



PRESS RELEASE

MAISONS DU MONDE: FULL-YEAR 2021 RESULTS

**Solid outperformance: results above guidance,
demonstrating the strength of Maisons du Monde's brand and omnichannel model
Record-high proposed dividend of EUR 55 cents per share**

- **Strong annual sales of EUR 1,307 million, up 15.1% yoy (LFL¹: +13.4%), +10.7% vs 2019**
Total online sales: EUR 435 million, 33% of total sales, +13.1% vs FY 2020
- **Record-high EBIT of EUR 124 million; 9.5% margin, at top end of upgraded guidance range**
- **EPS of EUR 1.72 (EUR 1.52 excluding Modani sale)**
- **EUR 90 million of free cash flow (vs EUR 53 million in 2020)**
- **Proposed record-high dividend of EUR 55 cents per share (36% pay-out ratio based on EPS excluding Modani sale)**
- **2022 guidance:**
 - **Positive top line growth, to be fine-tuned as visibility improves**
 - **EBIT margin around 9%**
 - **FCF of EUR 65 million to 75 million**
- **2025 objectives confirmed**

NANTES – 10 March 2022, 07:00 CET – [Maisons du Monde](#) (Euronext Paris: MDM; ISIN: FR0013153541), the European leader in inspirational and affordable home & living, today published the Group's unaudited consolidated results² for the year ended 31 December 2021.

Julie Walbaum, Chief Executive Officer, commented: "2021 was an excellent year for Maisons du Monde. Even while operating in a complex environment, our financial results were at the top end of our forecasts in terms of sales, profitability and cash generation, allowing us to propose to our shareholders a record-high dividend of EUR 55 cents per share. Thanks to our teams, we further strengthened our direct-to-consumer love brand while growing our customer base and boosting customer loyalty. We also made major strides on our omnichannel model, continuing the ramp-up of our marketplace and refocusing our activities on Europe where we see the highest return potential for the upcoming years.

The pandemic is still with us for now, and 2022 has gotten underway with continued pressure on the global supply chain and increased macro uncertainties. However, thanks to its compelling value proposition, Maisons du Monde remains well positioned to pursue its agenda. Taking the current context into account, we expect our full-year 2022 top line growth to be positive, our EBIT margin to be around 9% and our free cash flow generation to reach EUR 65 million to 75 million.

Thanks to our inspirational yet affordable positioning with an increased commitment to CSR, and to our distinctive and agile operating model, I am confident in achieving in 2022 another key milestone towards our mid-term ambition of being the most desirable and sustainable home & living brand in Europe and creating sustainable value for all our stakeholders."

Full Year Key Figures (in EUR million)	2021	2020 (pro forma)	% Change
Sales	1,306.8	1,135.2	+15.1%
Like-for-like (LFL)	1,254.6	1,106.2	+13.4%
EBIT	123.8	89.2	+38.7%
As a % of Sales	9.5%	7.9%	
Profit / (loss)	79.1	(16.1)	nm
Base EPS (in EUR)	1.72	0.03	+1.69
Diluted EPS (in EUR)	1.62	0.09	+1.53

Free Cash Flow	89.8	53.0	+69.6%
Net debt	61.1	96.4	-36.6%
Leverage ³	0.36x	0.73x	

Operational Performance

2021 Highlights

Maisons du Monde performed well on each of the three pillars of its strategy:

- A direct-to-consumer love brand: Brand awareness continued to grow; Maisons du Monde is among the top 5 brands spontaneously mentioned by customers in 3 of its 4 largest markets. The active customer base reached 7.5 million at end-2021, 22% growth yoy, and the number of new customers grew by 30% compared to 2020. For the 5th year in a row, French customers ranked Maisons du Monde as their #2 favourite brand in home and living (Source: OC&C).
- A distinctive business model:
 - o Leveraging the strength of its omnichannel approach, the share of digital reached more than 53% of total sales, including 33% online and 20% click-in-store.
 - o With 18 new store openings outside of France, Maisons du Monde continued to expand its pan-European model
 - o On the sustainability side, Maisons du Monde also integrated the Top 10 preferred brands by customers in terms of sustainability across all consumer verticals (Source: OC&C).
- A robust financial model, as demonstrated by the results detailed below.

Strong full year sales: EUR 1,307 million

Maisons du Monde's full-year 2021 sales of EUR 1,306.8 million increased by 15.1% yoy (LFL +13.4%) thanks to exceptionally strong store and online sales in the first half of the year (+29% and +45%, respectively). Compared to 2019, total Group 2021 sales were up 11% (LFL: +6.0%).

Summary of sales (in EUR million)	Q4 21	Q4 20 (pro forma)	% Change	H2 21	H2 20 (pro forma)	% Change	2021	2020 (pro forma)	% Change
Sales	369.0	357.0	+3.3%	672.4	666.7	+0.9%	1,306.8	1,135.2	+15.1%
Like-for-like	348.1	345.1	+0.9%	638.0	647.1	-1.4%	1,254.6	1,106.2	+13.4%
Sales by product category									
Decoration	255.7	232.0	+10.2%	434.3	411.3	+5.6%	766.2	648.1	+18.2%
% of sales	69.3%	65.0%		64.6%	61.7%		58.6%	57.1%	
Furniture	113.3	125.0	-9.4%	238.1	255.3	-6.8%	540.6	487.1	+11.0%
% of sales	30.7%	35.0%		35.4%	38.3%		41.4%	42.9%	
Sales by distribution channel									
Stores	286.7	244.7	+17.2%	502.6	465.4	+8.0%	871.3	750.3	+16.1%
% of sales	77.7%	68.5%		74.7%	69.8%		66.7%	66.1%	
Online	82.3	112.4	-26.8%	169.8	201.3	-15.6%	435.5	384.9	+13.1%
% of sales	22.3%	31.5%		25.3%	30.2%		33.3%	33.9%	
Sales by geography									
France	205.5	206.0	-0.2%	369.7	375.8	-1.6%	701.8	627.9	+11.8%
% of sales	55.7%	57.7%		55.0%	56.4%		53.7%	55.3%	
International	163.5	151.0	+8.2%	302.7	290.9	+4.1%	604.9	507.3	+19.2%
% of sales	44.3%	42.3%		45.0%	43.6%		46.3%	44.7%	

In H2 2021, Group sales of EUR 672 million were stable yoy (+0.9%; LFL -1.4%) and up 5.6% versus H2 2019 (LFL +1.2%). During this period, store sales grew 8% to EUR 503 million, benefitting from a favourable comparable base in the 4th quarter due to French store closures in November 2020. Online sales, on the



other hand, declined 15.6% to EUR 170 million and represented 25% of total 2nd half 2021 sales, crossing an exceptionally high comparable base.

Fourth-quarter 2021 sales amounted to EUR 369 million (+3.3% yoy; LFL +0.9%). Store sales were up a solid 17% due to the favourable comparable base mentioned above and good traffic momentum during the Christmas season. Online sales were down 27%, again due to an exceptionally high comparable base (Q4 21 online sales were up 4% compared to Q4 19).

Sales by category

Decoration sales of EUR 766.2 million grew 18.2% yoy. Demand was strong in this category and Maisons du Monde performed well thanks to its rigorous and agile management of sourcing throughout the year, enabling, among others, to secure the Christmas season.

Furniture sales were up 11.0% yoy at EUR 540.6 million, thanks to strong collections, as demonstrated by the success of products held in inventory, notably outdoor. The category was penalised in the second half by limited availability and longer delivery times. Despite heavy freight disruptions and pressure on the supply chain, overall inventory levels at the end of the year improved vs end-2020 but remained sub-optimal.

Sales by channel

Online sales, representing one-third of total annual sales, increased 13% yoy to EUR 435.5 million while the share of new online customers increased by 30%. Online orders increased 19% in 2021 with distinct dynamics in each half on very different comparable bases, i.e. +61% vs H1 20; -42% vs H2 20. Annual online activity benefited from free in-store click & collect delivery, the introduction of pick-up points for large items as well as express delivery (24-48 hours).

Marketplace GMV totalled EUR 61 million over the year, representing ~24% of total online GMV in France. GMV in December 2021 was up 42% compared to December 2020, the marketplace's first full month of activity. As of 31 December 2021, more than 760 brands were featured, offering c. 95,000 SKUs, with a consistently high customer satisfaction rate, at 4 out of 5.

Store sales were up 16% yoy to EUR 871.3 million. The European network was closed on average for 15% of the time during the year (compared to 25% in 2020) due to Covid-related lockdowns. Second half 2021 store sales (+8% yoy) benefited from the fact that stores were open in November, unlike 2020. 2021 French store sales (56% of total store sales) totalled EUR 490 million (+10% yoy), while the rest of the European network added EUR 382 million (+25% yoy).

At 31 December 2021, Maisons du Monde had 357 stores, compared to 352 at 31 December 2020, with an average retail trading space per store of 1,213 m². 2021 saw the opening of the first store in Austria and the ramp-up of Portugal, with 2 store openings in the 4th quarter. The Group opened 8 new stores in the 4th quarter: 2 each in Italy, Portugal and Spain as well as one each in Belgium and Switzerland. During the same period, the Group closed one store in France. Total store network commercial area of 433,000 m² increased 12,400 m² compared to 31 December 2020.

Sales by geography

Sales in **France** reached EUR 701.8 million, up 11.8% vs 2020. Growth was driven by an acceleration of online activity in the 1st half, supported by the rapid development of the marketplace and a higher opening ratio vs 2020 (84% in 2021 vs 76% in 2020).

International sales in 2021 totalled EUR 604.9 million, up 19.2%, and represented 46% of total sales. Activity was particularly strong in Spain and Italy in 2021, with growth rates close to 25% yoy. International store sales also benefitted from a higher opening rate of 85% in 2021 (vs 78% in 2020).

Key 2021 events

Modani divestment

The Group reduced its 70% stake in Modani to 15% on 10 November 2021. This transaction followed the completion of the strategic review announced in March 2021 and is in line with Maisons du Monde's new capital allocation strategy. It allows the Group to fully refocus on Europe, where its market knowledge and unique omnichannel model offer better value creation opportunities for Maisons du Monde's stakeholders.

ESG Impact share buyback program

The Group launched a EUR 50 million ESG share buyback program to run from 27 October 2021 through 27 May 2022. The ESG component consists of allocating the outperformance in purchasing the shares over the program's execution to the Maisons du Monde Foundation, which promotes actions to protect trees and forests and another not-for-profit dedicated to promoting equal opportunities for all. As of 31 December 2021, the Group had repurchased EUR 21 million of its shares. The shares acquired under this buyback program are intended to cover Maisons du Monde's employee share programmes and to be cancelled to reduce the share capital of Maisons du Monde.

CSR commitment

Maisons du Monde CSR achievements in 2021 included:

- Increase of the sustainable product offering
 - Sustainable wood offer (certified, traced or recycled) +31% yoy
 - Sustainable textiles offer (certified or recycled) +36% yoy
- Lower energy consumption milestones
 - ISO 50001 certification of all French stores
 - 97% of stores powered by renewable electricity
- Significant advances in waste reduction and green logistics via MDM repair centre
 - Deployment of the MDM repair centre: products repaired or reconditioned +85% yoy
 - Member of the FRET 21 initiative to reduce the GHG emissions of Scope 3 freight activities
 - Signature of the French e-commerce federation FEVAD's responsible e-commerce charter
- Major diversity and inclusion initiatives
 - Signature of the diversity charter (*Entreprises pour la Cité*)
 - Launch of a mentoring program (Dema1n.org) to support young people with underprivileged backgrounds in their access to the labour market

As a reminder, Maisons du Monde benefits from top quartile positions in major indexes:

- MSCI: Grade A
- Sustainalytics: 10.5 (low risk)
- Vigeo Eiris: top 5 global rank
- SBF 120 feminisation index: top 5

In addition, in line with its ambition to create value for all its stakeholders and in the light of the company's excellent 2021 results, Maisons du Monde has decided to grant an exceptional EUR 500 bonus to all Group employees, in order to reward them for their commitment and support their purchasing power in the current inflationary context.

Financial Performance

Record-high EBIT of EUR 124 million with margin of 9.5% (vs 7.9% in 2020)

Gross margin increased 15% and amounted to EUR 867 million (66.5% as a percentage of sales, stable vs 2020). This growth is explained by:

- an increase in sales volume,
- good management of suppliers and freight contracts in a context of strong inflation – which will last in 2022, and
- a low level of promotions.

These elements mostly offset:

- higher store operating and central costs (up 19% yoy reflecting 21 gross store openings vs 8 in 2020),
- the absence of 2020 governmental Covid-related subsidies and
- advertising costs, which increased 46% to support brand awareness development and, the marketplace ramp-up.

The decrease in logistics costs (-2.7%) comes from improved operational efficiencies in transportation and the absence of one-time Covid-related 2020 costs.

As a result, **EBITDA** was up 17% to EUR 279 million (EBITDA margin: 21.4% +38 bps vs 2020), while 2021 **EBIT** reached an all-time high of EUR 124 million (up from EUR 89 million in 2020) with an associated margin of 9.5% (+161 bps).

Gross margin, EBITDA, EBIT <i>(in EUR million)</i>	2021	2020 <i>(pro forma)</i>	% change
Sales	1,306.8	1,135.2	+15.1%
Cost of goods sold ⁴	(438.2)	(379.7)	+15.4%
Gross margin	868.5	755.5	+15.0%
<i>As a % of Sales</i>	66.5%	66.5%	nc
Store operating and central costs	(354.4)	(298.0)	+18.9%
Advertising costs	(64.9)	(44.6)	+45.6%
Logistics costs	(170.0)	(174.6)	-2.7%
Operating Costs	(589.4)	(517.2)	+14.0%
EBITDA	279.2	238.3	+17.2%
<i>As a % of Sales</i>	21.4%	21.0%	+38 bps
Depreciation, amortisation and allowance for provisions	(155.4)	(149.0)	+4.3%
EBIT	123.8	89.2	+38.7%
<i>As a % of Sales</i>	9.5%	7.9%	+161 bps

Other net operating expenses were mainly related to store closure costs.

Net financial expense declined to EUR 19 million as 2020 was impacted by interest expense on the EUR 150 million drawdown of revolving credit facilities.

Income tax declined to EUR 26 million as 2020 income tax included a provision related to an international tax risk while 2021 benefitted from a partial reversal of the 2020 provision. The effective tax rate was 28%.

Net income from continuing operations amounted to EUR 68 million, up 58% yoy. Including net income from discontinued operations, total net income was EUR 79 million with an associated reported EPS of EUR 1.72 (compared to EUR 0.03 in 2020), an all-time high. EPS, excluding the proceeds from the sale of Modani, was EUR 1.52, up 58% vs 2020 and 15% vs 2019.

Strong cash flow generation: free cash flow at EUR 90 million

<i>(in EUR million)</i>	31 Dec. 2021	31 Dec. 2020 (pro forma)
EBITDA	279.2	238.3
Change in working capital	9.8	17.3
Change in other operating items	(37.9)	(40.7)
Net cash generated by/ (used in) operating activities	251.1	214.9
Capital expenditures (Capex)	(51.5)	(46.4)
Change in debt on fixed assets	2.4	(4.6)
Proceeds from sale of non-current assets	1.2	0.8
Decrease in lease debt	(102.1)	(99.0)
Decrease in lease debt/Lease interest paid	(11.3)	(12.6)
Free cash flow	89.8	53.0

Free cash flow came in at EUR 90 million compared to EUR 53 million in 2020. This increase is mainly the result of the EBITDA improvement. The working capital requirement decreased by EUR 8 million due to higher inventory levels and trade payables slightly offset by lower accounts receivable. Capex was up EUR 5 million due to higher store development investments, while the capex to net sales ratio stood at 3.9%.

Net financial debt

Thanks to its strong liquidity, in 2021 the Group reimbursed the EUR 50 million term loan associated with its Senior Credit Facility as well as the EUR 150 million French state-guaranteed loan.

The Group's gross debt position (excluding finance leases) at 31 December 2021 was EUR 222 million at the end of 2021, vs EUR 389 million at the end of 2020. Taking into account its cash and cash equivalents position of EUR 163 million, Maisons du Monde's net debt position at 31 December 2021 was EUR 61 million (leverage of 0.36x, down from 0.73x at 31 December 2020).

Net debt & leverage

<i>(in EUR million)</i>	31 Dec. 2021	31 Dec. 2020
Net debt calculation		
Convertible bonds ("OCEANE")	191.0	186.5
Term loan	-	49.9
Revolving Credit Facilities (RCFs)	(0.1)	(0.2)
State guaranteed term loan (PGE)	-	150.3
Other debt ⁵	30.8	2.1
Gross debt	221.7	388,6
Finance leases	594.2	620.1
Cash & cash equivalents	(163.2)	(296.7)
Net debt (IFRS 16)	652.6	711.9
Less: Lease debt (IFRS 16)	(594.2)	(620.1)
Plus: Lease debt (finance lease)	2.7	4.6
Net debt	61.1	96.4
LTM (Last twelve months) EBITDA	169.0	132.1
Leverage³	0.36x	0.73x

Dividend

The Shareholders' Annual General Meeting is scheduled to be held on 31 May 2022, at which time shareholders will be asked to approve the dividend in the amount of EUR 55 cents per share, an 80% increase compared to 2020, translating to a pay-out ratio of 36% of EPS excluding Modani sale. If approved, the ex-dividend date will be June 8, 2022, and dividends will be payable on June 10, 2022.

2022 commercial priorities

For 2022, the Group aims at reinforcing its brand positioning and continuing to improve customer experience across the board. Home office and outdoor categories have been enriched to meet increasing customer demand. New capsule collections will be launched, and the share of our sustainable offering will keep increasing, under the “Good is Beautiful” label which was launched in February.

The replenishment of inventories in a still complex raw material and freight environment remains a top priority, together with the opening the Northern France distribution centre. The Group is also working to increase its product traceability ratio as well as further enhance supplier governance.

The marketplace will reach all French stores and will be deployed in one new country over the course of the year. Maintaining its focus on its international development agenda, the Group will open 5 to 10 new stores outside France, and keep on rationalising its French store network, by closing 0 to 5 stores while maintaining commercial area at a stable level.

2022 guidance

In an environment that remains complex and volatile, 2022 has begun with continued pressure on the supply chain, as well as soft consumption partly due to the global inflationary context. As expected, the Group sees a slow start to the year, while the second half of the year will benefit from a progressive inventory replenishment to support top line growth acceleration. More recently, material geopolitical uncertainties have arisen, with yet to be determined impact on demand and supply, hindering visibility for the next few months. In this context, the Group’s full-year 2022 objectives are:

- Positive top line growth, to be fine-tuned as visibility improves
- An EBIT margin around 9%
- FCF of EUR 65 million to 75 million
- Reduction of the Group’s carbon intensity: CO2 neutrality for scopes 1 and 2
- Dividend pay-out ratio of 30% to 40%

The Group also confirms its 2025 objectives unveiled last November:

- Revenues of between EUR 1.8 and EUR 1.9 billion
- An EBIT margin of around 11%
- Cumulative free cash flow of more than EUR 350 million during the 2022-2025 period.
- Increase of the Group’s sustainable offer of products to reach 40% of Maisons du Monde products included in our “Good is Beautiful” selection by 2025 (20% of sustainable products in 2020)

Governance

Maisons du Monde announces the appointment of Alexandra Palt, *Chief Corporate Responsibility Officer of the L’Oréal group and CEO of the Fondation L’Oréal* to the Board of Directors as an independent director, which will be submitted to shareholders at the General Meetings on May 31, 2022.

As a result, subject to approval by the General Meeting, the Board of Directors of Maisons du Monde will be made up of 8 directors on this date:

- who will all be independent within the meaning of the Afep-MEDEF Code, with the exception of the Chief Executive Officer, Julie Walbaum, and the director representing the employees,
- who will respect the rules of equality between men and women, the latter representing 57% of the members of the Board,

- which will include 25% of directors of foreign nationality.

Biography:

Alexandra Palt is a lawyer by training and a specialist in human rights. After collaborating with Amnesty International, then being director of the promotion of equality at the High Authority for the Fight against Discrimination and for Equality (HALDE), she worked for ten years in organisations specialising in CSR and diversity. In 2012, she joined L'Oréal, where she launched the Group's first sustainable development program. Having become Chief Corporate Responsibility Officer of the L'Oréal group and CEO of the Fondation L'Oréal, she joined the Group Executive Committee in 2019. In June 2020, the Group launched its second sustainable development strategy, L'Oréal for the Future, with a series of ambitious objectives for 2030.

Conference call for investors and analysts

Date: 10 March 2022 at 09.00 CET

Speakers: Julie Walbaum, CEO and Régis Massuyeau, CFO

Connection details:

- Webcast: <https://edge.media-server.com/mmc/p/r8rbovwz>
- Conference call:
 - o France: +33 (0)1 70 70 07 81
 - o UK: +44 (0) 2071 928338
 - o USA: +1 646 741 3167
 - o Password: 8798371

Financial calendar

4 May 2022	Q1 2022 sales
31 May 2022	Annual General Meeting
10 June 2022	Dividend payment date (proposed)
28 July 2022	Q2 and H1 2022 financial results
27 October 2022	Q3 and 9M 2022 sales



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.

About Maisons du Monde

Maisons du Monde, a uniquely positioned and beloved brand across Europe, stands as the European leader in inspirational and affordable home & living. It offers a wide and constantly renewed range of furniture and home accessories across multiple styles. Creativity, inspiration and engagement are the brand's core pillars. Leveraging its distinctive direct-to-consumer omnichannel model, the company generates over 50% of its sales digitally, through its online platform and in-store digital sales and operates 357 stores across 9 European countries. End 2020, the Group launched a curated marketplace to complement its offering and become the reference one-stop shop in inspirational and affordable home and living. In November 2021, Maisons du Monde unveiled its company purpose: "Inspiring everyone to open up to the world, to create together unique, warm and sustainable places to live."

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APPENDIX

Consolidated financial statements

Consolidated income statement <i>(in EUR million)</i>	2021	2020 <i>(pro forma)</i>	<i>IFRS 5</i> <i>adjustments</i>	2020 <i>(Reported)</i>
Sales	1,306.8	1,135.2	(46.9)	1,182.1
Other revenue	46.9	42.6	(2.5)	45.0
Total revenue	1,353.7	1,177.8	(49.4)	1,227.1
Cost of sales ⁴	(438.3)	(379.7)	24.0	(403.7)
Gross Margin⁶	868.5	755.5	(23.1)	778.5
<i>As a % of Sales</i>	66.5%	66.5%		65.9%
Personnel expenses	(252.1)	(222.6)	6.1	(228.7)
External expenses	(381.0)	(334.6)	16.7	(351.3)
Depreciation, amortisation and allowance for provisions	(155.4)	(149.0)	5.4	(154.4)
Fair value – derivative financial instruments	(8.0)	5.2	-	5.2
Other income/(expenses) from operations	(3.1)	(2.6)	0.7	(3.4)
Current operating profit	115.7	94.4	3.5	90.9
Other operating income and expenses	(2.1)	4.6	54.7	(50.1)
Operating profit / (loss)	113.7	99.0	58.3	40.7
Cost of net debt	(6.5)	(7.9)	-	(7.9)
Cost of lease debt	(11.5)	(11.7)	1.1	(12.8)
Finance income	2.8	2.5	-	2.5
Finance expenses	(4.2)	(5.1)	-	(5.1)
Financial profit / (loss)	(19.4)	(22.2)	1.1	(23.3)
Profit / (loss) before income tax	94.2	76.8	59.4	17.4
Income tax	(26.1)	(33.8)	(0.2)	(33.6)
Profit / (loss) from continuing operations	68.1	43.1	43.1	-
Profit / (loss) from discontinued operations	11.0	(59.2)	(59.2)	-
Profit / (loss)	79.1	(16.1)		(16.1)
Attributable to:				
• Owners of the parent	77.4	1.5	-	1.5
• Non-controlling interests	1.7	(17.6)	-	(17.6)
Reported EPS (in €)	1.72	0.03	-	0.03
Attributable to:				
• Continuing activities	1.52	0.96	-	0.96
• Discontinued activities	0.21	(0.93)	-	(0.93)

Consolidated balance sheet

(in EUR million)

	31 Dec. 2021	31 Dec. 2020 (pro forma ²)
ASSETS		
Goodwill	327.0	327.0
Other intangible assets	232.7	243.1
Property, plant and equipment	164.9	162.1
Right-of-use assets related to lease contracts	601.3	628.6
Other non-current financial assets	17.0	15.8
Deferred income tax assets	8.6	6.3
Derivative financial instruments	3.4	-
NON-CURRENT ASSETS	1,354.9	1,383.0
Inventory	193.8	171.5
Trade receivables and other current receivables	105.6	107.3
Current income tax assets	13.0	9.9
Derivative financial instruments	13.1	-
Cash and cash equivalents	163.2	296.7
CURRENT ASSETS	488.8	585.5
TOTAL ASSETS	1,843.6	1,968.5
EQUITY AND LIABILITIES		
TOTAL EQUITY	652.4	594.7
Non-current borrowings	1.0	1.6
Non-current convertible bonds	191.4	186.8
Medium and long-term lease liability	483.6	508.1
Deferred income tax liabilities	52.3	41.7
Post-employment benefits	12.5	11.4
Provisions	9.5	7.5
Derivative financial instruments	0.2	17.0
Other non-current liabilities	4.2	6.5
NON-CURRENT LIABILITIES	754.6	780.7
Current borrowings and convertible bonds	29.3	200.1
Short-term lease liability	110.6	111.9
Trade payables and other current payables	290.2	255.3
Provisions	5.7	4.5
Current income tax liabilities	0.9	2.6
Derivative financial instruments	-	18.6
CURRENT LIABILITIES	436.6	593.1
TOTAL LIABILITIES	1,191.3	1,373.8
TOTAL EQUITY AND LIABILITIES	1,843.6	1,968.5

Consolidated cash flow statement

(in EUR million – IFRS 16)

	31 Dec. 2021	31 Dec. 2020 ⁸
Profit/(loss) before income tax	105.2	17.4
Adjustments for:		
• Depreciation, amortisation, and allowance for provisions	157.7	201.4
• Net gain/(loss) on disposals	(3.0)	3.5
• Fair value – derivative financial instruments	8.0	(5.2)
• Share-based payments	0.3	2.2
• Cost of net financial debt	6.5	7.9
• Cost of lease debt	12.2	12.9
Change in operating working capital requirement:		
• (Increase)/decrease in inventory	(34.1)	38.2
• (Increase)/decrease in trade and other receivables	(6.5)	(57.6)
• Increase/(decrease) in trade and other payables	50.6	41.2
Income tax paid	(38.2)	(40.5)
Net cash generated by/(used in) operating activities^(a)	258.7	221.3
Acquisition of non-current assets:		
• Property, plant and equipment	(42.4)	(34.9)
• Intangible assets	(9.8)	(12.3)
• Financial assets	(2.0)	-
• Other non-current assets	(0.4)	(0.3)
Sale of consolidated companies net of cash sold	12.2	-
Change in debt on fixed assets	2.4	(4.6)
Proceeds from sale of non-current assets	1.2	0.8
Net cash generated by/(used in) investing activities^(b)	(38.7)	(51.3)
Proceeds from issuance of borrowings	0.0	300.6
Repayment of borrowings	(200.5)	(150.2)
Decrease of lease debt	(105.0)	(103.3)
Acquisitions (net) of treasury shares	20.4	0.5
Interest paid	(2.2)	(2.9)
Interest on lease debt	(12.0)	(12.6)
Net cash generated by/(used in) financing activities^(c)	(353.5)	32.1
Exchange gains/(losses) on cash and cash equivalents	(0.0)	0.1
Net increase/(decrease) in cash & cash equivalents^{(a)+(b)+(c)}	(133.5)	202.2
Cash & cash equivalents at period begin	296.7	94.5
Cash & cash equivalents at period end	163.2	296.7

Store network⁹
Number of stores at end of:

<i>(In units)</i>	Q4 19	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21	Q4 21	FY 21
France	233	233	228	227	227	228	228	223	222	220	219	219
Italy	48	48	48	48	48	49	49	49	49	48	50	50
Spain	27	27	27	27	27	27	27	26	28	28	30	30
Belgium	24	24	23	23	23	24	24	25	26	26	27	27
Germany	11	11	11	10	10	11	11	11	12	12	12	12
Switzerland	9	9	9	9	9	9	9	10	10	11	12	12
Luxembourg	3	3	3	3	3	3	3	3	3	3	3	3
Portugal	1	1	1	1	1	1	1	1	1	1	3	3
Austria	-	-	-	-	-	-	-	1	1	1	1	1
Number of stores	356	356	350	348	348	352	352	349	352	350	357	357
<i>Net openings</i>	<i>+9</i>	<i>+21</i>	<i>-6</i>	<i>-2</i>	<i>0</i>	<i>+4</i>	<i>-4</i>	<i>-3</i>	<i>+3</i>	<i>-2</i>	<i>+7</i>	<i>+5</i>
Sales area (K sqm)	417.2	417.2	415.7	413.6	414.2	420.2	420.2	419.0	424.4	424.5	432.9	432.9
<i>Change (K sqm)</i>	<i>+14.8</i>	<i>+19.2</i>	<i>-1.5</i>	<i>-2.1</i>	<i>+0.6</i>	<i>+6.0</i>	<i>+3.0</i>	<i>-1.2</i>	<i>+5.3</i>	<i>+0.6</i>	<i>+8.0</i>	<i>+12.7</i>



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 (LFL) 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.

EBITDA: Is defined as current operating profit, excluding:

- i. depreciation, amortisation, and allowance for provisions and,
- ii. the change in the fair value of derivative financial instruments.

The EBITDA margin is calculated as EBITDA divided by Sales.

LTM EBITDA: Last twelve months EBITDA.

EBIT: Is defined as EBITDA minus depreciation, amortisation, 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.

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.

Endnotes

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- ¹ *LFL: Like for like – 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.*
- ² *Application of IFRS 5: with the sale of 55% of Maisons du Monde’s 70% holding in Modani in November 2021, the Group’s 2021 consolidated financial statements have been prepared pursuant to IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations. 2020 figures in this document are pro forma, having been restated according to IFRS 5. The audit of the full-year 2021 financial results is being finalised.*
- ³ *Leverage: Net debt divided by LTM (Last twelve months) EBITDA*
- ⁴ *Reclassification for EUR 0.8 million from the item “Depreciation, amortisation and allowance for provisions” to the item “Cost of goods sold” in 2020.*
- ⁵ *Including other borrowings, deposits & guarantees and banks overdrafts.*
- ⁶ *Gross margin (sales less cost of goods sold) is a non-IFRS financial metrics and is presented here for informational purposes only.*
- ⁷ *The IFRS 5 adjustments to the balance sheet at 31 Dec 2020 are limited to: i) reported Total Equity in the amount of EUR 593.7 million increased by EUR 1.0 million to EUR 594.7 million, ii) reported Deferred income tax liabilities in the amount of EUR 41.2 million increased by EUR 0.5 million to EUR 41.7 million, and iii) reported Post-employment benefits in the amount of EUR 12.9 million decreased by EUR 1.5 million to EUR 11.4 million.*
- ⁸ *The application of IFRS 5 has no impact on the 2020 consolidated cash flow statement.*
- ⁹ *Excluding franchise stores.*