PRESS RELEASE

MAISONS DU MONDE: FIRST-HALF 2022 RESULTS

Performance in line with updated FY 2022 objectives
Cost and cash savings action plan underway
Launch of new share buyback plan

- **First-half GMV at EUR 643 million (-2.3%)**
- **H1 sales at EUR 604 million (-4.8% yoy, +11% vs 2019)**
  - Online sales down -25% yoy, up 34% vs. 2019
  - Store sales +9% yoy, up 3% vs. 2019
- **First-half EBIT: EUR 28 million; 4.7% margin**
  - Gross margin at 64.0%, -145 bps yoy; stable vs 2019 (excl. Modani)
- **First-half free cash flow: EUR (7) million**
  - Includes inventory rebuild and new distribution center investment
- **Action plan underway to contain costs and protect cash**
  - Initiatives targeted at revenues and COGS, including sourcing and logistics efficiency programs, to drive extra EUR 5 million and maintain GM level around 63%
  - SG&A cost mitigation plan to reduce the impact of rising inflation by EUR 20 million
  - Capex prioritization in a context of low visibility and active working capital optimization program
- **FY22 updated guidance confirmed**
- **Utilizing strong balance sheet to opportunistically launch new share buyback plan for up to 10% of share capital, as current stock price does not reflect company's intrinsic value**

NANTES – 28 July 2022, 07:00 CEST – Maisons du Monde (Euronext Paris: MDM; ISIN: FR0013153541), the European leader in inspirational and affordable home & living, today published the Group's unaudited consolidated results for the six months ended 30 June 2022.

Julie Walbaum, Chief Executive Officer, commented: *"Maisons du Monde's first-half performance reflects the challenging global environment in which we are operating, marked by low consumer confidence and high inflation across the board. Taking a longer view however, the performance is resilient, with Group GMV 18% above H1 2019, and online GMV up 61% over 3 years, notably thanks to the continued success of our marketplace.*

To navigate through the exceptionally challenging market conditions, we deployed a comprehensive action plan to support sales, contain costs and optimize cash. Given our sourcing lead time, our collectioning, procurement and inventory shipment optimization plan will mainly materialize in 2023, enabling the Group to start restoring its gross margin. SG&A action plans will come into effect in 2022, and our EUR 20 million cost containment measures are well underway, enabling us to confirm our updated full-year guidance.

Our teams are fully mobilized to protect our short-term profitability while continuing to deliver our strategic agenda, as illustrated by the opening of our new distribution center in early July, on schedule and in line with planned costs.

We are fully confident in the fundamental strength of Maisons du Monde, its differentiated business model and the strategic choices we've made over the last few years. As the current share price does not reflect Maisons du Monde's intrinsic value, and utilizing our strong balance sheet, the best use of our cash in the current context is to launch a new share buyback plan for up to 10% of our share capital."

First Half Key Figures (in € million)	H1 2022	H1 2021	% Change
GMV	643.4	658.6	-2.3%
Marketplace	48.7	30.5	+59.7%
Sales	603.9	634.4	-4.8%
Like-for-like[1]	575.8	619.9	-7.1%
EBIT	28.4	47.9	-40.7%
As a % of Sales	4.7%	7.6%	
Net Income	8.4	20.5	-59.0%
Basic EPS (in €)	0.19	0.43	-55.2%
Free Cash Flow	(6.6)	51.2	n.a
Net debt	91.8	37.7	
Leverage	0.64x	0.22x	

H1 22 key commercial developments

Brand and customers

Maisons du Monde continued to develop its brand and customer dynamics over the half. The Instagram community grew by +6% yoy, reaching 5.4 million followers across Europe, and was up +115% vs 2019. Total active customers reached 3.9 million at 30 June 2022, in line with H1 2021 and up 15% vs H1 2019.

CSR commitment

Maisons du Monde's CSR objectives are central to the company's project. Despite the current business context, our teams remain committed to executing a broader agenda. Major achievements in H1 2022 included:

- Deployment of the ***Good is Beautiful*** brand movement, including donations to NGOs to help equip 12 Good is Beautiful living spaces for those in need and the launch of the ***Good for Women*** initiative to promote gender equality throughout the Group
- Awarded Top 5 global Love Brand by Talkwalker & Hootsuite across all product categories, in recognition of our commitment to sustainability.

Collections

Fulfilling its mission to be the most desirable and durable home & living brand in Europe. Maisons du Monde co-created with influencer Lisa Gachet a limited-edition collection of 30 creative and sustainable decoration products. Furthermore, Maisons du Monde keeps developing its sustainable offer: our Kids collection is now 50% "Good is Beautiful" certified. In parallel, the Group chose to digitize its inspiring product catalog for the second half of the year.

In terms of product families, sales of outdoor furniture and tableware were particularly successful (up respectively 9% and 8% yoy). Sales of garden and nature decoration items rose 28% yoy, illustrating the strength of our collections and unique capacity to permanently innovate on new trends.

Topline

First-half activity: EUR 643 million in GMV; EUR 604 million in sales

Maisons du Monde's first-half 2022 GMV of EUR 643 million was down 2.3% yoy while sales of EUR 604 million were down 4.8% yoy (LFL -7.1%), in line with the updated guidance communicated on 26 May. This evolution reflects the very high comparable base (H1 2021 yoy growth: +35%) and the much more challenging macroeconomic environment. After a first drop in traffic observed in March following the start of the war in Ukraine, traffic further deteriorated in May in an unexpectedly strong and sudden fashion, as prospects of a long-lasting conflict and strong and durable inflation started to spread across Europe. June showed no improvement compared to May, and the mixed results of the traditional summer sale season confirmed the clear Europe-wide slowdown, particularly in the home and living category, which benefitted from strong consumer spending during the pandemic.

Taking a longer view, Maisons du Monde showed resilience as H1 2022 sales were up 11% compared to H1 2019.

Summary of Activity *(in EUR million)*	Q2 22	Q2 21	*% Change*	H1 22	H1 21	*% Change*
GMV	**314.5**	330.0	*-4.7%*	**643.4**	658.6	*-2.3%*
Marketplace	**29.0**	16.6	*+74.7%*	**48.7**	30.5	*+59.7%*
Sales	**290.9**	317.2	*-8.3%*	**603.9**	634.4	*-4.8%*
% like-for-like change	*-10.3%*	*+32.3%*		*-7.1%*	*+34.3%*	
Maisons du Monde	**289.8**	315.9	*-8.3%*	**601.6**	632.0	*-4.8%*
% like-for-like change	*-10.2%*	*+32.2%*		*-7.1%*	*+34.2%*	
Sales by distribution channel						
Stores	198.2	176.3	*+12.5%*	407.1	373.5	*+9.0%*
% of sales	*68.1%*	*55.6%*		*67.4%*	*58.9%*	
Online	92.7	140.9	*-34.2%*	196.8	260.8	*-24.5%*
% of sales	*31.9%*	*44.4%*		*32.6%*	*41.1%*	
Sales by geography						
France	151.0	150.7	*+0.2%*	312.6	332.1	*-5.9%*
% of sales	*51.9%*	*47.5%*		*51.8%*	*52.4%*	
International	139.9	166.5	*-15.9%*	291.3	302.2	*-3.6%*
% of sales	*48.1%*	*52.5%*		*48.2%*	*47.6%*	
Sales by category						
Decoration	152.9	156.5	*-2.3%*	327.4	331.9	*-1.3%*
% of sales	*52.6%*	*49.3%*		*54.2%*	*52.3%*	
Furniture	138.0	160.7	*-14.1%*	276.5	302.5	*-8.6%*
% of sales	*47.4%*	*50.7%*		*45.8%*	*47.7%*	

Sales by channel

During the first half, store and online sales recalibrated in an environment which, unlike last year, was unaffected by Covid, but was impacted this year by the inflationary context and the decline in consumer confidence across Europe.

Online GMV was EUR 237 million (-16.9%), while **online sales** decreased by -24.5% vs. H1 21, reflecting a challenging comparable base: online net sales reached all-time-highs in Q1 and Q2 21 on the back of strong demand for the category and a highly dynamic channel, with stores closed on average 30% of the time in H1 21. Online activity, mainly driven by furniture sales, was still impacted in Q2 22 by continued suboptimal (but rising) inventory levels, which in turn hit the conversion rate. Consequently, both online traffic and the conversion rate were below their H1 21 levels (-13% and -16%, respectively).

The **marketplace** maintained its strong dynamic as GMV reached €49 million in H1 22 (+60% yoy), fueled by a solid performance in France (+44% yoy, marketplace GMV representing 35% of French online GMV), and the successful launch of our second marketplace in Spain, which already accounts for 31% of Spanish online GMV after only three months.

The continued success of the Maisons du Monde marketplace demonstrates the relevance of our online strategy and our ability to maintain our competitive edge. In the face of supply chain challenges impacting online more than stores, online represented 37% of Group GMV in H1 and 33% of sales. Compared to H1 19, online GMV and online net sales were up +61% and +34%, respectively.

Store sales grew by (+9.0% vs. H1 21), benefitting from a favorable base effect as stores were partially closed during this period in 2021. In Q2, like-for-like store traffic decreased by 17% on average vs 2019 to the end of April before significantly eroding in May, worsening to about -30%, and even -40% at certain times. The trend was still strongly negative in early June (-25%), until the seasonal sales season. Decoration sales evolution was above traffic, with an uplift both on conversion rate and average order size, and a limited price effect. Furniture sales, on the other hand, declined more than traffic, reflecting the impact of low product availability.

At 30 June 2022, Maisons du Monde had 350 stores, compared to 357 at 31 December 2021, with an average retail trading space per store of 1,226 m^2. The first six months of 2022 saw the opening of two new stores, one in France and one in Spain. During the same period, the Group closed six stores in France, two in Belgium and one in Italy. Total store network commercial area at 30 June 2022 of 429,000 m^2 decreased 4,000 m^2 compared to 31 December 2021.

Sales by category

Decoration sales remained broadly stable (-1.3%) versus H1 21 at EUR 327 million despite the very high comparable base (H1 21 grew by +40% yoy) and the May-June 10% yoy store traffic decline. This resilience reflects the quality of our collections, which, according to consumers as well as to press and influencers, are increasingly desirable and sustainable.

Furniture sales decreased to EUR 276 million (-8.6% yoy), impacted by supply chain disruptions that led to limited availability in certain product families, including best-seller products. China’s Covid-related measures in Q2 and ongoing freight disruptions added to the supply chain challenge. Amid a slowdown in commercial activity, however, our teams’ efforts to rebuild inventories, led to an improving level of furniture availability. At the end of June, immediate availability reached 59%, a level not reached since June 2020, and this should support sales dynamics over H2.

Sales by geography

Sales in France reached EUR 313 million (52% of total sales), down 6% vs H1 21, and up 2% vs H1 19. Store sales in France, representing 55% of total store sales, were EUR 222 million, up 8% yoy. Store sales performance was supported by a favorable base effect as French stores were closed on average 33% of the time in H1 last year. Online GMV in France was down 16% yoy and up 78% vs H1 2019. It accounted for 36% of France’s total GMV, compared to 42% in H1 21 and 23% in H1 19.

International sales totaled EUR 291 million, down 3.6% vs H1 21, and up a solid +24% vs H1 2019. Sales vs 2021 in the two largest countries, Italy and Spain, were up 10% and 1%, respectively. International Online GMV was down 18% yoy and up 46% vs. 2019 and represented 38% of total international GMV in H1 22, compared to 45% in H1 21 and 32% in H1 19.

Financial performance

The first-half 2022 financial performance was marked by the lower sales yoy. Furthermore, 2021 was a non-normative year as it was still impacted by the pandemic which led to its gross margin being exceptionally high given the low level of promotions (low product availability, stores closed 30% of the time, high customer demand). Also the Group benefitted in 2021 from one-off COVID-related measures that temporarily lowered its cost base.

First-half 2022 gross margin came in at 64.0%, down 145 pts yoy, but stable vs 2019 (excluding Modani). Compared to 2019, gross margin this year benefited from a favorable product mix (46% of sales in furniture vs. 48% in 2019). However it started to be impacted by the adverse market conditions (further freight price increases, raw material and energy cost inflation as well as EUR/USD currency rate deterioration). These headwinds had not yet fully materialized over the first half. H2 sales, on the other hand, will reflect the combined effect of higher freight and purchasing costs, while our hedging policy protects us for most of the year against the weakened euro.

EBIT of EUR 28 million with margin of 4.7%

Gross margin, EBITDA, EBIT *(in EUR million)*	**H1 2022**	**H1 2021**	**% change**
Sales	**603.9**	634.4	*-4.8%*
Cost of goods sold	(217.2)	(219.0)	*-0.8%*
Gross margin	**386.7**	415.4	*-6.9%*
As a % of Sales	*64.0%*	*65.5%*	*-145 bps*
Store operating and central costs	(170.7)	(164.3)	*+3.9%*
Advertising costs	(32.1)	(33.6)	*-4.4%*
Logistics costs	(84.5)	(92.4)	*-8.6%*
Operating Costs	**(287.3)**	(290.2)	*-1.0%*
EBITDA	**99.4**	125.2	*-20.6%*
As a % of Sales	*16.5%*	*19.7%*	*-328 bps*
Depreciation, amortization and allowance for provisions	(70.9)	(77.3)	*-8.2%*
EBIT	**28.4**	47.9	*-40.6%*
As a % of Sales	*4.7%*	*7.6%*	*-284 bps*

To mitigate the effect of these external factors at gross and net margin levels, the Group has launched an action plan that aims to drive additional operational optimization programs in sourcing, logistics and transportation (see H2 2022 action plan below for full details). In addition, after a first series of price increases over the course of Q1 in line with its collectioning calendar, a second wave of price increases will go into effect by the end of the summer, as H2 collections are introduced. In a context of constrained purchasing power, low consumer confidence and high risk of arbitrage in our category, the Group has chosen to implement pricing gradually and selectively, in order to preserve customer loyalty and longer-term growth. This sequential approach allows us to base our price uplifts on sales elasticity, safeguarding our market competitiveness.

Logistics costs in the first half decreased by 8.6% to EUR 84.5 million on the basis of lower volumes. From a ratio perspective, logistics costs decreased by 57 bps as a percentage of net sales due to enhanced efficiencies in warehouse operations and transportation, as well as favorable product and channel mix.

Store operating and central costs increased by EUR 6 million (+3.9% yoy), mainly reflecting EUR 11 million of the one-off unemployment subsidies and lease payment reductions accounted for in H1 21, and increases in direct costs in 2022 in relation to the inflationary context, which were partially offset by other cost adjustments.

The action plan mentioned above also includes cost containment and savings totaling EUR 20 million (full details below). Only a marginal amount was achieved by the end of June, while the bulk is expected to be realized in H2 22.

EBITDA was down 20.6% to EUR 99.4 million (EBITDA margin: 16.5%, -328 bps vs H1 21 and -121 bps vs H1 2019).

After taking into consideration lower D&A expense thanks to some risk and litigation accrual releases, H1 2022 **EBIT** reached EUR 28.4 million with an associated margin of 4.7% (-284 bps yoy and -106 bps over H1 2019).

Other net operating expenses were mainly related to store closure costs.

Net financial expense declined to EUR 9 million due to lower long-term debt and revolving credit facility interest expense compared to H1 21 as well as gains on currency transactions.

Income tax declined to EUR 4 million on lower sales volume. The effective tax rate was 26%.

Net income from continuing operations amounted to EUR 8 million, down 51% yoy. EPS was EUR 0.19, compared to EUR 0.43 in H1 21.

Free cash flow: EUR (7) million

Free cash flow came in at EUR (7) million compared to EUR 51 million in H1 2021. This decrease mainly reflects i) the EBITDA decrease (EUR 26 million), ii) an increase in the change of working capital requirement related to inventory rebuild (EUR 37 million), and iii) an increase in capex (EUR 8 million) mainly related to the opening of the new distribution center in northern France, which started operations in July.

(in EUR million)	30 June 2022	30 June 2021
EBITDA	**99.4**	125.2
Change in working capital	(12.3)	25.1
Change in other operating items	(4.2)	(19.6)
Net cash generated by/ (used in) operating activities	**82.8**	130.7
Capital expenditures (Capex)	(31.8)	(23.8)
Change in debt on fixed assets	(0.2)	(0.6)
Proceeds from sale of non-current assets	0.2	0.8
Decrease in lease debt	(52.0)	(50.4)
Decrease in lease debt/Lease interest paid	(5.6)	(5.6)
Free cash flow	**(6.6)**	51.2

Net financial debt

The Group's gross debt position at 30 June 2022 was EUR 194 million, virtually unchanged vs EUR 191 million at the end of June 2021. Taking into account its cash and cash equivalents position of EUR 102 million, Maisons du Monde's net debt position at 30 June 2022 was EUR 92 million (leverage of 0.64x, compared to 0.22x at 30 June 2021).

Net debt & leverage

(in EUR million)

Net debt calculation	30 June 2022	30 June 2021
Convertible bonds ("OCEANE")	193.4	188.8
Term loan	(0.5)	0.0
Revolving Credit Facilities (RCFs)	(0.8)	(0.1)
Other debt[2]	2.1	2.0
Cash & cash equivalents	**(102.4)**	(153.0)
Net debt	**91.8**	37.7
LTM EBITDA *(ex IFRS 16)*	143.2	191.8
Leverage[3]	**0.64x**	0.22x

Banking Credit Facility Renewal

The Group renewed its banking credit facility in April 2022. This new EUR 250 million credit agreement (RCF for EUR 150 million and Term Loan for EUR 100 million), contracted with the Group's main banking partners, secures the Group's liquidity and will enable the reimbursement of the convertible program by the end of 2023. It was also an opportunity to confirm Maisons du Monde's ESG commitment by inaugurating its first sustainability-linked loans.

H2 2022 action plan

For the remainder of 2022, the Group aims to best balance the equation between profit and cash protection and fueling sustainable growth.

Short-term profitability optimization is driven by:

- sales boost and the limitation of gross margin erosion in a highly inflationary context
- further productivity gains in logistics and transportation to offset the operational deleveraging effect of lower sales volumes and the higher fuel prices
- solid action plan minimizing all discretionary spending to offset some fixed cost increases (wages, energy)
- capex rationalization given the low visibility on market conditions
- working capital requirement optimization in a context of inventory rebuild.

Sales support & net margin optimization

In a context of soft demand and a highly promotional competitive environment, the Group will allocate a higher than usual, yet reasonable, markdown budget to H2 (by c.2-3 pp of sales vs LY) to support sales. Gross margin will also be impacted by higher COGS. Price increases will partly offset the impact on margins. In this context, the Group has implemented the following measures to bring EUR 5 million extra savings this year and secure our gross margin around 63%:

- Additional rounds of negotiations with major suppliers, applicable as of 2022, and
- Operational efficiency plans in the collectioning and sourcing process as well as extra optimization initiatives in logistics.

We are also optimizing our upcoming collections to best balance our customer value proposition and profit protection. The impact of this detailed approach will be mainly visible in 2023 as per our collectioning calendar.

Fixed cost containment

Rising inflation, a higher store cost base driven by the 2021 store openings as well as the rebasing effect of 2021 Covid-related measures should add additional costs of around EUR 25-30 million over the year. To compensate for these factors, an operating cost containment program of EUR 20 million has been launched and includes:

- Hiring freeze and restrictive replacement policy
- Travel limitation and fee reduction programs throughout the company
- Marketing spend reduction based on a stricter ROI approach.

Capex and WCR optimization

Given the highly volatile environment, our selective approach to capex has been further reinforced. The Group will adjust all capex spending except for the launch of its second warehouse, a key pillar to deliver its longer-term agenda. Excluding this project, capex would be back to a level comparable to that of 2019.

Regarding working capital requirement, the Group plans to keep rebuilding inventories to support 2023 sales. Given the context, however, it has materially reduced its shipping plans for the second half and started discussions with suppliers to reorganize manufacturing and purchasing planning and optimize payment terms.

2022 guidance

In a high-inflation environment marked by rising raw material prices as well as persistent supply chain bottlenecks, the Group revised its guidance on May 26. Today, despite the ongoing challenging environment and thanks in part to our H2 2022 action plan, we confirm our updated full-year 2022 objectives:

- Top line decrease in the mid-single digit range
- An EBIT margin of 5% or above
- FCF of EUR 10 million to 30 million
- Reduction of the Group's carbon intensity: CO2 neutrality for scopes 1 and 2
- Dividend payout ratio of 30% to 40%.

New share buyback program and share cancellation

Despite the current environment, the Group remains fully confident in the fundamental strength of its business model and the relevance of its strategic choices. The Board of directors and the management team believe the Group's current market value is not an accurate reflection of the business's value creation and cash generation potential. As a result, utilizing the Group's solid balance sheet, Maisons du Monde is today opportunistically launching a new share buyback program. The Group believes this buyback is an attractive investment opportunity for the benefit of its long-term shareholders.

Under this new plan, the Group intends to repurchase up to 10% of its outstanding shares at market price over a period of several months beginning 29 July 2022. This program will be carried out within the limits of the authorization granted to purchase shares, as per the 18th resolution adopted by the General Assembly on 31 May 2022. A description of this share buyback program is available on the Group's website: www.corporate.maisonsdumonde.com.

The shares acquired under this new buyback program are intended to be cancelled to reduce the share capital of Maisons du Monde as soon as the program is completed.

Furthermore, the Board of Directors yesterday decided to cancel 1,953,797 of the treasury shares (or 4.3% of total shares) it acquired under the previous share buyback program launched in November 2021 and fully completed in March 2022. The cancellation will be effective 29 July 2022. As a result, the Group's share capital will amount to EUR 140.3 million, comprised of 43,288,097 shares.

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Conference call for investors and analysts

Date: 28 July 2022 at 09.00 CEST

Speakers: Julie Walbaum. CEO and Régis Massuyeau. CFO

Connection details:

H1 2022 Webcast Connection Details
To access the webcast: **https://edge.media-server.com/mmc/p/gh25g8vu** **Please connect using the link above at least 15 minutes prior to the scheduled start time (09:00 CEST).** NB: You will be able to ask a question during the Q&A session in the Chat section **in writing only!** If you would like to ask an audio question during the Q&A session, please follow the "Audio Q&A Conference Call Connection Details" instructions below.

H1 22 "Audio" Q&A Conference Call Connection Details
• Please register using the link below at least 15 minutes prior to the scheduled start time (09:00 CEST). • Participants will receive via e-mail a unique Direct Event Passcode and a Registrant ID. • Please connect to one of the numbers provided in the e-mail and follow directions to be connected to the Q&A conference call.
https://register.vevent.com/register/BI57bf4e6b1f9344fbb1324491ce9e6bef

Financial calendar

27 October 2022 Q3 and 9M 2022 sales

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Disclaimer: Forward Looking Statement

This press release contains certain statements that constitute "forward-looking statements," including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward- looking statements. Accordingly, no representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. Any forward-looking statements included in this press release speak only as of the date hereof and will not give rise to updates or revision. For a more complete list and description of such risks and uncertainties, refer to Maisons du Monde's filings with the French Autorité des marchés financiers.

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About Maisons du Monde

Maisons du Monde, a uniquely positioned and beloved brand across Europe, stands as the European leader in inspirational and affordable home & living. It offers a wide and constantly renewed range of furniture and home accessories across multiple styles. Creativity, inspiration and engagement are the brand's core pillars. Leveraging its distinctive direct-to-consumer omnichannel model, the company generates over 50% of its sales digitally, through its online platform and in-store digital sales and operates 350 stores across 9 European countries. End 2020, the Group launched a curated marketplace to complement its offering and become the reference one-stop shop in inspirational and affordable home and living. In November 2021, Maisons du Monde unveiled its company purpose: "Inspiring everyone to open up to the world, to create together unique, warm and sustainable places to live."

corporate.maisonsdumonde.com

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Contacts

Investor Relations

Christopher Welton

Tel: (+33) 7 85 70 71 41
cwelton@maisonsdumonde.com

Press Relations

Pierre Barbe

Tel: (+33) 6 23 23 08 51
pbarbe@maisonsdumonde.com

MAISONS DU MONDE

APPENDIX

Consolidated financial statements

Consolidated income statement *(in EUR million)*	**H1 2022**	**H1 2021** *(pro forma)*
Sales[2]	**603.9**	634.4
Other revenue	23.6	27.0
Total revenue	**627.5**	661.3
Cost of sales	(217.2)	(219.0)
Gross Margin[3]	**386.7**	415.4
As a % of Sales	*64.0%*	*65.5%*
Personnel expenses	(120.3)	(116.9)
External expenses	(196.2)	(203.3)
Depreciation, amortization and allowance for provisions	(70.9)	(77.3)
Fair value – derivative financial instruments	(3.1)	(3.8)
Other income/(expenses) from operations	3.0	(2.5)
Current operating profit	**22.8**	38.7
Other operating income and expenses	(1.1)	(1.0)
Operating profit / (loss)	**21.7**	37.7
Cost of net debt	(3.0)	(3.7)
Cost of lease debt	(5.7)	(5.7)
Finance income	2.0	1.2
Finance expenses	(2.4)	(2.7)
Financial profit / (loss)	**(9.1)**	(11.0)
Profit / (loss) before income tax	**12.6**	26.7
Income tax	(4.2)	(9.6)
Profit / (loss) from continuing operations	**8.4**	17.1
Profit / (loss) from discontinued operations	-	3.4
Profit / (loss)	**8.4**	20.5
Attributable to:		
• Owners of the parent	8.5	19.6
• Non-controlling interests	(0.1)	0.9
Basic EPS (in €)	**0.19**	0.43

Pro forma – ex Modani

Consolidated balance sheet

(in EUR million)

	30 June 2022	30 June 2021 *(reported)*
ASSETS		
Goodwill	327.0	327.0
Other intangible assets	236.3	241.8
Property. plant and equipment	171.7	162.4
Right-of-use assets related to lease contracts	600.9	632.7
Other non-current financial assets	16.3	16.2
Deferred income tax assets	8.8	7.1
Derivative financial instruments	3.2	0.0
NON-CURRENT ASSETS	**1,364.2**	**1,387.2**
Inventory	265.1	186.8
Trade receivables and other current receivables	67.9	102.4
Current income tax assets	14.8	19.9
Derivative financial instruments	36.6	0.0
Cash and cash equivalents	102.4	153.0
CURRENT ASSETS	**486.8**	**462.1**
TOTAL ASSETS	**1,851.0**	**1,849.3**

	30 June 2022	30 June 2021 *(reported)*
EQUITY AND LIABILITIES		
TOTAL EQUITY	**660.5**	**621.2**
Non-current borrowings and convertible bonds	193.4	190.7
Medium and long-term lease liability	482.2	511.1
Deferred income tax liabilities	57.7	49.9
Post-employment benefits	8.2	12.7
Provisions	8.4	6.8
Derivative financial instruments	-	2.1
Other non-current liabilities	4.2	6.4
NON-CURRENT LIABILITIES	**754.0**	**779.7**
Current borrowings and convertible bonds	0.9	0.1
Short-term lease liability	114.0	114.2
Trade payables and other current payables	311.5	307.8
Provisions	4.2	6.2
Current income tax liabilities	5.2	13.0
Derivative financial instruments	0.7	7.1
CURRENT LIABILITIES	**436.5**	**448.4**
TOTAL LIABILITIES	**1,190.5**	**1,228.1**
TOTAL EQUITY AND LIABILITIES	**1,851.0**	**1,849.3**

Consolidated cash flow statement

(in EUR million)

	30 June 2022	30 June 2021 *(reported)*
Profit/(loss) before income tax	**12.6**	30.1
Adjustments for:		
• Depreciation, amortization and allowance for provisions	72.8	77.3
• Net gain/(loss) on disposals	2.1	2.9
• Fair value – derivative financial instruments	3.1	3.8
• Share-based payments	0.0	(0.6)
• Cost of net financial debt	3.0	3.7
• Cost of lease debt	5.7	6.2
Change in operating working capital requirement:		
• (Increase)/decrease in inventory	(70.7)	(15.0)
• (Increase)/decrease in trade and other receivables	37.9	5.2
• Increase/(decrease) in trade and other payables	20.5	38.4
Income tax paid	(4.1)	(12.2)
Net cash generated by/(used in) operating activities[a]	**82.8**	139.8
Of which operating flow related to discontinued operations	-	*9.2*
Acquisition of non-current assets:		
• Property, plant and equipment	(23.8)	(19.3)
• Intangible assets	(8.9)	(5.0)
• Other non-current assets	0.9	(0.3)
Change in debt on fixed assets	(0.2)	(0.5)
Proceeds from sale of non-current assets	0.2	0.8
Net cash generated by/(used in) investing activities[b]	**(31.8)**	(24.3)
Of which investment flow related to discontinued operations	-	*(0.8)*
Proceeds from issuance of borrowings	0.1	0.3
Repayment of borrowings	(29.7)	(200.3)
Decrease of lease debt	(52.0)	(52.3)
Acquisitions (net) of treasury shares	(0.7)	0.4
Dividends paid	(23.4)	0.0
Interest paid	(1.8)	(1.5)
Interest on lease debt	(5.6)	(6.1)
Net cash generated by/(used in) financing activities[c]	**(113.0)**	(259.5)
Of which financing flow related to discontinued operations	-	*(2.1)*
Exchange gains/(losses) on cash and cash equivalents	0.1	0.1
Net increase/(decrease) in cash & cash equivalents[a]+[b]+[c]	**(61.9)**	**(143.8)**
Cash & cash equivalents at period begin	**163.2**	296.7
Cash & cash equivalents at period end	**101.3**	**152.9**

Store Network[6] (In units)	Number of stores at end of:												
	FY 19	Q1 20	Q2 20	Q3 20	Q4 20	FY 20	Q1 21	Q2 21	Q3 21	Q4 21	FY 21	Q1 22	Q2 22
France	233	228	227	227	228	228	223	222	220	219	219	215	214
Italy	48	48	48	48	49	49	49	49	48	50	50	49	49
Spain	27	27	27	27	27	27	26	28	28	30	30	30	31
Belgium	24	23	23	23	24	24	25	26	26	27	27	25	25
Germany	11	11	10	10	11	11	11	12	12	12	12	12	12
Switzerland	9	9	9	9	9	9	10	10	11	12	12	12	12
Luxembourg	3	3	3	3	3	3	3	3	3	3	3	3	3
Portugal	1	1	1	1	1	1	1	1	1	3	3	3	3
Austria	-	-	-	-	-	-	1	1	1	1	1	1	1
Number of stores	**356**	**350**	**348**	**348**	**352**	**352**	**349**	**352**	**350**	**357**	**357**	**350**	**350**
Net openings	*+21*	*-6*	*-2*	*0*	*+4*	*-4*	*-3*	*+3*	*-2*	*+7*	*+5*	*-7*	*0*
Sales area (K sqm)	**417.2**	**415.7**	**413.6**	**414.2**	**420.2**	**420.2**	**419.0**	**424.4**	**424.5**	**432.9**	**432.9**	**427.8**	**428.9**
Change (K sqm)	*+19.2*	*-1.5*	*-2.1*	*+0.6*	*+6.0*	*+3.0*	*-1.2*	*+5.3*	*+0.6*	*+8.0*	*+12.7*	*-5.1*	*+1.1*

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In addition to the financial indicators set out in International Financial Reporting Standards (IFRS), Maisons du Monde's management uses several non-IFRS metrics to evaluate, monitor and manage its business. The non-IFRS operational and statistical information related to Group's operations included in this press release is unaudited and has been taken from internal reporting systems. Although none of these metrics are measures of financial performance under IFRS, the Group believes that they provide important insight into the operations and strength of its business. These metrics may not be comparable to similar terms used by competitors or other companies.

Sales: Represent the revenue from 1) sales of decorative items and furniture through the Group's retail stores, websites and B2B activities, 2) marketplace commissions, and 3) service revenue and commissions. They mainly exclude:

i. customer contribution to delivery costs,
ii. revenue for logistics services provided to third parties, and
iii. franchise revenue.

The Group uses the metric of "Sales" rather than "Total revenue" to calculate growth at constant perimeter, like-for-like growth, gross margin, EBITDA margin and EBIT margin.

Like-for-like sales (LFL) growth: Represents the percentage change in sales from the Group's retail stores, websites and B2B activities, net of product returns between one financial period (n) and the comparable preceding financial period (n-1), excluding changes in sales attributable to stores that opened or were closed during either of the comparable periods. Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.

Gross margin: Is defined as sales minus cost of sales. Gross margin is also expressed as a percentage of Sales.

EBITDA: Is defined as current operating profit, excluding:

i. depreciation, amortization, and allowance for provisions and,
ii. the change in the fair value of derivative financial instruments.

The EBITDA margin is calculated as EBITDA divided by Sales.

LTM EBITDA: Last twelve months EBITDA.

EBIT: Is defined as EBITDA minus depreciation, amortization, and allowance for provisions. The EBIT margin is calculated as EBIT divided by Sales.

Net debt: Is defined as the Group's finance leases, convertible bond ("OCEANE"), unsecured term loan, unsecured revolving credit facilities, the French state guaranteed term loan, short- and long-term rental, deposits and bank borrowings, net of cash and cash equivalents.

Leverage ratio: Is defined as net debt less finance leases divided by LTM EBITDA.

Free cash flow: Is defined as net cash from operating activities less the sum of capital expenditures (capital outlays for property, plant and equipment), intangible and other non-current assets, change in debt on fixed assets, proceeds from disposal of non-current assets and reduction of and interest on rental debt.

Endnotes

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[1] *LFL: Like for like – Represents the percentage change in sales from the Group's retail stores, websites and B2B activities, net of product returns between one financial period (N) and the comparable preceding financial period (N-1), excluding changes in sales attributable to stores that opened or were closed during either of the comparable periods. Sales attributable to stores that closed temporarily for refurbishment during any of the periods are included.*

[2] *Including other borrowings, deposits & guarantees and banks overdrafts.*

[3] *Leverage: Net debt divided by LTM (Last twelve months) EBITDA*

[2] *Defined as merchandise sales as well as other commissions and services less franchise and promotional sales (€2.1 mn in 1H22 and €2.5 mn in 1H21).*

In € million	1H22	1H21
Merchandise sales	592.3	625.4
Franchise and promotional sales	2.1	2.5
Other commissions and services	11.6	8.7
Subtotal	606.0	636.9
Less: Franchise and promotional sales	*(2.1)*	*(2.5)*
Sales	**603.9**	**634.4**

[3] *Gross margin (sales less cost of sales) is a non-IFRS financial metric and is presented here for informational purposes only.*

[6] *Excluding franchise stores.*