

LIMONEST, 3 DECEMBER 2020

## 2020-2021 FIRST HALF RESULTS UP SHARPLY

- FIRST HALF CONSOLIDATED REVENUES OF €314.3M, UP 41.6% (UP 21.0% AT CONSTANT CONSOLIDATION SCOPE)
- GROSS MARGIN UP 2.9 PP TO 21.9%
- OVER FIVE-FOLD INCREASE IN EBITDA TO €25.6M, I.E. 8.1% OF REVENUES
- 2020-2021 INTERIM DIVIDEND OF €0.50

**Olivier de La Clergerie, LDLC Group CEO, said:** “We posted a record-breaking performance in H1 2020-2021, with revenue growth of over 40% and a significant rise in operating profitability, with an EBITDA margin in excess of 8%. This success illustrates the merits of our omnichannel retail positioning and the strengths of our business model.

In a market driven by strong demand for high-tech products among individual consumers and businesses and boosted by new digital uses, the Group should continue to benefit from the highly favourable trends observed since the start of the financial year, particularly in the second quarter.

Ideally positioned and structured to take advantage of market opportunities, the LDLC Group is confident in its ability to maintain its momentum and post a significant improvement in 2020-2021 earnings, aiming at €660 million in revenues and €53 million in EBITDA.”

### SIMPLIFIED FIRST HALF INCOME STATEMENT (1 APRIL-30 SEPTEMBER)

€m (unaudited)	H1 2020-2021	H1 2019-2020	Change
	6 months	6 months	
<b>Revenues</b>	<b>314.3</b>	<b>222.0</b>	<b>+92.3</b>
<b>Gross margin</b>	<b>68.7</b>	<b>42.3</b>	<b>+26.4</b>
<i>Gross margin rate</i>	21.9%	19.0%	+2.9 pp
<b>EBITDA<sup>1</sup></b>	<b>25.6</b>	<b>4.7</b>	<b>+20.9</b>
<i>EBITDA margin</i>	8.1%	2.1%	+6.0 pp
<b>EBIT</b>	<b>21.8</b>	<b>0.8</b>	<b>+21.0</b>
Net financial income/(expense)	(0.2)	(0.7)	+0.5
<b>Earnings of consolidated companies before non-recurring items</b>	<b>21.7</b>	<b>0.1</b>	<b>+21.6</b>
Non-recurring income/(expense)	0.0	12.1	-12.1
Income tax	(7.1)	(4.5)	-2.6
<b>Net income of consolidated companies</b>	<b>14.6</b>	<b>7.7</b>	<b>+6.9</b>
<b>Net income, Group share</b>	<b>14.6</b>	<b>7.7</b>	<b>+6.9</b>

<sup>1</sup> EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation

On 3 December 2020, the LDLC Management and Supervisory Boards approved the consolidated financial statements for the six months ended 30 September 2020.



## H1 2020-2021 BUSINESS REVIEW

### H1 2020-2021 revenues: €314.3m (up 41.6% as reported, up 21.0% at constant consolidation scope) buoyed by a revenue surge in the BtoC activities

Boosted by sustained demand for high-tech products, the BtoC business turned in H1 revenues of €232.9m, up 63.0% (up 31.1% at constant consolidation scope). This outstanding performance reflects (i) sharp revenue growth among the Group's online retail chains and (ii) the contribution of the Top Achat business, acquired last April.

LDLC stores posted first half revenues of €35.0m, up 11.5%. As at 30 September 2020, the Group had 54 LDLC stores in France.

The Group's average basket was down slightly at €390 excl. VAT (€408 excl. VAT last year), reflecting a higher proportion of BtoC business over the period. The Group attracted 332,000 new BtoC and BtoB customers in the first half, more than during the entire 2019-2020 financial year.

Meanwhile, the BtoB business, which was buoyed by a 16.9% second quarter revenue upswing to €45.4m, posted first half revenues of €76.0m, up from €75.5m in H1 2019/2020.

Other businesses also turned in a sharp first half revenue increase to €5.4m, up 51.5% from €3.6m in H1 2019-2020. L'Armoire de Bébé posted strong growth, with revenues of €3.4m (up 149%). The retailer was boosted over the first half by increased brand awareness during lockdown and by a second store opening in the Paris region in June 2020.

### Growth in gross margin rate: up 2.9 percentage points to 21.9%

The gross margin increased 62% to €68.7m in H1 2020/2021. This substantial increase reflects growth in business as well as a structural hike in the gross margin rate. The first half gross margin increased by 2.9 percentage points to 21.9%, driven by the combined effects of improved purchasing conditions, fewer promotions and a reduction in the proportion of physical store sales.

At constant consolidation scope and excluding the effects of the ongoing health crisis, the LDLC Group is confident in its ability to deliver a normalised gross margin rate of around 21% over the long term.

### Robust financial structure

Shareholders' equity amounted to €77.0m (up from €62.5m at 31 March 2020) compared to net debt of €6.0m (down from €8.6m at 31 March 2020).

### Record profits in H1 2020-2021 with an EBITDA margin of 8.1%

EBITDA amounted to €25.6m in the first half of 2020-2021, i.e. a five-fold increase on the previous year. The sharp improvement in the Group's EBITDA margin to 8.1% was due to the increase in the gross margin and the decrease in the relative weight of other operating expenses (14.9% of H1 2020-2021 revenues, compared to 18.7% in H1 2019-2020).

Net financial costs decreased to €0.2m from €0.7m a year earlier, thanks to the positive impact of the Group's deleveraging throughout FY 2019-2020.

Net income for first half 2020-2021 amounted to €14.6m, up from €7.7m last year (which included non-recurring items of €7.6m related to the sale of Group buildings).



## 2020/2021 INTERIM DIVIDEND

Following a period of substantial investments and significantly improved profitability, the LDLC Group has decided to pay, on an ordinary basis, an interim dividend of €0.50 per share for the 2020-2021 financial year (detachment on 23 February 2021 and payment on 25 February 2021).

## RECENT NEWS AND OUTLOOK

### Customer Service of the Year award for the seventh year running

On 19 November 2020 LDLC received the “Customer Service of the Year” award for 2021, making this the seventh consecutive year it has won this award<sup>1</sup>. The LDLC Group has dominated this prize in the “Technical Product Retail” category since 2014, earning itself an impressive 19.37/20 score this year, a record for all categories since the award was created. During this unprecedented period, the Group made the decision to continue offering the same high quality of service. By phone, email, live chat or on social media, the 550,000 requests received during the year were meticulously and speedily handled by some 60 LDLC advisors.

### Annual targets

During the most recent lockdown, the Group demonstrated the resilience of its business model, the merits of its omnichannel retail model - comprising physical stores, BtoB and online BtoC - and the pertinence of its market positioning.

Backed by sustained Q2 revenue growth across all businesses, the Group forecasts that high-tech product demand will continue to grow, underpinned by increased investment in IT equipment by households and businesses in line with new uses of digital technology.

At the start of the health crisis, the Group secured a precautionary €18m state-guaranteed loan (PGE). In light of encouraging developments, the Group plans to repay the loan by the end of February 2021.

LDLC Group is confident that it will be able to tap into this sustained long-term demand and thereby maintain the upward revenue trend until the end of 2020-2021. Against a backdrop of growth in revenues and earnings, **the LDLC Group has refined its full year targets, aiming to achieve revenues of at least €660m and EBITDA of €53m and negative net debt.**

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<sup>1</sup>Technical Product Retail category - BVA Group survey - Viséo CI - Read more at [esca.fr](https://www.esca.fr)





### Next meeting:

4 December 2020 at 10am – First half earnings presentation conference call

To take part in this conference call, please dial: +33 (0)1 70 71 01 59

The presentation will be made available here:

<https://www.anywhereconference.com/?Conference=418957049&PIN=47096044&UserAudioMode=DATA>

Login: 418957049 PIN: 47096044#

### Next release:

28 January 2021 after market close, Q3 2020-2021 revenues

## → GROUP OVERVIEW

The LDLC Group was one of the first to venture into online sales in 1997. As a specialist multi-brand retailer and a major online IT and high-tech equipment retailer, the LDLC Group targets individual customers (BtoC) as well as business customers (BtoB). It operates via 15 retail brands, has 7 e-commerce websites and close to 1,000 employees.

Winner of a number of customer service awards and widely recognised for the efficiency of its integrated logistics platforms, the Group is also developing an extensive chain of brand stores and franchises.

Find all the information you need at [www.groupe-ldlc.com](http://www.groupe-ldlc.com)

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