25 years

GROUPE LDLC

UNIVERSAL REGISTRATION DOCUMENT 2020/2021

the ultimate_**high-tech experience**

1996-1997
Creation of the company and launch of LDLC.com.

25 years OF ENTERPRISE AND HUMAN ADVENTURES

1998
Opening of 1st store in Lyon.

2001-2002
Creation of LDLC.pro.
Launch of LDLC.com in Switzerland and Belgium.

2000
Listed on the Paris Stock Exchange.
Opening of 1st warehouse.

LDLC.PRO HIGH-TECH PARTNER

LDLC.com HIGH-TECH EXPERIENCE

2005-2007
Construction of integrated logistics platform with proprietary IT system.

2013
Launch of LDLC concept store and development of physical store chain. Assertion of the Group's social convictions.

25 years GROUPE LDLC

2017-2018
New head office in Limonest (Lyon).
Acquisition of Olys group, Apple reseller for professional and retail customers.
Opening of 1st L'Armoire de Bébé physical store.

2016
Acquisition of Materiel.net

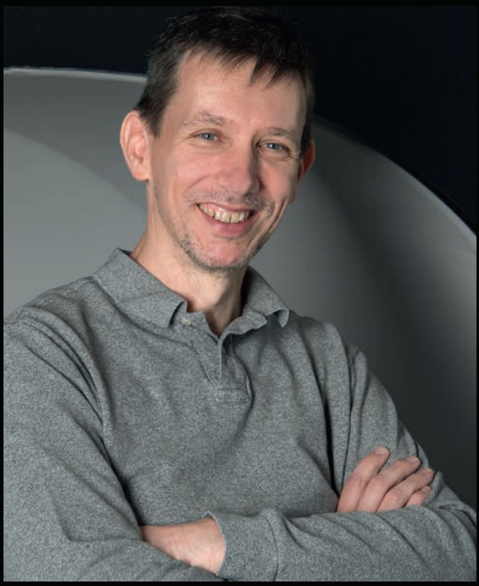
2015
Foundation of LDLC School.

2019-2020
Product innovation.
Acquisition of TopAchat.

2021
Strong growth, record-breaking financial performance and social innovation.
Expansion of the L'Armoire de Bébé store chain.

A WORD FROM THE CHAIRMAN

FOR 25 YEARS, MY FOCUS HAS BEEN ON MAINTAINING THE GROUP'S PIONEERING SPIRIT AND THE COMMITMENT OF OUR TEAMS.



Laurent de la Clergerie
Chairman of the Management Board
and Founder of LDLC Group

On the occasion of its 25th anniversary, the LDLC Group has experienced an unprecedented year marked by significant growth across all business lines. This remarkable success highlights the commitment and flexibility of our employees, thanks to which we have been able to offer a fluent response to the economic and health situation, thereby consolidating our leadership in omnichannel retail of high-tech products.

For 25 years, we have maintained a pioneering spirit and developed strong human values, both defining characteristics of the Group. That is something of which I am personally very proud.

The Group plans to fully leverage the strong demand among households and high-tech companies in order to pursue its development. Passion, innovation and commitment to our customers remain at the heart of our vision as we herald in the next quarter century of the LDLC story."

TESTIMONIES

"At LDLC, I love being one of the arteries that help to keep the heart pumping!"

Harry de L.
General Services Manager,
Manager of DLP Connect
CEO of LDLC Distribution

"I continue to be impressed at how the passion and spark remain as strong as ever."

Christine W.
Import Purchasing Manager

"Even the simplest parcel has to be perfect: properly taped, properly strapped, ready to be loaded on the right lorry and dispatched to the right destination."

Éric G.
Multi-purpose logistics employee

"For someone like me who hates having someone constantly breathing down your neck, LDLC is the ideal combination of independence and discovery!"

Alison D.
B2C Trade Marketing Manager

"When I started at LDLC over fifteen years ago, I never thought that one day I would manage so many responsibilities."

Magali B.
Accountant

THE LDLC GROUP IN FIGURES
31 MARCH 2021

2020/2021
REVENUES

€724.1m

1,000
EMPLOYEES

15
BRANDS INCLUDING
7 COMMERCIAL WEBSITES

1,500
PARTNER BRANDS
>50,000 LISTED PRODUCTS

4,300,000
FOLLOWERS
ON SOCIAL
MEDIA

42,000 m^2
DEDICATED LOGISTICS SPACE
UP TO 25,000 PARCELS/DAY

85
STORES
INCLUDING 57 LDLC STORES IN FRANCE

5
COUNTRIES COVERED:
FRANCE / BELGIUM / LUXEMBOURG / SWITZERLAND / SPAIN

The LDLC Group has posted a record performance that confirms the merits of its strategic positioning and economic model.

Olivier de la Clergerie
LDLC Group CEO

“The 2020/2021 financial year was marked by strong growth across all business lines and a recording-breaking financial performance. Revenues of €724.1 million, up almost 47%, were boosted by new consumer habits that have emerged during the health crisis, fuelling both e-commerce and local services, as well as the acquisition of TopAchat in April 2020.

Amid strong and sustained demand for high-tech products among individual consumers and businesses alike, the Group’s record performance vindicates the merits of its omnichannel retail model. In addition to the strategic choices implemented over the last few years, this success would not have been possible without such strong commitment from the Group’s employees, who have adapted to and leveraged the extraordinary circumstances with great composure and flexibility.

We are especially proud of the enthusiasm we share with the teams and the daily accomplishments of each one.

Thanks to consistently strong market trends, the LDLC Group is confident in its ability to sustain robust business momentum and consolidate its fundamentals in 2021/2022.”

SPECIALIST MULTI-BRAND RETAILER, **NO. 1 FRENCH** ONLINE HIGH-TECH BRAND

The LDLC Group was one of the first to venture into online sales in 1997. Now a leading specialist multi-brand retailer and major player in the online IT and high-tech market, the LDLC Group serves both individual consumers (BtoC) and businesses (BtoB) via 15 retail chains including 7 e-commerce websites.

- BtoB
- BtoC
- related businesses

With shared & optimised back-office functions

IT SYSTEMS	SOURCING AND LISTING	LOGISTICS

BACK-OFFICE FUNCTIONS OPTIMISED TO ENSURE CUSTOMER SATISFACTION
Be they companies or individuals, LDLC's customers place great importance on the quality of service that is the hallmark of the Group's brands: product range, advice and customer service excellence.

LOGISTICS, THE DRIVING FORCE BEHIND THE GROUP'S OPERATIONS

With over 80 stores to supply and thousands of orders every day, logistics is a key source of operational excellence for the LDLC Group.
Fully integrated within the Group, three logistics platforms in Saint-Quentin-Fallavier, Grandchamp-des-Fontaines and Gennevilliers enable optimal coverage of deliveries in France. Spanning some 42,000 m², this key activity is performed every day by over 200 employees committed to supplying Group stores and customers as quickly and efficiently as possible.
Goods-in, storage and delivery are managed using a proprietary IT system designed to optimise storage space and platform efficiency.
The logistics teams have taken on a significant challenge this year by handling up to 25,000 parcels per day (compared to usual volumes of around 16,000).

A NEW LOGISTICS TOOL TO SUPPORT BUSINESS GROWTH

The LDLC Group has signed an off-plan lease for a 28,000 m² warehouse to replace the current 21,000 m² logistics structure near Lyon.

The new facility, which is designed to accommodate the growing business expected over the coming years, should start operating during the 2022/2023 financial year.

SUPPLY EACH GROUP BRAND/ENTITY WITH THE RIGHT PRODUCT AT THE RIGHT TIME AT THE RIGHT PRICE

Interview with
Alain Pfeffer,
Chief Procurement Officer

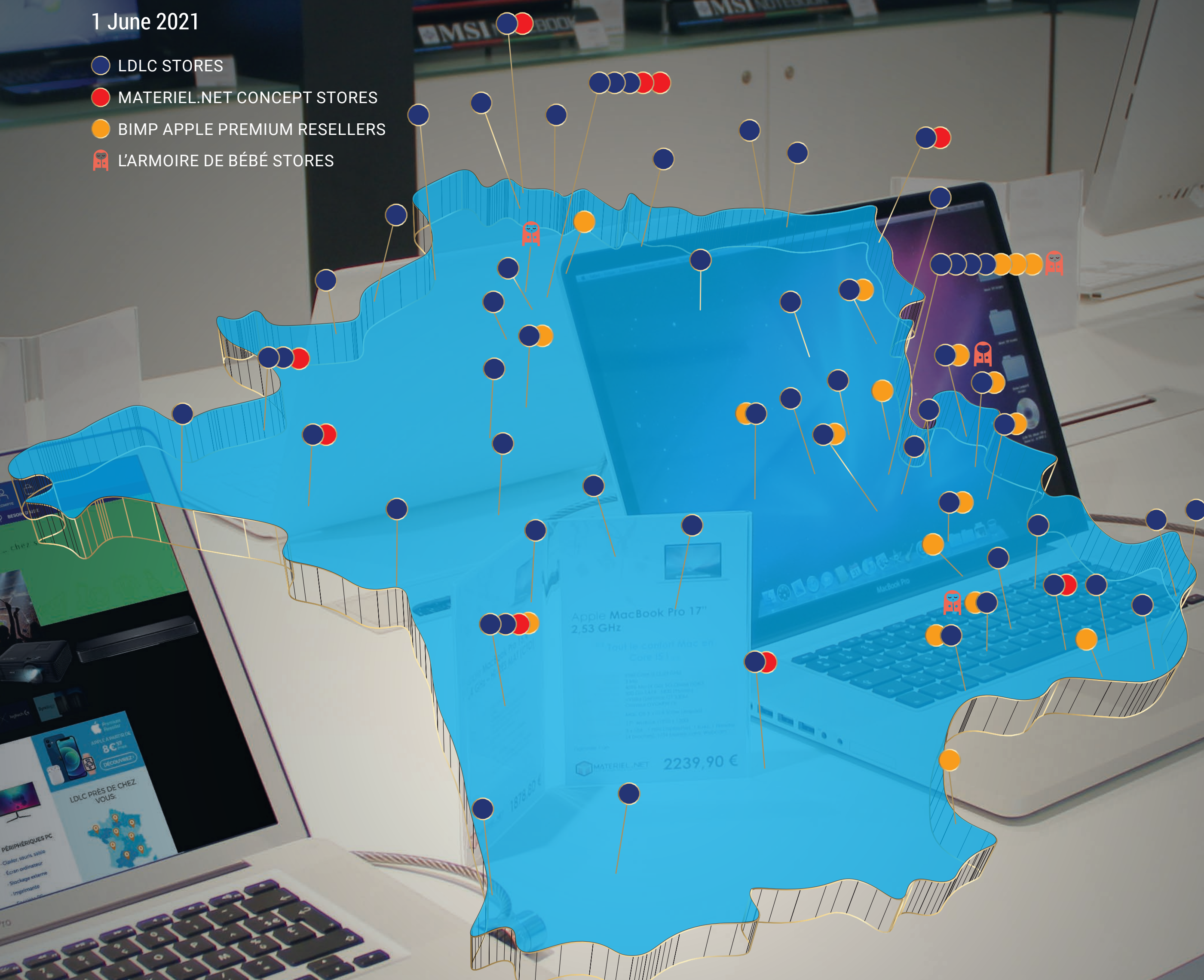
What does procurement involve at LDLC?
Our 26-person team is focused on a single objective: "supply each Group brand/entity with the right product at the right time at the right price". We work with three main product categories: IT (computers and components), TV/hi-fi/video and telephone equipment. We work with over 700 brands, including 30 key brands that account for the vast majority of the Group's business.

How do you select the products offered to customers on the various LDLC websites?
It's essential to keep a close eye on market trends and a sharp focus on products. This is what customers expect. Like many Group employees, our buyers are passionate about their work and have a thorough understanding of their market.

Product shortage is an issue at the moment: how do you deal with this?
I'm not sure if "shortage" is the right word, but it is harder to get hold of certain products. Although high-tech manufacturing plants are running at full capacity, even this is not enough to satisfy strong demand. Naturally, our main priority is to secure the stocks required to fulfil customer orders. To achieve this, we are working directly with some brands and increasing our sources of supply. We've also slightly increased inventory levels for our most popular products.

LOCAL AND COMPLEMENTARY DISTRIBUTION NETWORK

Since its earliest days, the Group has chosen to combine online retail with physical store chains (brand stores and franchises).
With 85 stores including 57 LDLC outlets, the Group is omnipresent throughout France providing customers with a local service. Following the BIMP acquisition in 2018, the network includes 18 Apple premium reseller stores.



MARION G.
Manager at L'Armoire de Bébé

"Within the team, we all know each other extremely well; one person's problem is everyone's problem."

L'ARMOIRE DE BÉBÉ IS GROWING IN LEAPS AND BOUNDS

L'Armoire de Bébé experienced remarkable growth during the 2020-2021 financial year. The childcare brand posted full-year revenues of €7.8 million, up 150%.

Launched by the Group in May 2015, L'Armoire de Bébé moved up a gear this year, enhancing its online reputation and opening more stores. Building on its innovative childcare concept and successful omnichannel offering (online boutique and two stores in Limonest and Orgeval), in April 2021 L'Armoire de Bébé opened a trailblazing 500 m² concept store in Epagny Metz-Tessy (French Alps) offering a vast selection of over 4,000 baby products.

In keeping with the brand's commitment to support parents, the Epagny store also offers a range of educative sessions in a dedicated workshop area, including baby carrying, child osteopathy, consultation with a midwife and family coaching.

The development of the brand in the booming market for children aged 0 to 3 continued with the opening of a fourth store in Nîmes in May 2021.

DAILY COMMITMENT TO EMPLOYEES AND CUSTOMERS

In keeping with the LDLC Group's human values, people are at the very epicentre of its development strategy. Over many years, management has been committed to the continuous improvement of employee working conditions, aware that the Group's performance is based on constructive and innovative relations with the workforce and the engagement of each employee.
The Group has led an unrelenting drive to combine well-being at work and collective performance, in particular through the introduction of a 32-hour week and a series of measures designed to develop collaborative management and reshape thought patterns for an increasingly harmonious experience.

SWITCH TO A 32-HOUR, 4-DAY WEEK FOR GROUPE LDLC

In January 2021, Groupe LDLC introduced a 4-day, 32-hour working week. This arrangement guarantees employees a better work-life balance.
The first few months have already delivered conclusive evidence: teams have organised themselves accordingly and employees are already enjoying the extra day off.

FACILITATORS DRIVING COMMITMENT AND PERFORMANCE

Team spirit has been one of the Group's core values since its inception. Collective intelligence and cooperation are powerful means of strengthening a company's performance. In this regard, the LDLC Group has trained a team of "facilitators" tasked with supporting and structuring discussion in a teamwork context. Whilst remaining impartial, the facilitator provides the framework, stimulating discussion and making things more accessible and fluid. Much more than just a manager, facilitators are guided by a charter in which their role and responsibilities are clearly defined: allow everyone to express their opinions to build together a previously defined project (challenge, target, deliverable).

COACHING TO ENHANCE WORKPLACE COHESION

One year after the introduction of facilitators, the LDLC Group has decided to develop a new aspect of its quest for well-being in the form of professional coaching. Different to facilitators, the role of the in-company coach is to support employees wishing to develop their potential, either individually or within a team.
For instance, this could involve enhancing specific expertise or clarifying a professional project that may have become confused. Demands vary. The coach uses questioning (besides a range of other techniques) to support employees either individually or within a team. Questioning can allow individuals to reveal or develop their strengths or to turn around a particular situation by looking at it from a new perspective.

EFFORTS RECOGNISED
GROUPE LDLC OBTAINS GREAT PLACE TO WORK CERTIFICATION
WITH EXCELLENT RESULTS

82%

of employees questioned stated that their company is a good place to work.

Great Place To Work® Certifiée Mars 2021 - Mars 2022 FRANCE

WELL-BEING AT WORK: LDLC GROUP SUBSIDIARY ANIKOP INTRODUCES UNLIMITED LEAVE

Anikop, a corporate management software publisher, decided to overhaul its employee leave arrangements by introducing unlimited leave from 1 January 2021. The principle is simple: **everyone is free to take as many days off as they wish.** This measure follows on from the introduction of a "liberated" management structure four years ago and is available exclusively to Anikop's thirty or so employees.
There is just one restriction: ensure that the desired leave does not jeopardise the company or any of its projects and causes no disruption to the other employees. The project was jointly designed as part of a coaching initiative with all of Anikop's employees before being put to a vote.

NICOLAS P.
Managing Partner, Anikop

"Liberated management structure? I already had the idea, but the impetus came from the members of my team."

Happy index® AtWork

ÉLU SERVICE CLIENT DE L'ANNÉE 2021

LDLC, UNDISPUTED CHAMPION OF CUSTOMER RELATIONS SINCE 2014, WINNER OF THE CUSTOMER SERVICE OF THE YEAR* AWARD FOR THE SEVENTH YEAR RUNNING!

The LDLC Group has dominated the "Technical Product Retail" category since 2014, earning itself an impressive 19.37/20 score this year, a record among all categories since the award was created. Amid the highly unusual context of the health crisis, the 60 LDLC advisers working from home played a key role in maintaining a high quality of service, delivering ever greater levels of satisfaction to brand customers. The 550,000 requests received by phone, email, live chat or via social media over the year are meticulously handled by the advisers.

**Technical Product Retail category - BVA Group survey - Viséo CI - Read more at escda.fr*

COMMITMENT TO THE COMPANY'S ECOSYSTEM

As major economic player firmly rooted in the Lyon area, LDLC is committed to supporting innovative social and cultural initiatives.

LDLC OL - HANDICAP INTERNATIONAL PARTNERSHIP: PROMOTING THE INCLUSION OF PERSONS WITH DISABILITIES THROUGH E-SPORT

LDLC OL, a French e-sports organisation, and Handicap International, an NGO that supports vulnerable groups and persons with disabilities, have forged a partnership that seeks to promote the inclusion of persons with disabilities through e-sports. Created for a renewable one-year period, the partnership has planned a series of events and awareness initiatives targeting e-sports players in order to familiarise them with disability issues.

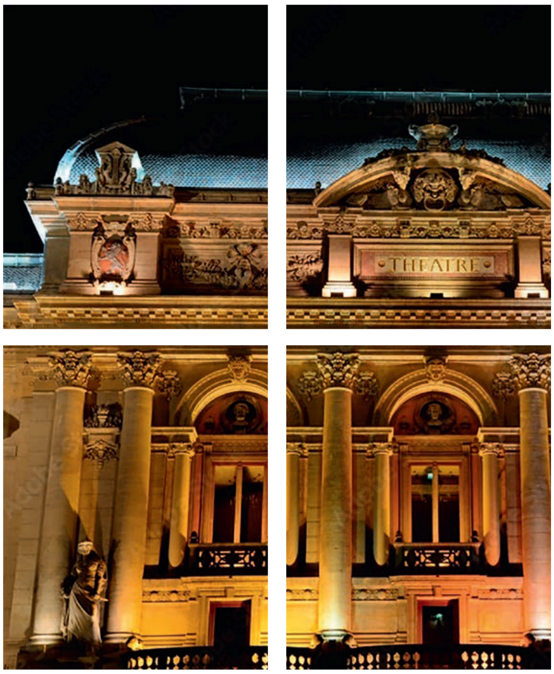
A first inclusive video game tournament organised in March and streamed online brought together players and streamers from LDLC OL and further afield, influencers and players with disabilities, putting them all on an equal footing. This was achieved by assigning all the players without disabilities a physical or sensory impairment while they played.

A PARTNERSHIP PROUDLY DISPLAYED ON THE LDLC OL JERSEY

The partnership is manifested by the Handicap International logo positioned on the left sleeve of the LDLC OL team jersey. The Handicap International open hand symbol conveys the team's desire to open up e-sports to persons with disabilities.

"This partnership with LDLC OL is the first of its kind in France. Through gaming, we aim to create to genuine lever of inclusivity, a tool to promote difference as an "inclusive strength."

Xavier du Crest de Villeneuve, Director, Handicap International France



CULTURAL SPONSORSHIP AND SUPPORT

Brought to a standstill for months on end, the art world has been hard hit by the health crisis. As such, the LDLC Group has decided to provide financial support to four shining lights of Lyon's cultural landscape. The Théâtre des Célestins, the Lyon Opera, the Nuits de Fourvière festival and the Auditorium housing the Lyon National Orchestra have each received the sum of €50,000 from the Group.

Time for the planet

THE LDLC GROUP COMMITS TO THE FUTURE BY BECOMING A MAJOR SHAREHOLDER OF "TIME FOR THE PLANET", A NON-PROFIT FUND DEDICATED TO SAVING THE CLIMATE

The LDLC Group has become one of the largest shareholders of Time for the Planet by making a €200,000 contribution to the civic fund. Convinced of the urgency and won over by the fund's entrepreneurial approach, LDLC wanted to be a part of this communal initiative.

Launched in 2019, Time for the Planet, a non-profit fund created by a group of young Lyon-based entrepreneurs, has set itself the target of financing 100 companies working to combat climate change, in particular by reducing greenhouse gas emissions on a global scale. At 1 June 2021, over 22,000 shareholders have already joined the adventure, contributing over €4 million towards a target of €1 billion.

CULTIVATE A “WINNING MINDSET”

Created on 16 August 2010, Team LDLC is France’s oldest active e-sports team. With a trophy cabinet boasting over 180 national and international victories over nearly 10 years in more than a dozen disciplines (reigning French champions in League of Legends and WRC world champions), Team LDLC has trained over 30 current professional international gamers.

In January 2020, Team LDLC became affiliated to the e-sports division of Olympique Lyonnais football club. Under the banner of LDLC OL, the team has embarked upon a new stage in its development focused on territorial expansion, training and performance.

LDLC was one of the first market players to invest in the gaming and e-sports sectors. Team LDLC has won numerous national and international titles since its inception.

In 2020, the LDLC OL professional e-sports team, which competes in FIFA games, League of Legends, Counter Strike, Fortnite, WRC and other forthcoming disciplines, took up residence in a brand new 1,000 m^2 e-sports centre in Lyon, a stone’s throw from Gerland stadium. The site is also home to the team’s training centre in association with the Tony Parker Adéquat Academy.

The team plans to develop an e-sports offering targeted at the general public (youth, non-profit organisations, businesses, local councils, etc.) in the Lyon area in order to attract French and international talent.

THE DREAM TEAM

In May 2020, Team LDLC OL became European champions by winning the League of Legends European Masters, beating Poland’s K1CK team in the final by 3-0.
More recently, the Summer ESLCN 2021 season ended in May 2021 with another victory for Team LDLC OL, crowned French champions for the second year running.

E-SPORTS TRAINING

In September 2019, the Tony Parker Adéquat Academy launched an e-sports training course. The course offers a combination of e-sports training administered by LDLC OL team members and lessons in the Academia private high school forming part of the Academy. Through these training courses, Team LDLC OL hopes to develop local talent within a responsible, protected framework by allowing budding young players to combine e-sports training with a standard school curriculum.

20TH FRENCH CHAMPIONSHIP TITLE AND 10TH COUPE DE FRANCE TITLE FOR THE LDLC ASVEL MEN'S TEAM

French basketball's most successful team remained on top of the pile in the 2020-2021 season by winning its 10th victory in the Coupe de France and 20th French championship. A partner of the club since 2012, in 2019 the LDLC Group lent its name to the legendary Astroballe basketball team under a naming partnership, the first of its kind in the basketball world. The 2019 season marked LDLC ASVEL's return to the Euroleague, the most prestigious European competition and the second most prestigious worldwide after the NBA.

UNEARTHING TALENT FOR THE DIGITAL ERA

The LDLC School offers three-year non-specialist training courses designed to foster the talent needed to drive digital transformation in the corporate world. The school aims to identify and enhance the skills of each student. Besides cultivating knowledge, the LDLC School aims to pass on the Group's start-up spirit and agility in order to shape the digital world of tomorrow.

MATHILDE G.
LDLC School graduate,
digital strategy entrepreneur

"Standard reward systems don't apply here: you learn how to learn, how to question yourself and take your life in your hands. I have grown at a rapid pace over the last three years."

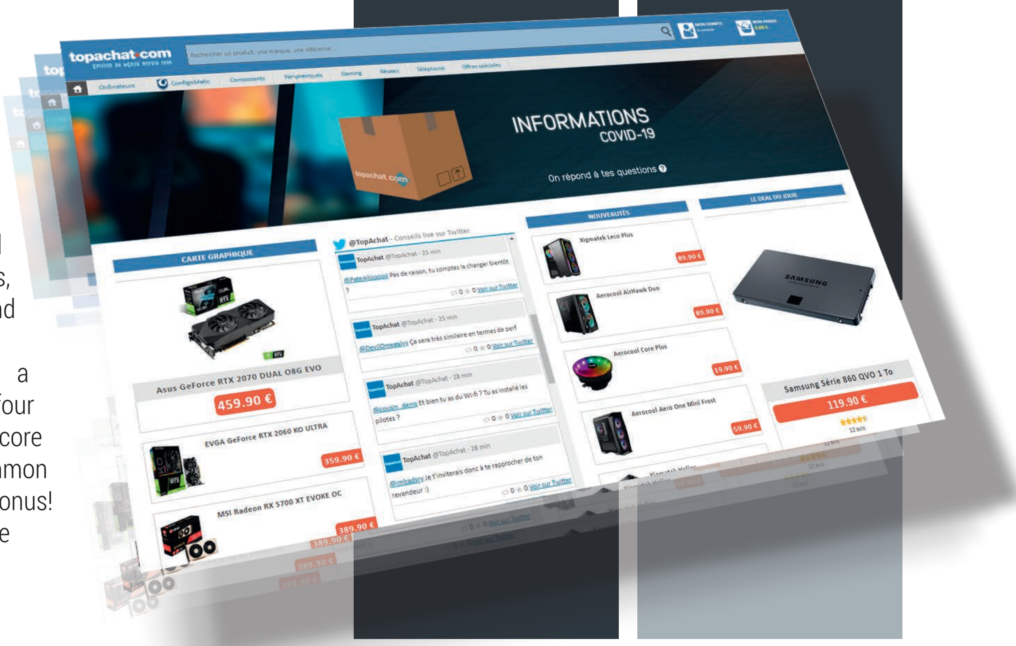
NEW BRANDS JOIN THE GROUP

TOPACHAT, THE GROCERY STORE FOR GEEKS SINCE 1999, "LIKE BEING AT HOME"

Acquired in April 2020, the TopAchat brand fits seamlessly into the Group's specialist multi-brand retailer strategy.
This merger is a source of additional opportunities and synergies for the new structure.

Interview with
Didier Gourguechon,
Deputy CEO, TopAchat

How did TopAchat's integration into the Group play out?
The integration went smoothly despite the challenging backdrop of lockdowns and health restrictions. With support from the LDLC teams, our 52 employees worked wonders by interfacing our sales tools with the LDLC back office in record time. They then had to adapt to the new systems, which turned out to be quite easy for our young and tech-savvy workforce.
Founded in Lyon in 1999 before becoming a subsidiary of Orange then Rueducommerce (Carrefour group), we are delighted to join a group whose core business is high-tech retail. We share common roots and a similar mindset, which is a real bonus! Decisions are taken quickly here and the teams are always on hand.



How does TopAchat differ from the Group's other brands?
We target quite a specific customer base that is young (13 to 30 year-olds) and passionate about IT and gaming. This has been our focus since the outset and is undoubtedly related to the success of our "Configomatic" PC configuration interface coupled with an attractive pricing policy. Our customers can design their PC themselves or leave the set-up to us. We assemble some 20,000 PCs every year.
We also have a more offbeat brand voice. At TopAchat, we are on first name terms with all our customers. Our communication style is tailored to our core target, primarily on social media, where our four community managers conduct the majority of their correspondence with customers. We also have the 7th largest Twitter following in France with over 720,000 followers.

topachat.com

25 years GROUPE LDLC

LDLC VR EXPERIENCE: WELCOME TO A NEW WORLD!

One year after the launch of LDLC VR Studio, the Group's VR game design studio, LDLC has created a Virtual Reality room. Located in Dardilly just outside Lyon, LDLC VR EXPERIENCE invites all VR enthusiasts to come for an adventure at this new 300 m^2 facility dedicated exclusively to relaxation and fun!

Whether alone, in a couple, with friends or as a family, LDLC VR EXPERIENCE is open to all video game enthusiasts and anyone wanting to experience a new world. LDLC VR EXPERIENCE offers static (Pod) Virtual Reality as well as a Free Roaming experience.

The room is structured around:

- 3 Solo Pods - Duration: 30 minutes or 1 hour
  The player plays alone, with a headset, in their own space.
  Movement is limited to a couple of steps, turns, shots, etc.
- 3 gamer Pods - Duration: 30 minutes or 1 hour
  The principle is the same as the Solo Pods, but the players play online for greater interaction!
- 1 Free-Roaming room - Duration: 1 hour
  Here, 8 to 10 players, each wearing a Virtual Reality headset with an embedded PC, move freely around a 150 m^2 space.

There is a choice of around ten games, available from 7 years of age for the Pod games and 12 years for the Free Roaming games. Among other titles, players can discover Ultim-8, Ragnaröck, Mesh Impact and Catch the Dragon, the first VR game developed by LDLC VR Studio!

MAIN FINANCIAL INDICATORS

Summary income statement (1 April - 31 March)

€m - audited figures	2020/2021	H1 2020/2021	H2 2020/2021	2019/2020	Change (€m)
	12 months	6 months	6 months	12 months	12 months
Revenues	**724.1**	**314.3**	**409.8**	**493.4**	**+230.7**
Gross margin	**162.9**	**68.7**	**94.2**	**95.1**	**+67.8**
Gross margin rate (%)	22.5%	21.9%	23.0%	19.3%	+3.2 pp
EBITDA[1]	**70.0**	**25.6**	**44.4**	**15.7**	**+54.3**
EBITDA margin (%)	9.7%	8.1%	10.8%	3.2%	+6.5 pp
EBIT	**62.7**	**21.8**	**40.9**	**6.6**	**+56.1**
Net income of consolidated companies	**42.2**	**14.6**	**27.6**	**8.3**	**+33.9**

[1] EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation

Key takeaways

- 2020/2021 consolidated revenues up 46.8% to €724.1m (up 25.4% at constant consolidation scope)
- Structural improvement in gross margin to 22.5% (2019/2020: 19.3%)
- Record EBITDA of €70.0m and net income of €42.2m, a fourfold increase on the previous year
- Renewed confidence in growth: FY 2021/2022 target revenues of €750-800m

Main balance sheet items (at 31 March)

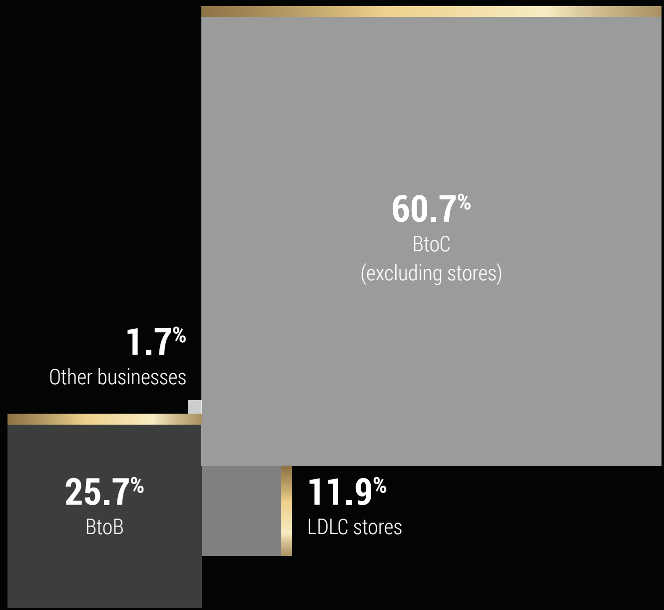
€m - audited figures	2020/2021	2019/2020
Shareholders' equity	101.6	62.5
Net cash/(debt)	(31.3)	8.6
Gearing*	n/a	0.14

*Net debt/equity

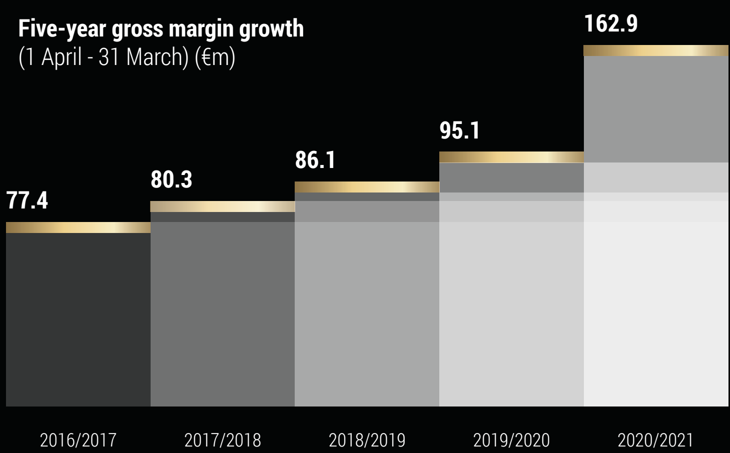
Key takeaways

- Net cash of €31.3m at 31 March 2021

2020/2021 revenue breakdown
(1 April - 31 March) (€m)

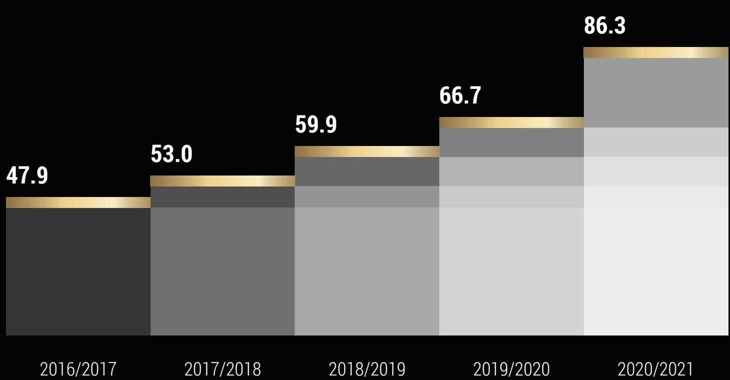


Five-year gross margin growth
(1 April - 31 March) (€m)



Five-year average growth
20%

LDLC store 5-year revenues
(1 April - 31 March) (€m)



2020/2021
Group average basket value
€391 excl. VAT
(2019/2020: €426 excl. VAT)

INVESTOR NOTEBOOK

Listing market*	**EURONEXT Growth**
ISIN	**FR0000075442 ALLDL**
Number of shares	**6,322,106**
Indexes	**CAC All Shares, Enternext PEA-PME 150**
Market capitalisation at 8 July 2021	**€433 million**
Analysts tracking the share	**Gilbert Dupont - Ning Godement** **Midcap Partners - Alessandro Cuglietta****

* During the 2019/2020 financial year, as approved by the 1 July 2019 General Meeting, the Group transferred its shares to Euronext Growth with effect from 2 September 2019.

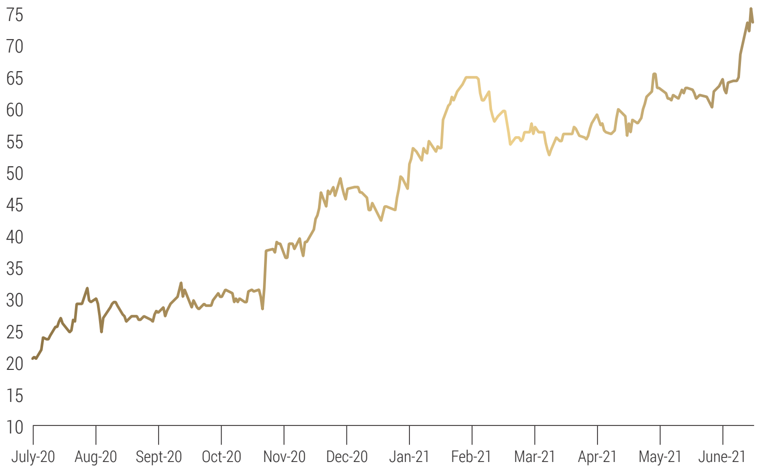
** Started in July 2020

Investor reporting timetable

Q1 2021/2022 revenues	22 July 2021
Annual General Meeting	24 September 2021
Q2 2021/2022 revenues	28 October 2021
H1 2021/2022 results	2 December 2021
Q3 2021/2022 revenues	27 January 2022
Q4 2021/2022 revenues	28 April 2022
2021/2022 full-year results	16 June 2022

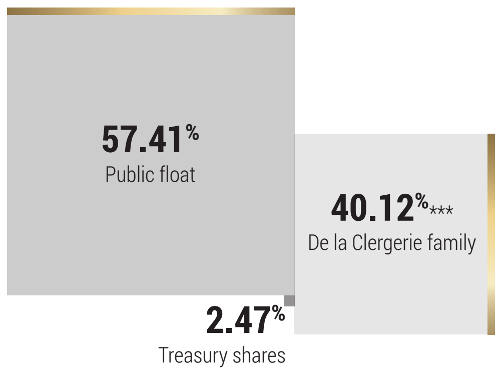
Stock market performance

(1 July 2020 - 8 July 2021)



Shareholder breakdown

Based on disclosures made over the past 12 months



Share price at 8 July 2021

€68.50

per share

- 1-year high: €71.30
- 1-year low: €23.70
- 3-year high: €71.30

De la Clergerie family***

Laurent de la Clergerie: 19.25%
Caroline de la Clergerie: 9.94%
Olivier de la Clergerie: 9.74%
Suzanne de la Clergerie: 1.19%

* No action in concert: this segment comprises members of the de la Clergerie family

French limited company (*société anonyme*) with a Management Board and Supervisory Board with share capital of €1,137,979.08

Registered office: 2 rue des Érables – CS 21035 – 69578 Limonest CEDEX

RCS Lyon 403,554,181

Universal Registration Document

including the Annual Report

2020/2021 financial year

This document is a free translation into English of the original French "Document d'enregistrement universel", hereafter referred to as the "Universal Registration Document". It is not a binding document. In the event of a conflict in interpretation, reference should be made to the French version, which is the authentic text.

This Universal Registration Document was registered on 12 July 2021 with the French Financial Markets Authority (AMF) acting as the competent authority under EU Regulation no. 2017/1129, without prior approval in accordance with Article 9 of this Regulation.

The Universal Registration Document may be used for the purposes of making an offer of securities to the public or admission to trading on a regulated market if it is supplemented by a securities notes and, where applicable, a summary and all amendments made to the Universal Registration Document. All of these documents together are approved by the AMF in accordance with Regulation (EU) no. 2017/1129.

In application of Article 19 of Regulation (EU) no. 2017/1129 dated 14 June 2017, the following information is incorporated by reference into this Universal Registration Document:

- IFRS consolidated financial statements for the financial year ended 31 March 2019 and the related statutory auditors' report presented on pages 184-187 of the 2018/2019 Universal Registration Document filed on 22 July 2019 under number D.19-0719;
- consolidated financial statements for the financial year ended 31 March 2020 prepared under French GAAP, in accordance with CRC regulation 99-02 applicable to the consolidated financial statements of commercial and state-owned companies, and the related statutory auditors' report presented on pages 178-180 of the 2019/2020 Universal Registration Document filed on 23 July 2020 under number D.20-0699.

The document may be obtained free of charge from the Company's registered office or downloaded from the AMF website (www.amf-france.org) or the Company website (www.groupe-ldlc.com).

GENERAL COMMENTS

Definitions

Throughout this document, unless stated otherwise:
The terms "**Company**" or "**Groupe LDLC**" refer to Groupe LDLC, a French limited company (*société anonyme*) with a Management Board and Supervisory Board whose registered office is located at 2 rue des Érables CS21035, 69578 Limonest CEDEX, registered in the Lyon Trade and Companies Register under number 403 554 181.
The term "**Group**" refers to the Company and all the companies included within its consolidation scope.

Disclaimer

This Universal Registration Document contains information regarding the Group's business operations as well as the market in which it operates. This information is derived from surveys based on internal and external sources (e.g. industry publications, special surveys, information published by market research companies, analyst reports). The Company believes that, at the date of this report, this information provides a true and fair view of its main market and competitive positioning on this market. However, this information has not been verified by an independent expert and the Group cannot guarantee that a third party using different methods to collate, analyse or calculate market data would obtain the same results.

Forward-looking information

This Universal Registration Document also includes information on Group objectives and development priorities. This information may by presented via the use of the future tense, conditional mood and forward-looking expressions such as "estimate", "consider", "aim to", "expect", "intend", "should", "wish", "may" or any other variant or similar term. Please note that these objectives and development priorities do not represent historical data and must not be taken as a guarantee that the events and figures presented will transpire, that assumptions will be confirmed or that targets will be met. This concerns objectives which, by nature, may not be achieved. Furthermore, the information presented in this document may prove incorrect, in which case the Group will be under no obligation whatsoever to update the report, unless so required by applicable regulations.

Risk factors

Investors are also invited to consider the risk factors set out in Section 3 "Risk factors" of this document before making any investment decisions. The occurrence of some or all of these risks could have an adverse impact on the Group's business, situation, financial performance or targets.

Chapter 1. PERSONS RESPONSIBLE, INFORMATION OBTAINED FROM THIRD PARTIES, EXPERT REPORTS AND APPROVAL BY THE COMPETENT AUTHORITY

1.1. PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Groupe LDLC is a French limited company (*société anonyme*) with a Management Board and Supervisory Board
Registered office: 2 rue des Érables – CS 21035 – 69578 Limonest CEDEX

1.2. DECLARATION OF THE PERSON RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE UNIVERSAL REGISTRATION DOCUMENT

I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I hereby certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with applicable accounting standards and provide a true and fair view of the assets and liabilities, financial position and earnings of the Company and all of the companies included in the consolidation scope, and that the management report set out on pages 29-244 of this document provides a fair presentation of the business performance, earnings and financial position of the Company and all of the companies included in the consolidation scope and describes the main risks and uncertainties to which they are exposed.

12 July 2021

Groupe LDLC

Represented by
Olivier Villemonte de la Clergerie,
CEO

Chapter 2. STATUTORY AUDITORS

2.1. REGULAR STATUTORY AUDITORS

Cap Office, represented by Rémi Charnay, 12 quai du Commerce, 69009 Lyon – France.

Date of reappointment: 28 September 2018

Term of office: 6 years

Expiry of term of office: end of Annual General Meeting called to approve the financial statements for the year ending 31 March 2024

Cap Office is a member of the Lyon Regional Institute of Statutory Auditors.

Mazars, represented by Séverine Hervet, 109 rue Tête d'Or CS 10363 69451 Lyon – France

Date of appointment: 27 September 2019

Term of office: 6 years

Expiry of term of office: end of Annual General Meeting called to approve the financial statements for the year ending 31 March 2025

Mazars is a member of the Lyon Regional Institute of Statutory Auditors.

2.2. ALTERNATE STATUTORY AUDITORS

Fabrice Goenaga, 12 quai du Commerce, 69009 Lyon – France.

Date of reappointment: 28 September 2018

Term of office: 6 years

Expiry of term of office: at the Annual General Meeting called to approve the financial statements for the year ending 31 March 2024

Fabrice Goenaga is a member of the Lyon Regional Institute of statutory auditors.

Frédéric Maurel, 109 rue Tête d'Or CS 10363 69451 Lyon – France

Date of appointment: 27 September 2019

Term of office: 6 years

Expiry of term of office: end of Annual General Meeting called to approve the financial statements for the year ending 31 March 2025

Frédéric Maurel is a member of the Lyon Regional Institute of Statutory Auditors.

Chapter 3. RISK FACTORS

Investors are encouraged to take all information contained in this Universal Registration Document into account before deciding to acquire or subscribe for Company shares, including the risk factors specific to the Company described in this section.

In preparing this Universal Registration Document, the Company carried out a review of the major risks that are specific to it and that may have a material adverse impact on its operations, financial position, earnings or ability to meet its targets. At the date on which this Universal Registration Document was filed, the Company has assessed the materiality of the risk factors in terms of their likelihood of occurrence and the extent of their adverse impact, making allowance for risk management policies implemented. These policies cannot provide complete assurance that these risks will be contained.

In relation to its assessment, the Company has also taken into account the COVID-19 pandemic and its actual and/or expected impact on the Group's situation (see *below*).

The Company has classified these risks into four categories below, with no order of precedence implied. However, within each category, the most material risks arising from the Company's assessment are first presented in terms of the level of adverse impact they would have on the Company and their estimated likelihood of occurrence, in descending order, at the date on which the Universal Registration Document was filed.

Material and specific risks to which the Group considers it is exposed		Net criticality
Group business risks	Customer, supplier and product risks	High
	Market risks	Moderate
	Technology risks	Moderate
Financial risks	Goods warranty risks	Moderate
	Currency risks	Moderate
	Liquidity risks	Moderate
	Interest rate risks	Moderate
Legal, regulatory and litigation risks	Risks related to intellectual property	Moderate
	Risks related to regulations and regulatory changes	Moderate
	Litigation risks	Moderate
Claims risks	Risks relating to inventories and transport	Moderate

Where possible, the Company has also provided quantitative information on the materiality of the risk factor.

Risks related to the COVID-19 pandemic

The Group has adopted the requisite measures in response to the current health crisis in order to protect its employees and ensure continuity of business.

The Group is proactively monitoring the impact of COVID-19 in order to take the necessary action depending on how the situation evolves and its potential impacts.

At the date on which this document was filed, the Group does not expect the COVID-19 pandemic to have an adverse impact on its business as a whole.

3.1. GROUP BUSINESS RISKS

3.1.1. Customer, supplier and product risks

3.1.1.1. Risks related to operations and trade receivables

The Group is likely to be exposed to the risk of default, notably due to the characteristics of the individual consumer market in which it operates, which generates a large number of small receivables which may be difficult to recover individually.

A customer follow-up department has been set up in order to minimise the risk of default, although this risk is fairly limited due to the nature of the Group's customer base, given that around 65% of its revenues come from individual customers, who tend to pay at the time of order shipment.

The number of frauds fell 20% in 2020 to less than 0.1% (800 credit/debit card rejections per million transactions) with a certain degree of latitude.

In the interests of continuously improving protection against this risk, the Group has also introduced an internal control system designed to check orders before they are approved, as well as a procedure for continuous improvement.

Moreover, the Group frequently uses a credit insurance firm in order to minimise credit risk from business customers. Nevertheless, the development of its BtoB and franchising businesses could lead to exposure to this risk, which could affect the Group's financial position. The risk remains under control and has been considerably limited thanks to internal procedures.

Note 2.4.2 to the consolidated financial statements provides further information on trade receivables risk.

A significant increase in unpaid receivables could have a direct or indirect material adverse impact on the Group's business, financial position, earnings, growth and outlook.

3.1.1.2. Supplier risks

The Group has a broad panel of suppliers, most of which are wholesalers. The Group is not materially dependent on one particular supplier. On the other hand, the Group may choose to confer preferential status on a partner that offers the most advantageous commercial conditions in terms of price, lead times, quality, etc.

The Group's market is influenced to a certain extent by trends. In this respect, any supply problems encountered by the Group will be shared by its competitors. Given the volumes of its orders, which have increased since the acquisition of Materiel.net and TopAchat, and its status as the leading high-tech seller in France, the Group has a significant position vis-à-vis its suppliers.

In the financial year ended 31 March 2021, the LDLC Group's main supplier accounted for around 16% of Group procurement, while the top ten suppliers accounted for around 54%.

In the event of a breakdown in business relations between the Group and its main suppliers, tougher conditions imposed by said suppliers, or the non-renewal of early termination of the Group's main merchandise supply or service agreements, the Group may suffer a direct or indirect material adverse impact on its business, financial position, earnings, growth and outlook.

3.1.2. Market risks

3.1.2.1. Risks related to changes in the economic environment and consumer behaviour

The economic environment has little impact on household purchases of high-tech equipment, which remains one of the most buoyant sectors with consumers. That said, fluctuations in the US dollar or in prices of components such as memory chips, graphics cards or processors, which may vary considerably in accordance with cyclical trends, are important factors in the high-tech sector. They can lead to a slowdown in Group business, as we have seen in the past. Furthermore, all products, including those purchased in euros, are impacted at some time or other by changes in US dollar exchange rates. The Company manages this sales risk via its ability to quickly adjust its selling prices to current market conditions, as well as by adjusting inventory levels wherever necessary, thus spreading the impact of currency fluctuations over time.

The Group has introduced stock rotation analysis tools in order to optimise management of supplies and inventories (see Note 2.4.1.2 to the consolidated financial statements).

Should one or more of these events occur, the Group may suffer a direct or indirect material adverse impact on its business, financial position, earnings, growth and outlook.

3.1.2.2. Franchising risks

At 31 March 2021, the Group had 57 LDLC stores including 46 franchises located all over France, plus 9 Materiel.net concept stores and 18 BIMP stores including 11 Apple Premium Reseller outlets.

To maintain the Group's image, franchises are selected according to a rigorous set of criteria, while training in management, sales, customer service etc. is provided during the store set-up process (see Section 5.1.1 for more information on the Group's franchise operations).

Franchise practices that do not comply with the regulations or with Group standards and values could have a direct or indirect material adverse impact on the Group's business, financial position, earnings, growth, outlook and reputation.

For this reason, a dedicated unit for monitoring and supporting franchises has been set up. This system helps the Group ensure smooth contractual relations and compliance with all requirements applicable to franchises, including level of service and brand image quality.

3.1.2.3. Risks related to acquisitions, disposals and other external growth transactions

For several years, the LDLC Group has pursued a specialist multi-brand, multi-channel retailer strategy currently targeted at both BtoC and BtoB markets. The Group's growth has been marked by a number of key milestones: the creation of a store chain (brand stores and franchises), developing the BtoB offering (launch of LDLC.pro website in 2015) and increasing market share through acquisitions including main competitor Materiel.net, the Olys group (a Premium Apple Reseller) and, in April 2020, the TopAchat business.

The Group has completed external growth transactions and could continue to do so, under any legal terms and conditions, in particular via acquisitions of businesses or companies or mergers of different sizes, some of which could be material in relation to the size of the Group.

Such transactions entail a number of risks, including the following: (i) the assumptions underlying the business plans used for the valuation of the target entities may turn out to be inaccurate, in particular regarding synergies and sales demand; (ii) the Group could fail to successfully integrate the acquired or merged companies, their technology, product ranges and employees; (iii) the Group may be unable to retain specific employees, customers or key suppliers of the acquired companies; (iv) the Group may be obliged or may decide to terminate pre-existing contractual relations, under costly and/or unfavourable financial conditions; (v) the Group may have to increase its debt in order to finance such external growth transactions; (vi) the Group may be required to seek contributions from one or more investors via the issuance of new shares or securities without shareholder preferential subscription rights in order to finance some or all of the corresponding requirements, leading to further dilution of shareholders' equity interests, and (vii) the Group may be required to dispose of businesses or limit the growth of specific businesses in order to obtain the authorisations required for the completion of the transactions, in particular with regard to competition regulations.

Should one or more of these events occur, the Group may suffer a direct or indirect material adverse impact on its business, financial position, earnings, growth and outlook.

3.1.2.4. Competitive risks

The LDLC Group's niche positioning as a specialised retailer enables it to significantly minimise competitive risks compared to generalist retailers, who do not offer the same degree of expertise or depth of product catalogue. The last few years have seen a trend towards concentration together with the disappearance of a number of online sellers of IT and electronic equipment, mainly due to the takeover of brands by traditional retailers. The LDLC Group jumped on this bandwagon by purchasing the entire share capital of its main competitor, Domisys (a Materiel.net brand), in March 2016. The Olys acquisition in January 2018 further strengthened the LDLC's Group positioning as high-tech specialist, in particular in the Apple BtoB sector. The acquisition of the TopAchat business on 10 April 2020 enabled the Group to add a longstanding high-tech brand to its catalogue in order to pursue its development.

However, intensification in the competitive landscape could have a material adverse impact on the Group's image, revenues, earnings, financial position, market share and outlook.

3.1.3. Technology risks

The Group's websites are administered by the Company at specialised data centres responsible for maintenance and security. Measures implemented include cyber-attack protection systems (anti-virus programmes, firewall), data back-up systems, duplicate IT systems in case of equipment failure and a secure payment system offered by our service provider partners.

A weakness or failure of these systems could disrupt the normal functioning of operations with potential material impacts on commercial and financial performances, particularly regarding websites, order and payment systems, especially during peak business periods such as the end of the calendar year.

Should one or more of these events occur, the Group may suffer a direct or indirect material adverse impact on its business, financial position, earnings, growth and outlook.

3.2. FINANCIAL RISKS

3.2.1. Goods warranty risk

As an e-commerce retailer, besides the general requirements applicable to all sellers, particularly on a BtoC market, the Group is required to comply with specific regulations arising from consumer protection and e-commerce laws. As such, the French Consumer Code provides for a specific warranty in cases of product non-conformity, including products purchased online.

Compliance with regulations for Group products is an important factor for which insufficient consideration may have an adverse impact on the Group's reputation, operations and financial performance, in addition to legal consequences.

3.2.2. Currency risk

The Group generates most of its sales in euros. However, it purchases a significant amount of goods in USD. These purchases are the main source of transactional currency risk to which the Group is exposed.

Exchange rate fluctuations are a competitive issue requiring expert management. The Group's currency risk policy is based on minimising the risk through pricing policies and by protecting gross margins. Due to exchange rate fluctuations, the Group is constantly obliged to adapt its pricing policy and therefore revise its sales prices. The Group may also use currency futures to hedge part of its dollar purchases.

See Note 2.4.1.1 to the consolidated financial statements for further details on currency risks.

3.2.3. Liquidity risk

The Group keeps close track of liquidity risk via periodic financial reporting.

Notes 2.4.4, 3.9, 3.10 and 3.13 to the consolidated financial statements provide further details on liquidity risk. See Section 8.1 and, more specifically, the breakdown of the Group's debt maturities at 31 March 2021.

For your information, the bank covenants with which the Group must comply are set out in Section 8.4.

Collateral pledged for loans granted is detailed in Note 5.2.1 to the consolidated financial statements.

Group financing

In order to finance its acquisitions and business operations, on 31 March 2016 the Company entered into a loan agreement with a pool of five banks (see Chapter 20 of this Universal Registration Document). The Group carried out the early repayment of this loan in full on a voluntary basis on 30 June 2021, in the amount of €6,385,475.97 (capital and interest), without voluntary early repayment penalties or other additional costs related to the voluntary early repayment. This prepayment also requires the Company to waive the €13.5 million revolving credit facility associated with the loan agreement (see Note 3.13 to the 2020/2021 consolidated financial statements).

As a result, the loan agreement was terminated as at the aforementioned date.

The loan was also subject to compliance with a number of covenants (ratios, capex limits, etc.). Failure to comply with these covenants could under specific conditions trigger early repayment. The ratios were tested every six months.

As the prepayment was made after the 31 March 2021 closing date, the ratios below were calculated for the 12-month period running from 1 April 2020 to 31 March 2021. As the loan agreement was terminated effective 30 June 2021, the Company is no longer required to test these ratios.

Ratio R1: consolidated net borrowings/consolidated equity (at 31/03/2021 < 0.80)

€m	Note	Calculation
Consolidated net borrowings (1)	(29.87)	A
Consolidated equity (2)	101.59	B
Ratio: consolidated net borrowings/consolidated equity	(0.29)	A/B

Ratio R2: consolidated net borrowings/adjusted consolidated EBITDA (FY ended 31/03/2021 < 2.25)

€m	Note	Calculation
Consolidated net borrowings (1)	(29.87)	A
Adjusted consolidated EBITDA (3)	71.13	B
Ratio: consolidated net borrowings/adjusted consolidated EBITDA	(0.42)	A/B

(1) Consolidated net borrowings correspond to total borrowings (see Note 3.13 to the 2020/2021 consolidated financial statements) less cash and cash equivalents (see Note 3.10 to the 2020/2021 consolidated financial statements) plus guarantee commitments given and endorsed by signature totalling €39,000.
(2) Consolidated equity corresponds to total shareholders' equity including minority interests (see Note 1.3 to the 2020/2021 consolidated financial statements).
(3) Adjusted consolidated EBITDA corresponds to EBIT plus net depreciation, amortisation and provision allowances deducted from EBIT (see Note 2.5 to the 2020/2021 consolidated financial statements), CVAE business value added tax and discounts received from suppliers.

The amount of capital expenditure is lower than the €7 million limit set for the year ended 31 March 2021.

Bank covenants are therefore in compliance as at 31 March 2021.

You will find below a summary of the Group's cash and debt position at 31 March 2020 and 2021:

€000	31/03/2021	31/03/2020
Gross borrowings	19,978	28,435
Cash and cash equivalents	51,260	19,859
Net cash/(debt)	31,283	(8,576)

As a precautionary measure in response to the COVID-19 health crisis, the Group contracted four €4.5 million state-guaranteed loans at the end of April 2020 in order to finance potential Group cash requirements. 90% of the €18 million borrowed under these loans is covered by the state guarantee granted to banks and finance companies under Article 6 of the French Amended Finance Act no. 2020-289 of 23 March 2020. All of these state-guaranteed loans were repaid early at the beginning of February 2021.

Summary of borrowings by due date at 31 March 2021:

€000	Principal outstanding	Due in < 1 year	Due in 1-5 years	Due in > 5 years
Loans	19,512	10,531	8,726	255
Finance leases	9	3	5	0
Total	**19,520**	**10,534**	**8,731**	**255**

Note 3.13 to the consolidated financial statements sets out the terms and conditions of all Group financing lines.

Cash pooling

In March 2017, the Company signed a cash pooling agreement with all of its subsidiaries for a one-year term tacitly renewable for further one-year periods. New subsidiaries are integrated one by one into this agreement. This agreement is intended to centralise Group cash management in order to coordinate and optimise use of surplus cash and coverage of cash requirements as assessed globally across the Group.

3.2.4. Interest rate risk

The Group uses different types of financing (bank loans, revolving credit facilities, etc.) to finance its growth and capital expenditure policy.

Floating-rate borrowings comprise 33% of total debt and are fully hedged by financial instruments (swaps).

The Group has conducted sensitivity testing in order to measure the impact of changes in borrowing rates on its earnings. An interest rate fluctuation of 0.50 percentage points would have a €279,000 impact on the Group's consolidated earnings before tax for the year ended 31 March 2021.

See Notes 2.4.3, 3.13 and 3.15 to the consolidated financial statements for details on interest rate risks.

3.3. LEGAL, REGULATORY AND LITIGATION RISKS

3.3.1. Risk related to intellectual property

The Group owns various trademarks registered in France or in the countries where the Group markets or is liable to market such trademarks. A clearance search is performed to check the availability of all trademarks and domain names. Given the individual circumstances, such searches cannot eliminate the risk of objections emanating from third-party holders of rights to similar signs.

The Group periodically checks compliance and monitors its intellectual property rights and the assets required for its operations. These checks also afford protection against the risk of intellectual property infringement by third parties.

All software owned by the Group is a key asset for it. The Group's ability to deal with periodic increases in volume is determined by this software's capacity for development and suitability to the Group's operations.

However, the Group cannot guarantee that the steps taken to protect its intellectual and industrial property rights will be effective, or that third parties will not infringe, misappropriate or have its intellectual and industrial property rights cancelled.

Should one or more of these events occur, the Group may suffer a direct or indirect material adverse impact on its business, financial position, earnings, growth and outlook.

3.3.2. Risk related to regulations and regulatory changes

Across the broad spectrum of its operations, the Group is subject to various regulatory requirements in areas such as digital law, urban planning, establishments open to the public, logistics, consumer law and data protection. The Group must keep track of developments in these areas in order to maintain compliance.

The opening and extension of stores may require administrative permit procedures due to changes in regulations.

The Group is also affected by frequent changes in distance sale regulations related to new practices (cooling-off period, mediation, remote payment), besides the requirements of the French Data Protection Act concerning customer personal data and the implementation of the European General Data Protection Regulation (RGPD).

Compliance with these regulations may result in an adverse material impact on the Group's business (in particular a decrease in prices, lower margin, loss of market share), financial position, earnings, growth and outlook.

In addition, financial sanctions and/or the publication of such sanctions may be imposed on the Group, should the Group's attempts at compliance be deemed insufficient, which could have a direct or indirect material adverse impact on the Group's business, financial position, earnings, growth and outlook.

3.3.3. Litigation risks

The Group may regularly be the subject of disputes and complaints, or be involved in a dispute, arbitration or other legal proceedings.

Disputes are managed by various Group departments in cooperation with law firms.

In the event of claims made against the Group by one or more of its contractual counterparties or any other interested party, such claims, whatever their foundation, may adversely impact the Group's business, operating earnings and outlook.

To the Group's knowledge, there are no government, judicial or arbitration proceedings to which the Group is party liable to have or that have had, over the past 12 months, a material impact on its financial position.

3.4. CLAIMS RISKS

3.4.1. Risks relating to inventories and transport

The three types of risk related to inventories are destruction by fire, stockout of specific products and inventory shrinkage due to theft or breakage.

Fire risk is the major risk faced by the Group, as inventory destruction would lead to suspension of deliveries. Besides taking out fully comprehensive business insurance policies, the Group has adopted a proactive risk prevention policy with regard to inventories and inventory shrinkage, by implementing appropriate systems and measures: CCTV systems, alarms, detectors and extinguishers to protect against the significant risk of fire and risks of theft and breakage.

Furthermore, this risk has been minimised since the acquisition of Materiel.net given that, if a problem occurred at one of the Group's two logistics centres, the other centre would be able to cover all delivery requirements.

To minimise stockouts, the Group has installed powerful dedicated inventory management software. The only stockouts affecting the Group are those experienced by its component suppliers.

Furthermore, although at time of writing the Group does not expect the COVID-19 pandemic to have a material impact on its overall business, the 2020/2021 financial year was impacted by a shortage of some high-tech products, thereby increasing the significance of inventory risk compared to the previous year.

Mainly caused by strong demand, this market shortage means that some products will be less available than the Group would prefer. Nonetheless, at time of writing the Group has not experienced any major disruptions in product supplies.

With regard to transportation, the Group has diversified its carriers, using both the French postal service and private transport companies, thereby mitigating the risks related to industrial action. The real risks would arise from extreme weather conditions (snow, rain) preventing delivery. However, now that the Group has two main logistics centres located in Lyon and Nantes, it has the capacity to deal with this risk.

Should one or more of these events occur, the Group may suffer a direct or indirect material adverse impact on its business, financial position, earnings, growth and outlook.

3.4.2. Policy regarding insurance

The Group's policy on insurance is mainly based on identifying insurable risks through periodic reviews of existing and emerging risks conducted, in close cooperation, by the operating departments, Group senior management and insurance brokers.

The policy is geared towards maintaining or enhancing protection of Group assets, customers and employees whilst keeping costs under tight control.

The Group centralises its policy on insurance in order to guarantee consistency, pool insurance cover and capitalise on economies of scale, insofar as regulations and operating constraints allow. All new companies created are covered right from the outset under the Group insurance programme, under the same terms and conditions applicable to other Group companies.

All insurance policies are contracted with insurers that have the capacity to assume their cover obligations. In general, insurance policies are revised every 3 years on average.

Liability insurance

The Group has insured a number of its business activities by covering operating liability pre-delivery up to €10 million and post-delivery up to €3 million per claim, plus professional liability up to €500,000 per insurance year.

Comprehensive business and environmental insurance

The Group insures all its premises against damage to property and consecutive business interruption resulting from the usual risks including fire, flood and theft, subject to a policy limit of €130 million per claim.

The Group is also insured against environmental risks including civil liability for harm to the environment, environmental liability, site clean-up costs and insured damage prevention costs, subject to a policy limit of €5 million per claim and per annum.

Directors and officers' liability

The Group has taken out a D&O liability policy with a cover limit of €5 million per insurance year. This policy covers civil liability, defence costs and other extensions of cover.

Key personnel

The Group has taken out a policy covering death and permanent and total disability for Laurent Villemonte de la Clergerie and Olivier Villemonte de la Clergerie.

Goods transport

The Group transport insurance policy covers damage to goods during transportation by professional carriers, whether by air, sea, rail, road or any other means of transport. Transport risks are covered up to €600,000 per incident.

Chapter 4. INFORMATION REGARDING THE ISSUER

4.1. COMPANY NAME AND TRADING NAME

The company name is: Groupe LDLC

The Company owns the following trade names: FRE – Multi Expeditions – SOLAARI – Hardware.fr – TopAchat – Materiel.net

4.2. PLACE AND NUMBER OF REGISTRATION

The Company is registered in the Lyon Trade and Companies Register under the single identification number 403 554 181.

The Company LEI code is: 969500DJ67NWWO3OJ977

4.3. DATE AND TERM OF INCORPORATION

The Company was registered in the Lyon Trade and Companies Register on 25 January 1996 for a term of 99 years ending on 25 January 2095 unless wound up early or extended.

4.4. COMPANY REGISTERED OFFICE, LEGAL FORM, GOVERNING LAW AND WEBSITE

The Company's registered office is located at: 2 rue des Érables – CS 21035 – 69578 Limonest CEDEX

Telephone number: +33 (0)4 72 52 37 77

The Company is a French limited company (*société anonyme*) with a Management Board and Supervisory Board governed by French law.

Website: www.groupe-ldlc.com

We draw the reader's attention to the fact that, unless otherwise provided in this Universal Registration Document, the information featured on this website does not form part of this document.

Chapter 5. BUSINESS OVERVIEW

5.1. MAIN BUSINESS ACTIVITIES

5.1.1. Mission and positioning

Since its foundation in 1996, the LDLC Group has established itself as one of the pioneers of e-commerce in France. Bolstered by the numerous awards it has won for the excellence of its customer relationships and the recognition it has earned through the efficiency of its integrated logistics platform, the LDLC Group has become the No. 1 online IT and high-tech equipment retailer by endeavouring to cater for the growing demand for state-of-the-art technology amongst individual consumers and professionals alike.

The LDLC Group operates via 15 retail chains and runs 7 online stores, covering a huge segment of the IT and high-tech market as well as the related area of childcare products. In 2013, the Group launched a plan to develop a network of franchises and brand stores in its main market; by 31 March 2021, the LDLC Group had opened 57 LDLC stores in France.

In 2020/2021 the Group average headcount was around 1,000 employees.

The LDLC Group offering can be divided into three segments: individual consumers (BtoC), professionals (BtoB) and related businesses.

The LDLC Group operates mainly in France and also in nearby French-speaking countries including Belgium, Luxembourg and Switzerland. The Group has also set up an e-commerce website for Spain.

1. BtoC online business

LDLC.com is the leader in the online high-tech market (management estimate). It offers a catalogue of over 30,000 products spanning over 730 active IT brands, including a range of LDLC own brand products. The product offering includes computer, audio, telephone, photo and video equipment.

Materiel.net was founded in 1999 and joined the LDLC Group in 2016. The website specialises in online retail of high-tech products. Like LDLC.com, Materiel.net has a sterling reputation and currently boasts a catalogue of over 14,000 product references.

TopAchat was founded in 1999. Purchased by Rue du Commerce (Carrefour group) in 2009, the TopAchat business was acquired by Groupe LDLC in April 2020. The TopAchat website is a pioneering online retailer of mass market IT hardware and electronics in France and enjoys a strong reputation among buffs and geeks eager to control their budget.

L'Armoire de Bébé is an online boutique created in 2015 and specialising in childcare products. It offers a comprehensive range of baby clothing and accessories, with over 7,500 product references and 250 rigorously selected brands. At 31 March 2021, L'Armoire de Bébé had two physical stores, the first located on the outskirts of Lyon, inaugurated in April 2018, and the second in the Paris region opened in July 2020. Since then, the Group has opened two more stores in the outskirts of Annecy (April 2021) and Nîmes (May 2021).

Shop.Hardware.fr markets desktops and laptops, components (processors, memory chips, etc.), devices (monitors, printers, etc.) and everything you need to set up your own home network (modems, PLC components, etc.). This website leverages the reputation of Hardware.fr, a French hardware information provider which offers feedback and forums to guide visitors in their choice of computer equipment.

Its BtoC division employs 60 consultants committed to serving customers.

2. BtoB business

Unlike many of its competitors, in particular generalist suppliers, the LDLC Group's specialist positioning has enabled it to set up a website and services specifically geared to professionals.

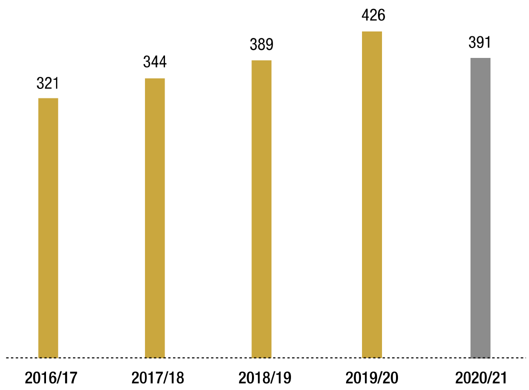
Offering everything from the simplest to the most sophisticated hardware components, www.ldlc.pro has rapidly become a trusted partner of companies, government agencies, educational establishments, local authorities and resellers. Acutely aware of businesses' technical and financial requirements, as well as the opportunities available to companies able to guide them through their technical choices, LDLC took the decision to step up the development of its BtoB offering. Around 100 sales engineers are ready to listen to the needs of small and medium-sized businesses and propose tailored solutions. LDLC.pro has built up around 82,000 active accounts over the last three years, including 21,000 new accounts in 2020/2021.

DLP Connect provides an additional service to professionals by offering solutions in the field of electrical equipment and installations, including electrical systems, computer networks, CCTV and home automation.

BIMP, an Apple Premium Reseller, offers IT solutions to individual consumers and professionals on macOS, Windows and mobile platforms.

725,000 new customer accounts (BtoB and BtoC) were created in 2020/2021.

Changes in average basket size (BtoB and BtoC) over a 5-year period
(€ excl. VAT)



3. Related businesses

Anikop is a software publisher and the leading French provider of solutions for processing prepaid gift, holiday and restaurant vouchers. An LDLC Group subsidiary, Anikop has maintained a substantial lead over its competitors thanks to its custom-developed image recognition technology.

LDLC Event is a communication agency specialising in e-sports that provides its customers with expertise, responsiveness and versatility in brand management, Pro Gamer team management and community-targeted programmes gained from 7 years of professional experience in e-sports.

LDLC VR Studio is a virtual reality video game design studio set up in 2020. The studio targets virtual reality facility owners and plans to offer immersive experiences on the borderline between dream and reality. The studio's first creation is called "*Catch The Dragon*".

4. Network of brand stores and franchises

By effectively deploying different forms of sales outlets via a network of franchises and brand stores, LDLC gives customers the chance to discover nearly 2,000 of the products featured in its web catalogue, including computers, smartphones, tablets and other game accessories.

The store concept

LDLC stores are designed to act as a technology showcase for the brand. They offer a top value-for-money selection of expertly designed IT and high-tech products and services.

In addition to the high quality of the products on offer, LDLC stores are reputed for their level of service: good advice, diagnostics, a comprehensive hardware repair service, quick assembly, computer customisation, etc.

Sales space

Workforce/Reserv
e storage area

Services
Advice, assembly, after-sales, Clic
and Collect, collection point

Implantation
Large towns and cities

LDLC franchises

The franchises purchase their stocks from the central LDLC purchasing department and pay a fee amounting to 4% of their sales (3% for use of the trademark and 1% for communications) in addition to a €37,350 entry fee (including start-up support).

To ensure adherence to its high standards of service, the Group provides a 25-day training course for franchisees located on LDLC premises and run by a special in-house team. The franchisee is then supported at all stages of development. Target revenues depend on the size of the store and generally range from €1.5 to 2.5 million excluding VAT.

LDLC franchisees are selected primarily according to the following five criteria:
- Commercial mindset: a good feel for customer service is essential.
- An interest in the world of high-tech: if you know the product well, you'll find it easier to sell.
- Management skills: each store is a business - as such, you must know how to manage your purchases, sales, etc.
- Entrepreneurial spirit: opening a shop is a kind of adventure. You must be able to take risks and must be deeply motivated!
- Think in terms of network and brand: when you run a franchise, you have to adhere to the decisions made by the Group. Team spirit is the watchword!

Before a store is opened, the LDLC Group helps franchisees to assess their plan by providing the following resources:
- In-house expertise (finance, marketing, purchasing and development departments) to help the franchisee prepare and assess the business plan.
- Documents and methods: guidelines for analysing market potential and conducting market surveys.
- Initial 25-day pre-opening training course.
- Dedicated professional mentor to help the franchisee prepare for opening.

The LDLC Group supports the franchisee over the length of the 9-year contract: day-to-day support is provided by a multi-disciplinary team possessing the required skills (coordination, marketing, merchandising, supply chain, etc.) supplemented by a collaborative approach that ensures the success of each LDLC franchise project. This guidance includes visits from the network coordinator, a telephone helpline, regular events, promotional campaigns to enhance brand image and production of marketing materials.

At 31 March 2021, the Group had 57 LDLC stores including 46 franchises located all over France, plus 9 Materiel.net concept stores and 18 BIMP stores including 11 Apple Premium Reseller outlets.

Breakdown of revenues by business line over the last three years (€m)

	2020/2021	**2019/2020**	**2018/2019**
BtoC	526.2	323.5	336.0
- LDLC stores	*86.3*	*66.7*	*59.9*
BtoB	185.9	162.3	162.2
Other	12.0	7.5	9.3
Total revenues	**724.1**	**493.4**	**507.5**

5.1.2. Competitive advantages

Since its inception, LDLC has demonstrated its ability to create a community of customers and computer fans by positioning itself as a genuine high-tech specialist. In 2007, it provided further proof of its pioneering spirit by setting up a hotline designed to provide advice and customer service in the true sense of the term.

A strategic pillar of the Group, the customer service department is reputed both for its technical expertise and for its ability to provide rapid solutions to customer problems. The customer service department employs around 60 advisers and is open Monday to Friday from 9am to 6pm and on Saturday from 10am to 1pm and from 2pm to 5pm. The department is committed to replying to requests sent via social media or email within 4 hours.

One of the features of the LDLC customer service is the ample time allotted for discussion and advice, which gives customers the opportunity to define their needs precisely and receive answers to all their questions. Accordingly, the average speaking time between support contact and customer is often longer than six minutes. The Group has received a number of awards for the quality of this service. For example, in 2021 LDLC won the "Customer Service of the Year" award for the seventh year running in the "Technical Product Retail" category, earning an impressive score of 19.37/20, a record among all categories since the award was created (BVA survey - Viséo CI - September-October 2020). All in all, 160 tests were conducted by phone, email, Internet and social media in order to assess advisers' responsiveness, quality of advice and ability to listen. (Read more at escda.fr).

LDLC is renowned, not only for the depth of its catalogue, but also for the quality of its own brand products. In order to offer products of unbeatable value for money, LDLC markets a range of white label high-tech products including laptops, tablets, IT components and accessories.

Another strength is the LDLC custom assembly service, which offers the possibility of specialised configurations and customised machines built with customer-selected components. This unique, highly appreciated service is used extensively by gamers and contributes towards building the Group's pure player reputation.

LDLC is recognised on social media as a specialist. The Group boasts a huge community of fans, with around 4,300,000 social media fans and followers at 30 April 2021 (Facebook, Twitter, Instagram, etc.).

Backed by long-standing experience of store selling, the first store having been opened in Lyon in 1998 followed by a second store in Paris in 2006, the LDLC Group chose to capitalise on this experience and get closer to its customers in order to listen to and serve them better. The Group has chosen to develop a network of franchises in order to expand its field of action without incurring massive capital expenditure costs. Furthermore, franchising is perfectly in sync with the entrepreneurial spirit that pervades the Group.

One of the first steps was to define a concept in keeping with the fundamental drivers of the Group's success. Veritable showcases of technology, LDLC stores differ from standard stores by having a surface area of between 100 and 300 m^2. The store layout is structured around a consultation and demonstration area.

Customers can view over 2,000 of the 30,000 products found in the LDLC catalogue, which they can also consult via digital terminals installed in the shop. Each product category has its own space dedicated to current special offers and promotions.

Finally, a customer service and custom assembly unit is on hand to provide customers with a personalised, bespoke service. Focal points for meeting customers and sharing advice, these stores act as a window for the LDLC website "hyperstore", thus generating mutual synergies between the two sales channels.

The store interior was designed by a specialist firm tasked with creating a friendly and modern atmosphere.

A special team is responsible for recruiting franchisees.

The LDLC Group also excels in the quality of its logistics. The Group currently has three logistics centres located in Saint-Quentin-Fallavier, Nantes and Gennevilliers. These three centres, which cover 42,000 m^2 of warehouse space, are fully managed by Group employees and can handle up to 25,000 parcels per day.

In order to gain control of its entire value chain and thereby ensure quality of service for its customers, in 2005 the LDLC Group took the strategic option of creating its own logistics platform and developing its own proprietary IT system.

The Saint-Quentin-Fallavier complex in the Isère department (30 miles east of Lyon) includes logistics warehouses with a total surface area of 21,000 m^2. Facilities include a goods-in and storage unit with capacity for 5,000 pallets or 1.2 million products, an automated order picking chain, a shipment area served by 7 carrier firms selected according to customer profile, an assembly taskforce comprising 20 technicians able to configure equipment to the most stringent customer specifications, and a customer service department staffed by 15 technicians ready to resolve any issues arising from defective equipment. All in all, over 100 employees work around the clock to ensure that every Group customer receives their order on time and benefits from a service of truly exceptional quality. This platform also supplies the Group's branches and franchises.

The LDLC Group has signed an off-plan lease for a 28,000 m^2 warehouse to replace the current facility in Saint-Quentin-Fallavier. The new facility, which is designed to accommodate the growing business expected over the coming years, should start operating during the 2022/2023 financial year.

The Nantes facility has a surface area of 18,000 m^2. The Gennevilliers site covers 3,000 m^2 of fully automated warehouse space providing greater responsiveness in managing orders for the Paris region, in particular for *BtoB* clients.

5.1.3. An offering geared towards market trends

In view of the volatility of customer requirements and its market environment, the Group constantly adapts its technology offering and organises daily promotional offers and special operations reserved for subscribers to its newsletter. Given its position as the No. 1 French high-tech brand, the LDLC Group relies on quality of service rather than an aggressive pricing policy.

Accordingly, the LDLC Group was also one of the first market players to invest in the gaming and e-sports sectors. Since 2011 the Group has run its own e-sports team (former Team LDLC), which merged with the Olympique Lyonnais team in January 2020 to become LDLC OL.

In order to capitalise on its experience and expertise, the Group created LDLC Event, a communications agency specialising in e-sports.

In keeping with this innovative mindset, the LDLC Group was one of the very first players to install a virtual reality experience zone in its stores. At the beginning of 2020, the Group decided to take a quantum leap forward by investing in virtual reality and creating a brand named LDLC VR Studio, a studio that designs virtual reality video games. The Group is also developing a virtual reality facility In the Lyon region named LDLC VR EXPERIENCE, which opened on 9 June 2021.

The Group's unique experience has encouraged it to launch additional e-commerce websites such as L'Armoire de Bébé, which has already scored a resounding success with parents in search of fashionable childcare products, while Shop.Hardware.fr targets young consumers searching for attractively-priced components.

Launched in May 2015 by the LDLC Group, L'Armoire de Bébé enjoyed booming sales during the 2020/2021 financial year. Building on its innovative childcare concept and successful omnichannel offering (online boutique and two stores in Limonest and Orgeval), in April 2021 L'Armoire de Bébé opened a trailblazing 500 m² concept store in Epagny Metz-Tessy (French Alps) and a fourth store in Nîmes in May 2021.

Lastly, the Group set up a research and development department in 2017/2018 in order to design and bring to market innovative products with high sales potential within the scope of the Group's expertise. So far, two products have emerged from this innovation incubator, the SOLAARI lightsaber and the Nemeio customisable keyboard. The SOLAARI lightsaber received a warm reception with almost 500 units pre-ordered during the Kickstarter campaign. The product has been on sale since late 2019. The Nemeio customisable e-ink keyboard with screen obtained an award for innovation at the CES in Las Vegas in January 2019. These products' contribution to business volumes cannot yet be accurately assessed, but a first round of positive feedback positions them as strong candidates for driving Group growth.

In 2019/2020, the Group also launched two new keyboards: the LDLC SWL10, a wireless keyboard designed for office and multimedia use that is recharged by sunlight or artificial light, and the AZERTY+, the first ever AZERTY keyboard that complies with French standard NF Z71-300: the keyboard features an improved AZERTY layout that makes it easier to type French letters with accents.

5.2. MAIN MARKETS

5.2.1. LDLC Group target segments

The LDLC Group is first and foremost a pure player in the online/offline high-tech market: it sells computing and multimedia equipment (components, computers and devices, video, audio and telephone equipment, games and game consoles, consumables, connection systems, software) to individual consumers and professionals.

Building on its specialist positioning and high quality of service (advice, logistics and customer service), the LDLC Group had until recently opted not to host a marketplace, thus marking it out from other, more generalist, online retailers in France such as Amazon, Fnac-Darty and Cdiscount. However, in 2019 the Group launched a marketplace and plans to develop this business over the coming years in order to supplement the website catalogue of IT and high-tech products by offering a significantly broader selection of related products (IT, image & sound, telephone & car, games & leisure, connected devices and stationery) for which proprietary sourcing by the LDLC Group is not worthwhile.

With a medium-term target of listing more than 100,000 additional catalogue items, the new marketplace has enabled the LDLC Group to enrich its offering, attract new clients and generate additional BtoC revenues.

Since its inception, the Group's growth has been driven by the development of e-commerce and the IT equipment market and market share gains achieved thanks to its positioning as a pure player.

For a breakdown of LDLC Group revenues by business activity over the past two years, see Note 2.5 to the consolidated financial statements in Section 18.1 of this Universal Registration Document.

1. E-commerce, a growing market

NB: the data provided below is taken from the 2020 annual survey and 2020 France e-commerce report issued by FEVAD, the French e-commerce and distance selling federation, which constantly tracks economic developments in e-commerce markets on a standalone basis or in partnership with various institutions, including official national or sector-specific statistics offices, public opinion pollsters and professional federations. Some of the following market data was not updated by FEVAD as at 31 December 2019. In these cases we have left the previous data.

1.a. BtoC e-commerce, ongoing sustained growth

In 2020, the product and services e-commerce sector reached €112 billion, up 8.5% from 2019 thanks to brisk year-end sales. Growth was driven strongly by a 32% increase in product sales, which partly offset the 10% decline in services including a 41% decline in the transport, tourism and leisure sectors.

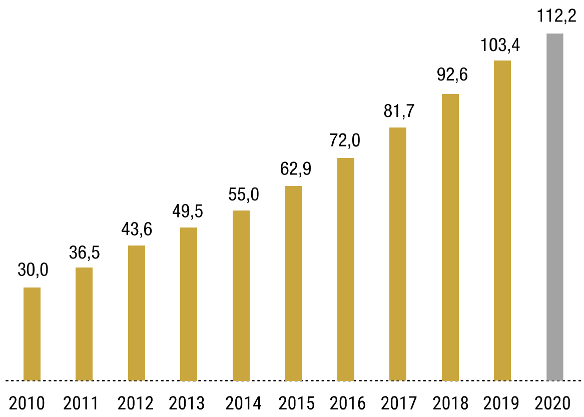
Over 1.84 billion transactions were recorded by e-commerce websites in 2020, up 5.8% from the previous year. The health crisis reversed the trend in average basket value, which climbed back over €60 after eight years of continuous decline.

Online BtoB sales continued to post double-digit year-on-year growth (10.7%) thanks to a sustained recovery in the second half (Q3: up 20.9%; Q4: up 26.6%) (source: iCE/FEVAD).

The online offering continues to expand, with over 180,000 e-commerce websites identified in Q4 2020, up 11% year-on-year. Most of these websites generate less than 100 transactions per month.

E-commerce revenues in France

(€bn)



From 2010 to 2020, online sales grew by an average of over 14% per year (source: FEVAD-iCE).

The health crisis led to an acceleration of online product sales. Both lockdowns resulted in unprecedented peaks in online product sales. Sales between these two periods remained high. The acceleration in sales was particularly marked in the fourth quarter. The closure of stores and "non-essential" services led to a sharp sales surge in November which carried over into December, despite the reopening of physical stores. Sales during the Christmas period (November-December) rose 23% versus 2019, while sales of products and services came to €25 billion.

Online sales enabled a large number of closed physical stores to maintain business activity. The increase in e-commerce also affected online sales via marketplaces, which were able to supply an outlet for a large number of SMEs and limit their revenue losses. On average, in 2020 marketplace sales rose 27%, i.e. twice as much as in 2019. Marketplaces still account for 15% of the total volume of FEVAD-iCE panel websites.

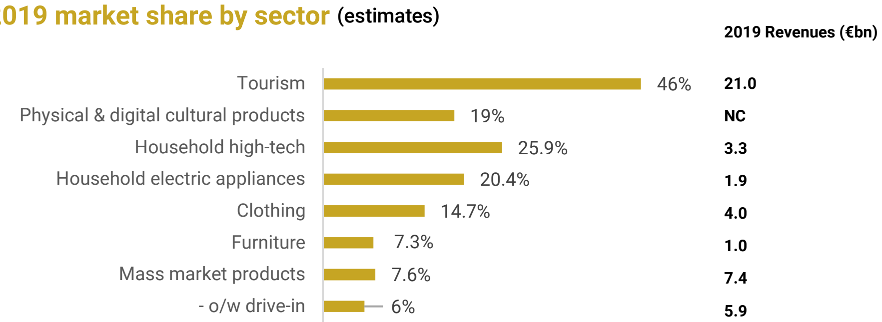
In Q1 2021, around 41 million French consumers (77% of Internet users) made at least one online purchase (source: Médiamétrie - quarterly e-commerce survey France) across all screens.

Sales via mobile terminals (smartphones and tablets) continued to grow in 2020 (up 5% versus 2019), even though this trend was curbed by the sharp decline in transport, travel & ticketing sales. The proportion of sales generated via smartphones continues to grow fast and accounted for 47% of iCM panel website revenues, up four percentage points year-on-year (source: FEVAD 2020 e-commerce report).

Since 2010, online sales of products and services have almost quadrupled from €30.0 billion to €112.2 billion. The e-commerce share of retail sales rose sharply in 2020 under the impact of the health crisis, increasing from 9.8% to 13.4%, up 3.6 percentage points over the course of a single year.

More specifically, in the "household high-tech" segment in which the LDLC Group is positioned, e-commerce sales had a 26% market share in 2018 generating revenues estimated at €3.2 billion (source: FEVAD estimate - 2019 key figures).

2019 market share by sector **(estimates)**



(source: Phocuswright/L'Echo Touristique, GfK (consumer panel for cultural products; retailer panel for household goods), IFM, Ipea (pure players only), Nielsen Homescan.).

Although 200,650 active e-commerce websites were registered in France in Q1 2020 (versus 82,000 in 2010), the sector remains concentrated according to FEVAD estimates, with 91.4% of e-commerce revenues generated via 7.1% of the websites. Accordingly, in 2019, 1.1% of French e-commerce websites generated revenues of over €10 million (73.6% of total revenues), 6.0% generated revenues of €1-10 million (17.8% of total revenues) and 92.9% generated revenues below €1 million (8.6% of total revenues) (source: FEVAD - 2020 e-commerce figures).

After a continuous eight-year decline, the average basket value crossed back over the €60 mark in 2020 (€59 in 2019). In 2020, the average consumer carried out 44 online transactions totalling more than €2,684 (2019: 43 transactions totalling €2,577) (source: FEVAD 2020 e-commerce report).

Online/offline synergies continue to develop at each stage of the purchase process, boosted by increasing use of mobile screens throughout the customer experience. On note: It is worth noting (source: FEVAD - 2019 key figures) that 56% of online shoppers possessing a smartphone use it to do research before buying a product or service from a store. Moreover, 80% of online retailers noted that their website has an impact on their stores: more visits to physical stores (79%), increase in physical store revenues (63%) and the enlargement of the catchment area (42%) (source: SME special online retailer profile, Oxatis/Ernst&Young - January 2019). 28% of online shoppers made further purchases while picking up their order from a collection point or store (source: FEVAD/CSA survey - January 2019).

In 2019, Europe accounted for 27% of global e-commerce revenues, posting e-commerce revenues estimated at €636 billion, up 14.2% versus 2018. The five largest consumers are, in descending order, the UK (€200 billion), France (€103 billion), Germany (€94 billion), Spain (€53 billion) and Italy (€32 billion) (source: E-commerce Europe / FEVAD - E-commerce key figures - 2020).

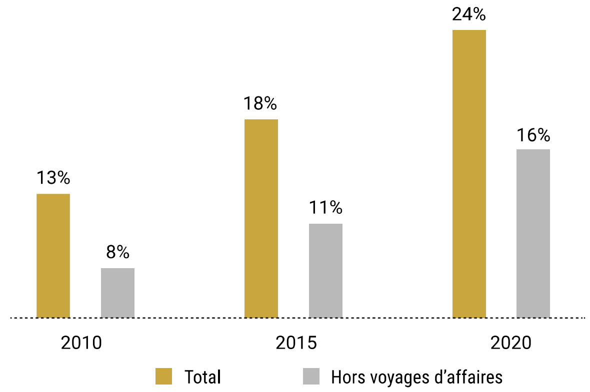
Another strong trend in the BtoC e-commerce sector is the growing importance of marketplaces. Business volumes sold via marketplaces account for 33% of the volumes of the hosting websites, up 14% compared to 2018 (source: iCE/FEVAD).

1.b. BtoB e-commerce, strong growth potential

The French BtoB e-commerce market was estimated by INSEE, the French national statistics office, at €460 billion in 2016, i.e. around 18% of total BtoB sales (11% excluding business travel), with considerable growth potential over the coming years. According to a recent INSEE survey, in 2015 revenues of €86 billion were generated via a single e-commerce website and €340 billion via a single EDI solution.

On the basis of estimates calculated by Next Content – Crédoc on behalf of FEVAD and the French economy and finance ministry's corporate department (DGE - Direction Générale des Entreprises), BtoB online purchases (in eight business sectors excluding telecommunications and pharmacies) made from a commercial website or digital solution could account for 24% of BtoB sales by 2020, representing growth of 32% over five years.

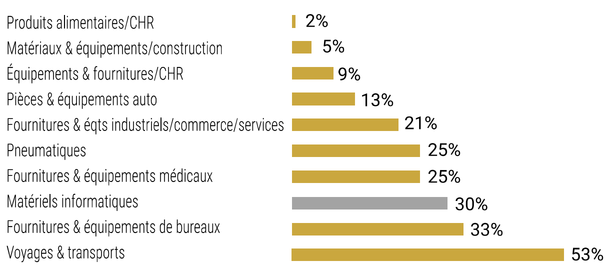
Growth of e-commerce share of BtoB sales



(source: Next Content 2016)

The "computer hardware" sector which concerns the LDLC Group and, more specifically, LDLC.pro, is the 3rd busiest sector with a 30% share of the market.

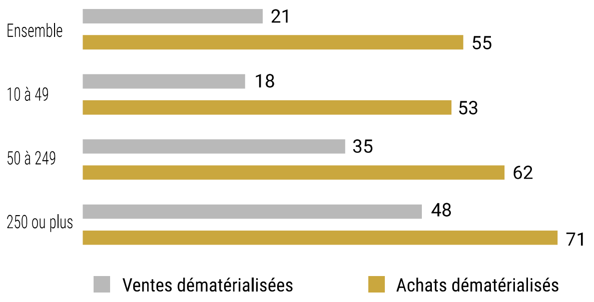
BtoB e-commerce sales by sector



(source: FEVAD/DGE survey October 2015).

According to INSEE, the French national statistics office, slightly over 20% of all French businesses make online purchases (via a website or EDI electronic data interchange system). The practice is more widespread among large companies, notably due to their use of EDI.

% of companies making online purchases or sales in 2015 by size (headcount)



(source: INSEE survey TIC 2016, 2015 data)

Conversely, 53% of companies with less than 50 employees carry out online purchases.

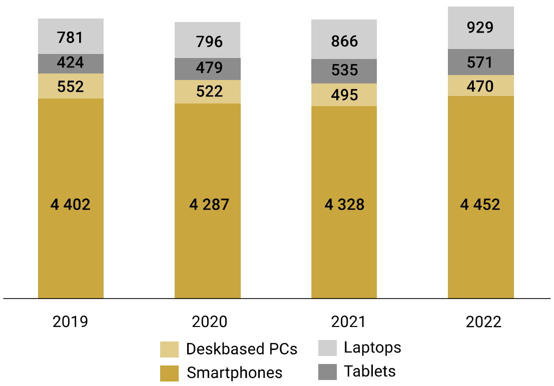
2. IT product market heavily impacted by the COVID-19 crisis in 2020, specifically due to increasing equipment purchases among individuals during lockdowns and companies switching to remote work

The technology market is primarily driven by i) innovation cycles, leading to the boom in smartphone sales for example, ii) household equipment levels, iii) frequency of equipment replacement or upgrading and iv) economic conditions, particularly trends in household incomes.

Global PC deliveries totalled 79.4 million units in Q4 2020, up 10.7% from Q4 2019, according to Gartner. PC deliveries totalled 275 million units in 2020, up 4.8% versus 2019 representing the strongest growth rate over the last ten years.

The global PC market experienced a boom towards the end of 2020, posting its third consecutive quarter of year-on-year growth despite persisting supply shortages due to the strong demand. The market was boosted by the trend towards remote working and increased use of PCs by households. Before 2020, consumers manifested a preference for smartphones, but the pandemic reversed this trend. PCs are once again considered as an essential device, as consumers, including young children, rely on them to work, study, socialise and entertain themselves at home.

Global devices installed base, 2019-2022 (in thousands of units)



(source: Gartner - April 2021).

In 2022, the global devices installed base is expected to reach 6.4 billion units, up 3.2% from 2021. While the transition to remote work has exacerbated the decline in desktop sales, it has boosted the use of tablets and laptops. In 2021, the number of laptops and tablets in use is expected to increase by 8.8% and 11.7% respectively, while the number of desktop PCs in use is expected to fall from 522 million in 2020 to 470 million in 2022, according to Gartner forecasts.

Users have restored their trust to the smartphone market. Although the number of smartphones in use fell 2.6% in 2020, the smartphone installed base is gradually returning to growth, up 1% in 2021.

5.2.2. Strategy

For several years, the LDLC Group has pursued a specialist multi-brand, multi-channel retailer strategy currently targeted at both BtoC and BtoB markets. The Group's growth has been marked by a number of key milestones: the creation of a store chain (brand stores and franchises), developing the BtoB offering (launch of LDLC.pro website in 2015) and increasing market share through acquisitions including main competitor Materiel.net, the Olys group (a Premium Apple Reseller) and, in April 2020, the TopAchat business.

As a result, the LDLC Group now has a comprehensive offering spanning a number of market segments, backed by business expertise and a logistics system allowing the Group to deliver premium customer service coupled with strong financial performance.

In the online BtoC segment, LDLC.com, Materiel.net, shop.Hardware.com and TopAchat are expected to continue to increase both market share and revenues thanks to their reputation, specialist status and distinct but complementary positioning.

The Group continues to invest in growth drivers including:

1/ the deployment of a chain of stores generating steady growth in revenues as new brand stores and franchises are opened;

2/ the BtoB market buoyed by favourable underlying trends (upgrading of company computer equipment, new products, development of e-commerce purchasing);

3/ development of additional related businesses: L'Armoire de Bébé, Anikop, innovative products with high market potential developed by the R&D unit (such as the Nemeio customisable e-ink keyboard recognised for innovation at CES Las Vegas in January 2019);

4/ gradual roll-out of a marketplace offering products for which proprietary sourcing is not worthwhile.

For further information, see Sections 7.6 and 7.7 of this Universal Registration Document regarding material events in the Company's business development.

Group strategy with regard to non-financial matters is covered in Section 22 of this document.

5.3. COMPETITIVE POSITIONING IN FRANCE

The LDLC Group's competitors include both generalist chains, in particular large retail chains, specialised chains such as Fnac-Darty, Boulanger, But and Cultura, via a network of sales outlets backed in certain cases by a website, and online pure players including generalist players (Amazon, Cdiscount, Rue Du Commerce) and specialists (e.g. Grosbill). One of the major strengths possessed by specialist chains and, especially, online pure players, lies in the depth of the product ranges they offer, together with the related advice and services they provide (home delivery, customer service, etc.).

Since its inception, the LDLC Group has pursued a constant strategy based on a positioning as a high-tech specialist, thereby maintaining a clear identity associated with quality products and services. This firm positioning allows the Group to apply a less aggressive pricing policy than some of its competitors, in particular players such as Amazon and Cdiscount, whose highly aggressive pricing policies are incompatible with the controlled development targeted by the LDLC Group.

In a concentrating market that has undergone major changes in the past few years (M&As, disappearance of players, etc.), the LDLC Group has demonstrated a clear interest in gathering other companies under its umbrella, a policy illustrated by its early 2016 takeover of Materiel.net, one of its main competitors with a very similar positioning.

Main sector business combinations in France:

- In 2013, Darty acquired MisterGoodDeal, a specialist in online retail of household appliances.
- In 2014, German holding company Mutarès acquired Pixmania, placed under court-ordered rehabilitation a few months later then purchased by Ventes du Diable.
- In 2016, four major transactions were completed:
  - Mutarès also acquired Grosbill, previously a member of the Auchan group.
  - Rue du Commerce, previously owned by property developer Altarea, was acquired by the Carrefour group. The acquisition of Rue du Commerce also brought TopAchat, its subsidiary since 2009, under Carrefour's wing.
  - Merger between Fnac and Darty, two major players in the specialist retail sector.
  - Acquisition of Materiel.net by the LDLC Group. This acquisition strengthened the Group's leadership in the online high-tech sector and raised Group revenues to around €500 million, placing it among the top 15 French companies.
- In 2017, the LDLC Group acquired the Olys group. Ceconomy acquired the shares held by Artemis (Pinault family holding company) in Fnac-Darty representing 24.3% of the share capital.
- In 2018, French insurance broker SFAM purchased an equity stake of over 11% in Fnac-Darty. Cybertek won the court proceedings for the takeover of Grosbill.
- In 2020, Carrefour sold Rue du Commerce to Shopinvest at the time the LDLC Group acquired the business assets of TopAchat.

(Sources: company press releases)

5.4. CAPITAL EXPENDITURE

5.4.1. Main capital expenditure over the last three years

€000	2020/2021	Anikop & I-Artificielle acquisitions (ch. in conso. scope)	2019/2020	LDLC VR Studio & Avitech acquisitions (ch. in conso. scope)	2018/2019
Intangible assets	5,536	644	2,494	411	4,383
Net goodwill	*644*	*644*	*324*	*324*	*0*
Concessions, patents and licences	*417*		*1,407*	*50*	*2,461*
TopAchat trademark	*4,069*				
Leasehold rights			*70*	*0*	*50*
Other intangible assets			*37*	*37*	*0*
Intangible assets in progress	*407*		*656*	*0*	*1,871*
Property, plant and equipment	2,468		3,401	1,469	6,781
Fixtures and fittings	*729*		*1,983*	*1,144*	*3,195*
Equipment	*63*		*198*	*143*	*163*
Vehicles and delivery equipment	*3*		*7*	*0*	*97*
Office equipment and furniture	*517*		*929*	*180*	*1,692*
PP&E in progress	*1,157*		*283*	*0*	*1,634*
Total acquisitions of intangible assets and PP&E	**8,005**	**644**	**5,895**	**1,880**	**11,163**
Expenditure amounts covered by detailed notes below	6,734	644	4,747	1,880	9,391
% of total acquisition amount covered by notes	84%	100%	81%	100%	84%

For the year ended 31 March 2021, the acquisitions of additional shares in Anikop and I-Artificielle generated goodwill of €620,000 and €24,000 respectively.

The acquisition of the TopAchat business on 10 April 2020 accounted for €4,069,000 of intangible assets acquired in the year ended 31 March 2021, representing 73% of newly acquired intangible assets.

In addition, the change in payroll and accounting software represented new intangible asset expenditure of €259,000 in the year ended 31 March 2021. During the year ended 31 March 2021, the Group continued to work on research and development projects totalling €394,000, representing 97% of acquisitions of intangible assets in progress at 31 March 2021.

Acquisitions of property, plant and equipment in progress at 31 March 2021 mainly relate to the repurposing and refurbishment of LDLC VR Studio premises at a cost of €585,000. Capital expenditure on installation and fit-out work at three new L'Armoire de Bébé stores totalled €784,000 and accounted for 32% of expenditure on PP&E acquired during the year ended 31 March 2021. These works are being carried out on two stores due to open during the next financial year and are therefore recorded under property, plant and equipment in progress for an amount of €357,000.

For the year ended 31 March 2020, the acquisitions of LDLC VR Studio and Avitech generated goodwill of €89,000 and €236,000 respectively. This was supplemented by investments in intangible assets totalling €87,000, including €40,000 in respect of LDLC VR Studio and €47,000 in respect of Avitech.

Investments in property, plant and equipment relating to changes in consolidation scope totalled €1,469,000, including €1,134,000 in respect of LDLC VR Studio and €335,000 in respect of Avitech.

Acquisitions of intangible assets recognised at 31 March 2020 mainly consisted of capitalised in-house IT project development (€943,000) and R&D project costs (€986,000), which accounted for 78% of new investments in intangible assets during the year. As at 31 March 2020, 60% of acquisitions related to R&D projects were capitalised as intangible assets in progress.

Acquisitions of property, plant and equipment during the year ended 31 March 2020 mainly corresponded to fit-out works carried out at:
- the premises located at Grandchamps-des-Fontaines (€296,000);
- MyMultimedia and Mac & Co Digital stores (€378,000);
- the new premises occupied by the entire workforce of LDLC Event (€265,000).

The main investments in intangible assets made during the financial year ended 31 March 2019 came from in-house IT development and R&D projects, amounting to €2,934,000 and €1,059,000 respectively, which together accounted for 91% of new intangible asset expenditure over the period.

The financial year ended 31 March 2019 was marked by the first physical operation set up outside France, with the opening of two stores in Barcelona and Madrid (Spain). Investments were made for a total of €1,437,000, including €165,000 in intangible assets (primarily the translation of the website into Spanish) and €1,272,000 in physical assets for the fit-out of the two new stores. As previously announced, following the Group's decision to discontinue the store business in Spain, the assets belonging to the Barcelona store were scrapped on 31 March 2020. As Groupe LDLC España was still the lessee of the Madrid store at 31 March 2020, the investments in this store were written down. At 31 March 2021, the cessation of Groupe LDLC España operations led to the derecognition of all investments made in the Madrid store.

During the year ended 31 March 2019, fit-out works were carried out at:
- the first physical store specialising in childcare products (€410,000);
- three new high-tech brand stores, two of which are attached to Olys, for a total of €791,000.

5.4.2. Main capital expenditure planned

In 2021/2022, the Group also plans to open new brand stores covering all Group brands and maintain the existing chain at a total cost of around €3 million.

As stated during the previous financial year, the Group also plans to expand its logistics facilities through an investment of €4-5 million by the end of the 2022/2023 financial year.

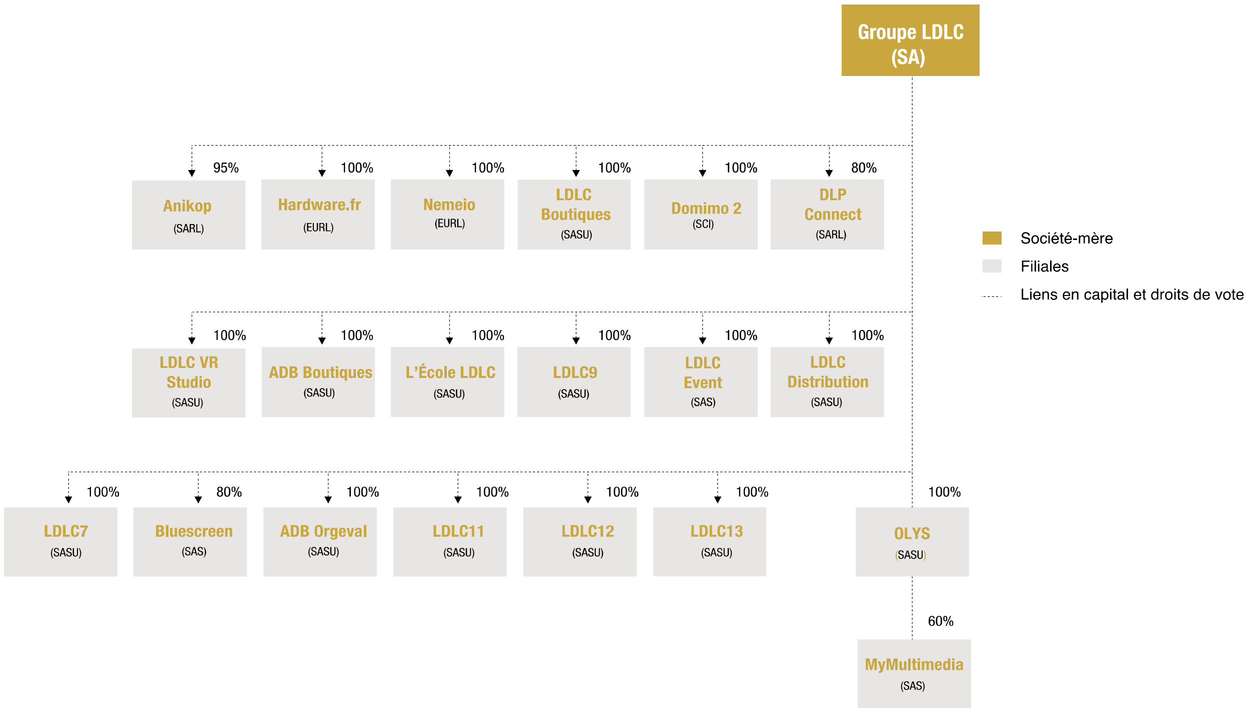
Lastly, next year the Group plans to invest around €1 million in in-house projects, including research and development and IT projects.

Section 8.5 of this Universal Registration Document sets out the financing arrangements for the main capital expenditure items outlined above.

Chapter 6. ORGANISATIONAL STRUCTURE

6.1. ORGANISATIONAL CHART AT 31 MARCH 2021

The following organisational chart shows the Company and all of its subsidiaries as defined by Article L.233-1 of the French Commercial Code at 31 March 2021.



6.2. LIST OF MAIN COMPANY SUBSIDIARIES

See Note 2.3 to the consolidated financial statements (Section 18.1 of this Universal Registration Document) setting out the Group consolidation scope.

All of the Company's subsidiaries have their registered office in France, except for Groupe LDLC España S.L, which is registered in Madrid.

As mentioned earlier, the Company has announced the discontinuation of physical operations for Groupe LDLC España S.L. in Spain and the closure of the two LDLC stores located in Madrid and Barcelona. Groupe LDLC España S.L. was wound up on 17 February 2021 (Notes 2.1, 3.4 and 3.12).

6.3. SIGNIFICANT EQUITY INVESTMENTS AND TAKEOVERS

In accordance with Articles L.233-6, paragraph 1 and L.247-1, I-1 of the French Commercial Code, we hereby inform you that, during the year ended, the Company acquired no equity interests in companies with registered offices in France representing more than one twentieth, one tenth, one fifth, one third, half or two-thirds of the share capital or voting rights of such companies and did not acquire controlling interests in any such companies.

No material changes were made with regard to equity interests held by the Company during the year ended 31 March 2021 apart from the transactions presented below:

- on 30 June 2020, the Company acquired further equity interests in Anikop, increasing its stake in the subsidiary from 80% of share capital and voting rights at 31 March 2020 to 95% of share capital and voting rights at 31 March 2021;
- on 30 July 2020, Mac & Co Digital was merged by absorption into Olys under the procedure provided for by Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, in particular the provisions of Article L.236-11 of the Code on the "simplified" merger procedure, given that Olys held all of the share capital and voting rights of Mac & Co Digital;
- on 31 July 2020, Company subsidiary LDLC Event carried out a capital increase via the issuance of 304 new ordinary shares, thereby decreasing the Company's stake from 70% at 31 March 2020 to 69% at 31 March 2021;
- on 30 September 2020, LDLC Bordeaux, LDLC Villefranche, LDLC Cormeilles, LDLC Lille V2, LDLC Lyon 7 and Avitech were merged by absorption into LDLC Boutiques (former LDLC Villeurbanne) under the procedure provided for by Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, in particular the provisions of Article L.236-11 of the Code on the "simplified" merger procedure, given that all of the share capital and voting rights of these companies was held by a single parent company (the Company);
- on 30 September 2020, Olys acquired further equity interests in I-Artificielle, increasing its stake in the subsidiary from 60% of share capital and voting rights at 31 March 2020 to 100% of share capital and voting rights at 31 March 2021;
- on 31 December 2020, I-Artificielle was merged by absorption into Olys under the procedure provided for by Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, in particular the provisions of Article L.236-11 of the Code on the "simplified" merger procedure, given that Olys held all of the share capital and voting rights of I-Artificielle;
- on 5 February 2021, the Company acquired further equity interests in Domimo 2 and Domimo 3, increasing its stake in these subsidiaries from 99.99% of share capital and voting rights at 31 March 2020 to 100% of share capital and voting rights at 31 March 2021;
- on 17 February 2021, Groupe LDLC España S.L. was wound up in accordance with the applicable provisions of Spanish law;
- on 16 March 2021, Campus 2017 and Domimo 3 transferred all their assets and liabilities to the parent company (the Company), in accordance with the procedure set out in Article 1844-5, paragraph 3 of the French Civil Code.

Furthermore, we hereby inform you that the Company acquired no controlling interests as defined by Article L.233-3 of the French Commercial Code and sold no equity investments to a third party outside the Group during the year ended 31 March 2021. However, on 30 June 2021 the Company acquired the entire share capital and voting rights of F-LOC, a French simplified joint-stock company with share capital of €100,000 whose registered office is located at 62 chemin du Moulin Carron, Dardilly (69570), registered in the Lyon Trade and Companies Register under the single identification number 838 651 594. For further information, see Section 17.2 of this Universal Registration Document.

Since 31 March 2021 the Group has carried out the following operations in order to streamline its legal structure:

- on 29 June 2021, Hardware.fr transferred all its assets and liabilities to the parent company (the Company), in accordance with the procedure set out in Article 1844-5, paragraph 3 of the French Civil Code;
- on 30 June 2021, ADB Orgeval was merged by absorption into ADB Boutiques (former ADB Limonest) under the procedure provided for by Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, in particular the provisions of Article L.236-11 of the Code on the "simplified" merger procedure, given that all of the share capital and voting rights of these companies were held by a single parent company (the Company).

The relevant statutory and regulatory filings and public notices have been or will be completed in respect of these transactions.

6.4. LIST OF EXISTING BRANCHES

In accordance with Article L.232-1 II of the French Commercial Code, a list of Company branches existing as at the registration date of this Universal Registration Document is presented below:

Address	Town/city	Address	Town/city
22 rue de la Gare	Lyon 9 (69)	rue Olivier de Serres	Grandchamps-des-Fontaines (44)
24 rue de la Gare	Lyon 9 (69)	724 avenue du Club Hippique	Aix-en-Provence (13)
20 rue du Ruisseau	Saint-Quentin-Fallavier (38)	18 rue Edison	Montgermont (35)
Boulevard de Satolas	Saint-Quentin-Fallavier (38)	100 rue Lucien Faure	Bordeaux (33)
12-14 rue de l'Eglise	Paris 15 (75)	11 C route de Brumath	Vendenheim (67)
42 avenue Général de Croutte	Toulouse (31)	281 route d'Espagne	Toulouse (31)
47 route principale du Port	Gennevilliers (92)	4 avenue Général de Croutte	Chelles (77)
31 rue du Pont aux Pins	Montlhéry (91)	150 allée des Frênes	Limonest (69)
9 rue des Moissons	Marquette-Lez-Lille (59)	3/14/17 rue de Bruxelles and 3 rue de la Haye	Saint-Quentin-Fallavier (38)
188 B route de Rennes	Nantes (44)	Chemin Jean-Marie Vianney	Ecully (69)

CHAPTER 7. ANALYSIS OF FINANCIAL POSITION AND EARNINGS

Definitions and alternative performance indicators:

Definition of net cash/(debt)

Net cash/(debt) equals gross cash and cash equivalents less gross borrowings.

Definition of gross margin as a % of revenues

This definition is provided in Section 7.1.1.1 of this Universal Registration Document.

Definition of EBIT margin as a % of revenues

This definition is provided in Section 7.1.1.1 of this Universal Registration Document.

Group non-financial performance indicators are set out in Chapter 22 of this Universal Registration Document (see in particular pages 219, 222, 224, 226, 227, 229, 231, 233, 234 and 235).

Definition of EBITDA

EBITDA equals EBIT plus net depreciation, amortisation and provision allowances included in EBIT.

Definition of underlying EBIT

Underlying EBIT corresponds to EBIT or net operating income/(expense).

7.1. ANALYSIS OF GROUP FINANCIAL POSITION

The published financial information presented below is taken from the consolidated financial statements for the years ended 31 March 2019, 31 March 2020 and 31 March 2021, which were prepared in accordance with French statutory and regulatory provisions as set out in CRC (French Accounting Regulatory Committee) Regulation 99-02 on the consolidated financial statements of commercial companies, which are of mandatory application at the present date.

The financial data presented below should be read in conjunction with the consolidated financial statements for the years ended 31 March 2020 and 31 March 2021, as featured in Section 18.1 of this Universal Registration Document.

7.1.1. Presentation of the Group consolidated financial statements for the last three financial years

7.1.1.1. Key figures - Group income statement

€000	2020/2021	2019/2020	2018/2019 Restated *
Revenues	724,065	493,396	507,494
Gross margin	162,851	95,112	86,074
Gross margin - % of revenues (1)	22.49%	19.3%	17%
EBIT (2)	62,686	6,643	(5,543)
EBIT margin - % of revenues (3)	8.7%	1.3%	(1.1%)
Earnings of consolidated companies before non-recurring items	62,310	5,681	(7,603)
Net income of consolidated companies	42,213	8,308	(4,820)
Consolidated net income/(loss)	42,213	8,308	(4,820)
Earnings per share (€)	6.68	1.31	(0.76)
Diluted earnings per share (€)	6.68	1.31	(0.76)
EBE (4)	70,002	15,747	1,848

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the year ended 31 March 2019 was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

(1) *Gross margin divided by revenues.*

(2) *Net operating income/(expense) or EBIT equals total operating income less total operating expenses.*

(3) *EBIT divided by revenues.*

(4) *EBITDA equals EBIT plus net depreciation, amortisation and provision allowances deducted from EBIT (see Note 2.5 to the consolidated financial statements for the years ended 31 March 2020 and 31 March 2021).*

7.1.1.2. Key figures - Group balance sheet

€000	31/03/2021	31/03/2020	31/03/2019 Restated *
Non-current assets	69,595	69,026	101,820
Current assets	209,637	126,299	128,315
Shareholders' equity	101,594	62,457	54,287
Provisions	5,226	5,097	4,160
Total liabilities	172,412	127,771	171,687
Loans and borrowings	*19,978*	*28,435*	*78,797*
Cash and cash equivalents	*51,260*	*19,859*	*18,531*
Net cash/(debt)	31,283	(8,576)	(60,266)

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the year ended 31 March 2019 was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

The sharp increase in Group revenues and earnings in FY 2020/2021 explains the significant increases in current assets, shareholders' equity and liabilities. The Group successfully leveraged its positioning as a specialist omnichannel retailer (physical stores, BtoB and BtoC online) to deliver a record performance.

As a result of its financial performance for the year ended, the Group posted a cash surplus of €31.3 million at 31 March 2021.

The significant change in non-current assets and borrowings at 31 March 2020 was mainly due to the termination of the finance lease on the head office premises and the completion of the sale of the building complexes located at Grandchamps-des-Fontaines and Nantes and held by the Domimo 2 and Domimo 3 real estate holding companies.

7.1.1.3. Key figures - Group cash flow statement

€000	2020/2021	2019/2020	2018/2019 Restated *
Gross operating cash flow before tax	69,898	11,365	462
Change in working capital	1,946	7,476	2,564
Net cash flow from operating activities	51,002	12,421	3,286
Net cash flow from investing activities	(8,068)	20,172	(11,491)
Net cash flow from financing activities	(11,250)	(31,172)	(5,009)
Net cash/(debt)	31,283	(8,576)	(60,266)

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the year ended 31 March 2019 was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

The sharp increase in net cash and cash equivalents at 31 March 2021 is mainly due to significant increases in revenues and EBITDA margin.

The significant change in cash at 31 March 2020 was mainly due to the sale of the Group head office acquired in 2017 under a finance lease contracted by Campus 2017 and the completion of the sale of the building complexes located in Grandchamps-des-Fontaines and Nantes formerly held by the Domimo 2 and Domimo 3 real estate holding companies.

Changes in cash and cash flow are covered by Section 8.2 of this Universal Registration Document.

7.1.1.4. Group revenues

The following table shows a breakdown of Group revenues by region:

€000	2020/2021	2019/2020	Change FY 20/21 vs FY 19/20		2018/2019	Change FY 19/20 vs FY 18/19	
			€000	%		€000	%
Sales of goods - France	618,134	414,963	203,171	49.0%	426,745	(11,782)	(2.8%)
Sales of goods - Export	74,337	53,921	20,416	37.9%	57,762	(3,841)	(6.6%)
Total sales of goods	**692,471**	**468,884**	**223,586**	**47.7%**	**484,507**	**(15,622)**	**(3.2%)**
Provision of services - France	25,544	19,726	5,818	29.5%	18,283	1,443	7.9%
Provision of services - Export	6,050	4,786	1,264	26.4%	4,704	82	1.7%
Total provision of services	**31,594**	**24,512**	**7,082**	**28.9%**	**22,987**	**1,525**	**6.6%**
Total net revenues	**724,065**	**493,396**	**230,669**	**46.8%**	**507,494**	**(14,097)**	**(2.8%)**

Group revenues for the year ended 31 March 2021 amounted to €724.1 million, compared to €493.4 million for the year ended 31 March 2020 and €507.5 million for the year ended 31 March 2019.

2020/2021 was a year of robust top-line growth with revenues up 46.8% year-on-year. This record achievement reflects strong growth in the BtoC online business since the start of the financial year, the contribution of TopAchat, acquired in April 2020, and positive performances in the LDLC store and BtoB businesses since the end of the first lockdown.

BtoC full-year revenues came to €526.2 million, up 62.6% (up 30% at constant consolidation scope) from €323.6 million the previous year. LDLC store chain revenues (57 LDLC stores in France at 31 March 2021) rose 25.8% to €86.3 million.

Boosted by a strong recovery since Q2 2020/2021 (third quarter of the calendar year), BtoB revenues for the year ended 31 March 2021 amounted to €185.9 million, up 14.6% from the previous year.

Other businesses posted total full-year revenues of €12.0 million, up 59.6% from €7.5 million the previous year mainly driven by brisk sales at L'Armoire de Bébé. The childcare brand posted full-year revenues of €7.8 million, up 150% driven by the surge in online sales and the June 2020 opening of a second store in the Paris region.

The 2019/2020 financial year was particularly intense for the Group owing to a number of strategic projects essential for the Group's future (see Section 10.1 of the 2019/2020 Universal Registration Document).

As previously announced, in Q4 2018/2019 the Group discontinued the Maginéa business which accounted for revenues of €2.2 million in FY 2018/2019.

For the year ended 31 March 2020, BtoC business generated revenues of €323.5 million versus €335.9 million the previous year. Q1 2019/2020 revenues were curbed by the impact of the strategic repositioning of the Materiel.net offering, whereby the Materiel.net product mix was significantly reshuffled in order to reduce the emphasis on products contributing little to gross margin. This strategic decision had a temporary impact on revenues for the period.

Excluding Materiel.net, BtoC revenues rose 2.7% in 2019/2020 versus the previous year. LDLC store chain revenues rose sharply by 11.2% to €66.7 million.

Other businesses (excluding Maginéa) posted total revenues of €7.5 million for the year ended 31 March 2020, up from €7.1 million the previous year driven by brisk sales of L'Armoire de Bébé childcare products.

The BtoB business posted revenues of €162.3 million, similar to the previous year. This segment, which generated 3.5% growth over the first nine months, was strongly impacted by the general slowdown in business recorded after the introduction of lockdown measures in France on 17 March 2020.

As a reminder, BtoB revenues crossed the symbolic €500 million mark in FY 2018/2019. The Olys group acquired in 2017/2018 contributed €65.1 million to revenues for the year.

Revenues are mostly generated by sales of goods, which accounted for around 95% of total Group revenues for the year ended 31 March 2021 and the two previous financial years.

COVID-19 health crisis

All Group business lines were boosted by the new consumer habits that have emerged during the health crisis, fuelling both e-commerce and local services.

The record performance achieved in FY 2020/2021 reflects strong and sustained demand for high-tech products among individual consumers and businesses alike and vindicates the merits of the omnichannel retail model developed by the Group.

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 BtoC online - and the pertinence of its market positioning.

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.

Seasonal factors

Group business is strongly impacted by seasonal factors, including a significant increase in store shopping and online purchasing towards the end of the year with Black Friday in late November followed by the lead-up to the Christmas period.

The Group posted Q3 2020/2021 revenues of €227.8 million accounting for 31% of full-year consolidated revenues, up 51.3% (including 27.1% at constant consolidation scope) versus Q3 2019/2020.

In 2019/2020, the Group generated 31% of full-year consolidated revenues during the third quarter, up 3.3% from Q3 2018/2019.

Q3 2018/2019 revenues totalled €145.8 million and accounted for 29% of full-year revenues.

Changes in exchange rates

The Group is exposed to currency risk, mainly relating to the US dollar. The Group uses foreign exchange futures or adjusts its sales prices in order to counteract volatility in the dollar (see Note 2.4.1.1 to the consolidated financial statements for the year ended 31 March 2021).

At 31 March 2021, there were no foreign exchange futures contracts outstanding.

Number of stores

The following table shows changes in the number of stores over the period:

Number of stores/collection points per retail chain	2021			2020			2019		
	Brand stores	Franchises	Total	Brand stores	Franchises	Total	Brand stores	Franchises	Total
France									
LDLC	9	46	**55**	9	40	**49**	8	32	**40**
Materiel.net	9	0	**9**	9	0	**9**	9	0	**9**
BIMP	16	0	**16**	16	0	**16**	18	0	**18**
LDLC-BIMP	2	0	**2**	2	0	**2**	0	0	**0**
L'Armoire de Bébé	2	0	**2**	1	0	**1**	1	0	**1**
Sub-total	**38**	**46**	**84**	**37**	**40**	**77**	**36**	**32**	**68**
Spain									
LDLC	0	0	**0**	0	0	**0**	2	0	**2**
Total	**38**	**46**	**84**	**37**	**40**	**77**	**38**	**32**	**70**

During the year ended 31 March 2021, the LDLC Group opened seven franchises and removed one store from the store chain.

L'Armoire de Bébé opened a new brand store in June 2020.

During the year ended 31 March 2020, the Group took over one LDLC franchise and opened a further eight franchise stores.

During the previous year, the Group established its first physical operation outside France by opening two LDLC brand stores in Spain. In 2020, the Group closed its two Spanish stores in Madrid and Barcelona following the cessation of physical operations in the country (see Notes 3.4, 3.12 and 4.5 to the 2019/2020 consolidated financial statements).

In the Olys business unit, two former BIMP stores have operated under the dual brand of LDLC-BIMP since FY 2019/2020.

The LDLC Group opened one LDLC brand store and 10 franchises in France during the year ended 31 March 2019.

The same year was marked by the closure of three BIMP brand stores and the opening of two Olys stores.

The brand stores' results are consolidated in the Group financial statements. The Group analyses developments in its revenues over a given period taking into account its entire store park.

Regarding the franchises, the sale of goods to franchisees is included in Group revenues from sale of goods, while the fee based on revenues generated by the franchises from sales to their customers is included in Group service revenues.

7.2. ANALYSIS OF EBIT AND NET INCOME

7.2.1. Analysis of EBIT

€000	2020/2021	(% of revenues)	2019/2020	(% of revenues)	2018/2019 Restated*	(% of revenues)
Total net revenues	**724,065**	**100%**	**493,396**	**100%**	**507,494**	**100%**
Other operating income	620	0.1%	341	0.1%	382	0.1%
Cost of goods sold	(561,834)	(77.6%)	(398,626)	(80.8%)	(421,801)	(83.1%)
Gross margin	**162,851**	**22.5%**	**95,112**	**19.3%**	**86,074**	**17%**
Other purchases and external costs	(32,568)	(4.5%)	(27,409)	(5.6%)	(29,845)	(5.9%)
Miscellaneous taxes	(3,563)	(0.5%)	(2,841)	(0.6%)	(3,395)	(0.7%)
Staff costs	(55,102)	(7.6%)	(48,091)	(9.7%)	(50,334)	(9.9%)
Net depreciation, amortisation and provisions	(7,315)	(1.0%)	(9,104)	(1.8%)	(7,390)	(1.5%)
Other income and expenses	(1,616)	(0.2%)	(1,024)	(0.2%)	(653)	(0.1%)
EBIT	**62,686**	**8.7%**	**6,643**	**1.3%**	**(5,543)**	**(1.1%)**

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the year ended 31 March 2019 was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2020/2021 consolidated financial statements.*

Group EBIT for the year ended 31 March 2021 came to €62,686,000 or 8.7% of full-year consolidated revenues, compared to €6,643,000 or 1.3% for the year ended 31 March 2020 and a €5,543,000 EBIT loss (1.1%) for the year ended 31 March 2019.

This robust EBIT growth is in line with the €230.7 million increase in 2020/2021 consolidated revenues versus the previous year.

Boosted by the strategic repositioning of the Group's brands, gross margin increased 71% to €162.9 million for the year ended 31 March 2021.

This substantial increase reflects growth in business as well as a structural hike in the gross margin rate. The atypical market environment marked by a shortage of certain high-tech products accounted for around one percentage point of the margin rate increase. As a result, the gross margin rate rose 3.2 percentage points to 22.5% for the year ended 31 March 2021.

The sharp increase in the Group EBITDA margin can therefore be attributed to the increase in the gross margin and consequent reduction in the weighting of other operating expenses. The Group successfully leveraged its positioning as a specialist omnichannel retailer (physical stores, BtoB and BtoC online) to deliver a record performance.

The increase in staff costs for the year ended 31 March 2021 is mainly due to the sharp increase in employee profit-sharing and related social security charges, which amounted to €4,841,000 for the year ended 31 March 2021 compared to €934,000 the previous year.

EBIT growth was robust despite the €14.1 million decline in 2019/2020 consolidated revenues versus the previous year. Boosted by the strategic repositioning of Group brands, the gross margin rate rose 2.3 percentage points to 19.3% in 2019/2020. The significant improvement in EBIT was due to gross margin growth combined with cost optimisation measures linked to synergies.

The €2,243,000 decrease in 2019/2020 staff costs was due to workforce reductions during the year.

The increase in depreciation and amortisation charges was mainly due to the capitalisation of in-house project costs, which accounted for an increase of around €1 million in 2019/2020.

The EBIT loss recorded in 2018/2019 was mainly due to a significant increase in staff costs. In 2018/2019, the Group conducted a number of projects designed to generate growth and value in the future, including the implementation of logistics synergies with Materiel.net, the integration of the Olys group acquired in January 2018, the upgrading of IT systems and development of new platforms for the Materiel.net and LDLC.com websites. Major additional internal and external resources were injected into these projects.

7.2.2. Net financial income/(expense)

€000	2020/2021	2019/2020	2018/2019 Restated *
Interest on borrowings	(401)	(968)	(1,653)
Bank interest, current account charges and financing commissions	(37)	(258)	(181)
Net cost of debt	**(439)**	**(1,226)**	**(1,834)**
Net (charges)/write-backs of provisions for impairment of financial assets	(11)	248	(286)
Other financial income	78	36	87
Other financial expenses	(5)	(21)	(26)
Net financial income/(expense)	**(376)**	**(962)**	**(2,060)**

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the year ended 31 March 2019 was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2020/2021 consolidated financial statements.*

The Group posted a net financial expense of €376,000 for FY 2020/2021, compared to €962,000 the previous year and €2,060,000 the year before that.

The €567,000 decrease in interest on borrowings for the year ended 31 March 2021 is mainly due to loan prepayments made in December 2019 and September 2020 (see Note 3.13 to the 2020/2021 consolidated financial statements).

The sustained growth in all Group business lines and the profits generated in the 2020/2021 financial year generated cash flow, which explains the reduction in bank interest.

Interest on borrowings paid in 2019/2020 totalled €968,000 and consisted of:
- €263,000 cost of the €23 million loan used to partly finance the Materiel.net acquisition, versus €474,000 in 2018/2019;
- €221,000 cost of the €15.3 million loans used to finance the olys acquisition, versus €323,000 in 2018/2019;
- €251,000 cost of the revolving credit facility, versus €310,000 in 2018/2019;
- €84,000 cost of the loan related to the capitalisation of the head office, versus €349,000 in 2018/2019.

The €248,000 provision for impairment of financial assets recognised at 31 March 2019 in relation to treasury shares purchased for the purposes of a bonus share plan was fully written back at 31 March 2020.

7.2.3. Non-recurring income/(expense)

€000	2020/2021	2019/2020	2018/2019 Restated*
Non-recurring income	551	45,551	381
Non-recurring expenses	(590)	(35,062)	(437)
Non-recurring income/(expense)	(39)	10,489	(56)

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the year ended 31 March 2019 was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

For the year ended 31 March 2021, the Group posted net non-recurring operating expenses of €39,000, compared to net non-recurring income of €10,489,000 in 2019/2020 and net non-recurring operating expenses of €56,000 in 2018/2019.

Non-recurring items for the year ended 31 March 2021 mainly comprised:
- income totalling €160,000 arising from the reversal of a provision by Groupe LDLC España relating to negotiations on the termination of the lease on the Madrid premises and the revision of contract termination costs for the company's employees;
- the vesting of bonus shares (€235,000 expense);
- exceptional depreciation charges corresponding to additional depreciation on scrapped non-current assets (€158,000).

The sharp increase in non-recurring income in 2019/2020 was mainly due to:
- the sale of the Group head office (€32.3 million);
- completion of the sale of the warehouse and office premises located in Grandchamps-des-Fontaines formerly held by Domimo 2 (€11.3 million);
- the sale of the Nantes concept store held by Domimo 3 (€1.4 million).

Non-recurring expenses in 2019/2020 mainly consisted of:
- the net book value of real estate assets sold in 2019/2020 (€32 million);
- provisions and charges arising from the closure of subsidiary Groupe LDLC España operations (€2.3 million).

Non-recurring expenses in 2018/2019 solely comprised the net book value of non-current assets sold in 2018/2019.

7.2.4. Earnings per share

€000	2020/2021	2019/2020	2018/2019
Earnings before tax	**62,271**	**16,170**	**(7,658)**
Income tax	(20,058)	(7,862)	2,839
Net income from equity associates	0	0	0
Net income/(loss) for the year:	**42,213**	**8,308**	**(4,820)**
Company shareholders	42,213	8,308	(4,820)
Minority interests	0	0	0
Weighted average number of shares outstanding	6,321,072	6,319,394	6,317,858
Earnings per share (€)	**6.68**	**1.31**	**(0.76)**
Diluted earnings per share (€)	**6.68**	**1.31**	**(0.76)**

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the year ended 31 March 2019 was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

Earnings per share corresponds to net income, Group share divided by the average number of shares outstanding during the financial year.

7.3. PRESENTATION OF COMPANY FINANCIAL STATEMENTS AND ACCOUNTING METHODS – GROUPE LDLC EARNINGS

The presentation rules and accounting methods applied comply with regulations in force.

The Company financial statements were prepared in a manner consistent with prior years and in accordance with the French chart of accounts (“*plan comptable général*”).

The Company financial statements for the year ended 31 March 2021 are presented in Section 18.3 of this Universal Registration Document.

For the year ended 31 March 2021, Groupe LDLC posted net revenues of €657,527,597 compared to €420,654,389 the previous year and €436,471,148 the year before that.

Operating expenses for the year ended 31 March 2021 amounted to €597,943,076 compared to €413,628,688 the previous year and €446,205,224 the year before that.

Operating income totalled €665,493,127, with net operating income (EBIT) amounting to €67,550,051 compared to €13,136,692 the previous year and a €938,083 loss for the year ended 31 March 2019.

Financial expenses for the year ended 31 March 2021 amounted to €2,149,889 compared to €10,820,314 the previous year and €1,655,106 the year before that. Financial income for the year ended 31 March 2021 amounted to €12,561,047 compared to €440,953 the previous year and €506,334 the year before that.

Accordingly, the Company posted net financial income of €10,411,158 for the year ended 31 March 2021 compared to a net financial expense of €10,379,361 the previous year and €1,148,773 the year before that.

Earnings before tax and non-recurring items amounted to €77,961,209 for the year ended 31 March 2021 compared to €2,757,331 the previous year and a €2,086,855 loss the year before that.

Total non-recurring income for the year ended 31 March 2021 amounted to €5,648,018, while non-recurring expenses totalled €5,694,088, giving net non-recurring expenses of €46,070 compared to a €131,315 net expense the previous year and €12,883 net income the year before that.

Given these results, after a corporate income tax charge of €21,668,066 and an employee profit-sharing expense of €4,034,460, the Company posted net income of €52,212,613 for the year ended 31 March 2021 compared to net income of €244,179 the previous year and a €1,290,746 net loss the year before that.

7.4. GOVERNMENTAL, ECONOMIC, BUDGETARY, MONETARY OR POLITICAL STRATEGY OR FACTORS THAT HAVE HAD OR COULD HAVE A MARKED INFLUENCE, EITHER DIRECT OR INDIRECT, ON THE ISSUER'S OPERATIONS

The amendment to the combined 2016 and 2018 acquisition loan agreement contains the usual provisions for this type of financing arrangement, including bank covenants, general restrictive undertakings and an acceleration clause.

The Group has made commitments under the loan agreement that curtail its flexibility in the management of its operations, including, without limitation, with regard to completing certain types of investment transactions and making changes to the Group's financial structure, including its debt (see Note 3.2.1 - Liquidity risks, in this Universal Registration Document).

However, on 30 June 2021 the Company made a voluntary prepayment on the entire loan in the amount of €6,385,475.97 (principal and interest) without incurring any voluntary prepayment penalties or other related costs. This prepayment also requires the Company to waive the €13.5 million revolving credit facility associated with the loan agreement (see Note 3.13 to the 2020/2021 consolidated financial statements).

7.5. REVENUES AND EARNINGS OF SUBSIDIARIES AND CONTROLLED COMPANIES

In accordance with Articles L.233-6 para. 2 and R.225-102 of the French Commercial Code, below you will find the revenues and earnings of the Company's subsidiaries and companies that it controls, by business line:

All of the data presented below is stated in euros.

Business	Revenues	Earnings before tax and non-recurring items	Net earnings after tax	New investments in PP&E	Average headcount	Period
Design, development and operation of websites, site content						
Hardware	380,147	168,200	118,824	0	1	01/04/2020 to 31/03/2021
Business line total	**380,147**	**168,200**	**118,824**	**0**	**1**	
Wholesale trader of all computer hardware and software, plus all related services						
Nemeio	0	(79,187)	(79,187)	0	0	01/04/2020 to 31/03/2021
Business line total	**0**	**(79,187)**	**(79,187)**	**0**	**0**	
Installation of cable networks and access control, CCTV and telecommunications systems						
DLP Connect	1,248,497	(213,177)	(213,212)	3,072	14	01/04/2020 to 31/03/2021
Business line total	**1,248,497**	**(213,177)**	**(213,212)**	**3,072**	**14**	

(1) Data for Groupe LDLC España covers the period until the date of cessation of business, i.e. 17 February 2021.

(2) Data provided by Campus 2017 and Domimo 3 covers the period until the date of cessation of business, i.e. 15 March 2021 inclusive

Business	Revenues	Earnings before tax and non-recurring items	Net earnings after tax	New investments in PP&E	Average headcount	Period
Design, development and sale of software and provision of IT services, maintenance; secondary activity in customer service for goods sold, training						
Anikop	2,577,500	159,731	159,731	5,449	30	01/04/2020 to 31/03/2021
Business line total	**2,577,500**	**159,731**	**159,731**	**5,449**	**30**	
Creation and development of a distribution network for the sale of all equipment and services, as well as the granting of all franchising or licensing rights						
LDLC Distribution	2,771,883	(572,970)	(572,542)	5,956	21	01/04/2020 to 31/03/2021
Business line total	**2,771,883**	**(572,970)**	**(572,542)**	**5,956**	**21**	
Higher education						
Ecole LDLC	311,417	(10,186)	(15,310)	13,832	4	01/04/2020 to 31/03/2021
Business line total	**311,417**	**(10,186)**	**(15,310)**	**13,832**	**4**	
Outsourced IT system management for business customers, remote monitoring, on-site services, IT product repair centre						
Bluescreen	261,195	(232,408)	(232,408)	2,229	4	01/04/2020 to 31/03/2021
Business line total	**261,195**	**(232,408)**	**(232,408)**	**2,229**	**4**	
Operation of all business undertakings involving the practice of sport and/or indoor leisure activities, development and sale of video games, catering for consumption on the premises or takeaway						
LDLC VR Studio	9,750	(434,403)	(592,640)	592,391	1	01/04/2020 to 31/03/2021
Business line total	**9,750**	**(434,403)**	**(592,640)**	**592,391**	**1**	
Retail sale of all IT hardware and software and all multimedia and digital products						
LDLC Boutiques	12,502,332	1,170,466	1,105,568	22,417	30	01/04/2020 to 31/03/2021

(1) Data for Groupe LDLC España covers the period until the date of cessation of business, i.e.17 February 2021.

(2) Data provided by Campus 2017 and Domimo 3 covers the period until the date of cessation of business, i.e. 15 March 2021 inclusive.

Business	Revenues	Earnings before tax and non-recurring items	Net earnings after tax	New investments in PP&E	Average headcount	Period
LDLC7	0	(2,382)	(2,382)	0	0	01/04/2020 to 31/03/2021
LDLC9	0	(2,382)	(2,382)	0	0	01/04/2020 to 31/03/2021
LDLC11	0	(2,383)	(2,383)	0	0	01/04/2020 to 31/03/2021
LDLC12	0	(2,519)	(2,519)	0	0	01/04/2020 to 31/03/2021
LDLC13	0	(2,383)	(2,383)	0	0	01/04/2020 to 31/03/2021
Groupe LDLC España (1)	46,171	(63,878)	54,162	0	0	01/04/2020 to 17/02/2021
Business line total	**12,548,503**	**1,094,539**	**1,147,681**	**22,417**	**30**	
Retail store sale of personal equipment and childcare products						
ADB Boutiques	1,058,005	(201,809)	(201,809)	384,363	6	01/04/2020 to 31/03/2021
ADB Orgeval	577,347	(305,603)	(305,603)	452,869	5	01/04/2020 to 31/03/2021
Business line total	**1,635,352**	**(507,412)**	**(507,412)**	**837,232**	**11**	
Organisation and management of events, particularly in the e-sports sector						
LDLC Event	1,346,117	(809,003)	(812,917)	59,536	9	01/04/2020 to 31/03/2021
Business line total	**1,346,117**	**(809,003)**	**(812,917)**	**59,356**	**9**	
Acquisition, use and development of land for the construction and leasing of a building						
Domimo 2	0	72,353	52,575	0	0	01/04/2020 to 31/03/2021
Domimo 3 (2)	7,371	6,485	3,244	0	0	01/04/2020 to 15/03/2021
Business line total	**7,371**	**78,838**	**55,819**	**0**	**0**	
Acquisition of land and construction of buildings for use as office space via a finance lease, leasing of said buildings, acquisition and management of all movable property						
Campus 2017 (2)	0	87,627	63,091	0	0	01/04/2020 to 15/03/2021
Business line total	**0**	**87,627**	**63,091**	**0**	**0**	

(1) Data for Groupe LDLC España covers the period until the date of cessation of business, i.e. 17 February 2021.

(2) Data provided by Campus 2017 and Domimo 3 covers the period until the date of cessation of business, i.e. 15 March 2021 inclusive.

Business	Revenues	Earnings before tax and non-recurring items	Net earnings after tax	New investments in PP&E	Average headcount	Period
Trade, representation in any form whatsoever of computer hardware and all derived products, telephone and network equipment and multimedia						
OLYS	74,437,360	383,299	392,695	95,522	183	01/04/2020 to 31/03/2021
MyMultimedia	1,616,774	111,912	89,807	634	5	01/04/2020 to 31/03/2021
Business line total	**76,054,134**	**495,211**	**482,502**	**96,156**	**188**	
Total	99,151,866	(862,227)	(1,061,071)	1,638,090	313	

(1) Data for Groupe LDLC España covers the period until the date of cessation of business, i.e. 17 February 2021.

(2) Data provided by Campus 2017 and Domimo 3 covers the period until the date of cessation of business, i.e. 15 March 2021 inclusive.

Hardware:

Hardware posted 2020/2021 revenues of €380,000, down 15% from €449,000 the previous year.

The company posted EBIT of €143,000 for the year ended 31 March 2021 compared to €212,000 for the previous year.

2020/2021 net income came to €119,000, down from €168,000 the previous year.

The decline in revenues is due to the decrease in advertising campaign requests and services invoiced in relation to orders placed on Hardware.fr.

Nemeio:

Nemeio posted zero revenues for 2020/2021 compared to €2,000 the previous year. The company has not yet started trading, which explains the lack of revenues for the year ended.

The company posted an EBIT loss of €79,000 for the year ended 31 March 2021 compared to a €3,000 loss for the year ended 31 March 2020.

The company posted a net loss of €79,000 for 2020/2021 compared to €3,000 the previous year.

DLP Connect:

DLP Connect posted 2020/2021 revenues of €1,248,000, down 26% from €1,690,000 the previous year. The COVID-19 health crisis impacted DLP Connect’s business, which explains the decline in revenues for the year ended 31 March 2021.

The company posted an EBIT loss of €206,000 for the financial year ended 31 March 2021, compared to €89,000 loss for the year ended 31 March 2020.

The company posted a 2020/2021 net loss of €213,000, compared to a net loss of €129,000 the previous year.

DLP plans to publish a website for online sales of electronics in order to enhance its offering and visibility.

Anikop:

On 30 June 2020, Groupe LDLC purchased 450 shares in Anikop, thereby increasing its stake to 95% of the share capital.

Anikop posted 2020/2021 revenues of €2,578,000, down 8% from €2,804,000 the previous year.

The fall in revenues is mainly due to the slowdown in business with Anikop’s main customers, who mainly operate in the catering sector.

The company posted EBIT of €166,000 for the financial year ended 31 March 2021, compared to €108,000 for the year ended 31 March 2020.

2020/2021 net income came to €160,000, up from €102,000 the previous year.

LDLC Distribution:

LDLC Distribution posted 2020/2021 revenues of €2,772,000, down 14% from €3,237,000 the previous year.

At 31 March 2021, there were 57 LDLC stores up and running including 11 brand stores, two of which operate under the LDLC-BIMP dual brand. The annual pace of store openings slowed down a notch, with seven new franchises launched in 2020/2021 compared to nine the previous year.

In order to support the franchise network during the successive lockdowns, the decision was made to waive franchise fees for the period from 15 March to 30 June 2020 then from 1 November to 31 December 2020, a gesture offset by an increase in percentage of sale fees collected from the LDLC franchise network, whose revenues increased by 42% year-on-year.

The company posted an EBIT loss of €568,000 for the year ended 31 March 2021 compared to a €216,000 loss for the year ended 31 March 2020.

The company posted a 2020/2021 net loss of €573,000, compared to a net loss of €213,000 the previous year.

LDLC School:

The LDLC School recorded fewer admissions for the 2020/2021 academic year with 52 new students, ten fewer than the previous year.

The school posted 2020/2021 revenues of €311,000, down 8% from €339,000 the previous year.

LDLC School posted an EBIT loss of €18,000 for the year ended 31 March 2021 compared to positive EBIT of €58,000 the previous year.

The net loss for 2020/2021 amounted to €15,000 compared to net income of €47,000 the previous year.

Bluescreen:

Bluescreen posted 2020/2021 revenues of €261,000, up 238% from €77,000 the previous year. Bluescreen began operating on 1 December 2019, which explains the increase in revenues for the year ended 31 March 2021.

The company posted an EBIT loss of €231,000 for the financial year ended 31 March 2021, compared to €89,000 loss for the year ended 31 March 2020.

The company posted a 2020/2021 net loss of €232,000, compared to a net loss of €89,000 the previous year.

LDLC VR Studio:

LDLC VR Studio posted 2020/2021 revenues of €10,000 compared to zero revenues over three months of the previous year.

The studio posted an EBIT loss of €421,000 for the year ended 31 March 2021 compared to a €113,000 loss the previous year.

The 2020/2021 net loss amounted to €593,000 compared to a €116,000 loss over three months of the previous year.

In connection with the repurposing of the premises, LDLC VR Studio carried out refurbishment amounting to €592,000 during the 2020/2021 financial year and derecognised €766,000 of capital expenditure on fixtures, fittings and furniture.

Due to the health crisis, LDLC VR Studio was unable to open its gaming rooms during the year despite the completion of all refurbishment work on the premises. The assets acquired through capital expenditure for the year ended 31 March 2021 will be commissioned as soon as LDLC VR Studio opens to the public.

During the year ended 31 March 2021, LDLC VR Studio prepaid its entire loan in an amount of €91,000.

LDLC Boutiques:

On 30 September 2020, a merger was carried out pursuant to the provisions of Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, more specifically under the simplified merger procedure. LDLC Villeurbanne decided to merge LDLC Villefranche, LDLC Lille V2, LDLC Bordeaux, LDLC Cormeilles, LDLC Lyon 7 and Avitech by absorption, thereby bringing all the various business lines under a single umbrella.

All of these companies are engaged in the retail sale of all IT hardware and software and all multimedia and digital products. Following the merger, LDLC Villeurbanne changed its name to LDLC Boutiques.

The merger carried out on 31 March 2021 explains the significant differences recorded between the 2019/2020 and 2020/2021 financial years.

LDLC Boutiques posted 2020/2021 revenues of €12,502,000 compared to €1,722,000 the previous year.

The company posted EBIT of €1,187,000 for the year ended 31 March 2021 compared to €54,000 for the year ended 31 March 2020.

2020/2021 net income came to €1,106,000, up from €40,000 the previous year.

Groupe LDLC España:

The major changes recorded between 2019/2020 and 2020/2021 were due to the withdrawal of the Group's physical presence in Spain following the 2020 closure of the two stores located in Madrid and Barcelona and the cessation of Groupe LDLC España's business on 17 February 2021.

The company posted revenues of €46,000 for the 2020/2021 financial year closed on 17 February 2021 compared to €2,380,000 for the year ended 31 March 2020.

The company posted an EBIT loss of €64,000 for the year ended 17 February 2021 compared to a €2,086,000 loss for the previous year.

Net income for the year ended 17 February 2021 came to €54,000 compared to a net loss of €5,011,000 the previous year.

ADB Boutiques:

During the year ended 31 March 2021, ADB Limonest changed its name to ADB Boutiques.

The company posted 2020/2021 revenues of €1,058,000, up 14% from €932,000 the previous year.

The company posted an EBIT loss of €191,000 for the financial year ended 31 March 2021, compared to €164,000 loss for the year ended 31 March 2020.

The company posted a net loss of €202,000 for 2020/2021 compared to a €174,000 net loss the previous year.

Following the outbreak of the COVID-19 health crisis, the ADB Boutiques store in Limonest was compelled to close on 15 March 2020 and generated no further revenues during lockdown.

Government announcements on lockdown easing enabled L'Armoire de Bébé to gradually reopen its stores from 11 May 2020 onwards in accordance with the recommended preventive measures.

Forced to close from 29 October until 28 November 2020, the Limonest store organised a Click & Collect service in line with government measures in order to ensure continuity of service.

New government measures applicable to sales areas over 400 m² compelled the Limonest store to close again on 29 March 2021. As of 5 April 2021, certain product categories were classified as essential and the store was able to partly reopen. The store continued to provide a Click & Collect service during this closure.

During the 2020/2021 financial year, installation and fit-out work for the future ADB stores in Epagny and Nîmes were completed at a total cost of €384,000.

ADB Orgeval:

ADB Orgeval began operating on 22 June 2020 with the opening of a L'Armoire de Bébé store, the Group's second outlet for childcare products, in the Paris region.

The ADB Orgeval store posted 2020/2021 revenues of €577,000 compared to zero revenues the previous year.

The company posted an EBIT loss of €298,000 for the financial year ended 31 March 2021, compared to €53,000 loss for the year ended 31 March 2020.

The company posted a net loss of €306,000 for 2020/2021 compared to a €54,000 net loss the previous year.

Fixtures and fittings commissioned in the ADB store located at Orgeval in the Paris region total €577,000, of which €453,000 was incurred during the year ended 31 March 2021.

Forced to close from 29 October until 28 November 2020 following the outbreak of the COVID-19 health crisis, the ADB Orgeval store organised a Click & Collect service in line with government measures in order to ensure continuity of service.

The new government measures applicable to each region subject to enhanced preventive measures in response to the health crisis forced the L'Armoire de Bébé store in Orgeval to close again on 20 March 2021. As of 5 April 2021, certain product categories were classified as essential and the store was able to partly reopen. The store continued to provide a Click & Collect service during this closure.

LDLC Event:

LDLC Event posted 2020/2021 revenues of €1,346,000, up 28% from €1,053,000 the previous year.

The company posted an EBIT loss of €786,000 for the financial year ended 31 March 2021, compared to €741,000 loss for the year ended 31 March 2020.

The company posted a net loss of €813,000 for 2020/2021 compared to a €765,000 net loss the previous year.

2020/2021 revenue growth was mainly driven by the Olympique Lyonnais contribution following the partnership agreement signed on 8 January 2020.

Subcontracting costs mainly comprising remuneration paid to gamers and e-sports team service providers amounted to €1,146,000 in 2020/2021, up 22% from €940,000 the previous year.

Domimo 2:

Domimo 2 posted zero revenues for 2020/2021 compared to €323,000 the previous year.

The company posted EBIT of €21,000 for the financial year ended 31 March 2021, compared to €82,000 for the year ended 31 March 2020.

2020/2021 net income came to €53,000, down from €3,557,000 the previous year.

The June 2019 disposal of Domimo 2's sole asset explains the lack of revenues for the year ended 31 March 2021 and the significant differences in net income between 2019/2020 and 2020/2021.

Domimo 3:

On 16 March 2021, Domimo 3 transferred all its assets and liabilities to the parent company (Groupe LDLC) in accordance with the procedure set out in Article 1844-5, paragraph 3 of the French Civil Code.

In connection with this transaction, the accounting statement of assets and liabilities transferred to Groupe LDLC as sole shareholder was closed as at 15 March 2021 (11:59 pm inclusive).

Domimo 3 posted revenues of €7,000 for the 2020/2021 financial year until 15 March 2021 compared to €83,000 the previous year.

The company posted an EBIT loss of €2,000 for the year ended 15 March 2021 compared to positive EBIT of €38,000 the previous year.

Net income came to €3,000 for the financial year ended 15 March 2021, down from €688,000 for the financial year ended 31 March 2020.

The February 2020 disposal of Domimo 3's sole asset explains the lack of revenues and the significant differences in net income between the financial years ended 31 March 2020 and 15 March 2021.

Campus 2017:

On 16 March 2021, Campus 2017 transferred all its assets and liabilities to the parent company (Groupe LDLC) in accordance with the procedure set out in Article 1844-5, paragraph 3 of the French Civil Code.

In connection with this transaction, the accounting statement of assets and liabilities transferred to Groupe LDLC as sole shareholder was closed as at 15 March 2021 (11:59 pm inclusive).

Campus 2017 posted zero revenues for the 2020/2021 financial year until 15 March 2021 compared to €525,000 the previous year.

EBIT for the period until 15 March 2021 was positive at €25,000 compared to an EBIT loss of €144,000 for the previous year.

Net income came to €63,000 for the financial year ended 15 March 2021, down from €7,498,,000 for the financial year ended 31 March 2020.

The Group head office acquired in 2017 under finance lease by Campus 2017 was sold on 31 July 2019, which explains the lack of revenues and the significant differences in net income between the financial years ended 31 March 2020 and 15 March 2021.

OLYS:

At 31 March 2021, the Olys group comprised 16 BIMP stores in France.

On 30 September 2020, Olys purchased 1,960 shares in I-Artificielle at a price of €20,000, thereby becoming the company's sole shareholder holding a 100% equity stake.

During the financial year ended 31 March 2021, Olys carried out merger transactions pursuant to the provisions of Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, more specifically under the simplified merger procedure:

On 31 July 2020, Olys decided to merge Mac & Co Digital by absorption with effect from 1 April 2020.

On 31 December 2020, Olys decided to merge I-Artificielle by absorption with effect from 1 April 2020.

Olys posted 2020/2021 revenues of €74,437,000, up 19% from €62,492,000 the previous year.

EBIT for the period until 31 March 2021 was positive at €1,104,000 compared to an EBIT loss of €3,095,000 for the previous year.

Net income for the year ended 31 March 2021 came to €393,000 compared to a net loss of €3,261,000 the previous year.

Following the outbreak of the COVID-19 health crisis, the Olys stores closed as of end of business on 17 March 2020 and generated no further revenues until 10 May 2020.

To palliate the impact of these store closures, a portion of Olys inventories was sold back to Groupe LDLC for run-off via the online network.

Government announcements on lockdown easing enabled BIMP to gradually reopen its stores from 11 May 2020 onwards in accordance with the recommended preventive measures.

During the second lockdown introduced nationwide from 29 October 2020 to combat the further wave of the COVID-19 epidemic, all OLYS stores remained open in strict compliance with health guidelines.

Government decree 2021-99 of 30 January 2021 imposed new health restrictions on shopping precincts with a surface area of over 20,000 m^2, leading to the closure of two OLYS stores located in shopping centres from 31 January 2021.

During the further lockdown introduced nationwide from 3 April 2021 to combat the latest wave of COVID-19, all BIMP stores except the two stores closed since 31 January 2021 remained open in compliance with the recommended preventive measures.

MyMultimedia:

MyMultimedia is a 60% held subsidiary of Olys.

The company posted 2020/2021 revenues of €1,617,000, up 35% from €1,199,000 the previous year.

MyMultimedia posted EBIT of €114,000 for the year ended 31 March 2021 compared to an EBIT loss of €6,000 the previous year.

Net income for the year ended 31 March 2021 came to €90,000 compared to a net loss of €12,000 the previous year.

Following the outbreak of the COVID-19 health crisis, MyMultimedia closed as of end of business on 17 March 2020 and generated no further revenues until 10 May 2020.

To palliate the impact of these store closures, a portion of the company's inventories was sold back to Groupe LDLC for run-off via the online network.

Government announcements on lockdown easing measures enabled the MyMultimedia store to gradually reopen from 11 May 2020 in accordance with the recommended preventive measures.

During the second lockdown introduced nationwide from 29 October 2020 to combat the further wave of the COVID-19 epidemic, the MyMultimedia store remained open in strict compliance with health guidelines.

During the further lockdown introduced nationwide from 3 April 2021 to combat the latest wave of COVID-19, the MyMultimedia store remained open in compliance with the recommended preventive measures.

LDLC7, LDLC9, LDLC11, LDLC12 and LDLC13 conducted no operations during the year ended 31 March 2021. These companies have been included in the Groupe LDLC tax group since 1 April 2018.

7.6. GROUPE LDLC RESEARCH AND DEVELOPMENT

In accordance with Article L.232-1 of the French Commercial Code, we hereby inform you that Groupe LDLC has engaged in research and development since the year ended 31 March 2016. In December 2016, the Group brought to market the first product created by its R&D team.

In respect of the 2020/2021 financial year, the Group considers that the conditions for capitalising research and development costs were partly met. Accordingly, research and development costs were recognised under either expenses or non-current assets, depending on the project.

€394,000 in research and development costs were capitalised in respect of the 2020/2021 financial year compared to €986,000 the previous year and €1,059,000 the year before that.

Having made a strong impression at the 2019 CES in Las Vegas, on 17 December 2019 the Group launched sales of its first connected lightsaber under the Solaari brand. In January 2019, this lightsaber manufactured in-house by the Group was made available for pre-order via a Kickstarter campaign. This crowdfunding platform enabled over 400 enthusiasts to pre-order their own lightsaber. On 5 March 2020, Groupe LDLC signed a three-year partnership deal with the French Fencing Federation and its lightsaber academy.

The Nemeio customisable e-ink keyboard with screen recognised at CES Las Vegas in January 2019 was still in the design phase at 31 March 2021. Nemeio is the first customisable keyboard offering limitless configuration capabilities that can therefore be adapted to all alphabets, characters and symbols. It is easy to switch from one language to another and create customised shortcuts and presets in order to mould the perfect keyboard for professional or personal use. Nemeio received a pre-launch from November to December 2020 in the form of a crowdfunding campaign on the Kickstarter website. This platform enabled more than 536 devotees to pre-order their keyboard. Since December 2020 it has been possible to pre-order the keyboard on a new platform called Indiegogo.

Groupe LDLC received a €33,000 research tax credit for the 2020 calendar year compared to €40,000 in 2019 and €247,000 in 2018. This tax credit is awarded to companies making significant investments in research and development.

7.7. MATERIAL POST-BALANCE SHEET EVENTS

During the further lockdown introduced nationwide from 3 April 2021 to combat the latest wave of COVID-19, all LDLC, Materiel.net and BIMP stores remained open in compliance with the recommended preventive measures, except for the two BIMP stores located in shopping centres which were forced to close on 31 January 2021.

In response to the health crisis, some L'Armoire de Bébé product categories were classified as essential and enabled these stores to partly reopen on 5 April 2021. Furthermore, these stores continue to offer a Click & Collect service by appointment.

LDLC VR Studio was unable to welcome visitors until 9 June 2021.

To the best of our knowledge, the Group's other business activities are not affected by these new measures.

L'Armoire de Bébé is pursuing its development with a third store opened in April 2021, an unrivalled 500 m² concept store in Epagny offering over 4,000 baby products.

On 30 June 2021, the Company voluntarily prepaid the €23 million and €10 million loans contracted to partly finance the acquisitions of Materiel.net, OLYS and Synopsis, via a total prepayment of €6,385,475.97 (principal and interest), without incurring any voluntary prepayment penalties or other related costs. This prepayment also requires the Company to waive the €13.5 million revolving credit facility associated with the loan agreement (see Note 3.13 to the 2020/2021 consolidated financial statements).

The Group has signed an off-plan lease for a 28,000 m^2 warehouse to replace the current 21,000 m² logistics structure near Lyon. The new facility, which is designed to accommodate the growing business expected over the coming years, should start operating during the 2022/2023 financial year.

In accordance with Article L.232-1 II of the French Commercial Code, it is specified that, to the best of our knowledge, no other significant events liable to have a material impact on the assessment of the Company's financial position have taken place since the balance sheet date.

(See Chapter 10 of this Universal Registration Document.)

CHAPTER 8. CASH AND CAPITAL

The LDLC Group's main capital requirements are related to funding working capital and operational capital expenditure.

On 10 April 2020, the LDLC Group acquired the TopAchat business at a price of €3 million paid from equity funds.

In connection with the COVID-19 health crisis, in late April 2020 the LDLC Group obtained four €4.5 million PGE state-guaranteed loans totalling €18 million in order to cover Group cash requirements. The loans were granted for a one-year term and 90% of the total loan amount is covered by the state guarantee granted to banks and finance companies under Article 6 of the French Amended Finance Act no. 2020-289 of 23 March 2020. Given the level of its growth and profit margins, the LDLC Group prepaid all four loans in February 2021.

Following the outbreak of the COVID-19 health crisis, in late March 2020 the Group companies obtained a six-month moratorium on loan repayments from all lending banks, entailing the deferral of instalments totalling €2.9 million at 31 March 2021.

The statement of changes in consolidated shareholders' equity is presented in Note 1.3 to the consolidated financial statements for the year ended 31 March 2021. A breakdown of the share capital is provided in Note 3.11 of the same financial statements, which are found in Section 18.1 of this Universal Registration Document.

8.1. INFORMATION ON COMPANY SHORT- AND LONG-TERM FINANCIAL RESOURCES

Cash: cash and cash equivalents amounted to €51,260,000 at 31 March 2021 compared to €19,859,000 at 31 March 2020 and €18,531,000 at 31 March 2019.

The sharp increase in cash in 2020/2021 is due to the surge in LDLC Group revenues and earnings.

Debt: the Group took out two loans amounting to €5.3 million and €10 million to finance the Olys and Synopsis acquisitions on 25 January 2018. In addition, a €23 million loan was taken out in March 2016 to finance the Materiel.net acquisition.

The repayment period for the €10 million loan was aligned with the repayment period for the 2016 acquisition loan.

The Group plans to have fully prepaid the €23 million and €10 million loans by 30 June 2021.

Repayment of the €5.3 million loan will end on 31 July 2025.

These loans were accompanied by a €15 million revolving credit facility, which was reduced to €13.5 million at 31 March 2020 and extended until 30 September 2022 by an amendment dated 29 January 2021.

Full prepayment of both loans requires the Group to waive the associated €13.5 million revolving credit facility.

In July 2019, the Group sold its head office premises in Limonest acquired in 2017 under finance lease, thereby reducing its debt by €19.1 million at 31 March 2020.

The completion of the sale of the building complexes located in Grandchamps-des-Fontaines (June 2019) and Nantes (February 2020), formerly held by Domimo 2 and Domimo 3 real estate holding companies, led to a further debt reduction of €4.5 million at 31 March 2020.

The Group uses borrowings to pursue its strategy, mainly by opening new brand stores and supporting the development of in-house projects.

Group net debt breaks down as follows:

€000	2020/2021	2019/2020	2018/2019 Restated*
Gross borrowings	19,978	28,435	78,797
Cash and cash equivalents	51,260	19,859	18,531
Net cash/(debt)	**31,283**	**(8,576)**	**(60,266)**

** Following the change in accounting framework applied to the previous financial year (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for the financial year ended 31 March 2019 has been restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

The following table shows the Group's debt instalment maturities at 31 March 2021:

€000	Total	Due in < 1 year	Due in 1-3 years	Due in 3-5 years	Due in > 5 years
Long-term loans and borrowings	**8,986**	**0**	**6,334**	**2,397**	**255**
Loans	8,986	0	6,334	2,397	255
Short-term loans and borrowings (1)	**10,992**	**10,992**	**0**	**0**	**0**
Guarantee deposits received	0	0	0	0	0
Loans	10,520	10,520	0	0	0
Accrued interest on loans	14	14	0	0	0
Bank overdrafts	227	227	0	0	0
Current accounts	230	230	0	0	0
Total	**19,978**	**10,992**	**6,334**	**2,397**	**255**

(1) Including €6.4 million under loans for the 2016 acquisition of Materiel.net plus related costs and the 2018 acquisition of Olys and Synopsis.

Following the outbreak of the COVID-19 health crisis, in late March 2020 the Group companies obtained a six-month moratorium on loan repayments from all lending banks, entailing the deferral of instalments totalling €2.9 million at 31 March 2021.

The expected full prepayment of the €23 million and €10 million loans by 30 June 2021 explains the reclassification of the entire €1,645,000 current liability due in less than one year at 31 March 2021.

Debt at 31 March 2021:

In connection with the COVID-19 health crisis, in late April 2020 Groupe LDLC obtained four €4.5 million PGE state-guaranteed loans totalling €18 million in order to cover Group cash requirements. The loans were granted for a one-year term and 90% of the total loan amount is covered by the state guarantee granted to banks and finance companies under Article 6 of the French Amended Finance Act no. 2020-289 of 23 March 2020. In February 2021, all four loans were fully repaid.

In accordance with Amendment 2 to the loan agreement, the sale of the Nantes concept store held by Domimo 3 during the 2019/2020 financial year triggered prepayment of the €23 million and €10 million loans on 30 September 2020 in an amount of €407,000.

Another Group subsidiary also fully prepaid its loan in an amount of €91,000.

In March 2021, Groupe LDLC signed an amendment to the March 2017 factoring agreement with Eurofactor.

Group financing related to the 2016 Materiel.net acquisition and 2018 acquisition of Olys and Synopsis:

The Group organised new sources of funding to help finance the March 2016 Materiel.net acquisition and the January 2018 acquisition of Olys and Synopsis.

Accordingly, on 31 March 2016 the Group signed a loan agreement with a five-bank pool. A second amendment to the 31 March 2016 loan agreement was signed on 19 January 2018 and provided for the following:
- A €23 million long-term line of credit for the 2016 acquisition maturing in 7 years, bearing interest at Euribor 3-month plus an acquisition loan margin revised annually in accordance with the leverage ratio.
- A €10 million long-term line of credit for the 2018 acquisition whose repayment period and loan terms and conditions were aligned with those of the €23 million 2016 acquisition loan.
- A €15 million revolving credit facility, subject to minimum drawdowns of €1 million each, intended to partly finance working capital for Groupe LDLC and its subsidiaries. This facility is subject to interest based on the Euribor rate, plus a revolving credit facility margin subject to annual revision in accordance with the leverage ratio. At 31 March 2020, the amount available under this facility was reduced to €13.5 million, then on 19 January 2021 the term was extended by amendment until 30 September 2022. The facility had not been used at 31 March 2021.
- Swaps were entered into to hedge the floating rates applicable to these 2016 and 2018 acquisition loans. The swap on the 2016 acquisition loan expired on 31 March 2021.

In accordance with Amendment 2 to the loan agreement, the real estate asset disposals carried out during the 2019/2020 financial year triggered prepayment of the €23 million and €10 million loans, thereby shortening the repayment period for both loans, as follows:
- €6 million on 13 December 2019 comprising €3 million under each of the €23 million and €10 million loans;
- €407,000 on 30 September 2020.

These prepayments result in the rescheduling of the last repayment under the €23 million loan to 30 September 2022 and under the €10 million loan to 30 September 2021.

However, on 30 June 2021, the Company voluntarily prepaid the €23 million and €10 million loans contracted to partly finance the acquisitions of Materiel.net, OLYS and Synopsis, via a total prepayment of €6,385,475.97 (principal and interest), without incurring any voluntary prepayment penalties or other related costs. This prepayment also requires the Company to waive the €13.5 million revolving credit facility associated with the loan agreement (see Note 3.13 to the 2020/2021 consolidated financial statements).

Amendment 2 to the combined 2016 and 2018 acquisition loan agreement provides for compliance with two bank covenants contractually based on the consolidated financial statements and tested every six months. Following the transfer of the Groupe LDLC share to Euronext Growth Paris, the definition of underlying EBIT was revised pursuant to Amendment 4:
- Leverage ratio, defined as "consolidated net borrowings" (i.e. total borrowings less cash and cash equivalents plus guarantee commitments given and endorsed by signature totalling €39,000) divided by "adjusted consolidated EBITDA" (i.e. consolidated EBIT plus net depreciation, amortisation and provision allowances deducted from EBIT, CVAE business value added tax and discounts received from suppliers).
- Gearing ratio, defined as "consolidated net borrowings" (i.e. borrowings less cash and cash equivalents plus bank guarantees give and endorsed by signature for an amount of €39,000) divided by "consolidated equity" (including minority interests).

As the prepayment was made after the 31 March 2021 closing date, the aforementioned ratios were calculated for the 12-month period running from 1 April 2020 to 31 March 2021. As the loan agreement was terminated effective 30 June 2021, the Company is no longer required to test these ratios (see Section 8.4.1 of this Universal Registration Document).

Under Amendment 4 signed on 15 July 2019, the agreement also imposes a limit on capital expenditure incurred by all Group companies.

On 19 January 2018, the Group took out a €5.3 million loan to supplement the €10 million loan. This loan is repayable over a 7-year term and subject to a fixed interest rate of 1.31% per annum with repayment deferred for 8 quarters. The first instalment combining principal repayment and interest was paid on 2 November 2020.

Financing of Group head office:

The Group head office in Limonest acquired in 2017 under finance lease was sold in July 2019. The sale reduced Group debt by €19.1 million at 31 March 2020. Financial liabilities under this finance lease totalled €19.5 million at 31 March 2019.

In April 2019, Groupe LDLC took out a €1.1 million loan to finance Group working capital.

The acquisition of LDLC VR Studio and Avitech during the 2019/2020 financial year increased Group debt by €129,000 and €131,000 respectively.

During the year ended 31 March 2019, Groupe LDLC took out two new €5 million loans to finance Group capital expenditure.

In March 2019, Groupe LDLC took out a €0.9 million loan to finance Group working capital.

A €500,000 loan was contracted by Olys in April 2018 to finance the buyout of minority interests in BIMP Education amounting to 40% of the share capital.

8.2. CASH FLOW ANALYSIS

8.2.1. Cash flows:

€000	2020/2021	2019/2020	2018/2019 Restated*
Net cash flow from operating activities	51,002	12,421	3,286
Net cash flow from investing activities	(8,068)	20,172	(11,491)
Net cash flow from financing activities	(11,250)	(31,172)	(5,009)
Net change in cash and cash equivalents	**31,684**	**1,421**	**(13,213)**

** Following the change in accounting framework applied to the financial year ended 31 March 2019 (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for said year was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

8.2.2. Net cash flow from operating activities:

€000	2020/2021	2019/2020	2018/2019 Restated *
Net income/(loss) from continuing operations	42,213	8,308	(4,820)
Elimination of non-cash income and expenses	7,698	7,631	8,053
Tax expense (current and deferred)	20,058	7,862	(2,839)
Gains/losses on disposal of assets	(71)	(12,436)	67
Gross operating cash flow before tax	69,898	11,365	462
Tax paid	(20,843)	(6,419)	260
Change in working capital	1,946	7,476	2,564
Net cash flow from operating activities	**51,002**	**12,421**	**3,286**

** Following the change in accounting framework applied to the financial year ended 31 March 2019 (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for said year was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

Net operating cash flow for the year ended 31 March 2021 amounted to a €51,002,000 inflow compared to a €12,421,000 inflow the previous year and a €3,286,000 inflow the year before that.

The sharp increase in net operating cash flow in FY 2020/2021 was mainly due to Group revenue and margin growth: net income from continuing operations rose by 408%. As a result, gross operating cash flow before tax rose significantly in FY 2020/2021 reflecting the increase in gross funds generated by the Group's business activities.

The significant change in gains/losses on disposal of assets in FY 2019/2020 mainly arose from capital gains generated on disposals of real estate assets, including €9,111,000 from the sale of the Group head office, €3,202,000 from the sale of the warehouse and office premises held by Domimo 2 and €668,000 from the sale of the Nantes concept store held by Domimo 3.

8.2.3. Net cash flow from investing activities:

€000	2020/2021	2019/2020	2018/2019 Restated *
Income from disposal of non-current assets, after tax	109	45,050	(11)
Acquisition of non-current assets	(8,350)	(26,338)	(11,824)
Reduction in financial assets	174	1,400	345
Change in consolidation scope	0	61	0
Net cash flow from investing activities	**(8,068)**	**20,172**	**(11,491)**

** Following the change in accounting framework applied to the financial year ended 31 March 2019 (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for said year was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

Net cash flow from investing activities for the year ended 31 March 2021 amounted to an €8,068,000 outflow versus a €20,172,000 inflow the previous year and an €11,491,000 outflow the year before that.

The €8,068,000 net outflow for FY 2020/2021 was mainly due to the following asset acquisitions:
- value of the TopAchat trademark (€3 million);
- the capitalised R&D project expenditure (€394,000);
- refurbishment work on the LDC VR Studio premises (€585,000);
- fixtures and fittings installed in three L'Armoire de Bébé stores (€784,000).

The €20,172,000 net inflow generated in FY 2019/2020 mainly consisted of the following items:
- disposals of real estate assets, which generated €32.3 million from the sale of the Group head office, €11.3 million from the sale of the warehouse and office premises held by Domimo 2 and €1.4 million from the sale of the concept store held by Domimo 3;
- acquisition of buildings following the exercise of the finance lease purchase option (€21,589,000);
- acquisition of intangible assets derived from in-house IT development and R&D projects (€1,929,000);
- acquisition of property, plant and equipment related to refurbishment work on three Group stores (€451,000).

FY 2018/2019 net cash flow from investing activities amounted to an €11,491,000 net outflow, mainly consisting of:
- €3,993,000 of expenditure on intangible assets derived from in-house IT and R&D projects;
- fit-out work on new office premises in Limonest (€1,236,000);
- €2,473,000 expenditure on the fit-out work of six new stores, including two in Spain requiring an investment of €1,272,000;
- refurbishment work on premises located in Nantes (€852,000);
- installation of an autostore (storage and automated handling system) (€672,000).

8.2.4. Net cash flow from financing activities:

€000	2020/2021	2019/2020	2018/2019 Restated *
Treasury share transactions	17	7	(14)
Other effects	0	(1)	(312)
New borrowings	18,000	1,100	6,408
Repayment of borrowings	(26,015)	(31,917)	(9,425)
Finance lease payments	(62)	(378)	(1,439)
Change in financing from factoring of receivables	0	0	0
Change in other borrowings	(97)	17	(176)
Capital increase (nominal)	0	0	0
Additional paid-in capital + undistributable reserves + retained earnings	0	0	0
Decrease in shareholders' equity (dividends)	0	0	(50)
Interim dividend for FY 2020/2021	(3,093)	0	0
Net cash flow from financing activities	**(11,250)**	**(31,172)**	**(5,009)**

** Following the change in accounting framework applied to the financial year ended 31 March 2019 (see Note 2.2.2 to the 2019/2020 consolidated financial statements), comparative data for said year was restated in light of the retrospective application of Regulation CRC 99-02. The reconciliation between published and restated financial statements is set out in Note 5.3 to the 2019/2020 consolidated financial statements.*

In the year ended 31 March 2021, net cash flow from financing activities amounted to an €11,250,000 outflow compared to a €31,172,000 outflow the previous year and a €5,009,000 outflow the year before that.

In connection with the COVID-19 health crisis, in late April 2020 the LDLC Group obtained four €4.5 million PGE state-guaranteed loans totalling €18 million in order to cover Group cash requirements, which explains the new borrowings recognised at 31 March 2021. All four loans were fully prepaid in February 2021.

Following a period of substantial investments and significantly improved profitability, Groupe LDLC has decided to pay an ordinary interim dividend of €0.50 per share for the 2020/2021 financial year, to be paid on 25 February 2021 in a total amount of €3,093,000.

In accordance with Amendment 2 to the loan agreement, the sale of the Nantes concept store held by Domimo 3 during the 2019/2020 financial year triggered a €407,000 prepayment under each of the €23 million and €10 million loans on 30 September 2020.

During the 2020/2021 financial year, another Group subsidiary also fully prepaid its loan in an amount of €91,000.

The sharp increase in repayment of borrowings in 2019/2020 was mainly due to:
- the sale of the warehouse and office premises located in Grandchamps-des-Fontaines by Domimo 2, which triggered prepayment of the loans associated with these real estate assets in an amount of €4.3 million;
- the sale of the Nantes concept store by Domimo 3, which triggered prepayment of the loans associated with this real estate asset in an amount of €216,000;
- non-use of the €15 million revolving credit facility at 31 March 2020;
- sales of real estate assets during the year triggered prepayments of €3 million under each of the €23 million and €10 million loans, in accordance with Amendment 2 to the loan agreement.

A €1.1 million loan was contracted in April 2019 to finance Group working capital.

Finance lease payments were mainly related to the Group head office. The significant decrease in these repayments was due to the late July 2019 exercise of the finance lease purchase option.

During the year ended 31 March 2019, the Group took out two new loans totalling €5 million to finance Group capital expenditure, a €900,000 loan to finance Group working capital and a €500,000 loan in order to buy up the minority interests in OLYS subsidiary BIMP Education.

Repayment of borrowings recognised in 2018/2019 includes repayments arising from the consolidation of the OLYS companies (€780,000). The total amount also includes €1.8 million of repayments under the loan contracted in January 2018 to finance the OLYS and Synopsis acquisitions.

8.3. INFORMATION ON GROUP BORROWING TERMS AND FINANCING STRUCTURE

Information on the financing of the Group's business may be found in Section 8.1 "Information on the Company's short- and long-term financial resources" of this Universal Registration Document and in Notes 1.4 and 3.13 to the consolidated financial statements for the year ended 31 March 2021 included in Section 18.1 of this Universal Registration Document.

8.3.1. Financing policy

Non-current assets: acquisitions

The 10 April 2020 acquisition of the business assets of TopAchat for a price of €3 million was financed with Group equity.

On 30 June 2020, the Group purchased 450 shares in Anikop at a price of €600,000, thereby increasing its stake to 95% of the share capital.

In September 2020, the Group bought up all minority interests in I-Artificielle amounting to 40% of the share capital at a price of €20,000, thereby becoming the company's sole shareholder holding a 100% equity stake.

Effective 31 December 2020, I-Artificielle was merged by absorption into OLYS.

In February 2021, the Group purchased 200,000 shares in Time for the Planet at a price of €200,000.

The Group acquired the entire share capital of LDLC VR Studio and Avitech at respective prices of €20,000 and €90,000 in December 2019 and February 2020. See Note 2.1 to the consolidated financial statements for the year ended 31 March 2020.

Effective 30 September 2020, Avitech was merged by absorption into LDLC Boutiques.

In January 2020, the Group bought up all minority interests in Mac & Co Digital amounting to 49% of the share capital at a price of €150,000, thereby becoming the company's sole shareholder holding a 100% equity stake. See Note 2.1 to the consolidated financial statements for the year ended 31 March 2020.

Effective 31 July 2020, Mac & Co Digital was merged by absorption into OLYS.

In April 2018, the Group bought up all minority interests in BIMP Education representing 40% of the share capital, financed via a €500,000 loan, thereby becoming the company's sole shareholder holding a 100% equity stake. See Note 3.14 to the consolidated financial statements for the year ended 31 March 2019.

Effective 10 September 2018, BIMP Education was merged by absorption into OLYS.

Furthermore, in December 2018 the Group paid €400,000 to acquire a 20% equity stake in CG Développement. See Note 2.1 to the consolidated financial statements for the year ended 31 March 2019.

In January 2018, the acquisition of Olys and Synopsis was paid for by means of a cash contribution financed by two loans amounting to €10 million and €5.3 million. See Section 8.1 of this Universal Registration Document and Note 3.13 to the consolidated financial statements for the year ended 31 March 2021.

Effective 10 September 2018, Synopsis was merged by absorption into OLYS.

In March 2016, the acquisition of the Materiel.net group comprising Domisys, Domimo 2 and Domimo 3 was financed via a cash contribution, for which a €23 million loan was taken out, and a contribution in kind financed via an issuance of new shares and transfer of treasury shares. See Section 8.2.4 of this Universal Registration Document and Note 3.14 to the consolidated financial statements for the year ended 31 March 2018.

Effective 30 September 2018, Domisys was merged by absorption into Groupe LDLC. Effective 16 March 2021, all Domimo 3 assets and liabilities were transferred to Groupe LDLC.

The Group made no other acquisitions during the year ended 31 March 2021.

Non-current assets: property financing

The Group sold all of its real estate assets during the year ended 31 March 2020.

Accordingly, at 31 March 2021 all premises used by the Group are rented.

Non-current assets: financing of other assets

In September and October 2018, Groupe LDLC took out two €2.5 million loans to finance Group capital expenditure.

Financing of working capital

Group working capital is financed via short- and long-term loans (see Note 3.13 to the consolidated financial statements for the year ended 31 March 2021).

In connection with the COVID-19 health crisis, in late April 2020 the LDLC Group obtained four €4.5 million PGE state-guaranteed loans totalling €18 million in order to cover Group cash requirements. Given the strength of the Group's profit margins, all four loans were fully prepaid in February 2021.

In April 2019, Groupe LDLC took out a new €1.1 million loan to finance Group working capital.

In March 2019, Groupe LDLC took out a new €0.9 million loan to finance Group working capital.

Overdraft authorisations granted to the Group amounted to €9.72 million as at 31 March 2021.

The Group has a €15 million revolving credit facility with a €1 million minimum drawdown limit. By amendment dated 19 January 2021, this facility was extended until 30 September 2022 for an amount of €13.5 million. The facility had not been used at 31 March 2021.

On 30 June 2021, the Company voluntarily prepaid the €23 million and €10 million loans contracted to partly finance the acquisitions of Materiel.net, OLYS and Synopsis, via a total prepayment of €6,385,475.97 (principal and interest), without incurring any voluntary prepayment penalties or other related costs. This prepayment also requires the Company to waive the €13.5 million revolving credit facility associated with the loan agreement (see Note 3.13 to the 2020/2021 consolidated financial statements).

The Group therefore assigns its receivables on a non-recourse basis. In March 2021, the Group signed an amendment to the March 2017 factoring agreement with Eurofactor.

8.3.2. Summary of borrowings by due date

€000	Principal outstanding	Due in < 1 year	Due in 1-5 years	Due in > 5 years
Loans	19,512	10,531	8,726	255
Finance leases	9	3	5	0
Total	**19,520**	**10,534**	**8,731**	**255**

8.3.3. Changes in borrowings

€000	Loans	Finance leases	Total
2018/2019	**58,038**	**19,570**	**77,608**
New borrowings	1,100	0	1,100
Repayment of borrowings	(31,917)	(378)	(32,295)
Other changes	306	(19,122)	(18,816)
2019/2020	**27,527**	**71**	**27,597**
New borrowings	18,000	0	18,000
Repayment of borrowings	(26,005)	(62)	(26,067)
Other changes	(10)	0	(10)
2020/2021	**19,511**	**9**	**19,520**

New borrowings at 31 March 2021 correspond to the four €4.5 million PGE state-guaranteed loans obtained in April 2020 for a total amount of €18 million. All four loans were fully prepaid in February 2021, which explains €18 million of the amount shown under "Repayment of borrowings" at 31 March 2021.

Following the outbreak of the COVID-19 health crisis, in late March 2020 the Group companies obtained a six-month moratorium on loan repayments from all lending banks, entailing the deferral of instalments totalling €2.9 million at 31 March 2021.

In accordance with Amendment 2 to the loan agreement, the sale of the real estate asset held by Domimo 3 during the 2019/2020 financial year triggered a €407,000 prepayment under the €23 million and €10 million loans on 30 September 2020.

During the 2020/2021 financial year, another Group subsidiary fully prepaid its loan in an amount of €91,000.

Other changes totalling €306,000 for the year ended 31 March 2020 include €277,000 in consolidated cash flows generated by LDLC VR Studio (€148,000) and Avitech (€129,000).

On 12 June 2019, Groupe LDLC signed a sale agreement for the warehouse and office complex located at Grandchamps-des-Fontaines (Loire-Atlantique) held by Domimo 2, a 99.98%-owned subsidiary of Groupe LDLC. The sale price amounted to €11.3 million. The transaction triggered a €4.3 million prepayment under the associated loan.

On 21 February 2020, Groupe LDLC signed a sale agreement for the Nantes concept store held by 99.9%-owned subsidiary Domimo 3. The sale price amounted to €1.4 million. The transaction triggered a €216,000 prepayment under the associated loan.

At 31 March 2020, the Group had not used the €15 million revolving credit facility, whereas this facility was fully drawn the previous year.

In accordance with Amendment 2 to the loan agreement, on 13 December 2019 the real estate asset disposals carried out during the year triggered a €6 million prepayment comprising a €3 million repayment under each of the €23 million and €10 million loans.

These prepayments were offset by the moratorium on loan repayments obtained by the Group from all of its lending banks in view of the COVID-19 health crisis, which totalled €2.9 million at 31 March 2020.

The €19,122,000 expense shown under other changes in finance lease items for 2019/2020 results from the Group's withdrawal from the head office finance lease in July 2019.

8.4. INFORMATION ON ALL LIMITATIONS ON THE USE OF CAPITAL OR THAT COULD HAVE A MARKED IMPACT, EITHER DIRECT OR INDIRECT, ON GROUP OPERATIONS

8.4.1. Bank covenants

The Materiel.net acquisition was partly financed via a €23 million loan contracted by Groupe LDLC on 31 March 2016. As part of the financing arrangements for the Olys and Synopsis acquisitions, a second amendment to the 31 March 2016 loan agreement was signed on 19 January 2018.

Amendment 2 to the combined 2016 and 2018 acquisition loan agreement provides for compliance with a number of bank covenants (ratios, capex limits, etc.). Failure to comply with these covenants may under specific conditions trigger prepayment. Following the transfer of the Groupe LDLC share to Euronext Growth Paris, the definition of underlying EBIT was revised pursuant to Amendment 4. The capital expenditure limit was also revised pursuant to Amendment 4 signed on 15 July 2019.

The ratios are tested every six months.

The ratios shown below apply to the 12-month period from 1 April 2020 to 31 March 2021.

Ratio R1: consolidated net borrowings/consolidated equity (at 31/03/2021 < 0.80)

€m	Note	Calculation
Consolidated net borrowings (1)	(29.87)	A
Consolidated equity (2)	101.59	B
Ratio: consolidated net borrowings/consolidated equity	(0.29)	A/B

Ratio R2: consolidated net borrowings/adjusted consolidated EBITDA (FY ended 31/03/2021 < 2.25)

€m	Note	Calculation
Consolidated net borrowings (1)	(29.87)	A
Adjusted consolidated EBITDA (3)	71.13	B
Ratio: consolidated net borrowings/adjusted consolidated EBITDA	(0.42)	A/B

(1) Consolidated net borrowings corresponds to total borrowings (see Note 3.13 to the 2020/2021 consolidated financial statements) less cash and cash equivalents (see Note 3.10 to the 2020/2021 consolidated financial statements) plus guarantee commitments given and endorsed by signature totalling €39,000.
(2) Consolidated equity corresponds to total shareholders' equity including minority interests (see Note 1.3 to the 2020/2021 consolidated financial statements).
(3) Adjusted consolidated EBITDA corresponds to EBIT plus net depreciation, amortisation and provision allowances deducted from EBIT (see Note 2.5 to the 2020/2021 consolidated financial statements), CVAE business value added tax and discounts received from suppliers.

The amount of capital expenditure is lower than the €7 million limit set for the year ended 31 March 2021.

Bank covenants are in compliance as at 31 March 2021.

As the full voluntary prepayment under the loan agreement was made after the 31 March 2021 closing date, the aforementioned ratios were calculated for the 12-month period running from 1 April 2020 to 31 March 2021. As the loan agreement was terminated effective 30 June 2021, the company is no longer required to test these ratios.

8.4.2. Information on market, credit, interest rate and liquidity risks

Group exposure to the various risks as at 31 March 2021 is analysed in Note 2.4 to the consolidated financial statements for the year ended 31 March 2021, as featured in Section 18.1 of this Universal Registration Document.

Sensitivity testing conducted on floating-rate borrowings is explained in Note 3.15 to the same financial statements.

8.5. INFORMATION ON EXPECTED SOURCES OF FINANCING FOR CARRYING OUT PLANNED INVESTMENTS

A €5 million loan was taken out on 16 April 2021 for a five-year term to finance Group working capital requirements.

During the year, Groupe LDLC may take out new borrowings to finance some or all of its capital expenditure.

CHAPTER 9. REGULATORY ENVIRONMENT

Within the e-commerce sector, the Group is faced with a complex and constantly changing regulatory environment. These regulations primarily concern e-commerce, electronics, personal data protection and ICPE (French industrial, commercial, and agricultural operations subject to particular regulations and environmental protection measures).

You will find below a description of the main regulations liable to have a significant influence on Group operations, as well as all administrative, economic, budgetary, monetary and political measures and factors that have or could have a significant direct or indirect influence on Group operations.

9.1. REGULATIONS ON E-COMMERCE SALES

As an e-commerce retailer, besides the general requirements applicable to all sellers, particularly on a BtoC market, the Group will be required to comply with specific regulations arising from consumer protection and e-commerce laws. The main requirements to be taken into account are:

- **The conditions for cancellation:** Articles L.221-18 et seq. of the French Consumer Code give consumers a 14-day cooling-off period for any contract, particularly purchases, made online or through other types of distance selling. This right must be granted free of charge.
  All e-commerce operators are thus required to inform their consumer customers of the existence of this right and to make it easily accessible by filling in a special form.
- **Warranty of conformity:** in addition to the statutory warranties binding the seller provided for by the French Civil Code (in particular the hidden defect warranty provided for by Articles 1641 et seq. of said code), consumers also benefit from a specific warranty provided for by Articles L.217-4 et seq. of the French Consumer Code in the event of non-conformity of the goods purchased, particularly online.
  This warranty can be exercised within the 2 years following receipt of the goods (i.e. delivery in the case of online purchases) and is owed by the seller/e-seller without prejudice to and notwithstanding the commercial contractual warranties that may otherwise be granted by the manufacturer (often for a period ranging from 1 to 2 years as of sale).
- **Direct marketing by electronic means**: in application of Article L.34-5 of the the French Postal and Electronic Communications Code, any form of direct marketing by electronic means (email, SMS, etc.) must in principle be subject to the prior consent of the person concerned ("opt-in" rule).
  This implies that, in principle, e-sellers may not send newsletters or advertising messages to customers and prospects who have not given their prior express consent.
  The law provides for multiple exceptions to this requirement, particularly if the recipient of the direct marketing is already a customer of the business concerned and if the direct marketing concerns products or services similar to those already provided by the company to said customer.
- **Checking of online reviews:** the new Article L.111-7-2 of the French Consumer Code requires all operators that collect and/or publish consumer reviews online to provide honest, clear and transparent information on how these reviews are published and processed.
  Operators must also disclose how reviews are checked, the dates of publication and updates, reasons for refusal or withdrawal of a review, etc. They must also set up a system of justified notification in the case of suspect reviews. A new European directive adopted on 8 November 2019 has tightened this requirement by adding failure to disclose such information to the list of unfair business practices.

These requirements, particularly the most recent ones regarding online platforms and checking online reviews, may require changes to the general terms of use of e-commerce websites, their interfaces and functions and general practices in the sector.

- In relation to its new marketplace business, the LDLC Group is also subject to stringent disclosure requirements:

> **Regarding consumers**

A breakdown of the information that must be provided to consumers is set out in Articles D.111-7 et seq. of the French Consumer Code. In substance, disclosures must specifically include the procedures for listing, delisting and ranking content, as well as the existence of remuneration or another capital-based relation between a seller and the marketplace platform.

The aforementioned directive adopted on 8 November 2019 has tightened these requirements by adding failure to disclose such information to the list of unfair business practices. The directive also adds the requirement to notify the consumer of all paid advertising and payments made to obtain a better ranking on the marketplace platform. The directive has yet to be implemented in French law.

> **Regarding business users**

In application of the *Platform to Business* Regulation of 20 June 2019, applicable from 12 July 2020, marketplaces must notify business users of the measures taken to guarantee the fairness and transparency of the platform (e.g. state the reasons for suspending or closing seller accounts, the main parameters for ranking and information regarding the treatment of disputes and access to mediation).

Furthermore, the Company's operations are likely to be influenced by the entry into force of the revised Payment Services Directive (PSD2). According to the European Commission (see press release dated 27 November 2017), the directive was revised to increase and improve consumer choice on the European retail payments market. At the same time, it fixes stricter security standards for online payments. Since the Company is not a provider of payment services, it does not fall under the scope of application of the standards. However, the implementation of PSD2 by payment services providers (in particular the implementation of "strong customer authentication" or SCA) involved in the purchasing process for Company customers could have an impact on Group operations.

Over the coming years, LDLC's business could be impacted by the entry into force of the Digital Services Act and Digital Market Act, two proposed EU regulations on online platforms, the European digital market, consumer protection, etc.

9.2. REGULATIONS ON PERSONAL DATA PROTECTION

Data privacy regulations have recently changed with the entry into force, on 25 May 2018, of EU Regulation 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation or GDPR). The GDPR has required amendments to domestic regulations, in particular via the adoption of the new French Data Protection Act no. 2018-493 of 20 June 2018 and its implementing decree no. 2018-687 of 1 August 2018, and subsequently administrative order no. 2018-1125 of 12 December 2018 implementing Article 32 of French Act no. 2018-493 of 20 June 2018 on personal data protection and amending the French Data Protection Act no. 78-17 of 6 January 1978 and various provisions regarding the protection of personal data.

This new regulation imposes stricter requirements on companies and operators that process personal data, the rights of the individuals concerned by such processing and the powers of regulators (such as the Commission Nationale de l'Informatique et des Libertés (CNIL) for France).

Accordingly, companies must ensure that they have procedures and documentary records in place to prove their compliance with regulatory requirements (record of processing, notification of personal data breaches, contracts with data processors, etc.) and to guarantee the exercise of individual rights (information notices, cookie consent forms, rights administration procedures, etc.).

These obligations have a strong impact on e-commerce businesses, which involve processing large amounts of consumer data, where the extent of information held on individuals could be a risk factor (basket analysis, cookies used for retargeting, profiling and targeted advertising, etc.).

Over the coming years, the business activities of the Company and Group are liable to be impacted by the forthcoming adoption of the E-Privacy Regulation destined to cancel and supersede the E-Privacy Directive. This regulation, which is still under discussion within the European Union, will supplement the new system already established by the GDPR in terms of personal data protection and will regulate the provision and use of electronic communications services.

9.3. REGULATIONS REGARDING FACILITIES SUBJECT TO ICPE ENVIRONMENTAL PROTECTION REGULATIONS AND DETAILS ON CONTRIBUTIONS TOWARDS THE PREVENTION AND MANAGEMENT OF WASTE

The Group operates logistics hubs at three locations in France, Saint-Quentin-Fallavier (Isère), Grandchamps-des-Fontaines (Loire-Atlantique) and Gennevilliers (Hauts-de-Seine).

To limit the risks of harm to the environment, some of these facilities are subject to French ICPE environmental protection regulations and must be operated in consultation with the facility owner in accordance with an operating licence delivered by the local prefect's office. Specifically, the provisions of the ministerial orders governing the operations of ICPE-listed facilities must be complied with:

- 1510: storage of materials, products and combustible substances in covered warehouses;
- 1530: storage areas for paper, cardboard and similar combustible materials;
- 1532: storage areas for wood and similar combustible materials.

In accordance with these requirements, oil interceptors have been installed in the car parks at Saint-Quentin-Fallavier and Grandchamps-des-Fontaines, as well as a fire water retention system.

It should also be noted that the ministerial orders governing warehouse operations have been amended by a number of regulations dated 26 September 2020 [1]. The main changes introduced by these regulations are as follows:

- the thresholds for application of the authorisation procedure have been raised. The registration procedure has therefore been extended to a large number of warehouses;
- operating requirements have been tightened, particularly in the case of fuel storage operations, in order to improve fire prevention.

The aforementioned ministerial orders also include guidelines on waste management with which the Group must comply. In this respect, one of the Group's key priorities is the continuous improvement of operational waste sorting at source in order to recycle as much waste as possible.

Furthermore, French Act no. 2020-105 of 10 February 2020 on the prevention of waste and the circular economy provides that, from 2022 onwards, marketplaces and platforms will be required to provide for or contribute to the prevention and management of waste generated by distance selling or delivery, on behalf of a third party, of products covered by Extended Producer Responsibility (EPR), such as electrical and electronic equipment. They can only benefit from an exemption if they can prove that the third party in question has already fulfilled the aforementioned waste prevention and management requirements. For this purpose, they are required to file supporting documentation in a register made available to the administrative authority.

[1] *Decree no. 2020-1169 of 24 September 2020 amending the nomenclature of facilities classified for environmental protection and the nomenclature appended to Article R.122-2 of the French Environmental Code and the 24 September 2020 order amending the ministerial order of 11 April 2017 on the general rules applicable to warehouses covered by section 1510, including where they are also covered by headings 1530, 1532, 2662 and/or 2663 of the nomenclature of facilities classified for environmental protection, as well as the orders enacting general provisions applicable to classified installations subject to registration under headings 1511, 1530, 1532, 2662 and 2663.*

CHAPTER 10. INFORMATION ON TRENDS

10.1. MAIN TRENDS AFFECTING PRODUCTION, SALES AND INVENTORIES, COSTS AND SALE PRICES; MATERIAL POST BALANCE SHEET CHANGES IN GROUP FINANCIAL PERFORMANCE

Except for the information set out below, the Company is not aware of (i) other material trends having affected production, sales and inventories, costs and sale prices, or (ii) material changes in financial performance from the end of the last financial year until the date of filing the Universal Registration Document.

- **Press release dated 29 April 2021:** 2020/2021 revenues up 46.8% to €724.1 million: Q4 revenues of €182.0 million, up 50.7% (up 31.1% at constant consolidation scope) - Continued robust growth across all businesses - BtoC revenues up 62.6% to €526.2 million (up 30.0% at constant consolidation scope).

"Full-year EBITDA target of around €69 million."

Olivier de la Clergerie, LDLC Group CEO, said: *"2020/2021 was a year of robust top-line growth with revenues up nearly 47% year-on-year. All Group business lines were boosted by the new consumer habits that have emerged during the health crisis, fuelling both e-commerce and local services.*

Amid strong and sustained demand for high-tech products among individual consumers and businesses alike, this unprecedented performance vindicates the merits of the omnichannel retail model developed by the Group. As market trends hold steady, the LDLC Group is confident in its ability to post strong earnings growth in FY 2020/2021 with EBITDA forecast at around €69 million, over four times the 2019/2020 figure (€15.7 million)."

Consolidated revenues (1 April to 31 March) – unaudited

€m	2020/2021	2019/2020	Change (%)
Q1 revenues	149.1	103.7	+43.7%
Q2 revenues	165.2	118.3	+39.6%
Q3 revenues	227.8	150.6	+51.3%
Q4 revenues	182.0	120.7	+50.7%
12-month revenues	**724.1**	**493.3**	**+46.8%**

Corporate data: Q4 2020/2021 revenues amounted to €167.3 million and full-year revenues came to €657.5 million.

Q4 2020/2021 revenues: €182.0 million (up 50.7% as reported and up 31.1% at constant consolidation scope) driven by growth across all Group businesses

The BtoC business posted Q4 revenues of €129.0 million, up 56.9% as reported (up 28.2% at constant consolidation scope), underpinned by strong demand for high-tech products. Online retail chains continued to post strong growth. LDLC store chain revenues rose 53.1% year-on-year to €24.7 million reflecting strong momentum in the sector and, to a lesser extent, the impact of the first lockdown on store revenues in March 2020.

The BtoB business posted Q4 2020/2021 revenues of €50.0 million, up 35.9% from €36.8 million the previous year.

Other businesses also continued to grow over the period, generating revenues of €2.9 million, up 69.7% from €1.7 million a year earlier, largely due to the strong performance in L'Armoire de Bébé childcare products, where quarterly sales more than doubled to €1.8 million (up 112%).

Record full-year revenues of €724.1 million (up 46.8% as reported, up 25.4% at constant consolidation scope)

2020/2021 consolidated revenues came to €724.1 million, up 46.8%. This record achievement reflects strong growth in the BtoC online business since the start of the financial year, the contribution of TopAchat, acquired in April 2020, and positive performances in the LDLC store and BtoB businesses since the end of the first lockdown.

BtoC full-year revenues came to €526.2 million, up 62.6% (up 30.0% at constant consolidation scope) from €323.6 million last year. LDLC store chain revenues (57 LDLC stores in France at 31 March 2021) rose sharply by 25.8% to €86.3 million.

Boosted by a strong recovery since Q2 2020/2021 (third quarter of the calendar year), full-year BtoB revenues amounted to €185.9 million, up 14.6% from the previous year.

Other businesses posted total full-year revenues of €12.0 million, up 59.6% from €7.5 million the previous year mainly driven by brisk sales at L'Armoire de Bébé. The childcare brand posted full-year revenues of €7.8 million, up 150% driven by the surge in its online reputation and the July opening of a second store in the Paris region.

Recent news and outlook

L'Armoire de Bébé opens third store and pursues development path

Launched in May 2015 by the LDLC Group, L'Armoire de Bébé has enjoyed booming sales this year. Building on its innovative childcare concept and successful omnichannel offering (online boutique and two stores in Limonest and Orgeval), in April 2021 L'Armoire de Bébé opened a trailblazing 500 m² concept store in Epagny Metz-Tessy (French Alps) offering a vast selection of over 4,000 baby products.

In keeping with the brand's commitment to support parents, the Epagny store also offers a range of educative sessions in a dedicated workshop area, including baby carrying, child osteopathy, consultation with a midwife and family coaching.

This third store is a further milestone in L'Armoire de Bébé's development in the booming market catering for the needs and well-being of children aged 0 to 3.

Group acquires new logistics facility to accommodate growing business

The LDLC Group has signed an off-plan lease for a 28,000 m² warehouse to replace the current 21,000 m² logistics structure near Lyon.

The new facility, which is designed to accommodate the growing business expected over the coming years, should start operating during the 2022/2023 financial year.

Annual targets

LDLC Group markets are currently showing positive and sustainable trends driven by strong demand among individual consumers and businesses alike for products catering for new digital practices and incorporating the latest innovations.

The Group has successfully leveraged its positioning as a specialist omnichannel retailer (physical stores, BtoB and BtoC online) and the social progress it has achieved to deliver a record performance. With full-year revenues of €724.1 million, the Group expects to post EBITDA of around €69 million and a cash surplus of over €30 million for the 2020/2021 financial year.

In view of the sharp rise in business volumes and profit margins, the LDLC Group is confident in its ability to sustain strong business momentum and consolidate its fundamentals in 2021/2022. The Group will provide further details of the outlook for the current financial year in the 2020/2021 full-year results release to be published in June."

Press release dated 17 June 2021:

- Record 2020/2021 full-year results
- 2020/2021 revenues up 46.8% to €724.1 million (up 25.4% at constant consolidation scope)
- Structural improvement in gross margin to 22.5% (vs. 19.3% in 2019/2020)
- Record EBITDA of €70.0 million and net income of €42.2 million, over four times higher than the previous year
- Net cash of €31.3 million at 31 March 2021
- Renewed confidence in business growth: 2021/2022 target revenues between €750 million and €800 million

Olivier de la Clergerie, LDLC Group CEO, said: *"The LDLC Group posted a record-breaking performance in 2020/2021, with revenue growth of over 46% and a significant increase in the EBITDA margin of 9.7%. This success highlights the merits of our omnichannel retail positioning developed by the Group and the strengths of our business model.*

Against a backdrop of sustained high demand among individual consumers and businesses alike for high-tech products, the LDLC Group is confident in its ability to post further earnings growth for the 2021/2022 financial year and is targeting revenues of between €750-800 million and EBITDA above €70 million."

Simplified full-year income statement (1 April to 31 March)

€m - Audited figures	2020/2021 12 months	H1 2020/2021 6 months	H2 2020/2021 6 months	2019/2020 12 months	Change €m
Revenues	**724.1**	***314.3***	***409.8***	**493.4**	**230.7**
Gross margin	**162.9**	***68.7***	***94.2***	**95.1**	**67.8**
Gross margin rate	*22.5%*	*21.9%*	*23.0%*	*19.3%*	*+3.2 pp*
EBITDA (1)	**70.0**	***25.6***	***44.4***	**15.7**	**54.3**
EBITDA margin	*9.7%*	*8.1%*	*10.8%*	*3.2%*	*+6.5 pp*
EBIT	**62.7**	***21.8***	***40.9***	**6.6**	**56.1**
Net financial income/(expense)	-0.4	*-0.1*	*-0.3*	-1.0	0.6
Earnings of consolidated companies before non-recurring items	**62.3**	***21.7***	***40.6***	**5.7**	**56.6**
Non-recurring income/(expense)	0.0	*0.0*	*0.0*	10.5	-10.5
Income tax	-20.1	*-7.1*	*-13.0*	-7.9	-12.2
Net income of consolidated companies	**42.2**	***14.6***	***27.6***	**8.3**	**33.9**
Net income, Group share	**42.2**	***14.6***	***27.6***	**8.3**	**33.9**

(1) EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation

On 17 June 2021, the LDLC Management and Supervisory Boards approved the consolidated financial statements for the financial year ended 31 March 2021. The account auditing procedures have been finalised and the accounts have been audited.

Overview of the 2020/2021 financial year

Record full-year revenues of €724.1 million (up 46.8% as reported, up 25.4% at constant consolidation scope)

2020/2021 consolidated revenues came to €724.1 million, up 46.8%. This record increase reflects strong growth in the BtoC online business, the contribution of TopAchat, acquired in April 2020, solid performances by the LDLC stores and the positive trend within BtoB businesses since the end of the first lockdown.

BtoC full-year revenues came to €526.2 million, up 62.6% (up 30.0% at constant consolidation scope) from €323.6 million last year. LDLC store chain revenues (57 LDLC stores in France at 31 March 2021) rose sharply by 25.8% to €86.3 million.

Boosted by a strong recovery since Q2 2020/2021 (third quarter of the calendar year), full-year BtoB revenues amounted to €185.9 million, up 14.6% from the previous year. With growth of 26.7% in the second half, BtoB businesses benefited from the increase in demand among companies, sustained over subsequent quarters, for equipment related to new working methods.

The Group attracted 725,000 new BtoC and BtoB customers in 2020/2021, twice as many as the previous year. Within the unique context of the health crisis, the Group's average basket value fell 8.2% to €391 excl. tax (€426 excl. tax the previous year).

Other businesses posted total full-year revenues of €12.0 million, up 59.6% from €7.5 million in FY 2019/2020, mainly driven by brisk sales at L'Armoire de Bébé. The childcare brand posted full-year revenues of €7.8 million, up 150% driven by the surge in its online reputation and the July opening of a second store in the Paris region.

Growth in gross margin rate: up 3.2 percentage points to 22.5%

Gross margin increased 71% to €162.9 million in 2020/2021 (vs €95.1 million in 2019/2020). This substantial increase reflects strong growth in business as well as a structural hike in the gross margin rate. The gross margin rate increased by 3.2 percentage points to 22.5%, 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 health crisis over the year, the LDLC Group is confident in its ability to deliver a normalised gross margin rate of around 21.5% over the long term.

Record profits in 2020/2021 with an EBITDA margin of 9.7%

EBITDA amounted to €70.0 million in 2020/2021, i.e. a four-fold increase on the previous year. The sharp improvement in the Group's EBITDA margin to a record 9.7% was due to the increase in the gross margin and the decrease in the relative weight of other operating expenses (12.8% of 2020/2021 revenues, compared to 16.1% in 2019/2020).

Net cost of debt decreased to €0.4 million from €1 million a year earlier, thanks to the positive impact of the Group's deleveraging throughout FY 2019/2020.

The Group posted net income of €42.2 million for the financial year, compared to €8.3 million a year earlier (which included non-recurring income of €10.5 million related to the sale of Group buildings).

Robust financial structure

Shareholders' equity amounted to €101.6 million at 31 March 2021 (compared to €62.5 million at 31 March 2020) for net cash of €31.3 million at the end of the financial year (compared to net debt of €8.6 million at 31 March 2020).

The Group generated net cash flow of €31.7 million in 2020/2021 whilst maintaining high inventory levels against a backdrop of strong demand for high-tech products.

2020/2021 dividend

Following a period of substantial investments and with significantly improved profitability, the LDLC Group has decided to pay a dividend, proposed to the General Meeting of shareholders to be held on 24 September 2021, of €2.00 per share in respect of the 2020/2021 financial year.

By way of reminder, the LDLC Group already paid an interim dividend of €0.50 per share in respect of the financial year (ex-dividend date 23 February 2021, payment date 25 February 2021).

Recent news and outlook

L'Armoire de Bébé opens two new stores at the start of the 2021/2022 period and pursues its development path

Launched in May 2015 by the LDLC Group, L'Armoire de Bébé has enjoyed booming sales this year. Building on its innovative childcare concept and successful omnichannel offering (online boutique and two stores in Limonest (Rhône) and Orgeval (Yvelines)), in April 2021 L'Armoire de Bébé opened a trailblazing 500 m² concept store at Epagny Metz-Tessy (Haute-Savoie) offering a vast selection of over 4,000 baby products.

In keeping with the brand's commitment to support parents, through this concept store L'Armoire de Bébé also offers a range of educative sessions in a dedicated workshop area, including baby carrying, child osteopathy, discussion with a midwife and family coaching.

The brand's network is continuing to expand in the booming market catering for the needs and well-being of children aged 0 to 3 with the May 2021 opening of a fourth store in Nîmes.

Group acquires new logistics facility to accommodate growing business

The LDLC Group has signed an off-plan lease for a 28,000 m^2 warehouse to replace the current 21,000 m² logistics structure near Lyon.

The new facility, which is designed to accommodate the growing business expected over the coming years, should start operating during the 2022/2023 financial year. It represents a total investment of around €5 million for the Group and an estimated additional rental expense of €350,000.

The LDLC.com website soon available in multiple languages

In the coming months, the LDLC Group will launch an Italian version of its website targeting a transalpine customer base. An English version is also being created for non-French-speaking European customers. Through these foreign language roll-outs, the Group is seeking to benefit from greater visibility in Europe and boost sales outside France, building on the success of the Spanish version of the website.

Renewed confidence in business growth for the 2021/2022 financial year

LDLC Group markets are currently showing positive and sustainable trends driven by strong demand among individual consumers and businesses alike for products catering for new digital practices and incorporating the latest innovations.

In view of the sharp rise in business volumes and profit margins, the LDLC Group is confident in its ability to sustain strong business momentum and consolidate its fundamentals in 2021/2022. The Group expects to be able to post further earnings growth and is targeting revenues of between €750 million and €800 million and EBITDA above €70 million.

10.2. KNOWN TRENDS, UNCERTAINTIES, CONSTRAINTS, COMMITMENTS AND EVENTS LIKELY TO HAVE A MARKED INFLUENCE ON THE COMPANY'S OUTLOOK FOR THE CURRENT YEAR

The significant improvement in the Group's financial results in 2020/2021 proves the Group's resilience in the face of complex social and economic conditions such as the health crisis and stretched product supply markets.

Underpinned by a strong positioning further reinforced by positive consolidation across all business lines following a very dynamic financial year , the LDLC Group is confident in its ability to maintain its development path and earnings capacity in 2021/2022.

See Chapter 3 of this Universal Registration Document on the risk factors affecting the Group.

CHAPTER 11. PROFIT FORECASTS AND ESTIMATES

See Section 10.1 on pages 86-88 on the 2021/2022 EBITDA target.

CHAPTER 12. CORPORATE BODIES

12.1. MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

12.1.1. Membership of the Management Board

The membership of the Management Board is set out in the "Supervisory Board report on corporate governance" in Section 14.5 of this Universal Registration Document.

The Management Board members have their business address at the Company's registered office.

The members of the Management Board acquired their management skills and experience through the various employment and management positions they have occupied in the past (see Section 12.1.5 of this Universal Registration Document).

12.1.2. Membership of the Supervisory Board

The members of the Supervisory Board are presented in the "Supervisory Board report on corporate governance" in Section 14.5 of this Universal Registration Document.

The Supervisory Board members have their business address at the Company's registered office.

The members of the Supervisory Board acquired their skills and experience through the various employment and management positions they have occupied in the past (see Section 12.1.5 of this Universal Registration Document).

12.1.3. Other positions held by the members of the Management and Supervisory Boards

For further information, see Section 14.5 "Supervisory Board report on corporate governance" of this Universal Registration Document.

12.1.4. Disclosures regarding members of the Management and Supervisory Boards

We hereby inform you that:

- Marc Villemonte de la Clergerie (member of the Supervisory Board) and Suzanne Villemonte de la Clergerie (Chairwoman and member of the Supervisory Board) are the parents of Caroline (member of the Management Board), Laurent (Chairman and member of the Management Board) and Olivier (CEO and member of the Management Board) Villemonte de la Clergerie; and
- Anne-Marie Bignier Valentin (member of the Supervisory Board) is the sister of Suzanne Villemonte de la Clergerie.

To the best of the Company's knowledge, there are no other family ties between members of the Management Board and Supervisory Board.

To the best of the Company's knowledge, no member of the Management Board or Supervisory Board has, over the past five years:

- been sentenced for fraud;
- been linked to a bankruptcy, receivership, liquidation or company placed under court-ordered administration in the capacity of executive director, Board member or Supervisory Board member;
- been charged or had official public sanctions imposed on them by statutory or regulatory authorities (including designated professional organisations);
- been deprived by court order of the right to be a member of a corporate body of an issuer or be involved in managing or directing the business of an issuer.

12.1.5. Career summary of members of the Management and Supervisory Boards

> **Laurent Villemonte de la Clergerie**

Chairman of the Management Board and founder of the LDLC Group
Born in 1970, a French national

Having studied economic science and electronic engineering, Laurent de la Clergerie was ideally qualified to start his own website, combining an indispensable knowledge of information technology with the ability to analyse the market.

In 1997, driven by his courage and inspiration, he launched LDLC.com in Lyon. This was the dawn of the age of e-commerce… 20 years later, LDLC.com is now the e-commerce leader in the French IT and high-tech markets.

> **Olivier Villemonte de la Clergerie**

Member of the Management Board - LDLC Group CEO
Born in 1972, a French national

After graduating from ECAM Lyon engineering school in 1994, Olivier de la Clergerie continued his studies at EM Lyon Business School.

In 1996, he helped his brother Laurent set up LDLC.com, a company specialising in the online sale of IT and high-tech products.

After military service in the Czech Republic and a spell at Arthur Andersen as an IT systems auditor, Olivier finally moved to LDLC.com as Chief Financial Officer in March 2000.

Since 2001, Olivier de la Clergerie has been Chief Executive Officer of the LDLC Group responsible for back office services and the LDLC School.

> **Marc Prieur**

Member of the Management Board - Director, Hardware.fr
Born in 1979, a French national

Marc Prieur created Hardware.fr, the No. 1 computer hardware website in France, in 1997 while he was still at secondary school. In 2000, the website was acquired by LDLC and became a Group brand. Specialising in spare parts, this information website offers articles, comparisons, advice and a members' forum. In 2016, the website launched an e-commerce operation in the same field. Marc Prieur has been Director of Hardware.fr and a member of the LDLC Group Management Board since 2001.

> **Caroline Villemonte de la Clergerie**

Member of the Management Board
Born in 1975, a French national

Having graduated in financial control at EBP Bordeaux and HEC Paris, Caroline Villemonte de la Clergerie joined her brothers in 1998 right at the start of the LDLC.com adventure. Administrative Director until 2015, she has guided the Group's growth in all aspects of administration and finance. Caroline Villemonte de la Clergerie is a member of the LDLC Group Management Board.

> **Anne-Marie Valentin Bignier**

Member of the Supervisory Board
Born in 1959, a French national

Anne-Marie Valentin Bignier graduated from HEC Paris with a specialisation in marketing in 1981. In 1983 she joined the EDF Group, filling various managerial posts primarily in the areas of customer relations, sales, HR, organisation and auditing. Anne-Marie Valentin Bignier is a member of the LDLC Group Supervisory Board.

> **Suzanne Villemonte de la Clergerie**

Chairwoman and member of the Supervisory Board
Born in 1947, a French national

Suzanne Villemonte de la Clergerie studied law and psychology. She has been involved in the family business since 1997 and was officially appointed Chairwoman of the LDLC Group Supervisory Board in 2000.

> **Marc Villemonte de la Clergerie**

Vice-Chairman and member of the Supervisory Board
Born in 1943, a French national

As a graduate of the *Ecole Supérieure de Commerce* in Bordeaux, Marc Villemonte de la Clergerie spent his career at the Renault Group. He occupied a number of executive positions, mainly in finance, economics, sales and marketing. Involved right from the start of his children's venture into the world of business, Marc Villemonte de la Clergerie has been Vice-Chairman of the Supervisory Board since 2001 and a member of the Supervisory Board since 2000, the year of its creation.

12.2. CONFLICT OF INTEREST WITHIN CORPORATE BODIES

To the best of the Company's knowledge, there is no potential conflict of interest between the duties of the members of the Company's Management Board and Supervisory Board towards the Company and their private interests or other duties.

The Supervisory Board adopted a set of internal regulations, including a clause entitled "Conflict of interests – Disclosure requirement" regarding the prevention of conflicts of interests. This provision requires members of the Supervisory Board who find themselves in any situation entailing or that could entail a conflict between the Company's interests and their own direct or indirect personal interests to notify the Supervisory Board as soon as they become aware of such a situation.

To the best of the Company's knowledge, as at the date of this Universal Registration Document there is no restriction accepted by the persons referred to in Section 12.1 above regarding the sale or transfer, within a specific time period, of their interest in the Company's share capital, except for the restrictions related to pledges as explained in Section 19.1.7.2 of this Universal Registration Document.

To the best of the Company's knowledge, there is no arrangement or agreement of any kind entered into with the main shareholders, customers, suppliers or other parties that provides for the appointment of any of the members of the Management Board or Supervisory Board.

CHAPTER 13. COMPENSATION AND BENEFITS

13.1. COMPENSATION PAID TO MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

To ensure compliance with the provisions of point 13.1 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, applicable by reference to point 1.1 of Annex 2 of said regulation, below you will find, based on the information in our possession, the compensation and benefits of all kinds owed and/or paid to the corporate officers of the Company during the financial years ended 31 March 2020 and 31 March 2021. The compensation and benefits presented below include those received from all companies included in the Company's consolidation scope within the meaning of Article L.233-16 of the French Commercial Code.

We hereby inform you that:

- all members of the Management Board or Supervisory Board are entitled, upon presentation of corresponding receipts, to the repayment of travel and business trip expenses, as well as expenses incurred during the performance of their duties and in the Company's interest;
- no commitment of any kind has been made by the Company in favour of its corporate officers relating to compensation, indemnities or benefits owed or likely to be owed due to the taking up, termination or change of duties or after the performance of said duties, in particular pension and other annuities.

The tables set out in Appendix 2 of AMF recommendation 2021-02 are presented below.

Table 1: Summary of compensation, options and shares granted to each executive director

	Financial year ended 31 March 2020	**Financial year ended 31 March 2021**
Laurent Villemonte de la Clergerie, Chairman of the Management Board		
Compensation due for the year *(breakdown in Table 2)*	€199,621.71	€260,031.39
Multi-year variable compensation awarded during the year	None	
Options granted during the year *(breakdown in Table 4)*	None	
Bonus shares granted *(breakdown in Table 6)*	None	
Total	**€199,621.71**	**€260,031.39**

	Financial year ended 31 March 2020	Financial year ended 31 March 2021
Olivier Villemonte de la Clergerie, CEO		
Compensation due for the year *(breakdown in Table 2)*	€202,518.58	€246,795.73
Multi-year variable compensation awarded during the year	None	
Options granted during the year *(breakdown in Table 4)*	None	
Bonus shares granted *(breakdown in Table 6)*	None	
Total	**€202,518.58**	**€246,795.73**

	Financial year ended 31 March 2020	Financial year ended 31 March 2021
Caroline Villemonte de la Clergerie, Member of the Management Board		
Compensation due for the year *(breakdown in Table 2)*	€24,998.67	€27,926.69
Multi-year variable compensation awarded during the year	None	
Options granted during the year *(breakdown in Table 4)*	None	
Bonus shares granted *(breakdown in Table 6)*	None	
Total	**€24,998.67**	**€27,926.69**

	Financial year ended 31 March 2020	Financial year ended 31 March 2021
Marc Prieur, Member of the Management Board		
Compensation due for the year *(breakdown in Table 2)*	€107,508.42	€146,151.81
Multi-year variable compensation awarded during the year	None	
Options granted during the year *(breakdown in Table 4)*	None	
Bonus shares granted *(breakdown in Table 6)*	None	
Total	**€107,508.42**	**€146,151.81**

Tables 2: Summary of compensation paid to each executive director

The tables presented below list compensation owed to executive directors for the years ended 31 March 2020 and 2021 and compensation actually received by them during the same years (gross amounts before tax).

The following terms used in the tables below are defined as follows:
- "*Amounts due*" corresponds to provisions for compensation owed to the executive director recorded in the annual financial statements at the relevant closing date, the amount of which is not liable to change, irrespective of the payment date;
- *"Amounts paid"* means the total compensation paid during the year to the executive director.

NB: the amounts of the targets used to calculate each executive director's annual variable compensation as shown in the tables below cannot be disclosed, for confidentiality reasons.

Lastly, we inform you that, to calculate the variable compensation awarded to corporate officers, no non-financial criteria are currently taken into account and the calculation is based solely on Group EBIT before deduction of the employee profit-share.

The Company considers that this accounting indicator provides a sufficiently accurate view of its situation during a given financial year reflecting the collective and individual performance of corporate officers. Furthermore, the Company considers that this indicator indirectly takes into account the results of the Company's CSR initiatives.

At present, the Company does not intend to incorporate non-financial performance criteria into the calculation of corporate officer variable compensation for the financial year ending 31 March 2022.

	Laurent Villemonte de la Clergerie, Chairman of the Management Board			
	Financial year ended 31 March 2020		**Financial year ended 31 March 2021**	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed compensation for corporate office	0	€185,400.00 (5)	0	€204,000.00 (7)
Yearly bonus calculated according to the collective bargaining agreement on distance selling of specialised products and "June" annual bonus (8)	0	€10,552.17	0	€18,543.56
Annual variable compensation (1)(2)	€34,531.61 (3)	0	€400,000.00 (6)	€34,531.61
Benefits in kind (4)	0	€3,669.54	0	€2,956.22
Total	**€34,531.61**	**€199,621.71**	**€400,000.00**	**€260,031.39**

(1) With regard to annual variable compensation, (i) the only item taken into consideration is Group EBIT before deduction of the employee profit-share, to which a percentage is applied in order to calculate the annual variable compensation; (ii) there is no correlation between the amount of annual variable compensation awarded and the fixed compensation for corporate office.

(2) On 18 June 2020, the Company's Supervisory Board decided that the annual variable compensation liable to be awarded to Laurent Villemonte de la Clergerie, provided that he holds at least 2% of the share capital in the form of registered shares at the closing date, would be calculated on the basis of Group EBIT before deduction of the employee profit-share as recognised at the closing date of each financial year, multiplied by a percentage on a sliding scale between 0% (zero EBIT) and 2.25%. In any event, this variable compensation is capped at €400,000 gross per financial year.

(3) On 18 June 2020, the Supervisory Board noted the achievement of the target amount of Group EBIT before deduction of the employee profit-share set for Laurent Villemonte de la Clergerie and noted the corresponding award of his variable compensation for the financial year ended 31 March 2020.

(4) Company vehicle in respect of his position as member of the Management Board.

(5) On 28 September 2018 and 20 June 2019, with effect from 1 April 2018, the Supervisory Board set the fixed gross annual compensation awarded to Laurent Villemonte de la Clergerie as Chairman of the Management Board at €185,400.

(6) On 17 June 2021, the Supervisory Board noted the achievement of the target amount of Group EBIT before deduction of the employee profit-share set for Laurent Villemonte de la Clergerie and noted the corresponding award of his variable compensation for the financial year ended 31 March 2021.

(7) On 18 June 2020, with effect from 1 April 2020, the Supervisory Board set the fixed gross annual compensation awarded to Laurent Villemonte de la Clergerie as Chairman of the Management Board at €204,400.

(8) On 18 June 2020, the Supervisory Board decided that the "June" annual bonus would be awarded to Laurent Villemonte de la Clergerie with effect from 1 April 2020 under the conditions applicable to Company employees, i.e. 30% of the June gross base salary every year.

	Olivier Villemonte de la Clergerie, Chief Executive Officer			
	Financial year ended 31 March 2020		**Financial year ended 31 March 2021**	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed compensation for corporate office	0	€187,560.00 (6)	0	€201,840.00 (7)
Yearly bonus calculated according to the collective bargaining agreement on distance selling of specialised products and "June" annual bonus (8)	0	€10,671.82	0	€17,868.68
Annual variable compensation (1)(2)	€23,021.08 (3)	0	€300,000.00 (5)	€23,021.08
Benefits in kind (4)	0	€4,286.76	0	€4,065.97
Total	**€23,021.08**	**€202,518.58**	**€300,000.00**	**€246,795.73**

(1) With regard to annual variable compensation, (i) the only item taken into consideration is Group EBIT before deduction of the employee profit-share, to which a percentage is applied in order to calculate the annual variable compensation; (ii) there is no correlation between the amount of annual variable compensation awarded and the fixed compensation for corporate office.
(2) On 18 June 2020, the Company's Supervisory Board decided that the annual variable compensation liable to be awarded to Olivier Villemonte de la Clergerie, provided that he holds at least 2% of the share capital in the form of registered shares at the closing date, would be calculated on the basis of Group EBIT before deduction of the employee profit-share as recognised at the closing date of each financial year, multiplied by a percentage on a sliding scale between 0% (zero EBIT) and 1.5%. This variable compensation is capped at €300,000 gross per financial year.
(3) On 18 June 2020, the Supervisory Board noted the achievement of the target amount of Group EBIT before deduction of the employee profit-share set for Olivier Villemonte de la Clergerie and noted the corresponding award of his variable compensation for the financial year ended 31 March 2020.
(4) Company vehicle in respect of his position as member of the Management Board.
(5) On 17 June 2021, the Supervisory Board noted the achievement of the target amount of Group underlying EBIT before deduction of the employee profit-share set for Olivier Villemonte de la Clergerie and noted the corresponding award of his variable compensation for the financial year ended 31 March 2021.
(6) The fixed compensation awarded to Olivier Villemonte de la Clergerie was maintained at a gross amount of €185,400 for the financial year ending 31 March 2020. The difference of €2,160 results from an overpayment during the financial year ended 31 March 2020, which was returned to the Company after the closing date and will be included in the financial statements for the year ending 31 March 2021.
(7) On 18 June 2020, with effect from 1 April 2020, the Supervisory Board set the fixed gross annual compensation awarded to Olivier Villemonte de la Clergerie as Chief Executive Officer at €204,400. The difference of €2,160 results from an overpayment during the financial year ended 31 March 2020, which was returned to the Company during the year ended 31 March 2021.
(8) On 18 June 2020, the Supervisory Board decided that the "June" annual bonus would be awarded to Olivier Villemonte de la Clergerie with effect from 1 April 2020 under the conditions applicable to Company employees, i.e. 30% of the June gross base salary every year.

	Caroline Villemonte de la Clergerie, Member of the Management Board			
	Financial year ended 31 March 2020		**Financial year ended 31 March 2021**	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed compensation for corporate office	0	€21,600.00	0	€24,000.00 (7)
Yearly bonus calculated according to the collective bargaining agreement on distance selling of specialised products and "June" annual bonus (6).	0	€1,321.94	0	€2,039.13
Annual variable compensation (1)(2)	None (3)		None (5)	
Benefits in kind (4)	0	€2,076.73	0	€1,887.56
Total	**0**	**€24,998.67**	**0**	**€27,926.69**

(1) With regard to annual variable compensation, (i) the only item taken into consideration is Group EBIT before deduction of the employee profit-share, to which a percentage is applied in order to calculate the annual variable compensation; (ii) there is no correlation between the amount of annual variable compensation awarded and the fixed compensation for corporate office.
(2) On 18 June 2020, the Company's Supervisory Board decided that the annual variable compensation liable to be awarded to Caroline Villemonte de la Clergerie, provided that she (i) has an employment contract with the Group and does not receive annual variable compensation under this contract and (ii) can prove that she holds at least 2% of the share capital in the form of registered shares at the closing date, would be calculated on the basis of Group EBIT before deduction of the employee profit-share as recognised at the closing date of each financial year, multiplied by a percentage on a sliding scale between 0% (zero EBIT) and 0.75%. This variable compensation is capped at €150,000 gross per financial year.
(3) Given that there was no employment contract between Caroline Villemonte de la Clergerie and the Group as at 31 March 2020, she did not qualify for the allocation of annual variable compensation for the financial year ended 31 March 2020.
(4) Company vehicle in respect of his position as member of the Management Board.
(5) Given that there was no employment contract between Caroline Villemonte de la Clergerie and the Group as at 31 March 2021, she did not qualify for the allocation of annual variable compensation for the financial year ended 31 March 2021.
(6) On 18 June 2020, the Supervisory Board decided that the "June" annual bonus would be awarded to Caroline Villemonte de la Clergerie with effect from 1 April 2020 under the conditions applicable to Company employees, i.e. 30% of the June gross base salary every year.
(7) On 18 June 2020, with effect from 1 April 2020, the Supervisory Board set the fixed gross annual compensation awarded to Caroline Villemonte de la Clergerie as member of the Management Board at €24,000.

	Marc Prieur, Member of the Management Board			
	Financial year ended 31 March 2020		Financial year ended 31 March 2021	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation for corporate office	0	€4,800.00	0	€24,000.00 (8)
Yearly bonus calculated according to the collective bargaining agreement on distance selling of specialised products and "June" annual bonus (7)	0	€368.50	0	€2,350.76
Fixed compensation as employee of Hardware.fr	0	€92,400.00	0	€98,400.00
Annual variable compensation (1)(2)	€11,510.54 (3)	0	€150,000.00 (6)	€11,510.54
Bonus in relation to work as employee of Hardware.fr(4)	0	€8,200.00	0	€8,200.00
Benefits in kind (5)	0	€1,739.92	0	€1,690.51
Total	**11,510.54**	**€107,508.42**	**€150,000.00**	**€146,151.81**

(1) With regard to annual variable compensation, (i) the only item taken into consideration is Group EBIT before deduction of the employee profit-share, to which a percentage is applied in order to calculate the annual variable compensation; (ii) there is no correlation between the amount of annual variable compensation awarded and the fixed compensation for corporate office.

(2) On 18 June 2020, the Company's Supervisory Board decided that the annual variable compensation liable to be awarded to Marc Prieur, provided that he (i) has an employment contract with the Group and does not receive annual variable compensation under this contract and (ii) proves that he holds at least 2% of the share capital in the form of registered shares at the closing date, would be calculated on the basis of Group EBIT before deduction of the employee profit-share as recognised at the closing date of each financial year, multiplied by a percentage on a sliding scale between 0% (zero EBIT) and 0.75%. This variable compensation is capped at €150,000 gross per financial year.

(3) On 18 June 2020, the Supervisory Board noted the achievement of the target amount of Group EBIT before deduction of the employee profit-share set for Marc Prieur and noted the corresponding award of his variable compensation for the financial year ended 31 March 2020.

(4) 13th month bonus

(5) Company vehicle in respect of his position as member of the Management Board

(6) On 17 June 2021, the Supervisory Board noted the achievement of the target amount of Group EBIT before deduction of the employee profit-share set for Marc Prieur and noted the corresponding award of his variable compensation for the financial year ended 31 March 2021.

(7) On 18 June 2020, the Supervisory Board decided that the "June" annual bonus would be awarded to Marc Prieur with effect from 1 April 2020 under the conditions applicable to Company employees, i.e. 30% of the June gross base salary every year.

(8) On 18 June 2020, with effect from 1 April 2020, the Supervisory Board set the fixed gross annual compensation awarded to Marc Prieur as member of the Management Board at €24,000.

Tables 3: Table presenting the compensation awarded to members of the Supervisory Board as provided for in Article L.225-83 of the French Commercial Code and the other compensation received by non-executive directors

	Financial year ended 31 March 2020	Financial year ended 31 March 2021
Suzanne Villemonte de la Clergerie, Chairwoman of the Supervisory Board		
Compensation awarded under Article L.225-83, French Commercial Code	None	None
Fixed compensation for corporate office	€21,600.00	€21,600.00
Total	**€21,600.00**	**€21,600.00**

	Financial year ended 31 March 2020	Financial year ended 31 March 2021
Marc Villemonte de la Clergerie, Vice-Chairman of the Supervisory Board		
Compensation awarded under Article L.225-83, French Commercial Code	None	None
Fixed compensation for corporate office	€16,800.00	€16,800.00
Total	**€16,800.00**	**€16,800.00**

	Financial year ended 31 March 2020	Financial year ended 31 March 2021
Anne-Marie Valentin Bignier, Member of the Supervisory Board		
Compensation awarded under Article L.225-83, French Commercial Code	None	None
Total	**None**	**None**

Table 4: Stock options granted during the year to each executive director by the issuer and by any Group company

None.

Table 5: Stock options exercised during the year by each executive director

None.

Table 6: Bonus shares granted to each corporate officer during the year ended

None.

Table 7: Bonus shares available for sale by each corporate officer during the year ended

None.

Table 8: History of stock options granted

None.

Table 9: Stock options granted to the first ten non-director employees and options exercised by them

None.

Table 10: **History of bonus shares granted**

Date of General Meeting	28/09/2012	28/09/2012	28/09/2012	30/09/2016	30/09/2016	30/09/2016	30/09/2016	27/09/2019
Date of Management Board meeting	24/06/2013	28/03/2014	09/07/2014	30/09/2016	29/06/2017	13/11/2017	23/02/2018	22/07/2020
Total number of bonus shares granted (to):	11,494	137	161,746	1,500	10,000	2,000	70,000	20,000
Philippe Sauze (1)	11,494	0	160,924	0	0	0	0	0
Vesting date	23/06/2015	28/03/2016	(2)	30/09/2018	(2)	13/11/2019	(2)	(2)
End of lock-in period	23/06/2017	28/03/2018	(2)	01/10/2020	(2)	14/11/2021	(2)	(2)
Number of shares acquired at 31 March 2021	11,494	137	161,746	1,500	2,000	2,000	22,500	0
Total number of shares cancelled or expired	None	None	None	None	7,000	None	35,000	None
Bonus shares outstanding at year-end	None	None	None	None	1,000	None	12,500	20,000
Share value (closing price on allotment date)	€9.68	€22.32	€17.10	€33.30	€28.49	€19.55	€17.94	€27.20
Euro valuation of shares under the method used for the 2020/2021 consolidated financial statements (3)	None	None	None	None	(58,146.56) (2)	None	419,329.60	136,801.34

(1) For his work as a Company employee responsible for sales, Internet and marketing. Philippe Sauze is no longer a member of the Management Board as of 29 November 2017.
(2) Please see the special report on the Management Board's exercise of the authorisations to grant Company bonus shares pursuant to Articles L.225-197-1 et seq. of the French Commercial Code, as presented in Chapter 24 of this Universal Registration Document.
(3) For further information, see Notes 3.12 and 4.2 to the consolidated financial statements in Section 18.1.

Table 11:

The following table provides specific information on conditions regarding compensation and other benefits granted to executive directors in office at 31 March 2021:

Executive directors	Employment contract		Supplementary pension scheme		Compensation or benefits due or likely to become due following termination or a change of office, including retirement commitments and other annuities		Compensation arising from a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Laurent Villemonte de la Clergerie		X		X		X		X
Date of appointment:	07/03/2000							
Expiry of appointment:	At the end of the Annual General Meeting called to approve the financial statements for the year ended 31/03/2025							
Olivier Villemonte de la Clergerie		X		X		X		X
Date of appointment:	07/03/2000							
Expiry of appointment:	At the end of the Annual General Meeting called to approve the financial statements for the year ended 31/03/2025							
Caroline Villemonte de la Clergerie		X		X		X		X
Date of appointment:	07/03/2000							
Expiry of appointment:	At the end of the Annual General Meeting called to approve the financial statements for the year ended 31/03/2025							
Marc Prieur	X (1)			X		X		X
Date of appointment:	14/04/2005							
Expiry of appointment:	At the end of the Annual General Meeting called to approve the financial statements for the year ended 31/03/2025							

(1) Marc Prieur was an employee of Company subsidiary Hardware.fr until his contract was terminated on 28 June 2021.

For further information, see Section 14.5 “Supervisory Board report on corporate governance” of this Universal Registration Document.

13.2. PROVISIONS AND OTHER AMOUNTS RECORDED BY THE COMPANY OR ITS SUBSIDIARIES FOR THE PAYMENT OF CORPORATE OFFICER PENSIONS, RETIREMENT OR OTHER BENEFITS

Besides the provisions for statutory retirement bonuses described under Note 3.12 to the consolidated financial statements presented in Section 18.1 of this Universal Registration Document, the Company has not recorded any provisions for the payment of pensions, retirement and other benefits to members of the Management or Supervisory Boards.

The Company did not pay any golden hellos or golden parachutes to the aforementioned directors or to any other corporate officers.

13.3. SUMMARY STATEMENT OF COMPANY SHARE TRANSACTIONS CARRIED OUT DURING THE YEAR ENDED BY DIRECTORS AND PERSONS LISTED UNDER ARTICLE L.621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

Pursuant to Article L.621-18-2 of the French Monetary and Financial Code and Articles 223-23 and 223-26 of the AMF General Regulation, the Company has been notified of the execution of the following transactions, as referred to in Article 19 of EU Regulation 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse, during the year ended 31 March 2021.

Persons concerned	Type of transaction	Number of transactions	Month of transaction	Volume	Average price (€)
Marc Prieur, Member of the Management Board	Disposal	1	July 2020	3,022	31.2148
Marc Prieur, Member of the Management Board	Disposal	1	July 2020	1,339	30.9496
Marc Prieur, Member of the Management Board	Disposal	1	July 2020	1,860	30.9195
Marc Prieur, Member of the Management Board	Disposal	1	August 2020	613	30.3000
Marc Prieur, Member of the Management Board	Disposal	1	August 2020	1,770	29.8000
Marc Prieur, Member of the Management Board	Disposal	1	December 2020	340	47.5000
Laurent Villemonte de la Clergerie, Chairman of the Management Board	Disposal	1	December 2020	600	44.0950
Laurent Villemonte de la Clergerie, Chairman of the Management Board	Disposal	2	December 2020	2,200	45.5909
	Disposal	3	December 2020	1,200	45.6125
Marc Prieur, Member of the Management Board	Disposal	1	December 2020	1,000	45.7000
Marc Prieur, Member of the Management Board	Disposal	1	December 2020	871	45.7000
Suzanne Villemonte de la Clergerie, Chairwoman of the Supervisory Board	Acquisition	1	December 2020	1,700	41.8659
Suzanne Villemonte de la Clergerie, Chairwoman of the Supervisory Board	Acquisition	1	January 2021	2,300	54.0000
Marc Prieur, Member of the Management Board	Disposal	7	January 2021	5,590	54.5113
Marc Prieur, Member of the Management Board	Disposal	1	February 2021	2,051	57.0000
Laurent Villemonte de la Clergerie, Chairman of the Management Board	Disposal	5	February 2021	1,800	57.2249
	Disposal	1	February 2021	2,000	58.0000
	Disposal	1	February 2021	50	57.8000
Marc Prieur, Member of the Management Board	Disposal	1	February 2021	1,000	56.8000
Marc Prieur, Member of the Management Board	Disposal	6	February 2021	6,848	57.6811
Marc Prieur, Member of the Management Board	Disposal	3	February 2021	2,067	57.8024
Marc Prieur, Member of the Management Board	Disposal	2	February 2021	11,000	57.9818
Marc Prieur, Member of the Management Board	Disposal	2	February 2021	2,000	57.9000
Laurent Villemonte de la Clergerie, Chairman of the Management Board	Disposal	3	February 2021	1,467	58.3047
	Disposal	1	February 2021	177	60.0000
	Disposal	1	February 2021	506	60.0000

CHAPTER 14. OPERATION OF CORPORATE BODIES

14.1. COMPANY MANAGEMENT

Further information on the members of the Management Board may be found in Chapter 12 "Corporate bodies" of this Universal Registration Document.

14.2. INFORMATION ON AGREEMENTS BETWEEN DIRECTORS AND THE COMPANY OR ONE OF ITS SUBSIDIARIES

On 1 August 2000, Marc Prieur (member of the Management Board) signed an employment contract with Hardware, a subsidiary of the Company, for the position of Chief Editor. His employment contract was terminated on 28 June 2021.

There are no other contracts between corporate officers and the Company or any of its subsidiaries.

14.3. SUPERVISORY BOARD – CORPORATE GOVERNANCE

14.3.1. Supervisory Board

For further information, see Section 14.5 "Supervisory Board report on corporate governance" of this Universal Registration Document.

14.3.2. Governance

For further information, see Section 14.5 "Supervisory Board report on corporate governance" of this Universal Registration Document.

14.4. INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Company objectives with regard to internal control and risk management procedures

The purposes of the internal control procedures applicable within the Company are:

- to ensure that managerial acts, the execution of transactions and staff conduct comply with the guidelines imposed on the Company's business activities by its corporate bodies, applicable laws and regulations and the Company's values, standards and internal rules;
- to ensure that the accounting, financial and administrative information forwarded to the Company's bodies gives a true and fair view of the operations and financial position of the Company and its subsidiaries.

One of the goals of internal control is to forestall and control the risks arising from the operations of the Company and its subsidiaries and the risks of error and fraud, particularly with regard to finance and accounting. Like any control system, however, it cannot provide complete assurance that such risks have been fully eliminated.

Overview of applicable procedures

(i) Internal control at Company level is organised centrally by department, under the responsibility of a director or departmental manager based at head office and reporting directly to the Management Board and specifically to the Chairman of the Management Board and/or the CEOs.

Internal control procedures are in place at the Company and, where necessary, are amended by decision of senior management, with the coordination and assistance of each director or departmental manager concerned. There are no written procedures or internal procedure manuals or guides.

(ii) The main departments and individuals responsible for internal control are:
- the members of the Management Board, i.e. Caroline, Laurent and Olivier Villemonte de la Clergerie and Marc Prieur;
- the directors and operating or departmental managers of the Company and its subsidiaries responsible for the following departments:

Sales department

Based at three different sites, the sales department is responsible for:
- upstream relations with specific manufacturers, including Intel, Microsoft, Apple, HP, etc.
- BtoB sales.

As part of the services it provides to businesses, the Company also provides cable installation services via its subsidiary, DLP Connect, as well as the installation and/or repair of IT equipment via the company Bluescreen.

IT department

The employees working in this division are responsible for the following IT projects:
- technical development of e-commerce websites (upgrading the browser experience, SEO, etc.);
- implementation of security systems (websites, hardware, etc.);
- in-house development of software required for Company operations. During the course of a few years, over thirty software applications have been developed and upgraded, covering all back office operations (order analysis, order processing, inventory management, statistical operational analysis, analysis of incoming and outgoing phone calls, logistics platform administration).

General services department

The general services department is responsible for the legal aspects of the Company, the management of premises, travel and the implementation of projects involving the relocation or extension of premises. It is also responsible for monitoring compliance with provisional schedules and for recording any delay in implementing strategic decisions that could have a material impact on the Group's business.

Customer contact centre department

The customer contact centre department is split over two sites; it is mainly responsible for customer relations, technical support and telephone contact with the stores, covering all Group e-commerce websites.

Finance department

This department is dedicated to Group accounting and financial control and is responsible for the following tasks:
- accounts management;
- customer follow-up;
- accounts management for subsidiaries under a service contract;
- receipts processing (cheques, card payments, stores);
- preparation of annual and half-year statements, etc.;
- setting budgets;
- monitoring cash and supplier payments.

Banking partner relations are managed directly by senior management.

Human resources department

This department is responsible for recruitment and hiring, transfers, induction, schedules, payroll and employment contract management as well as managing the training budget.

Procurement department

This department manages contractual relations with suppliers and all procurement for the LDLC Group and prepares technical data sheets for the website.

Logistics department

The logistics department ensures proper fulfilment of Group customer orders and delivery. It also manages after-sales flows and computer assembly workshops.

Armoire de Bébé department

This department manages all aspects of the childcare brand, including procurement and website/point of sale management.

R&D department

This department designs new products and patents for Groupe LDLC with a view to development and market launch.

14.5. SUPERVISORY BOARD REPORT ON CORPORATE GOVERNANCE

Dear Shareholders,

In accordance with Article L.225-68, paragraph 6 of the French Commercial Code, we hereby provide the information required under Article L.225-37-4 of the French Commercial Code, as adapted where applicable to companies with a Supervisory Board, as well as the Supervisory Board's comments on the Management Board report and financial statements for the year ended 31 March 2021.

The content of this report, prepared on the basis of information provided to the Supervisory Board, was approved by the Supervisory Board at its meeting held on 17 June 2021.

I. Corporate governance

The Company notes that Article L.22-10-10 (4) of the French Commercial Code, applicable by reference from Article L.22-10-20 of said Code relating to the selection of a corporate governance code, no longer applies to the Company. However, the Company has decided to continue to voluntarily use the MiddleNext code published in December 2009 and revised in September 2016 as its reference corporate governance code.

The Company considers that this code is suited to the Company's size and shareholder structure.

It may be consulted on the MiddleNext website (www.middlenext.com).

The Management Board has launched an initiative aimed at gradually bringing the Company into line with the MiddleNext corporate governance code recommendations. The revision of the code prompted the Company to take this action in order to comply with new recommendations, while making allowance for its specific features.

MiddleNext code recommendation	Adopted on 31 March 2021	Not adopted on 31 March 2021
I. Supervisory power		
R 1: Code of conduct for Board members	X	
R 2: Conflicts of interests	X	
R 3: Board membership – Independent members		X(1)
R 4: Provision of information to Board members	X	
R 5: Organisation of Board and committee meetings	X	
R 6: Establishment of committees	X	
R 7: Establishment of Board internal regulations	X(6)	
R 8: Choice of Board members	X	
R 9: Board members' term of office		X(2)
R 10: Board members' compensation		X(3)
R 11: Establishment of a system for assessing the work of the Board	X(4)	
R 12: Shareholder relations	X	
II. Executive power		
R 13: Definition and transparency of executive directors' compensation	X	
R 14: Succession plans for directors	X(5)	
R 15: Combining employment contract with corporate office	X	
R 16: Severance pay	X	
R 17: Supplementary pension schemes	X	
R 18: Stock options and bonus shares	X	
R 19: Review of checkpoints	X	

(1) If the membership of the Supervisory Board changes, MiddleNext code recommendation R3 regarding the presence of two independent members will be taken into account. At the date of this document, in view of the number of Supervisory Board members (currently three), the appointment of two new members qualified as independent members would require broader planning by the Company with regard to changes in Supervisory Board membership. The Company is not averse to the idea of adding one or more independent members, but would like to set such changes in Board membership within a long-term vision so that the members continue to meet the requirements of the Company, its markets and its operation.

The Company believes that the current membership of the Supervisory Board meets these requirements; current members possess the expected skills, not only due to their long-standing presence on the Company's Supervisory Board, but also due to their previous positions in other companies or civil society. Although the Supervisory Board has no independent members strictly meeting the five criteria of MiddleNext code recommendation R3, given the family ties between the current members, the code also defines independence as a mindset indicating, above all, that the person is capable of fully exercising their freedom of judgement and ready to object or resign if necessary. The MiddleNext code also defines independence as a way of conceiving and approaching one's own responsibilities, and therefore a question of personal ethics and loyalty towards the company and the other members of the Supervisory Board. In this respect, the Company considers that the current members of its Supervisory Board fully possess this freedom of judgement and the critical mindset, ethical standards and loyalty required to perform their duties, especially in view of the quality of the information provided by the Board, the frequency of its meeting (five per year) and the average attendance rate (100%).

(2) The Supervisory Board considers that the term of office provided for by the articles of association is suited to the nature of the Company, within the limits provided by law. However, in view of the size and composition of the Supervisory Board, the Company does not consider it appropriate to ask the shareholders to vote on an amendment to the articles providing for staggered reappointments.

(3) If changes to the Supervisory Board involve the appointment of independent members, the Company will make provisions for allocating compensation to these members, to be distributed according to their attendance and the time they devote to their duties, including membership of any committees.

(4) In order to comply with MiddleNext code recommendation R11, on 17 June 2021 the Board conducted an assessment of its operations.

(5) In accordance with Article 1.2 of the Company's internal regulations, if it sees fit to do so, the Supervisory Board reviews the question of the successor to the present executive director (and possible other key personnel).

(6) The internal regulations of the Company's Supervisory Board may be consulted on request at the head office and without restriction on the Company website.

At its meeting on 17 June 2021, the Company's Supervisory Board duly noted the checkpoints specified in the MiddleNext code, in accordance with recommendation R19.

No future change to the membership of the Company's corporate bodies or committees has been decided by those corporate bodies or by the General Meeting of shareholders.

1) Membership of the Management Board

The Company is managed by a Management Board, which performs its duties under the supervision of a Supervisory Board.

The Management Board consists of a maximum of five members. Members are appointed by the Supervisory Board. However, if the share capital is less than €150,000, a single person may be appointed by the Supervisory Board to perform the duties entrusted to the Management Board. Such person shall have the title of sole Chief Executive Officer.

Members of the Management Board are appointed for a term of five (5) years and may always be reappointed. The duties of members of the Management Board shall cease at the end of the Ordinary General Meeting called to approve the financial statements for the year-ended, held during the year in which their term of office expires.

Nobody aged over 65 may be appointed as a member of the Management Board. A member of the Management Board who has passed this age shall be deemed to have resigned at the end of the next Supervisory Board meeting.

Members of the Management Board may be removed from office at any time, for any reason, by decision of the Supervisory Board.

The Supervisory Board shall determine the compensation awarded to members of the Management Board and shall appoint one of them as Chairman.

In addition, in accordance with Article L.225-66 of the French Commercial Code, the articles of association may authorise the Supervisory Board to assign the same power of representation to one or more members of the Management Board, who shall in such case bear the title of Chief Executive Officer.

At 31 March 2021, the Company's Management Board had 4 members.

Name	Office	Date of appointment and expiry of office
Laurent Villemonte de la Clergerie	Member of the Management Board	First appointment: 7 March 2000 1st reappointment: 19 July 2005 2nd reappointment: 1 July 2010 3rd reappointment: 19 June 2015 4th reappointment: 18 June 2020 Expiry of office: end of General Meeting called to approve the financial statements for the year ended 31 March 2025
	Chairman of the Management Board	First appointment: 7 March 2000 1st reappointment: 19 July 2005 2nd reappointment: 1 July 2010 3rd reappointment: 19 June 2015 4th reappointment: 18 June 2020 Expiry of office: end of General Meeting called to approve the financial statements for the year ended 31 March 2025
Olivier Villemonte de la Clergerie	Member of the Management Board	First appointment: 7 March 2000 1st reappointment: 19 July 2005 2nd reappointment: 1 July 2010 3rd reappointment: 19 June 2015 4th reappointment: 18 June 2020 Expiry of office: end of General Meeting called to approve the financial statements for the year ended 31 March 2025
	Chief Executive Officer	First appointment: 5 March 2001 1st reappointment: 19 July 2005 2nd reappointment: 1 July 2010 3rd reappointment: 19 June 2015 4th reappointment: 18 June 2020 Expiry of office: end of General Meeting called to approve the financial statements for the year ended 31 March 2025
Marc Prieur	Member of the Management Board	First appointment: 14 April 2005 1st reappointment: 19 July 2005 2nd reappointment: 1 July 2010 3rd reappointment: 19 June 2015 4th reappointment: 18 June 2020 Expiry of office: end of General Meeting called to approve the financial statements for the year ended 31 March 2025
Caroline Villemonte de la Clergerie	Member of the Management Board	First appointment: 7 March 2000 1st reappointment: 19 July 2005 2nd reappointment: 1 July 2010 3rd reappointment: 19 June 2015 4th reappointment: 18 June 2020 Expiry of office: end of General Meeting called to approve the financial statements for the year ended 31 March 2025

In accordance with recommendation R1 of the MiddleNext code, members of the Management Board hold no more than two corporate offices in companies whose shares are admitted to trading on a regulated market, including companies outside the Group.

See Section 12.1 of this Universal Registration Document for further details regarding the experience and skills of each member of the Management Board.

2) Membership of the Supervisory Board

The Supervisory Board consists of no fewer than three and no more than 18 members, subject to the exception provided for by the French Commercial Code in the event of a merger.

Members may be individuals or legal entities and are appointed by the Ordinary General Meeting of shareholders from amongst their number. In the event of a merger or demerger, members may be appointed by an Extraordinary General Meeting.

No member of the Supervisory Board may stand on the Management Board.

Up to one third of incumbent Supervisory Board members may benefit from an employment contract corresponding to an actual position.

Members of the Supervisory Board serve for a term of six (6) years ending at the end of the shareholders' Ordinary General Meeting called to approve the financial statements for the year ended, held during the year in which their term of office expires.

They may be re-appointed. They may be removed from office at any time by the Ordinary General Meeting.

No more than one third of the incumbent members of the Supervisory Board may be aged 80 or over.

The Supervisory Board shall appoint two individuals from amongst its members as Chairman and Vice-Chairman, who shall be tasked with convening Board meetings and chairing discussions. They shall be appointed for the duration of their term of office as Supervisory Board members. The Supervisory Board shall determine their compensation, as appropriate.

At 31 March 2021, the Company's Supervisory Board had 3 members.

Name	Office	Date of appointment	Reappointments	Date of expiry of office
Suzanne Villemonte de la Clergerie	Member of the Supervisory Board Chairwoman of the Supervisory Board	7 March 2000	29 September 2006 28 September 2012 28 September 2018 7 July 2006 22 June 2012 13 June 2018	End of General Meeting called to approve the financial statements for the year ended 31 March 2024
Marc Villemonte de la Clergerie	Member of the Supervisory Board Vice-Chairman of the Supervisory Board	7 March 2000	29 September 2006 28 September 2012 28 September 2018 7 July 2006 22 June 2012 13 June 2018	End of General Meeting called to approve the financial statements for the year ended 31 March 2024
Anne-Marie Bignier Valentin	Member of the Supervisory Board	7 March 2000	29 September 2006 28 September 2012 28 September 2018	End of General Meeting called to approve the financial statements for the year ended 31 March 2024

See Section 12.1 of this Universal Registration Document for further details regarding the experience and skills of each member of the Supervisory Board.

3) Independent members of the Supervisory Board

The Company applies the definition of independent member set out in recommendation R3 of the MiddleNext code:
- the member is not and has not been, during the last five years, an employee or executive director of the Company or of a company in its Group;
- the member is not and has not been, during the last two years, in a major business relationship with the Company or its Group (customer, supplier, competitor, service provider, creditor, banker, etc.);
- the member is not a major shareholder of the Company and does not hold a significant percentage of its voting rights;
- the member has no close relationship or immediate family ties with a corporate officer or major shareholder;
- the member has not been an auditor of the Company over the last six years.

At its meeting on 17 June 2021, the Supervisory Board reviewed its members' circumstances in light of these independence criteria and decided that, due to their family ties, none of its members met the independence criteria of the MiddleNext corporate governance code.

4) Terms of office

Supervisory Board members' term of office is set at six (6) years. In view of the size and composition of the Supervisory Board, the Company does not consider it appropriate to ask the shareholders to vote on an amendment to the articles providing for staggered reappointments.

5) Rules of conduct

In accordance with recommendation R1 of the MiddleNext code, all members of the Supervisory Board are made aware of the duties incumbent upon them at the time of their appointment and are encouraged to follow the rules of conduct applicable to their office. At the start of their term of office, they sign the Board internal regulations and undertake to:
- comply with statutory regulations regarding the combination of offices;
- comply with applicable regulations;
- notify the Board in the event of a conflict of interests arising after their appointment;
- regularly attend Board meetings and General Meetings of shareholders;
- make sure they have all the required information regarding items on the agenda of Board meetings before making any decision;
- observe professional secrecy.

6) Selection of Supervisory Board members

The members of the Supervisory Board are selected mainly in terms of their understanding of the workings of the e-commerce market, their knowledge of the Company and their ability to ensure that the Company's strategy is in line with its interests. Information on the experience and skills of each Supervisory Board member is communicated to the General Meeting for the purposes of appointing each new member. The appointment of each new member is the subject of a separate resolution.

7) Missions of the Management Board and Supervisory Board

Management Board

The Management Board is vested with full powers with regard to third parties to act on the Company's behalf under all circumstances, within the limits of the Company's objects, subject to the powers expressly assigned by law to the Supervisory Board and shareholders' meetings.

In relations with third parties, the Company is bound even by acts of the Management Board that do not fall within the scope of the Company's objects, unless it can prove that the third parties were aware that the act exceeded such objects or that, given the circumstances, they could not be unaware of this fact. The mere publication of the articles of association shall not constitute proof of this fact.

In accordance with Article L.225-68 of the French Commercial Code, sureties, endorsements and guarantees must be authorised by the Supervisory Board. Transactions in breach of this provision are only binding on third parties in the cases provided for by law.

The Management Board shall present a report to the Supervisory Board at least once a quarter. Within three months of the balance sheet date, the Management Board shall present the Company and consolidated financial statements, accompanied by the related management report, as well as, where applicable, the report referred to in Article L.225-68 of the French Commercial Code, for the purposes of audit and verification.

The Chairman of the Management Board represents the Company in its dealings with third parties.

The Supervisory Board may assign the same power of representation to one or more members of the Management Board, who shall in such case bear the title of Chief Executive Officer.

Acts and deeds that bind the Company with regard to third parties must bear the signature of the Chairman of the Management Board, one of the Chief Executive Officers or any proxy duly empowered to such end.

The Management Board met 11 times during the year ended 31 March 2021, with an attendance rate of 93.18%.

Supervisory Board

The Supervisory Board permanently oversees the management of the Company by the Management Board.

It appoints the members of the Management Board, the Chairman and any Chief Executive Officers and sets the amount of their compensation.

It convenes the General Meeting of shareholders, unless the meeting is convened by the Management Board.

At any time during the year, it shall carry out checks and verifications it deems appropriate and may request any documents it considers useful for the fulfilment of its mission.

It presents its comments on the Management Board report, as well as the financial statements for the year, to the Annual Ordinary General Meeting of shareholders.

The Supervisory Board met five times during the year ended 31 March 2021, with an attendance rate of 100%.

8) Establishment of committees

In accordance with recommendation R6 of the MiddleNext code, we hereby report to you on the Company's decision with regard to special committees.

At 31 March 2021, the Supervisory Board does not have any special committees.

We hereby inform you that on 12 December 2019, on the basis of a favourable opinion issued by the Audit Committee and the Company's statutory auditors, the Supervisory Board unanimously decided with effect from that date to discontinue the Supervisory Board's Audit Committee set up to comply with Articles L.823-19 and L.823-20-4 of the French Commercial Code.

This decision is justified (i) by the fact that, since 2 September 2019 when the Company's shares were admitted for trading on the Euronext Growth organised multilateral trading facility instead of the Euronext Paris regulated market, the creation of an Audit Committee has been optional for the Company, and (ii) in order to simplify the operation of the Supervisory Board given the size of the Company and composition of its corporate bodies.

In any case, it is recalled that the Supervisory Board continues to monitor all matters related to the preparation and auditing of accounting and financial information to the full extent permitted by the legal authority granted to it pursuant to Article L.225-68 of the French Commercial Code.

II. List of all offices and duties exercised at any company during the financial year ended 31 March 2020

To ensure compliance with the provisions of Article L.225-37-4 (1) of the French Commercial Code, applicable by reference from Article L.225-68, paragraph 6 of said Code, we have summarised the list of offices and duties exercised in any company (with the exception of the Company - see paragraph I of this section) during the financial year ended 31 March 2021.

Name	Position	Company
Management Board		
Laurent Villemonte de la Clergerie	Non-partner manager	Nemeio SARL (Company subsidiary)
	Manager	IDFAMILY SCI
	Chairman	LDLC VR Studio (Company subsidiary previously called Katzami SAS)
	Chairman	Sttanding SAS
	Member of the Supervisory Board	LYON ASVEL Feminin SASP
	Member of the Supervisory Board	ASVEL Basket SASP
	Chairman	PTIFOX SAS
Olivier Villemonte de la Clergerie	Non-partner manager	Anikop SARL (Company subsidiary)
	Non-partner manager	DLP Connect SARL (Company subsidiary)
	Non-partner manager	Domimo 2 SCI (Company subsidiary)
	Board member	Thermador Groupe SA (company listed on Euronext Paris)
	Chairman	F-LOC SAS
	Chief Executive Officer	LDLC VR Studio (Company subsidiary previously called Katzami SAS)
	Chairman	Wolgarath (SAS)
Marc Prieur	Non-partner manager	Hardware.fr SARL (Company subsidiary)
Caroline Villemonte de la Clergerie	Manager	TD Family SCI
Supervisory Board		
Suzanne Villemonte de la Clergerie	None	None
Marc Villemonte de la Clergerie	None	None
Anne-Marie Bignier	None	None

Furthermore, in accordance with point 12.1 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, applicable by reference from point 1.1 of Annex 2 of said Regulation, a list of the offices and duties exercised in any company during the last five years and terminated as at 31 March 2021 for each corporate officer is provided below.

Name	Position	Company
Management Board		
Laurent Villemonte de la Clergerie	Non-partner manager Non-partner manager	Synopsis (Merger) Avitech SARL (Company subsidiary)
Olivier Villemonte de la Clergerie	Member of the Supervisory Board Non-partner manager Non-partner manager Non-partner manager	La Vie Claire SA Synopsis (Merger) Domimo 3 SCI (Company subsidiary) Avitech SARL (Company subsidiary)
Marc Prieur	None	None
Caroline Villemonte de la Clergerie	None	None
Supervisory Board		
Suzanne Villemonte de la Clergerie	None	None
Marc Villemonte de la Clergerie	None	None
Anne-Marie Bignier	None	None

III. Agreements provided for under Article L.225-37-4 (2) of the French Commercial Code

For the sake of compliance with Article L.225-37-4 (2) of the French Commercial Code applicable by reference from Article L.225-68, paragraph 6 of said Code, we hereby state that no agreement, other than those relating to normal business transactions entered into under arm's length terms, was entered into during the year ended 31 March 2021, directly or via an intermediary, between:

- a corporate officer or a shareholder holding more than 10% of the Company's voting rights; and
- another company controlled by the Company within the meaning of Article L.233-3 of the French Commercial Code.

IV. Information that could have an impact in the event of a pubic tender offer

We note that, as the Company's shares have been admitted to trading on the Euronext Growth organised multilateral trading facility instead of the Euronext Paris regulated market since 2 September 2019, the provisions of Article L.22-10-11, by reference from Article L.22-10-20, of the French Commercial Code relating to information that could have an impact in the event of a public tender or exchange offer are no longer applicable.

However, in accordance with the provisions of Article L.433-5 of the French Monetary and Financial Code and Article 231-1 (4) of the AMF General Regulation, the rules relating to public tender offers applicable to companies whose financial instruments are admitted to trading on a regulated market remain applicable for a period of three years following the date on which these financial instruments cease to be admitted to trading on a regulated market.

In this regard, the Company has opted to maintain a description of the information listed in Article L.22-10-11 of the French Commercial Code that could have an impact in the event of a public tender or exchange offer.

Capital structure of the Company

See Chapter 16 of this Universal Registration Document.

Restrictions on exercising voting rights and transferring shares imposed by the articles of association, or contractual provisions made known to the Company pursuant to Article L.233-11 of the French Commercial Code

Article 12.6 of the Company's articles of association provides that: *"Any natural person or legal entity, acting alone or in concert, who holds, in any manner whatsoever, whether directly or indirectly, a number of shares representing a fraction equal to five per cent (5%) of* *the share capital or voting rights, or any multiple of this percentage, must report to the Company the information referred to in Article L.233-7 (I) of the French Commercial Code (including the total number of shares or voting rights held by the party concerned or equivalent pursuant to Article L.233-9 of the French Commercial Code), before close of trading on the fourth trading day following the day on which the shareholding threshold is crossed, by registered letter with acknowledgement of receipt, or by any other equivalent means for persons residing outside France, sent to the registered office.*

This obligation shall apply under the same terms and conditions as those provided for above, whenever the fraction of the share capital or voting rights held falls below one of the determined thresholds.

In the event that the foregoing stipulations are not adhered to and upon request, as recorded in the minutes of the corresponding General Meeting, by one or more shareholders holding at least 5% of the Company's share capital or voting rights, the shares exceeding the portion not duly reported shall be stripped of voting rights at all General Meetings held during a period of two years following the date on which they are duly reported. Under the same conditions, the voting rights attached to said shares that were not duly disclosed may not be exercised or assigned by the non-compliant shareholder.

Adherence to the statutory obligation to report the crossing of a threshold does not, under any circumstances, exempt any natural person or legal entity from adhering to their statutory and regulatory reporting obligations (including those required by the AMF General Regulation and market rules in force)."

Direct and indirect interests in the Company's share capital of which it is aware, pursuant to Articles L.233-7 and L.233-12 of the French Commercial Code

See Chapter 16 of this Universal Registration Document.

List of all shareholders holding shares granting special controlling rights and description thereof

The Company is not aware of the existence of any special controlling rights.

Control mechanisms applicable to a potential employee share ownership system where controlling rights are not exercised by the employees

None.

Shareholder agreements known to the Company which may give rise to restrictions on share transfers and the exercise of voting rights

None.

Rules applicable to the appointment and replacement of members of the Management Board and amendments to the articles of association

The applicable rules are those stated in the articles of association. They comply with French law.

Management Board powers, specifically regarding share issues and buybacks

The relevant powers delegated to the Management Board by the General Meeting of the Company's shareholders are set out in Sections 19.1.3 "Company share buyback plan" and paragraph V below.

Agreements entered into by the Company which are automatically modified or terminated in the event of a change of control

For further information, see Chapter 20 of this Universal Registration Document.

Agreements providing for compensation to be paid to members of the Management Board or to employees, if they resign or are dismissed without genuine and substantive grounds, or if their employment contracts are terminated due to a public tender offer

None.

V. Summary of valid delegations of authority granted by the General Meeting of shareholders relating to capital increases, pursuant to Articles L.225-129-1 and L.225-129-2 of the French Commercial Code

In accordance with the provisions of Article L.225-37-4 (3) of the French Commercial Code, applicable by reference from Article L.225-68, paragraph 6 of said Code, a table summarising the valid delegations of authority granted by the General Meeting of shareholders in respect of capital increases, pursuant to Articles L.225-129-1 and L.225-129-2 of said Code, is attached to this report. The table also indicates delegations of authority exercised during the year ended.

Type of delegation of authority granted to the Company's Management Board pursuant to Articles L.225-129-1 and L.225-129-2 of the French Commercial Code	EGM date	Term	Maximum authorised nominal amount of capital increase	Capital increase(s) completed during the year	Means of determining the price	Date and terms of exercise of authority delegated to the Management Board
Delegation of authority to the Management Board to increase the share capital via the issuance of ordinary shares or any securities granting access to the share capital, with shareholder preferential subscription rights	25/09/2020 Resolution 10	26 months	€1,000,000 for increases liable to be carried out, immediately or in the future, via the issuance of ordinary shares and any securities granting access, by any means, immediately and/or in the future, to ordinary shares in the Company €50,000,000 for the issuance of debt securities (1)	None	-	None
Delegation of authority to the Management Board to increase the share capital via the issuance of ordinary shares or any securities granting access to the share capital, without shareholder preferential subscription rights, in the form of a public offering, excluding the offers referred to in Article L.411-2 (1) of the French Monetary and Financial Code	25/09/2020 Resolution 11	26 months	€1,000,000 for increases liable to be carried out, immediately or in the future, via the issuance of ordinary shares and any securities granting access, by any means, immediately and/or in the future, to ordinary shares in the Company €50,000,000 for the issuance of debt securities (1)	None	At least equal to the weighted average share price over the last three trading sessions preceding the beginning of the public offering, less a discount not exceeding 10%, where applicable, and adjusted for any differences in dividend dates	None

Type of delegation of authority granted to the Company's Management Board pursuant to Articles L.225-129-1 and L.225-129-2 of the French Commercial Code	EGM date	Term	Maximum authorised nominal amount of capital increase	Capital increase(s) completed during the year	Means of determining the price	Date and terms of exercise of authority delegated to the Management Board
Delegation of authority to the Management Board to increase the share capital via the issuance of ordinary shares or any securities granting access to the share capital, without shareholder preferential subscription rights, in the form of a public offering as referred to in Article L.411-2 (1) of the French Monetary and Financial Code	25/09/2020 Resolution 12	26 months	€1,000,000 for increases liable to be carried out, immediately or in the future, via the issuance of ordinary shares and any securities granting access, by any means, immediately and/or in the future, to ordinary shares in the Company €50,000,000 for the issuance of debt securities (1)	None	Within the limits set by applicable regulations at the date of issuance	None
Delegation of authority to the Management Board to increase the number of shares to be issued in the event of a capital increase with or without shareholder preferential subscription rights	25/09/2020 Resolution 13	26 months	15% of the initial issue amount	None	At the initial issue price	None
Delegation of authority to the Management Board to increase the share capital by capitalisation of additional paid-in capital, reserves, retained earnings or other amounts	25/09/2020 Resolution 16	26 months	€1,000,000 (2)	None	-	None

Type of delegation of authority granted to the Company's Management Board pursuant to Articles L.225-129-1 and L.225-129-2 of the French Commercial Code	EGM date	Term	Maximum authorised nominal amount of capital increase	Capital increase(s) completed during the year	Means of determining the price	Date and terms of exercise of authority delegated to the Management Board
Authorization to be granted to the Management Board pursuant to Articles L.225-197-1 to L.225-197-6 of the French Commercial Code to allocate existing or future bonus shares to some or all of the salaried employees and/or corporate officers, as defined by Article L.225-197-1 (II) of the French Commercial Code, of the Company and related companies and/or groups	27/09/2019 Resolution 16	38 months	10% of the share capital	None	-	In view of the exercise of previous authorisations by the Management Board, the remaining available amount is 8.39% of the current share capital calculated in accordance with Article L.225-197-1, paragraph 1 of the French Commercial Code

(1) In accordance with Resolution 15 adopted by the General Meeting of shareholders on 25 September 2020:

- *the aggregate maximum nominal amount of capital increases that may be carried out pursuant to the authority delegated under (i) Resolution 16 adopted by the Combined General Meeting of 27 September 2019 and (ii) Resolutions 10-14 adopted by the Combined General Meeting of 25 September 2020 is set at €1,000,000 (or the foreign currency equivalent thereof as at the date of issuance, or equivalent value in units calculated by reference to a basket of currencies), plus the amount of additional shares to be issued in order to maintain the rights of holders of securities and other rights granting access to shares, in accordance with the law and any applicable contractual provisions;*
- *the aggregate maximum nominal amount of debt securities that may be issued pursuant to the authority delegated under Resolutions 10-14 adopted by the Combined General Meeting of 25 September 2020 is set at €50,000,000 (or the foreign currency equivalent thereof as at the date of issuance, or equivalent value in units calculated by reference to a basket of currencies); this cap does not apply to debt securities issued or authorised by the Management Board in accordance with Article L.228-40 of the French Commercial Code.*

(2) The aggregate nominal amount of capital increases thus completed, immediately and/or in the future, shall not exceed €1,000,000 plus the amount of any additional shares that must be issued in order to maintain the rights of holders of securities or other rights granting access to shares, pursuant to statutory and regulatory provisions and any applicable contractual provisions, provided that said total nominal amount shall be separate and distinct from the cap defined in Resolution 15 adopted by the Combined General Meeting of 25 September 2020.

VI. Supervisory Board's comments on the Management Board report and financial statements for the year ended 31 March 2021

On 17 June 2021, the Supervisory Board reviewed the Company and consolidated financial statements submitted by the Management Board for the year ended 31 March 2021, as well as its related report, and stated that it had no comments to make.

14.6. STATUTORY AUDITORS' REPORT, PREPARED PURSUANT TO ARTICLE L.225-10-71 OF THE FRENCH COMMERCIAL CODE, ON THE REPORT OF THE GROUPE LDLC SUPERVISORY BOARD

Please see the "Corporate governance report" section of the statutory auditors' report on the financial statements for the year ended 31 March 2021, in Section 18.4.

CHAPTER 15. EMPLOYEES

15.1. HEADCOUNT AND BREAKDOWN BY COMPANY OVER THE PAST THREE YEARS

At 31 March 2021, the Group employed 1,017 people (excluding Caroline, Suzanne, Laurent, Marc and Olivier Villemonte de la Clergerie, Marc Prieur, Yannick Queste and Loïc Thermoz) at Groupe LDLC and its subsidiaries LDLC Distribution, Anikop, Hardware.fr,
DLP Connect, Ecole LDLC (LDLC School), LDLC Event, LDLC Boutiques (Villefranche, Bordeaux, Villeurbanne, Lyon 7, Lille V2, Avignon), ADB Limonest, ADB Orgeval, Bluescreen and Olys; these include 961 permanent employees, 211 on fixed-term contracts, 7 trainees and 28 apprentices.

Breakdown of headcount by company (excluding corporate officers)

Companies	Number of employees 31 March 2021	Number of employees 31 March 2020	Number of employees 31 March 2019
Groupe LDLC	**696**	**618**	**673**
Anikop	32	30	26
Hardware.fr	1	1	1
DLP Connect	14	15	14
LDLC Distribution	21	20	19
Ecole LDLC	4	4	5
LDLC BOUTIQUES (former LDLC Villeurbanne)	33	4	5
LDLC Villefranche*	0	5	5
LDLC Bordeaux*	0	4	5
LDLC Lyon 7*	0	4	3
LDLC Lille V2*	0	3	3
LDLC Cormeilles*	0	3	3
LDLC Event	9	9	5
ADB Boutiques (former ADB Limonest)	6	6	6
ADB Orgeval	5	0	0
Groupe LDLC España**	0	17	16
Bluescreen	4	4	0
OLYS	189	184	203
I-Artificielle***	0	3	2
Mac & Co Digital****	0	11	17
MyMultimedia	3	4	3
Total	**1,017**	**949**	**1,014**

** On 30 September 2020, LDLC Bordeaux, LDLC Villefranche, LDLC Cormeilles, LDLC Lille V2, LDLC Lyon 7 and Avitech were merged by absorption into LDLC Boutiques (former LDLC Villeurbanne).*
*** On 17 February 2021, Groupe LDLC España S.L. was wound up.*
**** Effective 31 December 2020, I-Artificielle was merged by absorption into Olys.*
***** Effective 30 July 2020, Mac & Co Digital was merged by absorption into Olys.*

15.2. CORPORATE OFFICER PROFIT-SHARING AND STOCK OPTIONS

See Section 14.5 “Supervisory Board report on corporate governance” and Chapter 16 of this Universal Registration Document.

15.3. AGREEMENTS PROVIDING FOR EMPLOYEE SHARE OWNERSHIP

There are no agreements providing for employee share ownership.

Furthermore, to ensure compliance with Article L.225-102, paragraph 1 of the French Commercial Code, we hereby state that the proportion of shares held by Company employees and employees of related companies, as defined under Article L.225-180 of the French Commercial Code, in the Company share capital at 31 March 2021, reviewed according to the specific terms and conditions of Article L.225-102, paragraph 1 of said Code, represents around 0.38% of the Company’s share capital.

15.4. COMPANY INCENTIVE AND PROFIT-SHARING AGREEMENTS

Groupe LDLC signed a profit-sharing agreement on 18 March 2004.

Two supplemental agreements were subsequently signed, on 15 December 2009 to provide for an option for employees to request immediate payment of all or part of their entitlements, and on 29 November 2012 to amend the conditions for managing employee savings plans, in order to provide for the appropriation of amounts to a Company Savings Plan (PEE).

This profit-sharing agreement does not cover the subsidiaries.

Groupe LDLC has no incentive scheme agreement.

CHAPTER 16. MAIN SHAREHOLDERS

16.1. CHANGES IN SHAREHOLDING STRUCTURE OVER THE PAST THREE YEARS

The table below shows the change in the breakdown of the Company's share capital and voting rights between 31 March 2019 and 31 March 2021, including shareholders that hold, directly or indirectly, alone or in concert, more than 5% of the share capital or voting rights:

	31 March 2019				31 March 2020				31 March 2021			
Share ownership	**Shares**	**% share capital**	**Theoretical voting rights**	**% theoretical voting rights**	**Shares**	**% share capital**	**Theoretical voting rights**	**% theoretical voting rights**	**Shares**	**% share capital**	**Theoretical voting rights**	**% theoretical voting rights**
Laurent Villemonte de la Clergerie (1)	1,226,746	19.40	2,313,492 (6)	25.35	1,226,746	19.40	2,313492	25.32	1,216,746	19.25	2,285,492	25.20
Olivier Villemonte de la Clergerie (2)	615,500	9.74	1,091,000	11.95	615,500	9.74	1,091,000	11.94	615,500	9.74	1,091,000	12.03
Caroline Villemonte de la Clergerie (3)	628,579	9.94	1,117,158	12.24	628,579	9.94	1,117,158	12.23	628,579	9.94	1,117,158	12.32
Suzanne Villemonte de la Clergerie (4)	71,423	1.13	562,846	6.17	71,423	1.13	562,846	6.16	75,423	1.19	566,846	6.25
Sub-total De la Clergerie family (5)	**2,542,248**	**40.21**	**5,084,496**	**55.71**	**2,542,248**	**40.21**	**5,084,496**	**55.64**	**2,536,248**	**40.12**	**5,060,496**	**55.80**
Other shareholders	3,652,380	57.77	3,913,940	42.89	3,641,240	57.60	3,914,156	42.84	3,662,418	57.93	3,884,926	42.84
Treasury shares	127,478	2.02	127,478	1.40	138.618	2.19	138,618	1.52	123,440	1.95	123,440	1.36
Total	**6,322,106**	**100**	**9,125,914**	**100**	**6,322,106**	**100**	**9,137,270**	**100**	**6,322,106**	**100**	**9,068,862**	**100**

(1) Including legal ownership of 70,000 double-voting Groupe LDLC shares whose voting rights are held by the beneficial owner, namely Suzanne Villemonte de la Clergerie, for all general meetings and, consequently, are not taken into account in the calculation of Laurent Villemonte de la Clergerie's theoretical voting rights.
(2) Including legal ownership of 70,000 double-voting Groupe LDLC shares whose voting rights are held by the beneficial owner, namely Suzanne Villemonte de la Clergerie, for all general meetings and, consequently, are not taken into account in the calculation of Olivier Villemonte de la Clergerie's theoretical voting rights.
(3) Including legal ownership of 70,000 double-voting Groupe LDLC shares whose voting rights are held by the beneficial owner, namely Suzanne Villemonte de la Clergerie, for all general meetings and, consequently, are not taken into account in the calculation of Caroline Villemonte de la Clergerie's theoretical voting rights.
(4) Including, for the calculation of voting rights, beneficial ownership of 210,000 double-voting Groupe LDLC shares whose voting rights are held by the beneficial owner, namely Suzanne Villemonte de la Clergerie, for all general meetings and, consequently, are not taken into account in the calculation of her equity interest.
(5) There is no action in concert between the members of the De la Clergerie family.
(6) See AMF notice on threshold crossing: AMF document no. 218C1216 dated 6 July 2018.

To the Company's knowledge, there are no other shareholders that hold, directly or indirectly, alone or in concert, more than 5% of the share capital or voting rights.

16.2. DISCLOSURES REGARDING THE CROSSING OF THRESHOLDS PUBLISHED SINCE 31 MARCH 2021

None.

16.3. EXISTENCE OF DIFFERENT VOTING RIGHTS

Pursuant to Article 12 of the Company's articles of association, a double voting right, as compared to the voting rights attached to other shares in respect of the fraction of share capital that they represent, is attributed to all fully paid-up shares that are proven to have been registered for at least two years in a single shareholder's name; the period of time during which the shares were held in registered form prior to the date of the Extraordinary General Meeting establishing this right is taken into account.

In the event of a capital increase by capitalisation of retained earnings, reserves, additional paid-in capital or available provisions, a double voting right is conferred as of the issue of registered bonus shares to a shareholder in respect of former shares conferring this right.

All shares converted to bearer shares or for which ownership is transferred shall lose the double voting right. However, transfer by way of inheritance, liquidation, communal property between spouses or gift to a spouse or relative close enough to inherit an estate, shall not incur the forfeiture of the rights acquired and shall not interrupt the two-year period.

The merger or demerger of the Company shall have no impact on the double voting right, which may be exercised within the successor company(ies), if the articles of association of said company(ies) provide for double voting rights.

16.4. CONTROL OF THE COMPANY

At the date this Universal Registration Document was prepared, no shareholder directly or indirectly controlled the Company within the meaning of Section 16.3 of Annex I of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019.

Furthermore, you are reminded that:
- the members of the De la Clergerie family are not acting in concert, are not bound by a shareholder agreement or other binding agreement (including a pre-emptive right agreement) and freely exercise their voting rights, thereby (i) avoiding over-representation of the interests of these shareholders and (ii) maintaining a heterogeneous capital structure;
- each member of the Management Board and Supervisory Board fully exercises his or her freedom of judgement and is ready to object or abstain if necessary;
- the internal regulations of the Supervisory Board include (i) an article on preventing conflicts of interest that seeks to prevent any situation that gives rise or could give rise to a conflict between the Company's interests and the direct or indirect personal interests of the Supervisory Board member in question, and (ii) an article on the Supervisory Board members' duty of loyalty requiring each member, among other things, to exercise their judgement in the interests of the Company;
- the Company abides by recommendations R1, R2 and R12 of the MiddleNext corporate governance code;
- the Company is subject to the regulated agreement control procedure referred to in Articles L.225-86 et seq. of the French Commercial Code.

16.5. AGREEMENT KNOWN TO THE ISSUER WHICH, IF IMPLEMENTED, COULD SUBSEQUENTLY LEAD TO A CHANGE OF CONTROL

To the Company's knowledge, there is no agreement that could result in a change of control if implemented.

16.6. SHARE MOVEMENTS AND POSITION

At 31 March 2021, the Company's share capital comprised 6,322,106 shares. Market capitalisation at 31 March 2021 amounted to €328,749,512.

Trading volumes during the financial year were as follows:

Month	Volume	Average price	High	Low	Amounts (€m)
April 2020	157,909	11.08	13.90	8.40	1.74
May 2020	191,081	12.97	15.75	11.05	2.54
June 2020	555,823	18.35	23.00	14.10	10.76
July 2020	361,918	26.44	32.00	21.50	9.84
August 2020	206,734	28.05	30.30	24.80	5.72
September 2020	284,743	29.40	32.40	26.80	8.36
October 2020	287,406	30.73	37.40	25.50	9.17
November 2020	374,806	38.75	46.60	35.60	14.66
December 2020	349,093	44.30	48.10	40.30	15.54
January 2021	359,815	48.99	58.40	42.20	18.03
February 2021	443,294	58.30	63.80	52.40	25.90
March 2021	263,994	52.89	57.00	46.40	13.84

During the financial year ended, the Groupe LDLC share reached a high of €63.80 and a low of €8.40.

CHAPTER 17. RELATED PARTY TRANSACTIONS

17.1. RELATED PARTY TRANSACTIONS ENTERED INTO BY THE COMPANY OVER THE PAST THREE YEARS

Regulated agreements entered into during the financial year ended 31 March 2021 are mentioned in the statutory auditors' special report presented below (Section 17.2 of this Universal Registration Document).

In application of Article 19 of Regulation (EU) 2017/1129, the following information is incorporated by reference into this Universal Registration Document:
- the statutory auditors' special report on regulated agreements and commitments for the year ended 31 March 2019 presented on page 131 of the 2018/2019 Universal Registration Document filed on 22 July 2019 under number D.19-0719;
- the statutory auditors' special report on regulated agreements and commitments for the year ended 31 March 2020 presented on page 124 of the 2019/2020 Universal Registration Document filed on 23 July 2020 under number D.20-069.

In accordance with proposal 4.8 of AMF recommendation 2012-05, we hereby inform you of the findings of the Supervisory Board meeting of 17 June 2021 following its annual review of agreements described under Article L.225-86 of the French Commercial Code, carried out in accordance with Article L.225-88-1 of the French Commercial Code.

The Supervisory Board reviewed the licence agreement for the LDLC-PRO brand owned by the Company, entered into with F-LOC on 3 September 2018, previously approved by the Supervisory Board on 30 March 2018 then by the Ordinary General Meeting of 27 September 2019 (Resolution 5).

The Supervisory Board unanimously determined that said agreement still meets the criteria that led to the Board's initial approval following the execution of the agreement and unanimously voted to maintain its authorisation.

17.2. STATUTORY AUDITORS' SPECIAL REPORT ON REPORT ON REGULATED AGREEMENTS

(Annual General Meeting held to approve the financial statements for the year ended March 31, 2021)

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders of GROUPE LDLC,

In our capacity as Statutory Auditors of Groupe LDLC, we hereby report to you on regulated agreements.

It is our responsibility to report to you, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.225-58 of the French Commercial Code (Code de commerce), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

When applicable, it is also our responsibility to provide you with the information required by Article R.225-58 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Meeting.

We have carried out the procedures we considered necessary for this task in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes). These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements submitted for the approval of the annual general meeting

Agreements authorized and entered into during the year

In accordance with Article L.225-86 of the French Commercial Code, we were informed that no agreements were entered into during the year and submitted to the authorisation by the Supervisory Board.

Agreements authorized and entered into after year-end

We were informed of the following agreements entered after year-end and authorised by the Supervisory Board.

Preliminary authorisation of the acquisition of the total shares owned by Mr. Laurent Villemonte de la Clergerie and Mr. Olivier Villemonte de la Clergerie, by your company from the F-LOC company – Supervisory Board held on April 29, 2021.

Persons concerned:

- Mr. Laurent Villemonte de la Clergerie, Chairman of the Management Board (Directoire) of your company
- Mr. Olivier Villemonte de la Clergerie, Chief Executive Officer of your company.

Nature and purpose: Those agreements are committed as the following on the 30th of June 2021.

- Transaction order relating to the acquisition of 25,000 share of the F-LOC Company to be concluded between Mr. Laurent Villemonte de la Clergerie and your company;
- Transaction order relating to the acquisition of 75,000 share of the F-LOC Company to be concluded between Mr. Olivier Villemonte de la Clergerie and your company.

Conditions:

- Purchase of 25,000 shares of the F-LOC company held by Mr. Laurent Villemonte de la Clergerie for a total price of 25,000 euros (excluding taxes);
- Purchase of 75,000 shares of the F-LOC company held by Mr. Olivier Villemonte de la Clergerie for a total price of 75,000 euros (excluding taxes).

Reasons justifying the company's interest:

Your Supervisory Board justified the conclusion of this agreement by the fact that it will allow your company to integrate F-LOC within its scope to the extent that its activity is part of activities complementary to your company. That acquisition will be established to create in particular complementary synergies between F-LOC and your company's subsidiaries.

Agreements already approved by the annual general meeting

Agreements approved in prior years with continuing effect during the year

Pursuant to Article R.225-57 of the French Commercial Code, we have been informed that the following agreements, previously approved by Shareholders' Meetings of prior years, have remained in force during the year.

With F-LOC:

Persons concerned:

- Mr. Laurent Villemonte de la Clergerie, Chairman of the Management Board (directoire) with a 25% stake in F-LOC.
- Mr. Olivier Villemonte de la Clergerie, Chief Executive Officer with a 75% stake in F-LOC.

***Nature and purpose*:** A non-exclusive operating licence for the French word mark LDLC-PRO, which is duly protected and registered with the INPI (French National Institute of Industrial Property) under number 18 4 456 287. This non-exclusive operating licence has been granted to enable the Company to expand its products and services for professionals through financing solutions offered by F-LOC. The main terms and conditions of this non-exclusive operating licence are as follows:

- The licence is granted on a non-exclusive basis.
- The licence is valid in mainland and French overseas.
- F-LOC is required to pay a quarterly fee equal to a percentage of the licence holder's pre-tax revenue for the period concerned.
- The licence is valid for a period of ten (10) years. It will then be renewed automatically for consecutive periods of three (3) years, unless express notice of termination is given by one of the parties at least three (3) months before the end of the contractual period.

Conditions: In the year ended March 31, 2021, this agreement gave rise to the recognition of income for an amount of €25 992,18 (excluding taxes).

Lyon and Villeurbanne, June 17, 2021

The Statutory Auditors

CAP Office	Rémi CHARNAY
MAZARS	Séverine HERVET

CHAPTER 18. FINANCIAL INFORMATION ON THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND EARNINGS

18.1. GROUP CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Consolidated financial statements for the year ended 31 March 2021

All data presented below is stated in euro thousands, unless otherwise stated.

1.1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	FY ended 31 March		
Assets	**Note**	**2021**	**2020**
Net goodwill	(3.2)	28,110	27,467
Other net intangible assets	(3.3)	25,338	24,480
Net property, plant and equipment	(3.4)	11,297	12,400
Net financial assets	(3.5)	4,851	4,679
Investment in equity affiliates		0	0
Non-current assets		**69,595**	**69,026**
Inventories	(3.6)	105,435	67,195
Trade receivables	(3.7)	31,797	24,505
Other receivables and accrued income	(3.8)	21,145	14,740
Cash equivalents	(3.9)	1,379	1,614
Cash and cash equivalents	(3.10)	49,882	18,245
Current assets		**209,637**	**126,299**
Total assets		**279,233**	**195,326**

	FY ended 31 March		
Equity and liabilities	**Note**	**2021**	**2020**
Share capital	(1.3)	1,138	1,138
Additional paid-in capital	(1.3)	21,053	21,053
Consolidated reserves	(1.3)	40,337	31,985
Treasury shares	(1.3)	(53)	(25)
Interim dividend	(1.3)	(3,093)	0
Result	(1.3)	42,213	8,308
Total shareholders' equity, Group share		**101,594**	**62,457**
Minority interests	(1.3)	0	0
Non-controlling interests		0	0
Total shareholders' equity		101,594	62,457
Provisions for risks and contingencies	(3.12)	5,226	5,097
Total provisions		5,226	5,097
Loans and borrowings	(3.13)	19,978	28,435
Trade payables	(3.16)	100,654	61,270
Other liabilities and accruals	(3.17)	51,780	38,067
Total liabilities		172,412	127,771
Total equity and liabilities		**279,233**	**195,326**

1.2. CONSOLIDATED INCOME STATEMENT

		FY ended 31 March	
	Note	2021	2020
Revenues	(4.1)	724,065	493,396
Other operating income		620	341
Cost of goods sold		(561,834)	(398,626)
Gross margin		**162,851**	**95,112**
Other purchases and external costs		(32,568)	(27,409)
Miscellaneous taxes		(3,563)	(2,841)
Staff costs	(4.2)	(55,102)	(48,091)
Net depreciation, amortisation and provisions	(4.3)	(7,315)	(9,104)
Other income and expenses		(1,616)	(1,024)
EBIT		**62,686**	**6,643**
Financial income	(4.4)	78	284
Financial expense	(4.4)	(454)	(1,246)
Earnings of consolidated companies before non-recurring items		**62,310**	**5,681**
Non-recurring income	(4.5)	551	45,551
Non-recurring expenses	(4.5)	(590)	(35,062)
Income tax	(4.6)	(20,058)	(7,862)
Net income of consolidated companies		**42,213**	**8,308**
Share of profit/(loss) in equity-accounted companies	(4.6)	0	0
Goodwill amortisation and depreciation		0	0
Consolidated net income/(loss)		**42,213**	**8,308**
Minority interests		0	0
Net income, Group share		**42,213**	**8,308**
Total net income/(loss) attributable to:			
- owners of the Company		42,213	8,308
- minority interests			
- non-controlling interests			
Earnings per share: income attributable to owners of the Company			
- basic earnings per share (€)		6.68	1.31
- diluted earnings per share (€)		6.68	1.31

1.3. STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	Share capital	Additional paid-in capital	Consolidated reserves	Treasury shares	Shareholders' equity, Group share	Minority interests	Shareholders' equity
Shareholders' equity at 31 March 2019	**1,138**	**21,053**	**32,173**	**(27)**	**54,337**	**(50)**	**54,287**
Net income for the year ended 31 March 2020			8,308		8,308		8,308
Changes in treasury shares			5	1	7		7
Capital increase and additional paid-in capital					0		0
Dividends paid			(50)		(50)	50	0
Other			(150)		(150)		(150)
Change of net deferred income tax method			6		6		6
Non-controlling interests					0		0
Shareholders' equity at 31 March 2020	**1,138**	**21,053**	**40,292**	**(25)**	**62,457**	**0**	**62,457**
Net income for the year ended 31 March 2021			42,213		42,213		42,213
Changes in treasury shares			45	(28)	17		17
Capital increase and additional paid-in capital					0		0
Dividends paid					0		0
Interim dividend for FY 2020/2021 [(a)]			(3,093)		(3,093)		(3,093)
Other					0		0
Change in consolidation scope					0		0
Non-controlling interests					0		0
Shareholders' equity at 31 March 2021	**1,138**	**21,053**	**79,457**	**(53)**	**101,594**	**0**	**101,594**

(a) On 25 February 2021, Groupe LDLC paid out an ordinary interim dividend of €0.50 per share in respect of the 2020/2021 financial year.

1.4. CONSOLIDATED CASH FLOW STATEMENT

	FY ended 31 March	
(€000 unless otherwise stated)	**2021**	**2020**
Net income/(loss) from continuing operations	42,213	8,308
Elimination of non-cash income and expenses [a]	7,698	7,631
Tax expense (current and deferred) [b]	20,058	7,862
Gains/losses on disposal of assets	(71)	(12,436)
Sub-total (gross operating cash flow before tax)	**69,898**	**11,365**
Tax paid	(20,843)	(6,419)
Change in working capital [c]	1,946	7,476
Net cash flow from operating activities	**51,002**	**12,421**
Income from disposal of non-current assets, after tax	109	45,050
Acquisition of non-current assets [d]	(8,350)	(26,338)
Reduction in financial assets [d]	174	1,400
Change in consolidation scope	0	61
Net cash flow from investing activities	**8,068**	**20,172**
Treasury share transactions	17	7
Other effects	0	(1)
Increase in minority interests	0	0
New borrowings [e]	18,000	1,100
Repayment of borrowings [e]	(26,077)	(32,295)
Change in other borrowings [e]	(97)	17
Dividends paid to minority shareholders	0	0
Interim dividend for FY 2020/2021	(3,093)	0
Dividends paid	0	0
Net cash flow from financing activities	**(11,250)**	**(31,172)**
(Decrease)/increase in cash, cash equivalents and bank overdrafts	**31,684**	**1,421**
Opening cash, cash equivalents and bank overdrafts	19,349	17,928
Closing cash, cash equivalents and bank overdrafts	51,033	19,349

(a) Corresponds to net operating and financial depreciation, amortisation and provisions totalling €8,158,000.
(b) See Note 4.6.
(c) See Note 1.5.
(d) See Notes 3.3, 3.4 and 3.5.
(e) See table below and Note 3.13.

	At 31/03/2020	Cash flow change	Other changes	At 31/03/2021
Loans	27,527	(8,015)		19,512
Finance lease liabilities	71	(62)		9
Total financial liabilities	**27,597**	**(8,077)**	**0**	**19,520**

	At 31/03/2020	At 31/03/2021
Loans	(31,917)	(26,015)
Finance leases	(378)	(62)
Total repayment of borrowings	**(32,295)**	**(26,077)**

1.5. CHANGE IN WORKING CAPITAL

	At 31/03/2021	At 31/03/2020
Inventories	(38,239)	(3,597)
Trade receivables	(7,292)	2,007
Other receivables	(6,507)	4,502
Trade payables	39,384	(3,264)
Other payables	14,601	7,828
Total	**1,946**	**7,476**

2. Notes to the consolidated financial statements for the year ended 31 March 2021

(Amounts in €000 unless otherwise stated)

Groupe LDLC is a French limited company (*société anonyme*) with a Management Board and Supervisory Board, having its registered office at 2 rue des Erables CS21035, Limonest CEDEX 69578, France. The Company is registered in the Trade and Companies Register under number 403 554 181 and has been listed on Euronext Growth since 2 September 2019, the date of transfer from the Euronext Paris market (compartment C).

The consolidated financial statements for the year ended 31 March 2021 have been prepared in accordance with French statutory and regulatory provisions pursuant to regulation 99-02 of the French accounting regulation committee (*Comité de la Réglementation Comptable*, CRC), regarding the consolidated financial statements of commercial enterprises.

The financial statements for the year ended 31 March 2021 present the financial position of Groupe LDLC and its subsidiaries, as well as investments in associates.

The Management Board approved Groupe LDLC's consolidated financial statements for the year ended 31 March 2021 on 17 June 2021.

2.1. HIGHLIGHTS

During the COVID-19 public health crisis, LDLC, Materiel.net and BIMP stores were classified as essential services by the ministerial order of 15 March 2020. Despite this status, certain stores remained closed. The Group kept a few stores operating at reduced capacity, mainly in order to ensure ongoing hardware sales and customer service for retail customers and provide businesses with the equipment required for teleworking.

The Armoire de Bébé store in Limonest was forced to close from 15 March 2020 and therefore generated zero revenues during the lockdown period.

All of the Group's online retail activities remained operational throughout the lockdown period.

The government announcements on lockdown easing measures enabled the network stores closed since 15 March 2020 to gradually re-open from 11 May 2020, in accordance with the recommended "distancing" measures.

ADB Orgeval began operating on 22 June 2020 with the opening of a L'Armoire de Bébé store,

During the second lockdown introduced nationwide from 29 October 2020 to combat the further wave of the COVID-19 epidemic, all LDLC, Materiel.net and BIMP stores remained open in strict compliance with health guidelines.

Unlike the rest of the Group, the L'Armoire de Bébé stores were forced to close from 29 October until 28 November 2020. In order to ensure continuity of service, these stores organised a Click & Collect service in line with government measures.

Government decree 2021-99 of 30 January 2021 imposed new health restrictions on shopping precincts with a surface area of over 20,000 m^2, leading to the closure of two OLYS stores located in shopping centres from 31 January 2021.

The new government measures applicable to each region subject to enhanced preventive measures in response to the health crisis forced the L'Armoire de Bébé store in Orgeval to close again on 20 March 2021.

As of 29 March 2021, the L'Armoire de Bébé store in Limonest was also affected by the limitation on opening for stores with a sales area of over 400 m^2.

L'Armoire de Bébé stores offered a Click & Collect service during these closures.

Due to the health crisis, LDLC VR Studio was unable to open its gaming rooms during the year despite the completion of all refurbishment work on the premises.

The Group used furlough schemes to help manage the temporary downturn in business at its stores; an amount of €513,000 was received during the financial year in this regard.

The Spanish website has been hosted by Groupe LDLC since 1 April 2020.

On 10 April 2020, Groupe LDLC acquired the TopAchat business at a price of €3 million. This business combination is a source of further opportunities and synergies. TopAchat's business is perfectly compatible with the high-tech product distributor's strategy.

At the end of April 2020, Groupe LDLC obtained four €4.5 million PGE state-guaranteed loans in order to meet Group cash requirements. 90% of the €18 million borrowed under these loans is covered by the state guarantee granted to banks and finance companies under Article 6 of the French Amended Finance Act no. 2020-289 of 23 March 2020. Given the level of its growth and profit margins, Groupe LDLC prepaid all four loans in February 2021 (see Note 3.13).

On 30 June 2020, Groupe LDLC purchased 450 shares in Anikop at a price of €600,000, thereby increasing its stake to 95% of the share capital.

On 30 September 2020, a merger was carried out pursuant to the provisions of Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, more specifically under the simplified merger procedure. LDLC Villeurbanne decided to merge LDLC Villefranche, LDLC Lille V2, LDLC Bordeaux, LDLC Cormeilles, LDLC Lyon 7 and Avitech by absorption, thereby bringing all the various business lines under a single umbrella. All of these companies are engaged in the retail sale of all IT hardware and software and all multimedia and digital products. Previously, all of these companies were fully consolidated. The merger transaction had no impact on the consolidated financial statements. Following the merger, LDLC Villeurbanne changed its name to LDLC Boutiques. This had no impact on the consolidated financial statements.

On 30 September 2020, Olys purchased 1,960 shares in I-Artificielle at a price of €20,000, thereby becoming the company's sole shareholder holding a 100% equity stake.

During the year ended, Olys carried out merger transactions pursuant to the provisions of Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code, more specifically under the simplified merger procedure:
- On 31 July 2020 with effect from 1 April 2020, Olys decided to merge fully consolidated subsidiary Mac & Co Digital by absorption;
- On 31 December 2020 with effect from 1 April 2020, Olys decided to merge fully consolidated subsidiary I-Artificielle by absorption.

These transactions had no impact on the consolidated financial statements.

In late January 2021, Groupe LDLC reduced working hours for all employees to 32 hours over four days.

Three Group subsidiaries ceased trading during the financial year:
- effective 17 February 2021, Groupe LDLC España was liquidated;
- effective 16 March 2021, Campus 2017 and Domimo 3. All assets and liabilities of these two companies were transferred to Groupe LDLC.

Following the cessation of business by these three subsidiaries, all of their assets and liabilities were transferred to Groupe LDLC with effect from the date of cessation of business in accordance with the provisions of Articles 1844-5 of the French Civil Code.

2.2. ACCOUNTING POLICIES

2.2.1. Basis of preparation

Pursuant to French CRC regulation 99-02 of 29 April 1999, the Group's consolidated financial statements for the year ended 31 March 2021 were prepared in accordance with the accounting principles and statutory and regulatory provisions established by law and the French Commercial Code as at the closing date of these financial statements and which were mandatory on said date.

The consolidated financial statements were prepared in accordance with the principle of prudence and the basic assumptions of going concern, consistency in accounting policies and independence of financial years, in accordance with the general rules regarding the preparation and presentation of financial statements.

The consolidated financial statements were prepared on the basis of uniform accounting policies within the Group and on a historical cost basis, subject to the exception relating to revaluation rules (see Note 2.2.5).

2.2.2. Estimates and judgements

In the preparation and presentation of the financial statements, Group management is frequently required to exercise its judgement in order to value or estimate certain items in the financial statements (such as provisions, deferred tax and the valuations used for impairment testing). The probability of future events occurring is also assessed. These valuations or estimates are reviewed at each year-end, and in accordance with the actual occurrence of events, in order to adjust the assumptions initially applied where necessary.

During the financial year, Groupe LDLC did not observe any changes in the level of uncertainty relating to these estimates and assumptions, with the exception of the volatility of the discount rate used to calculate social security liabilities.

These estimates are made on the basis of the going concern assumption and are considered by management to be the most appropriate and achievable within the Group's context and based on available feedback.

The main estimates and assumptions used by the Group are described in detail in each specific section of the notes to the financial statements, in particular:

Estimate		**Nature of the estimate**
Notes 2.2.5 and 3.2	Goodwill impairment tests	Allocation of goodwill to a single CGU: Groupe LDLC. Key assumptions used in determining value in use (expected cash flows, perpetual growth rate, discount rate at the weighted average cost of capital)
Notes 2.2.6 and 3.3	Research and development costs	Development project capitalisation conditions. Project lifetime assumptions (calculation of amortisation).
Notes 2.2.12 and 3.6	Inventories	Expected inventory run-off for the calculation of impairment
Notes 2.2.18, 3.8 and 3.17	Recognition of deferred tax	Assumptions used for recognising deferred tax assets relating to tax loss carryforwards and temporary differences
Note 3.12	Retirement benefits	Discount rate corresponding to the iBoxx Corporate AA rate and salary growth rate

2.2.3. Consolidation scope and criteria

Companies under the exclusive control of Groupe LDLC are fully consolidated. CRC regulation 99-02 defines exclusive control as the power to govern a company's financial and operating policies in order to obtain benefits from its activities.

At year-end, there were no companies in which the Company exercised joint control or significant influence.

Subsidiaries are fully consolidated from the date on which the Group assumes control. Subsidiaries are deconsolidated as of the date on which control ceases to be exercised.

The financial year-end is 31 March for all Group companies except NLCL, whose closing date is 31 December.

The list of companies included in the consolidation scope is presented in Note 2.3.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Where applicable, subsidiaries' financial statements are restated in order to align the accounting principles applied with those of other companies within the consolidation scope.

2.2.4. Conversion of financial statements and operations denominated in foreign currencies

2.2.4.1. Functional and presentation currency of the financial statements

The consolidated financial statements are presented in euros, which is the Company's functional and presentation currency.

The balance sheets of companies whose functional currency is not the euro are converted into euros at the closing exchange rate, while their cash flow and income statements are converted at the average exchange rate for the period, pursuant to the method set out in point 3201 of regulation 99-02.

The translation difference resulting from the differences between the opening, average and closing prices is recorded as equity under "Translation adjustments".

2.2.4.2. Transactions and balances in foreign currencies

Transactions denominated in foreign currencies are converted into euros using the applicable exchange rates as at the transaction dates. Exchange gains and losses arising from the the conversion, at the rates applicable at the closing date, of monetary assets and liabilities denominated in foreign currencies are recorded in financial income/expense at the end of the period.

2.2.5. Business combinations and related goodwill

At the initial consolidation of an exclusively controlled company, the identifiable assets and liabilities of the acquired company are valued at their initial value pursuant to point 211 of CRC regulation 99-02.

At the acquisition date, any positive difference between acquisition price and the Group share of the identifiable net assets of the acquired company is recognised as goodwill.

The share purchase price corresponds to the consideration paid to the seller by the buyer plus all other costs directly attributable to the acquisition, net of tax.

Goodwill is considered to have an indefinite useful life.

As such, in accordance with ANC regulation 2015-06, it is not amortised; it must be subject to an impairment test at least once per year or if any indication of impairment is identified.

To test for impairment, goodwill is allocated to cash generating units (CGUs), which are homogeneous groups of assets that jointly generate identifiable cash flows.

CGU impairment testing terms are described in Note 3.2.

When a loss of value is identified, the difference between the carrying amount of the asset and its recoverable value is recorded under "Goodwill amortisation and depreciation" just below "Net income of consolidated companies". Impairment of goodwill is not reversible.

2.2.6. Research and development costs

In accordance with ANC regulation 2015-06, research and development expenses are recorded as expenses for the year in which they are incurred.

In application of the aforementioned regulation, the Group recognises development expenses as assets where the project meets all of the following capitalisation conditions:

- technical feasibility of completing the asset for sale or use;
- intention to complete and use or sell the asset;
- ability to use or sell the asset;
- capacity of the asset to generate probable future economic benefits,
- availability of adequate technical, financial and other resources to complete and use or sell the asset;
- ability to reliably measure attributable expenditure during development.

These development expenses are amortised over the estimated lifetime of the projects concerned.

Development expenses that do not meet the capitalisation conditions are recognised as expenses.

2.2.7. Intangible assets

Costs relating to the purchase of software licences are recorded under assets on the basis of costs incurred to acquire and deploy the software concerned. These costs are amortised over the estimated useful life of the software applications (three years).

Costs associated with the development and maintenance of the software are expensed as incurred.

Costs directly associated with the production of identifiable software and websites that are unique in nature and controlled by the Group are recognised as expenses for the year or under non-current assets, depending on whether the related project qualifies for recognition as an asset. Costs directly associated with production include payroll costs for software and website developers and subcontractor costs for the development of software and websites.

The Group has opted to amortise leasehold rights over the remaining term of the lease.

The principal depreciation periods applied are as follows:

Type of asset	Depreciation period
Software	3 years
Trademarks	10 years
Contracts	20 years
Other intangible assets	3-8 years

2.2.8. Property, plant and equipment

Property, plant and equipment are recognised at cost less any accumulated depreciation and impairment. Cost includes all costs directly attributable to the acquisition of the assets concerned and their transfer to their place of operation.

Interest on borrowings is not included in the cost of assets, but is recorded as an expense for the year in which the loans were contracted.

Maintenance and repair costs are recorded as expenses for the period.

Property, plant and equipment are not subject to revaluation.

These assets are depreciated as of their date of commissioning using the straight-line method, in accordance with the estimated useful life.

The principal depreciation periods applied are as follows:

Type of asset	Depreciation period
Buildings	15-25 years
Fixtures and fittings	8-10 years
Equipment	8 years
Technical facilities	8-10 years
Office equipment	3 years
Vehicles and delivery equipment	4 years
Furniture	5 years

In accordance with ANC 2015-06, an impairment test is performed whenever there is an indication of a loss of value. An impairment provision is then recorded if the recoverable value of the asset is lower than its net book value.

The recoverable value of an asset is the higher of fair value less costs of disposal and value in use. Impairment thus determined is first offset against goodwill and the remainder is allocated to other assets in proportion to their carrying amounts.

Asset useful lives are reviewed and, if necessary, adjusted at each year-end.

Gains or losses on disposals of PP&E are determined by comparing the income from the sale with the net book value of the asset sold. They are recognised on the income statement.

2.2.9. Lease agreements

2.2.9.1. Finance leases

A lease agreement is considered a finance lease if it transfers to the Group substantially all of the risks and rewards attached to the ownership of the leased asset.

At the beginning of the lease term, finance leases are recognised as assets and liabilities on the balance sheet in equal amounts, at the fair value of the leased asset or, if lower, the discounted value of the minimum payments for the lease in question as at the beginning of the lease term.

Payments made under the lease are broken down between interest expense and repayment of outstanding debt.

The depreciation policy for assets acquired under finance lease is similar to the policy applied for property, plant and equipment acquired directly by the Company (see Note 2.2.8 on Property, Plant & Equipment).

2.2.9.2. Operating leases

Operating leases constitute lease agreements under which a significant portion of the risks and rewards attached to the ownership of the leased asset is effectively retained by the lessor. Payments made under agreements of this kind are recognised according to the straight-line method over the term of the agreement.

2.2.10. Borrowings

In accordance with point 300 of CRC regulation 99-02, borrowings are recognised at historical cost (see Note 3.13).

Transaction costs correspond to the costs directly attributable to the acquisition or the issue of a loan.

2.2.11. Financial instruments

The Group's financial instruments portfolio comprises two interest rate swap agreements entered into to reduce the risk of an unfavourable impact of fluctuations in borrowing rates. One of these swaps expired at 31 March 2021.

In accordance with ANC regulation 2015-05, derivatives qualifying as hedging instruments follow the matching principle regarding the recognition of the hedged transaction on the one hand and the impact of the hedge on the other.

As the swaps are used in the context of a future cash flow hedging strategy, the impact of the derivative is recognised in the income statement to offset the risk already recognised for the hedging transaction (financial interest expense).

As the swaps are used in the context of a future cash flow hedging strategy, the optimisation does not result in additional risk; as a result, the changes in the fair value of the option are not recorded on the balance sheet, meaning that unrealised gains and losses are not recognised.

Details of the financial instruments, the underlying items hedged, the documentation of the hedging relationship and the impact of their treatment for the period are provided in Note 3.14.

The nominal amounts of the swap agreements are indicated in off-balance sheet commitments (Note 5.2.2).

2.2.12. Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The method for determining the cost is identical for inventories of similar nature and use within the same entity. Inventories are valued according to the FIFO method.

Inventories include all costs of purchase and other costs incurred in bringing the inventories to their present location and condition, such as variable logistics and transport costs. Advantages obtained from suppliers that are recognised as a deduction from the purchase cost of the goods sold are deducted from inventory value.

The Group may be required to record inventory impairment:
- on the basis of expected run-off;
- if the selling price is lower than the realisable value;
- if items are damaged or become partly or completely obsolete.

The net realisable value is the estimated selling price in the ordinary course of business, less costs to sell.

2.2.13. Trade and other receivables

Trade and other receivables are recorded at their nominal value.

Impairment is recognised where an indication of loss of value enables the Group to demonstrate that is not able to recover the full amount initially provided for in the terms of the receivable.

They are analysed on an individual basis in accordance with their age and expectation of recovery.

2.2.14. Factoring

For several years, the Group has assigned receivables under recourse factoring agreements and, since the financial year ended 31 March 2017, under non-recourse agreements.

In accordance with regulation 99-02, assigned receivables are deconsolidated.

2.2.15. Cash and cash equivalents

"Cash and cash equivalents" includes cash, current accounts and other highly liquid short-term investments with initial maturities of no more than three months. Bank overdrafts appear under current liabilities on the balance sheet, under loans and other borrowings.

Foreign currency bank transactions are valued at the transaction date. At the end of each month, the accounts are revalued at the closing rate. The counter-entry for this revaluation is a currency gain or loss account in the income statement.

The cash flow statement is prepared using the indirect method and presents cash flow from operating, investing and financing activities under separate sections. Cash flows generated by the acquisition or loss of controlling interests in subsidiaries are allocated to net cash flow from investing activities under "Change in consolidation scope".

2.2.16. Treasury shares

Groupe LDLC treasury shares are categorised according to the purpose assigned to them in the individual accounts.

Treasury shares categorised as long-term investments in the individual accounts are recognised as a deduction from equity at their acquisition cost in the consolidated financial statements (CRC 99-02, point 271) Accordingly, the impact of all related transactions recorded in the individual accounts are charged directly to consolidated reserves without affecting the result (disposal gains, impairment, etc.).

Treasury shares categorised as investment securities in the individual accounts are maintained under that item in the consolidated financial statements, pursuant to CNC opinion 2008-17. Any transactions involving theses shares continue to be recognised as non-recurring income/expense as in the individual accounts, as well as provisions under financial income/expense.

In effect, the Group purchases its own shares in order to cover its obligations under the bonus share plans referred to in Note 4.2.

In application of Article 624 of the GAP:
- a provision for personnel expenses is recorded at the time of plan allocations;
- the provision is calculated by assessing, at the close of the financial year, the probability that the continued employment and performance conditions established in the plans will be met;
- the provision is valued on the basis of the initial share purchase price (expected capital loss on the allocation of the shares);
- the provision is spread on a straight-line basis over the rights vesting period (period during which the beneficiaries will provide services to the company in order to receive the remuneration constituting the share allocation).

Changes to treasury shares during the year are described under Note 3.11.

2.2.17. Earnings per share

Earnings per share corresponds to net income, Group share divided by the average number of shares outstanding during the financial year.

The Group had no potentially dilutive ordinary shares outstanding during the period. Diluted earnings per share is therefore identical to basic earnings per share.

When earnings per share is negative, diluted earnings per share is identical to this figure.

2.2.18. Income tax

The "Income tax" item in the consolidated income statement corresponds to tax payable in respect of the financial year ended and to changes in deferred tax.

2.2.18.1. Current tax

Current tax assets and liabilities correspond to the tax receivables and liabilities due in less than 12 months.

2.2.18.2. Deferred tax

The Group recognises deferred tax using the liability method for all temporary differences between the tax base of the assets and liabilities and their carrying amount recorded on the consolidated balance sheet, excluding goodwill.

Net deferred tax balances are determined based on the tax position of each company or the total earnings of all companies in the tax group. A deferred tax asset or liability is valued at the tax rate expected to apply during the year in which the asset is realised or the liability settled, on the basis of tax rates adopted at the balance sheet date. Net deferred tax assets are only recognised if the company or tax group is reasonably certain that it will recover them over subsequent years; assets corresponding to tax loss carryforwards are recorded on the balance sheet.

The recognition of deferred tax relating to tax losses or loss carryforwards is limited to those that are likely to be recovered.

2.2.19. Provisions

2.2.19.1. Long-term employee benefits

The Group assesses the long-term employee benefits awarded to staff in accordance with ANC recommendation 2013-02. These benefits exclusively relate to retirement bonuses for active employees.

Pursuant to the option offered by the preferential method under CRC regulation 99-02, since 1 April 2019 the Group has applied the "Corridor" method for recognising actuarial gains and losses, given the impossibility of reconstructing a historical corridor:
- the expense representing changes in pension commitments is recognised in EBIT;
- the impacts of changes to actuarial assumptions are recorded in net financial income once their cumulative amount not recognised at the end of the previous financial year exceeds 10% of the present value of the long-term benefit obligation at the closing date. The recognition of this portion of the actuarial gains and losses is spread over the expected remaining working life of the members of staff receiving these benefits.

The Company has no plan assets in place to finance this commitment.

The actuarial assumptions used to calculate retirement bonuses and the amount of unrecognised actuarial gains and losses are described in Note 3.12.

2.2.19.2. Other provisions

A provision is recognised when the Group has a present legal or constructive obligation resulting from a previous event, the amount of which may be reliably estimated, and settlement of which is expected to result in an outflow of resources for the Group.

2.2.20. Revenues

Revenue comprises sales of goods excluding taxes and duties and sales of services.

Sales of goods mainly correspond to sales generated in stores, on e-commerce websites (sales to end customers) and in the warehouses (sales to franchises).

Sales of products are recognised under "Sales of goods" when the following criteria have been satisfied:
- substantially all the risks and rewards of ownership have been transferred to the buyer;
- the amount of revenue and the costs related to the transaction can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the Company.

The sales of goods to professionals and consumers presented in the income statement, excluding sales to stores and subsidiaries, are restated taking into account the effect of the last two days of sales on average (see Note 3.17), given that the Company considers that control has not yet passed to the buyer during this time in view of the average delivery periods recorded by carriers.

Revenues from the sale of services are recognised once the services have been rendered.

2.2.21. EBIT

EBIT equals total income from ordinary operations less total expenses related to ordinary operations. This is an important indicator enabling the Group's performance to be measured.

In application of the general principle of substance over appearance specific to consolidated financial statements (CRC 99-02, point 300), the Group has opted to retain the IFRS treatment that involves reclassifying research tax credit as an operating subsidy for capitalised development expenses.

2.2.22. Non-recurring income/(expense)

Items linked to a major event occurring during the financial year which is exceptional and infrequent in nature are recognised under non-recurring income and expenses (for further detail see Note 4.5).

In accordance with regulation 99-02 (see accounting principles in Note 2.2.5 to the 2020/2021 consolidated financial statements):
- goodwill is recognised on the basis of the difference between the price paid by the Group and its share of the net assets of the acquired company;
- acquisition costs are included in the share purchase price at their amount net of tax.

2.3. GROUP CONSOLIDATION SCOPE

The consolidation scope and consolidation methods applied are as follows:

Subsidiaries	Business	% interest	Date acquired	Consolidation method
Hardware.fr	Design, development and operation of websites, site content	100%	07/2000	Full consolidation
Nemeio	Wholesale trader of all computer hardware and software, plus all related services	100%	04/2001	Full consolidation
DLP Connect	Installation of cable networks and access control, CCTV and telecommunications systems	80%	01/2004	Full consolidation
LDLC Distribution	Creation and development of a distribution network for the sale of all equipment and services, as well as the granting of all franchising or licensing rights	100%	01/2013	Full consolidation
Anikop	Design, development and sale of software and provision of IT services, maintenance; secondary activity in CUSTOMER SERVICE for goods sold, training	95%	12/2006	Full consolidation
École LDLC	Higher education	100%	11/2014	Full consolidation
Domimo 2	Acquisition, use and development of land	100%	03/2016	Full consolidation
LDLC Event	Organisation and management of events, particularly in the e-sports sector	69%	05/2016	Full consolidation
ADB Boutiques (formerly ADB Limonest)	Retail store sale of personal equipment and childcare products	100%	03/2017	Full consolidation
LDLC 7	Retail sale of all IT hardware and software and all multimedia and digital products	100%	03/2018	Full consolidation
LDLC 9	Retail sale of all IT hardware and software and all multimedia and digital products	100%	03/2018	Full consolidation
Bluescreen	Professional client IT management based on three pillars: remote monitoring, on-site service delivery, IT equipment repair centre, retail of all IT hardware and software	80%	03/2018	Full consolidation
ADB Orgeval	Retail store sale of personal equipment and childcare products	100%	03/2018	Full consolidation
LDLC 11	Retail sale of all IT hardware and software and all multimedia and digital products	100%	03/2018	Full consolidation
LDLC 12	Retail sale of all IT hardware and software and all multimedia and digital products	100%	03/2018	Full consolidation
LDLC 13	Retail sale of all IT hardware and software and all multimedia and digital products	100%	03/2018	Full consolidation

Subsidiaries	Business	% interest	Date acquired	Consolidation method
OLYS	Trade, representation in any form whatsoever of computer hardware and all derived products, telephone and network equipment and multimedia	100%	01/2018	Full consolidation
MyMultimedia	Purchase, sale, installation and repair of IT equipment, video games and marketing of all associated or related products	60%	01/2018	Full consolidation
LDLC Boutiques (formerly LDLC Villeurbanne)	Retail sale of all IT hardware and software and all multimedia and digital products	100%	03/2016	Full consolidation
LDLC VR Studio	Operation, including management, of all business assets intended for the practice of indoor leisure and sporting activities, the development and marketing of video games, eat-in or take-out catering	100%	12/2019	Full consolidation

During the year ended:

- Groupe LDLC increased its equity stake in Anikop from 80% at 31 March 2020 to 95% at 31 March 2021 (the impact on the financial statements is presented in Note 3.2.5);
- effective 31 July 2020, Olys merged Mac & Co Digital by absorption;
- Olys increased its equity stake in I-Artificielle from 60% at 31 March 2020 to 100% at 30 September 2020 (the impact on the financial statements is presented in Note 3.2.6). Effective 31 December 2020, Olys merged I-Artificielle by absorption;
- LDLC Boutiques merged LDLC Villefranche, LDLC Lille V2, LDLC Bordeaux, LDLC Cormeilles, LDLC Lyon 7 and Avitech by absorption under the simplified merger procedure applicable to sister companies;
- LDLC Event carried out a capital increase via the issuance of 304 new ordinary shares, thereby decreasing Groupe LDLC's equity stake from 70% at 31 March 2020 to 69% at 31 March 2021;
- Groupe LDLC España, Campus 2017 and Domimo 3 ceased trading (the impact on the financial statements is presented in Notes 3.1, 3.4, 3.12 and 4.5).

MyMultimedia is owned by Olys.

Groupe LDLC holds minority interests in Immo Fi, Presse Non-Stop, Phox, NLCL, Time for the Planet and CG Développement; as the financial statements of these companies are not material, they were not consolidated at 31 March 2021. These non-controlling interests are presented under financial assets on the balance sheet.

2.4. RISK MANAGEMENT

Via its operations, the Group is exposed to different types of financial risks: market risks (specifically currency risk, risk of change in value due to rapid technological developments, and all other price risks), credit risk, interest rate risk and liquidity risk.

2.4.1. Market risks

2.4.1.1. Currency risk

The Group operates internationally and specifically sources supplies abroad: it is therefore exposed to foreign currency risk primarily regarding the US dollar. Currency risk relates to future sales transactions and assets and liabilities recorded in foreign currencies on the balance sheet.

In order to manage currency risk related to future commercial transactions and to assets and liabilities recorded in foreign currencies on the balance sheet, Group entities use either foreign exchange futures contracts entered into with several financial institutions, or adjust their sales prices.

At 31 March 2021, there were no foreign exchange futures contracts outstanding.

The proportion of goods paid for in USD is around 28% and no foreign exchange hedges were used during the year to settle these purchases.

2.4.1.2. Price risk

The Group is exposed to price risks impacting products in the IT and high-tech sector. Tools for analysing inventory turnover enable the Group to anticipate the price deflation inherent to this business by adapting the volumes it purchases in line with product life cycle and sales levels.

2.4.2. Credit risk

Given its large number of customers, the Group does not consider itself to be highly exposed to credit risk. Moreover, the Group has implemented internal procedures that enable it to ensure that customers who buy its products have an appropriate credit history.

However, the development of its BtoB and franchise businesses may have a negative impact on the Group's cash, earnings and financial position. The Group has implemented internal procedures enabling it to mitigate these risks, specifically through a credit insurance policy taken out for its BtoB business. As for its franchise business, risk is low given the payment periods granted by the Group to its customers and the internal monitoring implemented in order to mitigate this risk. Franchise trade receivables are regularly monitored.

2.4.3. Interest rate risk

The Group has several overdraft facilities at its disposal (see Note 3.13).

To cover the risk affecting floating-rate borrowings, the Group has entered into swap contracts (see Note 3.14).

A sensitivity test with regard to interest rate risk is included in Note 3.15.

2.4.4. Liquidity risk

In order to manage liquidity risk resulting from the contractual or accelerated payment of financial liabilities, the Group has implemented a financing policy based on:

- maintaining a certain level of cash and cash equivalents, which amounted to €49,882,000 at 31 March 2021;
- plus, at 31 March 2021:
  - a €13.5 million revolving credit facility, not drawn at 31 March 2021, attached to two loans destined to be fully prepaid at 30 June 2021, following which Groupe LDLC will be required to waive the revolving credit facility;
  - loans and credit facilities totalling €19,520,000;
  - several overdraft facilities.

Cash and cash equivalents and borrowings are described in Notes 3.10 and 3.13 respectively.

2.5. OPERATING SEGMENTS

The segmentation applied for the sectoral analysis is derived from that established for the Group's internal structure and the assessment of its performance by Management. On the basis of the sectoral breakdown of its businesses, the Group considers that it operates within a single, combined segment: the distribution of computer hardware and related services. Furthermore, almost all Group revenues are generated in France and neighbouring French-speaking countries. Accordingly, the Group considers that it operates in a single distinct geographical sector. The Group's chief operating decision maker, the Management Board, measures the Group's performance with regard to the gross margin generated by its business activities. For these reasons, Group management does not consider it necessary to identify distinct business segments in its internal reporting.

Given that EBITDA is not an aggregate defined by CRC regulation 99-02 and its method of calculation may vary from company to company, please note that EBITDA corresponds to the sum of EBIT and net operating depreciation, amortisation and provisions.

Advanced additive method (€000)

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Net income/(loss)	42,213	8,308
Net depreciation, amortisation and provisions	(7,315)	(9,104)
Other financial income and expenses	(376)	(962)
Other non-recurring operating income and expenses	(39)	10,489
Tax expense	(20,058)	(7,862)
EBITDA	**70,002**	**15,747**

Simplified additive method (€000)

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
EBIT	62,686	6,643
Operating depreciation and amortisation	(7,315)	(9,104)
EBITDA	**70,002**	**15,747**

Figures stated in brackets have a positive impact on the EBITDA calculation.

Groupe LDLC's business activity - the sale of computer hardware and provision of related services - targets both professionals and individual customers. No single customer accounts for more than 5% of the Group's sales in terms of revenues.

2.6. POST BALANCE SHEET EVENTS

During the further lockdown introduced nationwide from 3 April 2021 to combat the latest wave of COVID-19, all LDLC, Materiel.net and BIMP stores remained open in compliance with the recommended "distancing" measures, except for the two BIMP stores located in shopping centres, which were forced to close on 31 January 2021.

In response to the health crisis, some L'Armoire de Bébé product categories were classified as essential and enabled these stores to partly reopen on 5 April 2021. Furthermore, these stores continue to offer a Click & Collect service by appointment.

Due to the health crisis, LDLC VR Studio is still unable to welcome visitors.

To the best of our knowledge, the Group's other business activities are not affected by these new measures.

L'Armoire de Bébé is pursuing its development with a third store opened in April 2021, an unrivalled 500 m² concept store in Epagny offering over 4,000 baby products.

By 30 June 2021 Groupe LDLC plans to fully prepay the €23 million and €10 million loans taken out to partly finance the Materiel.net and Olys acquisitions, representing a total liability of €6,353,000 at 31 March 2021. Full prepayment of both loans requires Groupe LDLC to waive the associated €13.5 million revolving credit facility (see Note 3.13).

The Group has signed an off-plan lease for a 28,000 m^2 warehouse to replace the current 21,000 m² logistics structure near Lyon. The new facility, which is designed to accommodate the growing business expected over the coming years, should start operating during the 2022/2023 financial year.

To the Group's knowledge, no other event likely to have a material impact on its consolidated financial statements has occurred since 31 March 2021.

2.7. RELATED PARTY TRANSACTIONS

Related party transactions are carried out under normal market conditions and do not give rise to material information.

A table showing related parties is presented in Note 3.18.

2.8. CHARGES RELATING TO COMPENSATION AND BENEFITS GRANTED TO DIRECTORS

Directors are those present during the financial year and set out in the corporate governance section of the Annual Report (see Note 5.1).

3. Notes on the balance sheet

3.1. CONSOLIDATION

For all companies, consolidation is carried out on the basis of the financial statements for the year ended 31 March 2021.

The consolidated income statement includes the income statements of companies acquired or formed during the financial year as of the date of acquisition or formation.

The income statement includes the income statements of companies sold during the financial year up until the disposal date.

Given the cessation of business by Groupe LDLC España effective 17 February 2021 and Campus 2017 and Domimo 3 effective 16 March 2021, the consolidated income statement includes the income statements of these companies up to the date of cessation of business.

3.2. GOODWILL

Gross values	31/03/2020	Acquisitions	Change in scope	Disposals	31/03/2021
Materiel.net group	20,084	0	0	0	20,084
Olys group	7,058	0	0	0	7,058
LDLC VR Studio	89	0	0	0	89
Avitech	236	0	0	0	236
Anikop	0	0	620	0	620
I-Artificielle	0	0	24	0	24
Total	**27,467**	**0**	**644**	**0**	**28,110**

Depreciation, amortisation and impairment	31/03/2020	Acquisitions	Change in scope	Write-backs	31/03/2021
Materiel.net group	0	0	0	0	0
Olys group	0	0	0	0	0
LDLC VR Studio	0	0	0	0	0
Avitech	0	0	0	0	0
Anikop	0	0	0	0	0
I-Artificielle	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**

In accordance with regulation 99-02 (see accounting principles in Note 2.2.5 to the 2020/2021 consolidated financial statements):
- goodwill is recognised on the basis of the difference between the price paid by the Group and its share of the net assets of the acquired company;
- acquisition costs are included in the share purchase price at their amount net of tax.

3.2.1. Materiel.net group goodwill

Goodwill assigned to the "Materiel.net group" amounting to €20,084,000 results from the March 2016 acquisition of the Materiel.net group comprising Domisys and two real estate investment companies (SCI), Domimo 2 and Domimo 3.

Groupe LDLC merged Domisys by absorption during the year ended 31 March 2019.

During the year ended 31 March 2021, Groupe LDLC decided to wind up Domimo 3 without liquidation. As such, all Domimo 3 assets and liabilities were transferred to Groupe LDLC.

3.2.2. Olys group goodwill

The "OLYS group" goodwill amounting to €7,058,000 results from the January 2018 acquisition of OLYS and its subsidiaries, namely:
- MyMultimedia;
- BIMP Education, Synopsis and Bizen, which were merged into Olys during the year ended 31 March 2019;
- I-Artificielle and Mac & Co Digital, which were merged into Olys during the year ended 31 March 2021.

3.2.3. LDLC VR Studio goodwill

LDLC VR Studio goodwill amounting to €89,000 follows the acquisition of the entire share capital of that company on 18 December 2019.

3.2.4. Avitech goodwill

Avitech goodwill amounting to €236,000 follows the acquisition of the entire share capital of that company on 5 February 2020.

3.2.5. Anikop goodwill

Anikop goodwill amounting to €620,000 comes from the purchase of an additional 450 shares in the company by Groupe LDLC on 30 June 2020, bringing its equity stake in Anikop to 95%.

(€000)	**30/06/2020 Carrying amount**
Company shareholders' equity	(769.6)
Value of Anikop shares	(24.00)
Consolidation adjustments	260.4
Minority interests	-
Total consolidated shareholders' equity	**(533.2)**
Net assets	**(533.2)**
Additional equity stake acquired	15%
Group share (%)	**(80.0)**
Anikop shares acquisition value	600.0
Anikop shares acquisition costs	14.2
Anikop shares acquisition cost	**614.2**
Goodwill	**619.9**
Consideration transferred	**694.2**

3.2.6. I-Artificielle goodwill

I-Artificielle goodwill amounting to €24,000 comes from the purchase of an additional 1,960 shares by Olys on 30 September 2020, as a result of which Olys became the sole shareholder of the company holding a 100% equity stake.

(€000)	30/09/2020 Carrying amount
Company shareholders' equity	(795.7)
Value of I-Artificielle shares	(0)
Consolidation adjustments	141.6
Minority interests	-
Total consolidated shareholders' equity	**(654.1)**
Net assets	**(654.1)**
Additional equity stake acquired	40%
Group share (%)	**(261.6)**
I-Artificielle shares acquisition value	20.0
I-Artificielle shares acquisition costs	3.7
I-Artificielle shares acquisition cost	**23.7**
Goodwill	**23.7**
Consideration transferred	**285.3**

3.2.7. Impairment testing

The Group has not identified any indication of goodwill impairment.

Cash flows were valued based on budgets and five-year plans prepared using growth and profit forecasts in line with the past performance of the Group and its markets. The 1.9% growth rate used to project perpetual cash flows is consistent with long-term inflation rates in France.

The discount rate used corresponds to the weighted average cost of capital (WACC) and represents the expected return on capital employed (ROCE). It is calculated using financial data taken from a peer sample of comparable companies, comprising listed companies from the same business sector as the Group. At 31 March 2021, the discount rate determined using market data was 8.7% for the Groupe LDLC CGU.

Following the goodwill valuation, no impairment was recorded as at 31 March 2021.

Sensitivity tests

The Group analysed the sensitivity of impairment test results, based on different EBITDA margin assumptions used to calculate the terminal value and discount rate.

Sensitivity tests were carried out on the basis of the business plan adopted, including changes that could be reasonably expected to occur (-100 bps for the EBITDA/revenues margin, +100 bps for the discount rate). These sensitivity tests did not reveal a scenario where the recoverable value fell below the carrying amount of the assets tested.

3.3. INTANGIBLE ASSETS

Intangible assets break down as follows:

Gross values	31/03/2020	Acquisitions	Ch. in cons. scope	Reclass-ification	Disposals/ retirement	31/03/2021
Materiel.net trademark	8,300					8,300
Apple contract	11,584					11,584
TopAchat trademark	0	4,069				4,069
R&D project	996					996
IT project	6,885					6,885
Software and other intangible assets	1,968	417		17	348	2,054
Leasehold rights	1,501					1,501
Intangible assets in progress	1,627	407		(32)		2,002
Total	**32,861**	**4,893**	**0**	**(14)**	**348**	**37,391**

Depreciation, amortisation and impairment	31/03/2020	Charges	Ch. in cons. scope	Reclass-ification	Write-backs	Impairment	31/03/2021
Materiel.net trademark	3,320	830					4,150
Apple contract	1,158	579					1,738
TopAchat trademark	0	506					506
R&D project	111	332					443
IT project	1,288	1,377					2,665
Software and other intangible assets	1,384	326			348		1,361
Leasehold rights	1,119	71					1,190
Total	**8,380**	**4,021**	**0**	**0**	**348**	**0**	**12,053**

The Materiel.net trademark valued at €8.3 million is amortised over 10 years. There are five years remaining on the trademark's amortisation schedule, until 31 March 2026, and its net book value amounted to €4,150,000 as at 31 March 2021.

The intangible asset comprising the advantageous contract valued at €11,584,000 between Groupe LDLC and the Apple supplier is amortised over 20 years (ending 31 March 2038). Net book value at 31 March 2021 amounted to €9,846,000.

On 10 April 2020 Groupe LDLC acquired the TopAchat business. In application of French accounting standard CRC 99-02, the Group estimated the acquisition date fair value of the assets acquired and liabilities assumed, leading to the recognition of a trademark valued at €4,069,000, property, plant and equipment valued at €93,000 and zero goodwill at 31 March 2021.

The trademark was valued by an independent appraiser and a lifetime of eight years was assigned to the asset. The Group decided to amortise the trademark over this period, of which there are seven years remaining until 9 April 2028. At 31 March 2021, the net book value stood at €3,562,000.

Changes in payroll and accounting software explain €259,000 of the increase in intangible assets and €139,000 of assets retired.

Intangible assets in progress mainly comprise R&D project developments totalling €394,000.

Capitalised R&D project development costs are presented as a deduction from “Other purchases and external costs” on the income statement. At 31 March 2021, such development costs amounted to €394,000 and mainly comprised external costs (€293,000) and staff costs (€101,000).

The sharp rise in amortisation charges at 31 March 2021 mainly includes amortisation of:
- the TopAchat trademark since 10 April 2020 (€506,000);
- sundry in-house projects totalling €1,723,000 versus €1,208,000 at 31 March 2020.

3.4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment break down as follows:

Gross values	31/03/2020	Acquisitions	Ch. in cons. scope	Reclass-ification	Disposals/ retirement	31/03/2021
Buildings	1,198					1,198
Fixtures and fittings	19,480	729		190	1,342	19,057
Equipment	7,345	63			155	7,253
Vehicles and delivery equipment	403	3			251	155
Office equipment and furniture	8,422	517		94	726	8,307
PP&E in progress	285	1,157		(285)	(0)	1,157
Total	**37,133**	**2,468**	**0**	**(1)**	**2,475**	**37,126**

Depreciation, amortisation and impairment	31/03/2020	Charges	Ch. in cons. scope	Write-backs	Impairment	31/03/2021
Buildings	970	87				1,057
Fixtures and fittings	12,551	1,573		1,345		12,779
Equipment	5,096	664		153		5,607
Vehicles and delivery equipment	311	34		216		130
Office equipment and furniture	5,806	1,166		715		6,257
Total	**24,733**	**3,525**	**0**	**2,429**	**0**	***25,829***

Fixtures and fittings commissioned in the L’Armoire de Bébé store located at Orgeval in the Paris region totalled €552,000, of which €427,000 was incurred during the year ended 31 March 2021.

The main acquisitions of property, plant and equipment in progress are as follows:
- a certification test chamber (€193,000);
- refurbishment work on the LDLC VR Studio premises (€585,000);
- installation and fit-out works at two future L’Armoire de Bébé stores in Epagny and Nîmes (€357,000).

Assets retired during the year mainly comprise fixtures, fittings and furniture following the repurposing of LDLC VR Studio premises (€766,000). The surrender of the Madrid store premises by Groupe LDLC España explains the retirement of property, plant and equipment totalling €781,000 and including €653,000 of fixtures and fittings and €128,000 of office equipment and furniture.

3.5. EQUITY INTERESTS AND OTHER FINANCIAL ASSETS

Net value	31/03/2020	Reclassification	Acquisitions	Disposals/ retirement	Disposals	Impairment	31/03/2021
Presse Non-Stop shares	13						13
Other shares	39		0				39
IMMO FI 1 shares	348						348
NLCL shares	1,500						1,500
CG Développement shares	400						400
Time for the Planet shares	0		200				200
Deposits and guarantees	1,801		144		58		1,887
Loan holdback	579		2		116		464
Loans	0						0
Total	**4,679**	**0**	**346**	**0**	**174**	**0**	**4,851**

The increase in acquisitions is mainly due to the acquisition of 200,000 Time for the Planet shares at a price of €200,000.

Disposals mainly comprise a €100,000 repayment made to a guarantee fund following full repayment of one of the Group's loans.

3.6. INVENTORIES

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Goods for resale	107,371	1,976	105,395	68,989	1,888	67,101
Total goods inventories	**107,371**	**1,976**	**105,395**	**68,989**	**1,888**	**67,101**
Other supplies	24	0	24	34	3	31
Work in progress	16	0	16	63	0	63
Total inventories and WIP	**107,410**	**1,976**	**105,435**	**69,087**	**1,892**	**67,195**

Inventories are written down in accordance with the age of the products and the expected difficulty of selling them, and/or in the case of products whose realisable value is lower than cost.

The sharp increase in inventory gross value is mainly due to the increased business generated during the year.

3.7. TRADE RECEIVABLES

This item breaks down as follows:

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	Gross	Imp.	Net	Gross	Imp.	Net
Trade receivables overdue	10,998	1,842	9,157	13,961	2,757	11,203
Trade receivables not yet due	22,640		22,640	13,302		13,302
Trade receivables	**33,639**	**1,842**	**31,797**	**27,262**	**2,757**	**24,505**

At 31 March 2021, the Group had sold €3.5 million in trade receivables to Eurofactor. As at 31 March 2020, assigned receivables amounted to €4.8 million.

The sharp increase in gross trade receivables not yet due is mainly due to the increased business generated during the year.

3.8. OTHER RECEIVABLES AND ACCRUALS

This item breaks down as follows:

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	Gross	Imp.	Net	Gross	Imp.	Net
Advances and down payments	1,470		1,470	1,320		1,320
Supplier credits receivable	5,399	59	5,340	4,297	60	4,237
Government (income tax, VAT, etc.)	2,053		2,053	1,659		1,659
Government - income receivable	55		55	79		79
Deferred tax assets	1,144		1,144	1,246		1,246
Accrued income receivable	83		83	63		63
Eurofactor current account	428		428	204		204
Eurofactor retainer	226		226	279		279
Current account	151		151	150		150
Other	209		209	212		212
Prepaid expenses - goods	6,548		6,548	2,555		2,555
Other	238		238	102		102
Prepaid expenses	3,200		3,200	2,634		2,634
Total	**21,204**	**59**	**21,145**	**14,800**	**60**	**14,740**

All other receivables and accruals are due or will be settled in less than one year.

Other receivables include €654,000 relating to the Eurofactor current account and retainer.

In March 2021, Groupe LDLC signed an amendment to the March 2017 factoring agreement with Eurofactor.

“Prepaid expenses - goods” relates to invoices for goods delivered after the financial year-end. The increase in this item is in line with the increased business generated during the year.

“Supplier credits receivable” mainly comprise credit notes related to purchased goods and deferred discounts.

3.9. SHORT-TERM INVESTMENTS

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
Values	**Gross**	**Prov.**	**Net**	**Gross**	**Prov.**	**Net**
Short-term investments	**1,379**	**0**	**1,379**	**1,614**	**0**	**1,614**
Total	**1,379**	**0**	**1,379**	**1,614**	**0**	**1,614**

Short-term investments consist solely of 122,406 Groupe LDLC treasury shares, compared to 135,906 shares at the previous year-end.

Treasury shares are valued at their purchase price and compared to the average share price over the last month before the closing date, which does not result in any write-down for the period.

3.10. CASH AND CASH EQUIVALENTS

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Cash and cash equivalents	**49,882**	**18,245**
Total	**49,882**	**18,245**

The sharp increase in this item is mainly due to the increase in revenues and earnings for the year ended.

3.11. SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

√ Shareholder breakdown at 31 March 2021

At 31 March 2021, the share capital of Groupe LDLC consisted of 6,322,106 shares with a par value of €0.18 each.

The following shareholders held over 5% of the voting rights or share capital as at 31 March 2021:

Shareholders	Number of shares	% share capital	% voting rights
Laurent de la Clergerie	1,216,746	19.25%	25.20%
Caroline de la Clergerie	628,579	9.94%	12.32%
Olivier de la Clergerie	615,500	9.74%	12.03%
Suzanne de la Clergerie	75,423	1.19%	6.25%

As a reminder, the articles of association confer double voting rights on shares held in registered form for over two years, in accordance with Article L.225-123 of the French Commercial Code.

	Number of shares	O/w treasury shares	Number of bonus shares
Total at 31 March 2019	**6,322,106**	**127,478**	**123,230**
New shares			
Treasury shares purchased/(sold)		75,866	77,402
Bonus share plans		(64,726)	(64,726)
Total at 31 March 2020	**6,322,106**	**138,618**	**135,906**
New shares			
Treasury shares purchased/(sold)		(1,678)	
Bonus share plans		(13,500)	(13,500)
Total at 31 March 2021	**6,322,106**	**123,440**	**122,406**

√ Earnings per share

Earnings per share corresponds to net income, Group share divided by the average number of shares outstanding during the financial year.

The Group had no potentially dilutive ordinary shares outstanding during the period. Diluted earnings per share is therefore identical to basic earnings per share.

When earnings per share is negative, diluted earnings per share is identical to this figure.

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Numerator		
Net income attributable to owners of the company	42,213	8,308
Net income used to calculate diluted earnings per share	42,213	8,308
Denominator		
Weighted average number of ordinary shares used to calculate basic earnings per share	6,321,072	6,319,394
Impact of dilutive ordinary shares		
Weighted average number of ordinary shares used to calculate diluted earnings per share	6,321,072	6,319,394
Earnings per share (€)	**6.68**	**1.31**
Diluted earnings per share (€)	**6.68**	**1.31**

3.12. PROVISIONS FOR RISKS AND CONTINGENCIES

Provisions for risks and contingencies break down as follows:

	01/04/2020 - 31/03/2021					01/04/2019 - 31/03/2020				
	Provisions b/fwd	**Prov. rec. & cont.**	**Prov. used**	**Prov. not used**	**Total**	**Provisions b/fwd**	**Prov. rec. during FY**	**Prov. used during FY**	**Prov. not used/wrbk during FY**	**Total**
Customer warranties	95	111	(95)		111	26	95	(26)		95
Retirement benefits	3,667	733		(13)	4,388	3,521	172	6	(31)	3,667
Employment disputes	8	69	(6)	(1)	70	23	3	(18)		8
Rent & rental charges	428		(315)	(112)	0	0	428			428
Bonus share plans	413	576	(383)	(78)	528	574	320	(481)		413
Employee provisions	400		(353)	(47)	0	0	400			400
Other provisions	87	56	(13)	0	130	17	87	(17)		87
Total	**5,097**	**1,545**	**(1,165)**	**(251)**	**5,226**	**4,160**	**1,504**	**(535)**	**(31)**	**5,097**

As at 31 March 2021 the Company is not aware of any circumstances that could require the recording of provisions for risks and contingencies other than the following:

Retirement benefits

The Group applies recommendation 2013-02 of 7 November 2013 issued by the Autorité des Normes Comptables (French Accounting Standards Authority).

The main assumptions used to calculate the provision for retirement benefits as at 31 March 2021 are as follows:

Assumptions used	At 31 March 2021	At 31 March 2020
Economic assumptions		
Executive salary growth rate	2.5%	2.5%
Non-executive salary growth rate	2.5%	2.5%
Discount rate based on iBoxx Corporate AA	0.74%	1.42%
Average remaining service	13-23 years	12-22 years
Demographic assumptions		
Retirement age	60-67 years	60-67 years
Mortality tables	Insee 2018	Insee 2018
Staff turnover	Rate decreasing with age and depending on the actual number of departures from the Company.	Rate decreasing with age and depending on the actual number of departures from the Company.

The amount of actuarial gains and losses offset as of 31 March 2021 through application of the "corridor" method amounted to €533,000.

√ **Applicable collective bargaining agreements:**
- Distance selling undertakings - IDCC 2198
- Retail, stationery, office supply, office/IT equipment and book sellers – IDCC 1539
- Non-contractual private tuition – IDCC 2691
- Construction sector managers – IDCC 2420
- Journalists – IDCC 1480
- Consulting firms – IDCC 1486
- Non-food retail – IDCC 1517
- Electronic, audiovisual and household appliances – IDCC 1686
- Hotels, cafés, restaurants – IDCC 1979

Bonus share plans

There are a number of outstanding bonus share plans: These awards are spread over the vesting period (see Note 4.2).

The €528,000 provision for contingencies recorded at 31 March 2021 is intended to cover the probable outflow of resources for each of the 2017-2020 plans, in accordance with the likelihood that the presence condition will be met and in proportion to services rendered.

The counter-entry to this provision is recorded under staff costs.

In connection with the departure of two beneficiaries during the year, the presence condition was partly waived for one of the plans and fully waived for the other.

Following the departure of one beneficiary during the year, one plan covering 7,000 shares with a total value of €78,000 was cancelled.

During the year ended 31 March 2021, 13,500 shares were vested and 7,000 share entitlements cancelled following the departure of the beneficiary.

Groupe LDLC España

The cessation of business by subsidiary Groupe LDLC España had the following consequences:
- write-back of the provision on rental costs for the Madrid store (€428,000). A €112,000 gain was obtained following negotiations with the owner of the Madrid premises;
- write-back of the provision on employee severance payments (€400,000, of which €353,000 was actually paid).

3.13. LOANS AND BORROWINGS

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Loans	255	455
Commercial paper	0	0
Finance lease liabilities	0	0
Due in > 5 years	**255**	**455**
Loans	2,397	4,660
Commercial paper	0	0
Finance lease liabilities	0	0
Due in 3-5 years	**2,397**	**4,660**
Loans	6,329	14,683
Commercial paper	0	0
Finance lease liabilities	5	40
Due in 1-3 years	**6,334**	**14,724**
Total long-term borrowings	**8,986**	19,839
Loans	10,516	7,704
Commercial paper	0	0
Accrued interest on loans	14	24
Finance lease liabilities	3	30
Due in < 1 year	**10,534**	**7,758**
Total short-term borrowings	**10,534**	7,758
Long and short-term borrowings	**19,520**	27,597
Guarantee deposits received	0	0
Bank overdrafts	227	510
Short-term bank loans	0	0
Current accounts	230	327
Dividends payable	0	0
Total borrowings	**19,978**	**28,435**

Long-term loans

On 31 March 2016, Groupe LDLC took out a €23 million loan to partly finance the acquisition of Materiel.net, including related costs and fees. This loan is repayable over a 7-year term and bears interest at Euribor 3 months, plus an acquisition loan margin subject to annual revision in accordance with the leverage ratio.

On 19 January 2018, Groupe LDLC took out two loans amounting to €10 million and €5.3 million to finance the Olys and Synopsis acquisitions and related costs and fees.

A second amendment to the €10 million loan agreement dated 31 March 2016 was signed on 19 January 2018 in order to align the repayment period with the 2016 acquisition loan. The terms of the €23 million loan apply in the same way as for the €10 million loan.

These €23 million and €10 million loans are supplemented by a €15 million revolving credit facility, subject to minimum drawdowns of €1 million each, intended to partly finance working capital for Groupe LDLC and its subsidiaries. This facility is subject to interest based on the Euribor rate, plus a revolving credit facility margin subject to annual revision in accordance with the leverage ratio. This loan had not been used at 31 March 2021.

Swaps have been entered into to hedge the floating rates applicable to these 2016 and 2018 acquisition loans. The swap relating to the 2016 acquisition expired on 31 March 2021.

In accordance with Amendment 2 to the loan agreement, the real estate asset disposals carried out during the year ended 31 March 2020 triggered two prepayments under the €23 million and €10 million loans, thereby shortening the repayment period of both loans, as follows:

- €6 million on 13 December 2019;
- €407,000 on 30 September 2020.

As a result of these prepayments, the final instalments were rescheduled to 30 September 2022 for the €23 million loan and 30 September 2021 for the €10 million loan.

However, Groupe LDLC plans to fully prepay the €23 million and €10 million loans by 30 June 2021, representing a total repayment of €6,353,000. In anticipation of this prepayment, the entire €1,645,000 current liability due in under a year at 31 March 2021 was reclassified.

Full prepayment of the loans requires Groupe LDLC to waive the €13.5 million revolving credit facility associated with the loans.

The amendment to the combined 2016 and 2018 acquisition loan agreement provides for compliance with a number of bank covenants (ratios, capex limits, etc.). Failure to comply with these covenants may under specific conditions trigger prepayment.

These covenants are contractually based on the consolidated financial statements and are tested every six months.

The loan agreement is subject to compliance with two bank covenants contractually based on the consolidated financial statements and tested every six months:

√ Leverage ratio, defined as “consolidated net borrowings” (i.e. borrowings less cash and cash equivalents plus bank guarantees given and endorsed by signature for an amount of €39,000) divided by “adjusted consolidated EBITDA” (i.e. Group EBIT plus net depreciation, amortisation and provision allowances included in EBIT, plus value added contributions and discounts received from suppliers);

√ Gearing ratio, defined as “consolidated net borrowings” (i.e. borrowings less cash and cash equivalents plus bank guarantees given and endorsed by signature for an amount of €39,000) divided by “consolidated equity” (including minority interests).

The agreement also imposes a limit on capital expenditure incurred by all Group companies.

The loan agreement covenants are in compliance as at 31 March 2021.

The €5.3 million loan is repayable over a 7-year term and subject to a fixed interest rate of 1.31% per annum with repayment deferred for 8 quarters. The first instalment combining principal repayment and interest was paid on 2 November 2020.

The €23 million and €10 million loans are carried on the balance sheet at amortised cost in respective amounts of €4.9 million and €1.4 million at 31 March 2021.

Following the outbreak of the COVID-19 health crisis, in late March the Group companies obtained a six-month moratorium on loan repayments from all lending banks, entailing the deferral of instalments totalling €2.9 million at 31 March 2021.

Also in connection with the COVID-19 health crisis, in April 2020 Groupe LDLC obtained four €4.5 million PGE state-guaranteed loans totalling €18 million in order to finance Group cash requirements. 90% of the €18 million borrowed under these loans, which were granted for a one-year term, is covered by the state guarantee granted to banks and finance companies under Article 6 of the French Amended Finance Act no. 2020-289 of 23 March 2020. In February 2021, all four loans were fully prepaid.

Short-term loans

New loans bear interest for an indefinite term based on the following rates, depending on the bank issuing the loan:

- from Euribor 3m + 1% to Euribor 3m + 3.2%

Overdraft authorisations granted to the Group amounted to €9.72 million as at 31 March 2021.

3.14. FINANCIAL INSTRUMENTS

This item breaks down as follows:

(€)

Subscription date	Date of maturity	Type of contract	Hedged notional amount	MTM	Impact on earnings for the period
30/06/2016	31/03/2021	Swap	0	0	(29,356)
31/03/2018	31/03/2023	Swap	4,545,455	12,617	(14,198)
Total				**12,617**	**(43,554)**

In June 2016, Groupe LDLC entered into an interest rate swap intended to hedge interest rate risk related to the €23 million loan. This swap expired on 31 March 2021.

Following the January 2018 acquisition, which led to the signing of Amendment 2 to the March 2016 loan agreement and the addition of a floating-rate €10 million loan, a new swap contract was entered into in March 2018.

As demonstrated by the results of the sensitivity tests in Note 3.15, the impact of interest rate fluctuations is limited by the implementation of swaps.

In addition to reducing the risk of an adverse impact of the hedged item, these financial instruments are eligible for cash flow hedge accounting within the meaning of ANC regulation 2015-05.

3.15. EXPOSURE TO INTEREST RATE RISK

Exposure to interest rate risk comprises floating-rate financial liabilities exposed to cash flow risk, as follows:

	Repayment schedule at 31/03/2020		
	< 1 year	1 - 5 years	> 5 years
Other borrowings	5,104	6,760	0
Floating-rate financial liabilities	**5,104**	**6,760**	**0**

	Repayment schedule at 31/03/2021		
	< 1 year	1 - 5 years	> 5 years
Other borrowings	6,353	0	0
Floating-rate financial liabilities	**6,353**	**0**	**0**

The sharp increase in trade payables is in line with the increased business generated during the year.

Interest rate risk sensitivity tests

On the basis of the information presented above, an interest rate fluctuation of 0.50 basis points would have an impact on the Group's net exposure, over the full year, entailing a €279,000 variation in Group consolidated earnings before tax for the year ended 31 March 2021.

At 31 March 2021	Impact on net income
+ 0.5 basis points	(279)
- 0.5 basis points	279

Negative figures indicate a financial expense.

3.16. TRADE PAYABLES

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Trade payables	70,084	45,242
Supplier L/C & prom. notes payable	27,333	13,274
Supplier invoices not received	3,236	2,754
Total	**100,654**	**61,270**

All trade and related payables are due in less than one year.

3.17. OTHER LIABILITIES AND ACCRUALS

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Advances and down payments received on orders	9,612	4,011
Payable to employees	12,058	7,249
Payable to social security organisations	4,922	3,613
Payable to the government (income tax, VAT, etc.)	13,881	13,187
Deferred tax liabilities	2,030	2,917
Other customer credit	1,165	1,543
Other	1,012	709
Deferred income	7,100	4,838
Total	**51,780**	**38,067**

All other payables are due in less than one year.

The sharp increase in customer advances, which amounted to €9,612,000 at 31 March 2021 versus €4,011,000 at 31 March 2020, reflects market demand during the year ended 31 March 2021.

The increase in employee payables is mainly due to employee profit-sharing schemes recorded in an amount of €4,034,000 in the Groupe LDLC 2020/2021 financial statements compared to €778,000 the previous year.

The increase in payables to social security organisations mainly comprises the flat-rate charge on employee profit-sharing schemes recorded in an amount of €807,000 in the Groupe LDLC 2020/2021 financial statements compared to €156,000 the previous year.

At 31 March 2021, a deferred tax liability was recognised in an amount of €1,072,000 in relation to the Materiel.net brand and €2,543,000 in relation to the Apple agreement, compared to €1,308,000 and €2,707,000 respectively at 31 March 2020.

Following the acquisition of the TopAchat business on 10 April 2020, a €923,000 deferred tax liability was recognised at 31 March 2021 on the intangible asset corresponding to the TopAchat trademark.

"Deferred income" mainly corresponds to income from customer warranty contracts spread over the term of the contract (€2,171,000) and the restatement of the last two days of revenues in March (€3,908,000).

The sharp increase in this item is in line with the increased business generated during the year.

3.18. RELATED PARTIES

This item breaks down as follows:

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	Equity interests			Equity interests		
	Gross	Imp.	Net	Gross	Imp.	Net
Financial assets	2,507	(39)	2,467	2,307	(39)	2,267
Trade receivables	9	0	9	6	0	6
Other receivables	151	0	151	150	0	150
Accrued income and prepaid expenses	0	0	0	0	0	0
Total assets	**2,667**	**(39)**	**2,627**	**2,463**	**(39)**	**2,424**
Borrowings	0	0	0	0	0	0
Trade payables	(142)	0	(142)	(157)	0	(157)
Other payables	(230)	0	(230)	(221)	0	(221)
Accrued income and prepaid expenses	0	0	0	0	0	0
Total equity and liabilities	**(372)**	**0**	**(372)**	**(378)**	**0**	**(378)**

Financial assets mainly comprise shares in NLCL (€1,500,000), CG Développement (€400,000) and Time for the Planet (€200,000). The impairment charges were recognised on Phox and Presse Non-Stop shares.

Other receivables mainly relate to the NLCL shareholder loan current account.

Trade payables mainly comprise Phox payables in an amount of €112,000.

Other payables relate to the shareholder loan current account between Groupe LDLC and Immo Fi (€230,000).

4. Notes to the income statement

4.1. REVENUE BREAKDOWN

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	France	Export	Total	France	Export	Total
Sales of goods	618,134	74,337	692,471	414,963	53,921	468,884
Sales of services*	25,544	6,050	31,594	19,726	4,786	24,512
Total	**643,678**	**80,387**	**724,065**	**434,689**	**58,707**	**493,396**

** Sales of services mainly comprise shipping costs.*

During the year ended 31 March 2021, 89% of revenues were generated in France, compared to 88% the previous year.

4.2. STAFF COSTS AND HEADCOUNT

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Wages and salaries	35,311	33,097
Social security contributions and staff costs	15,757	14,216
Employee profit-sharing	4,034	778
Total	**55,102**	**48,091**
Average headcount	1,028	1,007
Non-managerial staff	657	653
Managerial staff	320	311
Temporary workers	52	44

The increase in staff costs is mainly due to the sharp increase in employee profit-sharing and related social security charges, which amounted to €4,841,000 for the year ended 31 March 2021 compared to €934,000 the previous year.

57 TopAchat employees joined the Group during the year ended 31 March 2021 following the 10 April 2020 acquisition of this company's business.

Bonus shares granted

The benefits awarded in the form of bonus share allocations are measured at the initial share value on the date of allocation to the plans and recognised as a counter-entry to a provision for expenses, in accordance with the provisions of CRC regulation 99-02. These staff costs are amortised on a straight-line basis over the vesting period (see Note 2.2.16 on accounting policies).

- 3,000 existing Groupe LDLC shares were allotted on 29 June 2017, to be vested after a vesting period of 2 to 6 years and thereafter subject to a two-year lock-in period.
- 35,000 existing Groupe LDLC shares were allotted on 23 February 2018, to be vested after a vesting period of 2 to 4 years and thereafter subject to a one-year lock-in period.
- 20,000 existing Groupe LDLC shares were allotted on 22 July 2020, to be vested after a vesting period of 2 to 4 years and thereafter subject to a one-year lock-in period.

Apart from the 29 June 2017 and 23 February 2018 plans, these bonus share plans are subject to a condition of presence in the Company but not to any performance criteria.

The presence condition was partly waived for the June 2017 plan and fully waived for the February 2018 plan.

Following the departure of one beneficiary during the year, one plan covering 7,000 shares with a total value of €78,000 was cancelled.

A provision for staff costs is recorded and is intended to cover the probable outflow of resources for each tranche of the 2017-2020 plans, in accordance with the likelihood that the presence condition will be met and in proportion to services rendered. The counter-entry to this provision is recorded under staff costs (see Note 3.12).

The June 2017 and February 2018 plans are subject to chargeback agreements with the subsidiaries (see Note 2.2.16).

During the year ended 31 March 2021, 13,500 shares were vested and 7,000 share entitlements cancelled following the departure of the beneficiary.

Date granted	29/06/2017	23/02/2018	22/07/2020
Total number of bonus shares granted	3,000	35,000	20,000
Vesting date	1,000 shares on 29/06/2019	10,000 shares on 23/02/2020	6,000 shares on 22/07/2022
	1,000 shares on 29/06/2020	12,500 shares on 23/02/2021	6,000 shares on 22/07/2023
	1,000 shares on 29/06/2021	12,500 shares on 23/02/2022	8,000 shares on 22/07/2024
Lock-in period	2 years	1 year	1 year

4.3. NET DEPRECIATION, AMORTISATION AND PROVISIONS

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Net depr./amort. of non-current assets	(7,316)	(6,822)
Net provisions for retirement benefits	(709)	(145)
Net provisions for inventory impairment	(84)	(555)
Net provisions for impairment of receivables	916	(1,458)
Net provisions for current account impairment	0	0
Net provisions for customer warranties	(16)	(69)
Other charges/write-backs	(106)	(55)
Total net depreciation, amortisation and provisions	**(7,315)**	**(9,104)**

Figures presented as (-) denote expenses.

The increase in net depreciation and amortisation of non-current assets mainly comprises €506,000 of amortisation charges on the TopAchat trademark.

The increase in provisions for retirement benefits is mainly due to the change in the discount rate (see Note 3.12).

The decrease in trade receivables impairment primarily corresponds to an increase in write-backs of provisions for impairment on OLYS TRADE RECEIVABLES, for which a €1.6 million net provision write-back was recorded at 31 March 2021 compared to a net provision charge of €1.2 million at 31 March 2020. A corresponding a bad debt expense of €892,000 in respect of Olys was recognised under “Other income and expenses” for the year ended 31 March 2021 compared to €35,000 the previous year.

4.4. NET FINANCIAL INCOME/(EXPENSE)

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Write-back of provisions for impairment of financial assets	0	248
Other financial income	78	36
Financial income	**78**	**284**
Interest on borrowings	(401)	(968)
Interest paid to banks	(11)	(161)
Current account interest	(1)	(67)
Financing commissions	(26)	(31)
Provisions for impairment of financial assets	(11)	0
Other financial expenses	(5)	(21)
Financial expense	**(454)**	**(1,246)**
Net financial income/(expense)	**(376)**	**(962)**

This item breaks down as follows:

The "corridor" method provided for by CRC regulation 99-02 (see Note 2.2.19.1 on accounting policies):
- allows the reporting entity not to recognise actuarial gains and losses that do not exceed 10% of the commitment amount or, if higher, of the fair value of plan assets at the start of the period;
- requires the entity to recognise under income the excess amount spread over the average expected remaining duration of activity of company plan beneficiaries.

At 31 March 2021, actuarial gains and losses exceeding 10% of the commitment amount or, if higher, of the fair value of plan assets at the start of the period totalled €544,000. This year's portion of the excess amount has been recognised under financial expense in an amount of €11,000.

The decrease in interest on borrowings is mainly due to Group loan prepayments made in December 2019 and September 2020 (see Note 3.13).

The sharp increase in Group cash and cash equivalents is due to the decrease in bank interest paid during the 2020/2021 financial year.

On 30 September 2020, ASO Développement abandoned its shareholder loan current account with I-Artificielle, thereby generating financial income of €103,000.

As previously reported, financial provisions and write-backs at 31 March 2020 corresponded to the reversal of impairment provisions on treasury shares purchased for the purposes of bonus share plans but not allocated to a specific plan.

4.5. NON-RECURRING INCOME/(EXPENSE)

This item breaks down as follows:

	01/04/2020 - 31/03/2021	**01/04/2019 - 31/03/2020**
Income from disposal of non-current assets	109	45,056
Non-rec. write-backs on provisions	235	447
Other non-recurring income	207	48
Total non-recurring income	551	45,551
Net book value of fixed assets sold	38	32,620
Non-recurring expenses (purchase of treasury shares)	235	447
Non-recurring write-downs and provisions	229	638
Other non-recurring expenses	88	1,357
Total non-recurring expenses	590	35,062
Total	**(39)**	**10,489**

Non-recurring income/(expense) for the year ended 31 March 2021 mainly comprised the following items:
- income totalling €160,000 arising from the reversal of a provision by Groupe LDLC España relating to negotiations on the termination of the lease on the Madrid premises and the revision of severance payments awarded to the company's employees;
- the vesting of bonus shares accounts for non-recurring provision write-backs and non-recurring share buyback expenses totalling €235,000;
- the non-recurring depreciation charge corresponds to additional depreciation on retired non-current assets, of which €158,000 relates to investments made by LDLC VR Studio.

As reported previously, the main impact on the 2019/2020 financial statements was as follows:
- the July 2019 sale of the Group head office, which generated a €9,111,000 capital gain;
- the June 2019 sale of the Grandchamps-des-Fontaines warehouse and administrative buildings held by Domimo 2, which generated a €3,202,000 capital gain;
- the February 2020 sale of the Nantes concept store held by Domimo 3, which generated a €668,000 capital gain;
- the retirement of non-current assets corresponding to fixtures and fittings at the Barcelona store (€410,000);
- non-recurring write-downs and provisions totalling €638,000 corresponded to the impairment of intangible assets and property, plant and equipment at the Madrid store;
- the vesting of bonus shares accounted for non-recurring provision write-backs and non-recurring share buyback expenses in the amount of €447,000;
- the other non-recurring expenses primarily corresponded to Spanish store rental costs and severance payments awarded to Groupe LDLC España staff (€1,236,000).

4.6. INCOME TAX

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Net income/(loss), Group share	42,213	8,308
Current tax income/(expense)	(21,886)	(6,422)
Deferred tax income/(expense)	1,828	(1,441)
Net income from equity associates	0	0
Earnings before tax	62,271	16,170
Theoretical tax rate	32.02%	34.43%
Theoretical tax expense	(19,941)	(5,568)
Permanent differences	60	(158)
Classification of CIR research tax credit	10	14
Tax credits	155	160
Income tax outside tax group	(3)	0
Impact of change in tax rate	(343)	(194)
Other effects	(0)	0
Tax losses capitalised in prior periods	(12)	(596)
Non-capitalised tax losses	17	(1,520)
Effective tax expense	(20,058)	(7,862)

The income tax rate applicable in France is the 31% base rate for tax group companies plus social security contributions of 3.3%, giving a total rate of 32.02%. The 2019 French Finance Act provided for a progressive decrease in the current corporate income tax rate to 25% by 2022.

The Group's net tax expense takes this decrease into account, via the application of the 25% tax rate plus the 3.3% contribution for the main items for which tax must be paid from 2022 onwards.

The tax rate applicable in Spain is the base rate of 25%.

4.7. TAX CONSOLIDATION AGREEMENT

The tax group headed by Groupe LDLC consists of subsidiaries Hardware.fr, Nemeio, LDLC Distribution, Ecole LDLC, LDLC Boutiques, ADB Boutiques, Domimo 2, ADB Orgeval, LDLC7, LDLC9, LDLC11, LDLC12, LDLC13, LDLC VR Studio and Olys.

Effective 1 April 2020, LDLC Bordeaux, LDLC Villefranche, LDLC Lille V2, LDLC Lyon 7 and LDLC Cormeilles left the tax group following their mergers, as did Campus 2017 and Domimo 3 following their cessation of business.

The tax consolidation agreement provides that each subsidiary shall pay an income tax charge equal to the charge they would have paid in the absence of such agreement.

Tax consolidation arrangements led to a tax saving of €503,000 for the year ended 31 March 2021.

5. Other notes

5.1. REMUNERATION AND BENEFITS AWARDED TO MEMBERS OF THE EXECUTIVE BODIES

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Short term benefits		
Fixed compensation	591	530
Variable compensation	129	43
Other benefits		
Shared-based compensation (allotment of bonus shares)	0	0
Total compensation and benefits granted to executive directors	**719**	**573**

5.2. OFF-BALANCE SHEET COMMITMENTS

5.2.1. Commitments given

- √ Senior pledge of the business undertaking mainly comprising retail distance selling of IT hardware under the Materiel.net brand as security and guarantee for all principal amounts owed under the loan agreement for a maximum principal amount of €38 million.
- √ Junior pledge of the pledged business undertaking as security and guarantee for principal repayment and the payment of all interest, fees, ancillary costs and other amounts of any kind owed at present or in the future by Groupe LDLC pursuant to the financial documents and pertaining solely to the revolving credit facility.
- √ Pledge of Olys shares as security for the €10 million 2018 acquisition loan.
- √ Groupe LDLC is acting as surety for LDLC Boutiques for the amount of €39,000 to cover the commercial lease signed on 31/08/2017 between the lessor, SCI Immocrous, and LDLC Boutiques (former LDLC Lille V2).
- √ Signing of a 10-year partnership agreement with ASVEL in September 2018. In accordance with the confidentiality clause, the amount of the commitment cannot be disclosed.
- √ Signing of a 4-year partnership agreement with Lyon ASVEL Féminin in August 2019. In accordance with the confidentiality clause, the amount of the commitment cannot be disclosed.
- √ The Company has undertaken to lease a new logistics warehouse under construction in the Lyon area subject to monthly rent of €121,000 excluding tax and charges, provided the premises are handed over by 31 March 2022.

- √ Pledge of the equipment business of the Olys establishment located at 400 avenue du Docteur Baillet, Centre Commercial Cap Costières, 30000 NÎMES, to Banque Populaire du Sud as security for a €320,000 loan. The release of the pledge was ongoing as of 31 March 2021.
- √ Pledge of the trading business of the Olys establishment located at 7 rue de la Poste, 74000 Annecy, to Société Générale as security for a €251,000 loan. The release of the pledge was ongoing as of 31 March 2021.
- √ Pledge of the business assets of the Olys establishment located at 150 allée des Fresnes, 69760 Limonest, to Crédit Coopératif as security for a €500,000 loan.
- √ Pledge of the trading business of the Olys establishment located at 4 rue du Commandant Dubois, 69003 Lyon, to Crédit Coopératif as security for a €600,000 loan.
- √ Pledge of the business assets of the Olys establishment located at Centre Commercial Grand V, 117 traverse de la Montre, 13011 Marseille, to Société Générale as security for a €92,000 loan.
- √ Pledge of the trading business of the Olys establishment located at 7 rue de la Poste, 74000 Annecy, to Société Générale as security for a €125,000 loan with an outstanding balance of €4,500.
- √ Pledge of the business assets of the Olys establishment located at Centre Commercial Carré Jaude, 2 rue Giscard de la Tour Fondue, 63000 Clermont-Ferrand, to Société Générale as security for a €317,000 loan.
- √ Pledge of the sales business of the Olys establishment located at 67 rue Vendôme, 69006 Lyon, to Société Générale as security for a €270,000 loan.
- √ €16,000 security commitment to Honda Finance under a lease purchase agreement on movable assets belonging to Olys, with an outstanding balance of €8,200.
- √ €4,000 security commitment to Financo under a lease purchase agreement on movable assets belonging to Olys, with an outstanding balance of €500.

5.2.2. Commitments received

- √ BNP Paribas is acting as surety for Groupe LDLC to cover €400,000 in rental payments owed to SCI Blomet, represented by Mr Chancel, company director, for its Paris store.
- √ BNP Paribas is acting as surety for Groupe LDLC to cover payment of CHF 55,000 in Swiss VAT owed by Groupe LDLC to the Swiss Federal Tax Administration, Value Added Tax Division. Guarantee applicable for an indefinite term.
- √ BNP Paribas is acting as surety for Groupe LDLC to cover payment of CHF 13,020 in customs duties and customs VAT owed by Groupe LDLC to the Swiss Federal Customs Administration. Guarantee applicable for an indefinite term.
- √ In April 2018, Groupe LDLC entered into an interest rate swap intended to hedge interest rate risk related to the €10 million loan.
- √ In January 2015, Groupe LDLC entered into a master agreement with Caisse d'Epargne regarding transactions in financial futures. There are no agreements currently in force.
- √ In January 2015, Groupe LDLC signed a master futures agreement with Crédit Agricole for purchasing USD. There are no agreements currently in force.
- √ Groupe LDLC benefits from a guarantee under the *FNG Prêt Numérique* fund, in respect of the loan taken out with BPI, covering 80% of the principal, i.e. €210,000 at 31 March 2021. An €88,000 holdback was retained by lender BPI as a cash pledge.

- √ Groupe LDLC benefits from a guarantee under the Fonds National de Garantie (FNG) fund ("Croissance Industrie 2" loan), in respect of the €900,000 loan taken out with BPI, covering 80% of the principal, i.e. €720,000 at 31 March 2021. A €45,000 holdback was retained by lender BPI as a cash pledge.
- √ Groupe LDLC benefits from a guarantee under the *Fonds National de Garantie* (FNG) fund ("Croissance Industrie 2" loan), in respect of the €1.1 million loan taken out with BPI, covering 80% of the principal, i.e. €880,000 at 31 March 2021. A €55,000 holdback was retained by lender BPI as a cash pledge.
- √ Groupe LDLC benefits from a guarantee under the Fonds *National de Garantie* (FNG) fund ("equity reinforcement"), in respect of the €5.3 million loan taken out with BPI, covering 50% of the principal, i.e. €2,385,000 at 31 March 2021. A €265,000 holdback was retained by lender BPI as a cash pledge.
- √ Crédit Agricole has issued a €1,448,000 guarantee to Groupe LDLC to guarantee payment of amounts owed to SCI SELP Fallavier in relation to the logistics warehouse under construction in the Lyon area. The guarantee expires on 22 October 2021.

5.2.3. Commitments relating to the Company's operations

At 31 March 2021, the Group had no material finance lease commitments.

Operating lease

The table below presents all commitments made under operating lease agreements and corresponding to non-cancellable rental payments for stores, logistics platforms and other premises (administrative and head office).

The payment schedule breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Due in < 1 year	7,040	6,747
Due in 1 - 5 years	24,939	23,808
Due in > 5 years	16,013	20,502
Discounted value of future rent	**47,992**	**51,057**

6. STATUTORY AUDITORS' FEES

	Cap Office				Mazars			
	Amount (excl. tax)		%		Amount (excl. tax)		%	
	FY ended 31/03/2020	FY ended 31/03/2021	FY ended 31/03/2020	FY ended 31/03/2021	FY ended 31/03/2020	FY ended 31/03/2021	FY ended 31/03/2020	FY ended 31/03/2021
Audit								
Statutory audits, certification, review of Company and consolidated financial statements								
Issuer	50	67	30%	40%	57	67	90%	100%
Fully consolidated subsidiaries	117	98	70%	60%	6	0	10%	0%
Audit sub-total	**167**	**165**	**100%**	**100%**	**63**	**67**	**100%**	**100%**
Other services								
Non-audit services - Issuer	20	18	100%	100%	20	33	100%	100%
Non-audit services - Fully consolidated subsidiaries								
Other services sub-total	**20**	**18**	**100%**	**100%**	**20**	**33**	**100%**	**100%**
TOTAL	**186**	**183**			**83**	**99**		

	Other				TOTAL			
	Amount (excl. tax)		%		Amount (excl. tax)		%	
	FY ended 31/03/2020	FY ended 31/03/2021	FY ended 31/03/2020	FY ended 31/03/2021	FY ended 31/03/2020	FY ended 31/03/2021	FY ended 31/03/2020	FY ended 31/03/2021
	0	0	1%		107	133	44%	57%
	13	3	99%	100%	136	102	56%	43%
	13	**3**	**100%**	**100%**	**243**	**235**	**100%**	**100%**
	12		100%		51	51	100%	100%
	12		**100%**		**51**	**51**	**100%**	**100%**
	25	**3**			**294**	**286**		

Non-audit services comprised the following:

- report by the independent third-party body on the social and environmental information;
- certification of bank covenants;
- limited review of the interim accounts.

18.2. STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended March 31, 2021

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by French law, such as verification of the information pertaining to the Group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of GROUPE LDLC,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of GROUPE LDLC for the year ended March 31, 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at March 31, 2021, and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
Our responsibilities under those standards are further described in the Statutory Auditors' "Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (code de commerce) and the French Code of ethics (code de déontologie) for statutory auditors for the period from 1st of April, 2020 to the date of our report.

Justification of assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Goodwill included in the balance sheet as of March 31, 2021, for a net amount of €28 110 K, was subject to impairment tests according to the methods described in Notes 2.2.5 "Business combinations and related goodwill" and 3.2.7 "Impairment testing" to the consolidated financial statements. Our work consisted in assessing the elements taken into consideration to estimate the recoverable value of this goodwill and the consistency of the assumptions used when applying the discounted cash flow method. As part of our assessments, we ensured the reasonableness of these estimates

Inventories are depreciated according to the methods described in Notes 2.2.12 and 3.6 "Inventories" to the consolidated financial statements. As part of our evaluation of the accounting principles followed by your group, we assessed the appropriateness of the accounting methods used and their correct application.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of Management Board (Directoire).

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is included in the Group's management report, it being specified that, in accordance with article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Management Board (Directoire).

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Lyon and Villeurbanne, June 17, 2021

The Statutory Auditors

CAP Office	Rémi CHARNAY
MAZARS	Séverine HERVET

18.3. COMPANY FINANCIAL STATEMENTS (FRENCH GAAP) FOR THE YEAR ENDED 31 MARCH 2021

1. Groupe LDLC financial statements for the year ended 31 March 2021

1.1. BALANCE SHEET

Balance sheet - Assets (€000 unless otherwise stated)		**FY ended 31 March**	
	Note	**2021**	**2020**
Net intangible assets	(2.3.1)	26,262	25,735
Net property, plant and equipment	(2.3.2)	6,004	6,766
Net financial assets	(2.3.3)	26,901	22,806
Non-current assets		**59,167**	**55,306**
Inventories and WIP	(2.3.4)	100,459	62,764
Trade receivables	(2.3.5)	29,401	20,338
Other receivables	(2.3.6)	25,416	22,541
Cash and cash equivalents	(2.3.7)	45,929	16,522
Current assets		**201,205**	**122,164**
Accrued income and prepaid expenses	(2.3.8)	9,007	4,696
Total assets		**269,379**	**182,166**

Balance sheet - Equity & liabilities (€000 unless otherwise stated)		**FY ended 31 March**	
	Note	**2021**	**2020**
Share capital	(1.3)	1,138	1,138
Additional paid-in capital	(1.3)	21,053	21,053
Legal reserve	(1.3)	114	114
Other reserves	(1.3)	29,082	28,838
Retained earnings	(1.3)	0	0
Interim dividend	(1.3)	(3,093)	0
Net income for the year	(1.3)	52,213	244
Regulated provisions		356	268
Total shareholders' equity		**100,862**	**51,654**
Provisions for risks and contingencies	(2.3.9)	5,199	4,494
Borrowings	(2.3.10)	27,883	42,649
Trade payables	(2.3.11)	92,497	53,873
Tax and social security liabilities	(2.3.12)	26,746	19,919
Other payables	(2.3.13)	10,069	5,243
Accrued income and prepaid expenses	(2.3.14)	6,122	4,334
Total equity and liabilities		**269,379**	**182,166**

1.2. INCOME STATEMENT

Income statement (€000 unless otherwise stated)		FY ended 31 March	
	Note	**2021**	**2020**
Sales of goods	(2.3.18)	633,980	404,585
Sales of services	(2.3.18)	23,547	16,070
Purchase of goods		(517,070)	(344,396)
Gross margin		**140,457**	**76,258**
Other income		2,257	482
Other purchases and external costs		(26,044)	(21,647)
Miscellaneous taxes		(3,048)	(2,144)
Staff costs	(2.3.20)	(36,208)	(31,618)
Net depreciation, amortisation and provisions	(2.3.21)	(6,515)	(5,558)
Other expenses		(3,348)	(2,635)
EBIT		**67,550**	**13,137**
Financial income	(2.3.22)	12,561	441
Financial expense	(2.3.22)	(2,150)	(10,820)
Net financial income/(expense)		**10,411**	**(10,379)**
Earnings before tax and non-recurring items		**77,961**	**2,757**
Non-recurring income/(expense)	**(2.3.23)**	**(46)**	**(131)**
Employee profit-sharing		(4,034)	(778)
Income tax	(2.3.24)	(21,668)	(1,604)
Net income/(loss)		**52,213**	**244**

1.3. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€000 unless otherwise stated)

(€000)	Share capital	Additional paid-in capital	Legal reserve	Undistri-butable reserve	Other reserves	Retained earnings	Regl. prov.	Interim dividends allotted/FY ended 31/03/2021	Net income for the year	Total shareholders' equity
Shareholders' equity at 31 March 2019	**1,138**	**21,053**	**114**	**0**	**32,909**	**(2,780)**	**169**	**0**	**(1,291)**	**51,312**
Appropriation of previous year's earnings					(4,071)	2,780			1,291	0
Dividends allotted/ FY ended 31/03/2019										0
Accelerated depreciation/amortisation							98			98
Net income for the year ended 31/03/2020									244	244
Shareholders' equity at 31 March 2020	1,138	21,053	114	0	28,838	0	268	0	244	51,654
Appropriation of previous year's earnings					**244**				**(244)**	**0**
Dividends allotted/ FY ended 31/03/2020										0
Accelerated depreciation/amortisation							89			89
Interim dividends allotted/ FY ended 31/03/2021 (a)								(3,093)		(3,093)
Net income for the year ended 31/03/2021									52,213	52,213
Shareholders' equity at 31 March 2021	**1,138**	**21,053**	**114**	**0**	**29,082**	**0**	**356**	**(3,093)**	**52,213**	**100,862**

(a) On 25 February 2021 Groupe LDLC paid out an ordinary interim dividend of €0.50 per share in respect of the 2020/2021 financial year.

√ **Shareholder breakdown at 31 March 2021**

At 31 March 2021, the share capital of Groupe LDLC consisted of 6,322,106 shares with a par value of €0.18 each.

As a reminder, the articles of association confer double voting rights on shares held in registered form for over two years, in accordance with Article L.225-123 of the French Commercial Code.

	Number of shares	O/w treasury shares	Number of bonus shares
Total at 31 March 2019	**6,322,106**	**127,478**	**123,230**
New shares			
Treasury shares purchased/(sold)		75,866	77,402
Bonus share plans		(64,726)	(64,726)
Total at 31 March 2020	**6,322,106**	**138,618**	**135,906**
New shares			
Treasury shares purchased/(sold)		(1,678)	
Bonus share plans		(13,500)	(13,500)
Total at 31 March 2021	**6,322,106**	**123,440**	**122,406**

2. Notes to the Company financial statements for the year ended 31 March 2021

(Amounts in €000 unless otherwise stated)

The following notes form an integral part of the Company financial statements for the period from 1 April 2020 to 31 March 2021, which have been approved by the Company's Management Board.

2.1. HIGHLIGHTS OF THE YEAR

During the COVID-19 public health crisis, the LDLC and Materiel.net network stores were deemed essential services by the ministerial order of 15 March 2020. Despite this status, certain stores remained closed. The Company kept a number of stores open at reduced capacity to enable the continuation of hardware sales and after-sales services for retail customers and provide businesses with the equipment required for teleworking.

All of Groupe LDLC's online retail activities remained operational throughout the lockdown period.

The government announcements on lockdown easing measures enabled the network stores closed since 17 March 2020 to gradually re-open from 11 May 2020, in accordance with the recommended "distancing" measures.

The Company used furlough schemes to help manage the temporary downturn in store business, for which an amount of €128,000 was received for the financial year.

During the second lockdown introduced nationwide on 29 October 2020 to tackle the latest wave of the COVID-19 epidemic, all LDLC and Materiel.net stores stayed open in strict compliance with health guidelines.

The Spanish website has been hosted by Groupe LDLC since 1 April 2020.

On 10 April 2020, Groupe LDLC acquired the TopAchat business at a price of €3 million. This business combination is a source of further opportunities and synergies. TopAchat's business is perfectly compatible with the Company's high-tech product retail strategy.

In late April 2020, Groupe LDLC obtained four €4.5 million PGE state-guaranteed loans in order to finance cash requirements. 90% of the €18 million borrowed under these loans is covered by the state guarantee granted to banks and finance companies under Article 6 of the French Amended Finance Act no. 2020-289 of 23 March 2020.

Given the level of its growth rate and margins, Groupe LDLC fully prepaid all four loans in February 2021 (see Note 2.3.10).

On 30 June 2020, Groupe LDLC purchased 450 Anikop shares at a price of €600,000, thereby increasing its equity stake to 95%.

In late January 2021, Groupe LDLC reduced working hours for all employees to a 32-hour week over four days.

Three Groupe LDLC subsidiaries ceased trading during the year:
- 17 February 2021, liquidation of Groupe LDLC España (see Notes 2.3.3, 2.3.5, 2.3.9, 2.3.22 and 2.3.23);
- 16 March 2021, Campus 2017 and Domimo 3. All the assets and liabilities of these companies were transferred to Groupe LDLC (see Notes 2.3.3, 2.3.10 and 2.3.22).

The transfer took place with effect on the date of cessation of business, in accordance with Article 1844-5 of the French Civil Code.

2.2. ACCOUNTING POLICIES

The Company financial statements have been prepared in accordance with the French chart of accounts (Plan Comptable Général) and ANC regulation 2018-01 of 20 April 2018 (as approved by the ministerial order of 8 October 2018) on changes in accounting policies.

Generally accepted accounting principles are applied in accordance with the principle of prudence and the basic assumptions of:
- • going concern;
- consistency of presentation from one period to the next;
- • accrual basis of accounting,

and generally accepted rules for preparing and presenting the annual financial statements.

The basic method used to measure the items recorded in the accounts is the historical cost method.

The principal methods applied are as follows:

2.2.1. Intangible assets

Intangible assets are stated at cost on the balance sheet. They mainly consist of software licences, leasehold rights, IT project development costs and R&D costs.

They are amortised on a straight line basis as of commissioning, except for software for which amortisation begins on the acquisition date.

Groupe LDLC has opted to amortise leasehold rights over the remaining term of the lease.

The following amortisation periods are applied:

Software	3 years
Materiel.net trademark	10 years
TopAchat trademark	8 years
Other intangible assets	3-8 years

2.2.2. Research and development costs

Research and development costs are recognised under non-current assets or expenses for the period in which they are incurred, depending on whether the related project qualifies for recognition as an asset.

The cumulative capitalisation conditions to be met are as follows:
- technical and commercial feasibility of completing the asset for sale or use;
- intention to complete and use or sell the asset;
- ability to use or sell the asset;
- capacity of the asset to generate probable future economic benefits;
- availability of adequate technical, financial and other resources to complete and use or sell the asset;
- ability to measure the attributable expenditure reliably over its development.

2.2.3. Property, plant and equipment

Property, plant and equipment is measured at purchase cost including purchasing fees and, where applicable, assembly costs if the hardware is purchased by the Company for its own use. It mainly consists of fixtures and fittings, equipment, computer hardware and furniture.

Depreciation is calculated on a straight line basis according to the estimated useful life once the asset is ready for commissioning.

The following amortisation periods are applied:

Fixtures and fittings	8-10 years
Equipment	5-8 years
Technical facilities	8-10 years
Office equipment and hardware	3 years
Furniture	5 years

2.2.4. Financial assets

Financial assets are recorded at cost.

The Company has opted to include acquisition expenses such as transfer taxes, fees, commissions, registration fees and other costs, as specified in French National Accountancy Council (CNC) emergency committee opinion 2006 of 7 June 2006, in the acquisition cost of financial assets. These costs are amortised over 5 years and are subject to accelerated depreciation.

Equity investments are subject to an impairment charge when their value in use falls below their acquisition cost.

Value in use is calculated using various methods based on reported net assets, profit forecasts and compliance with long-term forecasts, as well as on discounted future cash flows as adjusted for net cash.

Other financial assets include treasury shares purchased under a share buyback plan or liquidity contract entered into with an investment services provider. The shares are written down in accordance with the average trading price during the last month of the financial year.

2.2.5. Inventories

Goods are valued using the first in, first out (FIFO) method.

Inventories include all costs of purchase and variable logistics, procurement service and transport costs. Advantages obtained from suppliers that are recognised as a deduction from the purchase cost of the goods sold are deducted from inventory value.

An impairment charge is recorded when:
- the estimated realisable value of the inventories is lower than cost;
- it may not be possible to run down inventory stocks under normal conditions.

The net realisable value is the estimated selling price in the ordinary course of business, less costs to sell.

2.2.6. Trade receivables

Trade and related receivables are recorded at their nominal value.

They are written down on an individual basis in accordance with their age and expectation of recovery.

2.2.7. Cash and cash equivalents

Cash and cash equivalents include immediately available cash and treasury shares purchased to cover bonus share plans.

Foreign currency bank transactions are valued at the transaction date. At the end of each month, the accounts are revalued at the closing rate. The matching entry for this revaluation is a currency gain or loss account.

In accordance with the CNC opinion of 6 November 2008, treasury shares assigned to current plans are not written down in accordance with changes in the share price.

2.2.8. Provisions for risks and contingencies

Provisions for risks and contingencies are recognised in accordance with the CRC 2000-06 “Regulation on liabilities”.

Provisions are recorded in order to provide for a probable outflow of resources in favour of a third party without any corresponding consideration accruing to the Company. Depending on the type of provision concerned, they are estimated on the basis of the most likely assumptions or by using statistical methods.

2.2.9. Transactions in foreign currencies

First-time application of ANC regulation 2015-05 on financial futures and hedging transactions applicable to financial years beginning on or after 1 January 2017 led to the transfer of currency gains and losses on commercial transactions from financial income and expense to

Income and expenses in foreign currencies are recognised at their equivalent value in euros as at the date of the transaction.

Foreign currency receivables and payables are carried on the balance sheet at their equivalent value in euros as calculated using the closing rate.

The differences arising from the remeasurement of foreign currency receivables and payables at the closing rate are recorded as translation differences on the balance sheet. A provision for risks is recorded to cover unrealised currency losses.

2.2.10. Revenues

In the income statement, revenues from the sale of products are presented under “Sales of goods” and from the related services under “Sales of services”.

Sales of products are recognised under “Sales of goods” when the following criteria have been satisfied:
- the main risks and rewards of ownership have been transferred to the buyer and the amount of revenue and costs associated with the transaction can be reliably measured;
- it is probable that the economic benefits associated with the transaction will flow to the Company.

Sales of goods to professionals and consumers presented in the income statement, excluding sales to stores and subsidiaries, are restated taking into account the average effect of the last two days of sales, given that the Company considers that the risks and rewards of ownership have not yet been transferred to the buyer during this time in view of the average delivery periods recorded by carriers.
Revenues from the sale of services are recognised once the services have been rendered.

2.2.11. Related party transactions

Transactions with related parties are entered into under arm’s length terms and are therefore not concerned by ANC regulations 2010-02 and 2010-03.

2.2.12. Post balance sheet events

During the second lockdown introduced nationwide on 3 April 2021 to tackle the latest wave of the COVID-19 epidemic, all LDLC and Materiel.net stores stayed open in strict observance of recommended “distancing” measures.

Groupe LDLC plans to fully prepay the €23 million and €10 million loans taken out to partly finance the Materiel.net, Olys and Synopsis acquisitions by 30 June 2021, representing a total liability of €6,353,000 at 31 March 2021. Full prepayment of the loans requires Groupe LDLC to waive the €13.5 million revolving credit facility associated with the loans (see Note 2.3.10).

Groupe LDLC has signed an off-plan lease for a 28,000 m^2 warehouse to replace the current 21,000 m² logistics structure near Lyon. The new facility, which is designed to accommodate the growing business expected over the coming years, should start operating during the 2022/2023 financial year.

To the Company’s knowledge, no event likely to have a material impact on the Company financial statements has occurred since 31 March 2021.

2.3. ADDITIONAL BALANCE SHEET AND INCOME STATEMENT INFORMATION

2.3.1. Intangible assets

Intangible assets break down as follows:

Gross values	31/03/2020	Acquisitions	Reclassification	Disposals/ retirement	31/03/2021
Software and other intangible assets	9,162	487	17	244	9,422
Leasehold rights	540				540
Intangible assets in progress	1,624	397	(32)		1,989
Domisys merger deficit	11,945				11,945
Materiel.net trademark	6,640				6,640
TopAchat trademark	0	2,898			2,898
Total	**29,910**	**3,781**	**(14)**	**244**	**33,433**

Depreciation, amortisation and impairment	31/03/2020	Charges	Write-backs	31/03/2021
Software and other intangible assets	2,333	1,989	244	4,078
Leasehold rights	182	67		250
Materiel.net trademark	1,660	830		2,490
TopAchat trademark	0	353		353
Total	**4,176**	**3,240**	**244**	**7,171**

Intangible assets mainly consist of software, leasehold rights, trademarks, merger deficits, IT project development costs and R&D project costs.

The increase in intangible assets is mainly due to:

- the purchase of the TopAchat business, for which an amount of €2,898,000 was assigned to the TopAchat trademark;
- upgrading of payroll and accounting software (€259,000) plus €139,000 of retired assets;
- capitalised R&D project costs (€394,000). Capitalised R&D development costs are deducted from "Other purchases and external costs" on the income statement. Development costs capitalised at 31 March 2021 mainly comprised external costs (€293,000) and staff costs (€101,000).

The sharp increase in charges for the year ended 31 March 2021 was mainly due to amortisation of:

- the TopAchat trademark since 10 April 2020 (€353,000);
- various in-house projects (€1,709,000 versus €1,197,000 the previous year).

2.3.2. Property, plant and equipment

Property, plant and equipment break down as follows:

Gross values	31/03/2020	Acquisitions	Reclassification	Disposals/ retirement	31/03/2021
Fixtures and fittings	13,176	362	1	125	13,414
Equipment	6,980	63		25	7,018
Vehicles and delivery equipment	34				34
Office equipment and furniture	4,953	262		475	4,739
PP&E in progress	2	226	(2)		226
Total	**25,146**	**912**	**(1)**	**625**	**25,432**

Depreciation, amortisation and impairment	31/03/2020	Charges	Write-backs	31/03/2021
Fixtures and fittings	8,909	853	123	9,639
Equipment	6,003	165	25	6,143
Vehicles and delivery equipment	15	9		24
Office equipment and furniture	3,452	639	470	3,621
Total	**18,380**	**1,665**	**618**	**19,428**

The main acquisitions of property, plant and equipment concerned work on the Grandchamps-des-Fontaines logistics chain (€133,000) and property, plant and equipment acquired through the purchase of the TopAchat business (€93,000).

Fit-out work at the Grandchamps-des-Fontaines facility was undertaken at a cost of €99,000.

Furthermore, €65,000 was expended on computer hardware, mainly for teleworking purposes.

The main acquisitions of property, plant and equipment in progress concerned a certification test chamber at a cost of €194,000.

2.3.3. Financial assets

Financial assets break down as follows:

	31/03/2020 gross value	Acquisitions	Reclassification	Disposals/ retirement	31/03/2021 gross value	Impairment	31/03/2021 net value
Hardware shares	3,033				3,033		3,033
Nemeio shares	8				8	(8)	0
DLP-Connect shares	24				24		24
Anikop shares	24	620			644		644
LDLC Distribution shares	100				100		100
Ecole LDLC shares	500				500		500
LDLC Villefranche shares	303		(303)		0		0
LDLC Bordeaux shares	30		(30)		0		0
LDLC Boutiques shares	30		485		515		515
LDLC Lille V2 shares	2		(2)		0		0
LDLC Event shares	21				21		21
Campus 2017 shares	2			(2)	0		0
LDLC Lyon 7 shares	30		(30)		0		0
LDLC Cormeilles shares	30		(30)		0		0
ADB Boutiques shares	30				30		30
Domimo 2 shares	1,907	1			1,908		1,908
Domimo 3 shares	224	1		(225)	0		0
NLCL shares	1,500				1,500		1,500
Other shares	1				1		1
Olys shares	15,347				15,347		15,347
LDLC7 SHARES	30				30		30
Bluescreen shares	24				24		24
LDLC9 shares	30				30		30
ADB Orgeval shares	30				30		30
LDLC11 shares	30				30		30
LDLC12 shares	30				30		30
LDLC13 shares	30				30		30
Groupe LDLC España shares	5,250			(5,250)	0		0
Avitech shares	90		(90)		0		0
LDLC VR Studio shares	20				20		20
CG Développement shares	400				400		400
Phox shares	2				2	(2)	0
Immofi1 shares	348				348		348
Presse Non-Stop shares	51				51	(38)	13
Time for the Planet shares	0	200			200		200
Treasury shares	25	3,367		(3,340)	53		53
Deposits and guarantees	1,489	87			1,577		1,577
Accrued interest on deposits and guarantees	26	2		(16)	12		12
Loan holdback	553			(100)	453		453
Total	**31,603**	**4,278**	**0**	**(8,932)**	**26,949**	**(47)**	**26,901**

On 30 June 2020 Groupe LDLC purchased 450 Anikop shares at a price of €620,000, thereby increasing its equity stake to 95%.

On 30 September 2020 a merger was carried out pursuant to the provisions of Articles L.236-1 et seq. and R.236-1 et seq. of the French Commercial Code under the simplified merger procedure applicable to sister companies. LDLC Villeurbanne decided to merge LDLC Villefranche, LDLC Lille V2, LDLC Bordeaux, LDLC Cormeilles, LDLC Lyon 7 and Avitech by absorption, thereby bringing the various business activities under a single umbrella and raising the value of LDLC Villeurbanne shares to €515,000. Following the merger, LDLC Villeurbanne was renamed LDLC Boutiques.

In February 2021, ADB Limonest changed its name to ADB Boutiques.

On 5 February 2021, Groupe LDLC purchased 200,000 shares in Time for the Planet at a price of €200,000.

On 17 February 2021, Groupe LDLC España ceased trading, as a result of which its shares amounting to €5,250,000 were removed from the balance sheet and the provision recognised for the same amount at 31 March 2020 was written back.

On 16 March 2021, Groupe LDLC decided to wind up Campus 2017 and Domimo 3 without liquidation by application of Article 1844-5, paragraph 3 of the French Civil Code. The assets and liabilities of Campus 2017 and Domimo 3 were accordingly transferred to Groupe LDLC, as a result of which Campus 2017 shares amounting to €2,000 and Domimo 3 shares amounting to €225,000 were removed from the balance sheet (see Note 2.3.22).

As at 31 March 2021, Groupe LDLC held 1,034 treasury shares with a market value of €54,000.

Following the full repayment of one of the loans, a €100,000 repayment was made to a guarantee fund.

OLYS impairment testing

Cash flows were valued based on budgets and five-year plans prepared using growth and profit forecasts in line with past performances of Olys and its markets, including the impact of expected synergies resulting from the business combination with Groupe LDLC on the margin rate. The 1.9% growth rate used to project perpetual cash flows is consistent with long-term inflation rates in France.

The discount rate used corresponds to the weighted average cost of capital (WACC) and represents the expected return on capital employed (ROCE). It is calculated using financial data taken from a peer sample of comparable companies, comprising listed companies from the same business sector as Groupe LDLC. At 31 March 2021, the discount rate determined using market data was 11.1% for OLYS.

Following an appraisal of the share value, the total impairment charge of €3.5 million previously recognised on Olys shares was fully written back at 31 March 2021.

Sensitivity tests

Groupe LDLC analysed the sensitivity of impairment test results, based on different EBITDA margin assumptions used to calculate the terminal value and discount rate.

Sensitivity tests were carried out on the basis of the adopted business plan, including changes that could be reasonably expected to occur (-100 bps for the EBITDA/revenues margin, +100 bps for the discount rate). These tests did not result in any scenario where the recoverable amount of the shares would not permit full reversal of the €3.5 million impairment charge recorded against the Olys shares.

2.3.4. Inventories and WIP

Inventories and work-in-progress break down as follows:

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Goods inventories	101,943	1,484	100,459	64,240	1,476	62,764
Total goods inventories	**101,943**	**1,484**	**100,459**	**64,240**	**1,476**	**62,764**

Inventories are written down in accordance with the age of the products and the expected difficulty of selling them, and/or in the case of products whose realisable value is lower than cost.

The sharp increase in inventory gross value is mainly due to the increased business generated during the year.

2.3.5. Trade receivables

This item breaks down as follows:

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	Gross	Impairment	Net	Gross	Impairment	Net
Trade receivables	30,692	1,291	29,401	21,579	1,241	20,338
Total	**30,692**	**1,291**	**29,401**	**21,579**	**1,241**	**20,338**

All trade receivables are due in less than one year.

The sharp increase in gross trade receivables is in line with the increased business generated during the year.

Following the cessation of business by Groupe LDLC España, the €557,000 provision recorded at 31 March 2020 was fully written back at 31 March 2021, which explains why the trade receivables provision stayed constant despite the increase in trade receivables.

2.3.6. Other receivables

This item breaks down as follows:

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020
	Gross	Impairment	Net	Net
Advances and down payments	1,380	59	1,321	1,177
Supplier credits receivable	4,864		4,864	4,134
Government (income tax, VAT and other income receivable)	1,244		1,244	1,073
Government - income receivable	0		0	18
Accrued income receivable	471		471	742
Eurofactor current account and retainer	654		654	483
Current account - subsidiaries	16,679		16,679	14,847
Other	184		184	67
Total	**25,475**	**59**	**25,416**	**22,541**

All other receivables are due in less than one year.

Other receivables include €654,000 relating to the Eurofactor current account and retainer.

In March 2021, Groupe LDLC signed an amendment to the March 2017 non-recourse factoring agreement with Eurofactor.

The "Current account - subsidiaries" item mainly represents current account loans and advances to the following subsidiaries:

- OLYS (€7,553,000);
- LDLC Event (€2,653,000);
- LDLC VR Studio (€1,650,000);
- ADB Boutiques (€1,386,000);
- ADB Orgeval (€867,000);
- DLP-Connect (€835,000);
- Anikop (€510,000);
- LDLC Boutiques (€420,000).

2.3.7. Cash and cash equivalents

Provisions for risks and contingencies break down as follows:

Values	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	Gross	Prov.	Net	Gross	Prov.	Net
Cash	**44,550**	**0**	**44,550**	**14,908**	**0**	**14,908**
Short-term investments	**1,379**	**0**	**1,379**	**1,614**	**0**	**1,614**
Total	**45,929**	**0**	**45,929**	**16,522**	**0**	**16,522**

The sharp increase in this item is mainly due to the year-on-year increase in revenues and earnings.

Short-term investments consist solely of 122,406 Groupe LDLC treasury shares, compared to 135,906 shares at the previous year-end.

Treasury shares are valued at their purchase price and compared to the average share price over the last month before the closing date, which does not result in any write-down for the period.

2.3.8. Accrued income and prepaid expenses

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Invoices for goods delivered after the closing date	5,967	2,503
Prepaid expenses/property rent and rental charges	1,152	824
Sundry prepaid operating expenses	1,506	1,307
Sundry prepaid financial expenses	0	0
Total accrued income and prepaid expenses	**8,625**	**4,634**
Unrealised foreign currency losses	382	62
Total	**9,007**	**4,696**

The increase in “Invoices for goods delivered after the closing date” is in line with the year-on-year increase in revenues.

2.3.9 Provisions for risks and contingencies

Provisions for risks and contingencies break down as follows:

	01/04/2020 - 31/03/2021					01/04/2019 - 31/03/2020				
	Provisions b/fwd	**Prov. rec. during year**	**Prov. used during FY**	**Prov. not used/wrbk during FY**	**Total**	**Provisions b/fwd**	**Prov. rec. during FY**	**Prov. used during FY**	**Prov. not used/wrbk during FY**	**Total**
Retirement benefits	2,894	1,173			4,067	2,907		6	(20)	2,894
Bonus share plans	682	375	(383)	(146)	528	1,106	57	(481)		682
Other provisions	170	534	(170)		534	98	170	(98)		170
Provision for negative net pos. of Groupe LDLC España	740		(740)		0	0	740			740
Employee provisions	8	69	(6)	(1)	70	23	3	(18)		8
Total	**4,494**	**2,151**	**(1,299)**	**(148)**	**5,199**	**4,134**	**970**	**(590)**	**(20)**	**4,494**

As at 31 March 2021 the Company is not aware of any circumstances that could require the recording of provisions for risks and contingencies other than the following:

Retirement benefits

Groupe LDLC applies recommendation 2013-02 of 7 November 2013 issued by the Autorité des Normes Comptables (French Accounting Standards Authority).

The main assumptions used to calculate the provision for retirement benefits as at 31 March 2021 are as follows:

Assumptions used	**At 31 March 2021**	**At 31 March 2020**
Economic assumptions		
Executive salary growth rate	2.5%	2.5%
Non-executive salary growth rate	2.5%	2.5%
Discount rate based on iBoxx Corporate AA	0.74%	1.42%
Average remaining service	19-21 years	19-21 years
Demographic assumptions		
Retirement age	60-67 years	60-67 years
Mortality tables	Insee 2019	Insee 2018
Staff turnover	Rate decreasing with age and depending on the actual number of departures from the Company.	Rate decreasing with age and depending on the actual number of departures from the Company.

Applicable collective bargaining agreement: “Distance selling undertakings” - IDCC 2198

Bonus share plans

There are a number of outstanding bonus share plans:

- 3,000 existing Groupe LDLC shares were allotted on 29 June 2017, to be vested after a vesting period of 2 to 4 years and thereafter subject to a two-year lock-in period.
- 35,000 existing Groupe LDLC shares were allotted on 23 February 2018, to be vested after a vesting period of 2 to 4 years and thereafter subject to a one-year lock-in period.
- 20,000 existing Groupe LDLC shares were allotted on 22 July 2020, to be vested after a vesting period of 2 to 4 years and thereafter subject to a one-year lock-in period.

The €528,000 provision for contingencies recorded at 31 March 2021 is intended to cover the probable outflow of resources for each of the 2017-2020 plans, in accordance with the likelihood that the presence condition will be met and in proportion to services rendered.

The counter-entry to this provision is recorded under staff costs.

In connection with the departure of two beneficiaries during the year, the presence condition was partly waived for one of the plans and fully waived for the other.

Following the departure of one beneficiary during the year, one plan covering 7,000 shares with a total value of €146,000 was cancelled.

The June 2017 and February 2018 plans are subject to chargeback agreements with the subsidiaries (see Note 2.3.17).

During the year ended 31 March 2021, 13,500 shares were vested and 7,000 share entitlements cancelled following the departure of the beneficiary.

Date granted	**29/06/2017**	**23/02/2018**	**22/07/2020**
Total number of bonus shares granted	3,000	35,000	20,000
Vesting date	1,000 shares on 29/06/2019	10,000 shares on 23/02/2020	6,000 shares on 22/07/2022
	1,000 shares on 29/06/2020	12,500 shares on 23/02/2021	6,000 shares on 22/07/2023
	1,000 shares on 29/06/2021	12,500 shares on 23/02/2022	8,000 shares on 22/07/2024
Lock-in period	2 years	1 year	1 year

Groupe LDLC España subsidiary

Following the cessation of business by subsidiary Groupe LDLC España, the €740,000 provision recorded the previous year to cover the risk of offsetting losses in the amount of negative net capital was written back.

Other provisions

Other provisions mainly include a €382,000 provision for unrealised currency losses which was increased due to the continued decline in the EUR/USD exchange rate during Q1 2021.

2.3.10. Borrowings

This item breaks down as follows:

	01/04/2020 - 31/03/2021				01/04/2019 - 31/03/2020			
	Gross amount	Due in < 1 yr	Due in 1-5 yrs	Due in > 5 yrs	Gross amount	Due in < 1 yr	Due in 1-5 yrs	Due in > 5 yrs
Loans	18,647	10,071	8,320	255	26,439	7,395	18,589	455
Bank overdrafts and accrued interest	230	230			155	155		
Immofi current account	230	230			205	205		
Accrued interest - shareholders	0	0			16	16		
Nemeio current a/c	0	0			5	5		
Ecole LDLC current a/c	883	883			878	878		
Hardware current a/c	2,721	2,721			2,309	2,309		
LDLC Distribution current a/c	0	0			37	37		
CAMPUS 2017 current a/c	0	0			6,472	6,472		
LDLC Boutiques current a/c	0	0			15	15		
Domimo 2 current a/c	5,173	5,173			5,142	5,142		
Domimo 3 current a/c	0	0			976	976		
Total	**27,883**	**19,308**	**8,320**	**255**	**42,649**	**23,604**	**18,589**	**455**

Bank overdrafts

New loans bear interest for an indefinite term based on the following rates, depending on the bank issuing the loan:

√ Euribor 3 M + 1%;

√ Euribor 3 M + 1.5%.

Overdraft authorisations granted to Groupe LDLC amount to €9.5 million as at 31 March 2021.

Loans

On 31 March 2016, Groupe LDLC took out a €23 million loan to partly finance the acquisition of Materiel.net, including related costs and fees. This loan is repayable over a 7-year term and bears interest at Euribor 3 months, plus an acquisition loan margin subject to annual revision in accordance with the leverage ratio.

On 19 January 2018, Groupe LDLC took out two loans amounting to €10 million and €5.3 million to finance the Olys and Synopsis acquisitions and related costs and fees.

A second amendment to the €10 million loan agreement dated 31 March 2016 was signed on 19 January 2018 in order to align the repayment period with the 2016 acquisition loan. The terms of the €23 million loan apply in the same way as for the €10 million loan.

These €23 million and €10 million loans are supplemented by a €15 million revolving credit facility, subject to minimum drawdowns of €1 million each, intended to partly finance working capital for Groupe LDLC and its subsidiaries. This facility is subject to interest based on the Euribor rate, plus a revolving credit facility margin subject to annual revision in accordance with the leverage ratio. This loan had not been used at 31 March 2021.

Swaps have been entered into to hedge the floating rates applicable to these 2016 and 2018 acquisition loans. The swap relating to the 2016 acquisition expired on 31 March 2021.

In accordance with Amendment 2 to the loan agreement, the real estate asset disposals carried out during the year ended 31 March 2020 triggered two prepayments under the €23 million and €10 million loans, thereby shortening the repayment period of both loans, as follows:

- €6 million on 13 December 2019;
- €407,000 on 30 September 2020.

As a result of these prepayments, the final instalments were rescheduled to 30 September 2022 for the €23 million loan and 30 September 2021 for the €10 million loan.

However, Groupe LDLC plans to fully prepay the €23 million and €10 million loans by 30 June 2021, representing a total repayment of €6,353,000. In anticipation of this prepayment, the entire €1,645,000 current liability due in under a year at 31 March 2021 was reclassified.

Full prepayment of the loans requires Groupe LDLC to waive the €13.5 million revolving credit facility associated with the loans.

The amendment to the combined 2016 and 2018 acquisition loan agreement provides for compliance with a number of bank covenants (ratios, capex limits, etc.). Failure to comply with these covenants may under specific conditions trigger prepayment.

These covenants are contractually based on the consolidated financial statements and are tested every six months.

The loan agreement is subject to compliance with two bank covenants contractually based on the consolidated financial statements and tested every six months:

- √ Leverage ratio, defined as "consolidated net borrowings" (i.e. borrowings less cash and cash equivalents plus bank guarantees given and endorsed by signature for an amount of €39,000) divided by "adjusted consolidated EBITDA" (i.e. Group EBIT plus net depreciation, amortisation and provision allowances included in EBIT, plus value added contributions and discounts received from suppliers).
- √ Gearing ratio, defined as "consolidated net borrowings" (i.e. borrowings less cash and cash equivalents plus bank guarantees given and endorsed by signature for an amount of €39,000) divided by "consolidated equity" (including minority interests).

The agreement also imposes a limit on capital expenditure incurred by all Group companies.

The loan agreement covenants are in compliance as at 31 March 2021.

The €5.3 million loan is repayable over a 7-year term and subject to a fixed interest rate of 1.31% per annum with repayment deferred for 8 quarters. The first instalment combining principal repayment and interest was paid on 2 November 2020.

In view of the public health crisis related to COVID-19, in late March Groupe LDLC obtained a six-month moratorium on monthly loan repayments from the banks, resulting in the deferral of instalments totalling €2.8 million at 31 March 2021.

Also in connection with the COVID-19 health crisis, in April 2020 Groupe LDLC obtained four €4.5 million PGE state-guaranteed loans for a total amount of €18 million in order to finance the Company's cash requirements. 90% of the €18 million borrowed under these loans, which were granted for a one-year term, is covered by the state guarantee granted to banks and finance companies under Article 6 of the French Amended Finance Act no. 2020-289 of 23 March 2020. In February 2021, all four loans were fully prepaid.

Current accounts

Following the cessation of business by Campus 2017 and Domimo 3, the shareholder loan current accounts attached to both subsidiaries were cleared.

2.3.11. Trade payables

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Trade payables	62,680	38,089
Supplier L/C & prom. notes payable	27,333	13,274
Supplier invoices not received	2,483	2,510
Total	**92,497**	**53,873**

All trade and related payables are due in less than one year.

The sharp increase in trade payables is in line with the increased business generated during the year.

2.3.12. Tax and social security liabilities

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Payable to employees	10,182	5,537
Payable to social security organisations	3,686	2,475
Payable to the government (income tax, VAT, etc.)	12,878	11,906
Total	**26,746**	**19,919**

The increase in employee payables is mainly due to employee profit-sharing schemes totalling €4,034,000 at 31 March 2021 versus €778,000 at 31 March 2020.

The increase in payables to social security organisations is mainly due to the flat-rate charge on employee profit-sharing schemes, which totalled €807,000 at 31 March 2021 versus €156,000 at 31 March 2020.

The increase in government payables is mainly due to the French self-employed workers' welfare contribution (C3S), which totalled €1,144,000 at 31 March 2021 versus €793,000 at 31 March 2020.

All tax and social security liabilities are due in less than one year.

2.3.13 Other payables

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Customer down payments received on orders	8,395	3,264
Other customer credit, discounts & rebates to be granted	1,659	1,975
Other	15	4
Total	**10,069**	**5,243**

All other payables are due in less than one year.

The increase in other payables mainly comprises customer advances, which totalled €8,395,000 at 31 March 2021 versus €3,264,000 at 31 March 2020 in line with market demand during FY 2020/2021.

2.3.14 Accrued income and prepaid expenses

This item mainly corresponds to deferred income in the amount of €6,115,000, including €2,171,000 relating to the spread of customer warranty contracts over the term of the contract and the restatement of the last two days of revenues in March (€3,908,000).

The sharp increase in this item is in line with the increased business generated during the year.

2.3.15. Accrued expenses payable

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Bank loans and borrowings	13	24
Cash - accrued interest payable	215	155
Trade payables	2,483	2,510
Tax and social security liabilities	13,011	6,849
Other payables	496	523
Total	**16,219**	**10,060**

The increase in tax and social security liabilities was mainly due to the increase in employee profit-sharing schemes and the related social security charge, which totalled €4,841,000 at 31 March 2021 versus €934,000 at 31 March 2020.

2.3.16. Research and development costs

R&D expenses for the year ended 31 March 2021 totalled €516,000, of which €293,000 met the criteria for capitalisation and was accordingly capitalised during the period (see Note 2.2.2).

2.3.17. Accrued income receivable

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Customer invoices to be issued	1,653	316
Other income receivable	471	742
Supplier receivables	4,507	3,833
Government - income receivable	0	18
Total	**6,632**	**4,908**

The income receivable related to chargebacks under bonus share plans for employees of Groupe LDLC subsidiaries amounted to €391,000 at 31 March 2021 compared to €682,000 at 31 March 2020.

The increase in "Customer invoices to be issued" is mainly due to costs incurred during the fourth quarter and not charged back to the subsidiaries, representing a total of €1,648,000 at 31 March 2021 versus €302,000 at 31 March 2020.

2.3.18 Breakdown of net revenues

	01/04/2020 - 31/03/2021			01/04/2019 - 31/03/2020		
	France	Export	Total	France	Export	Total
Sales of goods	566,042	67,939	633,980	355,290	49,294	404,585
Sales of services *	18,430	5,117	23,547	11,982	4,088	16,070
Total	**584,472**	**73,056**	**657,528**	**367,272**	**53,382**	**420,654**

** Sales of services mainly comprise shipping costs invoiced for goods sold.*

2.3.19 Expense transfers

This item breaks down as follows:

	Mainly impacted income statement item	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Transfer of goods expenses	Purchase of goods	620	341
Intercompany chargebacks	Other purchases and external costs	1,671	1,824
Transfer of employee charges	Other income	487	194
Transfer of insurance charges	Other income	84	110
Total		**2,861**	**2,469**

"Intercompany chargebacks" amounting to €1,671,000 mainly comprise cost chargebacks to subsidiaries.

At 31 March 2021, "Transfer of employee charges" mainly comprised the following items:

- a €283,000 payment for paid leave allowances and bonuses in connection with the transfer of TopAchat employees following the acquisition of this business on 10 April 2020;
- €92,000 of transactions related to bonus share plans for employees of Groupe LDLC subsidiaries, which are subject to a chargeback agreement between subsidiaries. At 31 March 2021, the departure of a plan beneficiary during the year led to the partial cancellation of one plan valued at €146,000.

2.3.20. Staff costs and average headcount

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Wages and salaries	24,747	21,972
Social security contributions and staff costs	11,461	9,647
Total	**36,208**	**31,618**
Average headcount	716	671
Non-managerial staff	458	427
Managerial staff	209	200
Temporary workers	50	43

The increase in staff costs primarily results from the increase in the workforce. During the year ended 31 March 2021, 57 employees were transferred from TopAchat following the acquisition of this business on 10 April 2020.

2.3.21. Net depreciation, amortisation and provisions

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Net depr./amort. of non-current assets	(4,857)	(4,414)
Net inventory impairment (charges)/write-backs	(8)	(240)
Net charges for trade rec. impairment	(50)	(852)
Net charges for impairment of supplier rec.	(0)	(8)
Net provisions for warranties	(16)	(69)
Net provisions for retirement benefits	(1,173)	13
Net provisions for employee risks and contingencies	(62)	15
Other charges/write-backs	(349)	(4)
Total net depreciation, amortisation and provisions	**(6,515)**	**(5,558)**

The increase in net depreciation and amortisation of non-current assets mainly comprises the €353,000 amortisation charge recorded on the TopAchat trademark.

The decrease in provisions for impairment of trade receivables is mainly due to the reversal of the €557,000 provision for impairment of the subsidiary Groupe LDLC España trade receivable (see Note 2.3.5).

The increase in provisions for retirement benefits is primarily related to the reduction in the discount rate (see Note 2.3.9).

The increase in other charges/write-backs mainly concerns the provision for unrealised currency losses recorded in view of the Q1 2021 decline in the EUR/USD exchange rate (see Note 2.3.9).

2.3.22. Net financial income/(expense)

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Net surplus on transfer/cessation Domimo 3 and CAMPUS 2017	7,266	0
Current account income	173	173
Currency gains	(32)	13
Financial provision write-backs	5,151	248
Other financial income	4	7
Total financial income	**12,561**	**441**
Financial depr./amort. and provision charges	659	9,742
Interest on borrowings	389	847
Current account expenses	158	140
Interest paid to banks	3	24
Financing commissions	26	31
Currency losses	5	21
Other financial expenses	911	16
Total financial expenses	**2,150**	**10,820**
Net financial income/(expense)	**10,411**	**(10,379)**

Net financial items include the net surplus on transfer following the cessation of business by Campus 2017 and Domimo 3 on 16 March 2021, in respective amounts of €6,589,000 and €676,000.

The increase in financial provision write-backs is due to the cessation of business by Groupe LDLC España and corresponds to the write-back of the entire provision for impairment of its current account in an amount of €911,000, including a €659,000 provision charge recorded in 2020/2021, and full write-back of the €740,000 provision recorded in 2019/2020 to cover the risk of offsetting losses in the amount of this subsidiary's negative net capital. Furthermore, the €3.5 million provision for impairment of Olys shares recorded at 31 March 2020 was also fully written back (see Note 2.3.3).

At 31 March 2020, a provision for impairment of Olys and Groupe LDLC España shares was recorded in respective amounts of €3,500,000 and €5,250,000.

Due to the cessation of business by Groupe LDLC España on 17 February 2021, the provision write-back for impairment of the subsidiary's shares was recognised under non-recurring items in an amount of €5,250,000 in order to avoid upsetting the balance between recurring and non-recurring items (see Note 2.3.23).

Other financial expenses totalling €911,000 for the year ended 31 March 2021 arose from the waiver of the Groupe LDLC España shareholder loan current account.

The decrease in interest on borrowings is mainly due to loan prepayments made by Groupe LDLC in December 2019 and September 2020 (see Note 2.3.10).

2.3.23. Non-recurring income/(expense)

This item breaks down as follows:

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Non-rec. income from fixed asset disposals	6	0
Non-rec. income from disposal of fin. assets	45	6
Gains on purchase of treasury shares	98	38
Non-rec. write-backs on provisions	5,485	447
Write-back of accel. depr./amort.	13	0
Other non-recurring income	1	1
Total non-recurring income	**5,648**	**492**
Non-rec. expenses on fixed asset disposals	6	12
Non-rec. exp. on disposal of fin. assets	5,250	6
Losses on purchase of treasury shares	271	477
Non-rec. depr./amort.	48	0
Accelerated depr./amort.	101	98
Other non-recurring expenses	18	30
Total non-recurring expenses	**5,694**	**623**
Non-recurring income/(expense)	**(46)**	**(131)**

The cessation of business by Groupe LDLC España explains the amounts recorded under non-recurring write-backs on provisions and non-recurring expenses on disposal of financial assets related to the removal of this subsidiary's shares from the balance sheet in an amount of €5,250,000.

At 31 March 2020, the provision for impairment of Groupe LDLC España shares was recognised under financial items. At 31 March 2021, the write-back of this provision was recorded under non-recurring items in order to avoid upsetting the balance between recurring and non-recurring items (see Note 2.3.22).

The vesting of bonus shares accounts for the non-recurring write-backs of provisions and losses on purchase of treasury shares in the amount of €235,000.

The non-recurring depreciation charge corresponds to additional depreciation of retired assets.

2.3.24. Income tax

Income tax is calculated as follows:

	01/04/2020 - 31/03/2021				
	Earnings before tax	Corporate income tax at 31%	Social sec. charges at 3.3%	Impact of tax consolidation and tax credits (charity donations, research, apprenticeships)	Earnings after tax
EBIT	67,550	(21,144)	(678)	321	46,049
Net financial income/(expense)	10,411	(135)			10,276
Non-recurring income/(expense)	(46)	(32)			(78)
Employee profit-sharing	(4,034)				(4,034)
Total	**73,881**	**(21,311)**	**(678)**	**321**	**52,213**

Negative tax figures shown in brackets indicate tax expenses.

2.3.25. Future tax (increases) and reductions

The following figures indicate future reductions or increases in the tax base.

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Customer warranty provision	111	95
Purchase voucher provision	0	13
Organic	250	157
Retirement benefit provision	1,173	(13)
Equity investment provision	0	0
Employee profit-sharing	4,034	778
Total	**5,568**	**1,029**

Table - List of subsidiaries and equity interests

	Share capital	Equity other than share capital (including FY 2020/2021 net income)	Interest (%)	Gross value of shareholding	Net value of shareholding	Loans and advances granted/(received) by the Company and not yet repaid	Guarantees & endorsements given by the Company	FY 2020/2021 revenues excl. VAT	FY 2020/2021 net income/(loss)	Dividends received by Company during the year
Subsidiaries held > 50%										
ADB Boutiques	30	(758)	100%	30	30	1,386		1,058	(202)	0
ADB Orgeval	30	(366)	100%	30	30	867		577	(306)	0
Anikop	30	(678)	95%	644	644	510		2,578	160	0
Bluescreen	30	(328)	80%	24	24	253		261	(232)	0
DLP-Connect	30	(639)	80%	24	24	835		1,248	(213)	0
Domimo 2	50	4,890	100%	1,908	1,908	(5,173)		0	53	0
Hardware.fr	20	2,776	100%	3,033	3,033	(2,721)		380	119	0
LDLC Boutiques	30	463	100%	515	515	420		12,502	1,106	0
LDLC Distribution	100	(1,008)	100%	100	100	165		2,772	(573)	0
LDLC Event	30	(2,037)	69%	21	21	2,653		1,346	(813)	0
LDLC VR Studio	692	(1,469)	100%	20	20	1,650		10	(593)	0
Ecole LDLC	500	325	100%	500	500	(883)		311	(15)	0
LDLC7	30	(12)	100%	30	30	0		0	(2)	0
LDLC9	30	(12)	100%	30	30	0		0	(2)	0
LDLC11	30	(12)	100%	30	30	0		0	(2)	0
LDLC12	30	(12)	100%	30	30	0		0	(3)	0
LDLC13	30	(12)	100%	30	30	0		0	(2)	0
Nemeio	8	(83)	100%	8	0	30		0	(79)	
Olys	954	(6,180)	100%	15,347	15,347	7,553		74,437	393	0
Subsidiaries held < 50%										
NLC	167	423	10%	1,500	1,500	150		3,591	(10)	0
CG Développement	5	495	20%	400	400	0		1,397	46	0

On 29 July 2020, LDLC Event issued 304 new ordinary shares, as a result of which the Groupe LDLC equity stake fell from 70% at 31 March 2020 to 69% at 31 March 2021.

On 30 September 2020, a merger transaction was carried out under the simplified merger procedure applicable to sister companies. LDLC Villeurbanne decided to merge LDLC Villefranche, LDLC Lille V2, LDLC Bordeaux, LDLC Cormeilles, LDLC Lyon 7 and Avitech by absorption, thereby gathering the various business activities under the same umbrella. Following the merger, LDLC Villeurbanne was renamed LDLC Boutiques.

Due to the cessation of business by Groupe LDLC España effective 17 February 2021 and Campus 2017 and Domimo 3 effective 16 March 2021, these subsidiaries have been removed from the table.

Effective 31 March 2021, ADB Limonest changed its name to ADB Boutiques.

During the year ended, Groupe LDLC purchased the Domimo 2 shares held by LDLC Distribution. Groupe LDLC now holds all shares in Domimo 2.

The figures for NLCL apply to its last financial year ended 31 December 2020.

2.3.27. Tax consolidation agreement

The tax consolidation group headed by Groupe LDLC includes subsidiaries Hardware.fr, Nemeio, LDLC Distribution, Ecole LDLC, LDLC Boutiques, ADB Boutiques, Domimo 2, ADB Orgeval, LDLC 7, LDLC 9, LDLC 11, LDLC 12, LDLC 13, LDLC VR Studio and Olys.

Effective 1 April 2020, LDLC Bordeaux, LDLC Villefranche, LDLC Lille V2, LDLC Lyon 7 and LDLC Cormeilles were removed from the tax group following their merger, as were Campus 2017 and Domimo 3 following their cessation of business.

The tax consolidation agreement provides that each subsidiary shall pay an income tax charge equal to the charge they would have paid in the absence of such agreement.

Tax consolidation arrangements led to a tax saving of €503,000 for the year ended 31 March 2021.

2.3.28. Compensation of corporate officers

	01/04/2020 - 31/03/2021	01/04/2019 - 31/03/2020
Management Board members	574	434
Supervisory Board members	38	38

2.3.29. Off balance sheet commitments

Commitments given

- √ Senior pledge of the business undertaking mainly comprising retail distance selling of IT hardware under the Materiel.net brand as security and guarantee for all principal amounts owed under the loan agreement for a maximum principal amount of €38 million.
- √ Junior pledge of the pledged business undertaking as security and guarantee for principal repayment and the payment of all interest charges, fees, ancillary costs and other amounts owed by Groupe LDLC at present or in future pursuant to the financial documents and pertaining solely to the revolving credit facility.
- √ Pledge of Olys shares as security for the €10 million 2018 acquisition loan.
- √ Groupe LDLC is acting as surety for LDLC Boutiques for the amount of €39,000 to cover the commercial lease signed on 31 August 2017 between the lessor, SCI Immocrous, and LDLC Boutiques (former LDLC Lille V2).
- √ Signing of a 10-year partnership agreement with ASVEL in September 2018. In accordance with the confidentiality clause, the amount of the commitment cannot be disclosed.
- √ Signing of a 4-year partnership agreement with Lyon ASVEL Féminin in August 2019. In accordance with the confidentiality clause, the amount of the commitment cannot be disclosed.
- √ The Company has undertaken to lease a new logistics warehouse under construction in the Lyon area subject to monthly rent of €121,000 excluding tax and charges, provided the premises are handed over by 31 March 2022.

Commitments received

- √ BNP Paribas is acting as surety for Groupe LDLC to cover €400,000 in rental payments owed to SCI Blomet, represented by Mr Chancel, company director, for its Paris store.
- √ BNP Paribas is acting as surety for Groupe LDLC to cover payment of CHF 55,000 in Swiss VAT owed by Groupe LDLC to the Swiss Federal Tax Administration, Value Added Tax Division. Guarantee applicable for an indefinite term.
- √ BNP Paribas is acting as surety for Groupe LDLC to cover payment of CHF 13,020 in customs duties and customs VAT owed by Groupe LDLC to the Swiss Federal Customs Administration. Guarantee applicable for an indefinite term.
- √ In April 2018, Groupe LDLC entered into an interest rate swap intended to hedge interest rate risk related to the €10 million loan.
- √ In January 2015, Groupe LDLC entered into a master agreement with Caisse d'Epargne regarding transactions in financial futures. There are no agreements currently in force.
- √ In January 2015, Groupe LDLC signed a master futures agreement with Crédit Agricole for purchasing USD. There are no agreements currently in force.

- √ Groupe LDLC benefits from a guarantee under the FNG Prêt Numérique fund, in respect of the loan taken out with BPI, covering 80% of the principal, i.e. €210,000 at 31 March 2021. An €88,000 holdback was retained by lender BPI as a cash pledge.
- √ Groupe LDLC benefits from a guarantee under the Fonds National de Garantie (FNG) fund ("Croissance Industrie 2" loan), in respect of the €900,000 loan taken out with BPI, covering 80% of the principal, i.e. €720,000 at 31 March 2021. A €45,000 holdback was retained by lender BPI as a cash pledge.
- √ Groupe LDLC benefits from a guarantee under the *Fonds National de Garantie* (FNG) fund ("Croissance Industrie 2" loan), in respect of the €1.1 million loan taken out with BPI, covering 80% of the principal, i.e. €880,000 at 31 March 2021. A €55,000 holdback was retained by lender BPI as a cash pledge.
- √ Groupe LDLC benefits from a guarantee under the Fonds National de Garantie (FNG) fund ("equity reinforcement"), in respect of the €5.3 million loan taken out with BPI, covering 50% of the principal, i.e. €2,385,000 at 31 March 2021. A €265,000 holdback was retained by lender BPI as a cash pledge.
- √ Crédit Agricole has issued a €1,448,000 guarantee to Groupe LDLC to guarantee payment of amounts owed to SCI SELP Fallavier in relation to the logistics warehouse under construction in the Lyon area. The guarantee expires on 22 October 2021.

2.4. OTHER INFORMATION

Consolidation

Groupe LDLC, SIRET business registration number 403 554 181 00178, presents the consolidated financial statements for the Group of which it is the parent company. Groupe LDLC's registered office is located at 2 rue des Erables, 69760 Limonest, France.

18.4. STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

For the year ended March 31, 2021

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of GROUPE LDLC,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of GROUPE LDLC for the year ended March 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of March 31, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Justification of assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of the audits.
It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the following matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.
These matters were addressed in the context of our audit of the financial statements as a whole, approved in the aforementioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.
Inventories of your company are depreciated as described in Notes 2.2.5 and 2.3.4 to the financial statements. As part of our evaluation of the accounting principles followed by your company, we assessed the appropriateness of the accounting methods used and their correct application.
The equity securities included in the balance sheet as of March 31, 2021, for a net amount of €26 901 K, are valued at their acquisition price and depreciated on the basis of their value in use according to the methods described in Notes 2.2.4 and 2.3.3 to the financial statements. Our work consisted of assessing the data and assumptions on which these estimates are based, of reviewing the calculations made by your company and examining the procedures for approval of these estimates by management. As part of our assessments, we ensured the reasonableness of these estimates.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of Management Board (Directoire) and in the other documents with respect to the financial position and the financial statements provided to shareholders.

In accordance with French law, we report to you that the information relating to payment times referred to in Article D. 441-6 of the French Commercial Code (Code de commerce) is fairly presented and consistent with the financial statements.

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Article L.225-37-4 of the French Commercial Code.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Responsibilities of Management and Those Charged with Governance for the Financial Statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.
The financial statements were approved by the Management Board (Directoire).

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Lyon and Villeurbanne, June 17, 2021

The Statutory Auditors

CAP Office	Rémi CHARNAY
MAZARS	Séverine HERVET

18.5. PRO FORMA FINANCIAL INFORMATION

None.

18.6. DATE OF LATEST FINANCIAL REPORTING

The date of the last financial reporting is 31 March 2021.

18.7. DIVIDEND POLICY

18.7.1. Dividends and reserves distributed by the Company over the past three financial years

In accordance with Article 243 *bis* of the French Tax Code, below we have provided information on the dividends paid over the last three financial years and the amounts of income eligible and ineligible for the 40% tax allowance:

	Dividends distributed	Distributed amount eligible for the allowance provided for by Article 158-3-2 of the French Tax Code	Distributed amount not eligible for the allowance provided for by Article 158-3-2 of the French Tax Code
Financial year ended 31 March 2020	None	None	None
Financial year ended 31 March 2019	None	None	None
Financial year ended 31 March 2018	None	None	None

18.7.2. Dividend policy

The Company has no specific dividend policy in place.

18.8. PROPOSED APPROPRIATION OF EARNINGS FOR THE YEAR ENDED 31 MARCH 2021

At its meeting on 17 June 2021, having noted the €52,212,613.02 net profit for the financial year ended 31 March 2021, the Company's Management Board unanimously resolved to propose to the Ordinary General Meeting to be held on 24 September 2021 to appropriate these earnings as follows:

	Allocation	**Source**
Net profit for the year ended 31 March 2021		€52,212,613.02
Total gross dividend per share:	€2	
• including the interim dividend paid on 25 February 2021 pursuant to the Management Board's decision dated 3 December 2020: - representing a total interim dividend (excluding treasury shares) paid on 25 February 2021 in the amount of:	€0.50 €3,093,149.50	
• including the balance of the gross dividend in an amount of: - representing a theoretical maximum global amount (excluding interim dividend) based on 6,322,106 shares comprising the Company's share capital at 31 March 2021 of:	€1.50 €9,483,159.00	
With the entire balance being allocated to "Other reserves"	€39,636,304.52	

Subject to approval by the Annual General Meeting of shareholders to be held on 24 September 2021, the Management Board will set the date and terms of the distribution of the remaining dividend for the year ended 31 March 2021, subject to statutory and regulatory conditions.

As required by law, the Company shall receive no dividends on the treasury shares it holds, the amounts corresponding to the unpaid remaining dividend will be allocated to "Retained earnings" and the total remaining dividend amount will be adjusted accordingly.

18.9. COMPANY NON-TAX DEDUCTIBLE EXPENSES

In accordance with Article 223 *quater* of the French Tax Code, we hereby inform you that the financial statements for the year ended include €158,482.63 in non-tax deductible expenses as provided for by Article 39-4 of the French Tax Code and that the corresponding tax charge amounted to €50,750.89 (rate of 32.023% including social security contributions).

In accordance with Article 223 *quinquies* of the French Tax Code, we hereby inform you that there is no charge or expense not deductible from earnings subject to corporate income tax, under the meaning provided in Article 39-5 of said code.

18.10. BREAKDOWN OF THE COMPANY'S TRADE RECEIVABLES AND PAYABLES BY DUE DATE

In accordance with Article L.441-14, paragraph 1 of the French Commercial Code, below you will find a breakdown, for the year ended 31 March 2021, of outstanding trade receivables and payables by due date.

	Article D.441-6,I-1: Invoices received, overdue but not yet paid at the balance sheet date for the financial year						**Article D.441-6,I-2: Invoices issued, overdue but not yet paid at the balance sheet date for the financial year**					
	0 days	**1-30 days**	**31-60 days**	**61-90 days**	**91+ days**	**Total (1+ days)**	**0 days**	**1-30 days**	**31-60 days**	**61-90 days**	**91+ days**	**Total (1+ days)**
(A) Late payment breakdown												
Number of invoices concerned	311					5,085	731					12,668
Total amount of invoices concerned *(note: incl. VAT)*	1,442,364.69	16,346,031.06	2,442,879.56	209,084.65	484,030.39	19,482,025.66	1,195,281.00	6,031,117.05	2,589,038.02	574,709.24	467,238.90	9,662,103.21
Percentage of total purchases for the year *(note: incl. VAT)*	0.2%	2.5%	0.4%	0.0%	0.1%	2.9%						
Percentage of full-year revenues *(note: incl. VAT)*							0.2%	0.8%	0.3%	0.1%	0.1%	1.2%
(B) Invoices excluded from (A) relating to payables and receivables under dispute or not recognised												
Number of invoices excluded	2						1,427					
Total amount of excluded invoices *(note: incl. VAT)*	780.64						1,577,137.27					
(C) Reference payment terms used (contractual or statutory - Article L.441-6 or L.443-1 of the French Commercial Code)												
Payment due dates used to determine late payments	☐ Contractual payment terms: days ■ Statutory due date: 60 days						☐ Contractual payment terms: days ■ Statutory due date: 60 days					

The trade receivables presented above include all receivables assigned to Eurofactor.

18.11. TABLE OF COMPANY RESULTS FOR THE PAST 5 YEARS

Closing date Length of reporting period (months)	31/03/2021 12	31/03/2020 12	31/03/2019 12	31/03/2018 12	31/03/2017 12
Share capital at year-end					
Share capital	1,137,979	1,137,979	1,137,979	1,137,979	1,137,979
Number of ordinary shares	6,322,106	6,322,106	6,322,106	6,322,106	6,322,106
Maximum number of shares to be issued through exercise of subscription rights	0	0	0	0	0
Revenues and earnings					
Revenues excl. VAT	657,527,597	420,654,389	436,471,148	447,204,138	346,910,614
Earnings before tax, profit-sharing, depr./amort. and provisions	74,589,449	17,329,401	1,431,728	5,416,465	12,352,878
Income tax	21,668,066	1,603,756	(783,255)	251,728	2,768,063
Employee profit-sharing	4,034,460	778,082	29	-	652,679
Depreciation, amortisation and provisions	(3,325,691)	14,703,384	3,505,700	1,083,789	2,517,780
Net income/(loss)	52,212,613	244,179	(1,290,746)	4,080,948	6,414,356
Distributed earnings (1) (2) (3)	12,644,212	0	0	0	0
Earnings per share					
EPS after tax and profit-sharing, before depr./amort. and provisions	7.73	2.36	0.35	0.82	1.41
EPS after tax, profit-sharing, depr./amort. and provisions	8.26	0.04	(0.20)	0.65	1.01
Dividend allotted (2) (4)	2	0	0	0	0
Human resources					
Average headcount	716	671	763	485	444
Payroll expenses	24,746,869	21,971,560	24,145,395	16,322,354	13,676,995
Employment benefits paid (social security, welfare actions, etc.)	11,461,063	9,646,553	9,741,502	8,713,159	5,976,868

(1) including dividends attached to treasury shares held as at the payment date
(2) subject to the approval of the Annual General Meeting on 24 September 2021
(3) including a €3,093,149.50 interim dividend paid on 25 February 2021 in respect of the year ended 31 March 2021
(4) including a €0.50 per share interim dividend paid on 25 February 2021 (excluding treasury shares) in respect of the year ended 31 March 2021

18.12. JUDICIAL AND ARBITRATION PROCEEDINGS

At the date of this report, the Group is not aware of any administrative, judicial or arbitration proceedings, including proceedings pending or imminent, that could have or have recently had a material impact on the Group and/or Company's financial position or earnings over the previous 12-month period.

18.13. MATERIAL CHANGE IN GROUP FINANCIAL POSITION

The Company financial statements for the year ended 31 March 2021 were approved by the Management Board on 17 June 2021 and reviewed by the Supervisory Board on the same day.

No material change in the Group's financial position has occurred since this date.

For further information, see Chapter 10 of this Universal Registration Document.

Chapter 19. ADDITIONAL INFORMATION

19.1. SHARE CAPITAL

19.1.1. Amount of issued share capital

The Company's share capital amounted to €1,137,979.08 at 31 March 2021, comprising 6,322,106 fully paid-up shares of the same class with a par value of €0.18 each.

The Company's share capital did not change between 1 April 2020 and 31 March 2021.

It is recalled that the Company's shares are admitted for trading on the organised multilateral trading facility Euronext Growth instead of the regulated market Euronext Paris since 2 September 2019 (see press releases of 20 May 2019 and 29 August 2019).

The attention of shareholders is drawn to the fact that both the law on public tender offers and the requirements to disclose threshold crossing and statements of intent applicable to companies listed on a regulated market will be upheld for a period of three years following the admission of the Company's shares to trading on Euronext Growth (French Mon. and Fin. Code Art. L.433-5; AMF Gen. Reg. Art. 231-1(4)).

ISIN: FR0000075442

Symbol: ALLDL

19.1.2. Non-equity securities

None.

19.1.3. Company share buyback plan

The Company's combined Ordinary and Extraordinary General Meeting held on 25 September 2020 authorised the Management Board, with the option of further delegation in accordance with the law and regulations, to acquire or procure the acquisition of Company shares, in accordance with Articles L.225-209 et seq. of the French Commercial Code, for a period of 18 months from the date of the meeting.

The main terms of this authorisation are as follows:

Maximum number of shares that may be purchased: 10% of the total number of shares comprising the share capital and existing at the date of these purchases, provided, however, that (i) if the shares are acquired for the purpose of promoting the liquidity of the Company share, the number of shares used to calculate the aforementioned cap shall be equal to the number of shares purchased less the number of shares resold during the term of the authorisation, and (ii) if the shares are acquired for holding and subsequent tender in exchange or as consideration in relation to a merger, demerger or asset transfer, the number of shares acquired shall not exceed 5% of the share capital existing at the date of these purchases.

Purposes of the share buyback plan:

- to guarantee the liquidity of the Company share pursuant to a liquidity contract entered into with an investment services provider in compliance with a code of ethics approved by the AMF and with market practices authorised by the AMF; or
- to meet obligations arising from share option programmes, or other allocations of shares, to employees or to members of the administrative or management bodies of the Company or of an associate company; or
- to meet obligations arising from debt financial instruments that are exchangeable into equity instruments; or
- to hold shares and subsequently tender them as consideration or in exchange in relation to an acquisition, merger, demerger or asset transfer, in compliance with market practices authorised by the AMF; or
- to cancel all or some of the repurchased shares;
- and, more generally, to perform any transaction not expressly prohibited by law, including transactions permitted under a market practice subsequently approved by the AMF.

Maximum purchase price per share (excluding fees and commission): €65

Maximum amount of funds that may be committed to the share buyback plan: €2,275,000

Pursuant to Article L.225-211, paragraph 2 of the French Commercial Code, we inform you that the Company performed the following treasury share transactions during the year ended 31 March 2021:

Number of shares purchased during the year ended	107,211
Average share purchase price during the year ended	€31.41
Trading fees	None
Number of shares sold during the year	108,889
Average share sale price during the year ended	€31.24
Number of shares cancelled during the year ended	None
Number of shares used during the year ended (treasury shares awarded under bonus share plans [1])	13,500
Number of treasury shares registered in the Company's name at 31 March 2021 [2]	123,440
Treasury shares held at 31 March 2021 (% of share capital)	1.95%
Net book value of treasury shares at 31 March 2021 (purchase price value)	€1,431,662.32
Par value of treasury shares at 31 March 2021	€22,219.20
Market value of treasury shares at 31 March 2021 (share price of €52 at this date)	€6,418,880.00

(1) In accordance with Article L.225-197-4 of the French Commercial Code, every year the Ordinary General Meeting is informed of transactions carried out pursuant to Articles L.225-197-1 to L.225-197-3 of said code via a special report, which is presented in Chapter 24 of this Registration Document.
(2) In accordance with AMF recommendation 2015-10, we hereby inform you that the administrative costs incurred for holding these shares amounted to €2,011.80 for the financial year ended 31 March 2021.

The breakdown of treasury shares by purpose at 31 March 2021 is as follows:

Purpose of buyback	Number of shares
To guarantee the liquidity of the Company share pursuant to a liquidity contract entered into with an investment services provider in compliance with a code of ethics approved by the AMF and with market practices authorised by the AMF	1,034
To cover employee share options or other share allocations in accordance with the terms and conditions set out under Articles L.3332-1 et seq. and R.3332-4 of the French Labour Code, or the allocation of Company shares to employees and/or corporate officers of the Company or companies referred to in Article L.225-197-2 of the French Commercial Code, or the allocation of shares as part of the employee profit-sharing scheme	122,406 (mainly relates to allocations on 29 June 2017, 23 February 2018 and 22 July 2020) [1]
Cancellation of all or some of the shares acquired via a share capital reduction	0
Holding of shares acquired and subsequent tender in exchange or as consideration in relation to financial transactions or acquisitions, in accordance with applicable regulations	0
Total	**123,440**

(1) In accordance with Article L.225-197-4 of the French Commercial Code, every year the Ordinary General Meeting is informed of transactions carried out pursuant to Articles L.225-197-1 to L.225-197-3 of said code via a special report, which is presented in Chapter 24 of this Registration Document.

19.1.4. Securities conferring entitlement to a portion of the share capital

The Company has not issued any convertible or exchangeable securities or warrants.

The Company granted bonus shares to Company employees under the terms and conditions set out in Articles L.225-197-1 et seq. of the French Commercial Code. You are reminded that, every year, a special report is presented to the Ordinary General Meeting informing it of transactions carried out in accordance with Articles L.225-197-1 to L.225-197-3 of said Code. This report is included in Chapter 24 of this Universal Registration Document.

19.1.5. Authorised capital

The resolutions on issues approved by the General Meetings on 27 September 2019 and 25 September 2020 are summarised in Section 14.5 "Supervisory Board report on corporate governance".

19.1.6. Share capital of any Group member under option, or agreed conditionally or unconditionally to be put under option

To the Company's knowledge, there is no option or conditional or unconditional agreement providing for the establishment of such an option on the Company's share capital.

19.1.7. Change in share capital

19.1.7.1. Change in share capital over the past three financial years

The Company's share capital has not changed in the past three financial years.

19.1.7.2. Portion of the share capital pledged as collateral

To the Company's knowledge, its share capital was subject to the following pledges on the date this Universal Registration Document was filed:

Name of directly registered shareholder	Beneficiary	Start date of pledge	Expiry date of pledge	Condition for release of pledge	Number of issuer shares pledged	% of issuer share capital pledged at 31 March 2021
Laurent Villemonte de la Clergerie	Banque Rothschild Martin Maurel	28/03/2014	Indefinite	Repayment of short-term bank loans	28,030	0.44
Laurent Villemonte de la Clergerie	Banque Rothschild Martin Maurel	24/11/2017	Indefinite	Repayment of short-term bank loans	309,470	4.89
Laurent Villemonte de la Clergerie	Banque Palatine	09/06/2017	09/06/2037	Loan repayment	95,000	1.50
Laurent Villemonte de la Clergerie	Banque Palatine	06/03/2018	12/06/2037	Loan repayment	75,000	1.19
Olivier Villemonte de la Clergerie	Banque Palatine	12/12/2016	12/12/2031	Loan repayment	38,000	0.60
Caroline Villemonte de la Clergerie	Banque Rothschild Martin Maurel	31/01/2012	16/02/2024	Loan repayment	27,019	0.43
Caroline Villemonte de la Clergerie	Banque Crédit Agricole Centre Est	27/12/2016	05/01/2029	Loan repayment	15,124	0.24
Marc Prieur	Banque Rothschild Martin Maurel	18/06/2015	20/07/2023	Loan repayment	53,864	0.85
Marc Prieur	Banque Rothschild Martin Maurel	24/05/2018	20/07/2023	Loan repayment	30,000	0.47

19.2. MEMORANDUM AND ARTICLES OF ASSOCIATION

The updated memorandum and articles of association of the company registered in the Lyon Trade and Companies Register under number 403 554 181 may be freely consulted at the Lyon Commercial Court Registry.

19.2.1. Company objects (Article 2 of the articles of association)

The Company's objects are:
- direct, online and mail order sale and sale via franchise networks of all computer hardware and software and all services that may be related thereto;
- as a secondary activity, direct, online and mail order sale of all products related to the home, garden, pets, childcare, leisure activities, education, culture, games and, more broadly, the environment and personal well-being;
- and, more broadly, all industrial, commercial, financial, investment or real-estate transactions that may be directly or indirectly related to the Company's objects or that may facilitate the expansion or development thereof.

19.2.2. Provisions, including those of the Articles of Association, designed to postpone or prevent a change of control

√ Crossing of thresholds (Article 12 of the articles of association)

Any natural person or legal entity, acting alone or in concert, who holds, in any manner whatsoever, whether directly or indirectly, a number of shares representing a fraction equal to five (5%) of the share capital or voting rights, or any multiple of this percentage, must report to the Company the information referred to in Article L.233-7 (I) of the French Commercial Code (in particular the total number of shares or voting rights held by the party concerned or equivalent pursuant to Article L.233-9 of the French Commercial Code), at the latest before the end of trading on the fourth trading day following the day on which the participation threshold is crossed, by registered letter with acknowledgement of receipt, or by any other equivalent means for persons residing outside of France, sent to the registered office.

This obligation shall apply under the same terms and conditions as those provided for above, whenever the fraction of the share capital or voting rights held falls below one of the determined thresholds.

In the event that the above stipulations are not adhered to and upon the request, recorded in the minutes of the corresponding General Meeting, of one or more shareholders holding at least 5% of the Company's share capital or voting rights, the shares in excess of the amount that are not duly reported are stripped of their voting rights for any General Meetings held before the expiry of a period of two years following the date on which they are duly reported. Under the same conditions, the voting rights attached to said shares that were not duly disclosed may not be exercised or assigned by the non-compliant shareholder.

Adherence to the statutory obligation to report the crossing of a threshold does not, under any circumstances, exempt any natural person or legal entity from fulfilling statutory and regulatory reporting obligations (including those of the AMF General Regulation and the market rules in force).

√ *Double voting rights (Article 12 of the articles of association)*

A double voting right, as compared to the voting rights attached to other shares in respect of the fraction of share capital that they represent, is attributed to all fully paid-up shares that are proven to have been registered for at least two years in a single shareholder's name; the period of time during which the shares were held in registered form prior to the date of the Extraordinary General Meeting establishing this right is taken into account.

In the event of a capital increase by capitalisation of retained earnings, reserves, additional paid-in capital or available provisions, a double voting right is conferred as of the issue of registered bonus shares to a shareholder in respect of former shares conferring this right.

All shares converted to bearer shares or for which ownership is transferred shall lose the double voting right. However, transfer by way of inheritance, liquidation, communal property between spouses or gift to a spouse or relative close enough to inherit an estate, shall not incur the forfeiture of the rights acquired and shall not interrupt the two-year period.

The merger or demerger of the Company shall have no impact on the double voting right, which may be exercised within the successor company(ies), if the articles of association of said company(ies) provide for double voting rights.

19.2.3. Other provisions of the articles of association

- **Identifiable bearer shares (Article 10.3 of the articles of association)**

In order to identify holders of bearer shares, the Company or its representative shall be entitled, in accordance with applicable statutory and regulatory conditions, to request information regarding the holders of such shares and of securities immediately or subsequently conferring the right to vote at the Company's General Meetings, at any time and at the Company's own expense, either from the central depository that manages the share issuance account or directly from one or more intermediaries as referred to in Article L.211-3 of the French Monetary and Financial Code.

- **Rights to dividends and profits (Articles 12.1 and 23 of the articles of association)**

Each share confers entitlement to a proportional share, in accordance with the fraction of share capital that it represents, in the Company's profits, assets and liquidation surplus.

Following approval of the annual financial statements and confirmation of the existence of distributable amounts, the General Meeting shall determine, where applicable, the proportionate share attributable to the shareholders in the form of dividends.

The conditions for payment of dividends approved by the General Meeting shall be set by the General Meeting or, otherwise, by the Management Board. The payment of dividends in cash must take place within a maximum of nine months following the balance sheet date. This period can be prolonged by a decision of the Court.

When the balance sheet prepared during or at the end of the financial year and certified by a statutory auditor shows that, since the end of the previous financial year, the Company has generated a profit, after recognition of requisite depreciation, amortisation and provisions and less, if applicable, any previous losses and amounts transferred to reserves, in accordance with the law and the articles of association, taking retained earnings into account, interim dividends may be distributed before the financial statements for the year have been approved. The amount of interim dividends may not exceed the amount of the profit as defined in the previous paragraph. They shall be distributed in accordance with statutory and regulatory terms and conditions.

The General Meeting called to approve the financial statements for the year has the option to grant each shareholder, in respect of all or part of a dividend or interim dividend payment, a choice between payment of the dividend or interim dividend in cash or in shares.

The offer of payment in shares, the price and the conditions for issuing the shares, as well as the request for payment in shares and conditions for completing the share issue, shall be governed by statutory and regulatory provisions.

- **Rules establishing reserves or sinking funds (Article 22 of the articles of association)**

If the financial statements for the year as approved by the General Meeting show earnings available for distribution, as defined by law, the General Meeting shall decide whether to allocate them to one or more reserve accounts for which it manages the appropriation or use, to allocate them to retained earnings or to distribute them in the form of dividends.

As required by law, a deduction of at least one twentieth is made from the net profits for each financial year (less any prior losses) to form a reserve fund called the "legal reserve". This deduction is no longer required when the legal reserve reaches one tenth of the share capital.

- **Right to liquidation surplus (Article 25 of the articles of association)**

The Company shall be wound up and liquidated in accordance with statutory and regulatory scenarios and conditions.

Any amounts of shareholders' equity remaining after redemption of the par value of the shares shall be apportioned between the shareholders in proportion to their interest in the share capital.

Chapter 20. MATERIAL AGREEMENTS

We have listed below (i) material agreements to which the Company or any other Group member is party, other than those entered into during the normal course of business, covering the two years immediately preceding the publication of this Universal Registration Document and (ii) all other agreements to which the Company or any other Group member is party, other than those entered into during the normal course of business, whereunder any Group member assumes a material obligation or commitment with regard to the whole Group.

20.1. LOAN AGREEMENT DATED 31 MARCH 2016 AS AMENDED

For the purposes of the Materiel.net acquisition, the Company entered into a loan agreement dated 31 March 2016, subsequently amended.

The main terms of this agreement are set out in Note 3.13 to the consolidated financial statements for the year ended 31 March 2010.

We hereby remind you that the loan agreement was terminated on 30 June 2021 following a full voluntary prepayment amounting to €6,385,475.97 (principal and interest), without incurring any penalties or other additional costs related to the voluntary prepayment. The prepayment required the Company to waive the €13.5 million revolving credit facility associated with the loan agreement (see Note 3.13 of the 2020/2021 consolidated financial statements).

Lastly, the early termination of the loan agreement on 30 June 2021 also entailed full release of the security interests and guarantees granted to the lenders in respect of this loan at the same date.

20.2. NAMING CONTRACT WITH ASVEL DATED 11 SEPTEMBER 2018

The naming contract whereby the ASVEL professional basketball team was renamed LDLC ASVEL reflects the shared European and global ambitions of the Company and the club. This unprecedented move on the French basketball scene involving a 10-year commitment is a paradigm of modern thinking in both human and economic terms (see press release dated 11 September 2018).

20.3. NAMING CONTRACT WITH ASVEL FÉMININ DATED 27 AUGUST 2019

Already partner of LDLC ASVEL since 2012, the e-commerce leader in the French IT and high-tech markets reaffirms its support for basketball in the city of Lyon. For a period of 4 years, LDLC.com is combining its name with that of the ASVEL Féminin team in Lyon, renamed LDLC ASVEL Féminin.

LDLC.com has worked alongside the ASVEL men's basketball team for over 6 years, a partnership bolstered by the naming agreement in place until 2028. Now, the high-tech leader founded by Laurent de la Clergerie has decided to associate its name with the women's team, much to the delight of club president Tony Parker (see press kit and press release dated 2 October 2019).

20.4. PARTNERSHIP AGREEMENT WITH OLYMPIQUE LYONNAIS DATED 8 JANUARY 2020

The partnership between Olympique Lyonnais and Groupe LDLC, two stand-out brands already associated through the LDLC ASVEL team, is testament to an unprecedented strategic engagement in French e-sports and will give the new team a major boost.

OL Groupe will lend its commercial expertise to fostering partnerships and developing team performance, as well as delivering e-sports news to a wider audience through its media channels.

This partnership begins with the immediate change of the team name to LDLC OL (see press release dated 8 January 2020).

Chapter 21. AVAILABLE DOCUMENTS

During the period of validity of this Universal Registration Document, the following documents may be viewed on the Company website (www.groupe-ldlc.com):

- the latest version of the Company's articles of association; and
- all reports, letters and other documents, appraisals and statements prepared by experts at the Company's request, parts of which are included in this Universal Registration Document.

Chapter 22. STATEMENT OF NON-FINANCIAL PERFORMANCE

The Groupe LDLC share is listed on Euronext Growth, a controlled market that is not regulated as defined by EU directives. However, the LDLC Group is first and foremost a family business determined to contribute towards global issues and tackle the challenges of sustainable development through pragmatic thinking.

This chapter contains the information comprising the Group's consolidated statement of non-financial performance in accordance with the provisions of Articles L.225-102-1 and R.225-105 et seq. of the French Commercial Code.

22.1. BUSINESS MODEL

Since its foundation in 1996, the LDLC Group has established itself as one of the pioneers of e-commerce in France.

While its business was initially focused on high-tech retail, the Group has diversified into complementary areas (IT, high-tech, gaming and media) and related markets including childcare and, more recently, education. The Group business model is based on retail.

Through a chain of 57 LDLC stores at 31 March 2021, the Group provides advice directly to consumers, in addition to a whole range of hands-on services such as repair, back-up and maintenance.

The LDLC Group offering can be divided into three segments: individual consumers (BtoC), professionals (BtoB) and related businesses. The Group operates mainly in France and also in nearby French-speaking countries such as Belgium, Luxembourg and Switzerland, as well as Spain.

The LDLC Group assigns the utmost importance to the measures it takes in terms of non-financial performance and will continue, as it has done for many years now, to improve these measures and extend their scope as far as possible.

22.1.1. LDLC Group business activities

1. BtoC online business

LDLC.com is the leader in the online high-tech market (management estimate). It offers a catalogue of over 30,000 products spanning over 730 active brands, including a range of LDLC own brand products. The product offering includes computer, audio, telephone, photo and video equipment.

Materiel.net was founded in 1999 and joined the LDLC Group in 2016. The website specialises in online retail of high-tech products. Like LDLC.com, Materiel.net has a sterling reputation and currently boasts a catalogue of over 14,000 product references.

TopAchat was founded in 1999. Purchased by Rue du Commerce (Carrefour group) in 2009, the TopAchat business was acquired by Groupe LDLC in April 2020. The TopAchat website is a pioneering online retailer of mass market IT hardware and electronics in France and enjoys a strong reputation among buffs and geeks eager to control their budget.

L'Armoire de Bébé is an online boutique created in 2015 and specialising in childcare products. It offers a comprehensive range of baby clothing and accessories, with over 7,500 product references and 250 rigorously selected brands. In 2020 L'Armoire de Bébé had two physical stores, one on the outskirts of Lyon opened in April 2018 and the other in Yvelines opened in June 2020. Since then, the Group has opened two more stores located on the outskirts of Annecy (April 2021) and in Nîmes (May 2021).

Shop.Hardware.fr markets desktops and laptops, components (processors, memory chips, etc.), devices (monitors, printers, etc.) and everything you need to set up your own home network (modems, PLC components, etc.).

2. BtoB business

Unlike many of its competitors, in particular generalist suppliers, the LDLC Group's specialist positioning has enabled it to set up a website and services specifically geared to professionals.

Offering everything from the simplest to the most sophisticated hardware components, **www.ldlc.pro** has rapidly become a trusted partner of companies, government agencies, educational establishments, local authorities and resellers.

DLP Connect provides an additional service to professionals by offering solutions in the field of electrical equipment and installations, including electrical systems, computer networks, CCTV and home automation.

Last but not least, BIMP, an **Apple Premium Reseller**, offers IT solutions to individual consumers and professionals, on macOS, Windows and mobile platforms.

3. Related businesses

Anikop publishes corporate management software. Market leader for over ten years in prepaid voucher processing (via its "Titres Prépayés" solution), Anikop offers a wide range of other solutions: customisable display, cash management, CRM and ERP, project management and accounting assignment management.

LDLC Event is a communications agency specialising in e-sports. LDLC Event provides its customers with all the expertise, responsiveness and versatility in brand management, Pro Gamer team management and community-targeted programmes which it has gained from 7 years of professional experience in e-sports.

LDLC VR Studio is a virtual reality video game design studio set up in 2020. The studio targets virtual reality facility owners and plans to offer immersive experiences on the borderline between dream and reality.

22.1.2. Stakeholders

In order to better identify their expectations, the Group pays special attention to fostering dialogue with all of its stakeholders.

As a trading company, the Group maintains close ties with its customers and suppliers through its employees. Accordingly, it has developed a number of spaces and tools to encourage dialogue with each stakeholder.

The customer relations department, the stores and the www.ldlc.com website (via customer reviews) are among the main channels of dialogue with customers. Responsiveness and compliance with order shipment deadlines are essential for our business and constitute two of our main selling points.

In 2020, Viséo Customer Insights, organiser of the Customer Service of the Year awards in France, tested the quality and responsiveness of the LDLC Group's customer service department. On the basis of 160 points of contact via email, phone, Internet and social media, for which LDLC obtained an excellent rating of 19.37/20, the brand came first in the Technical Product Retail category for the seventh year running. Accordingly, the Group's drive towards improving customer relations were once again rewarded, in the form of the 2021 Customer Service of the Year award.[2] Its BtoC division employs 60 consultants committed to serving customers both before and after purchase.

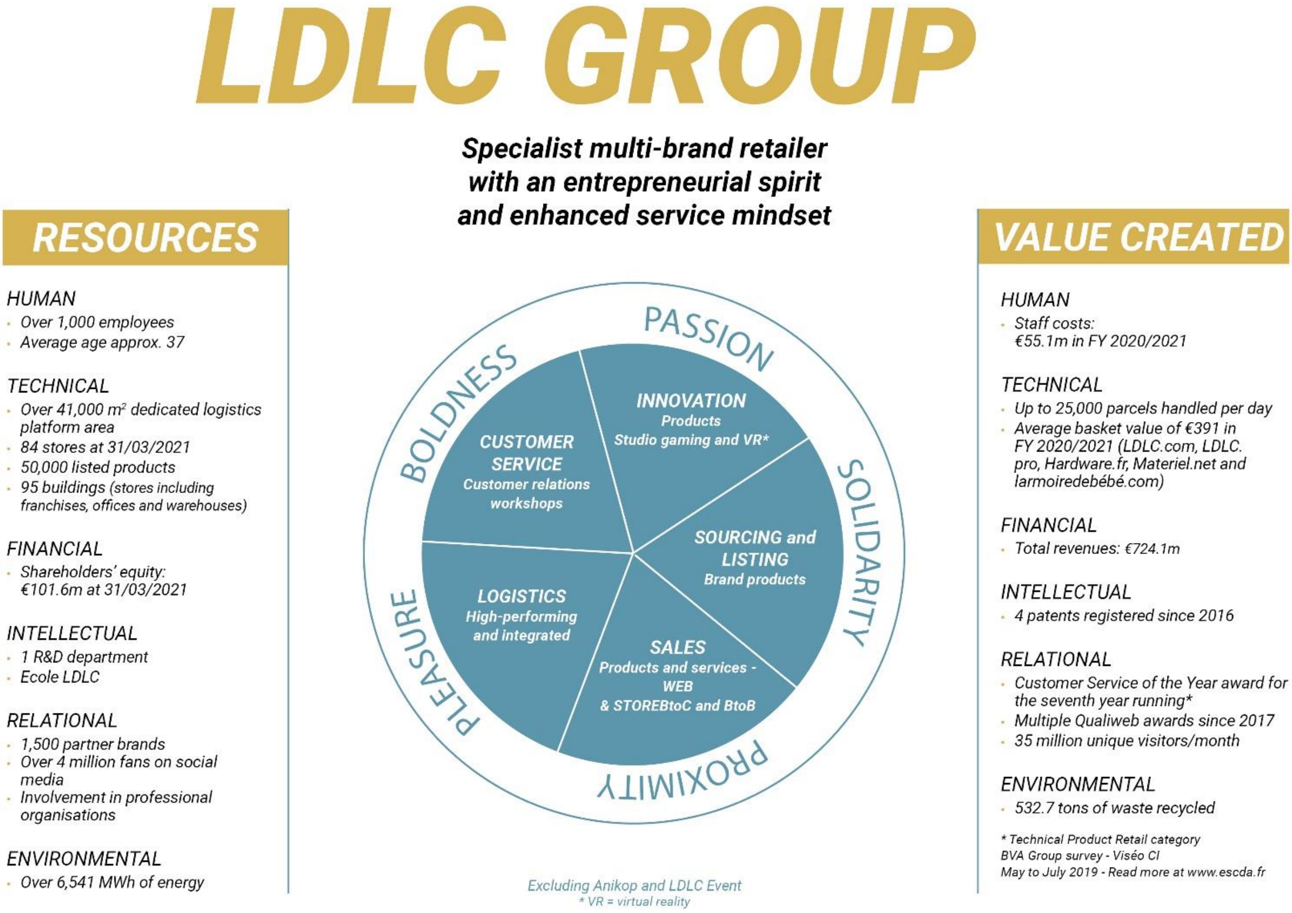
Due to the pandemic, the organisation of specialised events for professionals had to be suspended and the Group was unable to take part in professional trade fairs and business forums, which were also cancelled. Annual negotiations with suppliers are an opportunity to pass on customer expectations and brainstorm new solutions. The after-work sessions enabling colleagues to get together and hold informal discussions were also discontinued. The HR policy is geared towards promoting initiative and cooperation. In 2018, the Yammer professional network was rolled out Group-wide in order to foster professional and personal dialogue.

Furthermore, LDLC's involvement in various events such as professional trade fairs and business forums enables its teams to meet a wide range of stakeholders.

Lastly, in line with his desire to be attentive to his staff, Chairman Laurent de la Clergerie has for four years organised small group sessions to listen and talk to employees.

[2] *Technical Product Retail category - BVA Group survey - Viséo CI Read more at www.escda.fr.*

See Chapter 5 of the URD for more information.



22.1.3. Value chain:

Group strategy is based on eight key drivers aimed at creating value over the long term:

- depth of range and brand in order to attract the widest possible customer base;
- meticulously selected own brand products;
- an efficient integrated logistics platform;
- an omnichannel retail model: a pioneer in the development of e-commerce, the Group has expanded its sales outlets via an extensive store chain made up of brand stores and franchises;
- customer service: customer relations have been one of the Group's most distinguishing features since its inception. The Group has obtained the "Customer Service of the Year" award for seven years running and, in 2021, LDLC.pro came second in the FEVAD 2021 "Prix des Internautes" awards, BtoB category;
- in-house R&D department;
- LDLC brand awareness and trust capital coupled with strong fan engagement on social media;
- pleasant employee working conditions in an outstanding setting.

22.2. METHODOLOGY

In 2019, a working group of representatives of the legal, HR, payroll and QHSE departments and senior management reviewed the appropriateness of the categories of information listed in Article 1 (III) of French presidential order 2017-1180 of 19 July 2017 and the topics listed in Article 2 (II) of implementing decree 2017-1265 of 9 August 2017, as applicable to the LDLC Group's business activities. The group's discussions also covered the business model, main stakeholders, products and services and the legislative and regulatory environment.

As a result of its work, the group was able to identify the main non-financial risks and priorities the Group faces in relation to its business activities, whether they involve an impact on image or reputation or whether the impact is human, operational, financial or environmental.

On the basis of this classification and the discussions held, the working group selected the most relevant and material risks and priorities for the purposes of preparing this statement and consulted all relevant Group personnel for this purpose.

Every year, the project manager in charge of the statement of non-financial performance approaches the various contributors, as well as Group management, in order to review non-financial risks and issues affecting the LDLC Group.

In March 2021, a risk assessment procedure was conducted whereby risks were classified in order of their likelihood of occurrence and impact on the LDLC Group.

Following this assessment, the working group decided to confirm the previous year's list for FY 2020/2021.

Respect for personal dignity/human capital

Priority	Related risks
Employee safety	Employee health at work Legal and regulatory compliance Company image and reputation
Quality of life at work	Inappropriate working environment Unsatisfactory work-life balance Disorganisation in the company and performance degradation Loss of attractiveness Company image and reputation
Anti-discrimination: Disability and inclusion Equal opportunities	Risk to the company's image and reputation associated with financial impact on contribution Human risk of company's lack of appeal Human risk of internal social disparities
Employee upskilling	Loss of key expertise Loss of innovation opportunities Loss of opportunities to retain employees

Protection of the environment

Priority	Related risks
Responsible waste management	Increase in waste processing costs Legal and regulatory compliance Company image and reputation
Controlling energy consumption	Cost increases Stringent legal and regulatory context (carbon tax)

Regional impact

Priority	Related risks
Consumer safety	Customer health and safety Regulatory non-compliance among suppliers Company image and reputation Financial impact
Promote regional economic growth	Risks to image or reputation; human risks. Lack of company appeal

Ethical awareness and training

Priority	Related risks
Anti-corruption	Ethical risk Legal and regulatory compliance Company image and reputation
GDPR compliance (General Data Protection Regulation)	Legal and regulatory compliance Company image and reputation in the event of data privacy breaches
IT system incidents	Computer intrusion, phishing attempts leading to financial losses Company image and reputation

In view of Groupe LDLC's strong commitment to defending human rights and preventing tax evasion, these issues are not regarded as risks for the company.

Reasons for exclusion of specific information:

The Group's business activity consists of the trading and retail of products. Its operations primarily include the reception, storage, packaging and shipping of manufactured goods, assembly of computer components and all services related to online selling. Therefore, the Group is not directly engaged in any industrial activity involving the processing or transformation of materials or production. Generally speaking, there are no night-time operations on Group sites and Group operations are conducted inside its buildings.

The premises occupied by the Group consist of office buildings, sales outlets and warehouses situated in urban areas or existing logistics hubs. All Group facilities are located in France.

For the foregoing reasons, out of the information areas listed in Article R.225-105 (II) of the French Commercial Code (human resources, social and environmental information), as well as those listed in Article L.225-102-1 (III) of the same Code, the Group has not identified any specific risks or priorities in relation to its business activities or operations with regard to the following subjects:
- elimination of food waste;
- prevention of food insecurity, defence of animal well-being and a responsible, fair and sustainable food system.

In each part of this statement, for the sake of clarity, data for the current financial year is presented first, followed by previous relevant information regarding the subject under consideration.

22.3. RESPECT FOR PERSONAL DIGNITY/HUMAN CAPITAL

Given the nature of the Group's business activities, human resources issues are a key focus of its CSR policy.

The main non-financial priorities in terms of human resources have been subsumed under the following four headings, to which Groupe LDLC is devoting all of its energy through clearly targeted action plans:
- employee safety;
- quality of life at work;
- anti-discrimination;
- employee upskilling.

22.3.1. Ensuring employee safety

The LDLC Group's occupational health and safety policy seeks to ensure proper working conditions for all employees. The aim is continuous improvement in order to reduce the amount of arduous work, raise employee awareness and provide training to prevent exposure to risks. For this purpose, a risk prevention engagement letter is currently being drafted in partnership with CARSAT Rhône-Alpes.

The LDLC Group's mission is to support its staff both individually and collectively in order to enhance their skills and performance in line with the Company's overall strategy; people are the focal point of all decisions.

In order to keep track of occupational risks, the Company has introduced health and safety indicators in order to obtain a quantitative assessment of the importance of issues related to working conditions and professional exposure.

The main purpose is to provide all stakeholders with summary information on improvements in our understanding of occupational risks and the measures taken to mitigate those risks.

We are committed to annually increasing the proportion of material and critical risks handled so as to reduce the frequency and severity of accidents exposing employees to major risks.

The policy draws on a document known as the "single risk assessment document" (DUER), which identifies sensitive issues affecting each facility so that action plans can be drawn up in accordance with specific features and requirements identified. This document is revised once a year in consultation with the social and economic committee.

In response to the COVID-19 health crisis, risk assessment documentation drawn up by the Group's establishments was frequently updated during the year, given that employee health continues to be a priority during this period in which our business activities have been able to continue despite successive lockdowns.

Preventing physical, physiological and psychological risks

Since late 2020, systematic analysis of industrial accidents has been conducted at the Saint-Quentin-Fallavier warehouse in cooperation with the members of the establishment social and economic committee (CSEE). The purpose of the exercise is to design and implement short, medium and long-term measures to ensure that accidents do not recur.

In addition, since Q1 2021 the Saint-Quentin-Fallavier warehouse has been involved in CARSAT's national TMS-PRO programme, which will help us to structure our approach to preventing musculoskeletal disorders (MSD).

Warehouse staff are provided with personal protective equipment (PPE) in order to prevent injuries. In addition, preventive measures are taken in anticipation of potential risks in order to limit the need to wear PPE. For example, in 2020 we went further than merely providing a ventilation solution to chemical risk in containers. We introduced systematic measurement of chemical risk and we are currently setting up a ventilation system whenever necessary prior to unloading. This process is being continued in 2021. As a result, the Group has not recorded a single occupational sickness to date.

As a further preventive measure, in 2018 employees were trained in "physical behaviour at work". This training is provided by a professional training organisation specialising in gestures and postures within human physiology. Employees can thus improve their understanding of the human body in addition to increasing their awareness. Initially rolled out at the logistics facilities, these preventive measures have been extended to Limonest and Nantes, where a guide to correct workstation posture has been drawn up in consultation with the company doctor and members of the social and economic committee. The guide includes stretching exercises that can be performed at the workstation.

Since 2017, the Group has organised one-to-one meetings with members of one department at Saint-Quentin-Fallavier as part of a survey on psychological risks at work. In 2018 and 2019 the survey was carried out in Limonest, at the Vaise store in Lyon and in Nantes with a view to preparing a specific action plan, the aim being to include all departments in the survey by 2020. Unfortunately, in 2020 the COVID-19 health crisis put a stop to these surveys, which will certainly be resumed in 2021, however.

Meanwhile, Saint-Quentin employees have permanent access to a social and psychological counsellor, who may also be contacted by phone by head office and store employees. Olys employees have also made occasional use of these services.

Improving workspace ergonomics

In 2020 during the lockdown imposed in response to the COVID-19 crisis, we allowed all employees eligible for teleworking who so wished to take home the equipment they needed top perform their duties: office chair, monitor, etc., everything was done to maintain workstation ergonomics at home.

Measures taken at the logistics facilities focus on reducing manual load handling by means of handling equipment such as high-lift electric pallet transporters. Electrically operated sit-stand workstations have been installed. Late 2018, 23 workstations were replaced in the customer service department and new double screens were installed. Furniture purchases for this department also provided an opportunity to reconsider layout and goods movements in order to expand the working area and minimise handling operations.

In the stores, both handling (goods stocking) and workstation ergonomics (particularly at checkouts) are taken into consideration.

At head office, workstation ergonomics and layout are a priority concern. Before the move to the Limonest Campus and Orizon building, the health, safety and working conditions committee audited all departments in order to ascertain employee expectations. All workstations have been refitted and several adjustable height workstations have been acquired in order to make work more comfortable for taller or shorter employees. Seats have been replaced with swivel chairs with car-style bucket seats and a wide range of adjustment options (seating positions, back rests, head rest, etc.). In 2018, 99% of PC screens were changed in order to replace all small screens with at least 22” screens.

Reducing risk via muscle warm-up and massage

For several years now, the Group has implemented measures to prevent risks of industrial accidents caused by load transportation and handling, which have been identified as the two principal risk factors within the Group. For example, in 2017 employees trained in the StiMCore method of muscle warm-up before occupying workstations ran daily workouts at the Saint-Quentin-Fallavier logistics warehouse. Since 2018, each logistics department has run these sessions independently, with a manager or employee taking it in turns to lead the session.

In addition, free massages are provided by appointment by an osteopath at all logistics facilities and at head office. An additional seated massage service is also provided in the Limonest Campus rest room. Since March 2020 these services have been placed on standby due to the pandemic.

Results

Number of lost-time industrial accidents: 19 in 2020 (versus 24 in 2019 and 22 in 2017).

KPI

Frequency and severity rates:

	Logistics			Office			Stores			Subsidiaries*		
	2018	2019	**2020**	2018	2019	**2020**	2018	2019	**2020**	2018	2019	**2020**
Frequency rate (FR)	27.3	32.47	**38.37**	1.8	2.9	**0**	0	12.54	**9.12**	33.3	25.04	**0**
Severity rate (SR)	1.09	0.29	**0.74**	0.03	0.04	**0**	0	0.66	**0.1**	0.1	0.29	**0**
											* Excluding Spain and VR Studio	* Excluding VR Studio

22.3.2. Quality of life at work

The Group occupational health and safety policy is implemented within a wider perspective including quality of life at work and employee well-being.

In keeping with Groupe LDLC’s human values, people are at the very epicentre of its development strategy. The Company is constantly seeking to improve employee working conditions, in the knowledge that performance depends on collective, constructive and innovative relationships and real attentiveness to its employees in order to combine well-being at work with collective performance.

Work-life balance

For several years now, Group staff policy has been guided by a desire to ensure genuine well-being at work among all employees whilst maintaining the company's economic competitiveness.

Well-being at work is a global concept encompassing an overall feeling of satisfaction and fulfilment in and through work.

Well-being places an emphasis on personal and collective perception of the situations and restrictions affecting the work environment. For each employee, the perception of these realities has physical, psychological, emotional and psychosocial consequences and is reflected by a certain level of efficiency for the Group.

As such, management is convinced that this staff policy based on well-being at work will develop a Group-wide conception of efficiency and performance that promotes employee health, enhances motivation and involvement in work and contributes towards professional fulfilment whilst improving the working atmosphere within teams.

Convinced of the merits of this policy, in 2020 management decided to take a further step forward by introducing a four-day week for all employees (managers and non-managers alike) to be rolled out in 2021. Negotiations with staff representatives were held in the last quarter of 2020 for this purpose. As a result, from January 2021 employees have worked four days a week as opposed to five and can enjoy an extra day off.

In connection with this change, management also decided to reduce the working week from 35 to 32 hours spread over four days for non-executive employees.

The LDLC Group recognises the importance of the work-life balance, a factor that enhances both quality of life and company performance.

Therefore, during the annual mandatory bargaining procedure with trade union organisations in 2018, it was agreed that working groups would be set up in each department to encourage employee independence in organising their working time, provided that this did not disrupt the overall operation of the department and the Company in general.

Accordingly, in 2018 staff worked together to introduce flexitime arrangements in Lyon and Nantes. This drive towards independence and accountability was extended to Saint-Quentin in 2019 with regard to the staggering of break times.

Furthermore, the LDLC Group is committed to promoting a culture and organisational system conducive to a healthy work-life balance. Against a backdrop of growth and rapid technological developments, an agreement on quality of life at work and the right to disconnect was signed with the unions in 2017 to serve as a practical guide to good practices to be observed by everyone. Moreover, the HR department periodically reminds employees of their right to disconnect.

The development of information technologies and remote communication techniques has significantly moved the goalposts in terms of the spatio-temporal organisation of work and private life. This development has provided an opportunity to rethink work-life balances and to encourage, as far as work organisation allows, a healthy balance between work and private life for the Company's employees. Accordingly, the LDLC Group has agreed to trial work-from-home arrangements. A three-year agreement has been signed with unions and staff representatives.

Recognition of quality of life at work in the LDLC Group

In the same vein, Anikop took a further step forward this year by introducing an unrestricted leave policy. The principle is that each employee is free to take as many days off as he or she wishes. This measure, which applies only to the subsidiary's thirty or so employees, follows on from the company's conversion to a liberated management structure four years ago. The new system is regulated by a moral charter drawn up by the employees themselves.

Anikop already has a strong reputation for quality of life at work, having twice obtained the TechAtWork®, HappyIndexAtWork® and AgileAtWork awards, in 2019 and 2020, and the TechAtWork® and HappyIndexAtWork® awards in 2021.

Great Place To Work. Certifiée Mars 2021 - Mars 2022 FRANCE

In March 2021, Groupe LDLC joined the community of companies voted a Great Place To Work. Valid for a year, this certification is the highest level of recognition for the quality of a company's working environment. 82% of employees questioned confirmed that their company was a great place to work. More generally, 71% of the responses to the questionnaire were positive. These two statistics are above the average scores recorded by companies of similar size.

The working environment

The buildings occupied by the LDLC Group in Limonest are designed to provide a state-of-the-art working environment in line with the Group's start-up mindset. The premises maximise the use of natural light and offer views onto tree-lined grassy areas through extensive glass panelling. The leafy, dome-shaped central hub may be used as a venue for meetings or a relaxing break with colleagues. The Campus is fitted with special noise-absorbing ceiling panels, while the open plan customer relations area is equipped with U-shaped workstations to enhance sound insulation. Windows are double or triple glazed, with integrated blinds when exposed to sunlight.

One of the highlights of 2018 was the refurbishment of the Grandchamps facility. 2019 saw the consolidation of sales teams, previously based in Orvault, at the Grandchamps facility.

Despite the relocation of nearly all departments, some of them several times, they were able to continue to work without disruption. All furniture and decoration were replaced in order to increase comfort and ergonomics and streamline the use of space (new seats, desks, relocation of departments, etc.).

New equipment was also purchased for the warehouse, including:
- electrically operated sit-stand workstations: storage of incoming goods, adjustment of an assembly workstation for a disabled worker at the main Saint-Quentin facility;
- installation of remote-controlled systems for opening the skydomes at the Nantes warehouse, in order to keep the temperature down in summer (especially concerning mezzanine operators).

As the LDLC Group reached another milestone in tailoring its working practices to the requirements of the digital era, moving into the Limonest Campus in 2017 and the Orizon building opposite in early 2019 was an opportunity to bring all the subsidiaries together and redesign the layout of the premises. This change prompted initiatives to find different ways of working, by rethinking workspaces and organisation in order to stimulate creativity, encourage personal contact, foster synergies and broaden mindsets.

For this purpose, coworking areas were set up in all three buildings in Nantes and Lyon.

Relaxation, sport, concierge service: a wealth of services provided to employees

A spacious canteen with pub-style decor is available for employees and LDLC School students in the Campus green dome. There is also a fitness centre (run by The Corporate Gym) which opens in the morning, at lunchtime and/or in the evening, depending on the day, available to employees for a modest monthly fee. Relaxation rooms are available during break times and are fitted with games facilities such as foosball, table tennis tables and bowls. Similar amenities have been installed at Saint-Quentin-Fallavier.

The Campus also has a concierge service ("*Ma Conciergerie*") located in the office building. Open every morning, the service provides fresh bread, parcel reception services, emergency accessories, dry cleaning and other services, thus helping to improve quality of life and save time on a daily basis. A similar arrangement has been set up at Saint-Quentin-Fallavier since January 2018 and at Grandchamps since 2019.

An amusement arcade has been installed on the ground floor of the new Orizon building to help staff relax.

Unfortunately, the pandemic put an end to the use of these amenities, as the vast majority of Limonest employees were placed under teleworking arrangements. Likewise, Ma Conciergerie services were severely disrupted due to health restrictions but were nevertheless maintained in minimal format for warehouse employees.

Fostering staff cohesion

The Group encourages informal meetings and friendly exchanges among and between teams, whose average age is relatively young (37.40 years). This helps to maintain a feeling of belonging, improve interpersonal relationships, raise awareness of each other's work and foster a spirit of collaborative intelligence where management pays close attention to ideas put forward by employees. Accordingly, every Thursday evening an after-work get-together is held at the Limonest head office and is regularly attended by Group Chairman Laurent de La Clergerie. This practice was introduced at Saint-Quentin-Fallavier in April 2018 and Grandchamps in 2019.

Many initiatives are organised at the instigation of LDLC Group employees, including an indoor football team, badminton and squash tournament, jogging and trail running. For example, several departments compete for the LDLC football Challenge Cup, for which Anikop developed a specific application.

However, these friendly encounters have had to be cancelled due to the pandemic that has plagued us since March 2020.

KPIs:

- Staff turnover rate of **3.49%*** (versus 3.36% in 2019/2020)
- Staff turnover rate of **17%** (versus 15.51% in 2019/2020)

	2018	2019	**2020**
Absenteeism	NC	3.36	**3.49**
Staff turnover	23%	15.51%	**17%**

** Absenteeism rate including absence due to the COVID-19 pandemic: 6.63%*

22.3.3. Anti-discrimination

22.3.3.1. Disability and inclusion

The LDLC Group is pursuing its goal of becoming a disability-friendly company.

In the context of these transactions, it is important to integrate new staff perfectly to encourage them to buy into the Group's culture and values, in which diversity and disability feature very strongly. The Group's disability policy aims to involve as many employees as possible in the process of implementing the policy, a factor that will guarantee long-term successful inclusion.

The LDLC Group is also determined to tackle headlong the problems of disability at work and to do everything it can to safeguard the careers of persons with disabilities in the long run. Every year, employees with disabilities inform the Company of their disability and receive assistance in obtaining recognised disabled worker status. In this way, workstations can be adapted as required.

In 2018 the Group appointed a Disability Officer in Nantes and Lyon. An existing employee at the establishment, this person is tasked with promoting the disability policy advocated by management and staff representatives and acting as official liaison officer between the establishment and the OETH disabled employment organisation.

Raising awareness

In 2017, the Group introduced a disability policy aimed at raising awareness and breaking down taboos. All Group managers followed a disability awareness course, i.e. 91 managers representing over 10% of the headcount. The course was aimed at promoting the Group disability policy and encouraging its implementation along the following lines:
- what is disability and how is it recognised?
- binding obligations for companies and establishments;
- social, economic and financial implications for the LDLC Group and its structures;
- potential measures allowing the Company to implement a disability policy and deal with situations involving disability;
- tools and partners that can be mobilised in the different regions where Group establishments are based;
- sharing of experience, feedback, successes and failures.

In 2017, Saint-Quentin introduced seated massages administered by visually impaired practitioners, followed by Nantes and Limonest in 2018.

Articles are regularly published in the HR newsletter and on social media (Yammer) to raise awareness about disability and, in particular, the adaptation of workstations. In April 2018, posters were put up and content on disability was added to the Group's recruitment website.

In 2019, all Anikop staff received training in sign language in order to raise their awareness.

Action

A further milestone was crossed in March 2021 when the Group signed a one-year renewable partnership between LDLC OL, the French e-sports club attached to Olympique Lyonnais football club, and Handicap International, the NGO that helps disadvantaged sectors of the population and persons with disabilities. The partnership aims to organise a series of events and initiatives designed to foster awareness of disability among e-sports players and stakeholders. The first event took place on 20 March in the form of a streamed gaming tournament between influencers and players with disabilities, with the idea of placing them all on an equal footing. To achieve this, players without disabilities were given a motor or sensory handicap as the game progressed.

In 2018, a partnership was set up with Sport2Job.
Under this partnership, in September 2018 the "Fox Team" comprising employees from Saint-Quentin and head office and three persons with disabilities took part in the following sports events, with the non-disabled team members simulating disability: wheelchair races, blindfold long jump, sitting volleyball, seated shot put, blindfold relay races and para-table tennis.

On the same day, participants received instruction in sign language and a short course in communicating with the deaf and dumb without knowing sign language. The Fox Team also met job candidates with disabilities.

The event provided participants with an opportunity to share fun moments, interact with persons with disabilities and foster positive human relationships. This experience filled them with enthusiasm and helped to drive the project launched by HR over a year ago to make LDLC a disability-friendly company.

In October 2018, again in partnership with Sport2Job, the LDLC Fox Team took part in a culinary challenge aimed at raising awareness of disability through a sharing experience held at a ground-breaking culinary incubator known as La Commune. These events were followed by the communications department and reported via the enterprise social network.

Safeguarding employment: in-company and external initiatives

The workstation adaptation drive continued in 2020, Particularly in the case of one TopAchat employee with disabilities (company consolidated at 11 April 2020).

In addition, one subsidiary employee declared unfit for work by the company doctor and officially recognised as having a disability was redeployed within Groupe LDLC.

One Saint-Quentin-Fallavier logistics employee declared unfit for work in October 2019 was able to resume her position in February 2020. For three months she was supported by the Disability Officer and QHSE manager, who first transferred her to another department until her medical condition improved, liaising regularly with the company doctor to review her aptitude for work. She was confirmed fit for work 3 February 2020.

In 2019, at the Grandchamps facility, the Disability Officer met a sample of employees with disabilities at their request to get to know them better and identify potential workstation adaptations for review.

A meeting between Cap Emploi, the establishment's HR department and the Disability Officer was organised in December 2019. Cap Emploi's mission is to help workers with disabilities remain in employment.

Planning and survey applications are still pending, as they could not be deployed in 2020 at Grandchamps-des-Fontaines due to the health crisis, as most employees switched to teleworking. These initiatives will be reinstated as soon as the situation permits.

Notwithstanding, in 2020 an employee recognised as having a disability under French RQTH certification was transferred to a different post at Grandchamps-des-Fontaines. During talks with the Disability Officer, the employee expressed his wish to stop working in the store and switch to a sales position.

The HR department is working with the company doctor, the QHSE manager and Cap Emploi to optimise workstations for use by persons with disabilities.

These measures continue to be implemented at Group subsidiaries for employees with disabilities in need. For example, two DLP Connect employees had their workstations adapted in 2019.

In May 2018, the LDLC Group set up the "Inclusive Company Light Trophy" awards, designed to showcase and reward companies' inclusion initiatives. The idea is to promote initiatives allowing persons with disabilities to effectively exercise their right to work.

Since 2017, the LDLC Group has been forging close ties with disability-friendly companies, temping agencies and other organisations in order to provide work for job-seekers with disabilities. In 2018 the Group adapted its distance-selling websites for the hard of hearing.

In November 2019, the Recruitment Officer and Disability Officer took part in a blind dating session with the goal of meeting candidates in a different manner from the standard recruitment process. The operation was carried out blindfolded and interviews lasted around ten minutes, after which they continued in standard format.

This exercise led to the identification of one disabled candidate. This candidate took part in an immersion course at the Saint-Quentin-Fallavier site in February 2020 and the feasibility of offering him a permanent contract by the end of 2020 is currently under review. This project was postponed due to the health crisis, as the candidate was obliged to self-isolate. Finally, in November 2020 we were able to offer him a two-month temporary contract, during which time he worked in three different departments. Unfortunately, the candidate was unable to continue working for the company due to the challenge of carrying out the required tasks and the need for versatility in the job.

KPIs:

Due to changes in regulations we are unable to publish 2020 data*.

	2017	2018	2019	2020
Percentage of employees with disabilities in the applicable workforce	3.29	3.78	3.72	**NC**
AGEFIPH contribution by applicable workforce	€74.37	€40.03	€60.42	**NC**

Groupe LDLC currently has 24 employees recognised as having a disability, versus 22 in 2019.

** Integration of DOETH into DSN declaration from May 2021 instead of February declaration in previous years*

22.3.3.2. Equal opportunities

Despite the increasing proportion of women among the working population and the increasing amount of legislation and regulations aimed at guaranteeing equal rights to men and women, major inequalities persist with regard to access to management positions, training and other matters.

However, the skills of its men and women are the Company's most valuable asset. A driver of social cohesion and economic efficiency, professional equality is an essential element in attracting talent, boosting performance and ensuring balanced working relationships.

An agreement was signed with the unions in 2016 and renewed in 2019. The agreement sets out the Group's gender equality policy, which applies to employees as soon as they join the Company and throughout their career, and confirms the Group's commitment to gender non-discrimination in the professional environment.

For the three years now, two Group companies have been required to publish their gender equality index.

In 2020, Olys obtained a score of 75/100. Groupe LDLC obtained an exceptional score of 99/100.

Our corporate culture is reflected in our commitments to gender equality by improving the work-life balance and encouraging promotion to positions of higher responsibility.

Equal pay for men and women

In June 2020 during the annual mandatory bargaining procedure, Groupe LDLC management proposed introducing a "new minimum wage" 15% above the French statutory hourly minimum wage (SMIC) for all Groupe LDLC employees with at least four months of service in the Company.

Right from the day they are hired, Groupe LDLC guarantees equal pay to men and women throughout their careers at the Company in the case of equivalent skills, experience and assessment (*ceteris paribus*). Any discrepancies in pay are solely related to length of service and professional experience.

When a new employee is hired to a given position, the basic salary is determined before the job offer is published. The Company also affirms its commitment to the principle of non-discrimination particularly in terms of career management and pay policy.

Result

Average gross salaries per gender and social grade status are as follows:

	2018	2019	2020
Manager	**46,106.08**	**43,577.19**	**43,890.88**
Women	43,704.02	39,724.65	40,748.53
Men	47,181.85	45,283.31	45,115.17
Supervisor	**28,103.41**	**27,949.06**	**28,001.96**
Women	25,491.71	28,542.19	29,415.10
Men	29,310.70	27,773.94	27,580.73
Employee	**20,153.74**	**21,690.98**	**22,115.77**
Women	18,900.09	21,412.74	22,405.24
Men	20,826.91	21,804.97	22,017.47
Total	**29,513.73**	**29,469.17**	**29,688.19**

Training (organisation and special arrangements)

Access to occupational training is a key factor for ensuring gender equality in the development of employees' skills and the furthering of their careers.

The HR department makes the utmost effort to arrange local training courses to minimise travel and overnight stays and make sure that training is carried out during working hours as far as possible.

Would-be trainees, especially those with young children, may warn their line manager or HR department of family constraints so that the necessary arrangements can be made.

Where possible, if training cannot be provided locally and if this arrangement suits the trainee, alternative training (different training organisation, timing, organisation, e-learning, etc.) is offered to employees who have reported such constraints.

The following measures have been implemented in this respect.
- Equal access to occupational training: The Company sees that training geared towards personal skills development and adaptation to corporate changes is equally accessible to and fairly divided between men and women.
- Appraisal interview on return from child-raising leave: An individual training appraisal is offered to all employees returning from at least 12 months' child-raising leave. This privileged moment between employee and line manager is also an opportunity for the manager to identify training and development needs so that the employee can resume activity under optimal conditions.

Equal opportunities in hiring and recruitment

To ensure correct gender balance at the Company, LDLC adheres to the principle of equal opportunities in all of its hiring procedures. Accordingly, candidates are assessed solely on the basis of their skills, professional experience, training and qualifications.

In-company and external hiring procedures are identical and applied in the same way, irrespective of any considerations related to gender, family status or pregnancy: the Company offers each candidate an equal opportunity regardless of their personal circumstances.

Promotion

The LDLC Group asserts the principle that diversity presupposes that men and women are capable of pursuing the same career paths, enjoying the same prospects of promotion and gaining access to positions of responsibility. Nowadays, women on maternity leave still risk having their careers curtailed for this reason.

Groupe LDLC would like to shift mentalities in order to offer women the possibility of promotion towards higher positions and levels of responsibility.

Accordingly, whenever a woman with promotion potential is identified by management, even if she takes maternity leave, Groupe LDLC undertakes to keep her file "active".

Balance between work and family duties

In 2020 during the annual mandatory bargaining procedure at Groupe LDLC, management suggested initiating talks during the last four months of the year with a view to modifying working hours and switching all managers and employees to a 4-day 32-hour week from 25 January 2021.

This arrangement would enable part-time employees, mostly women, to resume full-time work on a 4-day basis while continuing to enjoy their weekly day off, besides helping reduce wage discrepancies due to personal organisation.

For many years now, Groupe LDLC has been committed to making allowance for employees' family obligations in the organisation of their working time, while taking into consideration the organisational needs of their department.

Part-time employment: all requests by men and women to work part time are reviewed by line managers and the HR department in accordance with the Company's organisational requirements. Employees are notified of management's decision, including the reasons for that decision, no later than six weeks following their request.

Return from maternity leave: with regard to professional appraisals, maternity leave is treated as effective working time. Therefore, the fact that an employee takes maternity leave for only part of the year cannot serve as an excuse not to conduct the professional appraisal to which they are entitled in respect of that year. Accordingly, women returning from maternity, adoption or child-raising leave may request a career interview with the HR department. If necessary, they may be offered training in accordance with their career plans.

Prevention of sexism and sexual violence

The employer undertakes to organise at least one awareness and training session for employees and interns at the establishments every three years. The employer also undertakes to take account of sexism and sexual violence in the risk assessment process.

In September 2019, the LDLC Group and each Group company social and economic committee appointed their own sexual harassment officer.

KPIs :

- Women make up **30%** of the ten highest earners

2018	2019	2020
30%	20%	**30%**

22.3.4. Employee upskilling

As a fast-growing Group, the LDLC Group is deeply committed to enhancing employees' skills and furthering their professional development. Training is provided to help employees pursue their careers at the Group through internal promotion, but also to foster their personal development by providing them with skills that will serve them throughout their careers. The aim is to provide training to as many people as possible.

Our employee upskilling policy is based on an offer of occupational training provided by a carefully screened selection of high-quality providers in whom we have complete trust with regard to educational content and methodology. Training ensures employees' ongoing professional development, helps to safeguard their careers and ensures the transfer of new knowledge.

The skills development plan is drawn up in accordance with specific professional objectives, staff skills in light of their job targets as well as Group ambitions and strategy.

To ensure the skills development plan is effective, it must be tailored to individual needs with strong commitment from the employees receiving training: training courses must be relevant to the tasks they perform.

The plan will be based on a collaborative approach geared towards providing both individual and collective guidance.

Late 2018, the LDLC Group introduced a volunteer scheme to encourage employees to take the initiative in their personal development.

As part of its transformation drive, the Group is encouraging more flexible and horizontal means of coordination that foster the service mindset and help staff to learn to work together, manage their interactions and gain independence by helping to build their own work framework. These practices are designed to encourage each individual to improve their understanding of their emotional, cognitive and intellectual modus operandi in order to build a more harmonious and efficient relationship with themselves, other people and their work. These practices form part of a managerial project, as they link individual objectives (increase well-being) with corporate objectives (be more efficient).

The LDLC Group has defined five key priorities:
- develop and strengthen job skills;
- shift managerial practices towards a collaborative model designed to leverage collective intelligence;
- develop BtoB and retail skills in a customer-centric system;
- provide in-field support to the sales force in order to harmonise operations;
- guarantee the safety of property and persons.

The LDLC Group is working on building an annual development plan tailored to employees, to changes in the Company and its jobs and to the need to preserve jobs, while taking into account the changing requirements of occupational training.

Develop and strengthen employee job skills

The Company's development requires constant adaptation and development of in-house skills in order to anticipate future changes and enhance performance.

It is therefore of the utmost importance to strengthen technical skills specific to each job so that employees can take up new challenges facing the Company.

Collaborative management: a driver of commitment, innovation and performance

The value created by collective endeavour is greater than the sum of a group's constituent talents. Teams able to work together can achieve spectacular results in terms of responsiveness, skills development and innovation.

We have trained a team of "facilitators" to support and structure discussion in a teamwork context and encourage respectful dialogue conducive to the sharing of ideas. Their mission is to reduce obstacles and constraints, summarise different points of view and foster a positive spirit of enterprise.

These facilitators are not group leaders or managers but are responsible for directing discussion via particular processes so that all participants remain focussed and oriented towards the same objective.

Furthermore, when leading meetings, the facilitators make sure that the needs of all participants are satisfied and that everyone has the chance to speak. They help build trust between parties and as well as their awareness of the issues at hand. They are the guarantors of active participation and mutual respect. Through their assistance and status as an intermediary, they make things more accessible.

Furthermore, we have introduced sessions for volunteer employees aimed at developing leadership mindset, attitude and self-assurance. A good leader listens, respects and imparts responsibility to the team, offering each member the means to fulfil their skills potential.

In fact, leadership is required at all levels of organisation. Leadership does not always depend on reporting lines, as it is the group that intuitively decides to follow a leader. In a company, therefore, the leader is not always a manager, just as the manager is not always regarded as a leader.

It is by stimulating voluntary commitment to defined targets that the leader achieves his or her goals. The modern concept of leadership is inevitably associated with the democratic exercise of power over free individuals vested with human and social rights.

In the professional world, it is often essential to combine creativity, commitment and a results-driven mindset.

Lastly, four in-company coaches have received training in professional coaching techniques and have joined the "horizontal guidance" team within the structure. The aim is provide teams with individual and collective guidance on professional issues in order to allow each person to make progress with their objectives.

Develop BtoB skills

BtoB development targets are important in view of the ever-changing nature of this market, forcing players to constantly strive to remain competitive, pushing the change further forward and grasping all the opportunities offered by new forms of trading.

The Group's BtoB strategy involves generating growth among existing customers by developing regular transactional purchases and high value-added projects. It is therefore necessary to develop BtoB skills in order to provide maximum support for transformation and ensure permanent adaptation to it.

Provide in-field support to the sales force in order to harmonise operations

Following the 2018 Domisys merger, the purpose of the training courses implemented in 2019 was to acquire the means to efficiently operate a Materiel.net sales outlet following the deployment of the new C2BO IT system. In 2021, this system was rolled out across the Olys BIMP store chain in order to help standardise the Group's retail operations.

The second target was to condition all the teams for the successful implementation of a customer-centric system. For this purpose, training was provided in customer relations management and product knowledge.

Guarantee the safety of property and persons

Improving their understanding of the working environment and associated good practices will help staff to:
- forestall risks;
- reduce the accident rate;
- adopt a preventive mindset and increase the efficiency of curative measures.

Customary training courses, including first aid courses and preparation to obtain vehicle operating permits, were largely postponed due to the health crisis but have been rescheduled from 2021 to make up for the delays.

KPIs:

- **62%** of employees completed training courses in 2020 (versus 45% in 2019)
- **3.13%** of employees completed personal development courses in 2020 (versus 4% in 2019)

On average, each employee completed 6 hours of training in 2020 (versus 22 hours in 2019).

22.4. PROTECTION OF THE ENVIRONMENT

As a commercial company, the LDLC Group has little impact on the environment. Nonetheless, it takes into account the environmental impact of its business and the use of the goods and services it produces. Three of our four warehouses are subject to French ICPE environmental protection regulations. Environmental impacts that have been identified are mainly related to waste (products and packaging) and energy consumption in the buildings, which are areas in which we can adapt to the consequences of climate change.

However, aware of the action required on the part of both companies and individuals to combat climate change, Laurent and Olivier de la Clergerie have invested both personally and on behalf of the LDLC Group in the Time for the Planet charity. In March 2021, Groupe LDLC became a major shareholder in Time for the Planet by injecting €200,000 into this worthy civic initiative!

Founded in 2019 by a team of young entrepreneurs based in Lyon, Time for the Planet is a non-profit that aims to finance 100 companies seeking to combat climate change, particularly by reducing greenhouse gas emissions on a global scale. To date, over 18,000 investors have contributed over €3 million towards the organisation's ultimate target of one billion euros.

"As the bridge between e-commerce and the environment is not easy to see, we need to surround ourselves with project initiators who will help us in the future to find a better balance between economic considerations and protecting the planet," Laurent de la Clergerie, founding chairman of the LDLC Group.

22.4.1. Responsible waste management

For several years now the LDLC Group has pursued a voluntary scheme for sorting waste generated by operations at source in order to maximise recycling in accordance with the requirement to sort five types of waste at source. The general services and QHSE departments have taken charge of the scheme and help the various Group centres, subsidiaries and stores to deal with their waste.

The Group's waste policy and initiatives are presented to employees via the welcome kit and during their induction. Waste sorting and recycling procedures are displayed on posters located around each site.

Waste reduction and recycling

As a product distributor and retailer, the LDLC Group has a duty to contribute financially and/or directly towards managing the relevant product life cycles. Five categories of EPR (Extended Producer Responsibility) are relevant to the Group: electrical and electronic equipment, packaging, batteries, graphic papers and furniture. The Group uses approved environmental organisations (Ecologic, Adelphe, Screlec, Citeo and Ecomobilier) to achieve this goal and helps finance the end-of-life management of the products it sells. Moreover, the website and store personnel provide customers with information on the responsible management of used products and the Group's duty to recover them when an equivalent new item is purchased (the "1 for 1" scheme).

Waste electrical and electronic equipment (WEEE) is mainly derived from defective product returns and collected end-of-life products. In 2020/2021, the LDLC Group collected 19 tonnes of WEEE, similar to last year's volume, and sent it to a recycling firm for final treatment. This figure is included in the calculation of the waste recycling rate.

Other recyclable waste (paper, cardboard, shrink wrap and pallets) is sorted at source on site and recycled by specialised waste collection and treatment firms. In 2017, glassine (a smooth glossy paper used to protect self-adhesive labels) was added to the sorting system at the Saint-Quentin-Fallavier warehouse, which also started to reuse polystyrene from incoming parcels as cushioning for outgoing parcels in 2019.

Increase voluntary waste collection

To coincide with the head office move to Limonest in 2017, individual wastepaper bins were replaced with voluntary collection points installed on each floor of the buildings: yellow bins for miscellaneous waste and red bins for paper. Each water cooler is fitted with a plastic cup collector, and plastic bottle and can collectors are placed next to coffee machines and in the cafeteria. Cigarette butts and ash are collected in ashtrays supplied by Cy-Clope. The same facilities were installed in the Orizon head office annex inaugurated in January 2019.

Batteries for both personal and professional use are collected by the concierge service at head office and the Saint-Quentin-Fallavier and Grandchamps-des-Fontaines facilities. In 2018 the Limonest head office started collecting glass waste.

In 2020, the volume of head office waste fell sharply (down 23%) due to teleworking.

Promoting the circular economy

Circular economy initiatives were severely curtailed in 2020 due to the pandemic and the lack of resources to be donated. Only one pallet of fixed carpeting was donated to the Don en Nature charity.

Group operations generated 800 tonnes of waste during the 2020/2021 financial year.	***2019/2020: 438t*** ***2018/2019: 555t*** ***2017/2018: 614t***

Type of waste	**Group volume (tonnes)**	**Group volume (tonnes) 2019/2018**	**Group volume (tonnes) 2018/2019**	**Group volume (tonnes) 2017/2018**
Paper, cardboard and shrink wrap	383.0	257.9	289.6	335.9
Wooden pallets	130.2	37.2	44.4	58
Non-hazardous waste	267.7	123.4	195.7	169.2
Special waste = liquids generated from maintenance of logistics chains	0	0.3	0	0.6
Waste electrical and electronic equipment (WEEE)	19.3	18.69	18.5	22.5
Agglomerated wood	0	0	6.2	4.4
Other	0.2	0.8	0.8	23.6
Total	**800.4**	**438.3**	**555.1**	**614.2**

Waste tonnage increased sharply due to the brisk business recorded by the Group in 2020/2021.

Revenues up 46.8%, waste tonnage up 82%.

KPI:

2018/2019	2019/2020	2020/2021
64.75%	71.79%	**66.55%**

- **66.55%** overall LDLC Group recycling rate (% of waste recycled compared to total waste evacuated)

22.4.2. Controlling energy consumption

The LDLC Group is committed to reducing its environmental footprint in terms of energy consumption. The overall Group energy policy is overseen by the general services and real estate department, which systematically factors energy considerations into all of its real estate projects and transport solutions (persons and goods).

Reducing consumption and emissions

Although the Group does not have an official energy consumption policy, it nevertheless strives to minimise and optimise consumption and CO_2 emissions. The Group regularly invests in upgrading its equipment and technology base in order to improve energy efficiency. New buildings and renovation provide opportunities to adopt more economical solutions and procedures.

Furthermore, employees are encouraged to adopt measures for cutting consumption.

Electricity is the primary cost and energy item. Electricity is used on all sites for lighting, air conditioning, computer hardware, order picking chains, fork lifts etc. The monitoring of electricity consumption allows the Group to analyse and optimise the energy efficiency of its operations.

Gas is also used at the Saint-Quentin-Fallavier and Grandchamps-des-Fontaines warehouses, as well as the four Olys/BIMP buildings, while the Lyon store and Besançon BtoB facility heating systems and Grandchamps-des-Fontaines sprinkler system are all oil-powered.

Following the mandatory energy audit carried out in 2019 and the abolition of regulated prices effective 31 December 2020, we decided to review all of our electricity supply contracts. All "blue rate" facilities were renegotiated and assigned to a single supplier.

Total energy consumption for the year was 6,541 MWh versus 7,531 MWh the previous year.

Energy consumption	Group consumption (kWh)	Group volume (tonnes) 2019/2020	Group volume (tonnes) 2018/2019
Electricity	4,239,192	4,514,272	4,581,446
Gas	2,169,529	2,944,146	2,830,110
Domestic heating oil	1,332,970	72,635	82,123
Total	**6,541,690**	**7,531,053**	**7,493,679**

Premises designed to reduce energy consumption

Although the new LDLC Group headquarters is not HQE certified, it was designed for acoustic efficiency and low energy consumption. For example, all windows have double or triple glazing. The south façade has been specially treated for heat insulation and windows are fitted with blinds on all façades except the north façade, on which the number of windows has been minimised in order to keep out the cold. The head office and branches are fitted with LED lighting and presence detectors to reduce electricity consumption. Apart from in the passageways, there are no ceiling lights: offices are lit by presence detector lamps, thus avoiding the whole space being lit up if only one person is working there. The heat pump system is also expected to generate energy savings.

The Orizon building in Limonest built as an annex to the head office in 2018 obtained BREEAM certification in October 2020 with a rating of "VERY GOOD".

Policy regarding the "tertiary decree"

The so-called French tertiary decree in force since 1 October 2019 requires companies to achieve energy savings in office buildings with a surface area of over 1,000 m². In keeping with the intentions behind the law, we have sought to introduce energy saving schemes in cooperation with building owners.

As such, in 2020 the owner of the Saint-Quentin-Fallavier warehouse launched a relamping campaign designed to convert the entire warehouse to LED lighting.

More generally, the general services department has hired an external service provider to support the process, which is divided into four stages: identification of relevant rented buildings (around 15), consumption analysis, determination of benchmark years and establishment of a provisional schedule of initiatives to achieve the energy saving targets.

Greenhouse gas emissions

Group locations are not subject to the EU emissions trading system and only Groupe LDLC is required to produce a greenhouse gas emissions report, pursuant to Article 75 of the French Grenelle II Act.

In 2020, Groupe LDLC enlisted the services of an external service provider to conduct its Bilan Carbone® carbon audit for 2019. Only Scopes 1 and 2 were covered by this initial assessment. Groupe LDLC emissions within these scopes amounted to 1,130 tCO_2eq, of which 76% was derived from energy consumption (electricity, gas and oil) and 24% from travel using company vehicles.

Groupe LDLC is aiming at the trajectory set by France's national low-carbon strategy (Stratégie Nationale Bas-Carbone or SNBC), which is targeting carbon neutrality by 2050 in the tertiary sector with an interim target of a 5% reduction in GHG emissions by 2024 across Scopes 1 and 2 of the regulatory Bilan Carbone® audit scope.

Group greenhouse gas emissions are as follows: 814 tCO_2eq*	***2019/2020: 999 tCO_2eq*** ***2018/2019: 978 tCO_2eq*** ***2017/2018: 779 tCO_2eq***

** Group greenhouse gas emissions exclude travel using company vehicles but include Groupe LDLC subsidiaries. They are calculated over the financial year as opposed to the Bilan Carbone® which spans the calendar year.*

Promoting eco-friendly transport among employees

In 2020/2021, shared transport issues were placed on the back burner in view of the pandemic.

Two electric cars are now available during working hours at the Limonest headquarters. The aim is to allow employees who get to work via public transport or car sharing to pop out of the Campus if need be.

As a further step in the right direction, Groupe LDLC has decided to promote car sharing alongside the other companies based in the Techlid business park where the head office is located.

The aim is to allow all those working at Techlid to share rides to and from work. Car sharing is an economical, eco-friendly, convivial, community-oriented way of reducing congestion on roads and in urban areas, and also reducing environmental impact.

In September 2019, Groupe LDLC participated in a "car-sharing speed dating" scheme with several companies based in the Techlid business park.

Reducing CO_2 emissions from transport

Regarding transportation, the Group outsources all customer deliveries to recognised carriers, thereby benefiting from its partners' CSR initiatives. Most customer deliveries are carried by the French postal service ("La Poste"), which has the foremost voluntary carbon offset programme in Europe. Accordingly, all of its courier, parcel delivery, express and digital offers are guaranteed carbon neutral.

KPIs:

	2018/2019	2019/2020	2020/2021
kWh electricity per m²	63.78	63.42	**57.85**
kWh energy per m²	104.33	105.8	**89.27**

- **57.85** kWh of electricity consumed per m²
- **89.27** kWh of energy (gas, domestic heating oil and electricity) per m²

22.5. REGIONAL IMPACT

The LDLC Group has defined two main priorities related to social responsibility:
- Consumer safety;
- Promoting regional economic growth.

22.5.1. Consumer safety

The LDLC Group has always made customer satisfaction a central priority of its business. In line with this commitment, the Group has set up a strong customer service department able to advise and inform customers both before and after purchase. Accordingly, a consumer safety issue could have a material adverse impact on the Group's image, reputation and business, in addition to the human consequences. The LDLC Group pays particular attention to the quality and safety of its products.

As the Group does not manufacture products, including own brand products, it has no influence over the manner in which consumer health and safety are taken into consideration by manufacturers. Nonetheless, in keeping with its commitment to provide quality customer service, the Group checks the conformity and regulatory compliance of the products it sells.

With regard to our L'Armoire de Bébé childcare product brand, the procurement department applies the following rules:
- childcare products must comply with French standard EN71-3 and must be sourced only from recognised suppliers;
- textile product suppliers must comply with OEKO-TEX standards (few suppliers are concerned).

Given the stringent regulations regarding childcare products, the procurement department is immediately notified if a supplier has issues or must submit to DGGCRF product testing.

LDLC also offers customers an extended warranty over and above the manufacturer's warranty, including for products sold under special offers which carry a 6-month commercial warranty. All of the foregoing arrangements ensure that the Group has complete trust in the products it sells via its websites and stores.

Lastly, the LDLC Group encourages its customers to leave reviews on the website, following a procedure for collecting, moderating and publishing reviews that is totally separate from product and service advertising and sales on the websites.

- **Zero** liability insurance claims incurred during the 2020/2021 financial year, as in the previous year.

22.5.2. Promote regional economic growth

The LDLC Group has a strong social commitment at regional level. Its goal is to support:
- enterprise;
- cultural initiatives and the local economy;
- education.

Supporting enterprise

Historically rooted in the Auvergne Rhône-Alpes region, the LDLC Group now has locations in a number of employment catchment areas nationwide:
- Lyon and the surrounding area, where the Group head office and LDLC School are situated;
- Saint-Quentin-Fallavier (Isère), where the Group's first logistics warehouse is situated;
- Grandchamps-des-Fontaines (Loire-Atlantique), the historical base of Materiel.net, where a logistics warehouse is located;
- Gennevilliers (Paris area) more recently through the establishment of an LDLC Pro location.

In addition, the Group store chain, which markets the LDLC, Materiel.net, BIMP and L'Armoire de Bébé brands, covers a large number of towns and cities in France. The Group's development strategy, particularly with regard to the LDLC store chain mainly comprising franchises, will strengthen its local presence over the coming years. Through its locations and operations, Groupe LDLC indirectly contributes to the local employment market and economy via its service providers and suppliers.

In addition, the LDLC Group is continuing to support Blend Web Mix, a two-day web conference masterminded by La Cuisine du Web. Unfortunately, the 2020 conference had to be postponed to June 2021.

Supporting cultural initiatives and the local economy

In 2020, in response to the unprecedented situation that has now lasted almost a year, the Group took a further step forward in line with its partnership with the Nuits de Fourvière festival by providing financial support to four leading lights of the Lyon cultural scene. The Group donated €50,000 each to the Théâtre des Célestins, Lyon Opera, Nuits de Fourvière festival and the Auditorium concert hall that is home to the Lyon National Orchestra. This sponsorship initiative involves a donation of global support and has been concluded for one year.

"Art is essential for Lyon. In the present context, it is essential that we support the sectors of the economy that will take a long time to recover from the present crisis. At a standstill for months on end, the world of culture needs support from companies like Groupe LDLC which have been lucky enough to pull through. By making these donations, we are doing our bit to serve this worthy cause. Like everyone else, we can't wait to see artists perform again on stage and give them a standing ovation." Laurent de la Clergerie, founding chairman of the LDLC Group.

For several years now, the Group has set up partnerships and charity initiatives, some of which are instigated by employees. These initiatives help to boost Groupe LDLC's image and affirm its identity. For the founders, it is also a means of expressing their gratitude to the region and its economic operators for the benefits they have received from them throughout their careers.

Having sponsored the Villeurbanne ASVEL basketball club since 2012, the LDLC Group took a step forward by establishing a naming partnership with the club in 2018 whereby the men's team was renamed LDLC ASVEL for a duration of ten years.

This partnership was the brainchild of two businessmen, Laurent de La Clergerie and Tony Parker, who share the same outlook on life. Besides his sporting and business goals, Tony Parker is involved in a number of community projects such as the Tony Parker Adéquat Academy.

In 2019, the LDLC Group stepped up its support for Lyon basketball by signing a similar agreement with the women's team, which was renamed LDLC ASVEL Féminin for a four-year period.

Also in 2019, the two entrepreneurs joined forces once again to include e-sports in the Academy's activities by creating a Team LDLC training centre. Young adepts receive e-sports training administered by Team LDLC as well as lessons in the Acadomia private high school forming part of the Academy.

As an extension to this initiative, in early 2020 LDLC Event, which operates Team LDLC for the LDLC Group, and Olympique Lyonnais set up a joint LDLC OL team in order to strengthen the team's leadership on the French and international e-sports scene.

In March 2020, Solaari, the French brand for connected lightsabers made and sold by the LDLC Group, signed a three-year partnership deal with the French Fencing Federation (FFE) and its Lightsaber Academy (ASL). The common goal of these two entities is to extend the national and international reach of this new sport.

Supporting education

In early 2020, for the ninth year running LDLC sponsored the famous 4L Trophy rally, the largest sporting and inclusive student rally in the world, by supporting a team competing in order to fund educational and sporting equipment for the "*Enfants du Désert*" charity. The 2021 rally was cancelled due to the pandemic.

In November 2020, in keeping with its commitment to developing budding talent in the video game and e-sports industry, Materiel.net helped Gaming Campus, the first European campus devoted to providing training in all video game industry professions, to set up an innovative distance learning scheme. Using fast and reliable equipment supplied by Materiel.net, Gaming Campus is developing its distance learning capabilities in order to comply with new health standards and the exacting requirements of its innovative, totally project-oriented educational philosophy. Five briefing rooms have been redesigned to provide a high standard of distance learning or face-to-face training.

In 2015, Group founding chairman Laurent de la Clergerie launched the LDLC School in Lyon. The aim of this socially-minded project was to create an innovative syllabus in terms of both form and content, tailored to the current requirements of digital professions, in order to contribute to the development of the digital ecosystem and growth of the French economy.

The school's manifesto is to help students to be agile, versatile, creative, inventive, ingenious, mature and ready to enter the world of work, in order to drive the digital transformation of businesses.

The cost of tuition is €1,996, the year of the Group's foundation and symbol of the Group's commitment to society by making this learning experience available to a wide spectrum of the population.

At 31 March 2021, the School had 29 students excluding current internships.

Creation of the Groupe LDLC Foundation

Although Laurent and Olivier de la Clergerie had already mulled over this idea for several years, in the end it was an employee initiative that brought it to fruition. Accordingly, in 2020 the Groupe LDLC Foundation was created under the aegis of Fondation de France.

It is a collaborative project in which employees have been consulted at every stage of the process. The Foundation covers the issues to education, protection of children and families and protection of the environment. It is yet another means for the LDLC Group to support education and local initiatives in France.

KPIs:

12% increase in number of LDLC stores in France
(57 stores versus 51 last year)

	2018/2019	2019/2020	2020/2021
Stores	38%	28%	**12%**
Graduates in employment	50%	66%	**32%**

- **32%** of LDLC School students graduating in September 2020 found employment straight away

22.6. ETHICAL AWARENESS AND TRAINING

The LDLC Group has defined four main priorities in terms of corporate governance:
- Major IT system incidents and power cuts;
- Anti-corruption;
- GDPR compliance (General Data Protection Regulation).

22.6.1. Major IT system incidents and power cuts

IT system continuity is essential in order for the LDLC Group to offer customers optimal quality of service.

The Group is committed to acting swiftly in the event of an IT system alert.

The IT department's infrastructure division is responsible for monitoring and handling alerts. Integration is underway for the Olys/BIMP companies. A portion of their operating system has been abandoned in favour of the LDLC Group system and the external infrastructure manager used by the Olys/BIMP IT department is gradually reducing its sphere of intervention in favour of Group IT department infrastructure.

In the event of a network incident, after analysing the incident the teams concerned decide on and coordinate the action to be taken. The infrastructure director is notified and tracks the problem. IT departments are notified where applicable and a message is sent to all departments concerned. Depending on the incident, policy is to activate or make available the means to handle and minimise the problem.

In case of electrical issues, besides the data centres where sensitive systems are stored, the other facilities have uninterruptible power supply (UPS) inverters. During construction, the Limonest head office was fitted with the required infrastructure for installing a generator in the event of a serious long-term power cut.

March 2021: impact of the fire at the OVH facility in Strasbourg on the LDLC Group

The OVH incident mainly impacted the Olys/BIMP subsidiary. Temporary backup solutions were implemented within 24 hours using the structures of the LDLC Group IT department and operating efficiency was retrieved within a week thanks to the commitment shown by all employees. To forestall future recurrences, a business recovery plan is currently under review for rollout in the near future.

KPI:

- **100%** software availability enabling business to be managed (identified as critical) from 01/04/2020 to 31/03/2021
- 2019/2020 KPI: **96.72%** from 01/04/2019 to 31/03/2020 – 2018/2019 KPI: 100% during the week from 26/04/2019 to 03/05/2019.

22.6.2. Anti-corruption

In 2021, an awareness campaign was conducted using a document which members of the procurement, sales, general services and accounts departments could download from a platform, read and confirm that they had read and understood the document. Further annual awareness campaigns will be conducted using the same system.

For several decades now France has been introducing reforms aimed at promoting transparency and ethical conduct. As a distributor and retailer, the Group acts as an intermediary between top hardware brands and customers, be they private individuals, professionals or government agencies. Given its relative size on the market, the Group has little influence on how its suppliers assume their social responsibility regarding issues such as protection of the environment and defence of human rights. Nonetheless the Group, which operates primarily in France, strives to share its values and ethical principles with all employees, including buyers in particular.

Group management warrants that all of the Group's business activities are conducted in compliance with applicable legislation. The Group holds the same expectations towards its suppliers and service providers as its customers hold towards the Group. With this in mind, the Group seeks to inform its employees, especially those involved in procurement, of the dangers of corruption.

The compliance department is responsible for introducing and developing the Group code of conduct regarding business relationships. In order to prevent corruption, the Group has structured its procurement operations so as to minimise the risks involving suppliers and service providers. Products are generally purchased in Europe via intermediaries and wholesalers. Direct imports only account for a small proportion of our goods purchases.

The procurement department is centralised at the Limonest head office and organised as follows:

- "Strategic" procurement (such as LDLC brand products or products whose prices may vary considerably from day to day) is kept separate from "trade" procurement and placed under the direct responsibility of Laurent Villemonte de la Clergerie, for non-EU purchasing, and the Chief Procurement Officer for EU purchases;
- Responsibility for trade procurement from intermediaries and wholesalers lies with the Chief Procurement Officer. Product managers and buyers are allocated capped lines of credit and individual buyer margins are monitored daily so that any anomalies can be quickly identified;
- "General" procurement is not organised at present given the limited amounts involved.

Breakdown of purchases per region:

Region	Purchases (%) 2020/2021	Purchases (%) 2019/2020	Purchases (%) 2018/2019
European Union	87.12%	77%	86.09%
Non-EU	12.88%	23%	13.91%

Risks related to gift requests, fraud, bribery, corruption and conflicts of interest are managed via a number of internal procedures. For example, requests to open a new bank account or change a supplier's bank details are subject to a double signing procedure, systematic verification with the supplier and line manager consultation.

Moreover, the Group complies with French legislation including the Sapin II Act on transparency and anti-corruption.

The Group has drawn up a code of conduct and set up a whistleblowing system. No major issue has been reported to date.

In 2018, the compliance department sent a letter to most of our suppliers including an appendix setting out the Group anti-corruption policy. This appendix is henceforth automatically incorporated into all new contracts forwarded.

Finally, awareness-raising initiatives were organised again in 2019 in the departments deemed most at risk, including procurement. Other departments such as sales, general services and all positions deemed relevant by the compliance department were included in these initiatives. Awareness documentation will be updated in 2020 and new campaigns will be scheduled. The compliance department is to review the inclusion of other departments and positions in the awareness initiatives.

KPI:

- **90%** of exposed persons briefed on the Sapin II Act en 2021*.

** The 2020/2021 KPI covers all exposed persons within the Groupe LDLC scope. (previous KPI: 76.5% of buyers briefed in 2019 and 2020.)*

22.6.3. GDPR compliance (General Data Protection Regulation)

The entry into force of the General Data Protection Regulation (GDPR) has compelled European companies to bring their personal data collection and processing into compliance with the regulation. As France already had its own data protection law, Groupe LDLC has been aware of the issue for a good many years.

The Group pays heed to customers' and employees' concerns about the collection and processing of their personal data. While this is clearly a legal issue, above all it involves a major commitment to honesty and fair commercial practice. Groupe LDLC strives to continuously improve its personal data protection practices and to ensure that all business line representatives involved in data processing are aware of the issues.

The Group has always taken personal data protection seriously and has always ensured that compliance with applicable regulations is monitored by dedicated personnel.

In May 2018, an external Data Protection Officer (DPO) was appointed, backed by an in-house deputy and a number of departmental officers. Their role is to "carry the good word" within their department, raise awareness among their colleagues and incorporate GDPR requirements in projects, particularly those involving the IT department. This system allows the Group to keep staff informed and to make progress on the various action plans.

Furthermore, when the GDPR came into effect, an internal memo was circulated to all Group employees to inform them of the Group's commitments. A special email address was created for all requests for access, rectification, portability and erasure of employee and customer personal data.

The LDLC Group intranet portal features a GDPR section accessible to all employees (Olys employees can access the documents through their own system). This section contains all documents useful for understanding the GDPR, CNIL guides and other documents, which are periodically updated

Meetings between the Group officer and departmental officers were suspended in 2020 due to the pandemic. Normally, these meetings are organised to help departmental officers establish a working file for monitoring their processing and to incorporate the principle of data protection into all projects. Groupe LDLC has drafted a data protection appendix for all of its contracts and a supplemental agreement for subcontractors.

During 2019, Groupe LDLC changed its DPO, keeping an external DPO. Bluescreen, however, appointed an internal DPO. In 2020, for internal organisation reasons, Bluescreen opted to join the Group scheme and now uses the LDLC Group's external DPO.

In 2021, a further awareness campaign was conducted for departmental officers via an online system in view of the pandemic. The campaign reached out to individual officers who then circulated the awareness document among the members of their department.

KPI:

- In 2021, **100%** of data protection officers (21 persons) attended an awareness session on the GDPR. Awareness sessions take place every two years.

(previous KPI: 95% of officers attended an awareness session in 2019 and 2020.)

22.7. CROSS-REFERENCE TABLE WITH SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Commitments/Initiatives	**SDG**	**Relevant section**
Ensuring employee safety: Preventing physical, physiological and psychological risks Improving workspace ergonomics Reducing risk via muscle warm-up and massage Improving workspace ergonomics	3 Good health and well-being 8 Decent work and economic growth	**22.3.1.**
Quality of life at work: Work-life balance Recognition of quality of life at work in the LDLC Group The working environment Relaxation, sport, concierge service: a wealth of services provided to employees Fostering staff cohesion	3 Good health and well-being 5 Gender equality 8 Decent work and economic growth	**22.3.2.**
Anti-discrimination: Disability and inclusion Raising awareness Action Safeguarding employment Equal opportunities Equal pay for men and women Training (organisation and special arrangements) Equal opportunities in hiring and recruitment Promotion Balance between work and family duties Prevention of sexism and sexual violence	10 Reduced inequalities 17 Partnerships for the goals 5 Gender equality 8 Decent work and economic growth	**22.3.3.** 22.3.3.1 22.3.3.2
Employee upskilling Develop and strengthen employee job skills Collaborative management: a driver of commitment, innovation and performance Develop BtoB skills Provide in-field support to the sales force in order to harmonise operations Guarantee the safety of property and persons	10 Reduced inequalities 4 Quality education 5 Gender equality 8 Decent work and economic growth	**22.3.4.**
Protection of the environment Responsible waste management Waste reduction and recycling Increase voluntary waste collection Promoting the circular economy Controlling energy consumption Reducing consumption and emissions Premises designed to reduce energy consumption Policy regarding the "tertiary decree" Greenhouse gas emissions Promoting eco-friendly transport among employees Reducing CO_2 emissions from transport	13 Climate action 7 Affordable and clean energy 12 Responsible consumption and production	**22.4** 22.4.1. 22.4.2.
Regional impact Consumer safety Promote regional economic growth Supporting enterprise Supporting cultural initiatives and the local economy Supporting education Creation of the Groupe LDLC Foundation	17 Partnerships for the goals 10 Reduced inequalities 4 Quality education 8 Decent work and economic growth	**22.5** 22.5.1. 22.5.2.
Ethical awareness and training Anti-corruption GDPR compliance (General Data Protection Regulation)	16 Peace, justice and strong institutions	**22.6**

22.8. NOTE ON METHODOLOGY

The information presented in the statement of non-financial performance in this report has been drawn up in respect of the financial year ended 31 March 2021.

Reporting scope

The consolidation scope comprises the Group subsidiaries that are fully consolidated for the purposes of the Group financial statements, i.e. the subsidiaries that are exclusively controlled by the Group, whether directly or indirectly. We would point out that certain financially consolidated Group subsidiaries were not included in the statement of non-financial performance, as these companies do not conduct any operations.

This applies in particular to Domimo 2, Nemeio, LDLC7, LDLC9, LDLC11, LDLC12, LDLC13 and LDLC VR Studio.

Reporting period

Unless otherwise stated, reported figures relate to the financial year beginning on 1 April 2020 and ending on 31 March 2021.

Certain KPIs are based on the calendar year from 1 January to 31 December. These include:

- AGEFIPH contribution by applicable workforce
- Percentage of employees with disabilities in the applicable workforce
- Average number of training hours per employee
- Percentage of employees receiving training
- Percentage of employees who completed a personal development course
- Percentage of women among the ten highest earners
- Absenteeism rate
- Staff turnover rate
- Accident frequency rate
- Accident severity rate

Notes on specific indicators

Headcount

Headcount data provided under the business model is expressed in number of employees and includes all persons paid by and working for the Company at the closing date (31 March 2021), excluding trainees and temporary workers.

Frequency and severity rates

The industrial accident frequency rate equals the number of lost-time industrial accidents per million hours worked: no. of lost-time industrial accidents x 1,000,000/no. of hours worked.

The industrial accident severity rate equals the number of working days lost due to industrial accidents per 1,000 hours worked: no. of days lost due to industrial accidents x 1,000/no. of hours worked.

Only lost-time industrial accidents occurring during the year are counted; travel accidents resulting in lost time are not included. Accidents incurred by trainees and temporary employees are also excluded. Hours of absence are deducted from the number of hours worked, while overtime hours are added to this number.

Absenteeism

The only absences taken into account are, on working days: illness, industrial or commuting accidents, unpaid absences, unjustified absences, absences pending justification and therapeutic part-time work.

Staff turnover

The workforce hired under permanent, fixed-term and work-study contracts are taken into account. Trainees and agents are excluded.

Disability

Amounts used for the calculation are those given in the annual DOETH declarations, except for 2020 where the data is unavailable.

Number of training hours

Calculated training hours include training provided under the company training plan, training provided to employees in respect of their statutory training entitlement (CPF) and professional qualification periods. External, in-house, e-learning and face-to-face training is included. The Group does not provide training to temporary employees or to trainees on work-study placements.

Personal development

Training courses designed to help enhance self-awareness, develop and harness talents, boost well-being and achieve professional and personal goals are classified as personal development courses.

Waste

French regulations are applied for the purposes of defining waste and determining whether it is hazardous. Reporting covers all Group facilities. Waste generation is calculated on the basis of volumes removed from Group facilities during the reporting period.

Energy

Energy consumption equals the total amount of energy (electricity, gas and domestic heating oil) invoiced to the Group by its suppliers over the reporting period.

Greenhouse gas emissions

Greenhouse gas emissions have been calculated on the basis of energy consumption over the reporting period multiplied by the standard emission factor for each source of energy (electricity, gas and domestic heating oil) (source: ADEME website). The Group car fleet is only taken into account in the calculations made for the purposes of the Groupe LDLC parent company Bilan Carbone® audit.

IT system incidents

The software is not used by OLYS/BIMP. In 2019/2020, the software availability rate was given for a randomly selected week during the year, with the goal of using this KPI over a longer period, which has been done.

KPI scoreboards may be obtained on request from the LDLC Group QHSE department.

Chapter 23. REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL STATEMENT INCLUDED IN THE MANAGEMENT REPORT

For the year ended March 31, 2021

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as member of the Mazars network, Statutory Auditor of Groupe LDLC S.A., (hereinafter the "entity"), appointed as an independent third party and certified by COFRAC under number 3-1321 (whose scope is available at www.cofrac.fr), we hereby report to you on the consolidated non-financial statement for the year ended March 31, 2021 (hereinafter the "Statement"), included in the management report pursuant to the legal and regulatory provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code (Code de commerce).

The entity's responsibility

Pursuant to legal and regulatory requirements, the Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are available on request from the entity's head office.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the Statutory Auditor, appointed as independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on :

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of Articles A.225-1 and seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, and with ISAE 3000[1] :

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated ;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate ;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III ;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business

[1] ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;

- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1.
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement ;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities[2] and covers between 60% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

  We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion. A higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of 4 people between November 2020 and May 2021 and took a total of 3 weeks.

We conducted 8 interviews with people responsible for preparing the Statement, representing in particular, administration and finance, legal, human resources, health and safety, environmental departments.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

The independent third-party organization

Mazars

Villeurbanne, June 17, 2021

Séverine Hervet	Nicolas Dusson
Partner	Partner, Technical Director

[2] Groupe LDLC SA

Chapter 24. SPECIAL REPORT ON BONUS SHARE PLANS

To the shareholders,

In this special report we have summarised the Management Board's exercise of the authorisation granted by the Extraordinary General Meetings of 28 September 2012, 30 September 2016, 27 September 2019 and 25 September 2020 to grant Company bonus shares pursuant to Articles L.225-197-1 et seq. of the French Commercial Code.

1. Share allotments carried out in accordance with Articles L.225-197-1 to L.225-197-3 of the French Commercial Code

Under the terms and conditions of Resolution 11 adopted by the General Meeting of 28 September 2012, Resolution 19 adopted by the General Meeting of 30 September 2016, Resolution 16 adopted by the General Meeting of 27 September 2019 and Resolution 8 adopted by the General Meeting of 25 September 2020, and pursuant to Articles L.225-197-1 to L.225-197-6 and Article L.225-129-2, paragraph 3 of the French Commercial Code, the Management Board was authorised to grant existing or future Company bonus shares in one or more instalments to all or some of the employees and/or corporate officers of the Company and the companies defined in Article L.225-197-2 of the French Commercial Code.

Under the foregoing authorisations, at its meetings held on 24 June 2013, 28 March 2014, 9 July 2014, 30 September 2016, 29 June 2017, 13 November 2017, 23 February 2018 and 22 July 2020, the Management Board unanimously decided to grant existing Company bonus shares under the following terms.

Date of General Meeting	**28/09/2012**	**28/09/2012**	**28/09/2012**	**30/09/2016**	**30/09/2016**	**30/09/2016**	**30/09/2016**	**27/09/2019**
Date of Management Board meeting	**24/06/2013**	**28/03/2014**	**09/07/2014**	**30/09/2016**	**29/06/2017**	**13/11/2017**	**23/02/2018**	**22/07/2020**
Total number of bonus shares granted (to):	11,494	137	161,746	1,500	10,000	2,000	70,000	20,000
Philippe Sauze (1)	11,494	0	160,924	0	0	0	0	0
Vesting date	23/06/2015	28/03/2016	(2)(3)(4)	30/09/2018 (8)	(9)	13/11/2019 (11)	(12)	(15)
End of lock-in period	23/06/2017	28/03/2018	(5)(6)(7)	01/10/2020	(10)	14/11/2021	(13)	(16)
Number of shares acquired at 31 March 2021	11,494	137	161,746	1,500	2,000	2,000	22,500	0
Total number of shares cancelled or expired	None	None	None	None	7,000	None	35,000	None
Bonus shares outstanding at year-end	None	None	None	None	1,000	None	12,500	20,000
Share value (closing price on allotment date)	€9.68	€22.32	€17.10	€33.30	€28.49	€19.55	€17.94	€27.20
Value of shares (€) according to the method applied to the 2020/2021 consolidated financial statements (14)	None	None	None	None	(58,146.56) (14)	None	419,329.60 (14)	136,801.34

(1)These bonus shares were granted to Philippe Sauze in his capacity as Deputy Chief Executive Officer and Company employee responsible for sales, Internet and marketing. Philippe Sauze is no longer a member of the Management Board as of 29 November 2017.

(2) Philippe Sauze will acquire his bonus shares at the end of vesting periods defined as follows by the Management Board:

- Tranche 1 (28,736 shares): 2 years, expiring midnight 8 July 2016,

- Tranche 2 (40,231 shares): 3 years, expiring midnight 8 July 2017,

- Tranche 3 (40,231 shares): 4 years, expiring midnight 8 July 2018,

- Tranche 4 (51,726 shares): 5 years, expiring midnight 8 July 2019.

The Management Board decided to waive the presence condition applicable to Philippe Sauze (i.e. that he must still be an employee of the Company) on the tranche 3 and 4 vesting dates in respect of the remaining 91,957 bonus shares to be vested.

(3) Other plan beneficiaries will acquire their bonus shares at the end of a two-year vesting period expiring midnight 8 July 2016.

(4)However, in accordance with the last paragraph of Article L.225-197-3 of the French Commercial Code, if the beneficiary dies during the vesting period, his or her heirs may request vesting of the shares within six months of his or her death. Likewise, if a beneficiary suffers 2nd or 3rd degree disability as defined by Article L.341-4 of the French Social Security Code, the beneficiary may request vesting of the shares before the end of the vesting period.

(5)Pursuant to the Management Board's decision, bonus shares acquired by Philippe Sauze are subject to a two-year lock-in period beginning on the vesting date of each tranche:
- Tranche 1: 2 years, expiring midnight 8 July 2018,
- Tranche 2: 2 years, expiring midnight 8 July 2019,
- Tranche 3: 2 years, expiring midnight 8 July 2020,
- Tranche 4: 2 years, expiring midnight 8 July 2021.

(6)Pursuant to the Management Board's decision, bonus shares acquired by other beneficiaries are subject to a two-year lock-in period beginning on the vesting date, i.e. midnight 8 July 2018.

(7)By way of exception, if a beneficiary dies during the lock-in period, his or her heirs shall be entitled to sell or transfer the relevant shares. The same applies if a beneficiary suffers 2nd or 3rd degree disability as defined by Article L.341-4 of the French Social Security Code.

(8) Bonus shares shall only vest provided that the beneficiaries are still employed by the Company on the vesting date.

(9) Bonus shares shall vest only after a vesting period defined as follows by the Management Board:
- Tranche 1 (1,000 shares): 2 years, expiring midnight 29 June 2019,
- Tranche 2 (1,000 shares): 3 years, expiring midnight 29 June 2020,
- Tranche 3 (2,000 shares): 4 years, expiring midnight 29 June 2021,
- Tranche 4 (3,000 shares): 5 years, expiring midnight 29 June 2022,
- Tranche 5 (3,000 shares): 6 years, expiring midnight 29 June 2023.
Bonus shares shall only vest provided that the beneficiary is still employed by LDLC Distribution on the vesting date. However, the Management Board decided to waive the presence condition (i.e. that the beneficiary must still be an employee of the Company) on the tranche 3 vesting date in respect of half of the shares to be vested, i.e. 1,000 shares.
In accordance with a resolution of the 30 September 2016 General Meeting, shares will vest before the end of the vesting period if the beneficiary suffers 2nd or 3rd degree disability as defined by Article L.341-4 of the French Social Security Code.
In accordance with Article L.225-197-3 of the French Commercial Code, if the beneficiary dies, his or her heirs may request vesting of the shares within six months of his or her death. There are no lock-in requirements in respect of these shares.

(10) The beneficiary has committed to a two-year lock-in period beginning on the vesting date of each bonus share tranche, as follows:
- Tranche 1: 2 years, expiring midnight 30 June 2021,
- Tranche 2: 2 years, expiring midnight 30 June 2022,
- Tranche 3: 2 years, expiring midnight 30 June 2023,
- Tranche 4: 2 years, expiring midnight 30 June 2024,
- Tranche 5: 2 years, expiring midnight 30 June 2025.

(11) Bonus shares shall only vest provided that the beneficiary is still employed by the Company or a related company, as defined by Article L.225-197-2 of the French Commercial Code, on the vesting date.

(12) Bonus shares shall vest only after a vesting period defined as follows:
- Tranche 1 (10,000 shares): 2 years, expiring at 11.59 pm on 23 February 2020,
- Tranche 2 (12,500 shares): 3 years, expiring at 11.59 pm on 23 February 2021,
- Tranche 3 (12,500 shares): 4 years, expiring at 11.59 pm on 23 February 2022.
Shares will only vest provided that the beneficiary fulfils the following conditions, as applicable:
-Tranche 1 bonus shares shall only vest provided that, as at the tranche 1 vesting date, the beneficiary has been continuously employed by Olys, a related company as defined by Article L.225-197-2 of the French Commercial Code, or by the Company since 23 February 2018 and is still an employee at said vesting date,
-Tranche 2 bonus shares shall only vest provided that, as at the tranche 2 vesting date, the beneficiary has been continuously employed by Olys, a related company as defined by Article L.225-197-2 of the French Commercial Code, or by the Company since 23 February 2018 and is still an employee at said vesting date, and
-Tranche 3 bonus shares shall only vest provided that, as at the tranche 3 vesting date, the beneficiary has been continuously employed by Olys, a related company as defined by Article L.225-197-2 of the French Commercial Code, or by the Company since 23 February 2018 and is still an employee at said vesting date.
The Management Board decided to waive the presence condition applicable to one beneficiary (i.e. that the beneficiary must still be an employee of the Company) on the tranche 2 and 3 vesting dates in respect of the remaining 25,000 bonus shares to be vested.
In accordance with Article L.225-197-1 of the French Commercial Code and a resolution of the 30 September 2016 General Meeting, bonus shares will vest before the end of the vesting period if the beneficiary suffers 2nd or 3rd degree disability as defined by Article L.341-4 of the French Social Security Code.
In accordance with Article L.225-197-3 of the French Commercial Code, if the beneficiary dies, his or her heirs may request vesting of the bonus shares within six months of the death. There are no lock-in requirements in respect of these shares.

(13) Bonus shares are subject to the following one-year lock-in periods starting on the vesting date:
- Tranche 1: zero hour 24 February 2020 to zero hour 24 February 2021;
- Tranche 2: zero hour 24 February 2021 to zero hour 24 February 2022;
- Tranche 3: zero hour 24 February 2022 to zero hour 24 February 2023.
However, the bonus shares may be freely sold or transferred before the end of the lock-in period if the beneficiary dies or suffers 2nd or 3rd degree disability as defined by Article L.341-4 of the French Social Security Code.
Likewise, if the beneficiary dies, his or her bonus shares may be freely sold or transferred in accordance with Article L.225-197-3 of the French Commercial Code.

(14) For further information, see Notes 3.12 and 4.2 to the consolidated financial statements in Section 18.1.

(15) Bonus shares shall vest only after a vesting period defined as follows:
- Tranche 1 (3,000 shares): 2 years, expiring at 11.59 pm on 22 July 2022,
- Tranche 2 (3,000 shares): 3 years, expiring at 11.59 pm on 22 July 2023,
- Tranche 3 (4,000 shares): 4 years, expiring at 11.59 pm on 22 July 2024.
Bonus shares shall only vest provided that, at each tranche vesting date, the beneficiary has continuously held the status of employee or corporate officer of the Company and/or a related company as defined by Article L.225-197-2 of the French Commercial Code since 22 July 2020 and still holds such status at the applicable vesting date.
However, in accordance with Article L.225-197-1 of the French Commercial Code and a resolution of the 27 September 2019 Extraordinary General Meeting, bonus shares will vest before the end of the vesting period if the beneficiary suffers 2nd or 3rd degree disability as defined by Article L.341-4 of the French Social Security Code.
In accordance with Article L.225-197-3 of the French Commercial Code, if the beneficiary dies, his or her heirs may request vesting of the bonus shares within six months of the death. There are no lock-in requirements in respect of these shares.

(16) Bonus shares are subject to the following one-year lock-in periods starting on the vesting date:
- Tranche 1: zero hour 23 July 2022 to 11.59 pm 23 July 2023,
- Tranche 2: zero hour 23 July 2023 to 11.59 pm 23 July 2024,
- Tranche 3: zero hour 23 July 2024 to 11.59 pm 23 July 2025.
However, the bonus shares may be freely sold or transferred before the end of the lock-in period if the beneficiary dies or suffers 2nd or 3rd degree disability as defined by Article L.341-4 of the French Social Security Code.
Likewise, if the beneficiary dies, his or her bonus shares may be freely sold or transferred in accordance with Article L.225-197-3 of the French Commercial Code.

2. Bonus shares granted to corporate officers by the Company, related companies as defined by Article L.225-197-2 of the French Commercial Code or controlled companies as defined by Article L.233-16 of the French Commercial Code

During the year, no bonus shares were granted by the Company, by related companies as defined by Article L.225-197-2 of the French Commercial Code or by controlled entities as defined by Article L.233-16 of the French Commercial Code to any of these corporate officers in respect of offices and duties exercised within the Company.

3. Bonus shares having vested to corporate officers, granted by the Company, related companies as defined by Article L.225-197-2 of the French Commercial Code or controlled companies as defined by Article L.233-16 of the French Commercial Code

During the year, no bonus shares were vested by the Company, by related companies as defined by Article L.225-197-2 of the French Commercial Code or by controlled entities as defined by Article L.233-16 of the French Commercial Code to any of these corporate officers in respect of offices and duties exercised within the Company following expiry of the vesting period.

4. Amount and value of bonus shares granted to the ten non-director employees granted the highest number of bonus shares by the Company and by related companies or groups as defined by Article L.225-197-2 of the French Commercial Code

The table below presents the number and value of bonus shares allotted during the year (vesting period underway) to the ten non-director Company employees granted the highest number of bonus shares by the Company and by related companies or groups, as defined by Article L.225-197-2 of the French Commercial Code.

Group companies concerned	Allotment date	Number of employees concerned	Number of bonus shares allotted	Share value (closing price on allotment date)
Groupe LDLC	22/07/2020	1	10,000	€27.20
Groupe LDLC	22/07/2020	1	10,000	€27.20
			20,000	

5. Bonus shares having vested to the ten non-director Company employees granted the highest number of bonus shares by the Company and by related companies or groups as defined by Article L.225-197-2 of the French Commercial Code

The table below presents the number and value of bonus shares having vested during the year (expiration of vesting period) to the ten non-director Company employees granted the highest number of bonus shares by the Company and by related companies or groups, as defined by Article L.225-197-2 of the French Commercial Code.

Group companies concerned	Allotment date	Number of employees concerned	Number of shares vested	Share value (closing price on allotment date)
Groupe LDLC	29/06/2017	1	1,000	€28.49
Groupe LDLC	23/02/2018	1	12,500	€17.94
			13,500	

Chapter 25. TOTAL AMOUNT PAID TO THE 10 HIGHEST PAID INDIVIDUALS (ARTICLE L.225-115-4, FRENCH COMMERCIAL CODE)

25.1. STATEMENT OF COMPENSATION IN ACCORDANCE WITH ARTICLE L.225-115-4 OF THE FRENCH COMMERCIAL CODE

The total amount paid (direct or indirect compensation) to the ten highest paid individuals in the Company during the year ended 31 March 2021 was €1,519,208.

25.2. STATUTORY AUDITORS' ATTESTATION ON THE INFORMATION COMMUNICATED IN ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE L. 225-115 4° OF THE FRENCH COMMERCIAL CODE (CODE DE COMMERCE) RELATING TO THE TOTAL AMOUNT OF REMUNERATION PAID TO THE HIGHEST-PAID EMPLOYEES FOR THE YEAR ENDED MARCH 31, 2021

Annual General Meeting held to approve the financial statements for the year ended March 31, 2021

This is a free translation into English of the Statutory Auditor's attestation issued in French and is provided solely for the convenience of English-speaking readers. This attestation should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders of GROUPE LDLC,

In our capacity as statutory auditors of your company and in accordance with the requirements of article L. 225-115 4° of the French commercial code (Code de commerce), we have prepared this attestation on the information relating to the total amount of remuneration paid to the highest-paid employees for the year ended March 31, 2021 contained in the attached document.

This information was prepared under the Chief Executive Officer's responsibility.

Our role is to certify this information.
In the context of our role as statutory auditors, we have audited the annual financial statements of your company for the year ended March 31, 2021. Our audit was conducted in accordance with professional standards applicable in France, and was planned and performed for the purpose of forming an opinion on the annual financial statements taken as a whole and not on any individual component of the accounts used to determine the total amount of remuneration paid to the highest-paid employees. Accordingly, our audit tests and samples were not carried out with this objective and we do not express any opinion on any components of the accounts taken individually.

We have carried out the procedures we considered necessary for this task in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes). These procedures, which constitute neither an audit nor a review, consisted in performing the necessary reconciliations between the total amount of remuneration paid to the highest-paid employees and the accounting records and verifying that it is consistent with the data used to prepare the annual financial statements for the year ended March 31, 2021.

Based on our work, we have no observations to make on the correspondence between the total amount of remuneration paid to the highest-paid employees contained in the attached document and set forth as €1 519 208, and the books of account used as the basis for preparation of the annual financial statements for the year ended March 31, 2021.

This attestation shall constitute certification as accurate of the total amount of remuneration paid to the highest-paid employees within the meaning of article L. 225-115 4° of the French commercial code (Code de commerce).

This attestation has been prepared solely for your attention within the context specified in the first paragraph and may not be used, distributed or referred to for any other purpose.

Lyon and Villeurbanne, June 17, 2021

The Statutory Auditors

Cap Office	Rémi Charnay
Mazars	Séverine Hervet

Chapter 26. TOTAL PAYMENTS MADE IN APPLICATION OF ARTICLE 238 BIS (1) AND (5) OF THE FRENCH TAX CODE AND LIST OF SPONSORSHIP AND CHARITY INITIATIVES

26.1. STATEMENT IN ACCORDANCE WITH ARTICLE L.225-115-5 OF THE FRENCH COMMERCIAL CODE

The total amount eligible for the tax reductions provided for by Article 238 *bis* (1) and (5) of the French Tax Code for the financial year ended 31 March 2021 was €210,819.

26.2. STATUTORY AUDITORS' STATEMENT ON DISCLOSURES MADE IN ACCORDANCE WITH ARTICLE L.225-115-5 OF THE FRENCH COMMERCIAL CODE ON TOTAL PAYMENTS MADE IN APPLICATION OF ARTICLE 238 *BIS* (1) AND (5) OF THE FRENCH TAX CODE

Financial year ended 31 March 2021

To the shareholders of Groupe LDLC

In our capacity as your Company's statutory auditors and in application of Article L.225-115-5 of the French Commercial Code, we have prepared this statement on disclosures regarding total payments made in application of Article 238 *bis* (1) and (5) of the French Tax Code in respect of the year ended 31 March 2021 as set out in the attached document.

These disclosures are drawn up under the responsibility of the Chief Executive Officer.

It is our responsibility to certify these disclosures.

Within the framework of our statutory audit engagement, we have audited the financial statements of your Company for the financial year ended 31 March 2021. The purpose of our audit performed in accordance with the professional standards applicable in France was to express an opinion on the Company financial statements taken as a whole, and not on the individual items of these financial statements used to determine the total amount of payments made in application of Article 238 *bis* (1) and (5) of the French Tax Code. Accordingly, we have not carried out our audit and sample tests with this purpose in mind and we express no opinion on these items taken individually.

We conducted the work that we deemed necessary in accordance with the professional standards of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) in relation to this assignment. These procedures, which constituted neither an audit nor a limited review, involved carrying out the required reconciliation between the total amount of payments made in application of Article 238 *bis* (1) and (5) of the French Tax Code and the underlying accounting records and verifying that said total amount is consistent with the data used to prepare the financial statements for the year ended 31 March 2021.

On the basis of our work, we have no matters to report regarding the consistency between the total amount of payments made in application of Article 238 *bis* (1) and (5) of the French Tax Code as set out in the attached document and amounting to €210,819 and the accounting records used to prepare the financial statements for the year ended 31 March 2021.

This statement certifies the total amount of payments made in application of Article 238 *bis* (1) and (5) of the French Tax Code within the meaning of Article L.225-115-5 of the French Commercial Code.

It is drawn up for your attention in the context described in the first paragraph and must not be used, circulated or cited for any other purposes.

Lyon and Villeurbanne, 17 June 2021

The Statutory Auditors

Cap Office	Rémi Charnay
Mazars	Séverine Hervet

Chapter 27. CROSS-REFERENCE TABLES

The cross-reference table presented below enables the following information to be identified in this Universal Registration Document:

√ Information comprising the Universal Registration Document (Annexes 1 and 2 to Commission Delegated Regulation (EU) 2019/980 of 14 March 2019);

√ Information comprising the Annual Report (Article 4.2.1, Euronext Growth market rules);

√ Information comprising the Management Report (Articles L.225-100 et seq., French Commercial Code).

Universal Registration Document cross-reference table

Annual Report cross-reference table

Management Report cross-reference table

2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | •••

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