



Our collective commitment  
for sustainable growth

STRATEGIC PLAN 2022-2025

**Mr.Bricolage**

2021 FULL-YEAR EARNINGS

Start of a new era

Orléans, France, 16 March 2022, 6pm CET - Mr.Bricolage SA, which groups together local independent home improvement and gardening stores, is reporting its consolidated earnings for 2021, approved by the Board of Directors during its meeting on 16 March 2022. Buoyed by the success of the REBOND plan, Mr.Bricolage achieved business volume growth in 2021, up 7.8% compared with 2020 and 20.2% versus 2019. The relevance of the strategy rolled out since 2016 to accelerate development and further strengthen the competitiveness of its networks is reflected in the Group's robust results. With its healthier financial position and its development model focused on the future, Mr.Bricolage is presenting 1Pacte, its strategic plan for 2022-2025 to align with sustainable growth and position CSR at the heart of its entrepreneurial project.

*"Today, Mr.Bricolage is a unified, modernized Group, with solid fundamentals. The excellent performances that we are reporting reflect the collective work accomplished by all of the teams, across all of the Group's sites and stores, to bring to life our values of outstanding service, proximity and solidarity with a robust and competitive positioning. Congratulations to everyone involved!"*

*The Group is now modernized and realigned around its core business: network services. Our organization is undoubtedly more agile to adapt to changes in our environment and provide a high quality of support for the stores across our networks, with growing numbers trusting our brand. While we had planned to reach 1,000 points of sale by 2028, we now aim to exceed this target from the end of 2025.*

*Our company, reorganized around three core areas - expertise, independence and responsibility - offers a rich and unique experience for its staff. The introduction of flexible options for all head office staff to work from home, the growing representation of women in management positions and the increase in the number of interdisciplinary projects to help make Mr.Bricolage an ambitious and innovative company, confident in the ability of its talents to drive its development model forward.*

*The local retail sector and household interest in home improvements are seeing strong trends: we are closely aligned with our customers' expectations. Building on this robust development, we are rolling out our strategic plan 1Pacte, our collective commitment for sustainable growth. Our ambition is clear and we are moving forward with it with pride: becoming champions for a human relationship, leaders for proximity, with commitments at the heart of our communities", confirmed Christophe Mistou, Mr.Bricolage Group CEO.*

## I - KEY DEVELOPMENTS IN 2021

### Solid business volume growth and network development

At 31 December 2021, the member and affiliate networks in France and other countries comprised **908 stores, compared with 854 at end-December 2020**. Together, these stores represent a total volume of business of around €2.4bn, up 7.8% on a total store basis and 6.1% on a like-for-like store basis. Over the year, the Group recorded a **net balance of 54 new points of sale**, including 13 for the Mr.Bricolage brand and one under the Les Briconautes brand. The networks are also benefiting from the arrival of 40 new affiliates.

In France, the Mr.Bricolage Group networks represented a total of **836 stores** at 31 December 2021, compared with 783 at 31 December 2020, with a net balance of 53 new points of sale. The Mr.Bricolage brand, which met its customers' needs and attracted new customers during the past two years marked by the health crisis, is continuing to outperform the market in mainland France by 4.5 points compared with 2019.

In terms of its international operations, the Group is moving forward with its expansion, with **72 stores** outside of France in 10 countries, where the Mr.Bricolage brand generated a business volume of €306.1m, up 3.9% on a total store basis and 0.7% on a like-for-like store basis.

With the combined impact of investments to optimize the e-commerce platform, the development of the service for deliveries direct from suppliers, and the ramping up of commercial investments, **online sales** (excluding click-and-collect = 2h collection) are up **+47.5%**, continuing to build on their growth. Click-and-collect sales are included directly in revenues for the stores. This growth reflects the Group's ability to continue moving forward with its proximity-based strategy through its network of stores combined with an efficient e-commerce offering.

<i>Volume of business incl. taxes</i> €m	Number of stores	31 Dec 2021	Change on total store basis	Change on like-for-like store basis
In-store sales	908	2,360.1	+7.8%	+6.1%
- France <sup>1</sup>	836	2,054.0	+8.4%	+7.1%
- International <sup>2</sup>	72	306.1	+3.9%	+0.7%
Online sales <sup>3</sup> (excluding click and collect)	-	6.8	+47.5%	na
<b>Total</b>	<b>908</b>	<b>2,366.9</b>	<b>+7.8%</b>	<b>+6.1%</b>

### 4 Pillars concept deployment and performance

The rollout of the 4 Pillars store concept (Collaboration, Delivery, Weekend Projects<sup>4</sup> and Back of the home) is continuing to progress well. At 31 December 2021, 57 stores had deployed it, representing 19% of the network of Mr.Bricolage brand stores in mainland France. On average, over three years of operations, they generate a performance that is around 20% higher than non-modernized stores. Around 30 modernization projects are already planned for 2022.

(1) With 318 Mr.Bricolage brand stores, 108 Les Briconautes brand stores and 410 affiliate stores under independent brands.

(2) 72 Mr.Bricolage stores operating in 10 countries: Andorra (1), Belgium (44), Bulgaria (11), Cyprus (1), Gabon (1), Ivory Coast (1), Macedonia (1), Madagascar (1), Mauritius (2), Morocco (9).

(3) The "online sales" item includes home delivery sales and sales collected from Mr. Bricolage stores (excluding click and collect).

(4) The Inventiv Solutions pillar is now called "Weekend Projects". It groups together turnkey solutions for short-term projects (48h maximum) that are affordably priced and accessible in terms of skill levels, in line with the expectations expressed by customers.

## II – 2021 EARNINGS

The audited results were approved by the Board of Directors on 16 March 2022. The statutory auditors' reports are currently being issued.

Condensed consolidated accounts, €m	31 Dec 2021	31 Dec 2020	Change
	IFRS 5 reported	IFRS 5 reported	Like-for-like
Consolidated revenues	302.7	274.6	+10.2%
- Network Services	302.7	274.6	+10.2%
- Retail (activity discontinued)*	0.0	0.0	
EBITDA	39.6	35.7	+10.8%
Current operating profit	31.1	22.0	+41.4%
- Network Services	31.1	22.0	+41.4%
- Retail (activity discontinued)*	0.0	0.0	
Other non-current operating income and expenses	0.0	(0.3)	
Operating profit	31.1	21.7	+43.5%
% of revenues	10.3%	7.9%	
Financial income (expense)	(5.0)	(5.0)	+0.6%
Contribution from associates	3.1	2.8	+11.3%
Corporate income tax	0.5	(1.4)	
Profit after tax from continuing operations	29.7	18.0	+64.8%
Profit after tax from discontinued operations*	4.2	(0.3)	-
Profit (loss) for the period	34.0	17.7	-
- Group share	34.0	17.6	-
- Minority interests	ns	ns	-

(\*) Following the reclassification of the directly-owned stores business under discontinued operations at end-2019, the "Retail" sector is no longer presented.

### Revenues

€m	31 Dec 2021	31 Dec 2020	Change
	Reported	Reported	Like-for-like
Consolidated revenues	302.7	274.6	+10.2%
Sales of goods	210.5	191.8	+9.8%
Sales of services	92.2	82.8	+11.3%

Consolidated revenues for 2021, based exclusively on the *Network Services* business as in 2020, came to €302.7m, up +10.2% year-on-year. This growth primarily reflects:

- **The 9.8% increase in sales of goods** linked to the networks' growth, including the previous directly-owned stores taken over by the network, the range changes, the development of the own-brand Inventiv, which is proving popular with customers, and the opening up of the warehouses to the Les Briconauts and affiliate points of sale;
- **The 11.3% growth in services** linked to the increase in the volume of business and purchases for the networks' points of sale, and particularly the performances achieved by the stores modernized in line with the 4 Pillars concept.

### EBITDA / Current operating profit / Operating profit

The operational profitability indicators highlight the relevance of the strategy rolled out in the last few years and confirm the turnaround in the Group's financial position. These good results, securing the Group's competitiveness, further strengthen Mr.Bricolage's ability to successfully implement the 1Pacte plan. In 2021, Mr.Bricolage recorded 10.8% growth in its EBITDA to €39.6m, with an EBITDA

margin of 13.1%. The operating profit is up 43.5% to €31.1m, with an operating margin of 10.3%, versus 7.9% at end-2020. This performance factors in the full impact of the sales of directly-owned stores ("Retail" activity discontinued in 2020), the turnaround of these stores, with the majority acquired by members, and the excellent market trends, exceeding the Group's initial expectations.

### Net profit

Financial income and expenses were stable at €(5.0)m in 2021, in line with the cost of the syndicated credit agreement set up during the fourth quarter of 2019. Taking into account €0.5m of tax income, the net profit came to €34.0m, with a net margin of 11.2%, up from 6.5% in 2020. It reflects the turnaround in the Group's financial position and will enable it to free up the resources needed to implement 1Pacte and repay the debt.

### Net debt

At end-2021, the Group used its drawdown capacity under the credit agreement from 16 October 2019, with net financial debt of €40.0m, versus €76.8m at end-2020. The Group had €80.5m of free cash (versus €39.2m at end- 2020), including the use of the €3.0m overdraft line.

For reference, following the agreement with the banking partners to reschedule the syndicated credit agreement, the maturity of all of Mr.Bricolage SA's bank borrowings was deferred to December 2026. With the exception of the €40m revolving credit facility, repayable at maturity at end-December 2026, the repayment schedule for the debt could be very gradual from December 2022 and no covenants will apply before mid-2022; however, an excess cash flow clause would be applicable, based on the level of cash generated in 2021, for a maximum amount of €24.4 million which would be payable in the 3rd quarter of 2022.

## III - PRESENTATION OF THE 1PACTE STRATEGIC PLAN

Following the success of the Group's transformation and its realignment around its core *Network Services* business, Mr.Bricolage is rolling out the **1Pacte strategic plan for 2022-2025**. Firmly focused on the future and respecting the core values shared by all of the Group's stakeholders, 1Pacte has been defined to support the network's development and competitiveness, while positioning corporate social responsibility (CSR) at the heart of its development model.

### 1Pacte combines four goals:

- 1. OFFERING:** expanding and renewing Mr.Bricolage's offering, as well as its visibility and accessibility in-store and online, notably supported by the modernization of the warehouses and the development of deliveries direct from suppliers to customers;
- 2. CUSTOMERS:** further strengthening customer knowledge in order to provide better service and build loyalty;
- 3. NETWORKS:** developing the network with over 1,000 points of sale by end-2025 (initially targeted by end-2028),and accelerating the rollout of the 4 Pillars concept.
- 4. CSR:** driving the Group forward and aligning it with sustainable growth through three initiatives:
  - **The store environment** to make the points of sale more virtuous during their construction and operations;
  - **The product environment** to improve sourcing and promote environmentally-responsible products;
  - **The social environment** to improve the quality of life at work by employees from the network and head office.

To achieve these four goals, the Group is capitalizing on two driving forces:

- 1. The continued rollout of the organization's human transformation, covering the head office and networks:**

- Further strengthening the connections for outstanding service between the head office and the network, benefiting the performance of all of the Group's business units;
- Improving the employee experience at the head office and in-store to attract and retain talents;
- Providing closer support for the in-store teams with rolling out the 4 Pillars concept.

**2. Information system performance** to unify and connect the networks, optimize efficiency at all levels of the organization and create new opportunities.

To implement this strategic plan, the Group plans important investments over four years, focused in particular on modernizing the supply chain and information systems, in addition to the resources allocated to transforming the networks and rolling out the 4 Pillars concept.

## IV – OUTLOOK FOR 2022

In 2022, the Group will roll out the 1Pacte plan (cf. III.) to further strengthen its competitiveness and meet the challenges of responsible growth with the following objectives:

- Continuing to **develop the network** of branded and affiliate stores, in France and internationally, to achieve the ambition for over 1,000 points of sale by 2025;
- Accelerating the **deployment of the 4 Pillars concept**, with around 30 modernization projects already planned in 2022;
- Continuing and boosting **human transformation** of the teams and networks to support the shared ambition to be the champions for a human relationship helping drive **sustainable growth**.

In view of the current geopolitical situation in Europe, the level of inflation affecting households and the still fragile normalization of the health situation, Mr.Bricolage expects the market environment to be less favorable in 2022 than the previous two years. However, building on its fundamentals and its clearly defined ambitions, the Group is giving itself the means to further strengthen its competitiveness and move forward with its roadmap for growth. The change in the profitability ratios will take into account the investments planned as part of the 1Pacte plan. The Group expects investments to ramp up as this new strategic plan gets underway in 2022, while continuing to focus in particular on deleveraging and remaining ready to react and adapt if the conditions change.

## V – FINANCIAL DIARY

Mr.Bricolage's General Shareholders' Meeting will be held on **Wednesday 27 April 2022 from 10am** at its head office, located at 1 rue Montaigne, La Chapelle Saint Mesmin (45), France. In the current health context, the conditions for taking part in the general meeting could evolve, if required. Shareholders are invited to regularly consult the "General Meeting" section on the company's site (<https://mr-bricolage.com/actualites/infos-reglementees/>) in order to keep informed.

## ABOUT THE MR.BRICOLOGE GROUP

The Mr.Bricolage Group, which develops the well-known banners Mr.Bricolage and Les Briconautes, is the French specialist for local independent home improvement retail. As of February 28, 2022, the Group has 923 stores operating under the banners or through affiliates, including 72 international stores across ten countries. Mr.Bricolage SA is listed on Euronext Growth Paris (ISIN: FR0004034320 - ALMRB).

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