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2022/2023 NINE-MONTH REVENUES

- CONSOLIDATED REVENUES OF €424.7M
- STRONGER POSITIONING IN Q3 WITH REVENUES OF €170.8M AND GROWING BUSINESS IN STORES

Olivier de la Clergerie, LDLC Group CEO, said: “As expected, the LDLC Group posted revenues of €424.7m for the first nine months, down 19.1% on last year. After a first half impacted by an unfavourable comparison base and a challenging backdrop (rising energy prices, inflation, strengthening of the dollar versus the euro), Q3 business marked a reversal of the trend.

Without returning to growth just yet, Q3 sales picked up, in line with our previous announcements. Store business posted growth for the period, following considerable Group investments over the last few months.

This proves the merits of the Group’s strategy of continuing to invest in development. During the third quarter, we continued our initiatives to increase brand awareness, expand our regional network and strengthen our logistics capacities by commissioning the new logistics centre in St-Quentin-Fallavier.

We are confident in our ability to take advantage of our market recovery as soon as the trend is confirmed.”

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

€m (unaudited)	2022/2023	2021/2022	Change (%)
H1 revenues	253.9	333.5	-23.9%
Q3 revenues	170.8	191.3	-10.7%
9-month total	424.7	524.8	-19.1%

Corporate data: Q3 2022/2023 revenues €158m, 9-month revenues €388.1m

Q3 2022/2023 revenues of €170.8m

Q3 2022/2023 revenues totalled €170.8m, down 10.7% from the previous year. However, the decline slowed in comparison with the first two quarters, due to a less demanding comparison base and a more extensive upgrading programme (launch of new processors and graphics cards), which boosted sales, particularly to retail customers.

The BtoC business posted Q3 revenues of €117.1m, down 11.4% from the previous year. Store revenues returned to growth, up 5.5% to €37.2 million. This increase underlines the merits of the Group’s investments to strengthen its regional network and get closer to its customers.

The BtoB business posted Q3 revenues of €50.0m, down 9.8% from €55.5m the previous year. It is worth noting a slight increase compared to Q2 (which was down 13.6%).



Other businesses generated steady revenues of €3.6m, up 1.3%. Childcare brand L’Armoire de Bébé posted revenues of €2.3m compared to €2.4m in Q3 2021/2022.

9-month 2022/2023 revenues of €424.7m

Nine-month 2022/2023 consolidated revenues amounted to €424.7m, down 19.1% This decline is partly due to a challenging comparison base, in light of continuing exceptional business levels in H1 2021/2022. It is also linked to a persistently high level of new equipment ownership among households and businesses after the significant high-tech purchases made during the COVID period. Finally, the economic context marked by sharp price hikes, particularly energy costs, affected discretionary household spending and business investment.

The BtoC business posted 9-month revenues of €283.5m, down from €368.4m the previous year. The Online businesses were more heavily impacted by lower spending, down 29.7%. Stores held up particularly well, posting 9-month revenues of €89.5m, down 3.3%. The LDLC Group has opened 18 IT stores since the beginning of the financial year and now has 96 physical high-tech stores up and running.

BtoB revenues fell 10.3% to €131.1m. Although more resilient than BtoC, the BtoB segment was hit by the postponement of high-tech spending by companies, a temporary measure to cope with rising costs mainly prompted by the surge in energy prices and high dollar volatility. In the medium to long term, this segment is strategic for the LDLC Group, as professionals will need to invest to adapt to the boom in digital technology and the new uses and needs it brings. Having developed its presence in this segment for several years, the Group is perfectly positioned to take advantage of BtoB growth as soon as it resumes. In December 2022, the Group announced a plan to acquire the A.C.T.I. MAC Group, which would significantly strengthen the BtoB offering.

Other businesses posted total 9-month revenues of €10.0m compared to €10.2m the previous year. L’Armoire de Bébé pursued its growth path with revenues up 6.2% at €6.8m. The success of this business is driven by the expansion of the store chain (8 stores at 31 December 2022 versus 5 at 31 December 2021).

RECENT NEWS AND OUTLOOK

2022/2023 interim dividend

The LDLC Group approved the payment of an ordinary interim dividend of €0.40 per share in respect of 2022/2023 (ex-dividend date 22 February 2023, payment date 24 February 2023).

Reminder about the introduction of loyalty dividends as of the 2024/2025 closing date

The first loyalty dividend will be distributable in 2025, coinciding with the potential distribution of dividends for the 2024/2025 financial year ending 31 March 2025. As such, the LDLC Group encourages its shareholders to register their shares before 31 March 2023. An information guide and FAQ list regarding the introduction of loyalty dividends will be published on the Company website: www.groupe-ldlc.com. The LDLC Group may update this information guide depending on the circumstances. Shareholders are encouraged to consult the website regularly to stay abreast of any updates.

Stronger commitment to gender balance

The LDLC Group has strengthened its support for the LDLC ASVEL Féminin basketball teams in order to match its commitment to the LDLC ASVEL men’s team. As the first high-level sports club to become a mission-driven company, LDLC ASVEL Féminin will also help the LDLC Group achieve its gender balance objectives, for example



by assisting with the recruitment of female sales assistants and students to strengthen gender equality in LDLC stores and the LDLC School. The club will also provide LDLC Group teams with training courses on management and gender balance in the workplace. As previously announced, LDLC ASVEL Féminin aims to become a benchmark in terms of civic engagement geared specifically towards women's fulfilment.

Outlook

Having recorded better sales momentum in the third quarter, as expected, the Group enters the last stage of the 2022/2023 financial year with confidence. The recent upgrading programme, mainly affecting processors and graphics cards (new major ranges brought to market every two years), is expected to continue to bolster Group business.

Accordingly, this gradual recovery should enable the LDLC Group to better leverage the strengths of its business model, thereby driving profitability for the full 2022/2023 financial year.

Over the medium term, the Group will be operating in fast-growing markets. To capture growth in these markets as soon as they recover, the LDLC Group will be relying on solid fundamentals, a strong financial position and actions to support its development. The Group will draw on strengthened brand recognition, the accelerated development of the store chain and growth in the BtoB segment.

Future growth will also be driven by new logistics solutions and facilities, including the ramp-up of business at the new warehouse in St-Quentin-Fallavier.

Drawing on these strengths, and even if present factors impact its economic performance in the short term, the LDLC Group confirms its ability to return to normalised gross margin and profit levels in the medium term.

Next release:

27 April 2023 after market close, full-year 2022/2023 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

ACTUS

Investor & Media Relations
Margaux Rouillard / Marie-Claude Triquet
mrouillard@actus.fr – mcetriquet@actus.fr
Tel.: + 33 (0)4 72 18 04 93

