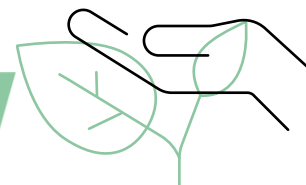


Paris, 27 July 2023

# Annual consolidated revenue 2022–2023



**Resilient business model, based on robust fundamentals, which has enabled to continue to grow gross sales under banner over the past financial year, despite the macroeconomic context.**

Compared with the annual outlook for 2022–2023 published on 6 June 2023 for revenue, adjusted EBITDA and free cash flow<sup>1</sup>:

- **Gross sales under banner excluding VAT** improved by **+3.9%** to **€2,483.4 million** (reported)
- **Revenue** increased by **+10.9%** to **€902.3 million** (reported) in line with guidance
- **Adjusted EBITDA** estimated between €75 million and €85 million
- **Free cash flow** estimated between €60 million and €65 million, thanks to dynamic cash management while maintaining operating investments.

in €m	2022–2023 <sup>2</sup>	2021–2022	Change	
			Reported	Like-for-like <sup>3</sup>
<b>H2 Consolidated revenue in €m</b>	<b>545.0</b>	<b>480.0</b>	<b>13.5%</b>	<b>-1.1%</b>
Garden Centre/Pet Retail	477.1	470.7	1.4%	-1.1%
Food Retail	67.9	9.3 <sup>4</sup>	628.4%	NC
<b>Annual consolidated revenue</b>	<b>902.3<sup>5</sup></b>	<b>813.7<sup>6</sup></b>	<b>10.9%</b>	<b>-1.9%</b>
Garden Centre/Pet Retail	813.0 <sup>7</sup>	794.9	2.3%	-1.8%
Food Retail	89.3	18.8	374.9%	NC

Unaudited figures.

<sup>1</sup> [https://www.teract.com/wp-content/uploads/2023/06/TERACT\\_PR\\_06062023\\_GB-1.pdf](https://www.teract.com/wp-content/uploads/2023/06/TERACT_PR_06062023_GB-1.pdf)

<sup>2</sup> Additional information regarding the length of the 2022–2023 financial year is provided in the press release dated 6 June 2023

<sup>3</sup> Constant scope restating all changes in scope of consolidation

<sup>4</sup> On 1 June 2022, InVivo Retail acquired the Bio & Co food stores previously owned by Food & Tech, a division of the InVivo Group. Revenue restated over six months.

<sup>5</sup> Including discontinued operations (IFRS 5), annual consolidated revenue for 2022–2023 stands at €910.2 million

<sup>6</sup> Revenue restated over 12 months. TERACT's consolidated financial statements for the 2021–2022 financial year covered a period of nine months (1 October 2021 to 30 June 2022) due to the change in closing date for InVivo Retail which was applied in 2022.

The Bio & Co food stores were also restated over 12 months (acquisition by InVivo Retail on 1 June 2022)

<sup>7</sup> Includes additional revenue over H2 2022–2023 due to the deployment of exclusive brands, that was not taken into account for H1 2022–2023

**Guillaume Darrasse**, Deputy Chief Executive Officer of TERACT, stated: *“We have successfully continued to develop our exclusive own brands, offering our customers access to a quality offering at a fair price, and providing value added in an inflationary environment also impacted by pressure on purchasing power. The Group has therefore focused its efforts on the successful integration of recent acquisitions and new teams, and on strengthening its labour foundations and digital tools.”*

**Moez-Alexandre Zouari**, Chief Executive Officer of TERACT, stated: *“TERACT chose to preserve its cash generation during this financial year while maintaining levels of operating investments enabling to prepare for the future with confidence. Thanks to these strong and stable fundamentals, and the new dimension gained through the acquisitions and projects of the past financial year, we have been able to lay the foundations to build relevant alliances for the future. These will complement the development of our retail model as a leader in sustainable and responsible consumption, which benefits from the upstream verticality offered by the InVivo group’s assets.”*

## Analysis of second half and full-year sales

### Garden Centre / Pet Retail

Annual consolidated revenue for the **Garden Centre/Pet Retail business**, which includes the Jardiland, Gamm vert (and Frais d'ICI range), Delbard, Jardineries du Terroir and Noa banners totalled **€813.0 million** for the 2022-2023 financial year. This represented a +2.3% increase as published and a -1.8% decreased on a comparable basis, of which -1.1% during the second half, with March and May impacted by more unsettled-than-usual weather conditions.

The second half saw a continuation of the already tense macroeconomic environment already seen in the first half of the financial year. Against this particularly inflationary backdrop, also marked by pressure on purchasing power, TERACT decided to continue and step up the development of its **exclusive and innovative brands** – ECLOZ, INVIVO Nous on sème, PURE FAMILY, les SENS DU TERROIR – with the launch of 1,528 new references since January 2022. The penetration rate of own brands has thus improved by five points compared with 30 June 2022 (20.6% of the revenue of integrated stores at 30 June 2023), allowing the Group to provide an increasingly innovative product offering to its customers at an optimal price/value ratio. Two innovations by the ECLOZ brand were recognized and awarded at the 2023 Bat'E-NNOV Awards<sup>8</sup>.

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<sup>8</sup> AWARD D'OR (1st prize) in the "Landscaping & Garden Maintenance" category for the biodegradable Seed mats which makes it easier for grass to grow and limits weeds and AWARD DE BRONZE (3rd prize) for the L'Autonome pot which compensates for watering errors

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The **e-commerce** websites (Gammvert.fr and Jardiland.com) continued to grow in the second half, driven by the roll out of the digital plan, the first stage of which was completed with the launch of the new Jardiland.com website on 4 January.

### Food Retail

Annual consolidated revenue for the **Food Retail business**, which includes the Bio & Co (consolidated over 12 months), Boulangerie Louise banners (consolidated over 7 months) and Grand Marché La Marnière (consolidated over 7 months) reached **€89.3 million**.

The integration of Boulangerie Louise and Grand Marché la Marnière, as well as their teams, continued at a sustained pace.

At Boulangerie Louise, the continued reshaping of its offering, the focus on the quality of products and snacking profile with new and distinctive modern recipes that are renewed each week, has driven sales growth on a comparable store basis. Team training and enhancing the image of our professions, coupled with a refocusing of customer experience on conviviality, hospitality and sectors, has provided fresh momentum that has been felt by customers.

Grand Marché La Marnière sales were robust. Momentum in June was strong, driven by the traditional meat/poultry/fruit and vegetables ranges.

## Outlook for 2022–2023

*All figures relating to the 1 July 2022 to 30 June 2023 financial year presented in this paragraph are estimated financial data.*

*These estimated financial data were reviewed by the company's Board of Directors on 25 July 2023 and have not been audited by the company's statutory auditors.*

*These data are not derived from consolidated financial statements that have been officially approved by the Board of Directors. The approval of the financial statements by the Board of Directors is scheduled for 18 October 2023. Full-year 2022–2023 results will be published on 19 October 2023 (before market), in line with the provisional publication calendar.*

EBITDA evolution was mainly affected by the increase in energy costs. This was partly offset by the energy efficiency plan launched by the group in September 2022. The implementation of an energy management platform helped reduce electricity consumption between 1 September 2022 and 30 June 2023 by 30% year-on-year. Costs relating to the successful integration of newly acquired companies and their teams, which was a group priority, also impacted EBITDA. Finally, with a view to protect purchasing power, the increase in sale prices were limited and introduced as late as possible despite the marked increase in purchasing costs.

Therefore, based on the above-mentioned impacts and current estimations, TERACT forecasts adjusted 2022–2023 EBITDA<sup>9</sup> (for the year ended 30 June 2023) of between €75 million and €85 million, representing an adjusted EBITDA margin of between 8.3% and 9.4% (versus between €95 million and €105 million, and an adjusted EBITDA margin of between 10.4% and 12% as presented in the press release published on 6 June 2023).

Against a backdrop of continuing macroeconomic tension, TERACT has nonetheless made the vigorous preservation of cash generation its financial priority. On one hand, the company maintained its sound cost management and, on the other, successfully introduced the accurate and efficient management of existing stocks. Operating investments have also been maintained, while undergoing a rigorous selection process.

The group therefore confirms, based on current estimates, its 2022–2023 financial outlook (for the year ended 30 June 2023) as presented in the press release published on 6 June 2023 for:

- Capital expenditure excluding external growth of around 3.5% of revenue;
- Free cash flow<sup>10</sup> of between €60 million and €65 million.

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<sup>9</sup> Defined as current operating income plus the elimination of expenses (or income) related to depreciation/ amortization or impairment (or reversals of depreciation/amortization or impairment) of fixed assets

<sup>10</sup> Based on net cash flow from operating activities, plus disposals and deductions of property, plant and equipment and intangible assets and after the deduction of investments in property, plant and equipment and intangible assets

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## Appendix

### 1. H2 2022-2023 highlights

On **9 March**, TERACT and the **Casino** Group initiated a period of exclusive discussions aimed at creating a French leader in responsible and sustainable retail activities, potentially leading to the combination of their retail activities in France and the establishment of common supply chains with the agricultural cooperatives of the InVivo group, TERACT's majority shareholder. At the end of this exclusivity period, which was renewed on 24 April and runs until **8 June**, TERACT and the Casino Group had decided, by mutual agreement and in view of the changing situation, not to pursue these discussions.

On **6 June**, TERACT published additional information to the 16 February 2023 press release announcing H1 2022-2023 consolidated revenue, relating to the length of the current financial year (for the parent company and consolidated financial statements), financial outlook and the provisional agenda of forthcoming events and financial publications.

On **19 June**, TERACT announced the appointment of **Vincent Avignon**, as of 1 July 2023, as **Deputy General Manager Garden Centre/Pet Retail**. This means that as Deputy Chief Operating Officer, Vincent Avignon is broadening his scope of activity to include the support functions that until now have been managed by Frédéric Jacquot, Deputy General Manager in charge of the Offering, Marketing, Communication and Digital activity, as well as the Supply Chain which until now has been overseen by Guillaume Darrasse. Having reached an agreement with TERACT's Management Team, Frédéric Jacquot will leave the company as of 30 June 2023.

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## 2. Store network

	30 June 2022	31 December 2022	Openings	Acquisitions	Closures/ Disposals	Transfers	Total change H2 2022- 2023	30 June 2023
<b>Garden Centre/Pet Retail</b>	<b>1,581</b>	<b>1,581</b>		<b>2</b>	<b>-7</b>		<b>-5</b>	<b>1,576</b>
Jardiland	175	176			-3	-1	-4	172
<i>Integrated stores</i>	110	107			-2		-2	105
<i>Franchises/Affiliates</i>	65	69			-1	-1	-2	67
Gamm Vert (including Frais d'ici range)	1,158	1,158		2	-3	-4	-5	1,153
<i>Integrated stores</i>	98	98						98
<i>Franchises/Affiliates</i>	1060	1060		2	-3	-4	-5	1055
Delbard and Jardineries du Terroir	245	244			-1	5	4	248
<i>Franchises/Affiliates</i>	245	244			-1	5	4	248
Noa	3	3						3
<i>Integrated stores</i>	3	3						3
<b>Food Retail</b>	<b>7</b>	<b>139</b>			<b>-1</b>		<b>-1</b>	<b>138</b>
Boulangerie Louise		129			-1		-1	128
<i>Integrated stores</i>		120			-1		-1	119
<i>Franchises/Affiliates</i>		9						9
Grand Marché la Marnière		3						3
<i>Integrated stores</i>		3						3
Bio&Co	7	7						7
<i>Integrated stores</i>	7	7						7
<b>Group</b>	<b>1,588</b>	<b>1,720</b>		<b>2</b>	<b>-8</b>		<b>-6</b>	<b>1,714</b>

3. Gross sales under banner <sup>11</sup>

in €m	2022-2023	2021-2022	Change	
			Reported	Like-for-like <sup>12</sup>
<b>Estimated H2 gross sales under banner excluding VAT</b>	<b>1,421.0</b>	<b>1,331.6</b>	<b>6.7%</b>	<b>2.3%</b>
Garden Centre/Pet Retail	1,347.3	1,322.3	1.9%	2.3%
Food Retail	73.7	9.3 <sup>13</sup>	692.5%	NC
<b>Estimated annual gross sales under banner excluding VAT</b>	<b>2,483.4</b>	<b>2,389.6<sup>14</sup></b>	<b>3.9%</b>	<b>0.9%</b>
Garden Centre/Pet Retail	2,388.4	2,370.8	0.7%	0.9%
Food Retail	95.0	18.8	405.5%	NC

Unaudited figures.

<sup>11</sup> Gross sales under banner or revenue under banner includes revenue generated by integrated stores and franchise/affiliates.

<sup>12</sup> Constant scope restating all changes in the scope of consolidation. Excluding affiliates

<sup>13</sup> On 1 June 2022, InVivo Retail acquired the Bio & Co food stores previously owned by Food & Tech, a division of the InVivo Group. Revenue restated over six months

<sup>14</sup> Revenue restated over 12 months. TERACT's consolidated financial statements for the 2021-2022 financial year covered a period of nine months (1 October 2021 to 30 June 2022) due to the change in closing date for InVivo Retail which was applied in 2022.

The Bio & Co food stores were also restated over 12 months (acquisition by InVivo Retail on 1 June 2022).

**Disclaimer**

*This press release may contain forward-looking statements.*

*Forward-looking statements are defined as opposed to historical facts and include, but are not limited to, all expectations regarding:*

- *Future events such as trends, plans, expectations or objectives;*
- *Future business, such as the results, financial condition, performance or strategy of TERACT.*

*Forward-looking statements are based on the expectations and assumptions anticipated by TERACT's management as of the date of this release and are only valid as of the date they are made. Investors and/or shareholders of TERACT are warned not to place undue reliance on these forward-looking statements, which are, by their nature, subject to risks and uncertainties that may or may not be identified and are beyond the control of TERACT. These risks include, among others, those set forth in the "Risk Factors" section of the Prospectus registered with the Autorité des Marchés Financiers on 30 June 2022 under visa no. 22-248 and available at [www.teract.com](http://www.teract.com) (under the heading "Investors/Regulatory Information"). As a result, actual results or performance may differ materially from those expressed or implied by such forward-looking statements.*

*TERACT does not undertake any obligation to update such forward-looking statements, except as required by law and regulation. All forward-looking statements made by or on behalf of TERACT are qualified by this cautionary statement.*

**About TERACT**

TERACT combines, since 29 July 2022, the distribution activities of the InVivo Group (formerly InVivo Retail) and those of the former SPAC 2MX Organic.

TERACT is a major responsible distribution player in the garden centre and pet retail and food distribution growth markets. Our ambition is to create a unique network of brands combining tradition and modernity, agricultural know-how and innovation, in-store and digital experiences. TERACT addresses the demand for a new generation of consumption which is synonymous with quality, sustainability and traceability. TERACT regroups the Garden Centre/Pet Retail brands Jardiland, Gamm vert, Delbard, Jardineries du Terroir and Noa as well as the Food Retail brands Boulangerie Louise, Grand Marché La Marnière, Frais d'Ici and Bio&Co. TERACT's majority shareholder is InVivo, one of the leading agricultural and agri-food groups in Europe.

TERACT is listed on the professional segment of Euronext Paris (ticker code: TRACT, ISIN: FR001400BMH7). Further information is available at [www.teract.com](http://www.teract.com).

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