



KEY HIGHLIGHTS

- ▶ **450,000 m², 11** warehouses for the group
- ▶ **500,000** pallet-spaces
- ▶ **20,000** containers, **45,000** truck-shipments, **90 million** items packed every year
- ▶ **200 recruitments** planned this year - 20% of the headcount
- ▶ **200 trucks unloaded** every day between 5 am and 2pm on the site we visited

MAIN ISSUES & CHALLENGES

- ▶ **Provide, expand and optimise the logistics infrastructure** needed to support the group's fast growth
- ▶ **Structure the systems** and procedures within a group that has become sizeable, while remaining as **nimble as an SME**
- ▶ **Mobilise the company's human capital** and **focus on well-being** at work in an area - logistics - that is often tough for employees

ITINERARY

- 14:15** | Arrival at the Saint-Martin-de-Crau warehouse. Security checks
- 14:30** | Meeting with Julien Vigouroux, Director, Logistics Operations
- 15:30** | Visit of the office buildings and discussions with site managers
- 16:00** | Visit of the warehouse and discussion with warehouse operators
- 18:00** | Departure from warehouse



PANORAMA

Guided by Julien Vigouroux, Director, Logistics Operations, at Maisons du Monde, we recently visited the group's brand new warehouse at Saint-Martin-de-Crau, approximately 50 kilometres north of Marseille.

This huge building, inaugurated in October 2016, spans 96,000 m²; it offers over 90 reception and shipping docks, accommodates over 200 trucks every day and employs over 150 people.

The Saint-Martin-de-Crau site is the group's largest warehouse and one of the biggest of its kind in France and Europe. It is dedicated to the brand's furniture items; home decoration goods are stored and processed in warehouses located in Fos-sur-Mer.



LOGISTICS FLOWS: MANAGEMENT AND OPTIMISATION

While we had already visited the Nantes headquarters of Maisons du Monde and several stores in recent months, it seemed important to us to gain insights into the company's organisation and logistics infrastructure - one of the cornerstones of the group's business model and competitive position.

Maisons du Monde has almost all of its furniture and household goods manufactured in Asia, with virtually no stock held in the stores. 25,000 product references, 20,000 containers and 45,000 annual return trips, a 2-month period between the manufacture stage in Asia and delivery in the store, and up to 4 deliveries per week across the group's 290 stores.

The task of managing and optimising logistics flows is a major challenge, but it is also one of the keys to the company's success, expansion and profitable growth.



“ *Human capital management is fundamental in the logistics business* ”

SUPPORTING FAST GROWTH

Logistics at Maisons du Monde are 100% integrated and operated by the subsidiary Distrimag, which works exclusively for the group and owns 11 warehouses, all situated in south-east France, close to the port of Marseille through which the shipping containers from Asia transit.

Distrimag had to keep pace with the fast growth of Maisons du Monde these past few years and its headcount has risen from 400 people two years ago to 1,000 today; 200 new recruitments are planned this year. Human capital management is one of the priorities of Distrimag in an industry - logistics and handling - that is sometimes harsh for its employees.

“ *Our priorities: safety, client service, performance, well-being at work* ”

As our on-site visit confirmed, the group is keen to foster a stimulating work environment, where the focus is on safety, well-being, employee empowerment and motivation (through a system of bonuses that can be substantial relative to the basic pay). Maisons du Monde also believes in giving purpose to its employee's duties and in creating a bond between them and the company.

The managers and handlers we spoke to informally during the visit confirmed the importance given to human capital issues and expressed their motivation and satisfaction working for an employer such as Maisons du Monde.





NIMBLE AND FLEXIBLE

The on-site visits and interactions we were able to have with several employees also confirmed the quality of the management team and its ability to structure a group that has grown considerably, and continues to do so, while keeping a nimble and flexible organisation.



OUR CONVICTION

Sycomore Asset Management has been one of the main shareholders of Maisons du Monde since its IPO in May 2016. We appreciate the quality of the company's business model and its ability to generate sustainable and profitable growth that is considerably higher than the market average (sales up 5% on a same-store-basis and total growth above 10% per year, vs. -0.1% for its market). We also value the attention the company pays to its stakeholders, notably to its employees, and the quality of management - at fair price considering the group's potential for growth. This visit only confirmed our positive view on the group's potential for delivering sustainable value in the mid and long-term.



A unique growth model, robust logistics and quality management



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