



# INTERIM REPORT

**Q2 2024**

9<sup>th</sup> August 2024

**Local shopping goes**  
**tech**  
**smart**  
**WOW**



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# SECOND QUARTER RESULTS 2024

Mönchengladbach, 9<sup>th</sup> August 2024, MEDIA Central announces results for Q2 2024.

## MANAGEMENT HIGHLIGHTS

- MEDIA Central continues on its double-digit growth-path with Q2 YTD 2024 pro-forma Net Revenues of €75.8m (+10.7% y-o-y) and €26.5m pro-forma Adj. EBITDA (IFRS Proxy) (+17.7% y-o-y) and €19.4m in pro-forma simplified Free Cash Flows (pre-tax).
- The Group showed strong performance in the dimensions of Net Revenue growth and EBITDA expansion in the second quarter. While both Net Revenues (+10.3%) and adj. EBITDA IFRS proxy (+19.5%) grew double digit, Management continued with its strategy to integrate the digital business units. In addition, strong net working capital management countered Q2 seasonality effects, realizing 78.6% YTD cash conversion.
- The Group's pro-forma Digital Gross Profit Share stands at 54.5% Q2 YTD 2024, a decline of 2.6%pt y-o-y, mainly driven by a strong Classic segment which outgrew the Digital segment on Net Revenues. For Q2 LTM, Digital Gross Profit Share stands at 57.5%.
- As of 30 June 2024, the Group held €181.6m in Net Interest Bearing Debt, resulting in a Leverage Ratio of 3.6x per Bond Terms, excluding €15m of treasury bonds. The Leverage ratio increased by 0.3x vs. last quarter, mainly driven by an earn-out payment in Q2. Net of this one-time effect, the leverage ratio remained at a stable 3.3x (3.0x excluding bond-related securities).
- The integration of the digital units ShopFully, Offerista and Yagora is continuing on track.

## YTD June 2024

**€75.8m NET REVENUES**    **54.5% DIGITAL GROSS PROFIT**    **€26.5m ADJ. EBITDA**  
**+10.7% y-o-y**    **- 2.6% ppt y-o-y**    **+ 17.7% y-o-y**

*Note: All figures including ShopFully on like-for-like basis; Adj. EBITDA excluding rent and leases (IFRS proxy)*

“MEDIA Central Group again closed a very strong quarter with double digit growth across all P&L dimensions: Topline, gross profit and EBITDA. Both business segments – Classic and Digital – contributed to the continuous growth story while expanding their margins and maintaining cost discipline. As the Classic segment experiences a particularly strong dynamic driven by new customer onboarding, business expansion with existing customers while growing margins, the Digital segment expands across European countries as it continues on track with the integration of our digital business entities. Leverage was impacted by an expected one-time earn-out payment in Q2 and supported by stringent cash management.”

Christof Knop, Group CFO

## KEY FIGURES MEDIA CENTRAL (PRO-FORMA CONSOLIDATED)

€ million	Q2 2024	Q2 2023	Change y-o-y	YTD 2024	YTD 2023	Change y-o-y
<b>Net revenues</b>	<b>39.7</b>	<b>35.9</b>	10.3%	<b>75.8</b>	<b>68.5</b>	10.7%
<b>Gross Profit</b>	<b>34.4</b>	<b>30.6</b>	12.3%	<b>65.5</b>	<b>59.4</b>	10.1%
<i>Gross Profit Classic (% of total)</i>	44.7%	43.8%	0.8%pt	45.5%	42.9%	2.6%pt
<i>Gross Profit Digital (% of total)</i>	55.3%	56.2%	-0.8%pt	54.5%	57.1%	-2.6%pt
<b>EBITDA</b>	<b>12.0</b>	<b>10.7</b>	12.3%	<b>22.4</b>	<b>20.0</b>	11.6%
<i>EBITDA Margin</i>	30.2%	29.6%	0.5%pt	29.5%	29.3%	0.2%pt
<b>Adj. EBITDA</b>	<b>13.3</b>	<b>11.1</b>	19.8%	<b>24.7</b>	<b>20.8</b>	18.6%
<i>Adj. EBITDA Margin</i>	33.6%	31.0%	2.7%pt	32.5%	30.4%	2.1%pt
<b>Adj. EBITDA (IFRS proxy)</b>	<b>14.3</b>	<b>11.9</b>	19.5%	<b>26.5</b>	<b>22.5</b>	17.7%
<i>Adj. IFRS proxy EBITDA Margin</i>	36.0%	33.2%	2.8%pt	35.0%	32.9%	2.1%pt

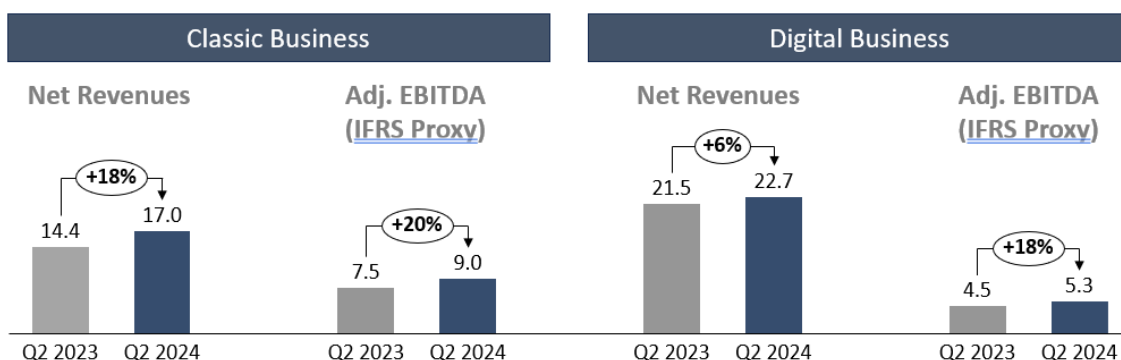
## SEGMENT DEVELOPMENT MEDIA CENTRAL

### CLASSIC

- Continuous strong performance of the Classic Business: The team maintains growth momentum with new and existing customer relationships, expanding business across service offerings and channels. Overall Net Revenues and Gross profits developed strongly y-o-y.
- Classic Net Revenues were €17.0m (+18% vs. PY) for Q2 2024. Overall growth was driven by expansion of existing customer relations, onboarding of new customers and renegotiating distributor agreements.
- Classic pro-forma Adj. EBITDA (IFRS proxy) was €9.0m (+20% vs. PY) for Q2 2024. The increase in EBITDA was mainly driven by topline growth combined with margin expansion.

### DIGITAL *(ShopFully pro-forma consolidated on LFL basis)*

- Digital Business continued on its growth track across regions while the post-merger integration of the digital units continues as planned. Over-proportional growth in profitability as margins expanded while cost synergies are being realized.
- Digital Net Revenues were €22.7m (+6% vs. PY) for Q2 2024 with strong momentum at ShopFully and Offerista Group.
- Digital pro-forma Adj. EBITDA (IFRS proxy) was €5.3m (+18% vs. PY) for Q2 2024, driven by margin-expansion and impacts from PMI efforts.



*Note: Financials are based on German GAAP. MEDIA Central Group completed the ShopFully acquisition on 26<sup>th</sup> July 2023. For better comparability, ShopFully is pro-forma consolidated on a LFL basis. EBITDA adjusted for one-off effects. Adj. EBITDA (IFRS proxy) is adjusted for leases, expecting IFRS 16 to be the main impact in German GAAP / IFRS conversion.*

# MAIN EVENTS DURING THE SECOND QUARTER

## NEW INVESTMENTS

None

## FUNDING

No changes to the funding situation from the Q1 2024 bond report. Main funding sources, apart from equity, remain the Sustainability-Linked Bond with a volume of €200m in total as well as a €15m revolving credit facility with Berenberg currently undrawn. As of 30<sup>th</sup> June 2024, MEDIA Central held €201.5m in interest bearing debt, €19.9 in Cash and Cash Equivalents as well as €15m of bond-related securities (treasury bonds).

## MANAGEMENT CHANGES

None

## DIVIDENDS

No dividends have been declared in Q2 2024.

## MEDIA CENTRAL'S ESG JOURNEY

Clear commitment to ESG through issuance of the Sustainability-Linked Bond with two sustainability performance targets:

- (1) Increase the gross profit from digital media: digital gross profit share of 62%, 64% and 66% in 2024, 2025 and 2026, respectively.
- (2) Setting and achieving science-based targets approved by SBTi in line with 1.5°C scenario for scope 1-3 GHG emissions.

MEDIA Central has a dedicated ESG taskforce that works jointly with the external ESG advisor MJ Hudson. Any ESG progress will be reported regularly.

For Q2 YTD 2024, MEDIA Central digital gross profit share stands at 54.5%. For Q2 LTM 2024, MEDIA Central digital gross profit share stands at 57.5%.

## RECONCILIATION OF PRO-FORMA RESULTS TO LOCAL GAAP FINANCIAL STATEMENTS

All Group financials for Q2 2024 presented in this report are according to German GAAP with ShopFully consolidated as of August 1<sup>st</sup>, 2023. For better comparability, a pro-forma consolidation on a like-for-like basis has been prepared and non-recurring cost, which affect EBITDA under German GAAP (HGB), have been adjusted. In Q2, the majority of these adjustments (€1.2m out of €1.4m for Q2 YTD 2024) refer to one-time layoff costs as a result of the prior Tiendeo integration (former ShopFully add-on acquisition).

€ million	Q2 2024	Q2 2023	YTD 2024	YTD 2023
<b>EBITDA (HGB)</b>	<b>12.0</b>	<b>7.8</b>	<b>22.4</b>	<b>15.3</b>
<b>EBITDA (HGB) pro-forma</b>	<b>12.0</b>	<b>10.7</b>	<b>22.4</b>	<b>20.0</b>
One-off adjustments	1.4	0.5	2.2	0.8
<b>Adj. EBITDA (HGB) pro-forma</b>	<b>13.3</b>	<b>11.1</b>	<b>24.7</b>	<b>20.8</b>
IFRS 16 Adjustments (lease & rent)	1.0	0.8	1.8	1.7
<b>Adj. EBITDA (IFRS proxy) pro-forma</b>	<b>14.3</b>	<b>11.9</b>	<b>26.5</b>	<b>22.5</b>
Informative:				
<i>Net revenues</i>	39.7	35.9	75.8	68.5
<i>Gross Profit</i>	34.4	30.6	65.5	59.4
Performance in % of net revenues:				
<i>Gross profit margin</i>	86.6%	85.1%	86.4%	86.8%
<i>Adj. EBITDA (HGB) pro-forma margin</i>	33.6%	31.0%	32.5%	30.4%
<i>Adj. EBITDA (IFRS proxy) pro-forma margin</i>	36.0%	33.2%	35.0%	32.9%

MEDIA Central Group generated €21.5m of adj. Pre-Tax Operating Cash Flow and €19.4m of adj. Pre-Tax Free Cash Flow. This represents a cash conversion of 87.1% on an adj. Pre-Tax Operating Cash Flow and 78.6% on an adj. Pre-Tax Free Cash Flow level.

€ million (pro-forma Q2 YTD 2024)	Group
<b>Adj. EBITDA</b>	<b>24.7</b>
Delta Trade working capital	(3.5)
Delta Other working capital (adj. for earn-outs)	0.4
Delta Net Working Capital	(3.2)
<b>Adj. Pre-Tax Operating Cash Flow</b>	<b>21.5</b>
CAPEX	(2.1)
<b>Adj. Pre-Tax Free Cash Flow</b>	<b>19.4</b>
<i>KPIs as % of EBITDA</i>	
<i>Simplified Operating CF</i>	87.1
<i>Simplified FCF before taxes</i>	78.6

*Note: Cash Flow figures prepared in a simplified pre-tax and pre-financing cost view, adjusted for one-off items, mainly transaction related cost as well as non-recurring earn-out payments.*

Based on €50.7m of Adj. EBITDA pro-forma LTM as of June 2024, the Group achieved a leverage ratio adjusted for non-recurring earn-out payments of 3.3x (unadjusted 3.6x), excluding €15m of bond-related securities held by the Group (in line with the bond terms).

The leverage ratio is impacted by the consideration of bond-related securities held by the issuer as well as a non-recurring earn-out payment which occurred in Q2, each impacting the leverage ratio by 0.3x. Adjusting for both, treasury bonds and earn out payments, the organization realized a leverage ratio of 3.0x in Q2 2024 and therewith in line with the prior quarter.

<b>€ million (according to German GAAP)</b>	<b>Q2 2024</b>
Bonds	200.0
Other Financial Debt	1.5
Lease Liabilities	
<b>Interest Bearing Debt</b>	<b>201.5</b>
Cash and Cash Equivalents	19.9
<b>Net Interest Bearing Debt</b>	<b>181.6</b>
Adj. EBITDA pro-forma	50.7
<b>Leverage Ratio (adj. for earn-outs)</b>	<b>3.3x</b>
Informative: Unadjusted Leverage Ratio	3.6x
Informative: Leverage Ratio considering treasury bonds & excluding earn-out	3.0x

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

(German GAAP, incl. ShopFully as of 1<sup>st</sup> August 2023)

€ million	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Revenues	169.5	145.4	330.8	280.7
Change in inventories	0.4	0.3	0.4	0.7
Capitalized R&D	1.0	0.2	1.5	0.3
Other operating income	0.6	0.5	1.1	0.9
Material expenses	(137.1)	(127.2)	(268.3)	(246.0)
Personnel expenses	(14.5)	(7.6)	(28.5)	(14.9)
Other operating expenses	(7.9)	(3.7)	(14.6)	(6.4)
<b>EBITDA</b>	<b>12.0</b>	<b>7.8</b>	<b>22.4</b>	<b>15.3</b>
Depreciation	(1.9)	(0.2)	(3.7)	(0.3)
Amortization	(6.5)	(3.7)	(13.0)	(7.3)
<b>EBIT</b>	<b>3.5</b>	<b>4.0</b>	<b>5.7</b>	<b>7.7</b>
Financial income	0.5	0.0	1.1	0.0
Financial expenses	(7.6)	(1.9)	(15.1)	(3.6)
<b>EBT</b>	<b>(3.5)</b>	<b>2.1</b>	<b>(8.3)</b>	<b>4.1</b>
Taxes	(0.9)	(1.6)	(2.3)	(3.1)
<b>Net Income</b>	<b>(4.4)</b>	<b>0.5</b>	<b>(10.6)</b>	<b>0.9</b>

## CONSOLIDATED BALANCE SHEET

(German GAAP, incl. ShopFully as of 1<sup>st</sup> August 2023)

€ million	30 Jun '24	30 Jun '23
Intangible assets	266,5	154,9
Property, plant and equipment	1,6	1,8
Financial assets	0,2	0,2
<b>Non-current assets</b>	<b>268,3</b>	<b>156,9</b>
Inventories	1,1	1,0
Trade receivables	63,4	34,5
Other assets	6,8	3,0
Marketable securities	15,0	0,0
Cash and cash equivalents	19,9	28,0
<b>Current assets</b>	<b>106,2</b>	<b>66,5</b>
Prepaid expenses	2,6	0,4
Deferred tax assets	1,0	0,6
<b>Total assets</b>	<b>378,0</b>	<b>224,4</b>
<b>Equity</b>	<b>41,9</b>	<b>44,4</b>
<b>Provisions</b>	<b>32,3</b>	<b>14,5</b>
Interest bearing debt	201,5	89,1
Advanced payments received	2,9	2,3
Trade accounts payable	39,1	29,2
Liabilities to affiliated shareholders	43,9	42,3
Other liabilities	7,7	1,5
<b>Liabilities</b>	<b>295,0</b>	<b>164,4</b>
Deferred income	1,4	0,2
Deferred tax liabilities	7,4	0,9
<b>Equity and liabilities</b>	<b>378,0</b>	<b>224,4</b>



## CONSOLIDATED STATEMENT OF CASH FLOWS

(German GAAP, incl. ShopFully as of 1<sup>st</sup> August 2023)

€ million	Q2 2024	Q2 2023	YTD 2024	YTD 2023
<b>Net income</b>	<b>(4.4)</b>	<b>0.5</b>	<b>(10.6)</b>	<b>0.9</b>
Depreciation and amortization	8.4	3.8	16.7	7.6
Δ Provisions	(22.0)	(2.8)	(13.3)	0.7
Δ Inventories	(0.4)	(0.2)	(0.2)	(0.2)
Δ Trade accounts receivable	1.9	0.0	(2.0)	5.4
Δ Other assets	(1.5)	(0.1)	(0.9)	3.3
Δ Trade accounts payable	(0.2)	3.8	(3.0)	(5.5)
Δ Other liabilities	0.5	(0.1)	0.3	(0.5)
Interest result	7.1	1.9	14.0	3.6
<b>Cash flow from operating activities</b>	<b>(10.7)</b>	<b>6.7</b>	<b>0.9</b>	<b>15.5</b>
Capex	(1.2)	(0.4)	(2.1)	(0.9)
Δ Goodwill	0.0	(0.0)	(0.0)	(0.0)
Δ Financial assets	(0.0)	0.0	(0.0)	0.0
<b>Cash flow from investing activities</b>	<b>(1.2)</b>	<b>(0.5)</b>	<b>(2.1)</b>	<b>(0.9)</b>
<b>Free cash flow</b>	<b>(11.9)</b>	<b>6.3</b>	<b>(1.2)</b>	<b>14.6</b>
Δ Equity	(0.1)	0.1	0.2	0.1
Δ Vendor loan	(0.7)	0.0	(0.7)	0.0
Δ Shareholder loan	0.5	0.5	1.0	0.9
Δ Receivables from affiliated companies	0.0	0.0	(0.2)	0.0
Δ Digitization loan	(0.1)	(0.1)	(0.1)	(0.1)
Δ Senior loan	0.0	(2.6)	0.0	(2.6)
Δ Bonds and bank loans	0.1	(0.1)	(0.3)	(0.1)
Interest result	(7.1)	(1.9)	(14.0)	(3.6)
<b>Cash flow from financing activities</b>	<b>(7.3)</b>	<b>(4.1)</b>	<b>(14.1)</b>	<b>(5.4)</b>
<b>Total cash flow</b>	<b>(19.2)</b>	<b>2.2</b>	<b>(15.3)</b>	<b>9.2</b>
<b>Cash and cash equivalents as of BoP</b>	<b>39.1</b>	<b>25.8</b>	<b>35.2</b>	<b>18.8</b>
<b>Cash and cash equivalents at EoP</b>	<b>19.9</b>	<b>28.0</b>	<b>19.9</b>	<b>28.0</b>

Notes:

Unaudited Financial Statements prepared in accordance with German GAAP. Cash and Cash equivalents containing €0.5m of cash in escrow accounts.

First-time consolidation date of ShopFully subgroup was 1<sup>st</sup> August 2023.

ShopFully first-time consolidation in August detrimentally impacting the Cash Flow view under German GAAP as periods prior August 2023 are excluding ShopFully.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## CORPORATE INFORMATION

MEDIA Central Holding GmbH has its registered office in Mönchengladbach and is entered in the commercial register at the district court of Mönchengladbach under HRB 1888.

## BASIS OF PREPARATION

The consolidated financial statements of MEDIA Central Holding GmbH are prepared in accordance with the accounting regulations of the German Commercial Code (“HGB” or “German GAAP”) and the supplementary regulations of the GmbHG. Any IFRS view presented in this Interim Report is indicative only.

The identification and classification provisions are followed in accordance with the statutory provisions, taking into account the provisions of the German Commercial Code.

Management reporting also includes non-GAAP key performance indicators (“KPIs”) such as Net Revenue. Management focuses on Net Revenue as it considers Net Revenue the best metric to compare and steer the classic and digital business development. The Net Revenue KPI can be approximately defined as Gross Revenue as per German GAAP definition before discounts and less distribution costs in the classic segment, which management considers pass-through in nature, and distribution costs stemming from the contractual revenue sharing model in the digital segment.

## ACCOUNTING POLICES

The preparation of these condensed consolidated interim financial statements was conducted in conformity with local GAAP. Presenting indicative pro-forma IFRS figures requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities. Actual results

could differ from those estimates. Some accounting policies have a significant impact on amounts reported in these condensed consolidated interim financial statements.

MEDIA Central completed the ShopFully acquisition on 26<sup>th</sup> July 2023. This report reflects first time consolidation under German GAAP as per 1 August 2023.

Historically the provisions for pensions of the ShopFully subgroup were measured in accordance with IFRS. As part of the preparation of the annual financial statements in accordance with HGB as of 31 December 2023, a corresponding actuarial report was prepared in accordance with HGB. Personnel expenses reported were therefore adjusted accordingly during the preparation of the annual financial statements. Furthermore, a more restrictive management view on normalization adjustments has been adopted.

For better comparability, a pro-forma consolidation on a like-for-like basis as well as adjustments for one-off costs are considered. Pro-forma financials included in this report are indicative only.

MEDIA Central is committed to list the bond on Oslo Bors within 18 months after issuance which requires IFRS accounting. Management has already initiated an IFRS reporting conversion project.

## EVENTS AFTER REPORTING DATE

None.

## FORWARD LOOKING STATEMENTS

The forward-looking statements presented in this report are based on various assumptions. These assumptions are subject to uncertainties and contingencies that are difficult or impossible to predict. MEDIA Central Group cannot give assurances that expectations regarding the outlook will be achieved.

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The leading tech company in  
Drive To Store.

We work with the best tech and people to reinvent  
local shopping and take it to the next level.

