



2021

Financial Report



Significant improvement in performance in relation to 2020 and 2019

Following a first half of 2020 that was severely disrupted by the public health crisis, the positive economic trend seen at the end of that year was confirmed in 2021 and gathered momentum throughout. To take full advantage of these favourable conditions, the Edify team has been particularly active in the management of its investments.

We are pleased to present very positive results for this financial year, with a 46.7% increase in consolidated sales to €819 million and 70.6% growth in EBITDA representing 12.6% of sales. Net Asset Value also increased significantly, reaching €625 million.

All the companies in the portfolio saw strong business growth and exceeded their 2020 and 2019 sales. They all contributed to these healthy results despite the increased cost of raw materials and transportation.

In parallel with this intense activity, Edify successfully completed several dynamic management transactions on its portfolio:

- The disposal of our 6.5% stake in Lacroix Emballages, a family-owned mid-cap company which designs and manufactures wood, cardboard and plastic packaging for numerous food markets.
- Another disposal, this time involving Sirem, a company that we acquired in 2008 and which had suffered extensive disruption across several of its markets. We were delighted to assist Sirem and provide enduring and resolute support. After two outstanding years, a buyout opportunity was developed around its CEO, reflecting Edify's desire to find the right solution for the company and ensure its long-term sustainability.
- In the first quarter of 2021, we finalised the acquisition of Ligier, in which we have held a 31.5% interest since 2016. This impressive mid-cap is ideally positioned in the buoyant mobility market. In addition to its licence-free microcars,



PAUL GEORGES DESPATURE,
Chairman of the Board of Directors.

Ligier will structure and develop its offer around scooters and electric vehicles for postal rounds and local deliveries.

- We are forming – around De Buyer – a cluster of companies specialising in high-end cuisine, which received a significant boost thanks to “the refocusing on the home” and the popularity of good quality food. In this way, we acquired the manufacturer Rousselon Frères, a “living heritage company” and specialist in forged knives, based in Thiers, France since 1852. We also acquired Scaritech, another French manufacturer and inventor of the “grignette” (scarifying blade)

enabling bread to be scored in complete safety and opening the doors to the world of professional baking and patisserie.

- Lastly, we participated in the share capital increase of Siparex-Associés, thus strengthening our longstanding ties with Siparex.

In financial terms, our existing credit facility has been increased from €120 million to €180 million. Our investment capacity is therefore significantly strengthened with available cash of €230 million at 31 December 2021.

In early 2022, war erupted at the gates of Europe. We barely operate in Russia or Ukraine but, like all companies, we will face higher energy and raw material costs, and potentially, supply challenges.

The pandemic, which began in March 2020, has taught us how to respond to unforeseeable events. It has forced us to be agile, an essential quality for adapting strategies and managing companies in uncertain times.

I would like to thank the entire Edify team, and the leaders of our companies and their employees for their commitment and determination, which enabled us to complete a successful 2021, providing us with strong foundations on which to base our future developments.

EDIFY

Edify is an industrial holding company that invests in mid-caps in order to expand them and support them over the long-term.



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Shareholder relations

CAPITAL

Edify S.A.'s (hereinafter Edify) capital amounted to €4,860,000 at 31 December 2021, divided into 4,860,000 fully paid-up shares with a par value of €1 each, all in the same class.

At 31 December 2021, the Company had issued 510,525 profit units for a total amount of €5,504,465.28.

The Company has not issued any marketable securities granting access to the capital.

LISTING

The Edify shares were listed and traded on the Euro MTF market of the Luxembourg stock exchange from 19 December 2014 until 27 November 2020, the date of the delisting.

2022 FINANCIAL CALENDAR

24 March	Publication of 2021 annual results
17 May	Annual General Meeting
19 May	Publication of 2022 first quarter sales
29 September	Publication of 2022 half-year results
25 November	Publication of 2022 third quarter sales



Organisation

BOARD OF DIRECTORS

Chairman
PAUL GEORGES DESPATURE

Vice-Chairman
WILFRID LE NAOUR

Members of the Board of Directors
JEAN GUILLAUME DESPATURE
VICTOR DESPATURE
AGNÈS LARUELLE
LUIS MARINI-PORTUGAL
PATRICK TANGUY



AUDIT COMMITTEE

Chairman
VICTOR DESPATURE

Member
AGNÈS LARUELLE

REMUNERATION COMMITTEE

Chairman
PAUL GEORGES DESPATURE

Members
WILFRID LE NAOUR
LUIS MARINI-PORTUGAL

INVESTMENT COMMITTEE

Chairman
WILFRID LE NAOUR

Members
JEAN GUILLAUME DESPATURE
ANTHONY STAHL

APPROVED STATUTORY AUDITOR

ERNST & YOUNG S.A.

Left to right:

WILFRID LE NAOUR,
Vice-Chairman of the Board of Directors of Edify and former CEO of Somfy.

AGNÈS LARUELLE,
Former member of the Executive Committee of MDO Management Company S.A. and former Managing Director of MDO Services S.A.

PAUL GEORGES DESPATURE,
Chairman of the Board of Directors of Edify. Former Chairman of the Management Board of Somfy and Chairman of the Supervisory Board of Damartex.

VICTOR DESPATURE,
Chairman of the Supervisory Board of MCSA Group and former member of the Supervisory Board of Somfy.

LUIS MARINI-PORTUGAL,
Former member of the Executive Board of Eurazeo.

PATRICK TANGUY,
Former Associate Director of Wendel.

JEAN GUILLAUME DESPATURE,
Chairman of the Board of Directors of Somfy and Chairman of the Supervisory Board of Damartex.

CONTACTS

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Overview of the consolidated financial statements



Overview of the consolidated financial statements

€ millions	FY 2021	FY 2020
Net asset value at 31 December	625.0	444.5
Consolidated sales	819.3	558.4
Consolidated EBITDA	103.4	60.6
Consolidated current operating profit	74.0	35.0
Consolidated operating profit*	72.9	23.5
Consolidated net profit*	59.9	9.6
Consolidated operating cash flow	77.5	46.4
Consolidated Net Financial Debt at 31 December**	119.5	79.6
Edify S.A. Net Financial Debt at 31 December	11.8	29.2
Edify S.A. confirmed credit facilities at 31 December	230.0	162.0

* Including goodwill amortisation charge of €13 million in 2021 (€8.4 million in 2020).

** Net Financial Debt including earn-out liability and deferred settlements.



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Board of Directors' Management Report

TO THE ANNUAL GENERAL MEETING OF 17 MAY 2022

Ladies and Gentlemen,

In accordance with the legal and regulatory provisions in force, the Board of Directors has convened you here in order to report on the management of your Company and the companies in its portfolio and to submit for your approval the financial statements for the year ended 31 December 2021.

At 31 December 2021, Edify was an industrial holding company that invests in mid-caps in order to expand them and support them over the long-term. Its portfolio is comprised of majority and minority shareholdings in French, Spanish and Swiss industrial medium-sized businesses and SMEs, namely **Pellenc** (portable power tools and machinery for winegrowing, olive growing and green spaces), **Zurflüh-Feller** (accessories and systems for roller shutters and industrial closing mechanisms), **Usines Métallurgiques de Vallorbe** (filing and precision tools for the jewelry, watchmaking, forestry, car and aeronautical industries), **De Buyer** (cooking and baking/patisserie utensils), **Thermo Technologies** (surface coating with precious metals using chemical or electrolytic processes and high-tech wires), **Ligier Group** (licence-free microcars) and **Gaviota** (components and motors for awnings and roller shutters).

Highlights of the year

ACQUISITION OF MAJORITY CONTROL OF LIGIER

Edify had owned 31.5% of Ligier Group (specialising in licence-free mobility and local delivery services) since 2016. On 17 February 2021, Edify purchased additional shares for a net amount of €32 million, bringing its stake in the company to 89.4%.

ACQUISITION OF ROUSSELON FRÈRES AND SCARITECH

In July 2021, Financière Développement – De Buyer's holding company – acquired Rousselon Frères (specialising in cutlery

for €12.3 million, including a €0.8 million earn-out, and Scaritech (specialising in baking and patisserie equipment) for €9 million, thus forming a food trade utensils business around De Buyer.

DISPOSAL OF SIREM

On 8 September 2021, Edify sold its entire stake in Sirem to a group of investors associated with the company's management for €15 million. Edify made a consolidated net capital gain of approximately €11.4 million.

DISPOSAL OF LACROIX EMBALLAGES

On 10 September 2021, Edify took advantage of a capital restructure by Siparex to dispose of its shares in Lacroix Emballages (representing 6.53% of the latter's capital, held since 2014). Edify made a consolidated net capital gain of €10.7 million.

LOAN AGREEMENT

In order to finance its acquisition strategy, Edify has secured additional financial resources by increasing its main available credit facility from €120 million to €180 million. This financing was arranged by Banque Européenne du Crédit Mutuel as Mandated Arranger and Bookrunner, Agent and Documentation Agent, Crédit Lyonnais as Arranger, CSR Agent and CSR Coordinator, and Banque Populaire Auvergne-Rhône-Alpes, BNP Paribas, Crédit Agricole des Savoie and Société Générale as Arrangers.

ISSUE OF PROFIT UNITS

Edify issued 12,442 profit units over 2021 at a price of €20.16 each, for a total amount of €0.2 million.

SIPAREX ASSOCIÉS

Edify has undertaken to invest approximately €28 million in Siparex Associés, which will ultimately give it a stake of between 9% and 10% in the company. The investment will be phased over a period of four to five years.



Net Asset Value of Edify's portfolio

METHODOLOGY

Edify's Net Asset Value is the sum of:

- The cash held by the Edify holding company, less its financial commitments,
- The financial assets held by Edify, revalued at fair value in accordance with the methods set out below:

1. BONDS RECEIVABLE

Financial assets defined as bond receivables are valued at their face value, plus capitalised interest.

2. NON-CONSOLIDATED EQUITY SECURITIES

Book value was used in the case of non-consolidated companies unless a reliable and recent valuation can be obtained.

3. CONSOLIDATED EQUITY SECURITIES

In the case of equity interests that are fully consolidated, or consolidated on a proportional basis or via the equity method, the valuation methods selected were as follows:

Shares in unlisted companies

The enterprise value for each equity interest is measured via the usual methods, namely:

- **The stock market comparable multiple method**

A sample of comparable companies, which consists of listed companies in the same business sector as the companies to be valued, and for which analysts publish research and estimates on a regular basis, is determined for each company to be valued. This sample is stable over time, and is only adjusted in the event that a comparable is no longer relevant. The multiples for the companies in the sample are calculated based on (i) the average market capitalisation for the last 20 trading sessions prior to the valuation, (ii) net debt according to the last published financial statements, and (iii) the EBITDA and EBITA (Current Operating Profit before amortisation of the intangible assets allocated at the time of acquisitions) estimated at the valuation date by analysts for the current year and the next two years. A discount may be applied to some multiples, in order to take account of the smaller size of the company that is being valued compared with the companies in the sample. The average EBITDA and EBITA multiples for companies in the sample that display similar growth prospects to the ones for the company to be valued are applied to that company's recurring EBITDA and EBITA for the current year and the next two years. The enterprise value selected is calculated by determining an average for the valuations obtained by applying these multiples to the aggregate amount of the equity interests.

- **The discounted cash flow method (DCF)**

This method involves determining the present value of the cash flows that a company will generate in the future. The cash flow forecasts, which are determined together with the management of the company concerned, include a critical analysis of these companies' business plans. The discount rate used corresponds to the weighted average cost of capital and reflects the expected return on invested capital (equity and liabilities necessary to finance operations) and taking account of comparables (sector, size, country exposure). The sample of comparables is similar to that used when calculating multiples. Where comparable companies are not considered sufficiently representative of the company being valued, this rate may be adjusted to reflect the operational and financial risks facing the company. Furthermore, the forecast cash flows correspond to those that are used for impairment tests.

- **The transaction multiples method**

Transaction multiples can be used when a transaction involves a company whose profile and activity are similar to those of the shareholding subject to the valuation..

Choice of method

Where the company being valued has reached maturity on its market, the enterprise value is calculated by averaging the value obtained using the comparable market capitalisation method and the value obtained via the discounted cash flow method, while ensuring the consistency of the values obtained via both methods.

For investments operating in specific niches where a relevant list of comparable listed companies cannot be drawn up, and for those in turnaround situations, enterprise value is calculated solely using the DCF method.

This multi-criterion analysis enables Edify to take the intrinsic growth of its equity interests, and its medium/long-term investment approach into account.

The enterprise value calculated in this way is decreased or increased by:

- non-operating assets and liabilities, which are valued at their net book value or at their market value if that value can be determined on a reliable basis, and
- net financial debt, with financial liabilities valued at face value plus any accrued interest.

The resulting valuation is pro-rated by applying Edify's direct and indirect percentage stake as at the valuation date. A minority discount may be applied in the case of some equity interests that do not provide control and/or in the case of reduced control.

When a disposal is being considered, the transaction multiples valuation method can be used when high quality information with sufficient detail on the transaction is available. Where applicable, enterprise value is calculated using the average of transaction value, the value calculated from the multiple of market comparables, and discounted cash flows.



Shares in listed companies

The shares are valued by using the average closing price for the last 20 trading sessions prior to the valuation.

New investments

New investments, whether listed or unlisted subsidiaries and shareholdings, are measured at cost for the first 12 months following acquisition, unless market conditions or any other factors intrinsic to the company being valued are likely to materially affect its value at the date of first measurement.

The methodology set out above complies with the "International Private Equity and Venture Capital Valuation Guidelines" ("IPEV"), which are approved by the main professional private equity organisations throughout the world.

VALUATION OF EDIFY'S PORTFOLIO

The Net Asset Value¹ (NAV) of Edify was **€625 million** at the end of December 2021 (€128.60 per share), an increase of 40.6% compared with 2020. This performance reflects the strong results and the sound fundamentals of all companies included in the portfolio.

Overview of the consolidated financial statements

ACCOUNTING PERIOD

The financial year covers 12 calendar months.

PARENT COMPANY DATA

Edify generated net profit of €63.9 million in the year ended 31 December 2021. The operating loss amounted to €7.8 million and primarily consisted of operating expenses. Edify S.A. recognised net financial income of €71.8 million, mainly consisting of dividends received, proceeds from the disposal of equity interests, reversals of impairment losses on securities and borrowing costs (interest and fees).

CONSOLIDATED DATA

SALES

Edify posted consolidated sales of €819.3 million in financial year 2021, up 18.4% on a like-for-like basis (i.e. excluding Ligier Group, newly consolidated using the full consolidation method) and up 46.7% in real terms relative to 2020. All the companies in the portfolio saw strong business growth and significantly exceeded their 2020 and 2019 sales.

NET PROFIT

Consolidated EBITDA totalled €103.4 million over the 2021 financial year, an increase of 35.6% on a like-for-like basis and 70.6% in real terms due to the contribution of Ligier Group. It stood at 12.6% of sales and thus gained 1.7 margin points compared with the 2020 financial year.

All the companies contributed to this performance despite increased raw material and transport costs.

Consolidated net profit stood at €59.9 million, up €50.3 million in real terms. It benefitted from capital gains on the disposal of equity interests in Lacroix Emballages and Sirem.

FINANCIAL POSITION

Consolidated net financial debt rose from €79.6 million to €119.5 million over the 2021 financial year. This increase was the result of investment, including in particular equity investments in Ligier Group, Rousselon Frères and Scaritech. Restated for these transactions, the portfolio's debt reduction was significant despite higher working capital requirements, which were due to the increased volume of business and the need to secure inventories of components and raw materials. In addition, the existing credit facility has been increased from €120 million to €180 million. Edify's investment capacity is thus considerably stronger with €230 million in available cash at 31 December 2021.

Post-balance sheet events

ACQUISITION OF A MINORITY INTEREST IN K-RYOLE

In early 2022, a 6.12% minority shareholding was acquired in the start-up K-Ryole, a specialist in smart electric trailers designed for urban logistics and the construction and civil engineering sector.

COMMITMENT IN THE ARGOS MID-MARKET VIII FUND

Edify has committed to invest a maximum of €20 million in the Argos Wityu Mid-Market VIII fund over a period of five years. This investment will be made over a number of years (between 2022 and 2025). Argos Wityu has a targeted investment strategy of seeking out and supporting companies in complex situations and helping them grow and generate value.

ACQUISITION OF AN INVESTMENT IN AGROMILLORA

On 21 April 2022, Edify acquired a 42.9% minority interest in Agromillora alongside the latter's founding shareholders. Agromillora is a cutting-edge solutions provider specialising in plant propagation for agriculture (in particular vines and olive, stone fruit, almond, walnut, berry and citrus fruit trees).

1. The published Net Asset Value does not take into account the holding company discount.



DIRECT AND INDIRECT EXPOSURE TO CURRENT UNCERTAINTIES

The early part of 2022 has been dominated by the outbreak of the Russia-Ukraine conflict. While the direct economic exposure of Edify and its investees is very limited and does not impact on the Company's ability to continue as a going concern (with total sales in Russia and Ukraine in 2021 coming to less than €2 million), indirect risks arising from higher raw material, shipping and energy costs give grounds for caution. Against this backdrop, we have stepped up our financial and operational oversight of our investees' businesses. Furthermore, we are closely monitoring developments in the Covid pandemic, particularly in China, which could, inter alia, increase sourcing risk.

Information on research and development activities

"Research and Development" is a major factor for growth and development through innovation. Most of the companies in Edify's portfolio have an active innovation policy.

Information regarding financial risks

Edify has carried out a review of the financial risks that could have a material impact on its operations, financial position or financial performance (or its ability to achieve its objectives). A summary of the most significant risks is presented below:

• Risk relating to the valuation of assets:

Edify's assets mainly consist of unlisted investments over which Edify has control or significant influence. Companies in the portfolio are appraised annually to determine the adjusted net asset value per share (NAV). The value of the portfolio (NAV) notably depends on the following:

- The relevance of investments, with investees selected for their ability to develop in their sector: these investment projects rely both on the expertise of Edify's investment team and on independent firms (e.g. for strategic, financial, legal, fiscal and environmental due diligence). Edify also endeavours to limit the amount and duration of any earn-out and seller's warranty clauses. The Investment Committee and the Board of Directors challenge the investment team as to the merits of transactions and the calculation of purchase prices;
- The quality of companies in the portfolio (financial and non-financial performance, growth and profitability outlook,

ability to identify and understand the risks inherent in their business): regular meetings are held with each investee company's management team – either in the form of reporting meetings or as part of meetings of the company's governing bodies – to monitor and analyse the company's operating and financial performance, the execution of its strategic plan and any risks to which it might be exposed;

- Developments in equity markets (since the valuation of unlisted assets depends on market parameters): to limit the influence of market volatility, sector diversification is one of the investment criteria used. Accordingly, Edify's investees operate in highly diverse markets such as wine-growing, construction (residential and commercial) and the automotive, aerospace and forestry industries;
- The ability to correctly value companies in the portfolio: forecast financial information is worked on jointly by investee companies and Edify's investment team and finance department. NAV is reviewed by the Audit Committee and signed off by the Board of Directors annually. The auditors check that the method used to calculate NAV is in keeping with IPEV standards.

These processes do not mean selling prices will necessarily be the same as valuations carried out to determine NAV. However, given its long-term investment perspective, Edify is under no obligation to divest within a given time frame if it feels the price does not meet its expectations. Nevertheless, there is always a risk that investees' financial performance might not meet Edify's expectations, which would translate into a decline in portfolio valuation.

• Liquidity risk:

Edify's cash requirements depend on its investments, debt servicing costs and operating costs. These requirements are met from the following:

- cash and short-term financial investments,
- asset rotation: unlisted equity interests are inherently less liquid than listed assets,
- bank financing and bond issues: the associated agreements include covenants, details of which are given in the financial appendix,
- dividends received from investments.

Edify finances some of its acquisition transactions partly via debt (i.e. leverage). As part of this type of transaction, Edify usually acquires the target equity interest via a dedicated holding company, which is partly financed by debt, most often bank debt. The availability and cost of bank or similar financing vary over time. The unavailability or excessive cost of this financing could temporarily make leveraged transactions impossible or unattractive.

The sources of funding used by Edify and the equity interests may include mutual covenants clauses. At 31 December 2021, Edify and all investees were in compliance with their covenants. Companies regularly report their debt and cash positions to Edify, as well as bank covenant forecasts.



• **Interest rate risk:**

The €50 million Euro PP issued by Edify is at a fixed interest rate of 3.75%. The majority of other Group borrowings are at a variable rate, a portion of which is hedged by swaps. Persistently higher interest rates could adversely affect the valuations of some of Edify's assets.

• **Credit risk:**

Each investee has its own policy in place for monitoring customer credit risk. An impairment loss is recognised against any receivable at risk of non-recovery.

Credit risk on trade receivables at the balance sheet date was not material given customers' location (mainly France and Europe) and the Group's diversification by sector.

• **Foreign exchange risk:**

Since Edify's investees conduct some of their business abroad, some of their earnings are in currencies other than the Euro. For their foreign subsidiaries, revenue and costs are expressed in local currency.

Since the financial statements are presented in euros, Edify has to convert income and expenses denominated in other currencies into euros.

Currencies are converted using the average rate over the period in question. This means fluctuations in the value of the euro relative to other currencies can affect amounts stated in the relevant items of the consolidated financial statements.

This foreign exchange risk, arising on consolidation of the financial statements of entities with a functional currency other than euro, only affects 15% of Edify's sales:

- 5% of sales are derived from entities whose functional currency is the US dollar;
- 5% of sales are derived from entities whose functional currency is the Swiss franc.

• **Raw material and price risk:**

Over and above pressure on supplies of raw materials and components (electronic or otherwise) related to the current situation, some investees' manufacturing processes use materials whose prices may fluctuate significantly (mainly gold, silver, copper and steel).

In light of these various inflationary factors, the risk to companies depends on how effectively they can pass on these fluctuations in their selling prices. Furthermore, supply issues may have a knock-on impact on customer delivery timescales or even cause shortages, creating uncertainty as to the achievement of projected sales.

Information on the buyback of own shares

Further to the issuer bid for its shares effected in 2020 and the liquidity mechanism put in place since the delisting, Edify has acquired 140,632 shares, including 6,921 in 2021. Edify held 140,632 of its own shares at the end of the financial year, representing 2.91% of its share capital and a total value of €9.8 million.

Existence of branches

EDIFY S.A. has a Swiss branch in Geneva called EDIFY S.A. Luxembourg, Grand-Saconnex branch.

Potential future development

Edify's concurrent priorities are to support existing portfolio companies with their transformation and development, and to enhance the portfolio by exploring investment opportunities.

Allocation of net profit

The Board of Directors is proposing to carry forward the net profit for the financial year ended 31 December 2021, which amounted to €63,860,178.40, as retained earnings.



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Consolidated financial statements

Consolidated Income Statement for the year ended 31 December 2021

(€K)	Notes	31/12/21	31/12/20
Sales	NOTE 3	819,301	558,436
Other operating income	NOTE 3	12,676	13,648
Cost of sales		-430,649	-269,759
Employee costs		-206,568	-169,113
External costs		-91,400	-72,608
EBITDA		103,360	60,604
Amortisation and depreciation charges	NOTE 4	-26,274	-22,651
Charges to current provisions		49	62
EBITA		77,136	38,015
Amortisation of allocated intangible assets	NOTE 4	-3,162	-2,986
CURRENT OPERATING PROFIT		73,974	35,029
Other non-current operating income and expenses	NOTE 3	11,868	-3,149
Goodwill amortisation charge	NOTE 4	-12,989	-8,353
OPERATING PROFIT		72,853	23,527
<i>Financial income from investments</i>		76	945
<i>Financial expenses related to borrowings</i>		-8,819	-5,536
Cost of net financial debt		-8,743	-4,591
Gains and losses on disposal of financial assets		12,419	252
Other financial income and expenses		1,480	-2,229
NET FINANCIAL INCOME/(EXPENSE)	NOTE 6	5,156	-6,568
PROFIT BEFORE TAX		78,009	16,959
Income tax	NOTE 10	-18,814	-9,371
Share of profit/(loss) from associates	NOTE 12	704	2,042
CONSOLIDATED NET PROFIT		59,899	9,630
Attributable to Group		57,031	8,974
Non-controlling interests		2,868	657



Consolidated Balance Sheet – Assets at 31 December 2021

(€K)	Notes	31/12/21	31/12/20
Non-current assets			
Goodwill	NOTE 4	45,231	11,634
Net intangible assets	NOTE 4	81,241	42,107
Net property, plant and equipment	NOTE 4	167,377	142,343
Investments in associates	NOTE 12	8,052	16,307
Financial assets	NOTE 6	16,122	22,659
Other receivables		1,117	738
Deferred tax assets	NOTE 10	9,703	9,458
TOTAL NON-CURRENT ASSETS		328,843	245,245
Current assets			
Inventories	NOTE 3	226,168	160,359
Trade receivables	NOTE 3	123,827	88,600
Other receivables	NOTE 3	27,649	12,159
Current tax assets		8,908	10,622
Financial assets	NOTE 6	1,254	8,736
Cash and cash equivalents	NOTE 6	176,665	253,479
TOTAL CURRENT ASSETS		564,471	533,955
TOTAL ASSETS		893,314	779,200



Consolidated Balance Sheet – Equity and Liabilities at 31 December 2021

(€K)	Notes	31/12/21	31/12/20
Shareholders' equity			
Share capital		4,860	4,860
Share premium		243,053	242,803
Other reserves		60,050	48,101
Net profit for the period		57,031	9,032
GROUP SHARE		364,994	304,796
Non-controlling interests		30,410	22,051
TOTAL SHAREHOLDERS' EQUITY	NOTE 5	395,405	326,847
Non-current liabilities			
Non-current provisions	NOTE 8	6,486	3,293
Other financial liabilities	NOTE 6	229,448	148,180
Other liabilities		9,544	56
Employee obligations	NOTE 9	12,383	10,906
Deferred tax liabilities	NOTE 10	21,242	11,279
TOTAL NON-CURRENT LIABILITIES		279,104	173,713
Current liabilities			
Current provisions	NOTE 8	1,532	2,598
Other financial liabilities	NOTE 6	67,262	185,977
Trade payables	NOTE 3	91,002	48,513
Other liabilities	NOTE 3	52,541	39,141
Tax liability		6,470	2,411
TOTAL CURRENT LIABILITIES		218,806	278,640
TOTAL EQUITY & LIABILITIES		893,314	779,200



Consolidated Cash Flow Statement

(€K)	Notes	31/12/21	31/12/20
Consolidated net profit		59,899	9,630
Amortisation and depreciation charges on assets (excluding current assets)		41,193	32,450
Charges to/reversals of provisions for liabilities		-471	-246
Unrealised gains and losses related to fair value movements		-	-44
Unrealised foreign exchange gains and losses		-179	1,256
Expenses related to employee benefits		1,407	544
Depreciation, amortisation, provisions and other non-cash items		41,951	33,960
Profit on disposal of assets and other		-22,667	4,812
Share of profit/(loss) from associates		-943	-2,042
Deferred tax expense		-694	77
Operating cash flow		77,546	46,437
Cost of net financial debt (excluding non-cash items)		8,743	4,611
Dividends from non-consolidated companies		-48	-43
Tax expense (excluding deferred tax)		19,985	9,502
Change in Working Capital Requirements	NOTE 7	-43,972	5,652
Tax paid		-13,836	-13,802
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		48,418	52,357
Acquisition-related disbursements:			
– intangible assets and property, plant and equipment		-34,863	-20,676
– non-current financial assets		-10,079	-13,467
Disposal-related proceeds:			
– intangible assets and property, plant and equipment		1,764	699
– non-current financial assets		38,962	805
Change in current financial assets		7,765	-783
Acquisition of companies, net of cash acquired	NOTE 7	-43,129	-2,499
Disposal of companies, net of cash disposed of		6,769	233
Dividends paid by associates		25	50
Dividends paid by non-consolidated companies		695	1,039
Interest received		81	396
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)		-32,011	-34,203
Increase in loans	NOTE 6	74,171	141,605
Reimbursement of loans	NOTE 6	-156,981	-21,510
Net increase in shareholders' equity of subsidiaries		736	-140
Dividends and interim dividends paid		-922	-768
Interest paid		-8,887	-5,479
NET CASH FLOW FROM FINANCING AND CAPITAL ACTIVITIES (C)		-91,883	113,708
Impact of changes in foreign exchange rates on cash and cash equivalents (D)		1,230	-818
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		-74,246	131,044
Cash and cash equivalents at the start of the period	NOTE 7	231,633	100,589
Cash and cash equivalents at the end of the period	NOTE 7	157,387	231,633



General information

Edify S.A. (hereinafter Edify) is an industrial holding company, which was incorporated in the form of a Limited Company with an indefinite term in Luxembourg on 16 September 2014 pursuant to the laws of the Grand Duchy of Luxembourg. The Company has its registered office at 22, rue de l'Industrie, L-8399 Windhof, Luxembourg. It is registered on the Luxembourg Trade and Companies Register under No. B190500. Its portfolio is comprised of majority and minority shareholdings in French, Spanish and Swiss industrial medium-sized businesses and SMEs. The scope is set out in Note 2.

Highlights of the year

ACQUISITION OF CONTROLLING INTEREST IN LIGIER

Edify had owned 31.5% of Ligier Group (specialising in licence-free mobility and local delivery services) since 2016. On 17 February 2021, Edify purchased additional shares for a net amount of €32 million, thereby increasing its stake in the company to 89.4%.

ACQUISITION OF ROUSSELON FRÈRES AND SCARITECH

In July 2021, Financière Développement – De Buyer's holding company – acquired Rousselon Frères (specialising in cutlery) for €12.3 million, including a €0.8 million earn-out, and Scaritech (specialising in baking and patisserie equipment) for €9 million, thus forming a food industry utensils business around De Buyer.

DISPOSAL OF SIREM

On 8 September 2021, Edify sold its entire stake in Sirem to a group of investors associated with the company's management for €15 million. Edify made a consolidated net capital gain of approximately €11.4 million.

DISPOSAL OF LACROIX EMBALLAGES

On 10 September 2021, Edify took advantage of a capital restructure by Siparex to dispose of its shares in Lacroix Emballages (representing 6.53% of the latter's capital, held since 2014). Edify made a consolidated net capital gain of €10.7 million.

LOAN AGREEMENT

In order to finance its acquisition strategy, Edify has secured additional financial resources by increasing its available credit facility from €120 million to €180 million.

ISSUE OF PROFIT UNITS

Edify issued 12,442 profit units over 2021 at a price of €20.16 each, for a total amount of €0.2 million.

SIPAREX ASSOCIÉS

Edify has undertaken to invest approximately €28 million in Siparex Associés, which will ultimately give it a stake of between 9% and 10% in the company. The investment will be phased over a period of four to five years.

Post-balance sheet events

ACQUISITION OF A MINORITY INTEREST IN K-RYOLE

In early 2022, a 6.12% minority shareholding was acquired in the start-up K-Ryole, a specialist in smart electric trailers designed for urban logistics and the construction and civil engineering sector.

COMMITMENT TO INVEST IN THE ARGOS MID-MARKET VIII FUND

Edify has committed to invest a maximum of €20 million in the Argos Wityu Mid-Market VIII fund over a period of five years. This investment will be made over a number of years (between 2021 and 2025). Argos Wityu has a targeted investment strategy of seeking out and supporting companies in complex situations and helping them grow and generate value.

ACQUISITION OF AN INVESTMENT IN AGROMILLORA

On 21 April 2022, Edify acquired a 42.9% minority interest in Agromillora alongside the latter's founding shareholders. Agromillora is a cutting-edge solutions provider specialising in plant propagation for agriculture (in particular vines and olive, stone fruit, almond, walnut, berry and citrus fruit trees).

DIRECT AND INDIRECT EXPOSURE TO CURRENT UNCERTAINTIES

The early part of 2022 has been dominated by the outbreak of the Russia-Ukraine conflict. While the direct economic exposure of Edify and its investees is very limited and does not impact on the Company's ability to continue as a going concern (with total sales in Russia and Ukraine in 2021 coming to less than €2 million), indirect risks arising from higher raw material, shipping and energy costs give grounds for caution. Against this backdrop, we have stepped up our financial and operational oversight of our investees' businesses.

Furthermore, we are closely monitoring developments in the Covid pandemic, particularly in China, which could, inter alia, increase sourcing risk.



Notes to the consolidated financial statements

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

NOTE I – ACCOUNTING PRINCIPLES

1. CONSOLIDATED FINANCIAL STATEMENTS – BASIS FOR PREPARATION

The consolidated financial statements are presented in thousands in Euros and all amounts are rounded to the nearest thousand of Euros, unless otherwise specified.

The financial statements are prepared according to the historical cost principle. Consolidated financial statements include the financial statements of Edify at 31 December of each year. The financial statements of subsidiaries are prepared for the same reference period as the parent company and on the basis of standard accounting methods.

The financial year-end of all companies is 31 December.

The Group's consolidated financial statements for the year ended 31 December 2020 have been prepared in accordance with the laws and regulations applicable in the Grand Duchy of Luxembourg at that date, namely the Luxembourg Accounting Standards. However, the presentation of the income statement and balance sheet does not strictly follow the provisions of the Law passed on 19 December 2015 amending the Law of 10 August 1915, effective from 1st January 2016. A definition of the main aggregates is provided in Note 1.8, while a reconciliation with the new law is provided in Note 14.

2. CONSOLIDATION METHODS

The consolidation methods depend on the type of control that the parent entity exercises over its subsidiary:

Exclusive control, where the parent company:

- Holds the majority of the shareholders' or partners' voting rights in a company;
- Has the right to appoint or dismiss the majority of the members of the administrative, management, or supervisory body of a company, and is also a shareholder or partner in that company; or
- Is a shareholder or partner in a company, and has sole control of the majority of the voting rights of shareholders or partners in that company, pursuant to an agreement entered into with other shareholders or partners.

Joint control, where the parent company included in the consolidation scope jointly manages another company with one or several companies that are not included in the consolidation scope.

Material influence, where the parent company exercises a material influence over a subsidiary's management and financial policy. A parent company is assumed to have a material influence over another company when it holds at least 20% of that company's voting rights.

Companies under exclusive control are fully consolidated. Companies under joint control are consolidated on a proportional basis. Companies over which the Company exercises a material influence are consolidated using the equity method.

3. USE OF ESTIMATES AND JUDGEMENT

The preparation of consolidated financial statements requires Management to make a number of estimates and assumptions liable to affect certain asset, liability, income and expense items, and certain information provided in the notes to the financial statements. Due to the inherently uncertain nature of these assumptions, actual results may differ from these estimates. Management reviews its estimates and assessments on a regular basis to take past experience into account and incorporate factors considered relevant under current economic conditions.

The major items of the financial statements that may be subject to estimates are as follows:

- The impairment of goodwill and intangible assets and property, plant and equipment, whose measurement is specifically based on future cash flow, discount rate and net realisable value assumptions;
- Retirement commitments, whose measurement is based on a number of actuarial assumptions;
- Provisions for liabilities and charges;
- Deferred tax assets on losses.

As part of the preparation of these consolidated annual financial statements, the main judgements made and the main assumptions used by Management have been updated with the latest indicators used for the closing of the accounts at 31 December 2021.

At 31 December, the Group reviews its performance indicators and, if necessary, carries out impairment tests if there is any indication that an asset may have been impaired.

Financial statements reflect the best estimates on the basis of available information at year-end close.

4. IMPAIRMENT TEST

The Group determines whether there is any evidence of permanent impairment of an asset at each period-end, and ensures that the net book value of the asset does not exceed its recoverable value. Its recoverable amount is measured at the higher of its fair value, after deduction of disposal costs, and its value in use.

If the recoverable amount exceeds the net book value of the asset at period end, no impairment is recognised.



However, if this amount is lower than the net book value, an impairment loss equal to the difference is recognised in the income statement.

Fair value after deduction of disposal costs is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, after deducting disposal costs.

The value in use is determined on the basis of cash flows estimated by plans and budgets for a maximum of five years. Cash flows beyond five years are extrapolated through the application of a constant or decreasing rate and discounted using long-term market rates after tax, which reflect market estimates of the time value of money and specific risks pertaining to these assets. In certain cases, cash flows are estimated over longer periods. Justification is provided in such cases.

For intangible assets (excluding goodwill) and PPE with a set useful life, a previously recognised impairment loss may be reversed if there has been a change in the estimates used to determine the recoverable amount of the asset since the last impairment loss was recognised.

The impact is recognised in the income statement. The impairment of goodwill cannot be reversed.

5. RECOGNITION OF FOREIGN CURRENCY DENOMINATED TRANSACTIONS IN THE INDIVIDUAL FINANCIAL STATEMENTS OF CONSOLIDATED COMPANIES

The consolidated financial statements at 31 December 2021 have been prepared in Euros.

Transactions in foreign currencies are translated into Euros at the exchange rate on the transaction date when they are initially recognised.

At each period-end in the individual financial statements:

- Non-monetary, foreign currency denominated amounts included in the balance sheet are retained at the historical rate;
- Monetary, foreign currency denominated amounts included in the balance sheet are converted at the year-end exchange rate.

Resulting translation differences are recorded in the income statement, except for unrealised exchange gains.

6. TRANSLATION OF FOREIGN SUBSIDIARIES' FINANCIAL STATEMENTS

The financial statements of Group companies which have a different currency to the parent company are translated into Euros, as follows:

- Assets and liabilities, including goodwill, are translated into Euros at the year-end exchange rate;
- Income and expenses are translated at the average exchange rate for the period, provided significant variations in the exchange rates do not call this method into question;

- Resulting translation differences are recorded directly in the consolidated financial statements under equity.

Unrealised exchange differences relating to monetary values that are an integral part of the net investment in foreign subsidiaries are recorded in translation adjustment in equity until the disposal of the investment, at which date they are taken to the income statement.

No significant Group subsidiary operates in countries whose economy is hyperinflationary.

7. CURRENT/NON-CURRENT DISTINCTION

The balance sheet is presented in a way that distinguishes between current items (short-term assets and liabilities) and non-current items (long-term assets and liabilities).

Operating profit consists of current and non-current items. Non-current items are of an extraordinary nature and are classified on a specific line in the income statement: "Other non-current operating income and expenses" after Current Operating Profit (see Note 3.2).

These items are reclassified in Note 14, in order to comply with the presentation required by the Law passed on 19 December 2015 amending the Law of 10 August 1915, effective from 1st January 2016.

8. DEFINITION OF THE MAIN AGGREGATES

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation – Current Operating Profit before Depreciation, Amortisation (including amortisation of the intangible assets allocated as part of acquisitions), and impairment charges, and provisions for current liabilities and charges.

EBITA: Earnings Before Interest, Taxes, Depreciation and Amortisation – Current Operating Profit before amortisation of intangible assets allocated as part of acquisitions.

NFD: Net Financial Debt. It corresponds to the difference between financial assets and financial liabilities. It notably takes into account accrued interest, derivative instruments attached to financial liabilities, unlisted bonds receivable, issued by certain companies in which shares are held or related entities, earnout on acquisitions, and deferred settlements of a financial nature (vendor loans). Not included are securities in non-controlling equity interests, convertible bonds and government grants (see Note 6.4).

9. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Changes in accounting policies or estimates are the subject of a note which includes the nature of the change and its impact on the annual financial statements.



NOTE 2 – CONSOLIDATION SCOPE

CONSOLIDATED COMPANIES AT 31 DECEMBER 2021

All companies have a 31 December year-end.

Company name	Registered office	% control 31/12/21	% interest 31/12/21	% interest 31/12/20
Edify S.A.	Luxembourg (Luxembourg)	(parent)	(parent)	(parent)
FULLY-CONSOLIDATED COMPANIES				
Financière Développement SAS	Ferney Voltaire (France)	100.00	92.58	92.58
De Buyer Industries	Val d'Ajol (France)	100.00	92.58	92.58
De Buyer.com	Val d'Ajol (France)	100.00	92.58	92.58
De Buyer Inc.	Los Angeles (USA)	100.00	92.58	92.58
Marlux (fusionnée 2021)	Val d'Ajol (France)	-	-	92.58
De Buyer GmbH	Saarbrücken (Germany)	100.00	92.58	92.58
Rousselon Frères et Compagnie	Thiers (France)	100.00	92.58	-
Rousselon Dumas Sabatier	Thiers (France)	100.00	92.58	-
Roussimo	Thiers (France)	100.00	92.58	-
Scaritech	Belfort (France)	100.00	92.58	-
Scaritech Iberica	Barcelona (Spain)	100.00	92.58	-
Parvosges	Ferney Voltaire (France)	100.00	54.70	54.70
Financière Nouveau Monde SA (transfer 2021)	Miribel (France)	-	-	90.02
Sirem SAS (cession 2021)	Miribel (France)	-	-	90.02
Sirem Immobilier SNC (transfer 2021)	Miribel (France)	-	-	90.02
Parlyon (transfer 2021)	Ferney Voltaire (France)	-	-	75.00
Provence Nouveau Monde	Ferney Voltaire (France)	100.00	100.00	100.00
Pellenc	Pertuis (France)	100.00	98.37	98.37
Pellenc America	Santa Rosa (USA)	100.00	98.37	98.37
Pellenc Australia	Adelaide (Australia)	100.00	98.37	98.37
Pellenc China	Dongguan (China)	100.00	98.37	98.37
Pellenc Languedoc Roussillon	Lézignan (France)	100.00	63.94	63.94
Pellenc Maroc	Marrakech (Morocco)	100.00	98.37	98.37
Pellenc Slovensko	Nové Mesto (Slovakia)	100.00	98.37	98.37
Pellenc Sud America	Santiago (Chile)	100.00	98.37	98.37
Pellenc Ibérica	Jaen (Spain)	100.00	98.37	98.37
Pellenc Italia	Colle Val d'Elsa (Italy)	100.00	98.37	98.37
Pellenc Deutschland	Kappelrodeck (Germany)	100.00	98.37	98.37
Pellenc Honk Kong (liquidation)	Honk Kong	100.00	98.37	98.37
Sofonlec	Perpignan (France)	100.00	63.94	63.94
Pellenc Bordeaux Charentes	Saint-Laurent-Medoc (France)	100.00	98.37	98.37
PERA - Pellenc SA	Florensac (France)	100.00	98.37	98.37
Pellenc Bâtiments	Pertuis (France)	100.00	98.37	98.37
Pellenc South Africa	Paarl (South Africa)	100.00	98.37	98.37
Pellenc HD SAS	Igé (France)	100.00	98.37	98.37
Pellenc Vignobles Champenois	Magenta (France)	100.00	98.37	98.37
Pellenc Mossbac	Bar-sur-aube (France)	100.00	98.37	98.37
Pellenc Portugal	Mira (Portugal)	100.00	98.37	-
Postura Campestre	Lisbonne (Portugal)	100.00	78.70	-
FDS Financière Développement Suisse SA	Vallorbe (Switzerland)	100.00	100.00	100.00
Usines Metallurgiques de Vallorbe SA	Vallorbe (Switzerland)	100.00	74.54	75.27
Parval (fusion 2021)	Vallorbe (Switzerland)	-	-	100.00
NMP SAS	Cluses (France)	100.00	99.38	99.08
Zurflüh-Feller Holding SAS	Autechaux Roide (France)	100.00	99.38	99.08
Zurflüh-Feller SAS	Autechaux Roide (France)	100.00	99.38	99.08
Eckermann	Schmitten (Germany)	100.00	99.38	99.08
CERF EURL	Autechaux Roide (France)	100.00	99.38	99.08
Profilmar	Marseille (France)	100.00	99.38	99.08
Profilinnov	Maracineni (Romania)	100.00	99.38	99.08
Parfontaine	Ferney Voltaire (France)	100.00	89.53	87.22
Financière du Jura	Ferney Voltaire (France)	100.00	100.00	100.00
Thermo-Technologies	Annecy (France)	100.00	87.36	87.36
Thermocompact	Annecy (France)	100.00	87.36	87.36



CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED COMPANIES AT 31 DECEMBER 2021

Company name	Registered office	% control 31/12/21	% interest 31/12/21	% interest 31/12/20
FSP-One SAS	Pont de Chéruy (France)	100.00	87.36	87.36
TSDM	Tournes (France)	100.00	87.36	87.36
HWA	Ho Chi Minh City (Vietnam)	100.00	87.36	87.36
IWT	Colorado Springs (USA)	100.00	87.36	87.36
Thermo-Technologies Inc	Wilmington (USA)	100.00	87.36	87.36
Advanced Casting Asia Ltd Liability Company	Vinh Tan (Vietnam)	100.00	87.36	87.36
Financière Bleu	Abrest (France)	100.00	86.70	-
Ligier développement	Abrest (France)	100.00	86.70	-
Ligier Group	Abrest (France)	100.00	86.70	-
Ligier Group Italia	Piacenza (Italy)	100.00	86.70	-
Ligier Group Deutschland	Bad Rappenau (Germany)	100.00	86.70	-
Microcar Osterreich	St. Georgen am Ybbsfelde (Austria)	100.00	86.70	-
Driveplanet Espana	Terrassa (Spain)	100.00	86.70	-
Driveplanet Portugal	Aveiro (Portugal)	100.00	86.70	-
Parallier	Ferney Voltaire (France)	100.00	57.14	-

PROPORTIONALLY-CONSOLIDATED COMPANIES

Gaviota Simbac, S.L.	Alicante (Spain)	46.50	46.50	46.50
Gaviota S.p.a.	Megazzo (Italy)	46.50	46.50	46.50
Gaviota Simbac, S.L. Sucursal Portugal	Sintra (Portugal)	46.50	46.50	46.50
Gaviota Simbac Middle East, S.A.L.	Zouk Mosbeh (Lebanon)	46.50	23.25	23.25
Gaviota Simbac Marruecos, SARL	Nador (Morocco)	46.50	46.50	46.50
Gaviota Simbac Eastern Europe, S.R.L.	Bucarest (Romania)	46.50	46.50	46.50
Huella Platina, S.A.	Montevideo (Uruguay)	46.50	46.50	46.50
Toldos y Persianas de Gaviota, S.A.	Barrio La Sonrisa (Uruguay)	46.50	46.50	46.50
Gaviota Revolution S.R.L.U.	Alicante (Spain)	46.50	46.50	46.50
Gaviota Brasil, S.A.	Sao Paulo (Brazil)	46.50	46.50	46.50
Gaviota Central Europe s.r.o.	Trnava (Slovakia)	46.50	46.50	46.50
Persianas y Toldos Europeos sa cv	México (Mexico)	46.50	46.04	46.04
Gaco Aluminium Solution SAS	Bogota (Colombia)	46.50	46.50	46.50
Bandalux Uruguay S.A.	Rivera (Uruguay)	46.50	46.50	46.50
Vista Sublime	Montevideo (Uruguay)	46.50	46.50	46.50
Nordalur	Montevideo (Uruguay)	46.50	46.50	46.50
Gaviota France SAS	Perpignan (France)	46.50	46.50	46.50
Gaviota USA LLC	Wilmington (USA)	46.50	46.50	46.50
Bestende	Bellusco (Italy)	46.50	32.55	32.55
Eurolock	Santiago (Chile)	46.50	23.25	23.25
GLP	Sinaloa (Mexico)	46.50	23.25	23.25
Gaviota Costa Rica	San José (Costa Rica)	46.50	41.85	41.85
Copen Fabrics	Alicante (Spain)	46.50	23.25	23.25
Ponti	Montevideo (Uruguay)	46.50	46.50	46.50
Vidrios Salinas	Alicante (Spain)	46.50	23.25	23.25
Commercial Awnings	Swindon (United Kingdom)	46.50	23.72	-
FilPel Bobinas	Barbastro (Spain)	49.19	49.19	49.19
Volentieri Pellenc	Poggibonsi (Italy)	49.19	49.19	49.19

EQUITY-ACCOUNTED COMPANIES

ACT Vinicole	Laverune (France)	48.20	48.20	48.20
Agreenculture	Toulouse (France)	32.90	32.90	-
Aceper SL	Ourense (Spain)	16.83	16.83	16.83
Masventava	Ourense (Spain)	16.20	16.20	16.20
Inversiones	Ourense (Spain)	16.20	16.20	16.20
Gaviota Simbac America S.A.	Santo Domingo (Dominican Republic)	-	-	34.88
Gaviota Caribe	Santo Domingo (Dominican Republic)	-	-	23.25
Ligier Développement	Abrest (France)	-	-	31.52
Siparex Associés	Lyon (France)	4.63	4.63	-

**NOTE 3 – PERFORMANCE-RELATED DATA****1. SALES**

Sales include all income from ordinary activities of consolidated companies.

Income from ordinary activities is recognised when it is probable that future economic benefits will flow to the Group and that they can be measured reliably.

Income from ordinary activities is recognised at the fair value of the consideration received or to be received.

Sales of goods are recognised when delivered to final customers.

Group sales totalled €819.3 million for the year ended 31 December 2021 and can be broken down geographically as follows:

(€ millions)	31/12/21	%	31/12/20	%
Europe	666.5	81%	441.4	79%
<i>of which France</i>	<i>344.1</i>	<i>42%</i>	<i>233.9</i>	<i>42%</i>
<i>of which Spain</i>	<i>81.0</i>	<i>10%</i>	<i>61.9</i>	<i>11%</i>
<i>of which Italy</i>	<i>79.0</i>	<i>10%</i>	<i>45.0</i>	<i>8%</i>
<i>of which Germany</i>	<i>65.5</i>	<i>8%</i>	<i>45.9</i>	<i>8%</i>
Americas	91.9	11%	71.0	13%
Asia	33.9	4%	26.2	5%
Africa	13.9	2%	9.7	2%
Oceania	13.1	2%	10.2	2%
TOTAL	819.3	100%	558.4	100%

Other operating revenue amounted to €12.7 million for the year ended 31 December 2021, compared with €13.6 million for the year ended 31 December 2020.

2. OTHER NON-CURRENT OPERATING INCOME AND EXPENSES

Note that Current Operating Profit represents Operating Profit excluding non-current operating income and expenses, gains and losses on the disposal of non-current assets and goodwill impairment.

The amortisation of intangible assets allocated as part of business combinations is included in Current Operating Profit.

Other non-current operating income and expenses relate to factors that are exceptional, unusual, abnormal, infrequent and particularly significant, which could distort the interpretation of the Group's consolidated performance. These notably include the capital gains and losses on disposals of property, plant and equipment and intangible assets, capital gains and losses on disposals of equity securities either fully consolidated or consolidated on a proportional

basis, restructuring costs and provisions likely to affect the understanding of the Current Operating Profit.

(€ K)	31/12/21	31/12/20
Charge to (-) reversal of (+) non-recurring provisions	2,280	3,269
Gains and losses on disposal of non-current assets	10,663	-243
Other non-recurring items	-1,075	-6,175
<i>Non-recurring income</i>	<i>2,155</i>	<i>1,260</i>
<i>Non-recurring expenses</i>	<i>-3,230</i>	<i>-7,436</i>
Other non-current operating income and expenses	11,868	-3,149

An improvement in Usines Métallurgiques de Vallorbe (UMV)'s outlook meant it was possible to reverse an additional €2.7 million of the provision for impairment of its assets (provision set aside in 2016 after impairment of UMV's assets was identified). This provision, which is remeasured annually (in 2020, an additional amount of €2.5 million was set aside), stood at €1.3 million at end 2021.

The disposal of Sirem enabled Edify to recognise a net consolidated capital gain of €11.4 million. It should be noted that in the 2020 financial year, a non-current expense of €3.8 million was recognised by Thermo-Technologies in connection with the planned acquisition of US company Fisk Alloy Inc., which was abandoned as a result of the pandemic.

3. INVENTORIES

Inventories are valued at their procurement cost, determined using the weighted average cost method.

The value of inventories and work in progress is impaired when their net realisable value is lower than their book value. Net realisable value is the estimated selling price under normal business conditions, after deducting estimated completion costs and estimated selling expenses.

As part of the consolidation process, the value of inventories on the balance sheet excludes the intercompany profit generated on the sale of goods between two Group companies if these goods are still held in inventory at a Group company at the period-end date.

(€ K)	31/12/21	31/12/20
Gross values		
Raw materials and other supplies	90,169	55,350
Finished goods and merchandise	156,273	122,876
TOTAL	246,442	178,226
Provisions	-20,274	-17,867
Net values	226,168	160,359



4. TRADE RECEIVABLES AND TRADE PAYABLES

Trade receivables and trade payables are recorded at their nominal value. A provision for impairment is recorded in the case of receivables that are unlikely to be recovered.

(€ K)	31/12/21	31/12/20
Gross trade receivables	129,692	92,461
Provisions	-5,865	-3,860
Net trade receivables	123,827	88,600

At constant consolidation scope, provisions for doubtful debts increased by €465 K over the 2021 financial year. Trade payables amounted to €91,002 K for the year ended 31 December 2021, compared with €48,513 K for the year ended 31 December 2020.

5. OTHER CURRENT RECEIVABLES AND LIABILITIES

Other current receivables

(€ K)	31/12/21	31/12/20
Gross values		
Receivables from employees	787	235
Other taxes (including VAT)	11,891	7,633
Prepaid expenses	4,893	3,255
Other receivables	10,078	1,036
TOTAL	27,649	12,159

Other current liabilities

(€ K)	31/12/21	31/12/20
Social security liabilities	33,987	24,191
Tax liabilities	10,921	9,060
Deferred income	4,701	2,758
Non-current asset suppliers	1,509	2,168
Other	1,424	965
TOTAL	52,541	39,141

NOTE 4 – PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

1. GOODWILL

When a company is incorporated in the consolidation scope, the identifiable assets, liabilities and contingent liabilities of the acquired entity are measured at fair value measured at the date of acquisition.

Goodwill is measured as the difference between total identifiable assets, liabilities and contingent liabilities of the acquired entity, individually estimated at fair value, and the transferred consideration (total acquisition cost) measured at fair value of the assets received.

The goodwill resulting from the difference between the acquisition price and the value of the net asset re-estimated at the acquisition date is treated as follows:

- Goodwill is recognised as an amortisable intangible asset;
- Negative goodwill is expensed if it corresponds to the following at the acquisition date:

- a forecast adverse trend in the future results of the company concerned,
- the forecast expenses that the company will incur,
- a realised capital gain.

In other cases, negative goodwill is recognised under provisions for liabilities and charges.

Goodwill is not allocated to minority interests. However, adjustments to the fair value of identifiable assets and liabilities (valuation differences) are divided between the share attributable to the Group and the share attributable to minorities.

Goodwill is usually amortised over five years. It may be amortised over a period longer than five years, although that period may not exceed the expected useful life of the asset. When this option is used, it is mentioned in the notes to the financial statements, together with the reasons. Amortisation of goodwill cannot be reversed.



Goodwill

(€ K)	Value
At 31 December 2020	11,634
Changes in scope of consolidation	46,418
Changes in foreign exchange rates	169
Amortisation charges	-12,989
At 31 December 2021	45,231

The main changes in scope in financial year 2021 related to the acquisition of Ligier as well as Scaritech and Rousselon Frères.

The item primarily consists of the net goodwill on Thermo-Technologies (€3.2 million), Ligier (€24.4 million), Rousselon Frères (€6.0 million) and Scaritech (€6.1 million).

2. INTANGIBLE ASSETS

Intangible assets acquired by the Group are recognised at acquisition cost or at cost price, after deduction of accumulated amortisation and potential writedown.

Each asset is tested for impairment when there is evidence of permanent impairment.

Incorporation costs are restated and considered as expenses for the financial year.

Intangible assets primarily comprise:

- Software, which is valued at acquisition cost and amortised on a straight-line basis over the expected useful life;
- Patents: only acquired patents and related filing expenses are capitalised. They are amortised on a straight-line basis over their legal protection period. Costs of renewal of patents are included in costs for the year;
- Development costs are capitalised under several conditions:
 - They must offer a reasonable chance of technical success and commercial profitability,
 - It is probable that the future economic benefits attributable to the software will flow to the entity, and
 - Its cost or value can be measured reliably.

Development expenses incurred on behalf of a customer are not capitalised and are included in the expenses for the financial year.

Development costs are usually amortised over a period of five years from the date they are recognised under assets.

Subsequent expenditures are generally recognised as expenses for the financial year.

In the event that a project fails, the corresponding development costs must immediately be amortised in full.

Research costs are included in costs for the year.

- Brands are valued and recorded as assets on the balance sheet as part of acquisitions.

These intangible assets have an indefinite life and are subject to impairment tests when events or changes in circumstances indicate that they have been impaired (indication of impairment). If no patent is filed, the trademark is not capitalised, and the costs incurred are expensed.

- The relationship with customers, which is valued as an intangible asset, represents the value of the customer portfolio at the acquisition date. This value is determined based on the future profitability of the company’s main customers who are currently in the portfolio, taking into account a customer loss rate based on the company’s historical data.

The profitability generated by these customers is measured based on the expected financial performance in terms of its EBITA margin, less tax, the financing of other assets (property, plant and equipment and trademarks), and working capital requirements.

These intangible assets have a limited life and are generally amortised over 10 years.



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Intangible assets

(€ K)	Allocated intangible assets	Development costs	Patents and brands	Software	Other	In-progress and advance payments	Total 2021
Gross value at 31 December 2020	43,224	4,564	7,944	11,318	3,568	918	71,537
Acquisitions	-	743	44	1,029	342	3,279	5,437
Disposals	-	-8	-4	-1,371	-27	-	-1,410
Changes in foreign exchange rates	-	24	132	116	1	-	273
Changes in scope of consolidation	35,928	24,780	2,904	-359	707	1,527	65,487
Other movements	1,260	395	-3,896	3,497	-1	-1,114	141
At 31 December 2021	80,412	30,498	7,124	14,230	4,590	4,610	141,464
Accumulated amortisation at 31 December 2020	-11,193	-3,329	-4,302	-8,289	-2,318	-	-29,431
Amortisation charge and value restatements for the period	-3,162	-1,224	-394	-1,583	-381	-	-6,744
Disposals	-	8	4	1,370	27	-	1,409
Changes in foreign exchange rates	-	-12	-31	-101	-1	-	-145
Changes in scope of consolidation	-	-23,216	-100	-1,628	-372	-	-25,316
Other movements	-	-	-96	-	97	-	1
At 31 December 2021	-14,355	-27,773	-4,919	-10,231	-2,948	-	-60,225
NET VALUE AT 31 DECEMBER 2021	66,057	2,725	2,205	3,999	1,642	4,610	81,241
							Total 2020
Gross value at 31 December 2019	43,224	4,122	8,134	9,240	1,336	3,492	69,549
Acquisitions	-	344	81	263	393	741	1,822
Disposals	-	-15	-	-61	-42	-12	-130
Changes in foreign exchange rates	-	-2	-108	-1	-3	-	-113
Changes in scope of consolidation	-	-	-	26	-	-	26
Other movements	-	115	-163	1,852	1,884	-3,303	384
At 31 December 2020	43,224	4,564	7,944	11,318	3,568	918	71,537
Accumulated amortisation at 31 December 2019	-8,207	-2,699	-4,180	-7,294	-345	-1,513	-24,238
Amortisation charge and value restatements for the period	-2,986	-513	-282	-1,042	-415	-	-5,238
Disposals	-	15	-	61	-	-	76
Changes in foreign exchange rates	-	1	14	-1	1	-	15
Changes in scope of consolidation	-	-	-	-26	-	-	-26
Other movements	-	-133	146	13	-1,558	1,513	-19
At 31 December 2020	-11,193	-3,329	-4,302	-8,289	-2,318	-	-29,431
NET VALUE AT 31 DECEMBER 2020	32,031	1,236	3,642	3,029	1,250	918	42,107



3. PROPERTY, PLANT AND EQUIPMENT

Except for business combinations, property, plant and equipment are recorded at their acquisition cost or at their procurement cost. Property, plant and equipment acquired as part of a business combination are recognised at their fair value independently of goodwill. Current maintenance costs are recognised as expenses for the financial year.

The value of a fixed asset where the use is limited in time is depreciated over its useful life. The depreciation is calculated based on the book value of the asset and does not take its residual value into account.

Straight-line depreciation is used based on the following average useful lives:

- Buildings: 20 to 40 years,
- Fittings and fixtures: 10 to 20 years,
- Machinery and tools: 5 to 10 years,
- Motor vehicles: 3 to 5 years,
- Furniture: 4 to 10 years.

An adjustment for impairment is recorded when the value of a non-current asset is less than the balance sheet value and the reduction in value will be permanent.

Property, plant and equipment

(€ K)	Land	Buildings	Plant, machinery and tools	Other	In progress and advance payments	Total 2021
Gross value at 31 December 2020	15,418	130,390	220,296	27,231	9,590	402,926
Acquisitions	596	1,957	7,711	3,005	16,089	29,358
Disposals	-6	-867	-2,395	-2,475	-	-5,743
Changes in foreign exchange rates	-19	1,302	3,288	297	191	5,059
Changes in scope of consolidation	6,768	15,964	35,920	2,082	191	60,925
Other movements	108	-1,140	3,827	4,003	-6,976	-178
At 31 December 2021	22,865	147,606	268,647	34,143	19,085	492,347
Accumulated depreciation at 31 December 2020	-3,351	-61,915	-174,924	-20,394	-	-260,584
Depreciation charge and value restatements for the period	-536	-6,113	-11,538	-3,654	-	-21,841
Disposals	-	371	2,032	1,536	-	3,939
Changes in foreign exchange rates	-1	-727	-2,565	-210	-	-3,503
Changes in scope of consolidation	-10	-10,302	-30,548	-2,079	-	-42,939
Other movements	-497	630	90	-266	-	-43
At 31 December 2021	-4,395	-78,056	-217,453	-25,067	-	-324,971
NET VALUE AT 31 DECEMBER 2021	18,470	69,550	51,194	9,076	19,085	167,377
						Total 2020
Gross value at 31 December 2019	14,350	123,040	210,713	25,977	17,883	391,963
Acquisitions	11	3,473	7,016	1,899	11,538	23,936
Disposals	-	-2,260	-8,021	-1,116	-4	-11,401
Changes in foreign exchange rates	-8	-510	-1,089	-284	-145	-2,036
Changes in scope of consolidation	419	2,125	-47	303	-	2,801
Other movements	647	4,522	11,723	451	-19,682	-2,339
At 31 December 2020	15,418	130,390	220,296	27,231	9,590	402,926
Accumulated depreciation at 31 December 2019	-2,807	-60,002	-168,391	-18,825	-	-250,025
Depreciation charge and value restatements for the period	-384	-4,828	-11,202	-2,298	-	-18,712
Disposals	-	1,243	5,891	997	-	8,132
Changes in foreign exchange rates	-	132	586	171	-	889
Changes in scope of consolidation	-160	-331	-57	-377	-	-925
Other movements	-	1,871	-1,751	-62	-	58
At 31 December 2020	-3,351	-61,915	-174,924	-20,394	-	-260,584
NET VALUE AT 31 DECEMBER 2020	12,067	68,476	45,372	6,837	9,590	142,343



4. LEASES

Agreements are classified as lease-finance agreements where the lease agreement includes a purchase option. They are recorded, from inception of the agreement, in property, plant and equipment at the lower of the fair value of leased assets and the present value of minimum payments in respect of the lease.

PPE acquired through finance leases are depreciated over the same periods as described above where the Group expects to gain ownership of the asset at the expiry of the agreement. If not, the asset is depreciated on the basis of

the shorter period of the asset's useful life and the duration of the lease. Agreements are classified as operating leases where the lease does not include a purchase option. Conversely, additional services such as the maintenance of the leased assets are often included in an operating lease agreement. The amounts paid under the terms of operating leases are expensed over the period, from the effective date of the agreement (and not from the date when the asset is first used).

Terminated leases are excluded from the table.

Leases

(€ K)	Land	Buildings	Plant, machinery and tools	Capitalized machinery	Software	Total 2021
Gross value at 31 December 2020	681	8,959	18,954	-	431	29,024
Acquisitions	-	-	388	459	34	880
Disposals	-	-	-64	-1,456	-	-1,520
Changes in foreign exchange rates	-	-	292	3	-	295
Changes in scope of consolidation	-400	-2,900	-550	-	-	-3,850
Other movements	-	-	60	3,284	-	3,344
At 31 December 2021	281	6,059	19,080	2,290	465	28,175
Accumulated depreciation at 31 December 2020	467	-2,908	-12,927	-	-141	-15,509
Depreciation charge for the period and value adjustments	-28	-182	-925	-774	-108	-2,016
Disposals	-	-	28	617	-	646
Changes in foreign exchange rates	-	1	-229	-2	-	-229
Changes in scope of consolidation	-	1,873	424	-	-	2,297
Other movements	-830	830	-121	-818	-	-939
At 31 December 2021	-391	-386	-13,749	-976	-249	-15,751
NET VALUE AT 31 DECEMBER 2021	-110	5,673	5,331	1,314	216	12,424
						Total 2020
Gross value at 31 December 2019	1,863	9,688	31,735	-	-	43,286
Acquisitions	-	-	3,539	-	74	3,613
Disposals	-	-	-917	-	-	-917
Changes in foreign exchange rates	-	-	-61	-	-	-61
Changes in scope of consolidation	-	-	-	-	-	-
Other movements (including lease purchase)	-1,182	-729	-15,342	-	357	-16,896
At 31 December 2020	681	8,959	18,954	431	29,024	
Accumulated depreciation at 31 December 2019	-334	-3,263	-26,689	-	-	-30,286
Depreciation charge for the period and value adjustments	-29	-374	-2,598	-	-107	-3,108
Disposals	-	-	932	-	-	932
Changes in foreign exchange rates	-	-	38	-	-	38
Changes in scope of consolidation	-	-	-	-	-	-
Other movements (including lease purchase)	830	729	15,390	-	-34	16,915
At 31 December 2020	467	-2,908	-12,927	-141	-15,509	
NET VALUE AT 31 DECEMBER 2020	1,148	6,051	6,027	290	13,515	

**NOTE 5 – EQUITY****1. MAIN CHANGES IN EQUITY**

(€ K)	31/12/21	31/12/20
Edify S.A. Equity - opening balance	304,796	297,525
Net profit for the year	57,031	9,032
Profit units (see Note 11)	250	-
Changes in foreign exchange rates	2,815	-1,967
Miscellaneous	102	206
Total equity (Group share)	364,994	304,796
Non-controlling interests	30,410	22,051
TOTAL SHAREHOLDER'S EQUITY	395,405	326,847

Edify's subscribed capital amounted to €4.86 million at both 31 December 2021 and 2020 and was represented by 4,860,000 fully paid-up shares with a par value of €1 each. In accordance with Luxembourg standards, goodwill is amortised over a period of five years (see Note 4.1). Consolidated equity was impacted by goodwill amortisation of €13.0 million over the 2021 financial year (see Note 4.1), resulting in a cumulative amount of €49.5 million. It should be noted that the goodwill of €34.2 million in the opening balance sheet determined on the equity interests resulting from the contribution made on 29 October 2014 was immediately deducted from the Group's reserves.

2. OWN SHARES

Following the issuer bid launched by the Company prior to the delisting in 2020 and the liquidity mechanism put in place since the delisting, Edify held 140,632 of its own shares at the balance sheet date, of which 6,921 were acquired in 2021. These 140,632 shares represented 2.91% of the share capital and were valued at €9.8 million, compared with €9.6 million at end 2020. These own shares are recognised as non-current financial assets. There are no plans to sell them in the short term. They will be recognised in equity once the statutory three-year period has expired. Edify has established an unavailable reserve for the same amount, in accordance with Luxembourg law regarding commercial companies.

NOTE 6 – FINANCIAL ITEMS**1. NET FINANCIAL INCOME/(EXPENSE)**

Net financial income/(expense) comprises the following items:

- The cost of net financial debt includes all income/expense from net financial debt or cash surplus constituents over the period, including income/loss on interest rate hedges;
- Actuarial differences relating to financial items (including changes in discount rates and rates of return, etc.) (see Note 9);
- Capital gains or losses on the disposal of equity securities consolidated using the equity method, and on the sale of securities to minority shareholders;

- Other financial income and expenses include income and expenses of a financial nature but neither of an operational nature nor a constituent of the cost of net financial debt.

(€ K)	31/12/21	31/12/20
Gains on disposal of financial assets	12,419	252
Cost of net financial debt	-8,743	-4,591
<i>Financial income from investments</i>	<i>76</i>	<i>945</i>
<i>Financial expenses related to borrowings</i>	<i>-8,819</i>	<i>-5,536</i>
Effect of foreign currency translation	1,043	-2,439
Actuarial gains and losses	106	419
Other financial income and expenses	331	-210
Net financial income/(expense)	5,156	-6,568

Disposal of the Company's shares in Lacroix Emballages generated a net capital gain of €10.7 million.

The increase in debt-related finance costs was mainly a result of the consolidation of Ligier.

In 2020, some investees, notably those operating in the South American market, were affected by significant adverse foreign exchange effects as a result of currencies depreciating against the euro. Overall, foreign exchange effects were positive for the Company's investees in 2021.

2. FINANCIAL ASSETS

Financial assets are initially recognised at their acquisition cost or procurement cost. They are valued at their carrying value at the balance-sheet date. The book value and the carrying value are compared, and an adjustment for impairment is recorded where the carrying value is less than the value of the financial asset.

(€ K)	31/12/21	31/12/20
Non-controlling equity investments	3,006	10,132
Own shares	9,757	9,558
Unlisted bonds receivable convertible into shares	-	7,026
Borrowings	512	1,061
Other	4,100	3,618
Current and non-current financial assets	17,376	31,395
Due within one year	1,254	8,736
Non-current financial assets	16,122	22,659

Investments in non-controlled investees were mainly affected by the disposal of shares in Lacroix for €6.0 million.

At 31 December 2020 bond receivables corresponded to the convertible bonds issued to Edify by Ligier Group's holding company (€6.6 million), which were redeemed in February 2021 upon the acquisition by Edify of a majority shareholding in Ligier. "Other" essentially includes deposits and guarantees.



3. FINANCIAL LIABILITIES

Upon initial recognition, loans and other interest-bearing debts are measured at their face value. They are subsequently measured at their redemption value.

Financial liabilities

(€ K)	Borrowings from credit institutions	Lease commitments	EURO PP private bond loan	Other borrowings and financial liabilities	Total 2021
At 31 december 2020	269,776	9,873	50,000	4,507	334,157
New borrowings and financial debt	69,362	-	-	4,809	74,171
Repayment of borrowings and financial debt	-153,512	-3,042	-	-427	-156,981
Changes in scope of consolidation	47,872	-56	-	793	48,609
Decrease in overdraft facilities	-3,356	-	-	-	-3,356
New leases	-	978	-	-	978
Leaseback	-	-1,125	-	-	-1,125
Changes in foreign exchange rates	206	53	-	-3	256
Current financial liabilities	230,347	6,682	50,000	9,681	296,710
Due within one year	57,517	2,391	-	7,353	67,262
Non-current financial liabilities	172,830	4,291	50,000	2,328	229,448

In financial year 2021, Edify and its investees repaid much of their borrowings drawn against credit facilities in 2020 to secure their cash positions amid the global pandemic. Moreover, €45 million was repaid against government-backed loans (and equivalents) taken out in 2021 totalling €54 million.

It should be noted that on 16 May 2018 Edify subscribed to its first private bond placement of €50 million, maturing over seven years and bearing a fixed rate of 3.75%.

Maturity schedule of financial liabilities

(€ K)	31/12/21	31/12/20
1 year or less	67,262	185,963
Between 1 and 5 years	158,360	138,234
5 years or more	71,088	9,960
TOTAL	296,710	334,157

Financial debt guaranteed by pledges, mortgages, or liens totalled €98 million at 31 December 2021.

Covenants

The provision of credit facilities totalling €210 million and the €50 million Euro PP bond by credit institutions and private investors is subject to the commitment given by Edify to comply with three financial covenants (net parent company financial debt/Net Asset Value, expanded net financial debt/expanded Net Asset Value and cash & cash equivalents). Edify was in compliance with all of its covenants at 31 December 2021.

Thermo-Technologies, De Buyer, Ligier and Zurflüh-Feller also complied with the respective covenants relating to their "LBO" debt at 31 December 2021.



4. ANALYSIS OF NET FINANCIAL DEBT

The Net Financial Debt corresponds to the difference between financial assets and financial liabilities. It notably takes into account accrued interest, derivative instruments attached to financial liabilities, earnout or deferred payments on acquisitions, and deferred settlements of a financial nature. Not included are securities in non-controlling equity interests, convertible bonds, deposits & guarantees, and government grants.

Cash includes bank balances (bank assets and overdrafts) and cash in hand. Cash equivalents are short term, very liquid, easily convertible into a known amount of cash and subject to a negligible risk of unfavourable change in value.

(€ K)	31/12/21	31/12/20
Financial liabilities included in Net Financial Debt calculation	290,829	333,972
Financial assets included in Net Financial Debt calculation	521	1,080
Cash and cash equivalents	176,665	253,479
Net Financial Debt (excluding earn-out liability and deferred settlements)	113,643	79,413
Earn-out liability and deferred settlements on acquisitions	5,844	154
Total Net Financial Debt	119,487	79,567

5. HEDGING INSTRUMENTS

Derivatives are recognised in off-balance sheet items, except:

- Where they present an unrealised capital loss, in which case a provision must be recorded;
- Where they are hedging instruments that then offset the underlying asset.

Hedging instruments whose underlying is a financial liability are classed as "Other financial liabilities" and included in net financial debt.

At 31 December 2021, they stood at less than €0.1 million.

**NOTE 7 – DETAIL OF THE CASH FLOW STATEMENT****1. CASH AND CASH EQUIVALENTS**

(€ K)	31/12/21
Cash at the start of the period	231,633
Cash and cash equivalents - opening balance	253,479
Bank overdrafts	-21,846
Cash at the end of the period	157,387
Cash and cash equivalents - closing balance	176,665
Bank overdrafts	-19,278

2. CHANGE IN WORKING CAPITAL REQUIREMENTS

(€ K)	31/12/21	31/12/20
Net change in inventories	-37,503	3,992
Net change in trade receivables	-12,439	9,427
Net change in trade payables	19,295	-6,893
Change in other receivables and payables	-13,325	-874
Change in working capital requirements	-43,972	5,652

3. ACQUISITION OF COMPANIES, NET OF CASH ACQUIRED

The main acquisitions were Rousselon Frères and Scaritech, acquired by De Buyer's buyout holding company, and Ligier, excluding cash received in connection with the disposal of the 31.5% interest previously recognised using the equity method.

(€ K)	Ligier	Acquisitions of Financière Développement
Goodwill	33,998	13,436
Net intangible assets	40,172	145
Net property, plant and equipment	18,382	1,948
Net non-current financial assets	547	21
Other non-current receivables	426	-50
Deferred tax assets	1,133	99
Inventories	26,284	3,384
Trade receivables	21,668	2,821
Other current receivables	11,541	543
Net cash and cash equivalents	20,341	3,173
Tax receivables	-	-69
Non-current provisions	-2,831	-
Other non-current financial liabilities	-59,750	-527
Employee obligations	-7,614	-714
Other non-current liabilities	-221	-
Other current financial liabilities	-	-258
Trade payables	-21,144	-2,280
Other current liabilities	-25,767	-200
Tax liability	-11,806	-118
Acquisition cost paid (including acquisition expenses)	45,480	21,354
Less: cash acquired	-20,341	-3,173
Net cash flow from acquisition less cash acquired	25,139	18,181

**NOTE 8 – PROVISIONS**

A provision is established when the Group has a current obligation (legal or constructive) resulting from a past event and when future cash outflows can be measured reliably. A loss that has been the subject of a provision must relate to a fully

identified risk. As risk is inherent to the concept of a business, no provision can be recorded in order to cover general risks. The amount of the provision must then be adjusted depending on changes in the foreseeable amount of the loss.

1. NON-CURRENT PROVISIONS

(€ K)	Provisions for guarantees	Provisions for litigation	Provisions for liabilities and charges	Total 2021
At 1 January 2021	2,371	541	381	3,293
Charges	126	434	245	805
Used reversals	-	-321	-139	-460
Unused reversals	-	-	-	-
Impact of foreign exchange rates	7	-	-	7
Change in consolidation scope	2,209	268	363	2,840
Other movements	-	-	-	-
At 31 December 2021	4,713	922	850	6,486
				Total 2020
At 1 January 2020	2,474	748	354	3,577
Charges	-	226	14	240
Used reversals	-98	-406	-73	-577
Unused reversals	-	-8	88	80
Impact of foreign exchange rates	-11	-	-2	-13
Change in consolidation scope	-	-	-	-
Other movements	6	-19	-	-13
At 31 December 2020	2,371	541	381	3,293

**2. CURRENT PROVISIONS**

(€ K)	Provisions for guarantees	Provisions for litigation	Provisions for liabilities and charges	Total 2021
At 1 January 2021	1,611	896	92	2,598
Charges	-	51	6	57
Used reversals	-682	-129	-20	-831
Unused reversals	-	-122	-	-122
Impact of foreign exchange rates	-	-	-	-
Change in consolidation scope	-	-173	1	-172
Other movements	-	-	-	-
At 31 December 2021	929	523	79	1,532
				Total 2020
At 1 January 2020	2,265	626	183	3,074
Charges	-660	487	2	-171
Used reversals	-	-197	-	-197
Unused reversals	-	-39	-93	-132
Impact of foreign exchange rates	-	-	-	-
Change in consolidation scope	-	-	-	-
Other movements	6	19	-	25
At 31 December 2020	1,611	896	92	2,598

NOTE 9 – EMPLOYEE INFORMATION**1. HEADCOUNT**

The headcount at 31 December 2021 was 4,580 employees (including 100% of the headcount of the entities consolidated on a proportional basis or acquired during the year), compared with 3,775 at 31 December 2020.

2. EMPLOYEE BENEFITS

In respect of pension plan commitments, the Group contributes to pension plans or grants benefits to employees on retirement in compliance with the rules and regulations in place in each country. These benefits have been measured.

In the limited number of cases where these expenses cannot be considered as remuneration for future services, a provision is established in the financial statements for the financial year in respect of the resulting short-term commitment, provided that the obligation toward the employee is probable or certain.

Contributions paid in respect of plans analysed as defined contribution plans, for which the Group has no other obliga-

tion than paying contributions, are recognised as expenses for the financial year.

For defined benefit plans relating to post-employment benefits, the cost of benefits is measured using the projected unit credit method.

According to this method, the rights to benefits are allocated to periods of service depending on the plan's formula for acquisition of rights, by taking account of a straight-line effect where the rate of acquisition of rights is not uniform over periods of subsequent service.

The amounts of future payments corresponding to benefits granted to employees are measured on the basis of salary increase, retirement age and death rate assumptions, and then discounted to their present value on the basis of long term bond interest rates of prime issuers.



These plans are either financed – their assets being managed separately and independently from the Group – or not, with their commitments being recognised in the balance sheet under “Employee benefits”.

The different defined benefit plans are the following:

- Retirement benefit plans (IFC) for all French companies, in compliance with applicable collective agreements;
- Other defined benefit pension plans.

All actuarial differences are immediately recognised, net of deferred tax, in the income statement. Actuarial differences relating to financial items (including changes in discount rates and rates of return, etc.) are recognised under net financial income.

The past service cost resulting from a plan amendment or curtailment of an existing plan is immediately expensed.

Expenses relating to this type of plan are recognised under employee costs and, in relation to the accretion expense, under net financial expense.

The provision recognised in the balance sheet corresponds to the present value of the obligations calculated as described above, less the fair value of plan assets.

Long-service awards are treated as long-term benefits granted to employees and provided for on the basis of an actuarial evaluation at every year-end.

(€ K)	31/12/21	31/12/20
Retirement and similar obligations	12,383	10,906
Plan assets (funds)	-	-
Net obligation	12,383	10,906

3. GROSS REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS

The gross remuneration allocated to the members of the Board of Directors amounted to €299 K for 2021, compared with €269 K for 2020.

NOTE 10 – CURRENT AND DEFERRED TAX

1. CURRENT TAX

Tax consolidation agreements are in place covering the Group’s French subgroups.

2. DEFERRED TAX

Deferred tax assets and liabilities are measured at the income tax rate expected to apply to the financial year when the asset will be realised or the liability settled, on the basis of income tax rates (and tax regulations) adopted or virtually adopted at year end.

Deferred tax is recognised for the temporary differences between the book value of assets and liabilities and its tax value and restatements made on consolidation to conform to Group accounting standards (extended concept of deferred tax calculation).

Deferred tax assets are only recognised if their recovery is probable, i.e. if their recovery does not depend on future results, or it is probable that the company will be able to recover them due to the existence of an expected taxable profit during this period.

Deferred tax relating to companies’ tax losses is recognised when the following conditions are fulfilled:

- The entity has sufficient taxable temporary differences with a single tax authority and for the same taxable entity, which will generate taxable amounts against which unused tax losses and tax credits can be offset before they expire;
- It is likely that the entity will generate taxable profits before unused tax losses and tax credits expire;
- Unused tax losses result from identifiable causes, which will probably not reoccur;
- Opportunities related to the entity’s tax management will generate taxable profits for the financial year during which unused tax losses and tax credits can be allocated.

If it is unlikely that the entity will make sufficient profits to allocate unused tax losses or tax credits, deferred tax assets are not recognised.

The income tax charge is analysed as follows:

(€ K)	31/12/21	31/12/20
Current tax	-19,985	-9,502
Deferred tax	1,171	131
Income tax	-18,814	-9,371



CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax is analysed as follows:

(€ K)	31/12/21	31/12/20	Impact 2021 income statement
Deferred tax assets related to internal margins	5,013	4,998	-235
Deferred tax assets related to employee benefits	2,599	2,358	-181
Deferred tax assets related to provision methods	250	521	19
Deferred tax assets related to tax and social security liabilities	2,097	1,328	508
Deferred tax assets related to fair value	922	957	-10
Deferred tax liabilities related to customer relations	-16,486	-8,008	665
Deferred tax liabilities related to the fair value of non-current assets	-2,921	-928	130
Deferred tax liabilities related to leases	-1,147	-1,424	-250
Deferred tax liabilities related to changes in amortisation and depreciation	-2,769	-2,457	355
Deferred tax liabilities related to the capitalisation of development costs	-175	-167	-38
Miscellaneous	1,079	1,001	209
TOTAL	-11,539	-1,821	1,171
Deferred tax assets	9,703	9,458	-
Deferred tax liabilities	-21,242	-11,279	-
Net deferred tax	-11,539	-1,821	-

NOTE II – OFF-BALANCE SHEET COMMITMENTS

The Group's commitments comprise the following:

(€ K)	31/12/21	31/12/20
Payments outstanding on operating leases	11,174	13,154
Other commitments given	54	218
Commitments given	11,228	13,372
Asset and liability guarantees	2,185	12,870
Unused credit lines	281,899	141,633
Commitments received	284,084	154,503
Purchase options on assets	69,957	24,432
Mutual commitments	69,957	24,432

Share purchase options include €34.5 million in commitments to buy back minority interests that will occur between 2022 and 2027.

In addition, since 2016 Edify has issued 510,525 profit units for a total nominal amount of €5,504,465.28.

The Company has given a buyback commitment and benefits from a buy-back option with a view to acquiring ownership of these profit units. According to the valuation at 31 December 2021, this buy-back would have an impact of €11.7 million on shareholders' equity.



NOTE 12 – INVESTMENTS IN ASSOCIATES AND RELATED PARTY DISCLOSURES

1. INVESTMENTS IN ASSOCIATES

Investments in equity associates at 31 December 2021 include the companies consolidated using the equity method, primarily Siparex Associés (€5.7 million), acquired in financial year 2021, and Aceper SL (€2.0 million). The acquisition of a majority interest in Ligier resulted in the derecognition of the equity-accounted investment for its opening value of €14.8 million.

En milliers d'euros	31/12/21	31/12/20
Investments in associates at the beginning of the year	16,307	14,323
Change in consolidation scope	-8,941	-
Share of profit/(loss) from associates	704	2,042
Dividends paid	-25	-50
Other movements	7	-8
Investments in associates at year-end	8,052	16,307

2. RELATED-PARTY DISCLOSURES

A related party is a person or entity that is related to the entity that prepares its financial statements. Related parties are:

- The parent company,
- Subsidiaries,
- Associates,
- Joint ventures,
- Members of the Board of Directors.

Related-party transactions

There were no related-party transactions, except for the transactions between Edify and its subsidiaries, which are restated in the consolidated financial statements, and the gross remuneration amounts allocated to members of the Board of Directors (see Note 9.3).

NOTE 13 – STATUTORY AUDITORS' FEES

The fees paid to the main Statutory Auditor amounted to €336 K, of which €333 K was for services relating to the audit of the financial statements for 2021.

(€ K)	31/12/21	31/12/20
Total fees directly related to the audit of Edify Group's financial statements	333	356
<i>Edify S.A.</i>	111	97
<i>Fully-consolidated subsidiaries</i>	222	259
Other services provided by the networks to fully-consolidated subsidiaries (legal, tax, corporate)	3	3
TOTAL	336	359

**NOTE 14 – FINANCIAL STATEMENTS IN THE FORMAT REQUIRED BY LUXEMBOURG LAW**

The financial statements below adopt a presentation that is compliant with the amendment to the Law of 10 August 1915, which was passed on 19 December 2015 and effective from 1st January 2016.

CONSOLIDATED INCOME STATEMENT

(€ K)	2021	2020	Cross-reference with the financial statements
1. Net sales	819,301	558,436	Sales
2. Changes in inventories of finished and semi-finished goods	37,309	-2,065	Cost of sales
3. Own work capitalised	-	-	
4. Other operating revenues	12,676	13,648	Other operating income
5. a) Consumption of merchandise, raw materials and consumables	-450,500	-261,197	Cost of sales
5. b) Other external charges	-16,789	-6,839	Cost of sales
6. Staff costs	-206,568	-169,113	Employee costs
<i>a. Wages and salaries</i>	<i>-157,146</i>	<i>-127,337</i>	
<i>b. Social security charges accruing by reference to wages and salaries</i>	<i>-45,926</i>	<i>-38,882</i>	
<i>c. Supplementary pensions</i>	<i>-1,513</i>	<i>-963</i>	
<i>d. Other staff costs</i>	<i>-1,982</i>	<i>-1,931</i>	
7. Value adjustments in respect of:	-43,712	-33,630	
<i>a. Establishment costs and property, plant and equipment, and intangible assets</i>	<i>-26,274</i>	<i>-22,651</i>	Amortisation and depreciation charges
<i>b. Current provisions</i>	<i>49</i>	<i>62</i>	Charges to current provisions
<i>c. Non-current provisions</i>	<i>-208</i>	<i>-40</i>	Other non-current operating income and expenses
<i>d. Goodwill</i>	<i>-12,989</i>	<i>-8,353</i>	Goodwill impairment + Earn Out
<i>e. Allocated intangible assets</i>	<i>-3,162</i>	<i>-2,986</i>	Amortisation of allocated intangible assets
<i>f. Inventories</i>	<i>-670</i>	<i>343</i>	Cost of sales
<i>g. Operating asset items</i>	<i>-458</i>	<i>-5</i>	External costs
8. Other operating expenses	-78,866	-75,712	External charges + Other non-recurring operating income and expenses
OPERATING PROFIT	72,852	23,527	OPERATING PROFIT
9. Income from equity investments	-24,886	-7,924	Other financial income and expenses
10. Income from financial items of current assets	2,312	5,273	Other financial income and expenses
11. Other interest and similar income	76	945	Investment income
12. Value adjustments in respect of financial assets and marketable securities included in current assets	-	-	
13. Interest and similar expenses	27,654	-4,863	
<i>a. In respect of related entities</i>	<i>37,305</i>	<i>8,176</i>	Other financial income and expenses
<i>b. Debt-related financial charges</i>	<i>-8,819</i>	<i>-5,536</i>	Financial expenses related to borrowings
<i>c. Other interest and charges</i>	<i>-832</i>	<i>-7,502</i>	Other financial income and expenses
NET FINANCIAL INCOME/(EXPENSE)	5,156	-6,568	NET FINANCIAL INCOME/(EXPENSE)
14. Income tax	-18,814	-9,371	Income tax
15. Share of profit of equity-accounted entities	704	2,042	Share of profit/(loss) from associates
16. Profit after income tax	59,899	9,630	
17. Other taxes	-	-	
18. Net profit for the year	59,899	9,630	CONSOLIDATED NET PROFIT



CONSOLIDATED FINANCIAL STATEMENTS

ASSETS

(€ K)	31/12/21 Net	31/12/20 Net	Cross-reference with the financial statements
A. Fixed assets	309,513	234,221	
I. Intangible fixed assets	81,241	42,107	Net intangible assets
1. Research and Development costs	2,725	1,236	
2. Concessions, patents, licences, trademarks, as well as similar rights and securities	50,048	14,008	
3. Business goodwill, to the extent that it was acquired for valuable consideration	23,857	25,945	
4. Payments on account and intangible fixed assets in progress	4,611	918	
II. Goodwill	45,231	11,634	Goodwill
III. Property, plant and equipment	167,377	142,343	Net property, plant and equipment
1. Land and buildings	88,020	80,541	
2. Plant and machinery	52,510	45,374	
3. Other equipment, tools and furniture	7,761	6,838	
4. Payments on account and tangible fixed assets in progress	19,085	9,590	
IV. Investments	15,664	38,137	
1. Shares held in related companies	8,052	16,307	Investments in associates
2. Equity interests and securities held for the long-term	3,508	11,162	Current and non-current financial assets
3. Other loans	4,111	10,669	Current and non-current financial assets
V. Deferred tax assets	9,703	9,458	Deferred tax assets
B. Current assets	569,199	532,260	
I. Inventories	226,168	160,359	Inventories
1. Raw materials and consumables	82,748	47,742	
2. Finished goods and merchandise	143,421	112,616	
II. Debtors	156,608	108,864	
1. Receivables resulting from the sale of goods or the provision of services	123,827	88,600	Trade receivables
2. Receivables from related entities	-	13	Other receivables
3. Receivables from employees	-	-	Employee benefits
4. Other receivables	32,781	20,251	Other receivables + Current tax assets
III. Marketable securities	9,757	9,558	
1. Shares in affiliated undertakings and undertakings in which the company has a participating interest	-	-	
2. Own shares or equity	9,757	9,558	Financial assets
3. Other securities	-	-	
IV. Bank accounts, post office account, cheques and cash in hand	176,665	253,479	Cash and cash equivalents
C. Prepayments	4,893	3,261	Other receivables
TOTAL BALANCE SHEET ASSETS	893,314	779,200	



CONSOLIDATED FINANCIAL STATEMENTS

EQUITY & LIABILITIES

(€ K)	31/12/21 Net	31/12/20 Net	Cross-reference with the financial statements
A. Shareholders' equity	395,405	326,846	
I. Subscribed capital	4,860	4,860	Share capital
II. Issue and similar premiums	243,053	242,803	Share premium
III. Revaluation reserves	-	-	
IV. Reserves	60,050	48,101	Other reserves
V. Retained earnings	-	-	
VI. Net profit for the year (Group share)	57,031	9,032	Net profit for the period
Minority interests	30,410	22,051	Non-controlling interests
B. Provisions	20,401	16,797	
1. Provisions for pension and similar obligations	12,383	10,906	Employee benefits
2. Other provisions	8,017	5,891	Non-current and current provisions
C. Deferred tax liabilities	21,242	11,279	Deferred tax liabilities
D. Unsubordinated debt	451,565	421,519	
1. Bonds issued by entities with which the Company has an equity relationship	-	-	
2. Financial debt owed to credit institutions and other	290,809	333,883	
<i>a. Outstanding amount due within 1 year</i>	<i>61,758</i>	<i>185,704</i>	Other current financial liabilities
<i>b. Outstanding amount due after more than 1 year</i>	<i>229,052</i>	<i>148,180</i>	Other non-current financial liabilities
3. Prepayments on order	-	-	
4. Liabilities on purchases of goods and provision of services	91,002	48,513	Trade payables
<i>a. Outstanding amount due within 1 year</i>	<i>91,002</i>	<i>48,513</i>	
<i>b. Outstanding amount due after more than 1 year</i>	-	-	
5. Liabilities related to fixed assets	2,433	2,168	Other current liabilities
6. Trade payables evidenced by commercial paper	-	-	
7. Liabilities owed to related entities	-14	12	
<i>a. Outstanding amount due within 1 year</i>	<i>-14</i>	<i>12</i>	Other current liabilities
<i>b. Outstanding amount due after more than 1 year</i>	-	-	
8. Liabilities owed to entities with which the Company has an equity relationship	-	-	
9. Tax and social security liabilities	51,378	35,650	
<i>a. Outstanding amount due within 1 year</i>	<i>51,378</i>	<i>35,650</i>	Other current liabilities
<i>b. Outstanding amount due after more than 1 year</i>	-	-	
10. Other liabilities	15,958	1,293	
<i>a. Outstanding amount due within 1 year</i>	<i>1,445</i>	<i>990</i>	Other current liabilities + Tax liabilities
<i>b. Outstanding amount due after more than 1 year</i>	<i>14,513</i>	<i>303</i>	Other non-current liabilities
E. Deferred income	4,701	2,758	
TOTAL BALANCE SHEET LIABILITIES	893,314	779,200	





Independent Auditor's Report



Independent Auditor's Report

To the Shareholders of
Edify S.A.
22, rue de l'Industrie
8399 Windhof – Luxembourg

Report on the audit of the consolidated financial statements

OPINION

We have audited the consolidated financial statements of Edify S.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at 31 December 2021, and the consolidated profit and loss account for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated financial statements.

BASIS FOR OPINION

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities

under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The Board of Directors is responsible for the other information. The other information comprises the information included in the consolidated management report but does not include the consolidated financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



RESPONSIBILITIES OF THE “RÉVISEUR D'ENTREPRISES AGRÉÉ” FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt

on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Gabriel de Maigret

Luxembourg, 4 May 2022

Edify May 2022

Layout: Explorations 

Photos:
P.2 and P.3 - Philippe Lévy



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