



**CAPITAL
MARKETS
DAY**
2019

**MAISONS
DU MONDE**

June 18, 2019

A new chapter in
the Maisons du Monde
growth story

Today's speakers



**Julie
WALBAUM**
CEO



**Arnaud
LOUET**
CFO



**Marie-Laure
CASSÉ**
*Head of
Digital & Marketing*



**Yohann
CATHERINE**
*Head of
Store Operations*



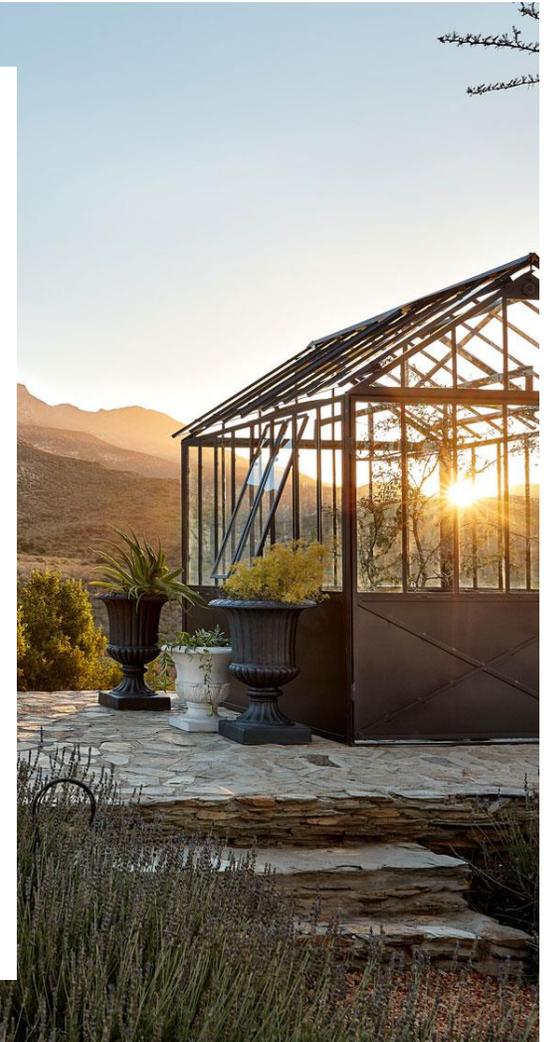
**Nathan
COHEN**
CEO Modani



**Catherine
FILOCHE**
*Head of
B2B & Franchising*



**Julien
VIGOUROUX**
*Head of
Supply Chain*



Agenda

01 A NEW CHAPTER IN THE MAISONS DU MONDE GROWTH STORY | J. Walbaum

02 A CLEAR STRATEGY AND A RENEWED GROWTH MODEL | J. Walbaum

03 AN INCREASINGLY DIFFERENTIATED OFFER | J. Walbaum

04 A LEADING OMNICHANNEL MODEL | M.L. Cassé / Y. Catherine

Lunch break

05 B2B AND FRANCHISE AS NATURAL EXTENSIONS | C. Filoche

06 USA: A NEW GROWTH ENGINE | N. Cohen

07 AN INDUSTRIAL APPROACH TO SUPPLY CHAIN | J. Vigouroux

08 A STRONG FINANCIAL PROFILE | A. Louet

09 CONCLUSION: THE GROWTH STORY CONTINUES | J. Walbaum



01

Introduction

**A NEW CHAPTER
IN THE MAISONS
DU MONDE
GROWTH STORY**

Julie Walbaum
CEO

MAISONS
DU MONDE

A strong track record of profitable growth

DOUBLING SALES & EBITDA

Sales (€m)



EBITDA (€m), % margin



GROWING INTERNATIONALLY

International sales*



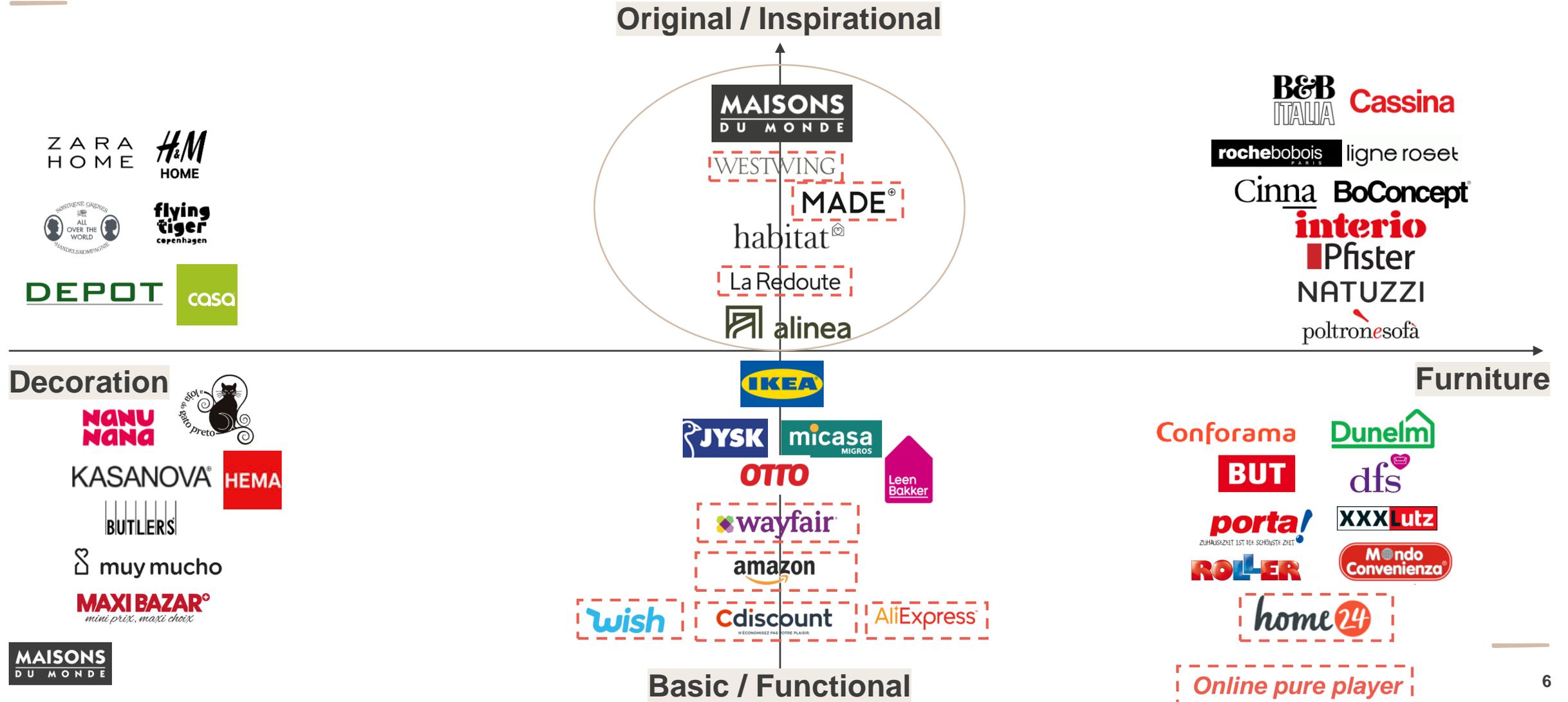
ACROSS ALL CHANNELS

Online sales (€m)*



stores* 241 → x1.4 → 349

A distinctive positioning in an increasingly competitive landscape



Further upside in a large and fragmented market

FURNITURE & DECORATION MARKET

2018 size

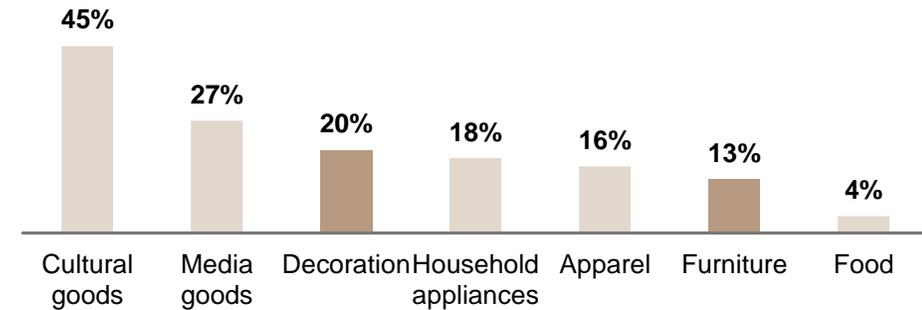
EUROPE
€132bn

USA
\$140bn

	Germany	€29bn
	UK	€26bn
	France	€18bn
	Italy	€16bn
	Spain	€7bn
	Belgium	€4bn

ONLINE UPSIDE VS. OTHER CATEGORIES

% of online market share, France



GROWTH OUTLOOK

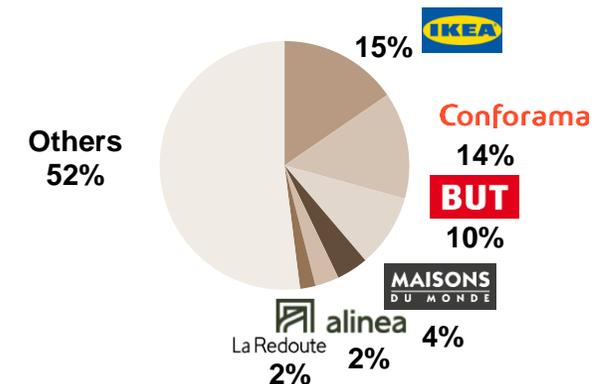
18e-23e CAGR

EUROPE
+1.9%

USA
+2.4%

FRENCH MARKET SHARE

2018



Well-equipped to address fast-changing market trends

DIGITALIZATION

MdM has developed a nimble omnichannel model, with digital sales doubling since 2015, while maintaining a strong pace of store expansion

DIFFERENTIATION

MdM's unique in-house designs and strong brand are key differentiators

INNOVATION

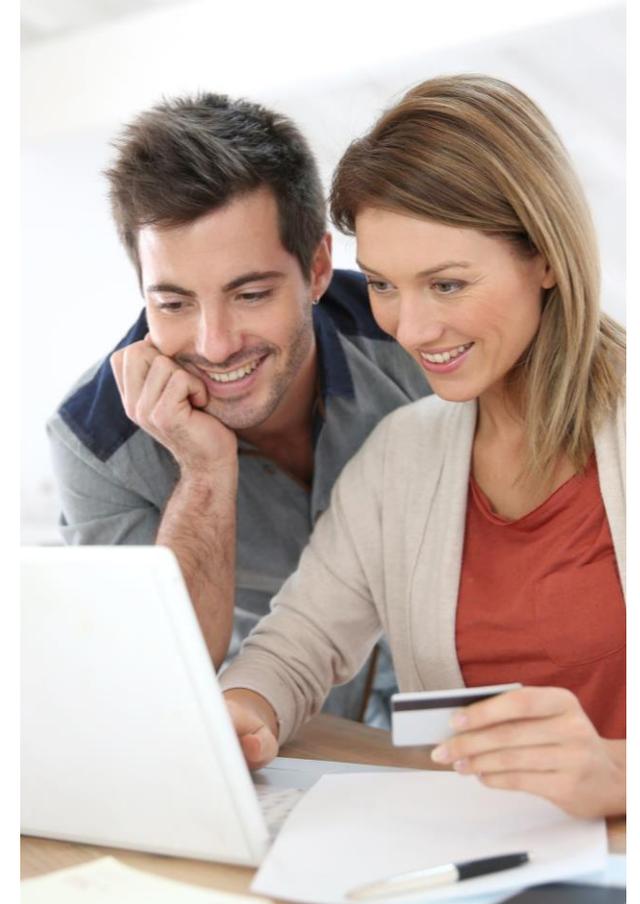
MdM's 15 yearly collections, with new items released every week and iconic products, keep the brand trendy and fresh

EXPERIENCE

MdM's in-store thematic layout, featuring decoration trends and fully-furnished rooms, offers an inspirational experience

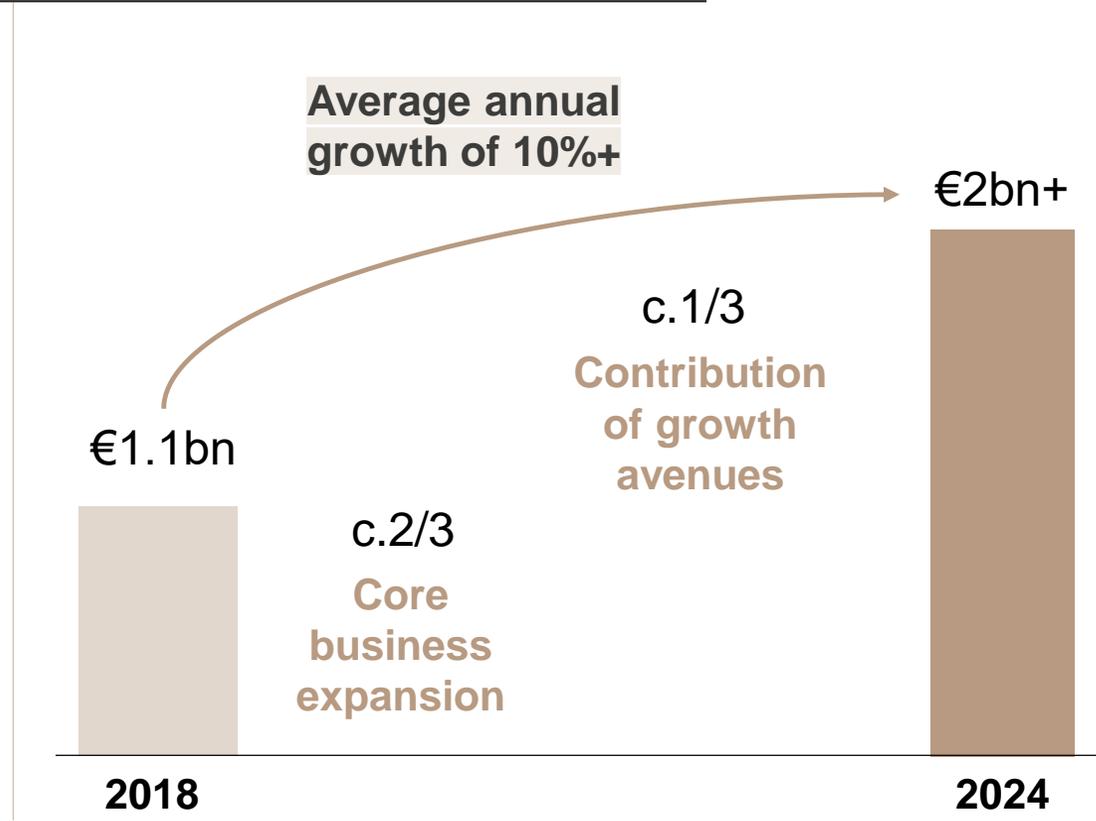
RESPONSIBILITY

CSR is part of MdM's DNA



Evolving our model to continue the growth story

MORE THAN €2BN IN 2024



2024 target sales

Digital



c.60%
Including 30-35% online

International



> 50%

Decoration



> 50%



02

Strategy

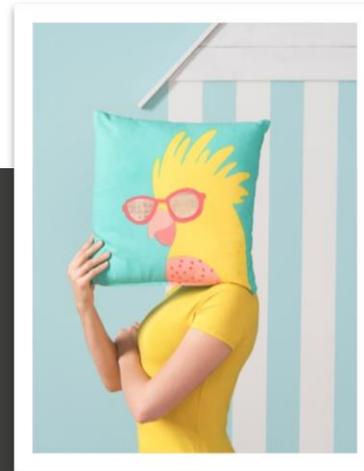
**A CLEAR
STRATEGY
AND A RENEWED
GROWTH MODEL**

Julie Walbaum
CEO

MAISONS
DU MONDE

Our brand promise

Maisons du Monde aims to allow everyone to feel good and express their personality through their home decoration, whatever their taste, age and budget.

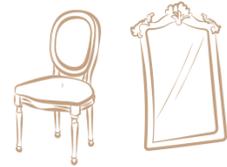


This promise translates into a unique five-pillar model



1 DISTINCTIVE OFFER & MERCHANDIZING TO INSPIRE OUR CUSTOMERS

FURNITURE & DECORATION FOR ALL TASTES & BUDGETS



Indoor, outdoor & kids



7 different styles



22 in-house designers and graphic artists

ALWAYS TRENDY & FRESH



15 collections / year



>50% annual renewal rate

CONSTANT SOURCE OF INSPIRATION



2 STRONG CUSTOMER KNOWLEDGE AND BEST-IN-CLASS ENGAGEMENT

AN ACTIVE CUSTOMER BASE

> 5m active customers

- | Mid-to-high income levels
- | 2 purchases / year

Healthy dynamics

- | Getting younger and more male
- | Improving customer lifetime value

AN ENGAGED USER COMMUNITY

4m fans on social media with high engagement

-  1.9m fans on Facebook
-  1.9m fans on Instagram
-  0.2m subscribers on Pinterest

Thousands of active ambassadors

-  **wibilong**
CONSUMER CONTENT PLATFORM
-  **ibbù**
-  **Olapic**
-  **POP SELL**

Top 2



Home & Living brands in France



3 LONGSTANDING CSR COMMITMENT EMBEDDED IN OUR STRATEGY



ENVIRONMENTAL RESPONSIBILITY

Sustainable sourcing

- | 60% certified or traceable wood

Carbon footprint reduction

- | 50% reduction in direct scope carbon impact in the last two years

Philanthropic activities

- | Foundation 
- | Micro-donations 



GENERATION LE CLUB RESPONSABLE

2018 brand of the year



A- certificate



SOCIAL RESPONSIBILITY

Employees

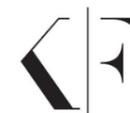
- | Gender parity
- | People development
- | Profit-sharing
- | Social commitment initiatives

Suppliers & Partners

- | Longstanding relationships (c.8-year relationships with our top 150 suppliers)
- | CSR assessment and coaching



Silver award for pedagogical innovation



2018 Engagement award

4 LEADING OMNICHANNEL MODEL PROVIDING A SEAMLESS EXPERIENCE



| Powerful store concept

- In-store thematic merchandising driving **impulse purchase**
- Large share of furniture sold **without in-store display**
- Store used as **showroom for online sales**

| 48% of sales already digital, including 23% online

- Online from c. **10% to 60% of country sales***

| Similar EBITDA levels across channels

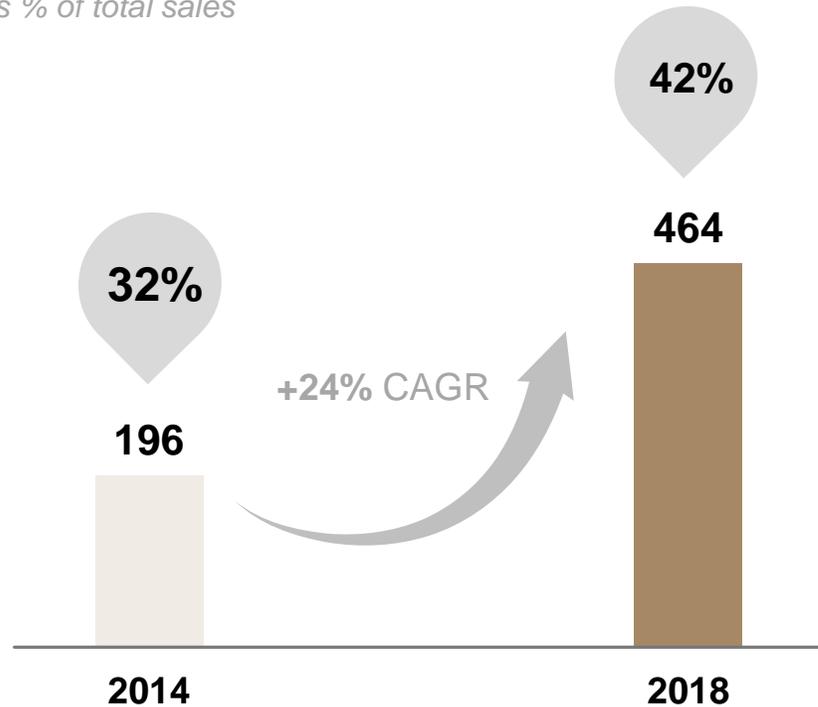
| Low marketing spend overall

5 PROVEN ABILITY TO INTERNATIONALIZE OUR UNIQUE SELLING PROPOSITION

DOUBLING INTERNATIONAL SALES

Evolution of international sales* (in €m)

● As % of total sales



EXPANDING INTERNATIONAL PRESENCE

USA

EUROPE



Maisons
du Monde
viewed by
its partners



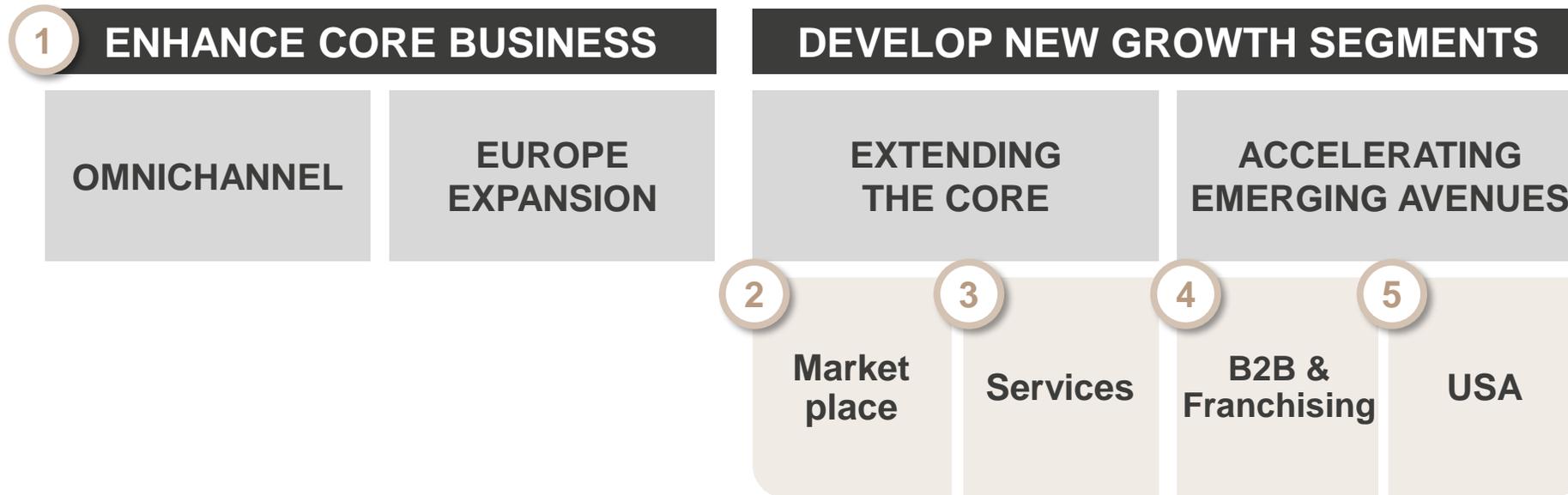
Our vision to strengthen brand leadership



Be the **preferred lifestyle partner**

- | ... by offering **everyone** a rich and relevant set of **solutions**
- | ... by providing a seamless **end-to-end enjoyable** experience
- | ... by engaging in a **broader meaningful conversation**
- | ... by conveying values of **responsibility and inclusiveness**

We will deliver this vision through a renewed growth model



1 A CLEAR ROADMAP TO ENHANCE OUR CORE BUSINESS

2020-2024 Plan

x2.3

total digital sales

80-100

net store openings
of which

75-85%

International

**Increasingly digital and data-driven
business**

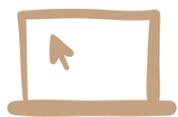
Updated store expansion strategy

Priority to international development

**Increased investments in marketing &
supply chain**



2 MARKETPLACE: BECOMING THE GO-TO CURATOR IN INTERIOR DECORATION



1

ACCELERATE
ONLINE GROWTH



2

RAISE BRAND
AWARENESS



3

IMPROVE MARKET
KNOWLEDGE



4

BE ACCRETIVE
ON MARGINS

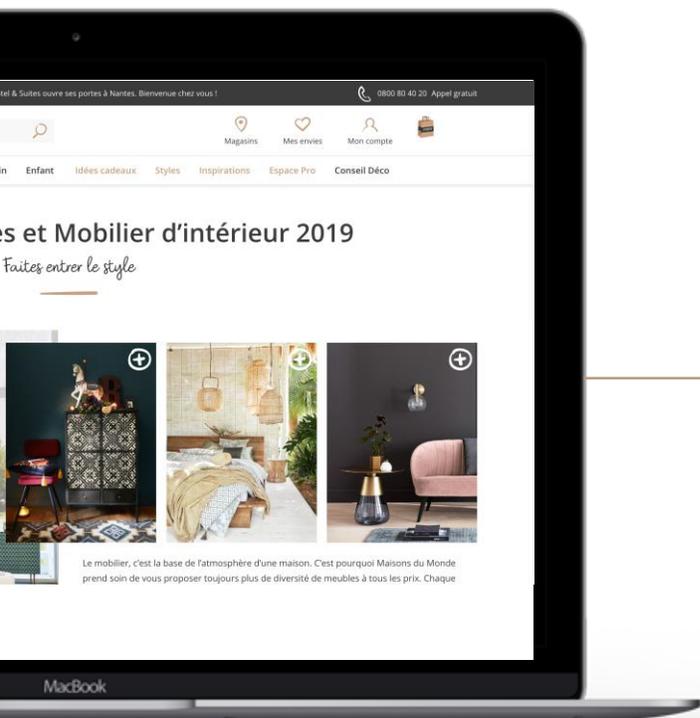


5

REINFORCE OUR BRAND POSITIONING AS LIFESTYLE PARTNER



2 A DISTINCTIVE VALUE PROPOSITION FOR OUR MARKETPLACE



BROAD
QUALITY
AUDIENCE

OMNICHANNEL
MODEL

ASPIRATIONAL
BRAND

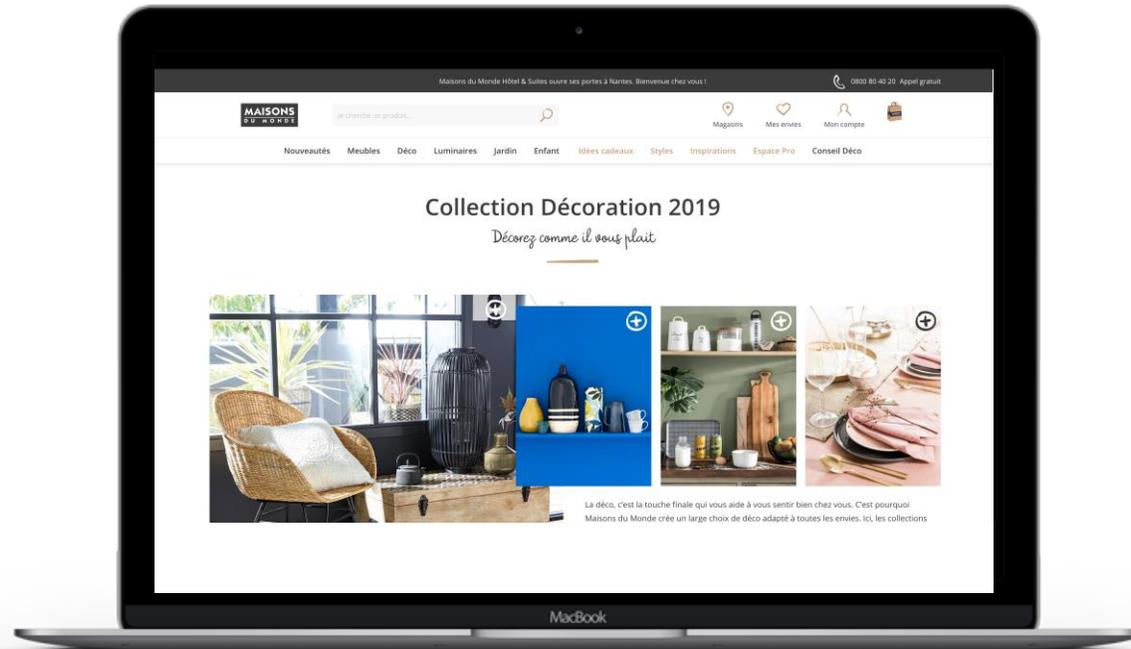
INTERNATIONAL
REACH

2 OUR SELECTIVE MARKETPLACE WILL REINFORCE OUR OFFER AND BRAND

CURATED

COMPLEMENTARY

INTERNATIONAL



2024

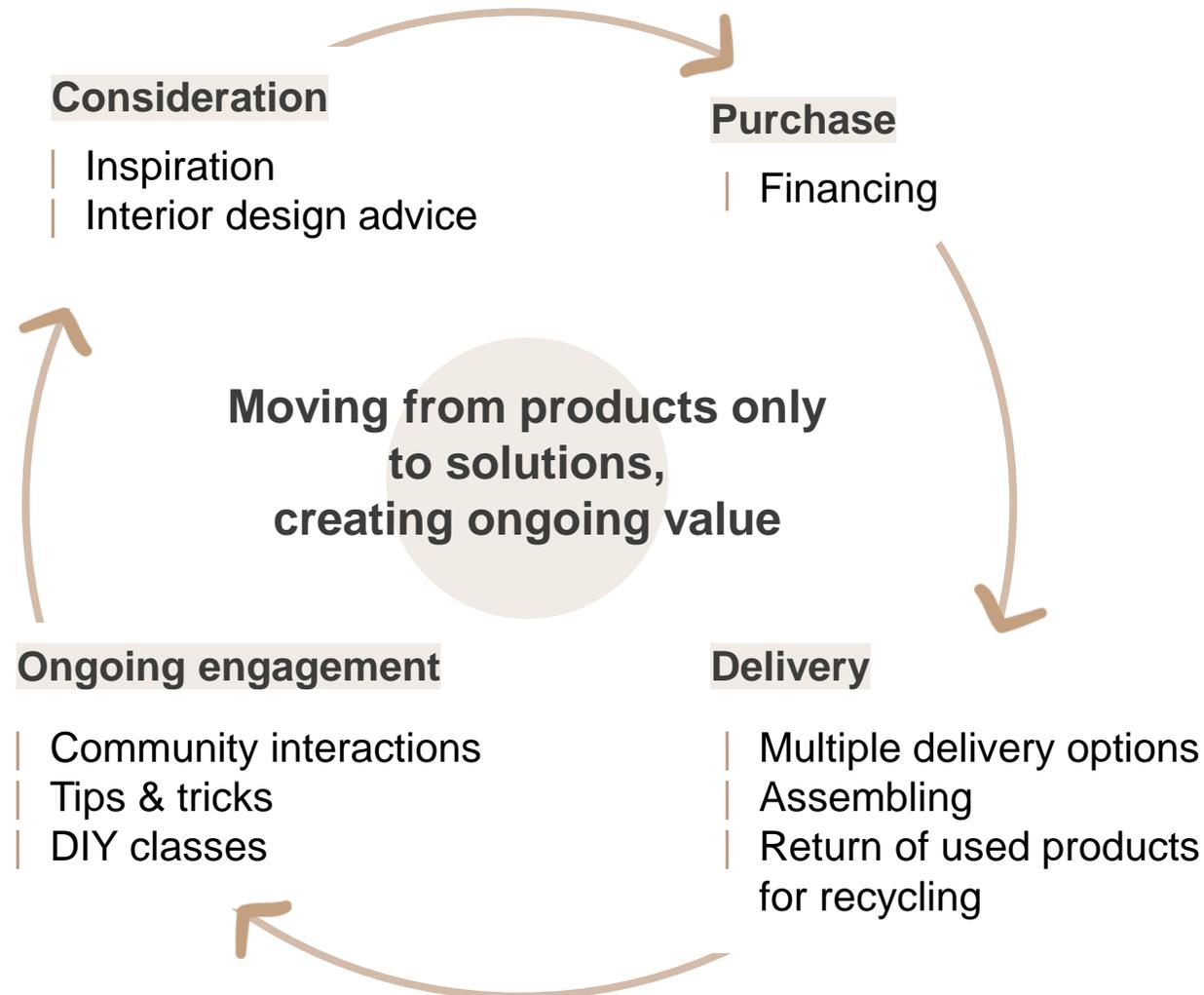
€160-180m

Gross Merchandise
Value (GMV)

€25-35m

Sales

3 SERVICES: EVOLVING FROM PURE RETAILER TO LIFESTYLE PARTNER



SALES CONTRIBUTION

FROM SERVICES IN 2024

€20-40m

Services primarily designed to fuel sales growth & increase brand value

4 B2B AND FRANCHISING: A NATURAL EXTENSION OF OUR SUCCESSFUL B2C MODEL

10 Futuristic Trends for Coworking Spaces in 2019

Coworking Trends for 2019 That You Should Know

Ajay Deep



INSTAGRAM IS PUSHING RESTAURANTS TO BE KITSCHY, COLORFUL, AND IRRESISTIBLE TO PHOTOGRAPHERS

INSTAGRAM TRIGGERS INCLUDE BANANA-PRINT WALLPAPER IN THE BATHROOMS AND AN EXTERIOR MURAL OF PINK FLAMINGOS



DUBAI

B2B

- | Promising initial results from first initiatives launched in 2015
- | Strong market opportunity for Maisons du Monde in large addressable market of more than €3bn in Europe
- | Sales of €100m+ by 2024, with positive impact on Group EBITDA

FRANCHISING

- | Accelerated roll-out program with existing partners
- | €60m in sales under banner in 2024

5 USA: A NEW GROWTH ENGINE FOR THE GROUP

MODANI:

PRIMARY GROWTH ENGINE IN THE US

- | Acceleration of store openings, addition of decoration collections and further development of online

stores

13

>50

Sales (in \$m)

c.200

42

+30%
CAGR

2018

2024



MAISONS DU MONDE:

TACTICAL TEST-AND-LEARN APPROACH

- | Excellent initial feedback
- | 5 stores included in the plan



Creating extra-financial value through our upgraded CSR ambition

OUR CONVICTION

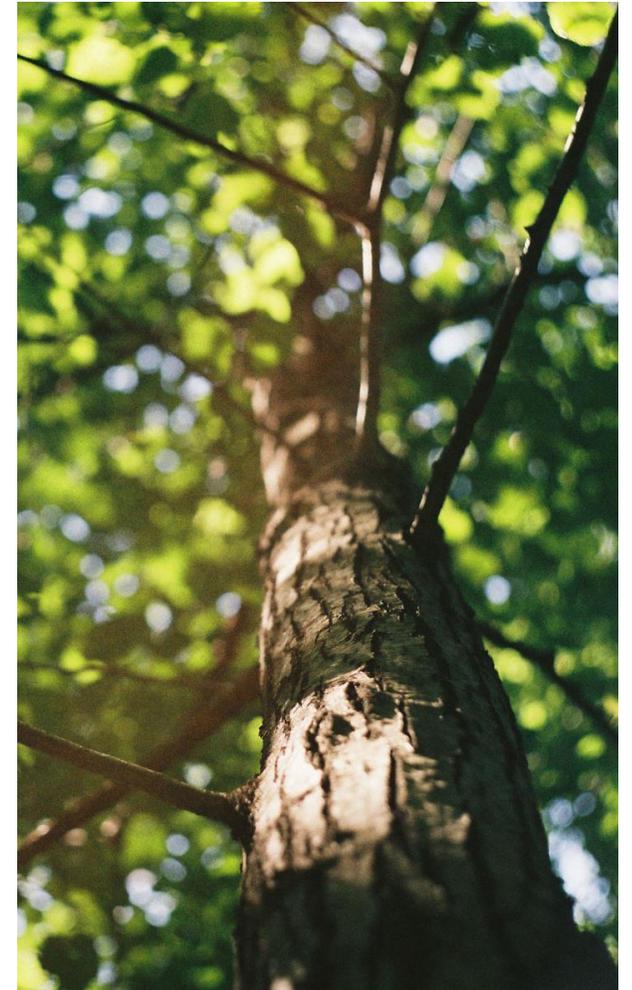
| Companies should be leading actors in the fight against climate change

OUR NEW AMBITION

| Reduce our global scope carbon intensity by 25% by 2024

OUR ACTION PLAN

- | Reinforce the transparency of our supply chain
- | Support our suppliers in improving working conditions
- | Reduce our carbon footprint throughout the value chain
- | Offer a wider range of sustainable products
- | Develop new services around circular economy



Economics of our renewed growth model

2024 VISION

2024 TOPLINE TARGET



> €2bn

10%+ sales CAGR

2024 EBITDA TARGET



12%

11%-12%

EBITDA margin

EBITDA margin range in intermediate years

5-YEAR CASH FLOW GENERATION



> €300m

Cumulated recurring free cash flow over the 2020-2024 period

2024 TARGET LEVERAGE



0.5x

Net leverage





03

Offer & Services

**AN INCREASINGLY
DIFFERENTIATED
OFFER**

Julie Walbaum
CEO

MAISONS
DU MONDE

Product reloaded & enriched with services



1 REVAMPED
COLLECTIONNING PROCESS

2 ENRICHED
PRODUCT DESIGN

3 ADDITION OF
ADJACENT SERVICES



1 REVAMPING OUR COLLECTIONNING PROCESS TO KEEP LEADING THE RACE

CHOICE

| 18,000 MdM products



| ~18,000 MdM products
| Marketplace multiplier



FRESHNESS

| 15 collections



| 20+ collections



UNIQUE

DESIGNS

| 22 in-house designers
and graphic artists



| Enhanced in-house team
| Capsule collections
| Designer contests



ICONIC

PRODUCTS

| Occasional 'wow' products



| Structured plan for iconic products



AFFORDABILITY

| Wide price range



| Extended price ladder

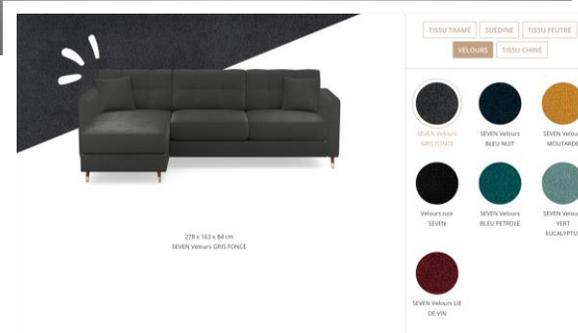
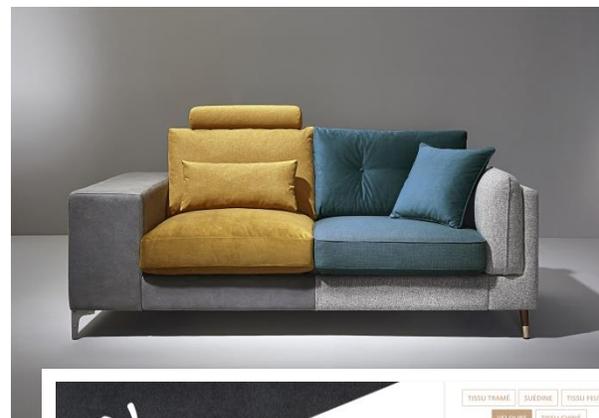


2 ENRICHING PRODUCT DESIGN THROUGH CONSTANT INNOVATION

WHEN FUNCTION MEETS STYLE



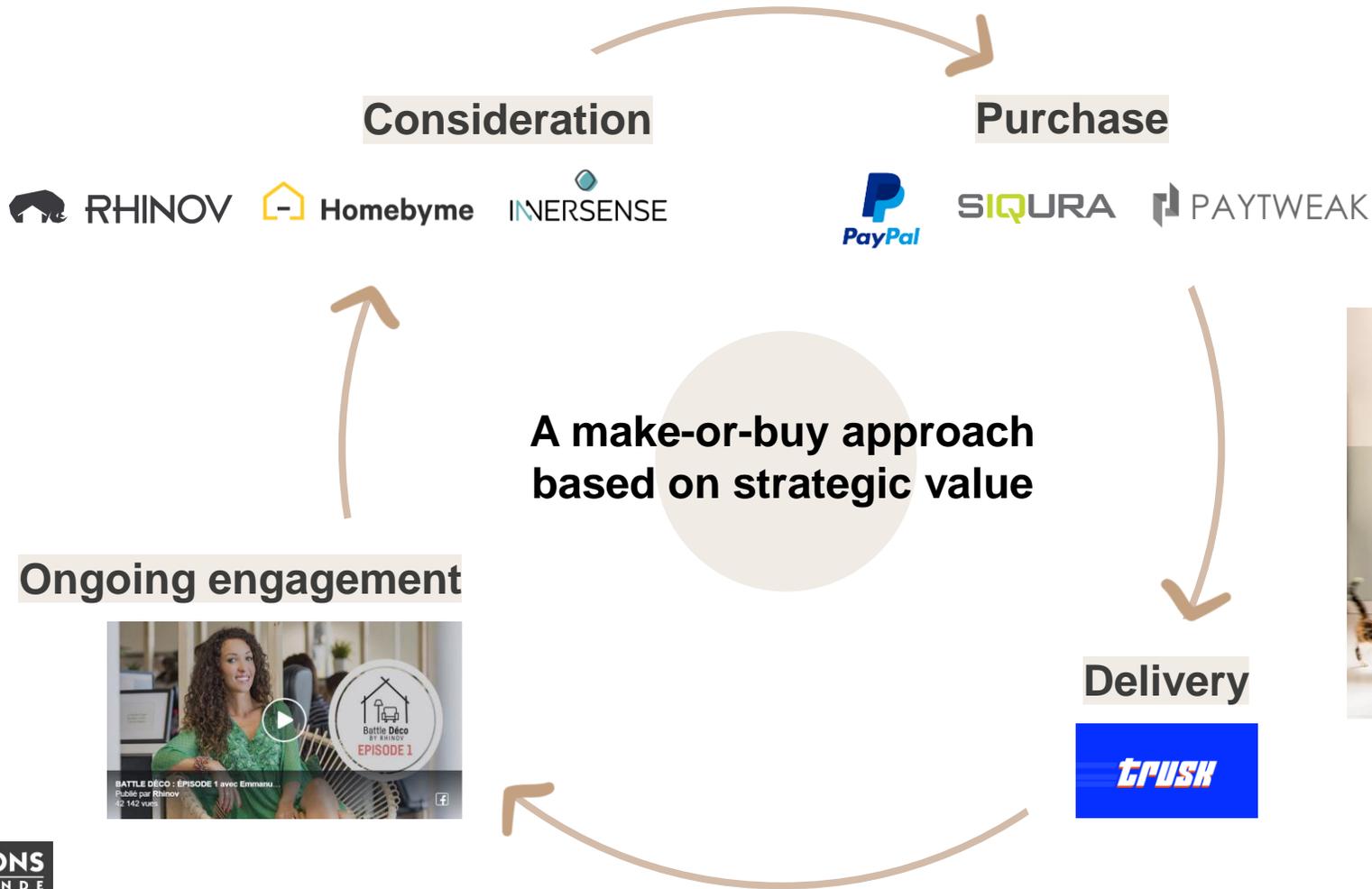
MY PERFECT ONE



GREEN IS THE NEW BLACK



3 NEW SERVICES TO ENRICH CUSTOMER EXPERIENCE OVER TIME

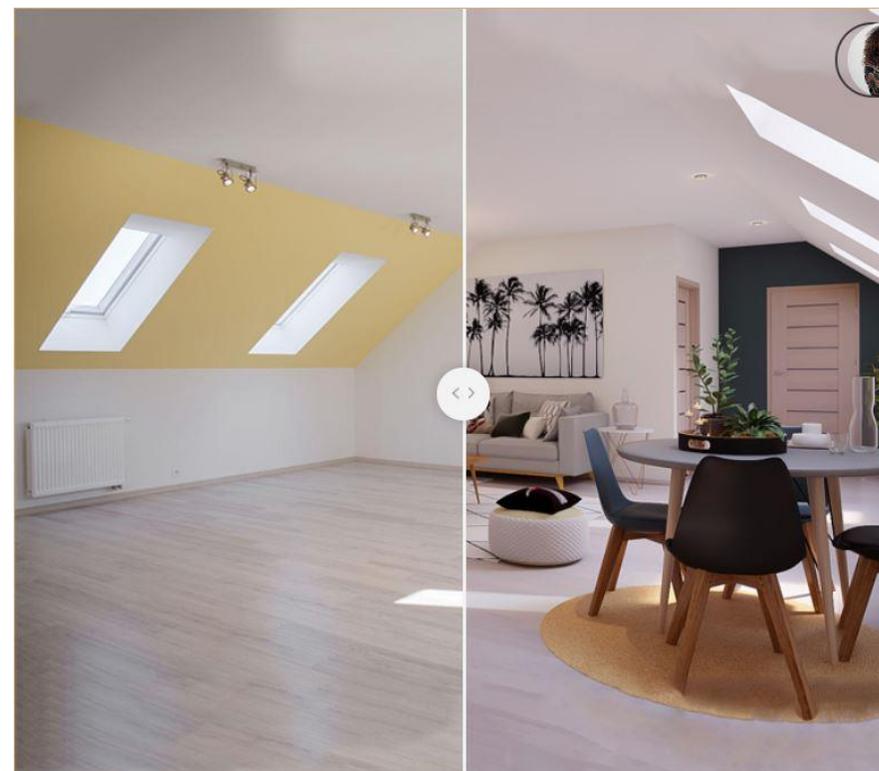


3 RHINOV: INTERIOR DECORATION REINVENTED



A disruptive professional interior design service

- | Fast and affordable
- | Fun & engaging
- | AI-enriched
- | Seamless experience from room decoration advice to product purchase



PROJET RÉALISÉ PAR JOANNA

Pour cette pièce à vivre spacieuse, j'ai réalisé un aménagement généreux dans une ambiance mix & match, mélange d'un esprit loft et scandinave. Pour délimiter l'espace cuisine, j'ai imaginé des rangements habillés par un plan snack en bois brut pour un esprit industriel.

 499,00 €	 119,00 €	 69,99 €	 299,00 €
 529,00 €	 180,00 €	 54,99 €	 229,00 €
 99,90 €	 129,00 €	 15,99 €	 29,99 €

3 RHINOV: MULTIPLE SALES AND BRAND IMAGE BENEFITS



Increase annual customer spend

- | Decoration advice service
- | Product sales conversion
- | Average basket size



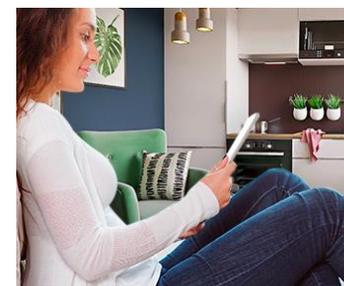
Convince new users

- | Democratization
- | Co-branded trusted advisor
- | Convenience



Enhance brand positioning as lifestyle partner

- | Brand content production
- | Community engagement





04

A LEADING OMNICHANNEL MODEL

Marie-Laure Cassé
Head of Digital & Marketing

Yohann Catherine
Head of Network Operations

MAISONS
DU MONDE

A high-quality clientele



Mostly women



77% of customers



Well balanced in age



Amongst them, 25% millennials



Highly connected



49% are early adopters



Decoration fans



x2 average French decoration consumer



Loyal



c.60% repeat customers

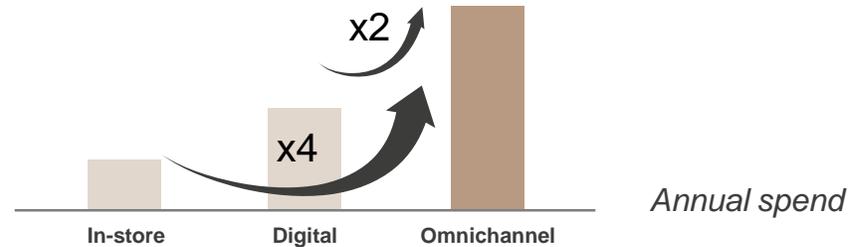
A database with growing value

- 01 Growing in numbers > Growth of c.2x in active clients
- 02 Balanced between new & repeat customers > Double share of repeat customers
- 03 International > 35%+ of active customers
- 04 Driven by LTV* > Increasing average spend per year
- 05 Highly optimised > LTV/CAC** 7 times over competition



Our customers are omnichannel shoppers with attractive characteristics

BRINGING MORE VALUE...



AND GROWING
IN OUR CUSTOMER BASE

- | +35% of omnichannel customers within 3 years
- | Ranging from +25% in France to +110% in Spain

... AND MORE VISITS

- | 77% furniture in-store shoppers visited the website before their purchase

Further customer opportunities



SHARE OF WALLET

**STORE AND WEB
CROSS-
FERTILIZATION**



CROSS-SELL

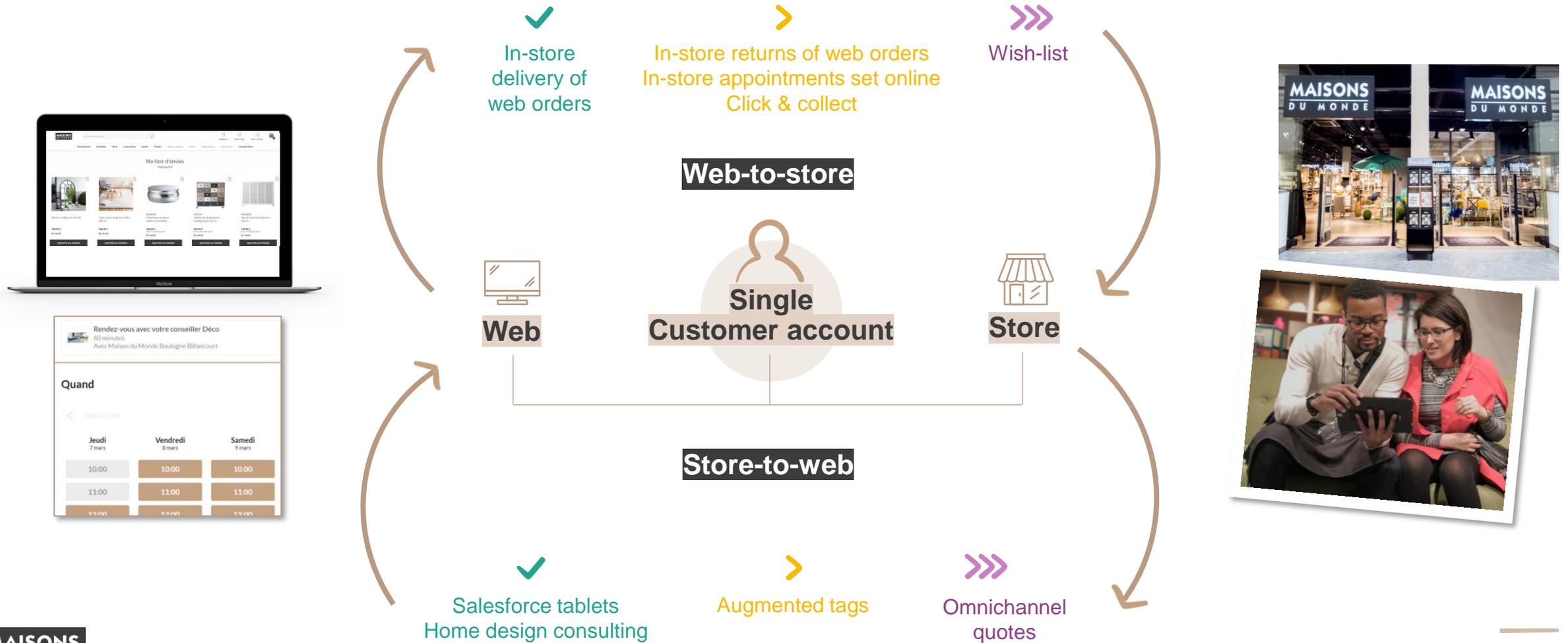
**INTERNATIONAL
EXPANSION**



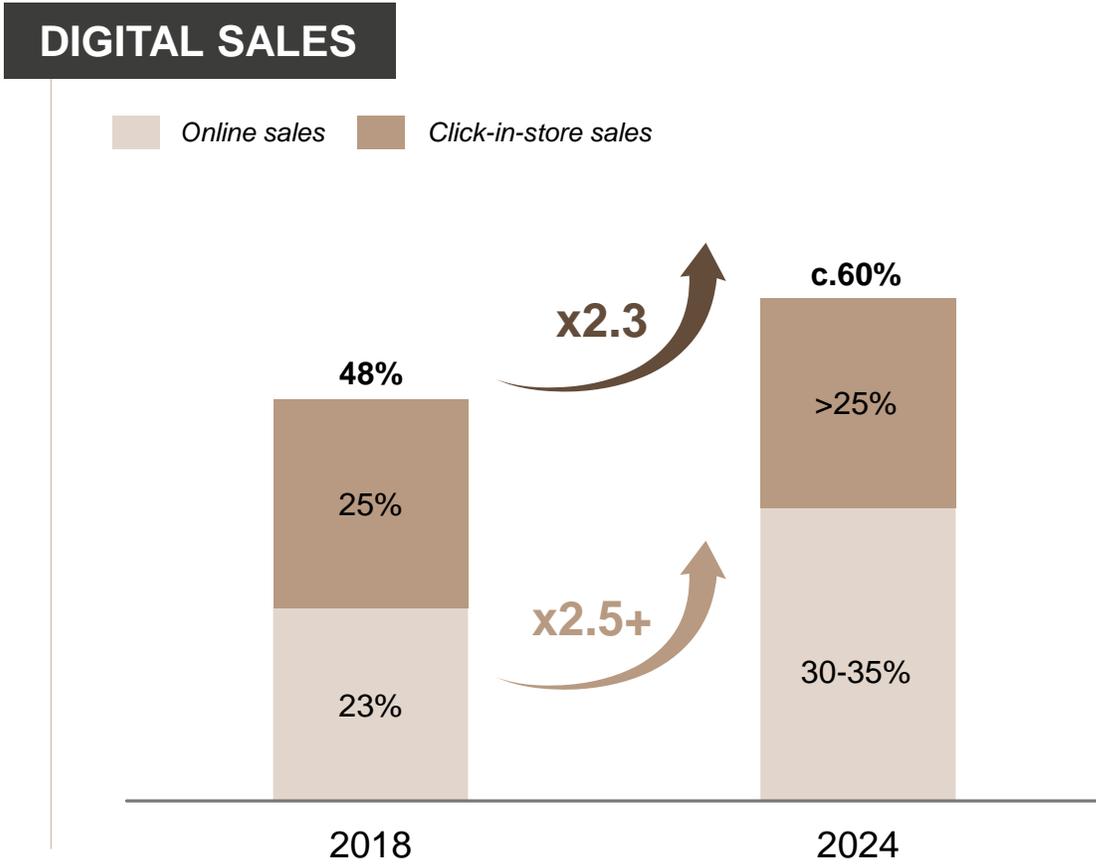
Tomorrow's customer journey



Sustained drive to further integrate online and offline



An increasingly digital company





04

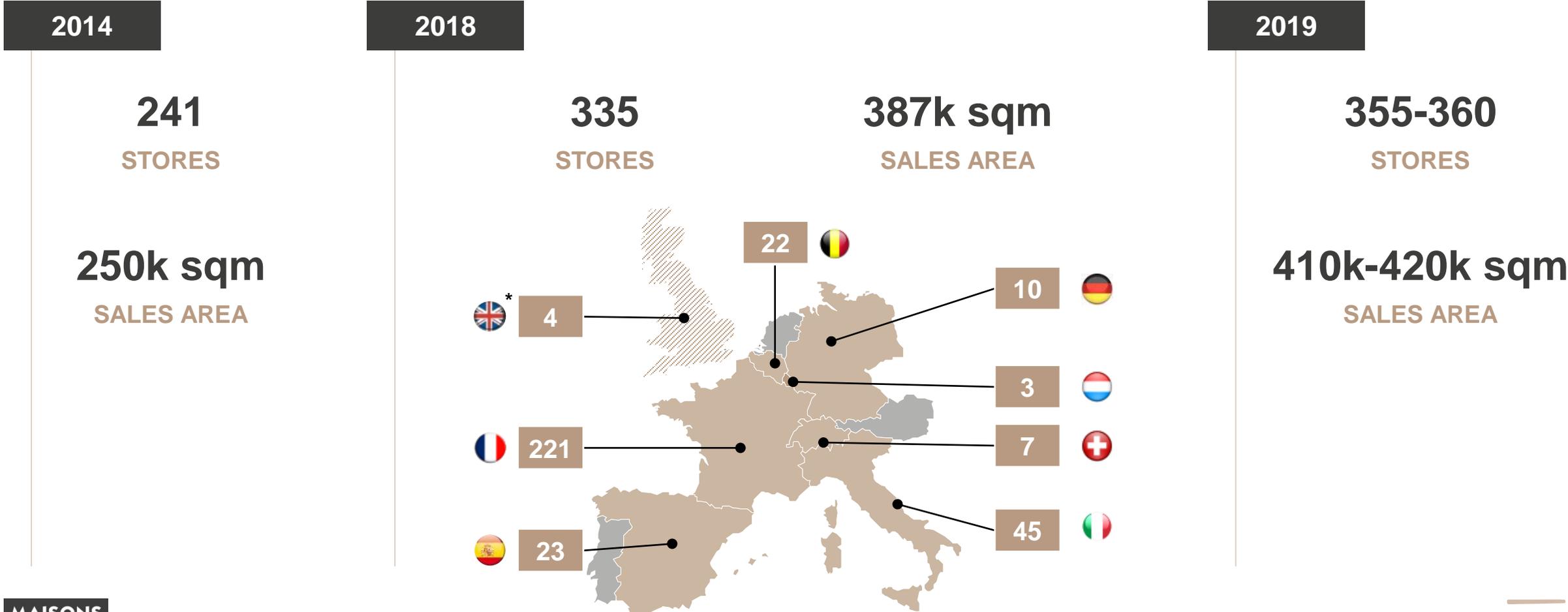
A leading omnichannel model

A DYNAMICALLY-MANAGED STORE NETWORK

Yohann Catherine
Head of Store Operations

MAISONS
DU MONDE

Strong presence across Europe



* Online presence only from 2020

■ Number of stores 2018

Our store game plan

OPTIMISATION OF FRENCH NETWORK

- | Around 10-20 net openings, 40-50 gross openings
- | Dynamic management: repositioning, refurbishments

INTERNATIONAL DEVELOPMENT: AN OMNICHANNEL APPROACH

- | 70-85 net openings
- | Store format mix fit to market needs
- | Some premium locations to enhance awareness & drive traffic

RETAIL EXCELLENCE

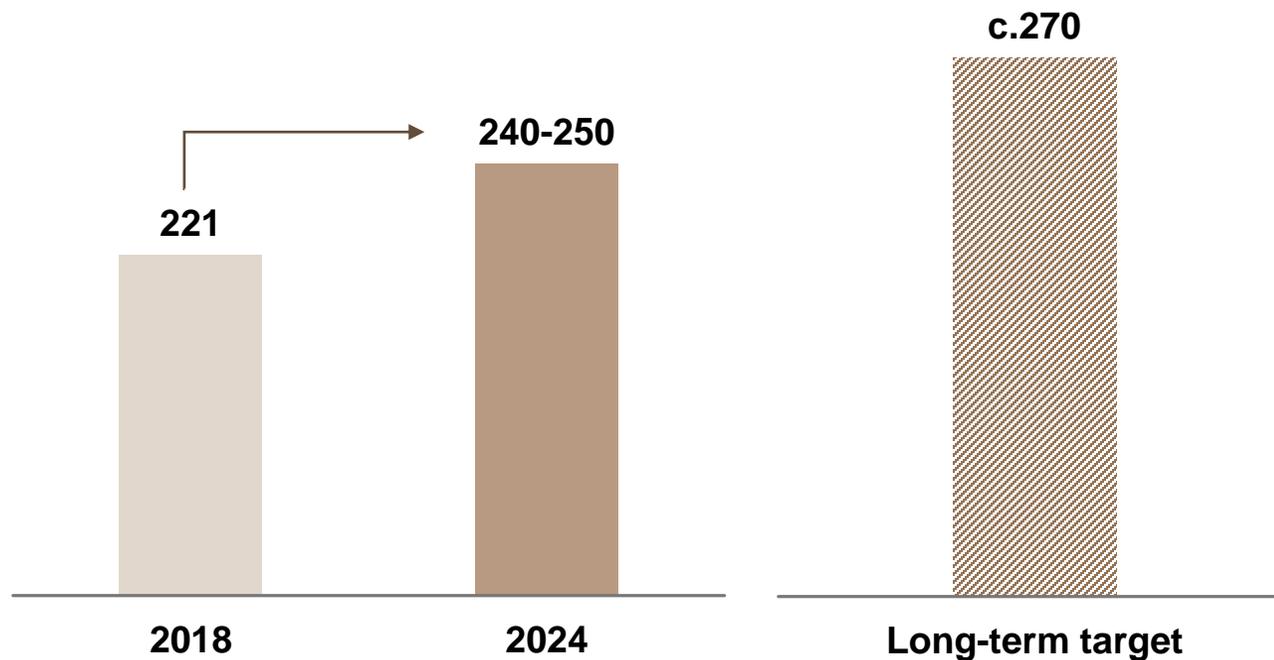
- | Continuous efforts to enhance store concept
- | In-store product merchandizing adapted to fit local needs
- | In-store merchandizing excellence
- | Reinforced customer-first approach & CSR commitment
- | Store manager incubator

Proactive management of our French store network

FRENCH STORES

c. 10-20 net openings (2020-2024)

c. 40-50 gross openings (2020-2024)



Repositioning

- | Low attractiveness of catchment area
- | Ageing stores
- | New store format roll-out
- | Increase in size in targeted catchment area

Refurbishments

- | Increase investment in store network

Agile model to seize new opportunities: Refurbishment and repositioning

CLERMONT-FERRAND REFURBISHMENT



Opening date: Nov. 2005

Area: 667 sqm

Format: Suburban retail park

Refurbishment date: Sep. 2017

Sales: +10%

EBITDA margin up

REIMS REPOSITIONING



Opening date: March 2003

Area: 880 sqm

Format: Suburban retail park

Opening date: Sep. 2017

Area: 1,780 sqm

Sales: +46%

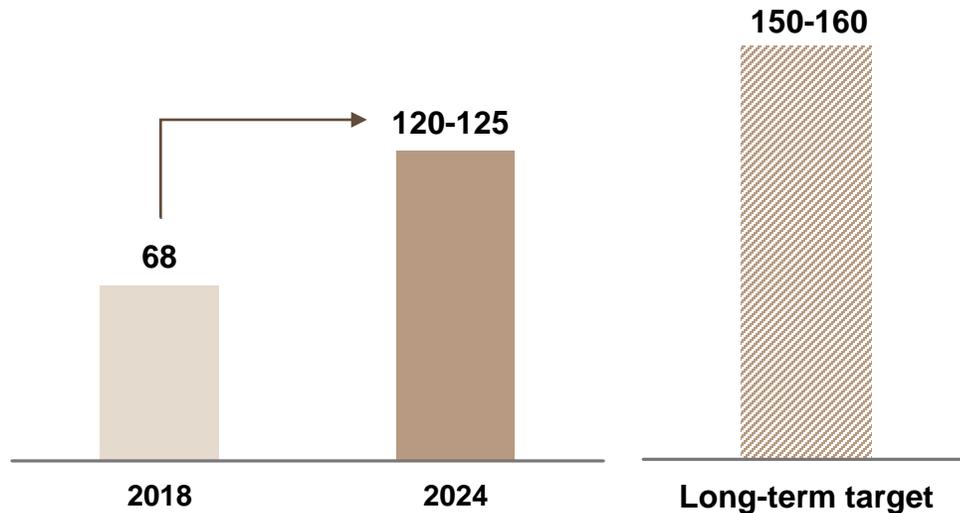
EBITDA margin up

Well-balanced international store development

SOUTHERN EUROPE



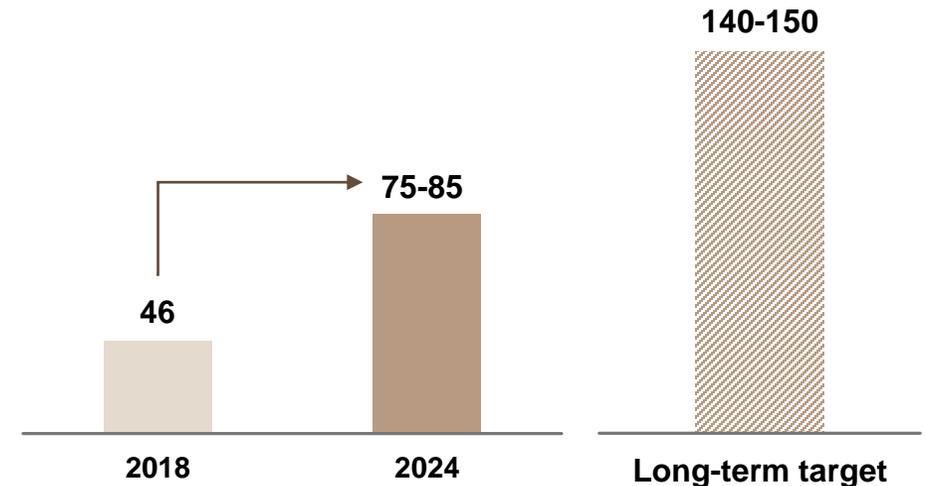
c. 40-50 net openings (2020-2024)



NORTHERN EUROPE

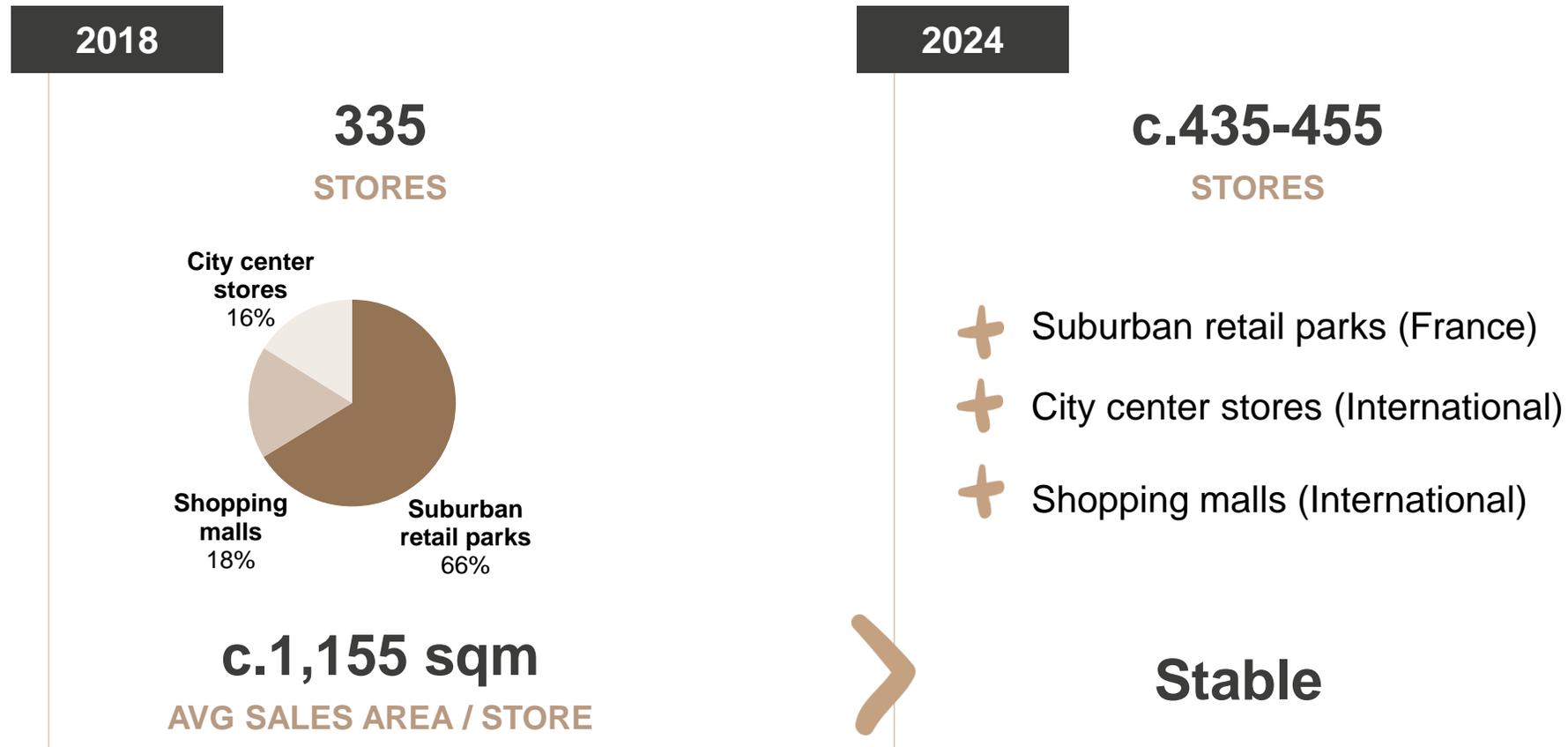


c. 30-35 net openings (2020-2024)



> 75% – 85% of growth between 2020 – 2024 will be international

A stable mix of formats and unchanged average store space



Köln illustrates our city-center strategy

DATA-DRIVEN STRATEGY FOR STORE LOCATION

MAPPING OPPORTUNITIES

High purchasing power area

High online penetration area



108

Purchasing power index

1.1m

Inhabitants



PREMIUM LOCATION FOR BRAND AWARENESS

UPCOMING STORE OPENING

Store in premium location

High-traffic street

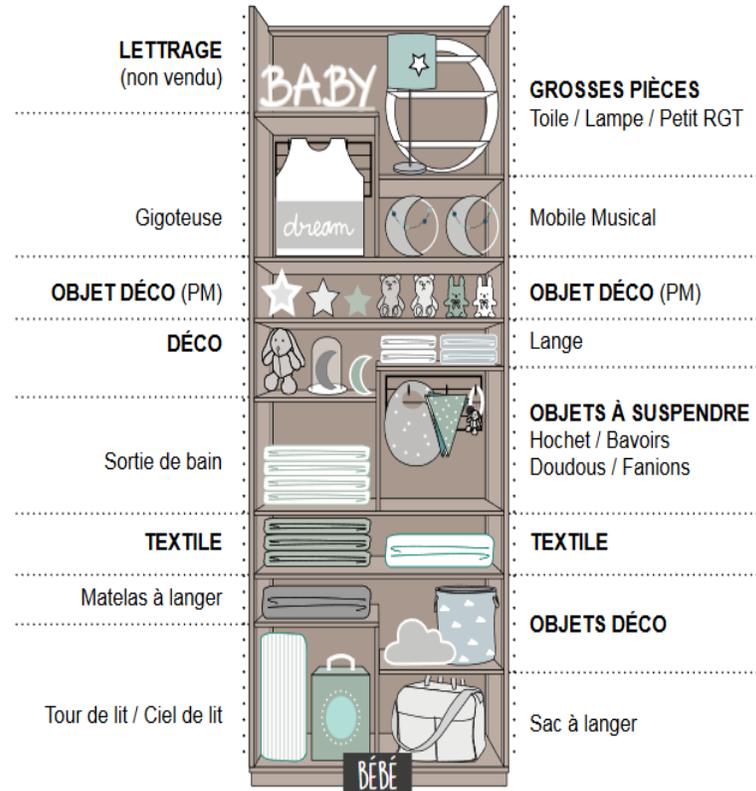


Ongoing enhancement of our store concept

DYNAMIC MERCHANDIZING



CONCEPT INNOVATION



DECORATION ADVICE



Leveraging data to tailor stores to local preferences

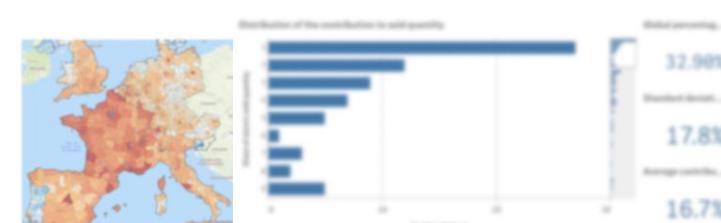
LOCALIZED

IN-STORE MERCHANDIZING



LOCALIZED

PRODUCT PROMOTIONS



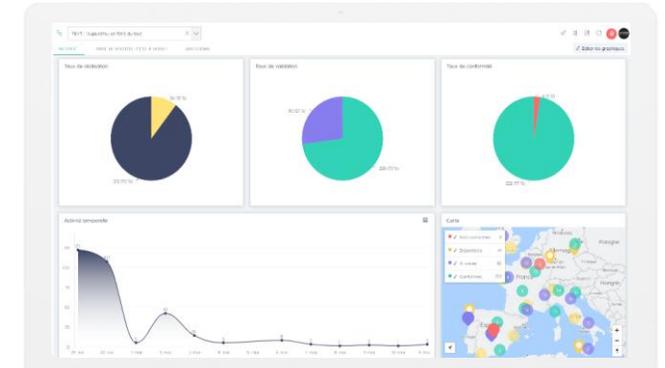
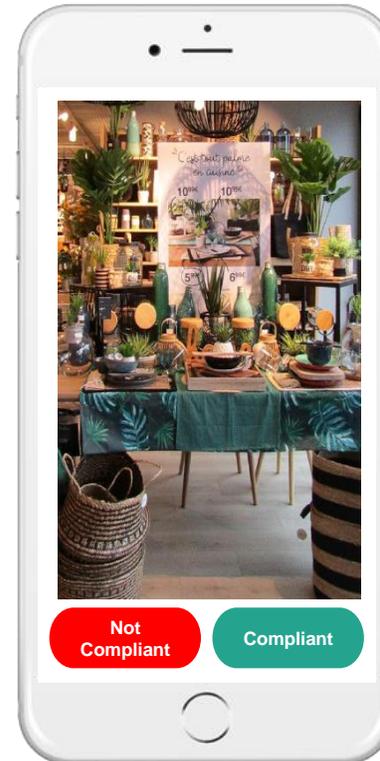
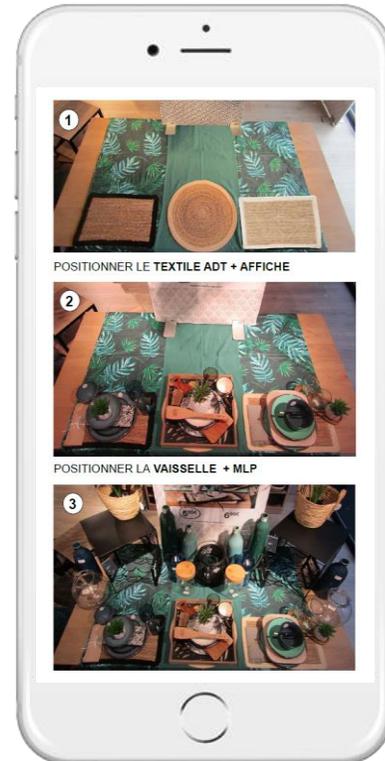
Merchandizing excellence ensured by digital tools

Remote control over merchandizing execution across all our stores

Easy and reliable execution of merchandizing

Instant feedback from regional manager

Real-time store analytics



Converting our salesforce into brand ambassadors

TRAINING

CUSTOMER "CUSTOMER FIRST"



Client satisfaction (NPS)



CAREER "PROGRESS"



>50%
Internal promotion
Store manager

CSR embedded in our network

ALL ASPECTS OF OUR STORES

ARE ORIENTED TOWARDS OUR CSR GOALS

- | We aim at implementing actions to monitor and reduce the environmental impact of stores
- | CSR commitments are shared across Maisons du Monde with team members and promote actions to clients



By 2024

100%

Stores with a CSR ambassador

100%

Green-powered stores

100%

of our stores sort cardboard and plastic waste

A store strategy geared towards the future

HOW MANY ?

STORE OPENINGS



- | 80-100 net store openings
- | 75%-85% international openings – 15%-20% France openings

WHAT ?

STORE FORMATS



- | **France: Repositioning and refurbishment** for dynamic management
- | **International: Geographic approach to store format**, opening of flagship stores and high omnichannel awareness stores

HOW ?

RETAIL EXCELLENCE



- | Continuous efforts to **enhance store concept**
- | **Geographic adaptation** of in-store merchandising
- | **Optimized** in-store execution control
- | **Client is core** in new in-store employee training
- | **CSR is a priority**



04

A leading omnichannel model

A STEP CHANGE IN OUR DIGITAL PLATFORM

Marie-Laure Cassé
Head of Digital & Marketing

MAISONS
DU MONDE

A strong track record of online growth



11

European countries
o/w 2 digital-only countries



70%

mobile traffic



7.4m

unique visitors
per month



c.4m

followers on social
medias

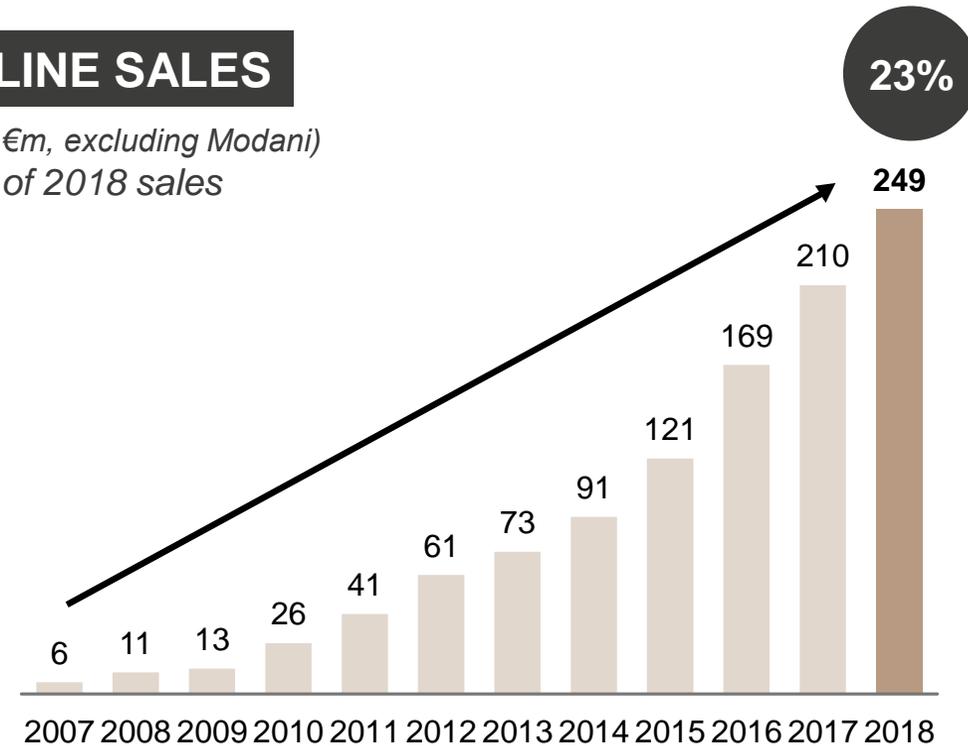


>1m

active customers

ONLINE SALES

(in €m, excluding Modani)
% of 2018 sales



x2.5+

Sales growth between
2014 and 2018

50%

International sales
vs.39% in 2014

Continuous conversion rate improvement

2 STRATEGIC EVOLUTIONS

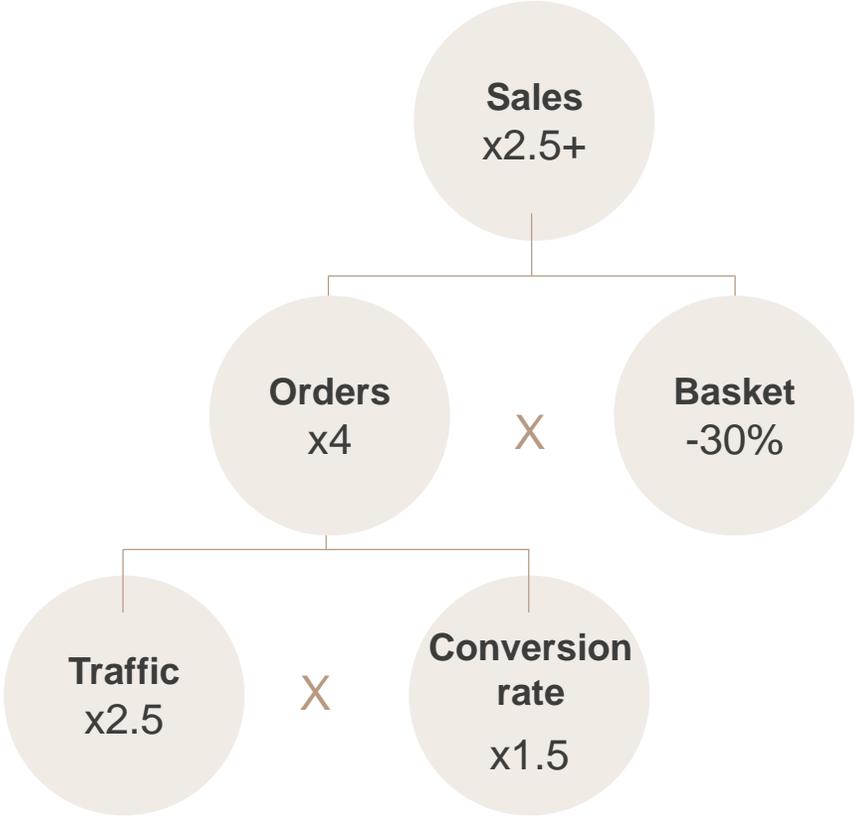
Higher decoration mix (*orders*)

48% > 77%

A proactive shift to mobile first
Mobile conversion rate

x3.5 times

LEADING TO REMARKABLE PERFORMANCE



Strong marketing efficiency driven by ROI-based investments

INCREASED MARKETING SPEND



+3.1x

New online clients since 2015



+4.6x

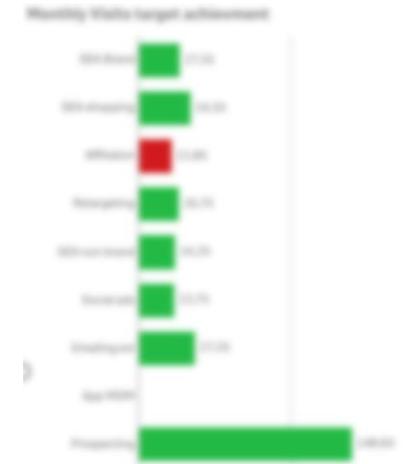
Repeat orders



only +7%

CAC⁽¹⁾ increase since 2015

MAINTAINED SPEND EFFICIENCY



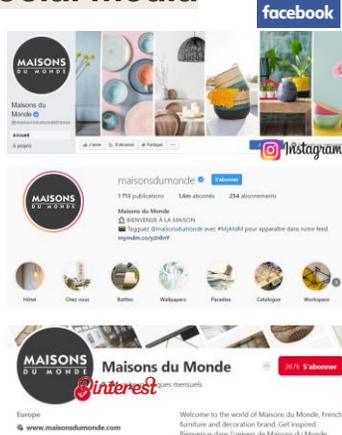
High NPS reflects improved customer experience

INSPIRE

E-catalog



Social media



CONVERT

New payments

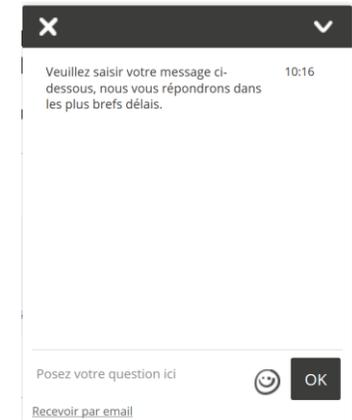


DELIVER

New partners



CARE



250k+ tchats

93% satisfaction rate

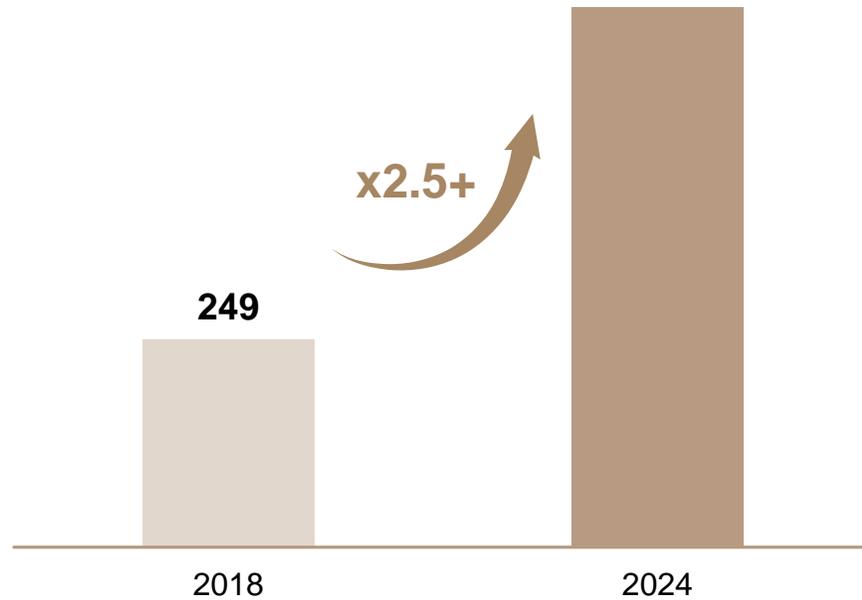


Between 5 & 8 point increase in NPS⁽¹⁾ in one year

Doubling our online sales by 2024

ONLINE SALES TARGET

€m



A four-pillar action plan to achieve our goal

**INCREASED BRAND
AWARENESS**

**PERSONALIZED
CUSTOMER EXPERIENCE**

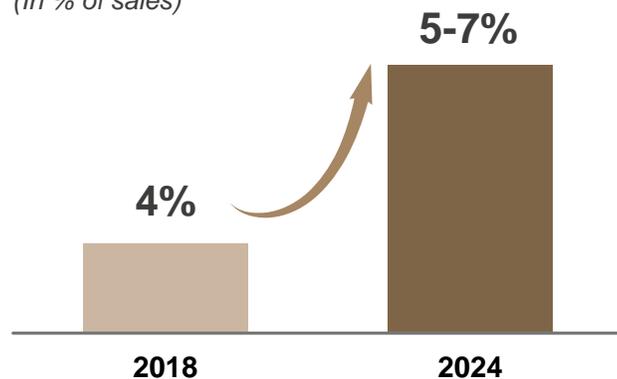
**TAILORED INTERNATIONAL
APPROACH**

**MARKETPLACE
LAUNCH**

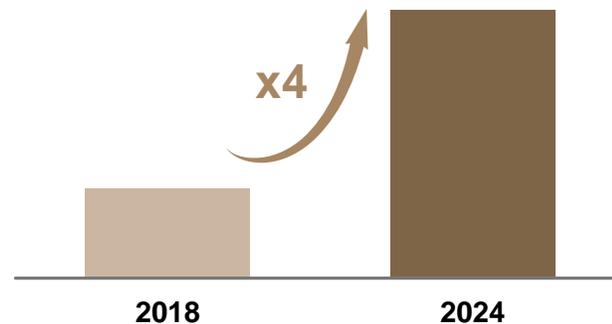
1 BRAND AWARENESS STRATEGY TO INCREASE OUR SHARE OF VOICE

INCREASE IN MARKETING SPEND

(In % of sales)



OF WHICH x4 IN THE BRAND



Playing on our 3 levers

Paid

Owned

Earned



1 BRAND AWARENESS: DIFFERENTIATION THROUGH MEDIA AND CONTENT

SMART MEDIA STRATEGY TO REACH A BROAD AUDIENCE

INFLUENCERS & PR TO FOSTER KEY OPINION LEADER PROMOTION



BRAND CONTENT & EVENTS TO PROMOTE CONSUMER ENGAGEMENT



2 DIGITAL USER EXPERIENCE ENCOURAGING CROSS-SELL AND UPSELL

CUSTOMER JOURNEY SUNBURST



PRODUCT RECOMMENDATIONS ON WEBSITE & PLATFORMS

Shop the look

Panier thaïlandais en fibre végétale H:47 cm 17,99 €

Lampadaire trépied en hêtre et abajour vert H:150 139,90 €

SÉASIDE - Déco murale poisson en métal blanc 91x71 79,90 €

SHELTER - Coussin de jardin en tissu imprimé école de mer 45x45 SHELTER 8,95 €

Photo

Sur cette photo

Chaise style scandinave noire et c... 69,99 €

Table à manger ronde 4/6 personnes en mangui... 650 €

Plus de maisonsdumonde

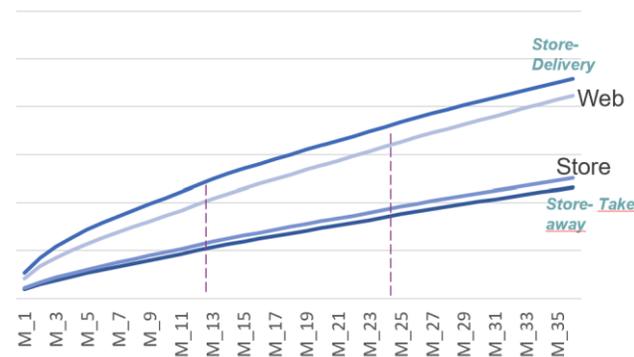
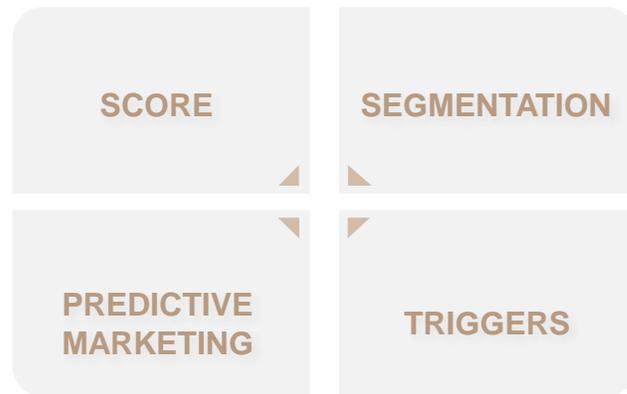
Miroir en métal noir 90x90 89,99 €

Distributeur de serviettes en métal l... 9,99 €

2 A DATA-BASED PERSONALIZATION OF OUR CUSTOMER JOURNEY



18 million queries/month



Cohort analysis

E-mails



Banners



Website



COMPLÉTEZ VOTRE DÉCO AVEC...



COMMODE 5 TIROIRS EN ACACIA M... 450,00 €



CHAISE INDUS EN CUIR MARRON A... 130,00 €



MIROIR EN MÉTAL DORÉ 75X120 249,00 €



COUSSIN JAUNE CITRON 40 X 40 C... 10,99 €

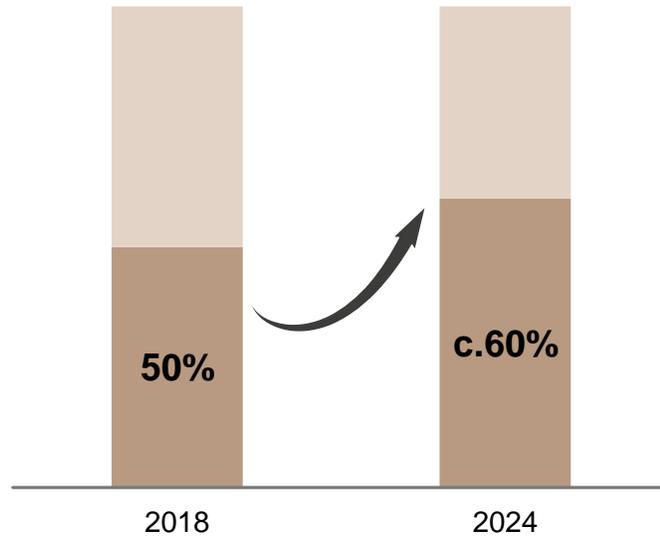


3 A TAILORED INTERNATIONAL MARKETING PROPOSITION

INTERNATIONAL GROWTH

Online sales (%)

■ International ■ France



THROUGH A TAILORED ACTION PLAN

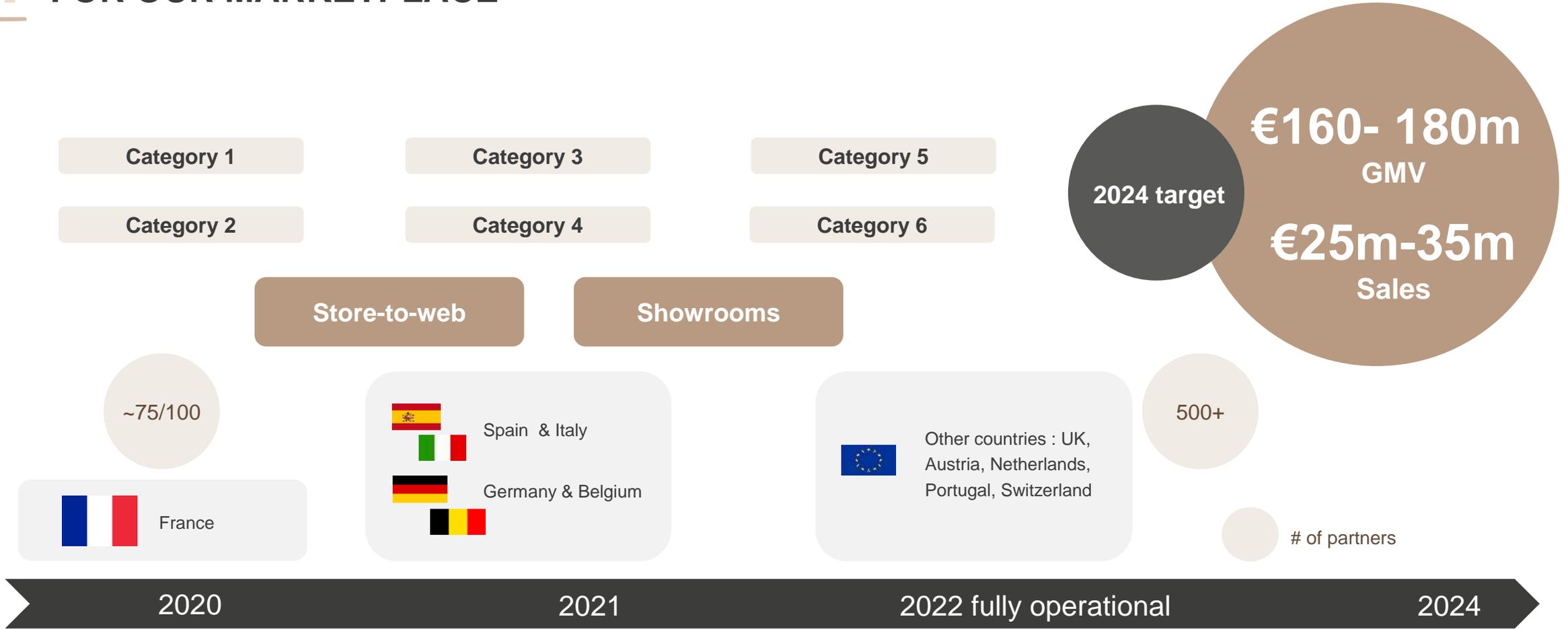


4 MARKETPLACE: AN AGILE OPERATING MODEL

- | Dedicated Maisons du Monde team
- | Strict vetting process
- | Delivery and customer service handled by vendors
- | Integrated commercial action plan



4 A GRADUAL RAMP-UP PLAN FOR OUR MARKETPLACE



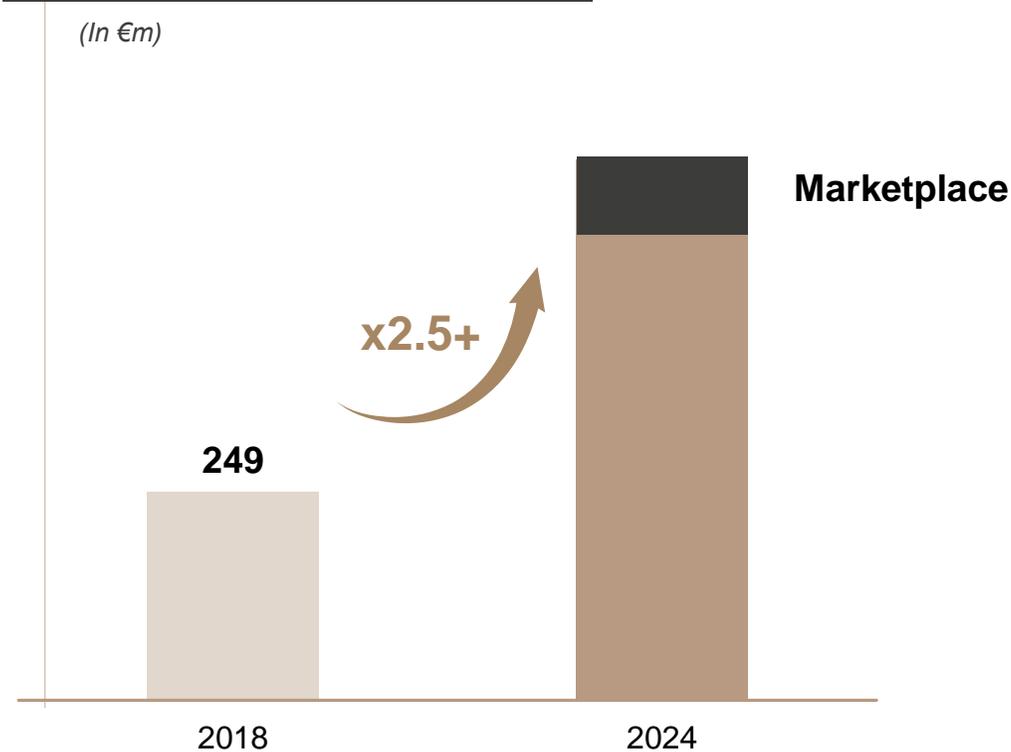
A passionate and dedicated team

120
people



A clear roadmap to strengthen our online leadership by 2024

DOUBLING ONLINE SALES



THROUGH A CLEAR ACTION PLAN

INCREASED
BRAND
AWARENESS

PERSONALIZED
CUSTOMER
EXPERIENCE

TAILORED
INTERNATIONAL
APPROACH

MARKETPLACE
LAUNCH

Q&A



01 A NEW CHAPTER IN THE MAISONS DU MONDE GROWTH STORY | J. Walbaum

02 A CLEAR STRATEGY AND A RENEWED GROWTH MODEL | J. Walbaum

03 AN INCREASINGLY DIFFERENTIATED OFFER | J. Walbaum

04 A LEADING OMNICHANNEL MODEL | M.L. Cassé / Y. Catherine

Lunch break

05 B2B AND FRANCHISE AS NATURAL EXTENSIONS | C. Filoche

06 USA: A NEW GROWTH ENGINE | N. Cohen

07 AN INDUSTRIAL APPROACH TO SUPPLY CHAIN | J. Vigouroux

08 A STRONG FINANCIAL PROFILE | A. Louet

09 CONCLUSION: THE GROWTH STORY CONTINUES | J. Walbaum



Q&A

Lunch break & workshops





05

B2B & FRANCHISING AS NATURAL EXTENSIONS

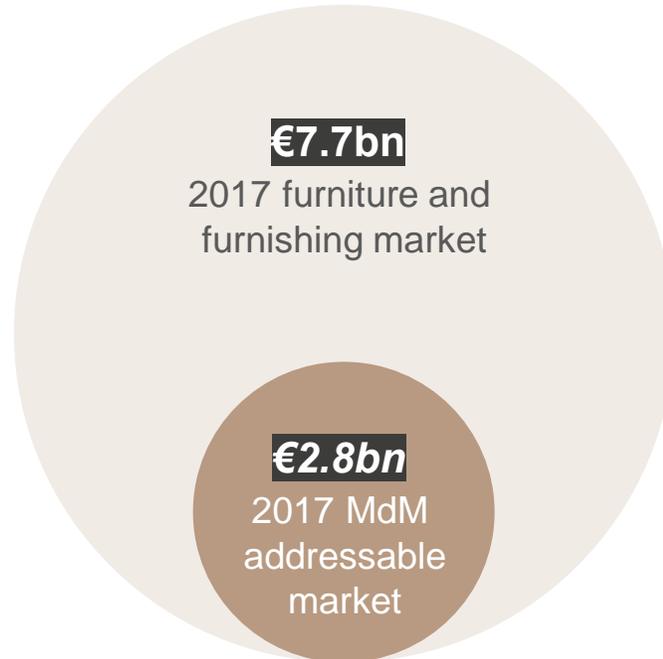
Catherine Filoche
Head of B2B & Franchising

MAISONS
DU MONDE

B2B: A market with attractive dynamics

LARGE MARKET

European market size



WITH SUBSTANTIAL GROWTH

Hospitality, retail, office, real estate and restaurants represent >75% of total market



+2.5% - 3% for hospitality



+3% for offices



+3.5% - 4.5% for real estate

Growth rates between 2018-2022

A promising base on which to build

INSPIRATIONAL



OMNICHANNEL

Web

49%



Sales team

51%



INTERNATIONAL

International

49%

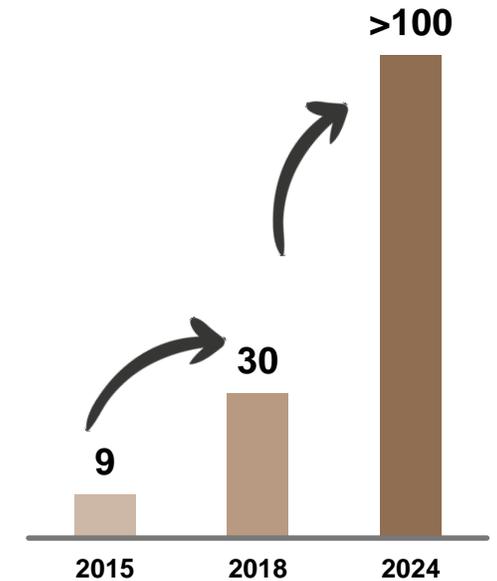


France

51%

GROWING

(In €m)

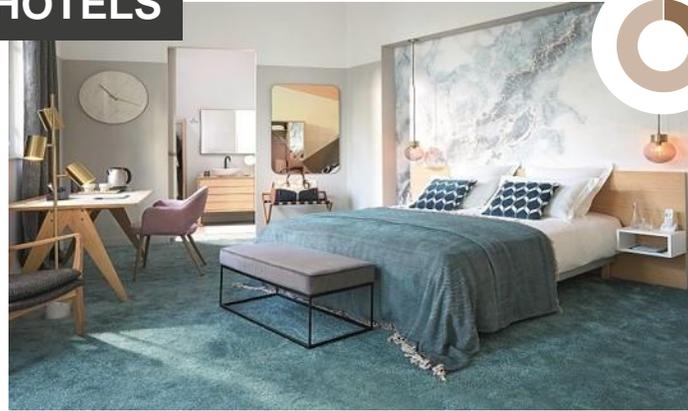


A relevant proposition across verticals

INTERIOR DESIGNERS



HOTELS



OFFICES



REAL ESTATE



RETAILERS



RESTAURANTS



Recent projects with high-profile partners



They trust us



Meeting the needs of our B2B customers



INSPIRE

1



OFFER
THE PERFECT PRODUCT

2



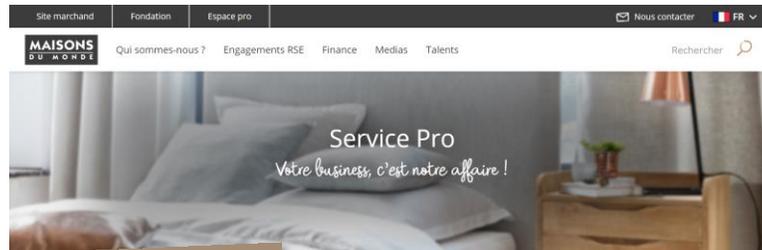
DELIVER
AN ENJOYABLE
SEAMLESS EXPERIENCE

3



1 INSPIRE THROUGH RELEVANCE AND VISIBILITY

APPROPRIATE B2B MATERIALS



PRESENCE IN MAJOR FAIRS

EquipHotel



Fuorisalone



Workspace expo



Casa decor



2 OFFER A RANGE OF TAILOR-MADE B2B PRODUCTS

CHAIRS



DISPLAY UNITS



ROLLING CHAIRS



SHELVES



OFFICES



STOOLS



70 SKUs in 2018, 140 today and 300 in 2020

3 DELIVERING A SEAMLESS EXPERIENCE THROUGH A BESPOKE SUITE OF SERVICES

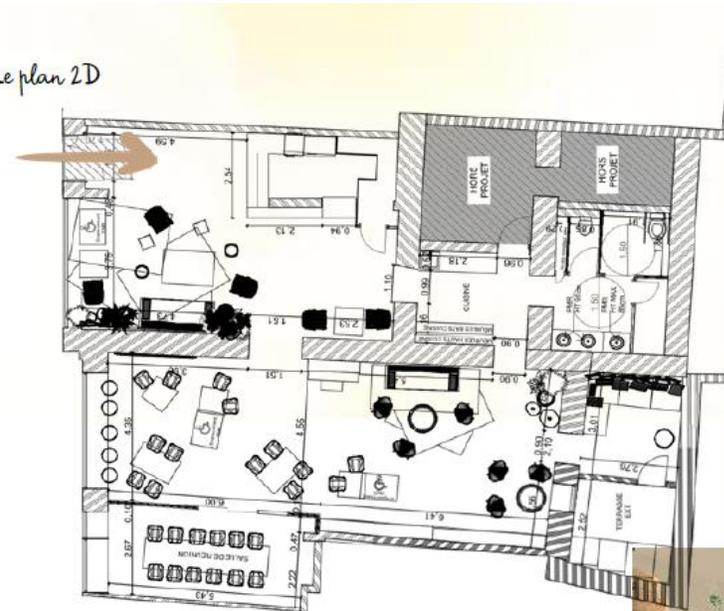


Dedicated B2B interior designers driving higher basket

L'ambiance client



Le plan 2D



Les modélisations 3D



A multi-functional team

32 passionate people

- | On-shore and on-site sales representatives
- | Interior designers
- | Customer service
- | Delivery managers



Our ultimate showroom: Maisons du Monde Hôtel & Suites

05 | B2B & Franchise as natural extensions

CAPITAL MARKETS DAY 2019



4-STAR HOTEL IN NANTES CITY-CENTER

- | Fully decorated by Maisons du Monde: **1,300** products
- | **47** bedrooms. **5** room styles... **5** lifestyles!
Explo Chic, Jagger, Green Grey, Classic Chic, Exo Chic
- | Operated by Vicartem, a local independent hotel operator

Influencers night
7 influencers
~300k followers
~110k reach

Press coverage
~500 media clippings
~260k reach

MAISONS
DU MONDE

It feels like home, only better! :-)



2 bis rue Santeuil, 44000 Nantes



Opened on May 1st, 2019

Welcome to
**Maisons
du Monde
Hôtel & Suites**



Franchising: An additional route to export the Maisons du Monde concept

From €13m to €60m sales under banner

7 FRANCHISE STORES

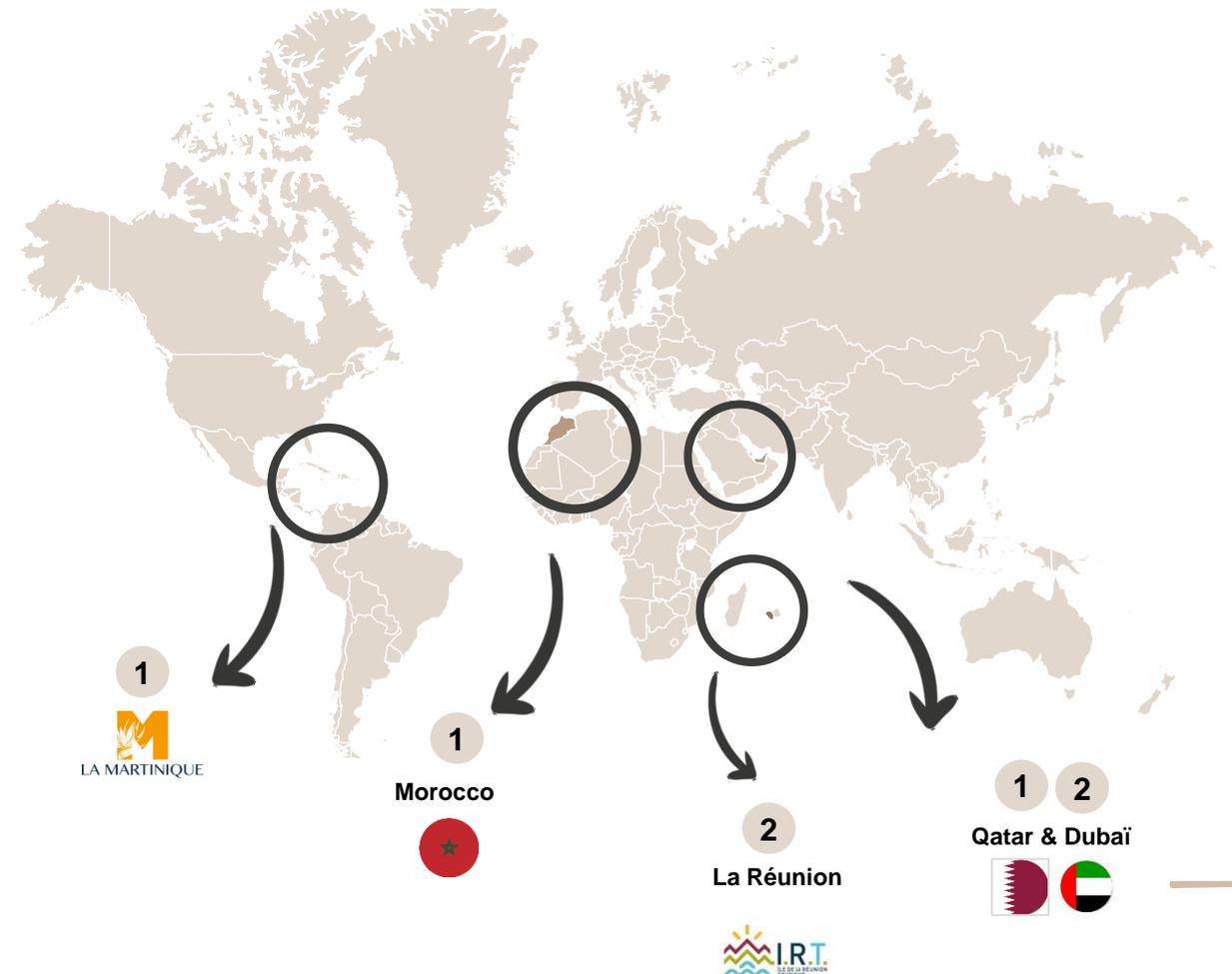
Future development centered around 20-25 new stores with existing partners



Mall of the Emirates
Dubai – UAE



Martinique





06

**USA:
A NEW GROWTH
ENGINE**

Nathanaël Cohen
CEO Modani

MAISONS
DU MONDE

Modani and Maisons du Monde: Similar business models

A WINNING BUSINESS MODEL

- | Exclusive in-house design
- | Value for money
- | Design-to-cost process
- | Product availability
- | An in-store aspirational experience

Consistency with the MdM model



Modani and Maisons du Monde: A win-win combination

ACCELERATION OF MODANI'S DEVELOPMENT

- | Acceleration of Modani's store expansion
- | Acceleration of e-commerce activity
- | Expansion of the Decoration offer
- | Acceleration of like-for-like by increasing the available stock

LAUNCHING PAD FOR MAISONS DU MONDE IN THE USA

- | Market knowledge
- | Real estate proficiency
- | An existing supply chain
- | Marketplace relations
- | Proficiency in product standards

Welcome to
Modani



Modani: A new lifestyle concept founded in 2007

Modani was created with **consumers' interests in mind**, through:

- | Modern designs
- | Value-oriented price points
- | '3-day White Glove' delivery promise

**'Modern Furniture,
Minimalist Prices'**



A team of passionate people with strong expertise in retail

EXPERIENCED MANAGEMENT

Name	Position	Modani experience
Nathan Cohen	<i>Co-Founder & CEO</i>	10+
Yonel Fellous	<i>Co-Founder & Managing Partner</i>	10+
Steven Athea	<i>Co-Founder & Managing Partner</i>	10+
Jessica Attal	<i>COO</i>	8+
Jonathan Moyal	<i>Marketing & Digital Director</i>	8+
Laure William	<i>Logistics Manager</i>	4
Anais Aubourg	<i>Head of Accounting</i>	3+
Fanny Capdepuy	<i>Purchasing Manager</i>	2
Christophe Angelier	<i>Retail & Sales Director</i>	1

A TEAM OF 140 PEOPLE



140 employees in the US



40 employees at headquarters



Expertise in retail, marketing, operations

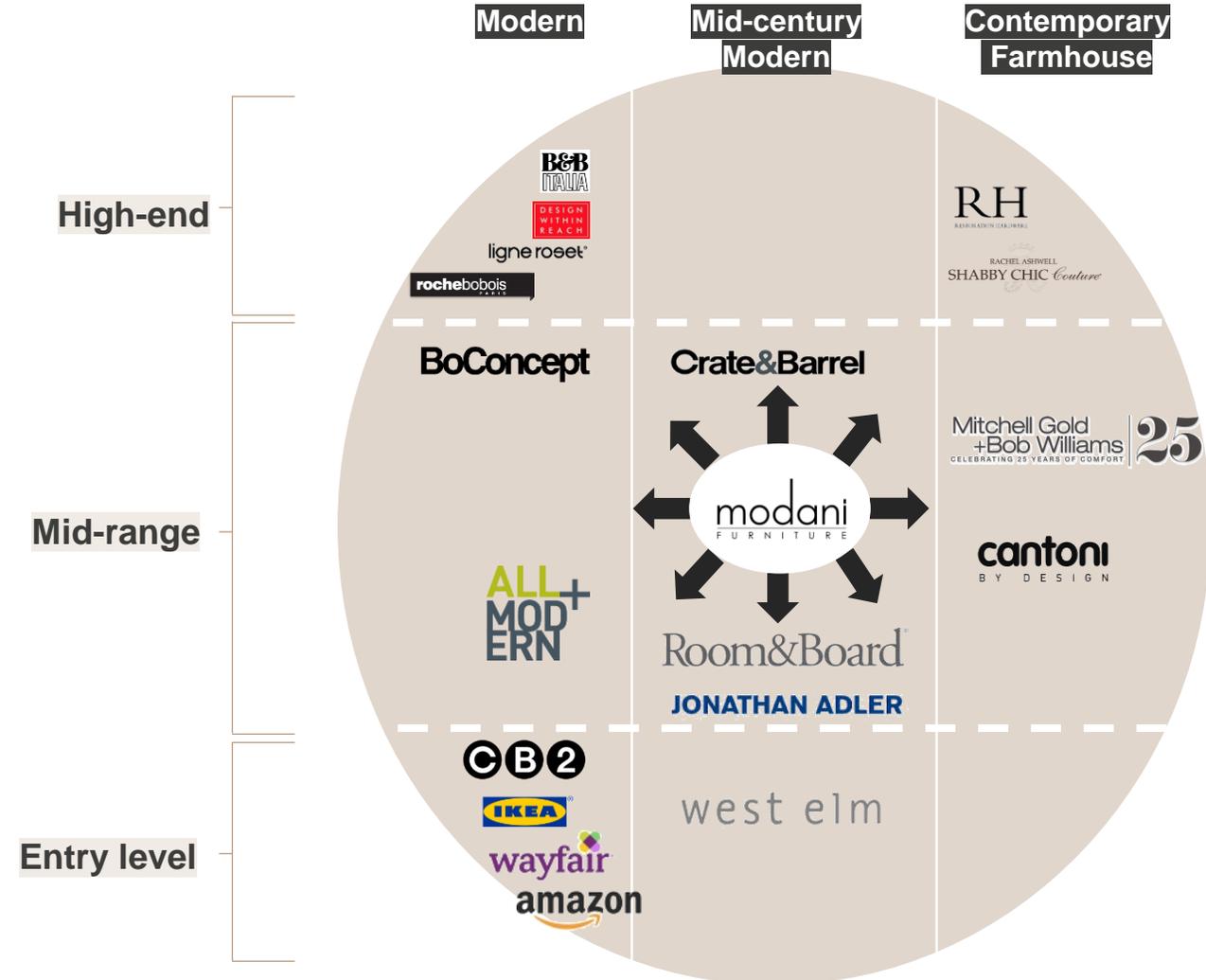
A targeted and sophisticated value proposition

- | Exclusive design and design-to-cost approach
- | A variety of modern looks for broad, long-lasting appeal
- | Inspirational set-ups in our stores, on our website and in our catalogues



A differentiated positioning in a broad competitive landscape

- | Concept attracts a wide variety of demographics and tastes
- | True multi-generational and multi-style player



Affordable price points, thanks to a 'design-to-cost' approach

				Sectional - \$1,690 Coffee Table - \$290 Chair - \$540
				Sectional - \$9,297 Coffee Table - \$729 Chair - \$1,599
				Sectional - \$4,497 Coffee Table - \$649 Chair - \$1,399
				Sectional - \$2,698 Coffee Table - \$349 Chair - \$1,599
				Sectional - \$11,815 Coffee Table - \$1,750 Chair - \$2,210
				Sectional - \$3,899 Coffee Table - \$519 Chair - \$2,799

An immersive retail experience



- | High-end display 'vignettes'
- | Complimentary design consultations
- | 2D and 3D renderings of furniture selections



A targeted retail approach



Chicago



Paramus, NJ



Los Angeles



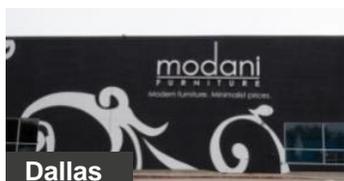
NYC - Midtown



San Francisco



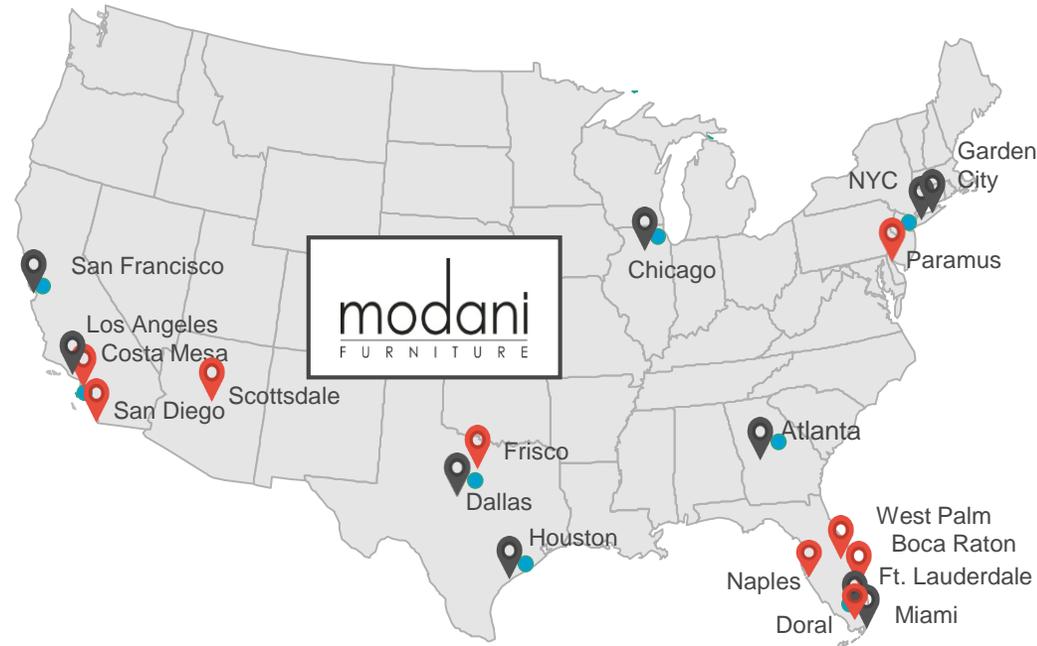
Atlanta



Dallas



Ft. Lauderdale



- | 15 showrooms (May 2019) in affluent metropolitan areas
- | 8 DCs in 4 hubs across the US
- | Storage capacity of 40,000 sqm of storage
- | Value driven and cost saving supply chain



2018 / 2019 new showroom location



Showroom location



Distribution center location

A '3-day white glove delivery' promise driving high customer satisfaction



- | Features in-room delivery, unpacking and set up, removal of all debris
- | Offered within 70 miles of any showroom

4.4 AVERAGE RATING ONLINE

Strong  Ratings Across Showrooms

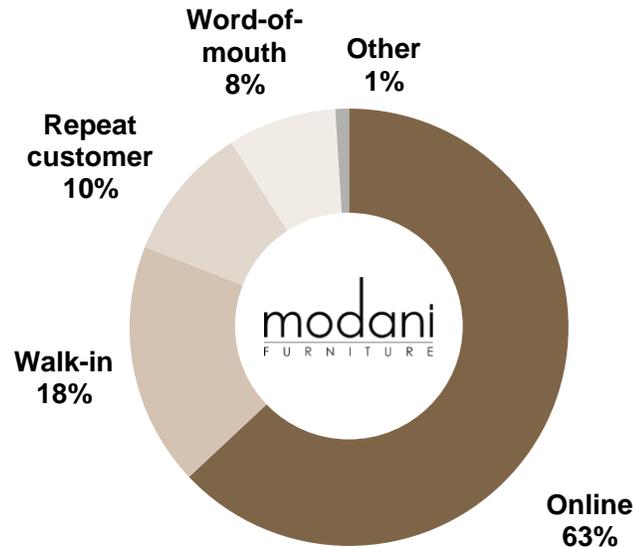
<i>Atlanta</i>	<i>4.5</i>	<i>Miami</i>	<i>4.4</i>
<i>Chicago</i>	<i>4.5</i>	<i>Boca Raton</i>	<i>4.4</i>
<i>Dallas</i>	<i>4.2</i>	<i>NY - Midtown</i>	<i>4.5</i>
<i>Houston</i>	<i>4.1</i>	<i>Ft. Lauderdale</i>	<i>4.5</i>
<i>Los Angeles</i>	<i>4.5</i>	<i>San Francisco</i>	<i>4.5</i>

An efficient geo-targeted 'web-to-store' marketing model

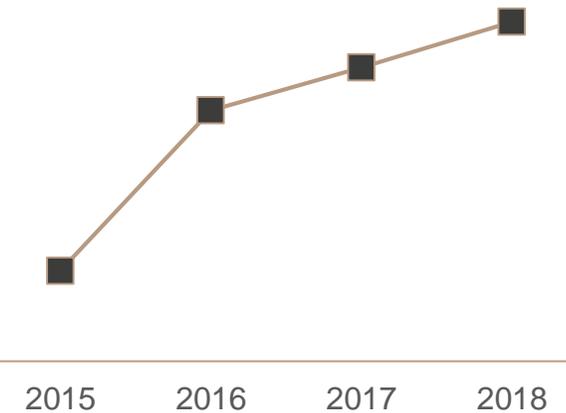
WEB-TO-STORE MODEL

- | Geo-fenced marketing campaigns ensure lower CAC and better sales conversion
- | Online is our primary source of in-store traffic and customer acquisition
- | Average transaction value is growing year after year

SALES BY SOURCE IN 2018



BASKET SIZE GROWTH BY YEAR



Strong fundamentals and a proven replicable model

63%

2018 gross margin

11%

2018 EBITDA margin

REPLICABLE MODEL

- | Fast sales ramp-up
- | Payback under 2 years

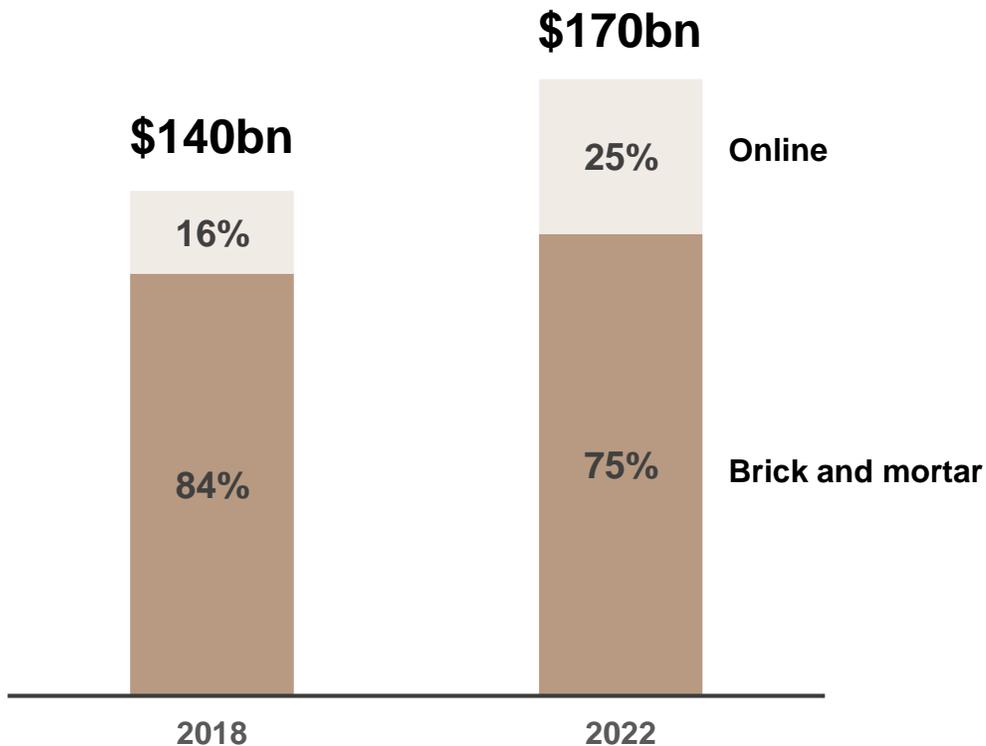


Substantial whitespace in a growing market

US MARKET HOME FURNISHING MARKET SIZE

PER DISTRIBUTION CHANNEL

(\$bn)



Source: Singulier analysis

MARKET DRIVERS

- | Millennials
 - | A growing taste for lifestyle modern furniture brands
 - | Value-oriented price points
- ➔ Modani has an opportunity to develop a network of about 80 showrooms in the US

Strong synergies with MDM support our bold ambitions



01 **PRODUCT MIX**

Introduction of homeware lines driving incremental sales and boosting recurring traffic patterns

02 **SOURCING**

Sourcing synergy opportunities to further improve on margins

03 **DIGITAL**

MdM's expertise in online and CRM should enhance our digital footprint

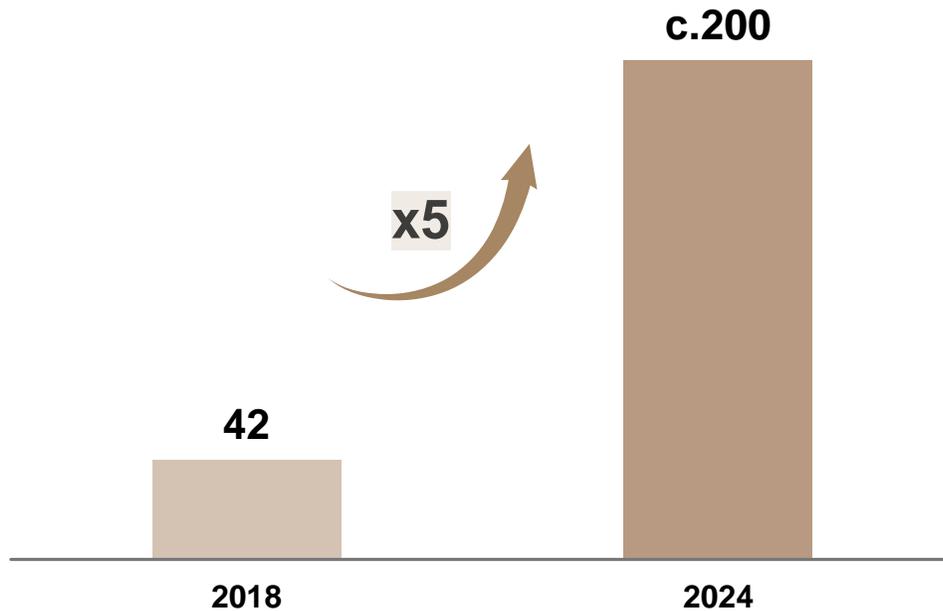
04 **GROWTH STORY**

Available corporate resources and organizational processes provide key advantages to scaling our growth

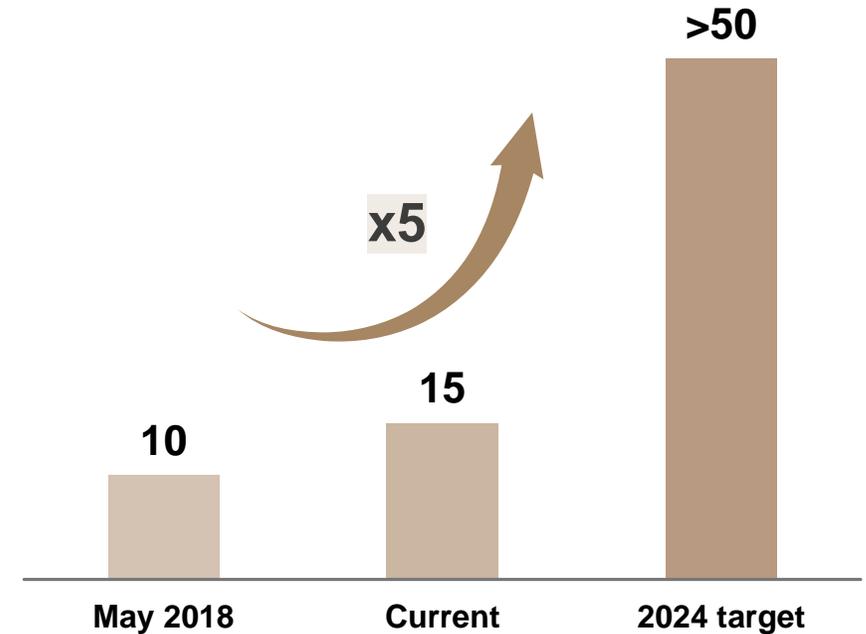
Continuing strong growth over the plan

STRONG SALES GROWTH

(in \$m)



FAST SHOWROOM EXPANSION



Maisons du Monde's first retail test in the US

- | Store opened in December 2018 in Miami's Wynwood district, with 3,500 SKUs
- | Over 600 sqm in a prime location providing strong brand visibility



2018 Miami store KPIs

- | Consumer feedback overwhelmingly positive
- | Tier 1 in sales per sqm

MDM
Wynwood



Maisons du Monde's development path in the US



DEPLOYMENT & MANAGEMENT

- | Deployment through European MdM teams & US based Modani teams
- | Leveraging Modani's logistical infrastructure and facilities

AN AMBITIOUS PLAN

WITH A CAUTIOUS APPROACH

- | Customer feedback gathered in store
- | Detailed competitive study & country-wide focus groups launched to refine marketing strategy
- | More retail tests planned in different cities and under different retail formats



07

AN INDUSTRIAL APPROACH TO SUPPLY CHAIN

Julien Vigouroux
Head of Supply Chain

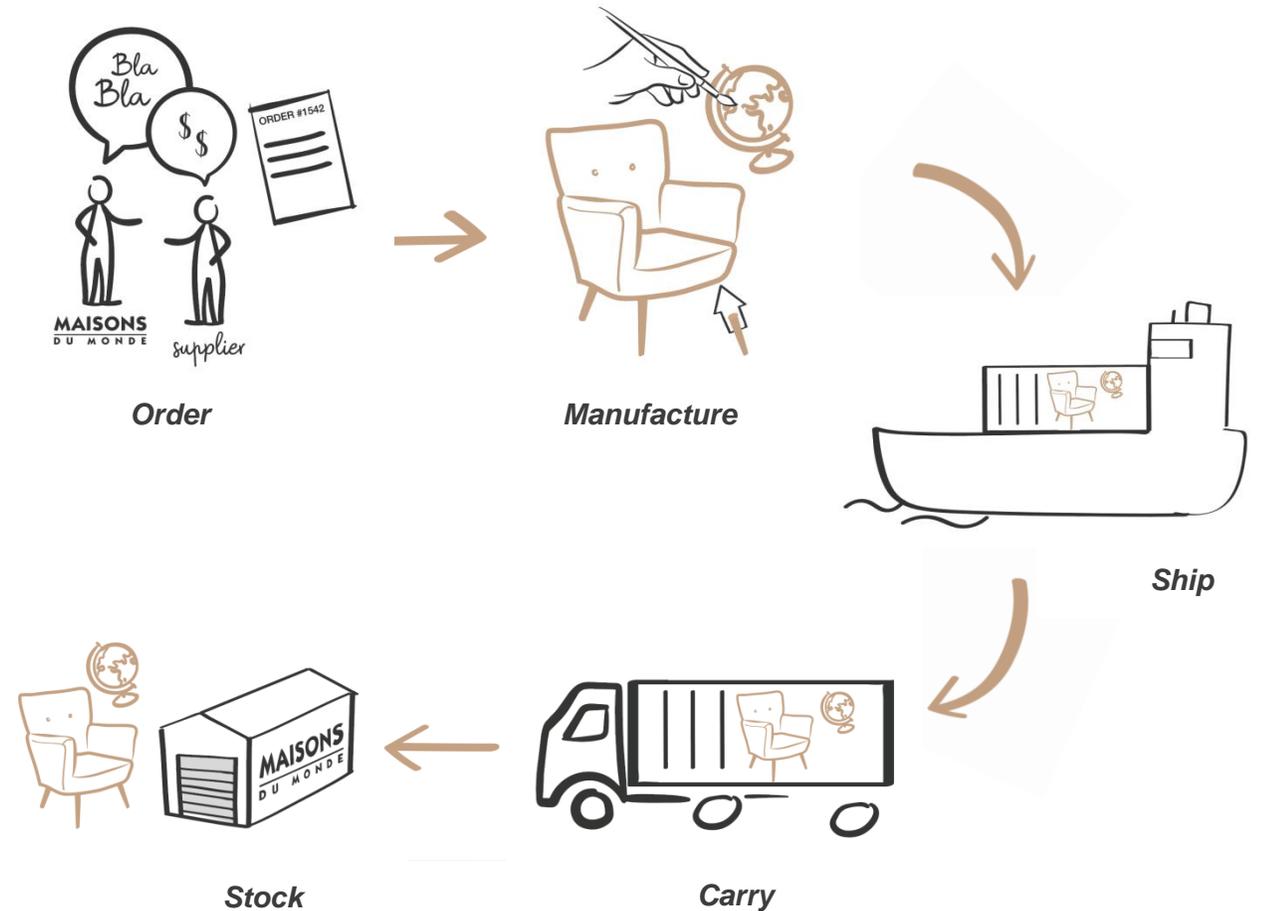
MAISONS
DU MONDE

Our
supply chain
today



A centralized and integrated supply chain model

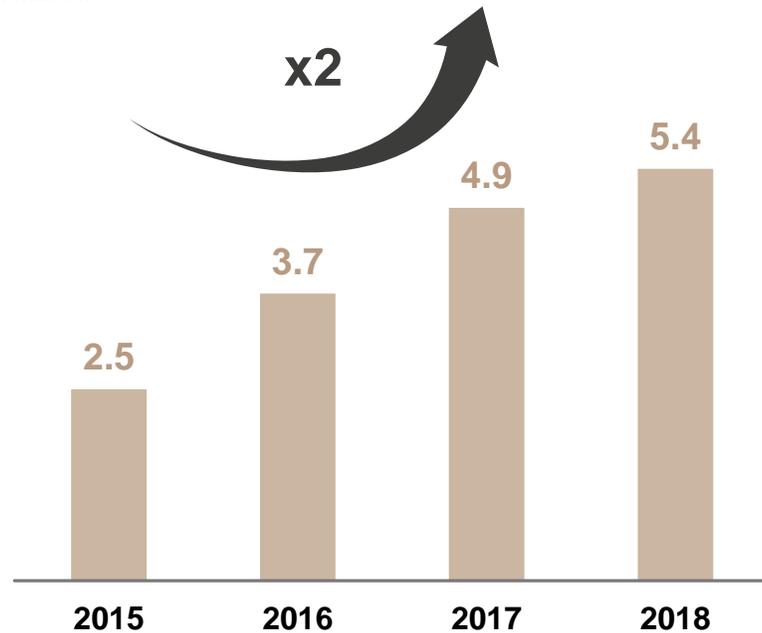
- | 50,000 sqm cutting-edge facility in Vietnam
- | Fully integrated supply
- | Single inventory management
- | 30 carriers across Europe
- | Just-in-time store replenishment



Efficient logistics supporting growth

NUMBER OF DELIVERIES

In millions



Stable

Supply costs
(in % sales)

+1

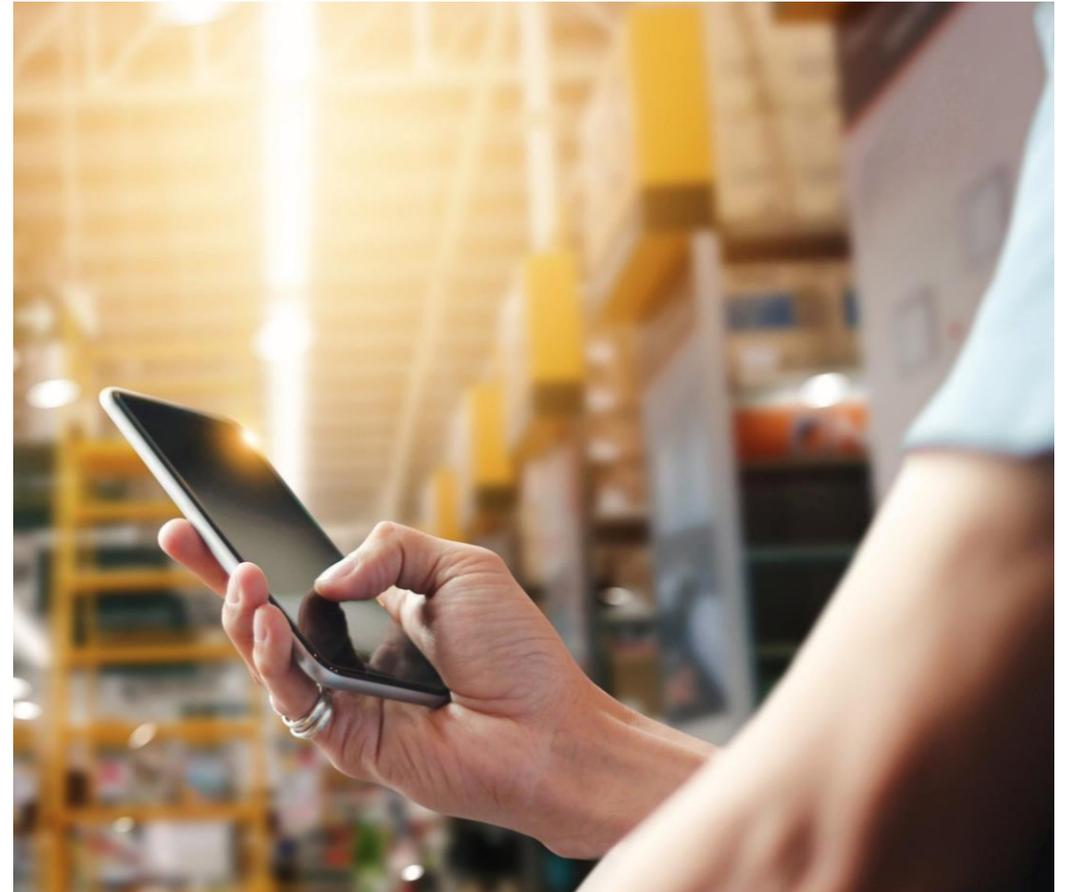
Opening of a
100,000 sqm²
warehouse

+5 pts

Delivery Net
Promoter Score
(NPS)

30%

Delivery time
reduction



Managing costs through operational efficiency

CHALLENGE

Cost and inventory increase



IMPACT

Pressure on margins

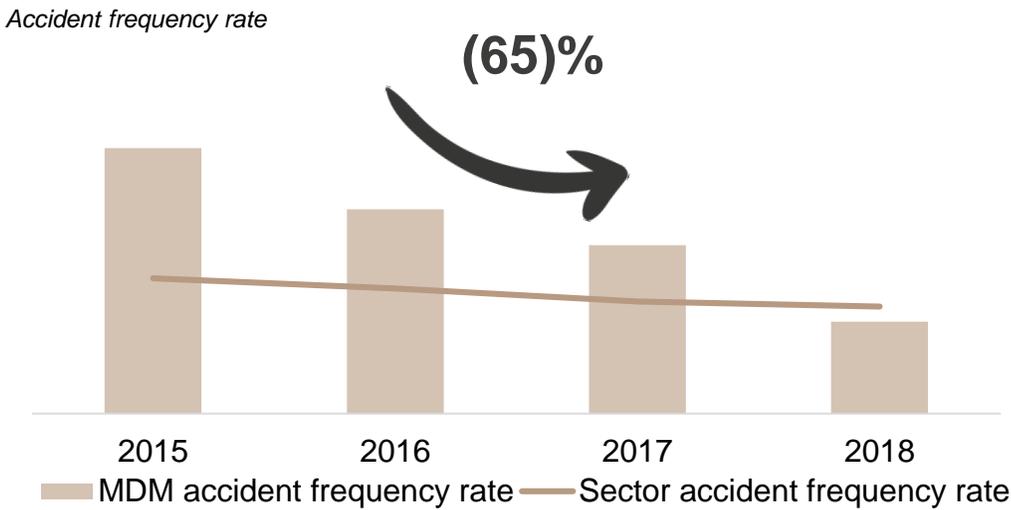


OPPORTUNITY

Operational efficiency

Our people, our strongest asset

STAFF SAFETY AS LEADING KPI



MDM accident frequency rate 15 bps better than industry average

INTERNAL PROMOTION TO ENHANCE LOYALTY

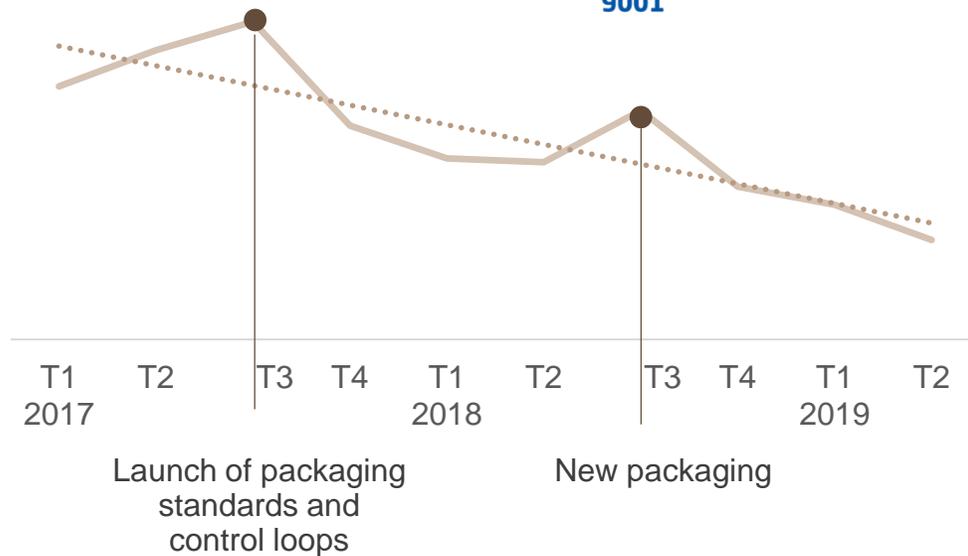


70% internal promotion

An industrial approach to drive further performance

EFFECTIVE LEAN PROGRAM

Damage frequency rate



Decoration damage rate down 50% since 2017

WAREHOUSE DENSIFICATION



37% storage gains by 2020

Data-driven inventory management to improve working capital

ENHANCE PROCUREMENT APPROACH

Best-in-class software

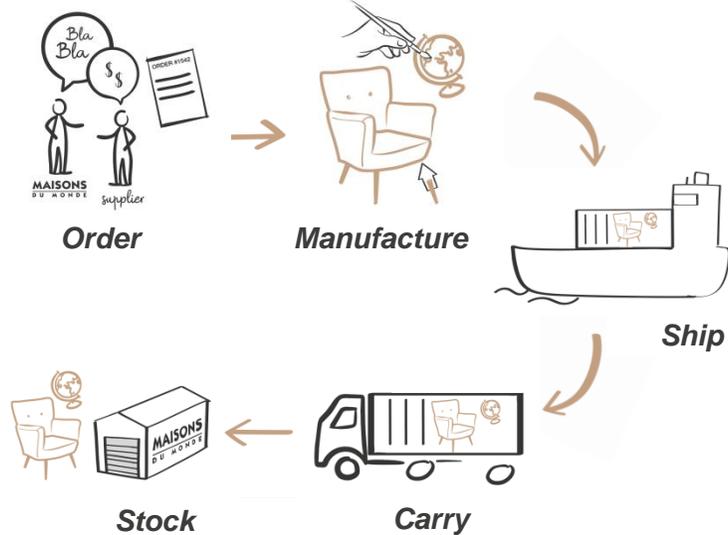


Advanced analytics

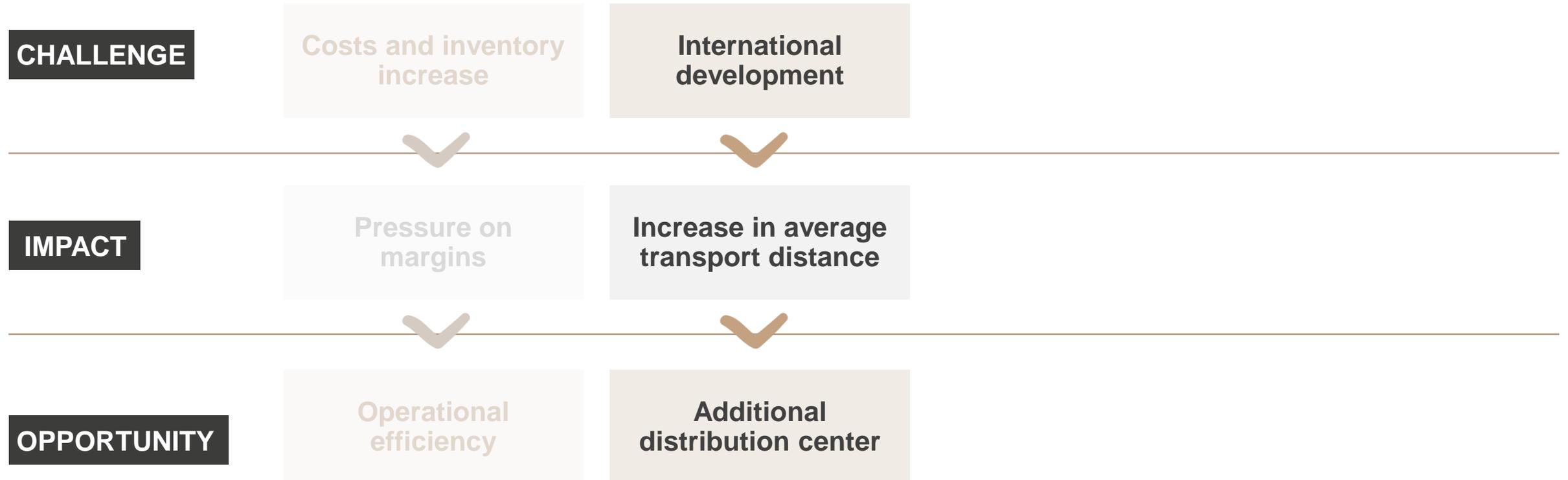


REDUCE LEAD TIME

Supplier management and process revamping



New tools to support our international expansion



A new distribution center in Northwestern France to support 2024 growth

2019-2020 : Densification of warehouses in Marseille

2021-2022 : An additional distribution center in Rouen

- | 65,000 sqm and 100,000 positions
- | Reducing transport distance by 50%
- | Gradual ramp-up

- 2021: Limited perimeter launch 
- 2022: Automation launch 
- Potential extension 

2023-2024 : Automation in Marseille



New services to enhance customer experience

CHALLENGE

Costs and inventory increase

International development

Digital & demanding customer

IMPACT

Pressure on margins

Increase in average transport distance

Home delivery

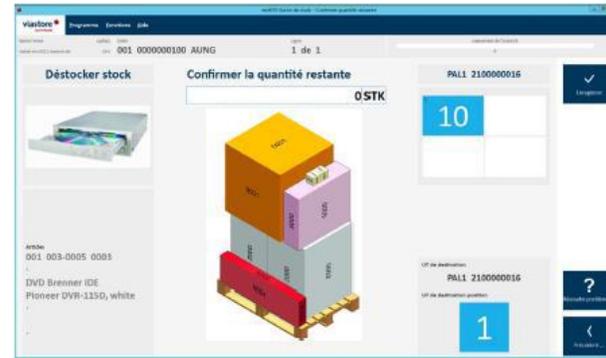
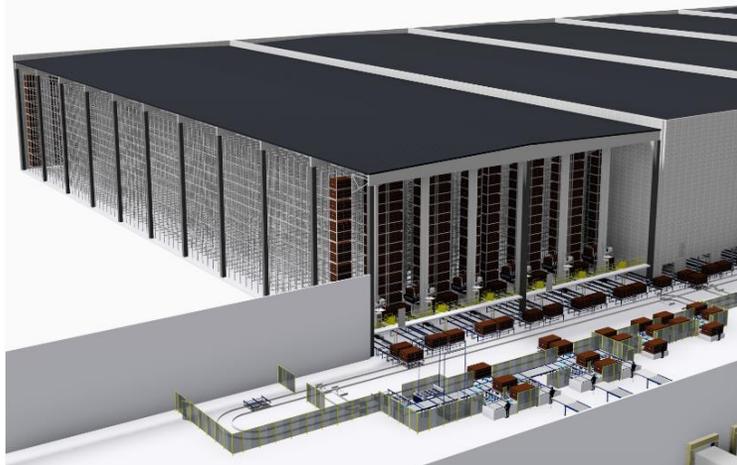
OPPORTUNITY

Operational efficiency

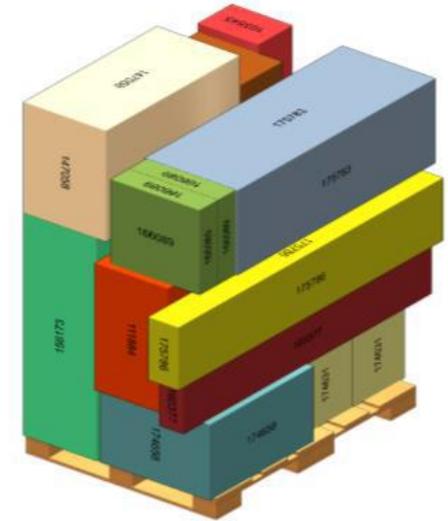
Additional distribution center

Automation & new services

Automation and innovation to satisfy our customers



Artificial Intelligence pallet optimization



BETTER CUSTOMER EXPERIENCE

Faster delivery, fewer damages

LOWER COSTS

-15% pallets transported, -25% labor costs, 8 years payback

Delivery: A key part of our enchanting customer journey

DECORATION



Express click & collect



Next day & same day delivery



Ship from store



Flexible returns

FURNITURE



Premium quality of service



Appointment at time of purchase



Multiple delivery options

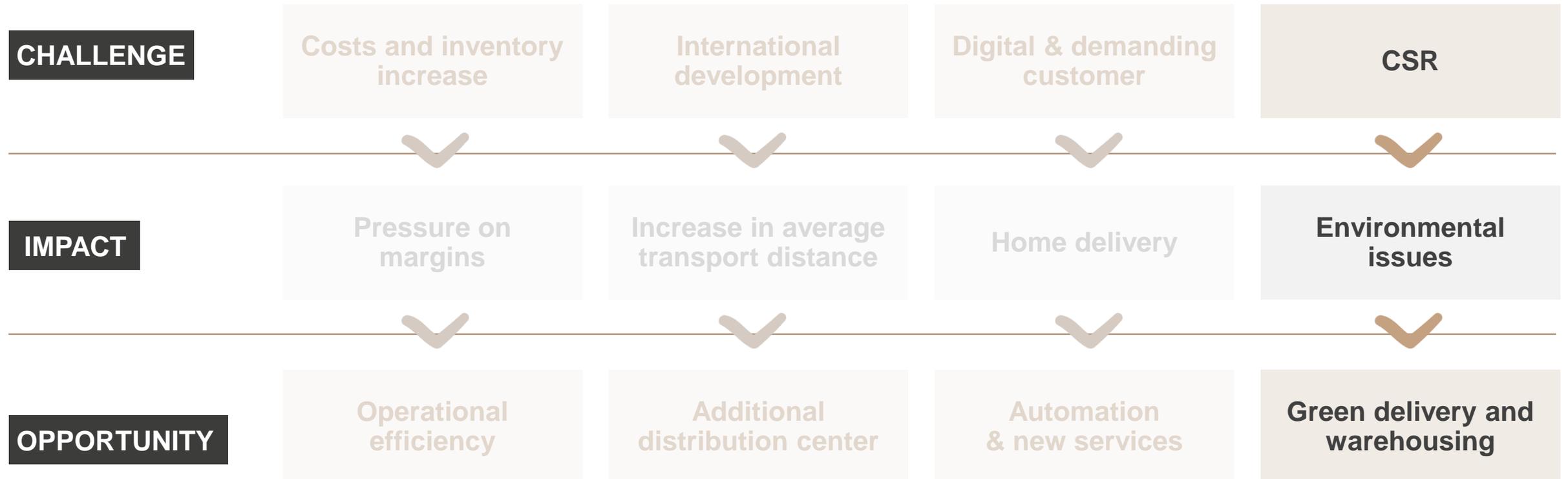
e.g. night and week-end delivery



New offerings

e.g. assembling and recovering furniture

Active CSR engagement aligned with customer expectations



Our go-green roadmap

TRANSPORTATION



REAL ESTATE



PACKAGING



Future-focused supply chain

- 01 OPERATIONAL EFFICIENCY
- 02 ADDITIONAL DISTRIBUTION CENTER
- 03 AUTOMATION & NEW SERVICES
- 04 GREEN DELIVERY & WAREHOUSING





08

**A STRONG
FINANCIAL
PROFILE**

Arnaud Louet
CFO

MAISONS
DU MONDE

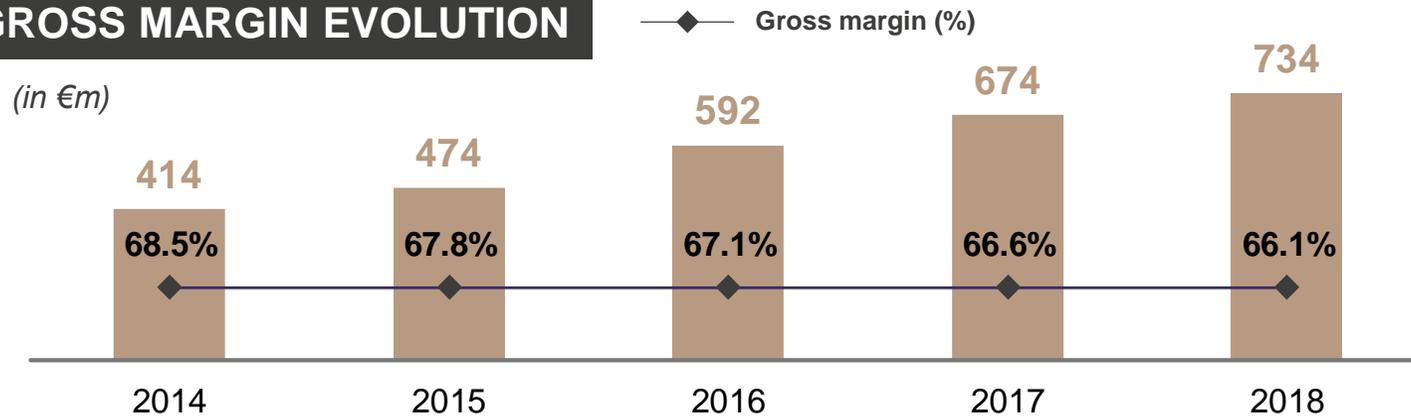
We have delivered on our plan

Sales CAGR	>	12% - 14%	✓✓
Online sales 2020e	>	25%+	✓✓ 23% in 2018
International sales 2020e	>	~50%	✓ 40% in 2018
EBITDA margin	>	13%+	✓✓



A profitable model with strong growth and best-in-class margins

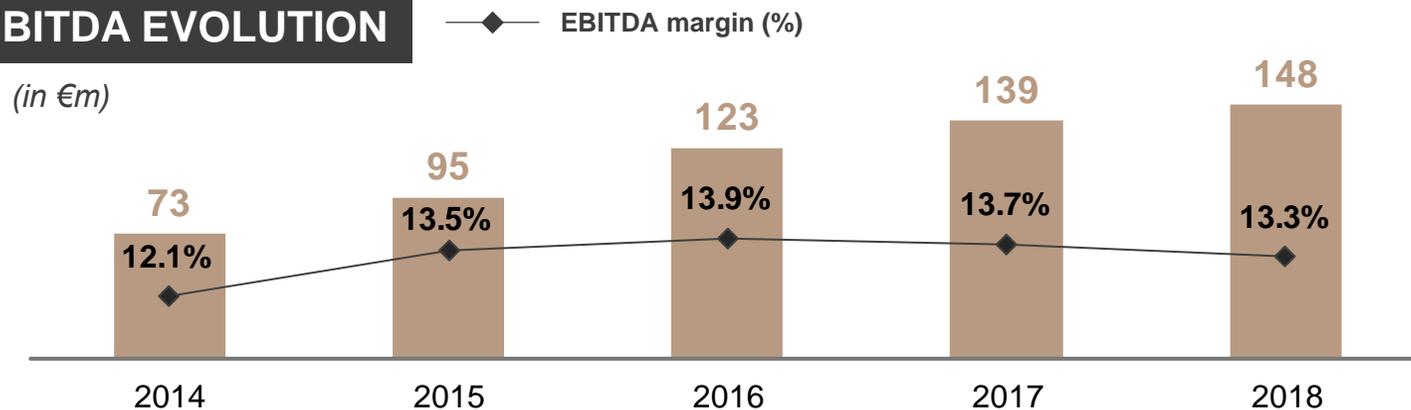
GROSS MARGIN EVOLUTION



Gross margin evolution mainly impacted by **EUR/USD parity** and slightly by **mix effect**

Strong EBITDA growth with 19% CAGR between 2014 and 2018

EBITDA EVOLUTION



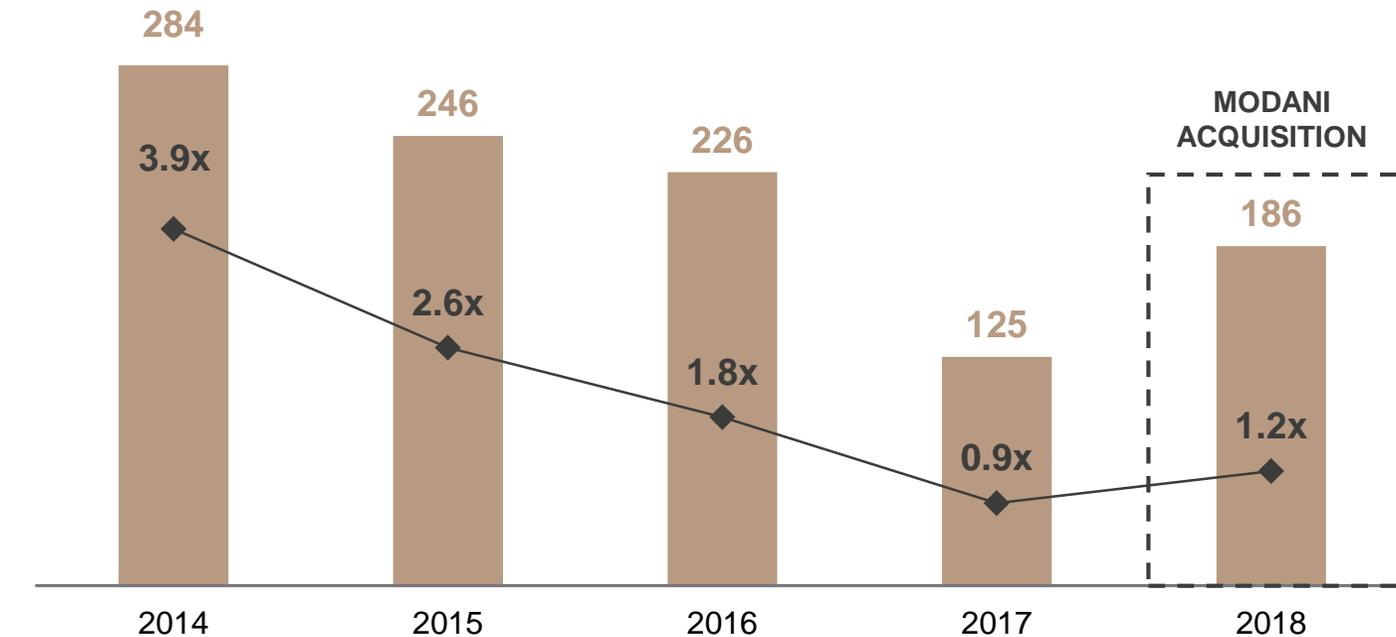
High EBITDA margin thanks to **operational excellence**

A highly profitable model that delivers growth and operating leverage

Strong deleveraging, enabling further investment

NET DEBT EVOLUTION

(in €m) —◆— Net leverage (x)



>€200m

Cumulated recurring free cash⁽¹⁾
flow over the 2014-2018 period

Note: (1) Recurring free cash flow defined as EBITDA – change in working capital – change in other operating items – recurring capex

New financial profile in a nutshell

TOP LINE GROWTH

- | Omnichannel
- | International
- | New growth avenues

STRONG PROFITABILITY

- | High gross margin
- | Marketing & Supply chain investment
- | Operating leverage

NET INCOME GROWTH

- | Low cost of debt
- | Tax rate optimization

HIGH CASH FLOW GENERATION

- | Stable working capital in days
- | Reduced capex intensity

2020-2024 Plan*



10%+

Sales CAGR



12%

EBITDA margin

11%-12%

EBITDA margin range in intermediate years



10%+

Net income CAGR

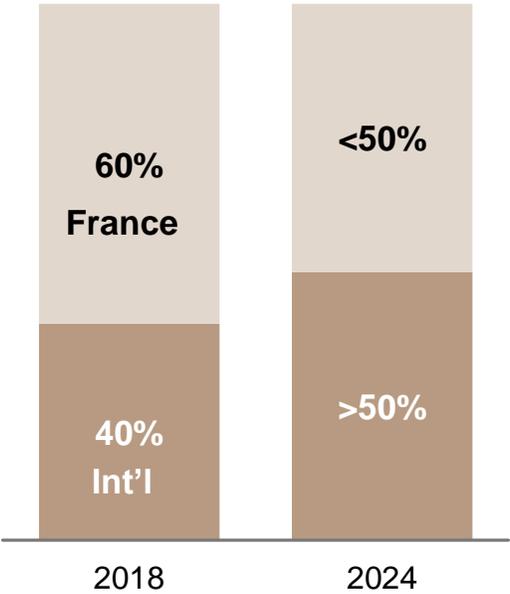


> €300m

Cumulated recurring free cash flow over the plan

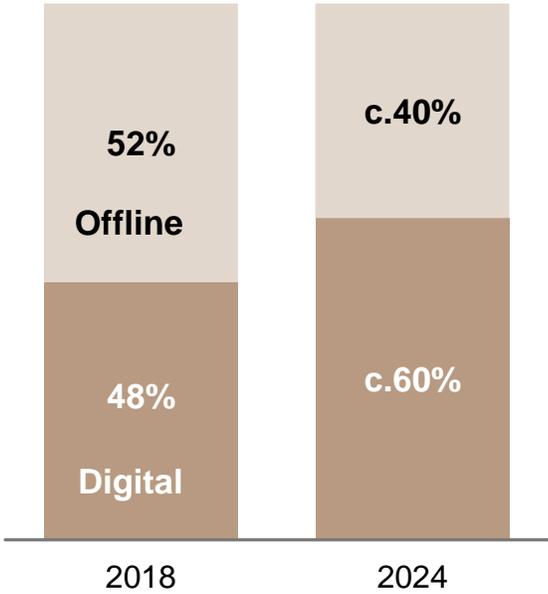
Building a well-balanced international, omnichannel business

GEOGRAPHIES



MORE INTERNATIONAL

CHANNELS



MORE DIGITAL

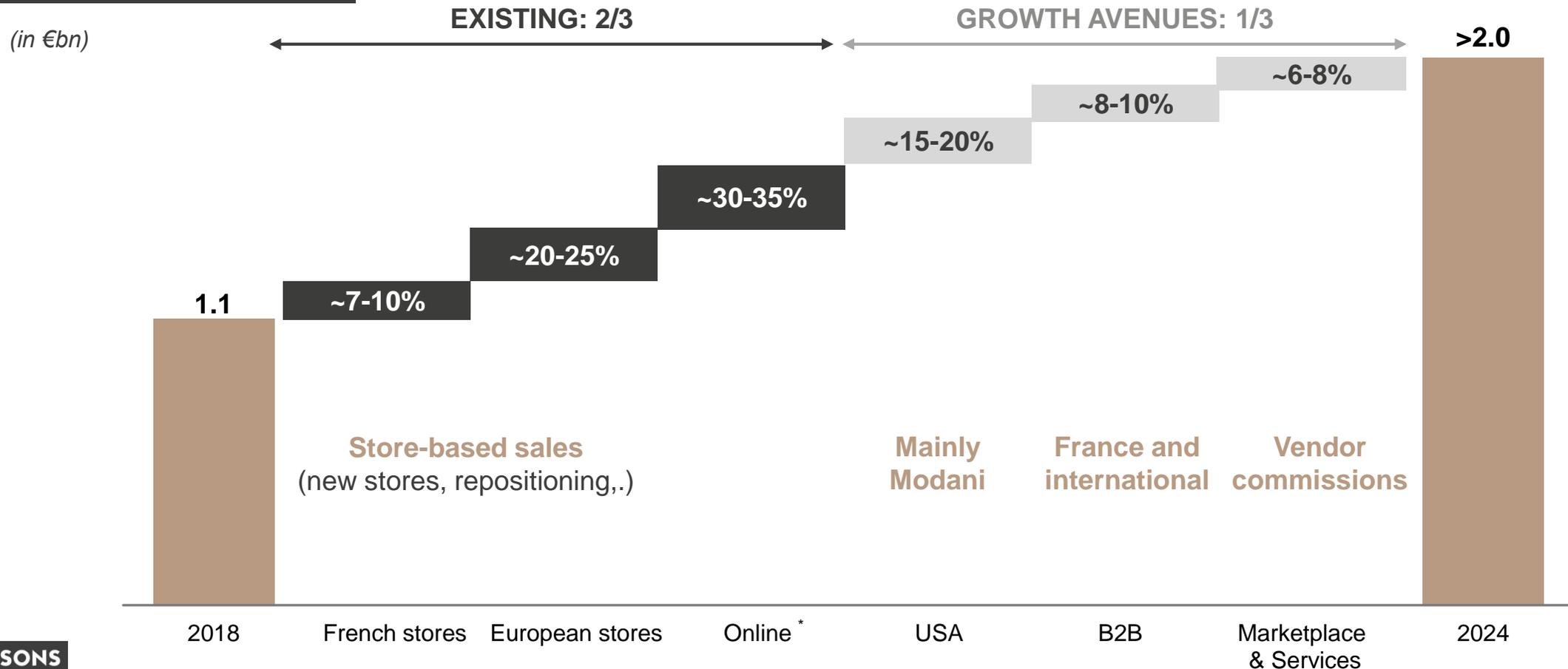
CATEGORIES



MORE FURNITURE

A clear path to deliver €2bn+ sales by 2024

SALES 2018-2024 bridge



*Excluding B2B contribution

Driving profitability throughout the plan

Key impacts

COMMERCIAL MARGIN



| Proactive management of gross margin
| Supply chain costs reflecting new strategic plan



Continuous impact

MARKETING COSTS



| Increase in digitalization
| Marketing effort in branding and international push



Continuous impact

OPERATING LEVERAGE



| Continued cost discipline



Continuous impact

B2B, MARKETPLACE & SERVICES



| Accretive impact

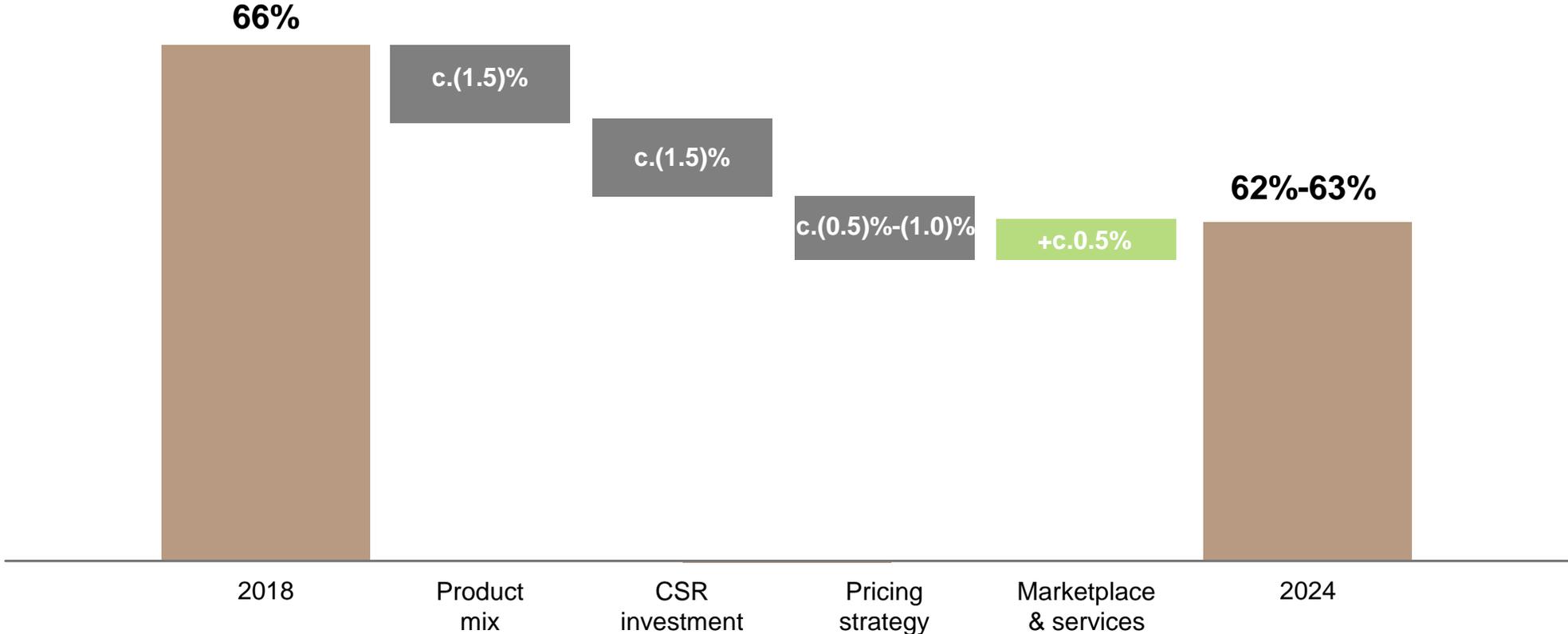


Impact in the long run

Proactive management to maintain best-in-class gross margin

GROSS MARGIN TARGET

(in %)



Strategic supply chain initiatives to keep commercial margin under control

COST/SALES EVOLUTION



Net income growth in line with sales growth

Impact of key below-EBITDA items

10%+ NET INCOME CAGR

DEPRECIATION & AMORTIZATION



- | Store network capex
- | IT
- | Supply chain investments

FINANCIAL COSTS



- | Cost of net debt reduction through deleveraging

TAXES



- | Tax rate at c.30% to reach c.25% in 2024

NET INCOME



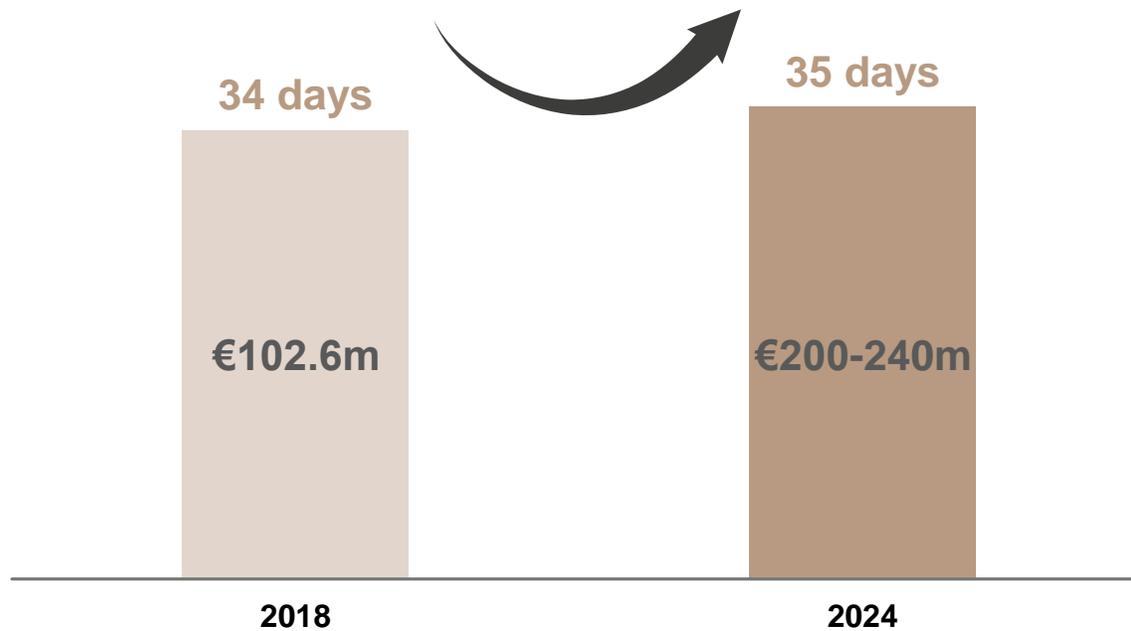
- | Growth in line with sales growth

**Before the application of the IFRS 16 standard*

Stable working capital in DSI across the plan

(Balance sheet position)

Average annual outflow
of c.1.5%-2.0% of sales



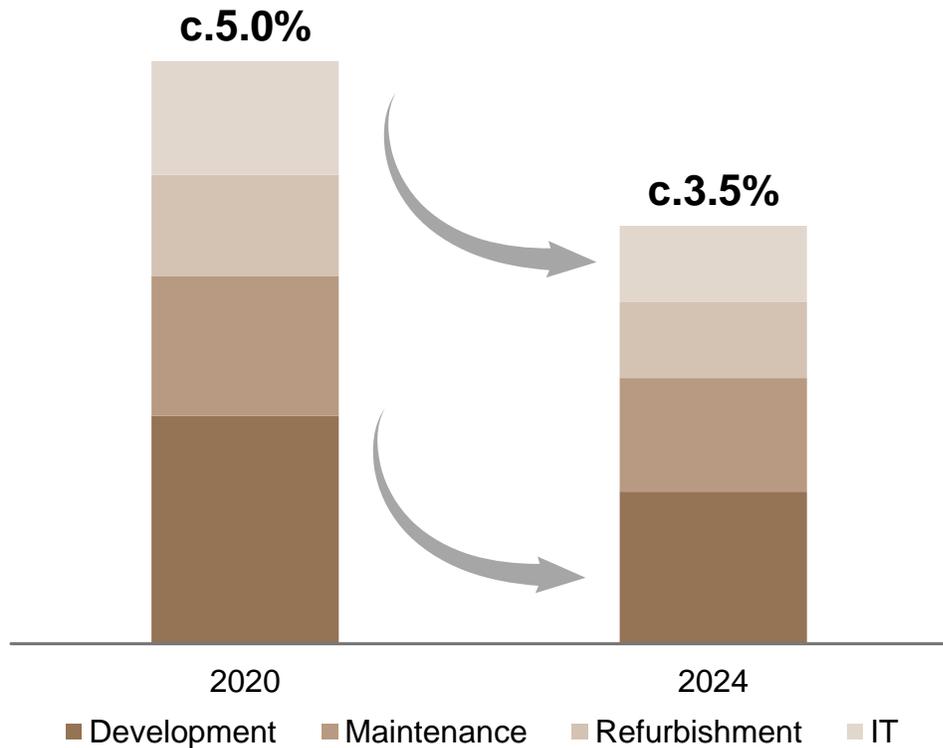
MAIN DRIVERS



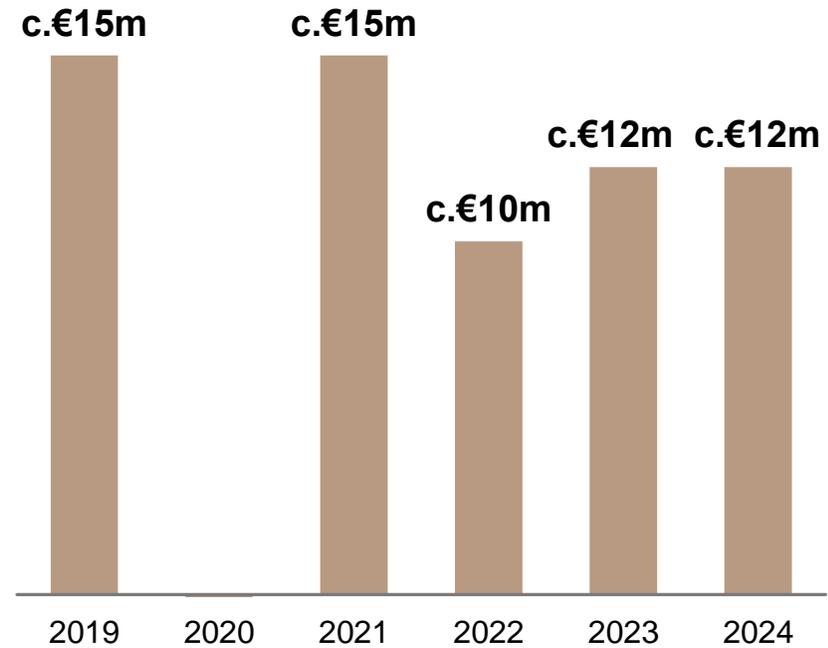
Inventory: Stable number of days sales in inventory (DSI), close to 200 days throughout the plan

Lower capex intensity while investing in growth

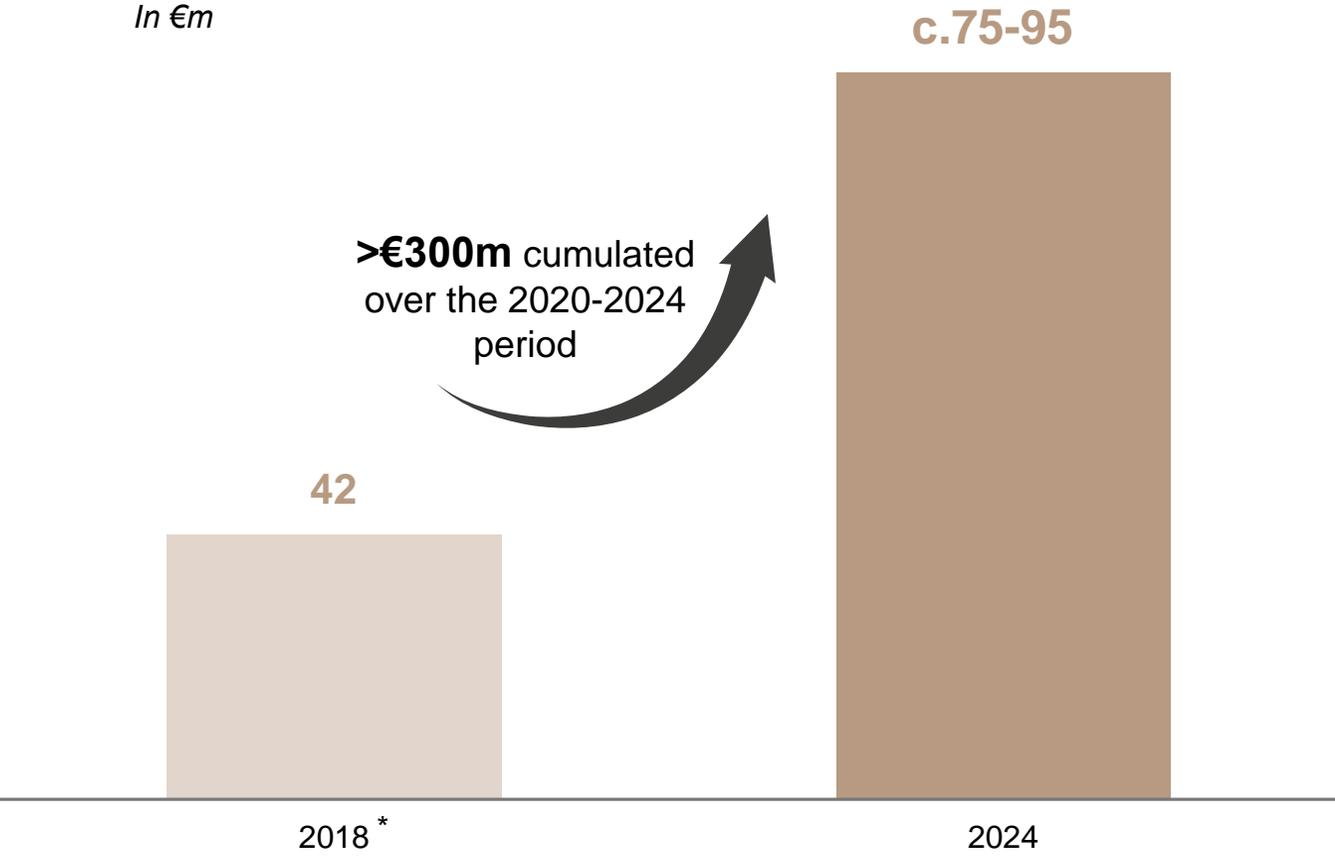
CAPEX (in % of sales, excl. logistics)



LOGISTICS CAPEX (in €m)



Recurring free cash flow increasing significantly



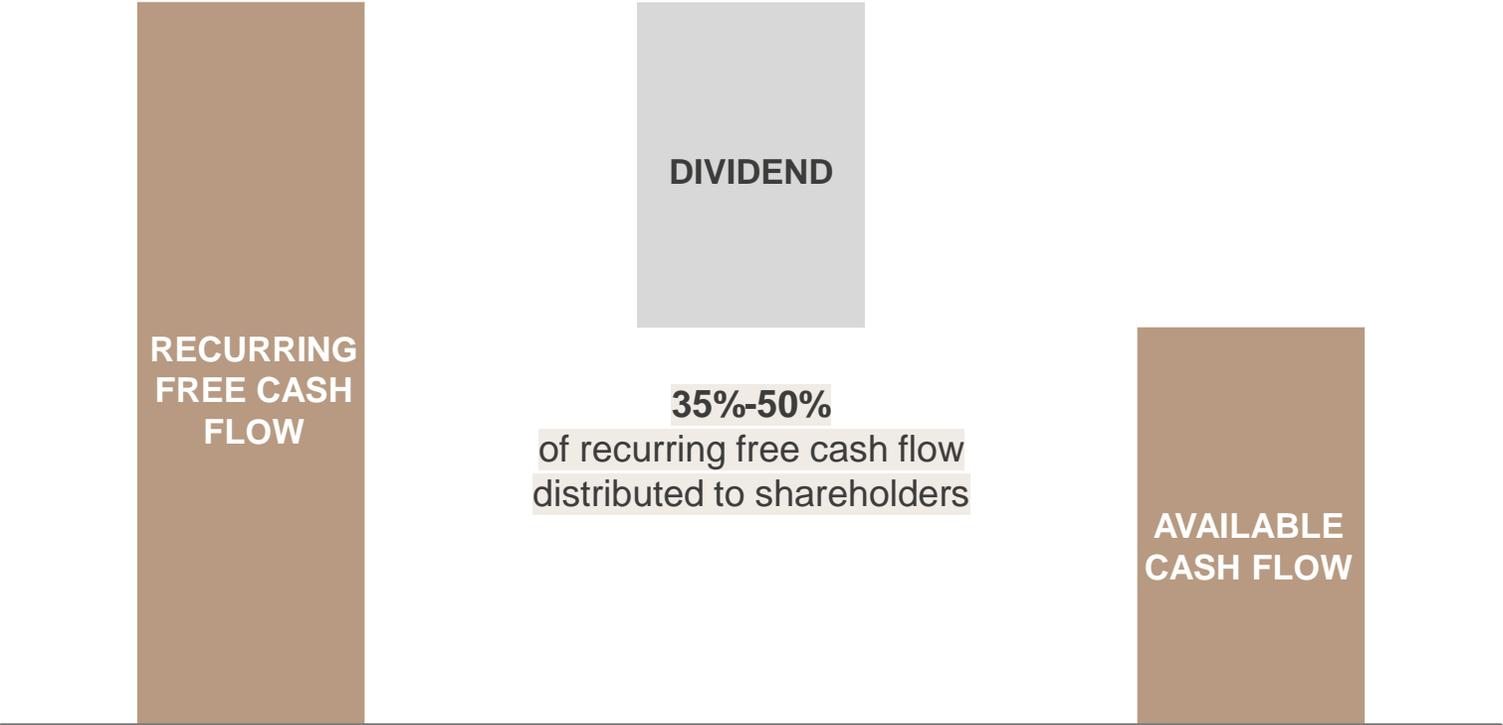
MAIN DRIVERS

-  EBITDA growth in value
-  Stable working capital in days
-  Lower tax rate but increase in value
-  Stable recurring capex year-on-year (in value)

 Inflow  Outflow

*Adjusted for the impacts of the Chinese new year
*Before the application of the IFRS 16 standard

A cash-generative model creating shareholder value



2020-2024 Plan

- > CONSISTENT PAY-OUT RATIO (30%-40%)
- > LEVERAGE LOWERED TO 1.0x-0.5x
- > CASH AVAILABLE FOR OPPORTUNITIES



09

Conclusion

**THE GROWTH
STORY
CONTINUES**

**MAISONS
DU MONDE**

Key takeaways

Strengthened offer and customer engagement to enhance the attractiveness of the Maisons du Monde brand

Increasingly omnichannel, international and data-driven company combining selective store expansion and a step-up in digital sales

Core business expansion complemented by new growth avenues: Marketplace, services, B2B, franchising, USA

MAISONS DU MONDE 2024

- **10%+ sales CAGR**
- **12% target EBITDA margin**
- **10%+ net income CAGR**
- **>€300m cumulated recurring free cash flow over the plan**





Q&A



**CAPITAL
MARKETS
DAY
2019** **MAISONS
DU MONDE**

June 18, 2019

Maisons du Monde
**the preferred
lifestyle partner**

Glossary

DEFINITIONS

- | **Click-in-store sales:** Corresponds to customer orders made in-store, through digital devices such as tablets, of products not physically displayed in-store
- | **Customer acquisition cost:** Total cost required to acquire a new customer
- | **Digital sales:** Includes online sales and click-in-store sales
- | **EBITDA:** Defined as current operating profit, excluding depreciation, amortization, and allowance for provisions, the change in the fair value of derivative financial instruments, and pre-opening expenses
- | **EBIT:** Defined as EBITDA after depreciation, amortization, and allowance for provisions
- | **Gross margin:** Defined as sales minus cost of sales. Gross margin is also expressed as a percentage of sales
- | **Gross merchandise value:** total value of merchandise sold over a marketplace
- | **Leverage ratio:** Defined as net debt divided by EBITDA (including Modani on a pro forma basis for the period, excluding the liabilities from the earn-out and the put option)
- | **Lifetime value:** Sales expected from a specific customer over its lifetime
- | **Net debt:** Defined as the Group's convertible bonds ("OCEANE"), term loan, revolving credit facilities, finance lease debt, deposits and bank borrowings, net of cash and cash equivalents
- | **Net promoter score:** Index measuring the willingness of customers to recommend a company's products or services to others
- | **Omnichannel customers:** Customers purchasing in-store & online
- | **Omnichannel sales:** In-store total sales plus online sales
- | **Recurring free cash flow:** Defined as EBITDA minus change in working capital requirement, minus change in other operating items and minus recurring capital expenditure
- | **Repeat customer:** Customer repeating purchases at MdM
- | **Sales:** Represent the revenue from sales of decorative items and furniture through the Group's stores, website and B2B business. They mainly exclude customer contribution to delivery costs, revenue from logistics services provided to third parties, and franchising revenue
- | **Store-to-web:** Online sales generated through stores
- | **Web-to-store:** In-store sales generated online

ACRONYMS

A	
AVG	Average
C	
CAC	Customer acquisition cost
CAGR	Compound annual growth rate
CRM	Customer relationship management
CSR	Corporate social responsibility
D	
DC	Distribution centers
DIY	Do it yourself
G	
GMV	Gross merchandise volume
K	
KPI	Key performance Indicator
L	
LTV	Life time value
N	
NPS	Net promoter score
P	
PR	Public relations
R	
ROI	Return on investment
S	
SKU	Stock-keeping unit
Sqm	Square meters

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MAISONS
DU MONDE