

Fnac Darty (FY 2024 Earnings)
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Corporate Speakers

- Enrique Martinez; Fnac Darty; Chief Executive Officer
- Jean-Brieuc Le Tinier; Fnac Darty; Chief Financial Officer

PRESENTATION

Enrique Martinez

Good evening everyone,

I'm delighted to be with you today to present and comment on our 2024 results.

First, I'd like to present the highlights of the year including the key successes of our strategic roadmap. Then Jean-Brieuc, our CFO, will present our financial results. Finally, I will be taking the floor again to conclude and we will both be available to answer your questions.

Slide 4, for those who are online for Fnac Darty 2024, it was a year of growth, transformation and international expansion.

Thanks to the relentless efforts of our 25,000 employees, we delivered very solid results: sales growth, market share gains during the major commercial events at the end of the year. Gross margin up, driven by services, an increase in current operating profit and cash flow generation beyond the targets set in the Everyday strategic plan.

In line with the objectives of this plan, our growth has resolutely accelerated its transformation to offer a new way of doing omnichannel sustainable business and service oriented.

We want to embody the highest standards of retail, both digital and human. The quality of our advice, the performance of our logistics, the relevance of our commercial offers are more than ever key to meet our customer expectations at every stage of their journey.

2024 demonstrated the relevance of this approach, which enabled us to outperform our markets despite the lackluster macroeconomic environment.

Slide 5. In 2024, we reaped the rewards of the success of our model. The e-commerce growth is back and omnichannel sales now accounts for 52% of online sales. Click & Collect is the best proof of the success of our omnichannel strategy.

Our ongoing transformation towards high value-added services is providing us with recurring revenues and increased profitability.

Subscription services like Darty Max, Fnac Vie Digital and VDBLife are enjoying double-digit growth, supporting a total of 11 million customers whose commitment and loyalty we are nurturing.

As you know our group has been a pioneer in sustainability and the promotion of the circular economy. Throughout the year, we have pursued initiatives aimed at encouraging sustainable behavior among our customers, partners and suppliers.

Finally, we completed the transformative acquisition of Unieuro in Italy. This operation will strengthen our European leadership and will provide a lever for growth in the years ahead. I'll come back to this later in my presentation to give you more details.

Slide 6. Our winning strategy has enabled us to meet or exceed all our 2024 targets. I will be commenting on figures, excluding Unieuro as they are only consolidated over one month in 2024.

Current Operating income -- current operating income EUR 182 million in line with our target of at least EUR 180 million.

Operating free cash flow, excluding IFRS 16, was EUR 195 million above our target of EUR 180 million. Lastly, our objective was EUR 500 million cumulated over 2021-2024 we've achieved in 2024 EUR 515 million.

Slide 7. So, 2024 was a year of growth and outperformance in our markets, thanks to the commitment and expertise of all our teams. As you see on the graph, sales, gross margin, current operating income and free cash flow from operations are all up in a generally bearish market.

We would like to point out that business in the fourth quarter of 2024 has been very strong, especially since November with very good performance over Christmas.

And so, in line with our policy of return to shareholders as set out in Everyday, we will be proposing at our AGM in May, the payment of a dividend of EUR 1, up by EUR 0.55 in 2024.

Slide 8. So, what is the reason for this growth? And what has driven this growth?

This slide presents emblematic product categories in our two brands that performed particularly well in 2024, technical products, ability from a new cycle of innovation. As in the case of AI-boosted PCs, where we have a very good market share. Overall, in 2024, we benefited from the beginnings of the reequipment cycle.

In editorial products, the performance of books remains solid, very solid, driven by the appeal of new reading trends. Books continue, as you know to be a key driver for the group, strengthened by our emblematic initiatives, which are fueling readers' preferences for the Fnac brand.

In domestic appliances, especially small domestic appliances, we have benefited from very strong momentum on certain emblematic products such as air fryer, an unmissable

success of 2024 on which we have built up a very solid position. The return on consumers to household equipment represents a promising future for the whole category. And we hope that this will be the case for 2025 for some large domestic appliance categories.

Finally, diversification posted a solid performance, thanks to the double-digit growth in categories such as games and toys and stationery where the group has continued to invest to become a benchmark player.

These are just a few examples of our ability to see growth opportunities and establish our positions as benchmark brands across a very wide range of product and service categories.

Slide 9. Let's talk about services, more than ever at the heart of our transformation of our business model, which is unique in the world. The success of Darty Max is the most emblematic illustration of this.

In 2024, we recorded an increase our Darty Max and VDBLife subscriber base, which today stands at 1.4 million. With prices adjusted during the year to keep pace with inflation we have succeeded in maintaining a sustained pace of customer acquisition. In addition to making a significant contribution to the service margin Darty Max is a lever for building customer loyalty. Darty Max customers make repeat purchases 1.5x more often than standard Darty customers. And the average shopping basket is 1.6x larger.

The other services within the group have also made significant progress. I could not possibly list them all, but the buy-in, credit, protection in the digital world, various subscriptions to cultural and media content, a huge progress as well. You know that it's a unique offering in terms of its richness and complementarity, brilliantly supported by our teams.

As we announced at the launch of Everyday, we have started a new page in the history of the group, that of the transition to a more complete model combining products and services with the results already clearly visible in 2024.

Now we'll move to Slide 10. Fostering sustainability and product repair is one of the pillars of our Everyday plan. In concrete terms, we increased in 2024, the number of products repaired to 2.6 million in 2024. We have improved our sustainability score which attained 133. This is already having an impact on the quality and sustainability of the products we distribute. We've helped industry and consumers to move towards more sustainable consumption. This was, as you know one of my objectives for the year, one of the major objectives, to ensure the profitability, growth and sustainability should go hand in hand. And this was attained.

Lastly, Second Life business has confirmed its strong momentum with business volumes set to grow by 25%.

As France's leading collector, we are ideally placed to benefit from a quality flow of products that can be eligible for a second life.

Slide 11. Our commitment, engagements have been recognized by rating agencies such as Moody's, Ethifinance, Sustainalytics and MSCI. Our ratings steadily improved last year, and we obtained an A rating in the CDP Climate questionnaire, which puts us above the European average. And among the best-performing companies in the world in terms of integrating climate issues.

We will, in the coming weeks, publish our first CSRD report, and the group is already ahead of schedule in terms of its trajectory and is recognized as exemplary.

Slide 12. Among our strategic initiatives. I'd like to focus on fast-growing retail media market.

Last year, we had already discussed it with Jean-Brieuc.

Retailink, our advertising network retailing, which is 100% integrated deployment offers that enable brands to get closer to their communities and achieve their objectives in terms of brand awareness, engagement in the sales.

We've been benefited from our omnichannel position, which enable us to adapt to our customers different consumption patterns and to offer them a physical digital or hybrid experience.

So, we have generated more than EUR 100 million of business in 2024. Representing around 1.3% of our total sales compared with an average of roughly 0.2% for retail players in Europe. So, you can clearly see that we're well ahead in this area.

Web advertising each month impacts 22 million Internet.

So, let's look at a brief short video on this topic. It is just a brief example of what we're able to propose to our brands. This is in the store during the Olympic Games. This was good to promote the Fnac brand.

So, Slide 13. We're going to talk about technological inventions with the group.

We are investing in offering solutions tailored to our customers' new practices. For example, e-commerce tools are evolving to improve logistics. In summer of 2024, we launched Weavenn, a subsidiary dedicated to e-commerce logistics and the group's SaaS marketplace, in partnership with CEVA Logistics.

In terms of service, digital technologies serve our mission to help our customers make sustainable choices to have digital passport for household, electrical appliances, which will enable us to track the reliability and the life cycle of appliance and from its manufacturer recycling, we tested an initial version of this past fall for 4,000 appliances in the Paris 2024 Olympic Athletes Village.

Among recent innovations, which you can see here in the middle of the screen, Darty is now offering an immediate buy-in offer, integrated into the web purchasing process; the amount can be used directly for online purchases.

Finally, internally, our staff have adopted new AI tools that are boosting our performance and opening new ways of new solutions for our customers and suppliers for the marketplace, content moderation, product sheets and aftersales service. And we have once again forged a structuring partnership with Google Cloud which we have deepened since 2021. This collaboration feeds and enhances our capacity for innovation by drawing on wealth of data.

Slide 14, just a few words concerning our customers. Measuring customer satisfaction is essential if we are to improve. Our NPS is 2.7 points higher than in 2023 and 11 points higher than in 2019. It now stands at 64.2. And what's interesting is that we have more than 75% of promoters amongst our customers.

Engagement to our customers also means committing to our employees, being engaged for our employees who are the heart of our commercial strategy.

We are committed to providing with ongoing training and support. Overall, almost all of our employees received training in 2024, an achievement which we are proud. This is particularly true for artificial intelligence tools.

Slide 15. To conclude the highlights of 2024. I will, of course, come back to the success of our acquisition of Unieuro. And I would like to take the opportunity to once again welcome all the Unieuro teams within the Fnac Darty Group.

In a market that is consolidating in Europe, this takes Fnac Darty into new dimension with 30,000 employees, a turnover that will exceed EUR 10 billion and a territorial network of more than 1,500 points of sale.

We are focused on completing the integration of Unieuro and over and above the potential synergies we expect to generate, this merger will enable us to return to a leading position in Italy. But also, to affirm and strengthen the European dimension of our group, which makes us stronger, more resilient and offers us prospects of future growth.

I'd like to end this presentation by thanking each and every one of our employees for their unflagging engagement, particularly in 2024, a year with many prospects, challenges and opportunities, which has enabled us to make progress together and achieve many successes. Thank you very much.

I'll now hand the floor to Jean-Brieuc to talk about the financial results.

Jean-Brieuc Le Tinier

Thank you, Enrique. Good evening, everyone.

Before going into the details of our performance and as Enrique quickly explained, we ended 2024 with solid financial results and all our indicators are up.

We succeeded in delivering, even exceeding the targets we set ourselves for current operating income and the operating cash flow generation.

Before presenting our performance, let me explain a few aspects of the scope of the business:

The ticketing business has been deconsolidated since the beginning of December after obtaining the competition clearance required to exercise the purchase of option exercise in 2023 by CTS Eventim. The impact on this year's financial results is, therefore, not significant. It would be different for 2025, and we'll come back to this in our outlook.

Secondly, the finalization of the acquisition of Unieuro commented on by Enrique led to the consolidation of the Italian business in our accounts on the 1st of December, that is only one month in 2024. To make it easier, therefore, to read and understand our actual performance, I will comment on the results based on the 12 months of activity of the Fnac Darty Group excluding Unieuro.

Without further ado, let's look at our sales figure on Slide 17.

The group ended the year with sales at almost EUR 8 billion, up 0.7% on a reported basis and up 0.2% on a like-for-like basis. As I said, these figures do not include items relating to Unieuro and relate only to the Fnac Darty business over the 12 months of 2024.

This performance was achieved against the backdrop of high geopolitical and fiscal uncertainty, weighing on the household confidence with markets falling overall in 2024.

Under these conditions, the group has again demonstrated its ability to outperform its markets.

In the fourth quarter, business has been doing very well especially since November with a very good performance over the festive period. The *Banque de France* figures for January published last week, reflect the continuation of these trends, and we continue to outperform.

Looking by distribution channel, in-store sales are showing solid momentum with an increase in checkout transactions. Online sales meanwhile returned to growth with an increase of over 2%. They are benefiting from the initiatives described above. One of the Fnac Darty's strength is its omnichannel sales, up 1.7 points, accounting for 52% on online sales by the end of 2024.

Let's look at the performance by category. The trends are similar across all the regions covered. Excluding the unfavorable impact of the gaming business, all categories grew this year.

Editorial products are down, impacted as expected by a particularly high basis of comparison in gaming, which I would like to remind you posted record sales in 2023. On the other hand, the performance of books remains very strong, driven mainly by the appeal of new reading trends.

Services continued to post a strong growth in all regions, thanks particularly to the continued development of subscription-based offers, Darty Max and Fnac Vie Digitale.

We have today reached 1.4 million Darty Max and Vanden Borre Life subscribers in line with our business plan. We have seen a slight increase in churn this year. This is due, as Enrique said, to the price increases that we implemented across our offerings during the first half of the year. We are still aiming to increase the number of subscribers and thus become the leader in home assistance by subscription.

Technical products returned to growth this year. Telephones and computers performed well thanks to new products incorporating artificial intelligence functionalities and the start of a renewal cycle. The category should continue to benefit from the forthcoming innovations.

Sales of domestic appliances are benefiting from the excellent momentum of small domestic appliances, while sales of large domestic appliances seem to be returning to normal.

Finally, there was a solid performance from diversification category, particularly games and toys and stationery posting double-digit growth over the year.

Let's look at the operating performance at each of our region, Let's start with France-Switzerland.

According to Banque de France data published at the end of January, Fnac Darty continued to outperform the French market by almost two points at the end of December. Based on the weighting of the group's product mix the market came in at minus 2%, while the group posted stable like-for-like sales.

Finally, even if it's not significant at the group level, Nature & Découvertes saw a sharp fall in sales compared with last year as a result of households switching away from discretionary products and very strong competition from low-cost players.

Since the beginning of the year, a new governance structure has been put in place, and the new roadmap will be integrated into the new strategic plan to be presented in June 2025.

Let's move on to the Iberian Peninsula.

Sales were up 12% on a reported basis, 2.8% on a like-for-like basis. Both Portugal and Spain reported sales growth, thanks to an improvement in macroeconomic indicators.

Let's finish with the Belgium-Luxembourg zone. This region was the only one to post a slightly negative like-for-like growth rate of minus 0.9% over the year as a result of intense competition in the country.

Slide 18. Let's comment the gross margin evolution expressed as a percentage of sales. The group gross margin has risen sharply to 30.6%, thanks to its service orientation and the growth of its subscriber base irrespective of underlying market trends.

Excluding the technical effect of the franchise and the integration of MediaMarkt, which has been a negative impact of 10 basis points in 2024, the group's gross margin is 30.7%, up versus last year.

Operating cost, Slide 19. There were at EUR 2.2 billion in 2024, a slight increase of 1.5% compared with 2024 excluding the integration of MediaMarkt in Portugal and the cost of launching the Weavenn business, they were up by only 0.6% or EUR 13 million on a EUR 2.2 billion cost base. They are stable as a percentage of sales.

Once again, the group has demonstrated its operational agility through rigorous cost control. The onboard effect of the increase in rents, the full year impact of the annual wage negotiation and the inflation observed in other cost items were virtually offset by the effectiveness of the performing plans rolled out across the divisions of the group and the fall in energy costs.

Slide 20, financial results.

The current operating profit - ROC - was EUR 182 million, in line with the announced target of at least EUR 180 million and EUR 11 million up on last year.

The operating margin was 2.3%, reflecting an increase in the gross margin despite a slight fall in volumes and tight control of operating costs, almost offset by the efforts made in the performance plans described above.

Non-current items amounted to a negative EUR 31 million, a normal level. They mainly include:

exceptional charges of EUR 39 million, comprising the additional amount of the fine due in connection with the ADLC dispute for EUR 24 million and a goodwill impairment charge on the Belgium business for EUR 15 million,

minus EUR 17 million in impairment charges of various IT projects,

minus EUR 22 million in restructuring costs related to property management mainly,

plus EUR 61 million positive income following the loss of control of the ticketing business and other significant items including, in particular, the cost of acquiring Unieuro.

As a reminder, last year, they included the allocation of a provision recorded in the context of the ADLC grievance for EUR 85 million.

Net financial income amounted to minus EUR 85 million, plus EUR 6 million compared to 2023.

The rise in interest rates resulted in an increase in the cost of financial debt of EUR 11 million and IFRS 16 charges of EUR 14 million.

Last year's figures included the impairment and disposal of the investment in the Daphni Purple fund.

The tax expenses was minus EUR 29 million.

Net income from continuing operations, group share adjusted for this EUR 39 million in exceptional noncurrent items that I've just described (the additional fine and impairment) amount to EUR 71 million in 2024.

Slide 21, Let's look at the analysis of free cash flow at the end of December.

Free cash flow from operations, excluding IFRS 16 was EUR 195 million in 2024, up EUR 15 million. This puts us well ahead of our cumulative target of EUR 500 million for the period 21-2024.

Inventory levels, as in previous years, are under control and healthy. Over the year, the inventory turnover rate remained at the level usually seen in previous years.

Gross Operating capex amount to EUR 116 million. CapEx is under control and stable compared with 2023.

It also includes asset disposals linked to a sale-and-leaseback transaction on a logistics warehouse in the Paris region, the cash impact of which compensates for the additional tax cost of resolving the Comet dispute.

After considering various items including the impact of the deconsolidation of ticketing business, the acquisition of Unieuro and the payment of the dividend in 2024, the group posted negative net cash flow of EUR 45 million.

This means we ended the year with a net cash position of EUR 224 million.

A few words about the financial structure on Slide 22. The group's financial position is sound and solid. At the end of 2024, the group had equity of more than EUR 1.7 billion.

We took advantage of a favorable market environment in March 2024 to refinance in advance all of our two-bond issue with a single issue for a total of EUR 550 million maturing in April '29 and bearing a fixed annual interest rate of 6%.

This transaction was well received by a diversified base of institutional investors in France and abroad and was oversubscribed several times.

Lastly, we have cash and cash equivalents of EUR 1.1 billion plus an RCF credit line and DDTL for EUR 600 million undrawn to date.

The acquisition of Unieuro and its integration into our accounts has no significant impact on our liquidity. With very little gross financial debt, the transaction is cash positive. However, it has increased the IFRS 16 lease debt by more than EUR 400 million, mainly due to the store network.

The very strong group's liquidity position is EUR 1.7 billion and doesn't include the RCF of Unieuro, which is at EUR 150 million.

This gives us confidence in our ability to make opportunistic decisions about the strategic allocation of resources, whether for external growth, debt reduction or return paid out to shareholders.

We will nevertheless continue to pay close attention to our leverage ratio. This stands at 1.9x compared with 1.8x last year, in line with our covenants. Adjusted for the consolidation of Unieuro and the exit from the ticketing business, the leverage ratio would have been 1.65x in 2024 compared with 1.8x in 2023, in line with our ambition to achieve medium term a ratio of 1.5x at the end of December.

The group's ratings by leading agencies Standard & Poor's, we're BB+ negative outlook, Fitch ratings and Scope ratings BB+ and BBB, respectively, both with stable outlooks, reflect their confidence in the relevance of the group's omnichannel model, its operating performance and its financial discipline.

Slide 23. At the next Annual General Meeting of Shareholders on 28th of May 2025, Fnac Darty propose the payment of a dividend of EUR 1 per share, an increase of EUR 0.55 compared to last year. This represents a payout ratio of 40% calculated based on the net income from continuing activities group share - adjusted for the exceptional items I described earlier. This is in line with previous years and with the payout policy set out in the Everyday strategic plan. The ex-dividend date is 2nd of July 2025 and the payment date is 4th July 2025.

Slide 24. As announced in the introduction, slide 24 shows the combined financial statements of Fnac Darty Group including 12 months of Unieuro business.

With this consolidation of the European market, we are strengthening our position as the leading specialist retailer of electronic products and domestic appliances in Southern and Western Europe. Our group takes on a new dimension with sales of more than EUR 10 billion in revenue. Recurring operating income of EUR 209 million, representing a margin of 2% before synergies and EUR 232 million of free cash flow.

We are confident of delivering significant operating synergies, which we have estimated at more than EUR 20 million before tax run rate and which will mainly come from economies of scale in purchasing amounting to around EUR 10 million and the integration of private labels for another EUR 10 million.

Indeed, this merger offers the opportunity to pool expertise around private labels and licenses to optimize the Group's product offering and existing structures, notably the sourcing offices in Hong Kong and Shenzhen, which Unieuro does not have.

And of course, we are looking at other opportunities for synergies as integration progresses, which could relate to services, marketplace, retail media but probably over a longer time horizon.

This new scope for the group has not been achieved at the expense of our debt, I would remind you that we completed the acquisition of Unieuro with the securities component and the cash component. The cash component amounted to EUR 69.5 million. So, it had virtually no impact on our leverage.

I will now hand over to Enrique to conclude the presentation before we take your questions.

Enrique Martinez

Side 26. With everything we have presented to you; we look forward to 2025 with confidence and determination.

For 2025, we anticipate mid-single digit growth in current operating income excluding Unieuro, compared to 2024 current operating income excluding the impact of the deconsolidation of the ticketing business.

Indeed, the sale of the 17% stake in FranceBillet in December 2024 will have an impact of around 10 million euros on current operating income. The outlook has therefore been drawn up taking this impact into account.

We look forward to seeing you in June for the presentation of our new strategic plan and the update of the Group's medium-term objectives, including Unieuro.

Now we've come to the end of our presentation. Thank you very much, everyone, for listening. And now we are ready to answer your questions.

QUESTIONS AND ANSWERS

Enrique Martinez

First question by Emmanuelle Vigneron, HSBC.

Can you reach 2 million customers of Darty Max in 2025?

Yes. Yes. That's what I said to my team. It's a race, and there are two interesting points to understand: we had to raise prices because of the inflation; hence, we saw a churn effect and a slowdown of the conquest even if it was still dynamic. And the large domestic appliances market has not been quite dynamic.

But now with the innovation and the development of the offers, we think that we can really get close to our objectives in 2025, and we are not going to stop this trend.

Another question from Christian Devsimes, CM CIC.

The operating margin in 2024, what about the adjustment?

Thank you for the question. In the Unieuro financial statements, pro forma published 12 months, 1st of January to 31st of December, EUR 2.6 billion sales for Unieuro and EUR 26 million EBIT. And this is a pro forma EBIT in the Fnac Darty mode.

We do not have a current or noncurrent EBIT concept, and we do not have any specific adjustment. Unieuro had a different strategy. Their closing date was the 1st of March 28th February, it's not comparable. And then they readjusted the EBIT, the recognition of service products and some nonrecurring items, impact of flooding and so on.

So, the EUR 26 million reported for 2024 in the Fnac Darty mode and extremely comparable in terms of methodology to what we are going to publish later.

So, we checked the adjustment items, and, in our methodology, we do not retain them. It's EUR 26 million before synergies, of course.

Enrique Martinez, Thank you. A question by Alessandro Cuglietta, KeplerCheuvreux.

Your guidance 2025: what are the different drivers, favorable, unfavorable, what is your assessment?

The first driver is the exit of the ticketing business. The ticketing business had huge business volumes, but the sales were low of EUR 40 million roughly for an impact on the current operating income of about EUR 10 million.

So next year, we are going to offset and do a bit better. So, we do not communicate on the current operating margin for next year, but it would be an amount in euro, which should be above of what we are doing this year in spite of the exit of the ticketing business.

Next question Marie-Line Fort, Bernstein.

How do you see the market in 2025? What are the growth drivers? What about electricity? And what about the integration of Unieuro?

Well, if you remember last year, the inflation was still rather high, purchasing power was constrained, we didn't know exactly when there was going to be a recovery of the market, the innovation, the return of innovation and so on.

For the second half year of 2024, we were expecting the first signs, but they came later, rather in November and December, but those signs were quite encouraging. And if we look at 2025 now we are more optimistic. We've more reasons to be optimistic in 2025 than in 2024. And the real estate market is recovering.

We did not reach the same level as the pre-inflation period, but interest rates are decreasing, and it will have an impact on the kitchen, on the household appliances and so on, plus innovation cycles, products around artificial intelligence, gaming and so on.

Well, we cannot give an exact figure, but we expect growth which is a bit higher than presented today. For the OpEx, the answer is implicit. We expect less inflation. It would be on-boarded for the full year of 2025, but it will be lower than in 2023 and 2024. Electricity, it won't be at the level of 2023.

On top of that, we reduced over 20% of our electricity consumption. Our objective is to continue reducing electricity consumption and overall energy consumption within the group.

What about the integration of Unieuro? It works quite well. We installed a new governance. We have appointed the new general manager. She is part of the Comex and with their team they're going to work on all integration items.

So, there are a lot of synergies, a lot of opportunities in terms of knowledge and understanding, and they will do their share of the work because they will be part, of course, of the roadmap. So, they will have a very intense half year.

Jean-Brieuc Le Tinier, Clement is asking what assumption in gross margin increase? Will reduction costs have an impact on your guidance for 2025?

I won't give any figures but concerning costs you've already answered Enrique.

So, we're expecting lower inflation than last year, roughly 2% and 2.5% including rents. Now the objective of the group has come back as closely to 0 as we do each time. That's our objective. And we're working on it.

Gross margin will have to be pedagogical this year because we have several things that are going to impact our scope. We're going to integrate Unieuro that has a lower gross margin than the average of the group and we take out ticketing.

Ticketing was a small revenue, but significant results. It will have an impact on gross margin of 40 basis points in 2025. You must bear this in mind, we will have maybe a negative product mix effect, with a better year in gaming.

But this remains to be defined. Services will continue to grow and will increase gross margin. So, apart from a scope impact and ticketing and Unieuro, we should have a pretty good impact on the margin.

Enrique Martinez, Clement is asking about Weavenn. What can we share or give you an update in terms of strategy?

We talked about that it was launched, the contracts, the real customers who are already being served, thanks to the logistics and the Fnac Darty tools. There are a lot of innovations to go and come out.

During the end of June, we'll be able to give more precisely which technical products will become available for other merchants and other territories. This will really enhance things. But for the launch with our partners very satisfied with things as they are.

Question from Stefan.

How can you explain the cash flow with Unieuro will be lower compared to EUR 195 million?

Enrique Martinez. To answer the question, for Unieuro the month of December had negative cash flow of EUR 20 million, which is not significant. One month doesn't mean anything. Unieuro over quarters, there's December that's in the middle of the quarter. So, it's not representative of the Unieuro activity.

And pro forma, which is the only significant figure that really should be observed is EUR 232 million of cumulated cash flow.

I don't see any more questions on the screen. We have answered. Okay. I think we will end the meeting here. Well, thank you to everyone. We'll certainly have the opportunity to discuss some further our results. Hold on.

One last question Marie-Line is asking us what cash is in linked to ticketing.

Jean-Brieuc Le Tinier, the cash on ticketing is relatively low because it's 17% of the capital. So, we're talking about a few tens of millions of euros. The big cash-in has already been seen in 2019 and the impact on our accounts, which is after free cash flows, we deconsolidated all the cash from ticketing, which stayed with us since 2019.

Enrique Martinez, New question from Stefan. He comes back on the topic of cash flow of Unieuro in December. The destocking in December should have had a positive impact?

Well, Unieuro has a month of January, which is important month with sales. Month of December resembles that of Darty, which is much less stronger than Fnac. That's the first point.

And then obviously they had a good Black Friday. So, it depends on how they manage the payment of their suppliers. So, we have to follow this, and we can give more details later.

Looking at all the months and closing date, there will be adjustment in the months and years to come. And it will be more relevant and easier to make comparative later.

Question from Clement : Strategic plan will be the same as in 2021 ? Free cash flow Oriented?

Well, we could invite you to the discussion we'll have to have in terms of the trajectory we're going to set. For the time being we put all the teams to work. It's a collective endeavor. All the operating teams in all the countries are working on all the opportunities and risks and this will be defined in the coming weeks.

We have the outline in mind, and we'll share this with the teams, and then there will be work on consolidation. Also, decisions will be made after discussions with the Board, and they will come to results in terms of guidance and KPIs to render this plan understandable and attractive to everyone including the financial community.

It's too early to talk about the new strategy. It's not going to be completely disruptive or completely in continuity, there will be a mix between the two. It's far from being completely defined. We're work in progress.

We are far from maximum potential. We're talking about the 2 million subscribers in Darty Max but why should we stop at 2 million. We can go much further. So, the idea is to see how we can attain this and there'll be other matters. There will be other issues addressed.

And finally, several things which are going to come and enhance all our growth drivers, organically, through M&A, through diversification and so on. All these aspects will be

studied, and priorities will be made to all these different elements for the new strategic plan.

Apparently, there are no more questions.

Thank you once again for your attention, and we'd like to say hi to all the people came in line to listen to this presentation. So, with Jean-Brieuc, we will have strategic plan presentation in June, and you will receive in the coming weeks the date to be saved. And thank you all for your attention and your support. Thank you. Bye, bye.