

ORCHESTRA[®]

KIDS FASHION • MATERNITY • CHILDCARE



July 11, 2019

- **2019-2020 1st Quarter Revenue: €M 139.7 (-0.5%) with a robust textile business (-1.3%) and a strong growth in the childcare business (+13.4%)**
- **Business in France, first market for the group:**
 - **A limited reduction in the textile business: -2.0% (vs. -3.3% on the market)**
 - **A dynamic childcare business: +18.2%**
- **A significant growth from Club cards holders: +15.3% over a year.**

2019-2020 FIRST QUARTER REVENUE (non-audited information) (March 1, 2019 – May 31, 2019)

| IFRS - In €m | 1st Quarter 2018/2019 | 1st Quarter 2019/2020 | Q1 2019/2020 vs. Q1 2018/2019 |
|--------------------------------------|--------------------------|--------------------------|----------------------------------|
| Branches | 74.3 | 74.2 | -0.1% |
| Affiliate commission | 57.7 | 55.0 | -4.7% |
| Internet | 4.3 | 5.4 | 26.4% |
| Trading & Misc. | 4.1 | 5.1 | 23.2% |
| Consolidated revenue | 140.4 | 139.7 | -0.5% |
| of which France | 85.8 | 84.4 | -1.6% |
| of which Belux | 18.4 | 18.0 | -2.2% |
| of which International (excl. Belux) | 36.2 | 37.2 | 2.9% |

Group Revenue for 2019/2020 first quarter remains stable (-0.5%) and amounts to €M 139.7. This statement points out the group ability to sustain its textile business over the period (-1.3%) as well as its ability to support its high growth in the childcare business (+13.4%). This growth is the result of an optimized product and price, reinforcing the team dedicated to the Montpellier City business and the renewal of the trademark Prémaman products offer.

In France, 2019-2020 first quarter Revenue amounts to €M 84.4, with a decrease of 1.6% due to a remaining tight market:

- Textile business resists (-2.0%) better than the child clothing market decreasing by 3.3% over the period. This resilience is mainly due to the expansion of new communication supports with the monthly Orchestra magazine launch since March 2019 for instance;
- Childcare business attests its excellent dynamic (+18.2%) holding the group

International business (excluding Belux as well) increases by 2.9% namely €M 37.2. This positive performance is sustained by the early business development in Morocco (+15.1%) and in Greece (+6.7%). Concerning Belux business, the negative performance of -2.2% tends to improve.

Web business for the group increased by 22.4% mainly due to a strong increase in textile sales on e-commerce via www.shop-orchestra.com (+20.4%).

Eventually trading business growth compared to 2018-2019 first quarter increased by 23.2% namely a Revenue of €M 5.1. The performance is sustained by discount stores in France. The performance is sustained by discount stores in France, in line with the group strategy of inventory turnover.

As of May 31, 2019, Orchestra-Prémaman group owns 2.1 million Club cards holders, i.e. a growth of 15.3% compared to May 31, 2018. The increase in Club cards holders is the result of a proactive policy for membership as well as Club members' retention, essential to sustain future revenue (90% of the revenue stems from Club members).

STORE NETWORK (non-audited information)

| in number and thousands of m ² | 28/02/2018 | | 31/05/2019 | | Variation 31/05/2019 vs. 28/02/2019 | |
|---|------------|-----------------|------------|-----------------|---|-----------------|
| | Number | Surface area | Number | Surface area | Number | Surface area |
| Branches | 316 | 200.6 | 324 | 204.1 | 8 | 3.5 |
| Affiliate commission | 229 | 113.9 | 223 | 111.5 | -6 | -2.3 |
| Total | 545 | 314.4 | 547 | 315.6 | 2 | 1.2 |
| Textile | 377 | 126.1 | 380 | 126.9 | 3 | 0.8 |
| Mixed stores and megastores | 146 | 177.2 | 147 | 178.3 | 1 | 1.0 |
| Outlet Stores | 22 | 11.1 | 20 | 10.4 | -2 | -0.7 |
| Total | 545 | 314.4 | 547 | 315.6 | 2 | 1.2 |
| o.w. France | 305 | 199.3 | 305 | 199.5 | 0 | 0.3 |
| o.w. Belux | 58 | 52.5 | 57 | 50.8 | -1 | -1.7 |
| o.w. International (excl. Belux) | 182 | 62.7 | 185 | 65.3 | 3 | 2.6 |

To the extent of a negative clothing market evolution, Orchestra-Prémaman group decided to cut investments costs, leading to a remarkable stability in terms of stores.

Mixed and megastores deals with more than half of the stores sales area with a total of 146 stores. Orchestra-Prémaman group affirms its inventory reduction strategy.

Upcoming dates

Annual general meeting: July 17, 2019

2019-2020 Second quarter Revenue: October 10, 2019 after SE closing

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