HALF-YEAR 2021 FINANCIAL REPORT

AT 30 JUNE

Contents

Half-year 2021 Financial Report at 30 June

Maisons du Monde, creator of original universes in the homeware business, offers a unique range of home decoration items and furniture in a wide variety of styles and themes at affordable prices that allow its customers to express

their own styles and tastes

Half-year activity report

1

1.1 Results of operating activities

1.1.1 KEY METRICS

KEY FINANCIAL METRICS FOR THE FIRST HALF OF 2021

	Six-month period ended 30 June		
(in € millions – IFRS 16)	**2021**	**2020**	**% change**
Sales (1)	**662.6**	**488.9**	**35.5%**
Maisons du Monde	632.0	467.9	35.1%
% like-for-like change	*34.2%*	*-17.3%*	
Modani	28.2	19.7	43.4%
Rhinov	2.4	1.3	89.8%
Gross margin (2)	**431.9**	**312.6**	**38.2%**
As a% of sales	*65.2%*	*64.0%*	
EBITDA (3)	**132.0**	**68.1**	**94.0%**
As a% of sales	19.9%	13.9%	
EBIT	**52.4**	**(7.3)**	
As a% of sales	*7.9%*	*-1.5%*	
Net income	**20.5**	**(20.4)**	
Free cash flow	**57.2**	**42.6**	**34.2%**
Net debt (IFRS 16) (4)	663.1	711.9	-6.9%
Net debt (adjusted) (5)	41.3	96.4	-57.2%
Leverage ratio (6)	0.2x	0.7x	

(1) Defined as merchandise sales as well as other commissions and services less franchise and promotional sales (€2.5 mn in 1H21 and €1.5 mn in 1H20).

(2) Defined as sales less cost of sales.

(3) Reclassification for €0.8 million from the item "Depreciation, amortization and allowance for provisions" to the item "Cost of sales" in 2020.

(4) 2020 net debt data are at 31 December 2020.

(5) Net debt less IFRS 16 lease debt as per the Senior Credit Facilities Agreement. 2020 net debt data are at 31 December 2020.

(6) Net debt divided by last-twelve-months EBITDA as calculated under IAS 17 as per the Senior Credit Facilities Agreement. 2020 leverage data are at 31 December 2020.

1

1.1.2 SALES ANALYSIS

OVERVIEW OF SALES FOR THE FIRST HALF OF 2021

	Six-month period ended 30 June		
(in € millions – IFRS 16)	**2021**	**2020**	**% change**
TOTAL SALES	662.6	488.9	+35.5%
Sales by geography			
France	332.2	252.1	31.8%
% of sales	*50.1%*	*51.6%*	
International	330.4	236.8	39.5%
% of sales	*49.9%*	*48.4%*	
Sales by distribution channel			
Stores	394.4	302.6	30.3%
% of sales	*59.5%*	*61.9%*	
Online	268.2	186.2	44.0%
% of sales	*40.5%*	*38.1%*	
Sales by product category			
Decoration	332.2	237.0	40.2%
% of sales	*50.1%*	*48.5%*	
Furniture	330.4	251.9	31.2%
% of sales	*49.9%*	*51.5%*	

Maisons du Monde's first half 2021 posted a high increase of 35.5% yoy to €662.6 million (LFL: +35.4%) as store sales resumed strong growth after reopening mid-May, while online activity remained dynamic. Modani's 1st half 2021 sales amounted to €28.2 million, representing a 43% yoy increase. Compared to the first half of 2019, total Group H1 21 sales were up 17% (LFL: +12%).

At 30 June 2021, Maisons du Monde had 352 stores in Europe and 17 stores in the US, unchanged compared to 31 December 2020. During the 1st half, the Group opened 11 new stores: 2 in France and 9 in the rest of Europe (4 in Spain, 2 in Belgium, and 1 each in Austria, Germany and Switzerland). During the same period, the Group closed 11 stores: 8 in France and 3 in Spain. Total store network commercial area of 438,700 m^2 increased 4,100 m^2 compared to 31 December 2020.

A. Sales by geography

First half 2021 sales in France were €332.2 million (+31.8% yoy), while international sales totalled €330.4 million (+39.5% yoy) and represented 50% of total sales (48% in 1H 2020).

B. Sales by distribution channel

First half 2021 online sales, representing 40% of total first half sales, registered a 44% yoy increase to €268 million, thanks to a 61% increase in online orders. Activity benefitted from free in-store click & collect delivery that was introduced in the 4th quarter of 2020. Furthermore, the online product mix benefited from decoration items accounting for one-third of 1st half online sales (*vs* 29% in 2020).

First half 2021 store sales were up 30% yoy to €394 million as the European network was open on average for 69% of the period (compared to 66% in H1 2020) due to Covid-related lockdowns. French store sales (52% of total store sales) totalled €203 million (+21% yoy), while the rest of the European and Modani networks added €191 million (+42% yoy).

C. Sales by product category

In the first half of 2021, in terms of sales split by product category, furniture sales amounted to €330 million and represented 49.9% of total 1st half sales (*versus* 51.5% during the same period in 2020). Decoration items made up the remaining percentage of sales and amounted to €332 million.

1.1.3 EBITDA ANALYSIS

BREAKDOWN OF EBITDA BY GEOGRAPHY

	Six-month period ended 30 June		
(in € millions – IFRS 16)	2021	2020	% change
France	83.9	52.0	61.3%
International	91.5	52.3	74.9%
Corporate segment [(1)]	(43.3)	(36.3)	19.4%
EBITDA	132.0	68.1	94.0%

(1) See note 5 "Geographical segment information" of this half-year financial report.

In the first half of 2021, EBITDA was €132 million, up 94% yoy, resulting in an EBITDA margin of 19.9%. The higher sales volume impact was partially offset by an increase in operational expenses, primarily staffing and transportation costs. Expenses related to depreciation, amortization and allowance for provisions increased by €4 million.

A. EBITDA in France

In France, EBITDA was €84 million in the first half of 2021, up 61.3% compared to the first half of 2020, notably reflecting (i) the volume effect of Group's higher online and store sales in France, and (ii) a better product mix.

B. International EBITDA

Internationally, EBITDA was €91.5 million in the first half of 2020, up 74.9% compared to the first half of 2020, notably reflecting higher store sales in Europe and the US.

1.1.4 INCOME STATEMENT ANALYSIS

SIMPLIFIED CONSOLIDATED INCOME STATEMENT

	Six-month period ended 30 June	
(in € millions – IFRS 16)	2021	2020
Sales	**662.6**	**488.9**
Sales to franchise and promotional sales	2.5	1.5
Other revenue from ordinary activities	26.3	19.6
Revenues	**691.4**	**509.9**
Cost of sales [(1)]	(230.7)	(175.8)
Personnel expenses	(119.9)	(94.4)
External expenses	(211.4)	(175.8)
Depreciation, amortization, and allowance for provisions	(79.6)	(75.4)
Change in fair value – derivative financial instruments	(3.8)	9.9
Other income from operations	0.9	0.6
Other expenses from operations	(4.1)	(2.4)
Current operating profit before operating income and expenses	**42.8**	**(3.7)**
Other operating income and expenses	(1.2)	(2.2)
Operating profit/(loss)	**41.6**	**(5.8)**
Financial profit/(loss)	(11.5)	(9.6)
Profit/(loss) before income tax	**30.1**	**(15.5)**
Income tax	(9.6)	(4.9)
NET INCOME	20.5	(20.4)

(1) Reclassification for €0.8 million from the item "Depreciation, amortization and allowance for provisions" to the item "Cost of sales" in 2020.

A. Revenue

Maisons du Monde's first half 2021 posted a high increase of 35.5% yoy to €662.6 million (LFL: +35.4%) as store sales resumed strong growth after reopening mid-May, while online activity remained dynamic. Modani's 1st half 2021 sales amounted to €28.2 million, representing a 43% yoy increase. Compared to the first half of 2019, total Group 1st half 2021 sales were up 17% (LFL: +12%).

The Group's consolidated revenue increased by €181.5 million to €691.4 million in the first half of 2021, a rise of 35.6% compared with the first half of 2020.

B. Gross margin

Cost of goods sold rose €54.5 million (+30.9%) from €176.2 million to €230.7 million. The first half 2021 gross margin amounted to €432 million, up 38% due to increased sales volume. The gross margin as a percentage of sales increased by 123 basis points to 65.2% driven notably by a positive category mix and less promotion during the period.

C. Current operating profit

Personnel expenses increased by €25.6 million, or 27.1%, to €119.9 million in the first half of 2021, compared with €175.8 million in the first half of 2020, as European governments subsidized less employees' net salaries who were placed on temporary unemployment during the Covid-19 lockdowns during the period. As a percentage of sales, personnel costs were 18.1% in the first half of 2021, compared to 19.3% in the first half of 2020.

External expenses increased 26.5% to €211.4 million in the first half of 2021, compared to €175.8 million in the first half of 2020. This was due primarily to approximately 30% increases in both transportation and marketing costs. As a percentage of sales, external expenses amounted to 31.9% in the first half of 2021, compared to 36.0% in the first half of 2020.

Depreciation, amortization and provisions rose by €4.2 million, or 5.6%, to €79.6 million in the first half of 2021, compared to €75.4 million in the first half of 2020. As a percentage of sales, depreciation, amortization, and provisions amounted to 12.0% in the first half of 2021, compared to 15.4% in the first half of 2020.

The change in the fair value of derivative financial instruments, which hedge or enable the hedging of all Group purchases of goods and sea freight denominated in US dollars for the Group, amounted to a loss of €(3.8) million in the first half of 2021, compared to a gain of €9.9 million in the first half of 2020.

Other operating income and expenses amounted to a net expense of €1.2 million in the first half of 2021, compared to a net expense of €2.2 million in the first half of 2020. This change primarily reflected higher store preopening expenses and commercial litigations.

The Group posted current operating profit of €42.8 million in the first half of 2021, compared to a loss of €3.7 million in the first half of 2020.

D. Operating profit (loss)

Other operating income and expenses represented a net expense of €1.2 million in the first half of 2021, compared to a net expense of €2.2 million in the first half of 2020. The reduction included higher provisions for store closures.

In the first half of 2021, the Group posted an operating profit of €41.6 million, compared to a loss of €5.8 million in the first half of 2020.

E. Financial profit (loss)

Financial profit/(loss) represented a net expense of €11.5 million in the first half of 2021, compared to a net expense of €9.6 million in the first half of 2020, the increase relating to the change in currency exchange gains and losses.

F. Income tax expense

Income tax represented a net expense of €9.6 million in the first half of 2021 (corporate tax rate: 28.4%), compared to a net expense of €4.9 million in the first half of 2020 (corporate tax rate: 32.0%).

G. Net income

In the first half of 2021, the Group posted a profit of €20.5 million, compared to loss of €20.4 million in the first half of 2020.

1.2 Liquidity and capital resources

1.2.1 CASH FLOW ANALYSIS

The table below shows the Group's consolidated cash flows for the six-month periods ended 30 June 2020 and 30 June 2021.

	Six-month period ended 30 June	
(in € millions – IFRS 16)	2021	2020
Net cash flow from/(used in) operating activities	139.9	119.3
Net cash generated by/(used in) investment activities	(24.3)	(24.7)
Net cash flow from/(used in) financing activities	(259.5)	248.7
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(143.8)**	**342.8**
Cash and cash equivalents at beginning of period	**296.7**	**94.5**
Net increase/(decrease) in cash and cash equivalents	(143.9)	343.3
Exchange gains/(losses) on cash and cash equivalents	0.1	(0.5)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**152.9**	**437.3**

The table below shows the statement of cash flows related to operating activities, investment activities and financing activities and net cash flows before financing activities for the six-month periods ended 30 June 2020 and 30 June 2021.

	Six-month period ended 30 June	
(in € millions – IFRS 16)	2021	2020
EBITDA	**132.0**	**68.1**
Change in operating working capital requirements	28.7	72.7
Income tax paid	(12.2)	(15.7)
Preopening expenses	(0.4)	(0.0)
Pro rata – catalogue-related expenses	(4.5)	(5.3)
Pro rata – taxes (IFRIC 21)	(0.9)	(0.9)
Change in other operating items	2.8	(0.3)
Net cash flow from/(used in) operating activities	**139.9**	**119.3**
Capital expenditure	(24.5)	(19.8)
Acquisition of financial assets	-	(0.0)
Change in debt on fixed assets	(0.6)	(4.9)
Proceeds from sale of non-current assets	0.8	0.1
Net cash generated by/(used in) investing activities	**(24.3)**	**(24.7)**
Proceeds from borrowings	0.3	301.2
Repayment of borrowings	(200.3)	(0.4)
Decrease of lease debt	(52.2)	(45.4)
Acquisitions (net) of treasury shares	0.4	0.1
Interest paid	(1.5)	(0.3)
Interest on lease debt	(6.1)	(6.5)
Net cash generated by/(used in) financing activities	**(259.5)**	**248.7**
Net cash flow before financing activities	**115.6**	**94.6**

The change in working capital had a positive impact on cash flow of €28.7 million in the first half of 2021 (compared to a €72.7 million inflow in the first half of 2020), reflecting (i) an increase in inventories of €15.0 million, and (ii) a decrease in trade and other receivables of €5.2 million, offset by (iii) an increase of €38.4 million in trade and other payables.

The Group's operating activities generated a net cash inflow of €139.9 million in the first half of 2021 (compared to a net cash inflow of €119.3 million in the first half of 2020), reflecting primarily the increase of EBITDA offset by the decline in the change of the working capital requirement.

In the first half of 2021, the Group's investment activities generated a net cash outflow of €24.3 million (compared to a net cash outflow of €24.7 million in the first half of 2020), mainly including capital expenditure (capex) of €24.5 million, of which approximately €12 million related to development investments in store openings, extensions and renovations.

Free cash flow was €57.27 million in the first half of 2021 compared to €42.6 million during the same period in 2020. This reflected (i) the increase in net cash from operating activities of €20.6 million partially offset by the increased capex described above and a larger reduction of lease debt.

The Group's financing operations generated a net cash outflow of €259.5 million in the first half of 2021 (compared to a net cash inflow of €248.7 million in the first half of 2020), mainly reflecting the repayment of two maturing loans (French state-guaranteed loan for €150 million and a term loan for €50 million) and a €52 million reduction in lease debt.

1.2.2 FINANCIAL RESOURCES

The change in net debt over the period 31 December 2020 to 30 June 2021 was as follows:

		Cash impact			Without cash impact				
(in € millions – IFRS 16)	**31 December 2020**	**Increase**	**Decrease**	**Interest/ Commissions**	**Issuance fees**	**Interest**	**New/Ending Contracts**	**Foreign exchange**	**30 June 2021**
Convertible bond	186.5	-	-	-	0.1	2.2	-	-	188.8
Term loan	49.9	-	(50.0)	(0.2)	0.1	0.2	-	-	-
Logistics loan	(0.2)	-	-	(0.1)	-	0.1	-	-	(0.2)
Revolving credit facilities	(0.1)	-	-	(0.4)	0.2	0.3	-	-	(0.1)
State guaranteed loan	150.3	-	(150.0)	(0.8)	0.2	0.3	-	-	-
Other borrowings [1]	2.1	0.3	(0.3)	(0.1)	-	0.1	-	0.0	2.1
Lease debt	620.1	-	(52.2)	-	-	0.1	56.9	0.6	625.4
Cash and cash equivalents	(296.7)	-	143.8	-	-	-	-	-	(153.0)
TOTAL NET DEBT (IFRS 16)	**711.9**	**0.3**	**(252.5)**	**(0.6)**	**0.6**	**3.3**	**56.9**	**0.6**	**663.1**
Less: Lease debt	(620.1)	-	52.2	-	-	(0.1)	(56.9)	(0.6)	(625.4)
Plus: IAS lease debt	4.6								3.6
TOTAL NET DEBT [2]	**96.4**								**41.3**
LTM EBITDA (IAS 17)	125.7								191.4
Less: Share based payments (incl. social security costs)	2.5								0.6
Post-employment benefits – Defined benefit plan	1.8								1.0
ADJUSTED LTM EBITDA [2]	**130.0**								**191.8**
LEVERAGE RATIO	**0.7x**								**0.2x**

(1) Including other borrowings, deposits and guarantees, and bank overdrafts.

(2) Calculated under IAS 17 in accordance with the senior credit facility agreement.

1.3 Covid-19

During the 1st half of 2021 the European store network was closed on average for 31% of the period (compared to 34% in H1 2020) due to Covid-related lockdowns. The Group estimates that first half 2021 lockdowns reduced total sales during the period by approximately €(45) million (-€60 million stores, +€15 million online) versus approximately €(110) million during the 1st half of 2020 (-€130 million stores, +€20 million online).

1.4 Main Risks and Uncertainties

The main risks and uncertainties to which Maisons du Monde considers itself exposed at the date of this Half-Year Financial Report are those detailed in section 2.2 Risk factors of the 2020 Universal Registration Document.

1.5 Events after the reporting period

The Group has not identified any material event having occurred after the reporting date of 30 June 2021.

1.6 Outlook

As we enter the second half, uncertainty in the environment remains high due to recent and ongoing supply chain disruptions in Asia induced by the Covid outbreak. In addition, store activity could be disrupted should the sanitary conditions deteriorate further.

However, based on an excellent H1 performance, the Group is confident in fully confirming the full-year guidance it provided on 10 March 2021:

- high single-digit top line growth yoy, with broadly unchanged number of stores at year-end;
- an improved EBIT margin, increasing by up to 50 basis points vs 2020;
- free cash flow above its 2020 level.

First-half 2021 condensed consolidated interim financial statements

2

(Half-Year ended 30 June 2021)

2.1 Consolidated income statement

(in € thousands)	Notes	30 June 2021	30 June 2020
Retail sales and commissions related to ordinary activities		665,137	490,330
Other revenue from ordinary activities		26,254	19,600
Revenue	**6**	**691,391**	**509,930**
Cost of sales (1)		(230,681)	(176,225)
Personnel expenses	7	(119,943)	(94,377)
External expenses	8	(211,353)	(175,787)
Depreciation, amortization and allowance for provisions (1)		(79,611)	(75,397)
Fair value – derivative financial instruments	19	(3,772)	9,927
Other income from operations	9	901	634
Other expenses from operations	9	(4,119)	(2,361)
Current operating profit before other operating income and expenses		**42,813**	**(3,656)**
Other operating income and expenses	10	(1,177)	(2,168)
Operating profit (loss)		**41,636**	**(5,824)**
Cost of net debt		(3,663)	(3,797)
Cost of lease debt		(6,164)	(6,649)
Finance income		1,150	2,341
Finance expenses		(2,838)	(1,543)
Financial profit (loss)	**11**	**(11,515)**	**(9,647)**
Profit (loss) before income tax		**30,121**	**(15,471)**
Income tax expense	12	(9,618)	(4,897)
PROFIT (LOSS)		**20,503**	**(20,368)**
Attributable to:			
• Owners of the Parent		19,556	(18,601)
• on-controlling interests		947	(1,767)
Earnings per share attributable to the owners of the parent:			
Basic earnings per share	13	0.43	(0.41)
Diluted earnings per share	13	0.42	(0.35)

(1) Reclassification of depreciation of inventories from the item "Allowances for depreciation, provisions and depreciation" to the item "Cost of sales" for €0. 8 million for June 2020.

The accompanying notes are an integral part of the consolidated financial statements.

2.2 Consolidated statement of other comprehensive income

(in € thousands)	Notes	30 June 2021	30 June 2020
PROFIT (LOSS) FOR THE PERIOD		**20,503**	**(20,368)**
• Remeasurements of post-employment benefit obligations		901	-
• Income tax related to items that will not be reclassified		(327)	(11)
Total items that will not be reclassified to profit or loss		**574**	**(11)**
• Cash-flow hedge	19	30,190	(7,386)
• Currency translation differences		326	71
• Income tax related to items that will be reclassified		(10,237)	2,643
Items that will be reclassified subsequently to profit or loss		**20,279**	**(4,672)**
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		**20,853**	**(4,683)**
TOTAL COMPREHENSIVE INCOME (LOSS)		**41,355**	**(25,051)**
Attributable to:			
• Owners of the Parent		40,640	(23,338)
• Non-controlling interests		715	(1,713)

The accompanying notes are an integral part of the consolidated financial statements.

2.3 Consolidated statement of financial position

ASSETS

(in € thousands)	Notes	30 June 2021	31 December 2020
Goodwill	14	327,027	327,027
Other intangible assets		241,819	243,128
Property, plant and equipment		162,440	162,122
Rights of use	15	632,659	628,599
Other non-current financial assets	16	16,212	15,822
Deferred income tax assets	17	7,127	6,309
Non-current assets		**1,387,284**	**1,383,007**
Inventories	18	186,827	171,526
Trade receivables and other current receivables	18	102,397	107,338
Current income tax assets		19,875	9,883
Cash and cash equivalents		152,976	296,735
Current assets		**462,075**	**585,482**
TOTAL ASSETS		**1,849,359**	**1,968,489**

EQUITY AND LIABILITIES

(in € thousands)	Notes	30 June 2021	31 December 2020
Share capital		146,584	146,584
Share premiums		134,283	134,283
Consolidated Reserves		337,957	329,214
Profit (loss) for the period		19,556	1,469
Equity attributable to owners of the Company		**638,380**	**611,550**
Non-controlling interests		(17,157)	(17,872)
TOTAL EQUITY		**621,223**	**593,678**
Borrowings	21	1,588	1,634
Convertible bond	21	189,071	186,832
Medium and long term lease liability	15	511,139	508,128
Deferred income tax liabilities	17	49,893	41,248
Post-employment benefits	22	12,696	12,933
Provisions	23	6,827	7,459
Derivative financial instruments	19	2,114	17,005
Other non-current liabilities		6,423	6,466
Non-current liabilities		**779,751**	**781,705**
Current portion of borrowings and convertible bond	21	69	200,093
Short term lease liability	15	114,219	111,939
Trade payables and other current payables	18	307,766	255,343
Provisions	23	6,230	4,504
Corporate income tax liabilities		12,996	2,595
Derivative financial instruments	19	7,105	18,632
Current liabilities		**448,385**	**593,106**
TOTAL LIABILITIES		**1,228,136**	**1,374,811**
TOTAL EQUITY AND LIABILITIES		**1,849,359**	**1,968,489**

The accompanying notes are an integral part of the consolidated financial statements.

2.4 Consolidated statement of cash flows

(in € thousands)	Notes	30 June 2021	30 June 2020
Profit (loss) before income tax		30,121	(15,471)
Adjustments for:			
• Depreciation, amortization and allowance for provisions		77,286	74,341
• Net (gain) loss on disposals		2,939	3,312
• Change in fair value – derivative financial instruments	19	3,772	(9,927)
• Share-based payments		(616)	(354)
• Other		6	-
• Cost of net debt	11	3,663	3,797
• Cost of Lease debt	11	6,164	6,649
Cash flow before cost of net financial debt and taxes		**123,336**	**62,347**
Change in operating working capital		28,684	72,688
Income tax paid		(12,167)	(15,741)
Net cash flow from/(used in) operating activities		**139,852**	**119,294**
Acquisitions of non-current assets:			
• Property, plant and equipment		(19,253)	(12,844)
• Intangible assets		(4,957)	(6,880)
• Financial assets		-	(35)
• Other non-current assets		(337)	(60)
Change in debts on fixed assets		(555)	(4,947)
Proceeds from sale of non-current assets		786	70
Net cash flow from/(used in) investing activities		**(24,316)**	**(24,696)**
Proceeds from borrowings	21	272	301,217
Borrowings	21	(200,330)	(353)
Decrease in lease debt	15	(52,223)	(45,427)
Acquisitions (net) of treasury shares		373	121
Interest paid	21	(1,532)	(330)
Lease interest paid		(6,074)	(6,526)
Net cash flow from/(used in) financing activities		**(259,516)**	**248,702**
Exchange gains/(losses) on cash and cash equivalents		146	(470)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(143,834)**	**342,830**
Cash and cash equivalents at beginning of period		296,726	94,478
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**152,892**	**437,307**

(in € thousands)	Notes	30 June 2021	30 June 2020
Cash and cash equivalents (excluding bank overdrafts)		152,976	437,415
Bank overdrafts		(84)	(108)
CASH AND CASH EQUIVALENTS		**152,892**	**437,307**

The accompanying notes are an integral part of the consolidated financial statements.

2.5 Consolidated statement of changes in equity

(in € thousands)	Notes	Attributable to owners of the parent: Share capital	Share premium	Consolidated Reserves	Currency translation reserves	Total	Non-controlling interest	Total equity
Balance as of 1 January 2020		**146,584**	**134,283**	**351,188**	**1,077**	**633,131**	**(679)**	**632,453**
Share-based payments	7.2	-	-	(354)	-	(354)	-	(354)
Treasury shares		-	-	158	-	158	-	158
Profit (loss) for the period		-	-	(18,601)	-	(18,601)	(1,767)	(20,368)
Other comprehensive income for the period		-	-	(4,754)	17	(4,737)	54	(4,683)
Other changes		-	-	45	-	45	-	45
BALANCE AS OF 30 JUNE 2020		**146,584**	**134,283**	**327,682**	**1,094**	**609,642**	**(2,392)**	**607,251**
Balance as of 1 January 2021		**146,584**	**134,283**	**331,494**	**(811)**	**611,550**	**(17,872)**	**593,678**
Dividends cash-settled [(1)]		-	-	(13,509)		(13,509)		(13,509)
Share-based payments	7.2	-	-	(616)	-	(616)	-	(616)
Treasury shares		-	-	251	-	251	-	251
Profit (loss) for the period		-	-	19,556	-	19,556	947	20,503
Other comprehensive income for the period		-	-	20,527	558	21,085	(232)	20,853
Other changes		-	-	63	-	63	-	63
BALANCE AS OF 30 JUNE 2021		**146,584**	**134,283**	**357,765**	**(253)**	**638,380**	**(17,157)**	**621,223**

(1) The dividends are scheduled to be paid out on 7 July 2021 (cf. note 13).

The accompanying notes are an integral part of the consolidated financial statements.

Maisons du Monde S.A. is a limited liability company with a Board of Directors, governed by the laws of France. Its registered office is at Le Portereau – 44120, Vertou. Maisons du Monde's shares are listed on Euronext Paris. The Company's LEI (Legal Entity Identifier) code is 9695009DV2698O4ZBU71. During the period, there were no changes concerning the identification of the holding company of the Consolidated Group.

The following consolidated interim financial statements, prepared in accordance with IFRS as adopted by the European Union, cover Maisons du Monde S.A. and its subsidiaries and equity interests in affiliated companies (hereafter referred collectively as 'the Group' and individually as a "subsidiary" or "joint-venture").

The Group is a fast-growing omnichannel retailer of stylish, affordable furnishings and homeware products through its network of stores and its e-commerce platform. Its product range includes a wide variety of styles and categories of furnishings, both in terms of small decorative items, with products including household textiles, tableware and kitchenware, mirrors and picture frames, and large decorative products and furniture, such as large mirrors and lamps, tables, chairs, armchairs and sofas, cupboards, bookshelves, and outdoor furniture.

The condensed interim consolidated financial statements have been authorized for issue by the Board of Directors held on 27 July 2021. All amounts are expressed in thousands of euros unless otherwise stated.

2

Contents

Note 1 Significant events

1.1 State-guaranteed loan (PGE)

To secure its cash flow in the specific context of the Covid-19 crisis, the Group contracted a 150 million State-guaranteed loan in June 2020. At the beginning of June 2021, the Group repaid the loan and paid the guaranteed premium for €0. 8 million.

1.2 Impact of the coronavirus pandemic

The Group estimates that the closures in the first half of 2021 had an impact on total sales for the period by around €(45) million (-€60 million for stores, €+15 million for online sales) compared to €(110) million in the first half of 2020 (-€130 million for stores, €+20 million for online sales).

Revenue from stores in the first half of 2021 increased by 30% over a rolling year to reach €394 million.

Due to the closures linked to Covid-19, the European network was open on average for 69% of the first half-year of 2021 (compared to 66% in the first half-year of 2020). The turnover of French stores (52% of the total turnover of stores) reached €203 million (+21% over a rolling year), while the rest of the European network and Modani reached €191 million (+42% year-on-year).

Note 2 Accounting policies and consolidation rules

2.1 Basis of preparation

The condensed consolidated financial statements for the six-month period ended 30 June 2021 have been prepared in accordance with IAS 34 – Interim Financial Reporting. The accompanying notes therefore relate to significant events and transactions of the period and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2020.

The accounting policies used in the preparation of the condensed consolidated financial statements for the period from 1 January to 30 June 2021 comply with international financial reporting standards (IFRS) as endorsed by the European Union. The standards adopted by the European Union are available on the European Commission's website: http://www.efrag.org/Endorsement.

The accounting policies applied as of 30 June 2021 are identical to those described in the notes to the published consolidated financial statements as of 31 December 2020.

Financial data is presented in € thousands. Amounts are rounded to the nearest thousand, unless otherwise stated. Generally speaking, the amounts stated in the consolidated financial statements and notes to the consolidated financial statements are rounded to the nearest unit. As a result, there may be immaterial differences between the sum of the rounded amounts and the total reported.

2.2 New standards, amendments and interpretations

a) New standards, amendments to existing standards and interpretations whose application is mandatory as of 1 January 2021

Adopted by the European Union:

- amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest rate benchmark reform Phase 2;
- amendments to IFRS 4 – Insurance contracts – Deferral of IFRS 9 application.

The work carried out by the Group on this subject has led to the conclusion that the impact is not significant on the financial statements.

Not yet adopted by the European Union:

- Amendment to IFRS 16 - Covid 19 rent concessions occurring after 30 June 2021 (lessees only). Extension of the eligibility criteria for the practical relief granted by the amendments to IFRS 16 - Covid 19 issued in 2020.

b) New standards, amendments to existing standards and interpretations applicable in future years, not early adopted by the Group

Adopted by the European Union:

- several amendments to IFRS 3 – Business Combinations, IAS 16 – Property, Plant and Equipment, IAS 37 – Provisions, Contingent Liabilities and Contingent Assets and Annual Improvements 2018-2020.
- Amendments to IFRS 1, IFRS 9, IAS 41 and IFRS 16.

Not yet adopted by the European Union:

- IFRS 17 – Insurance Contracts including Amendments to IFRS 17;
- amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current;
- amendments to IAS 1 – Presentation of Financial Statements: Information to be disclosed relating to the accounting methods;
- amendments to IAS 8 – Definition of Accounting Estimates;
- amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;

c) New standards, amendments to existing standards and interpretations applicable in future years, adopted by the Group

Adopted by the European Union: None.

Not yet adopted by the European Union: None.

Note 3 Critical estimates and judgements

The preparation of consolidated financial statements in compliance with IFRS requires the use of certain critical accounting estimates and judgments that may have an impact on the carrying amount of certain assets, liabilities, proceeds, expenses and on the information provided in the notes to the financial statements.

Estimates and assumptions are reviewed on a regular basis, and at least on each reporting date. They may vary if the circumstances on which they are based change or new information becomes available. Actual results may differ materially from these estimates.

The main estimates made by Management during the preparation of the consolidated financial statements relate to the assumptions used for:

- valuation of intangible assets (goodwill and brands): note 14;
- deferred tax: note 17;
- financial instruments and their classification: note 19;
- provision for litigations: note 23;
- the duration used for the rental contracts and the Group's marginal debt ratio: note 15;
- uncertain tax positions in accordance with IFRIC 23.

Regarding the Goodwill, an impairment test is performed annually or whenever potential impairment evidence has occurred.

As part of the preparation of condensed interim financial statements, the Group uses certain specific valuation methods in accordance with IAS 34 – Interim Financial Reporting:

- the tax expense is calculated for each tax entity by applying to the taxable result of the period the estimated annual average effective rate for the current year;
- the cost of retirement obligations is calculated on the basis of projected actuarial valuations carried out at the end of the previous financial year. These valuations are adjusted to take into account any amendments, reduction or liquidation of the plan. In addition, in the event of a significant market fluctuation having an impact on the actuarial assumptions (discount rate and inflation rate), a new valuation of the retirement commitments is carried out by extrapolating the annual actuarial valuation.

Note 4 Seasonality

The decoration and furniture market in which the Group operates is subject to seasonal fluctuations. The Group's results for any quarter may not necessarily be indicative of the results that may be achieved for the full financial year.

The Group's quarterly results have fluctuated in the past and may fluctuate significantly in the future, depending upon a variety of factors, including, among other things, the Group's product offerings, store openings, store closings, level of home remodellings or relocations, shifts in the timing of holidays, timing of catalogue releases, timing of delivery of orders, competitive factors, and general economic conditions.

In addition, the Group has historically generated, and expects to continue to generate, higher results of operations and EBITDA in the fourth quarter of its financial year, corresponding to the winter selling season. However, the Group's fixed costs, including personnel costs, leases, general and administrative expenses, are more evenly distributed over the course of the year.

2.6 Notes on consolidated income statement

Note 5 Geographical segment information

In accordance with IFRS 8 'Operating segments', segment information is based on internal analytical data used to analyse the performance of activities and the allocation of resources by the Board of Directors, which is the Group's main operational decision-making body.

Consequently, an operating segment is a separate component of the Group that engages in activities from which the Group is likely to acquire revenue, ordinary activities and incur expenses. Each operating segment is regularly reviewed by the Board of Directors in order to take decisions on the resources to be allocated and to evaluate their performance.

Sales, EBITDA and Goodwill, other intangible assets and property, plant and equipment are presented by geographical segments. The operating segments (geographical) are as follows:

- France;
- international.

In addition, the corporate segment includes the holding company's activities, including assets that cannot be allocated to any segments and CICE. This segment, which does not include any revenues, mainly comprises overheads related to Finance, Legal, Human Resources and IT Departments as well as expenses related to design, procurement, customer relationship management (CRM) and merchandising.

The Group defines its annual EBITDA as its current operating profit before other operating income and expenses excluding the following:

i) depreciation, amortization and allowance for provisions;

ii) the change in fair value of its derivative instruments, which are both non-cash items, as well as; and

iii) store preopening expenses related to expenses incurred prior to the opening of new stores.

Half-yearly EBITDA is defined in the same way as annual EBITDA but includes: i) expenditure related to annual catalogue at proportionate to the amount incurred in the first half of 2021 and 2020; and (ii) the *prorata* impact of full recognition of certain taxes.

EBITDA by geographical segment includes:

- allocations of certain marketing expenses related to the network of stores as well as operating and marketing expenses for the e-commerce platform. The allocation of these expenses by geographical segment is based on Sales (stores and e-commerce) for each country;
- allocation of EBITDA of the logistical entities by geographical segment is based on their respective cost of sales.

Sales and EBITDA related to B2B activity (Maisons du Monde) has been fully allocated to the France segment.

This segment information is consistent with groups of CGU that have been identified for the impairment test (see note 14).

5.1 Segment income statement

(in € thousands)	30 June 2021	31 June2020
Retail sales	656 409	489 060
France	*334,931*	*252,283*
International	*321,478*	*236,777*
Cost of sales	(230,681)	(176,225)
Gross margin	**425,728**	**312,835**
Gross margin *(in %)*	**64.9%**	**64.0%**
EBITDA	**132,047**	**68,053**
France	*83,877*	*52,001*
International	*91,471*	*52,304*
Corporate	*(43,301)*	*(36,252)*
Depreciation, amortization and allowance for provisions	(79,611)	(75,397)
EBIT	**52,436**	**(7,343)**
Change in fair value – derivative financial instruments	(3,772)	9,927
Expenses prior to openings	(394)	(14)
Pro rata – catalogs related expenses	(4,513)	(5,323)
Pro rata – taxes (IFRICS 21)	(944)	(903)
Current operating profit before operating income and expenses	**42,813**	**(3,656)**
Other operating income and expenses	(1,177)	(2,168)
Operating profit (loss)	**41,636**	**(5,824)**
Financial profit (loss)	(11,515)	(9,647)
Profit (loss) before income tax	**30,121**	**(15,471)**
Income tax expense	(9,618)	(4,897)
PROFIT (LOSS)	**20,503**	**(20,368)**

Information presented above has been restated compared to the financial statements presented as at 30 June 2020, in particular at the cost of sales level where inventory depreciations are now included and at the level of sales where we have integrated sales to franchise and promotional sales and subtracted the services of Savane Vision (Rhinov).

5.2 Segment assets and liabilities

The Group discloses here only segment assets whose amounts are regularly reviewed by the Executive Committee, under Board of Directors' supervision.

	30 June 2021			
(in € thousands)	France	International	Corporate	Total
Segment assets [(1)]	349,635	163,754	217,898	731,287
Rights of use	343,648	281,860	7,151	632,659
Non-segment assets				485,413
TOTAL ASSETS				**1,849,359**

(1) Goodwill, other intangible and tangible assets.

	31 December 2020			
(in € thousands)	**France**	**International**	**Corporate**	**Total**
Segment assets [(1)]	350,489	163,471	218,317	732,277
Rights of use	355,067	264,499	9,033	628,599
Non-segment assets				607,613
TOTAL ASSETS				**1,968,489**

(1) Goodwill, other intangible and tangible assets.

Note 6 Revenue

6.1 Revenue breakdown

(in € thousands)	30 June 2021	30 June 2020
Sales	653,882	487,589
Sales to franchise and promotional sales	2,527	1,471
Sub-total of sales	**656,409**	**489,060**
Services and commissions	8,728	1,270
Retail sales and commissions related to ordinary activities	**665,137**	**490,330**
Transportation to customers	23,276	15,020
Supply chain services	207	199
Other services	2,772	4,380
Other Revenue from ordinary activities	**26,254**	**19,600**
TOTAL REVENUE	**691,391**	**509,930**

6.2 Revenue of goods and commissions related to ordinary activities by channel

	30 June 2021			30 June 2020		
(in € thousands)	Maisons du Monde	Modani	Total	Maisons du Monde	Modani	Total
Stores	371,198	25,753	396,951	287,001	17,396	304,397
Web	265,704	2,482	268,186	183,634	2,299	185,933
TOTAL SALES	**636,902**	**28,235**	**665,137**	**470,635**	**19,695**	**490,330**

6.3 Revenue of goods and commissions related to ordinary activities by product

	30 June 2021			30 June 2020		
(in € thousands)	Maisons du Monde	Modani	Total	Maisons du Monde	Modani	Total
Decoration	326,830	284	327,114	238,281	198	238,479
Furniture	301,345	27,951	329,296	231,085	19,496	250,581
Benefits and services	8,728	-	8,728	1,270	-	1,270
TOTAL SALES	**636,902**	**28,235**	**665,137**	**470,636**	**19,694**	**490,330**

Note 7 Personnel expenses

7.1 Wages and salaries

Personnel expenses are broken down as follows:

(in € thousands)	30 June 2021	30 June 2020
Wages and salaries	(83,334)	(69,093)
Social security costs	(25,490)	(20,266)
Share-based payment (including social security costs)	643	103
Employee profit-sharing (including social security costs)	(10,747)	(4,115)
Post-employment benefits – Defined benefit plans	(1,016)	(1,006)
TOTAL PERSONNEL EXPENSES	**(119,943)**	**(94,377)**

The increase in "wages and salaries" and "social security charges" is mainly explained by the impact of the short-time unemployment measures put in place by the various governments, which decreased by around €16. 6 million between June 2020 and June 2021.

Participation was determined on an updated basis, taking into account a uniform distribution throughout the year, unlike in June 2020 when it followed seasonal variations in activity.

The average number of full-time employees (FTE) is 7,143 for the half-year 2021compared to 6,777 for half-year 2020.The change mainly concerns the Vietnam's subsidiary.

7.2 Free share plan

a) New performance share plan

The 31st resolution adopted by the Extraordinary Shareholder's Meeting held on 12 June 2020 authorizes the Board of Directors to grant free shares to Group employees, up to a maximum of 2% of the Company's share as of 31 December 2019 over a 38-month period. Under this authority, the Board of Directors adopted a new plan on 25 March 2021, which granted 209,292 performances shares to 193 beneficiaries located in France and abroad.

Performance shares are subject to:

- a continued service requirement during the vesting period: the shares granted to a beneficiary shall only finally vest if he or she has been an employee of a Group company during a vesting period, calculated as from the grant date, of 36 months, *i.e.* 25 March 2024;
- in the event of death, disability or retirement, the beneficiary retains his rights, being no longer required to satisfy the continued service requirement;
- performance requirements based on Sales levels and EBIT for all beneficiaries set between 2020 and 2023;
- performance requirement relating to environmental and social criteria;
- performance requirement related to the total return for the shareholder (TSR or Total Shareholder Return) of the Houses of the World share relative to the CAC MID 60 GR index.

The granted shares shall be either shares issued through a share capital increase performed by Maisons du Monde S.A. by no later than the definitive vesting date or shares bought back by the Group on the market prior to such date.

b) Information on the fair value of attribution of performance shares

	Plan n°5a	Plan n°5b	Plan n°6	Plan n°7
	9 June 2019	24 June 2019	10 March 2020	25-mars-21
Duration of plan	3 years	3 years	3 years	3 years
Fair value of performance shares *(in €)*	15.49	18.35	8.64	19.07

The performance conditions as defined were calculated for plan n° 5a, 5b, 6 and 7.

In the first half of 2021, as part of the plans to allocate performance shares, revenue of €0.6 million (excluding payroll costs) was recorded in the income statement under personnel expenses (compared with a revenue of €0.4 million in June 2020), offset by an increase in shareholders' equity.

c) New stock option plan

For the financial year 2021, as part of the stock option plans, no expense was recognized in the income statement as personnel expenses.

Note 8 External expenses

External expenses are broken down as follows:

(in € thousands)	30 June 2021	30 June 2020
Energy and consumables used	(14,347)	(11,254)
Leases and related expenses	(16,610)	(24,593)
Repairs and maintenance	(10,854)	(8,827)
Insurance	(1,257)	(991)
Advertising & marketing	(37,758)	(28,641)
Transportation	(87,803)	(67,599)
Bank services	(5,382)	(4,223)
Taxes other than on income	(7,403)	(7,558)
Other external expenses	(29,939)	(22,102)
TOTAL EXTERNAL EXPENSES	**(211,353)**	**(175,787)**

"Leases and related expenses" correspond to variable rents, rents from non-restated (short-term) rental contracts as well as rental charges. It includes also short-term furniture contracts, for low-value goods or contracts for which the Group does not obtain almost all the economic benefits associated with the use of the asset.

Main variations in 'Leases and related expenses' are mainly due to significant events in June 2020:

- charges of circa €(11.0) million in storage costs in port areas following the strike by the Marseille dockers and the paralysis of goods during the Covid-19 period; and
- the negotiations carried out by the Group with the lessors of the stores over the closing period of €5.2 million in application of the IFRS 16 amendment published in October 2020 by the European Union relating to rent reductions related to Covid-19.

Increase in "Advertising and marketing" is mainly due to higher web acquisition costs due to increased online sales.

Increase in "Transportation" is explained by the strong development of online sales leading to direct deliveries to the customer.

Other external expenses consist mainly of external staff costs, honoraria, logistics outsourcing costs and travel costs.

Increase in "Other external charges" comes from the cost-cutting plan implemented in the context of the coronavirus crisis in the first half of 2020, which significantly reduced this item on 30 June 2020.

Note 9 Other income and expenses from operations

Other income and expenses from operations are broken down as follows:

(in € thousands)	30 June 2021	30 June 2020
Preopening expenses	(394)	(14)
Gains and losses on disposals (1)	(1,398)	(1,204)
Commercial disputes & losses	(803)	(32)
Leases & related expenses (1)	(110)	(90)
Other income and expenses from operations	(514)	(387)
TOTAL OTHER OPERATING INCOME/EXPENSES FROM OPERATIONS	**(3,218)**	**(1,727)**

(1) Relate to stores relocated in the same area.

Note 10 Other operating income and expenses

Other operating income and expenses are broken down as follows:

(in € thousands)	30 June 2021	30 June 2020
Restructuring costs	(201)	(604)
Impacts related to store closures (1)	(2,070)	(1,564)
Other (2)	1,094	-
TOTAL OTHER OPERATING INCOME/(EXPENSES)	**(1,177)**	**(2,168)**

(1) Refers to stores closed or being closed and not repositioned in the same area. The impact presented includes charges and reversals recognized following the closure of stores.

(2) Corresponds to the reversal of an unused provision following the extinction of a litigation (cf. note 23).

Note 11 Financial profit (loss)

Finance income and expenses are broken down as follows:

(in € thousands)	30 June 2021	30 June 2020
Interests on term loan	(288)	(343)
Interests on convertible bond	(2,354)	(2,311)
Interests on loans, including Revolving Credit Facilities	(1,020)	(1,141)
Others	(2)	(2)
Cost of net debt	**(3,663)**	**(3,797)**
Cost of lease debt	(6,164)	(6,649)
Exchange gains and losses	(578)	1,803
Commission costs	(1,112)	(1,020)
Other finance income & costs	2	15
TOTAL FINANCIAL PROFIT (LOSS)	**(11,515)**	**(9,647)**

Note 12 Income tax

Income tax is broken down as follows:

(in € thousands)	30 June 2021	30 June 2020
Current income tax	(12,408)	(10,006)
Deferred tax	2,790	5,109
INCOME TAX EXPENSE	**(9,618)**	**(4,897)**

Note 13 Earnings per share

(in € thousands, unless otherwise stated)	30 June 2021	30 June 2020
Profit (loss) for the period attributable to shareholders of the parent	**19,556**	**(18,601)**
Weighted average number of ordinary shares *(in thousands)*	45,050	45,044
BASIC EARNINGS PER SHARE *(IN €)*	**0.43**	**(0.41)**

(in € thousands, unless otherwise stated)	30 June 2021	30 June 2020
Profit (loss) for the period attributable to shareholders of the parent (1)	21,118	(17,145)
Weighted average number of ordinary shares *(in thousands)*	**45,050**	**45,044**
Adjustment for dilutive impact of performance shares	556	248
Dilutive effect of convertible bonds	4,149	4,126
Adjusted weighted average number of ordinary shares, excluding treasury shares *(in thousands)*	**49,755**	**49,418**
DILUTED EARNINGS PER SHARE *(IN €)*	**0.42**	**(0.35)**

(1) For the calculation of the diluted earnings per share, the profit (loss) for the period has been restated of convertible bonds' interests.

The share capital of the Group as of 30 June 2021, consists solely of the ordinary shares of Maisons du Monde S.A. and the number of ordinary shares remained the same during the 2021 and 2020 financial years.

The change in the weighted average number of common shares is the result of restating treasury stock, whose number has changed during the period (see note 19.2).

Diluted earnings per share consider the weighted average number of performance shares allocated to employees (see note 7.2) and the convertible bond (see note 20.1).

For the financial year 2020, an ordinary dividend of €0.30 per share was awarded at the Annual General Meeting on 4 June 2021 and paid out on 7 July 2021 for a total amount of €13,509 thousand. The dividend on shares held by the Group at the time of the transfer the dividend has not been paid. Thus, the amounts corresponding to the dividends not paid to the auto shares -detained, are assigned to "deferred again" account.

2.7 Notes on consolidated balance sheet

Note 14 Goodwill

14.1 Goodwill

Management reviews the business performance based on geography. Therefore, management allocates the goodwill at the geographical area-level. For the Group, it has identified France and International geographical areas.

The following is a summary of goodwill allocation:

(in € thousands)	France	International	Total
Balance as of 1 January 2020	**246,793**	**128,409**	**375,202**
Impairment	-	(47,382)	(47,382)
Currency translation differences	-	(793)	(793)
Balance as of 31 December 2020	**246,793**	**80,234**	**327,027**
Impairment	-	-	-
Currency translation differences	-	-	-
NET CARRYING AMOUNT AS OF 30 JUNE 2021	**246,793**	**80,234**	**327,027**

14.2 Analysis of the situation as of 30 June 2021

As at 31 December 2020, the impairment tests carried out showed that the margin between the recoverable and book values of the assets was very large for both UGT France and UGT International (margin representing respectively 54% and 63% of the net assets employed).

As at 30 June 2021, the Group considers that the assumptions used to determine the recoverable value of goodwill as at 31 December 2020 have not changed for the period to require new impairment tests.

As a result, no further depreciation was recorded as at 30 June 2021.

Note 15 Right of use and lease debt

15.1 Right of use

The rights of use have the following net values:

(in € thousands)	Constructions	Technical installations, industrial equipment and machinery	Other property, plant and equipment	Total
Net carrying amount as of 1 January 2020	**669,963**	**6,087**	**4,040**	**680,090**
New contracts included re-evaluation	53,882	1,462	8,514	63,858
Ended contracts	(3,609)	(60)	60	(3,609)
Amortization charge	(104,916)	(2,343)	(2,478)	(109,737)
Impairment (charge/release)	24	-	-	24
Other	714	-	-	714
Currency translation differences	(2,741)	-	-	(2,741)
Net carrying amount as of 31 December 2020	**613,317**	**5,146**	**10,136**	**628,599**
New contracts included re-evaluation	61,602	-	-	61,602
Ended contracts	(4,758)	-	-	(4,758)
Amortization charge	(51,695)	(1,125)	(1,254)	(54,074)
Other	744	-	-	744
Currency translation differences	545	-	-	545
NET CARRYING AMOUNT AS OF 30 JUNE 2021	**619,756**	**4,021**	**8,882**	**632,659**

15.2 Lease debt

The changes in lease debt are detailed as follows:

		Cash impact		Without cash impact					
(in € thousands)	31 December 2020	Increase	Decrease	New contracts included re-evaluation	Outputs contracts	Interest	Change effect	Other	30 June 2021
Lease debt	620,067	-	(52,223)	61,358	(4,516)	91	581	-	625,358
TOTAL NET DEBT	620,067	-	(52,223)	61,358	(4,516)	91	581	-	625,358

As of 30 June 2021, the maturities of lease debt are analysed as follows:

	Maturity as of 30 June 2021			
(in € thousands)	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Lease debt	114,219	331,415	179,739	625,358
TOTAL BORROWINGS	114,219	331,415	179,739	625,358

As of 30 June 2021, the lease debt bears interest at a fixed rate.

Note 16 Other non-current financial assets

(in € thousands)	30 June 2021	31 December 2020
Equity securities [(1)]	2,244	2,246
Other financial assets [(2)]	13,968	13,576
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	16,212	15,822

(1) *Equity securities mainly correspond to investments in economic interest groups acquired at the opening of stores for €2.2 million.*

(2) *Other financial assets relate mainly to deposits and guarantees paid or granted to the lessor of the store, warehouses, headquarters and facilities for €14 million.*

Note 17 Deferred income tax assets and liabilities

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

(in € thousands)	30 June 2021	31 December 2020
Deferred tax assets	7,127	6,309
Deferred tax liabilities	(49,893)	(41,248)
TOTAL DEFERRED TAX ASSETS/(LIABILITIES)	(42,767)	(34,939)

The deferred income tax assets and liabilities are offset when they are in the same tax jurisdiction and that the applicable tax regulations allow this compensation for the tax due.

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. According to the forecast budget, the Group has fully activated France's tax loss carry forwards.

It amounts to €4,2 million as of 30 June 2021 compared to €4,1 million as of 31 June 2020. The change is due to the activation of the deficit at the level of Rhinov.

A projected budget has been established to demonstrate the use of this deferred tax asset within a reasonable time period.

Note 18 Analysis of Working Capital

The analysis of working capital is as follows:

(in € thousands)	31 December 2020	Change in Working Capital	Other changes	Change effect	30 June 2021
Inventories	171,526	14,986	-	315	186,827
Trade receivables and other current receivables	107,338	(5,222)	-	281	102,397
Assets	**278,864**	**9,764**	**-**	**596**	**289,224**
Trade payables and other current payables [(1)]	255,343	38,622	13,276	525	307,766
Other non-current liabilities	6,466	(174)	-	131	6,423
Liabilities	**261,809**	**38,448**	**13,276**	**656**	**314,188**
WORKING CAPITAL	**17,055**	**(28,684)**	**(13,276)**	**(60)**	**(24,965)**

(1) *The impact of 13.3 million in "trade payables and other current payables" mainly corresponds to the amount of the dividend which is not attributable to the BFR linked to the activity but is presented in this aggregate.*

2

18.1 Inventories

The carrying amounts of inventories are broken down as follows:

(in € thousands)	30 June 2021	31 December 2020
Packaging and supplies	5,326	4,857
Semi-finished products	2,193	1,954
Merchandise	181,629	166,474
Gross value	**189,148**	**173,285**
Depreciation	(2,321)	(1,759)
NET CARRYING AMOUNT	**186,827**	**171,526**

18.2 Trade receivables and other current receivables

Trade receivables and other current receivables are broken down as follows:

(in € thousands)	30 June 2021	31 December 2020
Trade receivables	10,852	16,241
Impairment of receivables	(5,341)	(3,805)
Trade receivables – Net	**5,510**	**12,436**
Advances paid to suppliers	46,881	48,658
Receivables from suppliers	2,440	2,076
Taxes and duties	26,023	21,259
Other receivables	3,183	3,053
Prepaid expenses	18,359	19,856
Other receivables	**96,887**	**94,902**
TOTAL TRADE AND OTHER RECEIVABLES	**102,397**	**107,338**

All receivables have a maturity date shorter than one year. Main variation to "taxes and duties" is due to: CFE advance payments of €1. 7 million; the increase in deductible VAT (accrued expenses and VAT on disbursements) linked to the increase in the supplier item and receivables in connection with short-time work.

18.3 Trade and other payables

Trade and other payables are broken down as follows:

(in € thousands)	30 June 2021	31 December 2020
Trade payables	138,297	102,030
Dividends payables	13,508	-
Advance payments received on orders in progress	52,541	53,803
Social and tax payables	74,782	67,402
Amounts payable on fixed assets	2,031	2,586
Deferred revenue	26,607	29,522
TOTAL TRADE PAYABLES AND OTHER PAYABLES	307,766	255,343

Main variation to 'Trade payables and other payables' is due to:

- the extension of the activity;
- the increase in "social and tax payables" is linked to the increase in VAT to be paid;
- the decrease in "Deferred revenue" is mainly due to the reduction of undelivered good.

Note 19 Derivative financial instruments

The fair value of derivative financial instruments is broken down as follows:

	30 June 2021		31 December 2020	
(in € thousands)	Asset	Liability	Asset	Liability
Forward foreign exchange contracts	-	9,219	-	35,637
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	-	9,219	-	35,637

All contracts are intended to cover the purchase of goods and freight in US dollars. These derivative financial instruments had a total nominal value of $705.7 million as of 30 June 2021 and $741.2 million as of 31 December 2020.

The amount recognized directly in equity as of 30 June 2021 is €(30.2) million. It corresponds to the value of the current contract at the closing date which is intended to cover the expected cash flows. The amount recognized in the profit or loss, in current result, for € 3.8 million corresponds to the time value for the change in fair value of hedging instruments (forwards spread 'premium/discount').

Note 20 Equity

The Group's policy is to maintain a strong capital base to maintain investor, creditor, and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to shareholders.

20.1 Shares

The share capital as of 30 June 2021 is composed of 45,241,894 ordinary shares of Maisons du Monde S.A. Based on a nominal value of €3.24 per share, Maisons du Monde S.A.'s share capital amounted to €146,583,736.56 as at 30 June 2021.

20.2 Treasury shares

Treasury shares are Maisons du Monde S.A. shares held by the Group as part of a liquidity contract, in accordance with an Ethics Charter established by the French association of financial markets (AMAFI charter) and approved by the French financial market's authority *(Autorité des marchés financiers)*, or as part of shares buyback plans allocated to performance shares plans.

As of 30 June 2021, the Group held 51,245 treasury shares under this liquidity contract compared to 67,809 as of 31 December 2020. As part of the share's buyback plans allocated to performance shares plans, the Group holds 162,114 treasury shares.

2

Note 21 Net debt

21.1 Net debt

The variations in net debt are broken down as follows:

		Cash impact		Without cash impact				
(in € thousands)	31 December 2020	Increase	Decrease	Interest and commission paid	Issuance fees	Interest	Change effect	30 June 2021
Cash at bank and in hand	296,587	-	(143,764)	-	-	-	-	152,823
Short term investments & cash equivalent	148	5	-	-	-	-	-	154
TOTAL CASH AND CASH EQUIVALENTS	**296,735**	**5**	**(143,764)**	**-**	**-**	**-**	**-**	**152,976**
Convertible bond	186,485	-	-	-	124	2,230	-	188,839
Term loan	49,949	-	(50,000)	(237)	84	204	-	-
Logistic credit	(186)	-	-	(72)	-	72	-	(186)
Revolving Credit Facilities	(88)	-	-	(411)	166	264	-	(69)
State-guaranteed term Loan	150,290	-	(150,000)	(750)	147	313	-	-
Other borrowings	1,193	197	(133)	(62)	-	67	11	1,273
Deposits and guarantees	907	75	(197)	-	-	-	1	786
Banks overdrafts	9	75	-	-	-	-	-	84
TOTAL DEBT	**388,559**	**346**	**(200,330)**	**(1,532)**	**521**	**3,150**	**12**	**190,727**
TOTAL NET DEBT	**91,824**	**341**	**(56,566)**	**(1,532)**	**521**	**3,150**	**12**	**37,750**

The short-term investment (such as SICAV and certificate of deposit) consist of investment of short duration (less than 3 months) with minimal risk of value's fluctuation.

The bank overdrafts are presented with loans in the "current liabilities" section.

The breakdown by currency of the net debt is broken down as follows:

	30 June 2021					
(in € thousands)	EUR	CHF	GBP	USD	Others currency	Total
Convertible bond	188,839	-	-	-	-	188,839
Term loan	-	-	-	-	-	-
Revolving Credit Facilities	(69)	-	-	-	-	(69)
Logistic credit	(186)	-	-	-	-	(186)
State-guaranteed term Loan	-				-	-
Other borrowings	1,273	-	-	-	-	1,273
Deposits and guarantees	786	-	-	-	-	786
Banks overdrafts	84	-	-	-	-	84
Cash and cash equivalents	(126,824)	(4,060)	(2,287)	(18,706)	(1,100)	(152,977)
TOTAL NET DEBT	**63,903**	**(4,060)**	**(2,287)**	**(18,706)**	**(1,100)**	**37,750**

	31 December 2020					
(in € thousands)	**EUR**	**CHF**	**GBP**	**USD**	**Others currency**	**Total**
Convertible bond	186,485	-	-	-	-	186,485
Term loan	49,949	-	-	-	-	49,949
Revolving Credit Facilities	(88)	-	-	-	-	(88)
Logistic credit	(186)	-	-	-	-	(186)
State-guaranteed term Loan	150,290				-	150,290
Other borrowings	937	-	-	256	-	1,193
Deposits and guarantees	866	-	-	41	-	907
Banks overdrafts	9	-	-	-	-	9
Cash and cash equivalents	(277,660)	(8,302)	(3,027)	(6,656)	(1,090)	(296,735)
TOTAL NET DEBT	**110,602**	**(8,302)**	**(3,027)**	**(6,359)**	**(1,090)**	**91,824**

The net debt lists the following credit facilities:

a) Convertible Bond

On 6 December 2017, Maisons du Monde issued bonds convertible into new or existing shares ("OCEANE") due December 2023. Bonds have been issued at par value and bear interest at an annual rate of 0.125%.

As of 30 June 2021:

- the amount of the convertible bond, net of issuance fees, amounts to €188,8 million;
- effective interest rate stands at 2,55% and the financial expenses amounts to €2,4 million (debt accretion effect using the effective interest rate method).

During 2021, no bonds were converted or refunded.

b) Senior Credit Facilities ("Term Loan" and "RCF") and additional Revolving Credit Facility ("Additional RCF")

In April 2021, the Group obtained the renewal of its revolving credit facility ("RCF") €75 million and its additional revolving credit facility of €75 million. As at 30 June 2021, these two revolving credit facilities are undrawn.

In May 2021, the Group repaid its entire long-term loan for €50 million.

c) State-guaranteed loan

At the beginning of June, the Group repaid the € 150 million term loan entered into under the EMP and paid the guarantee premium for € 0. 8 million.

d) Financial expenses

The corresponding financial expenses are broken down as follows at 30 June 2021:

	Finance expenses			
	Interest rate	**Margin**	**Commitment Fees**	**User fees**
Term loan	Euribor 6 month	1.00%	n/a	n/a
Revolving Credit Facility (available amount)	n/a	n/a	0.44%	n/a
Revolving Credit Facility (undrawn amount)	Euribor 1, 3 or 6 months (1)	1.00%	n/a	
Less than €25 million				0,1%
From €25 million to €50 million				0,2%
More than €50 million				0,4%

(1) The applicable Euribor period depends on the interest rate period applicable to the relevant drawdown.

The margin stayed stable to 1.00%.

The revolving credit facilities includes a financial covenant requiring the Leverage Ratio, which is the ratio of total net debt on the last day of the current period to *pro forma* consolidated EBITDA (*proforma* IAS 17) is respected as at 30 June 2021.

21.2 Maturity of borrowings and other financial debts

As of 30 June 2021, the maturity ranges of borrowings are as follows:

	Maturity as of 30 June 2021			
(in € thousands)	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Convertible bond	(232)	189,071	-	188,839
Logistic credit	-	(60)	(126)	(186)
Revolving Credit Facilities	(69)	-	-	(69)
Other borrowings	286	496	489	1,273
Deposits and guarantees	-	-	786	786
Bank overdraft	84	-	-	84
TOTAL BORROWINGS	**69**	**189,507**	**1,149**	**190,727**

21.3 Fixed and variable rate

(in € thousands)	30 June 2021	31 December 2020
Floating rate	(50)	50,004
Fixed rate	190,777	338,555
TOTAL BORROWINGS	**190,727**	**388,559**

Floating rate borrowings includes the Credit revolving facilities, financial leases and bank overdrafts.

Note 22 Post-employment benefits

The employment benefits provision relates to defined-benefit pension plans.

The defined benefit obligations are broken down by country as follows:

(in € thousands)	30 June 2021	31 December 2020
France	4,186	4,175
Switzerland	1,333	1,459
Italy	7,177	7,299
DEFINED BENEFIT OBLIGATION	**12,696**	**12,933**

Note 23 Provisions

(in € thousands)	Provisions for commercial disputes	Provisions for labour disputes	Provision relating to stores (closures and lease disputes)	Tax Provisions	Other	Total
Balance as of 1 January 2020	**14,877**	**977**	**382**	**92**	**1,230**	**17,558**
Additional provisions	1,585	581	594	-	4,858	7,618
Unused amounts reversed	(12,057)	(71)	(36)	(11)	(1)	(12,176)
Amounts used during the year	-	(585)	(246)	-	(200)	(1,032)
Currency translation differences	-	(2)	(4)	-	-	(6)
Reclassification	-	-	(48)	-	48	-
Balance as of 31 December 2020	**4,405**	**900**	**642**	**81**	**5,935**	**11,962**
Of which non-current	*2,405*	*900*	*-*	*81*	*4,073*	*7,459*
Of which current	*2,000*	*-*	*642*	*-*	*1,862*	*4,504*
Balance as of 1 January 2021	**4,405**	**900**	**642**	**81**	**5,935**	**11,962**
Additionnal provisions	170	1,502	265	-	4,297	6,235
Unused amounts reversed	(2,204)	(430)	-	-	(53)	(2,687)
Amounts used during the year	(1,851)	-	(602)	-	-	(2,453)
BALANCE AS OF 30 JUNE 2021	**520**	**1,972**	**305**	**81**	**10,179**	**13,057**
Of which non-current	*520*	*1,972*	*236*	*81*	*4,018*	*6,827*
Of which current	*-*	*-*	*69*	*-*	*6,161*	*6,230*

As at 30 June 2021, the Group conducted a review of its provisions, which resulted in reversal of €5.1 million following the termination of several litigations (including €2.0 million recorded in other operating income and expenses) and allocations related to new risks for €6.2 million.

2.8 Financial risk management

Note 24 Financial risk management

During its activities, the Group is mainly exposed to foreign exchange risk, liquidity risk and credit risk. The Group's overall risk management policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance.

The Group uses derivative financial instruments to hedge its foreign exchange risk exposures. In this case, the Group only enters derivative transactions related to operating and/or financial assets and liabilities or forecast future transactions. The Group does not enter any speculative transactions without underlying assets or liabilities.

Risk management is carried out by the Group's Treasury Department and the Chief Financial Officer, under policies approved by the Board of Directors.

24.1 Financial risks factor

Liquidity risk

Financial liabilities mainly comprise borrowings and trade and other payables. These liabilities may expose the Group to liquidity risk in the event of early repayment or short maturity.

To manage its liquidity risk, the Group contracts revolving credit contracts or bank facilities for an appropriate amount and maturity to ensure that it has adequate available funds to meet its commitments with various financial institutions. The total amount of credit facilities drawn on 30 June 2021 amounts to €150 million, compared to €150 million at 31 December 2020 (undrawn).

Maisons du Monde France has contracted various credit facilities (totalling €10 million) from Arkea Banque Entreprises et Institutionnels, Banque Palatine, Banque Populaire, BNP Paribas, CIC Ouest, Credit Agricole Corporate and Investment Bank, Natixis and Société Générale.

The tables below analyse the Group's financial liabilities based on their contractual maturities:

	Contractual cash flows as of 30 June 2021				
(in € thousands)	Carrying amount	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Convertible bond [(1)]	175,366	200,000	-	200,000	-
Interests on convertible bond	14,512	750	250	500	-
Issuance fees related to convertible bond	(1,039)	-	-	-	-
Total Convertible bond	**188,839**	**200,750**	**250**	**200,500**	**-**
RCF	-	-	-	-	-
Interests on RCF [(1)]	(101)	1,250	1,250	-	-
Issuance fees related to RCF	32	-	-	-	-
Total Revolving Credit Facilities	**(69)**	**1,250**	**1,250**	**-**	**-**
Other borrowings	1,273	1,273	286	496	489
logistic credit	(186)	(186)	-	(79)	(107)
Deposits	786	786	-	-	786
Bank overdraft	84	84	84	-	-
Total Borrowings	**190,727**	**203,957**	**1,870**	**200,917**	**1,168**
Other non-current liabilities	6,423	6,423	-	6,423	-
Trade and other payables	307,766	307,766	307,766	-	-
TOTAL OTHER LIABILITIES	**314,188**	**314,188**	**307,766**	**6,423**	**-**

(1) The contractual cash flows for interests on the Term Loan and the RCF are based on the following assumption: a rate of 1% which are the minimum contractual rate, for the presented periods according to the forecast debt leverage (see note 20.1).

	Contractual cash flows as of 31 December 2020				
(in € thousands)	**Carrying amount**	**Total**	**Less than 1 year**	**From 1 to 5 years**	**More than 5 years**
Term Loan	50,000	50,000	50,000	-	-
Interests on Term Loan	33	208	208	-	-
Issuance fees related to Term Loan	(84)	-	-	-	-
Total Term loan	**49,949**	**50,208**	**50,208**	**-**	**-**
Convertible bond (1)	175,366	200,000	-	200,000	-
Interests on convertible bond	12,282	750	250	500	-
Issuance fees related to convertible bond	(1,163)	-	-	-	-
Total Convertible bond	**186,485**	**200,750**	**250**	**200,500**	**-**
State-guaranteed term Loan	150,000	150,000	150,000	-	-
Interests on State-guaranteed term Loan	437	750	750	-	-
Issuance fees related to State-guaranteed Loan	(147)	-	-	-	-
Total State-guaranteed term Loan	**150,290**	**150,750**	**150,750**	**-**	**-**
Interests on RCF (1)	46	625	625	-	-
Issuance fees related to RCF	(134)	-	-	-	-
Total Revolving Credit Facilities	**(88)**	**625**	**625**	**-**	**-**
Other borrowings	1,193	1,193	282	572	339
Logistic credit	(186)	(186)	(15)	(100)	(71)
Deposits	907	907	-	-	907
Bank overdraft	9	9	9	-	-
Total Borrowings	**388,559**	**404,256**	**202,110**	**200,972**	**1,175**
Other non-current liabilities	6,466	6,466	-	6,466	-
Trade and other payables	255,343	255,343	255,343	-	-
TOTAL OTHER LIABILITIES	**261,809**	**261,809**	**255,343**	**6,466**	**-**

(1) *The contractual cash flows for interests on the Term Loan and the RCF are based on the following assumption: a rate of 1% which are the minimum contractual rate, for the presented periods according to the forecast debt leverage (see note 20.1).*

2.9 Additional information

Note 25 Off-balance sheet commitments and contingent liabilities

The off-balance sheet commitments are disclosed in note 27 of the consolidated financial statements for the year ended 31 December 2020.

There were no significant changes in other off-balance sheet commitments between 31 December 2020 and 30 June 2021.

Note 26 Transactions with related parties

Related party transactions are presented in note 28 of the Consolidated Financial Statements for the year ended 31 December 2020.

There was no significant change in related party transactions between 31 December 2020 and 30 June 2021.

Note 27 Scope of consolidation

The table set out below provides a list of the Group's subsidiaries and shows the ownership interest of Maisons du Monde S.A. in each entity as of 30 June 2021.

As of 30 June 2021, 47 companies have been included in the consolidated financial statements compared to 50 as of 31 December 2020.

				30 June 2021		31 December 2020	
Subsidiary	**Activity**	**Country of incorporation**	**Consolidation method**	**Contr.** *(in %)*	**Part.** *(in %)*	**Contr.** *(in %)*	**Part.** *(in %)*
Maisons du Monde S.A.	Holding Company – Parent entity	France	Full	100%	100%	100%	100%
Maisons du Monde France	Retail stores selling home furnishings and decorations/Main buyer	France	Full	100%	100%	100%	100%
Maisons du Monde Germany	Retail stores selling home furnishings and decorations	Germany	Full	100%	100%	100%	100%
Maisons du Monde Austria	Retail stores selling home furnishings and decorations	Austria	Full	100%	100%	100%	100%
Maisons du Monde Belgium	Retail stores selling home furnishings and decorations	Belgium	Full	100%	100%	100%	100%
Maisons du Monde Spain	Retail stores selling home furnishings and decorations	Spain	Full	100%	100%	100%	100%
Maisons du Monde Italy	Retail stores selling home furnishings and decorations	Italy	Full	100%	100%	100%	100%
Maisons du Monde Luxemburg	Retail stores selling home furnishings and decorations	Luxemburg	Full	100%	100%	100%	100%
Maisons du Monde Portugal	Retail stores selling home furnishings and decorations	Portugal	Full	100%	100%	100%	100%
Maisons du Monde Switzerland	Retail stores selling home furnishings and decorations	Switzerland	Full	100%	100%	100%	100%
MDM Furniture & Decoration	Retail stores selling home furnishings and decorations	United Kingdom	Full	100%	100%	100%	100%
Distrimag	Warehouse logistics and order preparation	France	Full	100%	100%	100%	100%
Distri-Traction	Container transport between harbor and warehouses	France	Full	100%	100%	100%	100%
Mekong Furniture	Furniture manufacturing	Vietnam	Full	100%	100%	100%	100%
Savane Vision (Rhinov)	Design	France	Full	100%	70%	100%	70%
International MDM	Dormant entity	France	Full	100%	100%	100%	100%
International MGL	Dormant entity	France	Full	100%	100%	100%	100%
Maisons du Monde USA	Holding Company	United-States	Full	100%	100%	100%	100%
Modani Holdings LLC	Holding Company and support functions	United-States	Full	100%	70%	100%	70%
Modani Atlanta LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Boca Raton LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Brickell LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Chicago LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Dallas LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Denvers LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Doral LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Frisco LLC	Retail stores selling home furnishings and decorations	United-States	Full	-	-	100%	70%

Subsidiary	Activity	Country of incorporation	Consolidation method	30 June 2021 Contr. (in %)	30 June 2021 Part. (in %)	31 December 2020 Contr. (in %)	31 December 2020 Part. (in %)
Modani Fort Lauderdale LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Garden City LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Houston LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Jacksonville LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani King of Prussia LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Las Vegas LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Los Angeles LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Miami LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Naples LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani New York Midtown LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Oak Brook LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani OC LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Orlando LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Paramus LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Pinecrest LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani San Diego LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani Tampa LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Modani West Palm Beach LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
Urbanmod LLC	Retail stores selling home furnishings and decorations	United-States	Full	100%	70%	100%	70%
SNS Imports LLC	Warehouse logistics and order preparation	United-States	Full	100%	70%	100%	70%
Maisons du Monde Holdings LLC	Holding	United-States	Full	100%	70%	100%	70%
Maisons du Monde Aventura LLC	Retail stores selling home furnishings and decorations	United-States	Full	-	-	100%	70%
Maisons du Monde Wynwood LLC	Retail stores selling home furnishings and decorations	United-States	Full	-	-	100%	70%

Note 28 Events subsequent to 30 June 2021

None.

Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from January 1 to June 30, 2021

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Maisons du Monde S.A., for the period from January 1 to June 30, 2021,
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Rennes and Saint-Herblain, July 28, 2021

The Statutory Auditors,

French original signed by

KPMG SA	Deloitte & Associés
A division of KPMG S.A.	
Vincent BROYE	Alexis LEVASSEUR
Partner	Partner

Statement by the person responsible for the Half-Year Financial Report

"I hereby declare that, to the best of my knowledge, the condensed consolidated financial statements for the half year ended 30 June 2021 have been prepared in accordance with the applicable accounting standards and that they give a true and fair view of theassets, financial position and results of the Company and of all the companies within its scope of consolidation, and that the attachedhalf-year activity report gives a true picture of the significant events that occurred in the first six months of the fiscal year, their impact onthe financial statements, and the main related-party transactions, as well as a description of the main risks and uncertainties for theremaining six months of the fiscal year."

July 28, 2021

Julie Walbaum

Chief Executive Officer

MAISONS
DU MONDE

Limited Company
(Société anonyme)
with a Board of Directors
with capital of €146,583,736.56
793 906 728 RCS Nantes
Le Portereau - 44120 Vertou
France
Tel.: +33 (0)2 51 71 17 17

LABRADOR INFORMATION DESIGN +33 (0)1 53 06 30 80