



Bondholder presentation

26 June 2020

Provisional Business Plan subject to further amendments
and financing



Provisional business plan articulates turnaround in Benelux and accelerated growth in Nordics



Plan focuses on free cash flow generation potential, based on:

1. Turnaround, margin improvement and “digital first” strategy in **Benelux**
2. An accelerated cross fertilization of the **Ellos** strategy

The provisional business plan and the implementation thereof are subject to obtaining new funding and a global solution with the different stakeholders.

FNG has currently not secured the financing of its provisional business plan, nor reached an agreement with its different stakeholders. The negotiations are still ongoing and different options are being examined.



FNG's provisional business plan focus on existing strengths, digital growth and accelerated integration



FNG's has created a provisional business plan focused on:

1) Rationalisation of activities and downsizing store footprint

- a. Restructure activities in Belgium as announced
- b. Focus on stabilisation in the Netherlands
- c. Reduce overhead and maximize further integration

2) Implement strategy using FNG's (historical) strengths:

- a. Well-known brand portfolio in Nordics and Benelux markets
- b. Digital platform investments and online sales experience
- c. Vertical integration and product leadership
- d. Digital growth

3) Phased approach to open-up platform services to third parties, such as financial and digital services



Phased approach towards future business model, with different starting points for different brands



Following existing strengths and current market trends, the provisional **business plan** structure is built around **6 profit-building blocks** (3 brand groups and 3 platforms), supported by centralised and **shared services** (e.g. fulfillment, IT, Finance, HR)

These **platforms provide their services** both to **FNG and 3th parties**, leveraging their knowledge and capabilities and adding value to the group

It is important to know that different countries have **different starting points**, resulting in a **phased approach**:

- **Nordics** brands: full focus on **expansion** and **continued growth**
- **Dutch** brands:
 - restructuring done
 - current and future focus on **stabilisation** of the operations
 - **growth of digital sales** and –capabilities
- **Belgian** brands:
 - **restructuring** of store footprint & HQ
 - increased focus on digital growth in Benelux
 - simplifying and integrating operations

