



PRESS RELEASE

2023 annual results

13.03.2024 - 6.00 PM CET

Sales: €2.2bn (-16.9% vs 2022)

EBITDA: €134m (6% of sales)

Net income (Group share): €51m

Operating cash flow: €210m

International development and Cash-flow generation

In a less favorable economic environment than in 2022, JACQUET METALS posted a good overall performance.

In 2023, market conditions were mainly characterized by low demand and a decline in prices, corresponding to slowdown in industrial activities in all the Group markets, notably in Germany. These trends exerted strong pressure on volumes sold and gross margins.

In these conditions, the Group posted **annual sales** of €2,230 million, down 16.9% compared to the previous year and **gross margin** represented 21.5% of sales, compared to 25.4% in 2022.

EBITDA amounted to €134 million, representing 6% of sales compared to 11.6% in 2022.

Net income (Group share) came to €51 million.

In this context, the Group generated **operating cash flow** of €210 million and strengthened its financial structure with **shareholders' equity** of €681 million. The net debt to equity ratio (gearing) amounted to 31% at 2023 year-end compared to 35% at 2022 year-end.

Capital expenditure (excluding external growth) represented €52 million, mainly dedicated to increasing distribution center capacities, improving and renewing finishing equipment.

The JACQUET division, for its part, invested €34 million, notably dedicated to real estate purchases in Germany and Canada.

In early 2023, the STAPPERT division set up operations in Italy with the **acquisition** of DELTA ACCIAI, which has 2 distribution centers located in Turin and Milan.

The IMS group division strengthened its positions in Central and Eastern Europe via the acquisition of 11 centers specializing in the distribution of engineering steels in October 2023. IMS group also acquired a German company, COMETAL Metallhalbezeuge, in June and a French company, SISO, in December, both specializing in aluminum distribution.

Together, the acquisitions completed in 2023 represent 2023 (full-year) sales of around €150 million and an investment of around €50 million (enterprise value).

In early 2024, the evolution of market conditions leads the Group to anticipate business levels significantly inferior to those in early 2023.

In this environment, the Group will focus on managing its working capital and costs, and, backed by its financial strength, will continue its capital expenditure and development policy.



2023 results

On March 13, 2024 the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements for the year ended December 31, 2023, which have been audited by the Statutory Auditors. The certification report is currently in the process of being issued.

€m	Q4 2023	Q4 2022	2023	2022
Sales	466	565	2,230	2,683
Gross margin	101	133	481	681
<i>% of sales</i>	<i>21.6%</i>	<i>23.5%</i>	<i>21.5%</i>	<i>25.4%</i>
EBITDA*	15	43	134	312
<i>% of sales</i>	<i>3.3%</i>	<i>7.6%</i>	<i>6.0%</i>	<i>11.6%</i>
Adjusted operating income*	8	30	99	263
<i>% of sales</i>	<i>1.7%</i>	<i>5.2%</i>	<i>4.5%</i>	<i>9.8%</i>
Operating income	10	30	102	260
Net income (Group share)	2	19	51	180

* Adjusted for non-recurring items.

Consolidated **sales** amounted to €2,230 million, down -16.9% compared to 2022 (Q4 -17.5%), including the following effects:

- volumes sold: -10.1% (Q4 -6.8%);
- prices: -8% (Q4 -13.7% and -5.4% vs Q3 2023);
- scope: +1.1% (Q4 +3%) following the acquisition of FIDELITY PAC Metals (May 2022), DELTA ACCIAI (early 2023), COMETAL Metallhalbzeuge (June 2023), 11 distribution centers in Central and Eastern Europe (October 2023) and SISO (December 2023).

Gross margin amounted to €481 million and represented 21.5% of sales compared to €681 million in 2022 (25.4% of sales).

Current operating expenses* amounted to €347 million, down -6% compared to 2022 (-7% at constant scope). Inflation contributed for around +€7 million to the variation of expenses.

* excluding depreciation and amortization €(41)m and provisions €6m

EBITDA amounted to €134 million and represented 6% of sales (Q4 3.3%) compared to €312 million in 2022 (11.6% of sales).

Adjusted operating income amounted to €99 million (4.5% of sales).



Financial position as of December 31, 2023

In 2023, the Group generated positive **operating cash flow** of €210 million.

Operating **working capital** amounted to €657 million (28% of sales), compared to €746 million at 2022 year-end (28% of sales), with inventories down by €103 million (€677 million at 2023 year-end compared to €780 million at 2022 year-end).

After the dividend payment, financing of the capital expenditure and the acquisitions, **net debt** amounted to €210 million compared to €234 million at 2022 year-end.

Cash amounted to €342 million while lines of credit totaled €958 million (of which €405 million is unused).

In 2023, the **financing structure** was strengthened by the implementation of a new €160 million syndicated loan (maturing in July 2026), replacing the previous €125 million syndicated loan, and with €95 million term loans (maturing in 2031).

Moreover, in early 2024, the Group set up a €72 million Schuldscheindarlehen (SSD) (repayable at maturity in 2029) to replace the €70 million SSD which was due at the end of 2024.



2023 earnings by division

JACQUET METALS markets its products through a portfolio of three divisions, each of which targets specific customers and markets:

Stainless steel quarto plates



Stainless steel long products



Engineering metals



€m	Q4 2023			2023		
	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering metals	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering metals
Sales	106	122	243	521	621	1,107
Changes 2023 vs 2022	-20.7%	-20.5%	-14.3%	-15.9%	-20.8%	-14.9%
Price effect	-12.7%	-13.7%	-14%	-10%	-8.2%	-6.7%
Volume effect	-8%	-7.6%	-5.9%	-7.2%	-13.2%	-9.6%
Scope effect	n.a.	+0.8%	+5.7%	+1.3%	+0.6%	+1.4%
EBITDA^{1 2}	0.4	0.3	4.4	40.7	19.4	41.4
% of sales	0.4%	0.2%	1.8%	7.8%	3.1%	3.7%
Adjusted operating income²	-0.5	0.6	3.3	34.0	18.2	37.6
% of sales	-0.5%	0.5%	1.4%	6.5%	2.9%	3.4%

¹ Excluding IFRS 16 impacts. As of December 31, 2023, non-division operations (mainly holding companies and real-estate companies) and the application of IFRS 16 - Leases contributed €12 million and €20 million to EBITDA respectively.

² Adjusted for non-recurring items.
n.a.: Not applicable.



JACQUET

The division specializes in the distribution of **stainless steel quarto plates**. It generates **63% of its sales in Europe and 30% in North America**.

In 2023, the JACQUET division invested €34 million, mainly dedicated to renewing and strengthening distribution center capacities, and notably to acquire a real estate asset in Germany (Stuttgart region) and a land in Canada (Toronto region) for its ROLARK subsidiary.

Sales amounted to €521 million, down -15.9% from €619 million in 2022 (Q4 -20.7%):

- volumes sold: -7.2% (Q4 -8%);
- prices: -10% (Q4 -12.7% and -5.4% vs Q3 2023);
- scope: +1.3% following the acquisition of FIDELITY PAC Metals (May 2022).

Gross margin amounted to €143 million, representing 27.4% of sales, compared to €208 million in 2022 (33.5% of sales).

EBITDA amounted to €41 million, representing 7.8% of sales, compared to €102 million in 2022 (16.4% of sales).

€m	Q4 2023	Q4 2022	2023	2022
Sales	105.6	133.3	520.8	619.3
Changes 2023 vs 2022	-20.7%		-15.9%	
Price effect	-12.7%		-10%	
Volume effect	-8%		-7.2%	
Scope effect	n.a.		+1.3%	
Gross margin	25.1	42.6	142.7	207.6
% of sales	23.8%	32.0%	27.4%	33.5%
EBITDA	0.4	16.9	40.7	101.7
% of sales	0.4%	12.7%	7.8%	16.4%
Adjusted operating income	-0.5	14.9	34.0	93.2
% of sales	-0.5%	11.2%	6.5%	15.0%



STAPPERT

The division specializes in the distribution of **stainless steel long products** mainly in Europe. It generates **43% of its sales in Germany, the largest European market.**

In early 2023, the STAPPERT division set up operations in Italy with the acquisition of DELTA ACCIAI and now has 2 distribution centers in Turin and Milan.

Sales amounted to €622 million, down -20.8% from €784 million in 2022 (Q4 -20.5%):

- volumes sold: -13.2% (Q4 -7.6%);
- prices: -8.2% (Q4 -13.7% and -6.1% vs Q3 2023);
- scope: +0.6% (Q4 +0.8%) following the acquisition of DELTA ACCIAI in early 2023.

Gross margin amounted to €106 million, representing 17% of sales, compared to €154 million in 2022 (19.7% of sales).

EBITDA amounted to €19 million, representing 3.1% of sales, compared to €60 million in 2022 (7.6% of sales).

€m	Q4 2023	Q4 2022	2023	2022
Sales	121.8	153.2	621.5	784.3
Changes 2023 vs 2022	-20.5%		-20.8%	
Price effect	-13.7%		-8.2%	
Volume effect	-7.6%		-13.2%	
Scope effect	+0.8%		+0.6%	
Gross margin	21.7	25.7	105.8	154.3
% of sales	17.8%	16.8%	17.0%	19.7%
EBITDA	0.3	4.0	19.4	59.8
% of sales	0.2%	2.6%	3.1%	7.6%
Adjusted operating income	0.6	2.4	18.2	55.7
% of sales	0.5%	1.6%	2.9%	7.1%



IMS group

The division specializes in the distribution of **engineering metals**, mostly in the form of long products. In 2023, it generated **47% of its sales in Germany, the largest European market**.

In October 2023, IMS group completed the acquisition of 11 distribution centers from Swiss Steel Group. The transaction includes companies in the Czech Republic, Poland, Slovakia, Hungary, Lithuania, Estonia and Latvia. The division also completed the acquisition of COMETAL Metallhalbzeuge in Germany (June 2023) and SISO in France (December 2023), both specializing in aluminum distribution.

Sales amounted to €1,107 million, down -14.9% from €1,301 million in 2022 (Q4 -14.3%):

- volumes sold: -9.6% (Q4 -5.9%);
- prices: -6.7% (Q4 -14% and -4.9% vs Q3 2023);
- scope: +1.4% (Q4 +5.7%) following the acquisition of 11 distribution centers in Central and Eastern Europe in October 2023, along with German company COMETAL Metallhalbzeuge (June 2023) and French company SISO (December 2023).

Gross margin amounted to €232 million, representing 21% of sales, compared to €319 million in 2022 (24.5% of sales).

EBITDA amounted to €41 million, representing 3.7% of sales, compared to €117 million in 2022 (9% of sales).

€m	Q4 2023	Q4 2022	2023	2022
Sales	242.6	282.9	1 107.3	1 300.8
Changes 2023 vs 2022	-14.3%		-14.9%	
Price effect	-14.0%		-6.7%	
Volume effect	-5.9%		-9.6%	
Scope effect	+5.7%		+1.4%	
Gross margin	53.9	64.3	232.1	318.7
% of sales	22.2%	22.7%	21.0%	24.5%
EBITDA	4.4	12.9	41.4	117.2
% of sales	1.8%	4.5%	3.7%	9.0%
Adjusted operating income	3.3	9.2	37.6	104.2
% of sales	1.4%	3.2%	3.4%	8.0%



Financial analysts meeting (French language): March 14, 2024 - 11.00 AM CET

Access

[click here](#)

Financial communication schedule

Results as of March 31, 2024	May 15, 2024
General meeting	June 28, 2024
Results as of June 30, 2024	September 11, 2024
Results as of September 30, 2024	November 6, 2024
2024 annual results	March 2025

Investors and shareholders may obtain complete financial information from the Company's website at: jacquetmetals.com.



Summary consolidated income statement

Results for the year ended December 31, 2023 are compared to the results for 2022, which may be consulted in the 2022 Universal Registration Document filed with the Autorité des Marchés Financiers (AMF, French financial market regulator) on April 13, 2023 (filing No. D.23-0278).

€k	2023	2022
Sales	2,230,483	2,683,479
Gross margin	480,606	680,601
% of sales	21.5%	25.4%
Operating expenses	(347,041)	(368,554)
Net depreciation and amortization	(40,728)	(38,507)
Net provisions	6,440	(14,315)
Gains / losses on disposals of non-current assets	357	609
Other non-current income / (expenses)	2,505	-
Operating income	102,139	259,834
Financial result	(18,679)	(15,857)
Income before tax	83,460	243,977
Corporate income tax	(28,531)	(53,498)
Consolidated net income	54,929	190,479
Net income (Group share)	50,744	179,640
Earnings per share in circulation (€)	2.26	7.80
Operating income	102,139	259,834
Non-recurring items and gains / losses on disposals	(2,862)	3,509
Adjusted operating income	99,277	263,343
% of sales	4.5%	9.8%
Net depreciation and amortization	40,728	38,507
Net provisions	(6,440)	14,315
Non-recurring items	-	(4,118)
EBITDA	133,565	312,047
% of sales	6%	11.6%

Sales

Consolidated sales amounted to €2,230 million, down -16.9% (Q4 -17.5%) compared to 2022.

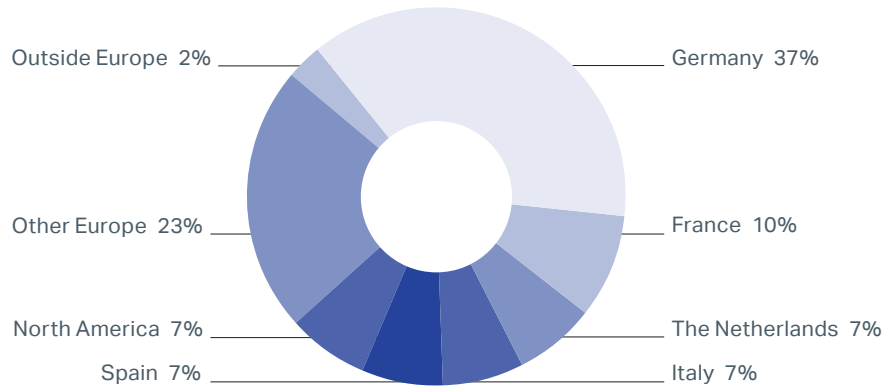
€m	Q4 2023	Q4 2022	2023	2022
Sales	466	565	2,230	2,683
Changes 2023 vs 2022	-17.5%		-16.9%	
Price effect	-13.7%		-8.0%	
Volume effect	-6.8%		-10.1%	
Scope effect	+3.0%		+1.1%	

The various effects are calculated as follows:

- volume effect = $(V_n - V_{n-1}) \times P_{n-1}$, where V = volumes and P = average sale price converted into euros at the average exchange rate;
- price effect = $(P_n - P_{n-1}) \times V_n$;
- the exchange rate effect is included in the price effect. There was no significant impact as of December 31, 2023;
- change in consolidation (current year acquisitions and disposals):
 - acquisitions: change in consolidation corresponds to the contribution (volumes and sales) of the acquired entity since the acquisition date;
 - disposals: change in consolidation corresponds to the contribution (volumes and sales) made by the sold entity in the year preceding disposal from the date falling one year before the disposal date until the end of the previous year;
- change in consolidation (previous year acquisitions and disposals):
 - acquisitions: the impact of the change in consolidation scope corresponds to the contribution (volumes and sales) of the acquired entity in the current year from January, 1 until the anniversary of the acquisition;
 - disposals: the impact of the change in consolidation scope corresponds to the contribution (volumes and sales) of the sold entity from January, 1 the previous year until the date of disposal.



The breakdown of sales by region is as follows:



Gross margin

Gross margin amounted to €481 million and represented 21.5% of sales compared to €681 million in 2022 (25.4% of sales).

€m	Q4 2023	Q4 2022	2023	2022
Sales	466	565	2,230	2,683
Cost of goods sold	(365)	(432)	(1,750)	(2,003)
Incl. purchases consumed	(378)	(437)	(1,792)	(1,934)
Incl. inventory impairment	13	5	42	(69)
Gross margin	101	133	481	681
<i>% of sales</i>	<i>21.6%</i>	<i>23.5%</i>	<i>21.5%</i>	<i>25.4%</i>

Operating income

Current operating expenses* amounted to €347 million, down -6% compared to 2022 (-7% at constant scope). Inflation contributed for around +€7 million to the variation of expenses.

* excluding depreciation and amortization €(41)m and provisions €6m

Current operating expenses (€347 million) break down as follows:

- personnel expenses (€188 million);
- other expenses (€159 million), notably including transport, consumables, energy, maintenance, fees and insurance.

EBITDA amounted to €134 million and represented 6% of sales compared to €312 million in 2022 (11.6% of sales); it is not adjusted for non-recurring items.

Adjusted operating income amounted to €99 million (4.5% of sales).

Operating income amounted to €102 million. It includes gains on disposals of non-current assets (€0.4 million) and income related to acquisitions completed in 2023 (€2.5 million badwill).



Financial result

Net financial expense amounted to €18.7 million compared to €15.9 million in 2022.

As of December 31, 2023 the average gross debt rate was 4.7% (average gross debt in 2023: €473 million) compared to 2.1% in 2022 (average gross debt in 2022: €459 million).

€m	Q4 2023	Q4 2022	2023	2022
Net cost of debt	(3.9)	(3.4)	(14.7)	(10.9)
Other financial items	(0.9)	(0.5)	(3.9)	(5.0)
Net financial expense	(4.8)	(3.9)	(18.7)	(15.9)

Net income

Net income (Group share) amounted to €51 million compared to €180 million in 2022.

In 2023, the tax rate amounted to 34.2%, compared to 21.9% in 2022, a fiscal year in which some subsidiaries benefited from tax loss carryforwards that had not yet been recognized.

€m	Q4 2023	Q4 2022	2023	2022
Income before taxes	5.6	26.4	83.5	244.0
Corporate income tax	(3.5)	(5.3)	(28.5)	(53.5)
Income tax rate	62.4%	20.2%	34.2%	21.9%
Consolidated net income	2.1	21.1	54.9	190.5
Minority interests	(0.6)	(1.7)	(4.2)	(10.8)
Net income (Group share)	1.5	19.3	50.7	179.6
% of sales	0.3%	3.4%	2.3%	6.7%

Post balance sheet events

None.



Summary consolidated financial position

Balance sheet

€m	31.12.23	31.12.22
Goodwill	70	67
Net non-current assets	224	178
Right-of-use assets	85	75
Net inventory	677	780
Net trade receivables	198	218
Other assets	129	146
Cash & cash equivalents	342	254
Total assets	1,725	1,719
Shareholders' equity	681	675
Provisions (including provisions for employee benefit obligations)	97	100
Trade payables	218	252
Borrowings	553	488
Other liabilities	86	127
Lease liabilities	90	78
Total equity and liabilities	1,725	1,719

Working capital

Operating working capital amounted to €657 million (27.9% of sales), compared to €746 million at 2022 year-end (27.7% of sales), with inventories down €103 million (€677 million at 2023 year-end compared to €780 million at 2022 year-end).

€m	31.12.23	31.12.22	Change
Net inventory	677	780	-103
<i>Days sales inventory *</i>	183	198	
Net trade receivables	198	218	-20
<i>Days sales outstanding</i>	46	44	
Trade payables	(218)	(252)	+33
<i>Days payables outstanding</i>	61	53	
Net operating working capital	657	746	-90
<i>% of sales *</i>	27.9%	27.7%	
Other receivables or payables excluding taxes and financial items	(27)	(33)	
Working capital excluding taxes and financial items	630	713	-83
Consolidation and other changes		38	
Working capital before taxes and financial items and adjusted for other changes	630	751	121
<i>% of sales *</i>	26.8%	26.4%	

* Rolling 12 months (including 2023 acquisitions over 12 rolling months as of December 31, 2023).



Provisions for contingencies and charges and employee benefit obligations

Provisions for contingencies and charges and employee benefit obligations amounted to €97 million at 2023 year-end, compared to €100 million at 2022 year-end. These provisions consist of:

- provisions for employee benefit obligations (€40 million at 2023 year-end compared to €39 million at 2022 year-end) mainly related to pension obligations;
- current and non-current provisions (€57 million at 2023 year-end compared to €61 million at 2022 year-end), mainly relating to litigation risks, reorganization costs, risks of retroactive taxation on certain imports or even contractual commitments (site remediation, etc.).

Cash flow and net debt

€m	2023	2022
Operating cash flow before change in working capital	89	259
Change in working capital	121	(215)
Cash flow from operating activities	210	43
Capital expenditure	(52)	(30)
Asset disposals	2	1
Dividends paid to shareholders of JACQUET METALS SA	(23)	(23)
Interest paid	(16)	(13)
Other movements	(98)	(42)
Change in net debt	24	(63)
Net debt brought forward	234	171
Net debt carried forward	210	234

In 2023, the Group generated positive operating cash flow of €210 million.

Capital expenditures (excluding external growth) amounted to €52 million and acquisitions amounted to €50 million (DELTA ACCIAI, COMETAL Metallhalbzeuge, 11 distribution centers in Central and Eastern Europe, SISO).

“Other movements” notably consist of the purchase price of acquisitions, share buybacks (€13 million) and rent expenses pursuant to the application of *IFRS 16 - Leases* (€20 million).

After the dividend payment and the financing of capital expenditure and acquisitions, net debt amounted to €210 million with shareholders' equity of €681 million, resulting in a net debt to equity ratio (gearing) of 30.9%, compared to 34.6% at 2022 year-end.

€m	31.12.23	31.12.22
Borrowings	552.6	487.9
Cash and cash equivalents	342.3	254.1
Net debt	210.2	233.8
<i>Net debt to equity ratio (gearing)</i>	<i>30.9%</i>	<i>34.6%</i>



Borrowings

As of December 31, 2023, the Group had €958 million in lines of credit, 58% of which had been used:

€m	Authorized at 31.12.23	Used at 31.12.23	% used	Maturity			
				2024	2025-2026	2027-2028 and beyond	2029
Syndicated revolving loan 2026	160	-	0%	-	-	-	-
Schuldscheindarlehen 2024-2025	70	70	100%	36	34	-	-
Schuldscheindarlehen 2026	150	150	100%	-	150	-	-
Term loans PPR 2031	95	95	100%	-	-	26	69
Term loans	78	78	100%	28	35	12	2
Other lines of credit	147	49	33%	38	11	-	-
JACQUET METALS SA borrowings	700	442	63%	102	230	38	71
Operational lines of credit (letter of credit, etc.)	170	56	33%	56	-	-	-
Factoring	36	2	5%	2	-	-	-
Assets financing (term loans, etc.)	53	53	100%	8	21	16	8
Subsidiaries borrowings	258	111	43%	66	21	16	8
Total	958	553	58%	168	251	54	80

In addition to the financing shown in the above table, the Group also had €83 million in non-recourse receivable assignment facilities, €46 million of which had been used as of December 31, 2023.

Borrowings by rate:

€m	31.12.23	31.12.22
Fixed rate	204.7	115.4
Floating rate	347.9	372.5
Total borrowings	552.6	487.9

35% of floating rate debt, totaling €120 million, is hedged against changes in interest rates, expiring in 2024.

Borrowings covenants mainly apply to the following borrowings:

	Syndicated revolving loan 2026	Schuldscheindarlehen 2024-2025	Schuldscheindarlehen 2026	Schuldscheindarlehen 2029*
Date of signature	July 2023	December 2019	July 2021	February 2024
Maturity	July 2026	December 2024 (tranche 1: €36 million) and January 2025 (tranche 2: €34 million)	July 2026	February 2029
Amount	€160 million (unused as of December 31, 2023)	€70 million (fully used)	€150 million (fully used)	€72 million (fully used)
Amortization	n.a.	<i>in fine</i>		
Guarantee	None			
Change of control clause	JSA must hold at least 37% of JACQUET METALS SA's share capital or voting rights			
Main covenants	- net debt to equity ratio (gearing) less than 100%, or - leverage less than 2	Net debt to equity ratio (gearing) less than 100%		

* In early 2024, the Group set up a €72 million Schuldscheindarlehen (SSD) (repayable at maturity in 2029) to replace the €70 million SSD maturing at 2024 year-end.
n.a.: Not applicable

As of December 31, 2023, all borrowings covenants were in compliance.



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 metals

With a headcount of 3,339 employees, JACQUET METALS has a network of
123 distribution centers in 27 countries in Europe, Asia and North America.

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