

LIMONEST, 30 JANUARY 2020

Q3 2019/2020 REVENUES RETURN TO GROWTH

- Q3 REVENUES OF €150.6M, UP 3.3%
- BTOC REVENUES UP 4.3%
- €500M REVENUE TARGET FOR FY 2019/2020 CONFIRMED

LDLC Group CEO Olivier de la Clergerie made the following comments: "The third quarter confirmed the return to growth in our BtoC business, in line with the positive trend that started towards the end of 2018/2019. The strategic groundwork on the positioning of our offers is now complete, particularly with regard to Materiel.net which returned to growth during the quarter.

Over the last 18 months the LDLC Group has fine-tuned its brand positioning and increased operating efficiency across all business lines, taking full advantage of the growth opportunities offered by a strong and buoyant market.

Backed by a robust financial structure and increased operational flexibility, the Group confirms its target of revenues around the €500m mark and EBITDA of €14m for the 2019/2020 financial year."

9-MONTH CONSOLIDATED REVENUES (1 APRIL TO 31 DECEMBER) – UNAUDITED

€m	2019/2020	2018/2019	Change (%)
Q1 revenues	103.7	109.1	-4.9%
Q2 revenues	118.3	125.5	-5.7%
Q3 revenues	150.6	145.8	+3.3%
9-month total	372.6	380.4	-2.1%

Corporate data: Q3 2019/2020 revenues amounted to €125.7m and 9-month revenues came to €314.9m.

The LDLC Group posted Q3 2019/2020 consolidated revenues of €150.6m, up 3.3% compared to Q3 2018/2019. This quarterly performance marked a return to growth for the Group driven by the BtoC business (revenues up 4.3% to €98.5m).

BOOMING BTOC BUSINESS IN Q3

As expected, the shock waves resulting from the strategic repositioning of Materiel.net have finally worn off and the business posted quarterly revenues of €27.5m, up 0.4%. Against this backdrop, the recovery sparked off towards the end of FY 2018/2019 continued and the Group posted BtoC revenues of €98.5m, up 4.3% from €94.4m in Q3 2018/2019.

The LDLC.com store chain also made a strong contribution to this growth with three new stores opened during the period. The store network posted revenues of €21.0m, up 21.3%. As at 31 December 2019, the Group had 50 LDLC.com stores in France and two in Spain.

BtoB revenues came in at €49.8m, up 1.8% from €48.9m in Q3 2018/2019.

9-MONTH REVENUES OF €372.6M (DOWN 2.1%)

Nine-month 2019/2020 consolidated revenues amounted to €372.6m, down 2.1% but impacted nonetheless by the overall return to growth in the third quarter. As previously announced, the first half was impacted by two major strategic



decisions taken by the Group, namely the discontinuation of the Maginéa business, effective from Q4 2018/2019 (€1.9m impact) and the strategic repositioning of the Materiel.net offering in the third quarter (€18.6m impact). The adverse side effects of both decisions have now worn off.

The BtoC business posted revenues of €241.4m versus €251.9m in the previous year. BtoC online sales rose 0.6% to €103.9m. LDLC.com store chain revenues rose sharply by 19.5% to €52.5m.

The BtoB business posted 9-month revenues of €125.4m, up 3.5% driven by surging BIMP sales.

Other businesses (excluding Maginéa) posted total 9-month revenues of €5.8m, up from €5.4m in 2018/2019.

ACQUISITION OF TOP ACHAT

Rue du Commerce has exercised its put option regarding the offer submitted by LDLC in October 2019 to acquire Top Achat's business assets. The deal is based on a purchase price of €3m for the business assets and the transfer of product inventories for an amount not exceeding €7m.

As previously announced, Top Achat employs around 60 people and posted revenues of around €85m in 2018, up over 10% year-on-year.

The Group expects to close the deal, which is still subject to a number of conditions precedent including competition authority approval, no later than 31 March 2020.

ACTION PLANS AND OUTLOOK

Since the beginning of the financial year, the Group has capitalised on more favourable market conditions (recovery in the BtoC sector, further growth in the BtoB business) and the return on its investments (expansion of the store chain to 50 stores in France at 31 December 2019).

Bolstered by its successful strategic repositioning as a specialist multi-brand retailer, the Group is now entering a new phase of profitable growth driven by a structural hike in its normal gross margin rate and the impact of its operating expense optimisation policy.

The LDLC Group confirms its target of generating full-year 2019/2020 revenues of around €500m and EBITDA of €14m (vs. €1.8m in 2018/2019 under French GAAP).

Next release:

28 April 2020 after market close, Q4 2019/2020 revenues

→ GROUP OVERVIEW

The LDLC Group was one of the first to venture into online sales in 1997. Now a major online BtoB and BtoC retailer of IT and high-tech equipment, the LDLC Group operates via 10 websites, including 5 online stores, and employs over 900 people.

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

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