

H1 FY25 RESULTS

AS OF AUGUST 31, 2024

November 14, 2024



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Mr Marco Deotto, the manager responsible for preparing the company's accounting documents, hereby declares that, pursuant to and in accordance with Article 154-bis, paragraph 2, of Legislative Decree No. 58 of 1998, the information contained in this presentation matches the Company's documentation, books and accounting records.

Disclaimer

- We recall that the subsidiary **MONCLICK** S.r.l. was deconsolidated in July 2024 following the completion of the liquidation process. It should be noted that the income statement, statement of financial position, and cash flow indicators for the period ended August 31, 2024 do not include the contribution of Monclick S.r.l.. Where applicable, as per IFRS 5 the comparative figures for the previous period have been restated. Therefore, in accordance with IFRS 5, the asset and liability items of the subsidiary Monclick S.r.l. in liquidation have been reclassified to "Assets/Liabilities from discontinued operations" and the income statement items to the "Result from discontinued operations".
- In application of IFRS 10, the financial statements at August 31, 2024 include the contribution of the Covercare Group. This contribution is not included in the comparative figures as the initial consolidation of the subsidiary **COVERCARE** S.p.A. and its subsidiaries Covercare Centre S.r.l. and Cybercare S.r.l. was from December 1, 2023.

H1 FY25 Highlights

In H1 FY25, **operating profitability tripled** YoY, partly due to the contribution of the newly-acquired Covercare, **within a market which saw a return to growth in July and August**

REVENUES

€1,149.3M

(4.2%) vs H1 FY24 in view of the contracting market and the commercial strategy to maintain focus on the higher margin sales channels

ADJ. EBIT

€15.5M

Vs €4.6M in H1 FY24, strongly growing thanks to the continued focus on the protection of margins and cost efficiencies, in addition to the contribution of Covercare

ADJ. NET RESULT

€7.2M

Vs €0.7M in H1 FY24, in robust improvement

NET CASH

€6.8M

A decrease of €37.7M vs 29/2/24 (reduction of €45.9M in H1 FY24) due to business seasonality

SERVICES

+9.1% vs H1 FY24
7.0% of total revenues

Thanks to Covercare contribution

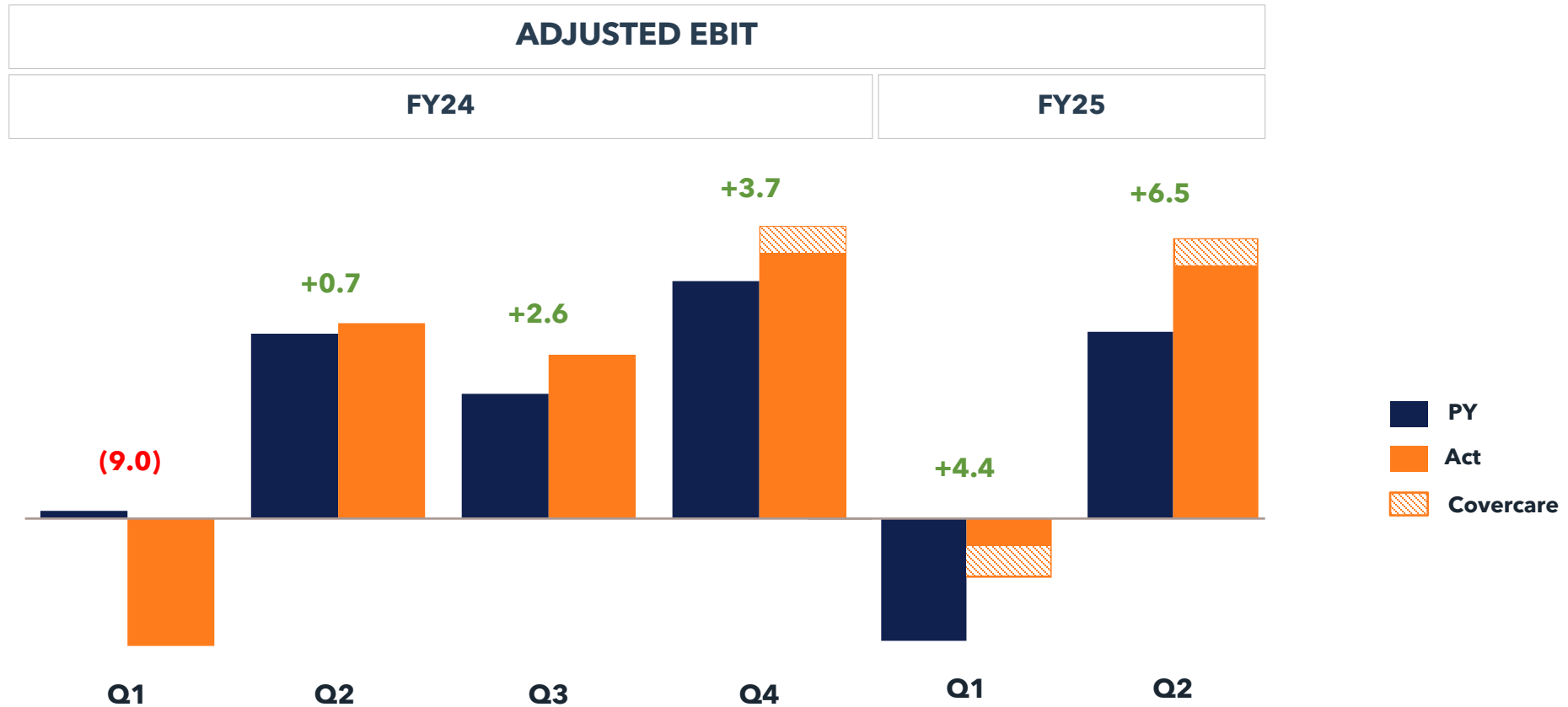
COVERCARE GROUP

Revenues: €23.1M

Adj EBIT: €4.1M

Adj. EBIT Margin: 17.8%

Fifth consecutive Q/Q profitability improvement



Agenda

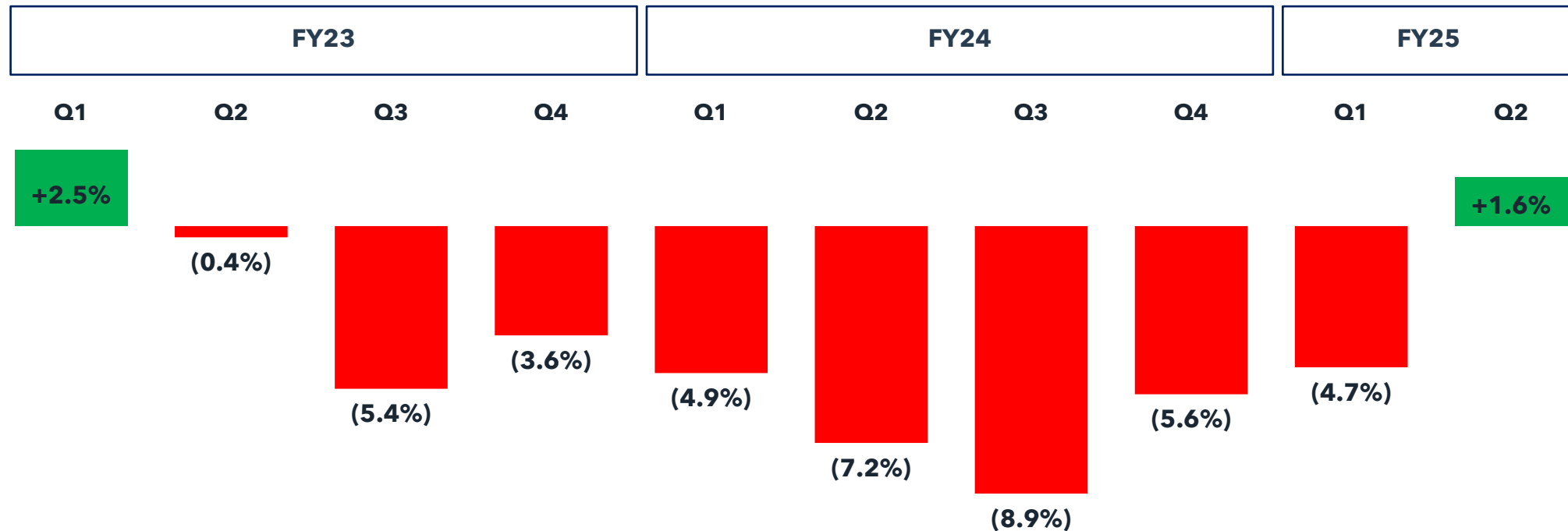
 **Market Trend**

 **Financials**

 **Outlook**

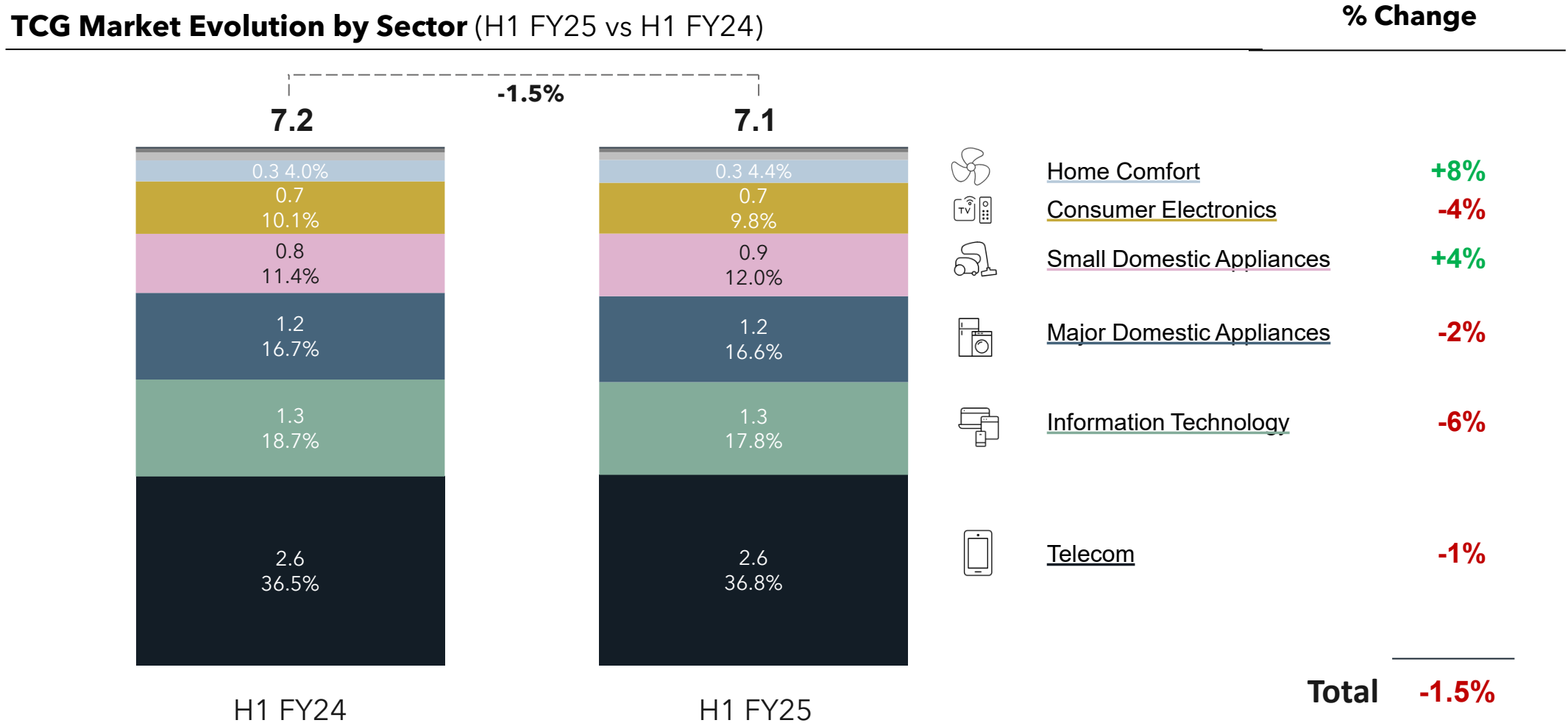
Market trend

- The positive market trend in July and August allowed for a return to **growth in Q2 FY25 after a gap of more than two years**
- In H1 FY25 the market decreased 1.5% YoY, reflecting a gradual easing of the contraction



H1 FY25 Market Trend

Progressive easing of the Technical Consumer Goods ("TCG") market decline: stabilization of the average price and progressive absorption of the residual effects of the TV frequencies switch-off



Agenda

 **Market Trend**

 **Financials**

 **Outlook**

Q2 FY25 - P&L Highlights

REVENUES



- Gradual easing in the quarterly contraction reflecting market trend

ADJ. EBIT



- Improvement thanks to the gross profit growth and Covercare contribution

ADJ. EBIT BRIDGE



H1 FY25 - Financial Highlights

REVENUES



- Progressive easing in the decline on a quarterly basis

ADJ. EBIT



- Tripling thanks to the growth of gross profit and the actions to improve operating costs, in addition to the contribution of Covercare (+€4.1M)

ADJ. FREE CASH FLOW



- Substantially in line with H1 FY24

NET CASH - Excl. IFRS16

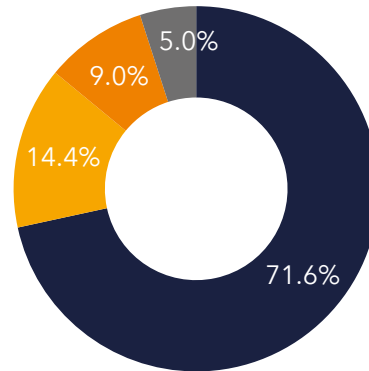


- Influenced by business seasonality, in line with previous FYs (reduction of €45.9M in H1 FY24)

H1 FY25 - Revenues Breakdown

REVENUES BY CHANNEL

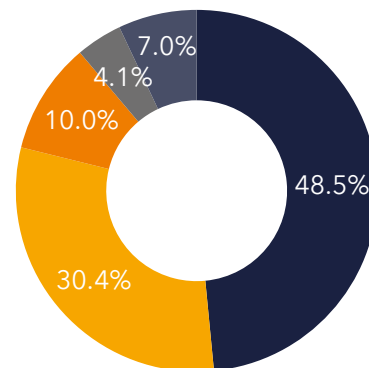
		vs H1 FY24	
Retail	822.8	(19.7)	(2.3%)
Online	165.2	(31.0)	(15.8%)
Indirects	104.0	(5.3)	(4.9%)
B2B	57.2	5.9	11.5%
TOTAL	1,149.3	(50.1)	(4.2%)



- **Retail decrease** impacted by market developments, with reduction gradually easing on a quarterly basis and benefitting from the contribution of the Covercare Group
- **Online contraction** reflecting the Company's strategy of favouring higher-margin sales channels and affected by the comparison with a particularly strong Q1 FY24
- **Indirect Channel reduces** due to general market developments
- **B2B reports progress** thanks to the contribution of Covercare, included in the consolidation from December 1, 2023

REVENUES BY CATEGORY

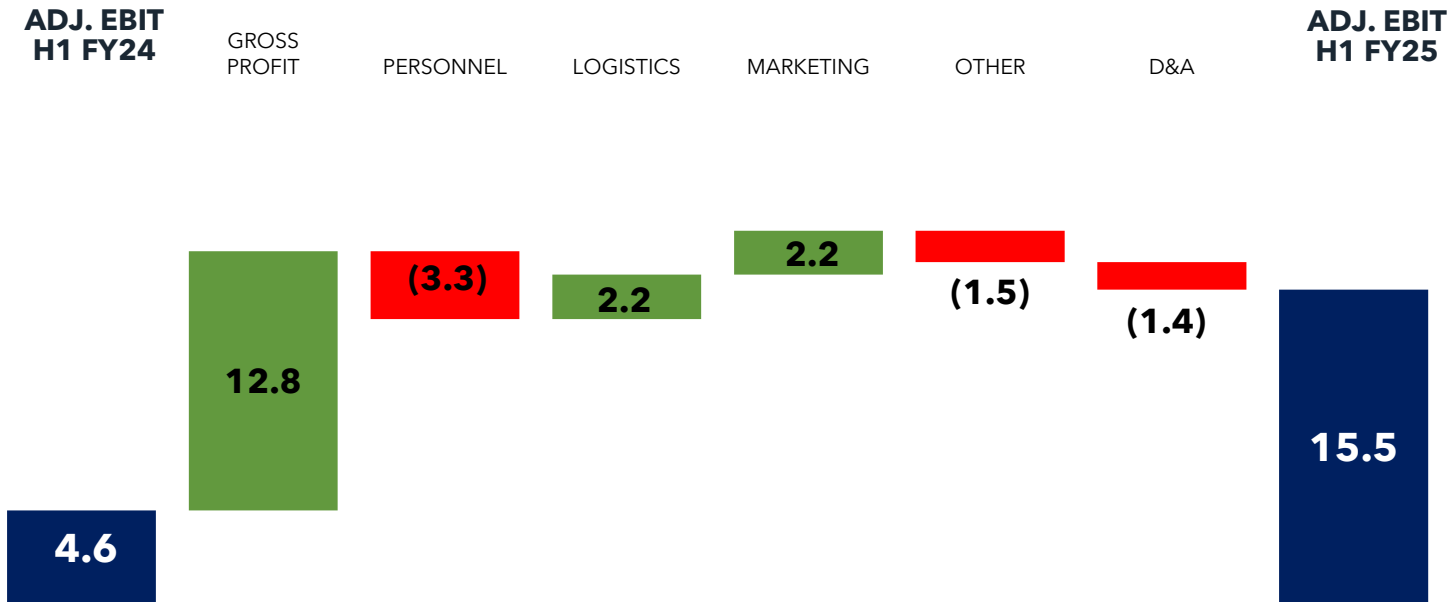
		vs H1 FY24	
Grey	557.1	(17.9)	(3.1%)
White	349.2	(17.1)	(4.7%)
Brown	114.6	(6.6)	(5.5%)
Other Products	47.6	(15.3)	(24.3%)
Services	80.8	6.7	9.1%
TOTAL	1,149.3	(50.1)	(4.2%)



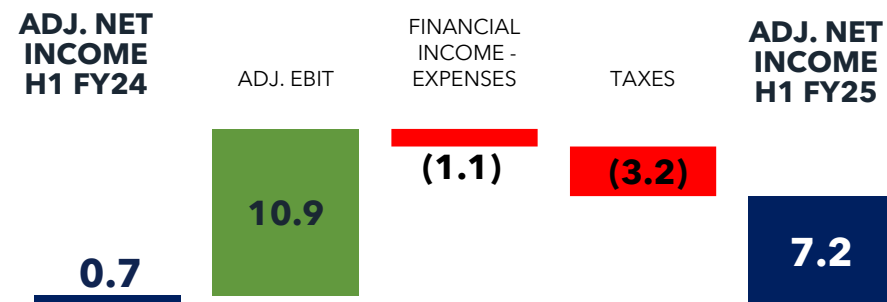
- **Grey contraction** affected by the contraction of the telephony segment, following years of ongoing growth and by the settling of consumption in the IT segment, although in Q2 seeing a return to growth
- **White reduces** as a result of the decrease in MDA demand, although Q2 saw growth on the small home appliances segment and a gradual easing of the contraction for the MDA segment
- **Brown contracts** driven by the television segment, which however saw a turnaround in Q2 following the significant decline over the preceding quarters, due to the settling of demand following the frequency switch-off
- **Other products decline** impacted by the entertainment segment, which saw an extraordinary performance in H1 FY24
- **Services positive trend** thanks to the contribution of the Covercare Group

H1 FY25 - Profitability Bridge

ADJ. EBIT BRIDGE



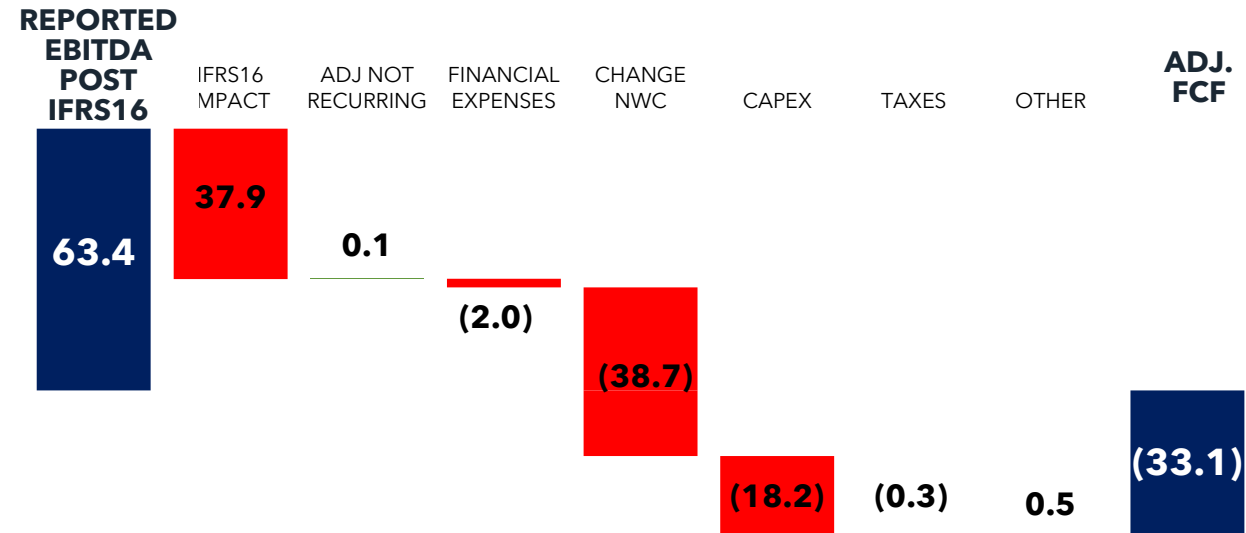
ADJ. NET INCOME BRIDGE



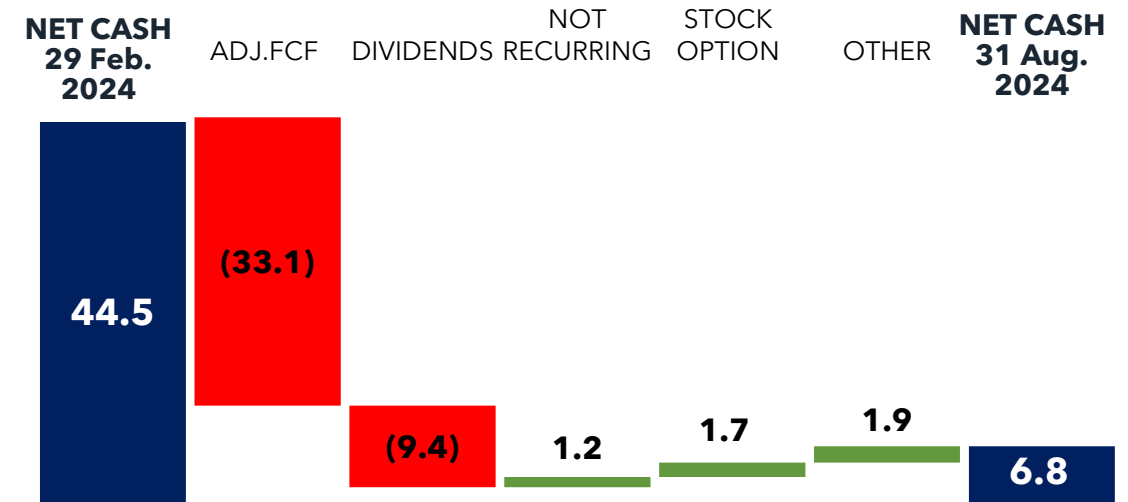
- **Gross Profit** improves thanks to the focus on higher-margin channels, the product category strategy and the contribution of the Covercare Group
- **Personnel Costs** increase following inclusion in the consolidation scope of the Covercare Group, and the renewal of the Retail National Collective Bargaining Contract, partially offset by the measures to optimise the sales network organisational structure
- **Marketing costs** decrease mainly thanks to focused cost management and an altered marketing initiatives mix
- **Logistics costs** decrease due to reduced sales volumes and the lower proportion of Online channel sales
- **Other costs** increase as a result of the contribution of the Covercare Group
- **D&A** increases mainly due to investments in intangible assets in the preceding periods

H1 FY25 - Financial Overview (1/2)

ADJ. FREE CASH FLOW



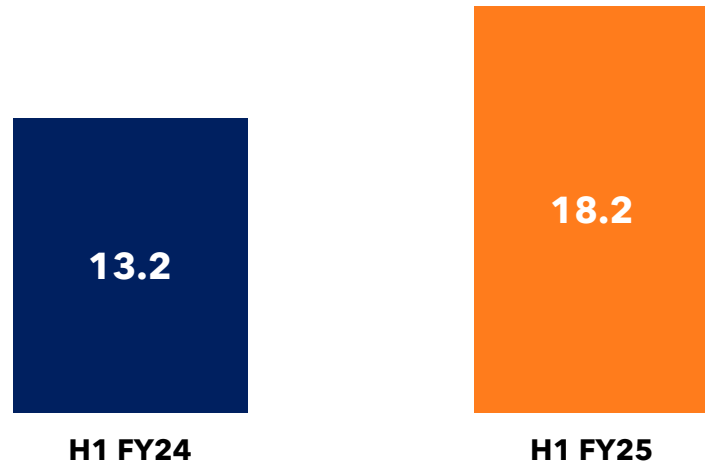
NET CASH - Excl. IFRS16



- Adj. FCF and Net Cash decrease mainly due to operating activity and investments, reflecting seasonal business dynamics and in line with the previous FY

H1 FY25 - Financial Overview (2/2)

CAPEX



- Investments principally concern information technology projects

NET WORKING CAPITAL



- Reflecting business seasonality, which results in an absorption of capital in the first part of the FY

H1 FY25 - Key Operational Data

RETAIL NETWORK

	31 Aug. 2024	Openings	Closures	29 Feb. 2024	Of which C&C
DOS	267		-4	271	267
- Malls and free standing stores	240		-2	242	
- Shop-in-shops	25		-1	26	
- Travel stores	2		-1	3	
Affiliated stores	253	+4	-5	254	214
- Traditional	253	+4	-5	254	
TOTAL STORES	520	+4	-9	525	481

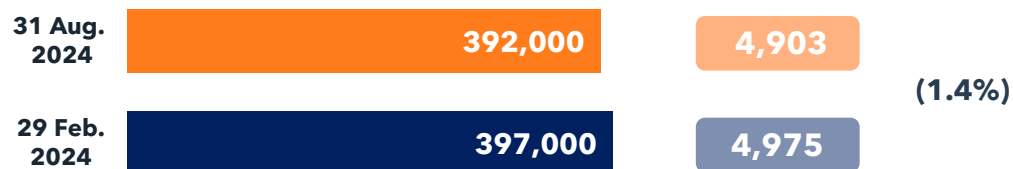
NET PROMOTER SCORE⁽²⁾ (direct channel only)



ACTIVE LOYALTY CARDS⁽³⁾ (thousands)



TOTAL RETAIL AREA (smq, DOS⁽¹⁾ only) **Sales Density** (€/smq, LTM)



WORKFORCE (FTEs)⁽⁴⁾



Notes: figures related to Unieuro S.p.A., unless otherwise stated. (1) Direct Operating Store (2) 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). (3) Active loyalty cards defined as customers who made at least a transaction within the last 12 months. (4) Calculated as the average of the last 12 months; including temporary employees and Covercare. FY24 FTE data, already published, was recalculated including Covercare Group.

Agenda

” **Market Trend**

” **Financials**

” **Outlook**

FY25 Outlook

- The forecast **recovery of the Consumer Electronics** market has already been confirmed in the final part of H1, supported by - among other factors - the renewal of electronics products purchased during the pandemic, in addition to technological innovation, although against a still unstable geopolitical backdrop
- Unieuro is ready to tackle with confidence the imminent peak seasons and **confirms the forecast** announced to the market on September 26, 2024
 - **Revenues** in line with FY24
 - **Adjusted EBIT surpassing €40M**
 - **Net Cash**¹ substantially in line with the end of the previous FY

¹ Excl. IFRS16

Voluntary Tender and Exchange Offer

- On July 16, 2024, **Fnac Darty SA and RUBY Investment S.à r.l.** (the "Offerors"), by means of a special notice disseminated pursuant to Article 102, paragraph 1, of Legislative Decree No. 58 of February 24, 1998, as subsequently amended and supplemented and Article 37, paragraph 1, of the regulations approved by Consob Resolution No. 11971 of May 14, 1999, as subsequently amended and supplemented, have announced their decision to promote a voluntary public tender and exchange offer (the "Offer") involving all of the ordinary shares of Unieuro S.p.A..
- The tender period for the Offer began on September 2, 2024 and concluded on October 25, 2024. Due to the fulfillment of the minimum threshold condition (66.67% of the share capital) at the end of the tender period concluding October 25, 2024, the period was re-opened for five trading days for the sessions from November 4 to November 8, 2024.
- Taking into account (i) the no. 4.099.491 ordinary shares of Unieuro tendered in the Offer during the reopening of the tender period and (ii) the no. 14,904,062 Unieuro shares already held by the Offerors prior to the beginning of the reopening of the tender period, **the Offerors, jointly considered, will come to hold a total of no. 19.003.553 ordinary shares of Unieuro, equal to 91.15% of the share capital** of the issuer. Including the no. 70,004 treasury shares held by the issuer as of today's date, the total stake held in the share capital of Unieuro by the Offerors, directly and as regards the treasury shares, indirectly, at the end of the reopening of the tender period consists of no. 19,073,557 shares, representing 91.48% of the issuer's share capital. The requirements for the fulfilment of the obligation to purchase under Art. 108, Par. 2, of the CFA have been met and **Unieuro will be delisted from Euronext Milan.**

APPENDIX

Notes and Glossary

- **EBIT Adjusted** is EBIT adjusted for: (i) non-recurring expenses/(income), (ii) the effects of adjusting extended warranty services revenues, net of the related estimated future service costs, as a result of the change in the business model for directly operated service support services (iii) non-recurring depreciation, amortisation and write-downs, and (iv) amortisation, depreciation and write-downs deriving from the Purchase Price Allocation.
- **Adjusted Net Profit** is calculated as the Net Profit adjusted (i) for the adjustments to Adjusted EBIT, (ii) for the adjustments for non-recurring financial expenses/(income) and (iii) the theoretical tax impact of these adjustments.
- **Free Cash Flow Adjusted** 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.
- Unless otherwise indicated, all amounts are stated in millions of euro. Amounts and percentages were calculated on amounts in thousands of euro and, thus, any differences found in certain tables are due to rounding.

Q2 FY25 - Profit & Loss

	Q2 FY25				Q2 FY24				% change (Adjusted)
	Adjusted	%	Reported	%	Adjusted	%	Reported	%	
Revenues	615.4	100.0%	615.4	100.0%	625.7	100.0%	625.7	100.0%	(1.6%)
Purchase of goods - Change in Inventory	(467.5)	(76.0%)	(470.5)	(76.5%)	(487.2)	(77.9%)	(488.7)	(78.1%)	(4.0%)
Gross profit	147.9	24.0%	144.9	23.5%	138.4	22.1%	136.9	21.9%	6.8%
Personnel costs	(51.1)	(8.3%)	(53.0)	(8.6%)	(48.3)	(7.7%)	(48.4)	(7.7%)	5.6%
Logistic costs	(18.7)	(3.0%)	(18.8)	(3.1%)	(19.2)	(3.1%)	(19.5)	(3.1%)	(2.3%)
Marketing costs	(6.1)	(1.0%)	(6.1)	(1.0%)	(6.8)	(1.1%)	(6.8)	(1.1%)	(9.7%)
Other costs	(23.5)	(3.8%)	(21.2)	(3.4%)	(22.5)	(3.6%)	(24.0)	(3.8%)	4.4%
Other operating costs and income	(1.1)	(0.2%)	(1.2)	(0.2%)	(1.7)	(0.3%)	(1.7)	(0.3%)	(33.9%)
EBITDA	47.4	7.7%	44.6	7.2%	40.0	6.4%	36.6	5.9%	18.4%
D&A	(27.8)	(4.5%)	(28.5)	(4.6%)	(26.9)	(4.3%)	(26.9)	(4.3%)	3.2%
EBIT	19.6	3.2%	16.1	2.6%	13.0	2.1%	9.7	1.5%	50.0%
Financial Income - Expenses	(3.6)	(0.6%)	(4.0)	(0.7%)	(2.9)	(0.5%)	(2.8)	(0.5%)	21.8%
Result before tax from continuing operations	16.0	2.6%	12.1	2.0%	10.1	1.6%	6.8	1.1%	58.2%
Result from discontinued operations	0.0	0.0%	3.6	0.6%	0.0	0.0%	(0.4)	(0.1%)	ns
Consolidated result before tax	16.0	2.6%	15.6	2.5%	10.1	1.6%	6.4	1.0%	58.2%

H1 FY25 - Profit & Loss

	H1 FY25				H1 FY24				% change (Adjusted)
	Adjusted	%	Reported	%	Adjusted	%	Reported	%	
Revenues	1,149.3	100.0%	1,149.3	100.0%	1,199.4	100.0%	1,199.4	100.0%	(4.2%)
Purchase of goods - Change in Inventory	(880.9)	(76.6%)	(887.4)	(77.2%)	(943.8)	(78.7%)	(948.7)	(79.1%)	(6.7%)
Gross profit	268.4	23.4%	261.9	22.8%	255.6	21.3%	250.7	20.9%	5.0%
Personnel costs	(102.2)	(8.9%)	(104.3)	(9.1%)	(98.9)	(8.2%)	(99.0)	(8.3%)	3.4%
Logistic costs	(35.3)	(3.1%)	(35.4)	(3.1%)	(37.5)	(3.1%)	(37.9)	(3.2%)	(5.8%)
Marketing costs	(12.7)	(1.1%)	(12.7)	(1.1%)	(14.9)	(1.2%)	(14.9)	(1.2%)	(14.5%)
Other costs	(45.5)	(4.0%)	(43.3)	(3.8%)	(44.2)	(3.7%)	(45.8)	(3.8%)	2.8%
Other operating costs and income	(2.6)	(0.2%)	(2.8)	(0.2%)	(2.3)	(0.2%)	(2.3)	(0.2%)	12.0%
EBITDA	70.0	6.1%	63.4	5.5%	57.8	4.8%	50.7	4.2%	21.2%
D&A	(54.6)	(4.7%)	(55.9)	(4.9%)	(53.2)	(4.4%)	(53.2)	(4.4%)	2.5%
EBIT	15.5	1.3%	7.6	0.7%	4.6	0.4%	(2.5)	(0.2%)	238.1%
Financial Income - Expenses	(6.5)	(0.6%)	(7.6)	(0.7%)	(5.4)	(0.4%)	(5.4)	(0.4%)	21.4%
Result before tax from continuing operations	8.9	0.8%	(0.0)	(0.0%)	(0.8)	(0.1%)	(7.9)	(0.7%)	(1213.2%)
Taxes	(1.7)	(0.1%)	(0.8)	(0.1%)	1.5	0.1%	2.2	0.2%	(210.1%)
Net Income from continuing operations	7.2	0.6%	(0.8)	(0.1%)	0.7	0.1%	(5.7)	(0.5%)	932.9%
Result from discontinued operations	0.0	0.0%	3.3	0.3%	0.0	0.0%	(1.3)	(0.1%)	ns
NET INCOME	7.2	0.6%	2.5	0.2%	0.7	0.1%	(7.1)	(0.6%)	932.9%

H1 / Q2 FY25 - P&L Adjustments

	H1 FY25	H1 FY24	% change	Q2 FY25	Q2 FY24	% change
M&A Costs	1.3	1.4	(7.9%)	0.7	1.4	(48.4%)
Stores opening, relocations and closing costs	0.7	0.1	547.4%	0.4	0.0	1151.9%
Other non recurring costs	(0.6)	4.5	(113.3%)	(0.6)	1.3	(145.9%)
Non-recurring items	1.4	6.0	(76.8%)	0.5	2.7	(81.8%)
Change in business model (extended warranties adjustments)	6.5	1.1	501.9%	3.0	0.6	368.2%
Total adjustments to EBIT	7.9	7.1	11.4%	3.5	3.4	3.9%
Other adjustments	1.1	0.0	ns	0.5	(0.1)	(556.3%)
Total adjustments to PBT	8.9	7.1	26.5%	3.9	3.3	21.1%
Fiscal effect of above-listed adjustments	(0.9)	(0.6)	48.2%	(0.9)	(0.6)	48.2%
Total adjustments to Net Income (Loss)	8.0	6.4	24.5%	3.0	2.6	14.8%
Result from discontinued operations	(3.3)	1.3	(346.1%)	(3.6)	0.4	(975.4%)

H1 FY25 - Balance Sheet

	31 Aug. 2024	29 Feb. 2024
Trade Receivables	65.8	52.8
Inventory	437.1	435.8
Trade Payables	(510.0)	(552.8)
Trade Working Capital	(7.1)	(64.2)
Current Tax Assets and Liabilities	4.2	1.3
Current Assets	20.7	22.5
Current Liabilities	(327.2)	(308.4)
Short Term Provisions	(2.2)	(1.8)
Net Working Capital	(311.6)	(350.6)
Tangible and Intangible Assets	147.6	153.1
Right of Use	360.2	384.5
Net Deferred Tax Assets and Liabilities	33.0	30.9
Goodwill	249.6	249.6
Other Long Term Assets and Liabilities	(1.2)	(1.3)
Total invested capital - Discontinued operation	0.0	(3.2)
TOTAL INVESTED CAPITAL	477.6	463.1
Net financial Position	6.8	44.5
Lease liabilities	(388.5)	(411.4)
Net Financial Position (IFRS 16)	(381.7)	(366.9)
Net Financial Position (IFRS 16) - Discontinued operation	0.0	0.6
Equity	(95.9)	(96.9)
TOTAL SOURCES	(477.6)	(463.1)

	31 Aug. 2024	29 Feb. 2024
Accrued expenses (mainly Extended Warranties)	(236.3)	(229.9)
Personnel debt	(43.7)	(44.4)
VAT debt	(20.8)	(13.0)
Other	(26.0)	(21.0)
LTIP Personnel debt	(0.5)	0.0
Current Liabilities	(327.2)	(308.4)

	31 Aug. 2024	29 Feb. 2024
Lease assets	10.4	11.3
Other non current assets	11.7	11.5
Deferred Benefit Obligation (TFR)	(11.0)	(11.0)
Long Term Provision for Risks	(9.5)	(9.7)
Other Provisions	(2.9)	(2.9)
LTIP Personnel debt	0.0	(0.6)
Other Long Term Assets and Liabilities	(1.2)	(1.3)

H1 FY25 - Cash Flow Statement

	H1 FY25	H1 FY24	% Change
Reported EBITDA	63.4	49.2	29.0%
Taxes Paid	(0.3)	-	ns
Interests Paid	(7.0)	(5.2)	34.9%
Change in NWC	(38.7)	(33.8)	14.4%
Other Changes	2.1	0.3	618.0%
Reported Operating Cash Flow	19.6	10.5	87.7%
Purchase of Tangible Assets	(4.9)	(6.4)	(23.7%)
Purchase of Intangible Assets	(9.7)	(10.6)	(8.6%)
Change in capex payables	(3.6)	3.9	(192.0%)
Acquisitions	(5.5)	-	ns
Free Cash Flow	(4.1)	(2.7)	47.9%
Cash effect of adjustments	(1.3)	4.7	(127.5%)
Non recurring investments	5.6	-	ns
Other non recurring cash flows			ns
Adjusted Free Cash Flow (IFRS 16)	0.2	2.0	(87.5%)
Lease Repayment	(33.3)	(33.5)	(0.5%)
Adjusted Free Cash Flow	(33.1)	(31.5)	4.9%
Cash effect of adjustments	1.2	(4.7)	(124.7%)
Acquisition Debt	0.0	-	ns
Non recurring investments	-	-	ns
Dividends	(9.4)	(9.8)	(5.0%)
Exercise of Stock Option Plan	1.7	-	ns
Other Changes	1.9	0.2	831.0%
Change in NWC - Discontinued operation			ns
Δ Net Financial Position	(37.7)	(45.8)	(17.7%)
Δ Net Financial Position - Discontinued operation	(0.6)	-	ns

H1 FY25 - Net Financial Position

	31 Aug. 2024	29 Feb. 2024
Short-Term Bank Debt	(19.9)	(19.8)
Long-Term Bank Debt	(10.0)	(15.0)
Bank Debt	(29.9)	(34.8)
Debt to Other Lenders	(0.2)	(0.5)
Acquisition Debt	(24.3)	(24.3)
Short Hedge Derivatives	0.0	(0.7)
Long Hedge Derivatives	0.0	(1.1)
Other Financial Debt	(24.6)	(26.6)
Cash and Cash Equivalents	61.0	105.6
Investments in current FVOCI securities	0.3	0.3
Net Financial Position	6.8	44.5
Net Financial Position - Discontinued operation	0.0	0.6
Lease liabilities	(388.5)	(411.4)
Net Financial Position (IFRS 16)	(381.7)	(366.9)

The logo features an orange icon on the left, composed of two overlapping, rounded shapes. To the right of the icon, the word "unieuro" is written in a lowercase, sans-serif font, also in orange.

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