

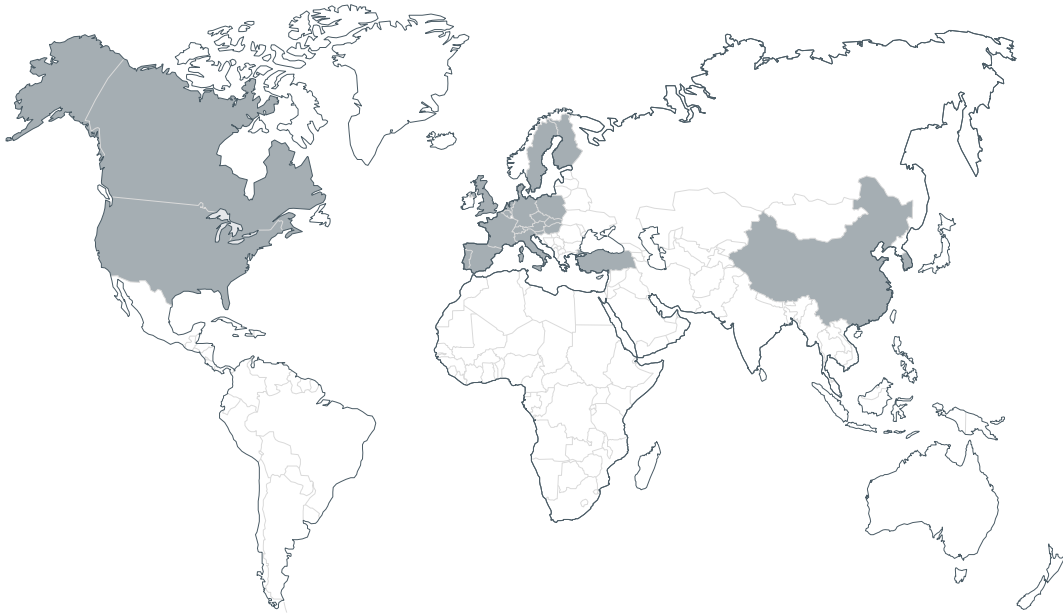
2024



JACQUET
METALS

Half-year financial report

A major player in the distribution of special metals



124 distribution centers located in 24 countries • Staff: 3,353

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



Table of contents

1	Half-year activity report - June 30, 2024	4
2	Summary interim consolidated financial statements	20
3	Statutory Auditors' Review Report on the Half-yearly Financial Information	30
4	Statement by the person responsible for the half-year financial report	32

1 Half-year activity report - June 30, 2024

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 FOND, 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:

€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%
EBITDA¹²	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
<i>% of sales</i>	<i>18.1%</i>	<i>14.5%</i>	<i>16.9%</i>	<i>17.5%</i>
EBITDA	2.8	1.1	5.1	17.4
<i>% of sales</i>	<i>2.0%</i>	<i>0.7%</i>	<i>1.8%</i>	<i>4.9%</i>
Adjusted operating income	2.1	1.0	3.5	16.8
<i>% of sales</i>	<i>1.5%</i>	<i>0.6%</i>	<i>1.2%</i>	<i>4.7%</i>

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 FONDI, 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%

Stock market information

Indices	CAC® All Shares, CAC® All-Tradable, CAC® Basic Materials, CAC® Mid & Small, CAC® Small
Market	Euronext Paris - Compartment B
Listed on	Euronext Paris
Code or ticker	JCQ
ISIN code	FR0000033904
Reuters	JCQ.PA
Bloomberg	JCQ : FP

		30.06.24	31.12.23
Number of shares at end of period	shares	22,016,467	22,497,209
Market capitalization at end of period	€k	322,321	440,945
High	€	20.00	20.05
Low	€	14.62	14.68
Price at end of period	€	14.64	19.60
Average daily trading volume	shares	11,127	15,939
Average daily traded capital	€	195,912	279,496

Pursuant to the delegation granted by the General Meeting, the Board of Directors of the Company JACQUET METALS SA ("the Company"), at its meeting held on June 28, 2024, resolved to cancel 480,742 treasury shares. Following this cancellation, the share capital of the Company comprised 22,016,467 shares.

On September 10, 2024, the JACQUET METALS ("JCQ") share price was €14.68.

JACQUET METALS' shares are followed by:

- ODDO BHF Corporates & Markets;
- Portzamparc of BNP Paribas group;
- GILBERT DUPONT of Société Générale group.

Information on capital

Breakdown of share capital and voting rights as of August 31, 2024:

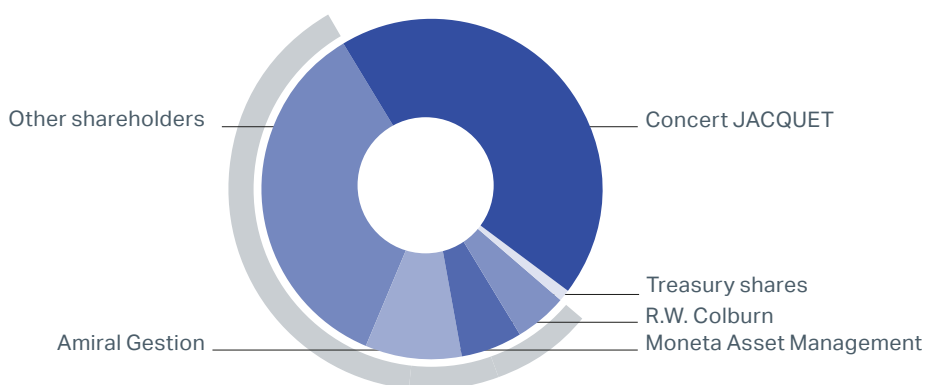
	Number of shares	% of share capital	theoretical voting rights	% theoretical voting rights	exercisable voting rights in GM	% exercisable voting rights in GM
Concert JACQUET ¹	9,690,296	44.01%	19,352,266	60.88%	19,352,266	62.34%
Amiral Gestion ²	1,932,119	8.78%	1,932,119	6.08%	1,932,119	6.22%
Moneta Asset Management ³	1,329,776	6.04%	1,329,776	4.18%	1,329,776	4.28%
R.W. Colburn ⁴	1,198,699	5.44%	1,198,699	3.77%	1,198,699	3.86%
Other shareholders	7,121,607	32.35%	7,229,786	22.75%	7,229,786	23.30%
Treasury shares	743,970	3.38%	743,970	2.34%	-	-
Total	22,016,467	100.00%	31,786,616	100.00%	31,042,646	100.00%

¹ The JACQUET concert is made of JSA, JERIC, Éric Jacquet and Ernest Jacquet.

² Information dated August 6, 2024.

³ Information dated July 11, 2024.

⁴ Information dated November 2, 2023.



Free-float

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
<i>% of sales</i>	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
<i>% of sales</i>	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
<i>% of sales</i>	3.6%	7.9%

Sales

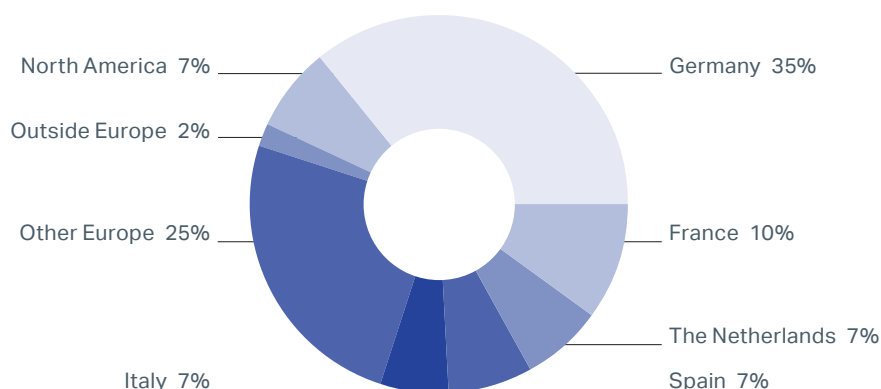
Consolidated sales amounted to €1,074 million, down -15.5% compared to H1 2023.

€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
% of sales	21.6%	19.3%	20.9%	22.4%

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
<i>% of sales</i>	<i>0.2%</i>	<i>0.9%</i>	<i>0.3%</i>	<i>3.9%</i>

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

2 Summary interim consolidated financial statements

Consolidated statement of comprehensive income

€k	Notes	30.06.24	30.06.23
Sales	2.2.1	1,073,743	1,270,334
Cost of goods sold	2.2.1	(848,917)	(985,639)
Gross margin	2.2.1	224,826	284,695
Operating expenses		(83,533)	(84,769)
Personnel expenses		(103,048)	(99,886)
Miscellaneous taxes		(2,747)	(2,509)
Other income		3,041	2,957
Net depreciation and amortization		(21,115)	(19,882)
Net provisions		913	3,332
Other non-current income / (expenses)	2.2.3	5,374	239
Operating income		23,711	84,177
<i>% of sales</i>		2.2%	6.6%
Net cost of debt		(7,844)	(7,219)
Other financial income		407	-
Other financial expenses		(1,561)	(2,321)
Net financial loss		(8,998)	(9,540)
Income before tax		14,713	74,637
Corporate income tax	2.2.2	(9,286)	(22,328)
Total consolidated net income		5,427	52,309
<i>% of sales</i>		0.5%	4.1%
Minority interests		(1,843)	(3,121)
Net income (Group share)	2.2.3	3,584	49,188
<i>% of sales</i>		0.3%	3.9%
Items that may be reclassified to profit			
Translation differences		777	519
Cash-flow hedging and others		(1,000)	(565)
Hyperinflation	2.1.1	674	574
Items not reclassified to profit			
Actuarial gains		1,816	-
Total comprehensive net income (Group share)		5,851	49,716
Minority interests		1,780	3,266
Total comprehensive net income		7,631	52,982
Basic earnings per share (€)	2.2.3	0.16	2.15
Diluted earnings per share (€)	2.2.3	0.16	2.15

Statement of financial position

€k		30.06.24	31.12.23
	Notes	Net	Net
Assets			
Goodwill	2.2.4	69,920	70,213
Intangible assets	2.2.5	2,206	2,618
Property, plant and equipment	2.2.5	240,559	221,312
Right-of-use assets	2.2.6	85,887	84,818
Other financial assets		22,768	23,746
Deferred tax	2.2.13	52,209	55,196
Non-current assets		473,549	457,903
Inventory	2.2.1, 2.2.7	612,061	677,339
Trade receivables	2.2.1, 2.2.8	252,180	197,595
Tax assets receivable		9,262	9,827
Other assets		29,154	36,172
Derivatives		2,132	3,773
Cash and cash equivalents	2.2.9	404,125	342,341
Current assets		1,308,914	1,267,047
Total assets		1,782,463	1,724,950
Equity and liabilities			
Share capital		33,564	34,297
Consolidated reserves		620,828	624,026
Shareholders' equity (Group share)		654,392	658,323
Minority interests		22,049	22,408
Shareholders' equity	2.2.10	676,441	680,731
Deferred tax	2.2.13	7,416	8,451
Non-current provisions	2.2.11	9,095	9,380
Provisions for employee benefit obligations	2.2.12	37,893	40,201
Other non-current liabilities		4,350	4,351
Long-term borrowings	2.2.9	422,803	385,017
Long-term lease liabilities	2.2.6	67,054	67,725
Non-current liabilities		548,611	515,125
Short-term borrowings	2.2.9	121,105	167,560
Short-term lease liabilities	2.2.6	22,349	22,414
Trade payables	2.2.1	281,338	218,222
Current tax liabilities		11,663	9,963
Current provisions	2.2.11	46,904	47,613
Derivatives		57	526
Other liabilities		73,995	62,796
Total current liabilities		557,411	529,094
Total equity and liabilities		1,782,463	1,724,950

Cash-flow statement

€k	30.06.24	30.06.23
Cash and cash equivalents at beginning of period	342,341	254,062
Operating activities		
Net income	5,427	52,309
Depreciation, amortization and provisions	20,140	16,446
Capital gains on asset disposals	(973)	(239)
Change in deferred taxes	1,903	9,551
Other non-cash income and expenses	(4,008)	1,021
Operating cash-flow after tax and cost of borrowings	22,489	79,088
Cost of borrowings	8,939	8,457
Current income tax	7,383	12,778
Taxes paid	(4,636)	(27,861)
Operating cash-flow before change in working capital	34,175	72,462
Change in inventory	72,980	44,269
Change in trade receivables	(47,364)	(42,728)
Change in trade payables	61,175	58,263
Other changes	14,542	2,062
Total change in working capital	101,333	61,866
Cash-flow from operating activities	135,508	134,328
Investing activities		
Acquisitions of fixed assets	(28,234)	(15,209)
Disposal of assets	2,914	1,241
Acquisitions of subsidiaries	(14,658)	(20,096)
Changes in consolidation and other	5,168	4,131
Cash-flow from investing activities	(34,810)	(29,933)
Financing activities		
Dividends paid to parent company shareholders	-	-
Dividends paid to minority shareholders of consolidated companies	(1,427)	(7,462)
New borrowings	106,301	20,000
Lease liabilities payments	(11,179)	(10,322)
Lease receivables	380	368
Change in borrowings	(119,839)	(81,776)
Interest paid	(8,989)	(8,215)
Other changes	(4,084)	(5,249)
Cash-flow from financing activities	(38,837)	(92,656)
Change in cash and cash equivalents	61,861	11,739
Translation differences	(77)	(69)
Cash and cash equivalents at end of period	404,125	265,732

Change in consolidated shareholders' equity

€k	Notes	Number of shares	Share capital	Reserves	Translation differences (Group share)	Shareholders' equity (Group share)	Minority interests	Shareholders' equity
At 01.01.23	2.2.10	23,022,739	35,098	616,532	(4,386)	647,244	27,654	674,898
Net income				49,188	-	49,188	3,121	52,309
Translation differences				-	519	519	149	668
Actuarial gains				-	-	-	-	-
Others				9	-	9	(5)	4
Total comprehensive net income				49,197	519	49,716	3,265	52,982
Change in consolidation scope				(152)	-	(152)	(2,174)	(2,326)
Dividend payments				(22,663)	-	(22,663)	(7,462)	(30,125)
Others		(315,530)	(481)	(4,795)	-	(5,276)	1	(5,275)
At 30.06.23	2.2.10	22,707,209	34,617	638,118	(3,867)	668,868	21,285	690,153
At 01.01.24	2.2.10	22,497,209	34,297	629,170	(5,144)	658,323	22,408	680,731
Net income				3,584	-	3,584	1,843	5,427
Translation differences					777	777	(64)	713
Actuarial gains				1,816	-	1,816	-	1,816
Others				(326)	-	(326)	1	(325)
Total comprehensive net income				5,074	777	5,851	1,780	7,631
Change in consolidation scope				(1,179)	-	(1,179)	(615)	(1,794)
Dividend payments				(4,499)	-	(4,499)	(1,525)	(6,024)
Others		(480,742)	(733)	(3,371)	-	(4,104)	1	(4,103)
At 30.06.24	2.2.10	22,016,467	33,564	625,195	(4,367)	654,392	22,049	676,441

Notes to the consolidated financial statements

The notes are an integral part of the summary interim consolidated financial statements.

The JACQUET METALS Group's ("the Group") consolidated financial statements for the six months ended June 30, 2024 were approved by the Board of Directors on September 11, 2024.

All figures are reported in thousands or millions of euros unless otherwise stated. Some totals may display differences in rounding.

Consolidation principles and method

Pursuant to European Regulation 1606/2002 of July 19, 2002 on international financial reporting standards, the Group summary interim consolidated financial statements for the six months ended June 30, 2024 and the comparative 2023 financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) in force as of June 30, 2024, as approved by the European Union.

The standards and interpretations applied are those published in the Official Journal of the European Union (OJEU) before June 30, 2024 for compulsory application as from this date.

These guidelines cover all of the standards approved by the International Accounting Standards Board (IASB) and adopted by the EU, i.e. IFRS, International Accounting Standards (IAS), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC).

The summary interim consolidated financial statements have been prepared in accordance with *IAS 34 - Interim Financial Reporting*, which allows a condensed presentation of the notes to the financial statements. The financial statements should therefore be read with reference to the consolidated financial statements for the year ended December 31, 2023 and, in particular, §2.1 "Consolidation principles and methods" and §2.2 "Valuation methods" as contained in the Universal Registration Document filed with the *Autorité des Marchés Financiers* ("AMF") on April 17, 2024 under number D. 24-0289 and available for consultation on the Company website at: jacquetmetals.com.

With the exception of the points described in the paragraph below, the accounting principles applied are identical to those used in the audited consolidated financial statements for the year ended December 31, 2023.

The new legislation or amendments adopted by the European Union for compulsory application as from January 1, 2024 have been applied in the summary interim consolidated financial statements for the six months ended June 30, 2024. They comprise the following amendments:

- amendments to *IAS 1* - classification of debts with covenants;
- amendment to *IFRS 16* - rent debt in a sale and leaseback transaction;
- amendments to *IAS 7/IFRS 7* - supplier financing agreements.

Use of estimates

The preparation of IFRS-compliant consolidated financial statements requires management to take into account assumptions and estimates that have an impact on the assets and liabilities shown in the statement of financial position, and mentioned in the notes to the financial statements, as well as on the income and expenses recorded in the consolidated statement of comprehensive income. The estimates may be revised if the circumstances under which they were based change, or in accordance with new information obtained. Actual results may differ from these estimates.

In accordance with *IAS 10*, management's estimates are based on the information available at the balance sheet date, taking post balance sheet events into account.

The summary consolidated interim financial statements have been established on the basis of rules applied for the 2023 annual financial statements. In this regard, it is appropriate to clarify the treatment of income taxes: for interim financial statements, the current and deferred tax charge is calculated by applying the estimated annual average tax rate for the current financial year to the six-month taxable income for each legal entity or tax group, as adjusted for non-recurring items allocated to the period.

As of June 30, 2024, the main estimates involved:

- assessment of the recoverability of deferred tax assets: the method followed is based on internal business plans, and takes into account the local legislation in effect at the balance sheet date;
- the value of goodwill: tested for impairment at least once a year for the annual financial statements and whenever an indication of loss of value arises;
- inventory valuation: the method followed to determine the net realizable value of inventory is based on the best estimate, as of the date of the preparation of the financial statements, of the future sale price in the normal course of business less any estimated selling costs;
- measurement of right-of-use assets and lease liabilities following the adoption of *IFRS 16*;
- impairment of receivables: reviewed on a case-by-case basis in light of the specific situation of particular customers;
- employee benefit liabilities: measured based on actuarial assumptions;
- current and non-current provisions: estimated to reflect the best estimate of the risks as of the balance sheet date.

2.1.1 Hyperinflation

Since June 30, 2022, the Group applies *IAS 29 - Financial Reporting in Hyperinflationary Economies* to the financial statements of IMS Özel Çelik located in Turkey. The financial statements of this entity have been restated to reflect the evolution of general purchasing power in the functional currency, with an impact of €0.7 million in consolidated reserves as of June 30, 2024 and a €0.4 million charge in H1 2024 net financial expense.

2.1.2 Changes in consolidation scope

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 will strengthen the IMS group division.

In June 2024, the Group sold IMS Baltic OÜ (Estonia), IMS Baltic SIA (Latvia) and IMS Baltic UAB (Lithuania). The impact of this disposal on the Group's consolidated financial statements is not material.

2.2 Notes to the consolidated statement of comprehensive income and to the statement of financial position

2.2.1 Operating segments

The Group is organized on the basis of 3 divisions (JACQUET, STAPPERT, IMS group).

As of June 30, 2024, the key indicators per operating segment were as follows:

€m	JACQUET	STAPPERT	IMS group	Other ¹	Inter-divisions eliminations	Total
Sales	243	289	551	-	(9)	1,074
Changes 2024 vs 2023	-18.7%	-19.5%	-11.7%	n.a.	n.a.	-15.5%
Price effect	-17.0%	-15.4%	-13.5%	n.a.	n.a.	-14.8%
Volume effect	-1.6%	-4.1%	-8.7%	n.a.	n.a.	-5.8%
Scope effect	n.a.	n.a.	+10.5%	n.a.	n.a.	+5.1%
Gross margin	62	49	114	-	-	225
Adjusted operating income²	6	4	7	2	-	18
Operating working capital	156	114	308	5	-	583
% of sales ³	33.5%	20.7%	28.3%	n.a.	n.a.	27.9%

¹ Non-division operations (including JACQUET METALS SA).

² Adjusted for non-recurring items.

³ Rolling 12 months (including 2023 and 2024 acquisitions over rolling 12 months).

n.a.: Not applicable

As of June 30, 2023, the key indicators per operating segment were as follows:

€m	JACQUET	STAPPERT	IMS group	Other ¹	Inter-divisions eliminations	Total
Sales	298	358	625	-	(11)	1,270
Changes 2023 vs 2022	-10.8%	-19.5%	-12.3%	n.a.	n.a.	-14.2%
Price effect	-7.9%	-5.2%	-1.5%	n.a.	n.a.	-4.1%
Volume effect	-5.3%	-14.9%	-10.8%	n.a.	n.a.	-10.8%
Scope effect	+2.4%	+0.6%	n.a.	n.a.	n.a.	+0.7%
Gross margin	88	63	134	-	0	285
Adjusted operating income²	31	17	33	3	-	84
Operating working capital	180	142	367	5	-	694
% of sales³	30.9%	20.2%	30.3%	<i>n.a.</i>	<i>n.a.</i>	28.0%

¹ Non-division operations (including JACQUET METALS SA).

² Adjusted for non-recurring items.

³ Rolling 12 months (including Fidelity PAC Metals and Delta Acciai over rolling 12 months).

n.a.: Not applicable.

2.2.2 Corporate income tax

Net income includes a tax charge of €9.3 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%.

2.2.3 Earnings per share

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.

	30.06.24	30.06.23
Net income (Group share) (€k)	3,584	49,188
Weighted average number of shares	22,491,926	22,933,833
Treasury shares	56,307	41,641
Weighted average number of shares excluding treasury shares	22,435,619	22,892,192
Basic earnings per share (€)	0.16	2.15
Free shares *	1,000	4,417
Weighted diluted average number of shares, excluding treasury shares	22,436,619	22,896,608
Diluted earnings per share (€)	0.16	2.15

* Average number of shares during the period.

2.2.4 Goodwill - Business combinations

Goodwill amounted to €69.9 million as of June 30, 2024 and breaks down as follows:

- JACQUET CGU: €10.9 million;
- STAPPERT CGU: €40.5 million
- IMS group CGU: €18.4 million.

The Group analyzed the results of the various cash-generating units (CGU); no indication of impairment has been identified.

2.2.5 Change in PP&E and intangible assets

€m	
Net book value as of December 31, 2023	223.9
Acquisitions	28.2
Net disposals and scraps	(0.6)
Net depreciation / amortization	(11.0)
Translation differences	0.4
Change in consolidation scope	4.4
Other	(2.5)
Net book value as of June 30, 2024	242.8

2.2.6 Change in right-of-use assets and lease liabilities

€m	
Net book value of right-of-use assets as of December 31, 2023	84.8
New right-of-use assets	7.0
Net depreciation	(10.4)
Revaluation of right-of-use assets	2.1
Translation differences	(0.0)
Change in consolidation scope	1.3
Other	1.1
Net book value of right-of-use assets as of June 30, 2024	85.9
Lease liabilities as of December 31, 2023	90.1
New right-of-use assets	7.0
Repayments of lease liabilities	(11.2)
Revaluation of right-of-use assets	2.1
Translation differences	0.0
Change in consolidation scope	1.3
Other	(0.0)
Lease liabilities as of June 30, 2024	89.4

2.2.7 Inventory

€m	30.06.24	31.12.23
Gross value	764	832
Impairment	(152)	(155)
Net value	612	677

Inventory primarily consists of finished goods inventories (whole and cut plates, long products, etc.).

As of June 30, 2024, after taking into account inventory turnover and net realizable value, inventory was adjusted via an impairment amounting to 19.9% of its gross value, compared to 18.6% as of December 31, 2023

2.2.8 Trade receivables

€m	30.06.24	31.12.23
Gross value	259	204
Impairment	(7)	(6)
Net value	252	198

As of June 30, 2024, the share of insured trade receivables amounted to 96%.

All receivables have a maturity of less than one year. The net value of receivables does not include the receivables assigned on a non-recourse basis, which amounted to €53.7 million at the end of June 2024, compared to €45.9 million at 2023 year-end.

2.2.9 Net cash and borrowings

€m	30.06.24	31.12.23
Cash	257	230
Cash equivalents	147	112
Gross value	404	342

Net debt breaks down as follows:

€m	30.06.24	31.12.23
Fixed rate borrowings	199	205
Floating rate borrowings	345	348
Total borrowings	544	553
Cash and cash equivalents	404	342
Net debt	140	210

35% of floating rate debt totaling €120 million is hedged (swap and cap) against changes in interest rates by 2024.

2.2.10 Shareholders' equity

In accordance with a resolution of the June 28, 2024 General Meeting, on July 5, 2024, the Company JACQUET METALS SA paid out a dividend of €0.2 per share amounting to €4.5 million in total. This amount is recognized under "Other liabilities" on the balance sheet.

Pursuant to the delegation granted by the General Meeting, the Board of Directors of the Company JACQUET METALS SA, at its meeting held on June 28, 2024, resolved to cancel 480,742 treasury shares. Following this cancellation, the share capital of the Company comprised 22,016,467 shares.

2.2.11 Current and non-current provisions

€m	31.12.23	Change in consolidation scope	Additions	Reversals (unused)	Reversals (used)	Translation differences	30.06.24
Non-current provisions	9	-	0	0	0	0	9
Current provisions	48	-1	1	0	-1	0	47
Total	57	-1	1	0	-1	0	56

Current and non-current provisions correspond to disputes with employees, reorganization costs and disputes with customs, customers and suppliers.

2.2.12 Provisions for employee benefit obligations

In accordance with *IAS 34 - Interim Financial Reporting*, the change in employee benefit obligations is based on the annual actuarial projection for December 31, 2024 as estimated as of December 31, 2023 by external actuaries.

The impact on income is assessed on a pro rata temporis basis. The discount rate used at June 30, 2024 was 3.5%, compared with 3.2% as of December 31, 2023, or 3.8% for plans with durations in excess of 20 years (Netherlands), compared with 3.5% at December 31, 2023. The impact on comprehensive income was €2.5 million.

2.2.13 Deferred tax

The origin of deferred tax is as follows:

€m	30.06.24	31.12.23
Temporary differences	19	20
Tax losses carried forward	6	6
Other IFRS restatements*	27	29
Deferred tax assets	52	55
Temporary differences	6	4
Tax losses carried forward	0	0
Other IFRS restatements*	(13)	(12)
Deferred tax liabilities	(7)	(8)

* These are primarily restatements relating to the rules for harmonizing the accounting process between the subsidiaries.

2.3 Borrowings covenants

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.

Borrowings covenants mainly relate to the following financings:

	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%	

n.a.: Not applicable.

As of June 30, 2024, all borrowings covenants were in compliance.

2.4 Post balance sheet events

None.

Statutory Auditors' Review Report on the Half-yearly Financial Information

GRANT THORNTON

Statutory Auditor

*Member of Compagnie Régionale
de Versailles et du Centre*

Cité internationale • 44, quai Charles de Gaulle
CS 60095 - 69463 Lyon Cedex 06
S.A.S. au capital de € 2 297 184
B 632 013 843 R.C.S. Nanterre

ERNST & YOUNG et Autres

Statutory Auditor

*Member of Compagnie Régionale
de Versailles et du Centre*

Tour Oxygène • 10-12, boulevard Marius Vivier Merle
69393 Lyon Cedex 03
S.A.S. à capital variable
438 476 913 R.C.S. Nanterre

JACQUET METALS • Period from January 1st to June 30th, 2024

This is a translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of the information given in the Group's half-year activity report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of JACQUET METALS, for the period from January 1st to June 30th, 2024,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of your Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRS as adopted by the European Union applicable to interim financial information.

Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Lyon, September 11th, 2024

The Statutory Auditors

French Original signed by:

GRANT THORNTON

French Member of Grant Thornton International

Françoise Méchin • Partner

ERNST & YOUNG et Autres

Lionel Denjean • Partner

4

Statement by the person responsible for the half-year financial report

I hereby certify that, to my knowledge, JACQUET METALS' summary interim consolidated financial statements for the first half of 2024 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and earnings of the Company and all companies included in the consolidation scope, and that the activity report for the first half of 2024 gives a true and fair account of the important events that took place in the first six months of the year, their impact on the financial statements and the main transactions between related parties and includes a description of the main risks and uncertainties for the remaining six months of the year.

Saint-Priest, September 11, 2024

Éric Jacquet • Chairman and CEO, JACQUET METALS



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.

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

JCQ
LISTED
EURONEXT

