

Half Year Results 2023

Henri Morel, CEO
Damien Chauveinc, Deputy CEO

WE ARE **Sfpi** GROUP

Safety for
people &
industry

35 YEARS
INDUSTRIAL
RESPONSIBILITY



Independant, industrial, international

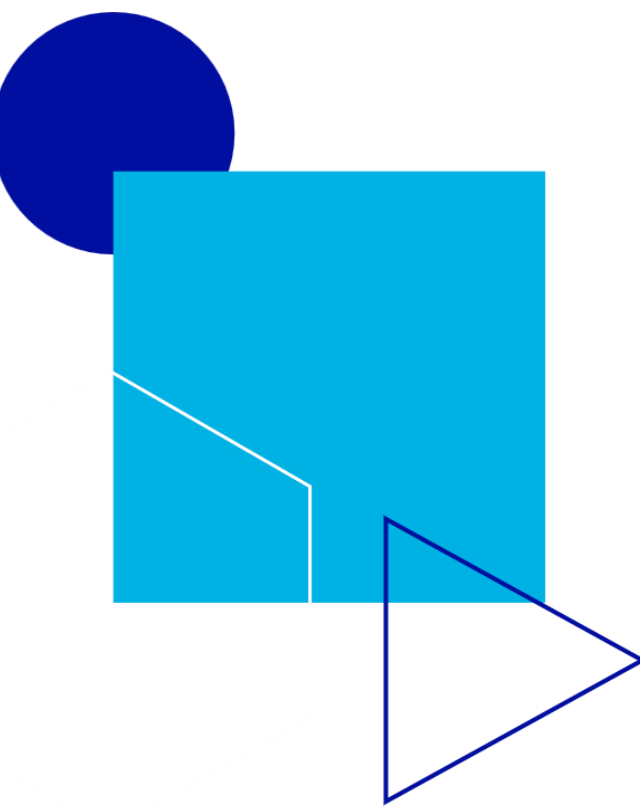
SFPI Group was created in France in 1985 by entrepreneurs led by Henri Morel, who wanted to engage in the recovery and development of industrial companies.

As at June 2023, SFPI Group generated a turnover of about **357 million Euros**, in the safety industry.

41% of revenues are generated outside of France.

At June 30th 2023, SFPI Group has **4 133 employees**, 44 % of whom are based outside of France.

Key Figures H1 2023



357 M€

Sales

14 M€

Recurring
Operating
Income

26 M€

EBITDA

11 M€

Net
Financial
Excess

10 M€

Industrial
Investments
(excl real estate)

Specialized in the safety industry for people, goods and environment

BUSINESS GROUP

« Construction » Security and comfort for buildings



BUSINESS GROUP

« Industry » Air Treatment and energy control



DOM Security

Locking and access control equipment and systems

Sales : 118 M€

MAC

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

Sales : 142 M€

NEU-JFK

Air Treatment solutions for the industry

Sales : 60 M€

MMD

Heat exchanger and sterilization equipment and systems

Sales: 37 M€

Key Figures H1 2023



M€	H1 2022	H1 2023
Sales	108,9	118,3
Gross margin, as % of sales	68,4%	67,5%
Recurring operating income	8,9	8,6
Operating income	6,5	7,9

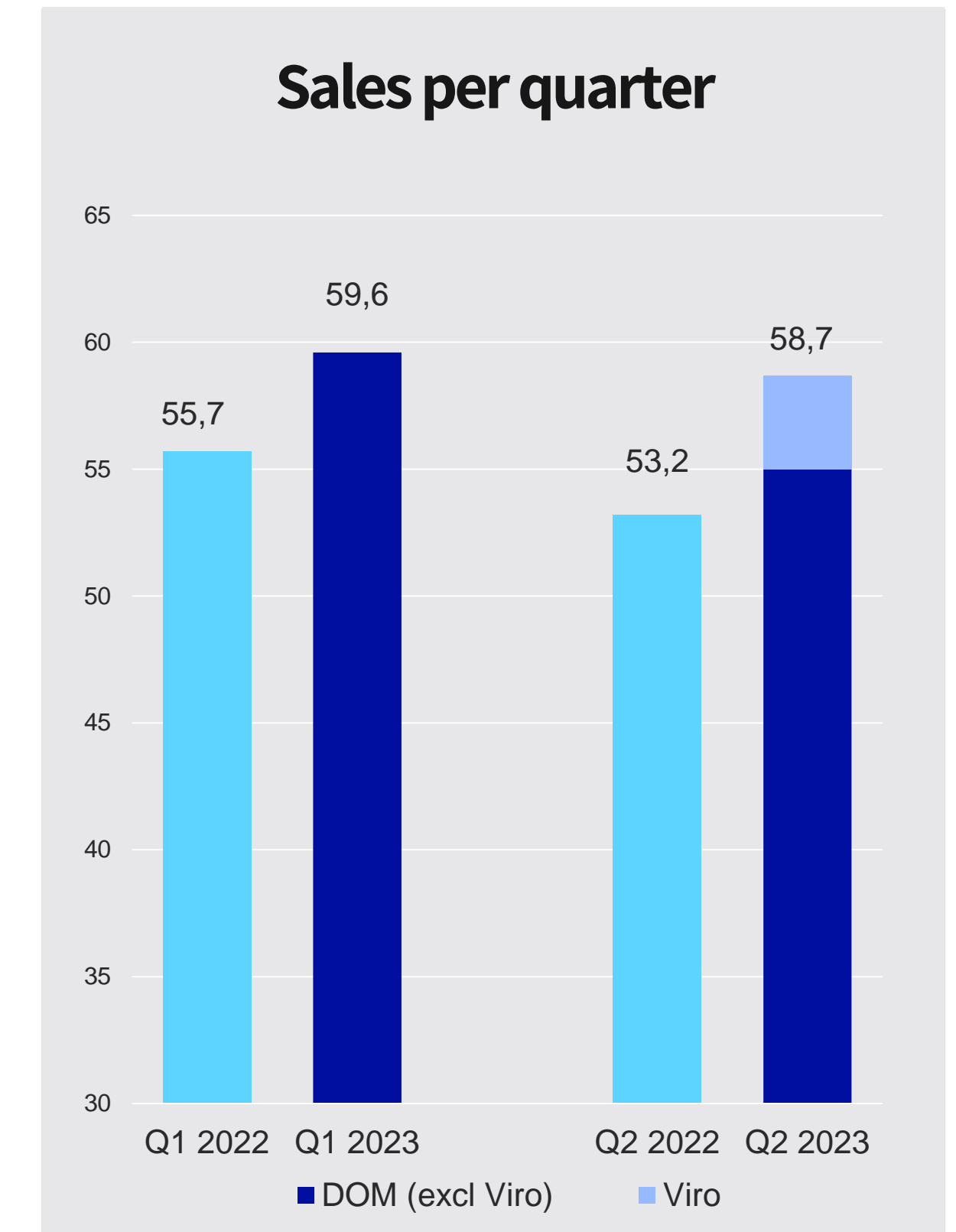
← Organic growth of 4.8% and €4 million contribution from VIRO and Tapkey acquisitions

← Pressure on margins

← Depreciation of fixed assets for €0.8M

1 697 employees

CAPEX : 3,3 M€



Highlights

- Acquisition in March 2023 of the Italian company VIRO in Bologna, specialized in safety padlocks and electric locks, as well as its building, integrated under the VIROTRONIC entity (€6.9m)
- Sustained backlog in the first half, up 7%, with a backlog of €31.5m at the end of June
- Investments of €3.3m in modernizing our industrial facilities (France and Slovenia)
- Continuation of our action plans to reduce energy consumption and improve gross margin



Launch of a new generation of **DOM RS Sirius patented mechanical cylinders** for secure locking system solutions



Over 8% growth in B-to-B e-commerce offerings for our installers, particularly in Germany, France, Switzerland, the UK and the Netherlands...

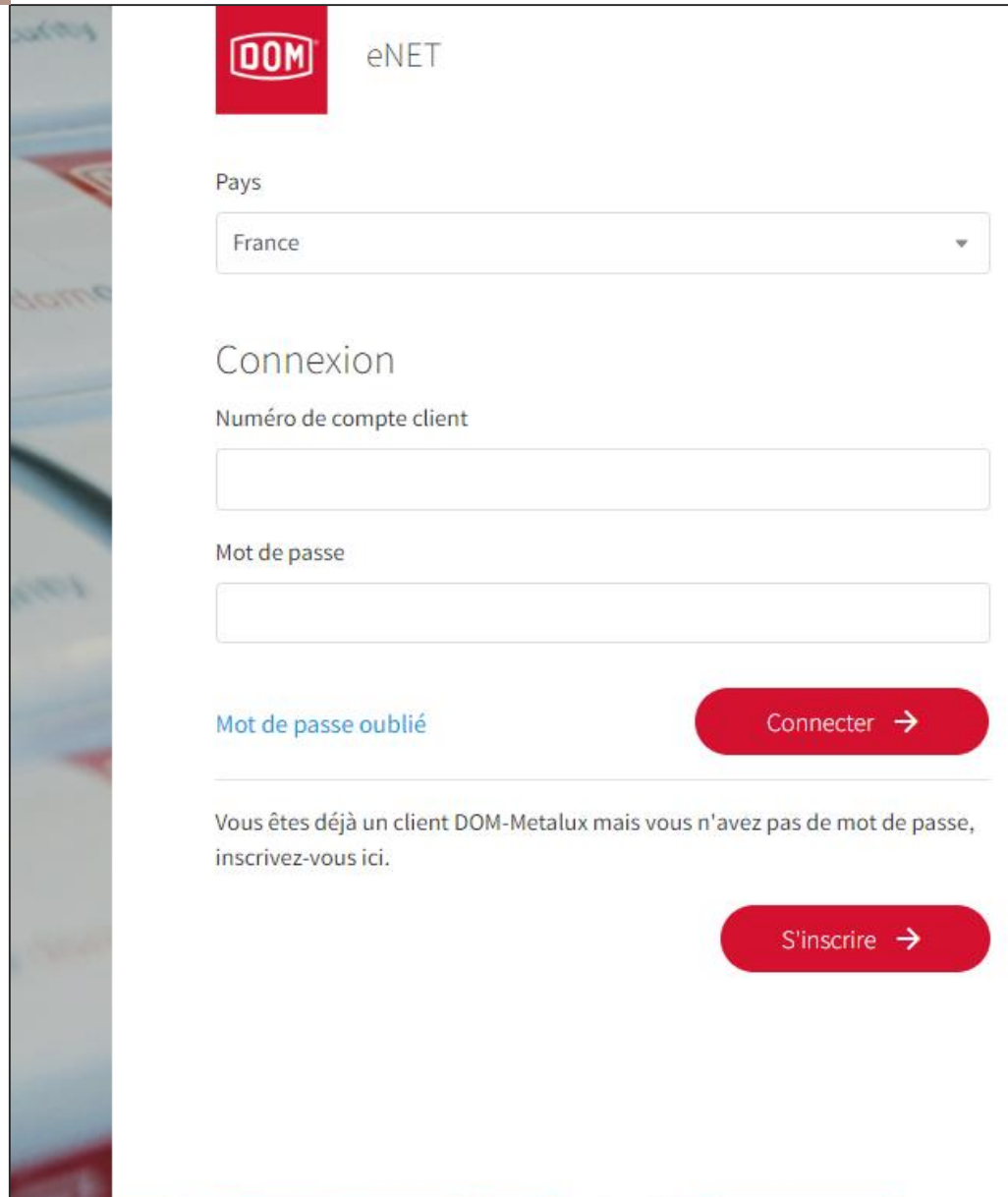


Growth maintained in the first half of 2023 for the **electronic range, with +14%.**

Expansion of badge dematerialization offering with **electronic keys** for our ENIQ software offering.



European launch of our **DOM Roq range of connected locks** in collaboration with Somfy, offering our authorized installers a secure and reliable solution for Smart Homes.



In our **Best of DOM** magazine, you can read about our finest achievements in Europe, and share our success stories with our customers and employees.

<https://www.dom-security.com/global/fr>

Key Figures H1 2023

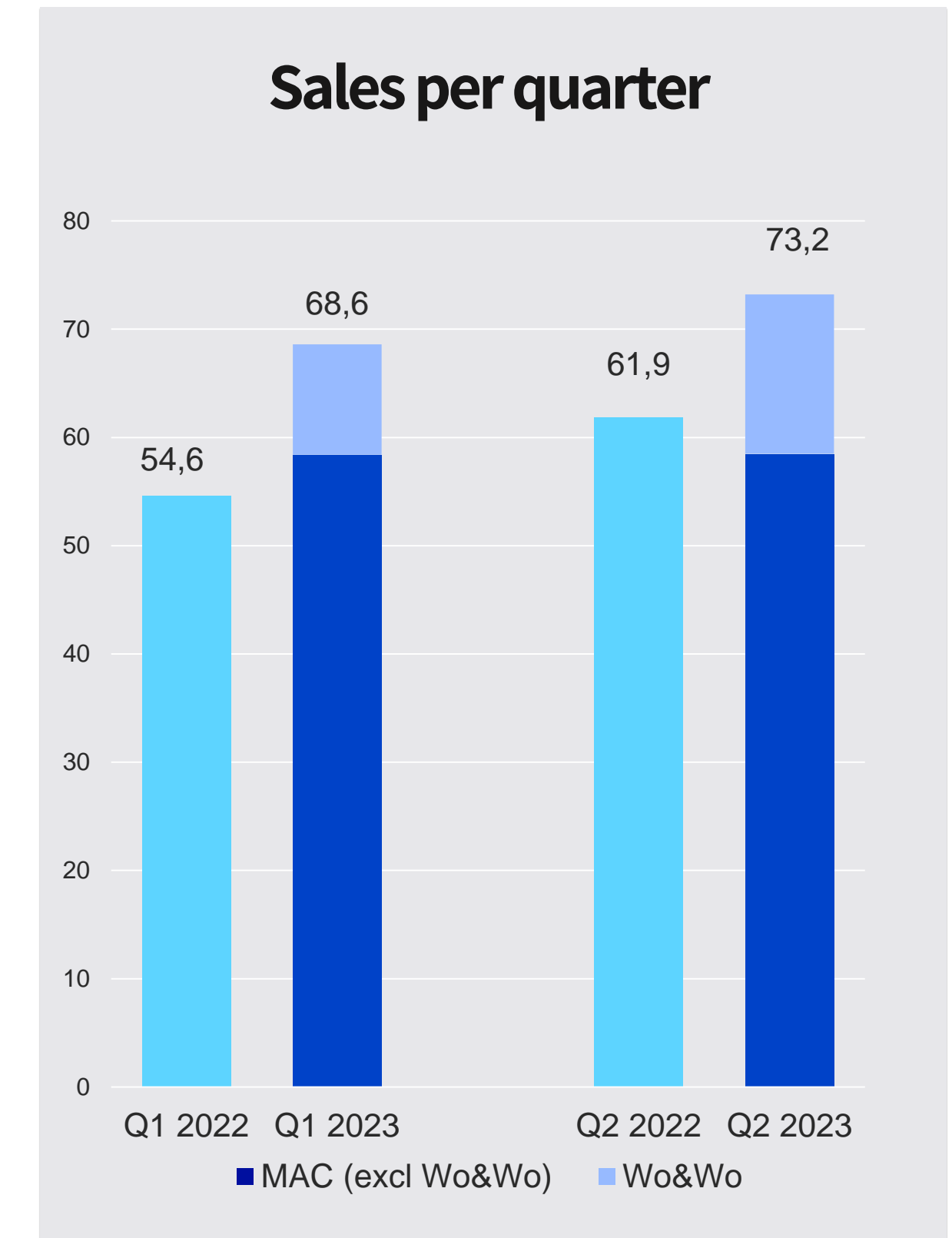


M€	H1 2022	H1 2023
Sales	116,5	141,8
Gross margin, as % of sales	52,6%	50,2%
Recurring operating income	5,8	-1,2
Operating income	6,0	-1,7

- ← Stable organic sales
Wo&Wo contribution: €24.8m
- ← Rising raw materials prices
- ← Gross margin impact
MAC250 exceptional costs (€2m)
- ← Impairment of fixed assets (€0.5m)

1 453 employees

CAPEX : 4,1 M€



Highlights

- After a good Q1, market slowdown in France and the DACH region
- MAC 250 Strategic Project: Ongoing. Objectives, deadlines and budgets met
Strong impact on investments and other expenses
- Further sales price increases passed at the end of H1
- Action plan to reduce purchasing and fixed costs underway

New product launches and range rationalization :

- Launch of a new-generation solar-powered roller shutter motor

Well'solaire



- Unique range for 100% of MAC PVC windows: French-made range, incorporating the highest % of recycled PVC on the market



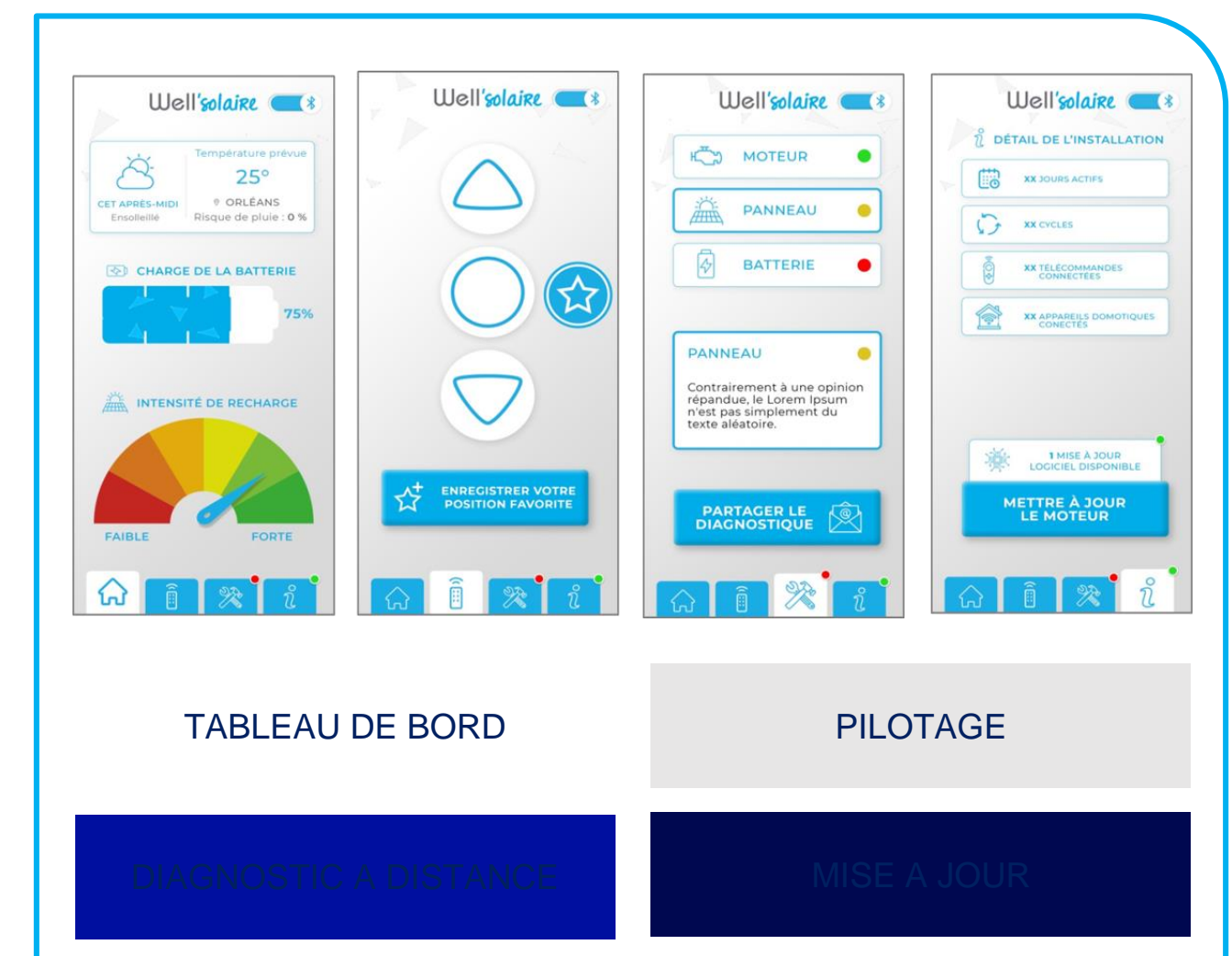
MAC 250 Strategic Project :

- 1600m² expansion of the Boussac site (logistics and production): €2.4M



Digital

- Digital sales: 22% by 2023
 - France Fermetures Web Store: 42% of total sales, stable.
 - Franciaflex Web Store: 16% of total sales, stable.
 - FABER Web Store: 17% of total sales vs. 10% in 2021
- Added functionality for solar motorization in the roller shutter settings application



Key Figures H1 2023

M€	H1 2022	H1 2023
Sales	53,4	59,5
Gross margin, as % of sales	53,9%	53,2%
Recurring operating income	1,2	1,2
Operating income	1,2	1,0

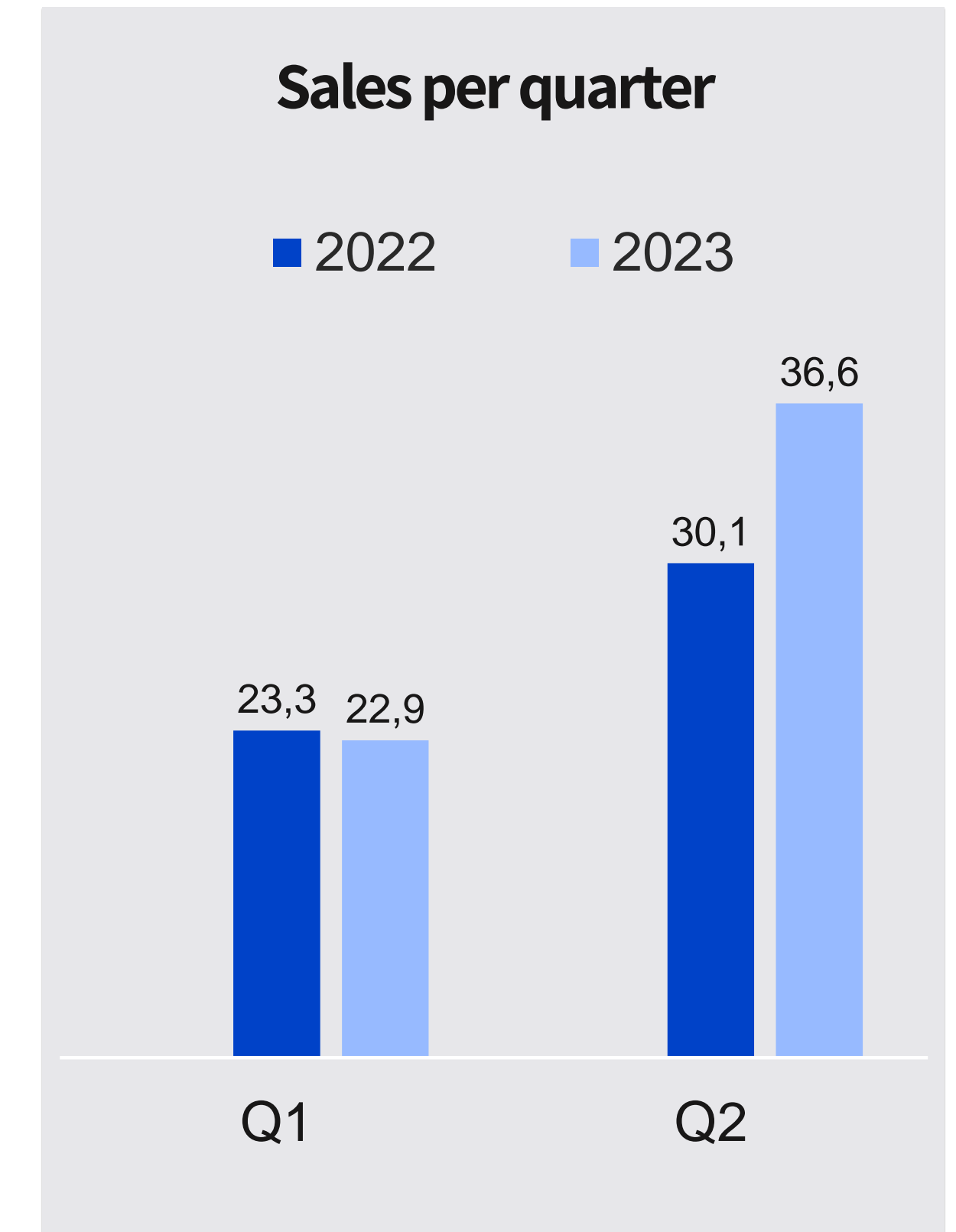
← Growth +11.5%

← Project mix

← 1,5M€: Exceptional costs related to ERP Business Central & Inventory provisions

686 employees

CAPEX : 1,5 M€



Highlights

- Higher sales driven by price increases and continuing high order books (€68 million)
- Good level of business after an exceptional 2022
- Start-up of the new ERP Business Central in Denmark and Poland, with a significant impact on external costs, order taking and invoicing
- Control of payroll despite inflation
- Appointment of new UK General Manager, Paul Mullen



Investments :

- Forming/ laser welding machine for ducts at JKF Denmark



- Balancing machine at NEU-JKF FEVI



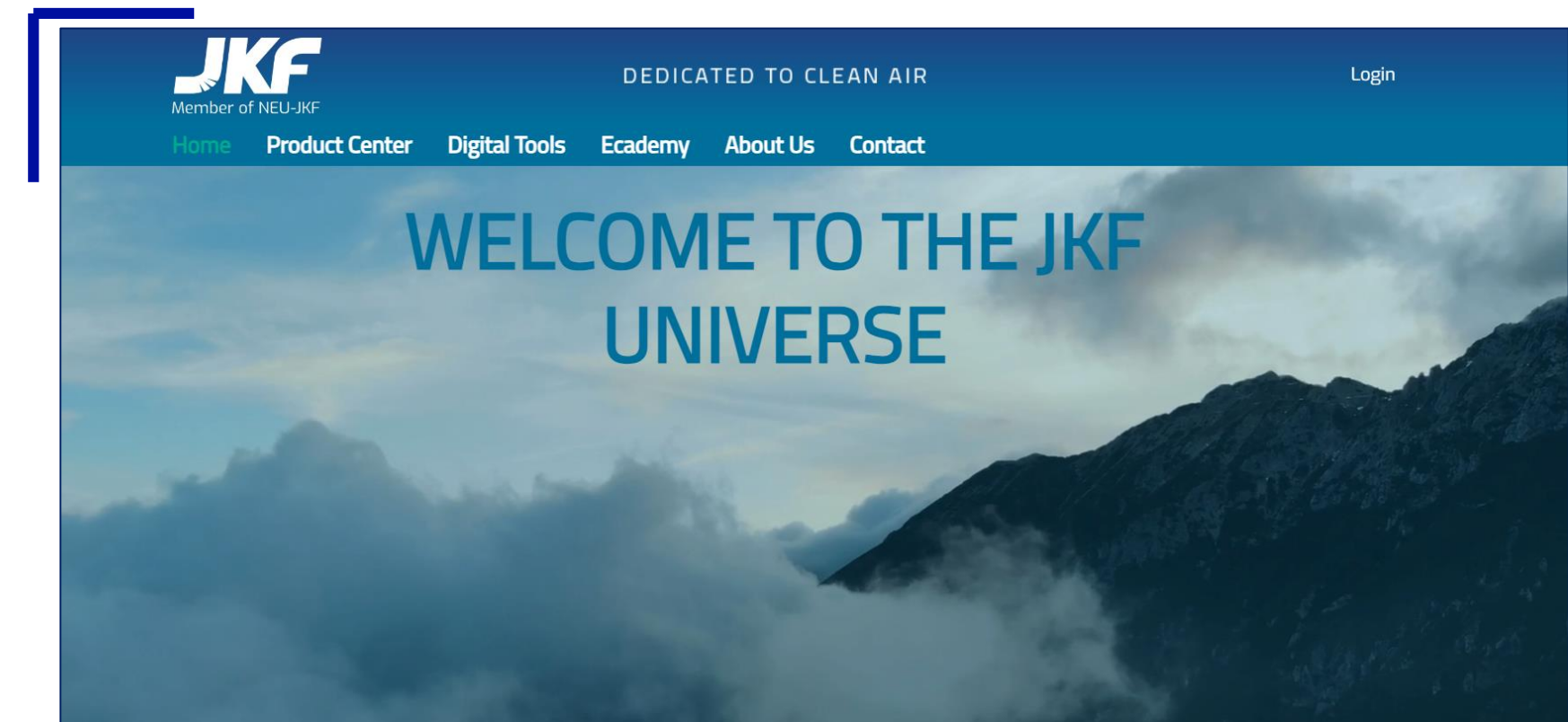
Digital :

- Launch of a new "NEU-JKF App" mobile application for using PIM data and airflow calculation applications



- Launch of the JKF Universe website with product data sheets, configurators and online training courses

<https://jkfuniverse.com/en/>



Key Figures H1 2023 MMD

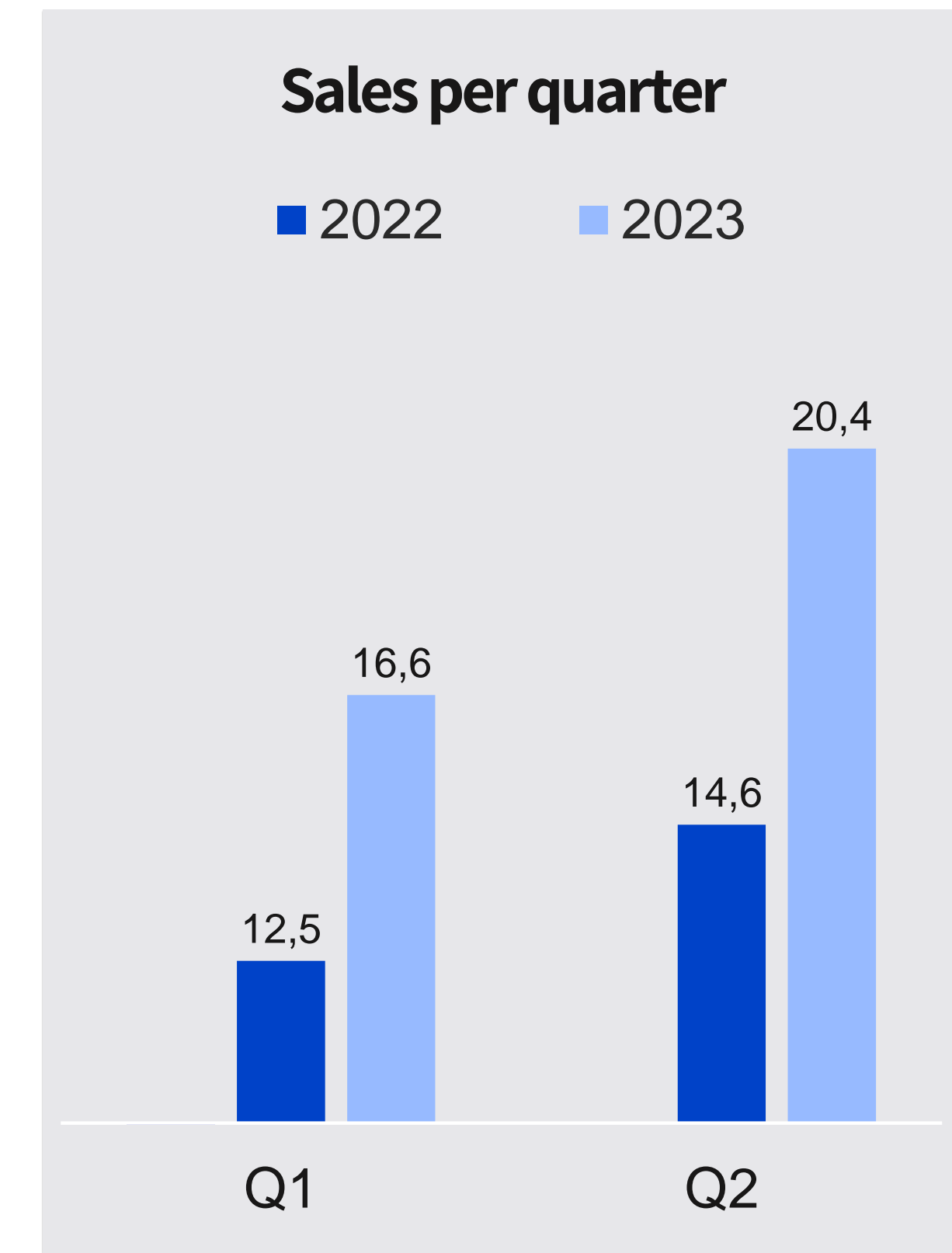
M€	H1 2022	H1 2023
Sales	27,1	37,0
Gross margin, as % of sales	56,4%	56,3%
Recurring operating income	2,1	6,1
Operating income	2,1	6,1

284 employees

CAPEX : 1,0 M€

← Growth +37%

← ROC à 16%
Volume effect and control of external costs and payroll



Highlights

- Growth markets for heat exchangers and autoclaves
- Sustained backlog driven by energy crisis
- Excellent operating performance in all segment companies
- High level of activity expected in H2

New CIPRIANI products:



- New DN100 high-efficiency heat exchangers for the heating/energy recovery and air-conditioning/cooling sectors



Customer projects Barriquand :



- Delivery of heat exchangers for the chemical industry



Investment Steriflow :



- Pickling and rinsing tanks for processing large parts



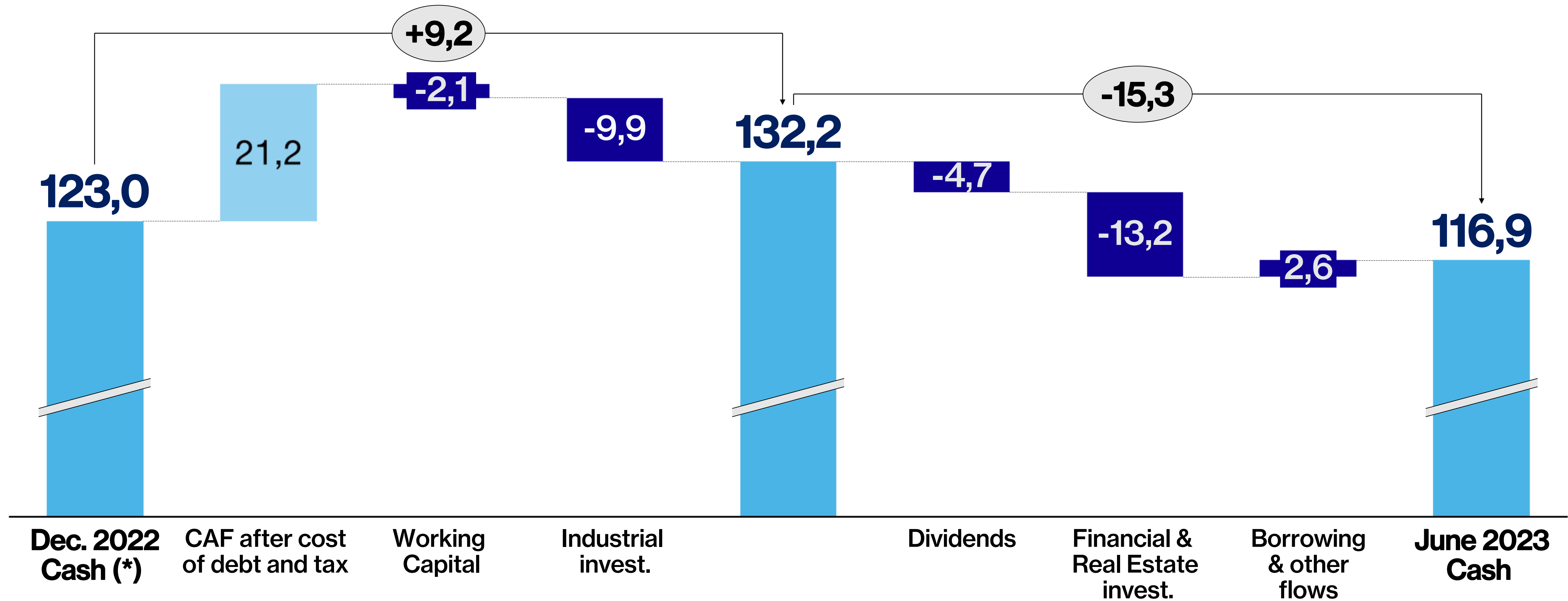
Consolidated Financials

M€	H1 2022	% of sales	H1 2023	% of sales
Sales	305,9		356,7	
Gross margin	179,7	58,8%	203,7	57,1%
Payroll expenses	(101,1)	33,1%	(114,4)	32,2%
Other operating costs	(47,7)	15,6%	(60,4)	16,9%
Taxes	(2,9)		(3,0)	
Depreciation	(9,9)	3,2%	(11,8)	3,3%
Recurring operating income	18,1	5,9%	14,1	3,9%
Non-recurring cost and amortization	(2,1)		(1,6)	
Operating income	16,0	5,2%	12,5	3,5%
Financial Charges	0,1		(0,6)	
Corporate Income Tax	(4,8)		(5,6)	
Consolidated Net Income	10,9	3,6%	6,5	1,8%
Group share	11,0		6,6	

← Organic growth: +7.2%

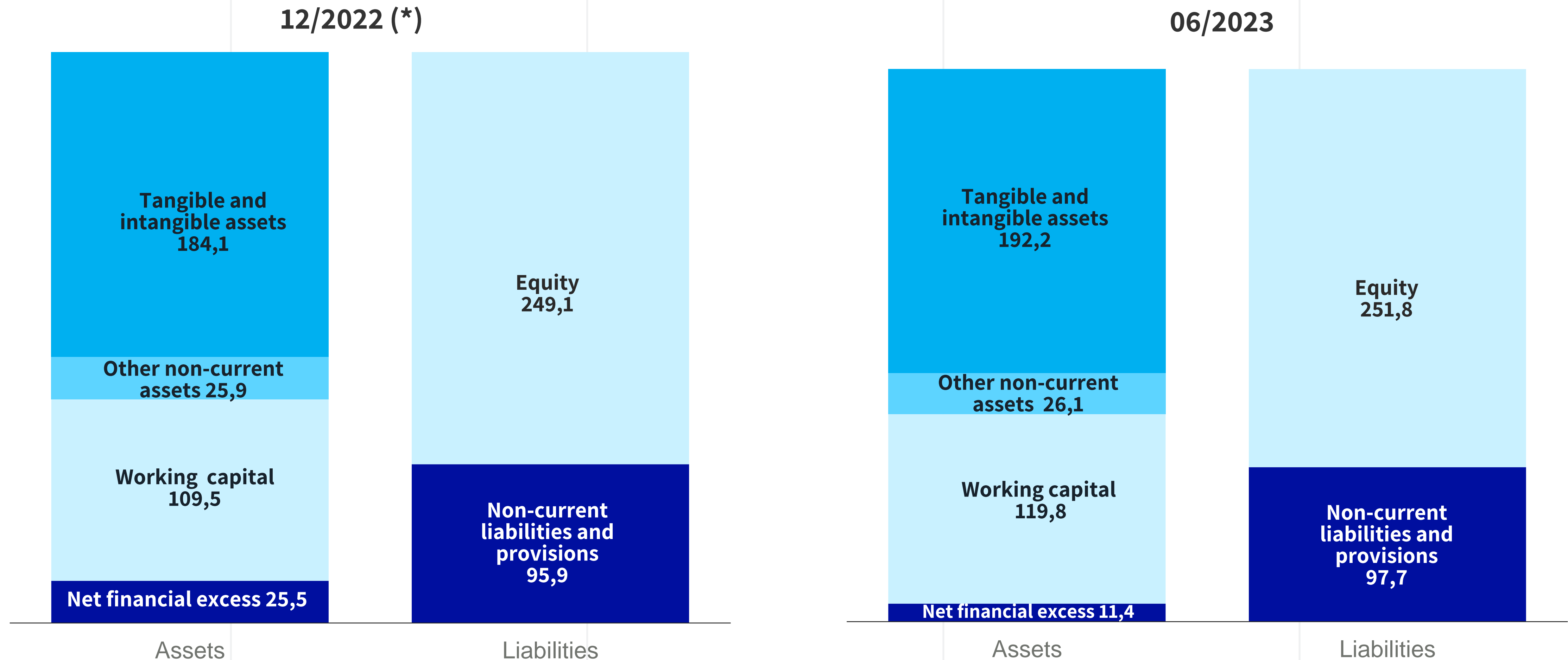
← Impact of:
- Change in scope of consolidation
- Exceptional costs related to strategic projects

Cash flow statements (in €million)



(*) Cash & Cash equivalents

Simplified consolidated balance sheet H1 2023



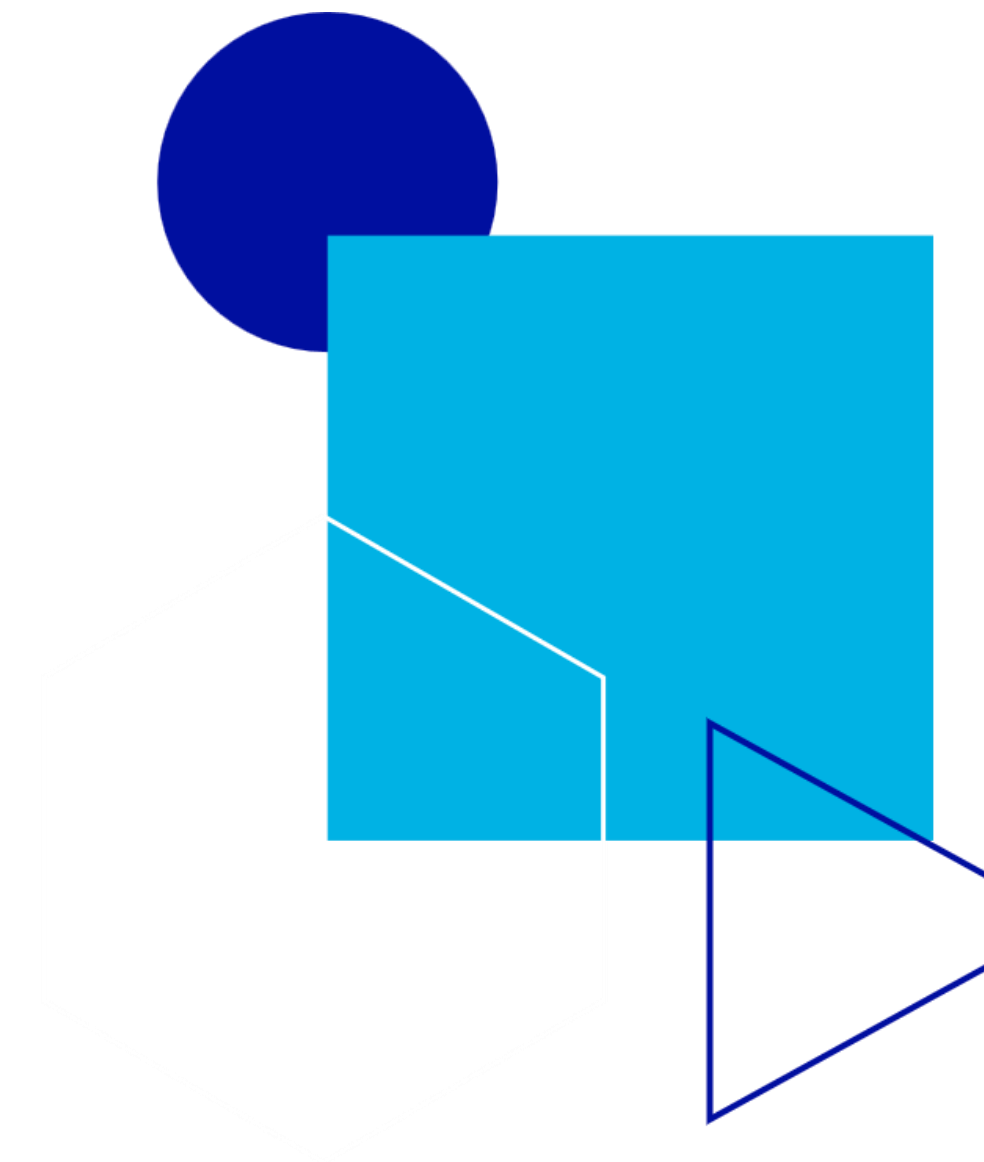
Net financial excess of **11,4 M€ at June 2023**

(*) 2022 financial statements adjusted following finalisation of the valuation of the acquisition price of the assets and liabilities of the Wo&Wo Group.

SFPI Group financial structure

	H1 2022	2022	H1 2023
Equity Group share	247,2	249,0	252,3
Current and non-current financial debt	84,0	97,5	105,5
Cash and cash equivalents (less overdrafts)	136,8	123,0	116,9
Net financial excess	52,8	25,5	11,4
Recurring operating income	18,1	36,0	14,1
EBITDA	28,0	57,4	25,8

Transformation Plan



Industrial Responsibility, our ambition

Behaviour that enables a company and its employees to perform while ensuring the safety of people, property and the environment.

Commercial responsibility



Deepen the **knowledge of our customers** and spread a customer culture at all levels of our companies in order to improve customer satisfaction

Managerial Responsibility



Strengthen the role of the manager to improve talent retention and anticipate turnover.

Environmental Responsibility

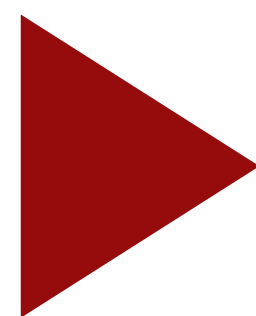


Becoming a more **environmentally efficient** group

Financial responsibility



Build **common standards**, tools and reference frameworks.

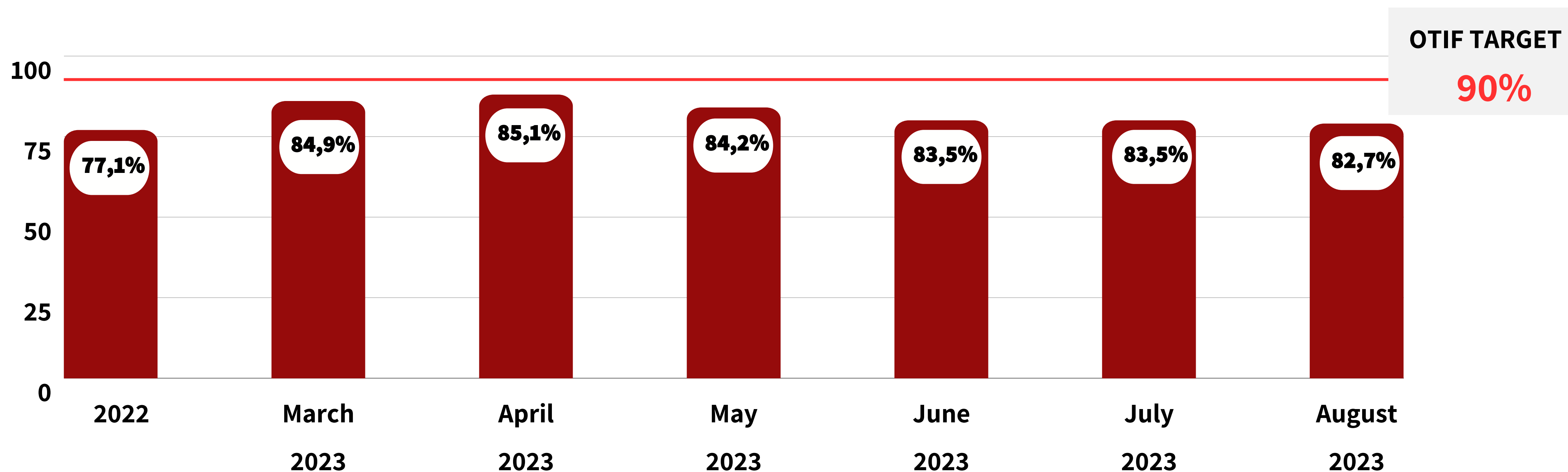


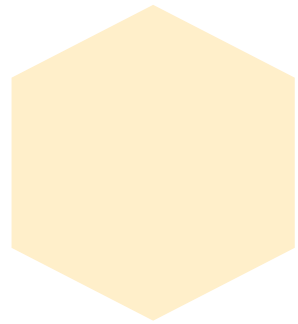
Commercial responsibility

Measuring customer satisfaction: focus on OTIF - Evolution in 2023



Real progress in results towards our target of 90%





Managerial responsibility

Support for managers : Numerous initiatives launched

1

Conferences organised since 2022

6&7 June 2023 Malene Rydahl

2

Drawing up and distributing a training guide

3

Self-positioning campaign

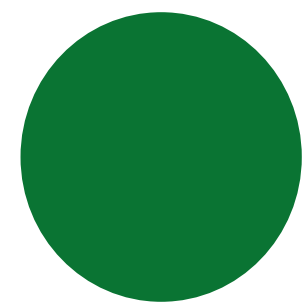
302/400 managers have self-positioned for 2023



MANAGERIAL TRAINING CATALOGUE

Training, the key
to your
development





Environmental Responsibility

Improving energy consumption

01 Setting up indicators to measure and monitor energy consumption

The KPI { **KWH/K€ :** **Number of kilowatt-hours required to generate €100K in sales**

02 Target : -15%



KPI	2020	GOAL	S1 2023	
SFPI GROUP	42	36	34	-19%

KPI	2020	GOAL	S1 2023	
SFPI GROUP	37	32	31	-17%

Financial Responsibility:

Establish common standards, tools, frameworks and references :

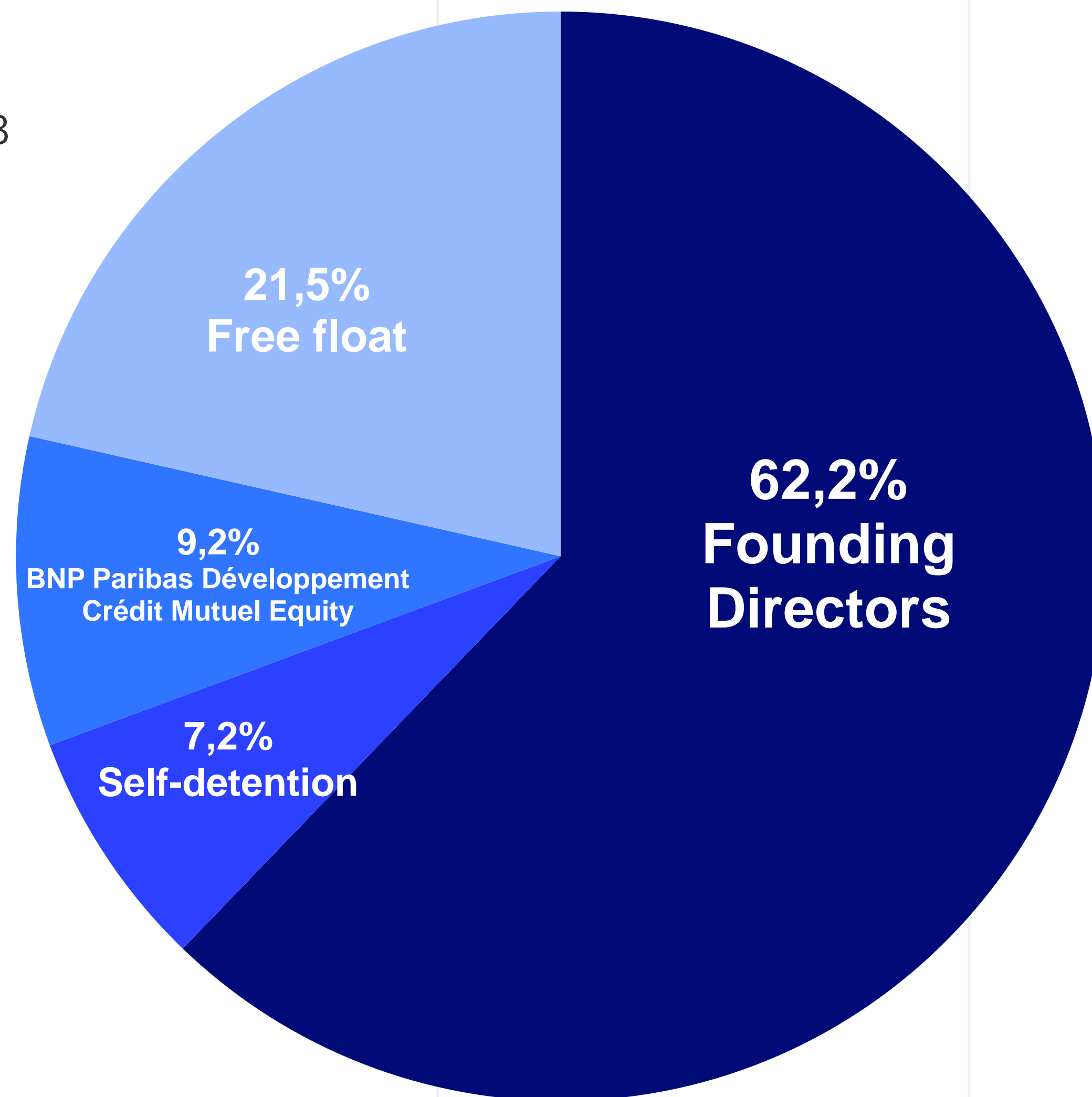
The Group's digital strategy in action

- **Deployment and updating of ERP INFOR, business central and other tools ...: More than €4.5 million spent MAC (€2.5M)/ NEU & JKF (€2M) / DOM ...**
- **Recruitment and strengthening of teams: 45 people in France dedicated to IT**
- **Safety audits carried out in 90% of operating entities**
- **Appointment of Suraj Parmar as IT MANAGER DOM and DPO SFPI**



Stock market mapping

Shareholders structure
on September 29th 2023



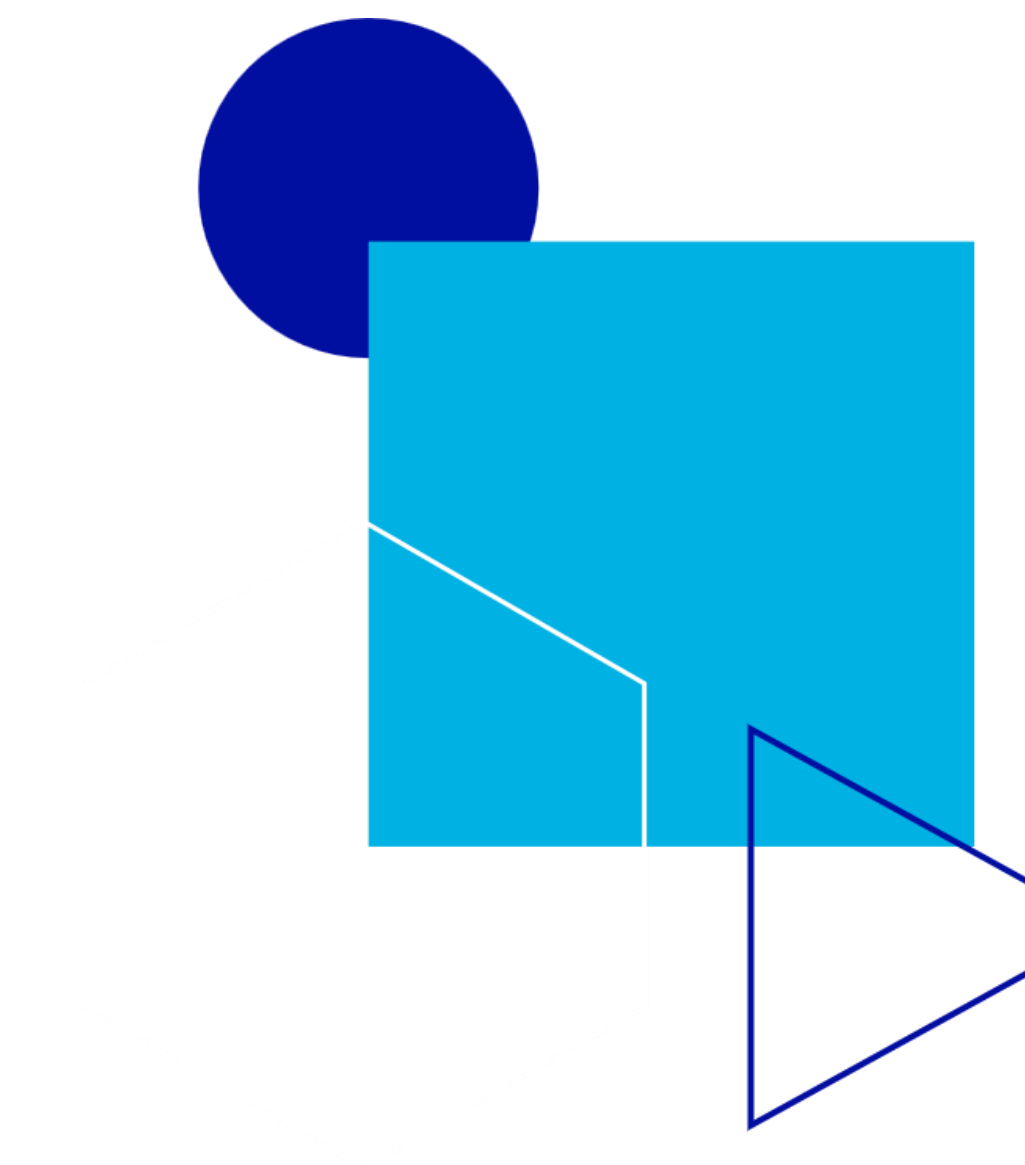
- Free float at 31/12/2022 : 21,5 %
- Free float at 29/09/2023 : 21,5 %

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

2023 Perspectives

For fiscal year 2023, the Group expects annual revenues of around **€ 680 million**.

Next financial communication: 2023 revenues– End of february 2024



Thanks for your attention