



PRESS RELEASE

Results as of September 30, 2023

November 7, 2023 - 6.00 PM CET

Sales: €1,764m (-16.7% vs 30.09.22)

EBITDA: €118m (6.7% of sales)

Net income (Group share): €49m

Market conditions in 2023 were mainly characterized by low demand and a decline in prices, corresponding to slowdown in industrial activities, notably in Germany. These trends, particularly marked during the third quarter, are exerting strong pressure on gross margins and volumes sold.

In these conditions, the Group posted **sales** of €1,764 million, down 16.7% compared to the previous year.

As of September 30, 2023 (9 months of activity), the gross margin represented 21.5% of sales (Q3 19.3%) compared to 25.9% a year earlier, and **EBITDA** amounted to €118 million, representing 6.7% of sales (Q3 3.6%) compared to 12.7% a year earlier.

Net income (Group share) amounted to €49 million (Q3 breakeven) compared to €160 million as of September 30, 2022.

In this context, the Group generated **operating cash flow** of €132 million and consolidated its financial structure with shareholders' equity of €686 million. As of September 30, 2023, the net debt to equity ratio (gearing) amounted to 34% (compared to 35% at 2022 year-end).

Capital expenditure (excluding external growth) represented €44 million, mainly dedicated to strengthening distribution center capacities as well as improving and renewing their equipment. During the third quarter the Group notably invested in the JACQUET division by acquiring a real estate asset in Germany (Stuttgart region) and a land in Canada (Toronto region) for its ROLARK subsidiary.

Following the **acquisitions** of an Italian company, DELTA ACCIAI (STAPPERT division), and a German company, COMETAL Metallhalbzeuge (IMS group division), on October 31, 2023 (post balance sheet), IMS group finalized the acquisition from Swiss Steel Group of companies in the Czech Republic, Poland, Slovakia, Hungary, Lithuania, Estonia and Latvia, that have generated sales of €158 million in 2022 with 267 employees.

In Q4 2023, the evolution of market conditions leads the Group to anticipate business levels significantly inferior to those in Q4 2022.

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



Results as of September 30, 2023

On November 7, 2023, the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements as of September 30, 2023.

€m	Q3 2023	Q3 2022	30.09.23 9 months	30.09.22 9 months
Sales	494	638	1,764	2,118
Gross margin	95	144	380	548
% of sales	19.3%	22.5%	21.5%	25.9%
EBITDA¹	18	60	118	269
% of sales	3.6%	9.5%	6.7%	12.7%
Adjusted operating income¹	7	51	91	234
% of sales	1.5%	8.0%	5.2%	11.0%
Operating income	8	51	92	230
Net income (Group share)	0	34	49	160

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 €1,764 million, down -16.7% compared to September 30, 2022, including the following effects:

- volumes sold: -10.8% (Q3 -10.9%);
- prices: -6.5% (Q3 -12.1% and -4.3% vs Q2 2023);
- scope: +0.6% (Q3 +0.4%) following the acquisitions of FIDELITY PAC Metals in May 2022, DELTA ACCIAI early 2023 and COMETAL Metallhalbzeuge at the end of June 2023.

Gross margin amounted to €380 million representing 21.5% of sales (Q1 25%; Q2 19.3%; Q3 19.3%), compared to €548 million a year earlier (25.9% of sales).

Current operating expenses* amounted to €262 million, down -6% compared to September 30, 2022. Inflation contributed for around €7 million to the increase in expenses.

* excluding depreciation, amortization and provisions €(27)m.

EBITDA amounted to €118 million and represented 6.7% of sales (Q1 11.1%; Q2 4.1%; Q3 3.6%) compared to €269 million as of September 30, 2022 (12.7% of sales).

Adjusted operating income amounted to €91 million (5.2% of sales).

In this context, **Net income (Group share)** amounted to €49 million, compared to €160 million a year earlier.



Financial position as of September 30, 2023

During the first 9 months of 2023, the Group generated positive **operating cash flow** of €132 million.

Operating **working capital** amounted to €698 million (30% of sales), compared to €746 million at 2022 year-end (28% of sales), with inventories down by €79 million over the period (€701 million at the end of September 2023 compared to €780 million at 2022 year-end).

After the dividend payment, financing of the capital expenditure and the acquisitions of the companies DELTA ACCIAI and COMETAL Metallhalbzeuge, **net debt** stood at €232 million at the end of September compared to €234 million at 2022 year-end. The net debt to equity ratio (gearing) amounted to 34% compared to 35% at 2022 year-end.

As of September 30, 2023, **cash** amounted to €263 million while lines of credit totaled €914 million (of which €419 million are unused).

In Q3 2023, the financing structure changed through the implementation of a new €160 million syndicated loan maturing in 3 years (July 2026), replacing the previous €125 million syndicated loan.

Moreover, a term loan totaling €55 million (€40 million raised in September and €15 million in October) has been set up maturing in 8 years (2031).

Results as of September 30, 2023 by division

€m	Q3 2023			30.09.23 9 months		
	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	117	141	240	415	500	865
Change 2023 vs 2022	-23%	-24%	-21.4%	-14.6%	-20.8%	-15%
Price effect	-14%	-10.4%	-12.1%	-9.9%	-6.8%	-4.7%
Volume effect	-8.9%	-14%	-10%	-6.4%	-14.6%	-10.6%
Scope effect	n.a.	+0.4%	+0.7%	+1.7%	+0.5%	+0.2%
EBITDA^{1,2}	6	2	3	40	19	37
% of sales	4.8%	1.2%	1.1%	9.7%	3.8%	4.3%
Adjusted operating income²	4	1	2	34	18	34
% of sales	3.1%	0.5%	0.6%	8.3%	3.5%	4%

¹ Excluding IFRS 16 impacts. As of September 30, 2023, non-division operations (mainly holdings and real-estate companies) and the application of IFRS 16 - Leases contributed €7 million and €15 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 **62% of its business in Europe and 31% in North America**.

Sales amounted to €415 million, down -14.6% from €486 million as of September 30, 2022:

- volumes sold: -6.4% (Q3 -8.9%);
- prices: -9.9% (Q3 -14% and -4.9% vs Q2 2023);
- scope: +1.7% following the acquisition of FIDELITY PAC Metals in May 2022.

Gross margin amounted to €118 million, representing 28.3% of sales (Q3 €29 million, representing 25.2% of sales), compared to €165 million as of September 30, 2022 (33.9% of sales).

EBITDA amounted to €40 million, representing 9.7% of sales (Q3 €6 million, representing 4.8% of sales), compared to €85 million as of September 30, 2022 (17.4% of sales).

STAPPERT

The division specializes in the distribution of **stainless steel long products** mainly in Europe. It generates **44% of its sales in Germany, the largest European market**.

Sales amounted to €500 million, down -20.8% from €631 million as of September 30, 2022:

- volumes sold: -14.6% (Q3 -14%);
- prices: -6.8% (Q3 -10.4% and -4.8% vs Q2 2023);
- scope: +0.5% (Q3 +0.4%) following the acquisition of DELTA ACCIAI early 2023.

Gross margin amounted to €84 million, representing 16.8% of sales (Q3 €21 million, representing 15% of sales), compared to €129 million as of September 30, 2022 (20.4% of sales).

EBITDA amounted to €19 million, representing 3.8% of sales (Q3 €2 million, representing 1.2% of sales), compared to €56 million as of September 30, 2022 (8.8% 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**.

Sales amounted to €865 million, down -15% from €1,018 million as of September 30, 2022:

- volumes sold: -10.6% (Q3 -10%);
- prices: -4.7% (Q3 -12.1% and -3.9% vs Q2 2023);
- scope: +0.2% (Q3 +0.7%) following the acquisition of COMETAL Metallhalbzeuge at the end of June 2023.

Gross margin amounted to €178 million, representing 20.6% of sales (Q3 €44 million, representing 18.5% of sales), compared to €254 million as of September 30, 2022 (25% of sales).

EBITDA amounted to €37 million, representing 4.3% of sales (Q3 €3 million, representing 1.1% of sales), compared to €104 million as of September 30, 2022 (10.3% of sales).



Key financial information

Income statements

€m	Q3 2023	Q3 2022	30.09.23 9 months	30.09.22 9 months
Sales	494	638	1,764	2,118
Gross margin	95	144	380	548
% of sales	19.3%	22.5%	21.5%	25.9%
EBITDA*	18	60	118	269
% of sales	3.6%	9.5%	6.7%	12.7%
Adjusted operating income*	7	51	91	234
% of sales	1.5%	8.0%	5.2%	11.0%
Operating income	8	51	92	230
Net financial expense	(4)	(5)	(14)	(12)
Corporate income tax	(3)	(10)	(25)	(48)
Minority interests	(0)	(2)	(4)	(9)
Net income (Group share)	0	34	49	160

* 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 flows

€m	30.09.23 9 months	30.09.22 9 months
Operating cash flow before change in working capital	79	242
Change in working capital	53	(217)
Cash flow from operating activities	132	25
Capital expenditure	(44)	(21)
Asset disposals	1	1
Dividends paid to shareholders of JACQUET METALS SA	(23)	(23)
Interest paid	(12)	(9)
Other movements	(54)	(39)
Change in net debt	2	(68)
Net debt brought forward	234	171
Net debt carried forward	232	239

Balance sheets

€m	30.09.23	31.12.22
Goodwill	72	67
Net non-current assets	209	178
Right-of-use assets	73	75
Net inventory	701	780
Net trade receivables	216	218
Other assets	133	146
Cash & cash equivalents	263	254
Total assets	1,668	1,719
Shareholders' equity	686	675
Provisions (including provisions for employee benefit obligations)	97	100
Trade payables	219	252
Borrowings	495	488
Other liabilities	92	127
Lease liabilities	79	78
Total equity and liabilities	1,668	1,719



**Activity report available: jacquetmetals.com
2023 full-year results: March 13, 2024 - 6.00 PM CET**

Financial analysts meeting (French language): November 7, 2023 - 6.15 PM 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 3,393 employees, JACQUET METALS has a network of 122 distribution centers in 27 countries in Europe, Asia and North America.

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