

Half Year Results 2022

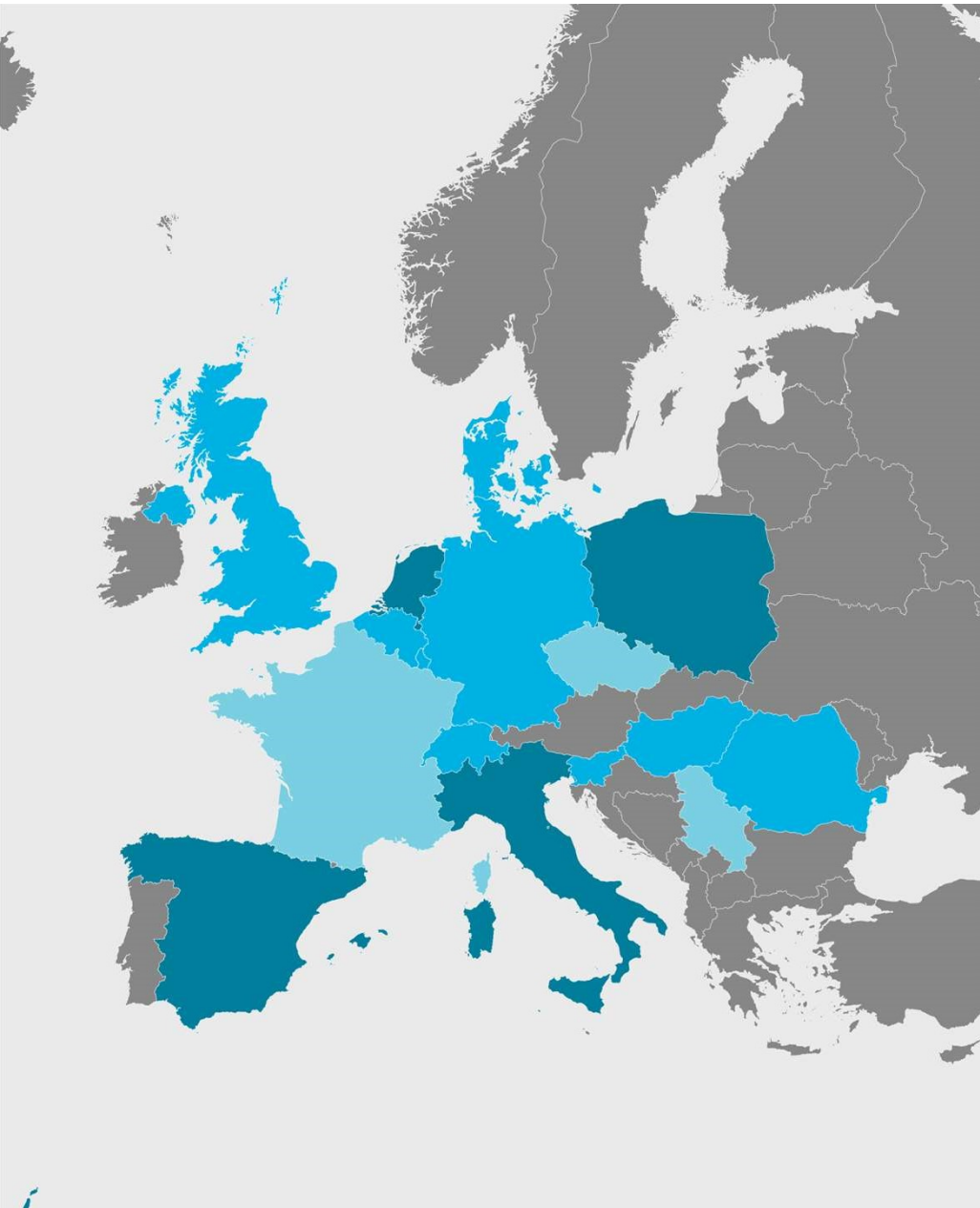
Henri Morel, CEO
Damien Chauveinc, Deputy CEO



WE ARE **Sfpi** GROUP

Safety for
people &
industry

35 YEARS
INDUSTRIAL
RESPONSE



Independant, industrial, international

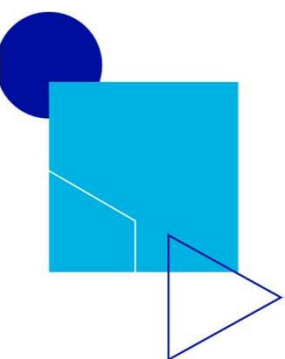
SFPI Group was created in France in 1985 by entrepreneurs led by Henri Morel, who wanted to engage in the recovery and development of industrial companies.

As at June 2022, SFPI Group generated a turnover of about **306 million Euros**, in the safety industry.

39% of revenues are generated outside of France.

At June 30th 2022, SFPI Group has **3 854 employees**, 38 % of whom are based outside of France.

Key Figures H1 2022



306 M€

Sales

18 M€

Recurring
Operating
Income

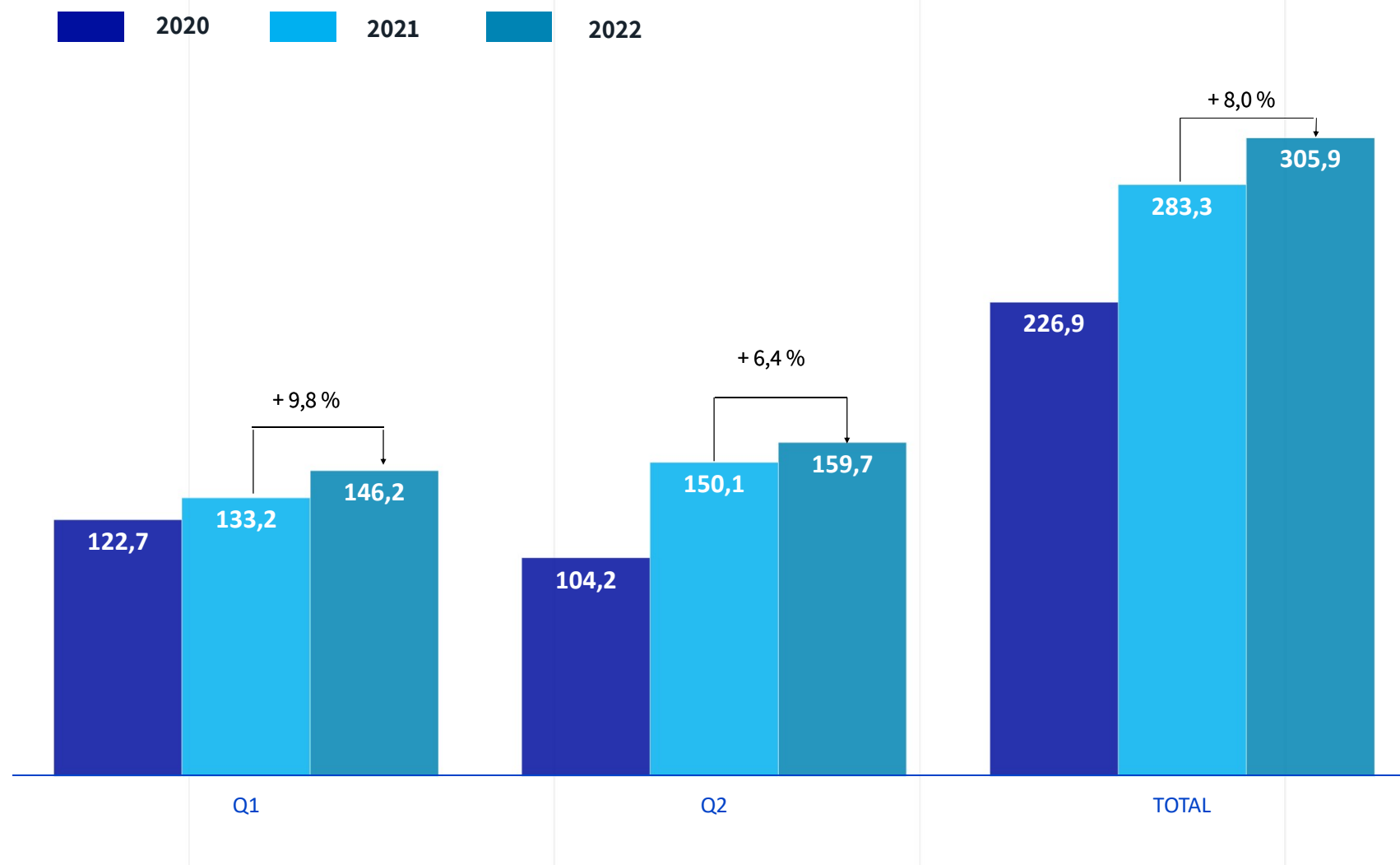
28 M€

EBITDA

53 M€

Net
Financial
Excess

Consolidated H1 2022 sales in M€



Specialized in the safety industry for people, goods and environment



BUSINESS GROUP

« Construction » Security and comfort for buildings



DOM Security

Locking and access control equipment and systems

Sales : 109 M€

MAC

Windows, blinds, awnings, shutters, garage doors for residential and non residential buildings

Sales : 117 M€

BUSINESS GROUP

« Industry » Air Treatment and energy control



NEU-JFK

Air Treatment solutions for the industry

Sales : 53 M€

MMD

Heat exchanger and sterilization equipment and systems

Sales: 27 M€

Key Figures H1 2022



M€	H1 2021	H1 2022
Sales	99,2	108,9
Gross margin, as % of sales	70,2%	68,4%
Recurring operating income	11,3	8,9
Operating income	11,3	6,5



Strong growth in Northern and Southern Europe



Tension on raw materials.
Product mix in Electronics / Mechanics.



Impact of inventory depreciation



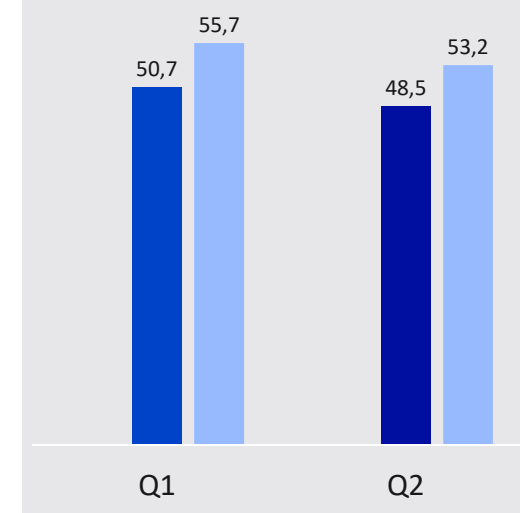
Depreciation of fixed assets for €2.3M

1 690 employees

CAPEX : 3,9 M€

Sales per quarter

■ 2021 ■ 2022



Highlights

- Prices increase in 2022 to pass on the increase in raw materials.
- Investment project in Spain to face the increase in volume of European cylinders, especially in Spain DOM-MCM.



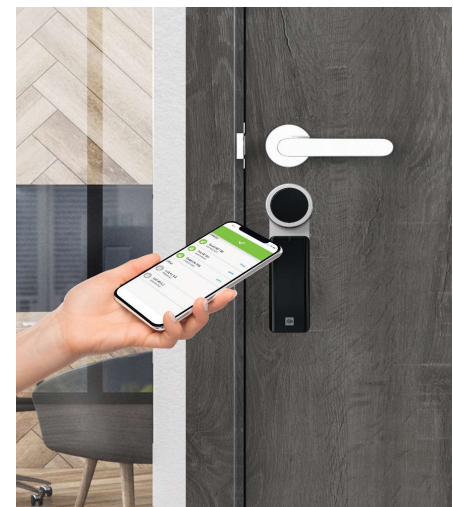
- Analysis of the energy consumption of our production sites in progress (Transformation Plan).
- Investments in LED factory lighting and installation of solar panels in our factory in Poland.



Several commercial successes of our **DOM Loq** range for office lockers for the banking sector.



Success of our **DOM Connect** offer dedicated to integrators using our mechatronic solutions - *gas terminal project in the Netherlands*



Good performance of our access control activities with **21% growth** over the period. Launch of our mobile key offers with the dedicated **DOM keys** application.



Development of **RONIS industrial sales** for electrical installations, especially in the transport sector with the security of the **Grand Paris Express** infrastructure.



Announcement of the partnership between **DOM and Somfy** for a **DOM Roq** connected lock offering a secure and motorized solution for residential housing.

Key Figures H1 2022



M€	H1 2021	H1 2022
Sales	104,5	116,5
Gross margin, as % of sales	55,9%	52,6%
Recurring operating income	5,9	5,8
Operating income	6,4	6,0

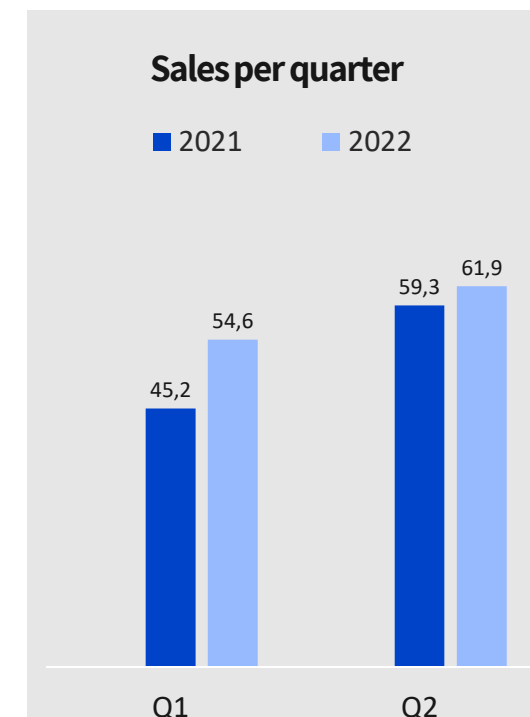
← 11.5% growth driven by price increases

← Increase in raw materials prices

← Impact of salary increases, inventory depreciation and one-offs related to the harmonization of collective agreements.

1 170 employees

CAPEX : 4,7 M€



Highlights

- Appointment of Jean-Jacques Nayral as CEO of the MAC Division
- Signing at MAC of several collective agreements with the majority trade unions as part of the initiative to harmonize MAC's social contract (collective agreements of the Metallurgy)
- Growing markets in volume for windows and closures, declining for blinds and awnings



- Investments:
 - Paint booth in Chécy (540k€)
 - Welding machine for PVC windows at SIPA (600k€)
 - Extension of the Aluminum plant in Le Rheu (€1.0M)
- Strategic plan for the MAC division (MAC250) under review following the acquisition of WO&WO



Launch of new products :

- Launch of a Solar Powered Roof Window screen
- Launch of the Boreal Duo blind, halfway between a curtain and a vertical blind



Digitalization of sales :

23,1% in 2022 vs 22,9% in 2021

- France Fermetures Web store: 42.3% of total sales vs. 43.3% in 2021. Launch of a spare parts store
- Franciافlex Web Store: 16.4% of total sales vs. 15.5% in 2021
- FABER Web Store: 10.2% of total sales vs. 9.8% in 2021



Rationalization and harmonization of ranges :

- Harmonization of MAC interior blinds & screens (roller and venetian)
- Harmonization of the MAC windows offering with the selection of a common profile supplier for all brands



Key Figures H1 2022



M€	H1 2021	H1 2022
Sales	50,2	53,4
Gross margin, as % of sales	52,3%	53,9%
Recurring operating income	1,2	1,2
Operating income	1,2	1,2

← Sales delayed by shortages and delivery postponements at customers' sites

← Price increases to compensate for raw material increases

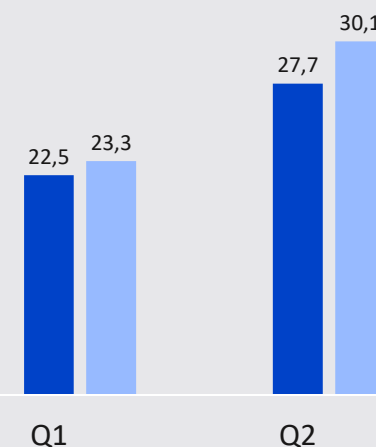
← Impact of energy prices, transportation, travel (customer visits), inventory provisions and headcount hiring to meet demand

697 employees

CAPEX : 1,7 M€

Sales per quarter

■ 2021 ■ 2022



Highlights

- Increase in order intake in all markets, up 20% vs. 2021
- Increase in work-in-progress and order backlog historically high at €71.5 million, +€23 M vs June 2021

- Appointment of Franck Muselet as General Manager of NEU-JKF FEVI and Didier Doisy as General Manager of NEU-JKF Automation
- Decision to migrate JKF's ERP from NAVISION to Business Central



R&D :

- Launch of the PHOBARS project, an academic research program on Pneumatic Transport of Non-Conventional Solids, for the Recycling and Biofuels markets

PHOBARS:

Pneumatic Handling Of Bio & Recycled Solids



Solid recovered fuel



Milled wheat straw

Digitalization :



- New NEU-JKF Delta NEU website in English, French and Dutch

<https://neujkf-deltaneu.com/global/fr>



Votre expert en solutions de traitement de l'air industriel



- New e-commerce web store for indoor air purifier / monitor AIRINA® <https://airina.store/>



New product :

- Launch of a new downdraught table at NEU-JKF Delta NEU, designed to protect the health of operators by aspiration and filtration of dust at the workstation



Key Figures H1 2022

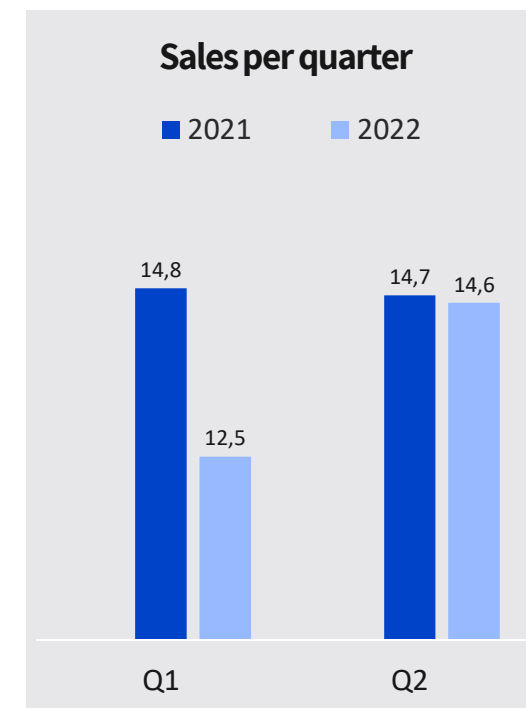
MMD

M€	H1 2021	H1 2022
Sales	29,5	27,1
Gross margin, as % of sales	57,4%	56,4%
Recurring operating income	3,4	2,1
Operating income	3,4	2,1

- ← Shift in deliveries at Steriflow
- ← Increase and availability of raw materials
- ← Impact of decrease in volumes and increase in transportation and energy

284 employees

CAPEX : 1,5 M€

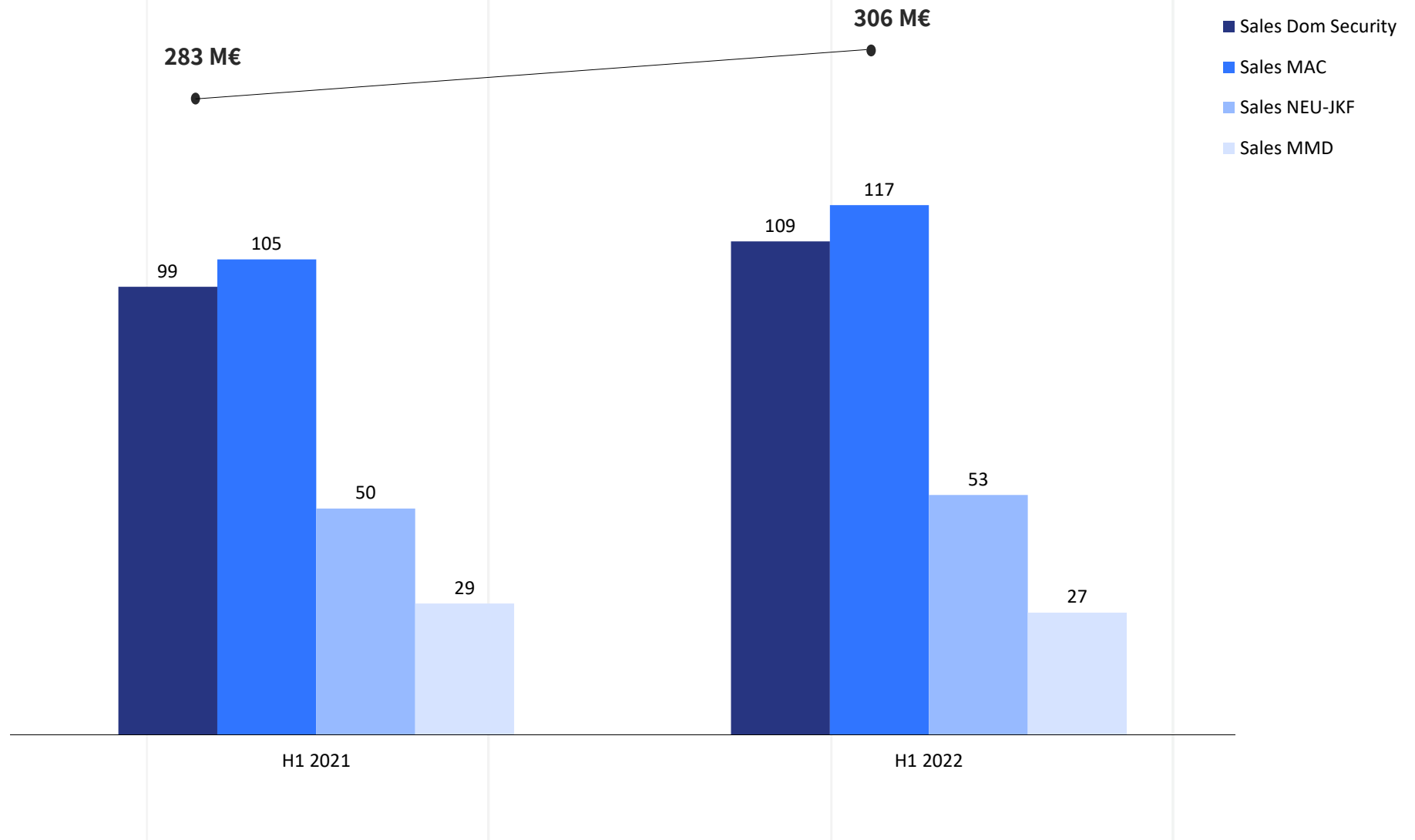


Highlights

- Steriflow revenue delayed by customer requests to postpone deliveries
- Heat exchangers: strong recovery in export orders at Barriquand at the end of the period. Buoyant market at Cipriani
- Control of payroll expenses despite inflation and staff shortages
- Cipriani: commissioning of the 6500 T press



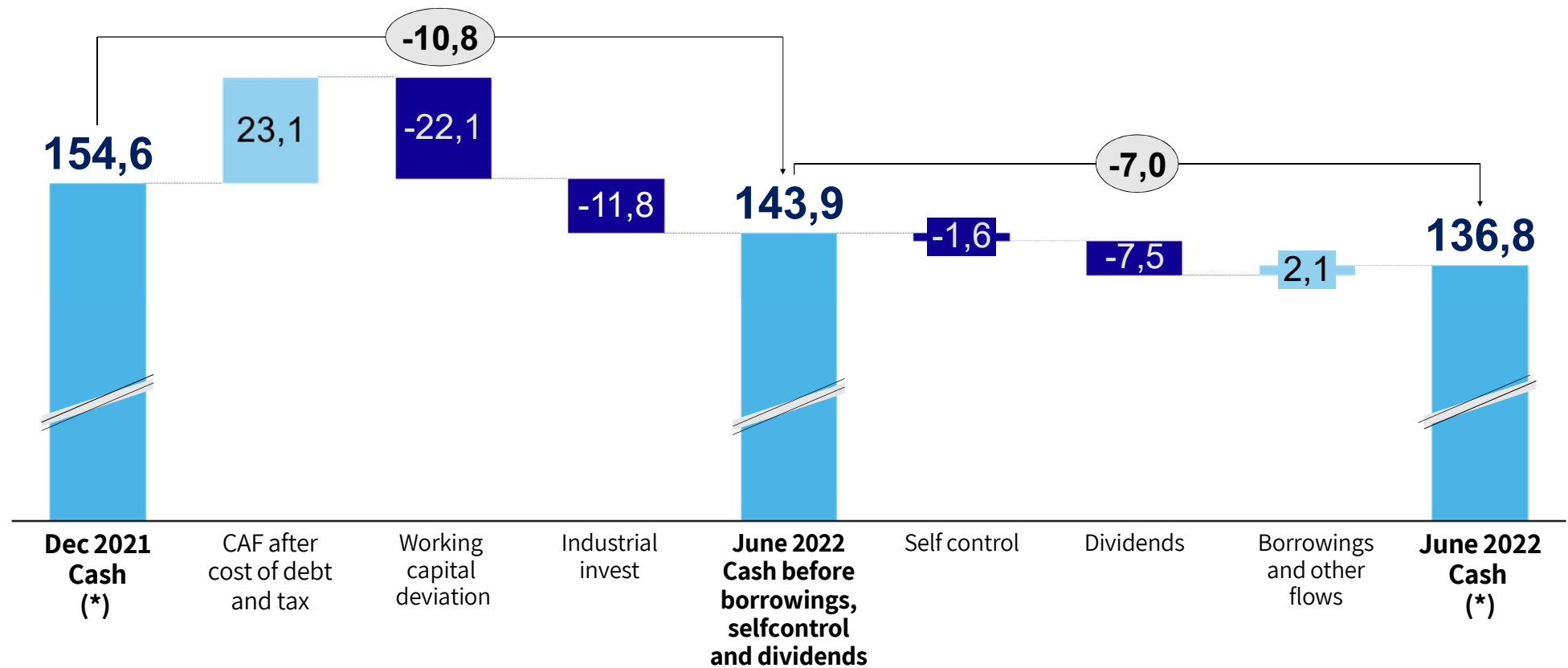
Sales split per Business Unit Half Year 2022 (M€)



Consolidated Financials

M€	H1 2021	% du CA	H1 2022	% of sales
Sales	283,3		305,9	
Gross margin	171,3	60,5%	179,7	58,8%
Payroll expenses	(95,0)	33,5%	(101,1)	33,1%
Other operating costs	(43,8)	15,5%	(47,7)	15,6%
Taxes	(2,6)		(2,9)	
Depreciation	(8,1)	3,0%	(9,9)	3,2%
Recurring operating income	21,8	7,7%	18,1	5,9%
Non-recurring cost and amortization	0,5		(2,1)	
Operating income	22,3	7,9%	16,0	5,2%
Financial Charges	(0,4)		0,1	
Corporate Income Tax	(6,4)		(4,8)	
Consolidated Net Income	15,8	5,6%	10,9	3,6%
Group share	15,7		11,0	

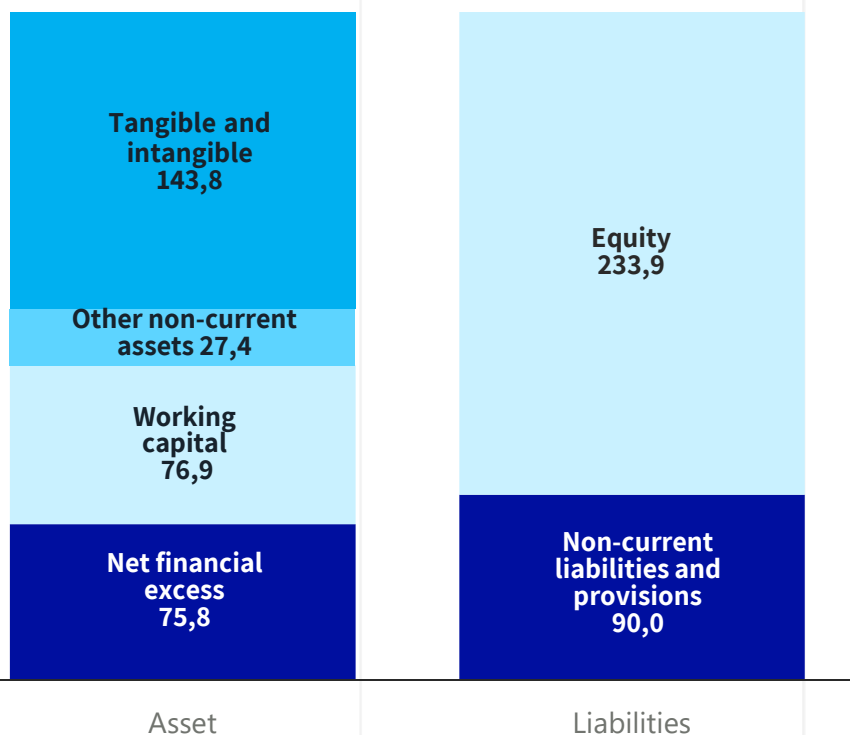
Cash Flow Statements (M€)



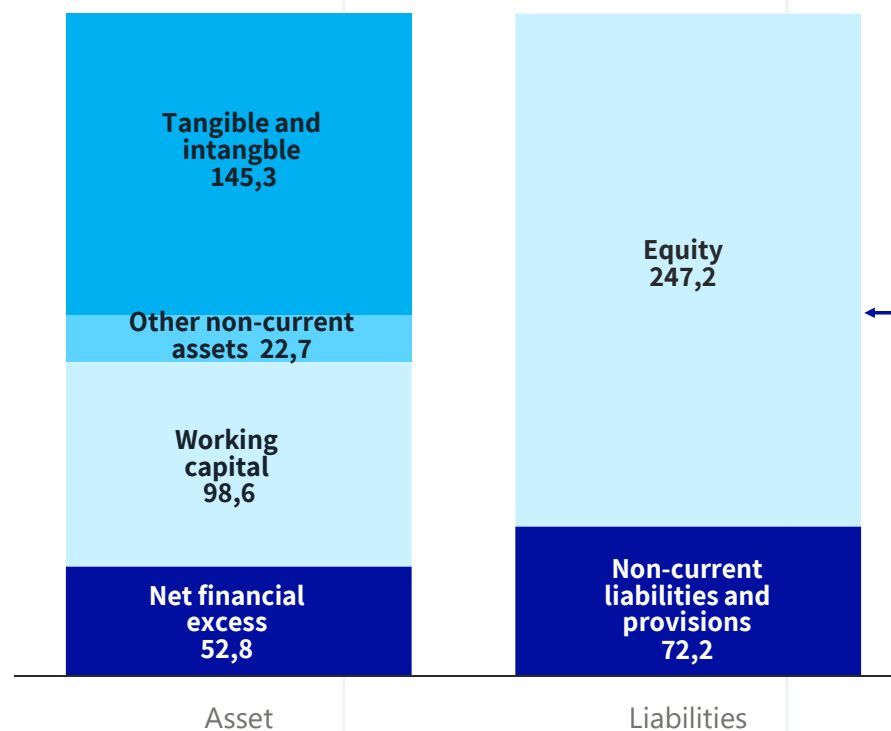
(*) Cash and cash equivalents less overdrafts

Simplified consolidated balance sheet June 30th 2022

12/2021



06/2022



← Impact of the increase in discount rates on pension provisions (€12 million net)

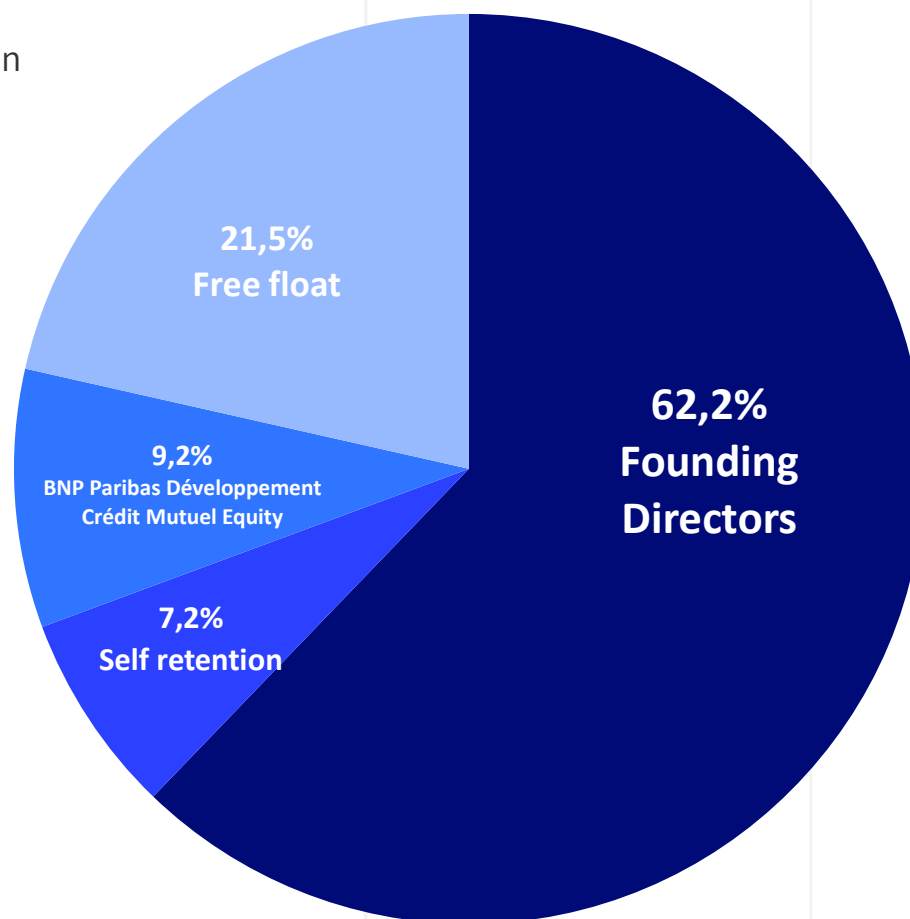
A solid financial base : net financial excess of **52.8 million Euros at June 30th 2022**

SFPI Group financial structure

	S1 2021	2021	S1 2022
Equity	223,0	232,5	246,1
Current and non-current financial debt	89,4	78,8	84,0
Cash and cash equivalents (less overdrafts)	151,5	154,6	136,8
Net financial excess	62,1	75,8	52,8
Recurring operating income	21,8	43,6	18,1
EBITDA	29,9	62,1	28,0

Stock market mapping

Shareholders structure on
September 19th 2022



- Free float at 31/12/2021 : 22,1 %
- Free float at 30/06/2022 : 21,5 %
- Free float at 19/09/2022 : 21,5 %

- Number of shares: 99 317 902
- ISIN Code: FR0004155000
- Listing market : Compartment Euronext B

Other subjects

- Transformation Plan
- Acquisition of WO&WO Group
- 2022 Perspectives

The 4 pillars of industrial responsibility

4 pillars contribute to industrial responsibility



Commercial responsibility

Deepen the knowledge of our customers and spread a customer culture across all levels of our company in order to improve customer satisfaction.



Managerial responsibility

Reinforce the manager role to improve talents retention and anticipate employees turnover.



Environmental responsibility

To become a group more efficient from the environmental point of view.



Financial responsibility

To build common standards, tools and frames of references.

Deepen the knowledge of our customers and spread a customer culture across all levels of our company in order to improve customer satisfaction

1

100 % of the companies of the group conduct a customer survey every year measuring the NPS, and improve the results

- 28 companies measured their NPS out of 36 eligible companies
- External audit in 2023

2

All companies measure the OTIF (On Time Delivery in Full), and reach a minimum average OTIF score of 90 % by 2023

- 33 companies follow their OTIF out of 36 eligible companies
- External audit in 2023

3

Spread a customer culture to all employees to become a more customer centric company by 2023

- Distribution of newsletters
- Customer actions on the sites
- Pilot projects on the customer journey

Highlights

To become a group more efficient from the environmental point of view

1

100 % of companies should go one step forward to become carbon neutral

- Carrying out carbon assessments for the Group's 70 sites
- Publication of the consolidated carbon footprint in 2023

2

All companies reduce by 15% energy consumption

- Monitoring of energy consumption since 2020
- Numerous actions carried out: insulation of buildings, change of lighting

3

Reduce by 10% the volume of the main type of waste in the group

- Waste inventory launched
- Action plan in 2023

Highlights

Reinforce the manager role to improve talents retention and anticipate employees turnover

1

100% of managers have access to specific support for the “ fundamentals” of SFPI Group management

- 84.6% managers trained in the 1st fundamental: "Generate enthusiasm and motivation within your teams"

2

100% of employees will have access to 100% of open positions within the Group

- Group business inventory finalized on December 31, 2022

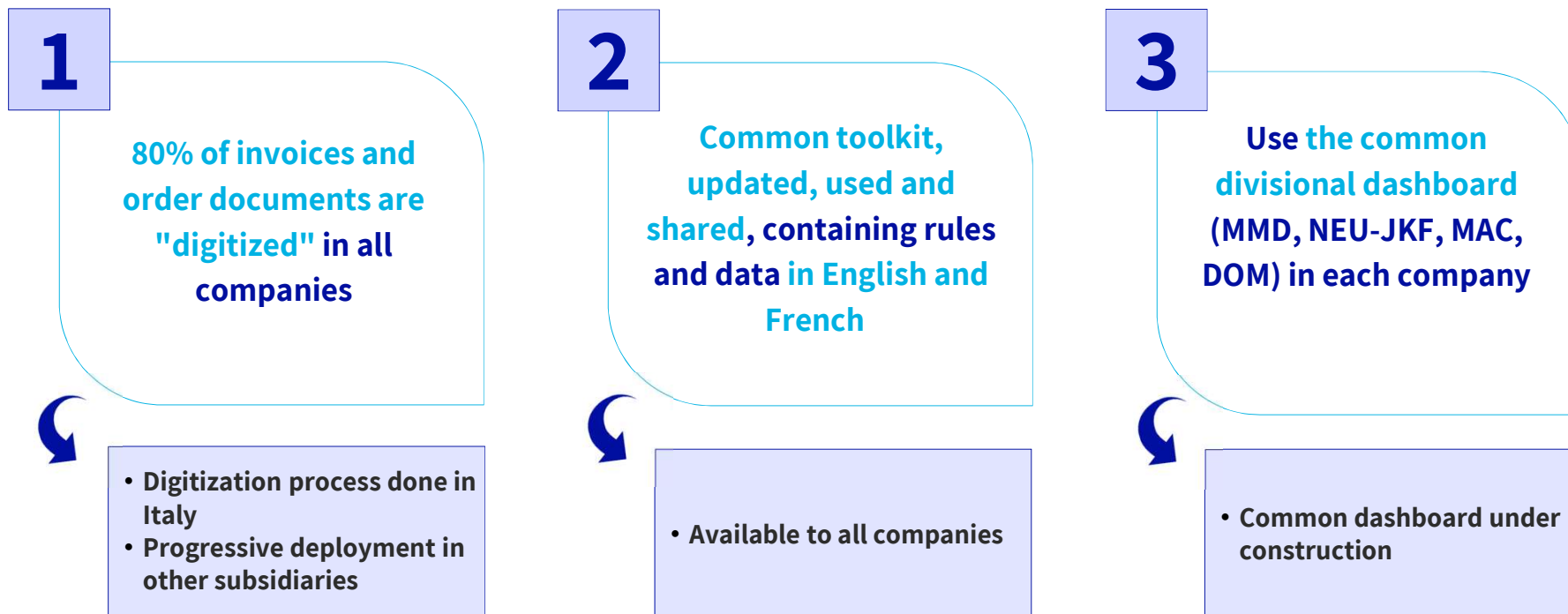
3

90% of employees feel “committed” (considered & satisfied) within their company

- Actions to be launched in 2023

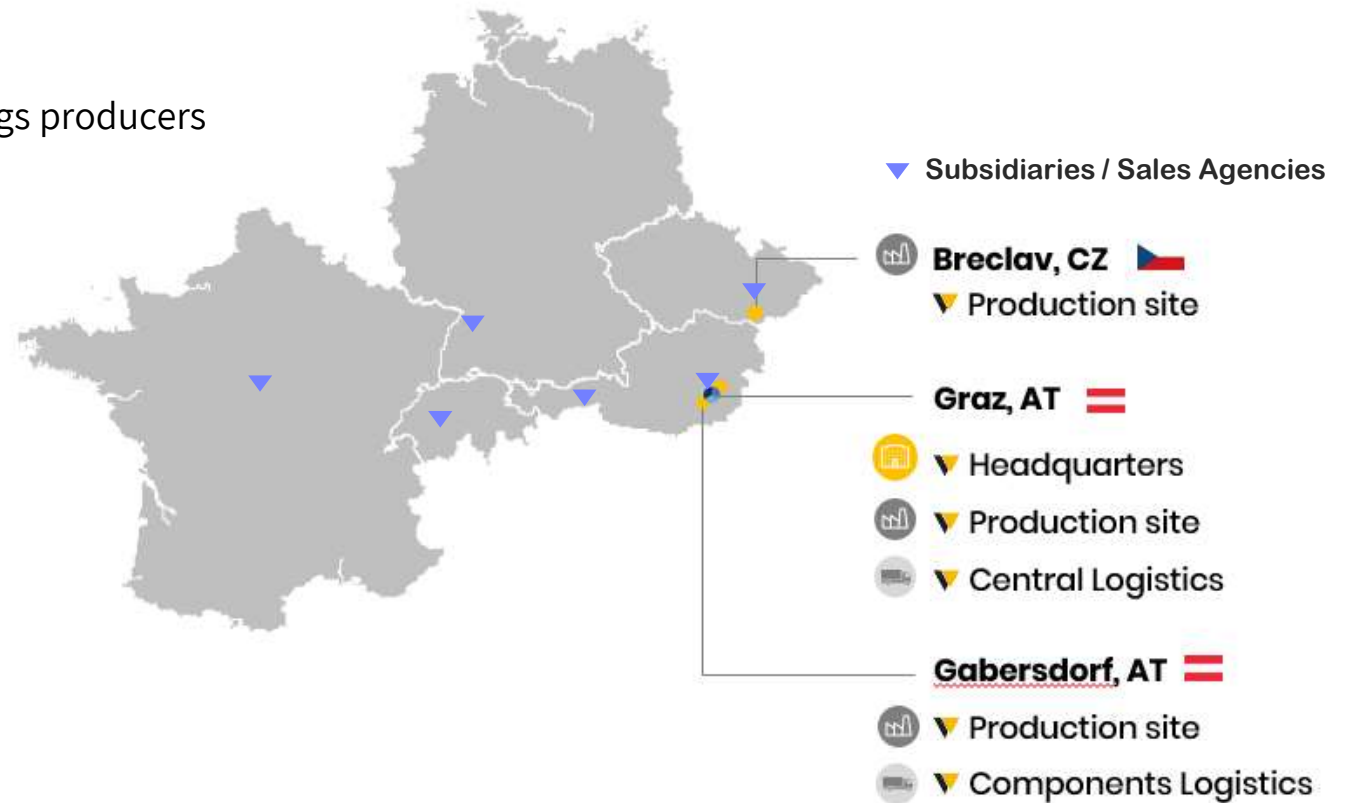
Highlights

To build common standards, tools and frames of references



Highlights

- Austrian group producing and selling high-end solar protection for buildings (awnings, screens, blinds, shutters)
- 60M€ of turnover in 2021
- Customer of specialized retailers and awnings producers
- 310 employees



Terrace awnings (62% of sales)



Jointed arm awnings



Vertical awnings



Conservatory awnings



Other awnings



Glass roof awnings



Components

Outdoor (21% of sales) & Indoor/others (17% of sales)



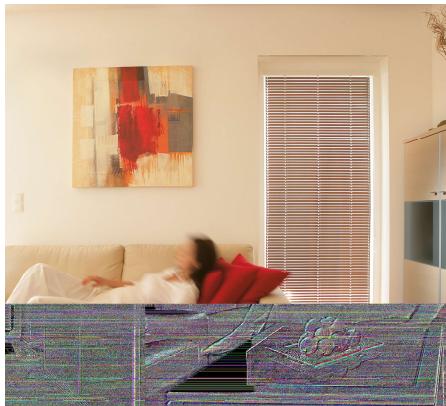
Roller shutters



Venetian blinds



Exterior blinds



Interior blinds & screens
(venetian, screens, pleated)



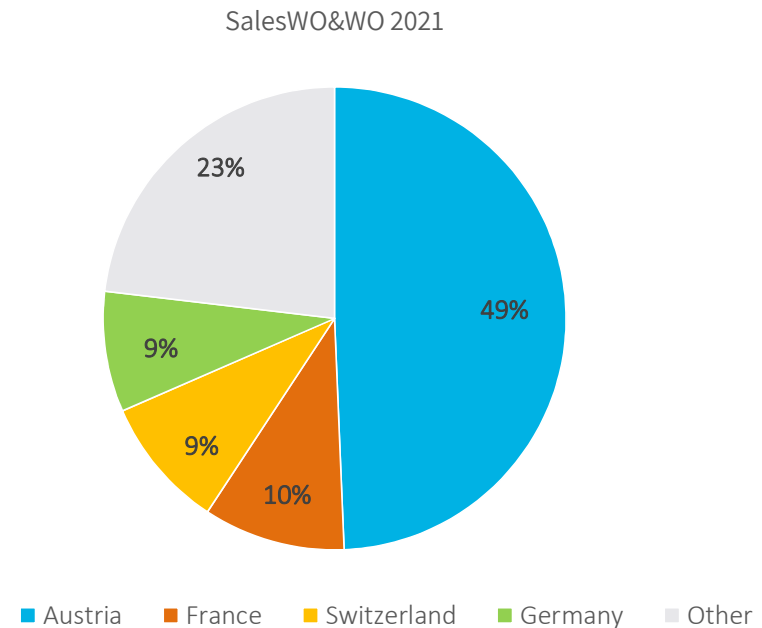
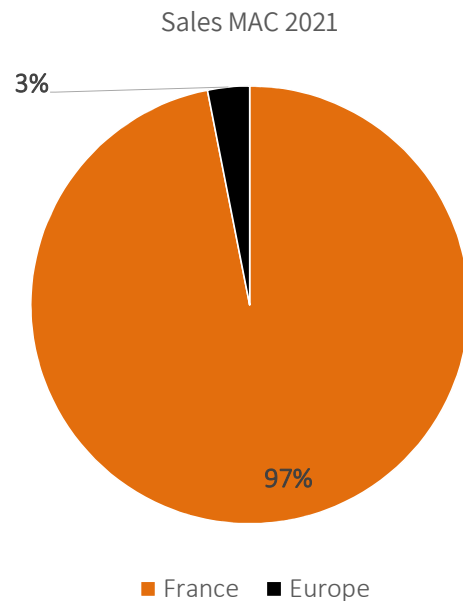
Insect screens



Windows shutters

A complementary acquisition that creates value for SFPI

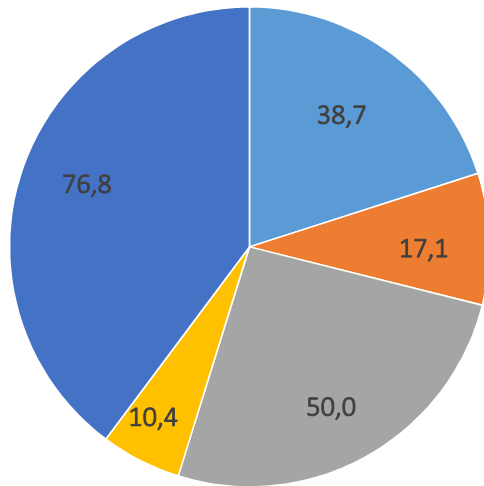
- Strengthening of SFPI GROUP's activity in the strategic vertical of solar protection for buildings, a fast growing market in Europe
- Geographic diversification, outside France, the historical market of the MAC division



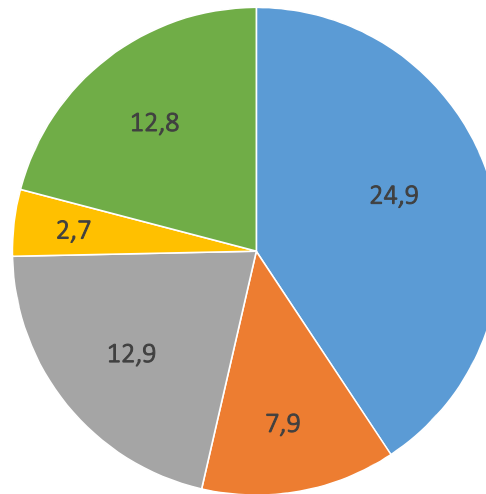
A complementary acquisition that creates value for SFPI

- A portfolio of complementary products

Sales MAC 2021 : 193 M€



Sales WO&WO 2021: 60 M€

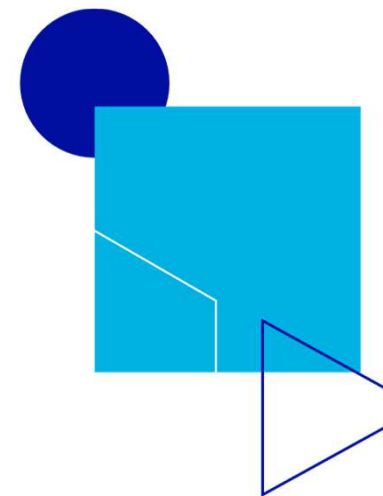


- Stores extérieurs
- Stores intérieurs
- Autres produits d'extérieurs (Volets Roulants, BSO)
- Volets Battants
- Autres (Menuiseries, ...)
- Composants

- Expected synergies :
 - Products: components, R&D teams, products missing from catalog of each side
 - Commercial: cross-selling, access to the DACH market for MAC products
 - Purchasing, logistics

Terms of the operation

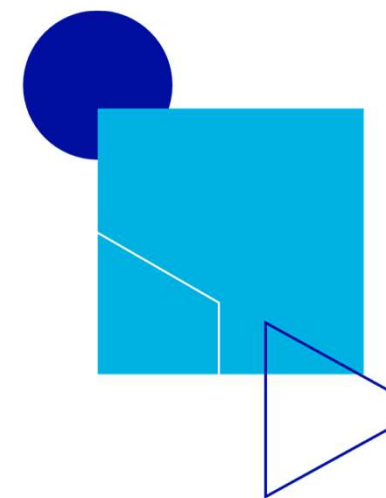
- Acquisition of 100% of the WO&WO Group from the industrial holding ADCURAM
- Enterprise value of 30 M€ (~8 X average restated EBIT excluding IFRS16 impact)
- Earn-out clause based on EBITDA excluding IFRS16 impact at end December 2022
- Acquisition financed by a bank loan of €20.5 million, the balance from equity
- 2021 revenues: €60 million, EBIT at 6.2%



2022 Perspectives

For fiscal year 2022, after the integration of the WO&WO Group on August 1, 2022, the Group expects annual revenues of around **€620 million**.

Next financial communication: 2022 revenues - End of February 2023



Thanks for your attention

This document and the video presentation will be
available at the end of the day on the Group's
website – investors section

www.sfpi-group.com

