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FIRST HALF 2021/2022 EARNINGS UP SHARPLY

- FIRST HALF CONSOLIDATED REVENUES OF €333.5M, UP 6%
- GROSS MARGIN RATE UP 1.2 PP TO 23.1%
- EBITDA UP 20% TO €30.7M - EBITDA MARGIN OF 9.2%
- 2021/2022 INTERIM DIVIDEND OF €0.80

Olivier de la Clergerie, LDLC Group CEO, said: "This performance in first half 2021/2022 shows the strength of our business model. On 6% revenue growth, the LDLC Group again posted record first half EBITDA and EBIT despite a challenging comparison base.

The Group is developing in a growing market, powered by innovation and strong demand for high-tech products from retail and business customers alike. The Group has successfully managed to adapt its operations to cope with ongoing supply issues, which remain challenging and therefore intends to continue its growth momentum throughout the year. With better visibility for the third quarter, the LDLC Group is specifying its ambitions for the 2021-2022 financial year with revenues of around €750m and an EBITBA close to €70m."

SIMPLIFIED FIRST HALF INCOME STATEMENT (1 APRIL-30 SEPTEMBER)

€m (unaudited)	H1 2021/2022 6 months	H1 2020/2021 6 months	Change
Revenues	333.5	314.3	+19.2
Gross margin	76.9	68.7	+8.2
<i>Gross margin rate</i>	23.1%	21.9%	+1.2 pp
EBITDA¹	30.7	25.6	+5.1
<i>EBITDA margin</i>	9.2%	8.1%	+1.1 pp
EBIT	26.1	21.8	+4.3
Net financial income/(expense)	(0.2)	(0.2)	0.0
Earnings of consolidated companies before non-recurring items	25.9	21.7	+4.2
Non-recurring income/(expense)	0.0	0.0	0.0
Income tax	(7.6)	(7.1)	-0.5
Net income of consolidated companies	18.3	14.6	+3.7
Net income, Group share	18.3	14.6	+3.7

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

On 1 December 2021, the LDLC Group Management and Supervisory Boards approved the consolidated financial statements for the six months ended 30 September 2021.



H1 2021/2022 BUSINESS REVIEW

Record revenues of €333.5m for H1 2021/2022 (up 6.1% as reported, up 5.3% at constant consolidation scope)

For the six months ended, the BtoC business recorded revenues of €236.1m, pointing to a high level of resilience compared with last year's outstanding performance (up 0.4% at constant consolidation scope – Top Achat acquired on 10 April 2020, i.e. 10 days unconsolidated last year). Online BtoC revenues edged down over the period (down 2.2%), but nevertheless remained high in line with the record performance recorded in the first half of 2020/2021. LDLC store revenues rose 21.8% to €42.6m, once again demonstrating the complementary nature of the distribution channels.

The BtoB business recorded a 20.5% increase in revenues to €91.6m in first half 2021/2022 compared to €76.0m last year. In addition to a favourable comparison base in the first quarter, this business continues to benefit from demand for equipment from corporate customers seeking to keep pace with the boom in digital technology and the new uses it brings.

The Group's average basket rose sharply to €472 excl. VAT (from €390 excl. VAT last year) reflecting changes in the product mix impacted by ongoing supply difficulties and improved availability of mid-range and high-end products. Customer acquisition remains high, with 221,000 new BtoC and BtoB customers added in H1.

Other businesses were up 6.2% at €5.8m, compared to €5.4m in H1 2020/2021. In the childcare segment, L'Armoire de Bébé remains on a path of strong growth after posting H1 2021/2022 revenues of €4.0m, up 15.7%. The brand is pursuing the development of its online business and the expansion of its physical retail chain (5 stores at 30 September 2021).

Gross margin rate up 1.2 pp to 23.1%

Gross margin increased 12% to €76.9m in H1 2021/2022, thanks to healthy topline growth and a 23.1% gross margin rate still running at the record levels we saw throughout 2020/2021, with market trends set to positive (product range, less reliance on promotional offers).

The Group stresses the outstanding nature of the gross margin for the first half of the year and reaffirms its vision of a normative gross margin of 21.5% in the medium term.

Operating profit up 20% in H1 2021/2022

First half EBITDA came to €30.7m, up 20% on the previous year. This improvement in operating profitability, with an EBITDA margin of 9.2% versus 8.1% last year, was attributable to a higher gross margin and a slower increase in operating expenses excluding cost of goods sold (up 8% versus H1 2020/2021).

Net financial expense was unchanged at €0.2m and the Group booked no non-recurring items over the period.

Net income for first half 2021/2022 was €18.3m, up 26% from €14.6m the previous year.

Robust financial structure

Shareholders' equity rose to €110.0m at the end of the first half, compared to €101.6m at 31 March 2021.

In a tougher environment for sourcing supplies, the Group decided to spend some free cash to streamline supply and inventory management in order to keep pace with consumer demand in the run-up to the Christmas period.



This added €37.1m to working capital over the period. Stripping out this spend, net cash nonetheless stayed positive at €14.6m compared to €31.3m at 31 March 2021.

Four-day week

In the first half of the year, the Group proved that its transition to a four-day working week, in operation since January 2021, is beneficial not only for staff well-being and commitment but also for Group earnings, which rose to record highs over the period.

2021/2022 INTERIM DIVIDEND

In line with the policy of rewarding shareholders announced last year, the LDLC Group approved the payment of an ordinary interim dividend of €0.80 per share in respect of FY 2021/2022 (ex-dividend date 23 February 2022, payment date 25 February 2022).

RECENT NEWS AND OUTLOOK

Customer Service of the Year award for the eighth year running

On 19 November 2021 LDLC received the “Customer Service of the Year” award for 2022¹. For the eighth year in a row, the LDLC Group topped the rankings in the Technical Product Retail category, scoring 19.24/20. LDLC’s 60 advisers work tirelessly to make sure customers receive the best possible advice, handling 550,000 requests per year by phone, email, live chat or on social media.

BIMP stores join the chain rebranded as LDLC Apple Premium Reseller

To unify its branding and maximise leverage of LDLC store brand recognition, the Group has announced the 18 BIMP stores will be renamed “LDLC Apple Premium Reseller”. The LDLC Apple stores will continue to target a professional and retail consumer base offering Apple-branded products and specialist Apple expertise. The Perpignan store has already migrated to the new banner and the remaining stores are expected to follow suit by year-end.

Confidence reaffirmed in full year 2021/2022

The LDLC Group continues to observe favourable long-term trends in its markets buoyed by strong demand for equipment in response to new digital uses and product innovation. However, while most of its market segments are not experiencing serious shortages, the Group will have around 35% fewer graphics cards available than last year. These card shortages should not, however, drag on into Q4 when, with the Christmas rush for graphics cards over, supply levels should be comparable to those seen in the same quarter last year.

As a result, the Group is forecasting full year 2021/2022 revenues of around €750m. Margins should fall back toward more normal levels and therefore, notwithstanding the stellar performance in H1, the Group forecasts EBITDA of close to €70m.

¹ Technical Product Retail category - BVA Group survey - Viséo CI - Read more at [esca.fr](https://www.esca.fr)



Next meeting:

3 December 2021 at 10am – First half earnings presentation meeting
Edouard VII Conference Centre, 23 square Edouard VII, Paris 9th district

Next release:

27 January 2022 after market close, Q3 2021/2022 revenues

→ GROUP OVERVIEW

The LDLC Group was one of the first to venture into online sales in 1997. As a specialist multi-brand retailer and a major online IT and high-tech equipment retailer, the LDLC Group targets individual customers (BtoC) as well as business customers (BtoB). It operates via 15 retail brands, has 7 e-commerce websites and close to 1,000 employees.

Winner of a number of customer service awards and widely recognised for the efficiency of its integrated logistics platforms, the Group is also developing an extensive chain of brand stores and franchises.

Find all the information you need at www.groupe-ldlc.com

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