



PRESS RELEASE

**MAISONS DU MONDE FIRST QUARTER 2022:  
Sales in line with expectations  
Growth exceeding pre-pandemic performance at all levels**

- **First quarter sales: EUR 313 million (-1.3% yoy; -4.0% LFL<sup>1</sup>; +15% vs Q1 2019)**
  - **Gross merchandise volume<sup>2</sup> (GMV): EUR 329 million (stable yoy; +21% vs Q1 2019)**
- **Online sales down 13% vs Q1 2021 high comparison base, up a strong 46% vs Q1 2019**
  - **Marketplace GMV +43% yoy**
- **Store sales up 6% yoy, +5% vs Q1 2019**
- **FY 2022 guidance confirmed, assuming no further deterioration of macro-economic and supply chain conditions**

NANTES – 4 May 2022, 07:00 CEST – [Maisons du Monde](#) (Euronext Paris: MDM; ISIN: FR0013153541), a European leader in affordable and inspirational home and living, today publishes the Group's sales for the first quarter of 2022.

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

*“Our first-quarter performance was fully in line with our expectations, despite the global macro-economic and geopolitical context, and continuing supply chain disruptions. Overall activity has grown strongly over pre-pandemic levels as we turned in double-digit growth compared to Q1 2019. Our pan-European omnichannel model continues to prove its relevance, as does the continued strength of our brand and unique offering.*

*We are moving ahead with our sustainable growth agenda with drive and energy. We have extended our selective marketplace to another country, Spain, at the end of March. Across France and Spain, our marketplace now consists of over 140,000 SKUs and 1,100 brands. Furthermore, and fully in line with our Raison d'être, we were proud to unveil in February our “Good is beautiful” CSR movement, covering five pillars of environmental and societal commitments, with bold targets and milestones, including carbon neutrality on scopes 1 and 2 this year.*

*Confident in our model, we will maintain our focus on serving our customers and protecting our profitability in a still complex and volatile environment. Visibility for the remainder of the year stays limited. Assuming no further deterioration of macro-economic and supply chain conditions, we confirm our full-year 2022 guidance.”*

<sup>1</sup> 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.

<sup>2</sup> Gross merchandise volume (GMV) is equivalent to Group sales plus marketplace orders but less marketplace commissions.



### 1st Quarter 2022 Key commercial developments

Maisons du Monde's 2022 sales performance needs to be looked at in light of what happened over the previous years. 2021 was a year of outstanding performance, especially on the online channel, after the COVID-disrupted 2020. The latest normalised year, truly comparable to 2022, is 2019. When compared to Q1 2019, Maisons du Monde showed consistent growth in all channels, geographies and categories over Q1 2022.

#### **Brand and customers**

In terms of brand and customers, Maisons du Monde continued to develop over the quarter. The Instagram community grew by +10% yoy, reaching 5.4 million followers across Europe and +182% vs 2019. Total monthly audience on Pinterest reached 495K in the quarter, increasing by 77% vs Q1 2021 and 99% vs 2019. Total active customers reached 7.5 million at quarter-end, up 16% vs Q1 2021 and 15% vs Q1 2019, and omnichannel customers have increased by 15% year on year.

#### **Good is Beautiful label**

In February 2022, Maisons du Monde launched its *Good is Beautiful* brand movement to keep embedding sustainable development in its strategy and customer communication. Good is Beautiful is a company-wide pledge that links the history, the present and the ambition of Maisons du Monde to create a positive impact throughout its ecosystem. It is built on 5 commitments with ambitious and quantified targets:

1. Offering a collection that is stylish and sustainable
  - Target: 40% of the offer under the Good is Beautiful label by 2025
2. Acting with grassroots associations to protect the environment and help those in need
  - Target: 100 *Good is Beautiful* places created by 2025
3. Promoting equal opportunities
  - Targets: 50% of women within the Top 100 of the Company and 500 youngsters mentored by 2025 to help them access the workforce
4. Offering a second life to products
  - Target: 20,000 products repaired every year
5. Transforming business lines to reduce Maisons du Monde's environmental footprint
  - Targets: -25% carbon intensity by 2025 on scopes 1, 2 and 3 and 100% of stores powered with renewable energy

#### **Launch of Spanish marketplace**

March 2022 saw the launch of the *marketplace in Spain*, and already offers nearly 50,000 SKUs from over 290 brands. First weeks of operation are fully in line with expectations.

1st quarter 2022 sales of EUR 313 million were broadly stable yoy (-1.3%; -4.0% LFL) compared to the exceptionally high level of Q1 2021 (EUR 317 million, up 37% vs 2020). Q1 2022 performance benefited from a favourable effect of an efficient supply chain monitoring which allowed the Group to ship more customer orders than planned, compensating for softer demand than expected in the second part of the quarter.

As was the case for all retailers, online traffic and conversion rate were lower than last year and were partly offset by an increase in average basket size by 6% yoy.

Store traffic was positive yoy given the store closures that took place in Q1 2021. Stores that were open during both periods saw a decrease in traffic, especially in March, as a result of lower consumer confidence.

Compared to the pre-pandemic Q1 2019, total Q1 2022 Group sales were up +15%.

**Total GMV** of EUR 329 million was stable yoy thanks to a very strong 43% increase in the marketplace GMV. Compared to Q1 2019, GMV grew by +21%, illustrating the launch of the marketplace in France at



the end of 2020.

### Sales by category:

**Decoration** sales were unchanged compared Q1 2021 at EUR 175 million, coming from a very high comparable base in 2021, which had grown by +39% vs 2020. When compared to Q1 2019, decoration sales grew by 17%, demonstrating over time the successful revamping of collections undertaken in 2019. Maisons du Monde's decoration collections continued to meet with success especially on tableware and outdoor items.

**Furniture** inventory continued to be impacted by supply chain disruptions, and Q1 2022 sales were therefore slightly down (-2%) and represented 44% of total Group sales (- 0.5 percentage point vs Q1 2021). Here again, the high comparison base of Q1 2021 (+34% vs Q1 2020) blurs the global picture. Compared to Q1 2019, furniture sales grew by 13%, even though product availability was not yet at its target level. Furniture inventory has improved over the period, with replenishment program in line with plan despite the complex environment. As COVID rebounds in China, some manufacturing and freight operations are currently hampered. Exercising its now proven agility, the Group is monitoring the situation very closely to optimise sourcing and shipping plans.

### Sales by channel:

**Online sales** decreased by 13.2% yoy to reach EUR 104 million, yet still represented one-third of total Group sales. This evolution is explained by the exceptional outperformance of the 1<sup>st</sup> quarter last year which was up 73% due to the pandemic-related store closures as well as the docker strike in Q1 2020. Compared to Q1 2019, Q1 2022 online sales were up a very strong 46%, lifted by countries such as Germany, Spain and Italy, which growth vs Q1 2019 neared 60%.

Maisons du Monde's selective marketplace, continued its fast growth with GMV totalling EUR 20 million during the period (+43% yoy). At the end of March 2022, the marketplace featured over 1,100 brands and 140,000 SKUs. Maisons du Monde continues to roll out its omnichannel strategy, and the marketplace is now available in all French stores. Furthermore, at the end of the quarter, the marketplace expanded for the first-time outside France: it is now available in Spain and boasts nearly 50,000 SKUs from over 290 brands.

### Store sales

In part thanks to a favourable comparable base, total 1<sup>st</sup> quarter store sales were up 6% at EUR 209 million. Store sales were also up 5% vs their pre-pandemic level of Q1 2019.

At 31 March 2022, Maisons du Monde had 350 stores, compared to 357 at 31 December 2021. During the quarter, the Group closed, as planned, 8 stores: 5 closures in France, 2 in Belgium, 1 in Italy and opened one store in Spain, maintaining its yearly objective of 0 to 5 net openings.

### Sales by geography

**Sales in France** reached EUR 162 million (52% of total sales), down 11% vs Q1 2021, but up 3% vs Q1 2019, in a context of still suboptimal inventory levels.

Store sales in France were EUR 114 million down 9% yoy but roughly stable vs Q1 2019 despite a net reduction of 7 stores over the 3-year period. They represented 55% of total store sales, -9 percentage points vs Q1 2021.

Online sales in France were down 15% yoy but a strong 33% vs Q1 2019.

**International sales** totalled EUR 151 million, up 12% vs Q1 2021, and a solid 32% vs 2019. They represented 48% of total sales (+ 6 percentage points vs 2019).



International growth was fuelled by new store openings (+ 23 net stores since Q1 2019), and a more online-driven channel mix, online representing 37% of international sales in Q1 2021, vs 31% in Q1 2019.

International store sales were up +32% to EUR 95 million, thanks to the addition of 10 stores to the international network since the end of March 2021.

Compared to Q1 2021, international sales also benefitted from a low comparison base of 2021, which was still impacted by store closures, notably in Germany, Spain and Italy.

### 2022 Commercial and operational priorities

For the remainder of 2022, the Group's commercial priorities are to:

- Keep strengthening Maisons du Monde's omnichannel model to the service of customers
- Selectively rebuild inventories while actively managing sourcing constraints
- Protecting the Group's profitability through rigorous cost control, while advancing on the strategic agenda
- Sustain efforts towards corporate social responsibility

### 2022 guidance

In an environment that remains complex and volatile, the Group sees a slow start to the first half of the year and considers Q2 dynamics will be hampered by the global inflation context and its impact on demand, alongside COVID-related slowdowns in Asia which may impact restocking plans. As a result, sales in the first half should be slightly negative. On the other hand, the second half will benefit from higher inventory levels, especially in furniture, to support top line growth acceleration, and a more favourable comparable base.

In this context, and assuming no further deterioration of macro-economic and supply chain conditions, the Group confirms its full-year 2022 objectives:

- 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: CO<sub>2</sub> neutrality for scopes 1 and 2
- Dividend pay-out ratio of 30% to 40%

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### Update ESG Impact Share Buy Back Program

Maisons du Monde completed its EUR 50 million "ESG Impact" share buyback program launched last October. The Group repurchased 2,553,797 shares at an average market price of EUR 19.57. The ESG Impact component realised an outperformance of EUR 500,000 which is being donated:

- 65% to the endowment fund Maisons du Monde Foundation
- 35% to Emmaüs France non-profit organisation, in favour of projects to promote economic inclusion as well as, considering the exceptional situation in Ukraine, specific programs to help refugees from the war.

76.5% of the repurchased shares will be cancelled to reduce the share capital of Maisons du Monde, while the remaining 23.5% will be used to meet Maisons du Monde's obligations arising from employee share programs.

### Governance

Maisons du Monde announces that the Board of Directors recommended the appointment of Teleios Capital Partners LLC, represented by Adam Epstein, its co-founder, and of Gabriel Naouri, CEO of Majorelle Investments as new members of the Board of Directors. Such appointments will be submitted to



shareholders at the next General Meeting on May 31, 2022.

With that decision, the Board of Directors welcomes favourably the contemplated appointment of representatives of the two reference shareholders of the Company who fully support the strategy, the governance and the management of the Company to deliver the Company's agenda and take up current challenges of the industry in 2022.

Subject to these appointments being approved by the shareholders at the next General Meeting on May 31, 2022, both Teleios and Majorelle have entered into standstill undertakings, including not to file or announce a tender offer for the securities of the Company which is not recommended by the Board of Directors nor to hold more than 29.9% of the share capital or the voting rights of the Company in the next 24 months.

The Company has entered into two agreements, one with Teleios and one with Majorelle, to address these governance topics. Main terms of these agreements are or will be shortly made publicly available on the websites of the Company and of the AMF, it being specified that Teleios and Majorelle declared that they do not act in concert vis-à-vis the Company.

Biographies:

*Adam Epstein is co-founder of Teleios Capital, an investment fund manager with offices in Zug, Switzerland, and London, that seeks to acquire significant ownership positions in European public companies and maximise their long-term potential by working collaboratively with all stakeholders. Adam previously served as investment director at IPGL Limited, and prior to that was a partner at Audley Capital, having begun his career in investment banking with Merrill Lynch. Adam holds an MA in politics, philosophy and economics from Trinity College, University of Oxford.*

*Gabriel Naouri is the founder of Majorelle Investments, an investment holding company that invests across all segments of the consumer industry. Gabriel is also the CEO and founder of FIGANA, an investment platform that provides expertise and capital to entrepreneurs in the consumer technology space globally. He started his career in New York at the Rothschild Bank as an M&A banker. In 2007, he joined Groupe Casino where during more than 10 years he occupied different positions in France, Asia and Latin America. In 2018, he became Senior Advisor to the CEO of Aeon Group (Japan's largest Retailer). Gabriel previously sat on the boards of multiple public and private companies around the world. He holds a Master's degree in Applied Mathematics from Paris Dauphine University and is a certified board director from NYSE-Euronext.*

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### Conference call for investors and analysts

Date: 4 May 2022 at 09.00 CEST

Speakers: Julie Walbaum, CEO and Régis Massuyeau, CFO

Connection details:

- Webcast: <https://edge.media-server.com/mmc/p/xahwf2zf>
- Conference call:
  - France: +33 (0)1 70 95 03 46
  - UK: +44 (0) 2071 928338
  - USA: +1 646 741 3167
  - Password: 3054719

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### Financial calendar

<b>31 May 2022</b>	Annual General Meeting
<b>10 June 2022</b>	Dividend payment date (proposed)
<b>28 July 2022</b>	Q2 and H1 2022 financial results
<b>27 October 2022</b>	Q3 and 9M 2022 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, 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 350 stores across 9 European countries. End 2020, the Group launched a curated marketplace to complement its offering and became 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."*

[corporate.maisonsdumonde.com](https://corporate.maisonsdumonde.com)

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Summary of sales

€ in millions	Q1'22	Q1'21	Var. Q1'22- 21
<b>Group sales</b> <i>LfL Change vs. n-1</i>	<b>313.0</b> (4.0%)	<b>317.2</b> 36.5%	<b>(1.3%)</b>
<b>Sales by product category</b>			
Decoration	174.5	175.4	(0.5%)
% of sales	55.8%	55.3%	0.5ppt
Furniture	138.5	141.8	(2.3%)
% of sales	44.2%	44.7%	(0.5ppt)
<b>Sales by distribution channel</b>			
Stores	208.9	197.3	5.9%
% of sales	66.7%	62.2%	5.5ppt
Online	104.1	119.9	(13.2%)
% of sales	33.3%	37.8%	(5.5ppt)
<b>Sales by geography</b>			
France	161.6	181.5	(10.9%)
% of sales	51.6%	57.2%	(5.6ppt)
International	151.4	135.7	11.5%
% of sales	48.4%	42.8%	5.6ppt

Historical sales

In EUR millions	Q1'19	FY19	Q1'20	FY20	Q1'21	FY21	Q1'22
Group sales	271.2	1,179.9	231.9	1,135.2	317.2	1,306.8	313.0
<i>Change vs. n-1</i>	6.3%	8.7%	-14.5%	-3.8%	36.8%	15.1%	-1.3%
<i>LfL Change vs. n-1</i>	<i>n.c</i>	<i>n.c</i>	-19.3%	-6.5%	36.5%	13.4%	-4.0%
<b>Sales breakdown</b>							
Decoration	54.9%	55.9%	54.3%	57.1%	55.3%	58.6%	55.8%
Furniture	45.1%	44.1%	45.7%	42.9%	44.7%	41.4%	44.2%
Stores	73.7%	74.8%	70.2%	66.1%	62.2%	67.4%	66.7%
Online	26.3%	25.2%	29.8%	33.9%	37.8%	32.6%	33.3%
France	57.6%	57.0%	55.0%	55.3%	57.2%	53.7%	51.6%
International	42.4%	43.0%	45.0%	44.7%	42.8%	46.3%	48.4%