

HALF-YEAR
FINANCIAL
REPORT
2022



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01

2022 HALF-YEAR BUSINESS REPORT

KEY FIGURES

| € millions | 30/06/22 | 30/06/21 | % change |
|--|----------|----------|----------|
| Sales | 846.2 | 805.0 | +5.1% |
| Current operating result | 198.0 | 213.8 | -7.4% |
| Current operating margin | 23.4% | 26.6% | - |
| Consolidated net profit | 161.6 | 183.4 | -11.9% |
| Cash flow | 181.4 | 206.5 | -12.1% |
| Net investments in intangible assets and property, plant and equipment (including IFRS 16) | 44.8 | 35.3 | +27.0% |
| Shareholders' equity | 1,467.0 | 1,287.0 | - |
| Net financial debt* | -587.6 | -517.5 | - |
| Non-current assets | 713.4 | 664.7 | - |
| Workforce at period end | 7,580 | 7,021 | - |

* (-) Net financial surplus.

Founded in 1969 in France and now operating in 59 countries, Somfy is the world leader in window and door automation for homes and buildings.

Pioneer in the connected home, the Group is constantly innovating to guarantee its users comfort, well-being, and security in the home and is fully committed to promoting Sustainable Development.

For more than 50 years, Somfy has been using automation to improve living environments and has been committed to creating reliable and sustainable solutions that promote better living and well-being for all.

SALES GROWTH BY CUSTOMER LOCATION

Group sales totalled €846 million for the first six months of the financial year, an increase of 5.1% in real terms and 4.3% on a like-for-like basis compared with the first half of 2021. They stood at €412 million over the first quarter, an increase of 9.7% (up 9.2% on a like-for-like basis), and at €434 million over the second quarter, which was virtually stable (up 1.2% in real terms and down 0.1% on a like-for-like basis) in relation to the second quarter of the previous financial year.

These performances are to be compared against particularly strong growth over the first six months of 2021 (up 40.8% on a like-for-like basis). Sales growth over the half-year reflects the sound fundamentals of the market, driven by awareness of energy-saving challenges and societal changes making the home a safe investment. Nevertheless, within an environment of falling demand notably related to the impact of the war in Ukraine and high inflation, sales slowed down over the second quarter, primarily in Europe.

Over the half-year, Latin America, Southern Europe, Africa & the Middle East, and Asia-Pacific all maintained double-digit growth, respectively standing at 27.1%, 12.8%, 21.5% and 14.0% on a like-for-like basis in relation to the first half-year of the previous financial year. Central and Northern Europe fell 1.9% and 8.1% on a like-for-like basis following a declining second quarter (down 5.1% and 17.4% respectively on a like-for-like basis), illustrating the first impacts of the slowdown in demand.

The sales of Dooya, an equity-accounted Chinese subsidiary, were €159 million for the first six months, a substantial increase of 34.8% in real terms and 22.4% on a like-for-like basis. Sales rose significantly in China (up 24.8% on a like-for-like basis) and in the rest of the world (up 20.8% on a like-for-like basis).

CHANGE IN CURRENT OPERATING RESULT

Current operating result totalled €198 million over the half-year, a decline of 7.4% in relation to the corresponding period of last year, meaning a current operating margin of 23.4%, lower than the record 26.6% seen in 2021 but significantly higher than pre-Covid levels (around 18% on a half-year basis).

Current operating result was impacted firstly by the pronounced slowdown in sales over the second quarter and secondly by additional costs for certain supplies and the continued implementation of structuring projects. Somfy pursued its transformation by continuing its strategic spending (digitalisation, product redesign, etc.).

CHANGE IN NET PROFIT

Non-recurring expenses increased €5 million due to the Russian-Ukrainian crisis.

Share of net profit from associates and joint ventures was €10 million, a significant increase of €3 million.

Consolidated net profit was €162 million, a decline of 11.9% in relation to the corresponding period last year.

NET FINANCIAL DEBT

Equity remained sound. It rose from €1,371 million at the end of December to €1,467 million at the end of June.

The net financial surplus declined slightly to €588 million. Working capital requirements increased significantly as a result of seasonality, which was more pronounced due to a sharper increase in safety inventories.

ALTERNATIVE PERFORMANCE MEASURES

The change N/N-1 on a like-for-like basis, current operating margin and net financial debt are Alternative Performance Measures (APMs), definitions and calculation details of which are included in note 5.3 of the notes to the condensed consolidated interim financial statements.

OUTLOOK

Following on from the second quarter, summer sales declined in relation to the previous year.

Despite structurally buoyant market trends and within an uncertain and inflationary macro-economic and geopolitical climate, changes in consumer spending priorities could continue to generate a short-term contraction in demand.

Within this deteriorated environment, the Group is continuing its efforts to improve the resilience of its supply chain and is maintaining its strategic investments to ensure the continued satisfaction of its customers.

The newly acquired company Teleco Automation will be consolidated into the Group's financial statements with effect from the second half-year.

HIGHLIGHTS

RUSSIAN-UKRAINIAN CRISIS

The war between Russia and Ukraine has been ongoing since 24 February 2022. It has led to the displacement of huge numbers of the Ukrainian population to neighbouring countries and sanctions against Russia by the international community, caused a sharp rise in energy prices and exacerbated the semi-conductor crisis. Somfy is closely monitoring developments in the Russian-Ukrainian conflict, stopped its exports to Russia at the start of the crisis and has implemented measures to protect its employees and assets in these territories, which account for less than 1% of the Group's sales. It is currently difficult to assess the repercussions on the economy in general and on the Group's business in particular. Within this uncertain environment, potential asset impairment of approximately €4.8 million has been measured by Somfy, for which provision had been made at 30 June 2022.

PRESSURE ON PROCUREMENT

The Group has continued to face an increase in the price of raw materials, transportation and electronic components against a backdrop of shortage of the latter (disruption exacerbated by the resurgence of Covid-19 in Asia, notably blocking the port of Shanghai, and by the war in Ukraine). To manage procurement difficulties, Somfy has maintained the dedicated crisis unit and has pursued its strategy of redesigning its products. These measures have helped to partially reduce delivery backlogs.

HYPERINFLATION IN TURKEY

Turkey has qualified as a hyperinflationary economy since 1 April 2022. IAS 29 was therefore applied with effect from 1 January 2022 for entities with their financial year ending on 31 December and whose functional currency is the Turkish lira. IAS 29 requires the financial statements of an entity whose functional currency is a hyperinflationary currency to be restated. Application of IAS 29 primarily impacts sales generated by the Group in Turkey (*i.e.* a positive €0.5 million) with limited effects on results and the balance sheet.

ACQUISITION OF A STAKE IN FRENCH GROUP ELCIA

On 14 April 2022, Somfy acquired a 6.33% stake in the share capital of Elcia, the French leader for configurators and costing software for the windows, doors, roller shutters and shading systems sector, for €5 million. It was financed using Somfy's existing cash resources and has been recognised as a non-consolidated equity investment in accordance with IFRS 9, given that Somfy does not exercise any significant influence over Elcia.

Sharing common values based on innovation and customer service, Somfy and Elcia seek to establish this partnership to pursue the dual aim of helping Elcia Group to expand in Europe, in particular in Germany, and supporting trade installers with the sale of connected solutions.

With 210 employees and more than 24,000 users, Elcia generated sales of €26 million in 2021. The Group's products include ProDevis, the number 1 costing and management solution for installers in windows, doors, roller shutters and shading systems, a solution aimed at optimising interaction between manufacturers, their sales networks and residential customers.

AGREEMENT TO ACQUIRE THE ITALIAN GROUP TELECO AUTOMATION

Somfy announced the signing on 24 February 2022 of an agreement for the acquisition of a 75% stake in the share capital of Italian group Teleco Automation, a specialist in automation, control and lighting systems for indoor and outdoor residential equipment. This acquisition will enable Somfy to benefit from the Italian group's expertise and innovation capacity in the automation of solar protection equipment for terraces, particularly pergolas and awnings, in order to accelerate the development of its core business and support the digitalisation of outdoor living equipment.

Founded in 1996 and operating in about 40 countries, Teleco Automation, which has 180 employees, reported dynamic business growth in 2021, generating sales of almost €44 million. The acquisition of 75% of the share capital of Italian group Teleco Automation became effective on 4 July 2022, following the lifting of the conditions precedent. The Group will finance the acquisition using existing cash resources. The acquisition cost is €142 million.

The agreement comes with put and call options relating to the balance of Teleco Automation's share capital exercisable in early 2025.

This acquisition is a post-balance sheet event and Teleco Automation will be fully consolidated in the Group's financial statements with effect from 1 July 2022.

CHANGES TO THE CONSOLIDATION SCOPE

There were no material changes to the consolidation scope during the first half of 2022.

CONTINGENT LIABILITIES

The proceedings brought against **Somfy SA** by **Spirel** employees before the regional court of Albertville have been closed since 23 June 2021, the employees' appeal to the highest Court of Appeal having been rejected. In a decision dated 3 May 2022, the Arbitrating Judge of the Labour Court of Albertville dismissed the claim brought by the employees challenging their redundancy and seeking compensation of an amount substantially identical to the amount sought in the proceedings before the regional court (€8.2 million). The proceedings before the Labour Court of Albertville had already been dismissed in 2016 and 2018. Certain employees appealed that decision and the proceedings are thus still ongoing.

The Group continues to qualify the risk as a contingent liability and no provision was recognised at 30 June 2022.

In a ruling of 17 December 2021, the Paris Commercial Court had dismissed all claims brought by **Alder Holdings SAS** (formerly United Technologies Holdings SAS) in its case against **Somfy SA** concerning the disposal of CIAT shares in 2015.

For reference, Alder Holdings was claiming a total of €18.4 million from the sellers of the CIAT shares (of which Somfy's portion would have been €8.5 million) under the liability guarantee, in connection with complaints fully contested by the sellers, and also remained liable for deferred payments.

The Court had ordered the provisional enforcement of its judgement, such that:

- Alder Holdings should pay the outstanding amounts owed in respect of the deferred payments, *i.e.* €4.9 million (€2.2 million for Somfy received in March 2022);
- funds held by the conventional sequestrator in the amount of €10 million should be paid to the sellers in settlement of the balance of the purchase price. Under a clause in the agreement covering the disposal of the securities, Alder Holdings has had these funds blocked pending the final ruling. The total amount remaining to be received by Somfy SA is €4.3 million.

Alder Holdings appealed the ruling on 26 January 2022. The proceeding is thus still ongoing. However, on the strength of this favourable ruling, Somfy SA remains confident as to the outcome of this litigation. It has qualified this risk as a contingent liability and no provision was recognised at 30 June 2022. Similarly, no writedown on receivables in respect of the deferred payment was recognised at 30 June 2022.

POST-BALANCE SHEET EVENT

As mentioned in the Highlights, the acquisition of 75% of the share capital of the Italian group Teleco Automation became effective on 4 July 2022.

INFORMATION ON RISKS

Within a challenging geopolitical and economic environment, the Group remains cautious in its assessment of risks related to foreign exchange and the procurement of raw materials and electronic components, as well as liquidity and credit. The currency and raw material hedging strategy continues to be adapted in line with forecasts and market trends. The assessment of liquidity and credit risks remains unchanged. Given its cash position of €683.5 million, its €120.0 million in confirmed and undrawn credit facilities at 30 June 2022 and based on its sales and investments forecasts, the Group believes that it will be able to meet its financial obligations as they fall due over the course of the next 12 months with effect from the date of review of the half-year financial statements by the Board of Directors.

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CONSOLIDATED INCOME STATEMENT

| € thousands | Notes | 30/06/22 6 months | 30/06/21 6 months |
|--|-----------------|----------------------|----------------------|
| Sales | (5.1) | 846,244 | 805,026 |
| Other operating income | | 14,767 | 10,125 |
| Purchases consumed and production stocked | | -308,990 | -288,878 |
| Employee expenses | | -221,885 | -203,185 |
| External expenses | | -100,925 | -75,623 |
| EBITDA | | 229,211 | 247,464 |
| Amortisation and depreciation charges | (6.2) & (6.3) | -31,215 | -30,486 |
| Charges to/reversal of current provisions | | 494 | -3,168 |
| Gains and losses on disposal of non-current operating assets | | -468 | -12 |
| CURRENT OPERATING RESULT | | 198,021 | 213,799 |
| Other non-recurring operating income and expenses | (5.2) | -6,249 | -1,369 |
| Goodwill impairment | (5.2) & (6.1.1) | - | - |
| OPERATING RESULT | | 191,771 | 212,429 |
| – Financial income from investments | | 1,052 | 363 |
| – Financial expenses related to borrowings | | -2,849 | -1,689 |
| Cost of net financial debt | | -1,797 | -1,326 |
| Other financial income and expenses | | -478 | 4,181 |
| NET FINANCIAL INCOME/(EXPENSE) | (8.1) | -2,275 | 2,855 |
| PROFIT BEFORE TAX | | 189,497 | 215,285 |
| Income tax | (12) | -38,287 | -39,231 |
| Share of net profit from associates and joint ventures | (13.1) | 10,361 | 7,388 |
| CONSOLIDATED NET PROFIT | | 161,571 | 183,442 |
| Attributable to Group share | | 160,883 | 182,655 |
| Attributable to Non-controlling interests | | 688 | 787 |
| Basic earnings per share (€) | (7.2) | 4.67 | 5.30 |
| Diluted earnings per share (€) | (7.2) | 4.66 | 5.29 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| € thousands | 30/06/22 | 30/06/21 |
|--|----------------|----------------|
| Consolidated net profit | 161,571 | 183,442 |
| Movement in gains and losses on translation of foreign currency | 6,667 | 6,375 |
| Movement in fair value of foreign currency hedges | 98 | 600 |
| Movement in tax on items that may be reclassified to profit or loss | -26 | -155 |
| Items that may be reclassified to profit or loss | 6,739 | 6,820 |
| Revaluation of net liabilities of defined benefit plans | 5,191 | 1,381 |
| Movement in tax on items that will not be reclassified to profit or loss | -1,336 | -356 |
| Items that will not be reclassified to profit or loss | 3,855 | 1,025 |
| Items of other comprehensive income | 10,594 | 7,845 |
| Total comprehensive income for the period | 172,165 | 191,287 |
| Attributable to Group share | 171,477 | 190,500 |
| Attributable to Non-controlling interests | 688 | 787 |

CONSOLIDATED CASH FLOW STATEMENT

| € thousands | Notes | 30/06/22 6 months | 30/06/21 6 months |
|---|-----------------|----------------------|----------------------|
| Consolidated net profit | | 161,571 | 183,442 |
| Depreciation, amortisation and impairment loss of assets (excluding current assets) | | 31,216 | 27,349 |
| Charges to/reversals of provisions for liabilities (excluding employee benefits) | | -2,925 | 553 |
| Unrealised gains and losses related to fair value movements | | -408 | -458 |
| Unrealised foreign exchange gains and losses | | -2,322 | -1,630 |
| Income and expenses related to stock options and employee benefits | | 3,366 | 3,284 |
| Depreciation, amortisation, provisions and other non-cash items | | 28,927 | 29,098 |
| Profit on disposal of assets and others | | 468 | 10 |
| Share of net profit/(loss) from associates and joint ventures | | -10,361 | -7,388 |
| Deferred tax expense | | 818 | 1,349 |
| Cash flow | | 181,423 | 206,511 |
| Cost of net financial debt (excluding non-cash items) | | 1,797 | 1,326 |
| Dividends of non-consolidated companies | | -1 | -10 |
| Tax expense (excluding deferred tax) | | 37,470 | 37,883 |
| Change in working capital requirements | (9.2) | -125,115 | -78,746 |
| Tax paid | | -24,087 | -24,085 |
| NET CASH FLOW FROM OPERATING ACTIVITIES (A) | | 71,487 | 142,878 |
| Acquisition-related disbursements: | | | |
| – intangible assets and property, plant and equipment | | -38,418 | -25,282 |
| – non-current financial assets | | -5,467 | -252 |
| Disposal-related proceeds: | | | |
| – intangible assets and property, plant and equipment | | 322 | 406 |
| Change in current financial assets | | 11 | 782 |
| Acquisition of companies, net of cash acquired | (8.2.2) & (9.3) | - | -28,381 |
| Disposal of companies, net of cash disposed | (9.3) | 2,157 | 2,879 |
| Dividends paid by non-consolidated companies | | 1 | 10 |
| Interest received | | 1,058 | 218 |
| NET CASH FLOW FROM INVESTING ACTIVITIES (B) | | -40,335 | -49,620 |
| Increase in loans | (8.2.2) | 92 | 62 |
| Repayment of borrowings and lease liabilities | (8.2.2) | -7,746 | -10,133 |
| Net increase in subsidiaries shareholders' equity | | - | 10 |
| Dividends and interim dividends paid | | -74,961 | -63,673 |
| Movement in treasury shares | | -956 | 75 |
| Interest paid | | -2,850 | -1,692 |
| NET CASH FLOW FROM FINANCING AND CAPITAL ACTIVITIES (C) | | -86,421 | -75,351 |
| Impact of changes in foreign exchange rates on cash and cash equivalents (D) | | 2,417 | 1,671 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C + D) | | -52,852 | 19,577 |
| CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD | (9.1) | 736,258 | 588,519 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | (9.1) | 683,406 | 608,097 |

CONSOLIDATED BALANCE SHEET – ASSETS

| € thousands | Notes | 30/06/22 Net | 31/12/21 Net |
|--|---------|------------------|------------------|
| Non-current assets | | | |
| Goodwill | (6.1.1) | 118,906 | 119,035 |
| Net intangible assets | (6.2) | 66,617 | 65,500 |
| Net property, plant and equipment | (6.3) | 310,635 | 297,925 |
| Investments in associates and joint ventures | (13.1) | 187,117 | 172,998 |
| Financial assets | (8.2.1) | 10,415 | 4,942 |
| Other receivables | (5.6.1) | 11 | 52 |
| Deferred tax assets | | 16,667 | 19,165 |
| Employee benefits | | 2,992 | 2,222 |
| Total Non-current assets | | 713,360 | 681,840 |
| Current assets | | | |
| Inventories | (5.4) | 257,841 | 204,174 |
| Trade receivables | (5.5) | 235,471 | 136,612 |
| Other receivables | (5.6.2) | 37,975 | 27,462 |
| Current tax assets | | 5,697 | 13,851 |
| Financial assets | (8.2.1) | 393 | 394 |
| Derivative instruments - assets | | 1,278 | 702 |
| Cash and cash equivalents | | 683,535 | 736,665 |
| Total Current assets | | 1,222,191 | 1,119,860 |
| TOTAL ASSETS | | 1,935,551 | 1,801,700 |

CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

| € thousands | Notes | 30/06/22 | 31/12/21 |
|--------------------------------------|---------|------------------|------------------|
| Shareholders' equity | | | |
| Share capital | | 7,400 | 7,400 |
| Share premium | | 1,866 | 1,866 |
| Reserves | | 1,296,798 | 1,103,847 |
| Net profit for the period | | 160,883 | 258,049 |
| Group share | | 1,466,948 | 1,371,162 |
| Non-controlling interests | | 22 | 13 |
| Total Shareholders' equity | | 1,466,970 | 1,371,175 |
| Non-current liabilities | | | |
| Non-current provisions | (10.1) | 9,183 | 12,039 |
| Other financial liabilities | (8.2.2) | 70,742 | 63,796 |
| Other liabilities | | 1,243 | 1,206 |
| Employee benefits | | 23,883 | 27,759 |
| Deferred tax liabilities | | 22,607 | 22,774 |
| Total Non-current liabilities | | 127,659 | 127,575 |
| Current liabilities | | | |
| Current provisions | (10.1) | 30,067 | 13,977 |
| Other financial liabilities | (8.2.2) | 25,292 | 31,244 |
| Trade payables | | 153,617 | 123,644 |
| Other liabilities | | 117,139 | 124,956 |
| Tax liabilities | | 14,329 | 9,130 |
| Derivative instruments - liabilities | | 478 | - |
| Total Current liabilities | | 340,923 | 302,950 |
| TOTAL EQUITY AND LIABILITIES | | 1,935,551 | 1,801,700 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| € thousands | Share capital* | Share premium | Reserves | Total shareholders' equity | Non-controlling interests | Total equity (Group share) |
|--|----------------|---------------|------------------|----------------------------|---------------------------|----------------------------|
| AT 31 DECEMBER 2021 | 7,400 | 1,866 | 1,361,909 | 1,371,175 | 13 | 1,371,162 |
| Net profit for the period | - | - | 161,571 | 161,571 | 8 | 161,564 |
| Items of other comprehensive income | - | - | 10,594 | 10,594 | 680 | 9,914 |
| Total comprehensive income for the period | - | - | 172,165 | 172,165 | 688 | 171,477 |
| Treasury share transactions | - | - | 126 | 126 | - | 126 |
| Dividends | - | - | -74,978 | -74,978 | - | -74,978 |
| Changes to the consolidation scope | - | - | - | - | - | - |
| Other movements*** | - | - | -1,518 | -1,518 | -679 | -839 |
| AT 30 JUNE 2022 | 7,400 | 1,866 | 1,457,704 | 1,466,970 | 22 | 1,466,948 |
| AT 31 DECEMBER 2020 | 7,400 | 1,866 | 1,161,702 | 1,170,968 | 49 | 1,170,919 |
| Net profit for the period | - | - | 183,442 | 183,442 | 111 | 183,331 |
| Items of other comprehensive income | - | - | 7,845 | 7,845 | 676 | 7,169 |
| Total comprehensive income for the period | - | - | 191,287 | 191,287 | 787 | 190,500 |
| Treasury share transactions | - | - | 1,053 | 1,053 | - | 1,053 |
| Dividends | - | - | -63,716 | -63,716 | -105 | -63,611 |
| Changes to the consolidation scope** | - | - | -11,227 | -11,227 | 206 | -11,433 |
| Other movements*** | - | - | -1,368 | -1,368 | -668 | -700 |
| AT 30 JUNE 2021 | 7,400 | 1,866 | 1,277,731 | 1,286,997 | 269 | 1,286,728 |

* Share capital comprises 37,000,000 shares with a par value of €0.20 each.

** In 2021, the change to the consolidation scope primarily included the impact related to the Répar'stores entities put options.

*** Other movements include exchange rate differences on transactions involving the share capital, as well as liabilities and subsequent changes in liabilities corresponding to put options granted to holders of non-controlling interests. This item also includes the reclassification in "Equity - Group share" of the portion of comprehensive income attributable to non-controlling interests covered by a put option. In 2022, other movements notably include a €3.9 million increase, net of deferred tax, in actuarial gains and losses on pension liabilities due to higher interest rates.

The liability that corresponds to put options granted to holders of non-controlling interests is recognised in consideration for the non-controlling interests that are the subject of the put option, and for Group Equity, where the balance is concerned. The subsequent changes to liabilities are recognised under "Equity - Group share".

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Somfy SA is a French limited company (*société anonyme*) governed by a Board of Directors and listed on Euronext Paris (Compartment A, ISIN Code: FR0013199916). Founded in 1969 in France, and now operating in 59 countries, Somfy is the world leader in window and door automation for homes and buildings. Pioneer in the connected home, the Group is constantly innovating to guarantee its users comfort, well-being, and security in the home and is fully committed to promoting Sustainable Development. For more than 50 years, Somfy has been using automation to improve living environments and has been committed to creating reliable and sustainable solutions that promote better living and well-being for all. The registered office is located at 50, avenue du Nouveau Monde 74300 Cluses (Haute-Savoie, France). Its main establishment is in Cluses.

Somfy SA is a 52.65%-owned subsidiary of the French company J.P.J.S.

The **Group's** condensed consolidated IFRS financial statements for the half-year ended 30 June 2022 were approved by the Board of Directors on 7 September 2022. Total assets were €1,935,551 thousand and consolidated net profit €161,571 thousand (Group share: €160,883 thousand).

NOTE 1 HIGHLIGHTS

NOTE 1.1 RUSSIAN-UKRAINIAN CRISIS

The war between Russia and Ukraine has been ongoing since 24 February 2022. It has led to the displacement of huge numbers of the Ukrainian population to neighbouring countries and sanctions against Russia by the international community, caused a sharp rise in energy prices and exacerbated the semi-conductor crisis. Somfy is closely monitoring developments in the Russian-Ukrainian conflict, stopped its exports to Russia at the start of the crisis and has implemented measures to protect its employees and assets in these territories, which account for less than 1% of the Group's sales. It is currently difficult to assess the repercussions on the economy in general and on the Group's business in particular. Within this uncertain environment, potential asset impairment of approximately €4.8 million has been measured by Somfy, for which provision had been made at 30 June 2022.

NOTE 1.2 PRESSURE ON PROCUREMENT

The Group has continued to face an increase in the price of raw materials, transportation and electronic components against a backdrop of shortage of the latter (disruption exacerbated by the resurgence of Covid-19 in Asia, notably blocking the port of Shanghai, and by the war in Ukraine). To manage procurement difficulties, Somfy has maintained the dedicated crisis unit and has pursued its strategy of redesigning its products. These measures have helped to partially reduce delivery backlogs.

NOTE 1.3 HYPERINFLATION IN TURKEY

Turkey has qualified as a hyperinflationary economy since 1 April 2022. IAS 29 was therefore applied with effect from 1 January 2022 for entities with their financial year ending on 31 December and whose functional currency is the Turkish lira. IAS 29 requires the financial statements of an entity whose functional currency is a hyperinflationary currency to be restated. Application of IAS 29 primarily impacts sales generated by the Group in Turkey (*i.e.* a positive €0.5 million) with limited effects on results and the balance sheet.

NOTE 1.4 ACQUISITION OF A STAKE IN FRENCH GROUP ELCIA

On 14 April 2022, Somfy acquired a 6.33% stake in the share capital of Elcia, the French leader for configurators and costing software for the windows, doors, roller shutters and shading systems sector, for €5 million. It was financed using Somfy's existing cash resources and has been recognised as a non-consolidated equity investment in accordance with IFRS 9, given that Somfy does not exercise any significant influence over Elcia.

Sharing common values based on innovation and customer service, Somfy and Elcia seek to establish this partnership to pursue the dual aim of helping Elcia Group to expand in Europe, in particular in Germany, and supporting trade installers with the sale of connected solutions.

With 210 employees and more than 24,000 users, Elcia generated sales of €26 million in 2021. The Group's products include ProDevis, the number 1 costing and management solution for installers in windows, doors, roller shutters and shading systems, a solution aimed at optimising interaction between manufacturers, their sales networks and residential customers.

NOTE 1.5 AGREEMENT TO ACQUIRE THE ITALIAN GROUP TELECO AUTOMATION

Somfy announced the signing on 24 February 2022 of an agreement for the acquisition of a 75% stake in the share capital of Italian group Teleco Automation, a specialist in automation, control and lighting systems for indoor and outdoor residential equipment. This acquisition will enable Somfy to benefit from the Italian group's expertise and innovation capacity in the automation of solar protection equipment for terraces, particularly pergolas and awnings, in order to accelerate the development of its core business and support the digitalisation of outdoor living equipment.

Founded in 1996 and operating in about 40 countries, Teleco Automation, which has 180 employees, reported dynamic business growth in 2021, generating sales of almost €44 million. The acquisition of 75% of the share capital of Italian group Teleco Automation became effective on 4 July 2022, following the lifting of the conditions precedent. The Group will finance the acquisition using existing cash resources. The acquisition cost is €142 million.

The agreement comes with put and call options relating to the balance of Teleco Automation's share capital exercisable in early 2025.

This acquisition is a post-balance sheet event and Teleco Automation will be fully consolidated in the Group's financial statements with effect from 1 July 2022.

NOTE 1.6 CHANGES TO THE CONSOLIDATION SCOPE

There were no material changes to the consolidation scope during the first half of 2022.

NOTE 1.7 CONTINGENT LIABILITIES

The proceedings brought against **Somfy SA** by **Spirel** employees before the regional court of Albertville have been closed since 23 June 2021, the employees' appeal to the highest Court of Appeal having been rejected. In a decision dated 3 May 2022, the Arbitrating Judge of the Labour Court of Albertville dismissed the claim brought by the employees challenging their redundancy and seeking compensation of an amount substantially identical to the amount sought in the proceedings before the regional court (€8.2 million). The proceedings before the Labour Court of Albertville had already been dismissed in 2016 and 2018. Certain employees appealed that decision and the proceedings are thus still ongoing.

The Group continues to qualify the risk as a contingent liability and no provision was recognised at 30 June 2022.

In a ruling of 17 December 2021, the Paris Commercial Court had dismissed all claims brought by **Alder Holdings SAS** (formerly United Technologies Holdings SAS) in its case against **Somfy SA** concerning the disposal of CIAT shares in 2015.

For reference, Alder Holdings was claiming a total of €18.4 million from the sellers of the CIAT shares (of which Somfy's portion would have been €8.5 million) under the liability guarantee, in connection with complaints fully contested by the sellers, and also remained liable for deferred payments.

The Court had ordered the provisional enforcement of its judgement, such that:

- Alder Holdings should pay the outstanding amounts owed in respect of the deferred payments, *i.e.* €4.9 million (€2.2 million for Somfy received in March 2022);
- funds held by the conventional sequestrator in the amount of €10 million should be paid to the sellers in settlement of the balance of the purchase price. Under a clause in the agreement covering the disposal of the securities, Alder Holdings has had these funds blocked pending the final ruling. The total amount remaining to be received by Somfy SA is €4.3 million.

Alder Holdings appealed the ruling on 26 January 2022. The proceeding is thus still ongoing. However, on the strength of this favourable ruling, Somfy SA remains confident as to the outcome of this litigation. It has qualified this risk as a contingent liability and no provision was recognised at 30 June 2022. Similarly, no writedown on receivables in respect of the deferred payment was recognised at 30 June 2022.

NOTE 2 POST BALANCE-SHEET EVENT

As mentioned in note 1.5, the acquisition of 75% of the share capital of the Italian group **Teleco Automation** became effective on 4 July 2022.

NOTE 3 ACCOUNTING RULES AND METHODS**NOTE 3.1 COMPLIANCE WITH ACCOUNTING STANDARDS**

In application of European regulation 1606/2002 of 19 July 2002, the Group's condensed consolidated financial statements have been prepared in accordance with IFRS (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board), as adopted by the European Union at 30 June 2022.

These standards are available on the IASB website at <https://www.ifrs.org/issued-standards/>.

The accounting rules and methods applied when preparing the condensed consolidated interim financial statements are consistent with those used when preparing the consolidated annual financial statements for the year ended 31 December 2021, with the exception of IFRS and associated amendments and interpretations as adopted by the European Union and the IASB, adoption of which is mandatory for financial years beginning on or after 1 January 2022, and which the Group had not opted to adopt early (see note 3.3.1).

The condensed consolidated interim financial statements have been prepared in accordance with the international financial reporting standard IAS 34 ("Interim financial reporting"). They do not contain all disclosures and notes included in the full-year financial statements. As a result, they must be read in conjunction with the Group's consolidated financial statements at 31 December 2021.

The Group's consolidated financial statements for the year ended 31 December 2021 are available on the Group's website www.somfyfinance.com and upon request from head office.

NOTE 3.2 JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements requires Management to make a number of judgements, estimates and assumptions liable to affect the values of assets, liabilities, and income and expense items in the financial statements, and information provided in certain notes to the financial statements. Due to the inherently uncertain nature of the assumptions, actual results may differ from estimates. The Group reviews its estimates and assessments on a regular basis to take past experience into account and incorporate factors considered relevant under current economic conditions. As part of the preparation of these condensed consolidated interim financial statements, the main judgements made and the main assumptions (described in the 2021 annual financial statements) used by Management have been updated based on the latest indicators available.

At 30 June, the Group reviews its performance indicators and, if necessary, carries out impairment tests if there is any indication that an asset may have been impaired.

NOTE 3.3 NEW APPLICABLE STANDARDS AND INTERPRETATIONS**Note 3.3.1 Standards, amendments and interpretations applicable within the European Union from the financial year beginning on or after 1 January 2022**

The Group has applied the following standards, amendments and interpretations as of 1 January 2022:

| Standards | Content | Application date |
|-----------------------------|---|--------------------------------|
| Amendments to IAS 16 | Proceeds before Intended Use | Applicable from 1 January 2022 |
| Amendments to IAS 37 | Cost of Fulfilling a Contract | Applicable from 1 January 2022 |
| Amendments to IFRS 3 | Reference to the Conceptual Framework | Applicable from 1 January 2022 |
| Annual improvements to IFRS | 2018-2020 cycle (IFRS 1, IFRS 9, IFRS 16, IAS 41) | Applicable from 1 January 2022 |

These new standards had no material impact on the Group's results and financial position.

Clarifications by regulators on the IFRS-IC interpretation of IAS 38 "Configuration or Customisation Costs in a Cloud Computing Arrangement" do not contradict Somfy's position on the matter. It should be noted that, as part of the implementation of its new ERP the Group considers that it has control of the SAP application. Expenses incurred in configuring and customising the ERP to Somfy's specific requirements create a specific asset controlled and used exclusively by Somfy and fall within the scope of IAS 38. Consequently, they were capitalised at a gross amount of €21.1 million as at 30 June 2022.

Note 3.3.2 Standards and interpretations whose application is not yet mandatory

| Standards | Content | Application date |
|----------------------|--|--|
| Amendments to IAS 1 | Classification of Liabilities as Current or Non-Current | Applicable from 1 January 2024 according to the IASB, not yet approved by the EU |
| Amendments to IAS 1 | Disclosure of Accounting Policies | Applicable from 1 January 2023 according to the IASB |
| Amendments to IAS 8 | Definition of Accounting Estimates | Applicable from 1 January 2023 according to the IASB |
| Amendments to IAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction | Applicable from 1 January 2023 according to the IASB |

The Group did not opt for the early application of any of these new standards or amendments and is currently assessing the impact resulting from their initial application.

Detailed information is available on the following website: <https://www.ifrs.org>.

NOTE 3.4 SEASONALITY

The Group generally sees seasonal variations in its activities which could affect, from one half-year to another, the level of sales. As such, interim results are not necessarily indicative of the results that may be expected for the year as a whole. More than half of Somfy's sales are usually generated in the first half of the year.

NOTE 4 SEGMENT REPORTING

Somfy includes the companies whose activities correspond to the business lines “Exterior”, “Window Fashion”, “Access and Security”, and “Connected Services”, and is structured around two geographic regions.

The geographic location of assets is used as sole segment reporting criterion. Management makes its decisions based on this strategic focus using reporting by geographic region as its key analysis tool.

The two geographic regions being followed are:

- North & West (Central Europe, Northern Europe, North America and Latin America);
- South & East (France, Southern Europe, Africa & the Middle East, Eastern Europe and Asia-Pacific).

AT 30 JUNE 2022

| € thousands | North & West | South & East | Intra-regional eliminations | Consolidated |
|--|--------------|--------------|-----------------------------|----------------|
| Segment sales | 330,153 | 721,708 | -205,617 | 846,244 |
| Intra-segment sales | -1,122 | -204,495 | 205,617 | - |
| Segment sales - Contribution to sales | 329,031 | 517,213 | - | 846,244 |
| Segment current operating result | 51,171 | 146,850 | - | 198,021 |
| Share of net profit/(loss) from associates and joint ventures | - | 10,361 | - | 10,361 |
| Cash flow | 40,478 | 140,945 | - | 181,423 |
| Net investments in intangible assets and PPE (including IFRS 16) | 5,127 | 39,666 | - | 44,792 |
| Goodwill | 2,711 | 116,195 | - | 118,906 |
| Net intangible assets and PPE | 40,164 | 337,088 | - | 377,252 |
| Investments in associates and joint ventures | - | 187,117 | - | 187,117 |

Somfy has adjusted its South & East sales figures to reflect the effects of hyperinflation in Turkey by a positive €0.5 million (see note 1.3).

AT 30 JUNE 2021

| € thousands | North & West | South & East | Intra-regional eliminations | Consolidated |
|--|--------------|--------------|-----------------------------|----------------|
| Segment sales | 321,385 | 659,534 | -175,893 | 805,026 |
| Intra-segment sales | -1,345 | -174,548 | 175,893 | - |
| Segment sales - Contribution to sales | 320,040 | 484,986 | - | 805,026 |
| Segment current operating result | 51,020 | 162,779 | - | 213,799 |
| Share of net profit/(loss) from associates and joint ventures | - | 7,388 | - | 7,388 |
| Cash flow | 41,642 | 164,869 | - | 206,511 |
| Net investments in intangible assets and PPE (including IFRS 16) | 4,517 | 30,761 | - | 35,278 |
| Goodwill | 2,728 | 116,483 | - | 119,211 |
| Net intangible assets and PPE | 37,662 | 321,234 | - | 358,897 |
| Investments in associates and joint ventures | - | 156,634 | - | 156,634 |

NOTE 5 PERFORMANCE-RELATED DATA**NOTE 5.1 SALES BY CUSTOMER LOCATION**

This presentation by customer location is supplemented by our segment reporting pursuant to IFRS 8, which is based on the geographic regions in which our assets are based, namely the North & West and the South & East regions.

| € thousands | 30/06/22 6 months | 30/06/21 6 months | Change N/N-1 | Change N/N-1 on a like-for-like basis* |
|--------------------------|----------------------|----------------------|-----------------|---|
| Central Europe | 140,906 | 142,601 | -1.2% | -1.9% |
| <i>of which Germany</i> | <i>110,920</i> | <i>116,259</i> | <i>-4.6%</i> | <i>-4.6%</i> |
| Northern Europe | 96,719 | 104,563 | -7.5% | -8.1% |
| North America | 84,262 | 71,756 | 17.4% | 6.8% |
| Latin America | 14,536 | 11,063 | 31.4% | 27.1% |
| NORTH & WEST | 336,423 | 329,982 | 2.0% | -1.0% |
| France | 242,971 | 237,573 | 2.3% | 2.2% |
| Southern Europe | 87,911 | 77,283 | 13.8% | 12.8% |
| Africa & the Middle East | 48,971 | 44,582 | 9.8% | 21.5% |
| Eastern Europe | 85,419 | 77,587 | 10.1% | 9.8% |
| Asia-Pacific | 44,549 | 38,019 | 17.2% | 14.0% |
| SOUTH & EAST | 509,822 | 475,044 | 7.3% | 7.9% |
| TOTAL SALES | 846,244 | 805,026 | 5.1% | 4.3% |

* Definition of the change N/N-1 on a like-for-like basis is provided in note 5.3.1.

Somfy has adjusted its Africa & the Middle East sales figures to reflect the effects of hyperinflation in Turkey by a positive €0.5 million (see note 1.3).

NOTE 5.2 OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

| € thousands | 30/06/22 6 months | 30/06/21 6 months |
|--|----------------------|----------------------|
| Charge to/reversal of non-current provisions | -4,344 | -128 |
| Other non-recurring items | -1,906 | -1,242 |
| – <i>Non-recurring income</i> | 52 | 5 |
| – <i>Non-recurring expenses</i> | -1,958 | -1,247 |
| Net gain/(loss) on disposal of non-current assets | - | 2 |
| OTHER NON-CURRENT OPERATING INCOME AND EXPENSES | -6,249 | -1,369 |
| GOODWILL IMPAIRMENT | - | - |

At 30 June 2022, other non-current operating income and expenses include in particular a provision of €4.8 million to cover the risk of asset impairment due to the Russian-Ukrainian conflict (see note 1.1).

At 30 June 2021, other non-current operating income and expenses mainly consisted of restructuring costs associated with the closure of small distribution entities for €0.5 million.

NOTE 5.3 ALTERNATIVE PERFORMANCE MEASURES**Note 5.3.1 Change N/N-1 on a like-for-like basis**

The change N/N-1 on a like-for-like basis is calculated by applying the N-1 accounting and consolidation methods and exchange rates to the periods compared and using the N-1 scope for both financial years.

The change N/N-1 at actual accounting methods, exchange rates and consolidation scope – or change in real terms – corresponds to the change based on actual accounting and consolidation methods, exchange rates and consolidation scope.

| At 30/06/22 | Sales | Current operating result |
|--|-------------|--------------------------|
| CHANGE N/N-1 ON A LIKE-FOR-LIKE BASIS | 4.3% | -8.7% |
| Currency effect | 0.9% | 1.3% |
| Scope effect | 0.0% | 0.0% |
| Change in accounting method effect | - | - |
| CHANGE N/N-1 AT ACTUAL ACCOUNTING METHODS, EXCHANGE RATES AND CONSOLIDATION SCOPE | 5.1% | -7.4% |

Note 5.3.2 Current operating margin

Current operating margin corresponds to current operating result as a proportion of sales (COR/Sales). It is an indicator that measures operating profitability.

| € thousands | 30/06/22 6 months | 30/06/21 6 months |
|---------------------------------|----------------------|----------------------|
| Current operating result | 198,021 | 213,799 |
| Sales | 846,244 | 805,026 |
| CURRENT OPERATING MARGIN | 23.4% | 26.6% |

Note 5.3.3 Net financial debt

The net financial debt corresponds to the difference between financial assets and financial liabilities. It notably takes into account unlisted bonds receivable, issued by certain companies in which shares are held or related entities, earn-out on acquisitions, liabilities relating to options granted to minority shareholders in fully-consolidated companies and deferred settlements of a financial nature. Not included are securities in non-controlling equity investments, deposits & guarantees and government grants. Details of the calculation of the net financial debt are provided in note 8.2.3.

NOTE 5.4 INVENTORIES

| € thousands | 30/06/22 | 31/12/21 |
|----------------------------------|----------------|----------------|
| Gross values | | |
| Raw materials and other supplies | 74,775 | 67,050 |
| Finished goods and merchandise | 199,527 | 151,526 |
| Total | 274,302 | 218,575 |
| Provisions | -16,461 | -14,401 |
| NET VALUES | 257,841 | 204,174 |

| € thousands | Value 31/12/21 | Net charges | Exchange rate movements | Changes in consolidation scope and method | Value 30/06/22 |
|----------------------|-------------------|-------------|----------------------------|--|-------------------|
| Inventory provisions | -14,401 | -1,842 | -218 | - | -16,461 |

NOTE 5.5 TRADE RECEIVABLES

The €98.9 million increase in trade receivables relative to the position at end December 2021 was mainly due to sales growth between the fourth quarter of 2021 and the second quarter of 2022 (with sales up €109.8 million over the period).

NOTE 5.6 OTHER NON-CURRENT AND CURRENT RECEIVABLES**Note 5.6.1 Other non-current receivables**

Other non-current receivables are not material.

Note 5.6.2 Other current receivables

| € thousands | 30/06/22 | 31/12/21 |
|-----------------------------|---------------|---------------|
| Gross values | | |
| Receivables from employees | 760 | 594 |
| Other taxes (including VAT) | 10,073 | 10,851 |
| Prepaid expenses | 17,907 | 8,134 |
| Other receivables | 9,235 | 7,882 |
| TOTAL | 37,975 | 27,462 |

“Other receivables” notably include current receivables on the disposal of CIAT totalling €4.3 million at 30 June 2022 and €6.8 million at 31 December 2021. This reduction is the result of a €2.2 million partial payment following a court ruling (see note 1.7). In 2022, this item also includes the collection of an insurance claim of €3.7 million in connection with a quality issue, recognised in the income statement under Other operating income.

NOTE 6 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT**NOTE 6.1 GOODWILL AND IMPAIRMENT TEST****Note 6.1.1 Goodwill**

| € thousands | Value |
|---|----------------|
| At 1 January 2022 | 119,035 |
| Impact of changes in consolidation scope and method | - |
| Impact of changes in foreign exchange rates | -129 |
| Charge for impairment | - |
| AT 30 JUNE 2022 | 118,906 |

Note 6.1.2 Impairment test

At 30 June 2022, as part of its review of significant intangible assets, and despite an unstable geopolitical environment, the Group did not identify any indications of impairment that would call into question its medium-term fundamentals and require impairment testing.

NOTE 6.2 OTHER INTANGIBLE ASSETS

| | Allocated intangible assets | Develop- ment costs | Patents and brands | Software | Other intangible assets | In progress and advance payments | Total |
|--|-----------------------------------|------------------------|-----------------------|----------------|-------------------------------|---|-----------------|
| € thousands | | | | | | | |
| Gross value at 1 January 2022 | 26,735 | 40,339 | 4,655 | 75,203 | 2,824 | 12,303 | 162,059 |
| Acquisitions | - | - | 23 | 1,597 | 10 | 5,382 | 7,012 |
| Disposals | - | -319 | -3 | -208 | - | - | -530 |
| Impact of changes in foreign exchange rates | 80 | 9 | 10 | 48 | 6 | - | 153 |
| Impact of changes in consolidation scope and method | - | - | - | - | - | - | - |
| Other movements | - | 1,206 | - | 6,301 | - | -7,507 | - |
| AT 30 JUNE 2022 | 26,815 | 41,235 | 4,684 | 82,941 | 2,839 | 10,179 | 168,694 |
| Accumulated amortisation at 1 January 2022 | -10,754 | -25,983 | -4,410 | -53,624 | -1,789 | - | -96,559 |
| Amortisation charge for the period | -572 | -2,034 | -49 | -2,725 | -68 | - | -5,449 |
| Disposals | - | - | 3 | 67 | - | - | 70 |
| Impact of changes in foreign exchange rates | -80 | -9 | -8 | -37 | -4 | - | -139 |
| Impact of changes in consolidation scope and method | - | - | - | - | - | - | - |
| Other movements | - | - | - | - | - | - | - |
| AT 30 JUNE 2022 | -11,406 | -28,025 | -4,465 | -56,319 | -1,861 | - | -102,077 |
| NET VALUE AT 30 JUNE 2022 | 15,409 | 13,210 | 220 | 26,622 | 978 | 10,179* | 66,617 |

* Including €6.2 million in development expenses in progress.

NOTE 6.3 PROPERTY, PLANT AND EQUIPMENT

| | Land | Buildings | Right-of-use Land and buildings | Plant, machinery and tools | Right-of-use Plant, machinery and tools | Other property, plant and equipment | Right-of-use Other property, plant and equipment | In progress and advance payments | Total |
|---|---------------|-----------------|---------------------------------|----------------------------|---|-------------------------------------|--|----------------------------------|-----------------|
| € thousands | | | | | | | | | |
| Gross value at 1 January 2022 | 16,885 | 167,032 | 72,510 | 321,927 | 1,253 | 70,893 | 15,943 | 30,076 | 696,520 |
| New right-of-use assets | - | - | 4,058 | - | 30 | - | 2,849 | - | 6,937 |
| Acquisitions | 19 | 282 | - | 4,378 | - | 2,640 | - | 24,560 | 31,879 |
| Disposals | - | -235 | -644 | -1,087 | -112 | -1,626 | -1,740 | - | -5,444 |
| Impact of changes in foreign exchange rates | -95 | -316 | 1,194 | -277 | - | 608 | 94 | -156 | 1,053 |
| Impact of changes in consolidation scope and method | - | - | - | - | - | - | - | - | - |
| Other movements | - | 1,055 | - | 7,752 | - | 2,520 | - | -11,327 | - |
| AT 30 JUNE 2022 | 16,809 | 167,819 | 77,118 | 332,694 | 1,171 | 75,035 | 17,146 | 43,153 | 730,946 |
| Accumulated depreciation at 1 January 2022 | -1,652 | -97,864 | -23,425 | -215,715 | -632 | -50,823 | -8,483 | - | -398,595 |
| Depreciation charge for the period | -122 | -2,893 | -4,795 | -11,541 | -140 | -3,756 | -2,520 | - | -25,767 |
| Disposals | - | 122 | 552 | 987 | 111 | 1,503 | 1,598 | - | 4,872 |
| Impact of changes in foreign exchange rates | 25 | -30 | -491 | 75 | - | -371 | -29 | - | -821 |
| Impact of changes in consolidation scope and method | - | - | - | - | - | - | - | - | - |
| Other movements | - | - | - | 2 | - | -2 | - | - | - |
| AT 30 JUNE 2022 | -1,750 | -100,665 | -28,159 | -226,191 | -661 | -53,450 | -9,435 | - | -420,311 |
| NET VALUE AT 30 JUNE 2022 | 15,060 | 67,154 | 48,959 | 106,502 | 511 | 21,586 | 7,711 | 43,153 | 310,635 |

At 30 June 2022, uncapitalised lease expenses relating to services and short-term or low-value leases are broken down as follows: €0.6 million in respect of property lease expenses, €0.7 million in respect of vehicle lease expenses and €0.6 million in respect of other lease expenses.

NOTE 7 DIVIDENDS AND EARNINGS PER SHARE**NOTE 7.1 DIVIDENDS**

The gross dividend proposed at the AGM of 1 June 2022 called to approve the 2021 financial statements was €2.15. It was paid on 14 June 2022.

NOTE 7.2 EARNINGS PER SHARE

| Basic earnings per share | 30/06/22 6 months | 30/06/21 6 months |
|--|------------------------------|------------------------------|
| Net profit - Group share (€ thousands) | 160,883 | 182,655 |
| Total number of shares (1) | 37,000,000 | 37,000,000 |
| Treasury shares* (2) | 2,566,890 | 2,561,322 |
| Number of shares used in calculation (1) - (2) | 34,433,110 | 34,438,678 |
| BASIC EARNINGS PER SHARE (€) | 4.67 | 5.30 |

* Representing all treasury shares held by Somfy SA.

| Diluted earnings per share | 30/06/22 6 months | 30/06/21 6 months |
|--|------------------------------|------------------------------|
| Net profit - Group share (€ thousands) | 160,883 | 182,655 |
| Total number of shares (1) | 37,000,000 | 37,000,000 |
| Treasury shares** (2) | 2,478,113 | 2,499,786 |
| Number of shares used in calculation (1) - (2) | 34,521,887 | 34,500,214 |
| DILUTED EARNINGS PER SHARE (€) | 4.66 | 5.29 |

** Free shares are excluded.

Diluted earnings per share take into account shares allocated free of charge in determining the “number of shares used in calculation”.

NOTE 8 FINANCIAL ITEMS**NOTE 8.1 NET FINANCIAL INCOME/(EXPENSE)**

| € thousands | 30/06/22 6 months | 30/06/21 6 months |
|---|----------------------|----------------------|
| Cost of net financial debt | -1,797 | -1,326 |
| – Financial income from investments | 1,052 | 363 |
| – Financial expenses related to borrowings | -2,849 | -1,689 |
| • of which financial charges related to IFRS 16 | -430 | -434 |
| Effect of foreign currency translation | -383 | 1,076 |
| Other | -95 | 3,105 |
| NET FINANCIAL INCOME/(EXPENSE) | -2,275 | 2,855 |

Net financial expense was €2.3 million for the six months to 30 June 2022, compared with an income of €2.9 million for the period ended 30 June 2021. The decrease was primarily due to a €3.2 million provision reversal on Garen's financial assets in 2021 and to more unfavourable unrealised currency effects on foreign currency receivables and liabilities.

NOTE 8.2 FINANCIAL ASSETS AND LIABILITIES**Note 8.2.1 Financial assets**

| € thousands | Equity investments | Loans | Deposits and guarantees | Other | Current and non-current financial assets | Realisable within 1 year | Non-current financial assets |
|--|--------------------|-----------|-------------------------|----------|--|--------------------------|------------------------------|
| At 1 January 2022 | 3,160 | 61 | 2,113 | 3 | 5,336 | 394 | 4,942 |
| Increase | 5,401 | - | 66 | - | 5,467 | - | 5,467 |
| Decrease | - | - | -11 | - | -11 | -11 | - |
| Net change in impairment | - | - | - | - | - | - | - |
| Impact of changes in foreign exchange rates | - | 6 | 10 | - | 17 | 12 | 4 |
| Impact of changes in consolidation scope and method | - | - | - | - | - | - | - |
| Fair value recognised in items of other comprehensive income | - | - | - | - | - | - | - |
| Other movements | - | - | - | - | - | -2 | 2 |
| AT 30 JUNE 2022 | 8,561 | 67 | 2,177 | 3 | 10,808 | 393 | 10,415 |
| Non-current financial assets | 8,561 | - | 1,854 | - | 10,415 | - | - |
| Current financial assets | - | 67 | 323 | 3 | 393 | - | - |

The increase in equity investments was mainly related to the acquisition of 6.33% of the share capital of Elcia for €5 million (see note 1.4).

Financial assets realisable within one year mainly comprise short-term deposits.

Note 8.2.2 Financial liabilities

| € thousands | Borrowings from credit institutions | Lease liabilities | Other borrowings and financial liabilities | Total liabilities from financing activities | Bank overdrafts | Current and non-current financial liabilities | Due within 1 year | Non-current financial liabilities |
|--|-------------------------------------|-------------------|--|---|-----------------|---|-------------------|-----------------------------------|
| At 1 January 2022 | 831 | 53,929 | 39,874 | 94,634 | 406 | 95,040 | 31,244 | 63,796 |
| Increase in loans | - | - | 92 | 92 | 28 | 120 | 28 | 92 |
| Repayment of borrowings and lease liabilities | -270 | -7,416 | -61 | -7,746 | -1,296 | -9,042 | -9,036 | -6 |
| Other movements related to business acquisitions | - | - | - | - | - | - | - | - |
| Total cash movements | -270 | -7,416 | 31 | -7,654 | -1,268 | -8,922 | -9,008 | 86 |
| Impact of the revaluation of put options | - | - | 1,216 | 1,216 | - | 1,216 | - | 1,216 |
| Impact of changes in foreign exchange rates | - | 971 | 28 | 999 | 990 | 1,989 | 1,156 | 833 |
| New lease liabilities | - | 6,937 | - | 6,937 | - | 6,937 | - | 6,937 |
| Adjustments to lease liabilities with no cash impact | - | -241 | - | -241 | - | -241 | -241 | - |
| Dividends payable | - | - | 15 | 15 | - | 15 | 15 | - |
| Impact of changes in consolidation scope and method | - | - | - | - | - | - | - | - |
| Other movements | - | - | - | - | - | - | 2,125 | -2,125 |
| Total non-cash movements | - | 7,667 | 1,259 | 8,926 | 990 | 9,916 | 3,056 | 6,861 |
| AT 30 JUNE 2022 | 562 | 54,181 | 41,164 | 95,906 | 129 | 96,035 | 25,292 | 70,742 |
| Non-current financial liabilities | 49 | 46,146 | 24,548 | 70,742 | - | 70,742 | - | - |
| Current financial liabilities | 513 | 8,035 | 16,616 | 25,163 | 129 | 25,292 | - | - |

Other borrowings and financial liabilities mainly include the fair value of the put option granted to the Dooya partners, the amount of which is equal to the difference between the estimated contractual value that would result from the exercise of the put option and the fair value of the portion corresponding to the underlying assets. The amount of this liability derivative remains stable between 31 December 2021 and 30 June 2022 at €16.6 million. The balance of other borrowings and financial liabilities include the debt relating to the put options granted to the holders of non-controlling interests, whose variations are recognised in equity, and earn-outs, whose variations are recognised in the income statement.

Note 8.2.3 Analysis of net financial debt

The net financial debt is defined in note 5.3.3.

| € thousands | 30/06/22 | 31/12/21 |
|--|-----------------|-----------------|
| Financial liabilities included in net financial debt calculation | 96,035 | 95,040 |
| – of which liabilities related to lease agreements (IFRS 16) | 54,181 | 53,929 |
| Financial assets included in net financial debt calculation | 99 | 93 |
| – Marketable securities | 32 | 32 |
| – Loans | 67 | 61 |
| – Miscellaneous | - | - |
| Cash and cash equivalents | 683,535 | 736,665 |
| NET FINANCIAL DEBT* | -587,600 | -641,717 |
| Liabilities related to put options and earn-outs | 40,980 | 39,739 |
| RESTATED NET FINANCIAL DEBT* | -628,580 | -681,456 |

* (-) Net financial surplus.

NOTE 9 ANALYSIS OF CASH FLOW STATEMENT**NOTE 9.1 CASH AND CASH EQUIVALENTS**

| € thousands | 30/06/22 6 months | 30/06/21 6 months |
|---|----------------------|----------------------|
| CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD | 736,258 | 588,519 |
| Cash and cash equivalents at the start of the period | 736,665 | 588,925 |
| Bank overdrafts | -406 | -405 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 683,406 | 608,097 |
| Cash and cash equivalents at the end of the period | 683,535 | 608,922 |
| Bank overdrafts | -129 | -825 |

NOTE 9.2 CHANGE IN WORKING CAPITAL REQUIREMENTS

| € thousands | 30/06/22 6 months | 30/06/21 6 months |
|--|----------------------|----------------------|
| Net decrease/(increase) in inventory | -51,151 | 355 |
| Net decrease/(increase) in trade receivables | -96,145 | -89,452 |
| Net (decrease)/increase in trade payables | 29,059 | 6,749 |
| Net movement in other receivables and payables | -6,878 | 3,602 |
| CHANGE IN WORKING CAPITAL REQUIREMENTS | -125,115 | -78,746 |

NOTE 9.3 BUSINESS ACQUISITIONS AND DISPOSALS, NET OF CASH ACQUIRED OR DISPOSED OF

In 2021, net cash flows from acquisitions included €27.5 million from the acquisition of Répar'stores, €0.8 million from payment of the final earn-out on Somfy Protect and €0.1 million arising from the buyout of non-controlling interests from BFT India.

In 2022 as on 2021, net cash flows from disposals corresponded to the partial payment of current receivables on the CIAT disposal (see note 1.7).

NOTE 10 PROVISIONS AND CONTINGENT LIABILITIES**NOTE 10.1 PROVISIONS**

| € thousands | Product risks | Commercial risks | Provisions for restructuring | Other risks | Total 2022 |
|---|---------------|------------------|------------------------------|--------------|---------------|
| At 1 January 2022 | 15,887 | 4,522 | 706 | 4,900 | 26,016 |
| Charges | 13,891 | 291 | - | 3,935 | 18,118 |
| Used reversals | -1,172 | -1,318 | -13 | -610 | -3,113 |
| Unused reversals | -1,560 | -55 | -136 | -172 | -1,923 |
| Impact of foreign exchange rates | 68 | 8 | 36 | 41 | 152 |
| Impact of changes in consolidation scope and method | - | - | - | - | - |
| Other movements | - | - | - | - | - |
| AU 30 JUIN 2022 | 27,115 | 3,448 | 593 | 8,095 | 39,250 |
| Non-current provisions | 7,323 | - | - | 1,859 | 9,183 |
| Current provisions | 19,791 | 3,448 | 593 | 6,235 | 30,067 |

The Group has reviewed the presentation of provisions for risks and liabilities, namely:

- product risks: warranties related to products and individualised risks linked with specific quality issues;
- commercial risks: disputes with customers and suppliers;
- provisions for restructuring;
- other tax, social and miscellaneous risks.

The increase in provisions was primarily due to a provision of €3.4 million in relation to the Russian-Ukrainian crisis (other risks, see note 1.1) and by provisions totalling €12.6 million in connection with quality issues (product risks), of which some are subject to an insurance reimbursement receivable for €3.7 million, recognised in other current receivables (see note 5.6.2).

NOTE 10.2 CONTINGENT LIABILITIES

All the Group's contingent liabilities are set out in the Highlights (note 1.7).

NOTE 11 WORKFORCE

The Group's workforce at 30 June 2022, including temporary and part-time employees recorded on a full-time equivalent basis, was as follows:

| | 30/06/22 | 30/06/21 |
|-------------------------|----------|----------|
| Average workforce | 7,407 | 6,922 |
| Workforce at period end | 7,580 | 7,021 |

NOTE 12 INCOME TAX

| € thousands | 30/06/22 6 months | 30/06/21 6 months |
|---|----------------------|----------------------|
| Profit before tax | 189,497 | 215,285 |
| <i>Share of expenses on dividends</i> | 3,366 | 2,487 |
| <i>Goodwill impairment</i> | - | - |
| <i>Reclassification of CVAE to Income tax</i> | -1,377 | -1,459 |
| <i>Reclassification of CIR to Other operating income</i> | -2,526 | -2,867 |
| <i>Other</i> | 7,222 | 1,764 |
| Permanent differences | 6,684 | -75 |
| Net profit taxed at reduced rate | -25,028 | -22,569 |
| Net profit taxable at standard rate | 171,153 | 192,641 |
| <i>Tax rate in France</i> | 25.83% | 28.41% |
| Tax charge recalculated at the French standard rate | 44,200 | 54,724 |
| Tax at reduced rate | 2,585 | 2,331 |
| <i>Difference in standard rate in foreign countries</i> | -9,378 | -14,655 |
| <i>Tax losses for the year, unrecognised in previous periods, deficits used</i> | -134 | -418 |
| Effect of the rate difference | -9,512 | -15,073 |
| Tax credits | -736 | -3,608 |
| Other taxes and miscellaneous | 1,749 | 856 |
| GROUP TAX | 38,287 | 39,231 |
| <i>Effective rate</i> | 20.20% | 18.22% |

The results taxed at a **reduced rate** in France involve patent royalties taxed at 10.33%.

In France, the ordinary taxation rate fell from 28.41% in 2021 to 25.83% in 2022, in line with the gradual reduction in the normal rate of corporate income tax.

The main countries that contributed to the **difference in the tax rate** were Tunisia (€4.4 million), other European countries (€1.2 million), Poland (€1.6 million), Middle Eastern countries (€0.9 million), and the United States (€0.5 million).

Tax credits mainly comprise tax credits of €0.7 million related to investments at 30 June 2022 as at 30 June 2021. They were also increased by €2.9 million in incentive measures in Italy at 30 June 2021.

In 2022, the "**Other taxes and miscellaneous**" item primarily comprised the CVAE (Company Value-Added Contribution) totalling €1.4 million. In 2021, they notably included €1.5 million in respect of the CVAE and were reduced by €0.8 million in tax claims.

NOTE 13 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES, AND RELATED PARTIES**NOTE 13.1 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES**

| € thousands | 30/06/22 | 31/12/21 |
|---|----------------|----------------|
| Investments in associates and joint ventures - opening balance | 172,998 | 145,471 |
| Changes in consolidation scope and method | - | - |
| Share of profit/(loss) from associates | 10,361 | 17,027 |
| Dividends paid | - | - |
| Changes in foreign exchange rates | 3,598 | 10,400 |
| Other | 160 | 101 |
| INVESTMENTS IN ASSOCIATES AND JOINT VENTURES - CLOSING BALANCE | 187,117 | 172,998 |

“Investments in associates and joint ventures” comprises investments in Dooya (€186.4 million) and Arve Finance (€0.7 million).

Dooya’s performance over the first six months was as follows:

| € thousands | 30/06/22 | 30/06/21 |
|--------------------------|----------|----------|
| Income statement | | |
| Sales | 160,863 | 118,884 |
| Current operating result | 13,863 | 12,748 |
| Net profit | 14,798 | 10,560 |

NOTE 13.2 RELATED-PARTY DISCLOSURES

Related parties include:

- the parent company;
- companies which exert joint control or a significant influence over the company;
- subsidiaries;
- associates;
- joint ventures;
- members of General Management, the Board of Directors and the Management Committee.

Transactions with associates

Associates are companies over which the Group has a significant influence or exercises joint control, and which are consolidated using the equity method. Transactions with related parties are made on arm’s length terms.

Group purchases from Dooya totalled €2.0 million over the six months to 30 June 2022, €2.9 million over the 12 months to 31 December 2021 and €1.2 million over the 6 months to 30 June 2021. Group trade payables with Dooya stood at €1.0 million at 30 June 2022, €0.7 million at 31 December 2021 and €0.4 million at 30 June 2021.

Transactions with other related parties involved negligible amounts.

NOTE 14 LIST OF CONSOLIDATED ENTITIES

| Company name | Head office | % control 30/06/22 | % interest 30/06/22 | % interest 31/12/21 |
|--|-----------------------------------|-----------------------|------------------------|------------------------|
| Somfy SA | 74300 Cluses (France) | (parent company) | (parent company) | (parent company) |
| Fully-consolidated companies | | | | |
| Somfy Activités SA | Cluses (France) | 100.00 | 100.00 | 100.00 |
| CMC | Cluses (France) | 100.00 | 100.00 | 100.00 |
| Somfybat | Cluses (France) | 100.00 | 100.00 | 100.00 |
| Domis SA | Rumilly (France) | 100.00 | 100.00 | 100.00 |
| SITEM | Zaghouan (Tunisia) | 100.00 | 100.00 | 100.00 |
| SITEM Services | Zaghouan (Tunisia) | 100.00 | 100.00 | 100.00 |
| SOPEM spolka z ograniczona odpowiedzialnoscia | Niepolomicie (Poland) | 100.00 | 100.00 | 100.00 |
| Somfy Eastern Europe Area sp zoo | Warsaw (Poland) | 100.00 | 100.00 | 100.00 |
| Somfy Ltd | Yeadon (UK) | 100.00 | 100.00 | 100.00 |
| Somfy PTY. Limited | Rydalme (Australia) | 100.00 | 100.00 | 100.00 |
| N.V Somfy S.A | Zaventem (Belgium) | 100.00 | 100.00 | 100.00 |
| Somfy Brasil LTDA | Osasco (Brazil) | 100.00 | 100.00 | 100.00 |
| Neocontrol Soluções em Automação LTDA (merged into Somfy Brasil LTDA) | Belo Horizonte (Brazil) | - | - | 100.00 |
| Somfy Colombia SAS | Bogota (Colombia) | 100.00 | 100.00 | 100.00 |
| Somfy Argentina S.R.L. | San Fernando (Argentina) | 100.00 | 100.00 | 100.00 |
| GABR Participações LTDA | São Paulo (Brazil) | 100.00 | 100.00 | 100.00 |
| Somfy GmbH (Germany) | Rottenburg am Neckar (Germany) | 100.00 | 100.00 | 100.00 |
| HIMOTION BV | Leiden (Netherlands) | 100.00 | 100.00 | 100.00 |
| Somfy GmbH (Austria) | Elsbethen-Glasenbach (Austria) | 100.00 | 100.00 | 100.00 |
| Somfy Kereskedelmi Kft | Vecsés (Hungary) | 100.00 | 100.00 | 100.00 |
| Somfy spolka z ograniczona odpowiedzialnoscia | Warsaw (Poland) | 100.00 | 100.00 | 100.00 |
| Somfy spol s.r.o. | Prague (Czech Republic) | 100.00 | 100.00 | 100.00 |
| Somfy S.R.L. | Târlungeni (Romania) | 100.00 | 100.00 | 100.00 |
| Somfy Limited Liability Company | Moscow (Russia) | 100.00 | 100.00 | 100.00 |
| Somfy SIA | Riga (Latvia) | 100.00 | 100.00 | 100.00 |
| Limited Liability Company Somfy | Kiev (Ukraine) | 100.00 | 100.00 | 100.00 |
| Somfy Bulgaria AD | Sofia (Bulgaria) | 100.00 | 100.00 | 100.00 |
| Chusik Hoesa Somfy | Seongnam (Korea) | 100.00 | 100.00 | 100.00 |
| Somfy Italia SRL | Milan (Italy) | 100.00 | 100.00 | 100.00 |
| Somfy Nederland BV | Hoofddorp (Netherlands) | 100.00 | 100.00 | 100.00 |
| Somfy España SA | Barcelona (Spain) | 100.00 | 100.00 | 100.00 |
| Automatismos Pujol SL | Sant Fruits de Bages (Spain) | 100.00 | 100.00 | 100.00 |
| Automatismos Pujol Portugal Lda | Coimbra (Portugal) | 100.00 | 100.00 | 100.00 |
| Somfy Systems Inc. | Dayton (US) | 100.00 | 100.00 | 100.00 |
| Somfy SA (Suisse) | Bassersdorf (Switzerland) | 100.00 | 100.00 | 100.00 |
| Somfy Sweden Aktiebolag | Malmö (Sweden) | 100.00 | 100.00 | 100.00 |
| Somfy Norway AS | Skedsmokorset (Norway) | 100.00 | 100.00 | 100.00 |
| Somfy PTE Ltd | Singapore | 100.00 | 100.00 | 100.00 |
| Somfy (Thailand) Co., Ltd | Bangkok (Thailand) | 100.00 | 100.00 | 100.00 |
| Somfy Taiwan Co Ltd | Taipei (Taiwan) | 100.00 | 100.00 | 100.00 |

| Company name | Head office | % control 30/06/22 | % interest 30/06/22 | % interest 31/12/21 |
|---|-----------------------------------|-----------------------|------------------------|------------------------|
| Asian Capital International Limited | Hong Kong | 100.00 | 100.00 | 100.00 |
| Sino Global International Holdings Limited | Hong Kong | 100.00 | 100.00 | 100.00 |
| Sino Link Trading Limited | Hong Kong | 100.00 | 100.00 | 100.00 |
| Somfy Asia-Pacific Co Ltd | Hong Kong | 100.00 | 100.00 | 100.00 |
| Somfy Co Limited | Hong Kong | 100.00 | 100.00 | 100.00 |
| Somfy China Co Ltd | Shanghai (China) | 100.00 | 100.00 | 100.00 |
| Zhejiang Lian Da Science and Technology Co., Ltd. | Huzhou (China) | 95.00 | 95.00 | 95.00 |
| Somfy Middle East Co. Ltd | Limassol (Republic of Cyprus) | 100.00 | 100.00 | 100.00 |
| Somfy Egypt | New Cairo (Egypt) | 100.00 | 100.00 | 100.00 |
| Sisa Home Automation Ltd | Rishon Le Zion (Israel) | 100.00 | 100.00 | 100.00 |
| Somfy Maroc | Casablanca (Morocco) | 100.00 | 100.00 | 100.00 |
| Somfy Hellas SA | Acharnae (Greece) | 100.00 | 100.00 | 100.00 |
| Somfy EV Otomasyon Sistemleri Ticaret Ltd Sti | Istanbul (Turkey) | 100.00 | 100.00 | 100.00 |
| Somfy South Africa PTY Limited | Cape Town (South Africa) | 100.00 | 100.00 | 100.00 |
| Somfy Tunisie | Tunis (Tunisia) | 100.00 | 100.00 | 100.00 |
| Somfy Services | Tunis (Tunisia) | 50.00 | 50.00 | 50.00 |
| Somfy Mexico, S.A. DE C.V. | Tlalnepantla (Mexico) | 100.00 | 100.00 | 100.00 |
| Somfy Kabushiki Kaisha | Tokyo (Japan) | 100.00 | 100.00 | 100.00 |
| Somfy India Pvt Ltd | New Dehli (India) | 100.00 | 100.00 | 100.00 |
| Somfy Saudi Arabia | Jeddah (Saudi Arabia) | 75.00 | 75.00 | 75.00 |
| PROMOFI BV | Hoofddorp (Netherlands) | 100.00 | 100.00 | 100.00 |
| FIGEST BV | Hoofddorp (Netherlands) | 100.00 | 100.00 | 100.00 |
| Somfy ULC | Halifax (Canada) | 100.00 | 100.00 | 100.00 |
| Simu | Arc-les-Gray (France) | 100.00 | 100.00 | 100.00 |
| Simu GmbH | Iserlohn (Germany) | 100.00 | 100.00 | 100.00 |
| Window Automation Industry SRL | Galliera (Italy) | 100.00 | 100.00 | 100.00 |
| Overkiz | Épagny Metz-Tessy (France) | 98.51 | 98.51 | 98.51 |
| Overkiz Asia Co. Limited | Hong Kong | 98.51 | 98.51 | 98.51 |
| Opendoors (merged into Somfy Protect by Myfox) | Cluses (France) | - | - | 100.00 |
| iHome Systems (Asia) Limited | Hong Kong | 100.00 | 100.00 | 100.00 |
| iHome Systems (Thailand) Co. Ltd | Bangkok (Thailand) | 100.00 | 100.00 | 100.00 |
| Somfy Automation Malaysia Sdn. Bhd | Kuala Lumpur (Malaysia) | 100.00 | 100.00 | 100.00 |
| Somfy Protect by Myfox | Labège (France) | 100.00 | 100.00 | 100.00 |
| RS FRANCHISE | Saint-Jean-de-Védas (France) | 60.00 | 60.00 | 60.00 |
| RS BOUTIQUE | Saint-Jean-de-Védas (France) | 60.00 | 60.00 | 60.00 |
| ABIPEC FORMATION | Saint-Jean-de-Védas (France) | 60.00 | 60.00 | 60.00 |
| VOLETS SERVICES MONTPELLIER | Saint-Jean-de-Védas (France) | 60.00 | 30.60 | 30.60 |
| VOLETS SERVICES NANTES | Le Bignon (France) | 60.00 | 30.60 | 30.60 |
| VOLETS SERVICES TOULOUSE | Saint-Geniès-Bellevue (France) | 60.00 | 30.60 | 30.60 |
| VOLETS SERVICES LUXEMBOURG | Luxembourg (Luxembourg) | 60.00 | 30.60 | 30.60 |
| VOLETS SERVICES IDF | Cormeilles-en-Parisis (France) | 60.00 | 60.00 | 60.00 |
| EUROSTORES | Frontignan (France) | 60.00 | 30.00 | 30.00 |

| Company name | Head office | % control 30/06/22 | % interest 30/06/22 | % interest 31/12/21 |
|--|--------------------------------|-----------------------|------------------------|------------------------|
| Repar'rolladen GmbH (formation) | Rottenburg am Neckar (Germany) | 60.00 | 60.00 | - |
| SEM-T (merged into Somfy Activités SA) | Cluses (France) | - | - | 100.00 |
| DSG Coordination Center SA | Geneva (Switzerland) | 100.00 | 100.00 | 100.00 |
| BFT SpA | Schio (Italy) | 100.00 | 100.00 | 100.00 |
| Automatismes BFT France | Saint-Priest (France) | 100.00 | 100.00 | 100.00 |
| BFT Group Italiberica de Automatismos SL | Barcelona (Spain) | 100.00 | 100.00 | 100.00 |
| BFT Antriebssysteme GmbH | Oberasbach (Germany) | 100.00 | 100.00 | 100.00 |
| BFT Automation UK Ltd | Stockport (UK) | 100.00 | 100.00 | 100.00 |
| BFT Benelux SA | Nivelles (Belgium) | 100.00 | 100.00 | 100.00 |
| BFT Adria d.o.o. | Drazice (Croatia) | 100.00 | 100.00 | 100.00 |
| BFT Polska sp zoo | Zielonka (Poland) | 100.00 | 100.00 | 100.00 |
| BFT Americas Inc. | Boynton Beach (US) | 100.00 | 100.00 | 100.00 |
| BFT Portugal SA | Coimbra (Portugal) | 100.00 | 100.00 | 100.00 |
| BFT Automation (South) Ltd | Stockport (UK) | 100.00 | 100.00 | 100.00 |
| BFT Automation Australia PTY | Wetherill Park (Australia) | 100.00 | 100.00 | 100.00 |
| BFT CZ Sro (merged into Somfy spol s.r.o.) | Prague (Czech Republic) | - | - | 100.00 |
| BFT Veneto SRL | Schio (Italy) | 100.00 | 100.00 | 100.00 |
| BFT Otomasyon Kapi | Istanbul (Turkey) | 100.00 | 100.00 | 100.00 |
| BFT Istanbul | Kocaeli (Turkey) | 100.00 | 100.00 | 100.00 |
| BFT Greece (wound up) | Athens (Greece) | - | - | 100.00 |
| BFT Automation Ireland | Dublin (Ireland) | 100.00 | 100.00 | 100.00 |
| BFT Automation Systems PTL | Hyderabad (India) | 100.00 | 100.00 | 100.00 |
| BFT Middle East FZO | Dubai (United Arab Emirates) | 100.00 | 100.00 | 100.00 |
| BFT Auto Gate and Door (Shanghai) Co. Ltd | Shanghai (China) | 100.00 | 100.00 | 100.00 |
| BFT Gates and Doors SRL | Bucharest (Romania) | 100.00 | 100.00 | 100.00 |
| BFT Automation New Zealand | Auckland (New Zealand) | 100.00 | 100.00 | 100.00 |
| Equity-accounted companies | | | | |
| Arve Finance | Cluses (France) | 50.17 | 50.17 | 50.17 |
| Hong Kong CTLT Trade Co., Limited | Hong Kong | 70.00 | 70.00 | 70.00 |
| Ningbo Dooya Mechanic and Electronic Technology Co Ltd | Ningbo (China) | 70.00 | 70.00 | 70.00 |
| Shanghai Zhengshang Co., Ltd | Shanghai (China) | 70.00 | 70.00 | 70.00 |
| Hui Gong Intelligence Technology Ltd | Shanghai (China) | 70.00 | 70.00 | 70.00 |
| New Unity Limited | Hong Kong | 70.00 | 70.00 | 70.00 |
| Ningbo Sleepwell Co Ltd | Ningbo (China) | 70.00 | 70.00 | 70.00 |
| Baixing Co Ltd | Ningbo (China) | 70.00 | 70.00 | 70.00 |
| Shanghai Goodnight | Ningbo (China) | 70.00 | 70.00 | 70.00 |

03

STATUTORY AUDITORS' REPORT ON THE 2022 INTERIM FINANCIAL REPORT

- 34 Opinion on the financial statements
- 34 Specific verification

03

STATUTORY AUDITORS' REPORT ON THE 2022 INTERIM FINANCIAL REPORT

To the Shareholders of Somfy SA,

In compliance with the assignment entrusted to us by your General meeting and pursuant to Article L. 451-1-2 III of the French Monetary and Financial Code, we have conducted:

- a limited review of the accompanying condensed consolidated interim financial statements of the company Somfy SA, for the period from 1 January 2022 to 30 June 2022;
- a review of the information disclosed in the half-year business report.

The condensed consolidated interim financial statements were prepared under the responsibility of the Board of Directors. It is our responsibility to express an opinion on these financial statements on the basis of our limited review.

OPINION ON THE FINANCIAL STATEMENTS

We have conducted our limited review in accordance with the professional auditing standards applicable in France.

A limited review consists principally of making inquiries of persons responsible for financial and accounting matters and applying analytical procedures. The scope is substantially less than an audit conducted in accordance with the professional auditing standards applicable in France. Consequently, this review can only provide limited assurance, to a lesser degree than an audit, as to whether the interim financial statements are free of material misstatements.

Based on our limited review, nothing has come to our attention that would challenge the compliance of the condensed consolidated interim financial statements with IAS 34 – a standard of the IFRS framework relating to interim financial reporting as adopted within the European Union.

SPECIFIC VERIFICATION

We have also verified the information disclosed in the half-year business report commenting on the condensed consolidated interim financial statements, which were the subject of our limited review.

We have no observation to make with regard to the fairness of such information and its consistency with the condensed consolidated interim financial statements.

Lyon, 7 September 2022
The Statutory Auditors

KPMG Audit
A division of KPMG SA
Sara Righenzi de Villers
Partner

DELOITTE & ASSOCIÉS
Patrice Choquet
Partner

04

STATEMENT FROM THE INDIVIDUAL RESPONSIBLE FOR THE 2022 HALF-YEAR FINANCIAL REPORT

04

STATEMENT FROM THE INDIVIDUAL RESPONSIBLE FOR THE 2022 HALF-YEAR FINANCIAL REPORT

I certify that, to the best of my knowledge, the condensed consolidated interim financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the net equity position, financial position and financial performance of the company and all companies included in the consolidation, and that the half-year business report gives a true and fair view of the significant events that occurred during the first six months of the financial year, their impact on the financial statements, the main transactions conducted between related parties, as well as a description of the major risks and uncertainties for the remaining six months of the financial year.

Cluses, 7 September 2022

Pierre Ribeiro
Chief Executive Officer

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