



PRESS RELEASE

Results as of September 30, 2021

November 17, 2021 - 6.00 PM

Sales: €1,443m (+38.9% vs September 30, 2020)

EBITDA: €145m (10.1% of sales)

Net income (Group share): €82m

Solid performances

The Group's business and profitability benefited from both a **well oriented demand** with sold volumes increased by +4.1% compared to September 30, 2019, and by +22.6% compared to September 30, 2020, and the **increase in raw materials prices** which continued during the 3rd quarter.

Compared to September 30, 2020, consolidated **sales** increased by +38.9% to €1,443 million (+62% in the 3rd quarter to €506 million) and the gross margin by +65.7% to €389 million, representing 26.9% of sales, compared to 22.6% a year earlier.

In this context, **EBITDA** amounted to €145 million, representing 10.1% of sales (12.7% in the 3rd quarter at €64 million) versus 3.1% as of September 30, 2020.

Net income (Group share) amounted to €82 million (of which €39 million in the 3rd quarter).

Having generated €50 million of **operating cash flow** in 9 months, the net debt to equity ratio (gearing) amounted to 25% as of September 30, 2021, compared to 28% at 2020 year-end.

The Group pursued its **development** and consolidation on key markets via a sustained capital expenditure policy (€24 million as of September 30, 2021).

Market conditions **at the beginning of Q4** stayed in line with the Q3 trend.



On November 17, 2021, the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements for the period ended September 30, 2021.

€m	Q3 2021	Q3 2020	30.09.21 9 months	30.09.20 9 months
Sales	506	312	1,443	1,039
Gross margin	141	73	389	235
% of sales	27.9%	23.4%	26.9%	22.6%
EBITDA¹	64	13	145	32
% of sales	12.7%	4.2%	10.1%	3.1%
Adjusted operating income / (loss)¹	54	0.1	117	(3)
% of sales	10.6%	0.0%	8.1%	-0.3%
Operating income / (loss)	54	0.2	115	(7)
Net income / (loss) (Group share)	39	(4)	82	(19)

¹ Adjusted for non-recurring items. The activity report includes a definition of non-IFRS financial indicators and explains the methods used to calculate them. The report is available at jacquetmetals.com.

Results as of September 30, 2021

Consolidated **sales** amounted to €1,443 million, up +38.9% compared to September 30, 2020, including the following effects:

- volumes: +22.6% (Q3 +24.8%);
- prices: +16.3% (Q3 +37.2% vs Q3 2020 and +12.6% vs Q2 2021).

Gross margin amounted to €389 million representing 26.9% of sales (Q3 €141 million representing 27.9% of sales) compared to €235 million as of September 30, 2020 (22.6% of sales).

After taking into account savings of €4 million, **current operating expenses*** amounted to €243 million compared to €202 million as of September 30, 2020. This increase is mainly due to the growth in volumes sold and profitability.

* excluding depreciation, amortization and provisions.

EBITDA amounted to €145 million and represented 10.1% of sales (Q3 12.7%) compared to €32 million as of September 30, 2020 (3.1% of sales).

Adjusted operating income amounted to €117 million (8.1% of sales).

In this context, **net income (Group share)** amounted to €82 million compared to a loss of €19 million as of September 30, 2020.



Financial position at September 30, 2021

During the first 9 months of the year, the Group generated positive **operating cash flow** of €50 million.

Operating working capital amounted to €446 million (25.2% of sales), up from €332 million at 2020 year-end (24.3% of sales) mainly due to inventory increase (€477 million compared to €368 million at 2020 year-end), which will continue over the coming months.

After taking into account the capital expenditure (€24 million) and the dividend (€9 million), Group **net debt** stood at €113 million compared to €106 million at 2020 year-end. The net debt to equity ratio (gearing) amounted to 25% compared to 28% at 2020 year-end.

As of September 30, 2021, cash amounted to €319 million while lines of credit totaled €731 million (of which €300 million is unused).

Earnings by division as of September 30, 2021 excluding IFRS 16 impacts

€m	JACQUET Stainless steel quarto plates		STAPPERT Stainless steel long products		IMS group Engineering steels	
	Q3 2021	30.09.21 9 months	Q3 2021	30.09.21 9 months	Q3 2021	30.09.21 9 months
Sales	110	311	162	459	238	684
Change vs. 2020	52.7%	32.5%	63.4%	39.5%	64.9%	41.4%
Price effect	35.4%	13.9%	36.9%	16.6%	38.0%	17.1%
Volume effect	17.3%	18.6%	26.5%	22.9%	26.9%	24.3%
EBITDA¹²	19	43	14	32	23	52
% of sales	17.4%	13.8%	8.7%	7.0%	9.7%	7.6%
Adjusted operating income²	17	37	14	31	19	44
% of sales	15.6%	11.9%	8.5%	6.8%	8.1%	6.5%

¹ As of September 30, 2021, non-division operations and the application of IFRS 16 - Leases contributed €6 million and €13 million to EBITDA respectively.

² Adjusted for non-recurring items. The activity report includes a definition of non-IFRS financial indicators and explains the methods used to calculate them. The report is available at jacquetmetals.com.



JACQUET

The division specializes in the distribution of **stainless steel quarto plates**. It generates **67% of its business in Europe and 26% in North America**.

Sales amounted to €311 million, up +32.5% from €235 million as of September 30, 2020:

- volumes: +18.6% (Q3 +17.3%);
- prices: +13.9% (Q3 +35.4% vs Q3 2020 and +13.7% vs Q2 2021).

Gross margin amounted to €108 million, representing 34.8% of sales, compared to €64 million as of September 30, 2020 (27.4% of sales).

EBITDA amounted to €43 million, representing 13.8% of sales, compared to €8 million as of September 30, 2020 (3.2% of sales).

STAPPERT

The division specializes in the distribution of **stainless steel long products** mainly in Europe. It generates **41% of its sales in Germany, the largest European market**.

Sales amounted to €459 million, up +39.5% from €329 million as of September 30, 2020:

- volumes: +22.9% (Q3 +26.5%);
- prices: +16.6% (Q3 +36.9% vs Q3 2020 and +11.5% vs Q2 2021).

Gross margin amounted to €98 million, representing 21.4% of sales, compared to €66 million as of September 30, 2020 (20.0% of sales).

EBITDA amounted to €32 million, representing 7.0% of sales, compared to €12 million as of September 30, 2020 (3.7% of sales).

IMS group

The division specializes in the distribution of **engineering steels**, mostly in the form of long products. It generates **47% of its sales in Germany, the largest European market**.

Sales amounted to €684 million, up +41.4% from €484 million as of September 30, 2020:

- volumes: +24.3% (Q3 +26.9%);
- prices: +17.1% (Q3 +38.0% vs Q3 2020 and +12.6% vs Q2 2021).

Gross margin amounted to €182 million, representing 26.6% of sales, compared to €105 million as of September 30, 2020 (21.6% of sales).

EBITDA amounted to €52 million, representing 7.6% of sales, compared to -€5 million as of September 30, 2020.



Key financial information

Income statement

€m	Q3 2021	Q3 2020	30.09.21 9 months	30.09.20 9 months
Sales	506	312	1,443	1,039
Gross margin	141	73	389	235
% of sales	27.9%	23.4%	26.9%	22.6%
EBITDA¹	64	13	145	32
% of sales	12.7%	4.2%	10.1%	3.1%
Adjusted operating income / (loss)¹	54	0.1	117	(3)
% of sales	10.6%	0.0%	8.1%	-0.3%
Operating income / (loss)	54	0.2	115	(7)
Net financial expense	(3)	(3)	(10)	(9)
Corporate income tax	(10)	(1)	(18)	(1)
Minority interests	(2)	(1)	(5)	(1)
Net income / (loss) (Group share)	39	(4)	82	(19)

¹ Adjusted for non-recurring items. The activity report includes a definition of non-IFRS financial indicators and explains the methods used to calculate them. The report is available at jacquetmetals.com.

Cash flow

€m	30.09.21 9 months	30.09.20 9 months
Operating cash flow before change in working capital	138	22
Change in working capital	(88)	61
Cash flow from operating activities	50	83
Capital expenditure	(24)	(22)
Asset disposals	1	1
Dividends paid to shareholders of JACQUET METALS SA	(9)	(5)
Interest paid	(9)	(10)
Other movements	(16)	(20)
Change in net debt	(7)	28
Net debt brought forward	106	175
Net debt carried forward	113	147

Balance sheet

€m	30.09.21	31.12.20
Goodwill	66	66
Net non-current assets	165	154
Right-of-use assets	62	70
Net inventory	477	368
Net trade receivables	230	135
Other assets	103	91
Cash & cash equivalents	319	333
Total assets	1,421	1,217
Shareholders' equity	455	373
Provisions (including provisions for employee benefit obligations)	98	96
Trade payables	261	171
Borrowings	432	439
Other liabilities	110	64
Lease liabilities	66	73
Total equity and liabilities	1,421	1,217



**Activity report available: jacquetmetals.com
2021 full-year results: March 9, 2022 6.00 PM**

JACQUET METALS is a European leader in the distribution of specialty steels.
The Group develops and operates a portfolio of three brands:

JACQUET stainless steel quarto plates - **STAPPERT** stainless steel long products - **IMS group** engineering steels

With a headcount of 2,918 employees, JACQUET METALS has a network of 107 distribution centers in 25 countries in Europe, Asia and North America.

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