



2019 BUSINESS AND TURNOVER

Orléans, 26 February 2020 – Mr.Bricolage SA, which groups together local independent home improvement and gardening stores, is releasing its full-year turnover for 2019, up 2.5% to €247.1m, driven by the longstanding core *Network Services* business. Following the implementation of the final phases of the plan to divest the directly-owned stores, as announced on 30 December 2019, the “Retail” business is presented in accordance with IFRS 5⁽¹⁾, the 2018 data have been restated to be comparable.

- **Thanks to the work carried out to modernize the brand and ensure a healthier position for the Group, the appeal of the Mr.Bricolage networks is being further strengthened and development is being ramped up.** At 31 December 2019, the Group had 778 points of sale in France and other countries, with a net balance of +14 stores versus 2018. At 31 January 2020, the 61 new members and affiliates brought on board took the network up to 837 stores.
- **In France, the volume of business is outperforming the market (+1.8% for the 2019 Banque de France home improvement superstore index⁽²⁾) with +2.8% growth** on a like-for-like store basis (restated for the directly-owned stores sold, currently being sold or planned for closure).
- **In 2019, the Mr.Bricolage Group continued moving forward with its realignment around its longstanding core *Network Services* business**, rolling out the plan to divest its 65 directly-owned stores. As announced on 30 December, the final sales are underway and talks are ongoing with employee representatives from the five stores⁽³⁾ that have not found buyers and whose closure is being considered (Allonne, Brive-Mazaud, Lexy, La-Roche-sur-Yon and Montereau-Fault-Yonne).
- **The resized Mr.Bricolage Group is now focused exclusively on supporting and developing the performance of the member and affiliate stores, through its *Network Services* business. Turnover for this activity climbed to €213.9m in 2019, up 6.2%.** Alongside this, the 4 pillars concept, already deployed in 10 stores and currently being put in place in several others, is proving its relevance, with rapid improvements in performance for the stores that have been modernized.
- **On 24 February 2020**, the Euronext Listing Board approved the request for Mr.Bricolage’s ordinary shares to be admitted for trading on the Euronext Growth Paris market. Following the General Meeting’s approval on 22 January 2020, and the Board of Directors’ decision on the same day, Mr.Bricolage’s ordinary shares will be admitted to Euronext Growth Paris from the start of trading on 24 March 2020 (see press release from 22 January 2020).

(1) The procedures to audit the 2019 financial statements are underway and the accounts will be approved by the Board of Directors during a meeting at the end of March 2020. The financial statements for 2019 are presented in accordance with IFRS 5, reclassifying income from the stores sold or in the process of being sold (with a firm offer) in 2019 on a separate line on the income statement.

(2) Source: Banque de France, 12 months to end-December 2019, on a like-for-like basis.

(3) The Orléans store was closed on 30 January 2020.

I - TURNOVER

Following the implementation of the final phases of the plan to divest the directly-owned stores, as announced on 30 December 2019, the *Retail* business is presented in accordance with IFRS 5⁽¹⁾, the 2018 data have been restated to be comparable. Under these conditions, the Group's turnover is up 2.5% from 2018 to €247.1m, driven by growth in the *Network Services* business.

The Group's good performances, in terms of both the efforts made internally and those supporting the network's growth, will help drive improvements in the current operating profit for the Group, which will however be affected, to a considerably lesser extent than in 2018, by the final impacts of the divestment plan.

Consolidated turnover (€m), currently being audited	31 Dec 2019 Reported IFRS 5	31 Dec 2018 Restated IFRS 5	Change Like-for-like
Retail	33.2	39.7	-16.4%
- Directly-owned stores	27.8	31.4	-11.7%
- Online sales	5.4	8.3	-34.2%
Network Services	213.9	201.4	+6.2%
- Goods	145.3	133.8	+8.6%
- Services	68.7	67.7	+1.5%
Total turnover	247.1	241.1	+2.5%

In line with the divestment plan, the **Retail business** represents €33.2m, down 16.4% from 2018. With the application of IFRS 5, turnover includes the balance for the six stores that have not received offers from buyers at 31 December 2019.

With regard to online sales, the gradual closure of the Jardin de Catherine site in 2019 masks the increase in the volume of business (+16.9%) for the www.mrbricolage.fr e-commerce activity, which was completely reconfigured in 2018.

Effectively positioned to support the gradual integration of the previous directly-owned stores and the growth in the member and affiliate networks, the **Network Services business** recorded 6.2% growth in 2019 (€213.9m), driven by:

- The €11.5m (+8.6%) increase in sales of goods linked to the range changes, the development of the own-brand "Inventiv" and the opening up of the warehouses to the Briconautes and affiliate points of sale;
- The €1.0m (+1.5%) growth in services linked to the increase in the volume of business and purchases for the networks' points of sale.

II - NET DEBT

At 31 December 2019, the Group's net debt totaled €78.6m, compared with €96.1m at end-2018. The Group has used its drawdown capacity under the credit agreement from 16 October 2019. At 31 December 2019, the Group's net debt excluding the impact of IFRS 16 came to €88.0m, versus €103.6m at end-2018. The Group's cash position shows a significant year-on-year increase to €34.2m, including its use of the €3.0m overdraft line, in accordance with the Group's expectations.

III - NETWORKS

At end-2019, the volume of business came to €1,968.6m, up +1.4% on a like-for-like store basis. At 31 December 2019, the network had a total of 778 points of sale. At 31 January 2020, the 61 new members-entrepreneurs and affiliates brought on board took the network up to 837 stores.

In France (86.7% of the total volume of business), the volume of business on a like-for-like store basis, restated for directly-owned stores (already sold, currently being sold or planned for closure) is up +2.8%, outperforming the market (+1.8% for the Banque de France home improvement superstore index in 2019). Moreover, the results measured for the stores modernized in 2019 in line with the 4 pillars concept are promising and reflect the relevance of the proximity positioning, which is a core feature of the Mr.Bricolage Group's business. On a like-for-like basis for member stores that switched to the 4 pillars concept in 2019, turnover growth represents over 10%.

On international markets (13.3% of the total volume of business), the network has 70 stores, compared with 69 at end-2018, following the opening of the seventh Mr.Bricolage brand store by the Brico Invest group in Morocco in November. Following a rationalization phase in 2017, the international network (€262.4m) shows solid performances, with +4.2% growth on a like-for-like store basis. Belgium (45 stores) represents 55% of the international volume of business and is up +3.7% on a like-for-like store basis, with the same level of growth achieved by Bulgaria (11 stores, 23.5% of the international volume of business).

The volume of business for online sales, in line with turnover, was impacted by the gradual closure of the Jardin de Catherine site in 2019, masking the increase in the volume of business (+16.9%) for the www.mrbicolage.fr e-commerce activity, which was completely reconfigured in 2018.

<i>Volume of business incl. taxes</i>	Number of stores	31 Dec 2019 (€m)	Change on total store basis	Change on like-for-like store basis
In-store sales	778	1,960.0	-1.1%	+1.4%
France ^(a)	708	1,697.6	-2.0%	+0.9%
France excl. directly-owned stores ^(b)	652	1,432.6	-0.2%	+2.8%
International ^(c)	70	262.4	+5.6%	+4.2%
Total sales excl. directly-owned stores	765	1,872.6	-0.4%	+1.9%
Online sales ^(d)	-	8.6	-24.0%	NA
Total	778	1,968.6	-1.2%	+1.4%

(a) With 298 Mr.Bricolage brand stores (including 13 directly-owned stores), 104 Les Briconautes brand stores (directly-owned store sold in 2019) and 306 affiliate stores under independent brands.

(b) Includes (a) after deducting the volume of business for the directly-owned stores (43 bought out by the network and 13 remaining at 31 December 2019).

(c) 70 Mr.Bricolage brand stores in nine countries: Andorra (1), Belgium (45), Bulgaria (11), Cyprus (1), Ivory Coast (1), Macedonia (1), Madagascar (1), Mauritius (2), Morocco (7).

(d) "Online sales" include home delivery sales and sales collected from Mr. Bricolage store collection points.

III - Mr.Bricolage Group outlook for 2020

Realigned around its core "Network Services" business, in 2020, 40 years after the brand was launched, the Group is moving forward with four main goals, continuing to build on its REBOND roadmap:

- Implementing the proposed shutdowns and closures presented above under the best possible conditions;

- Continuing to optimize network services and accelerating the development of value-creating actions: renewing the product selection and pricing management tools, standardizing the information systems, maintaining marketing investments in the Inventiv brand and in-store footfall, and deploying the new customer services platform;
- Continuing to develop the network of branded and affiliate stores to achieve the ambition for 1,000 points of sale by 2028;
- Accelerating the rollout and implementation of the “4 pillars” concept across the network. To date, 10 Mr.Bricolage stores offer the four retail pillars.

Financial diary

- 2019 full-year earnings: Thursday, March 26, 2020, after trading.

About Mr.Bricolage

The Mr.Bricolage Group, which develops the well-known brands Mr.Bricolage and Les Briconautes, is the French specialist for local independent DIY retail, with 837 outlets (as of Jan. 31st, 2020) operating under the brands or through affiliates. Internationally, the Group is present in nine other countries with 70 stores. The Mr.Bricolage SA shares will be admitted for trading on Euronext Growth Paris (ISIN: FR0004034320 - MRB) from 24 March 2020.

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