

Groupe SFPI : half year results 2023

SOLID HALF-YEAR RESULTS

The board of Directors held on September 29, 2023 approved the condensed half-yearly consolidated financial statements **for the six months ended 30 June 2023**. These financial statements have been subject to a limited review by our statutory auditors and their report on the interim financial information is issued.

in €M	30/06/2023	In % Of sales	30/06/2022	In % Of sales	Variation in € 2023/2022
Sales	356,7		305,9		+16,6 %
<i>Incl. Dom Security Division</i>	118,3		108,9		+8,6 %
<i>Incl. MAC Division</i>	141,8		116,5		+21,7 %
<i>Incl. NEU-JKF Division</i>	59,6		53,4		+11,5 %
<i>Incl. MMD Division</i>	37,0		27,1		+36,9 %
Growth Margin	203,7	57,1 %	179,7	58,8 %	-1,7 pt
<i>Incl. Dom Security Division</i>		67,5 %		68,4 %	
<i>Incl. MAC Division</i>		50,2 %		52,6 %	
<i>Incl. NEU-JKF Division</i>		53,2 %		53,9 %	
<i>Incl. MMD Division</i>		56,3 %		56,4 %	
Recurring Operating Income	14,1	3,9 %	18,1	5,9 %	
<i>Incl. Dom Security Division</i>	8,6		8,9		
<i>Incl. MAC Division</i>	-1,2		5,8		
<i>Incl. NEU-JKF Division</i>	1,2		1,2		
<i>Incl. MMD Division</i>	6,1		2,1		
Operating Income	12,5	3,5 %	16,0	5,2 %	
Consolidated Net Income	6,5	1,8 %	10,9	3,6 %	
<i>Group Share</i>	6,6		11,0		
<i>Non controlling interest</i>	-0,1		-0,1		
Earning per share (in euros)	0,07		0,12		

Consolidated revenue at 30 June 2023 was €356.7 million. It is **16.6% higher than in 2022**. On a comparable basis, turnover experienced organic growth of 7.2%, in line with the overall growth level for 2022 (+6.9%).

Thanks to its financial reserves, Sfpi Group was able to continue its policy of acquiring companies to strengthen its positions in promising businesses: after the acquisitions made in the second half of 2022 (Wo&Wo and Tapkey), Sfpi Group, during the first half of the 2023 financial year, acquired the Italian company Viro, a recognized player in locking solutions, as well as the company Viro Tronic which owns the real estate complex hosting this activity. These two companies are integrated into the DOM SECURITY division.

Recurring operating income is at €14.1m, compared with €18.1m in H1 2022.

This declining result is mainly explained by pressure on margins in the building sector and exceptional costs linked to operational (MAC 250) and digital transformation projects.

The performance of the other divisions makes it possible to maintain a solid result.

Operating income amounts to €12.5m (compared to €16m as of June 30, 2022) and includes €1.7 million in provisions for asset depreciation.

Net income from consolidated companies amounts to €6.5m, compared to €10.9m in 2022.

On 30 June 2023, Group shareholders' equity amounted to €252.2 million compared with €248.9 million at 31 December 2022.

In €M	30/06/2023	31/12/2022 (*)
Non-current Assets	218,4	210,0
Current Assets	295,8	269,2
<i>Net Inventories</i>	147,3	139,4
<i>Receivables</i>	124,6	106,2
<i>Others</i>	23,9	23,6
Cash and equivalents	120,9	126,5
Total	635,1	605,7
Equity	251,8	249,1
<i>Incl. Group Share</i>	252,3	248,9
Non current liabilities	155,7	143,8
<i>Long-term financial debt</i>	76,2	66,6
<i>Lease debt</i>	14,6	15,4
<i>Other debts (employee benefit, lease IFRS16...)</i>	64,9	61,8
Current liabilities	227,6	212,8
<i>Short term financial debts</i>	33,3	34,4
<i>Short term lease (IFRS 16)</i>	5,5	5,5
<i>Payables</i>	74,1	67,6
<i>Other creditors and accrued liabilities</i>	57,2	48,3
<i>Others</i>	57,5	57,0
Total	635,1	605,7

(*)During the first half of 2023, the Group finalized, in accordance with IFRS 3, the evaluation of the acquisition price, assets acquired and liabilities assumed of the Wo&Wo group acquired on August 1, 2022. Consequently, the accounts 12/31/ 2022 have been adjusted.

After acquisitions and investments, the financial structure remains solid. The Group has a net financial surplus of €11.4 million, broken down as follows:

In €M	30/06/2023	31/12/2022	Variation 2023/2022
Non current financial debts (*)	(76,2)	(66,6)	(9,6)
Current financial debts (*)	(29,4)	(30,9)	+1,5
Overdraft	(3,9)	(3,5)	(0,4)
Cash and cash equivalents	120,9	126,5	(5,6)
Net Financial Excess	11,4	25,5	(14,1)

(*)financial debts do not include lease debts IFRS 16

The simplified consolidated cash-flow statement is :

In €M	30/06/2023	30/06/2022	Variation 2023/2022
Cash Flow from Operating Activities	18,9	0,2	+18,7
Cash flow used in Investment activities	(23,0)	(11,6)	(11,4)
Cash flow from (used in) Financing activities	(2,0)	(6,4)	+4,4
Cash flow	(6,1)	(17,8)	+11,7

In 2023, cash flows linked to investment include in particular the acquisitions of the companies Viro and Viro Tronic, for €7.2m and €6.9m respectively. Cash flows from financing activities include €4.7 million in dividends and €14.1 million in new borrowings from credit institutions.

Perspectives

For the 2023 financial year, Sfpi Group expects to generate annual revenues of around €680 million.

For Henri Morel, CEO and founder of Sfpi Group: " *The first half of 2023 constitutes an important period for Sfpi Group: several structuring acquisitions to integrate, as well as the end of a cycle of strategic investments within the MAC division. The financial solidity of the group, its operational and financial management, its transformation plan and its capacity to accelerate the performance of its divisions are the signal of a high-performance group having fully integrated the challenges of industrial responsibility.* "

Find the presentation as on June 2023, effective October 2nd, 2023
on www.finance.groupe-sfpi.com

Next communication: 2023 turnover published at the end of February 2024

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About Sfpi Group

SFPI Group (Safety for People and Industry) was founded in France in 1985. Today, it constitutes a group of companies specialized in the safety industry for people, goods and environment. They're united within 4 autonomous, innovative and digitalized operating divisions: DOM Security, MAC, MMD, NEU-JKF. SFPI Group generates a turnover of approximately 640 million Euros, employs 4200 people and delivers solutions such as buildings security and convenience, air-treatment and energy saving, both for industrial and private markets. Industrial, responsible and European with global ambitions, SFPI Group is pursuing its international expansion