

CNOVA N.V.
Full Year 2022 results & 4th quarter activity
Swift start in 2022 of Cnova's transformation

With strong platform revenues, Cnova reinforces its shift towards a profitable model:

- **Sharp increase in gross margin at 23.2% of net sales** (+1.3pt vs. 21, +5.4pts vs. 19) notably thanks to the **GMV mix improvement towards marketplace**: 54% of marketplace share in Q4 (+9pts vs 21), 52% in FY (+6pts vs. 21, +13pts vs. 19)
- **Marketplace revenues at €191m**, (-2% vs. 21) growing +28% vs. 19 with **solid and regular increase of GMV take rate¹** at 16.2% (+0.7pt vs. 21, +1.7pt vs. 19)
- **Advertising services revenues growing at €71m** (+5% vs. 21, x1.8 vs. 19), with **consistent increase in GMV take rate¹** over the last years reaching 3.1% (+0.7pt vs. 21, +1.6pt vs. 19)
- **B2B expansion on-track: Octopia B2B revenues reaching €19m** (+66% vs 21) with 14 new clients in 2022 for its turnkey marketplace solution to reach 26 clients at year-end

Efficiency plan to recalibrate SG&A and CAPEX: €47m savings vs. 21 (+€17m vs. guidance):

- **SG&A (excl. D&A) decreasing** from €371m to €342m (-€29m)
- **CAPEX decreasing** from €98m to €80m (-€18m)

The accelerated shift to the marketplace model and the success of the Efficiency Plan help secure positive free cash flow before financial interests of +€15m and a FY 22 EBITDA of €52m.

Appointment of Thomas Métivier as CEO to pursue the Group's transformation.

AMSTERDAM - February 22, 2023, 7:45 CET Cnova N.V. (Euronext Paris: CNV; ISIN: NL0010949392) ("Cnova") today announced its fourth quarter 2022 activity and full-year unaudited financial results for 2022.

During 2022, **Cnova's first priority was the continuous development of its marketplace and advertising services** in a persistent context of macro-economic uncertainties and disruptions, while **recalibrating its cost structure to preserve cash and improve profitability**. 2022 also confirmed the **relevant positioning of its B2B business model** with the commercial acceleration of Octopia and C-logistics.

This mix evolution towards more platform revenues has driven Cnova's gross margin up by more than 5pts over the last 3 years to 23.2% of net sales.

Marketplace GMV, after reaching more than 50% of product GMV for the first time in the 2nd quarter of 2022, continues on its positive trend and now represents 54% of GMV in the 4th quarter (+9pts vs. last year) with a nearly stable GMV (-2%) in a receding French ecommerce market. In January and February 2023, marketplace continues to be dynamic with record high GMV shares of more than 60% for several days. Over the last 5 years, marketplace has been growing at an annual rate of +7% supporting Cnova's first strategic pillar with a GMV share increasing by +18pts up to 52%.

This marketplace development has been supported by a **sharp increase in customer satisfaction** measured by the NPS which **grew by +3pts compared to 2021 and +14 pts compared to 2019**, narrowing the gap with the direct sales customer satisfaction by 4pts since 2019. The primary lever of this improvement has been the constant enhancement in marketplace delivery services: Fulfilment by Cdiscount and Cdiscount Express Seller orders now cover more than half of marketplace GMV (+20 pts between 2019 and 2022).

Advertising services revenues reached €71m in the Full Year 2022, growing +5% compared to 2021 supported by the traction of our proprietary advertising bidding platform which grew by +29% yoy now representing two thirds of advertising services revenues.

Overall GMV decreased by -15% in the Full Year 2022 on a comparable basis impacted by the direct sales rationalization (-27%) to focus on products generating more profit and cash. As part of this voluntary strategic move, direct sales inventories nearly halved at end 2022 compared to last year end (+€112m positive impact on working capital).

Long-term value creation through B2B activities development: Octopia signed 14 new clients in 2022

¹ Calculated as revenues (excluding VAT) divided by product GMV (Direct Sales + Marketplace, **adjusted for VAT**)

to reach a total of 26 clients at year-end of 2022 out of which 17 clients are already live on the platform. **C-Logistics** signed 3 new clients in 2022 to reach 4 clients at year-end for its end-to-end third-party logistic solution and has already successfully launched 3 of them.

In Q2 2022, Cnova launched **an Efficiency Plan to swiftly recalibrate its cost structure & capex level to the current volume of activity with a €75m savings target on a full-year basis by the end of 2023.**

This efficiency plan already generated €47m of savings of OPEX and CAPEX in 2022 compared to 2021, overperforming the July 28, 2022 savings guidance by +€17m.

Thanks to those initiatives, Cnova was able to protect profitability and cash with an **EBITDA of €52m** and a **positive free cash flow before financial interests of +€15m for the Full Year 2022**, an improvement of +€94m compared to last year.

Thomas Métivier, Cnova's CEO, commented:

"In 2022, Cnova proved its ability to quickly adapt to macro-economic disruptions by focusing on our marketplace and advertising services while reducing our cost structure with decisions taken as early as Q1. In 2023, we will accelerate the pace of this transformation, focusing on strengthening our profitability, growing our marketplace while leveraging on advertising services and on the commercial success of Octopia and C-Logistics' solutions. All those actions will pave the way for more growth potential and margin expansion in the coming years."

Financial highlights

Financial performance (€ millions, GMV figures incl. VAT)	2022	2021	Change vs. 2021	
	Full year	Full year	Reported	L-f-L ²
Total GMV	3,497.1	4,205.5	(16.8)%	(14.5)%
Ecommerce platform	3,395.9	4,095.3	(17.1)%	(14.7)%
o/w Direct sales	1,340.0	1,840.0		(27.2)%
o/w Marketplace	1,421.0	1,517.6		(6.4)%
Marketplace share	51.5%	45.2%		+6.3pts
o/w Services	212.1	277.8	(23.7)%	+43.1%
o/w Other Revenues	422.9	459.8	(8.0)%	+1.1%
B2B activities	101.1	110.2	(8.2)%	
o/w Octopia B2B revenues	22.6	13.6		+66.4%
o/w Octopia Retail & Others	74.3	96.1		(22.7)%
o/w C-Logistics	4.3	0.5		x8.2
Total Net sales	1,700.2	2,162.5	(21.4)%	(20.7)%
EBITDA³	52.0	102.7	(49.4)%	
% of Net sales	3.1%	4.7%		(1.7)pts
% of GMV	1.5%	2.4%		(1.0)pts
Free cash flow figures (€ millions)	Full Year 2022	Full Year 2021	Change vs. 2021	
EBITDA³	52.0	102.7	(50.7)	
(-) cash non-recurring items	(11.8)	(8.8)	(3.0)	
(-) IFRS 16 rents	(35.8)	(34.7)	(1.1)	
(+/-) Change in working capital	+14.6	(41.6)	+56.2	
(-) Income taxes	(2.5)	(3.6)	+1.1	
Cash from continuing operations, incl. rents	16.5	13.9	+2.6	
(-) Net CAPEX	(80.3)	(92.9)	+12.6	
(+) Floa & CCV disposals cash in	+79.2	-	+79.2	
FCF continuing operations before cash from financing activities	15.4	(79.0)	+94.4	
(Net Financial Debt)/Net Cash	(372.5)	(326.5)	(46.1)	

² Like-for-like figures exclude cross-canal sales and Cdiscount Energy GMV for 1H21 and 1H22

³ EBITDA: operating profit/(loss) from ordinary activities (EBIT) adjusted for operating depreciation & amortization of respectively €(89.6)m and €(97.7)m during the full Year 2021 and 2022

Full year 2022 operational highlights

Operational highlights of the Full Year 2022 confirm the successful shift towards Cnova's marketplace platform observed since the start of the year with a GMV share increasing by +6.3pts compared to 2021, a sharp acceleration compared to the historical average and dynamic advertising services.

Key business KPIs	2022 Full year	2021 Full year	Change vs. 2021
Marketplace GMV share	51.5%	45.2%	+6.3pt
Marketplace revenues (€m)	191.4	195.8	(2.2)%
Advertising services (€m)	71.3	67.6	+5.4%

Focus on 4th quarter operational highlights

GMV	4Q22 vs. 21
Total like-for-like GMV growth	(16.0)%
Net sales like-for-like growth	(24.0)%
Marketplace GMV growth	(2.1)%
Travel GMV growth	+18.5%

Facing strong inflation headwinds and a changing macro-economic environment, **Cnova overall GMV decreased by -16.0% on a comparable basis:**

- **Product GMV** (Direct sales and marketplace) decreasing by -18.5%, -32.0% for direct sales and -2.1% for the marketplace, confirming the objective of Cnova to improve its GMV mix and profitability towards more marketplace, with an increasing marketplace GMV share of +9.1pts in the 4th quarter;
- **Advertising services** slightly decreased in the 4th quarter, showing a solid dynamic when compared to GMV trend with record-high monetization per viewed pages during Black Friday;
- **B2C Services** showed promising dynamics, especially thanks to a fast-growing activity for Cdiscount Travel which achieved the best year since its launch in 2018 with a growth of +46.1% compared to 2021 and +18.5% in the 4th quarter;
- **Octopia** was very dynamic and **signed 2 clients in the 4th quarter for its marketplace-as-a-Service solution** including a major French retailer with more than €200m online GMV in 2022 while **Fulfillment-as-a-Service grew by +48.4% in the 4th quarter.**

Cdiscount à Volonté ("CDAV"), Cdiscount's loyalty program, still encompasses 2.5 million members with a slightly decreasing GMV share of 41.8% during the 4th quarter 2022, benefiting from 2.3 million SKUs available for express delivery, with a Fulfilment by Cdiscount assortment increasing by +16% compared to last year.

Clients in m	at end 22
Total clients ⁴	8.8
CDAV subscriber base ⁴	2.5

The number of visitors is decreasing by -5.5% during the fourth quarter 2022, with a total of 274.6m visitors during the period, a dynamic aligned with market trend.

⁴ Client & subscriber base on 31/12/2022

With more than 80% of the **traffic** coming from mobile, Cdiscount.com mitigated market headwinds and maintained its strong #2 position in France according to *Médiamétrie*⁵ in the 4th quarter with an improving trend in the 4th when compared to the 3rd quarter.

Cnova’s strategic shift towards the marketplace is accelerating, exceeding the 50% GMV share landmark in a sole quarter – **an increase of +9.1 points compared to 2021**. Raised quality standards, with NPS up 0.2pts y-o-y to 50 in the 4th quarter, led to this fast-increasing marketplace GMV share this quarter. As part of this strategy, Fulfilment by Cdiscount and Express seller program continued to be very dynamic now representing more than 50% of marketplace GMV in the 4th quarter.

	4Q22	vs. 4Q21
Marketplace GMV share	54.1%	+9.1pts
Cdiscount express seller MKP GMV share	15.1%	+6.5pts
Fulfilment by Cdiscount MKP GMV share	36.5%	(4.0)pts
Total marketplace GMV share eligible to express delivery	51.6%	+2.5pts

⁵ Average between October, November and December Médiamétrie studies

Full year financial performance

Cnova N.V. (€ millions)	Full Year		Change
	2022	2021	vs. 2021
GMV	3,497.1	4,205.5	(16.8)%
Total Net sales	1,700.2	2,162.5	(21.4)%
<i>As a % of GMV</i>	<i>48.6%</i>	<i>51.4%</i>	<i>(2.8)pt</i>
Gross margin	393.8	473.6	(16.9)%
<i>As a % of Net sales</i>	<i>23.2%</i>	<i>21.9%</i>	<i>+1.3pts</i>
<i>As a % of GMV</i>	<i>11.3%</i>	<i>11.3%</i>	<i>-</i>
SG&A (excl. D&A)	(341.8)	(371.0)	(7.9)%
<i>As a % of Net sales</i>	<i>(20.1)%</i>	<i>(17.2)%</i>	<i>(2.9)pts</i>
<i>As a % of GMV</i>	<i>(9.8)%</i>	<i>(8.8)%</i>	<i>(1.0)pt</i>
EBITDA	52.0	102.7	(49.4)
<i>As a % of Net sales</i>	<i>3.1%</i>	<i>4.7%</i>	<i>(1.7)pts</i>
<i>As a % of GMV</i>	<i>1.5%</i>	<i>2.4%</i>	<i>(1.0)pt</i>
Operating EBIT	(45.8)	13.1	(58.9)
Net financial income / (expense)	(72.5)	(52.8)	(37.3)%
Net profit / (loss) from cont. operations	(128.0)	(51.3)	(149.5)%

Net sales amounted to €1,700.2m for the Full Year 2022, a -21.4% decrease compared to 2021. Net sales evolution has been impacted by the improvement of product mix towards the marketplace, whose revenues are just recognized for the amount of associated commissions, with a GMV share increasing by +6.1pts in a year. This product mix improvement has been accelerating in Q4 with GMV marketplace share increasing by +9.1pts.

Gross margin was €393.8m for the Full Year 2022, decreasing by -16.9% compared to 2021 but representing 23.2% of net sales, which represents an improvement compared to 2021 of +1.3pts. Cnova accelerated its shift towards the marketplace: marketplace and Cdiscount advertising together brought more than +2.5pts in gross margin. This increase more than compensated one-off negative impact from destocking initiatives (-0.6pts on gross margin) that contributed to a +€112m positive impact on working capital related to inventory reduction.

SG&A costs excluding depreciation and amortization amounted to €(341.8)m for the Full Year 2022, decreasing by **€29.1m** thanks to the implementation in early Q2 of an efficiency plan to recalibrate cost structure to current level of activity. This efficiency plan including SG&A and CAPEX savings outperformed the €30m July 28, 2022 guidance by €17m in 2022. **Fulfillment costs**, at 7.1% of net sales (-0.6 pt vs. 2021), decreasing by €19.1m in value as a result of (i) lower volumes, (ii) efficiency plan on square meter optimization (iii) productivity enhancement and (iv) renegotiations that together offset high inflation headwinds. **Marketing costs** represented 4.9% of net sales (-0.3 pt vs. 2021), decreasing by €17.7m in value. Cdiscount maintained its acquisition marketing spend proportionally to a lower GMV and benefited from the implementation of the savings plan. **Technology & Content** costs increased at 3.7% of net sales (+1.7 pts vs. 2021) related to the continuous investment in Octopia's product and commercial development partly offset by the savings plan that was achieved gradually throughout the second half of the year. **General & Administrative** represented 2.4% of net sales (-0.3 pt vs. 2021), decreasing by €4.0m in value. Most of the savings incurred in this cost line were concentrated on central costs with a full-year impact expected in 2023.

As a result, **FY 2022 EBITDA** decreased to +€52.0m representing 3.1% of net sales (-1.7 pts vs. 2021). In a context of significant market headwinds, EBITDA benefited from a resilient marketplace performance and increased revenues from advertising services while heavy destocking initiatives negatively weighted on Direct Sales gross margin. This negative impact on gross margin was partly offset by the positive +€29m

impact of the efficiency plan at OPEX level.

Operating EBIT decreased to €(45.8)m representing -2.7% of net sales (-3.3 pts vs. 2021), with depreciation and amortization increasing by €8.1m y-o-y due to growing investment over the past years in new B2B activities especially 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 for €14.0m.

Net financial expenses – mainly related to 4-installment payment solutions offered to customers – amounted to €(72.5)m representing -4.3% of net sales (-1.8 pt vs. 2021) an increase of €(19.7)m compared to last year:

- **4-installment payment** cost of risk was temporarily negatively impacted in 2022 by higher take rate in H2 2021 and 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

Net loss from continuing operations amounted to €(128.0)m, representing -7.5% of net sales (-5.1 pts vs. 2021).

Free cash flow figures (€ millions)	Full Year 2022	Full Year 2021	Change vs. 2021
EBITDA³	52.0	102.7	(50.7)
(-) cash non-recurring items	(11.8)	(8.8)	(3.0)
(-) IFRS 16 rents	(35.8)	(34.7)	(1.1)
(+/-) Change in working capital	+14.6	(41.6)	+56.2
(-) Income taxes	(2.5)	(3.6)	+1.1
Cash from continuing operations, incl. rents	16.5	13.9	+2.6
(-) Net CAPEX	(80.3)	(92.9)	+12.6
(+) Floa & CCV disposals cash in	+79.2	-	+79.2
FCF continuing operations before cash from financing activities	15.4	(79.0)	+94.4
(Net Financial Debt)/Net Cash	(372.5)	(326.5)	(46.1)

Free cash flow from continuing operations before financial expenses amounted to **€15.4m during the Full Year 2022**, i.e. a **+€94.4m increase compared to the Full Year 2021** in a difficult market context where Cnova focused on preserving cash and profitability:

- **Cash from continuing operations, including cash rents, was up by +€2.6m to €16.5m: EBITDA decrease was compensated by working capital improvement.** An Efficiency Plan was launched in early 2Q22 and resulted in a positive free cash flow before financial expenses and more positive effects expected in 2023.
- A positive change in working capital of +€14.6m presenting a **significant improvement compared to last year of +€56.2m** thanks to:
 - **Positive impact from inventories and receivables for +€225m**
 - **Decrease in inventories** by €(157)m thanks to (i) the efficiency plan for €(112)m : 1P offer rationalization to focus on high turnover products and highest margins categories and (ii) sale of €45m Géant inventories in May and June 2022 to Casino Group
 - **Decrease in receivables** by €(68)m thanks to (i) lower level of direct sales activity that favorably impacted the volume of B2B trade & advertising invoicing to suppliers (ii) dedicated task force to reduce the level of outstanding invoices and (iii) higher level of receivables mobilization
 - **Partly Compensated by the decrease in trade payables by €(195)m in line with the -27% decrease in direct sales** that resulted from the voluntary shift towards the marketplace and reduced

exposure to loss-making direct sales categories

- **Net capital expenditures decreased by €(13)m** over the Full Year 2022 as a result of the rationalization of investments to adapt to current level of activity. **Savings on gross capital expenditures amounted to €(18)m** to bring 2022 total savings plan to €47m in OPEX and CAPEX vs. 2021, a €17m overperformance vs. July 28, 2022 guidance.
- **Additional positive one-off impact from disposal of non-strategic assets:**
 - **+€21m disposal of Floa assets to BNP Paribas:** €37m total positive impact on Net Financial Debt considering c. €17m deferred revenues positive impact on non-trade working capital
 - **+€58m disposal of C ChezVous to Geopost:** €64m with 95% cash-in in 2022 net of closing adjustments

Key Business Achievements

Marketplace growing at a CAGR of +7.4% over the past five years, driving up revenues and profitability

- The marketplace gained +6.3 points of GMV share in the Full Year 2022 compared to 2021 to reach **51.5%**
- **Marketplace revenues** amounted to €191.4m in the Full Year 2022 decreasing by a resilient 2.2% compared to 2021.
- **Expansion of express delivery share:**
 - **Fulfilment by Cdiscount** is increasing slightly, with a +0.3 points increase in marketplace GMV share in the Full Year 2022 to reach 37.4% on average;
 - **Cdiscount Express Seller**, launched in 2019 for sellers able to offer express delivery to *Cdiscount à Volonté* customers. This program now covers, in the Full Year 2022, 13.9% of marketplace GMV, a +7.7 points increase compared to last year;
 - Together, **express delivered SKUs covers in the Full-Year 2022 51.3% of marketplace GMV**, a +8.0 points increase compared to last year.

Direct sales performance of technical goods categories benefited from **strengthened relations with top 20 national brands, enhanced cash profile** but were mainly impacted by **high comparison base** and **adverse market conditions**:

- **Top 20 brands posted strong performance:** +8pts GMV direct sales trend vs. other direct sales (+3pts share overall) driven by Super Brand days, exclusive offers and co-financed promotions & co-branding;
- **Improved direct sales assortment and cash profile:** number of SKUs divided by 2 (30k) with enhanced inventory turnover (<60 days at year-end);
- **Strong comparison base** with physical stores closed during the 3rd lockdown in the 1st half of 2021 and 2022 performance impacted by **high inflation of purchases** (semi-conductor shortage, increase in raw materials, supply chain disruptions).

B2C Services showed solid performance driven by market recovery and offer expansion

- **B2C Services** GMV, excluding Energy, amounted to €127.4m in the full-year 2022, up +43.1% vs. last year.
- **Cdiscount Voyages** (travel) experienced a significant growth, posting a strong +46.1% GMV growth vs. 2021.
- **Cdiscount Mobile** (cell phone plans) experienced a significant acceleration, posting a strong +56.4% GMV growth vs. 2021 with a positive evolution of customer base with more than 215 k clients representing a growth of 43%.

Enhanced customer experience and record high NPS

- Increase of **+1.4 points in NPS** average during the Full Year 2022 (+7.1 points over 2 years) leading to a record high NPS compared to the last three years, through intensified efforts to improve customer experience before, during and after the sale.
- Despite a decrease in direct sales GMV presenting higher historical NPS, **overall NPS was favourably impacted by a sharp increase in marketplace customer satisfaction** which grew by +2.7 pts compared to 2021 and +13.7 pts compared to 2019, narrowing the gap with the direct sales customer satisfaction by 3.9pts since 2019. The primary lever of this improvement has been the constant enhancement in marketplace delivery services: Fulfilment by Cdiscount and Cdiscount express seller orders now cover more than half of marketplace GMV (+20 pts between 2019 and 2022).
- **Artificial intelligence-powered algorithms** were implemented all along the customer journey in the past twelve months, significantly enhancing the relevance of the Cdiscount.com search engine (+5 pts in the search engine click rate compared to 2021) and optimizing the pricing proposed to the clients (more than 1m SKUs crawled, x2 vs. 2021)

Dynamic advertising services powered by Cdiscount Ads Retail Solution

- **Revenues from advertising services** increased by **+5.4%** in the Full Year 2022 compared to last year, reinforcing Cnova's most profitable activity.
- It was supported by Cnova's proprietary solution launched in the 1st quarter 2020, **Cdiscount Ads Retail Solution (CARS)**⁶, a 100% self-care advertising platform enabling both sellers and suppliers to promote their products and brands. Revenues generated by this platform grew by **+29%** in the full year 2022.
- **x2 number of active users in 2 years** to reach 7k
- **Better bidding algorithms powered by artificial intelligence:** +50% increase in click rate in 2 years
- **Record high investment rate during Black Friday:** 19€ per 1,000 viewed pages

Octopia is growing, establishing itself as a turnkey marketplace solution for EMEA retailers and e-merchants

- Cnova's **turnkey marketplace solution** offers 3 modular and ready-to-operate marketplace services to international retailers and e-merchants with a **+66.4% increase in the full year 2022 to €18.8m net revenues:**
 - **Merchants-as-a-Service** to bring sellers to existing marketplaces and **Marketplace-as-a-service** to transform e-commerce websites into marketplaces benefits from a strong commercial acceleration with 14 contracts signed during the full year 2022 to reach 26 clients at year-end. Revenues in commissions & set-up fees were multiplied by 6.3 in 2022;
 - **Fulfilment-as-a-Service** to bring multi-marketplace fulfilment solutions including cross-border shipping and warehouse management solution had a successful year as it grew its revenues by +40.2% during the Full Year 2022.
- **Products-as-a-Service** to bring products to small/medium websites and marketplaces in Europe decreased by -25% in the full-year 2022 related to a focus on profitability in a context of high inflation and European ecommerce slowdown.

C-Logistics aims to adapt its structure, to develop its B2B activity and support the marketplace fulfilment solution ramp-up

- C-logistics initiated in 2022 a **significant optimization of its warehousing capacity with a decrease of 29k sqm** in December 2022 compared to last year.

⁶ i.e., Sponsored products

- **Productivity improvement** increasing by 7% for light parcels together with **significant savings in operational expenses** and **enhanced capacity to deliver other European countries** thanks to partnerships with Geopost for express delivery and BPost for standard delivery.
- **B2B activities development: 3 majors clients signed** in 2022 (Les Raffineurs, Boardriders and a luxury global leader). C-logistics' B2B supply ecommerce operations benefit from a competitive offer: high B2C service quality, competitive transportation pricing, differentiating CSR standards and personalized packaging.
- **C-Logistics reinforced its industrial partnership with Group La Poste/GeoPost** through the acquisition by GeoPost of a majority stake in C-ChezVous, C-Logistics' subsidiary dedicated to the transportation of bulky products, for a consideration of 64 million euros, of which 95% was cashed-in in 2022 net of closing adjustments. Both parties agreed to extend their collaboration to deliver small parcels throughout Europe, enabling C-logistics to accelerate its international expansion, reinforcing Cnova's B2B strategic pillar.

Corporate Social Responsibility

Cnova maintained its CSR strategy to promote access to products and services to as many people as possible, while building a sustainable and inclusive European digital economy, addressing major ecommerce stakes.

To reduce the environmental impact of Cnova offering, Cnova accelerated its actions towards a more sustainable consumption:

- “More sustainable” products (energy-efficient and more repairable products, products certified by recognized labels, Made in France and refurbished products) accounted for 13.2% of Cdiscount's product sales, up 2.9 points compared to 2021.
- In particular, 1 out of 3 phones and 1 out of 10 computer sold were refurbished. Sales of high-tech refurbished products enabled to avoid the emission of 8,600 tons of CO₂.

Cnova has been continuing implementing solutions to reduce the environmental impact of its logistics for BtoC and BtoB activities:

- **Transportation:** 100% of deliveries and returns for Cdiscount.com contributed to carbon-neutrality, thanks to strong and continuous commitment to reduce GHG emissions (increase of bulk loading for light parcels, increase of the share of parcels shipped without void, increase of the share of low carbon last-mile deliveries) and sequestration of residual emissions with the endowment fund “Plantons pour l'Avenir”.
- **Packaging:** Cnova has been continuing its action plan to reduce the impact of packaging. In 2022, more than 1 out of 4 parcels was shipped without packaging. At the end of 2022, 100k orders per month were also eligible for reusable packaging on Cdiscount.com.

Cnova pursued as well its social and societal commitment:

- **Diversity:** For the 3rd time, Cdiscount was awarded by the Financial Times as a Diversity Leader for its commitment to promote diversity within the company.
- **Gender parity:** The share of women in each subsidiary of Cnova has been increasing in 2022. At Cnova level, 52% of promotions for executives and top executives are involving women.
- **Charity:** 8 projects related to the environment protection, fighting inequalities, protecting childhood and health care were financed thanks to the donation to the basket tool on Cdiscount.com.

Significant events since the end of December

On January 16, 2023, Mr. Thomas Metivier, 35 years old, Engineer of France's Corps des Mines, replaced Mr. Grenier as Cnova Executive Director and CEO. He has also been appointed CEO of Cdiscount as of this date.

Outlook

In 2023, Cnova will **accelerate the pace of its transformation**, focusing on **strengthening profitability**, **growing the marketplace** while **leveraging on advertising services** and on the commercial success of Octopia and C-Logistics' solutions:

- **B2C strategy** to focus Cdiscount's positioning on the French market & improve profitability: be the 1st French E-merchant, offer a wide assortment with attractive prices through the growing marketplace and high promotion intensity
- **B2B strategy** to accelerate development and pave the way for future ARR⁷ growth and margin expansion:
 - Octopia's acceleration with a strong commercial pipeline of c. 100 prospects, 26 clients already signed and accelerating GMV ramp-up of its 17 active clients at 2022 year-end;
 - Revenue growth expected from C-logistics with 3 clients operational for its end-to-end ecommerce supply solution.

In the 2nd quarter 2022, Cnova has launched **an Efficiency Plan to swiftly recalibrate its cost structure & capex level with a total of €75m savings target⁸ on a full-year basis by the end of 2023, representing 15% of the total 2021 SG&A and CAPEX spendings**. The Plan, supported by a dedicated transformation team, already brought **€47m in 2nd half of the year 2022, ie an overperformance of +€17m compared to the July 28, 2022 guidance**.

About Cnova N.V.

Cnova N.V., the French ecommerce leader, serves 8.8 million active customers via its state-of-the-art website, Cdiscount. Cnova N.V.'s product offering provides its clients with a wide variety of very competitively priced goods, fast and customer-convenient delivery options, practical and innovative payment solutions as well as travel, entertainment and domestic energy services. Cnova N.V. is part of Groupe Casino, a global diversified retailer. Cnova N.V.'s news releases are available at www.cnova.com. Information available on, or accessible through, the sites referenced above is not part of this press release.

This press release contains regulated information (gereguleerde informatie) within the meaning of the Dutch Financial Supervision Act (Wet op het financieel toezicht) which must be made publicly available pursuant to Dutch and French law. This press release is intended for information purposes only.

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⁷ Annual recurring revenues

⁸ 2023 savings target of July 2022 did not factor the 2023 expected inflation that was still highly uncertain

Appendices

Cnova N.V. Full-year 2022 Consolidated Financial Statements⁽¹⁾

Consolidated Income Statement € millions	Full Year 2022	Full Year 2021*	Change
Net sales	1,700.2	2,162.5	(21.4)%
Cost of sales	(1306.4)	(1688.8)	(22.6)%
Gross margin	393.8	473.6	(16.9)%
<i>% of net sales</i>	23.2%	21.9%	+1.3pts
SG&A⁽²⁾	(439.6)	(460.5)	(4.6)%
<i>% of net sales</i>	(25.9)%	(21.3)%	(4.6pts)
Fulfillment	(151.5)	(170.5)	(11.2)%
Marketing	(88.2)	(105.9)	(16.7)%
Technology and content	(153.8)	(133.6)	+15.2%
General and administrative	(46.0)	(50.5)	(8.9)%
Operating EBIT⁽³⁾	(45.8)	13.1	(58.9)
<i>% of net sales</i>	(2.7)%	0.6%	(3.3pts)
Other expenses	(4.6)	(6.8)	+2.2
Operating profit/(loss)	(50.3)	6.3	(56.6)
Net financial income/(expense)	(72.5)	(52.8)	(37.3)%
Profit/(loss) before tax	(122.9)	(46.5)	(76.3)
Income tax gain/(expense)	(5.2)	(4.8)	+7.9%
Net profit/(loss) from continuing operations	(128.0)	(51.3)	(76.7)
<i>% of net sales</i>	(7.5)%	(2.4)%	(5.2pts)
Net profit/(loss) from discontinued operations ⁽⁴⁾	2.7	1.7	+64.7%
Net profit/(loss) for the period	(125.3)	(49.7)	(75.6)
<i>% of net sales</i>	(7.4)%	(2.3)%	(5.1pts)
Attributable to Cnova equity holders (incl. discontinued)	(125.6)	(51.1)	(74.5)
Attributable to non-controlling interests (incl. discontinued)	+0.3	+1.4+	+1.1
Adjusted EPS (€)⁽⁵⁾	(0.36)	(0.15)	(0.21)

*re-presented to consider CchezVous financials reclassified in discontinued activities and IAS 38 reclassification impact from CAPEX to OPEX on various SAAS development expenditures

- 1) Unaudited financial statements
- 2) SG&A: Selling, General and Administrative expenses
- 3) Operating EBIT: operating profit/(loss) before other expenses (strategic and restructuring expenses, litigation expenses and impairment and disposal of assets expenses).
- 4) In accordance with IFRS5 (Non-current Assets Held for Sale and Discontinued Operations), HALTAE and CchezVous (formerly Stootie)'s post-tax net profit for the year ended 31 December 2022 and 2021 are reported under "Net profit/(loss) from discontinued operations"
- 5) Adjusted EPS: net profit/(loss) attributable to equity holders of Cnova before other expenses and the related tax impacts, divided by the weighted average number of outstanding ordinary shares of Cnova during the applicable period.

Consolidated Balance Sheet (€ millions)	2022 End December	2021 End December
ASSETS		
Cash and cash equivalents	13.7	20.4
Trade receivables, net	83.0	150.9
Inventories, net	145.9	302.7
Current income tax assets	2.9	4.0
Other current assets, net	319.2	186.4
Total current assets	564.6	664.4
Other non-current assets, net	12.6	10.6
Deferred tax assets	42.1	43.6
Right of use, net	115.8	138.3
Property and equipment, net	19.1	23.4
Intangible assets, net	233.2	233.0
Goodwill	60.7	122.3
Total non-current assets	483.7	571.2
Assets held for sale	0.0	3.7
TOTAL ASSETS	1,048.3	1,239.4
EQUITY AND LIABILITIES		
Current provisions	9.1	4.1
Trade payables	428.9	624.3
Current financial debt	127.9	84.2
Current lease liabilities	35.8	34.0
Current tax and social liabilities	67.0	104.4
Other current liabilities	210.5	216.9
Total current liabilities	879.2	1,067.9
Non-current provisions	6.0	8.8
Non-current financial debt	414.5	280.4
Non-current lease liabilities	105.3	130.8
Other non-current liabilities	18.1	3.1
Deferred tax liabilities	1.3	1.3
Total non-current liabilities	545.2	424.4
Liabilities held for sale	-	-
Share capital	17.3	17.3
Reserves, retained earnings and additional paid-in capital	(465.2)	(341.4)
Equity attributable to equity holders of Cnova	(448.0)	(324.2)
Non-controlling interests	71.8	71.3
Total equity	(376.1)	(252.9)
TOTAL EQUITY AND LIABILITIES	1,048.3	1,239.4

Consolidated Cash Flow Statement <i>(€ millions, ended December)</i>	Full-year 2022	Full-year 2021
Net profit/(loss) attributable to equity holders of the Parent	(127.7)	(52.0)
Net profit/(loss), attributable to non-controlling interests	(0.3)	0.7
Net profit (loss) for the period excl. discontinued operations	(128.0)	(51.3)
Depreciation and amortization expense	97.8	89.0
(Gains) losses on disposal of non-current assets and impairment of assets	(13.4)	1.8
Other non-cash items	3.3	2.9
Financial expense, net	72.5	52.4
Current and deferred tax (gains) expenses	5.2	4.8
Income tax paid	(2.5)	(3.6)
Change in operating working capital	14.6	(41.6)
<i>Inventories of products</i>	156.7	(19.4)
<i>Accounts payable</i>	(199.4)	(40.7)
<i>Accounts receivable</i>	79.6	32.4
<i>Working capital non-goods</i>	(22.3)	(13.9)
Net cash from/(used in) continuing operating activities	49.5	48.6
Net cash from/(used in) discontinued operating activities	6.0	0.6
Purchase of property, equipment & intangible assets	(81.7)	(98.9)
Purchase of non-current financial assets	(0.3)	(0.3)
Proceeds from disposal of prop., equip., intangible assets	22.6	6.4
Acquisition/disposal of subsidiaries, net of cash acquired	58.2	(0.2)
Changes in loans granted (including to related parties)	(153.4)	129.6
Net cash from/(used in) continuing investing activities	(154.5)	36.7
Net cash from/(used in) discontinued investing activities	15.2	(4.5)
Increase (decrease) of capital of the holding company	0.0	-
Dividends paid to the non-controlling interests	(0.0)	(0.0)
Additions to financial debt	170.0	5.8
Repayments of financial debt	(58.4)	-
Repayments of lease liability	(27.8)	(27.9)
Interest paid on lease liability	(7.8)	(6.8)
Interest paid, net	(57.3)	(44.4)
Net cash from/(used in) continuing financing activities	18.6	(73.3)
Net cash from/(used in) discontinued financing activities	(6.3)	0.0
Effect of changes in foreign currency translation adjustments from discontinued operations	0.0	0.0
Change in cash and cash equivalents from continuing operations	(86.4)	12.0
Change in cash and cash equivalents from discontinued operations	15.0	(3.9)
Cash and cash equivalents, net, at period begin	17.1	9.0
Cash and cash equivalents, net, at period end	(54.3)	17.1

Upcoming Event

Wednesday, February 22, 2023
at 6:00 pm CET / 12:00am EDT

Cnova full-year 2022 Financial Results
Conference Call & Webcast

Conference Call and Webcast connection details

Conference Call Dial-In:

<https://register.vevent.com/register/BI363470969f1344aab189223fb600602c>

Webcast:

<https://edge.media-server.com/mmc/p/6odov7ez>

An archive of the webcast will be available for 12 months with the usage of the webcast link