

**INVESTISSEZ  
DANS DE BONS  
DÉPLACEMENTS**



**499€**

Vélo Électrique 26"  
SURPASS

1000Wh - 180km/h

**Cdiscount**

**POUR  
UNE VIE  
PAS  
DISCOUNT.**

**PLUS  
FRAÎCHE  
LA VIE**



**249€**

Climatiseur réversible mobile  
OCEANIC

1030W / 1000 BTU - Classe énergétique A

**Cdiscount**

**POUR  
UNE VIE  
PAS  
DISCOUNT.**

**Cnova**

**Activity & Financial Performance**

***First Half 2022***

**July 28<sup>th</sup>, 2022**

## **Forward-Looking Statements**

*This presentation contains forward-looking statements. Such forward-looking statements may generally be identified by, but not limited to, words such as “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “future,” “will,” “seek” and similar terms or phrases. The forward-looking statements contained in this presentation are based on management's current expectations, which are subject to uncertainty, risks and changes in circumstances that are difficult to predict and many of which are outside of Cnova's control. Important factors that could cause Cnova's actual results to differ materially from those indicated in the forward-looking statements include, among others: maintain its operating results and business generally; the outcome of any legal proceedings that may be instituted against the Company; changes in global, national, regional or local economic, business, competitive, market or regulatory conditions; and other factors discussed under the heading “Risk Factors” in the Dutch Annual Report for the year ended December 31, 2021 and the semi-annual report for the first half ended June 30, 2022. Any forward-looking statements made in this presentation speak only as of the date hereof. Factors or events that could cause Cnova's actual results to differ from the statements contained herein may emerge from time to time, and it is not possible for Cnova to predict all of them. Except as required by law, Cnova undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.*

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## BUSINESS HIGHLIGHTS & KEY FIGURES



## Resilient performance in a challenging & uncertain market

### Challenging & uncertain market

- Consumption was very high during the pandemic
  - Lockdowns in China disrupting supply chains
  - War in Ukraine
- 
- Lower demand
  - Strong inflation impacting purchasing power
  - High uncertainty

### Resilient performance of the B2C platform and accelerating B2B activities in the 1<sup>st</sup> half

#### Overall financial results

GMV	EBITDA <sup>1</sup>	1H22 FCF <sup>2</sup>
€1,794m	€17m	-€101m
-9.9% vs. 2021	-€33m vs. 2021	+€103m vs. 2021
+2.3% vs. 2019	-€1m vs. 2019	n/r

#### B2C platform monetization

Marketplace revenue	Advertising services
€90m	€33m
-7% vs. 2021	+15% vs. 2021
+25% vs. 2019	x2 vs. 2019

#### B2B acceleration

Octopia
+12 clients signed
C-Logistics <sup>3</sup>
+31 clients signed

€75m Efficiency Plan launched to adapt SG&A and CAPEX to current level of activity

# 2

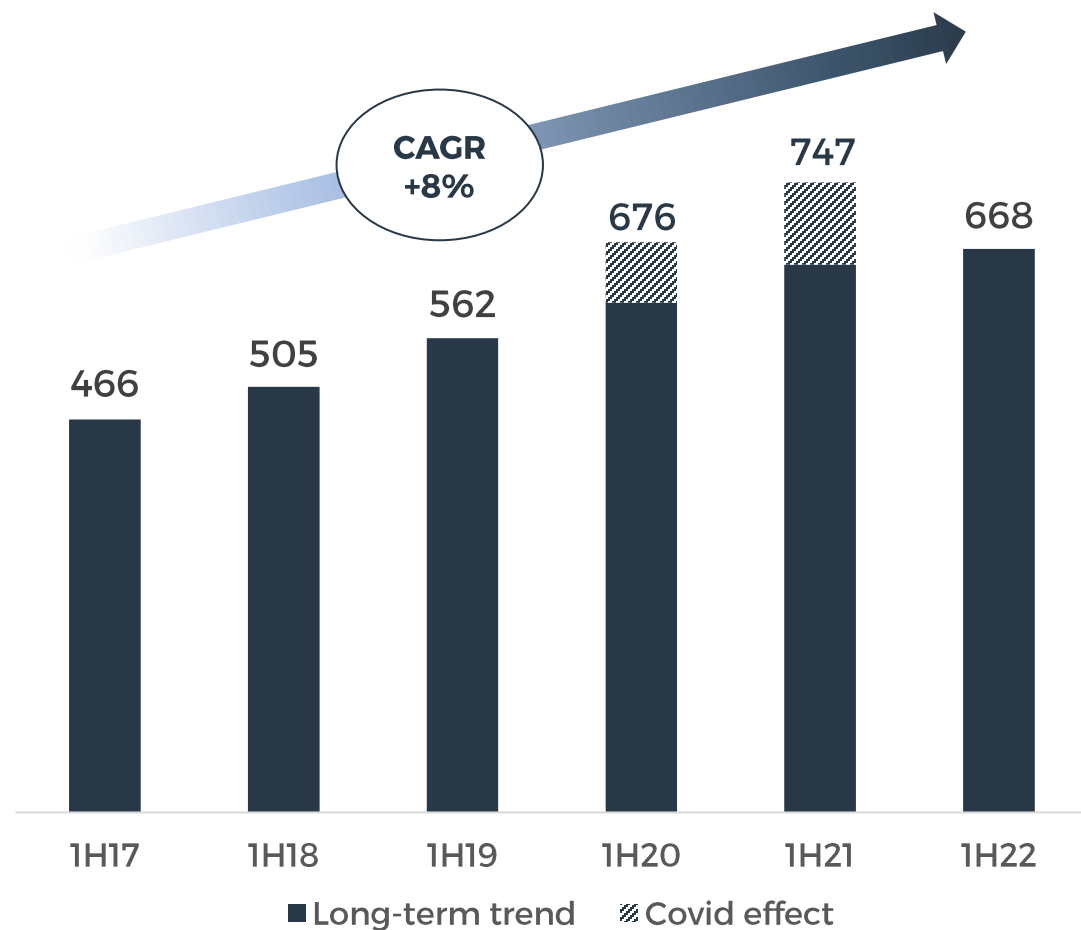
## RESILIENT ECOMMERCE PLATFORM



## Marketplace long-term trends remain dynamic despite last semester headwinds

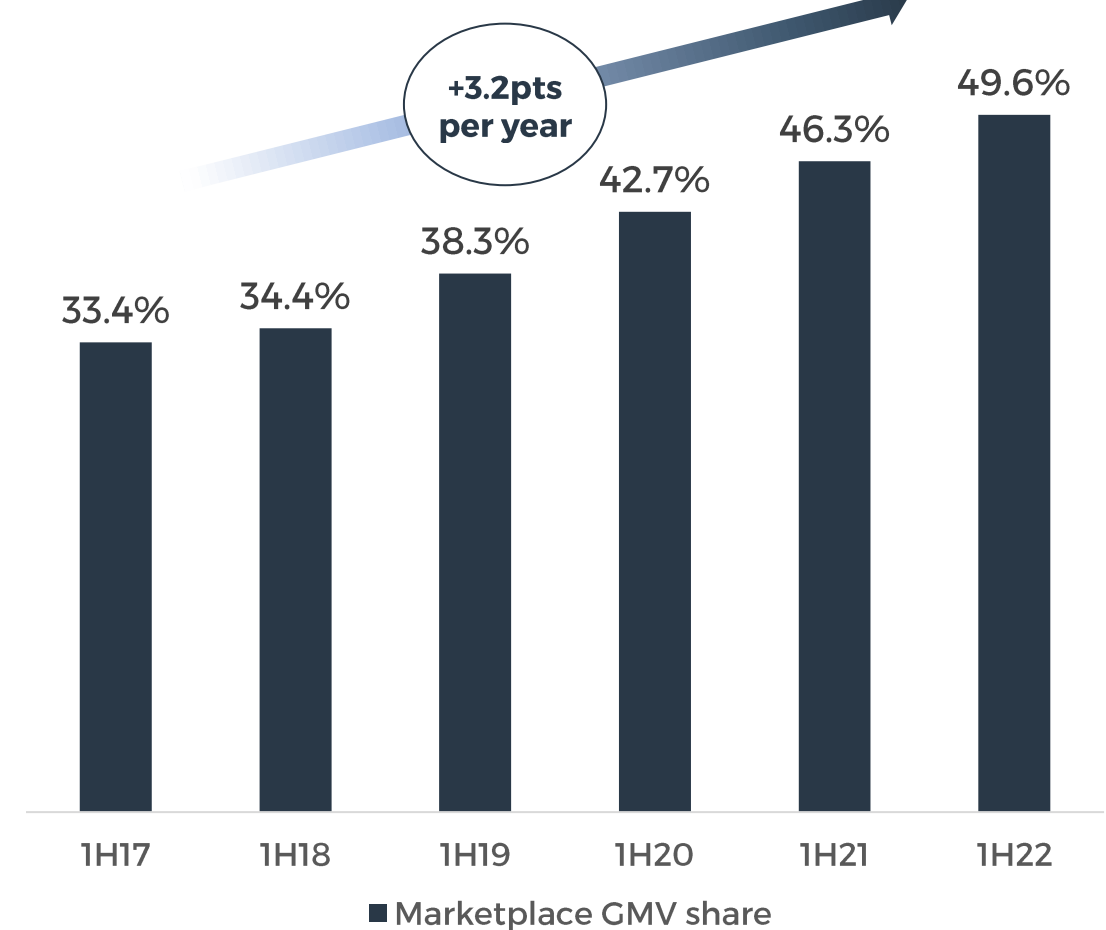
### Marketplace GMV growing +8% annually on a LT trend

in €m



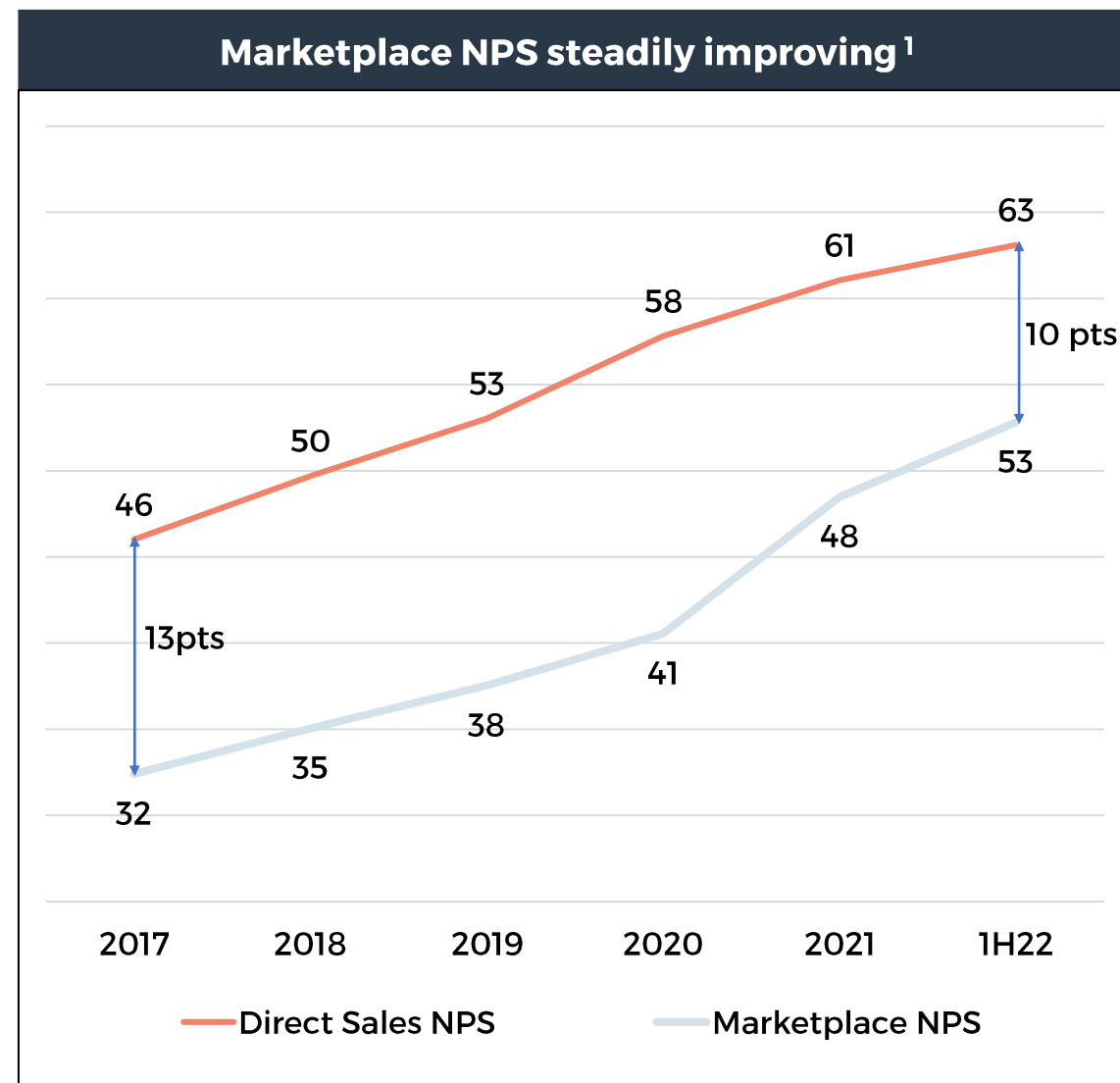
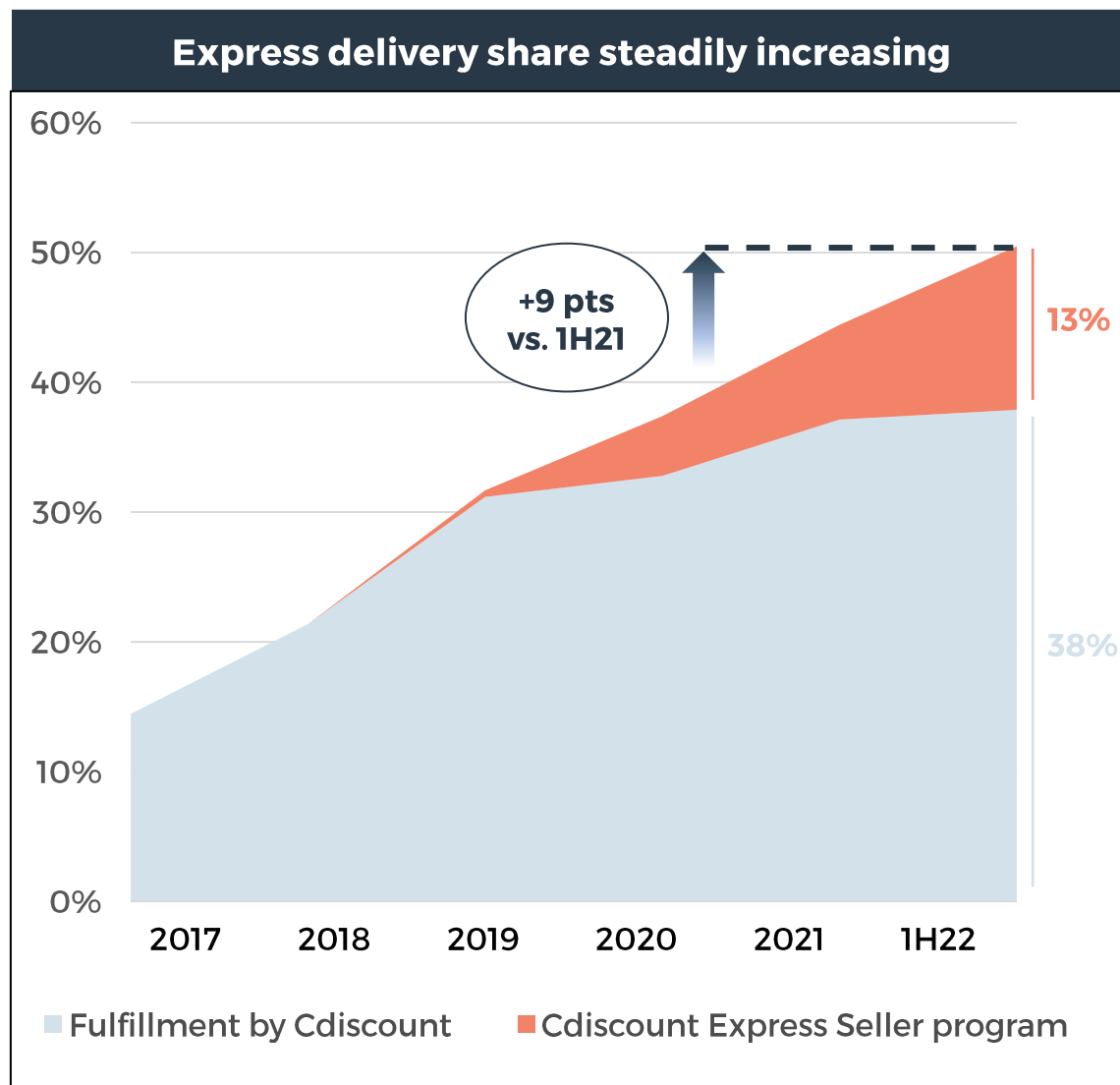
### Marketplace share increasing +3pts per year on a LT trend

in % of total



# Marketplace

Strategic shifts towards the marketplace supported by the increase in express delivery share and NPS





#### Reinforced relationship with Top brands

- **TOP 10 brands: €250m GMV in 2022 (-9% vs. 2021) +10pts vs electronics market evolution in 1Q22<sup>1</sup>**
- **Scorecard to monitor the brands' UX**
- **Optimize visibility:**
  - **cobranding communication**
  - **dedicated live shopping events**



#### Building a win-win partnership

**For Cdiscount**

**For the brands**

Exclusive offers

Better awareness

Marketing contribution

UX enhancement

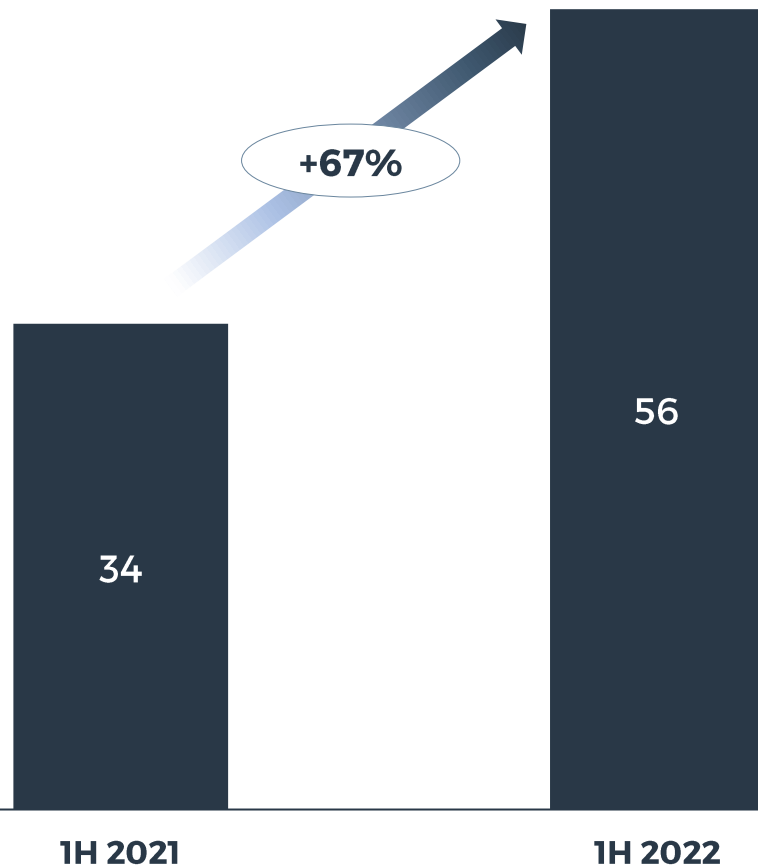
Co-branding



## Strong rebound of Travel activity

### Travel GMV evolution

In €m



### Travel activity grew by 67% YTD



#### Flights (+51% vs. 1H21)

- Borders reopening of Northern African countries
- Fewer COVID constraints
- Top 6 destinations contributed to 70% of GMV

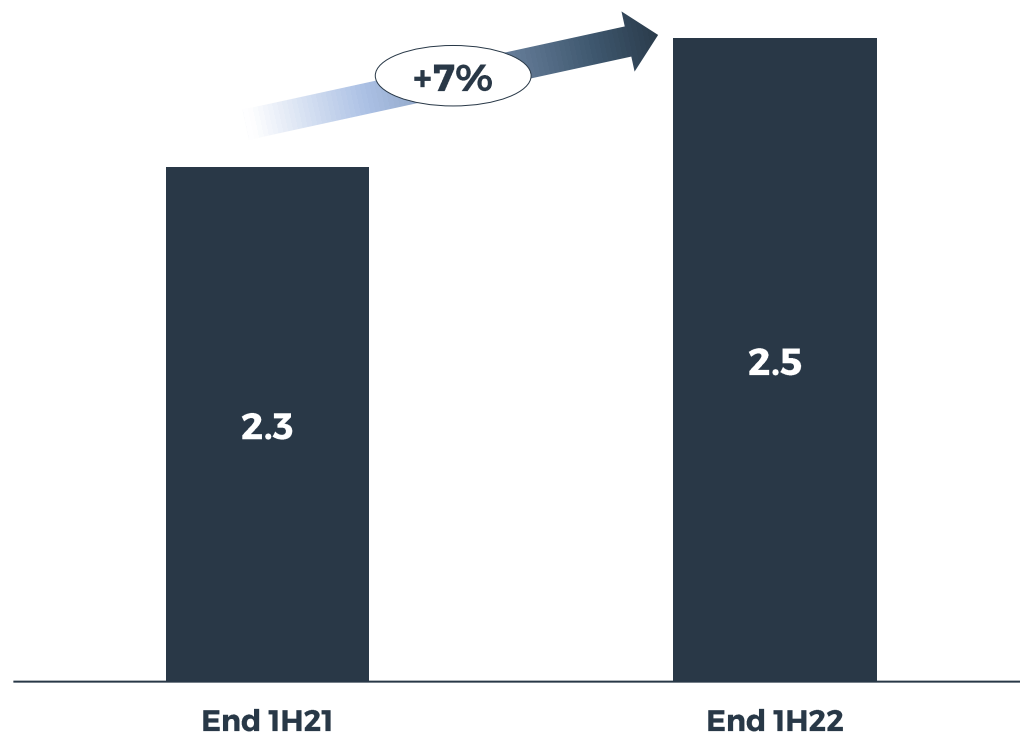
#### Holidays Packages (+146% vs. 1H21)

- New partnerships with Totemia (summer camps) and Smily (seasonal rentals)
- Early bookings in May

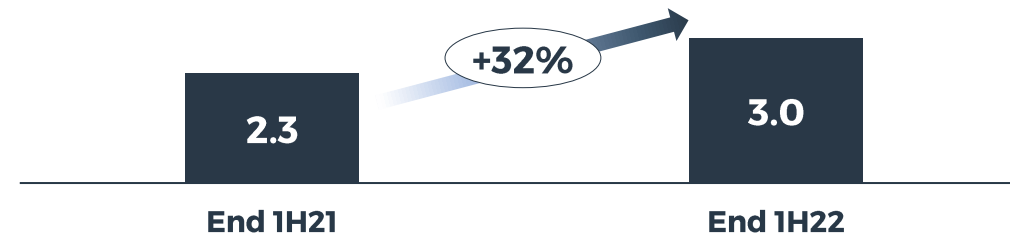
## Growing loyal customer base thanks to Express delivery, promotions and “Yes to the client” policy

### # of *Cdiscount à Volonté* loyal customers

In million



### SKUs eligible to express delivery



### Dedicated promotions to CDAV members

**LES BONNS PLANS DU JOUR**  
RIEN QUE POUR LES MEMBRES **Cdiscount à volonté**

<input checked="" type="radio"/> Prix standard	149€ <sup>99</sup>
<input type="radio"/> Prix <b>Cdiscount à volonté</b>	119€ <sup>99</sup>

30€ d'économie sur ce produit

**LES BONNS PLANS DU JOUR**  
RIEN QUE POUR LES MEMBRES **Cdiscount à volonté**

Piscine hors sol tubulaire  
457,2 x 121,92 cm  
★★★★★

Lot de 6 chaises  
Simili Blanc - Pieds en Hêtre  
★★★★★

### Enhancing after sales

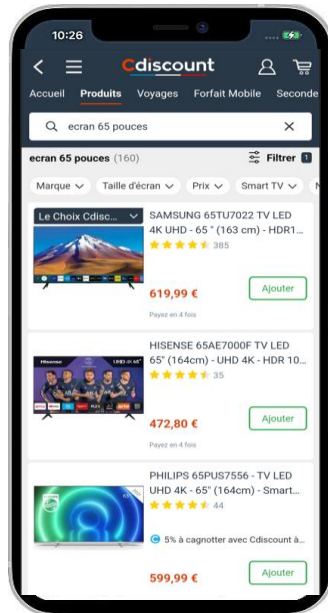


**“Yes, to the client”** policy  
**All clients’** claims  
get an immediate and  
positive answer

### Search engine powered by AI

#### Y-o-y evolution of share of Cdiscount.com search engine in GMV

+4pts



### Greater UX personalization powered by AI

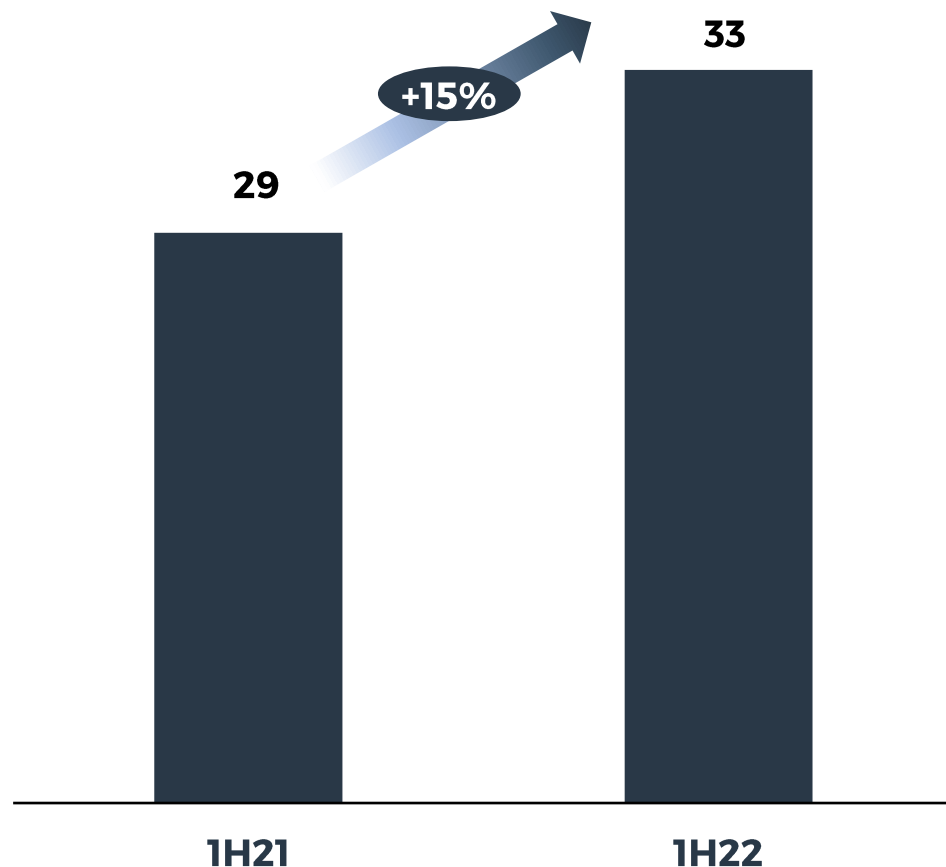
#### Y-o-y evolution of share of personalized recommendations in GMV

+2pts



### Advertising services revenue growth

In €m



### A success for Cdiscount and for our merchants

- Advertising services growing fast: **+15%** vs 1H21, driven by sponsored products

<sup>1</sup>  
**C.A.R.S**  
Cdiscount Ads Retail Solution

Growing  
**+73% y-o-y**

- Improvement of sponsored products performance
  - Better bidding algorithms powered by AI
  - More powerful search engine powered by AI

# 3

## B2B ACTIVITIES



## C-Logistics leader in e-commerce supply chain

**C-Logistics**

Full service of supply  
e-commerce operations



Turnkey transport solution  
for large parcels

❑ 4 clients signed (+1 vs. 2021 year-end)



❑ A differentiating end-to-end proposition



❑ 49 clients signed (+30 vs. 2021 year-end)



La Sommelière

Emma®

❑ Record-high customer ratings (4.8/5)<sup>1</sup>



**53 clients overall with a fast-accelerating commercial ramp-up in the 1<sup>st</sup> half (+31)**

# Octopia accelerated with 23 clients signed since its launch

## Octopia's Marketplace-as-a-Service and Fulfillment-as-a-Service solutions are accelerating



→ Access to marketplace tech solution

→ Access to merchants

→ Access to fulfilment solutions

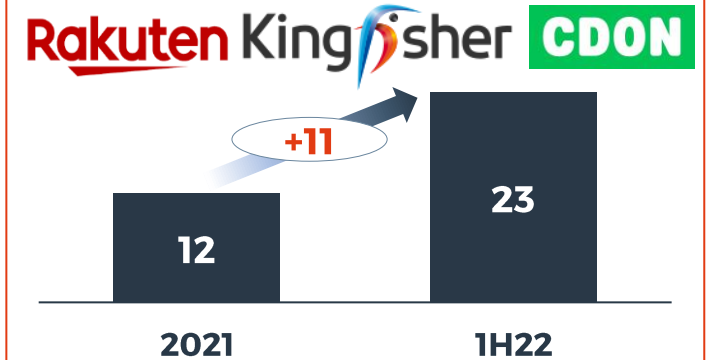
### ● Marketplace powered by **Octopia**

- ❑ Develop marketplaces and bring merchants to existing marketplaces
- ❑ **11 new contracts** signed in 1H22 to reach 23 contracts

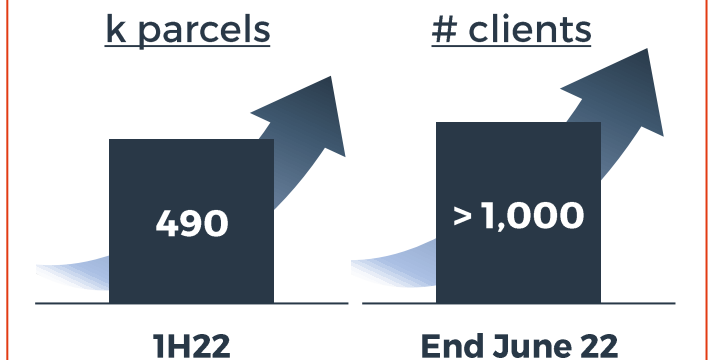
### ● Fulfillment powered by **Octopia**

- ❑ Multi-marketplace fulfilment
- ❑ **GMV grew by +18% in 1H22**
- ❑ **+20% month over month on external clients since Jan. 22**

### # of clients signed



### # of parcel shipped and customers





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ESG



## Cnova acting for initiatives towards environmental responsibility



**Stay a  
pioneer in  
responsible  
logistics**

**Delivery &  
Packaging**

- GHG emissions decreased by -7% per parcel y-o-y in 2021 vs. 2020
- Deliveries and returns already carbon neutral on Cdiscount.com
- Unique fleet of six 3D packing machines to wrap parcels without any void



**Accelerate  
on  
sustainable  
consumption**

**Eco-products &  
refurbishment**

- Launched a “more sustainable” label on Cdiscount.com (38k eligible SKUs so far)
- Leading actor on 2nd-hand and refurbishment → Cdiscount.com sales on this segment grew by +7% vs 1H21

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## HALF-YEAR 2022 FINANCIAL PERFORMANCE

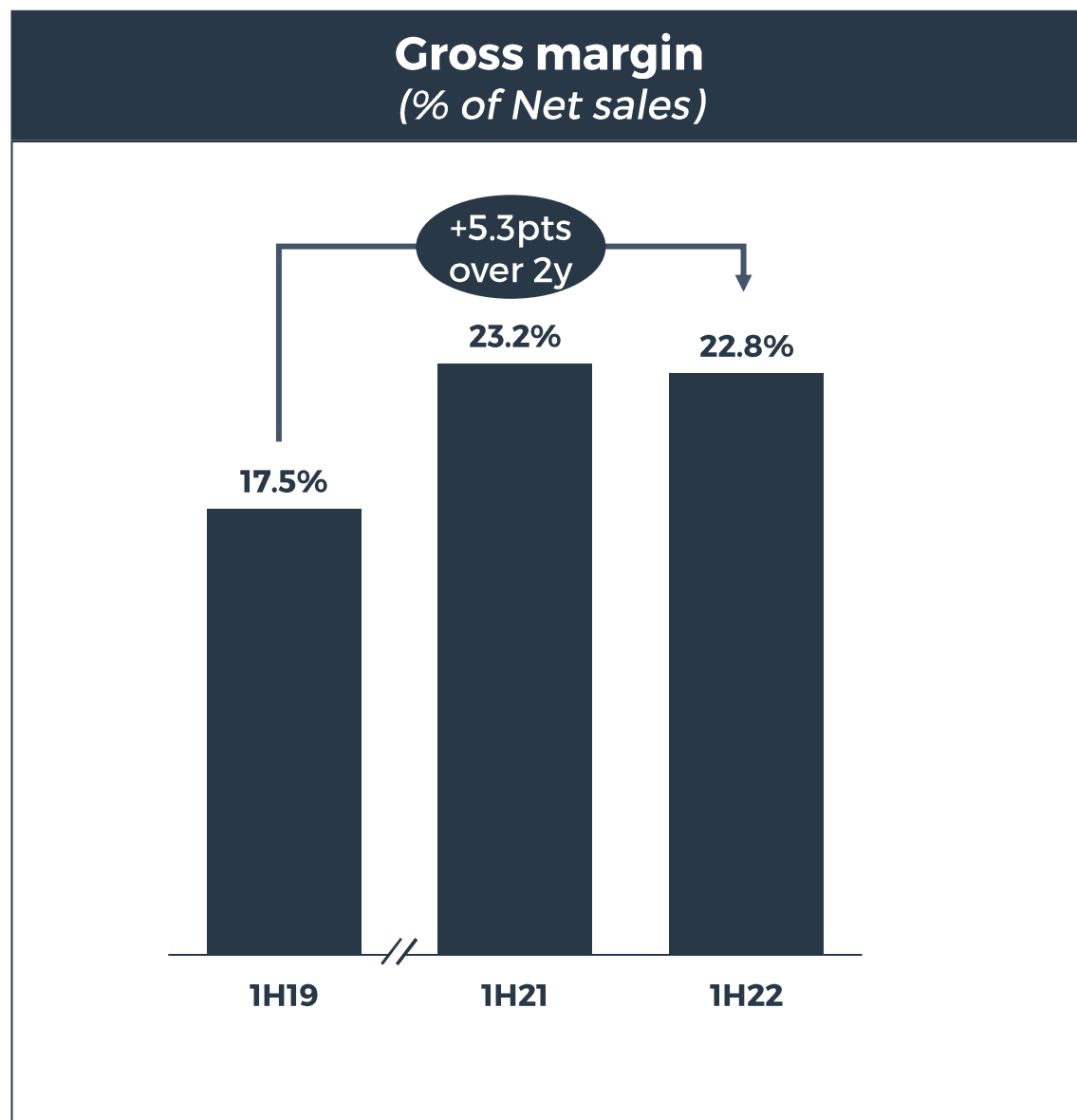


## 10% GMV decrease in a receding market but very well-oriented strategic pillars vs. pre-pandemic level

1H22 GMV performance		€m	1H21	1H22	Reported	LfL <sup>1</sup>	vs. pre-pandemic
	B2C	Direct sales	865	679	-21%		-25%
		Marketplace	747	668	-11%		+19%
		B2C Services	128	150	+17%	+62%	x2
		Advertising services	35	40	+15%		x2
		Other	162	197	+22%	+0%	+6%
	B2C ecommerce Platform		1,936	1,734	-10%	-13%	-0%
	B2B	C-Logistics	1	9	x7		-
		Octopia	54	49	-8%		x7
	B2B Activities		55	59	+7%		x7
	TOTAL		1,991	1,793	-10%	-12%	+2%

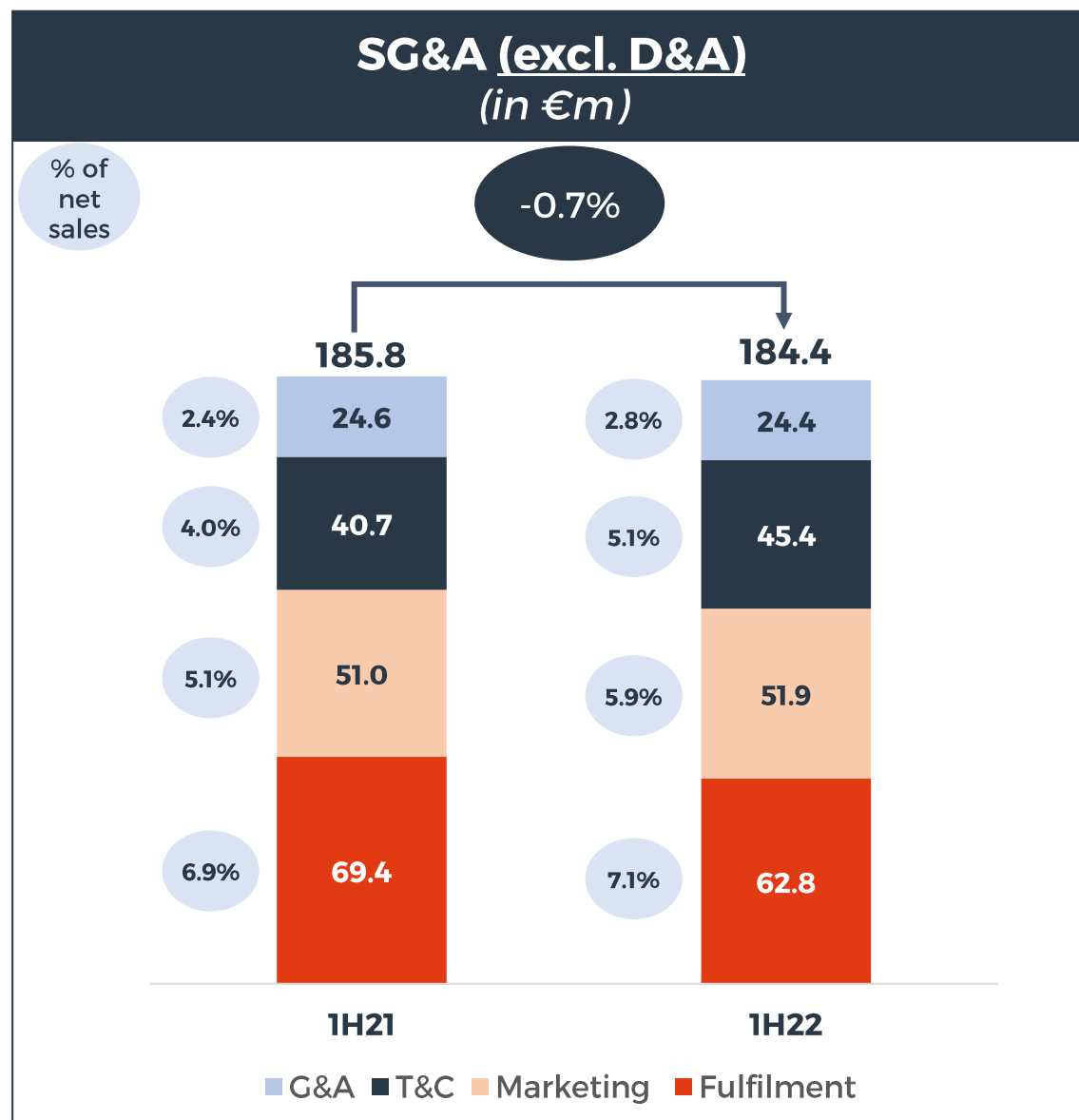
- **€1.8bn GMV in the 1<sup>st</sup> half 2022: GMV decrease in Q2 in line with Q1 (-10% in 1H22) with a strong mix improvement towards the marketplace and a sharp rebound of travel activity**
  - ✓ **Marketplace:** -11% vs. 1H21 but +19% vs. pre-pandemic (1H19), reaching €668m
  - ✓ **Advertising services:** growing +15% vs. 1H21 driven by Cdiscount Ads Retail Solution (+73% vs. 1H21)
  - ✓ **B2C Services:** +62% on a like-for-like basis (excl. Energy) supported by the +67% rebound of travel
  - ✓ **B2B activities:** Octopia clients' ramp-up (+11 clients vs. YE) and C-logistics with 53 clients at end 1H22 (+31 vs. 1H21)

## Gross margin improvement year after year driven by marketplace and Advertising services



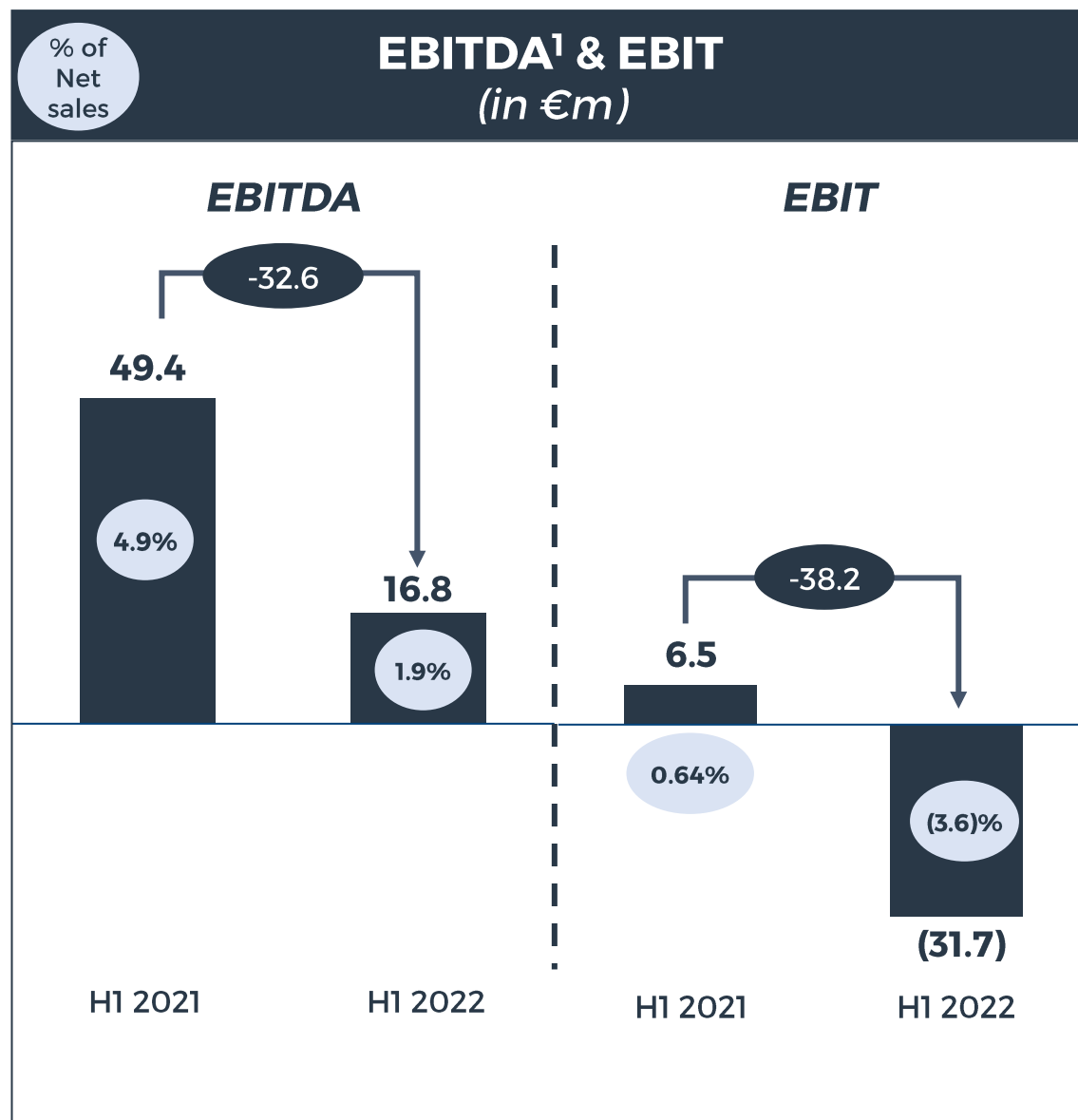
- A slight decrease of -0.4pt in gross margin vs. 2021 but a +5.3 pts vs pre-pandemic 1H19 :
  - ✓ Gross margin increase over the past three years demonstrates the **success of the implementation of the strategic plan**, with a **marketplace growing +19% compared to the 1st half of 2019**
  - ✓ **Advertising services nearly doubling** vs. the same pre-pandemic level of 2019
  - ✓ **Compared to 2021, direct sales margin negatively impacted by destocking operations** in a context of Efficiency Plan to **optimize working capital needs and inventory levels** to current level of activity

## SG&A stabilized in 1H22 thanks to first results from the Efficiency Plan



- **SG&A accounted for €184.4m in H1 2022, decreasing by -1% vs. 2021**
  - ✓ **Fulfilment (€63m; -10% vs. 2021):** positively impacted by lower volume in H1 for its variable part and first benefits from the Efficiency Plan for its fixed part
  - ✓ **Marketing (€52m; +2% vs. 2021):** decrease in variable marketing costs compensated by media campaign in May & June
  - ✓ **Tech & Content (€45m; +11% vs. 2021):** mainly due to Octopia commercial and Tech ramp up
  - ✓ **G&A (€24m; -1% vs. 2021):** slightly decreasing in value as head office costs increase to support the acceleration of the new B2B activities was compensated by first quick wins from the Efficiency Plan

## EBITDA & EBIT impacted by significant market headwinds



■ EBITDA decreased to +€17m compared to last year (1.9% of Net sales; -3.0 pts vs. 1H21)

- ✓ Facing adverse market conditions
- ✓ Destocking initiatives

Offset by

- ✓ Increased advertising services
- ✓ Marketplace resilient performance
- ✓ First Efficiency plan results on SG&A

■ Operating EBIT decreased to -€32m, due to the increase of D&A following strong investment in new B2B activities



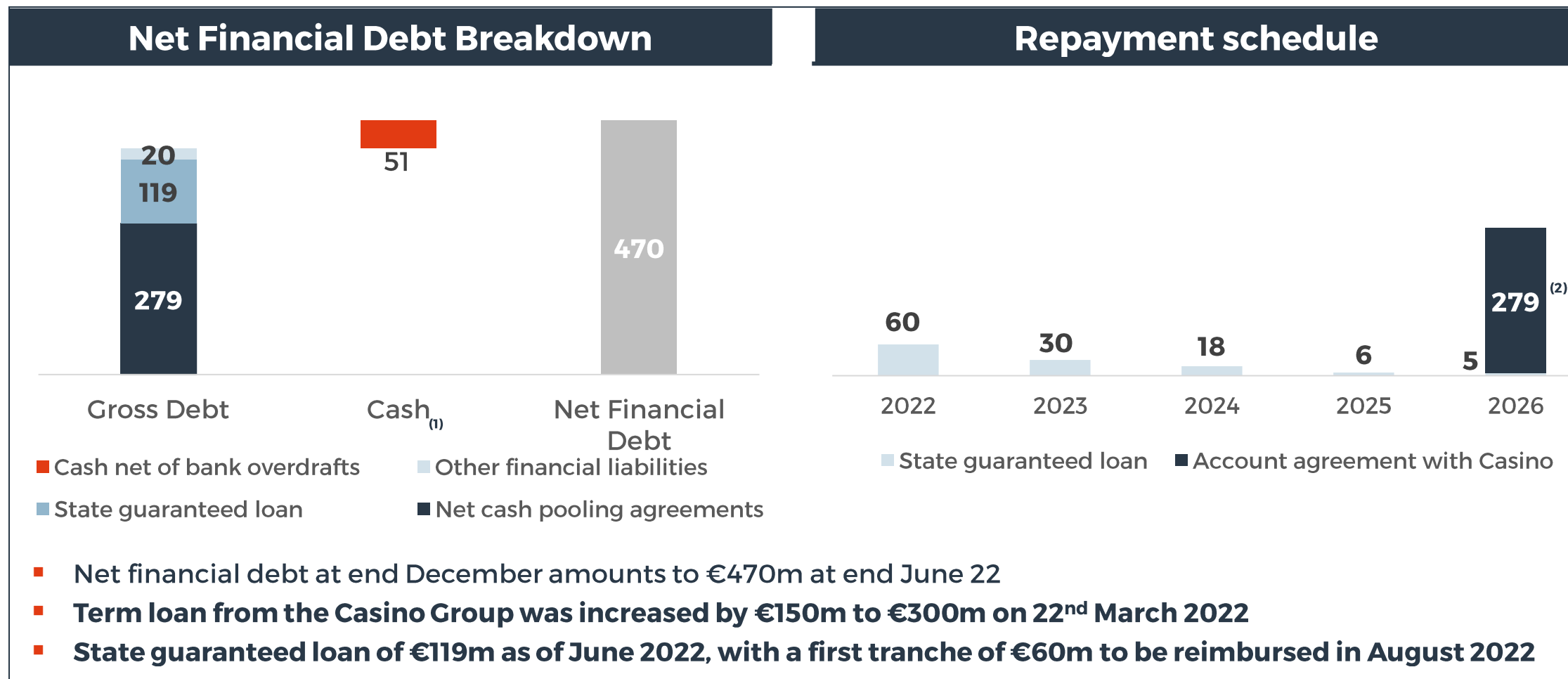
## Free Cash Flow over the last twelve months period

### 1H22 Free Cash Flow (€ millions, six months)

In €m, over a six-months period	1H22	1H21	Change vs LY
EBITDA	+17	+49	(32)
Cash rents	(18)	(17)	(1)
Other operating expenses cash	(6)	(3)	(3)
<b>FCF from operating activities inc. Rents</b>	<b>(7)</b>	<b>+30</b>	<b>(37)</b>
Change in working capital	(65)	(180)	+114
<i>o/w inventories impact</i>	<i>+86</i>	<i>(26)</i>	<i>+112</i>
Net CAPEX	(27)	(54)	+26
Taxes paid	(2)	(1)	(1)
<b>FCF before net financial expenses</b>	<b>(101)</b>	<b>(204)</b>	<b>+103</b>
Cash financing expenses	(41)	(20)	(21)
<b>FCF after net financial expenses</b>	<b>(142)</b>	<b>(224)</b>	<b>+82</b>

- **EBITDA close to 0 after cash rents** decreasing by €32m in a context where Cnova faced significant market headwinds
- **Change in working capital** of €(65)m, **an improvement of +€114m** compared to LY thanks to **+€86m decrease in inventories** :
  - ✓ **Structural decrease of c. €40m** supported the strategy to shift to marketplace together with inventory reduction initiatives
  - ✓ **Positive one-off impact of c. €45m** from the sale of hypermarket Géant inventories to the Casino Group in June 2022.
- **Net CAPEX slightly decreased** (excluding €20m one-off Floa transaction impact) in the first 6 months, thanks to a rationalization of investments to adapt to current level of activity

# Net financial debt breakdown & maturity



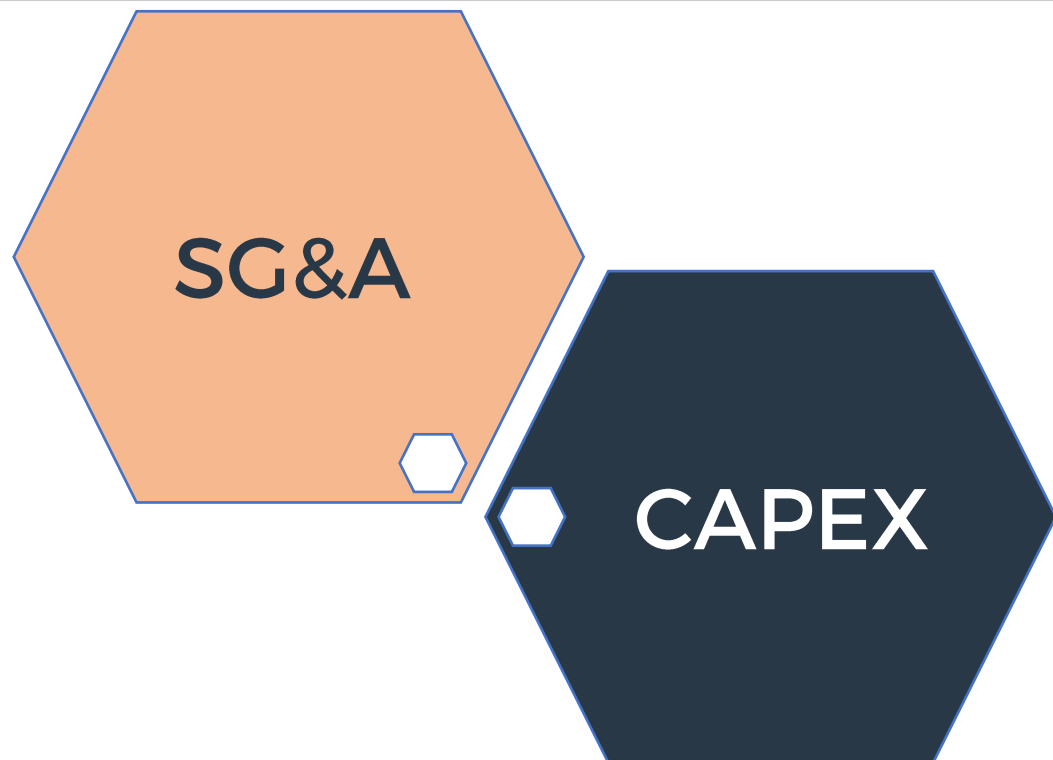
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## STRATEGIC OUTLOOK: EFFICIENCY PLAN



## Implementing a €75m (Full-year) Efficiency Plan to recalibrate SG&A & CAPEX

### €75m Efficiency Plan



**€75m full-year savings by 2023 year-end**  
**Already €30m savings expected in 2H22**

### While being committed to our 3 strategic pillars

#### Grow the Marketplace

more sellers, more fulfilment, better customer satisfaction

#### Boost Advertising Services

leveraging on Cnova unique in-house self-service platform

#### Develop B2B Activities

Octopia & C-Logistics