2021 FIRST-HALF EARNINGS
Solid commercial and financial performance

Orléans, July 28th, 2021, 6pm CET - Mr.Bricolage SA, which groups together local independent home improvement and gardening stores, is reporting its consolidated earnings for the first half of 2021, approved by the Board of Directors during its meeting on July 28th, 2021. The start of 2021 continued to be marked by strong growth in the volume of business for the networks (+19.3% on a total store basis and +18.3% on a like-for-like store basis) as well as the Group's financial indicators. In a still buoyant market context in 2021, these performance levels highlight the relevance of Mr.Bricolage's roadmap and are notably reflected in the increase in revenues for the "Network Services" business and the significant turnaround in operating margins.

"This first half-year period following REBOND, our strategic plan launched in 2016 and completed at the end of 2020, is very satisfying for the Mr.Bricolage Group and all of its networks. In general, we can see that the strong growth recorded during the first COVID lockdown in spring 2020 is slowing down in a context of the sector gradually returning to a normal level of activity. The excellent trends that began in 2020 have been confirmed, from network growth to the rollout of the "4 pillars" store concept or the financial performance levels achieved. In a buoyant home improvement market, we are fully benefiting from the optimization of our organization, as successfully put in place during the last few years. This is reflected in an excellent level of EBITDA, while operating expenditure are gradually returning to normal. I would like to sincerely congratulate all of our office and in-store teams for these excellent results. Let's continue building on this progress together over the second half of the year and let's further strengthen our agility!", commented Christophe Mistou, Mr.Bricolage Group CEO.

I - KEY DEVELOPMENTS FOR THE FIRST HALF OF 2021

At 30 June 2021, **the member and affiliate networks in France and other countries comprised 896 stores, compared with 854 at end-December 2020. Together, these stores represent a total volume of business of around €1,259.6m, up +19.3% on a total store basis and +18.3% on a like-for-like store basis.** During the first half of this year, the Group recorded a net balance of 42 new points of sale, including eight for the Mr.Bricolage brand. Further strengthened in the last few years through the REBOND plan, the networks are also benefiting from the arrival of 33 new affiliates and one Les Briconautes brand store. This sustained development of member and affiliate points of sale, despite the cautious approach linked to the health crisis, confirms the ambition to have more than 1,000 points of sale by 2028.

In France, the Mr.Bricolage Group networks represented a total of 824 stores at June 30th, 2021, compared with 783 at December 31st, 2020, with a net balance of 41 new points of sale. The volume of business is up to €1,099.3m, with growth of over 20%. The increase in the number of stores modernized in line with the "4 pillars" store concept is accelerating, with 23 new stores converted during the first half of 2021, taking the total up to 48, representing 16% of the Mr.Bricolage brand stores in France. Seven modernizations are planned for the second half of 2021. With a growth rate of +25.5%[1], the market trends take into account the catch-up in April and May 2021 for the very large home improvement stores, which had to close in 2020 due to the health guidelines, with the majority remaining open since the start of 2021.

(1) Sources: Banque de France indexes, in value, like-for-like and year-on-year (June 2020 to June 2021).

Internationally, the Mr.Bricolage brand generated a business volume of €156.5m, up +10.3% on a total store basis and +7.4% on a like-for-like store basis, with 72 stores in 10 countries outside of France (vs. 71 at end-December 2020). During the first half of 2021, a new Mr.Bricolage store opened in Morocco, in Temara, the coastal city that is the capital of the Rabat-Salé-Kénitra region. With a total space of 1,709 sq.m, this 9th Moroccan store is owned by Brico Invest, which has continued to expand its presence in this country since opening its first store in 2005 in Casablanca (2008 in Marrakesh, 2011 in Tangiers, 2012 in Agadir, then Casablanca again in 2017, 2018, 2019 and 2020).

Online sales (excluding click-and-collect = 2h store retrieve) are up 80.2%. This strong progress has been achieved thanks to the e-commerce strategy rolled out as part of the REBOND plan and is linked primarily to:

- the development of the service for deliveries direct from suppliers,
- the investments focused on the e-commerce platform's technical performance features,
- the new features developed on the site during the last quarter of 2020 and the first half of 2021.

Click-and-collect sales are included directly in revenues for the stores.

Volume of business incl. taxes €m	**Number of stores**	**June 30, 2021**	**Change on total store basis**	**Change on like-for-like store basis**
In-store sales	**896**	**1,255.8**	**+19.2%**	**+18.3%**
- France[2]	824	1,099.3	+20.5%	+20.4%
- International[3]	72	156.5	+10.3%	+7.4%
Online sales[4] (excluding click-and-collect)	-	3.8	+80.2%	NA
Total	**896**	**1,259.6**	**+19.3%**	**+18.3%**

(2) With 313 Mr.Bricolage brand stores, 108 Les Briconautes brand stores and 403 affiliate stores under independent brands.

(3) 72 Mr.Bricolage brand stores operating in 10 countries: Andorra (1), Belgium (44), Bulgaria (11), Cyprus (1), Gabon (1), Ivory Coast (1), Macedonia (1), Madagascar (1), Mauritius (2), Morocco (9).

(4) The "online sales" item includes home delivery sales and sales collected from Mr. Bricolage stores (excluding click and collect).

The Mr.Bricolage Group is continuing to adapt in real time to the health situation as it evolves. Supported by the Group's very regular communications on the changes in the regulations and the latest health guidelines, and by the continuity of the procurement, logistics and support services, the Mr.Bricolage networks' stores benefited from their proximity-based positioning to respond to strong demand from consumers. In view of the pressures concerning raw materials and certain finished products, the difficulties faced are mitigated by reduced exposure to Asian suppliers. Moreover, the Group is continuing to diversify its sourcing with European suppliers.

With regard to the Group's governance, Paul Cassignol was reappointed as Chairman and CEO of ANPF. ANPF, which groups together all of the members-entrepreneurs across the Mr.Bricolage network, is Mr.Bricolage's main shareholder (notably through its subsidiary SIMB). This appointment illustrates the networks' continued confidence in the strategy put in place since 2016 by the Chairman, Paul Cassignol, and the Chief Executive Officer, Christophe Mistou.

II – 2021 FIRST-HALF EARNINGS

The results for the first half of the year were approved by the Board of Directors on July 28th, 2021. The income statement published previously for the first half of 2020 was restated, in accordance with IFRS 5, to enable it to be comparable following the change of scope relating to the end of the Retail business.

Condensed consolidated accounts (€m)	June 30, 2021 IFRS 5 reported	June 30, 2020 IFRS 5 reported	June 30, 2020 Restated for IFRS 5	Change Like-for-like
Consolidated revenues	**176.2**	**134.5**	**138.4**	**+27.3%**
- Network Services	*176.2*	*134.5*	*138.4*	***+27.3%***
- Retail (activity discontinued)	*NA*	-	-	-
EBITDA	**25.2**	**16.9**	**16.9**	**+49.0%**
% of revenues	*14.3%*	*12.6%*	*12.2%*	
Current operating profit	**19.1**	**11.4**	**11.4**	**+68.6%**
- Network Services	***19.1***	11.4	11.4	***+68.6%***
- Retail (activity discontinued)	*NA*	0.0	0.0	
Other non-current operating income and expenses	(0.2)	(0.1)	(0.1)	-13.0%
Operating profit	**19.0**	**11.2**	**11.2**	**+69.3%**
% of revenues	*10.8%*	*8.3%*	*8.1%*	
Financial income (expense)	**(2.3)**	**(2.5)**	**(2.5)**	**+6.7%**
Contribution from associates	1.3	0.0	0.0	
Corporate income tax	(1.9)	(2.7)	(2.7)	-29.6%
Profit after tax from continuing operations	**16.0**	**6.0**	**6.0**	**+167.0%**
Profit after tax from discontinued operations	2.4	0.8	0.8	-
Profit (loss) for the period	**18.4**	**6.8**	**6.8**	**-**
- Group share	*18.4*	6.8	6.8	-
- Minority interests	*NS*	NS	NS	-

Revenues

Condensed consolidated accounts (€m)	June 30, 2021 IFRS 5 reported	June 30, 2020 IFRS 5 reported	June 30, 2020 Restated for IFRS 5	Change Like-for-like
Network Services revenues	**176.2**	**134.5**	**138.4**	**+27.3%**
- Sales of goods	*126.4*	*97.5*	*101.0*	*+25.2%*
- Sales of services	*49.8*	*36.9*	*37.4*	*+33.0%*

Consolidated revenues for the first half of 2021, now based exclusively on the Network Services business, climbed to €176.2m, up +27.3% from the first half of 2020, in line with:

- The increase in sales of goods linked to the networks' growth, the range changes and the development of the own-brand Inventiv, which is proving popular with customers;
- The growth in services linked to the increase in the volume of business and purchases for the networks' points of sale, particularly the commercial performance of the "4 pillars" stores and the previous directly-owned stores taken on by the members-entrepreneurs.

EBITDA / Current operating profit / Operating profit

The REBOND strategy is also showing its effectiveness for the Group's operations, with its profitability indicators seeing strong progress. This is even more significant as it is being achieved against a backdrop of a normalization of spending, particularly staff costs (no furlough measures) and marketing costs (resumption of advertising campaigns), which were limited during the first half of 2020 by the effects of the lockdown. EBITDA came to €25.2m, representing 14.3% of revenues. In line with the improvements recorded since the finalization of the plan to divest directly-owned stores, the operating profit totaled €19.0m, with an operating margin of 10.8%, versus 8.1% for the first half of 2020 (comparable data). The margins freed up by the Group have consolidated its ability to gradually reduce its debt, while deploying the resources needed to support the development of its members and networks.

Net profit

The €(2.3)m financial expense for the first half of 2021 primarily reflects the stability of interest rates for the syndicated loan agreement set up during the fourth quarter of 2019. Following a €(1.9)m tax expense, the profit after tax from continuing operations came to €16.0m, with a net margin of 9.1%, up from 4.3% for the same period the previous year (comparable data). Taking into account the completion of the divestment plan under favorable conditions (€2.4m impact), the net profit for the period came to €18.4m, compared with €6.8m for the first half of 2020. As expected, the new business model is opening up the headroom needed to support the development of the networks, pay down the debt and engage staff in the Group's turnaround through profit sharing and company performance-related bonuses.

Net debt

At end-June 2021, the Group used its drawdown capacity under the credit agreement. Its net financial debt shows a significant reduction, down to €45.2m, compared with €76.8m at end-2020 and €94.7m at June 30, 2020. Despite the usual peak in purchases linked to the seasonality of the Group's business during the first half of the year, financial debt decreased significantly thanks to a sustained level of business and strong cash generation. The Group had €72.8m of cash at end-June 2021, including the use of the €3.0m overdraft line, compared with €39.2m at end-2020.

For reference, Mr.Bricolage SA's syndicated loan is based on three tranches, all with a final maturity of December 2026. The revolving credit facility, for a nominal total of €40m, is repayable at maturity. The €55m refinancing loan and the €16.1m consolidation loan will be paid back based on a very gradual repayment schedule from December 2022. No covenants apply to this debt before mid-2022.

III – OUTLOOK FOR 2021

The home improvement market is maintaining its buoyant trends in an environment that is continuing to adapt to the health crisis, and its consequences in terms of supplies and their transportation. In 2021, the Mr.Bricolage Group is showing the relevance of its strategic choices made and the effective implementation of its transformation. With the gradual normalization of operating expenditure, benefiting marketing actions and initiatives to support the development and competitiveness of the member and affiliate networks, the Group is positioned to continue strengthening its financial structure, securing its long-term competitiveness.

The Group is continuing to set itself objectives to move forward with and further strengthen:

- The optimization of network services and the accelerated 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;
- The development of the network of branded and affiliate stores, in France and internationally, to exceed the ambition for 1,000 points of sale by 2028;
- The deployment of the "4 pillars" store concept within the network, setting out the brand's unique positioning around proximity;
- The human transformation of the head office and networks to bring to life the ambition to be the leader for proximity, adapting its positionings and practices, capitalizing on the skills of all of its employees, and developing its talents.

ABOUT THE MR.BRICOLAGE GROUP

The Mr.Bricolage Group, which develops the well-known banners Mr.Bricolage and Les Briconautes, is the French specialist for local independent home improvement retail. As of Jun 30th, 2021, the Group has 896 stores operating under the banners or through affiliates, including 72 international stores across ten countries. Mr.Bricolage SA is listed on Euronext Growth Paris (ISIN: FR0004034320 - ALMRB).

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