



PRESS RELEASE

First half 2024 results

September 11, 2024 - 6.00 PM CEST

Sales: €1,074m (-15.5% vs H1 2023)

EBITDA: €39m (3.6% of sales)

Operating cash-flow: €136m

Market conditions in the first half were marked by low demand in all the Group markets and a persistently strong pressure on prices and gross margins:

- Engineering steels distribution was affected by the slowdown in manufacturing activity in Germany, which led to repercussions on other markets such as Eastern countries or Italy. At constant scope, volumes distributed by IMS group were thus -8.7% lower than in H1 2023 (Q2 -9.4%);
- The STAPPERT and JACQUET divisions recorded a more limited decline in their volumes, down -4.1% (Q2 -0.6%) and -1.6% (Q2 +2.6%) respectively.

In these conditions, the Group's **first-half sales** totaled €1,074 million, down -15.5% compared to the previous year, while **gross margin** represented 20.9% of sales, compared to 22.4% in H1 2023.

EBITDA amounted to €39 million, representing 3.6% of sales compared to 7.9% in H1 2023.

Net income (Group share) came to €3.6 million.

In this context, the Group generated **operating cash-flow** of €136 million and strengthened its financial structure with a net debt to equity ratio (**gearing**) of 21% as of June 30, 2024 (31% at 2023 year-end).

Capital expenditure (excluding external growth) came to €28 million, notably dedicated to the acquisition of a site operated by the IMS group division in the Bologna region in Italy.

Furthermore, at the beginning of the year, IMS group completed the **acquisition** of the Italian company COMMERCIALE FOND (2023 sales: €31 million), which specializes in aluminum distribution and operates from 4 logistics centers located in Modena, Milan, Turin, and Padua.

The economic environment is not expected to improve and the evolution of market conditions leads the Group to anticipate significantly lower sales in Q3 2024 than in Q3 2023.

Amid a seemingly uncertain economic environment, in the second half of 2024, 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.



H1 2024 results

On September 11, 2024, the Board of Directors, chaired by Éric Jacquet, approved the consolidated financial statements for the six months ended June 30, 2024, on which the Statutory Auditors had conducted a limited review.

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Sales	515	579	1,074	1,270
Gross margin	111	112	225	285
<i>% of sales</i>	<i>21.6%</i>	<i>19.3%</i>	<i>20.9%</i>	<i>22.4%</i>
EBITDA*	19	24	39	100
<i>% of sales</i>	<i>3.7%</i>	<i>4.1%</i>	<i>3.6%</i>	<i>7.9%</i>
Adjusted operated income *	9	16	18	84
<i>% of sales</i>	<i>1.8%</i>	<i>2.8%</i>	<i>1.7%</i>	<i>6.6%</i>
Operating income	10	16	24	84
Net income (Group Shares)	1	5	4	49

* Adjusted for non-recurring items.

Consolidated sales amounted to €1,074 million, down -15.5% compared to H1 2023, including the following effects:

- volumes sold: -5.8% (Q1 -7.2%; Q2 -4.1%);
- prices: -14.8% (Q1 -16.6%; Q2 -12.7% and +0.5% vs Q1 2024);
- scope: +5.1% (Q1 +4.5%; Q2 +5.9%) following the acquisitions performed in 2023 and 2024.

Gross margin amounted to 225 million representing 20.9% of sales (Q1 20.3%; Q2 21.6%), compared to €285 million in H1 2023 (22.4% of sales).

Current operating expenses* amounted to €186 million compared to €184 million in H1 2023. The expenses related to the new companies (2023 and 2024 acquisitions) contributed €11 million to the increase in the current operating expenses. At constant scope, current operating expenses are down by 5%.

* excluding depreciation, amortization €(21)m and provisions €1m.

EBITDA amounted to €39 million and represented 3.6% of sales compared to €100 million in H1 2023 (7.9% of sales).

Adjusted operating income amounted to €18 million (1.7% of sales).

After recognizing a provisional badwill of €4.4 million at the beginning of the year, the **Net income (Group share)** amounted to €3.6 million.



Financial position as of June 30, 2024

The Group generated positive **operating cash-flow** of €136 million in H1 2024.

Operating working capital amounted to €583 million (28% of sales), compared to €657 million at 2023 year-end (28% of sales), with inventories down by €65 million over the semester (€612 million at the end of June 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** stood at €140 million compared to €210 million at 2023 year-end.

In early 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 June 30, 2024, **cash** amounted to €404 million while lines of credit totaled €978 million (of which €434 million are unused).



H1 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	Q2 2024			H1 2024		
	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering metals	JACQUET Stainless steel quarto plates	STAPPERT Stainless steel long products	IMS group Engineering metals
Sales	120	139	261	243	289	551
Change 2024 vs 2023	-14.0%	-13.5%	-8.0%	-18.7%	-19.5%	-11.7%
Price effect	-16.6%	-12.9%	-10.7%	-17.0%	-15.4%	-13.5%
Volume effect	+2.6%	-0.6%	-9.4%	-1.6%	-4.1%	-8.7%
Scope effect	n.a.	n.a.	+12.1%	n.a.	n.a.	+10.5%
EBITDA^{1,2}	4	3	3	9	5	9
% of sales	3.7%	2.0%	1.2%	3.9%	1.8%	1.7%
Adjusted operating income²	3	2	2	6	4	7
% of sales	2.2%	1.5%	0.8%	2.3%	1.2%	1.3%

¹ Excluding IFRS 16 impacts. As of June 30, 2024, non-division operations (mainly holding companies and real-estate companies) and the application of IFRS 16 - Leases contributed €4 million and €11 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 **64% of its sales in Europe and 30% in North America**.

Sales amounted to €243 million, down -18.7% from €298 million in H1 2023:

- volumes sold: -1.6% (Q1 -5.3%; Q2 +2.6%);
- prices: -17.0% (Q1 -17.4%; Q2 -16.6% and -3.0% vs Q1 2024).

Gross margin amounted to €62 million, representing 25.6% of sales, compared to €88 million in H1 2023 (29.5% of sales).

EBITDA amounted to €9 million, representing 3.9% of sales, compared to €35 million in H1 2023 (11.6% of sales).

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Sales	119.7	139.2	242.7	298.3
Change 2024 vs 2023	-14.0%		-18.7%	
Price effect	-16.6%		-17.0%	
Volume effect	+2.6%		-1.6%	
Gross margin	31.2	36.0	62.2	88.2
% of sales	26.1%	25.8%	25.6%	29.5%
EBITDA	4.5	9.7	9.5	34.8
% of sales	3.7%	7.0%	3.9%	11.6%
Adjusted operating income	2.6	7.7	5.6	30.9
% of sales	2.2%	5.5%	2.3%	10.4%



STAPPERT

The division specializes in the distribution of **stainless steel long products** mainly in Europe. It generates **43% of its sales in Germany, the largest European market.**

Sales amounted to €289 million, down -19.5% from €358 million in H1 2023:

- volumes sold: -4.1% (Q1 -7.0%; Q2 -0.6%);
- prices: -15.4% (Q1 -17.3%; Q2 -12.9% and +1.2% vs Q1 2024).

Gross margin amounted to €49 million, representing 16.9% of sales, compared to €63 million in H1 2023 (17.5% of sales).

EBITDA amounted to €5 million, representing 1.8% of sales, compared to €17 million in H1 2023 (4.9% of sales).

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Sales	138.6	160.3	288.6	358.5
Change 2024 vs 2023	-13.5%		-19.5%	
Price effect	-12.9%		-15.4%	
Volume effect	-0.6%		-4.1%	
Gross margin	25.1	23.3	48.7	62.9
% of sales	18.1%	14.5%	16.9%	17.5%
EBITDA	2.8	1.1	5.1	17.4
% of sales	2.0%	0.7%	1.8%	4.9%
Adjusted operating income	2.1	1.0	3.5	16.8
% of sales	1.5%	0.6%	1.2%	4.7%



IMS group

The division specializes in the distribution of **engineering metals**, mostly in the form of long products. It generates **41% of its sales in Germany, the largest European market**.

In early 2024, the IMS group division strengthened its positions in Italy with the acquisition of the company COMMERCIALE FONDO, which specializes in aluminum distribution with 4 logistics centers located in Modena, Milan, Turin, and Padua.

Sales amounted to €551 million, down -11.7% from €625 million in H1 2023:

- volumes sold: -8.7% (Q1 -8.2%; Q2 -9.4%);
- prices: -13.5% (Q1 -15.8%; Q2 -10.7% and +1.3% vs Q1 2024);
- scope: +10.5% (Q1 +9.2%; Q2 +12.1%) following the acquisitions performed in 2023 and 2024.

Gross margin amounted to €114 million, representing 20.7% of sales, compared to €134 million in H1 2023 (21.4% of sales).

EBITDA amounted to €9 million, representing 1.7% of sales, compared to €34 million in H1 2023 (5.5% of sales).

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Sales	261.3	284.0	551.4	624.6
Change 2024 vs 2023	-8.0%		-11.7%	
Price effect	-10.7%		-13.5%	
Volume effect	-9.4%		-8.7%	
Scope effect	+12.1%		+10.5%	
Gross margin	54.9	52.5	113.9	133.7
% of sales	21.0%	18.5%	20.7%	21.4%
EBITDA	3.2	5.6	9.2	34.3
% of sales	1.2%	2.0%	1.7%	5.5%
Adjusted operating income	2.1	4.6	7.3	32.8
% of sales	0.8%	1.6%	1.3%	5.2%



Financial analysts meeting (French language): September 12, 2024 – 11.00 AM CEST

Access

[click here](#)

Financial communication schedule

Results as of September 30, 2024
2024 annual results

November 6, 2024
March 2025

Investors and shareholders may obtain complete financial information from the Company's website at: jacquetmetals.com.



Summary consolidated income statement

€k	H1 2024	H1 2023
Sales	1,073,743	1,270,334
Gross margin	224,826	284,695
% of sales	20.9%	22.4%
Operating expenses	(186,287)	(184,207)
Net depreciation and amortization	(21,115)	(19,882)
Net provisions	913	3,332
Gains / losses on disposals of non-current assets	973	239
Other non-current income / (expenses)	4,401	-
Operating income	23,711	84,177
Financial result	(8,998)	(9,540)
Income before tax	14,713	74,637
Corporate income tax	(9,286)	(22,328)
Consolidated net income	5,427	52,309
Net income (Group share)	3,584	49,188
Earnings per share in circulation (€)	0.16	2.17
Operating income	23,711	84,177
Non-recurring items and gains / losses on disposals	(5,374)	(239)
Adjusted operating income	18,337	83,938
% of sales	1.7%	6.6%
Net depreciation and amortization	21,115	19,882
Net provisions	(913)	(3,332)
Non-recurring items	-	-
EBITDA	38,539	100,488
% of sales	3.6%	7.9%

Sales

Consolidated sales amounted to €1,074 million, down -15.5% compared to H1 2023.

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Sales	515	579	1,074	1,270
Change 2024 vs 2023	-10.9%		-15.5%	
Price effect	-12.7%		-14.8%	
Volume effect	-4.1%		-5.8%	
Scope effect	+5.9%		+5.1%	

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 June 30, 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 €225 million representing 20.9% of sales, compared to €285 million in H1 2023 (22.4% of sales).

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Sales	515	579	1,074	1,270
Cost of goods sold	(404)	(467)	(849)	(986)
Incl. purchases consumed	(403)	(466)	(852)	(1,007)
Incl. inventory impairment	(1)	(1)	4	22
Gross margin	111	112	225	285
<i>% of sales</i>	<i>21.6%</i>	<i>19.3%</i>	<i>20.9%</i>	<i>22.4%</i>

Operating income

Current operating expenses* amounted to €186 million compared to €184 million in H1 2023. The expenses related to the new companies (2023 and 2024 acquisitions) contributed €11 million to the increase in the current operating expenses. At constant scope, current operating expenses are down by 5%.

* excluding depreciation, amortization €(21)m and provisions €1m.

Current operating expenses break down as follows:

- personnel expenses (€103 million);
- other expenses (€83 million), notably including transport, consumables, energy, maintenance, fees and insurance.

EBITDA amounted to €39 million and represented 3.6% of sales compared to €100 million in H1 2023 (7.9% of sales); it is not adjusted for non-recurring items.

Adjusted operating income amounted to €18 million (1.7% of sales).

After recognizing gains on disposals of non-current assets (€1 million) and a provisional badwill of €4.4 million, the Operating income amounted to €24 million.



Financial result

Net financial expense amounted to €9 million, compared to €9.5 million in H1 2023.

As of June 30, 2024 the average gross debt rate (over 12 rolling months) was 5.2% (average gross debt: €521 million) compared to 4.7% as of December 31, 2023 (average gross debt in 2023: €473 million).

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Net cost of debt	(3.7)	(3.4)	(7.8)	(7.2)
Other financial items	(0.4)	(1.1)	(1.2)	(2.3)
Net financial expense	(4.1)	(4.6)	(9.0)	(9.5)

Net income

Net income (Group share) amounted to €3.6 million.

In H1 2024, the average tax rate came to 31%. Due to deferred tax on accounting restatements and due to the non-recognition of certain tax carry-forward, the effective tax rate is 63%.

€m	Q2 2024	Q2 2023	H1 2024	H1 2023
Income before tax	5.8	11.7	14.7	74.6
Corporate income tax	(4.1)	(5.4)	(9.3)	(22.3)
Income tax rate	70.2%	46.4%	63.1%	29.9%
Consolidated net income	1.7	6.3	5.4	52.3
Minority interests	(0.9)	(0.8)	(1.8)	(3.1)
Net income (Group share)	0.8	5.4	3.6	49.2
% of sales	0.2%	0.9%	0.3%	3.9%

Post balance sheet events

None.



Summary consolidated financial position

Balance sheets

€m	30.06.24	31.12.23
Goodwill	70	70
Net non-current assets	243	224
Right-of-use assets	86	85
Net inventory	612	677
Net trade receivables	252	198
Other assets	116	129
Cash & cash equivalents	404	342
Total assets	1,782	1,725
Shareholders' equity	676	681
Provisions (including provisions for employee benefit obligations)	94	97
Trade payables	281	218
Borrowings	544	553
Other liabilities	97	86
Lease liabilities	89	90
Total equity and liabilities	1,782	1,725

Working capital

Operating working capital amounted to €583 million (28% of sales), compared to €657 million at 2023 year-end (28% of sales), with inventories down by €65 million over the semester (€612 million at the end of June 2024 compared to €677 million at 2023 year-end).

€m	30.06.24	31.12.23	Variations
Net inventory	612	677	-65
<i>Days sales inventory¹</i>	179	183	
Net trade receivables	252	198	+55
<i>Days sales outstanding</i>	48	46	
Trade payables	(281)	(218)	-63
<i>Days payables outstanding</i>	56	61	
Net operating working capital	583	657	-74
<i>% of sales¹</i>	27.9%	27.9%	
Other receivables / payables excluding taxes and financial items	(40)	(27)	
Working capital excluding taxes and financial items	543	630	-88
Consolidation and other changes		14	
Working capital before taxes and financial items and adjusted for other changes	543	644²	-101
<i>% of sales¹</i>	26.0%	27.0%	

¹ 12 rolling months (including acquisitions from 2023 and 2024 over 12 rolling months as of June 30, 2024).

² Restated from other variations and perimeter changes.



Provisions for contingencies and charges and employee benefit obligations

Provisions for contingencies and charges and employee benefit obligations amounted to €94 million at the end of June 2024, compared to €97 million at 2023 year-end. These provisions consist of:

- provisions for employee benefit obligations (€38 million at the end of June 2024, compared to €40 million at 2023 year-end) mainly related to pension obligations;
- current and non-current provisions (€56 million at the end of June 2024, overall stable compared to 2023 year-end), mainly relating to contractual commitments (site remediation, etc.), litigation risks, reorganization costs, or even risks of retroactive taxation on certain imports.

Cash-flow and net debt

€m	H1 2024	H1 2023
Operating cash-flow before change in working capital	34	72
Change in working capital	101	62
Cash-flow from operating activities	136	134
Capital expenditure	(28)	(15)
Asset disposals	3	1
Dividends paid to shareholders of JACQUET METALS SA	-	-
Interest paid	(9)	(8)
Other movements	(31)	(40)
Change in net debt	70	72
Net debt brought forward	210	234
Net debt carried forward	140	162

In H1 2024, the Group generated positive operating cash-flow of €136 million.

Capital expenditures (excluding external growth) came to €28 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 (€4 million) and rent expenses pursuant to the application of *IFRS 16 - Leases* (€11 million).

After the financing of capital expenditure and the acquisition of COMMERCIALE FOND, net debt amounted to €140 million with shareholders' equity of €676 million, resulting in a net debt to equity ratio (gearing) of 20.7%, compared to 30.9% at 2023 year-end.

€m	30.06.24	31.12.23
Borrowings	543.9	552.6
Cash and cash equivalents	404.1	342.3
Net debt	139.8	210.2
<i>Net debt to equity ratio (gearing)</i>	<i>20.7%</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 which was due at the end of fiscal year 2024.

As of June 30, 2024, the Group had €978 million in lines of credit, 56% of which had been used:

€m	Authorized at 30.06.24	Used at 30.06.24	% used	Maturity			
				2024	2025-2026	2027-2028	2029 and beyond
Syndicated revolving 2026	160	-	0%	-	-	-	-
Schuldscheindarlehen 2026	146	146	100%	-	146	-	-
Schuldscheindarlehen 2029	72	72	100%	-	-	-	72
Term loans PPR 2031	95	95	100%	-	-	26	69
Term loans	83	83	100%	15	41	18	9
Other lines of credit	147	59	40%	35	24	-	-
JACQUET METALS SA borrowings	703	455	65%	50	211	45	150
Operational lines of credit (letter of credit, etc.)	179	36	20%	33	3	-	-
Factoring	44	1	2%	1	-	-	-
Assets financing (term loans, etc.)	51	51	100%	5	23	16	8
Subsidiaries borrowings	274	89	32%	39	26	16	8
Total	978	544	56%	89	237	60	158

In addition to the financing shown in the above table, the Group also had €85 million in non-recourse receivable assignment facilities, €54 million of which had been used as of June 30, 2024.

Borrowings by rate:

€m	30.06.24	31.12.23
Fixed rates	199.4	204.7
Floating rates	344.5	347.9
Total borrowings	543.9	552.6

35% 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 2026	Schuldscheindarlehen 2026	Schuldscheindarlehen 2029
Date of signature	July 2023	July 2021	February 2024
Maturity	July 2026	July 2026	February 2029
Amount	€160 million (unused as of June 30, 2024)	€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	Compliance with one of the two ratios: - net debt to equity ratio (gearing) less than 100%, or - leverage less than 2	Net debt to equity ratio (gearing) less than 100%	

As of June 30, 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 3,353 employees, JACQUET METALS has a network of
124 distribution centers in 24 countries in Europe, Asia and North America.

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