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Financial notice of December 2nd 2020

2019/2020 financial year :

Good resilience of the Manutan Group in an economic context severely disrupted by the health crisis :

A turnover in slight growth and profitability preserved

<i>€ Millions</i>	2019/2020	2018/2019	Variation
Turnover	779.7	773.9	+0.8%
Current operating profit	58.4	62.2	-6.2%
Operating profit	55.6	60.6	-8.4%
Net income	37.2	42.3	-12.0%

Return to growth in the Q4 (July – September 2020)

Compared to the 2018/2019 financial year, the Group continues to grow and registers an increase of +0.8% (-1.6% at constant scope, exchange rates and number of working days). After having experienced a strong negative impact linked to the Covid-19 crisis in March and April, the Group returned to growth from May, with an increase in turnover of +3.8% for the period from May to September (+3.0% at constant scope, exchange rates and number of working days).

Current operating profit above 7% of Turnover

Over the 2019/2020 financial year, current operating profit represents 7.5% of Turnover (against 8.0% for the previous year). Since the beginning of the crisis, the Group has implemented specific measures to better assist its customers and limit the impact of the crisis on performance, whilst safeguarding the future:

- Adaptation of the product and service offer to meet customer needs;
- Maintaining significant commercial and marketing activities to support development;
- Optimization of the cost structure (operating expenses down by 0.8% compared to the previous year);
- Continuation of the medium-term investment plan (logistical capacities and information systems).

The decrease in the gross margin rate (36.6% of Turnover against 37.6% the previous year) was mainly due to one-off and non-recurring costs related to purchases of Covid-19 products (masks, gels, smocks, etc.).

Net income stands at 4.8% of Turnover against 5.5% throughout previous year

The decrease of -12.0% is mainly explained by the combination of the following impacts:

- The -6.2% drop in current operating profit;
- The recognition of a goodwill impairment on the CGU Sports et Loisirs (Casal) for 3 million euros, already presented at March 31st, 2020 (note that Casal's Turnover only represents 5% of Group's Turnover);
- A lower financial result in line with the evolution of the pound sterling and the US dollar.

Dividends

In light of the results achieved and the economic situation, an overall dividend of 11 million euros will be submitted, for approval, to the Annual General Meeting convened to validate the accounts for the financial year ended 30 September 2020. The dividend payment would therefore amount to 1.45 euro for each of the Group's 7,613,291 shares, at a par value of 2 euros.

An ever sound financial position

The Group maintains a solid financial structure and a cash level that allows it to finance its activity and its investments in the current context. The Group has a cash available of 90.2 million euros and its financial debts (including the IFRS16 impact of leasehold debts) represent 11.9% of the total balance sheet as of September 30th, 2020.

The outlook for financial year 2020/2021

The current situation presents strong uncertainties and limited visibility with a crisis of an unprecedented scale and form, combined with high uncertainty level on business investment in 2021.

In this context, the Group remains confident in its medium-term development capacity, with its fundamental strengths comforted in the period of crisis:

- An advanced digital model;
- A strong proximity and support for its customers;
- A brand positioning adapted to the current crisis;
- A strong level of commitment and dedication of Manutan employees;
- A wide and qualitative product offering to best meet the needs of our customers;
- Significant logistical resources;
- An ability to protect its profitability during times of crisis coupled with a strong financial position and stability of the shareholders and management.

In this coming year, the major challenge for the Group is the implementation of the investment plan for the extension of storage capacities, and the further deployment of the digital model.

The Group will also remain attentive to external growth opportunities that may arise.

About the Manutan Group

Manutan, a family-run group founded in 1966, is a European leader in BtoB e-commerce, specialising in the distribution of equipment for businesses and local authorities.

Offering one of the most extensive range of high-quality products and services in Europe, the Group satisfies all its customers' needs and delivers support and guidance in streamlining their indirect purchases.

With 26 subsidiaries across 17 European countries, the Group employs over 2,100 people and generated revenue of €780 million in 2019/20. Manutan France and IronmongeryDirect received the Best Workplaces distinction in 2020.

Manutan International is listed on Euronext Paris – Compartment B - ISIN: FR0000032302-MAN.

www.manutan.com

**Next publication: Q1 2020/2021 Turnover:
scheduled for January 19th, 2021 (after market closure)**