

FNAC DARTY

Enrique Martinez
Chief Executive Officer

Good evening to all. I'm very pleased to be with you today to comment on our 2025 annual results, a defining year for the group, with, of course, the launch of the Beyond Everyday plan.

AGENDA

I'll begin by presenting the highlights of the year, and then Jean-Brieuc, our CFO, will detail our financial results. The figures we're presenting today follow-on from the preview of the 26th of January after the EP Group tender offer. Lastly, I'll come back for the conclusion and will be available, both of us, to take your questions.

EXECUTIVE SUMMARY

So if you're following the Slide #4, our revenues are up 0.7% on the year, notably driven by services, posting a double-digit growth across the majority of geographies. Trends and consumption, the situation is contrasted. We have a challenging consumption situation in France, notably in Q4. In this context, we're nevertheless up. It's a good performance that we believe 2 points above the market trend according to the figures published by the Bank of France at the end of January. The rest of Europe, we're delivering strong growth of plus 1.1%, driven by very good performance in Spain and Portugal. Our results are, therefore, solid with current operating income of EUR 203 million, that's 2% of our revenue, and a very solid free cash flow at EUR 145 million. As I said, Jean-Brieuc will return in detail on these figures in a few minutes.

We presented back in June 2025, our new strategic plan Beyond Everyday through 2030. This plan follows on the successful previous plan. Last year, as you know, early '26, EP Group, a leading shareholder through its subsidiary, VESA, announced the planned tender offer on our company. Over the years, we've built a trustful relationship with them. And we welcome this expression of interest.

BEYOND EVERYDAY

Moving to Slide 5. After the success of our Everyday plan, Beyond Everyday projects us into the future, resting on 3 strategic pillars that we'll recall. To become the benchmark play on high value-added products and to accelerate the rollout of subscription services with circularity is the main focus. Secondly, define the market standards in terms of customer experience across all touch points. And lastly, develop our expertise with our partners and across all geographies through 2030. We've also defined ambitious objectives at group level and notably in financial terms with a growth of our operating margin to reach at least 3% in 2030 and cumulative free cash flow of at least EUR 1.2 billion over the period 2025, 2030.

REPAIR & BEYOND

Regarding the first pillar that's focused on the rollout of subscription services and circularity, we got specific indicators to measure our progress and reach our objectives. We're aiming for 4 million subscribers by the end of 2030. At the end of 2025, we've already reached 2.4 million subscribers. We aim a twofold increase of our revenue on 2nd Life offer. In 2025, we recorded growth of 24% over 2024 on the same offer.

Lastly, at the end of 2030, a contribution of service activities to our growth margin from 25% to 30%. We're already at 27% at the end of '25. That's a growth of 200 basis points over 2024. Develop the reflect of repair and purchase of the reconditioned products requires very

proactive initiatives. To strengthen transparency on household products and to remove obstacles to 2nd Life products, early 2026, we launched the Digital Passport for large household products, and we aim for the deployment of 1 million products by the end of the year.

BEYOND DIGITIZED OMNICHANNEL

Moving to Slide 7. On Pillar 2 of the Beyond Everyday plan, we want to define the market standards in terms of customer experience across all touch points. This requires investing in our stores of the duration. We plan to renovate over 200 stores and to open 150 stores over the lifetime of the plan. This year, we've already reopened Fnac at Callao, center of Madrid, the new store of Barcelona transferred to the Ramblas, and the new Fnac in Dijon. For Darty, we've opened Rouen in the Docks 76 shopping center, still benefiting from the latest innovations. The momentum of openings will continue in Portugal, where, at the end of the year, we launched the Darty brand that we plan to develop. The brand is already benefit, great spontaneous recognition amongst household and consumer electronics in just a few months. Store traffic is up 4% and revenue is up 10% since the change in the brand.

BEYOND RETAIL

Return to Pillar 3, we'll deploy our expertise with our partners and across all geographies. Online sales are up almost 6% in '25, with an increase in traffic and volumes, representing 22% of total group sales today. Click & Collect continues to confirm its success. It represents over 50% of our online sales. And we, in fact, have more than 9 million products recovered in stores in 2025. This figure shows the power of our model. We've seen a very dynamic activity in 2025 in our marketplace activities of the Reverse Marketplace, and our JV for logistics, weavenn, held equally, that's continuing to grow strongly. 2nd Life activities, both with Fnac and Darty represent an important share of this momentum. All in all, its sale growth of close on 10% on these channels.

UNIEURO INTEGRATION

A word of Unieuro integration. 2024, the acquisition of Unieuro in Italy was a defining deal for the group. Integration is progressing very well. [indiscernible], the French and Italian teams are working hand-in-hand on deploying the plan Beyond Everyday, both digital logistics with the new warehouse opened at Colleferro near Rome, renovation of points of sale and store openings. We're also developing large-scale Ledwall store windows for retail media we've done in France. The objective, at least EUR 20 million in synergies by the end of 2026 is confirmed and has already begun to materialize this year. Operating performance of Italy is very satisfactory and alone accounts for over 60% of the COI growth of the rest of Europe.

EP GROUP'S TAKEOVER BID

A word on the current takeover bid, and to conclude my section of Part 1, I'll return to the announcement of the EP Group that communicated on an all-cash offer for Fnac Darty shares. EP Group has been our major shareholders since 2023, and through its subsidiary, VESA, owns 28.5% of our capital. The offer price, EUR 36 per share, represents a 19% premium before the closing prior to the offer January '23 and premiums, respectively, of 24%, 26% of the average price of the 1 month and 3 months. This is, of course, submitted to a mandatory threshold of 50% of the capital voting rights by the [indiscernible], subject to the regulatory authorities in terms of competition law and control of foreign investment. EP Group has indicated that it didn't plan to solicit a mandatory withdrawal after the offer. After an in-depth examination of the proposed offer, the Board favorably received the operation unanimously. It will deliver its recent opinion in the coming weeks after the report of the

independent expert, Ledouble, and the advisory opinion of the staff committee. The filing of the offer is expected in the coming weeks before the end of Q1.

EP GROUP TAKEOVER BID: INTENTIONS

On Slide 11, the EP's offer continues on the solid partnership we forged together for several years now. It's a major milestone to accompany the acceleration of our strategic plan Beyond Everyday. In the current environment, marked by profound changes of expectations and consumer behavior, the support of a long-term stable shareholder is a great asset.

Lastly, I'd like to emphasize that our dividend policy remains unchanged with a payout ratio above 40%. Over to Jean-Brieuc, our CFO, to detail our results.

Jean-Brieuc Le Tinier
Chief Financial Officer

Thank you, Enrique. Good evening, everyone. Thank you for being here with us. Let's start with Slide 13.

2024 RESTATEMENT

You have the new basis for 2024 for our financial statements because of 2 items. The first item is the IFRS 5 restatement of Nature & Decouvertes at the bottom of the income statement because the -- since the COVID crisis, that business, Nature & Decouvertes, faced significant pressure on household purchasing powers and the emergence of online players offering very low cost products. The model Nature & Decouvertes needs to be adjusted to the turnaround plan that we've been implementing for 12 months or so, and unfortunately, didn't come to fruition, and so we started looking for a partner that seems necessary if we want to have a rigorous management of our portfolio.

The effect that you see on the slide is related to the results of 2024. It's minus EUR 172 million on revenue, a bit positive on COP to the tune of EUR 14 million. I'll give you comments in a few minutes, few details about 2025. The second restatement is more marginal. It's about Unieuro. With the recording of goodwill as per purchase price allocation to the tune of EUR 6 million in 2024 allocated to the rest of Europe because it is about Italy, the amount for 2025 is roughly identical. And so the developments that I will comment in a moment are based on these restated figures for 2024, that is revenue EUR 10.3 billion and current operating profit EUR 200 million.

2025 KEY FINANCIAL FIGURES

Let's look at the results for 2025, Slide 14. You can see on this slide the key figures for 2025. As Enrique pointed out a few moments ago, we are pleased with the group's performance in view of a very challenging context in France for the retail industry with significant pressure on consumption and household's confidence. Revenue of the group at end 2025 was slightly up, plus 0.7% like-for-like at EUR 10.3 billion. Gross margin kept growing, reflecting the robustness of the omnichannel model. Operating margin was 2% at end December 2025, up compared to 2024. With a good management of WCR, operating free cash flow, not including IFRS, was EUR 145 million, up from 2024, not including disposals.

PERFORMANCE BY CATEGORY

Slide 15 now. Enrique pointed out that online sales grew significantly, 6%. They account for 22% of revenue and about 50% -- and 50% of them are done through Click & Collect. Let's go through categories. Services kept growing with double-digit growth in most countries because of an enriched offer and the rolling out of Darty Max and Fnac Vie Digitale. With all

services, we had 2.4 million subscribers at end 2025 compared to 2 million at end 2024. Our ambition is to reach 4 million by 2030.

Diversification remains also dynamic with a double-digit growth for Toys and Games and Stationery. Beds that started in our integrated stores at the beginning of the year, enjoyed rapid growth, just like fully equipped kitchens that are gaining popularity. Domestic appliances were up. Small appliances kept growing with beauty tech and floor cleaning equipment. Large appliances were driven by favorable weather conditions for refrigerators, air conditioning and fans. Editorial products enjoyed the good launch of the Switch Console 2 early in June 2025, 150,000 units sold. Books were slightly down because there were no major novelties. And finally, technical products declined because of fewer television and new phone sales. However, reconditioned phones enjoyed significant growth.

Personal computers went up, returned to growth with the termination of support services for Windows 10 and the new cycle of new products has announced tablets, connected glasses and cameras also enjoyed growth. And then IT components with fnac.com in 2025 were very successful. We now are the lead players in all gaming categories. We're trying a new dedicated department for these components in some pilot stores and on the darty.com.

GROUP REVENUE BY GEOGRAPHY

Let's look at revenues per geography. France had -- sales were up on the like-for-like basis, plus 0.5%, but they were down 0.6% in Q4. As we said, business suffered in December, in particular, in stores. And that, of course, drove down the performance in Q4. The numbers published by the French Central Bank confirmed a very challenging context in 2025 for the retail industry with significant pressure on consumption and household confidence.

Let's look at the rest of Europe. This give a very satisfactory performance. Like-for-like growth of sales, plus 1.1% for the full year, plus 1% in Q4. In Italy, revenue were down 1.1%, but -- and Q4 was down 2.1% because of significant competitive pressure on phones and a high basis of comparison for television, but this had no significant consequence on COP growth.

Belgium and Luxembourg enjoyed plus 1.8% growth over the year, 3.9% in Q4. That confirmed the good momentum in online sales. Portugal, significant growth like-for-like, plus 7.3%, 8.7% in Q4. The 2 brands, Fnac and Darty did well both on web and in stores. And as Enrique pointed out, a very good performance of stores that recently joined the Darty brand.

Spain displayed an LFL growth of 6.6% for the year and 7.3% for the fourth quarter alone. All categories were up over the period, and services had double-digit growth. The scope effect for Spain reflected the temporary closing of stores for renovations, but they all reopened by year-end.

Finally, in Switzerland, LFL revenue was up 5.2%, including 4.1% in Q4, driven by fine both online and in stores and of course, the growth of services.

GROSS MARGIN INCREASE

Let's look at gross margin on Slide 17. Over the 2025, this was up 50 basis points and 60 basis points not including the dilutive effect of the franchise. This reflected the good performance of services and Darty Max, in particular.

FINANCIAL RESULTS

Let's look at other items of the income statement on Slide 18. As I said, the gross margin was up at end December. OpEx, including D&A was EUR 2.26 billion at end 2026 -- 2025, up EUR 38 million compared to 2024 restated. The higher property cost and inflation on other cost were offset by the performance plans. And so EBITDA at end 2025 was up EUR 15 million, and

current operating profit, COP, stood at EUR 203 million compared to EUR 200 million at end 2024 restated because of higher depreciation allowances related to leases and IFRS 16.

Per area, business in France in December had a negative effect on profitability, but the rest of Europe had a significant improvement in COP, about EUR 15 million. In Italy, that accounted for 60% of the full growth for the region at end 2025, EUR 4 million in synergies were recorded. As Enrique pointed out, the objective of EUR 20 million was confirmed by to 2026.

One-off items stood at minus EUR 123 million compared to minus EUR 27 million at end 2024. This is because of the impairment of intangible assets, no cash effect, EUR 96 million, and the recognition of restructuring costs for the same amount as for 2024.

Operating profit stood at EUR 80 million at end 2025. Financial expenditures stood at EUR 118 million, up EUR 21 million compared to 2024. This is because of the higher cost of debt -- of net debt, the new financing conditions and the increases of IFRS 16 charges.

Taxes stood at EUR 25 million, and that included EUR 10 million extra tax for large companies in France. So net income for continuing activities for the group stood at minus EUR 67 million, a degradation compared to 2024, where it stood at EUR 43 million. But if you restate this for noncurrent items with no cash effects, the EUR 96 million I just mentioned, the net income attributable to the group of continuing activities would have stood at plus EUR 28 million at end 2025.

The EUR 78 million charge for held-for-sale activities is because of the restatement of Nature & Decouvertes as a held-for-sale business. Most of this is goodwill amortization to the tune of EUR 60 million. And net loss of the business for 2025, EUR 18 million. In 2024, on that line, you had a loss of EUR 19 million for Nature & Decouvertes, in line with IFRS 5, plus an income of EUR 2 million because of the resolution of the Comet dispute.

FROM EBITDA TO FCF

If you look at cash flow, operating free cash flow, not including IFRS 16, stood at EUR 145 million compared to EUR 210 million in 2024 restated, in line with our expectations. In 2024, net CapEx included disposals including a logistics warehouse in the Paris area, the EUR 93 million, a change in WCR stood at EUR 75 million, and this reflects the good management of that in spite of the challenging Q4 in France.

The increase in CapEx is in line with our ambitions. It affects our stores, our supply chain, our IT systems. Italy had increased CapEx with the opening of a new warehouse in Colleferro, which Enrique talked about, and several new stores or renewed stores.

SOLID FINANCIAL STRUCTURE

The financial position of the group is sound, as you can see in Slide 20. Net financial debt excluding IFRS 16 stood at EUR 958 million with 2 bonds, EUR 550 million due in 2029 and EUR 300 million due in 2032, and the remainder of the OCEANES issue, EUR 46 million at end 2025. The net cash position stood at EUR 146 million, plus undrawn credit lines, the RCF and DDTL worth EUR 600 million. This undrawn line covers both the issue of 2029 in volume and the 2032 issue in maturity. Finally, the S&P Global, Fitch ratings and Scope rating agencies published their ratings, respectively, BB+, BB+ and BBB- with a stable outlook. So we have a sound long-term cash profile.

Finally, about the balance sheet. We have an agreement with the trustee of the Comet Pension Fund in the U.K. and Canada Life U.K. to cover all liabilities of the scheme, this pension scheme, with the full buy-in worth GBP 330 million. This operation did not and will not

have any significant impact on the group's cash position. And now I'll give the floor back to Enrique.

Enrique Martinez
Chief Executive Officer

Thank you very much, Jean-Brieuc. In conclusion, I'd like to acknowledge the unfailing commitment of our 30,000 partners and staff serving our customers' expectations, seeking out all growth opportunities. A word on the financial outlook. At our shareholders meeting in May, we'll propose a payment of a dividend EUR 1 per share, equivalent to last year, consistent with our shareholder return policy. The ex date of the dividend will be 3rd of June. In volatile and still uncertain context, we nevertheless expect an increase in our current operating margin and also our free cash flow. And of course, we confirm our 2030 objectives that I announced at the presentation of our Beyond Everyday plan in June 2025.

Thank you for your attention. And with Jean-Brieuc, we're now ready to take all your questions.

QUESTIONS AND ANSWERS

Q: We have a first question from Florent Thy-Thine. Did you have expressions of interest for Nature & Decouvertes? Should we expect a cash impact on the disposal?

A: Well, I can answer that. Nature & Decouvertes, we launched the disposal process that's formalized. We chosen a bank and an expert to support us for the financial side. At this stage, it's premature to mention the first expressions of interest we've already received. It's too soon to tell you about that. Yes, we've had some expressions of interest, the cash impact on the disposal. We'll get back to you when we have more formal expressions. And as you said, too soon to say. And once again, we confirm our commitment to continue to maintain the activity in stores and all our activities around Nature & Decouvertes continuity until we find a right solution, and we have time.

Q: We got a second question. Bank of France figures in January are not in a good trend. Are you confirming that similar trend for Fnac Darty?

A: Well, thank you. As you know, well, we generally do better than the Bank of France figures. Unfortunately, I cannot confirm what was the -- what the performance is today, but we'll see that for the quarter. But I'd say the group continues to expand confidently in a context that we know well that we're mastering and doesn't, in any way, jeopardize the guidance we've given for 2026. So not good figures from the Bank of France, but let's wait the quarterly results to give the market figures.

Q: We have a question in English.

A: Well, thanks for that question. As part of the activities that are significant group-wide, that we classify in the services, give vouchers, experience packs, we're not going to give any specific outlook, but we're a leader in this and standard setup for ticketing, well, these segments that are seeing a major expansion of activity. And for shows, these are actually markets that have a great appetite for consumers still in 2026.

And thanks for his question once again.

Waiting as the questions come in. We will allow a bit more time for questions. Otherwise, we'll wrap up the session.

Q: there's a new question just come in on the guidance. Jeremy Garnier. Question on the guidance of the operating margin, free cash flow. Excluding the synergies or the Unieuro, what could be an improvement, it's upside and scale?

A: Well, thanks for the question. Obviously, if we include synergies, levers of our Everyday strategic plan, services, commercial dynamic that's pretty solid across countries, notably in the South. We saw the figures, Portugal, Spain. So we're continuing to benefit from that. Hopefully, consumption dynamism in France will be a bit more favorable, lower inflation and possibly opportunities for exchanging products, the World Cup in July. And of course, the real estate market will perhaps show some signs of recovery, the big and the small are already in this reequipment phase, everything for robotics and floor care, et cetera. There are a lot of good activities that will drive the business forward. And we project the profitability through 2030 at 3%. So we need to travel the path and the difficulty in 2026 is to boost free cash flow generation on activity to deliver our commitments in 2030.

Q: A new question : what level of investment should we expect 2026 in the coming years?

A: Well, '26, we can expect a level that will be broadly similar to that at 2025, maybe slightly higher. And then we guided on 2030 of investment around EUR 200 million on average. So as we said back then slightly up versus what we were doing historically to incorporate development of IT services, store refurbishment, an important part of the Beyond Everyday plan.

Q: We have another question on WCR. It increased by EUR 75 million. Is there a strong contribution of Italy that explains that high number?

A: Italy contributed, I won't give the exact figure, for quite a substantial share, but not the majority of that growth. All countries contributed EUR 75 million, including Italy, like the other countries.

Wait a couple more seconds.

We can close this session. Of course, we remain available should you require further information and interaction and see you for the next presentation in April and the AGM and following events on the offer that's underway. Thank you for your attention. Pleasant evening.