**MAISONS DU MONDE**

**PRESS RELEASE**

# MAISONS DU MONDE: FULL-YEAR 2020 RESULTS

## Solid performance demonstrating the strength of the brand and business model

NANTES – 10 March 2021, 07:45 CET – Maisons du Monde (Euronext Paris: MDM; ISIN: FR0013153541), a European leader in affordable and inspirational household decoration and furniture, today publishes the Group's unaudited[1] consolidated results for the year ended 31 December 2020.

- **Strong financial results**
  - **Good commercial performance: Sales of €1,182 million (-3.5%),** underscoring high customer loyalty, differentiated offering and strong omnichannel model; return to growth in H2 (+ 4.8%); FY online up 29%
  - **Resilient profitability: EBITDA margin of 20.4% (vs 21.1% in 2019)** thanks to good commercial dynamics and cost control
  - **Solid cash generation: Free cash flow of €54 million; net debt down €47 million,** leading to leverage ratio of 0.8x vs 0.9x end of 2019
- **Active capital allocation**
  - **Refund of the €150 million state-guaranteed loan** in Q2 21
  - **Proposed dividend** of €0.30 per share
  - **Strategic review of US assets** in progress, €51 million impairment
- **2021 guidance** under current sanitary conditions
  - **High single-digit top line growth yoy,** with broadly unchanged number of stores at year-end
  - **An improved EBIT margin, increasing by up to 50 basis points vs 2020**
  - **Free cash flow above its 2020 level**

Julie Walbaum, Chief Executive Officer of Maisons du Monde, commented:

*"2020 was an unprecedented year and Maisons du Monde rose to the challenge, displaying agility and resilience and staying true to our values of customer proximity and societal responsibility. I am proud of what we accomplished and would like to thank our teams for their remarkable dedication throughout the year.*

*Thanks to a very strong second-half performance, with sales up 4.8%, and further ramp-up in digital, our full-year sales exceeded our expectations, coming in at nearly 1.2 billion euros despite a total of three months of Covid-19-related lockdowns. Our EBITDA margin at 20.4% and EBIT margin at 7.3% were equally robust as we controlled costs. Thanks to our reinforced cash management, we generated free cash flow of €54 million and our cash position at year-end came in at a solid €297 million.*

*This performance attests to the high level of our customer loyalty, the relevance of our distinctive product offering and the strength of our omnichannel model, which reached a new milestone in November with the launch of our curated marketplace in France. We also accelerated our efforts on our merchandise sustainability, improving by 4 points the share of sustainable wood in our furniture products and launching our first Oeko-Tex-certified offer, which already represents 25% of our total textile offer.*

[1] *IFRS 16; the audit of the full-year 2020 financial results is being finalized.*

*As we enter 2021, the robustness of our model gives us confidence even as we continue to face external challenges: 17% of our stores are currently closed while another 10% are only open about 70% of the time. Under current sanitary conditions, we expect full-year 2021 top line to grow in the high single-digit range, thanks to a robust first half. Our store count should remain broadly stable over the year. EBIT margin is expected to increase by up to 50 basis points yoy as we maintain cost discipline.*

*In light of the pandemic's impact on our US strategy, we have decided to book an asset impairment in 2020 of 51 million euros on Modani and are currently reviewing options for the company.*

*Free cash flow should be higher than last year despite sustained investments in rebuilding our inventories. As a result, we are planning to refund our state-guaranteed loan in Q2 2021 and to resume our dividend-payment policy, with a proposed amount of at €0.30 per share.*

*Maisons du Monde is currently reviewing its 2020-2024 strategic plan and will hold a Capital Markets Day in the fall of 2021. Our strategic pillars remain fully relevant in today's new normal: we will continue to invest in our offering and brand, further develop customer proximity, sustain our commitment to environmental and social responsibility and strengthen our omnichannel model, in order to become our customers' preferred lifestyle partner in Europe."*

## 2020 Sales and Operational Performance

### Resilient full-year sales on a strong 2nd half performance: €1,182 million

The Group's full-year 2020 sales declined slightly by 3.5% (LFL: -6.6%) compared to 2019, thanks to a strong 2nd half. H2 2020 sales were €693 million, an increase of 4.8% year-on-year (yoy) (LFL: +3.0%) despite the closure of most European stores for a four-week period in the 4th quarter. 2nd half sales benefitted from a very strong 3rd quarter (+13.3%) driven by the performance of our decoration collections (+25% yoy) as well as solid holiday sales in December. The Group estimates that the full year impact of both 2020 lockdowns was a net reduction of full year total sales of approximately €160 million. Excluding this impact, full-year LFL sales would have been up +3.7% yoy.

### Online Activity

Customers moved increasingly online since the outbreak of the pandemic, and Maisons du Monde stepped up its digital approach to capitalize on this trend. Full year online sales were up 29% yoy, while the Group estimates that the pandemic-related lockdowns increased full-year online sales by approximately €30 million. Online sales represented 33% of total sales thanks to a proactive digital strategy, based on:

- the deployment of click-and-collect during the second lock-down
- a more comprehensive mobile platform: mobile traffic +47% yoy; mobile sales: +58% yoy
- the launch of a curated marketplace in France in November 2020

The Group also achieved strong new customer and traffic growth: online customer acquisition was up 38% in 2020, and overall online traffic increased by 40%.

Maisons du Monde launched its online marketplace in France at the end of the year and saw very encouraging initial results:

- number of SKUs at the end of 2020: 33,000 (+32% since launch)
- an increase of the overall e-commerce conversion rate
- NPS in line with Maisons du Monde's own ecommerce orders

### Store Activity

Maisons du Monde's European stores were impacted in 2020 by two COVID-19 related lockdowns which lasted a total of circa twelve weeks. As a result, store sales were down 14.3% yoy. Without the impact of the store closures (estimated at around -€190 million), store sales would have been up more than 6% yoy.

At 31 December 2020, in line with the Group's active management of its global store network, Maisons du Monde had 352 stores in Europe and 17 stores in the US, an overall net decrease of 7 stores compared to the end of 2019, as planned. During 2020, the Group opened 9 new stores: 4 in France (Béziers, Paris, St. Etienne and Strasbourg), 4 in Europe (Antwerp, Grenada, Hamburg and Rome) and 1 in the United States (Garden City, NY). During the same period, the Group closed 16 stores: 9 in France, 1 each in Belgium, Germany and Spain and 4 in the United States (2 MDM pilot stores in Florida and 2 Modani stores in Frisco, TX and Chicago, IL). Total store network commercial area of 436,000 m² was stable yoy.

| **Summary of sales** *(in € million)* | **Q4 20** | **Q4 19** | ***% Change*** | **H2 20** | **H2 19** | ***% Change*** | **FY 20** | **FY 19** | ***% Change*** |
|---|---|---|---|---|---|---|---|---|---|
| **Sales**[2] | **371.9** | **377.7** | *-1.5%* | **693.2** | **661.4** | *+4.8%* | **1,182.1** | **1,225.4** | *-3.5%* |
| *% like-for-like change* | *-2.2%* | *+2.8%* | | *+3.0%* | *+2.9%* | | *-6.6%* | *+3.6%* | |
| Maisons du Monde | 356.1 | 365.1 | *-2.5%* | 664.9 | 636.4 | *+4.5%* | 1,132.9 | 1,180.2 | *-4.0%* |
| *% like-for-like change* | *-2.6%* | *+2.8%* | | *+3.1%* | *+2.9%* | | *-6.5%* | *+3.6%* | |
| Modani | 14.9 | 12.0 | *+23.9%* | 26.6 | 23.8 | *+11.4%* | 46.3 | 44.1 | *+4.9%* |
| Rhinov | 1.0 | 0.6 | *+70.0%* | 1.7 | 1.2 | *+50.6%* | 3.0 | 1.2 | *+160.1%* |
| **Sales by distribution channel** | | | | | | | | | |
| Stores | 258.2 | 297.1 | *-13.1%* | 488.8 | 507.9 | *-3.8%* | 791.5 | 923.0 | *-14.3%* |
| Online | 113.8 | 80.6 | *+41.1%* | 204.4 | 153.5 | *+33.2%* | 390.7 | 302.4 | *+29.2%* |
| Stores (%) | 69.4% | 78.7% | | 70.5% | 76.8% | | 67.0% | 75.3% | |
| Online (%) | 30.6% | 21.3% | | 29.5% | 23.2% | | 33.0% | 24.7% | |
| **Sales by geography** | | | | | | | | | |
| France | 206.0 | 213.6 | *-3.6%* | 375.9 | 365.1 | *+2.9%* | 627.9 | 672.6 | *-6.7%* |
| International | 165.9 | 164.1 | *+1.1%* | 317.5 | 296.3 | *+7.2%* | 554.2 | 552.8 | *+0.3%* |
| France (%) | 55.4% | 56.6% | | 54.2% | 55.2% | | 53.1% | 54.9% | |
| International (%) | 44.6% | 43.4% | | 45.8% | 44.8% | | 46.9% | 45.1% | |
| **Sales by product category** | | | | | | | | | |
| Decoration | 232.2 | 232.6 | *-0.2%* | 411.6 | 376.5 | *+9.3%* | 648.6 | 662.2 | *-2.1%* |
| Furniture | 139.7 | 145.1 | *-3.7%* | 281.6 | 284.9 | *-1.2%* | 533.5 | 563.2 | *-5.3%* |
| Decoration (%) | 62.4% | 61.6% | | 59.4% | 56.9% | | 54.9% | 54.0% | |
| Furniture (%) | 37.6% | 38.4% | | 40.6% | 43.1% | | 45.1% | 46.0% | |

## Collections

Throughout the year, Maisons du Monde demonstrated the relevance of its offering, based on very stylish and customer-tailored product ranges. To accentuate its product leadership, the Group significantly strengthened its creative team to develop on-trend and differentiated collections and raised its product quality standards to further improve the quality-price ratio of its offering. This approach notably resulted in the success of the Autumn-Winter collections (Decoration sales +9.3% in H2 despite a 4-week store lockdown in November). To address the supply-chain challenges stemming from the pandemic and impacting mainly furniture, the Group adapted its merchandise purchasing to secure its best-seller SKUs. As a result, the drop in furniture sales was limited to -3.7% in Q4 (-5.3% for the full year).

[2] Defined as merchandise sales, marketplace commissions, service revenue and commissions less franchise and promotional sales (€4.3 mn in 2020 and €5.6 mn in 2019). See page 9 for more details.

## Customer and brand highlights

The strengthening of our "keep our customers close" strategy and the enrichment of brand content since the first lockdown underpinned our overall performance. The Group saw significant growth in its Instagram community (+42% more subscribers, reaching 4.5 million followers) as well as in engagement rates and mentions on social networks. Online customer acquisition in 2020 increased by 38%, while the number of our customers, who previously were "store only" customers and now also use online, grew by 53%. Our customer experience was also further enhanced thanks to the authorization of in-store click-and-collect during the second lockdown. Overall, one-third of our customers chose in-store pick-up in 2020.

Rhinov recorded a doubling of decoration projects, thanks to the launch of its new services and TV sponsorship which boosted its notoriety, in a buoyant decoration context. Rhinov is now in the top 3 of the Pinterest House ranking in France, along with Maisons du Monde.

## CSR commitment

In 2020, Maisons du Monde completed its 2016-2020 sustainability plan. The Group made progress in all areas:

- Developing a more sustainable product offering
    - Wood in furniture sourced from sustainably managed forests or recycled wood: 68% (64% in 2019)
    - Launch of Oeko-Tex certified textiles in Maisons du Monde merchandise: 25% of textile offer in 2020
- Reducing the Group's environmental footprint
    - European stores supplied with electricity from renewable sources: 97% (93% in 2019)
    - Reduction in store energy consumption since 2016: -25%
- Continuing the brand's solidarity commitment via the Maisons du Monde Foundation
    - Throughout the year, Maisons du Monde continued its actions to act as a responsible corporate citizen. Together with its customers, Maisons du Monde and its Foundation donated nearly €1.3 million to fund social and environmental causes.

The Group's CSR performance is recognized by benchmark analysts on CSR subjects. MSCI CSR gave Maisons du Monde a AA rating, placing it among the top 15% of companies in the index.

## 2020 Financial Performance

### Resilient profitability: EBITDA of €241 million thanks to strong 2nd half and cost discipline

The 2020 gross margin amounted to €778 million, up 50 basis points to 65.8% as a percentage of sales (versus 65.3% in 2019) as a result of the combined positive impact of exchange rate, lower promotions and a small favorable mix impact.

Trade margin as a percentage of sales showed a decrease yoy from 51.5% to 50.6% for the full year resulting mainly from the H1 additional logistics costs relating to the strikes in France at the start of the year, higher cost of deliveries (bigger proportion of goods delivered to home) and lower absorption of fixed costs.

Store operating and central costs were down 3.9% yoy as a result of cost management actions (including temporary unemployment measures, one-off rental reductions and lower traveling expenses). Advertising costs declined 3.3% yoy due to *ad hoc* online marketing spend optimization.

| **Gross margin, Trade margin, EBITDA, EBIT** *(in € million)* | **2020** | **2019** | *% change* |
|---|---|---|---|
| **Sales** | **1,182.1** | **1,225.4** | *-3.5%* |
| Cost of goods sold | (403.7) | (425.1) | *-5.0%* |
| **Gross margin** | **778.4** | **800.4** | *-2.8%* |
| *As a % of Sales* | *65.8%* | *65.3%* | |
| **Trade margin**[3] | **598.7** | **631.1** | *-5.1%* |
| *As a % of Sales* | *50.6%* | *51.5%* | |
| Store operating and central costs | (309.7) | (321.9) | *-3.9%* |
| Advertising costs | (48.4) | (50.0) | *-3.3%* |
| **Operating Costs** | **(358.1)** | **(371.9)** | *-3.9%* |
| **EBITDA** | **240.6** | **259.2** | *-7.2%* |
| *As a % of Sales* | *20.4%* | *21.1%* | |
| Depreciation, amortization and allowance for provisions | (154.4) | (139.8) | *10.5%* |
| **EBIT** | **86.2** | **119.4** | *-27.8%* |
| *As a % of Sales* | *7.3%* | *9.7%* | |
| Fair value – derivative financial instruments | 5.2 | 5.2 | |
| Pre-opening expenses | (0.5) | (1.9) | |
| **Current Operating Profit** | **90.9** | **122.6** | *-29.5%* |
| Other operating income and expenses | (50.1) | (8.3) | |
| **Operating Profit** | **40.7** | **114.2** | *-64.4%* |

**EBITDA** was €241 million, down 7% yoy, resulting in a resilient **EBITDA margin** of 20.4%, down a limited 70 bps yoy. 2nd half EBITDA rose 6% yoy thanks to a very strong 3rd quarter and December. Expenses related to depreciation, amortization and allowance for provisions totaled €154 million, a yoy increase of €15 million mostly due to new stores opened in 2019 and 2020. As a result, **EBIT** was €86 million (margin 7.3%).

Other operating expenses of €50 million included a restructuring charge of €54 million for asset impairment related to Modani (balance sheet impact: €51 million) as the pandemic undercut the company's store network expansion plan, a key pillar of the Group's US strategy.

Net financial expense amounted to €(23.3) million compared to €(21.1) million in 2019. This included an increase in interest expense primarily related to the €150 million six-month drawdown of the Group's revolving credit facilities.

Income tax amounted to €(33.6) million and includes corporate income tax (effective tax rate 30%) and local taxes. It is impacted by a previously disclosed one-off charge. The one-off restructuring charge for Modani is tax neutral.

As a result, **net income** amounted to €(16.1) million for the year.

## Solid free cash flow: €54 million

Free cash flow came in at €54 million. The €30 million reduction yoy is explained mainly by lower EBITDA and a smaller improvement in working capital vs last year, partially offset by lower capex for the year. The reduction in capex was achieved despite investing €13 million for the construction of the Group's new, automated distribution center at Heudebouville, France.

[3] The trade margin is a non-IFRS metric and is defined as gross margin less expenses related to logistics and warehouses, deliveries to clients (net) and stores as well as packaging.

| Free cash flow<br>*(in € million – IFRS 16)* | 31 Dec 2020 | 31 Dec 2019 |
|---|---|---|
| **EBITDA** | **240.6** | **259.2** |
| Change in working capital | 17.1 | 36.1 |
| Change in other operating items | (36.4) | (39.8) |
| **Net cash generated by/(used in) operating activities** | **221.3** | **255.5** |
| Capital expenditures (Capex) | (47.5) | (60.9) |
| Change in debt on fixed assets | (4.6) | (4.3) |
| Proceeds from disposal of non-current assets | 0.8 | 0.5 |
| Reduction of lease debt | (103.3) | (96.6) |
| Interest on lease debt | (12.6) | (10.1) |
| **Free cash flow** | **54.1** | **84.1** |

### Net debt reduced to €96 million

The increase in gross debt at year-end is due to the €150m French state guaranteed non-interest bearing loan contracted in June.

The reduction of net debt (excluding finance leases) is the direct consequence of the positive free cash flow combined with the absence of a dividend payment in 2020.

As a result of the decrease in Net debt, the Group's leverage ratio[4] at 31st December 2020 was 0.8x, compared to 0.9x as at 31 December 2019.

**Net debt & leverage** *(in € million – IFRS 16 & IAS 17)*

| Net debt calculation | 31 Dec 2020 | 31 Dec 2019 |
|---|---|---|
| Convertible bonds ("OCEANE") | 186.5 | 182.1 |
| Term loan | 49.9 | 49.8 |
| Revolving Credit Facilities (RCFs) | (0.1) | (0.4) |
| State guaranteed term loan (PGE) | 150.3 | - |
| Other debt[5] | 1.9 | 1.7 |
| Finance leases | 620.1 | 666.2 |
| **Cash & cash equivalents** | **(296.7)** | **(94.5)** |
| **Net debt** | **711.9** | **804.9** |
| Less: Finance leases | (615.7) | (662.0) |
| **Net debt excluding finance leases[4]** | **96.4** | **142.9** |
| LTM EBITDA[4] | 125.7 | 152.7 |
| **Leverage[4]** | **0.8x** | **0.9x** |

## Capital allocation

### Debt reduction

The Group has decided to refund in full the €150 million French state-guaranteed loan that it contracted last year prior to its maturity date at the beginning of June 2021.

### Dividend

Given its strong cash position, Maisons du Monde's Board has decided to resume its dividend policy and to propose to the Shareholders' Annual General Meeting of 4 June 2021 a dividend of €0.30 per share for 2020.

[4] *Defined as net debt less finance leases divided by LTM EBITDA as calculated under IAS 17 as per the Senior Credit Facilities Agreement dated 18 April 2016.*

[5] *Including other borrowings, deposits and guarantees, and banks overdrafts.*

## 2021 commercial priorities, current activity

### Commercial and operational priorities

For 2021, the Group's commercial priorities are to:

- Keep strengthening our offering while selectively rebuilding inventories
- Reinforce our brand proposition and customer proximity
- Maintain our efforts towards offer sustainability and social responsibility
- Further enrich our omnichannel proposition by launching the marketplace in the French store network by early 2022 and in a second online market in 2022
- Continue the development of our warehouse in Northern France
- Maintain cost and cash management discipline

### Strategic review of US assets in progress

In the current challenging US retail market amid the Covid-19 pandemic, Maisons du Monde's medium-term business plan for Modani, part of a broader plan to develop the Monde banner in the US, has become less relevant to the Group's overall strategy. It was decided to no longer pursue the Maisons du Monde US banner strategy in the foreseeable future, in order to focus the company on European operations and improve return on invested capital. Consequently, the Group is currently considering all strategic options for Modani, whose underlying fundamentals remain sound, and decided to book a €51 million asset impairment as of end 2020.

## 2021 outlook

Currently, 17% of the European store network is completely closed (mostly in France, Italy and Germany) while another 10% (mostly Italy) is only open 70% of the time due to COVID-19 restrictions. Beyond these temporary closures, the Group intends to continue to optimize its store network footprint in 2021.

Online activity in January and February was significantly above its 2020 level and the marketplace continues to perform well.

Overall, the Group is expecting to post a solid performance in the first half of the year, benefiting from a positive comparable base. As a result, under current sanitary conditions, the Group is targeting for full-year 2021:

- high single-digit top line growth yoy, with broadly unchanged number of stores at year-end
- an improved EBIT[6] margin, increasing by up to 50 basis points vs 2020
- free cash flow above its 2020 level

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[6] *Under IFRS 16, store rental costs are no longer included in EBITDA which artificially inflate its value and associated margin. As a result, management has decided to use EBIT as an internal metric and for the purpose of market guidance going forward as it better reflects the Group's true financial performance.*

MAISONS DU MONDE

# Consolidated financial statements

## Consolidated income statement

| (in € million – IFRS 16) | 2020 | 2019 | % change |
|---|---|---|---|
| **Sales**[7] | **1,182.1** | **1,225.4** | *-3.5%* |
| Other revenue | 44.9 | 38.1 | |
| **Total revenue** | **1,227.1** | **1,263.7** | *-2.9%* |
| Cost of sales | (403.7) | (425.0) | *-5.0%* |
| ***Gross Margin***[8] | ***778.5*** | ***800.4*** | *-2.8%* |
| *As a % of Sales* | *65.8%* | *65.3%* | |
| Personnel expenses | (228.7) | (235.0) | *-2.7%* |
| External expenses | (351.3) | (343.3) | *2.3%* |
| Depreciation, amortization and allowance for provisions | (154.4) | (139.9) | *10.4%* |
| Fair value – derivative financial instruments | 5.2 | 5.2 | *0.4%* |
| Other income/(expenses) from operations | (3.4) | (3.1) | *7.3%* |
| **Current operating profit** | **90.9** | **122.6** | *-25.9%* |
| Other operating income and expenses | (50.1) | (8.3) | *nm* |
| **Operating profit / (loss)** | **40.7** | **114.2** | *nm* |
| Cost of net debt | (7.9) | (6.7) | *17.9%* |
| Cost of lease debt | (12.8) | (12.8) | *0.5%* |
| Financial income | 2.5 | 1.4 | *70.9%* |
| Financial expense | (5.1) | (3.1) | *62.2%* |
| **Financial profit / (loss)** | **(23.3)** | **(21.1)** | *10.6%* |
| Share of profit / (loss) of equity-accounted investees | - | - | |
| **Profit / (loss) before income tax** | **17.4** | **93.1** | *nm* |
| Income tax | (33.6) | (35.3) | *-4.9%* |
| **Profit / (loss) for the period** | **(16.1)** | **57.8** | *nm* |
| Attributable to: | | | |
| • Owners of the parent | 1.5 | 59.5 | *nm* |
| • Non-controlling interests | (17.6) | (1.6) | *nm* |
| **Diluted EPS** | **0.09** | **1.26** | *nm* |

[7] *Defined as merchandise sales, marketplace commissions, service revenue and commissions less franchise and promotional sales (€4.3 mn in 2020 and €5.6 mn in 2019).*

| *In € million* | 2020 | 2019 |
|---|---|---|
| Merchandise sales | 1,178.5 | 1,224.3 |
| Franchise and promotional sales | 4.3 | 5.6 |
| Marketplace commissions | 0.6 | - |
| Other commissions and services | 3.0 | 1.1 |
| Subtotal | 1,191.7 | 1,231.0 |
| *Less: Franchise and promotional sales* | *-4.3* | *-5.6* |
| **Sales** | **1,182.1** | **1,225.4** |

[8] *Gross margin: Sales less cost of sales. GM is a non-IFRS financial metric and is presented here for informational purposes only.*

## Consolidated balance sheet

| *(in € million – IFRS 16)* | 31 Dec 2020 | 31 Dec 2019 |
|---|---|---|
| ASSETS | | |
| Goodwill | 327.0 | 375.2 |
| Other intangible assets | 243.1 | 247.1 |
| Property, plant and equipment | 162.1 | 165.7 |
| Right-of-use assets related to lease contracts | 628.6 | 680.1 |
| Other non-current financial assets | 15.8 | 15.7 |
| Deferred income tax assets | 6.3 | 4.6 |
| **NON-CURRENT ASSETS** | **1,383.0** | **1,488.3** |
| Inventory | 171.5 | 210.8 |
| Trade receivables and other current receivables | 107.3 | 50.4 |
| Current income tax assets | 9.9 | 4.5 |
| Derivative financial instruments | - | 16.9 |
| Cash and cash equivalents | 296.7 | 94.5 |
| **CURRENT ASSETS** | **585.5** | **377.0** |
| **TOTAL ASSETS** | **1,968.5** | **1,865.3** |

| | | |
|---|---|---|
| EQUITY AND LIABILITIES | | |
| **TOTAL EQUITY** | **593.7** | **632.5** |
| Non-current borrowings | 1.6 | 50.9 |
| Non-current convertible bonds | 186.8 | 182.1 |
| Medium and long-term lease liability | 508.1 | 554.5 |
| Deferred income tax liabilities | 41.2 | 60.3 |
| Post-employment benefits | 12.9 | 10.9 |
| Provisions | 7.5 | 13.7 |
| Derivative financial instruments | 17.0 | 0.1 |
| Other non-current liabilities | 6.5 | 23.2 |
| **NON-CURRENT LIABILITIES** | **781.7** | **895.8** |
| Current borrowings and convertible bonds | 200.1 | 0.2 |
| Short-term lease liability | 111.9 | 111.7 |
| Trade payables and other current payables | 255.3 | 219.7 |
| Provisions | 4.5 | 3.9 |
| Current income tax liabilities | 2.6 | 1.6 |
| Derivative financial instruments | 18.6 | - |
| **CURRENT LIABILITIES** | **593.1** | **337.1** |
| **TOTAL LIABILITIES** | **1,374.8** | **1,232.9** |
| **TOTAL EQUITY AND LIABILITIES** | **1,968.5** | **1,865.3** |

## Consolidated cash flow statement

| *(in € million – IFRS 16)* | 31 Dec 2020 | 31 Dec 2019 |
|---|---|---|
| **Profit/(loss) before income tax** | **17.4** | **93.1** |
| Adjustments for: | | |
| • Depreciation, amortization, and allowance for provisions | 201.4 | 144.5 |
| • Net gain/(loss) on disposals | 3.4 | 2.1 |
| • Fair value – derivative financial instruments | (5.2) | (5.2) |
| • Share-based payments | 2.2 | 2.6 |
| • Other | (0.0) | (0.2) |
| • Cost of net financial debt | 7.9 | 6.7 |
| • Cost of lease debt | 12.8 | 12.8 |
| Change in operating working capital requirement: | | |
| • (Increase)/decrease in inventory | 38.2 | 30.9 |
| • (Increase)/decrease in trade and other receivables | (57.6) | 11.0 |
| • Increase/(decrease) in trade and other payables | 36.5 | (5.8) |
| Income tax paid | (35.8) | (36.9) |
| **Net cash generated by/(used in) operating activities[(a)]** | **221.3** | **255.5** |
| Acquisition of non-current assets: | | |
| • Property, plant and equipment | (34.9) | (47.3) |
| • Intangible assets | (12.3) | (12.7) |
| • Financial assets | - | (10.2) |
| • Other non-current assets | (0.3) | (0.8) |
| Change in debt on fixed assets | (4.6) | (4.3) |
| Proceeds from sale of non-current assets | 0.8 | 0.5 |
| **Net cash generated by/(used in) investing activities[(b)]** | **(51.3)** | **(74.9)** |
| Proceeds from issuance of borrowings | 300.6 | 0.3 |
| Repayment of borrowings | (150.2) | (10.5) |
| Decrease of lease debt | (103.3) | (96.6) |
| Acquisitions (net) of treasury shares | 0.5 | (2.9) |
| Dividends paid | - | (21.1) |
| Interest paid | (2.9) | (1.9) |
| Interest on lease debt | (12.6) | (10.1) |
| **Net cash generated by/(used in) financing activities[(c)]** | **32.1** | **(142.8)** |
| Exchange gains/(losses) on cash and cash equivalents | 0.1 | 0.0 |
| **Net increase/(decrease) in cash & cash equivalents[(a)+(b)+(c)]** | **202.2** | **37.9** |
| **Cash & cash equivalents at period begin** | **94.5** | **56.6** |
| **Cash & cash equivalents at period end** | **296.7** | **94.5** |

MAISONS DU MONDE

| Store network[9] | Number of stores at end of: | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *(In units)* | **FY 18** | **Q1 19** | **Q2 19** | **Q3 19** | **Q4 19** | **FY 19** | **Q1 20** | **2Q 20** | **Q3 20** | **Q4 20** | **FY 20** |
| France | 221 | 221 | 224 | 227 | 233 | 233 | 228 | 227 | 227 | 228 | 228 |
| Italy | 45 | 45 | 47 | 48 | 48 | 48 | 48 | 48 | 48 | 49 | 49 |
| Spain | 23 | 23 | 24 | 24 | 27 | 27 | 27 | 27 | 27 | 27 | 27 |
| Belgium | 22 | 21 | 21 | 22 | 24 | 24 | 23 | 23 | 23 | 24 | 24 |
| Germany | 10 | 10 | 10 | 10 | 11 | 11 | 11 | 10 | 10 | 11 | 11 |
| Switzerland | 7 | 7 | 8 | 8 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Luxembourg | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Portugal | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| United Kingdom | 4 | 4 | 4 | 4 | - | - | - | - | - | - | - |
| United States (MDM) | 1 | 1 | 1 | 1 | 2 | 2 | 2 | - | - | - | - |
| United States (Modani) | 12 | 13 | 15 | 16 | 18 | 18 | 19 | 18 | 18 | 17 | 17 |
| **Number of stores** | **349** | **349** | **358** | **364** | **376** | **376** | **371** | **366** | **366** | **369** | **369** |
| *Net openings* | *+25* | *0* | *+9* | *+6* | *+12* | *+27* | *-5* | *-5* | *0* | *+3* | *-7* |
| **Sales area (K sqm)** | **398.4** | **398.6** | **408.1** | **416.7** | **432.3** | **432.3** | **430.9** | **428.2** | **429.1** | **434.4** | **434.4** |
| *Change (K sqm)* | *+35.2* | *+0.2* | *+9.5* | *+8.6* | *+15.6* | *+33.9* | *-1.4* | *-2.7* | *+0.9* | *+5.2* | *+2.0* |

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**Maisons du Monde Full-Year 2020 Results**
**Conference Call and Webcast connection details**

Tuesday, 10 March 2021 at 10:00 CET

*Conference Call Join-In details*

http://emea.directeventreg.com/registration/5170737

*Replay Dial-In Numbers*
*Available until - 17/03/2021 23:00 CET*

Confirmation Code: **5170737**

*Standard International* *+44 (0) 333 3009785*

| Toll-Free: | Local Dial : |
|---|---|
| *United States* *+1 (866) 331-1332* | *France* *+33 (0)1 70 95 03 48*<br>*United Kingdom* *+44 (0) 844 5718951*<br>*United States* *+1 (917) 677-7532* |

*Webcast Player URL:*
https://edge.media-server.com/mmc/p/c9g955kn

9 *Excluding franchise stores.*

*In addition to the financial indicators set out in International Financial Reporting Standards (IFRS), Maisons du Monde's management uses several non-IFRS metrics to evaluate, monitor and manage its business. The non-IFRS operational and statistical information related to Group's operations included in this press release is unaudited and has been taken from internal reporting systems. Although none of these metrics are measures of financial performance under IFRS, the Group believes that they provide important insight into the operations and strength of its business. These metrics may not be comparable to similar terms used by competitors or other companies.*

**Sales:** Represent the revenue from 1) sales of decorative items and furniture through the Group's retail stores, websites and B2B activities, 2) marketplace commissions, and 3) service revenue and commissions. They mainly exclude:

i. customer contribution to delivery costs,
ii. revenue for logistics services provided to third parties, and
iii. franchise revenue.

The Group uses the metric of "Sales" rather than "Total revenue" to calculate growth at constant perimeter, like-for-like growth, gross margin, EBITDA margin and EBIT margin.

**Like-for-like sales growth:** Represents the percentage change in sales from the Group's retail stores, websites and B2B activities, net of product returns between one financial period (n) and the comparable preceding financial period (n-1), excluding changes in sales attributable to stores that opened or were closed during either of the comparable periods. Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.

**Gross margin:** Is defined as sales minus cost of sales. Gross margin is also expressed as a percentage of Sales.

**Trade margin:** Is defined as gross margin less expenses related to logistics and warehouses, deliveries to clients (net) and stores as well as packaging.

**EBITDA:** Is defined as current operating profit, excluding:

i. depreciation, amortization, and allowance for provisions,
ii. the change in the fair value of derivative financial instruments, and
iii. store pre-opening expenses.

The EBITDA margin is calculated as EBITDA divided by Sales.

**EBIT:** Is defined as EBITDA minus depreciation, amortization, and allowance for provisions. The EBIT margin is calculated as EBIT divided by Sales.

**Net debt:** Is defined as the Group's finance leases, convertible bond ("OCEANE"), unsecured term loan, unsecured revolving credit facilities, the French state guaranteed term loan, short- and long-term rental, deposits and bank borrowings, net of cash and cash equivalents.

**Leverage ratio:** Is defined as net debt less finance leases divided by LTM EBITDA as calculated under IAS 17.

**Free cash flow:** Is defined as net cash from operating activities less the sum of capital expenditures (capital outlays for property, plant and equipment), intangible and other non-current assets, change in debt on fixed assets, proceeds from disposal of non-current assets and reduction of and interest on rental debt.

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## Financial calendar[10]

| | |
|---|---|
| **12 May 2021** | 1st Quarter 2021 sales |
| **4 June 2021** | Annual General Meeting |
| **28 July 2021** | 1st Half 2021 financial results |
| **27 October 2021** | 3rd Quarter 2021 sales |

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## *Disclaimer: Forward Looking Statement*

*This press release contains certain statements that constitute "forward-looking statements," including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements. Accordingly, no representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. Any forward-looking statements included in this press release speak only as of the date hereof and will not give rise to updates or revision. For a more complete list and description of such risks and uncertainties, refer to Maisons du Monde's filings with the French Autorité des marchés financiers.*

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## About Maisons du Monde

Maisons du Monde is a creator of inspirational lifestyle universes in the homeware industry, offering distinctive and affordable decoration and furniture collections that showcase multiple styles. The Group develops its business through a complementary omnichannel approach, leveraging its international network of stores, websites and catalogues. The Group was founded in France in 1996 and has expanded profitably across Europe since 2003, reporting sales of €1,182 million and EBITDA of €241 million in 2020. At 31 December 2020, the Group operated 369 stores in 9 countries including France, Belgium, Germany, Italy, Luxembourg, Portugal, Spain, Switzerland and the United States, and derived 47% of its sales outside France. The Group has also built a successful complementary and comprehensive ecommerce platform, whose sales grew by over 30% per year on average between 2010 and 2020. This platform, enriched by the launch of a marketplace in France in November 2020, accounted for 33% of the Group's sales in 2020 and is available in the countries where it operates stores plus Austria, the Netherlands and the United Kingdom.

corporate.maisonsdumonde.com

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[10] *Indicative timetable.*