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H1 2023/2024 BUSINESS REVIEW

- CONSOLIDATED FIRST HALF REVENUES UP 5.1% TO €266.9M
- SECOND QUARTER UPSWING (UP 9.7%) AND RETURN TO ORGANIC GROWTH (4.4%)
- TARGET OF RETURNING TO ORGANIC GROWTH IN 2023/2024 CONFIRMED

Olivier de la Clergerie, LDLC Group CEO, said: “The LDLC Group posted consolidated revenues of €266.9m for the first half of 2023/2024, up 5.1% and up 0.2% at constant consolidation scope. The improvement in the trend observed over the last few quarters continued and the second quarter marked a return to positive organic growth. Store business remained buoyant, while the slowdown in the BtoB business continued amid a hostile economic environment, albeit at a slower pace.

Despite ongoing economic uncertainties, the Group’s strategy of increasing its brand awareness and market share is bearing fruit. The first half trend is expected to continue throughout the rest of the year, allowing us to aim for slight growth at constant consolidation scope over the full 2023/2024 financial year, in line with the announced target.

The Group remains focused on implementing its roadmap in order to take full advantage of growth opportunities as soon as market recovery begins to gather pace. Strengthening our regional network, enhancing our brand awareness and expanding our product and service offering are the strategic pillars underpinning our goal of becoming the go-to high-tech brand for a diversified customer base, while continuing to gain new market share.”

FIRST HALF CONSOLIDATED REVENUES (1 APRIL TO 30 SEPTEMBER) – UNAUDITED

€m	2023/2024	2022/2023	Change (%)
Q1 revenues	126.9	126.3	+0.5%
Q2 revenues	140.0	127.6	+9.7%
Total H1 revenues	266.9	253.9	+5.1%

Half-year reporting, corporate data: H1 2023/2024 revenues of €230.3m

H1 2023/2024 revenues: €266.9m

Revenues for the first half ended 30 September 2023 amounted to €266.9m, up 5.1% versus the same period last year. At constant consolidation scope (excluding the impact of A.C.T.I. MAC, which has been consolidated since 1 April 2023), revenues were up 0.2%. The second quarter saw a return to organic growth (up 4.4% versus Q2 2022/2023) mainly due to the gradual stabilisation of new high-tech equipment purchases.



The BtoC business posted revenues of €178.6m, up 7.4% versus H1 2022/2023 and up 5.1% at constant consolidation scope. Organic growth accelerated over the first half from 1.4% in Q1 to 8.8% in Q2. Growth was driven by store revenues of €63.2m, up 20.9%. This solid growth underlines the merits of the Group's investments to strengthen its regional network and get closer to its customers. Q2 also marked the return to growth in the online business.

The BtoB business posted first half revenues of €81.3m, up 0.3% from €81.1m the previous year. Revenues were down 10.6% at constant consolidation scope, still impacted by a macroeconomic environment that is prompting companies to remain cautious and to postpone investment. However, the slowdown eased during the first half, with revenues down only 5.5% at constant consolidation scope in Q2 after a 15.5% decline in Q1 2023/2024. The business line's fundamentals remain strong, given the boom in digital technology and the need for professionals to constantly adapt to new developments.

Revenues from other businesses increased 8.2% to €7.0m. Childcare brand L'Armoire de Bébé posted revenues of €4.6m, up 3.4% from €4.5m in H1 2022/2023.

Strengthening of LDLC Group staff policy

During the first half, the LDLC Group continued to develop its staff policy. After switching to a 32-hour 4-day week, the Group continued its innovative occupational well-being policy by offering 20 weeks' parental leave for both female and male employees.

This measure forms part of the Group's proactive drive to develop an innovative employment model by continuously improving working conditions in order to enhance both employee well-being and Company performance.

Outlook

The BtoC equipment upgrading cycle is grinding back into action and the brand awareness campaigns rolled out by the LDLC Group to acquire new customers, including the TV advertising campaign and free three-year warranty extension, enable the Group to outperform market trends.

While the current economic climate calls for continued caution on the part of companies, the fundamentals of the high-tech equipment sector remain intact as businesses are compelled to upgrade their digital equipment in order to ensure operational efficiency and adequate cyber security.

The positive signs observed in Q1 2023/2024, confirmed and strengthened in the second quarter, enable the LDLC Group to confidently confirm its target of returning to modest growth at constant consolidation scope over the full 2023/2024 financial year.

The LDLC Group intends to pursue its policy of strengthening its brand awareness and becoming the leading high-tech brand across an increasingly broad consumer base, while continuing to surf the waves of new product upgrading cycles.

Next release:

7 December 2023 after market close, H1 2023/2024 results



→ 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 1,100 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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