



PRESS RELEASE

2022 annual results

14.03.2023 - 6.00PM CET

Sales: €2.68bn (+36% vs 2021)
EBITDA: €312m (11.6% of sales)
Net income (Group share): €180m

Solid performances and international development

In 2022, the Group benefited fully from its investments in new distribution and finishing capacities and from favorable market conditions which boosted both sales and margin despite a decline in demand and raw material prices observed since Q2, which appears to be continuing in 2023.

Sales increased by 36% to €2.68 billion (Q4 +7% to €565 million) and the gross margin by +29% to €681 million, representing 25.4% of sales (Q4 23.5%) compared to 26.7% in 2021.

EBITDA amounted to €312 million, representing 11.6% of sales (Q4 7.6% to €43 million) compared to 10.2% in 2021.

Net income (Group share) amounted to €180 million compared to €121 million in 2021.

In this context, operating **working capital** increased, representing 28% of sales at 2022 year-end, compared to 26% a year earlier.

During the period, the Group generated **operating cash flow** of €43 million and consolidated its financial structure with **shareholders' equity** of €675 million. The net debt to equity ratio (gearing) amounted to 35% at 2022 year-end.

The Group pursued its development on key markets via a sustained **capital expenditure** policy (€30 million in 2022) and the JACQUET division's acquisition of Canadian company Fidelity PAC Metals (€33 million sales).

In early 2023, the Group completed the **acquisition of Delta Acciai** (€10 million sales), an Italian company specializing in the distribution of stainless steel long products. This acquisition gives the **STAPPERT division a foothold in Italy with 2 distribution centers** in Turin and Milan.

The Group also signed a definitive agreement to **acquire 11 distribution centers** from SWISS STEEL Group. This acquisition, due to be completed in Q2, will strengthen the **IMS group division in Central and Eastern Europe**. The transaction perimeter encompasses companies based in the Czech Republic, Poland, Slovakia, Hungary, Lithuania, Estonia and Latvia, which generated sales of €158 million in 2022.

Backed by its financial strength, the Group will continue its capital expenditure and development policy in an environment of reduced visibility.



2022 results

On March 14, 2023 the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements for the year ended December 31, 2022, which have been audited by the Statutory Auditors. The certification report is currently in the process of being issued.

€m	Q4 2022	Q4 2021	2022	2021
Sales	565	527	2,683	1,970
Gross margin	133	137	681	526
% of sales	23.5%	26.0%	25.4%	26.7%
EBITDA¹	43	55	312	201
% of sales	7.6%	10.5%	11.6%	10.2%
Adjusted operating income¹	30	58	263	175
% of sales	5.2%	10.9%	9.8%	8.9%
Operating income	30	48	260	163
Net income (Group share)	19	38	180	121

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 activity report is available at jacquetmetals.com.

Consolidated **sales** amounted to €2,683 million, up +36.2% (Q4 +7.3%) compared to 2021, including the following effects:

- volumes sold: -2.9% (Q4 2022 -10.6% vs Q4 2021);
- prices: +38.1% (Q4 2022 +16.8% vs Q4 2021 and -3.7% vs Q3 2022);
- scope: +1% (Q4 2022 +1.1% vs Q4 2021) following the acquisition of Fidelity PAC Metals in May 2022.

Gross margin amounted to €681 million and represented 25.4% of sales compared to €526 million in 2021 (26.7% of sales). In order to take into account the evolution of market conditions, inventory valuation and gross margin include the recording of an impairment representing 19.6% of the gross value of inventories at 2022 year-end, compared to 17.1% at 2021 year-end.

Current operating expenses* amounted to €369 million (13.7% of sales) compared to €325 million in 2021 (16.5% of sales). Inflation and rising energy costs contributed for around €20 million to the increase in expenses.

* excluding depreciation and amortization €(39)m and provisions €(14)m.

EBITDA amounted to €312 million and represented 11.6% of sales compared to €201 million in 2021 (10.2% of sales).

Adjusted operating income amounted to €263 million (9.8% of sales).

In this context, **Net income (Group share)** amounted to €180 million compared to €121 million in 2021.



Financial position as of December 31, 2022

In 2022, the Group generated positive **operating cash flow** of €43 million.

Operating **working capital** amounted to €746 million (27.7% of sales), including inventories of €780 million, compared to €520 million at 2021 year-end (26.4% of sales), including inventories of €588 million.

After the dividend payment and the financing of its development, net debt amounted to €234 million compared to €171 million at 2021 year-end. The net debt to equity ratio (gearing) amounted to 35%, stable compared to 2021 year-end.

Cash amounted to €254 million while lines of credit totaled €807 million (of which €319 million is unused).

2022 earnings by division

€m	Q4 2022			2022		
	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering steels	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering steels
Sales	133	153	283	619	784	1,301
Change 2022 vs 2021	+12.4%	+1.0%	+8.5%	+44.2%	+28.3%	+37.7%
Price effect	+15.5%	+14.8%	+18.5%	+41.9%	+35.7%	+37.9%
Volume effect	-8.1%	-13.8%	-10.0%	-2.1%	-7.4%	-0.2%
Scope effect	+5.0%	n.a.	n.a.	+4.4%	n.a.	n.a.
EBITDA^{1,2}	16.9	4.0	12.9	101.7	59.8	117.2
% of sales	12.7%	2.6%	4.5%	16.4%	7.6%	9.0%
Adjusted operating income²	14.9	2.4	9.2	93.2	55.7	104.2
% of sales	11.2%	1.6%	3.2%	15.0%	7.1%	8.0%

¹ Excluding IFRS 16 impacts. As of December 31, 2022, non-division operations (mainly holdings and real-estate companies) and the application of IFRS 16 - Leases contributed €15 million and €19 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 activity report is available at jacquetmetals.com.
n.a.: Not applicable.

JACQUET

The division specializes in the distribution of **stainless steel quarto plates**. It generates **64% of its business in Europe and 30% in North America**.

In 2022, the division strengthened its positioning in North America with the acquisition of Canadian company Fidelity PAC Metals. The division also continues its organic development and plans to increase its distribution capacities in the medium term, notably in North America and Germany.

Sales amounted to €619 million, up +44.2% (Q4 +12.4%), from €429 million in 2021:

- volumes sold: -2.1% (Q4 2022 -8.1% vs Q4 2021);
- prices: +41.9% (Q4 2022 +15.5% vs Q4 2021 and -5.8% vs Q3 2022);
- scope: +4.4% (Q4 2022 +5% vs Q4 2021) following the acquisition of Fidelity PAC Metals in May 2022.

Gross margin amounted to €208 million, representing 33.5% of sales compared to €155 million in 2021 (36.2% of sales).

EBITDA amounted to €102 million, representing 16.4% of sales compared to €66 million in 2021 (15.4% of sales).



STAPPERT

The division specializes in the distribution of **stainless steel long products** mainly in Europe. It generates **42% of its sales in Germany, the largest European market.**

In 2022, the division set up operations in England with the launch of a distribution center in the Cardiff region. In early 2023, the division acquired the Italian company Delta Acciai, marking the establishment of STAPPERT operations in Italy with 2 distribution centers located in Turin and Milan. The division also intends to continue its organic development, notably in Poland, Italy and Germany.

Sales amounted to €784 million, up +28.3% (Q4 +1%), from €611 million in 2021:

- volumes sold: -7.4% (Q4 2022 -13.8% vs Q4 2021);
- prices: +35.7% (Q4 2022 +14.8% vs Q4 2021 and -3% vs Q3 2022).

Gross margin amounted to €154 million, representing 19.7% of sales compared to €129 million in 2021 (21% of sales).

EBITDA amounted to €60 million, representing 7.6% of sales compared to €42 million in 2021 (6.8% of sales).

IMS group

The division specializes in the distribution of **engineering steels**, mostly in the form of long products. It generates **49% of its sales in Germany**, the largest European market.

In early 2023, the division signed a definitive agreement to acquire 11 distribution centers from SWISS STEEL Group. This acquisition, due to be completed in Q2, comprises companies based in the Czech Republic, Poland, Slovakia, Hungary, Lithuania, Estonia and Latvia, which generated sales of €158 million in 2022.

Sales amounted to €1,301 million, up +37.7% (Q4 +8.5%) from €945 million in 2021:

- volumes sold: -0.2% (Q4 2022 -10% vs Q4 2021);
- prices: +37.9% (Q4 2022 +18.5% vs Q4 2021 and -3.1% vs Q3 2022).

Gross margin amounted to €319 million, representing 24.5% of sales compared to €242 million in 2021 (25.6% of sales).

EBITDA amounted to €117 million, representing 9% of sales compared to €68 million in 2021 (7.2% of sales).



Key financial information

Income statement

€m	Q4 2022	Q4 2021	2022	2021
Sales	565	527	2,683	1,970
Gross margin	133	137	681	526
% of sales	23.5%	26.0%	25.4%	26.7%
EBITDA¹	43	55	312	201
% of sales	7.6%	10.5%	11.6%	10.2%
Adjusted operating income¹	30	58	263	175
% of sales	5.2%	10.9%	9.8%	8.9%
Operating income	30	48	260	163
Net financial expense	(4)	(3)	(16)	(12)
Corporate income tax	(5)	(5)	(53)	(23)
Minority interests	(2)	(2)	(11)	(7)
Net income (Group share)	19	38	180	121

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 activity report is available at jacquetmetals.com.

Cash flow

€m	2022	2021
Operating cash flow before change in working capital	259	183
Change in working capital	(215)	(175)
Cash flow from operating activities	43	8
Capital expenditure	(30)	(32)
Asset disposals	1	2
Dividends paid to shareholders of JACQUET METALS SA	(23)	(9)
Interest paid	(13)	(12)
Other movements	(42)	(22)
Change in net debt	(63)	(65)
Net debt brought forward	171	106
Net debt carried forward	234	171

Balance sheet

€m	31.12.22	31.12.21
Goodwill	67	66
Net non-current assets	178	168
Right-of-use assets	75	63
Net inventory	780	588
Net trade receivables	218	209
Other assets	146	121
Cash & cash equivalents	254	246
Total assets	1,719	1,460
Shareholders' equity	675	495
Provisions (including provisions for employee benefit obligations)	100	101
Trade payables	252	277
Borrowings	488	417
Other liabilities	127	104
Lease liabilities	78	67
Total equity and liabilities	1,719	1,460



Activity report available: jacquetmetals.com
Results as of March 31, 2023: May 10, 2023 6.00PM

Financial analysts meeting: March 15, 2023 - 11.00AM CET

Access

[click here](#)

JACQUET METALS is a European leader in the distribution of special metals.
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 3,060 employees, JACQUET METALS has a network of 108 distribution centers in 24 countries in Europe, Asia and North America.

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