

**INVESTISSEZ
DANS DE BONS
DÉPLACEMENTS**



499€

Vélo Électrique 26"
SURPASS

© 2022 Cdiscount

Cdiscount

**POUR
UNE VIE
PAS
DISCOUNT.**

**PLUS
FRAÎCHE
LA VIE**



249€

Climatiseur réversible mobile
OCEANIC

1200W | 1000 BTU | Classe énergétique A

Cdiscount

**POUR
UNE VIE
PAS
DISCOUNT.**

Cnova

Activity & Financial Performance

Full Year 2022

February 22nd, 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.

1

BUSINESS HIGHLIGHTS & KEY FIGURES



Resilient performance in a challenging & uncertain market

In a challenging & uncertain market...

Macroeconomic trends

- High inflation
- High uncertainty

Ecommerce trends

- Competition heavily impacted
- Receding French market

...continuous development of the marketplace, advertising services and B2B

Overall financial results

GMV	EBITDA ¹	FY22 FCF ²
€3,497m	€52m	€15m
-17% vs. 2021	-€51m vs. 2021	+€94m vs. 2021

B2C platform monetization

Marketplace revenue	Advertising services
€191m	€71m
-2.2% vs. 2021	+5.4% vs. 2021

B2B acceleration

Octopia
+14 clients signed
C-Logistics³
+3 clients signed

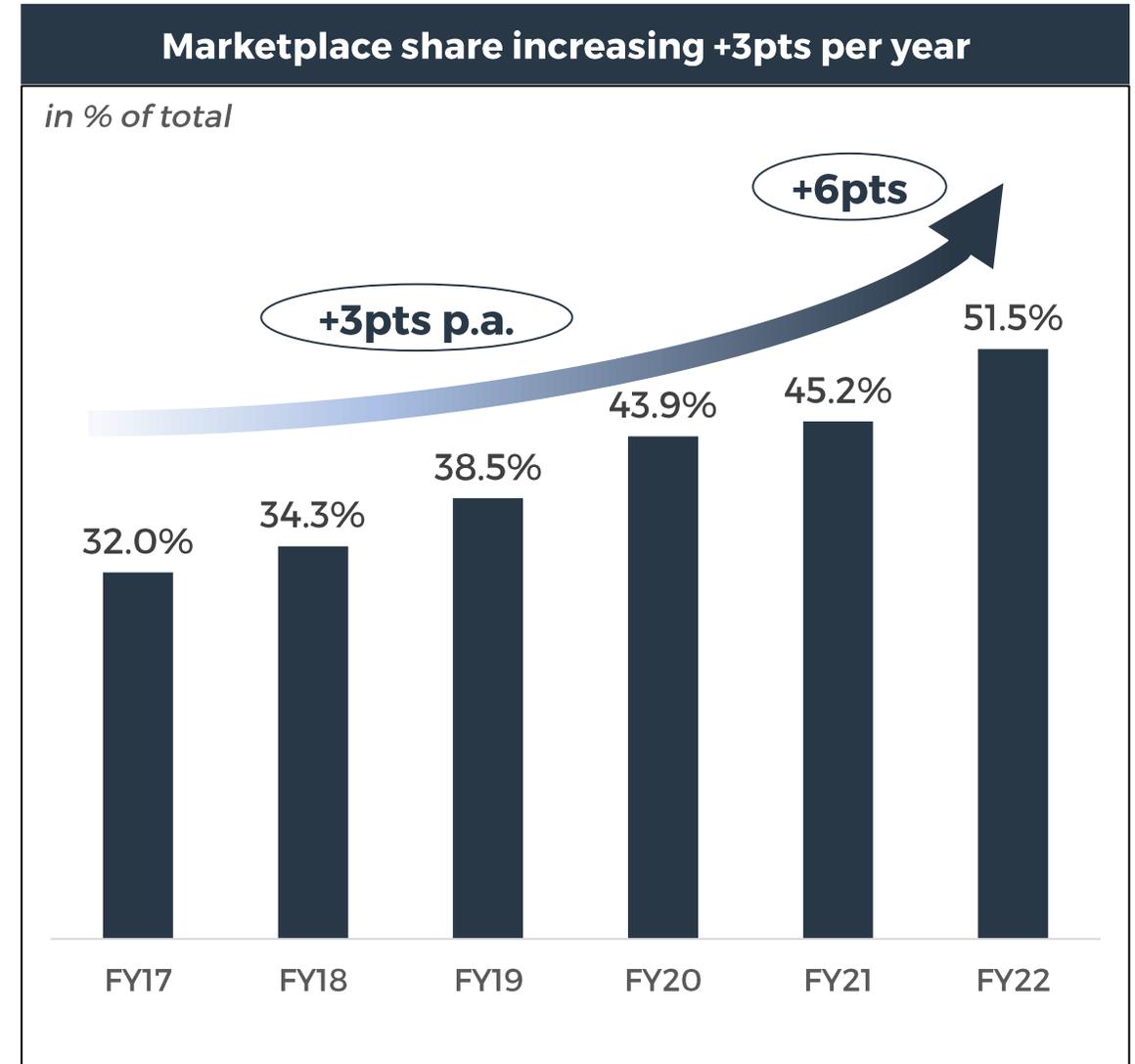
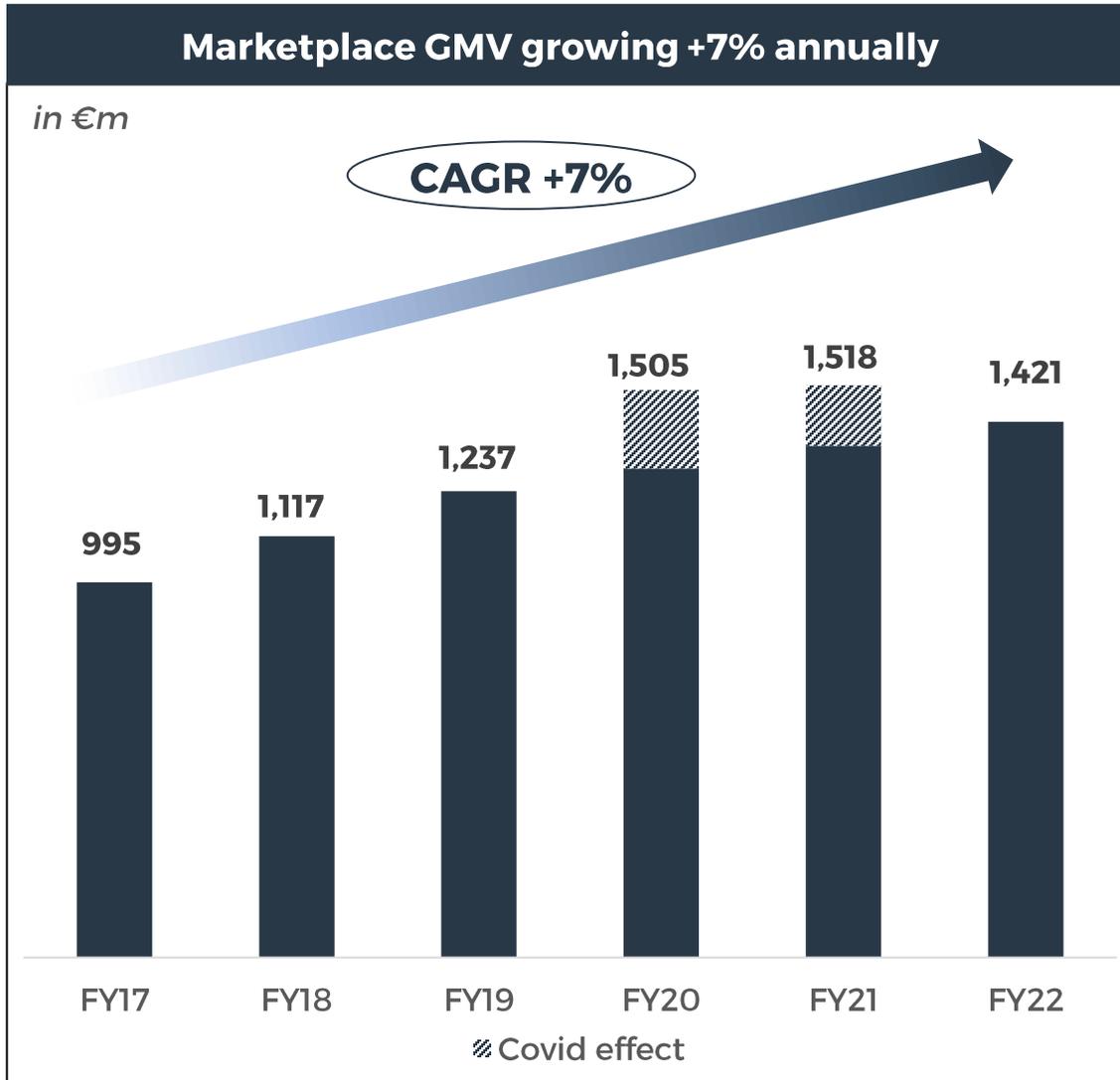
€75m Efficiency Plan to protect cash & profitability with €47m already achieved in 2022

2

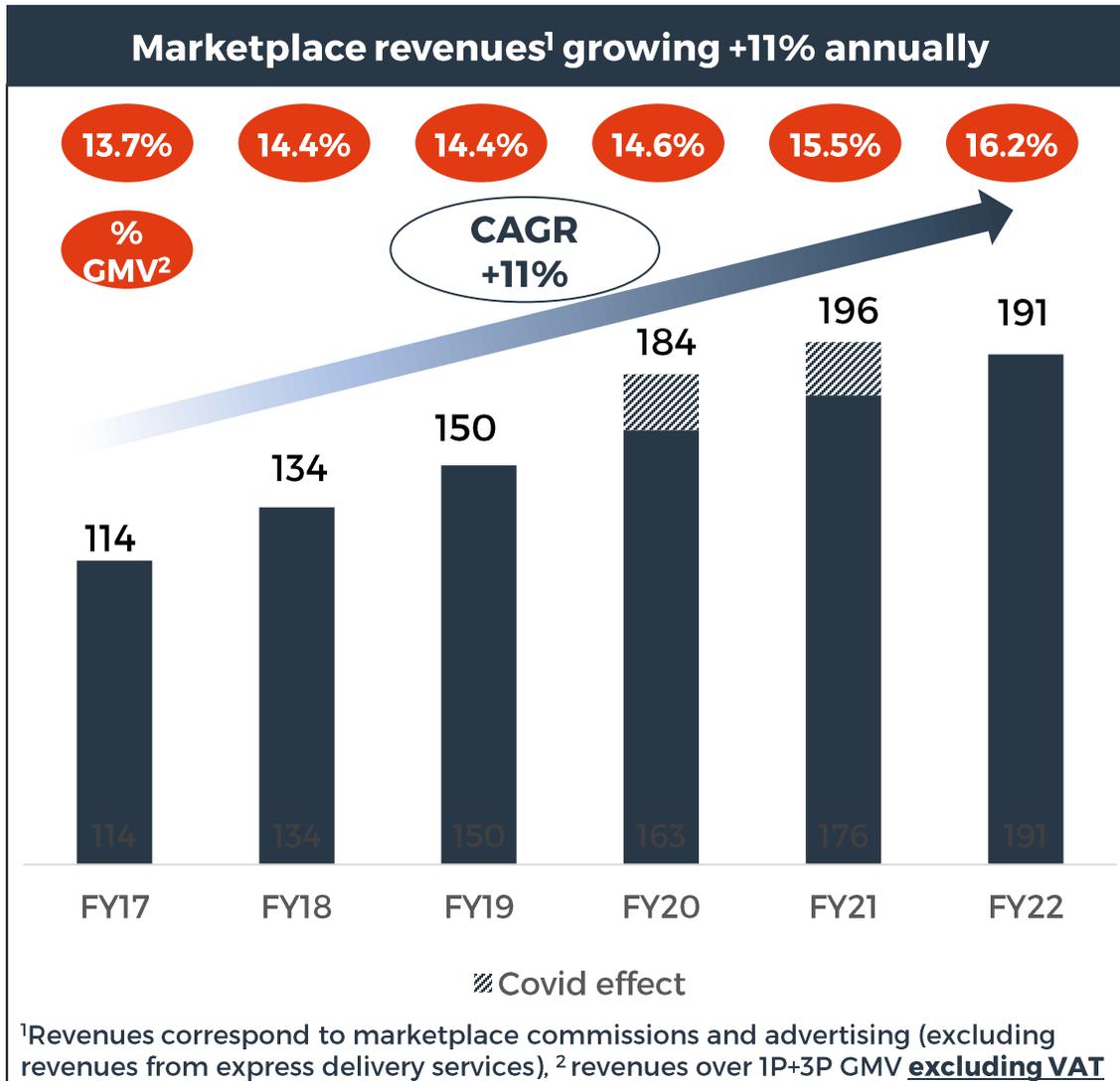
RESILIENT ECOMMERCE PLATFORM



Marketplace long-term trends still dynamic



Marketplace revenues growing 4pts faster than marketplace GMV over the last 5 years



Key drivers are accelerating



Effective sellers sourcing generating growth and revenues

31%
GMV generated by "new" sellers¹



Top 200 merchants enhancing pricing positioning with exclusive offers

+16%
Growth for top 200 merchants (+23pts vs. avg)

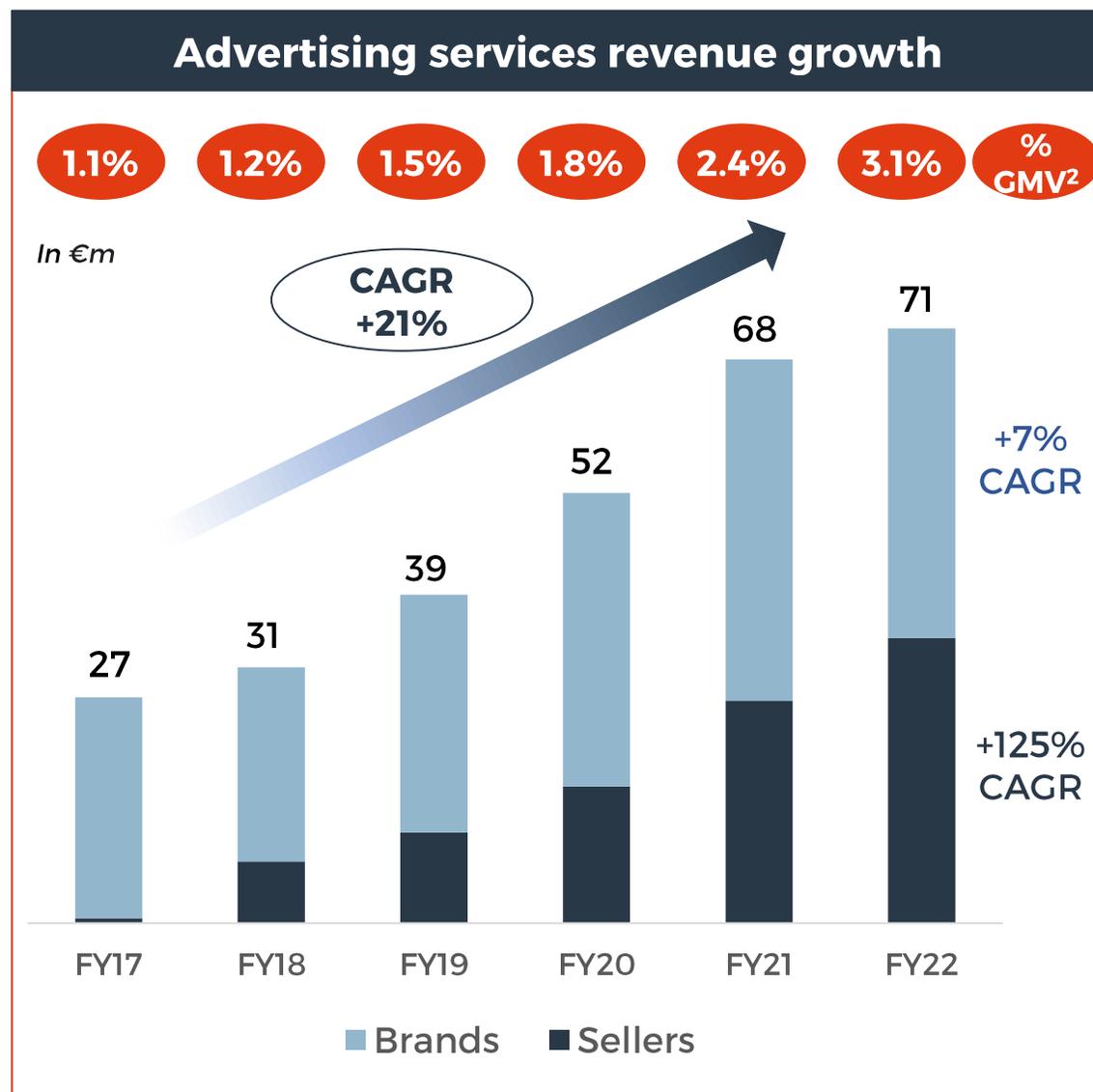


High quality standards: growing express delivery share, pricing leadership

> 50 NPS
+10pts in 5 years

Note ¹: Sellers recruited over the last 24 months

Dynamic Advertising services driven by Cdiscount Ads Retail Solution (CARS)



A success for Cdiscount and for our merchants

- Advertising services growing : **+5%** vs FY21, driven by sponsored products

C.A.R.S¹
Cdiscount Ads Retail Solution

Growing
+29% y-o-y

67% share
of revenues

- Strong dynamic drivers

- x2 active clients in 2 years to reach 7k
- Better bidding algorithms powered by AI:
+50% increase in click rate in 2 years

Note: 1. Cdiscount Ads Retail Solution: user interface to manage marketing campaign, budget, results & reports 2. revenues over 1P+3P GMV **excluding VAT**

Reinforced relationship with Top 20 brands

- +8pts GMV 1P trend vs. other 1P (+3pts share)
- +6pts contribution margin vs. other 1P
- Super Brand days: exclusive offers
- Co-financed promotions & cobranding



Improved 1P assortment and cash profile



**Shortened 1P assortment
Focus on profitable SKUs**
vs. Dec21

c.30k

/2



Enhanced inventory coverage
vs. Dec21

<60 days

-20%



**Optimized 4-installments
payment in H2**
vs. H1

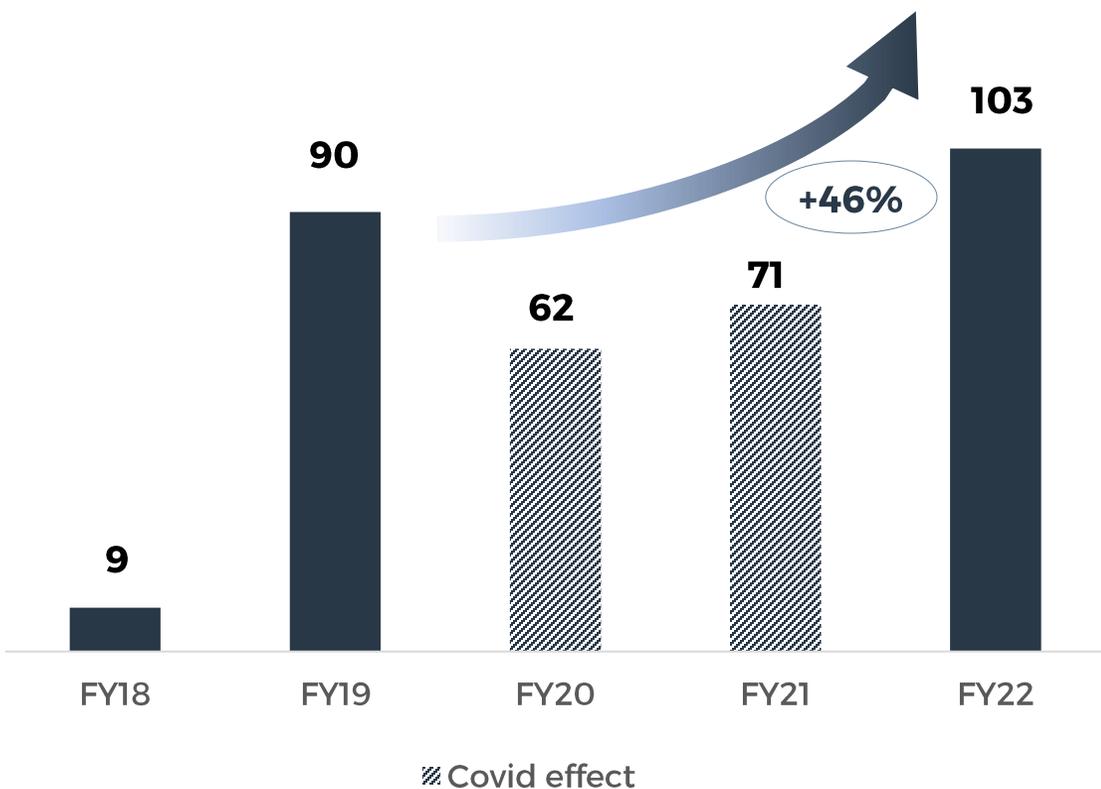
**42%
of GMV**

-4pts

Strong rebound of Travel activity post covid slowdown

Travel GMV evolution

In €m



Travel activity grew by 46% YTD



Flights growing +39% vs. FY21

- Significant growth after two years of COVID impact
- All travel activities benefited from this growth
- Main destinations : Tunisia , Egypt , Turkey , Spain and France

Holidays Packages growing +63% vs. FY21

- New partnerships with Totemia (summer camps) and Smily (seasonal rentals)
- First holiday marketplace with offers to 40 destinations

Search engine powered by AI

Click rate improvement

+5pts



Pricing positioning powered by AI

More SKUs crawled to optimize price positioning

x2
>1m SKUs



3

B2B ACTIVITIES



C-Logistics e-commerce supply chain solution gaining traction



Full service of supply e-commerce operations

4 clients at 2022 year-end (+3 new clients in 2022)



LES RAFFINEURS



Luxury global leader

1st shipment

2021

2022

2023

2024

Key success drivers

High B2C service quality



Competitive transportation



Differentiating CSR standards



Personalized packaging



Octopia accelerates its commercial development



Octopia B2B revenues accelerating to €19m (+66% vs N-1)

● Access to a turnkey marketplace platform

- ❑ 26 clients at 2022 year-end (+14 in 2022): 10 marketplaces (+4) and 16 merchants (+10)



> 50% international clients

❑ Key success drivers

1st clients launch & ramp up



Platform functionalities



International expansion



● Access to fulfilment solutions

- ❑ 1.2m parcels shipped in 2022 (+38% vs. 2021)

1,000+ active sellers

Partnerships with leading marketplaces

❑ Key success drivers

Customer base growth



Marketplace fulfilment leader



International expansion



4

ESG



A more sustainable e-commerce to our BtoC and BtoB customers

More sustainable 1P & 3P offer



- 13% of the total product sales (+3 pts vs 2021)
- Constant acceleration of refurbished sales (1 out of 3 phones and 1 out of 10 computers in 2022)

Contributing to circular economy



- More than 30 partnerships with charities and circular economy companies
- An in-house refurbishment capability



More sustainable logistics



- 100% of deliveries and returns contribute to carbon-neutrality (strong reduction efforts and sequestration of residual emissions)
- More 1 out of 4 parcels sent without packaging

Extending products life



- A repair service covering 8m references
- More than 100 hundreds buyer's guide dedicated to sustainable consumption

Recognized achievements

Environmental commitment

- Reducing the environmental impact of logistics



- Encouraging longer life of products



- Eco-conception of products



Social commitment

- Women in Tech and gender equality



- Promotion of diversity



- Driving an more inclusive and sustainable economy



5

FULL-YEAR 2022 FINANCIAL PERFORMANCE

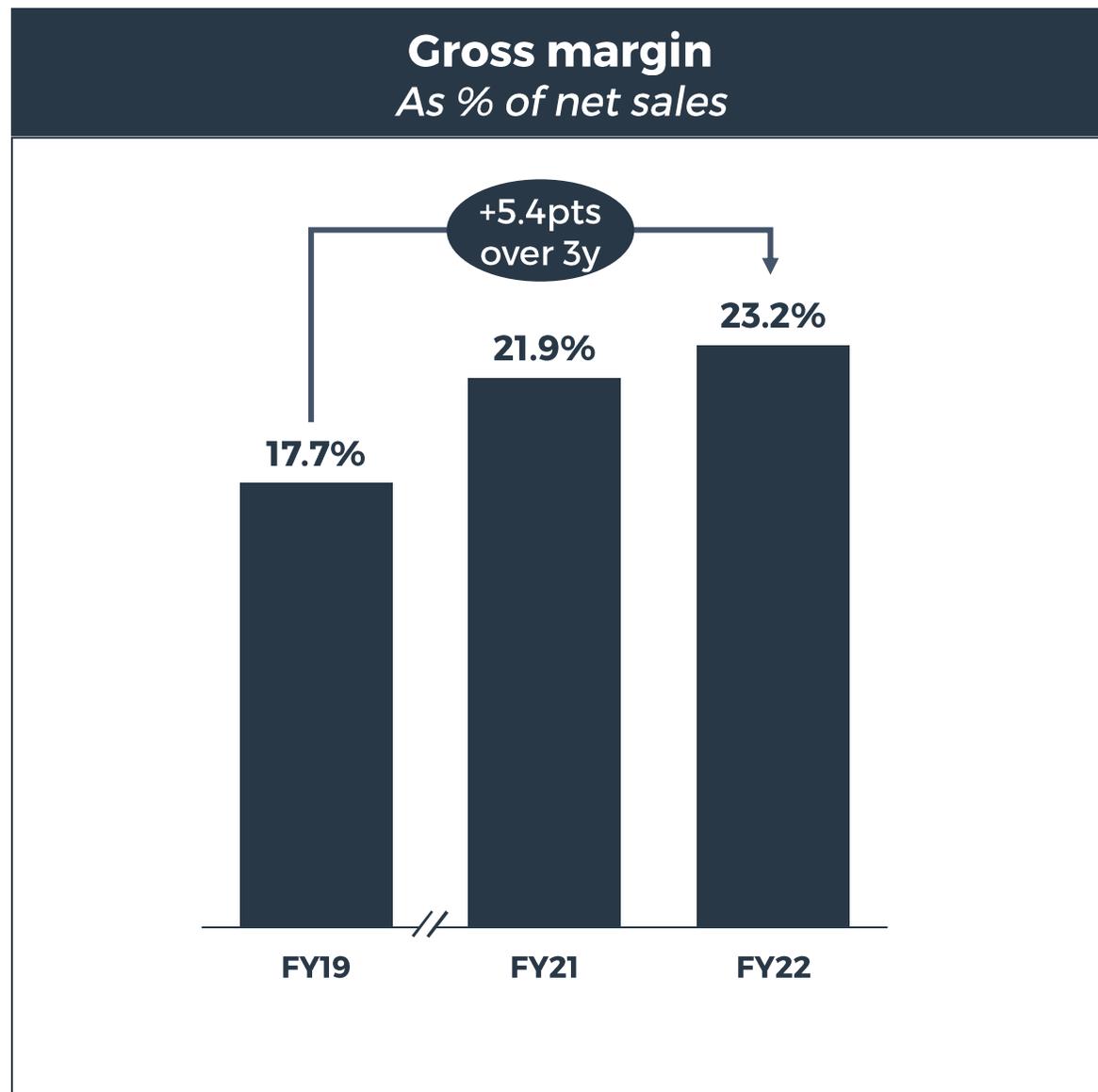


-15% GMV decrease in a receding market, with a strong performance of services, B2C and Advertising

		€m, including VAT	FY21	FY22	Reported	LfL ¹	Q4 LfL growth
		FY22 GMV performance	B2C	Direct sales	1,840	1,340	-27%
	Marketplace		1,518	1,421	-6%		-2%
	B2C Services		278	212	-24%	+43%	+17%
	Advertising services		81	86	+5%		-3%
	Other		379	337	-11%	-0%	+3%
	B2C ecommerce Platform		4,095	3,396	-17%	-15%	-16%
B2B	C-Logistics e3PL (excl CCV)		0	4	x8		x6
	Octopia B2B revenues		14	23	+66%		x2.4
	Octopia retail revenues & other		96	74	-23%		-50%
	B2B Activities		110	101	-9%		-21%
	TOTAL	4,206	3,497	-17%	-15%	-16%	

- ✓ **Marketplace (-6%)** : resilient GMV reflecting the voluntary strategic shift
- ✓ **Direct sales (-27%)** : decrease in 1P to focus on profitable categories and A brands
- ✓ **B2C Services (+43%)**: growth mainly driven by (i) Travel with record high GMV (+46%), and (ii) Mobile (+56%)
- ✓ **Advertising services (+5%)** : growth driven by powerful commercial offers coupled with a growing retail media market
- ✓ **Octopia B2B: +66% in revenues** with (i) x6 in Marketplace-as-a-Service solutions' revenues and (ii) +40% in Fulfilment-as-a-service activity

Sharp increase of Gross Margin mainly thanks to GMV mix improvement towards marketplace



Sharp increase in gross margin at 23.2% of net sales: +1.3pt vs. 21 and +5.4pts vs. 19

Cdiscount
Marketplace

Cdiscount · Fulfilment

Cdiscount
Advertising

octopia

Platform revenues contributed c. +3pts to gross margin yoy evolution

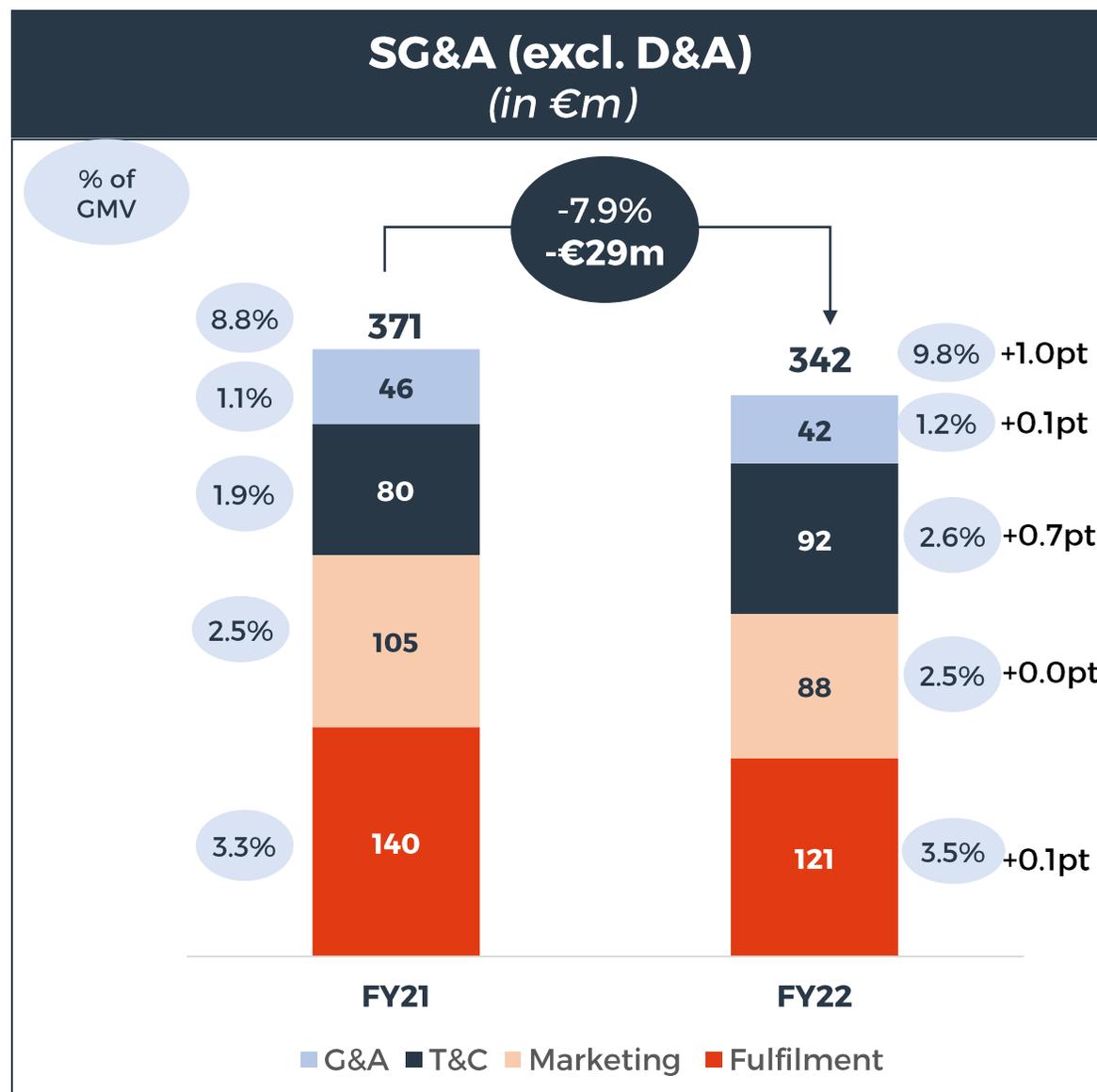
- Marketplace revenues now representing 16.2% of product GMV (+0.7pt vs. 21)
- Advertising services now representing 3.1% of product GMV (+0.7pt vs. 21)
- Octopia B2B growing +66% yoy to €19m

Cdiscount
Direct sales

Cdiscount direct sales business contributed c. -1.5pts to gross margin yoy evolution

- Voluntary strategic shift to marketplace
- Heavy destocking campaigns in H2

SG&A improved by -7.9%, a 29.1M€ decrease supported by the Efficiency Plan



Operating expenses positive impact: -€29.1m in 2022
related to Efficiency Plan

▪ **Fulfilment: -€19m vs. 2021**

- Reduction of Direct Sales volume
- Efficiency Plan on square meter optimization, warehouse productivity and renegotiations

▪ **Marketing: -€18m vs. 2021**

- Strong decrease to adapt the cost to evolution of revenues
- Costs optimization

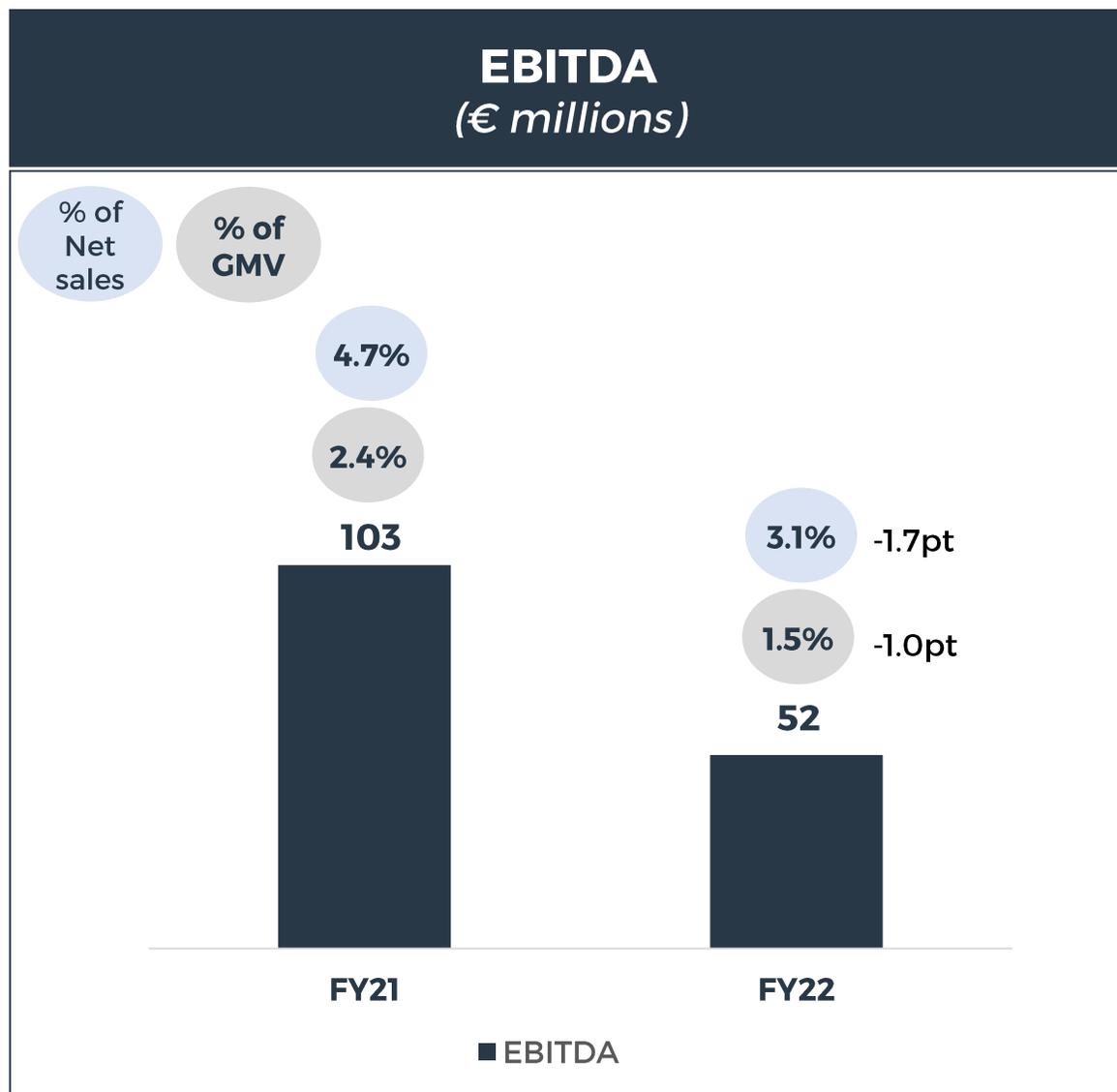
▪ **Tech & Content: +€12m vs. 2021**

- Mainly due to Octopia commercial and Tech ramp-up

▪ **General & Administrative: -€4m vs. 2021**

- Contracts stopped or renegotiated

EBITDA full-year performance: profitability secured thanks to the Efficiency Plan



- **Resilient EBITDA at +3.1% of Net Sales ie. -1.7pts :**
- **Net Sales yoy decrease**
 - ✓ 1P+3P GMV decreased by (18)% in 2022 amid macro-economic uncertainties and disruptions
 - ✓ Voluntary strategic shift to marketplace
- **Gross Margin : €(80)m, +1.3pts**
 - ✓ Increase in margin % supported by marketplace GMV share increase & advertising services dynamic
- **SG&A excl. D&A : +€29m, -3.0pts**
 - ✓ First results from the Efficiency Plan: €(342)m OPEX (excl. D&A & rents), decreasing by 8% yoy

EBITDA to Net Result

In €m	2021	2022	Var €m
EBITDA	102.7	52.0	(50.7)
<i>As % of Net Sales</i>	<i>4.7%</i>	<i>3.1%</i>	<i>NA</i>
D&A	(89.6)	(97.7)	(8.1)
EBIT	13.1	(45.8)	(58.9)
<i>As % of Net Sales</i>	<i>0.6%</i>	<i>(2.7)%</i>	<i>NA</i>
Other operating expenses	(6.8)	(4.6)	+2.2
Financial result	(52.8)	(72.5)	(19.7)
PROFIT BEFORE TAX	(46.5)	(122.9)	(76.4)
<i>As % of Net Sales</i>	<i>(2.2)%</i>	<i>(7.3)%</i>	<i>NA</i>
Income tax	(4.8)	(5.2)	(0.4)
Discontinued operations	1.7	2.7	+1.1
NET RESULT	(49.7)	(125.3)	(75.6)
<i>As % of Net Sales</i>	<i>(2.3)%</i>	<i>(7,4)%</i>	<i>NA</i>

- **D&A** due to the increase of strong investment in new B2B activities mainly dedicated to Octopia's product developments
- **Other non-recurring income / (expenses) amounted to €(4.6)m.** Costs related to the efficiency plan and assets impairment was mainly compensated by a positive gain on Floa assets disposal
- **Net financial results €20m increase :**
 - ✓ **4-installment payment cost of risk was temporarily negatively impacted** in 2022 by higher take rate until H1 2022 together with higher interest rates for c. €(14)m
 - ✓ **Long Term loan with the Casino Group** increasing from €150m up to €300m for c. €(5)m
- **Positive net results from discontinued operations** arising from the disposal of C ChezVous activity to Geopost

Free Cash Flow before financial expenses at €15m, a +€94m increase compared to 2021

2021 & 2022 LTM Cash Flow (€ millions, twelve months)

Cash Flow Statement	2021	2022	Var.
EBITDA	102.7	52.0	(50.7)
Cash non-recurring expenses	(8.8)	(11.8)	(3.0)
Cash from lease repayment and interests (IFRS 16)	(34.7)	(35.8)	(1.1)
Tax paid	(3.6)	(2.5)	+1.1
Change in working capital	(41.6)	14.6	+56.2
Operating Cash Flow	13.4	16.5	+2.6
CAPEX net	(92.9)	(80.3)	+12.6
Floa & CchezVous cash in	-	79.2	+79.2
Investing Cash Flow	(92.9)	(1.1)	+91.8
FCF before cash financial interests	(79.0)	15.4	+94.4
Cash from financing activities	(44.4)	(64.5)	(20.2)
FCF before cash after financial interests	(123.4)	(49.2)	+74.2
Discop	(2.0)	3.0	+5.0
Cash Flow (change in Net Financial Debt)	(125.4)	(46.2)	+79.2

€(46.2)m cash flow mostly explained by :

- **Operating cash flow of +€16.5m :** operational cash consumption offset by positive working capital evolution mainly thanks to destocking campaigns on unprofitable categories
- **Investing cash flow of €-1.1m :**
 - **CAPEX (-€80m) :** decrease vs 2021, preserving B2B strategic projects investments (Octopia, Marketplace and Advertising Services)
 - **Strategic transactions (+€79m) :** Floa and CchezVous assets disposals
- **Financing activities of -€64.5m,** explained by increasing 4-installment take rate until H1 22

Net financial debt analysis

Net financial debt detailed evolution

	End Dec 2022	End Dec 2021	Y-o-y change
Shareholders' equity	(376)	(253)	(123)
(Net debt)/Net Cash ¹	(373)	(327)	(46)
Gross debt	(319)	(344)	+25
Net cash & cash equivalents ²	(54)	17	(71)
Other items not included in the Net Financial Debt			
Restricted cash (MKP)	(63)	(57)	+6
Rental debt (IFRS 16)	(141)	(165)	+11

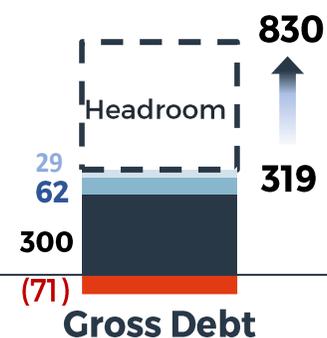
¹ Excluding IFRS 16 rental debt

² Considering respectively €(68.0)m and €(3.3)m of bank overdrafts as of 31/12/2022 and 31/12/2021

- Net financial debt at end December amounts to €373m, an increase of €46m compared to last year
- Restricted cash (marketplace seller debt) remains stable year-on-year
- Rental debt decreased as a result of amortization

Gross debt breakdown & contractual repayment schedule

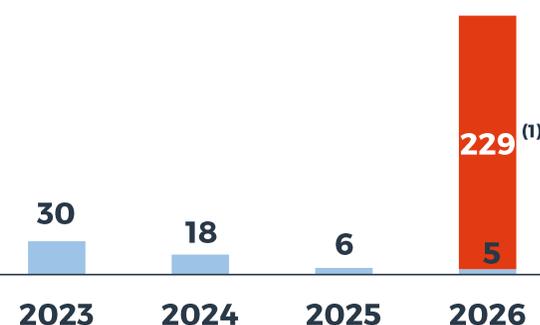
Gross debt breakdown



Gross Debt

- Undrawn authorized debt
- Other financial liabilities
- State guaranteed loan
- Net cash pooling agreements
- Term loan with Casino

Repayment schedule

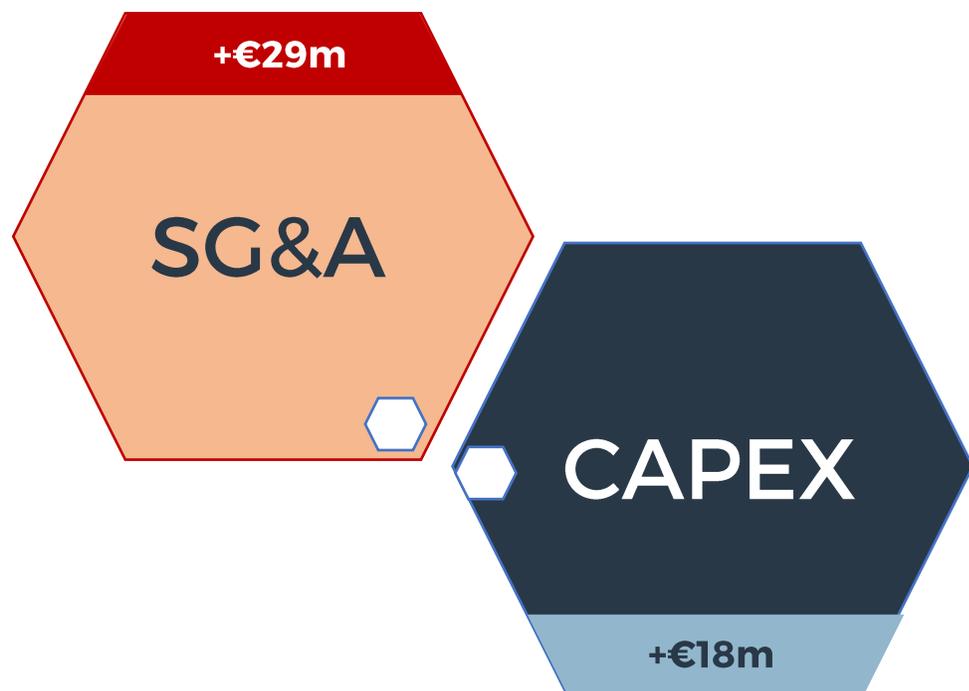


¹ Account agreement with the Casino Group works as a revolving credit facility with a potential contractual repayment by mid 2026

- Important headroom at 31/12 given undrawn credit facility**
- In April 2022**, Cnova increased the term loan from €150m up to €300m
- In August 2022**, the first €60m tranche of the State Guaranteed Loan was reimbursed

Efficiency Plan

Already **€47m** savings achieved vs. FY21



Key pillars of the Efficiency Plan

Recalibrate SG&A to new level of activity

Warehousing capacity, marketing expenses, fixed costs, ...

Rationalization of investments

Focus on long-term value creation assets:

Marketplace, Advertising Services and

Octopia's B2B assets

6

STRATEGIC OUTLOOK



Cnova committed towards a profitable platform model



Reinforce our positioning on the French market & improve profitability



Accelerate B2B development to reach breakeven

Cdiscount.com

- Be the **1st French E-merchant**
- Offer a **wide assortment** with **attractive prices** and **lots of promotions**
- Focus on **Technical Goods** and **Home Equipment**

Cdiscount Advertising

octopia C-Logistics

- Provide tech and logistic **solutions** to **French** and **international e-commerce players**
- Value our **technology, marketplace** and **logistics know-how**
- **Accelerate commercially**

Synergies between activities