

A photograph of a modern building with a stone wall in the foreground. The stone wall features a large, white, 3D logo that reads "HD LOGISTICS". The building behind it has a dark, flat roof and large windows. The sky is blue with light clouds. In the foreground, there are green plants and a gravel area.

HD LOGISTICS

2020 HALF-YEAR RESULTS

August 27, 2020

SPEAKERS



ERIC HEMAR
Chairman and
Chief Executive Officer



CHRISTOPHE SATIN
Deputy Chief Executive



YANN PEROT
Deputy Chief Executive Officer
and Chief Financial Officer

H1 2020 HIGHLIGHTS



1

A company committed against the pandemics

2

Sales at €776.7 million: +4.3%

3

Underlying operating income at €20.1 million: +3.1%

4

Debt reduction: net financial debt at 0.7 x EBITDA

AGENDA

01

ID LOGISTICS: A COMMITTED PLAYER

02

RESILIENCE OF THE ID LOGISTICS BUSINESS MODEL

03

2020 HALF-YEAR RESULTS

04

OUTLOOK

01

ID LOGISTICS : A COMMITTED PLAYER



3 MAIN PRIORITIES IN MANAGING THE CRISIS



PROTECTION OF THE TEAMS

- Ensure working conditions that guarantee the health safety of employees



CLIENT SUPPORT

- Operational adjustment according to client activity and geographical areas



STRICT FINANCIAL MANAGEMENT

- Maintain the Group's cash position and financial structure

PRIORITY 1: PROTECTION OF THE TEAMS

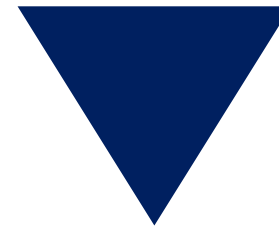


- Implementation of the health protocol from the beginning of the crisis in all affected countries:
 - Respect of barrier gestures
 - Distribution of masks, hydroalcoholic gel
 - Systematic temperature control
 - Social distancing
 - Production spread over the day
- Financial support for active employees
- Implementation of a centralized crisis unit with daily meetings
- Increased discussion with the Group's social partners
- Active contribution to the production of best practice guidelines disseminated by the public authorities of the various countries

PRIORITY 1: PROTECTION OF THE TEAMS



- Use of remote working for cross department support
- Implementation of temporary unemployment when necessary
- Setting up of a hotline for psychological support during the period of lockdown



Not a single ID Logistics site has been shut down for health reasons

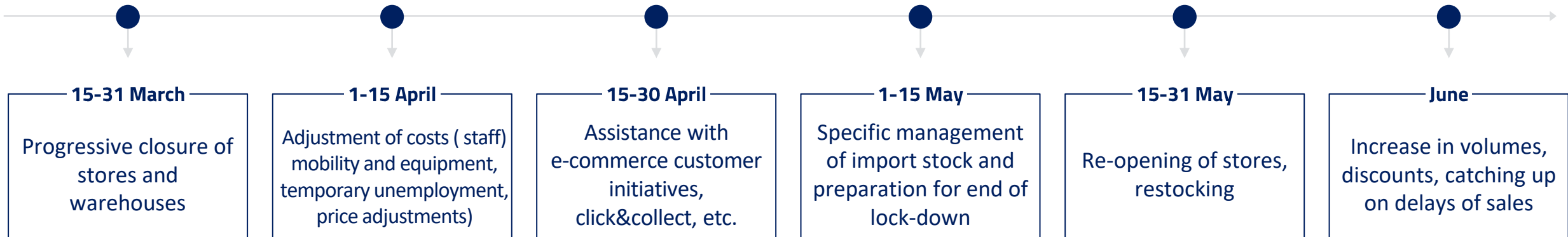
PRIORITY 2 : CLIENT SUPPORT



- ✓ **Clients with strong increase in volumes:** food, hygiene, health and e-commerce sites (+20 to +30%) in countries affected by lockdown measures
- Roll-out of an emergency action plan to absorb peak activity:
 - Reinforcement of sanitary rules and training kit
 - Daily meetings with customers to anticipate their needs
 - Staff mobility
 - Use of temporary work
 - Setting up night shifts
 - Transfer of handling equipment
 - Adaptation of information systems

PRIORITY 2 : CLIENT SUPPORT

- ✓ Customers with reduced or stop activity: example of the do-it-yourself sector in Europe





02

RESILIENCE OF THE ID LOGISTICS BUSINESS MODEL

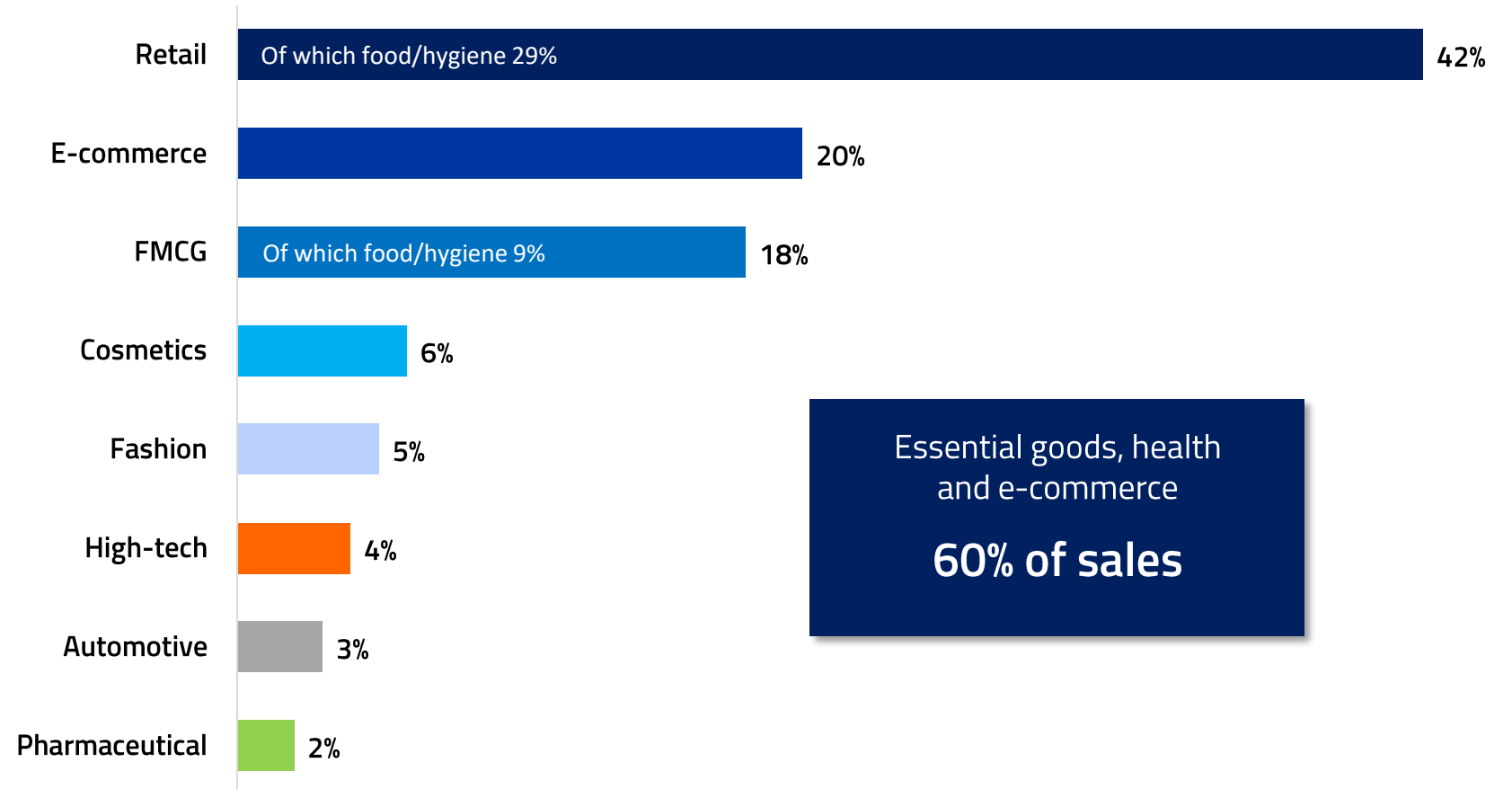
ID LOGISTICS: A PURE PLAYER IN CONTRACT LOGISTICS



A DIVERSIFIED CLIENT PORTFOLIO



40% of the activity divided between the food and healthcare, hygiene and health products sectors, and 20% in e-commerce, not concerned by lock-down measures



Breakdown of 2019 revenues by market segment

A WELL-BALANCED GEOGRAPHICAL FOOTPRINT

- Established in 18 countries on 4 continents
- 56% of H1 2020 revenue realized outside France

	% H1 2020 REVENUE
Western Europe	76%
Eastern Europe	7%
USA	7%
Others	10%

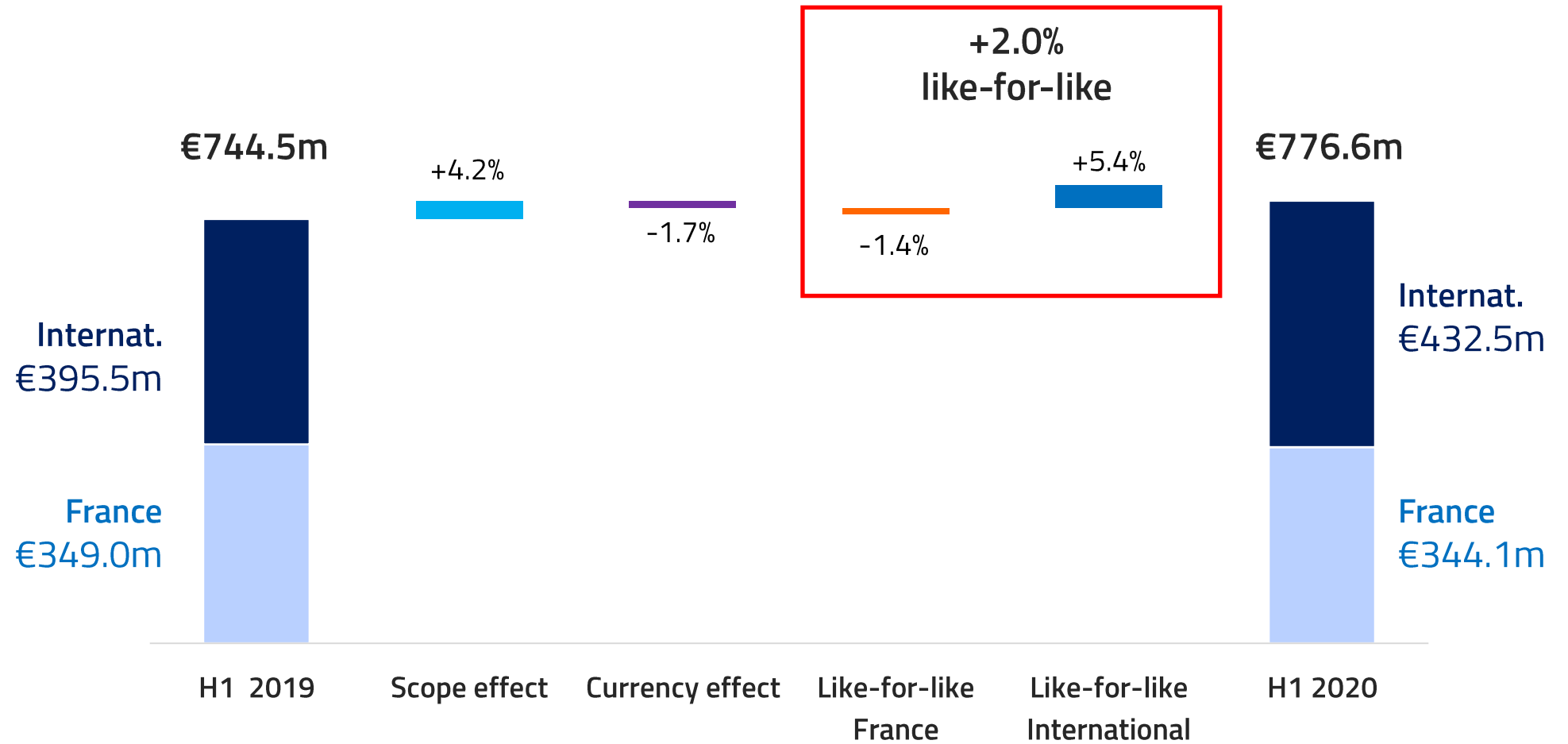


03

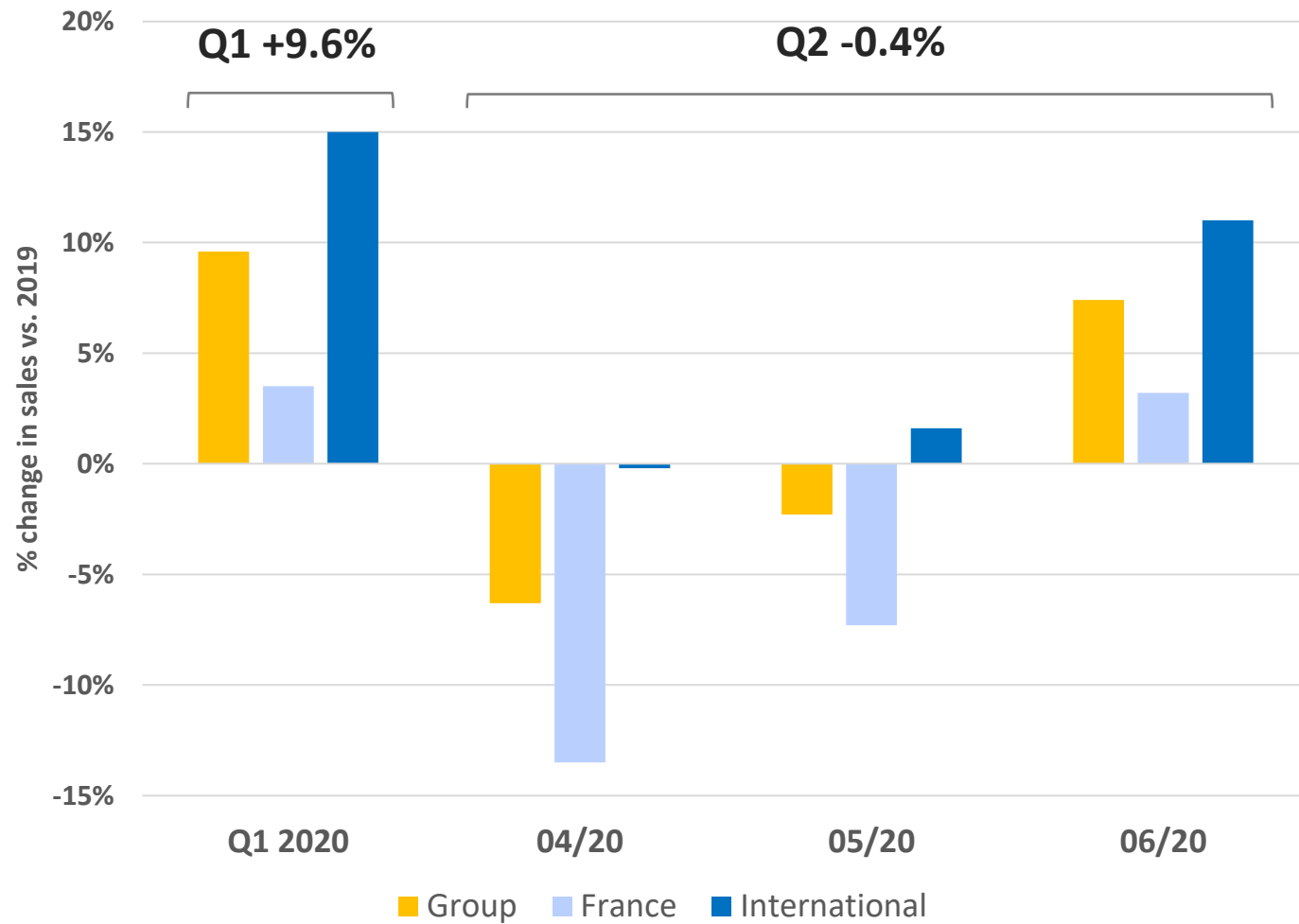
2020 HALF-YEAR RESULTS



H1 2020 REVENUES



H1 2020 REVENUES: Q2 IMPACTED BY COVID-19



H1 2020 UNDERLYING OPERATING INCOME: +3.1%



(€m)	France			International			Total		
	H1 2020	H1 2019	Change	H1 2020	H1 2019	Change	H1 2020	H1 2019	Change
EBITDA	41.8	45.2	-3.4	55.7	50.1	+5.6	97.5	95.3	+2.2
<i>As a % of revenues</i>	12.1%	13.0%	-90bps	12.9%	12.7%	+20bps	12.6%	12.8%	-20bps
Underlying operating income	9.7	13.2	-3.5	10.4	6.3	+4.1	20.1	19.5	+0.6
<i>As a % of revenues</i>	2.8%	3.8%	-100bps	2.4%	1.6%	+80bps	2.6%	2.6%	-

France

Decrease in Underlying operating income of €3.5m

- Covid-19 impact: direct and indirect costs shared with customers
- Increasing productivity of 2018 start-ups
- Continued costs for H2 2019 start-ups
- Good cost control of the 3 start-ups of H1 2020

International

Increase in Underlying operating income of €4.1m

- Covid-19 impact, particularly in Spain, offset by other countries less affected.
- Good increase in productivity for 2018 / 2019 start-ups
- Good cost control for the 7 start-ups in H1 2020
- Successful integration of the U.S.
- Currency impact: -€0.3 million vs. H1 2019

As a reminder, ID Logistics' results traditionally benefit from a more favorable seasonality in the second half of the year.

STABILITY OF CONSOLIDATED NET INCOME



(€m)	30/06/2020	30/06/2019
Underlying operating income	20.1	19.5
Amortization of client relationships	(0.6)	(0.6)
1 Non-recurring expenses	(1.5)	-
2 Financial result	(6.9)	(7.6)
3 Tax expense (income tax + CVAE)	(5.1)	(5.0)
Share in income of associates	0.5	0.3
Consolidated net income	6.5	6.6
<i>of which: non-controlling interest</i>	1.2	1.1
<i>of which: attributable to ID Logistics' shareholders</i>	5.3	5.5

- 1 Non-recurring expenses**
- End of activity in China (sales representing less than 1% of Group revenue), including €0.8m in asset impairment losses

- 2 Financial result**
- Financing expenses : -2.5m in H1 2020 vs. -2.1m in H1 2019
 - Other (foreign exchange, revaluation, etc.): -€4.4m in H1 2020 vs. -€5.5m in H1 2019

- 3 Tax expense**
- CVAE stable at €3.1m
 - Effective tax rate stable at 25%

GOOD CASH MANAGEMENT

(€m)	30/06/2020	30/06/2019
EBITDA	97.5	95.3
① Change in working capital requirements	38.7	(4.9)
Other changes (non recurring, tax, etc.)	(11.8)	(8.2)
② Net investments	(26.9)	(36.7)
Cash generated (used) by operating activities	97.5	45.5
Net financing expenses	(2.5)	(2.1)
③ Net issuance (repayment) of debt	30.5	(1.8)
Reimbursement of lease liabilities (IFRS 16)	(65.9)	(62.7)
Other changes (foreign exchange, BSA warrants, etc.)	(1.5)	0.7
Increase (decrease) in cash	58.1	(20.4)
Net cash at start of period	90.5	105.6
Net cash at end of period	148.6	85.2

① Change in WCR

- Reduction of 4 days in customer payment terms (€18.7m)
- Use of social contribution deferrals (€20.5m)

② Investments

- Decline to 3.5% of sales in H1 2020 vs. 4.9% of sales in H2 2019

③ Financial debt

- New loan of €100m over 5 years vs. repayment of historical acquisition debts: net cash inflow of €30.4m
- New revolving credit facility of €50m over 5 years not used

SOLID FINANCIAL STRUCTURE

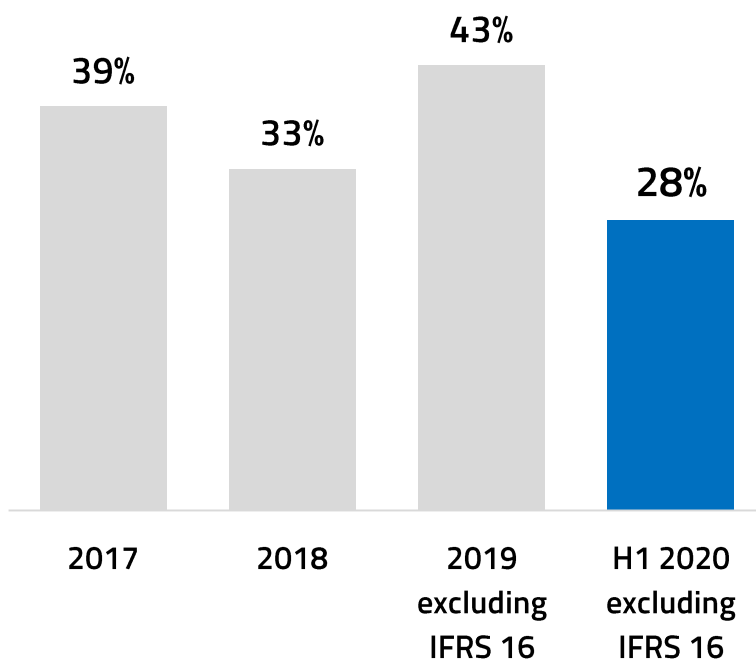


(€m)	30/06/2020	31/12/2019
Goodwill	173.1	174.7
Other non-current assets	193.9	183.2
Rights of use (IFRS 16)	370.6	377.5
Non-current assets	737.6	735.4
(Negative) working capital requirements	(94.1)	(62.5)
Net financial debt	59.0	89.2
Lease liabilities (IFRS 16)	375.2	379.7
Net debt	434.2	468.9
Shareholders' equity	209.3	204.0

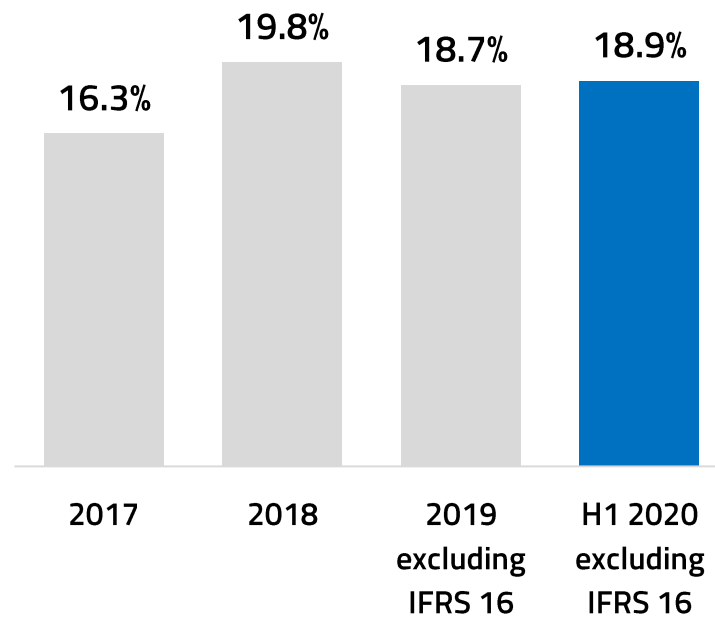
- Stable non-current assets
- Increase in working capital resource to 21 days sales vs. 14 days sales at the end of 2019
- Equivalent decrease in net financial debt

HIGH INVESTMENT CAPACITY

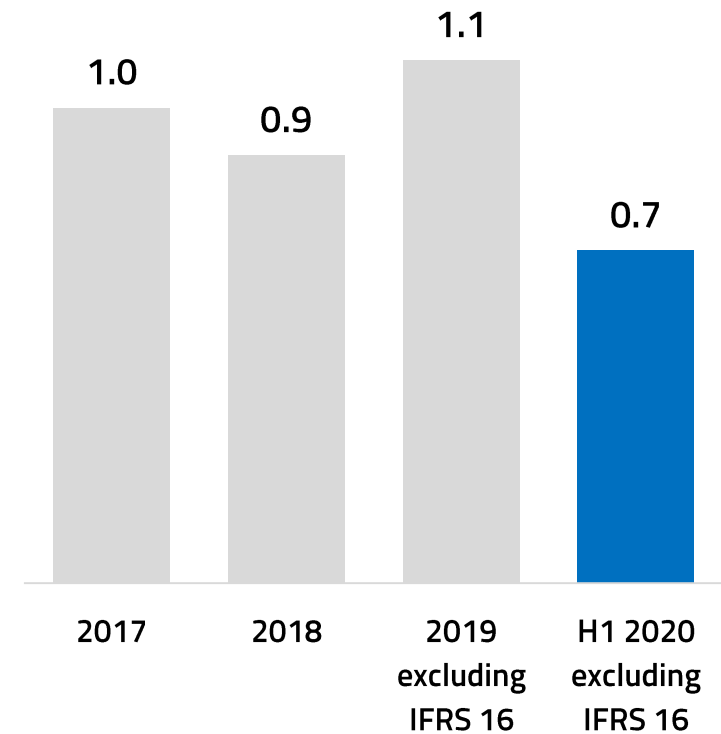
Gearing*



ROCE* before tax



Net debt / EBITDA*



* See definitions in the appendix



04

OUTLOOK

SHORT-TERM OUTLOOK



01

Opening of around 15
new sites in 2020
(10 sites opened in H1)

02

Increase in productivity
of already started
projects

03

Full year effect of
Jagged Peak and
development in the US

04

Supporting customers
in the recovery of their
business

MEDIUM-TERM OPPORTUNITIES



01

Accelerating the growth of e-commerce: a solution that has proven its efficiency during lock-down

02

Increased use of outsourcing of the logistics function

03

Relocating industries in Europe, the Group's main area of activity

04

Towards new movements of concentration to meet customers' needs for flexibility

APPENDIX



LIKE-FOR-LIKE REVENUES

Organic sales performance excluding the impact of:

- acquisitions and disposals: the revenue contribution of companies acquired during the period is excluded from the same period, and the revenue contribution made by companies sold during the previous period is also excluded from that period;
- changes in the applicable accounting principles;
- changes in exchange rates (revenues in the various periods calculated based on identical exchange rates, so that the reported figures for the previous period are translated using the exchange rates for the current period).



EBITDA

Underlying operating income before net depreciation of property, plant and equipment and amortization of intangible assets



NET FINANCIAL DEBT

Gross debt plus bank overdrafts minus cash and cash equivalents



NET DEBT

Net financial debt plus rent liabilities (IFRS 16)



GEARING

Ratio of net financial debt to consolidated equity



ROCE

Return On Capital Employed – ratio of underlying income to capital employed (non-current assets minus working capital requirement resources)