



PRESS RELEASE

First quarter 2022 results

11.05.2022 - 6.00 PM

Sales: €724m (+62.6% vs Q1 2021)

EBITDA: €102m (14% of sales)

Net income (Group share): €63m

In **Q1 2022**, the Group benefited from an environment marked by a **well oriented demand** and the **increase in raw materials prices**.

Compared to Q1 2021, volumes sold rose +8.9% and average sale prices were +53.7% higher (+14.5% compared to Q4 2021).

Sales increased by +62.6% to €724 million and the gross margin by +71% to €200 million, representing 28% of sales, compared to 26% a year earlier.

At the beginning of Q2, market conditions remained favorable with however an inflexion in volumes sold.

In this context, **EBITDA** as of March 31, 2022 amounted to €102 million, representing 14% of sales versus 7.8% as of March 31, 2021.

Net income (Group share) amounted to €63 million compared to €16 million in 2021 a year earlier.

In Q1, **operating working capital** increased and represented 28.5% of sales at the end of March 2022 compared to 26.4% at the end of December 2021.

During the period, the Group generated **operating cash flow** of €2 million and strengthened its financing structure with a **shareholders' equity** of €562 million and a net debt to equity ratio (gearing) of 33% (35% at 2021 year-end).

Capital expenditures amounted to €6 million in Q1.

In addition, in early May **the Group acquired the Canadian company Fidelity PAC Metals** (annual sales: €33 million) specializing in master distribution of stainless steel long products and operating 3 logistics centers in Toronto, Montreal and Vancouver. Fidelity PAC Metals will strengthen the JACQUET division's positioning in North America.

The Board of Directors will propose a **dividend** of €1.00 per share to the General Meeting of shareholders on June 24, 2022.



On May 11, 2022, the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements for the period ended March 31, 2022.

€m	Q1 2022	Q1 2021
Sales	724	445
Gross margin	200	116
<i>% of sales</i>	27.6%	26.1%
EBITDA¹	102	35
<i>% of sales</i>	14.0%	7.8%
Adjusted operating income / (loss)¹	90	28
<i>% of sales</i>	12.4%	6.2%
Operating income / (loss)	90	27
Net income / (loss) (Group share)	63	16

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.

Q1 2022 Results

Consolidated **sales** amounted to €724 million, up +62.6% compared to March 31, 2021, including the following effects:

- volumes: +8.9%;
- prices: +53.7% (+14.5% vs Q4 2021).

Gross margin amounted to €200 million representing 27.6% of sales compared to €116 million as of March 31, 2021 (26.1% of sales).

Current operating expenses* amounted to €98 million (13.5% of sales) compared to €82 million a year earlier (18.4% of sales).

* excluding depreciation, amortization and provisions €(12) million.

EBITDA amounted to €102 million and represented 14% of sales compared to €35 million as of March 31, 2021 (7.8% of sales).

Adjusted operating income amounted to €90 million (12.4% of sales) compared to €28 million as of March 31, 2021 (6.2% of sales).

In this context, **net income (Group share)** amounted to €63 million compared to €16 million in Q1 2021.



Q1 2022 Financial position

As of March 31, 2022, the Group generated positive **operating cash flow** of €2 million.

Operating working capital amounted to €642 million (28.5% of sales) compared to €520 million at 2021 year-end (26.4% of sales), due notably to inventory increase (€656 million compared to €588 million at 2021 year-end). This increase will continue over the coming months.

Capital expenditure amounted to €6 million.

Group **net debt** stood at €186 million compared to €171 million at 2021 year-end. The net debt to equity ratio (gearing) amounted to 33% compared to 35% at 2021 year-end.

As of March 31, 2022, **cash** amounted to €249 million while lines of credit totaled €745 million (of which €311 million is unused).

Q1 2022 Earnings by division

€m	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering steels
	Q1 2022	Q1 2022	Q1 2022
Sales	158	225	346
Change Q1 2022 vs. Q1 2021	+67.1%	+56.0%	+64.8%
Price effect	+57.1%	+49.0%	+54.9%
Volume effect	+10.0%	+7.0%	+9.9%
EBITDA¹²	32	28	35
% of sales	20.2%	12.6%	10.0%
Adjusted operating income²	30	27	34
% of sales	19.0%	12.2%	9.7%

¹ Excluding IFRS 16 impacts. As of March 31, 2022, non-division operations (mainly holdings and real-estate companies) and the application of IFRS 16 - Leases contributed €2 million and €4 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 **69% of its business in Europe and 25% in North America**.

Sales amounted to €158 million, up +67.1% from €95 million in Q1 2021:

- volumes: +10%;
- prices: +57.1% (+15.8% vs Q4 2021).

Gross margin amounted to €59 million, representing 37% of sales, compared to €32 million in Q1 2021 (33.9% of sales).

EBITDA amounted to €32 million, representing 20.2% of sales, compared to €11 million in Q1 2021 (11.3% 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 €225 million, up +56% from €144 million in Q1 2021:

- volumes: +7%;
- prices: +49% (+16.4% vs Q4 2021).

Gross margin amounted to €54 million, representing 23.9% of sales, compared to €30 million in Q1 2021 (20.9% of sales).

EBITDA amounted to €28 million, representing 12.6% of sales, compared to €9 million in Q1 2021 (6.1% 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 €346 million, up +64.8% from €210 million in Q1 2021:

- volumes: +9.9%;
- prices: +54.9% (+12.8% vs Q4 2021).

Gross margin amounted to €87 million, representing 25.2% of sales, compared to €54 million in Q1 2021 (25.8% of sales).

EBITDA amounted to €35 million, representing 10% of sales, compared to €10 million in Q1 2021 (5% of sales).



Key financial information

Income statements

€m	Q1 2022	Q1 2021
Sales	724	445
Gross margin	200	116
<i>% of sales</i>	27.6%	26.1%
EBITDA¹	102	35
<i>% of sales</i>	14.0%	7.8%
Adjusted operating income¹	90	28
<i>% of sales</i>	12.4%	6.2%
Operating income	90	27
Net financial expense	(3)	(4)
Corporate income tax	(20)	(5)
Minority interests	(3)	(1)
Net income (Group share)	63	16

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	Q1 2022	Q1 2021
Operating cash flow before change in working capital	96	32
Change in working capital	(93)	(9)
Cash flow from operating activities	2	23
Capital expenditure	(6)	(5)
Asset disposals	0	0
Dividends paid to shareholders of JACQUET METALS SA	-	-
Interest paid	(3)	(3)
Other movements	(8)	(5)
Change in net debt	(15)	10
Net debt brought forward	171	106
Net debt carried forward	186	96

Balance sheet

€m	31.03.22	31.12.21
Goodwill	67	66
Net non-current assets	170	168
Right-of-use assets	65	63
Net inventory	656	588
Net trade receivables	347	209
Other assets	129	121
Cash & cash equivalents	249	246
Total assets	1,682	1,460
Shareholders' equity	562	495
Provisions (including provisions for employee benefit obligations)	104	101
Trade payables	360	277
Borrowings	435	417
Other liabilities	151	104
Lease liabilities	69	67
Total equity and liabilities	1,682	1,460



**Q1 2022 Activity report available: jacquetmetals.com
H1 2022 earnings: September 7, 2022 6.00 PM**

Financial analysts meeting: May 11, 2022 - 6.15 PM

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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 2,951 employees, JACQUET METALS has a network of 105 distribution centers in 24 countries in Europe, Asia and North America.

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