



PRESS RELEASE

First Quarter Sales

Sales in line with expectations, reflecting high comparable base

Sequential improvement expected throughout the year

**Immediate launch of a company-wide “3C” recovery plan
focusing on Customers, Costs and Cash**

- **Group GMV: €307.2m, -6.7% yoy, +13.3% vs Q1 2019**
 - Strong marketplace GMV: €42.1m, +112% yoy**Group Sales: €273.7m, -12.5% yoy, +1% vs Q1 2019**
- **2023 priorities: Customers, Costs & Cash**
 - **Focus on customer excellence to create conditions for growth in H2**
 - **Accelerate operating model streamlining through strong cost optimization initiatives**
 - **Ensure robust cash generation through further optimization of capex and working capital**
- **2023 guidance:**
 - **Top line: Low-to mid-single digit negative, with a sequential improvement in H2 vs H1**
 - **EBIT: €65m-€75m**
 - **Free Cash Flow: €40m-€50m**

NANTES – 11 May 2023, 07:00 CET – [Maisons du Monde](#) (Euronext Paris: MDM; ISIN: FR0013153541), the European leader in inspirational and affordable home & living, published the Group's revenue for the first quarter of 2023. **Conference call to be held today at 09:00 CEST (see details on page 5).**

François-Melchior de Polignac, CEO, commented: “As communicated last March, Maisons du Monde’s sales were down in Q1 due to a high 2022 comparable base and a macroeconomic context that remains complex and continues to weigh on consumer confidence and purchasing power.

After completing my deep dive across the organization and hearing extensively from our customers, I am more convinced than ever that Maisons du Monde enjoys both a resilient business model and truly strong fundamentals for growth, with an inspiring “raison d’être”, an ongoing commitment to sustainability and a genuinely strong brand supported by a differentiated offer and an international omnichannel platform.

As a first step to resume conditions for profitable growth, the Executive Committee and all Maisons du Monde teams are embracing the immediate launch of a company-wide 3C recovery plan, focusing on Customers, Costs and Cash.

First and foremost, this plan shall see us put the customer back at the center of our organization and of everything we do. Secondly, we are accelerating and augmenting our cost reduction plans. Finally, we shall ensure robust cash generation by further optimizing capital expenditures and working capital.

Maisons du Monde is fully committed to executing and further expanding our 3C plan, which constitutes both our roadmap to deliver our 2023 guidance and a first step to pave the way for renewed profitable growth.”



Q1 2023 KEY HIGHLIGHTS

As flagged in March, the start of the year has been challenging. In the first quarter of the year, Maisons du Monde navigated in a difficult macroeconomic context and a fragile consumption environment in Europe. This resulted in declining traffic at Maisons du Monde, both in stores and online. The Group continued to support sales through a number of initiatives, including inspiring new Spring-Summer and Outdoor collections as well as targeted promotions, and expects a sequential improvement throughout the year.

COMMERCIAL DEVELOPMENTS

Brand and customers

During the first quarter, Maisons du Monde continued its initiatives to enhance its brand awareness for the benefit of its customers.

Total active customers reached 2.2 million, down -4% yoy, whilst omnichannel customers were nearly stable compared to the same period last year (+53% vs Q1 2019).

Maisons du Monde's global social media community grew by +4% yoy, reaching 8.6 million followers across Europe.

For the 7th consecutive year, Maisons du Monde was recognized as the second favorite home & living brand¹ in France.

Collections

Maisons du Monde released its Spring-Summer collections, Indoor and Outdoor, offering to customers a world tour with six refreshing and exotic destinations under a single watchword: "Ode to Lightness."

Those collections were showcased in Paris in February and have been very positively endorsed by industry experts across Europe, as illustrated by an 80% increase of the audience vs 2022.

Commercial and operational initiatives

Maisons du Monde continued to propose a unique customer experience with a differentiating offer and initiatives to support purchasing power.

- **Targeted promotions in stores and online:** In a context that remains inflationary, Maisons du Monde launched several targeted promotional initiatives to support traffic and conversion, such as specific "small prices" selections and in March, targeted rebates with "Les jours Maisons" and free delivery offers on decoration and furniture items.
- **Extension of the marketplace offering:** Maisons du Monde's marketplace continued its development, by enriching its offer to 242,000 references (+59% yoy) and 1,450 curated brands proposed by nearly 560 vendors (+27% yoy), online and in stores in all three countries (France, Spain and Italy).
- **Further activation of the B2B business line:** Maisons du Monde increased its visibility through its presence at dedicated international business fairs and extended its number of references proposed to professionals. The B2B segment continued its growth trajectory in hotels (+40% of the sales of the Business Service), in offices and real estate.

¹ EY Parthenon study – March 2023

Q1 2023 SALES PERFORMANCE

Summary of sales <i>(in EUR million)</i>	Q1 23	Q1 22	% Change
Group GMV	307.2	329.1	-6.7%
Sales	273.7	313.0	-12.5%
<i>Like-for-like</i>	-14.0%	-4.0%	
Sales by product category²			
Decoration	155.7	171.7	-9.3%
<i>% of sales</i>	56.9%	54.8%	
Furniture	118.0	141.3	-16.5%
<i>% of sales</i>	43.1%	45.2%	
Sales by distribution channel			
Stores	196.0	208.9	-6.2%
<i>% of sales</i>	71.6%	66.7%	
Online	77.7	104.1	-25.4%
<i>% of sales</i>	28.4%	33.3%	
Sales by geography			
France	148.0	161.6	-8.5%
<i>% of sales</i>	54.1%	51.6%	
International	125.8	151.4	-16.9%
<i>% of sales</i>	45.9%	48.4%	

Q1 2023 Group GMV was €307.2 million, down -6.7% yoy (+13.3% vs Q1 2019), with **online GMV** representing 35.3% of Group GMV, a level comparable to 2022. **Marketplace GMV** has doubled compared to Q1 2022 at €42.1 million, with €3.3 million in stores and €38.7 million online.

Q1 2023 Group sales amounted to €273.7 million, down -12.5% yoy (+1% vs Q1 2019), due to a high comparable base in Q1 2022, as well as a deteriorated macroeconomic context and high inflation, weighing on household purchasing power. This resulted in lower traffic, both in-store and online, and a declining conversion rate vs the same period in 2022.

Sales by channel

Q1 2023 online sales were €77.7 million, down -25.4% yoy (+8,8% vs Q1 2019) and represented 28.4% of Group sales compared to 33.3% in Q1 2022, reflecting dual momentum with an activity decrease on Maisons du Monde's website on high comps and buoyant marketplace growth. Traffic was negative vs last year but still up compared to the same period in 2019 (+50%).

Q1 2023 store sales amounted to €196.0 million, down -6.2% yoy (-1.9% vs 2019), reflecting lower traffic compared to Q1 2022.

Continuing its active store network management, Maisons du Monde operated 352 stores at the end of March 2023, compared to 350 stores in March 2022, with 6 closures over the quarter vs year-end 2022.

Sales by category

Q1 2023 decoration sales amounted to €155.7 million, down -9.3% yoy (+4.6% vs 2019) and accounted for 56.9% of total sales. The category was supported by targeted promotional and non-promotional initiatives (E.g. Les jours Maisons, free delivery, etc.).

² All commissions (*marketplace* and *Rhinov's decoration services*) are integrated in the "Sales by product category" line (decoration and furniture). For comparison purpose, Q1 2022 figures have been adjusted.



Q1 2023 furniture sales totaled €118.0 million, down -16.5% yoy (-3.4% vs 2019).

Despite improvement in product availability and more selective promotions, the category suffered from the effects of continued high inflation and from deferred spending decisions by customers. This context deteriorated in mid-Q2 2022, creating a high comparable base.

Sales by geography

Q1 2023 sales in France were €148.0 million, down -8.5% yoy (-5.3% vs 2019) penalized by strikes against pension reform from mid-January. **Store sales** accounted for 73%. The number of stores stood at 215, vs 218 at the end of 2022 and 221 at the end of Q1 2019, illustrating a disciplined adjustment of the retail network.

Q1 2023 international sales totaled €125.8 million, down -16.9% yoy (+9.5 vs 2019). Combined sales in Spain and Italy (more than 50% of total international sales) were -10.6% yoy (+12% vs 2019). Combined sales in Belgium, Germany, and Switzerland (35% of total international sales) decreased by -23.1% yoy. Compared to 2019, sales in that region were up by +7.5%, thanks to an additional 25 stores since 2019. Over the quarter, international online sales were down -34%, mainly driven by Germany and reflecting strong resource allocation decisions made to optimize return on marketing investments.

After several years of market presence in the UK, Maisons du Monde decided to shut down its loss-making operations in this country. The Group did not have a retail footprint in the country and therefore did not benefit from the same brand awareness. Sales in the UK, only online, represented thus just 1% of Group sales in full-year 2022. Activities will stop by the end of Q2.

2023 PRIORITIES: CUSTOMERS, COSTS & CASH

After the first weeks of immersion with Maisons du Monde teams and given persistent macroeconomic uncertainties, new CEO François-Melchior de Polignac, together with the Executive Committee, revisited immediate priorities and launched a company-wide “**3C plan**” focusing on Customers, Costs & Cash to strengthen the model and rapidly resume conditions for profitable organic growth:

Customers: Focus on customer excellence to create conditions for growth in H2

- Prioritize customer-centricity, notably by implementing a cross-functional customer committee in charge of enforcing Top 30 customer initiatives.
- Enhance store execution to deliver better customer experience notably by improving order availability of furniture showcased in stores and by reinforcing in-store staff communication devices to speed up customer service.
- Improve price accessibility to support purchasing power by implementing selective and relevant price adjustments as well as targeted promotions, whilst safeguarding gross margin.

Costs: Accelerate operating model streamlining through strong cost optimization initiatives to generate savings of €25m before inflation

- Further adapt the cost base, notably by optimizing structures at Head Office level and worked hours at store level.
- Improve resource allocation, notably by reviewing and streamlining the project portfolio.

Cash: Ensure robust cash generation

- Further optimize Capex policy to deliver higher ROI.
- Optimize inventory management notably by improving store allocation.
- Improve payment terms by extending implementation of new terms to all suppliers.



2023 GUIDANCE

In line with the 2023 roadmap, articulated around the 3C plan, and considering the comparable base effect on the group's H1 performance, Maisons du Monde's 2023 objectives are:

- Top line decrease in the low-to-mid-single digit range, with a sequential improvement in H2 vs H1
- EBIT in a range of €65 million to €75 million
- Free Cash Flow in a range of €40 million to €50 million
- Dividend payout ratio of 30% to 40%
- ESG commitment: One-third of Maisons du Monde's 2023 collections included in the 'Good is beautiful' selection

UPDATE ON THE SHARE BUYBACK PROGRAM

On 29 July 2022, the Group launched a second share buyback program with an objective of repurchasing up to 10% of its outstanding shares at market price over a period of several months.

At 2 May 2023, the Group had purchased 3,526,167 of its own shares, i.e. 81.5% of the program at an average price per share of €10.24.

On 8 March 2023, the Board of Directors decided to cancel 2,300,000 of the treasury shares (or 5.3% of the total shares) it acquired under this share buyback program. The cancellation was effective on March 10th, 2023. As a result, the Group's share capital amounts to €133 million, comprised of 40,988,097 shares.

Conference call for investors and analysts

Date: 11 May 2023 at 09.00 am CEST

Speakers:

François-Melchior de Polignac, Chief Executive Officer and Régis Massuyeau, Chief Financial Officer

Connection details:

- **Webcast:**
<https://edge.media-server.com/mmc/p/q4e9ha4c>
- **Conference call:**
<https://register.vevent.com/register/BI3426f6b5b83a4e9580d2b7311160c291>

Financial calendar

29 June 2023	Annual General Meeting
27 July 2023	Q2 and H1 2023 financial results
26 October 2023	Q3 and 9M 2023 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 352 stores across 9 European countries. At the end of 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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