



PRESS RELEASE

Q1 2024 results

15.05.2024 - 6.00 PM CEST

Sales: €558m (-19.3% vs Q1 2023)

EBITDA: €19m (3.5% of sales)

Operating cash flow: €87m

In Q1 2024, **market conditions** were characterized by low demand in all the Group markets, leading to pressure on prices and gross margins.

The Q2 2024 economic environment is in line with the trend observed since the beginning of the year.

In these conditions, the Group posted **sales** of €558 million, down 19.3% compared to the previous year and **gross margin** represented 20.3% of sales, compared to 25% in Q1 2023.

EBITDA amounted to €19.3 million, representing 3.5% of sales compared to 11.1% in Q1 2023.

Net income (Group share) came to €2.7 million.

In this context, the Group generated **operating cash flow** of €87 million and strengthened its financial structure with **shareholders' equity** of €682 million. The net debt to equity ratio (gearing) amounted to 25% as of March 31, 2024 compared to 31% at 2023 year-end.

Capital expenditure (excluding external growth) came to €21 million, notably dedicated to the acquisition of a site operated by the IMS group division in the Bologna region in Italy.

At the end of March 2024, the Group completed the **acquisition** of the Italian company COMMERCIALE FOND (2023 sales: €31 million) which operates from 4 logistics centers located in Modena, Milan, Turin, and Padua. Specializing in aluminum distribution, COMMERCIALE FOND strengthens the IMS group division.

In 2024, in an uncertain environment, the Group will focus on managing its working capital and costs, and, backed by its financial strength, it will continue its capital expenditure and development policy.

The Board of Directors will propose a **dividend** of €0.2 per share to the General Meeting of Shareholders on June 28, 2024.



Q1 2024 results

On May 15, 2024 the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements for the period ended March 31, 2024.

| €m | Q1 2024 | Q1 2023 |
|------------------------------------|------------|------------|
| Sales | 558 | 692 |
| Gross margin | 114 | 173 |
| % of sales | 20.3% | 25.0% |
| EBITDA * | 19 | 77 |
| % of sales | 3.5% | 11.1% |
| Adjusted operating income * | 9 | 68 |
| % of sales | 1.6% | 9.8% |
| Operating income | 14 | 68 |
| Net income (Group share) | 3 | 44 |

* Adjusted for non-recurring items.

Consolidated **sales** amounted to €558 million, down 19.3% compared to Q1 2023, including the following effects:

- volumes sold: -7.2%;
- prices: -16.6% (-4.8% vs Q4 2023);
- scope: +4.5% following the acquisitions performed in 2023.

Gross margin amounted to €114 million, representing 20.3% of sales, compared to €173 million in Q1 2023 (25% of sales).

Current operating expenses* amounted to €94 million, down 2% compared to Q1 2023 (-6.8% at constant scope).

* excluding depreciation and amortization €(11)m and provisions €0.3m.

EBITDA amounted to €19.3 million, representing 3.5% of sales, compared to €76.6 million in Q1 2023 (11.1% of sales).

Adjusted operating income amounted to €9 million (1.6% of sales).

After recognizing a provisional badwill of €4.4 million, the **Net income (Group share)** amounted to €2.7 million.



Financial position as of March 31, 2024

In Q1 2024, the Group generated positive **operating cash flow** of €87 million.

Operating **working capital** amounted to €618 million (28% of sales), compared to €657 million at 2023 year-end (28% of sales), with inventories down by €54 million over the quarter (€624 million at the end of March 2024 compared to €677 million at 2023 year-end).

After the financing of the capital expenditure and the acquisition of the company COMMERCIALE FONDO, **net debt** amounted to €167 million compared to €210 million at 2023 year-end.

In February 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 fiscal year 2024.

As of March 31, 2024, **cash** amounted to €389 million while lines of credit totaled €995 million (of which €438 million is unused).



Q1 2024 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

| |
|--|
| Sales |
| Changes 2024 vs 2023 |
| Price effect |
| Volume effect |
| Scope effect |
| EBITDA^{1 2} |
| % of sales |
| Adjusted operating income² |
| % of sales |

| Q1 2024 | | |
|---|--|------------------------------------|
| JACQUET Stainless steel quarto plates | STAPPERT Stainless steel long products | IMS group Engineering metals |
| 123 | 150 | 290 |
| -22.7% | -24.3% | -14.8% |
| -17.4% | -17.3% | -15.8% |
| -5.3% | -7.0% | -8.2% |
| n.a. | n.a. | +9.2% |
| 5.0 | 2.3 | 6.0 |
| 4.1% | 1.5% | 2.1% |
| 3.0 | 1.5 | 5.2 |
| 2.4% | 1.0% | 1.8% |

¹ Excluding IFRS 16 impacts. As of March 31, 2024, non-division operations (mainly holding companies and real-estate companies) and the application of IFRS 16 - Leases contributed €0.4 million and €5.6 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 **65% of its sales in Europe and 30% in North America**.

Sales amounted to €123 million, down -22.7% from €159 million in Q1 2023:

- volumes sold: -5.3%;
- prices: -17.4% (-4.2% vs Q4 2023).

Gross margin amounted to €31 million, representing 25.2% of sales, compared to €52 million in Q1 2023 (32.8% of sales).

EBITDA amounted to €5 million, representing 4.1% of sales, compared to €25 million in Q1 2023 (15.7% of sales).

| €m | Q1 2024 | Q1 2023 |
|----------------------------------|--------------|--------------|
| Sales | 123.0 | 159.1 |
| Changes 2024 vs 2023 | -22.7% | |
| Price effect | -17.4% | |
| Volume effect | -5.3% | |
| Gross margin | 31.0 | 52.2 |
| % of sales | 25.2% | 32.8% |
| EBITDA | 5.0 | 25.0 |
| % of sales | 4.1% | 15.7% |
| Adjusted operating income | 3.0 | 23.2 |
| % of sales | 2.4% | 14.6% |



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 €150 million, down -24.3% from €198 million in Q1 2023:

- volumes sold: -7.0%;
- prices: -17.3% (-4.0% vs Q4 2023).

Gross margin amounted to €24 million, representing 15.7% of sales, compared to €40 million in Q1 2023 (20% of sales).

EBITDA amounted to €2 million, representing 1.5% of sales, compared to €16 million in Q1 2023 (8.3% of sales).

| €m | Q1 2024 | Q1 2023 |
|----------------------------------|--------------|--------------|
| Sales | 150.1 | 198.2 |
| Changes 2024 vs 2023 | -24.3% | |
| Price effect | -17.3% | |
| Volume effect | -7.0% | |
| Gross margin | 23.6 | 39.6 |
| % of sales | 15.7% | 20.0% |
| EBITDA | 2.3 | 16.4 |
| % of sales | 1.5% | 8.3% |
| Adjusted operating income | 1.5 | 15.8 |
| % of sales | 1.0% | 8.0% |



IMS group

The division specializes in the distribution of **engineering metals**, mostly in the form of long products. It generates **43% of its sales in Germany, the largest European market**.

At the end of March 2024, the IMS group division strengthened its positions in Italy with the acquisition of COMMERCIALE FONDI, which is specializing in aluminum distribution with 4 logistics centers located in Modena, Milan, Turin, and Padua.

Sales amounted to €290 million, down -14.8% from €341 million in Q1 2023:

- volumes sold: -8.2%;
- prices: -15.8% (-5.1% vs Q4 2023);
- scope: +9.2% following the acquisitions performed in 2023.

Gross margin amounted to €59 million, representing 20.3% of sales, compared to €81 million in Q1 2023 (23.8% of sales).

EBITDA amounted to €6 million, representing 2.1% of sales, compared to €29 million in Q1 2023 (8.4% of sales).

| €m | Q1 2024 | Q1 2023 |
|----------------------------------|--------------|--------------|
| Sales | 290.1 | 340.6 |
| Changes 2024 vs 2023 | -14.8% | |
| Price effect | -15.8% | |
| Volume effect | -8.2% | |
| Scope effect | +9.2% | |
| Gross margin | 59.0 | 81.2 |
| % of sales | 20.3% | 23.8% |
| EBITDA | 6.0 | 28.6 |
| % of sales | 2.1% | 8.4% |
| Adjusted operating income | 5.2 | 28.2 |
| % of sales | 1.8% | 8.3% |



Financial analysts meeting (French language): May 15, 2024 - 6.15 PM CEST

Access

[click here](#)

Financial communication schedule

| | |
|----------------------------------|--------------------|
| 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 as of March 31, 2024 are compared to the Q1 2023 activity report and to the results for 2023, which may be consulted in the Universal Registration Document filed with the *Autorité des Marchés Financiers* (AMF, French financial market regulator) on April 17, 2024 (filing No. D.24-0289).

| €k | Q1 2024 | Q1 2023 |
|---|----------------|----------------|
| Sales | 558,264 | 691,657 |
| Gross margin | 113,589 | 172,980 |
| % of sales | 20.3% | 25.0% |
| Operating expenses | (94,303) | (96,366) |
| Net depreciation and amortization | (10,515) | (9,914) |
| Net provisions | 338 | 1,220 |
| Gains / losses on disposals of non-current assets | 232 | 44 |
| Other non-current income / (expenses) | 4,443 | - |
| Operating income | 13,784 | 67,964 |
| Financial result | (4,920) | (4,990) |
| Income before tax | 8,864 | 62,974 |
| Corporate income tax | (5,177) | (16,918) |
| Consolidated net income | 3,687 | 46,056 |
| Net income (Group share) | 2,737 | 43,769 |
| Earnings per share in circulation (€) | 0.12 | 1.90 |
| Operating income | 13,784 | 67,964 |
| Non-recurring items and gains / losses on disposals | (4,675) | (44) |
| Adjusted operating income | 9,109 | 67,920 |
| % of sales | 1.6% | 9.8% |
| Net depreciation and amortization | 10,515 | 9,914 |
| Net provisions | (338) | (1,220) |
| Non-recurring items | - | - |
| EBITDA | 19,286 | 76,614 |
| % of sales | 3.5% | 11.1% |

Sales

Consolidated sales amounted to €558 million, down -19.3% compared to Q1 2023.

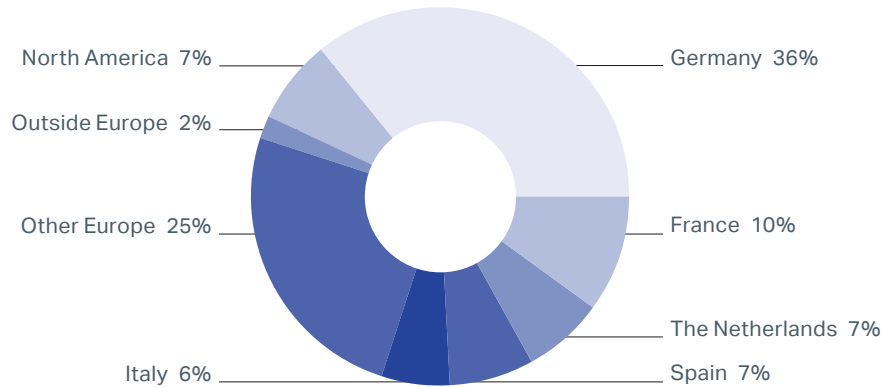
| €m | Q1 2024 | Q1 2023 |
|-----------------------------|---------------|------------|
| Sales | 558 | 692 |
| Changes 2024 vs 2023 | -19.3% | |
| Price effect | -16.6% | |
| Volume effect | -7.2% | |
| Scope effect | +4.5% | |

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 March 31, 2024;
- 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 €114 million, representing 20.3% of sales, compared to €173 million in Q1 2023 (25% of sales).

| €m | Q1 2024 | Q1 2023 |
|----------------------------|--------------|--------------|
| Sales | 558 | 692 |
| Cost of goods sold | (445) | (519) |
| Incl. purchases consumed | (450) | (541) |
| Incl. inventory impairment | 5 | 23 |
| Gross margin | 114 | 173 |
| <i>% of sales</i> | <i>20.3%</i> | <i>25.0%</i> |

Operating income

Current operating expenses* amounted to €94 million, down -2% compared to Q1 2023 (-6.8% at constant scope).

* excluding depreciation and amortization €(11)m and provisions €0.3m

Current operating expenses break down as follows:

- personnel expenses (€51 million);
- other expenses (€43 million), notably including transport, consumables, energy, maintenance, fees and insurance.

EBITDA amounted to €19.3 million, representing 3.5% of sales, compared to €76.6 million in Q1 2023 (11.1% of sales); it is not adjusted for non-recurring items.

Adjusted operating income amounted to €9 million (1.6% of sales).

After recognizing gains on disposals of non-current assets (€0.2 million) and a provisional badwill of €4.4 million, the Operating income amounted to €14 million.



Financial result

Net financial expense amounted to €4.9 million, stable compared to Q1 2023.

As of March 31, 2024 the average gross debt rate (over 12 rolling months) was 4.9% (average gross debt: €495 million) compared to 4.7% in 2023 (average gross debt in 2023: €473 million).

| €m | Q1 2024 | Q1 2023 |
|------------------------------|--------------|--------------|
| Net cost of debt | (4.2) | (3.8) |
| Other financial items | (0.7) | (1.2) |
| Net financial expense | (4.9) | (5.0) |

Net income

Net income (Group share) amounted to €2.7 million.

In Q1 2024, the tax rate amounted to 58.4%. Restated from deferred tax on accounting restatements and temporary differences, the income tax rate would be 29%.

| €m | Q1 2024 | Q1 2023 |
|---------------------------------|-------------|-------------|
| Income before tax | 8.9 | 63.0 |
| Corporate income tax | (5.2) | (16.9) |
| Income tax rate | 58.4% | 26.9% |
| Consolidated net income | 3.7 | 46.1 |
| Minority interests | (0.9) | (2.3) |
| Net income (Group share) | 2.7 | 43.8 |
| <i>% of sales</i> | <i>0.5%</i> | <i>6.3%</i> |

Post balance sheet events

None.



Summary consolidated financial position

Balance sheet

| €m | 31.03.24 | 31.12.23 |
|--|--------------|--------------|
| Goodwill | 70 | 70 |
| Net non-current assets | 240 | 224 |
| Right-of-use assets | 90 | 85 |
| Net inventory | 624 | 677 |
| Net trade receivables | 270 | 198 |
| Other assets | 120 | 129 |
| Cash & cash equivalents | 389 | 342 |
| Total assets | 1,803 | 1,725 |
| Shareholders' equity | 682 | 681 |
| Provisions (including provisions for employee benefit obligations) | 98 | 97 |
| Trade payables | 275 | 218 |
| Borrowings | 556 | 553 |
| Other liabilities | 99 | 86 |
| Lease liabilities | 93 | 90 |
| Total equity and liabilities | 1,803 | 1,725 |

Working capital

Operating working capital amounted to €618 million (28% of sales), compared to €657 million at 2023 year-end (28% of sales), with inventories down by €54 million over the quarter (€624 million at the end of March 2024 compared to €677 million at 2023 year-end).

| €m | 31.03.24 | 31.12.23 | Change |
|--|------------|------------|------------|
| Net inventory | 624 | 677 | -54 |
| <i>Days sales inventory *</i> | 172 | 183 | |
| Net trade receivables | 270 | 198 | +72 |
| <i>Days sales outstanding</i> | 47 | 46 | |
| Trade payables | (275) | (218) | -57 |
| <i>Days payables outstanding</i> | 57 | 61 | |
| Net operating working capital | 618 | 657 | -38 |
| <i>% of sales *</i> | 28.0% | 27.9% | |
| Other receivables or payables excluding taxes and financial items | (45) | (27) | |
| Working capital excluding taxes and financial items | 574 | 630 | -56 |
| Consolidation and other changes | | 14 | |
| Working capital before taxes and financial items and adjusted for other changes | 574 | 644 | -70 |
| <i>% of sales *</i> | 26.0% | 27.0% | |

* Rolling 12 months (including companies acquired in 2023 and COMMERCIALE FOND over 12 rolling months as of March 31, 2024).



Provisions for contingencies and charges and employee benefit obligations

Provisions for contingencies and charges and employee benefit obligations amounted to €98 million at the end of March 2024, compared to €97 million at 2023 year-end. These provisions consist of:

- provisions for employee benefit obligations (€40 million at the end of March 2024, stable compared to 2023 year-end) mainly related to pension obligations;
- current and non-current provisions (€57 million at the end of March 2024, stable compared to 2023 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 | Q1 2024 | Q1 2023 |
|--|------------|------------|
| Operating cash flow before change in working capital | 17 | 68 |
| Change in working capital | 70 | 33 |
| Cash flow from operating activities | 87 | 101 |
| Capital expenditure | (21) | (8) |
| Asset disposals | 1 | 1 |
| Dividends paid to shareholders of JACQUET METALS SA | - | - |
| Interest paid | (4) | (4) |
| Other movements | (20) | (21) |
| Change in net debt | 43 | 69 |
| Net debt brought forward | 210 | 234 |
| Net debt carried forward | 167 | 165 |

In Q1 2024, the Group generated positive operating cash flow of €87 million.

Capital expenditures (excluding external growth) came to €21 million, notably dedicated to the acquisition of a site operated by the IMS group division in the region of Bologna in Italy.

“Other movements” notably consist of the purchase price of the acquisition of COMMERCIALE FOND, share buybacks (€1.8 million) and rent expenses pursuant to the application of *IFRS 16 - Leases* (€5 million).

After the financing of capital expenditure and the acquisition of COMMERCIALE FOND, net debt amounted to €167 million with shareholders' equity of €682 million, resulting in a net debt to equity ratio (gearing) of 24.5%, compared to 30.9% at 2023 year-end.

| €m | 31.03.24 | 31.12.23 |
|---|--------------|--------------|
| Borrowings | 556.2 | 552.6 |
| Cash and cash equivalents | 389.0 | 342.3 |
| Net debt | 167.2 | 210.2 |
| <i>Net debt to equity ratio (gearing)</i> | <i>24.5%</i> | <i>30.9%</i> |



Borrowings

In February 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.

As of March 31, 2024, the Group had €995 million in lines of credit, 56% of which had been used:

| €m | Authorized at 31.03.24 | Used at 31.03.24 | % used | Maturity | | | |
|--|------------------------|------------------|------------|------------|------------|----------------------|------------|
| | | | | 2024 | 2025-2026 | 2027-2028 and beyond | 2029 |
| Syndicated revolving loan 2026 | 160 | - | 0% | - | - | - | - |
| Schuldscheindarlehen 2024-2025 | 22 | 22 | 100% | 10 | 12 | - | - |
| Schuldscheindarlehen 2026 | 146 | 146 | 100% | - | 146 | - | - |
| Schuldscheindarlehen 2029 | 72 | 72 | 100% | - | - | - | 72 |
| Term loans PPR 2031 | 95 | 95 | 100% | - | - | 26 | 69 |
| Term loans | 76 | 76 | 100% | 21 | 35 | 12 | 7 |
| Other lines of credit | 147 | 49 | 33% | 35 | 14 | - | - |
| JACQUET METALS SA borrowings | 718 | 460 | 64% | 66 | 207 | 38 | 148 |
| Operational lines of credit (letter of credit, etc.) | 180 | 41 | 23% | 41 | - | - | - |
| Factoring | 43 | 2 | 4% | 2 | - | - | - |
| Assets financing (term loans, etc.) | 54 | 54 | 100% | 7 | 23 | 16 | 8 |
| Subsidiaries borrowings | 276 | 97 | 35% | 50 | 23 | 16 | 8 |
| Total | 995 | 556 | 56% | 116 | 230 | 54 | 157 |

In addition to the financing shown in the above table, the Group also had €88 million in non-recourse receivable assignment facilities, €61 million of which had been used as of March 31, 2024.

Borrowings by rate:

| €m | 31.03.24 | 31.12.23 |
|-------------------------|--------------|--------------|
| Fixed rate | 203.2 | 204.7 |
| Floating rate | 353.0 | 347.9 |
| Total borrowings | 556.2 | 552.6 |

34% of floating rate debt is hedged against changes in interest rates through caps totaling €120 million and 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: €10 million remaining) and January 2025 (tranche 2: €12 million remaining) | July 2026 | February 2029 |
| Amount | €160 million (unused as of March 31, 2024) | €22 million (fully used) | €146 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% | | |

* The €12 million of tranche 2 were reimbursed at the end of April 2024 and the remaining €10 million will be reimbursed end of June 2024.
n.a. : Non applicable.

As of March 31, 2024, all borrowings covenants were in compliance.



JACQUET METALS is a major player 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.

JACQUET METALS: Thierry Philippe - Chief Financial Officer - comfi@jacquetmetals.com
NEWCAP: Emmanuel Huynh - T +33 1 44 71 94 94 - jacquetmetals@newcap.eu

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