

CNOVA N.V. First Quarter 2021 Activity

Marketplace and digital marketing expansion driving growth and profitability

High +34% growth of the marketplace reaching 46% of GMV (+7pts)

Acceleration of marketplace revenues: +43% in Q1 at €197m on a LTM basis

Strong expansion of digital marketing revenues (+43%)

Acceleration of Octopia: +86% GMV

AMSTERDAM – May 6, 2021, 07:45 CET Cnova N.V. (Euronext Paris: CNV; ISIN: NL0010949392) (“Cnova”) today announced its first quarter 2021 activity.

1st quarter 2021 Highlights

During the 1st quarter 2021, Cnova has strengthened its economic model.

The marketplace, now representing 46% of total GMV (+7pts), was at the heart of Cnova profitable growth, **with +34% in the 1st quarter 2021** vs. last year. Marketplace revenues reached €197m over the LTM, growing +38% vs. the previous LTM period, and accelerating in the first quarter with a +43% increase, driven by the growth of digital marketing revenues from sellers.

Digital marketing revenues have increased by +43% driven by the development of our in-house marketing digital platform *Cdiscount Advertising*.

Octopia, Cnova turnkey marketplace solution for EMEA retailers and e-merchants, **grew by +86%** and is now connected to 518 websites in Europe. Octopia signed a major EMEA client, a local retail leader with over €1bn revenues, and launched its first marketplace for Géant in April 2021.

GMV (Gross Merchandise Volume) increased by +12% to reach €1,006m. As of March 31, 2021, Cdiscount website served more than 10.5m active customers over the last twelve months (LTM) at the end of the 1st quarter (+15%). Growth has been dynamic in higher margin categories towards Home, DIY & Leisure (+29% in the 1st quarter).

Emmanuel Grenier, Cnova CEO, commented:

“The 1st quarter of 2021 confirmed the good dynamic recorded in 2020 and its relevant positioning, with strong GMV growth and improved profitability in a fast-evolving environment in Europe marked by strong and sustainable underlying trends: more digitalized sales and more home delivery.

The solid performance of our B2C activity is driven by a strong marketplace development and accelerated growth of Home, DIY and Leisure categories. We have offered enhanced customer experience through a best-in-class delivery service and a politic of “yes to the customer”, driving to a record high NPS¹.

Our B2B activity is developing very well thanks to the dynamic of digital marketing and Octopia. More and more sellers and suppliers are leveraging on our digital marketing platform to accelerate their sales. The ramp up of Octopia, our turnkey marketplace solution, is accelerating with more than 500 websites connected throughout Europe and a first major client launched with our full solution.”

¹ Net Promoter Score

First Quarter 2021 Key Figures

Cnova N.V.	First Quarter ⁽²⁾		Change
	2021	2020	
Key operational metrics			
Traffic (<i>million visits</i>)	294.0	247.2	+18.9%
Orders ⁽³⁾ (<i>millions</i>)	7.4	6.3	+16.9%
o/w Marketplace	5.0	3.9	+30.3%
Items sold (<i>millions</i>)	12.6	11.5	+9.7%
o/w Marketplace	7.4	5.9	+25.0%
Key financial figures			
Total GMV (€m)	1,006.3	899.8	+11.8%
Organic GMV (€m) ⁽⁴⁾	997.0	882.2	+13.0%
o/w Direct sales	454.8	454.8	+0.0%
o/w Marketplace	380.5	283.4	+34.3%
Marketplace GMV share	45.6%	38.4%	+7.2 pts
Total Net Sales (€m)	517.9	493.1	+5.0%
o/w Marketplace revenues	48.7	34.1	+42.9%

First Quarter 2021 Highlights

GMV	1Q21
Total Organic Growth	+13.0%
Marketplace Growth	+34.3%
Octopia Growth	+86.3%

Organic GMV posted a strong +13.0% increase in the 1st quarter 2021.

GMV growth was driven by:

- the marketplace, with a +10.9 points contribution to growth in the 1st quarter 2021 vs. last year, boosted by a strategic evolution initiated in the 2nd quarter 2020 towards Home, DIY & Leisure, bringing more repurchase, loyalty and profitability thanks to higher margins.
- Octopia GMV almost doubled (+86.3%) thanks to our Products as a Service offer and commercial acceleration in Europe, bringing +1.2 pt of growth to Cnova.

² All figures are unaudited

³ Total placed orders before cancellation due to fraud detection and/or customer non-payment

⁴ GMV (gross merchandise volume) is defined as: product sales (all taxes included) + other revenue + marketplace business volumes (calculated based on approved and sent orders) + GMV services

Marketplace	1Q21
Marketplace total GMV share	45.6%
Marketplace GMV share evolution	+7.2 pts
Fulfilment marketplace GMV share	+3.5 pts
Marketplace revenues growth	+42.9%

Marketplace was the driving force of GMV in the 1st quarter 2021, with a +34.3% GMV growth vs. N-1.

It led to an increased marketplace GMV share, reaching 45.6% in the 1st quarter 2021 (+7.2 pts). The Marketplace benefited from the strong growth of Fulfilment by Cdiscount (+42.5% vs. N-1) whose marketplace GMV share grew by +3.5 points.

Net sales	1Q21
Organic growth	+6.7%

Net sales amounted to 517.9 million euros, i.e. a +5.0% increase vs 1st quarter 2020. The increase is mainly explained by a +42.9% growth of Marketplace revenues and +44.7% of revenue for Cdiscount Pro.

Traffic	1Q21
Traffic growth ⁵	+18.9%

Regarding **traffic**, Cdiscount ranks #2 in France on average over the quarter with 22m Unique Monthly Visitors. It represents a total of almost 300 million visits during the 1st quarter 2021 (+18.9%).

Business Highlights

Marketplace of products growing double-digit, driving up revenues and profitability

- The marketplace gained +7.2 points of GMV share to reach **45.6%** in the 1st quarter 2021, thanks to a strong **+34.3% GMV growth**.
- In addition to volume growth, revenue generation grew even faster: **+42.9%** in the 1st quarter, reaching **€48.7m**.
- **Marketplace revenues** reached **€197.1m** over the last twelve months, growing +38% vs. last year and accelerating in the first quarter with a +43% increase.

⁵ According to the latest Médiamétrie studies

- **Expansion of express delivery eligible marketplace SKUs** is a key driver of growth, customer satisfaction and contributes to the development of our loyalty program, *Cdiscount à Volonté* (CDAV). It is also determinant to support the product mix re-orientation towards recurring products categories.
 - **Fulfilment by Cdiscount** kept growing at a fast pace, with a +42.5% GMV increase reaching €120.5m
 - **Cdiscount Express Seller**, launched in 2019 for sellers able to offer express delivery to CDAV customers, extended its offering by +18.0% compared to the previous quarter, to reach 1.4 million eligible SKUs.

Product mix evolution towards recurring product categories building strong loyalty as well as increased profitability

- Cnova initiated at the start of last year a strategic product mix evolution towards Home, DIY & Leisure. These categories bring higher recurring purchase rates as well as higher margins. Consequently, the product mix evolution aims at generating more loyalty, repurchases and profitability. These categories experienced a strong **+28.8%** growth in the 1st quarter.

B2C services showed solid performance despite Covid-19 negative impact on Travel

- **Cdiscount Energie** (home energy) GMV grew by +69.9% in the 1st quarter 2021 vs. N-1, supported by a strong subscriber growth of +78.9% compared to last year.
- **Cdiscount Mobile** (cell phone plans) activity performed well during the 1st quarter 2021 with +33.1% GMV vs. N-1.

Enhanced customer experience and record high NPS

- Cnova achieved a solid **+2.5 points NPS** improvement this quarter compared to the same period last year, through intensified efforts to improve customer experience before, during and after the sale.
- **Cnova reduced delivery time by 0.6 day** compared to last year, thanks to the **increase of the express delivery share**. This was supported by the development of marketplace express delivery options through *Fulfilment by Cdiscount* and *Cdiscount Express Seller*.
- Cnova also carried on its “say yes to the customer” policy, with now **80%** positive and immediate answers to *Cdiscount à Volonté* customers claims and proactive preventive actions for every abnormal event happening during the customer journey. The goal is to reach 100% by the end of the year.

Dynamic digital marketing powered by Cdiscount Ads Retail Solution

- **Digital marketing revenues** increased by **+42.9%** in the 1st quarter compared to last year, reinforcing Cnova’s most profitable activity.
- It was supported by Cnova’s proprietary solution launched in the 2nd quarter 2020, **Cdiscount Ads Retail Solution (CARS)**, a 100% self-care advertising platform enabling both sellers and suppliers to promote their products and brands. Cnova also kept adding complementary digital marketing features to reinforce its offer, such as the launch of Google Shopping campaign management for suppliers and marketplace sellers.
- Creation of a new brand, **Cdiscount Advertising**, encapsulating all in-house digital marketing services, for brands and marketplace sellers.

Acceleration of Octopia, the turnkey marketplace solution for EMEA retailers and e-merchants

- Cnova's **turnkey marketplace solution** aims at offering 4 modular and ready-to-operate marketplace services to international retailers and e-merchants:
 - **Products as a Service** to bring products to small/medium websites
 - **Merchants as a Service** to bring sellers to existing marketplaces
 - **Marketplace tech solution** to transform e-commerce websites into marketplaces thanks to our technology
 - **Fulfilment as a Service** to bring multi-marketplace fulfilment solutions including cross-border shipping and warehouse management solution.
- Octopia is the only player on the market to fully handle these 4 solutions, at a large scale, thus offering a unique value proposition to address a huge EMEA e-commerce market.
- Octopia GMV experienced a very strong **+86.3%** growth, bringing +1.2 pt of growth to Cnova.
- This international platform now comprises **518 connected websites** enabling delivery in **27 countries**.

C Chez Vous and C-Logistics commercial acceleration, aiming to become leading transportation & logistics service providers in Europe

- **C Chez Vous** aims at becoming the French leader in delivery of heavy and bulky products, reaching record high NPS of 75 for its first months of activity.
- **C-Logistics** aims at being a leading e-commerce third-party logistics player with a first client signed in 1st quarter 2021.

Acceleration of 2nd-hand offer to help Cnova's clients consume more sustainably

- C2C platform launched in December 2020 with 2.6m visits on March 31st, 2021.
- Launch of a self-repair service (through partnership with Spareka), providing a breakdown diagnostic tool and tutorials as well as more than 8 million spare parts.

Cnova reduces its carbon footprint in logistics

- 85% of total parcels shipped are packed without any empty space.
- Option proposed to customers not to wrap their parcels to save packaging resulting in nearly 200k packages saved since its launch in October 2020.

About Cnova N.V.

Cnova N.V., the French ecommerce leader, serves 10.5 million active customers via its state-of-the-art website, Cdiscount. Cnova N.V.'s product offering provides its clients with a wide variety of very competitively priced goods, fast and customer-convenient delivery options, practical and innovative payment solutions as well as travel, entertainment and domestic energy services. Cnova N.V. is part of Groupe Casino, a global diversified retailer. Cnova N.V.'s news releases are available at www.cnova.com. Information available on, or accessible through, the sites referenced above is not part of this press release.

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