

**THIRD-QUARTER AND NINE-MONTH 2023 ACTIVITY**

**Q3 sales at -9.4% consistent with pre-announcement  
and FY23 guidance adjustment on October 9**

**3C Plan further strengthened to address changing consumer dynamics**

- **Group GMV: Q3 at €285.2m (-6.3% yoy), 9M at €896.0m (-5.5% yoy)**
  - **Marketplace GMV:** Q3 at €42.6m (+30.1% yoy), 9M at €127.6m (+56.1% yoy)
  - **France GMV:** Q3 at €161.9m (-3.3% yoy), 9M at €504.3m (-2.2% yoy)
- **Group sales: Q3 at €252.3m (-9.4% yoy), 9M at €795.7m (-9.8% yoy)**
- **3C Plan: Reinforcing and accelerating all actions**
  - **Customers:** Strengthening the Q4 commercial action plan to adapt to consumer behavior, introducing new and distinctive initiatives.
  - **Costs:** Further increasing selectivity of spending and ensuring a significant outperformance of 2023 cost savings plan, increased from €25 million to €35 million.
  - **Cash:** Optimizing working capital through payment terms and inventory management, and further streamlining of projects to limit 2023 Capex to c.€40 million.

**François-Melchior de Polignac, CEO, commented:**

*"The change in the consumption environment that Maisons du Monde has faced since August led us to adjust our full-year 2023 objectives a few weeks ago.*

*In this context, all teams are engaged in leveraging our 3C Plan and intensifying our focus across its three dimensions: Customers, Costs, and Cash.*

*I am also expecting the Group to benefit from the arrival of Christophe Lapotre as Head of Retail and Guillaume Lesouef as Head of Marketing, Merchandise and Sustainability, who will contribute to take our commercial efficiency to the next level.*

*Turning Maisons du Monde into a more customer-centric and profitability-driven organization will lay the foundation for our broader transformation plan to be shared in Q1 2024."*

**Conference call for investors and analysts**

**Date:** 26 October 2023 at 9:00 am CET

**Speakers:** François-Melchior de Polignac, CEO and Gilles Lemaire, Acting CFO

**Connection details:**

- Webcast: <https://edge.media-server.com/mmc/p/qn27in5t>
- Conference call: <https://register.vevent.com/register/Blee9bbee94bb44ff1a52ce447281eb010>

## MARKET TREND AND BUSINESS OVERVIEW

Since August, Maisons du Monde has been dealing with deteriorating macro-economic trends and declining consumer confidence across Europe.

After a positive month of July that benefited from summer sales, non-food consumption trends deteriorated sharply across many sectors. Consumer confidence in Europe started to decline again from August after a year of continuous recovery, as rising energy and food prices fueled inflation concerns. In France, inflation rose in August and September compared to July, affecting consumer purchasing power. In this context, the Home & Furniture sector felt the full effect of reduced discretionary consumer spending, resulting in lower traffic both in stores and online.

## FY23 GUIDANCE ADJUSTED ON OCTOBER 9

Given this context, Maisons du Monde adjusted its 2023 financial objectives on October 9:

	Adjusted guidance	Previous guidance
<b>Top line</b>	Decline by c. -10%	Decline in the low-to-mid single digit range, with a sequential improvement in H2 vs H1
<b>EBIT</b>	€40m-€50m	€65m-€75m
<b>FCF</b>	€20m-€30m	€40m-€50m
<b>Dividend pay-out ratio</b>	30% to 40%	

## CANCELLATION OF SHARES PURCHASED UNDER THE SHARE BUYBACK PROGRAM COMPLETED END OF JUNE 2023

On June 30, 2023, Maisons du Monde fully completed its second share buyback program, which was launched on July 29, 2022. The Group has repurchased 4,098,809 shares at an average market price of €10.17.

A first cancellation of 2,300,000 shares was carried out in March 2023 followed by a capital reduction. The Board of Directors meeting on October 25, 2023, approved the cancellation of 1,798,809 remaining shares. The capital reduction will be executed on October 27, 2023.

The share capital of Maisons du Monde S.A. will then be divided into 39,189,288 shares.

## UPCOMING REPAYMENT OF CONVERTIBLE BONDS

Maisons du Monde will proceed to the repayment of €200m convertible bonds issued in 2017 coming to maturity on December 6, 2023 with a mix of Group's Senior credit facilities and cash.

As a reminder, Maisons du Monde successfully secured with its banks around €250 million credit facilities in April 2022, and in June 2023, further increased the amount to reach nearly €300 million and extended the maturity profile to April 2028. The cash and cash equivalents position of the Group as of June 30, 2023 was €100 million.

## Q3 and 9M 2023 SALES PERFORMANCE

Summary of sales <i>(in EUR million)</i>	Q3 23	Q3 22	% Change	9M 2023	9M 2022	% Change
<b>Group GMV</b>	285.2	304.3	-6.3%	896.0	948.0	-5.5%
<b>Sales</b>	252.3	278.5	-9.4%	795.7	882.4	-9.8%
<i>Like-for-like</i>	-10.6%	-10.1%		-11.2%	-8.1%	
<b>Sales by product category</b>						
Decoration	143.7	159.0	-9.6%	433.1	479.5	-9.7%
<i>% of sales</i>	57.0%	57.1%		54.4%	54.3%	
Furniture	108.6	119.5	-9.1%	362.7	402.9	-10.0%
<i>% of sales</i>	43.0%	42.9%		45.6%	45.7%	
<b>Sales by distribution channel</b>						
Stores	182.7	198.9	-8.2%	564.9	606.0	-6.8%
<i>% of sales</i>	72.4%	71.4%		71.0%	68.7%	
Online	69.7	79.6	-12.4%	230.8	276.4	-16.5%
<i>% of sales</i>	27.6%	28.6%		29.0%	31.3%	
<b>Sales by geography</b>						
France	138.6	146.8	-5.6%	430.2	459.4	-6.4%
<i>% of sales</i>	54.9%	52.7%		54.1%	52.1%	
International	113.8	131.7	-13.6%	365.5	423.0	-13.6%
<i>% of sales</i>	45.1%	47.3%		45.9%	47.9%	

### Q3 GMV and Sales

**Group GMV** was €285.2 million, down 6.3% yoy, including online GMV representing 35.0% at €99.8 million. **Marketplace GMV** amounted to €42.6 million, up +30.1%, of which €3.7 million in-stores and €38.9 million online.

**Third-quarter sales** amounted to €252.3 million, declining by -9.4% yoy, showing an acceleration of the consumption deterioration in Q3 2023.

### Q3 2023 sales details

#### **Sales by channel**

**Online sales** were €69.7 million, representing a yoy decrease of -12.4%.

Online sales in France showed some resilience compared to other countries, notably supported by the ongoing growth of the marketplace.

Indeed, marketplace continued to grow consistently in its three countries, France, Spain and Italy, allowing us to better serve the needs of our customers while increasing the profitability of our online operations.

On the other hand, Germany strongly contributed to online sales decline, as a result of ROI-driven approach to digital marketing investments across our markets. In this market, the launch of the marketplace in August and the progressive ramp up of local brands are expected to improve Maisons du Monde website's overall attractiveness, traffic and sales resilience.

**Store sales** amounted to €182.7 million, down -8.2% yoy.

This decline was less pronounced in France, which proved more resilient than other geographies. Continuing its active store network management, the Group closed 6 stores and transferred one to an affiliate partner. At the end of Q3 2023, the Group operated 344 own stores and 3 affiliated in France.

The uniqueness of our hybrid online and offline marketplace model is also further evidenced in Q3 by the growing part of marketplace GMV generated in store.

## Sales by category

Furniture and Decoration categories experienced similar trends in Q3.

**Decoration sales** amounted to €143.7 million, down -9.6% yoy, representing 57.0% of sales. The decoration category benefited from price adjustments on 400 references among the most attractive products. However, textile items were adversely affected by unusual weather conditions in Europe.

**Furniture sales** reached €108.6 million, down -9.1% yoy, representing 43.0% of sales.

The furniture category benefitted from record-high availability of products displayed in-store and online and was sustained by initiatives such as free shipping for online orders and free installment payments.

## Sales by geography

**Sales in France** reached €138.6 million, marking a yoy decline of -5.6%. This relative resilience compared to other geographies can be explained by the successful implementation of the Appshop, Maisons du Monde's innovative digital platform in-store, reaching 95% of orders, and an optimized merchandising with improved availability of products displayed.

**International sales** totaled €113.8 million, down -13.6% yoy, with Switzerland particularly contributing to this decline. As a result, Maisons du Monde will start implementing a more favorable Swiss for Euro conversion rate for its pricing policy in Q4 on a large part of the assortment. The discontinuation of non-profitable online activities in the UK resulted in an impact of €-2.2million in sales.

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## Financial calendar

**25 January 2024**      Q4 and FY 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 stores in 9 European countries."*

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

## Contacts

### **Investor Relations**

Carole Alexandre

Tel: (+33) 6 30 85 12 78

[calexandre@maisonsdumonde.com](mailto:calexandre@maisonsdumonde.com)

### **Press Relations**

Pierre Barbe

Tel: (+33) 6 23 23 08 51

[pbarbe@maisonsdumonde.com](mailto:pbarbe@maisonsdumonde.com)