unieuro

DOUBLE-DIGIT GROWTH IN A SCENARIO UNDER NORMALISATION

H1 2021/22 Results

12 November 2021

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.

Therefore, in line with practices that were gradually established among retailers listed on international markets, from 1st March 2020 the Company has been commenting 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 do 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**
- **H1 2021/22 Results**
  - Market Scenario and Sales Performance
  - Financials
- **Going Forward**
  - Renewed Focus on New Openings
  - Launch of a Buyback

Highlights

H1 2021/22 sales and profitability up double digit, despite extraordinary positive effects on margins and cash generation from management actions adopted in H1 2020/21 to face the Covid emergency

Sales up 17.5% to 1,268.2 €m, with no significant changes in perimeter

- Offline network recovering (Retail +29.9%, affiliates +10.3%), expected normalisation of e-commerce (-12.8%)
- Booming TV-set sales thanks to sport events. Looking forward to the switch-off

Another record H1:

- **Adj. EBIT +20.3% to 27.1 €m** (22.5 €m in H1 20/21, 6.3 €m pre-Covid)
- **Adj. Net Income +54% to 22.4 €m** (14.5 €m in H1 20/21, -1 €m pre-Covid)
- **Net Cash at 91.2 €m** after dividend payout (56.1 €m at 31 Aug. 2020)

FY 2021/22 guidance confirmed in light of the good performance over the first 8 months of the FY and despite increasing shortage risks

Buyback on 600,000 shares at max. 26.40 € per share, as a capital allocation move

Agenda

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Market Scenario

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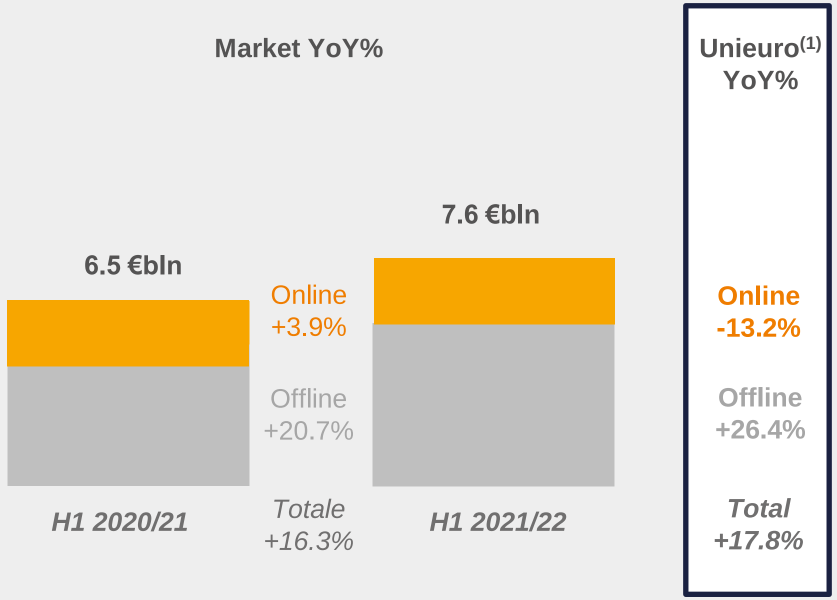
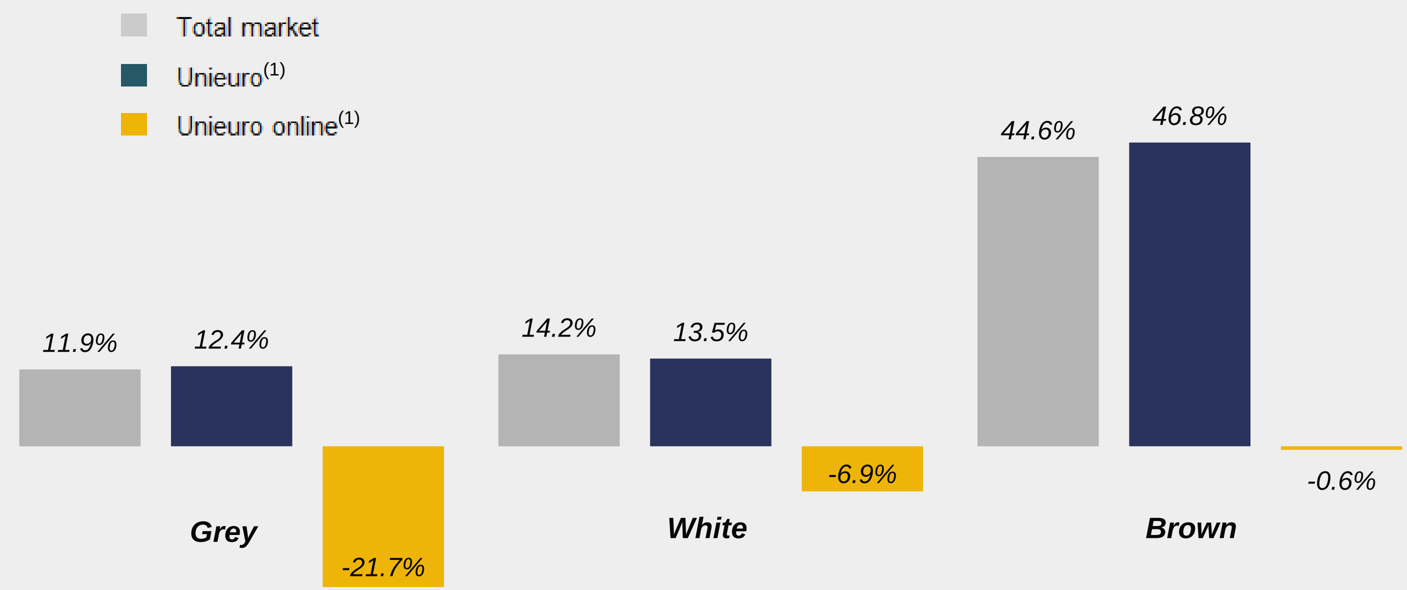




Trend: strong growth vs. 1H 2020/21, which was deeply impacted by Covid

- Offline: recovery of turnover, one year ago hit by lockdown and social distancing measures
- Online: decline in Q1 caused by the important counter-figures in 2020, more than offset by lively growth in Q2.

Competitive scenario: strong rebound for the turnover of Tech Superstores, Specialists and Electrical Specialists, the most penalized last year. Mass Merchandisers (including pure players) however positive: + 7.8%

E-commerce penetration: **23%** in H1 2021/22, -3 p.p. yoy

Unieuro: overperforming the market thanks to the strength of the Offline channel, which offset the expected decline in the Online also linked to customer experience improvement initiatives

Grey: increase mainly driven by the performance of the Telecom sector (+19.5%), with Smartphones paving the way. Slight decline in the IT sector (-0.3%) caused by the contraction in the offer of products such as laptops and desk PC

White: increase in all segments. In particular, significant growth in the home comfort sector, driven by air treatment products (+21%) thanks to the activation of the *Eco Bonus*

Brown: strong growth in the consumer sector determined by the strong demand for TVs in Q2 (+45.9%), in light of sporting events, the introduction of *TV Bonus* and the imminent switch-off

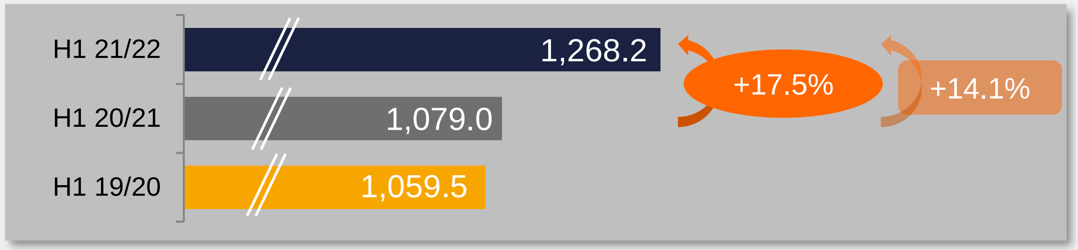
Unieuro: excellent offline performance of the brand in the Grey and Brown categories, leading to a substantial acquisition of market share. Expected decrease in online, especially in less profitable Grey category, while improving Unieuro.it's coverage of the high-margin segments of White (MDA and home comfort), where there is a general overperformance compared to the market.

Notes: Unieuro H1 ends on 31 August. Source: Company elaborations on Gfk data. (1) Unieuro's growth per product category and single channel only concerns the Consumer segment net of Services, Entertainment and products outside the scope of consumer electronics, while including Travel sales.

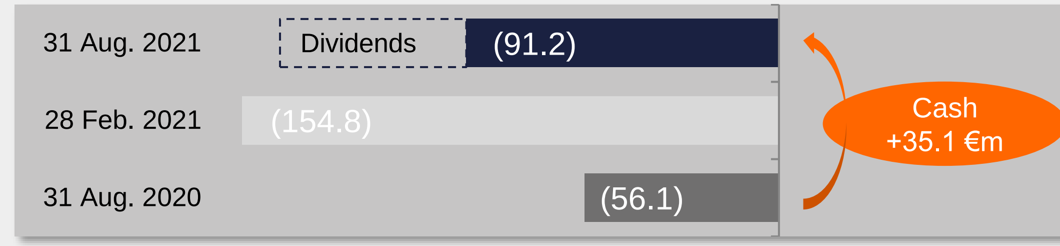
H1 2021/22 Key Financials

Sales (€m)

Like-for-like growth

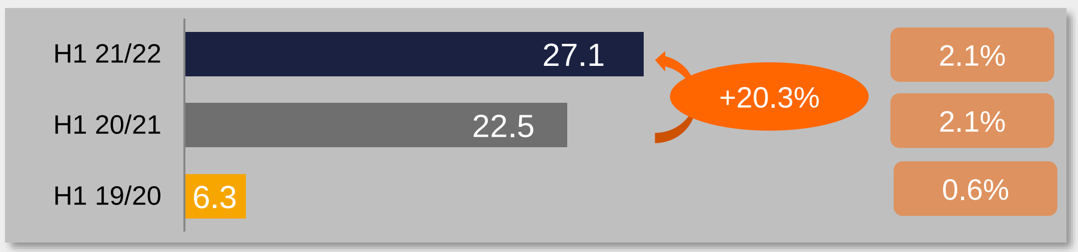


Net Financial Debt/(Cash) (€m)

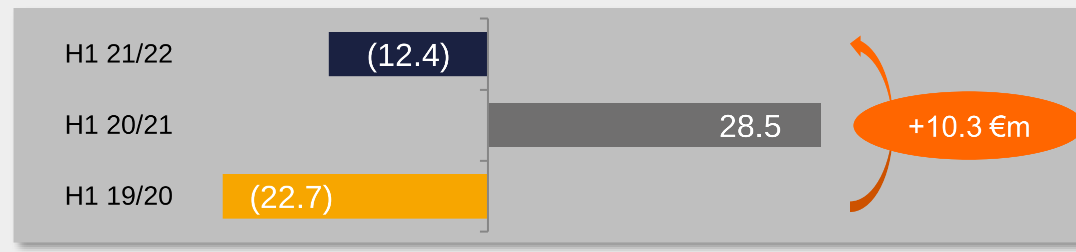


Adj. EBIT (€m)

Adj. EBIT margin

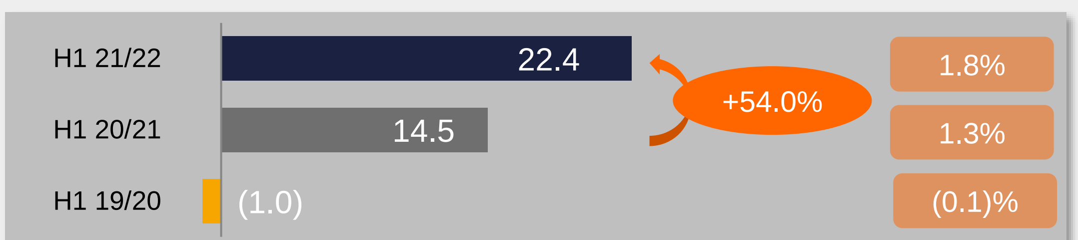


Adj. Free Cash Flow (€m)

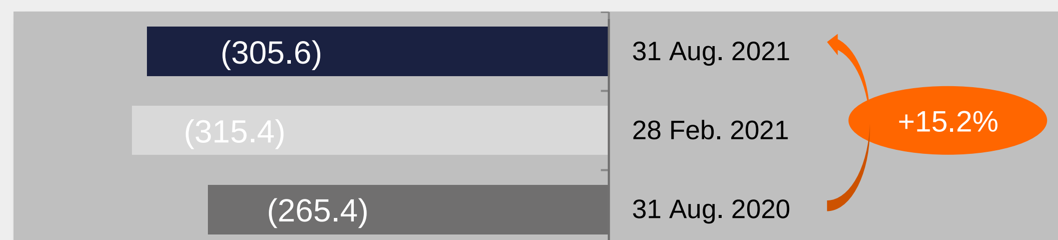


Adj. Net Income (€m)

Adj. Net margin



Net Working Capital (€m)



Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

Sales

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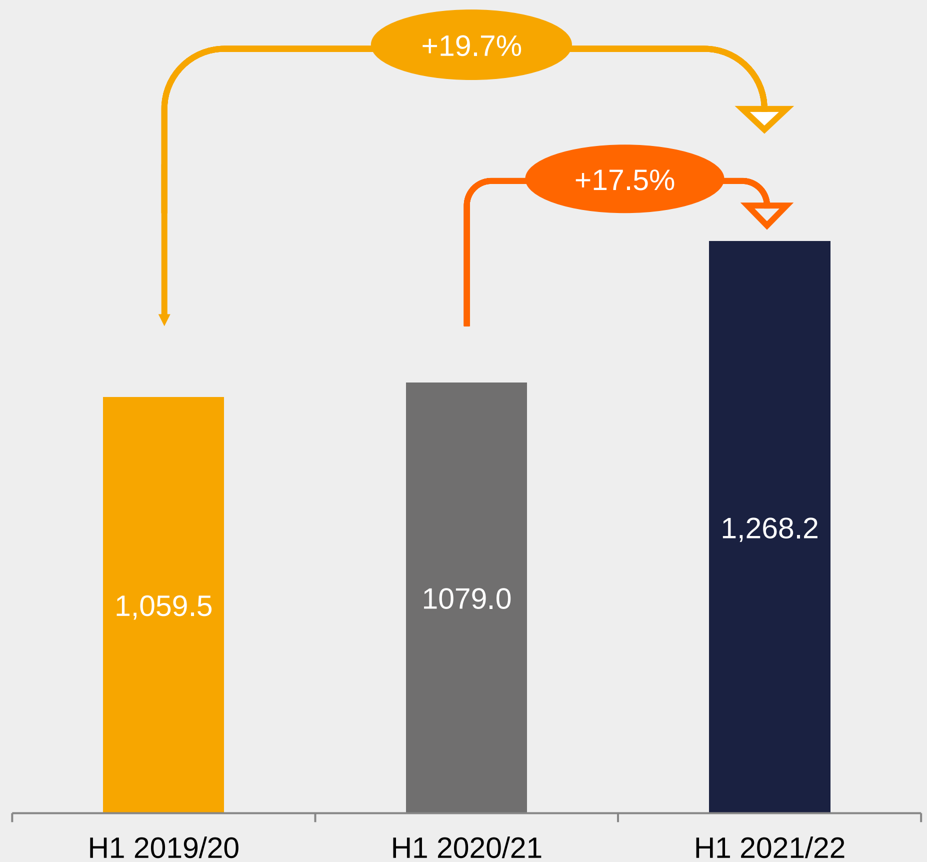
New record in turnover in a context of gradual post-Covid normalisation



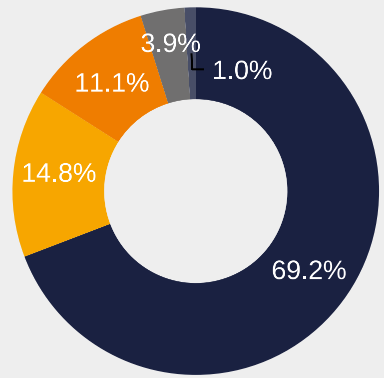
- **Strong half-year revenue growth**:
  - Physical network at full capacity (forced closures on weekends in shopping centers and retail parks ended from 23 May)
  - Favourable consumer trends still underway
  - Boom in sales of tv-sets in the imminence of the frequency switch-off and thanks to the sporting events of the summer
- **Like-for-like Sales growth: +14.1%**
  - Strong rebound in the Retail Channel, impacted in Q1 2020/21 by the voluntary closure of stores and lockdowns
  - Online down after strongly overperforming the market in H1 2020/21
- **Company perimeter essentially unchanged** in the last two years
- **No significant impact from problems in global production chains** caused by electronic components and raw materials shortage

Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

Sales Breakdown

Sales per channel – H1 2021/22

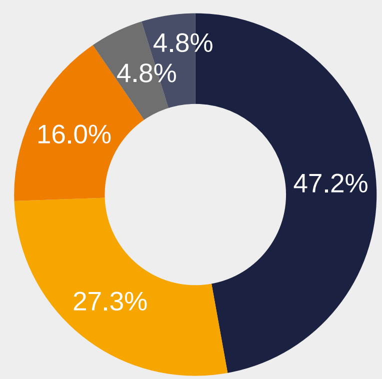
		vs H1 20/21	vs H1 19/20 pre-Covid
Retail	877.6 €m	+29.9%	+16.1%
Online	187.8 €m	-12.8%	+67.3%
Indirect	141.3 €m	+10.3%	+18.7%
B2B	49.1 €m	-3.2%	-8.9%
Travel	12.5 €m	+38.5%	-32.6%



- **<u>Retail</u> in sustained growth:**
  - H1 2020/21 heavily impacted by the pandemic
  - internalisation of 18 Unieuro by Iper shop-in-shops starting from 2H 2020/21
  - new openings and refurbishments carried out on the direct network
- **<u>Online</u> down** compared to the extraordinary results of H1 2020/21, during which the pandemic had led customers to favor e-commerce at the expense of physical stores
- **<u>Indirect Channel</u> in strong growth** also thanks to the new openings and despite the shift of the Unieuro by Iper shop-in-shops to the Retail channel
- **<u>B2B</u>** confirmed itself as an opportunistic and volatile business segment
- **<u>Travel</u> gradually recovering**, quarter after quarter, in parallel with the recovery of traffic at airports and railway stations

Sales per category [(1)] – H1 2021/22

		vs H1 20/21	vs H1 19/20 pre-Covid
Grey	598.0 €m	+12.2%	+19.0%
White	346.0 €m	+12.6%	+13.0%
Brown	202.8 €m	+42.9%	+28.0%
Other Products	60.5 €m	+22.0%	+36.8%
Services	60.9 €m	+28.9%	+26.3%



- **<u>Grey</u> still driven by consumption trends** linked to communication, smart working and remote learning to the advantage of telephony, wearables and tablets. PC segment slowing down
- **<u>White</u> growing** thanks to products related to home care and the contribution of the *Passione Casa* promotional campaign, not proposed last year. Good performance for vacuum cleaners and coffee machines
- **<u>Brown</u> in strong acceleration**, at first thanks to the restart of sporting events and from the end of August with the introduction of the *TV Bonus*, aimed at facilitating consumers in view of the switch-off of frequencies, which officially started on October 15
- **<u>Other products</u> on the rise**, driven by electric mobility and the entertainment segment (consoles and video games)
- **<u>Services</u>**: positive trend supported by warranty extensions, delivery and transport

Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. (1) The segmentation of sales by product category takes place on the basis of the classification adopted by the main sector experts. Note therefore that the classification of revenues by category is revised periodically in order to guarantee the comparability of Unieuro data with market data.

Profitability

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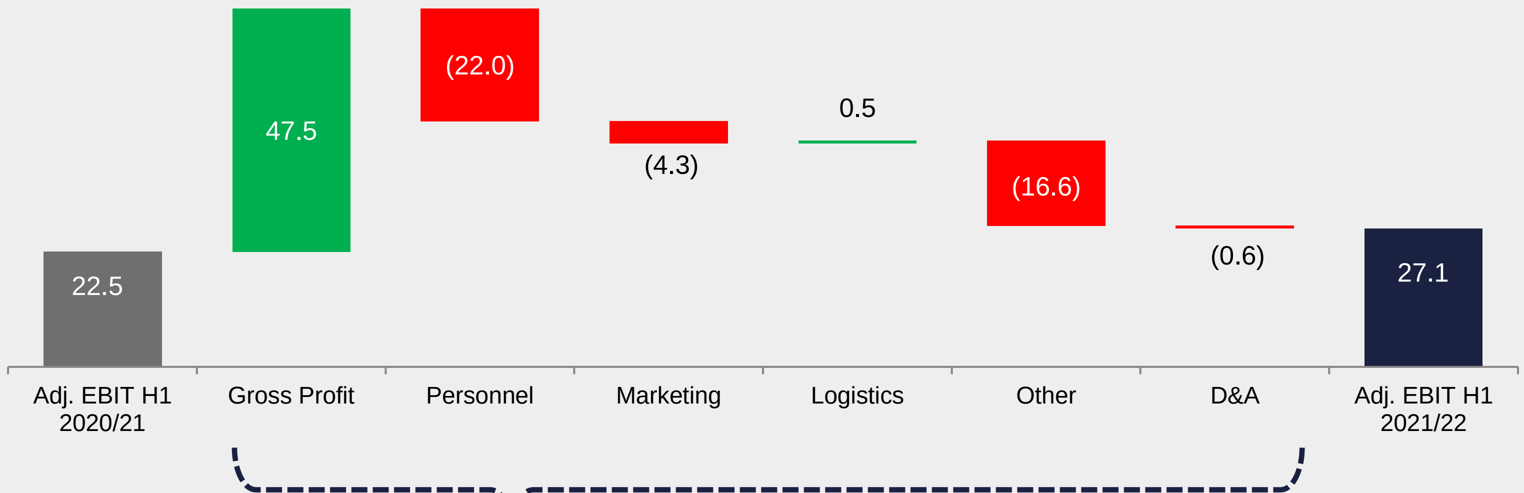
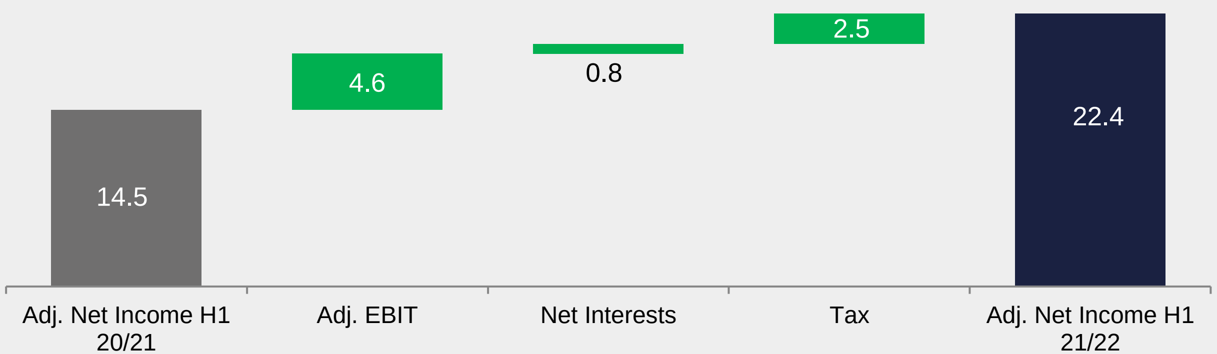
Adj. EBIT



Adj. Net Income

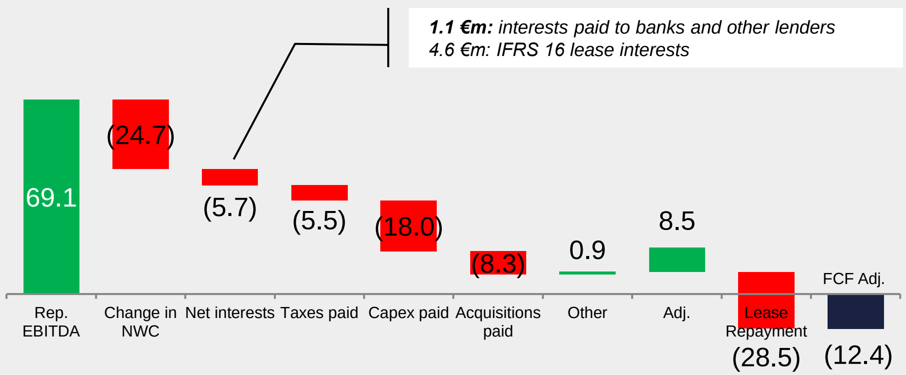


- **Gross Margin at 22.1%**, up vs. 21,5% in H1 2020/21 mainly thanks to a better channel mix
- **Personnel costs up 29.2%, incidence from 7.0% to 7.7%:**
  - extraordinary savings in H1 2020/21 related inter alia to the activation of social safety nets
  - internalisation of Unieuro by Iper shop-in-shops
- **Marketing costs 22.4%, incidence stable at 1.8% of sales.** Promotional campaigns resumed after being suspended in Q1 2020/21. Greater adv spending on internet, radio and TV
- **Logistics costs slightly down (-1,4%), incidence down from 3.5% to 2.9% of sales** in light of the rebalancing of the channel mix and the consequently lower home deliveries
- **Other Costs up 52.4%, incidence from 2.9% to 3.8%**:
  - extraordinary reduction in rental costs last year
  - higher variable fees
  - higher payment fees
  - increase in operating costs (utilities, shop maintenance) and IT consultancy
- **D&A substantially in line** with H1 2020/21
- **Taxes benefitting from the tax realignment of goodwill**

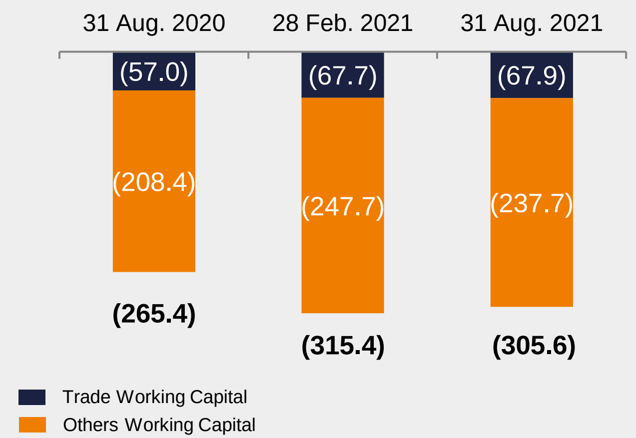
Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

Financial Overview

Adj. Free Cash Flow

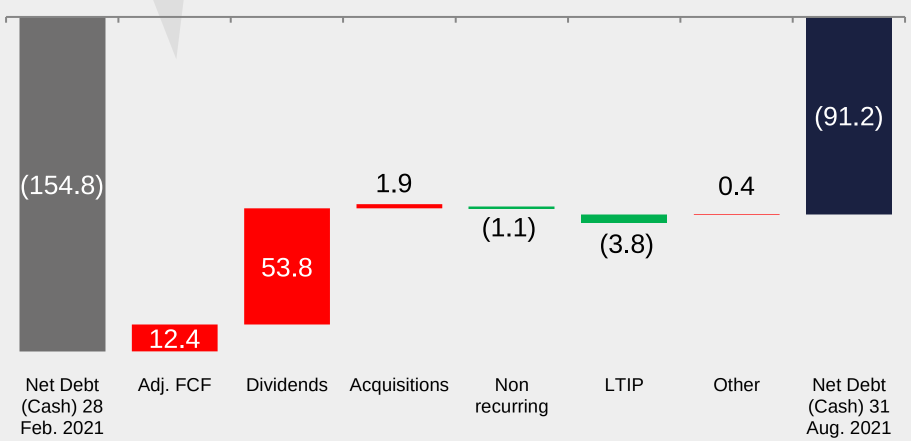


Net Working Capital

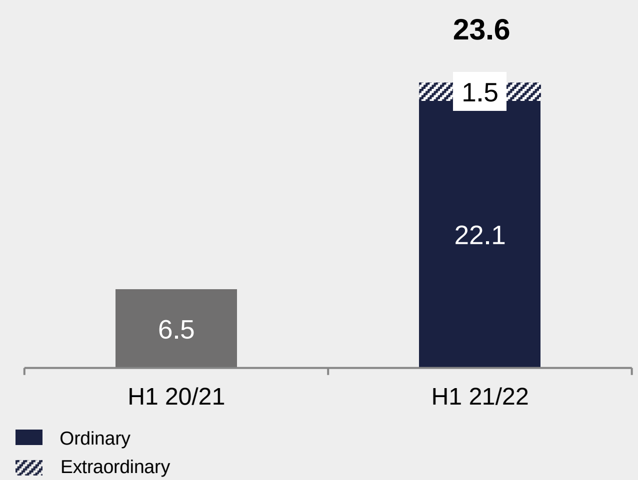


- **Net Cash at 31 August 2021: 91.2 €m** vs. 56.1 €m at 31 August 2020 (despite dividend payout)
- **Dividends of 53.8 €m** paid in June, including the recovery of the coupon prudently not paid in 2020
- **Cash absorption influenced by the normal seasonality of the business**: Free Cash Flow Adj. of -12.4 €m (-22.7 €m in H1 2019/20, before Covid)
- FCF main drivers:
  - **Strong operating profitability**
  - **Acceleration of Capex**
  - **Net working capital contraction** mainly due to calendar effects on accruals
- **Tripled Capex** compared to exceptionally low H1 2020/21 levels:
  - interventions on the direct network (3 openings, 2 relocations, 5 refurbishments)
  - implementation of the new SAP S / 4HANA management software
  - launch of the new e-commerce site ("Revolution") project)

Net Financial Debt (Cash)



Capex



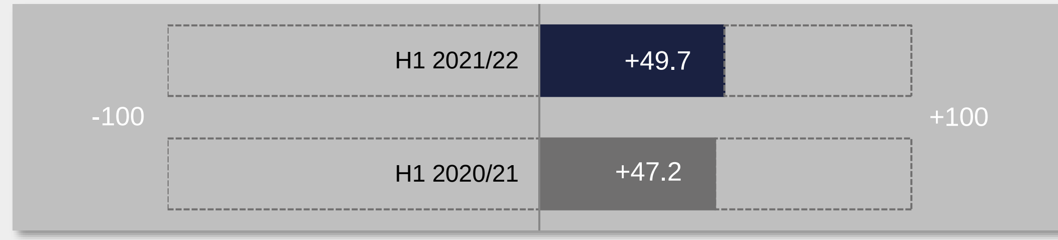
Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. See Glossary for definitions.

H1 2021/22 Key Operational Data

Unieuro's Retail Network

	31 Aug. 2021	Openings	Closings	28 Feb. 2021	o/w Click & Collect
DOS:	**276**	*+3*		**273**	**267**
- Malls and free standing stores	*239*	*+3*		*236*	
- Shop-in-shops	*26*			*26*	
- Travel stores	*11*			*11*	
Affiliated stores:	**258**	***+8***	***-4***	**254**	**142**
- Traditional	*258*	*+8*	*-4*	*254*	
- Shop-in-shops	*0*			*0*	
TOTAL STORES:	**534**	***+11***	***-4***	**527**	**409**

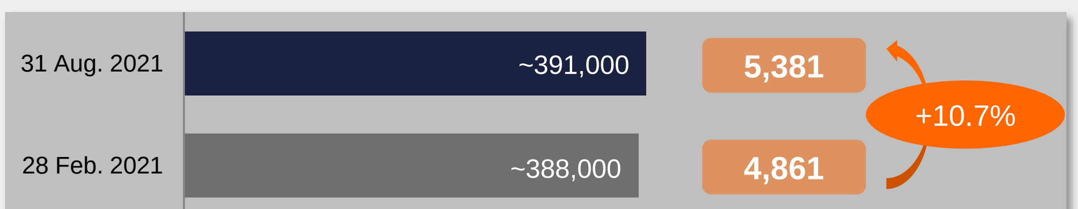
Net Promoter Score[(1)] (direct channel only)



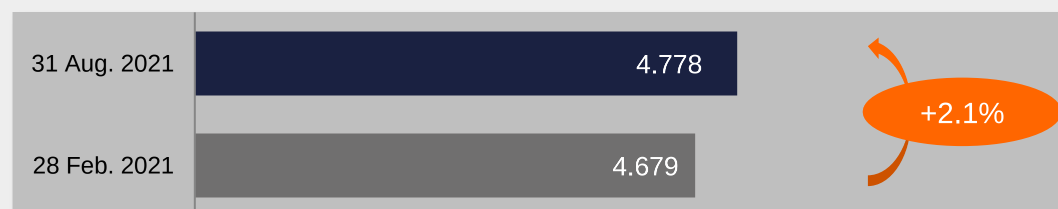
Active Loyalty Cards[(2)] (thousands)

Total Retail Area (sqm, DOS only)

Sales density (€/sqm, LTM)



Workforce (FTEs)



Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated. (1) Net Promoter Score (NPS) measures customer experience and predicts business growth. It can range from -100 (if every customer is a Detractor) to 100 (if every customer is a Promoter). (2) Active loyalty cards defined as customers who made at least a transaction within the last 12 months.

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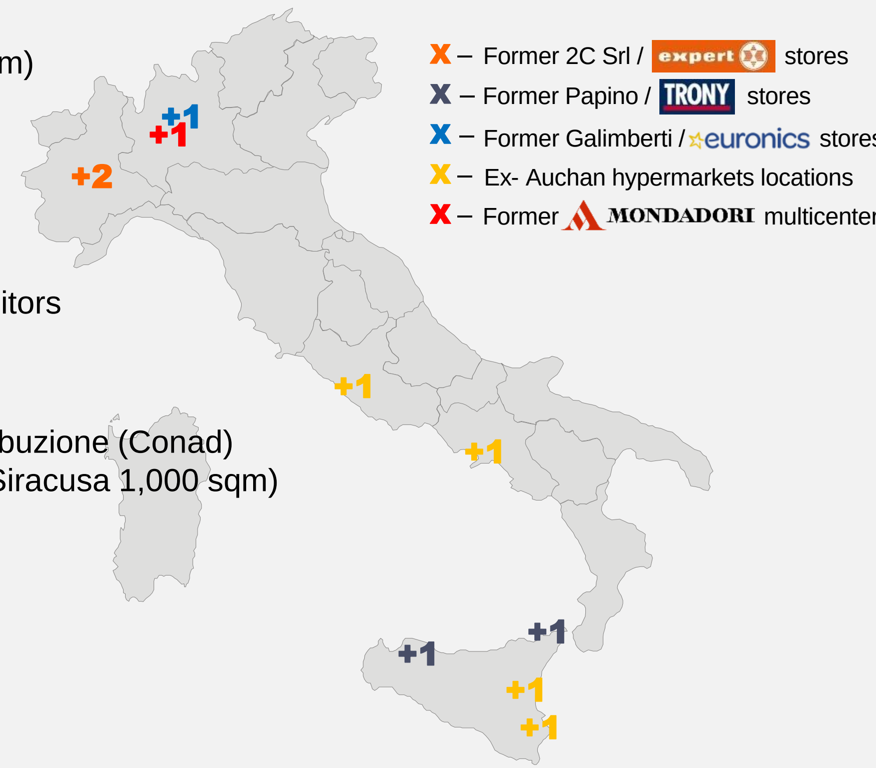
Renewed Focus on New Openings

10 new DOS openings in 9 months (March-November), accelerating the internal growth strategy in spite of bolt-on acquisitions

- **2 former Expert stores** acquired from 2C S.r.l. (+1 turned into an affiliate)
  - Format: free standing in Torino (1,500 sqm), shopping mall in Pino Torinese (1,150 sqm)
  - Closing date 31 March, reopened on 19 April
- **2 former Trony locations** previously managed by Papino Elettrodomestici S.p.A.
  - Format: free standing in Messina (1,200 sqm), shopping mall in Palermo (1,800 sqm)
  - Opening date: Messina on 26 April, Palermo on 30 September
- **1 former Euronics store** previously managed by Galimberti S.p.A., in arrangement with creditors
  - Format: free standing in Limbiate (2,000 sqm)
  - Auction date: 1st March, reopened on 24 September
- **4 brand-new stores within former Auchan hypermarkets**, now owned by Margherita Distribuzione (Conad)
  - Format: shopping malls (Roma 2,500 sqm, Giugliano 2,000 mq, Catania 1,900 sqm, Siracusa 1,000 sqm)
  - 40 €m additional sales per year, at run rate
  - Opening dates: 28-30 October
- **1 former Mondadori Multicenter** converted into a new store + new Unieuro offices in Milan
  - Format: free standing, 2,000 sqm of sales area
  - Scheduled opening date: 20 November

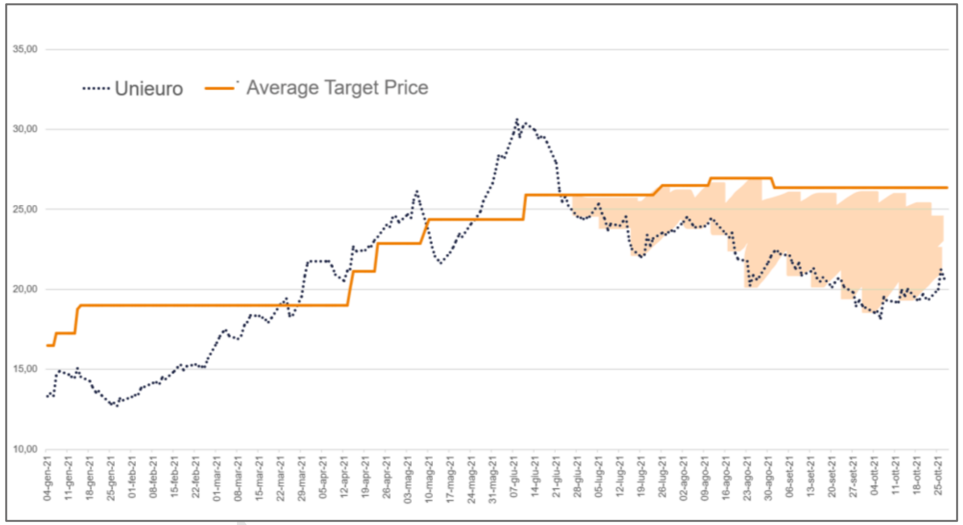


Strategic Rationale

- **Boosting organic expansion in a context of relatively more expensive external growth**
- **Reinforcing Unieuro's footprint in interesting territories (Milan and Naples areas, Sicily) avoiding overlaps**
- **Covering top commercial locations previously exploited by other players, at a sustainable cost**

Capital Allocation: Launch of a Buyback on 600,000 Shares

1. **Strong cash position** (Net Cash expected in the 145-155 €m range at the end of FY 2021/22)
2. **Future need for shares** to serve the LTIP 2020-25, as an alternative to the free issue of new shares
3. **Current undervaluation of Unieuro stock,** according to Sell-side analysts' target price[1]:



Buyback approved by the BoD on 11 November 2021:

- **Amount: up to 600,000 shares** (2.9% of the share capital subscribed and paid up as of today), equal to the number of shares needed to serve the Long Term Incentive Plan 2020-2025 in the case of target performance
- **Price not exceeding Euro 26.40 per share**, determined on the basis of the closing price of the Unieuro stock on 11 November 2021 (equal to Euro 21.10) plus a 25%
- **Maximum cash-out: 15.8 €m**
- **Starting date: 15 November 2021**
- **Time limit:** 18 months from the date of the AGM which approved the authorisation to purchase and dispose of treasury shares (i.e. **June 2022**)
- **Purpose:** setting up a portfolio of treasury shares to:
  - serve both existing and future **equity incentive plans**
  - facilitate **extraordinary transactions**, including paper deals

Strategic Rationale

- **Smart use of cash, generating a positive effect on Earnings and Dividends Per Share**
- **Buying own shares at a favourable price[1]**
- **Avoiding a future dilution of Shareholders, when the LTIP 2020-25 gets vested**

Notes: on 11 November 2021, brokers who cover Unieuro stock (and the respective target prices) are as follows: Alantra (Euro 23.0), Banca Akros (Euro 27.0), Exane BNP Paribas (Euro 25.9 - 32.0) Kepler Cheuvreux (Euro 26.4) and Mediobanca (Euro 26.5).

Closing Remarks

CE Retail market still strong, positively reacting to Post-Covid normalization

Good sales performance for Unieuro in September and October, across all channels

“Manà Manà Black Friday” campaign currently on track, not influenced by a lower-than-in-the-past visibility on the supply chain

FY 2021/22 guidance confirmed

- Revenues between 2.9 and 2.8 €bn
- Adj. EBIT ranging between 65 and 75 €m
- Adj. Free Cash Flow ranging between 40 and 50 €m

ANNEX

Notes and Glossary

All data contained in this press release are consolidated data. The scope of consolidation includes the Parent Company Unieuro S.p.A., the wholly-owned subsidiary Monclick S.r.l. (consolidated from 1 June 2017) and the wholly-owned subsidiary Carini Retail S.r.l. (consolidated from 1 March 2019 and finally merged into Unieuro S.p.A., effective as from 1 September 2020).

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.

Net Promoter Score (NPS) measures customer experience and predicts business growth. It can range from -100 (if every customer is a Detractor) to 100 (if every customer is a Promoter.

H1 Profit & Loss

	H1 21/22				H1 20/21				% change
	Adjusted	%	Reported	%	Adjusted	%	Reported	%	(Adjusted)
Sales	**1.268,2**	**100,0%**	**1.268,2**	**100,0%**	**1.079,0**	**100,0%**	**1.079,0**	**100,0%**	**17,5%**
Purchase of goods - Change in Inventory	(988,5)	(77,9%)	(991,5)	(78,2%)	(846,8)	(78,5%)	(848,5)	(78,6%)	16,7%
Gross profit	**279,7**	**22,1%**	**276,7**	**21,8%**	**232,2**	**21,5%**	**230,6**	**21,4%**	**20,4%**
Personnel costs	(97,3)	(7,7%)	(97,9)	(7,7%)	(75,3)	(7,0%)	(75,5)	(7,0%)	29,2%
Logistic costs	(37,2)	(2,9%)	(37,4)	(2,9%)	(37,7)	(3,5%)	(37,8)	(3,5%)	(1,4%)
Marketing costs	(23,4)	(1,8%)	(23,6)	(1,9%)	(19,1)	(1,8%)	(19,3)	(1,8%)	22,4%
Other costs	(45,9)	(3,6%)	(46,6)	(3,7%)	(28,1)	(2,6%)	(33,6)	(3,1%)	63,5%
Other operating costs and income	(2,2)	(0,2%)	(2,2)	(0,2%)	(3,5)	(0,3%)	(3,5)	(0,3%)	(36,0%)
EBITDA	**73,6**	**5,8%**	**69,1**	**5,4%**	**68,5**	**6,3%**	**60,8**	**5,6%**	**7,5%**
D&A	(46,6)	(3,7%)	(46,7)	(3,7%)	(46,0)	(4,3%)	(46,0)	(4,3%)	1,2%
EBIT	**27,1**	**2,1%**	**22,4**	**1,8%**	**22,5**	**2,1%**	**14,8**	**1,4%**	**20,3%**
Financial Income - Expenses	(6,0)	(0,5%)	(6,1)	(0,5%)	(6,8)	(0,6%)	(6,8)	(0,6%)	(11,3%)
Adjusted Profit before Tax	**21,0**	**1,7%**	**16,3**	**1,3%**	**15,7**	**1,5%**	**8,0**	**0,7%**	**34,0%**
Taxes	1,3	0,1%	1,7	0,1%	(1,2)	(0,1%)	(0,5)	(0,0%)	(213,9%)
Net Income	**22,4**	**1,8%**	**18,0**	**1,4%**	**14,5**	**1,3%**	**7,5**	**0,7%**	**54,0%**

Notes: Consolidated results. Unieuro H1 ends on 31 May. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

Q2 Profit & Loss

	Q2 21/22				Q2 20/21				% change
	Adjusted	%	Reported	%	Adjusted	%	Reported	%	(Adjusted)
Sales	**686,4**	**100,0%**	**686,4**	**100,0%**	**650,1**	**100,0%**	**650,1**	**100,0%**	**5,6%**
Purchase of goods - Change in Inventory	(537,1)	(78,2%)	(539,1)	(78,5%)	(498,2)	(76,6%)	(499,4)	(76,8%)	7,8%
Gross profit	**149,3**	**21,8%**	**147,3**	**21,5%**	**151,9**	**23,4%**	**150,7**	**23,2%**	**(1,7%)**
Personnel costs	(48,3)	(7,0%)	(48,7)	(7,1%)	(45,0)	(6,9%)	(45,1)	(6,9%)	7,3%
Logistic costs	(18,4)	(2,7%)	(18,5)	(2,7%)	(20,9)	(3,2%)	(21,0)	(3,2%)	(12,0%)
Marketing costs	(13,2)	(1,9%)	(13,2)	(1,9%)	(11,0)	(1,7%)	(11,2)	(1,7%)	19,7%
Other costs	(24,8)	(3,6%)	(25,2)	(3,7%)	(16,0)	(2,5%)	(21,4)	(3,3%)	55,3%
Other operating costs and income	(0,4)	(0,1%)	(0,4)	(0,1%)	(2,2)	(0,3%)	(2,2)	(0,3%)	(82,4%)
EBITDA	**44,3**	**6,4%**	**41,3**	**6,0%**	**56,9**	**8,8%**	**49,9**	**7,7%**	**(22,2%)**
D&A	(23,7)	(3,4%)	(23,7)	(3,5%)	(23,3)	(3,6%)	(23,3)	(3,6%)	1,6%
EBIT	**20,6**	**3,0%**	**17,6**	**2,6%**	**33,6**	**5,2%**	**26,6**	**4,1%**	**(38,7%)**
Financial Income - Expenses	(2,8)	(0,4%)	(2,9)	(0,4%)	(3,2)	(0,5%)	(3,2)	(0,5%)	(11,9%)
Adjusted Profit before Tax	**17,8**	**2,6%**	**14,7**	**2,1%**	**30,4**	**4,7%**	**23,4**	**3,6%**	**(41,6%)**
Taxes	1,6	0,2%	1,9	0,3%	(2,0)	(0,3%)	(1,4)	(0,2%)	(180,0%)
Net Income	**19,4**	**2,8%**	**16,6**	**2,4%**	**28,3**	**4,4%**	**21,9**	**3,4%**	**(31,6%)**

Notes: Consolidated results. Unieuro Q2 ends on 31 May. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

H1 Adjustments to P&L

	H1 21/22	H1 20/21	% change	Q2 21/22	Q2 20/21	% change
M&A Costs	1,0*	0,1	1361,5%	0,5*	0,1	636,6%
Stores opening, relocations and closing costs	0,5	0,6	(18,0%)	0,2	0,4	(51,9%)
Other non recurring costs	0,2	5,3	(95,9%)	0,2	5,4	(96,0%)
Accidental events	(0,0)	0,0	na	(0,0)	0,0	na
Non-recurring items	**1,7**	**6,0**	**(71,7%)**	**0,9**	**5,8**	**(84,5%)**
Change in business model (extended warranties adjustments)	**3,0**	**1,7**	**79,3%**	**2,1**	**1,2**	**71,2%**
Total adjustments to EBIT	**4,7**	**7,7**	**(38,8%)**	**3,0**	**7,0**	**(57,8%)**
Other adjustments	0,1	0,0	na	0,1	0,0	100,0%
Fiscal effect of above-listed adjustments	(0,4)	(0,7)	(38,2%)	(0,3)	(0,6)	(57,3%)
Total adjustments to Net Income (Loss)	**4,4**	**7,0**	**(37,9%)**	**2,7**	**6,4**	**(57,1%)**

(*) Mainly related to the acquisition ot stores from 2C S.r.l. (Pino Torinese and Torino Orbetello) and Galimberti S.p.A. (Limbiate)

Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

Balance Sheet

E-MARKET SDIR CERTIFIED

	31 Aug 2021	28 Feb. 2021
Trade Receivables	84,1	65,3
Inventory	435,6	372,1
Trade Payables	(587,7)	(505,1)
Trade Working Capital	**(67,9)**	**(67,7)**
Current Tax Assets and Liabilities	(7,1)	(3,8)
Current Assets [1]	14,7	18,0
Current Liabilities [2]	(241,7)	(261,2)
Short Term Provisions	(3,7)	(0,8)
Net Working Capital	**(305,6)**	**(315,4)**
Tangible and Intangible Assets	114,1	104,5
Right of Use	441,4	451,6
Net Deferred Tax Assets and Liabilities	49,0	37,1
Goodwill	196,1	195,2
Other Long Term Assets and Liabilities [3]	(26,5)	(30,9)
TOTAL INVESTED CAPITAL	**468,5**	**442,1**
Net financial Debt	91,2	154,8
Lease liabilities	(437,8)	(443,7)
Net Financial Debt (IFRS 16)	**(346,5)**	**(288,8)**
Equity	**(122,0)**	**(153,3)**
TOTAL SOURCES	**(468,5)**	**(442,1)**

[1] ***Current Assets:*** *Includes mainly Accrued Income related to rental costs, etc*

[2] ***Current Liabilities***

	31 Aug 2021	*28 Feb. 2021*
Accrued expenses (mainly Extended Warranties)	*(170,6)*	*(179,9)*
Personnel debt	*(38,5)*	*(42,9)*
VAT debt	*(12,7)*	*(17,5)*
Other	*(18,2)*	*(19,1)*
LTIP Personnel debt	*(1,7)*	*(1,7)*
Current Liabilities	***(241,7)***	***(261,2)***

[3] ***Other Long Term Assets and Liabilities***

	31 Aug 2021	*28 Feb. 2021*
Financial assets (deposits, leases)	*2,5*	*2,9*
Deferred Benefit Obligation (TFR)	*(13,3)*	*(13,0)*
Long Term Provision for Risks	*(12,2)*	*(17,6)*
Other Provisions	*(3,1)*	*(3,1)*
LTIP Personnel debt	*(0,5)*	*-*
Other Long Term Assets and Liabilities	***(26,5)***	***(30,9)***

Notes: Consolidated results. Unieuro Q1 ends on 31 May. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

Cash Flow Statement

	H1 21/22	H1 20/21	% change
Reported EBITDA	**69,1**	**60,8**	**13,7%**
Taxes Paid	(5,5)	(0,9)	485,9%
Interests Paid	(5,7)	(6,1)	(6,9%)
Change in NWC	(24,7)	13,7	(280,1%)
Change in Other Assets and Liabilities	0,9	0,2	337,8%
Reported Operating Cash Flow	**34,0**	**67,7**	**(49,8%)**
Purchase of Tangible Assets	(16,8)	(3,5)	381,4%
Purchase of Intangible Assets	(6,8)	(3,0)	129,7%
Change in capex payables	5,6	(6,5)	(186,5%)
Acquisitions	(8,3)	(8,3)	(0,1%)
Free Cash Flow	7,6	46,4	(83,5%)
Cash effect of adjustments	1,5	0,3	389,0%
Non recurring investments	9,5	8,3	14,2%
Other non recurring cash flows	(2,6)	1,1	(342,1%)
Adjusted Free Cash Flow (IFRS 16)	**16,1**	**56,1**	**(71,3%)**
Lease Repayment	(28,5)	(27,7)	2,9%
Adjusted Free Cash Flow	**(12,4)**	**28,5**	**(143,6%)**
Cash effect of adjustments	1,1	(1,4)	(175,5%)
Acquisition Debt	(1,9)	-	(100,0%)
Dividends	(53,8)	-	(100,0%)
Log Term Incentive Plan	3,8	-	100,0%
Other Changes	(0,4)	(0,5)	(32,2%)
Δ Net Financial Position	**(63,6)**	**26,5**	**(339,9%)**

Notes: Consolidated results. Unieuro h1 ends on 31 May. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

Net Financial Debt

	31 Aug 2021	28 Feb. 2021
Short-Term Bank Debt	(0,1)	(0,1)
Long-Term Bank Debt	(37,9)	(48,7)
Bank Debt	**(38,0)**	**(48,7)**
Debt to Other Lenders	(7,9)	(6,8)
Acquisition Debt	(1,5)	(9,0)
Other Financial Debt	**(9,4)**	**(15,8)**
Cash and Cash Equivalents	138,6	219,4
Net Financial Debt	**91,2**	**154,8**
Lease liabilities	**(437,8)**	**(443,7)**
Net Financial Debt (IFRS 16)	**(346,5)**	**(288,8)**

Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

IFRS 16 Impact

Main Effects on Unieuro's H1 2021/22 Results (management data, non-audited)

		31 August 2021 (IAS 17)		31 August 2021 (IFRS 16)
ADJ. EBITDA	• **reduction of operating costs (rental fees paid on stores, headquarters, warehouses and vehicles)**, net of income from store sub-lease agreements	39.9	+33.7	73.6
ADJ. EBIT	• effects on Adj. EBITDA • **increase in D&A** due to amortisation of rights of use	24.1	+3.0	27.1
ADJ. PROFIT BEFORE TAXES	• effects on Adj. EBIT • **increase in Financial expenses** for interests connected with rights of use	22.6	-1.6	21.0
NET FINANCIAL DEBT (CASH)	• **recognition of liabilities for rights of use** (other current and non-current financial payables), net of non-current financial receivables concerning sub-lease agreements	(91.2)	+437.8	346.5

Notes: Consolidated results. Unieuro H1 ends on 31 August. Data in millions of Euro, unless otherwise stated. See Glossary for definitions

NEXT CORPORATE AND IR EVENTS

EUROPEAN MID CAP CEO CONFERENCE (virtual)
by Exane BNP Paribas
17 November 2021

NEW MILAN OFFICES OPENING CEREMONY
Milano, via Marghera 28
18-19 November 2021

MID & SMALL IN MILAN
by Virgilio IR
Milano, Piazza degli Affari 6
2 December 2021

9M 2020/21 RESULTS
13 January 2022

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