- **No significant perimeter change**

Sales Breakdown

H1 2020/21 Sales by Channel

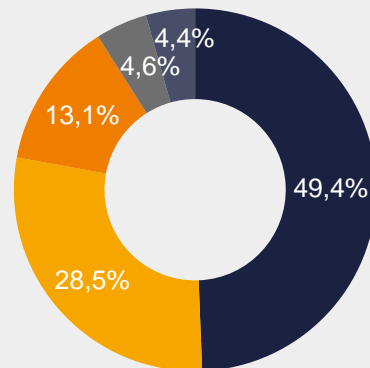
■	Retail	675.8 €m	-10.6 %
■	Online	215.4 €m	+91.9%
■	Indirect	128.1 €m	+7.6%
■	B2B	50.7 €m	-5.9 %
■	Travel	9.0 €m	-51.3 %



- **Retail** recovering from May to August after being penalized by store closures and fall in traffic, especially in malls and suburban shops
- **Online** experiencing an extraordinary growth, supported by:
 - changes in consumer behaviour
 - Unieuro strong online presence (Unieuro.it and Monclick)
- **Indirect channel** reversing the Q1 trend and growing faster than the market :
 - small dimension and local focus helping during lockdown
 - benefitting from proximity and service trends
- **B2B** only marginally impacted by epidemics
- **Travel** strongly hit by Covid-19 effect on airports

H1 2020/21 Sales by Category¹

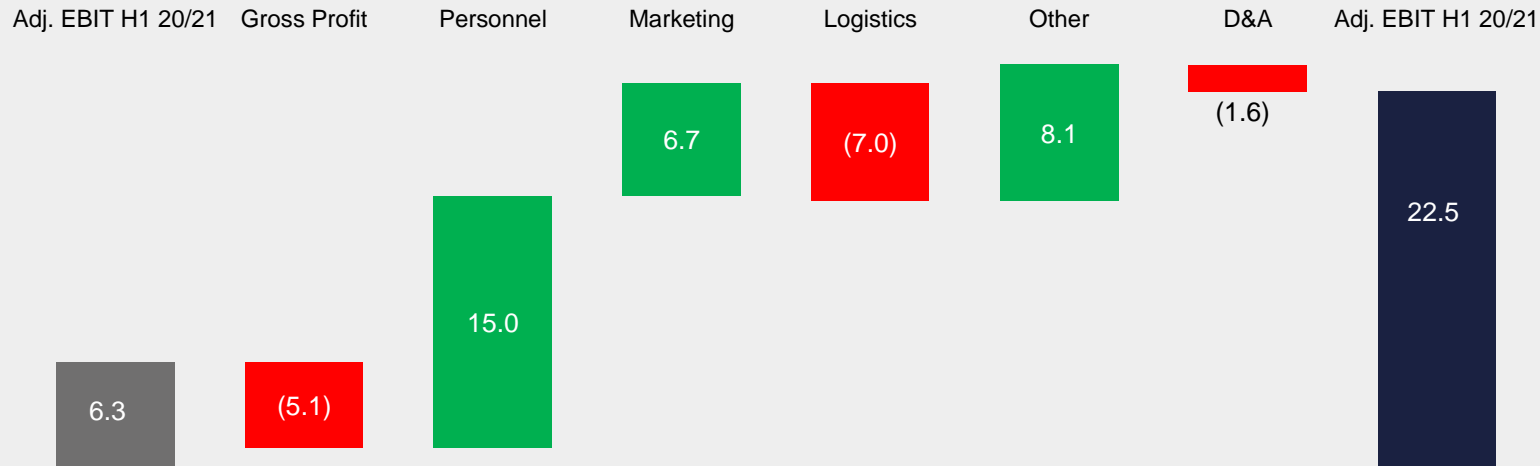
■	Grey	532.9 €m	+6.1%
■	White	307.3 €m	+0.4%
■	Brown	141.9 €m	-10.4 %
■	Other prod.	49.7 €m	+12.2%
■	Services	47.3 €m	-2.0%



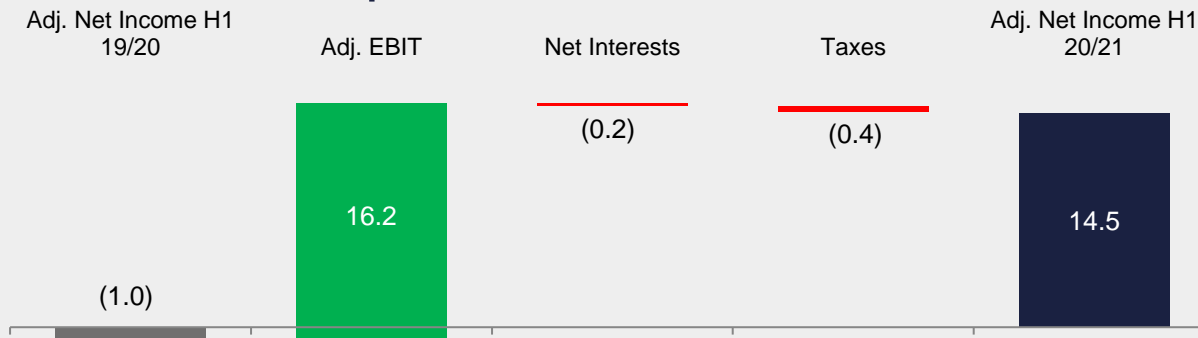
- **Grey** pushed by consumer trends emerging from pandemic:
 - communication, e-work and e-learning
- **White** recovering after weak Q1, thanks to:
 - full store reopening and gradual traffic increase
 - home cleaning and food preparation needs
- **Brown** suffering the most, also because of sport events cancellation
- **Other products** higher yoy, pushed by home entertainment trends and e-mobility
- **Services**: slightly negative performance

Profitability

Adj. EBIT



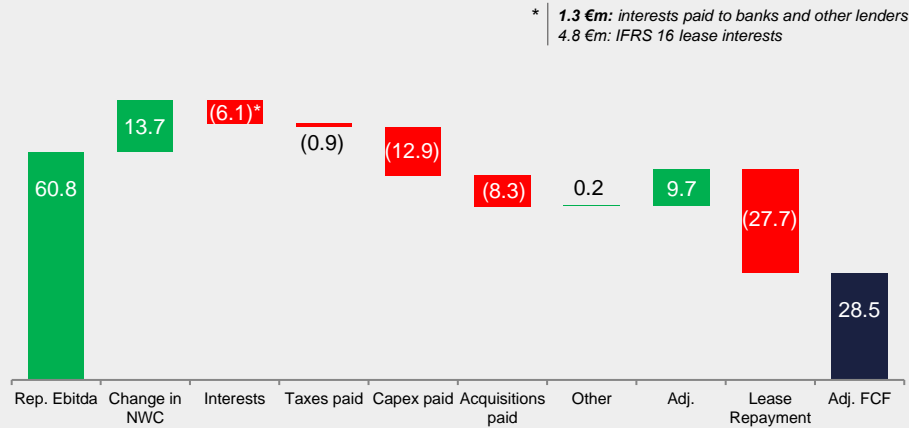
Adj. Net Income



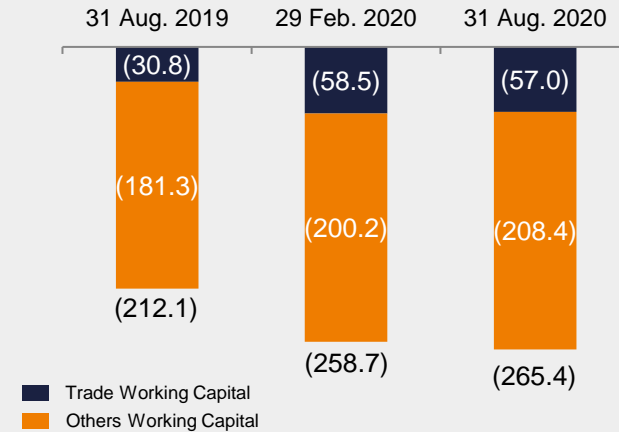
- **Covid-19 impact, compensated by non-replicable benefits** of undertaken actions
- **Gross Profit down by 0.9 p.p. (+1 p.p. in Q2)** extraordinarily hit worsened channel and category mix
- **Effective cost control measures**, boosting profitability:
 - **Personnel costs savings** mainly granted by social safety nets activated (ca. 8 €m). Incidence on sales down from 8.5% to 7%
 - **Marketing costs down** from 2.4% to 1.8% of sales, benefitting from the temporary shift from paper to digital fliers
 - **Significant increase in Logistics costs** (from 2.9% to 3.5%) due to booming home deliveries, both from Piacenza central hub and direct stores
 - **Other costs savings** (incidence from 3.5% to 2.6%) reflecting extraordinary cut in renting costs (8.6 €m) as well as lower maintenance and utility costs. Digital payment fees up
- **D&A slight increase**, reflecting long-term capex trend and devaluation of physical assets in view of the relocation of Forlì HQ

Financial Overview

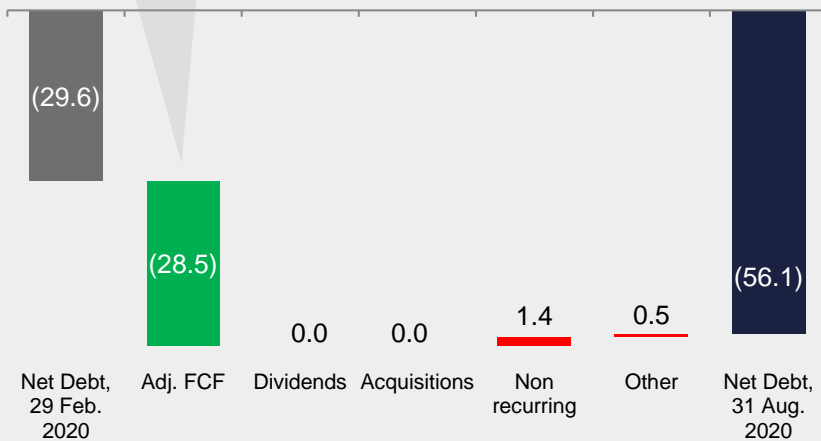
Adj. Free Cash Flow



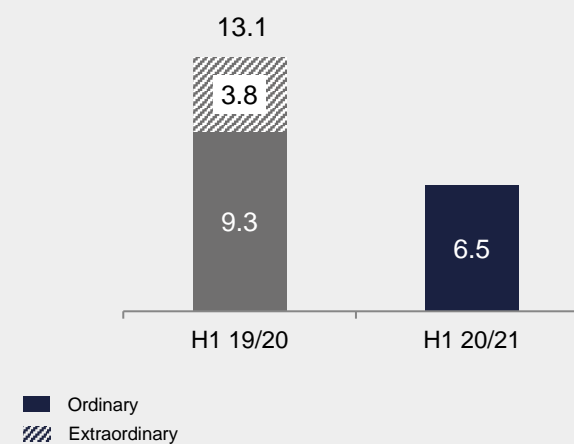
Net Working Capital



Net Financial Debt (Cash)



Capex



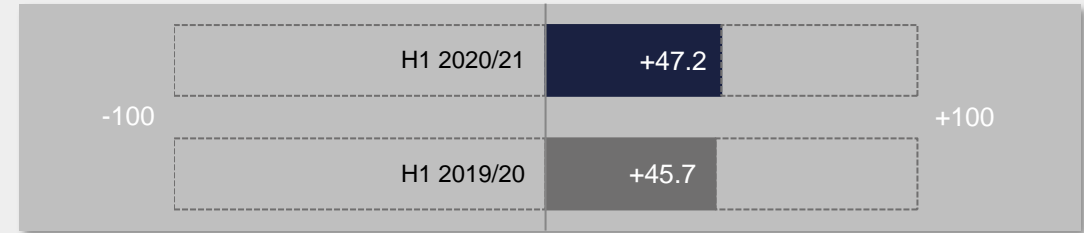
- **Impressive reversal of free cash flow performance:** from seasonal absorption of 22.7 €m in 19/20 to generation of 28.5 €m in 20/21
- **...leading to a positive Net financial position** (56.1 €m vs. negative 49.5 €m as of 31 August 2019), even higher than Net cash recorded on 29 Feb. 2020 (29.6 €m)
- Main drivers:
 - **Strong operating profitability**
 - **Net Working Capital still expanding**, also thanks to structural benefits from stock level optimization (-61.5 €m vs. 31 August 2019)
 - **Total capex more than halved:**
 - restart of store network expansion and upgrade
 - new ERP project in progress
 - no acquisitions nor extraordinary capex
- **Significant cash and short-term credit facilities available**

H1 2020/21 Key Operational Data

Unieuro's Retail Network

	31 Aug. 2020	Openings	Closures	29 Feb. 2020	o/w Click & Collect
DOS:	254	+6	-1	249	242
- Malls and free standing stores	235	+2		233	
- Shop-in-shops	8	+4		4	
- Travel stores	11		-1	12	
Affiliated stores:	255	+1	-7	261	152
- Traditional	239	+1	-5	243	
- Shop-in-shops	16		-2	18	
TOTAL STORES:	509	+7	-8	510	394

Net Promoter Score⁽¹⁾ (direct channel only)



Active Loyalty Cards⁽²⁾ (thousands)

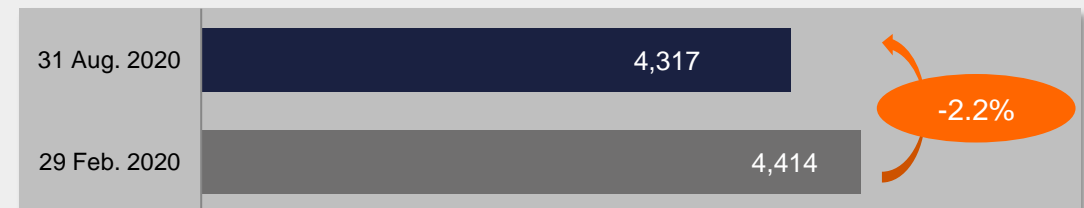


Total Retail Area (sqm, DOS only)

Sales density
(€/sqm, LTM)



Workforce (FTEs)



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Reinforcing Presence Inside Hypermarkets

Total internalisation of «Unieuro by Iper» business, previously affiliated

- New rent agreement with Finiper for stores to be directly managed by Unieuro, marking the **success of the partnership signed in January 2019** and further evolving the cooperation between the two companies
- **All 21 shop-in-shops** inside “Iper, La grande i” hypermarkets **now part of the Retail Channel**:
 - 3 shops (Savignano, Verona and Milano Portello) born as direct stores
 - 2 shops (Arese and Lonato) converted in August 2020
 - remaining 16 shops converted in September
- **Exclusive right** on consumer electronics and household appliances sale inside “Iper, La grande i” hypermarkets maintained
- Personnel shift from Finiper to Unieuro (123 units belonging to the 16 shop-in-shops internalised in September)
- Total number of **DOS reaching 270 units**



Strategic Rationale

- **Catching higher margins by innovating the relationship with mass merchandisers**
- **Better exploiting the potential of Unieuro brand into the Mass Merchandisers segment**
- **Leveraging on know-how gained during the affiliation phase**
- **Streamlining operations by integrating 16 new DOS into Unieuro’s direct network**
- **Further strengthening the Retail channel**

First Step of Expansion in Campania Region

Partnership with Gruppo Partenope for 5 stores in prestigious locations in the Naples area

- **Affiliation agreement** with a local player, previously working within Expert buying group
- **5 great and unique locations** perfectly covering the city center of Naples (4 stores), together with a shop in the Northern metropolitan area (Cardito)
- **Potential turnover (sell-in) of 20 €m** at run rate, to be recorded within the Indirect Channel
- First move in **Campania region (5.8 million inhabitants, high CE spending)**, where Unieuro only manages one DOS (Avellino)
- Reopening under the Unieuro banner mostly accomplished (4 stores on 3 November), in time for the Black Friday campaign
- “Scusate il ritardo” [*Sorry for the delay*] **local adv campaign by Unieuro** to strongly support the partner

Municipality of Naples



Strategic Rationale

- Landing in a populous and underpenetrated area, as a first step towards an efficient coverage of Campania
- Benefitting from the partner's strong local know-how
- Limiting capex and execution risks in a peculiar and very competitive local market
- Strengthening Unieuro's position vis-a-vis a direct competitor (buying group)

LTIP, Capital Increase and Buy-Back Proposals

Ordinary and Extraordinary Shareholders' Meeting, 17 December 2020

1

Proposal of Performance Share Plan 2020-2025 (LTIP)

- The Plan: **free allocation of rights to receive Unieuro ordinary shares**, together with a cash bonus based on any cash dividends paid by the Company up to the allotment date
- Total amount: **up to 900,000 ordinary shares**
- Conditions: the **achievement of certain performance objectives (Adj. EBIT and Adj. Free Cash Flow)** as well as specific vesting conditions
- Allocation dates: **2023** (1st cycle), **2024** (2nd cycle) and **2025** (3rd cycle)
- Beneficiaries (1st cycle): **max 45** executive directors a/o executives with strategic responsibilities a/o employees
- Objectives:
 - **Motivation** and focus on strategic factors
 - **Retention** of key resources
 - **Alignment** of beneficiaries' and shareholders' interest
 - **Attraction** of talented professionals

2

Proposal to delegate a share capital increase to serve the Plan

- The Capital Increase: **free issue of new shares over a period of five years** from the date of the resolution, even on several occasions
- Total amount: **up to 900,000 new ordinary shares** with no express indication of their nominal value
- Objective: **servicing the LTIP**, ensuring a sufficient number of shares to be allocated to beneficiaries, if performance objectives and other conditions are achieved

3

Proposal of authorisation to purchase and dispose of treasury shares

- the Buy-Back: purchase (for a period of 18 months from the date of the Shareholders' meeting resolution approving the proposal) and disposal (without time limits) of ordinary shares of the Company
- Total amount: **up to 2,000,000 ordinary shares** of the Company representing, as at today, **10% of the share capital**
- Main objectives:
 - Disposing of treasury shares in the context of **extraordinary transactions**
 - **medium and long term investment**, taking advantage of market opportunities
 - Carrying out **market liquidity support activities**, in order to facilitate the smooth conduct of trading and avoid abnormal price movements
 - **Servicing the LTIP**, as well as any other future equity incentive plans

Looking Beyond the Covid Emergency



Accelerating the omnichannel strategy

A strong digital platform serving and being served by stores as the surest way to grant consumers the best post-Covid customer experience

Quickly reacting to changes

Velocity demonstrated while facing the epidemic as an asset of the Company in a rapidly evolving scenario

Leveraging on Unieuro brand and marketing skills

Active engagement of all consumer categories – including heavy digital – to fully exploit the omnichannel platform

Focusing on capital allocation

Cost control and strict working capital management to overcome the pandemic and its macroeconomic impact on cash flows

ANNEX

All data contained in this presentation are consolidated, thus including the Parent Company Unieuro S.p.A. and the wholly-owned subsidiaries Monclick S.r.l. and Carini Retail S.r.l..

Economic and financial figures reflect the adoption of IFRS 16 accounting principle, unless otherwise indicated.

Growth of like-for-like Revenues is calculated by including: (i) Retail and Travel stores in operation for at least one full Fiscal Year at the end of the reference period, after taking into account stores affected by discontinued operations in a significant manner (e.g. temporary closures and major refurbishments) and (ii) the entire online channel.

Adjusted EBIT is EBIT adjusted for: (i) non-recurring expenses/(income), (ii) non-recurring depreciation, amortisation and write-downs, and (iii) the impact from the adjustment of revenues for extended warranty services net of related estimated future costs to provide the assistance service, as a result of the change in the business model for directly managed assistance services.

Adjusted Net Income is calculated as Net Income adjusted for (i) the adjustments incorporated in the Adjusted EBIT, (ii) the adjustments of the non-recurring financial expenses/(income) and (iii) the theoretical tax impact of these adjustments.

Adjusted Free Cash Flow is defined as cash flow generated/absorbed by operating activities net of investment activities inclusive of financial expenses and lease flows and adjusted for non-recurring investments and other non-recurring operating flows and including adjustments for non-recurring expenses (income) and their non-cash component and the related tax impact.

Net debt (cash), or **Net financial position**, is financial debt – not including Lease liabilities (IFRS 16) – net of cash and cash equivalents.

H1 Profit & Loss

	H1 20/21				H1 19/20				% change (Adjusted)
	Adjusted	%	Reported	%	Adjusted	%	Reported	%	
Sales	1.079,0	100,0%	1.079,0	100,0%	1.059,5	100,0%	1.059,5	100,0%	1,8%
Purchase of goods - Change in Inventory	(846,8)	(78,5%)	(848,5)	(78,6%)	(822,2)	(77,6%)	(826,2)	(78,0%)	3,0%
Gross profit	232,2	21,5%	230,6	21,4%	237,3	22,4%	233,4	22,0%	(2,1%)
Personnel costs	(75,3)	(7,0%)	(75,5)	(7,0%)	(90,4)	(8,5%)	(91,1)	(8,6%)	(16,6%)
Logistic costs	(37,7)	(3,5%)	(37,8)	(3,5%)	(30,7)	(2,9%)	(31,6)	(3,0%)	22,9%
Marketing costs	(19,1)	(1,8%)	(19,3)	(1,8%)	(25,8)	(2,4%)	(27,1)	(2,6%)	(25,9%)
Other costs	(28,1)	(2,6%)	(33,6)	(3,1%)	(36,9)	(3,5%)	(38,6)	(3,6%)	(23,8%)
Other operating costs and income	(3,5)	(0,3%)	(3,5)	(0,3%)	(2,8)	(0,3%)	(2,8)	(0,3%)	24,3%
EBITDA	68,5	6,3%	60,8	5,6%	50,7	4,8%	42,2	4,0%	34,9%
D&A	(46,0)	(4,3%)	(46,0)	(4,3%)	(44,4)	(4,2%)	(44,7)	(4,2%)	3,5%
EBIT	22,5	2,1%	14,8	1,4%	6,3	0,6%	(2,6)	(0,2%)	256,0%
Financial Income - Expenses	(6,8)	(0,6%)	(6,8)	(0,6%)	(6,6)	(0,6%)	(6,6)	(0,6%)	3,6%
Adjusted Profit before Tax	15,7	1,5%	8,0	0,7%	(0,2)	(0,0%)	(9,1)	(0,9%)	(6725,3%)
Taxes	(1,2)	(0,1%)	(0,5)	(0,0%)	(0,7)	(0,1%)	0,0	0,0%	58,2%
Net Income	14,5	1,3%	7,5	0,7%	(1,0)	(0,1%)	(9,1)	(0,9%)	(1585,4%)

Q2 Profit & Loss

	Q2 20/21				Q2 19/20				% change (Adjusted)
	Adjusted	%	Reported	%	Adjusted	%	Reported	%	
Sales	650,1	100,0%	650,1	100,0%	564,3	100,0%	564,3	100,0%	15,2%
Purchase of goods - Change in Inventory	(498,2)	(76,6%)	(499,4)	(76,8%)	(437,9)	(77,6%)	(439,9)	(78,0%)	13,8%
Gross profit	151,9	23,4%	150,7	23,2%	126,3	22,4%	124,4	22,0%	20,3%
Personnel costs	(45,0)	(6,9%)	(45,1)	(6,9%)	(44,2)	(7,8%)	(44,3)	(7,9%)	1,8%
Logistic costs	(20,9)	(3,2%)	(21,0)	(3,2%)	(17,0)	(3,0%)	(17,2)	(3,1%)	22,9%
Marketing costs	(11,0)	(1,7%)	(11,2)	(1,7%)	(13,4)	(2,4%)	(13,7)	(2,4%)	(18,2%)
Other costs	(16,0)	(2,5%)	(21,4)	(3,3%)	(19,1)	(3,4%)	(19,0)	(3,4%)	(16,2%)
Other operating costs and income	(2,2)	(0,3%)	(2,2)	(0,3%)	(1,7)	(0,3%)	(1,6)	(0,3%)	29,9%
EBITDA	56,9	8,8%	49,9	7,7%	30,9	5,5%	28,5	5,1%	83,9%
D&A	(23,3)	(3,6%)	(23,3)	(3,6%)	(22,2)	(3,9%)	(22,4)	(4,0%)	5,1%
EBIT	33,6	5,2%	26,6	4,1%	8,8	1,6%	6,1	1,1%	283,0%
Financial Income - Expenses	(3,2)	(0,5%)	(3,2)	(0,5%)	(3,5)	(0,6%)	(3,5)	(0,6%)	(7,6%)
Adjusted Profit before Tax	30,4	4,7%	23,4	3,6%	5,3	0,9%	2,6	0,5%	475,4%
Taxes	(2,0)	(0,3%)	(1,4)	(0,2%)	(0,7)	(0,1%)	(0,5)	(0,1%)	191,8%
Net Income	28,3	4,4%	21,9	3,4%	4,6	0,8%	2,2	0,4%	518,4%

H1 and Q2 Adjustments to P&L

	H1 20/21	H1 19/20	% change		Q2 20/21	Q2 19/20	% change
M&A Costs	0,1	2,9	(97,6%)		0,1	(0,3)	(123,9%)
Stores opening, relocations and closing costs	0,6	1,6	(63,3%)		0,4	1,0	(64,7%)
Other non recurring costs	5,3*	0,4	1122,1%		5,4*	(0,1)	(4345,1%)
Accidental events	0,0	0,0	0,0%		0,0	0,0	0,0%
Non-recurring items	6,0	4,9	21,3%		5,8	0,6	797,5%
Change in business model (extended warranties adjustments)	1,7	3,9	(57,5%)		1,2	2,0	(39,6%)
Total adjustments to EBIT	7,7	8,9	(13,6%)		7,0	2,6	165,9%
Other adjustments	0,0	0,0	(100,0%)		0,0	(0,0)	(100,0%)
Fiscal effect of above-listed adjustments	(0,7)	(0,8)	(13,8%)		(0,6)	(0,2)	165,9%
Total adjustments to Net Income (Loss)	7,0	8,1	(13,9%)		6,4	2,4	166,3%

* mainly related to provisions for suppliers and sub-suppliers of services for which requests in the area of labour law have been received from third parties who hold Unieuro jointly and severally liable.

Balance Sheet

	31 Aug. 2020	29 Feb. 2020
Trade Receivables	77,6	51,3
Inventory	332,2	369,8
Trade Payables	(466,8)	(479,6)
Trade Working Capital	(57,0)	(58,5)
Current Tax Assets and Liabilities	(1,7)	(1,4)
Current Assets ⁽¹⁾	17,5	24,5
Current Liabilities ⁽²⁾	(222,8)	(222,0)
Short Term Provisions	(1,3)	(1,2)
Net Working Capital	(265,4)	(258,7)
Tangible and Intangible Assets	103,6	111,9
Right of Use	457,3	478,3
Net Deferred Tax Assets and Liabilities	37,2	35,2
Goodwill	195,2	195,2
Other Long Term Assets and Liabilities ⁽³⁾	(23,3)	(17,7)
TOTAL INVESTED CAPITAL	504,6	544,2
Net financial Debt	56,1	29,6
Lease liabilities	(456,6)	(477,6)
Net Financial Debt (IFRS 16)	(400,5)	(448,0)
Equity	(104,2)	(96,2)
TOTAL SOURCES	(504,6)	(544,2)

⁽¹⁾ **Current Assets:** Includes mainly Accrued Income related to rental costs, etc

⁽²⁾ **Current Liabilities**

	31 Aug. 2020	29 Feb. 2020
Accrued expenses (mainly Extended Warranties)	(149,8)	(150,1)
Personnel debt	(36,7)	(38,7)
VAT debt	(16,8)	(16,4)
Other	(16,9)	(14,3)
LTIP Personnel debt	(2,6)	(2,4)
Current Liabilities	(222,8)	(222,0)

⁽³⁾ **Other Long Term Assets and Liabilities**

	31 Aug. 2020	29 Feb. 2020
Financial assets (deposits, leases)	2,9	3,0
Deferred Benefit Obligation (TFR)	(11,8)	(12,0)
Long Term Provision for Risks	(11,4)	(5,7)
Other Provisions	(3,0)	(3,0)
LTIP Personnel debt	-	(0,0)
Other Long Term Assets and Liabilities	(23,3)	(17,7)

Cash Flow Statement

	H1 20/21	H1 19/20	% change	Q2 20/21	Q2 19/20	% change
Reported EBITDA	60,8	42,2	44,2%	49,9	28,5	75,0%
Taxes Paid	(0,9)	-	na	(0,9)	-	na
Interests Paid	(6,1)	(6,3)	(2,8%)	(3,3)	(3,5)	(6,2%)
Change in NWC	13,7	(23,1)	(159,3%)	38,8	10,9	255,9%
Change in Other Assets and Liabilities	0,2	0,3	(31,7%)	0,1	(0,2)	(127,8%)
Reported Operating Cash Flow	67,7	13,0	420,0%	84,4	35,6	137,0%
Purchase of Tangible Assets	(3,5)	(9,7)	(64,1%)	(2,0)	(4,4)	(55,6%)
Purchase of Intangible Assets	(3,0)	(3,3)	(10,9%)	(1,6)	(2,3)	(30,7%)
Change in capex payables	(6,5)	(0,8)	710,5%	0,2	(0,2)	(193,7%)
Acquisitions	(8,3)	(11,0)	(24,6%)	(2,3)	(4,5)	(49,0%)
Free Cash Flow	46,4	(11,9)	(490,9%)	78,8	24,1	226,9%
Cash effect of adjustments	0,3	4,1	(92,3%)	0,1	2,1	(93,3%)
Non recurring investments	8,3	14,5	(42,4%)	2,3	8,0	(70,9%)
Other non recurring cash flows	1,1	(1,5)	(170,6%)	1,2	(1,5)	(179,6%)
Adjusted Free Cash Flow (IFRS 16)	56,1	5,2	982,1%	82,4	32,6	152,8%
Lease Repayment	(27,7)	(27,9)	(0,6%)	(13,9)	(15,6)	(11,1%)
Adjusted Free Cash Flow	28,5	(22,7)	(225,5%)	68,6	17,0	303,2%
Cash effect of adjustments	(1,4)	(2,6)	(46,8%)	(1,3)	(0,6)	142,7%
Acquisition Debt	-	(22,7)	(100,0%)	-	(5,3)	(100,0%)
Dividends	-	(21,4)	(100,0%)	-	(21,4)	(100,0%)
Other Changes	(0,5)	(0,6)	(9,8%)	0,1	(0,1)	(178,5%)
Δ Net Financial Position	26,5	(69,9)	(137,9%)	67,3	(10,4)	(748,0%)

Net Financial Debt

	31 Aug. 2020	29 Feb. 2020
Short-Term Bank Debt	(10,1)	(0,0)
Long-Term Bank Debt	(53,4)	(41,1)
Bank Debt	(63,5)	(41,1)
Debt to Other Lenders	(11,7)	(8,9)
Acquisition Debt	(8,9)	(17,1)
Other Financial Debt	(20,6)	(26,0)
Cash and Cash Equivalents	140,2	96,7
Net Financial Debt	56,1	29,6
Lease liabilities	(456,6)	(477,6)
Net Financial Debt (IFRS 16)	(400,5)	(448,0)

IFRS 16 Impact

Main Effects on Unieuro's H1 2020/21 Results (management data, non-audited)

		31 August 2020 (IAS 17)		31 August 2020 (IFRS 16)
<u>ADJ. EBITDA</u>	<ul style="list-style-type: none"> reduction of operating costs (rental fees paid on stores, headquarters, warehouses and vehicles), net of income from store sub-lease agreements 	35.1	+33.4	68.5
<u>ADJ. EBIT</u>	<ul style="list-style-type: none"> effects on EBITDA increase in D&A due to amortisation of rights of use 	19.6	+2.9	22.5
<u>ADJ. PROFIT BEFORE TAXES</u>	<ul style="list-style-type: none"> effects on EBIT increase in Financial expenses for interests connected with rights of use 	17.6	-1,9	15.7
<u>NET FINANCIAL DEBT (CASH)</u>	<ul style="list-style-type: none"> recognition of liabilities for rights of use (other current and non-current financial payables), net of non-current financial receivables concerning sub-lease agreements 	(56.1)	+456.6	400.5

NEXT CORPORATE AND IR EVENTS

MID & SMALL VIRTUAL CONFERENCE

by Virgilio IR

1, 2, 3 December 2020

9M 2020/21 RESULTS

13 January 2021

3° ITALIAN MID CAP CONFERENCE

by Mediobanca

19, 20 January 2021



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