



## PRESS RELEASE

### MAISONS DU MONDE:

## INFORMATION REGARDING JULIE WALBAUM'S COMPENSATION

Nantes, 15 May 2019

According to the AFEP-MEDEF Corporate Governance code and the Financial Markets Authority's recommendations, [Maisons du Monde](#) (Euronext Paris: MDM, ISIN Code: FR0013153541) publishes the decisions taken by its Board of Directors on 9 May 2019 regarding the compensation components of the Chief Executive Officer, Mrs. Julie Walbaum.

### Long Term Incentive Plan

In accordance with the authorization of the Shareholders' Meeting of 19 May 2017 (13th resolution), the Board of Directors in its meeting of 9 May 2019 decided, based on the Remuneration Committee recommendation, to award to Mrs. Julie WALBAUM, 43 125 free performance shares. These shares are existing shares or to be issued by the Company, corresponding to 0.09% of the share capital.

The allocation of these shares is concomitant with an award made to the benefit of more than 400 employees of the Maisons du Monde's Group corresponding to 0.48% of the share capital.

The definitive allocation of all the shares allocated to Mrs Julie WALBAUM is subject to a condition of continuous attendance until 9 May 2022, as well as to the performance conditions set out below.

The definitive number of free performance shares to be attributed will depend on the realization of the internal performance conditions of Maisons du Monde, measured in relation to the Sales level (as in the consolidated financial statements) of 2020 (CA2020) of Maisons du Monde, the EBITDA level (as in the consolidated financial statements) of 2019 and 2020 (EBITDA19 + 20) and a third condition on the Earning Per Share normative cumulated on 2019 and 2020 (EPS19 + 20) of Maisons du Monde.

The Board of Directors, based on the Remuneration Committee recommendation, set the expected target levels for each of the performance conditions:

- 20% of the shares carry a condition CA20,
- 50% a condition EBITDA19 + 20
- 30% a condition EPS19 + 20

Concerning the internal performance condition for CA20, the measure of performance, which conditions the number of shares definitively acquired under this performance and under condition of attendance, is as follows:

- The threshold for triggering performance (at 95% of the target of CA20) entitles 50% of the shares that carry this condition;
- The performance target (at 100% of the objective) entitles 100% of the shares that carry this condition;
- Below the threshold, no share for this performance is acquired;

- Between the threshold and the performance target shares under this condition are acquired in a proportional and linear manner.

Concerning the two internal performance conditions (EBITDA19 + 20 and EPS19 + 20), the performance measure for each of the conditions, conditioning the number of shares definitively acquired under this performance and under condition of presence, is as follows:

- The trigger threshold (at 90% of the target) entitles 50% of the shares that carry this condition
- The performance target (at 100% of the objective) entitles 100% of the shares that carry this condition
- Between the threshold and the performance target the actions under this condition are acquired in a proportional and linear manner

In case the number of free performance shares obtained as a result of the application of the above performance conditions would not be an integer, it will be rounded to the immediately lower unit.

According to the French Commercial Code, the CEO will be required to retain, until the end of her term office, 40% of the shares granted until she holds a quantity of shares representing 2 years of base compensation. In view of this obligation of detention, the availability of performance shares is not conditional on the purchase of additional shares of the Company.

Then, the Board of Directors reaffirmed that the CEO could not use hedging products on the Company's shares and all related financial instruments and took note of Mrs Julie WALBAUM's commitment not to use such hedging transactions, including on the free performance shares assigned.

#### **Details about Mrs. Julie Walbaum's variable compensation for FY2019**

Following to the press release dated on 1 April 2019 mentioning the total compensation of Mrs Julie WALBAUM for the financial year 2019, the Board of Directors precises the CEO's variable compensation.

It is recalled that the gross annual variable bonus will have a target value of 60% of her gross annual fixed compensation. The amount of the variable bonus can be set between 0% and 150% of the target value depending on the performance. The annual variable bonus ceiling is 90% of Mrs. Julie Walbaum's annual fixed compensation. The benefit of this variable bonus is conditional on the achievement of both financials and non-financial objectives including a corporate social responsibility / environmental responsibility criteria. Thus, the target variable bonus will be structured as follows:

- Financial objective based on the Group's sales: 20% of the target variable bonus;
- Financial objective based on the Group's EBIT: 50% of the target variable bonus;
- Non-financial objectives: 30% of the target variable bonus determined on the following detailed objectives:
  - 15% concerning the set-up of the new organization of the Company;
  - 10% on the determination of the new Strategic Plan determination;
  - 5% on the definition of the CSR priorities and objectives.



Each criteria is evaluated independently, in relation to an objective. For the assessment of the achievement rate of each criterion, the Remuneration Committee has determined a performance threshold and a maximum. The achievement for a criterion of the maximum performance level gives rise to a maximum of 150% of the target level on this criterion.

It is recalled that the terms of Mrs. Julie Walbaum's compensation are however and either way subject to the approval of the General meeting of shareholders 3 June 2019.

\*\*\*

### About Maisons du Monde

Maisons du Monde is a creator of inspirational lifestyle universes in the homeware industry, offering distinctive and affordable decoration and furniture collections that showcase multiple styles. The Group develops its business through an integrated and complementary omnichannel approach, leveraging its international network of stores, its websites and its catalogues. The Group was founded in France in 1996 and has expanded profitably across Europe since 2003, reporting sales of €1,111 million and EBITDA of €148 million in 2018. At 31 December 2018, the Group operated 336 stores in 9 countries including France, Italy, Spain, Belgium, Luxembourg, Germany, Switzerland, the United States and the United Kingdom, and derived 40% of its sales outside France. The Group has also built a successful complementary and comprehensive ecommerce platform, whose sales grew by over 30% per year on average between 2010 and 2018. This platform, which accounted for 23% of the Group's sales in 2018, is available in the countries where it operates stores plus Austria, the Netherlands and Portugal. In 2018, the Group acquired a majority stake in Modani, a furniture chain present in the United States through its stores and ecommerce business. Modani, founded in 2017, is an aspirational lifestyle brand, offering high-quality proprietary modern, contemporary and mid-century furniture at affordable price points, with a nationwide presence through a network of 13 showrooms.

[corporate.maisonsdumonde.com](http://corporate.maisonsdumonde.com)

\*\*\*

### Contacts

#### Investor Relations

Laurent Sfaxi – +33 2 51 71 52 07

[lsfaxi@maisonsdumonde.com](mailto:lsfaxi@maisonsdumonde.com)

#### Press Relations

Clémentine Prat – +33 2 51 79 54 08

[cprat@maisonsdumonde.com](mailto:cprat@maisonsdumonde.com)