FNAC DARTY

Enrique Martinez
Chief Executive Officer

Good evening, everyone. We are pleased to be with you tonight to comment our 2026 half year results. Particularly in France over the past few years, we have experienced several early heat waves of unexpected intensity. These episodes had an impact on many of us and naturally on our customers.

And I wanted to start by acknowledging the extraordinary dedication of our team during these exceptional weeks, especially our purchasing logistics stores teams and our home service technicians who intervene on products affected by the extreme heat. Everyone across the group worked tirelessly to step up and help our customers cope with these extreme temperatures.

AGENDA

Right, the agenda. I'm going to present the highlights of the first half of 2026. Then Jean-Brieuc Le Tinier, our Chief Financial Officer, will detail our financial results. And finally, I will return for the conclusion, and both of us will be available to answer your questions.

HIGHLIGHTS

Slide #4, the highlights of H1. Our revenue grew by 0.6% on a like-for-like basis. This growth was driven by international operations, up 2.7%, while France declined by 0.7% due to a market that remains sluggish and a high comparison baseline. Activity was also driven by strong digital momentum, which I will elaborate on in a few moments. In a market that remains very fragile with solid recovery indicators in a few categories, yet still uncertain, particularly in France, we are pursuing the rollout of our Beyond everyday plan. This has yielded significant effect on our gross margin rate, which expanded by 40 basis points to reach 29%.

The growth of our service business remains the key engine for growth and services are contributing very positively to improving this metric. Finally, as you already know, our main shareholder, EP Group, announced a tender offer for our company at the beginning of the year. After obtaining the required regulatory approvals, notably clearance from the AMF, the offer has been open since May the 12. Subject to receiving merger control approval from the European Commission, completion is expected in the second half of this year.

So, our first half of 2026 reflects positive transformation momentum and growth in services. In a moment, I will also return to the performance of online sales, which posted sustained growth and digital as a whole. Overall, commercial performance remains solid in an environment that remains challenging in France.

BEYOND EVERYDAY

Slide #5 now. Since launching our new strategic plan Beyond everyday in June 2025, we have rolled out numerous initiatives.

I wanted to highlight 2 of them, which fall under the integration of Unieuro through synergies and the development of high value-added services. They are illustrated on Slide 5. First, a dual launch resulting from an expertise sharing between the group and Unieuro.

First, the launch in France of a professional TV calibration service. This is the first directly inspired by the success of a similar initiative deployed at Unieuro in Italy. Conversely, Unieuro launched Digital F-Secure, its very first subscription service offer inspired strongly by Fnac Vie Digitale, which has been successfully offered in France in 2021.

Now second key initiative, we accelerated the integration of our own brands across the group. We previously announced our goal to pool expertise around private label products and licenses to optimize product offerings and better leverage existing group structures, particularly sourcing offices in Hong Kong and Shenzhen. 80 employees are dedicated to this business, which we have mastered over 20 years now. We work with approximately 190 suppliers worldwide and ship over 4,000 containers annually.

Since 2025, we have finally expanded our product offering with more than 1,300 new SKUs, and we confirm our target to increase sales by EUR 300 million by 2030, doubling compared to 2024.

These examples illustrate that Unieuro's integration is progressing successfully, and we confirm our target of delivering at least EUR 20 million in synergies by the end of this year.

DIGITAL PERFORMANCE

Moving on to Slide #6. Now we are going to talk about digital performance. So, regarding digital, as I mentioned earlier, we continue to accelerate, as shown on Slide 6. with a selection of significant key metrics.

Our online sales grew by 4% in the first half of the year and now represent 21% of total group sales. Click & Collect sales are growing and now account for nearly 50% of total group online sales. This confirms once again the relevance of our omnichannel strategy, especially when foot traffic in city center stores was impacted by the heat wave.

The use of AI in purchasing behavior, while still marginal today, is accelerating rapidly. We pay close attention to ensuring strong visibility in LLM models, which already influence more than 3% of our gross merchandise value on our platforms. Our marketplace delivered strong performance in H1 with GMV increasing by 18%. The business or the activity within our Reverse Marketplace is also showing very strong growth.

Finally, we are accelerating the deployment of Weavenn, the joint venture created with CEVA Logistics. Weavenn offers a unique fully integrated solution, combining best-in-class marketplace tech solutions with high-performing fulfillment for multichannel retail. Now since its launch, Weavenn has collected over 100 marketplaces across Europe and processed around 1 million orders. Overall, for technical products, 1/3 of units sold on Fnac Darty marketplaces are powered by or fulfilled by Weavenn.

TENDER OFFER BY EP GROUP

Moving on to the next slide, Slide 7, to conclude my section. I wanted to briefly review the ongoing tender offer by EP Group and provide a quick update on the timeline. I have already noted that EP Group's offer aligns with the solid partnership built together over several years. It represents a key new milestone supporting the acceleration of our Beyond everyday strategic plan.

ILLUSTRATIVE TIMETABLE

So, moving on to Slide 8, the illustrative timetable shows all the steps already completed as well as the final milestone before closing the offer. We are still awaiting merger control approval from the European Commission. Now we are working on it, though we have not yet formally notified Brussels to date. Subject to obtaining this clearance and if successful, the offer should reopen for a period of at least 10 trading days.

I will now hand over to Jean-Brieuc Le Tinier, our CFO, who will walk us through our financial results in detail.

Jean-Brieuc Le Tinier

Chief Financial Officer

Thank you Enrique, and good evening everyone.

As Enrique mentioned in his introduction, our Group revenue grew by +0.6% LFL over the half-year, driven by the very good performance of the Rest of Europe and our online sales. Online sales now account for more than 21% of revenue for the period and grew by more than 4%. Click & Collect remains an essential pillar of our omnichannel model, with nearly one in two digital orders picked up in store.

PERFORMANCE BY PRODUCT CATEGORY

BY PRODUCT CATEGORY

On slide 10, let's look at performance by category.

Outlined in green on the slide are the main categories showing growth.

First, household appliances. Small appliances are benefiting notably from innovation in the beauty and home care segments. Large appliances show good resilience, supported in particular by the two heatwaves in May and June, which favored sales of products linked to thermal comfort.

Services and diversification continue their positive momentum and remain in growth.

Technical products are growing overall, with mixed trends. The PC market continues its growth momentum thanks to equipment renewal linked to the end of Windows 10 support and a new post-Covid cycle. Television sales grew, particularly in June, with double-digit performance supported by the football World Cup.

Conversely, telephony — shown outlined in red — as well as sound and photo, are slightly down.

The same applies to editorial products, which are down due to a sluggish book market. Unlike previous years, there was no major new release during the period. As a reminder, last year the book series "La femme de ménage" had strongly driven sales.

Gaming is impacted by a negative base effect. As a reminder, the second quarter of 2025 had benefited from the (very) successful launch of the Switch 2 console. The second half of the year will be marked by the release of GTA 6, the most anticipated game of the decade.

PERFORMANCE BY GEOGRAPHY

Let's now go into detail on the Group's performance by geography, on slide 11.

The France zone, which represents 58% of the Group's total revenue, is nearly stable at -0.7% LFL compared to H1 2025.

The consumption environment in France remains unfavorable. However, we are delivering good performance, clearly above the market trend according to the latest Banque de France figures published at the end of May. As a reminder, June data is still not available.

In the Rest of Europe, which now represents more than 40% of the Group's total revenue, activity shows strong performance, with revenue up nearly 3% LFL.

Italy is growing, with strong dynamics across all distribution channels and categories.

Belgium is up nearly 6%, with market share gains in a favorable consumption environment.

Portugal grew by +9.0%, driven by strong momentum from both banners and the successful rollout of Darty.

Spain posted growth of nearly +2%, driven by in-store sales. Notably, stores renovated in 2025 are performing particularly well.

Finally, in Switzerland, activity declined by -1.9%, impacted by the downturn in the book market and the negative base effect on gaming.

GROSS MARGIN

On slide 12, our gross margin also improved, up 40 basis points compared to H1 2025. This improvement notably reflects the growing contribution of services to our value creation.

The development of Darty Max is in particular a major lever for improving our activity mix and confirms the relevance of our strategy centered on recurring revenue.

The product mix is also favorable over the period, with growth in sales of products in well-margined categories. The impact of franchising has become minimal on our gross margin.

INCOME STATEMENT

Let's now move on to the other elements of the income statement, on slide 13.

As I just presented, the gross margin rate is improving as of the end of June.

Our operating costs reached €1,325 million in H1 2026, up €23 million compared to last year. They remain broadly under control despite higher costs, particularly logistics costs linked to strong activity at the end of the half-year. However, the numerous efficiency plans deployed across the Group have offset a very large part of the inflationary pressure.

Current EBITDA at the end of June 2026 thus reached €197 million, up €4 million.

Current operating income (COI) stood at -€34 million, compared to -€38 million last year. This nearly 10% improvement reflects the Group's ability to maintain its margin and control costs in a sluggish consumption environment.

The integration of Unieuro is going very well. We have implemented our action plans in terms of both purchasing pooling and sourcing, and the target of €20 million in synergies by the end of 2026 is confirmed.

We have also, as Enrique mentioned, deployed some of our respective areas of expertise since the beginning of the year.

Non-recurring items amounted to -€16 million. The slight increase of €5 million compared to last year mainly includes restructuring costs related to workforce and structural adjustment plans in France and internationally.

Operating income thus stood at -€51 million for the half-year, nearly stable compared to last year.

Financial expenses amounted to -€62 million, up €7 million compared to the end of June 2025. This change is mainly linked to the Group's new financing terms and to one-off financial income recorded in H1 2025 related to the early repayment of the OCEANE bond in March 2025.

After taking into account a tax benefit of €28 million, Group net income from continuing operations stood at -€82 million.

FROM EBITDA TO FREE CASH FLOW

Let's now move on to the analysis of free cash flow at the end of June, on slide 14.

Operating free cash flow, excluding IFRS 16, stood at -€793 million, compared to -€845 million as of June 30, 2025, which is in line with our expectations. The change mainly stems from an improvement in working capital. As a reminder, working capital is subject to strong seasonality and reaches a low point in June.

Operating capital expenditure amounted to €74 million as of June 30, 2026, in line with our "Beyond everyday" target of around €200 million per year on average through 2030.

FINANCIAL POSITION

The Group's financial position is healthy and solid, as you can see on slide 15.

Our gross financial debt, excluding IFRS 16, stands at €1,253 million and includes the two bond issues: the remaining OCEANE bond and the EIB loan.

At the end of June 2026, the Group posted a net cash position of €516 million, to which are added undrawn credit lines — the RCF and the DDTL — totaling €600 million.

As a reminder, this undrawn line covers both the 2029 maturity in size and the 2032 maturity.

As a result, net financial debt excluding IFRS 16 at the end of June 2026 stood at €737 million.

Finally, the rating agencies S&P Global, Fitch Ratings, and Scope Ratings have published their respective ratings of BB+, BB+, and BBB-. Notably, in early July 2026, S&P raised its outlook to "Positive" from "Stable" previously. This change indicates a potential positive evolution in Fnac Darty's rating over the next 6 to 12 months should the takeover offer by EP Group be finalized. Fitch Ratings and Scope maintain a "Stable" outlook.

We therefore benefit from a solid long-term liquidity profile.

I now hand the floor back to Enrique, who will conclude this presentation.

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We therefore benefit from a solid long-term liquidity profile.
I now hand the floor back to Enrique, who will conclude this presentation.

Enrique Martinez
Chief Executive Officer

Thank you, Jean-Brieuc. On Slide 17, you see that we have the ability to make progress even when we are in a challenging environment, especially in France, thanks to the diversification of our service operations and to the growing contribution of the international business. So, we would like to confirm our objectives for the 2030 plan and the ones for 2026. We confirm our expectations of growth in our recurring operating margins. And I would like to thank you for your attention, and we are now available for your questions.

Q&A

Unknown Analyst

Hi, this is [indiscernible] from Bloomberg Intelligence. I have a couple. First of all, I'd like to ask you whether you've noticed the increasing prices of memory chips and whether that affects your inventory planning, especially in terms of bringing inventory forward? That will be my first question. And then the second one, with the acquisition by the Kretinsky's Group is going ahead, and upon the approval from the European Commission, are you looking to delist following the acquisition? Or will you remain trading?

Enrique Martinez *CEO*

We understood your question. So, regarding pricing, well, there have been a few announcements made by the industry. It was a bit disorganized, but we can see that there will be a price increase in the coming months due to rising component prices. For now, this hasn't had a significant impact, but many manufacturers like Apple and others have made announcements. They said there would be a price increase. Now, this hasn't had any impact on our inventories yet. We can't comment here because we're not aware of the quantity or volume of the increases, but it's likely that we'll see a price increase for a few product categories, which could potentially have an impact on global sales. But it's too early to say because we don't yet know what that will look like. It may have a limited impact on the products.

Regarding the transaction, this is an ongoing operation. We are waiting, as we said, for authorization from the European competition authorities, which is pending for the second half of the year. We are awaiting the results of the transaction. And whatever the outcome, we would not be delisted before at least 12 months. That was a commitment. For 12 months, trading will continue. As for the future, well, we'll see. Time will tell. However, first, we need to know the success rate of the offer. And second, there is a 12-month period, which cannot change, and we will remain listed for at least 12 months.

Unknown Analyst

Can I ask a follow-up?

Enrique Martinez *CEO*

Go ahead.

Unknown Analyst

So, for the first question regarding the rise in inventories: if you see prices increasing from companies like Apple that you mentioned, do you have a strategy to determine whether you'll pass the price increases on to the consumer, or reduce margin? What impact do you anticipate over the next six months?

Enrique Martinez *CEO*

Thank you for your question. Well, that's an industry secret we can't reveal today. First, we don't know by how much prices will increase. Obviously, given the margin level, well, there will be an impact on the selling price, that's certain. And now, in terms of strategy, that's part of our industrial strategy that we can't reveal. But in any case — in any case, we're going to work with the entire sector to maintain a balanced supply capable of meeting the needs of all our consumers, regardless of their purchasing power. So there may be some trade-offs to make, but we're going to work with the entire sector to keep offering the best deal to customers, regardless of inflation, which can fluctuate.

Christian Devismes, CM CIC

Hello, everyone, I have a few questions. First, regarding inflation in the macro IT sector. Your competitor specializing in video games is showing a rise in RAM memory prices. So maybe I missed it, but on that front, what was the impact of inflation in the first half? And should we expect a decline in volumes due to the price increase? And my second question is more general. Regarding the French market, despite solid and continued sales performance, the profit margin remained stable in France in 2025 as well as in the first half of 2026. Does revenue growth need to be restored in order to reignite profit growth over the coming quarters?

Enrique Martinez *CEO*

Let me answer the first question first. Jean-Brieuc Le Tinier, you can answer question number 2. We already discussed this earlier. Yes, both sectors are anticipating significant inflationary pressures over the coming quarters. This hasn't materialized yet, but we remain ahead of the curve and we're anticipating future supply cycles. So we expect things to evolve in the second half of the year, and we're working with the rest of the industry to find the right balance regarding the impact of rising inflation on prices. So we're trying to find the right balance between our customers' interests and their purchasing power. So we'll see whether our forecasts materialize in H2 and whether this has an impact on volume adjustments, but it's too early to say. And many major manufacturers have anticipated this impact, but very few have, as a result, raised their prices for the following half.

Today, it's generally in H2 that most products are launched. And it will depend on the launch price of these products, to see whether we see an industry-wide shift.

Jean-Brieuc Le Tinier *Group CFO*

Regarding the profit margin in France, it's stable, which is already good. We have fixed costs in our line of business. We have inflation. And revenue declined by 0.7% over the half. So we're able to maintain our profit margin as well as our EBIT and recurring operating income. To restore significant growth in EBIT and margin in France, we need to focus on services. And also, we need to focus on growing our revenue. We can improve our recurring operating income thanks to our international operations. The integration of Unieuro is helping a lot. It helps reduce the risk of our exposure to France, which was very significant before the Unieuro acquisition. Thank you.

Enrique Martinez *CEO*

Thank you all very much for your kind attention, and I look forward to speaking to you again in October for our next call to analysts. Thank you.