

LIMONEST, 13 JUNE 2024, 5.45 PM

2023/2024 FULL-YEAR RESULTS

- ANNUAL REVENUES UP 0.7% TO €571.5M
- GROSS MARGIN RATE UP 0.7 PERCENTAGE POINTS TO 21.5%, IN LINE WITH NORMALISED GROUP LEVEL DESPITE A CHALLENGING ENVIRONMENT
- SLIGHT DECLINE IN EBITDA AND NET INCOME
- SOUND FINANCIAL POSITION MAINTAINED
- SOLID FUNDAMENTALS IN THE HIGH-TECH EQUIPMENT MARKET

Olivier de la Clergerie, LDLC Group CEO, said: “The LDLC Group recorded full-year 2023/2024 revenues of €571.5m, up slightly, and a gross margin rate of 21.5% in line with normalised Group margins. EBITDA amounted to €11.4m, down slightly on the previous year due to the persistently challenging economic environment.

Backed by a solid financial base and confident in the long-term fundamentals of our markets, we have continued to pursue our development strategy, despite this demanding environment, in order to fully benefit from the next growth cycle. The Group has mainly focused its efforts and investments on strengthening LDLC brand awareness, improving customer proximity by expanding its physical store chain, and enhancing its customer base by entering into exclusive negotiations with Rue du Commerce, a genuine springboard for raising the Group’s profile among the general public.

We have every confidence in a more pronounced recovery in our markets, fuelled by innovation and the start of a high-tech product upgrading phase. We intend to remain vigilant in the management of our business over the 2024/2025 financial year while continuing to optimise our development levers in order to take full advantage of the next growth cycle.”

SIMPLIFIED FULL-YEAR INCOME STATEMENT (1 APRIL-31 MARCH)

€m (audited)	2023/2024	H1 2023/2024	H2 2023/2024	2022/2023	Change
	12 months	6 months	6 months	12 months	
Revenues	571.5	266.9	304.6	567.4	+4.1
Gross margin	122.8	57.5	65.3	118.2	+4.6
<i>Gross margin rate</i>	21.5%	21.5%	21.5%	20.8%	+0.7 pp
EBITDA¹	11.4	2.9	8.5	14.3	-2.8
<i>EBITDA margin</i>	2.0%	1.1%	2.8%	2.5%	-0.5 pp
Operating earnings (EBIT) after goodwill amortisation and impairment²	1.4	(2.3)	3.7	5.3	-4.0
Net financial income/(expense)	(0.2)	(0.3)	0.1	(1.4)	+1.2
Net non-recurring income/(expense)	(0.6)	(1.0)	0.4	(0.6)	-0.1
Income tax	(0.2)	0.4	(0.6)	(1.8)	+1.6
Net income/(loss) of consolidated companies	0.4	(3.2)	3.6	1.5	-1.2
Net income, Group share	(0.2)	(3.6)	3.4	1.2	-1.4

¹ EBITDA = Operating earnings (EBIT) before goodwill amortisation and impairment + operating depreciation, amortisation and provisions.

² A €0.4m goodwill amortisation and impairment charge was recorded for 2023/2024, and a €0.1m charge for 2022/2023.

On 13 June 2024, the LDLC Management and Supervisory Boards approved the consolidated financial statements for the financial year ended 31 March 2024.

FY 2023/2024 OVERVIEW

Full-year revenues of €571.5m

Consolidated revenues for the 2023/2024 financial year rose 0.7% to €571.5m, driven by a slight recovery in BtoC sales, while demand in BtoB sales remained very subdued in view of the challenging economic climate.

BtoC revenues came to €392.3m, up 2.9% versus the previous year and up 0.9% at constant consolidation scope. This improvement is due to the gradual stabilisation of new high-tech equipment purchases coupled with the expansion of the store chain. Over the 2023/2024 financial year, the chain was strengthened by 12 high-tech stores, including 7 new openings and 5 stores resulting from the ACTI M.A.C acquisition. Store revenues came to €141.4m, up 16.6%.

The BtoB business posted revenues of €165.9m, down 3.8%, still impacted by a macroeconomic and political environment that is prompting companies to exercise caution and postpone investment.

310,000 new customer accounts (BtoC and BtoB, excluding stores) were created in 2023/2024 compared to 331,000 in 2022/2023. The Group average basket value remained relatively stable at €486 excl. VAT (versus €482 the previous year).

Other businesses posted total full-year revenues of €13.3m, down 1.2%. L'Armoire de Bébé revenues dipped 0.5% to €8.9m, with a chain of 9 stores at 31 March 2024, stable compared to the previous financial year.



Gross margin of €122.8m and a gross margin rate of 21.5%

The gross margin amounted to €122.8m for the 2023/2024 financial year, giving a gross margin rate of 21.5%, up 70 basis points on the previous financial year. The LDLC Group's gross margin is thus in line with the normalised Group range (21-22%), confirming the Group's ability to safeguard the solid foundations of its business model despite a challenging market environment.

EBITDA of €11.4m

Staff costs rose by 12.6% under the combined effect of the integration of A.C.T.I. MAC from the start of the 2023/2024 financial year, wage inflation and the introduction of an employee bonus share plan. The Group also continued to invest in preparation for future growth, by bringing out new TV advertising campaigns and developing its store chain, the primary reasons for the 4.7% increase in other purchases and external costs along with rent inflation.

As a result of this inflationary effect on costs, 2023/2024 EBITDA amounted to €11.4m, compared to €14.3m the previous year, giving an EBITDA margin of 2.0%, down 50 basis points.

After depreciation, amortisation and provisions, operating earnings (EBIT) after goodwill amortisation and impairment amounted to €1.4m.

The net financial expense amounted to €0.2m (compared to a net expense of €1.4m a year earlier), while the net non-recurring expense remained stable at €0.6m, mainly due to the July 2023 cessation of operations at LDLC Event.

The Group posted a net loss (Group share) of €0.2m for 2023/2024.

Sound financial structure

Operating cash flow amounted to €7.6m in 2023/2024 if the one-off effect of the A.C.T.I. MAC acquisition on working capital (€16.5m) is restated for 2022/2023, and to €24.1m without restatement.

Cash flow from investing activities amounted to a €22.8m outflow, primarily related to the acquisition of A.C.T.I. MAC Group on 1 April 2023.

During the year, the LDLC Group repaid €8.3m of borrowings and took out new loans amounting to €3.3m. The Group paid €4.8m in respect of the remaining dividend for the 2022/2023 financial year.

Overall, the Group generated a net cash outflow of €8.6m for the 2023/2024 financial year, compared to a €0.9m outflow a year earlier.

Net cash amounted to -€3.6m at 31 March 2024, compared to shareholders' equity of €103.3m.

2023/2024 DIVIDEND

The LDLC Group will propose a dividend of €0.40 per share for the 2023/2024 financial year to the General Meeting of shareholders to be held on 27 September 2024. Subject to approval by the Annual General Meeting and the Management Board's decision, shares would go ex-dividend on 2 October 2024 and the dividend would be paid on 4 October 2024.

ACQUISITION OF THE RUE DU COMMERCE BUSINESS

On 4 April 2024, as part of the ongoing exclusive negotiations, the LDLC Group announced the signing of an agreement to acquire the Rue du Commerce business.

For the 2023 year, the Rue du Commerce business generated business volumes of around €100m, a third of which was generated by the Galerie Marchande marketplace, and revenues of around €70m. At 31 December 2023, the business employed around 40 people.

This deal will enable the Group to accelerate the expansion of its customer base, increase its brand awareness among the general public and optimise its profitability based on a fixed-cost model.

Taking into account the various aspects of the project currently underway, the transaction is now expected to be completed around mid-July 2024. The market will be kept informed of progress with the acquisition.

OUTLOOK

The LDLC Group is continuing its efforts to strengthen its position, particularly in the BtoC sector, with the acquisition of the Rue du Commerce business currently in progress, and to open up new markets by implementing various new technology projects.

Thanks to the strategic initiatives undertaken by the Group and the preparations for the arrival of a new product upgrading cycle, LDLC Group is perfectly positioned to fully benefit from the next growth cycle. This positive momentum is underpinned by a solid financial base, ensuring a promising future for the LDLC Group and a return to normalised profit margins.

PROVISIONAL CALENDAR OF UPCOMING PUBLICATIONS AND EVENTS

Publication*	Date	Information meeting
Q1 2024/2025 revenues	24 July 2024	
Annual General Meeting	27 September 2024	
Q2 2024/2025 revenues	31 October 2024	
H1 2024/2025 results	5 December 2024	6 December 2024
Q3 2024/2025 revenues	30 January 2025	
Q4 2024/2025 revenues	24 April 2025	
2024/2025 full-year results	12 June 2025	13 June 2025

*Publication after market close



Next meeting:

14 June 2024 at 10.00 am – 2023/2024 full-year earnings presentation
Edouard VII Conference Centre, 23 square Edouard VII, Paris 9th district

Next release:

24 July 2024 after market close, Q1 2024/2025 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 1,150 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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