



PRESS RELEASE

Q1 2023 results

Lyon, May 10, 2023 - 5.45 PM CEST

Sales: €692m (-4.4% vs Q1 2022)

EBITDA: €77m (11.1% of sales)

Net income (Group share): €44m

In Q1 2023, the Group posted **sales** of €692 million, down 4.4% compared to the same period in 2022.

The Group observed a decline in demand and prices in early 2023 which is likely to intensify in Q2.

The gross margin represented 25% of sales compared to 27.6% a year earlier and **EBITDA** amounted to €77 million, representing 11.1% of sales compared to 14% in Q1 2022.

Net income (Group share) amounted to €44 million compared to €63 million a year earlier.

During the period, the Group generated **operating cash flow** of €101 million and consolidated its financial structure with, as of March 31, 2023, **shareholders' equity** of €717 million and a net debt to equity ratio (**gearing**) of 23% compared to 35% at 2022 year-end.

The Group pursued its **development**, with capital expenditure of €8 million and the acquisition of Delta Acciai, 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.

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

The Board of Directors will propose a **dividend** of €1 per share to the General Meeting of shareholders on June 30, 2023.



Q1 2023 results

On May 10, 2023, the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements for the period ended March 31, 2023.

€m	Q1 2023	Q1 2022
Sales	692	724
Gross margin	173	200
% of sales	25.0%	27.6%
EBITDA *	77	102
% of sales	11.1%	14.0%
Adjusted operating income *	68	90
% of sales	9.8%	12.4%
Operating income	68	90
Net income (Group share)	44	63

* 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.

Consolidated **sales** amounted to €692 million, down -4.4% compared to Q1 2022, including the following effects:

- volumes sold: -10.6%;
- prices: +5.1% (-0.6% vs Q4 2022);
- scope: +1.1% following the acquisitions of Fidelity PAC Metals in May 2022 and Delta Acciai in February 2023.

Gross margin amounted to €173 million representing 25% of sales compared to €200 million in Q1 2022 (27.6% of sales).

Current operating expenses* amounted to €96 million (13.9% of sales) compared to €98 million a year earlier (13.5% of sales). Inflation and energy cost contributed for around €5 million to the increase in expenses.

* excluding depreciation, amortization and provisions €(9) million.

EBITDA amounted to €77 million and represented 11.1% of sales compared to €102 million a year earlier (14% of sales).

Adjusted operating income amounted to €68 million (9.8% of sales).

In this context, **Net income (Group share)** amounted to €44 million compared to €63 million in Q1 2022.



Financial position as of March 31, 2023

In Q1 2023, the Group generated positive **operating cash flow** of €101 million.

Operating **working capital** amounted to €734 million (27.6% of sales) compared to €746 million at 2022 year-end (27.7% of sales), with inventories down by €38 million over the period (€742 million at the end of March 2023 compared to €780 million at 2022 year-end).

After the financing of the capital expenditure and the acquisition of the company Delta Acciai, net debt stood at €165 million compared to €234 million at 2022 year-end. The net debt to equity ratio (gearing) amounted to 23% compared to 35% at 2022 year-end.

As of March 31, 2023, **cash** amounted to €277 million while lines of credit totaled €817 million (of which €376 million is unused).

Q1 2023 earnings by division

€m	Q1 2023		
	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering steels
Sales	159	198	341
Change 2023 vs 2022	+0.7%	-12.1%	-1.6%
Price effect	+4.1%	+4.4%	+6.3%
Volume effect	-7.4%	-17.2%	-7.9%
Scope effect	+4.0%	+0.7%	n.a.
EBITDA^{1,2}	25	16	29
% of sales	15.7%	8.3%	8.4%
Adjusted operating income²	23	16	28
% of sales	14.6%	8.0%	8.3%

¹ Excluding IFRS 16 impacts. As of March 31, 2023, non-division operations (mainly holdings and real-estate companies) and the application of IFRS 16 - Leases contributed €2 million and €5 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 **65% of its business in Europe and 29% in North America**.

Sales amounted to €159 million, up +0.7% from €158 million in Q1 2022:

- volumes sold: -7.4%;
- prices: +4.1% (+1.3% vs Q4 2022);
- scope: +4% following the acquisition of Fidelity PAC Metals in May 2022.

Gross margin amounted to €52 million, representing 32.8% of sales, compared to €59 million in Q1 2022 (37% of sales).

EBITDA amounted to €25 million, representing 15.7% of sales, compared to €32 million in Q1 2022 (20.2% 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 €198 million, down -12.1% from €225 million in Q1 2022:

- volumes sold: -17.2%;
- prices: +4.4% (+1.3% vs Q4 2022);
- scope: +0.7% following the acquisition of Delta Acciai in February 2023.

Gross margin amounted to €40 million, representing 20% of sales, compared to €54 million in Q1 2022 (23.9% of sales).

EBITDA amounted to €16 million, representing 8.3% of sales, compared to €28 million in Q1 2022 (12.6% of sales).

IMS group

The division specializes in the distribution of **engineering steels**, mostly in the form of long products. It generates **48% of its sales in Germany, the largest European market.**

Sales amounted to €341 million, down -1.6% from €346 million in Q1 2022:

- volumes sold: -7.9%;
- prices: +6.3% (-2.3% vs Q4 2022).

Gross margin amounted to €81 million, representing 23.8% of sales, compared to €87 million in Q1 2022 (25.2% of sales).

EBITDA amounted to €29 million, representing 8.4% of sales, compared to €35 million in Q1 2022 (10% of sales).



Key financial information

Income statements

€m	Q1 2023	Q1 2022
Sales	692	724
Gross margin	173	200
<i>% of sales</i>	25.0%	27.6%
EBITDA*	77	102
<i>% of sales</i>	11.1%	14.0%
Adjusted operating income*	68	90
<i>% of sales</i>	9.8%	12.4%
Operating income	68	90
Financial result	(5)	(3)
Corporate income tax	(17)	(20)
Minority interests	(2)	(3)
Net income (Group share)	44	63

* 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 flows

€m	Q1 2023	Q1 2022
Operating cash flow before change in working capital	68	96
Change in working capital	33	(93)
Cash flow from operating activities	101	2
Capital expenditure	(8)	(6)
Asset disposals	1	0
Dividends paid to shareholders of JACQUET METALS SA	-	-
Interest paid	(4)	(3)
Other movements	(21)	(8)
Change in net debt	69	(15)
Net debt brought forward	234	171
Net debt carried forward	165	186

Balance sheets

€m	31.03.23	31.12.22
Goodwill	71	67
Net non-current assets	183	178
Right-of-use assets	78	75
Net inventory	742	780
Net trade receivables	294	218
Other assets	143	146
Cash & cash equivalents	277	254
Total assets	1,788	1,719
Shareholders' equity	717	675
Provisions (including provisions for employee benefit obligations)	99	100
Trade payables	302	252
Borrowings	442	488
Other liabilities	146	127
Lease liabilities	82	78
Total equity and liabilities	1,788	1,719



Activity report available: jacquetmetals.com
Results as of June 30, 2023: September 13, 2023 6.00 PM

Financial analysts meeting: May 10, 2023 - 6.00 PM CEST

Access

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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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