

PRESS RELEASE

7 MARCH 2024

CONTINUED IMPLEMENTATION OF THE CORPORATE PLAN DESPITE A BUSINESS SLOWDOWN WITHIN A CHALLENGING ECONOMIC AND SECTOR-SPECIFIC ENVIRONMENT

Consolidated data to 31 December (€ millions)	2023	2022	△
Sales	1,447	1,532	-5.6%
Current operating result	201	278	-27.7%
Free Cash Flow	224	93	+141.9%

Within a difficult economic environment marked by a severe crisis in the construction sector in many countries, SOMFY posted a decline in both sales and profits. In response to the ongoing business slowdown, and thanks to the mobilisation of its teams, the Group has taken the necessary cost-cutting measures, innovated to continually better serve its customers, and continued to roll out its strategic and operational roadmap.

SALES

Group sales for the 2023 financial year totalled €1.4 billion, a decline of 5.6% compared with the previous financial year (down 5.9% on a like-for-like basis). This figure includes a decline of 11.3% over the first half-year and remained stable (up 0.7%) over the second half, both on a like-for-like basis. In 2023, the Group was faced with a challenging environment overall as well as a deep crisis in the construction sector in numerous regions.

During the 2023 financial year, only the Latin America and Africa & the Middle East regions posted growth, recording increases of 24.7% and 14.9% respectively, demonstrating the benefits of the Group's international footprint. The Eastern Europe and Central Europe regions both recorded declines (down 16.9% and 15.2% respectively), particularly impacted by economic and geopolitical tensions.

RESULTS

Current operating result stood at €201 million for the financial year, down 27.7%, equating to a current operating margin of 13.9%.

Although structure costs were kept under control, current operating result was nevertheless significantly impacted by the business slowdown.

FINANCIAL POSITION AND CASH GENERATION

The financial position remained sound over 2023 with low net financial debt of €114 million, and Free Cash Flow rose sharply to €224 million, thanks to better cash management with stricter control of working capital requirements.

STRATEGY

Firmly placed at the centre of the sector's positive key trends, thanks to its range of products and services, SOMFY has positioned itself as a key player that forms an integral part of the solution to address the connectivity and energy efficiency challenges of buildings. Over the financial year, the Group once again demonstrated its ability to seize growth opportunities in its markets, notably with the acquisition of Dutch company De Haan Westerhoff.

Putting customers at the heart of its corporate plan to ensure a lasting, rich and unique experience, the Group has created a virtuous ecosystem to address the specific needs of its markets, thanks to its multi-brand structure.

To ensure the full effectiveness of its plan, develop a new competitive advantage through the relevance of its solutions, and improve the efficiency of its internal processes, the Group has also adjusted its structure, establishing in particular the "Digital and Data Value Creation" function, which brings together IT, Data and Digital expertise.

Placed at the very core of the corporate plan, Digitalisation and CSR – key components of the Group's transformation – are now represented on the Group's Executive Committee.

OUTLOOK

SOMFY can leverage sound fundamentals and positive trends such as digitalisation and the energy efficiency of buildings to continue rolling out its strategic plan and investing in structuring projects, while remaining vigilant with regard to the macroeconomic and geopolitical environment which remains unstable in 2024.

According to Pierre Ribeiro, Group CEO, *"Within an environment particularly marked by a crisis in the construction sector, SOMFY has remained on course towards its 2030 Ambition. The Group is continuing its sustainable transformation and, with a strengthened structure, continues to target operational excellence in all its business activities."*

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CORPORATE PROFILE

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.

FINANCIAL STATEMENTS

The annual financial statements have been audited by the Statutory Auditors and were approved by the Board of Directors on 5 March 2024. The Statutory Auditors' reports are in the process of being issued and will be issued at the end of March.

CONTACTS

SOMFY: Carole Laou Sio Hoï: +33 (0)6 24 39 54 25

Shan: Aliénor Kuentz: +33 (0)6 28 81 30 83

SHAREHOLDERS' AGENDA

Publication of the Non-Financial Statement: 11 April 2024

GLOSSARY

Sales: the sales figures refer to the sales amounts generated with customers outside the Group. They are calculated based on customer location and therefore the destination of the sales.

Change in real terms: the change in real terms corresponds to the change at actual consolidation method and scope, and actual exchange rates.

Change on a like-for-like basis: the change on a like-for-like basis corresponds to the change at constant consolidation method and scope, and constant exchange rates.

Geographic regions: the Group is organised into nine geographic regions, namely Central Europe, Northern Europe, North America, Latin America, France, Southern Europe, Africa & the Middle East, Eastern Europe and Asia-Pacific.

Current operating margin: current operating margin corresponds to current operating result as a proportion of sales (COR/Sales).

Free Cash Flow: Free Cash Flow is the amount of cash flow generated by operating activities and investing activities before acquisitions and disposals of entities.

Net financial debt/(surplus): net financial debt represents the difference between financial debt and cash and cash equivalents, corresponding to a surplus if negative.