



2020-2021 Full-year results

Significant improvement in margins combined with a sharp reduction in debt

- **Sales up 16%**, double-digit growth in almost all activities
- Strong financial performance, with **recurring EBITDA up 46%** to €78 million for the year and a recurring EBITDA margin of 8.9%
- Net income of over **€43 million**
- Proposed **dividend payment of €1.60** per share
- **A consolidated and robust cash position** with significantly improved debt ratios including leverage of 0.5x recurring EBITDA

2020-21 FULL-YEAR RESULTS

EXEL Industries (€ millions)	2019-2020	2020-2021	Change reported
SALES	754.4	876.8	16%
Recurring EBITDA*	53.3	77.8	46%
<i>% of sales</i>	7.1%	8.9%	
CURRENT OPERATING INCOME	35.3	54.7	55%
<i>% of sales</i>	4.7%	6.2%	
Non-recurring items	-29.9	5.3	
Net financial income/expense	-11.1	-2.1	
Tax and share of profit of associates	-5.1	-14.4	
NET INCOME/(LOSS)	-10.7	43.5	
<i>% of sales</i>	-1.4%	5.0%	
NET FINANCIAL DEBT	-87.0	-42.4	-51%
Leverage (NFD/recurring EBITDA)	1.6	0.5	
GEARING (NFD/shareholders' equity)	25%	11%	

* Recurring EBITDA = current operating income (EBIT) + depreciation and amortization of non-current assets + change in provisions (excluding provisions on current assets) + share of profit of associates

SALES

12-month revenue €m	2019 - 2020	2020 - 2021	Change in value		Change in %	
	Reported	Reported	Reported	*like-for-like	Reported	*like-for-like
AGRICULTURAL SPRAYING	332.1	380.9	48.8	53.9	14.7%	16.2%
SUGAR BEET HARVESTERS	114.2	135.5	21.4	23.3	18.7%	20.4%
LEISURE	121.1	132.4	11.3	10.5	9.4%	8.7%
INDUSTRY	187.0	227.9	40.9	35.1	21.9%	18.8%
EXEL Industries Group	754.4	876.8	122.4	122.8	16.2%	16.3%

*like-for-like = at constant foreign exchange rates and perimeter

Full-year revenue was up **16%** at **€876.8 million**, a rise of €122.4 million including a scope effect of €11 million linked to the acquisition of Intec in January 2020 and the impact of the crisis on the 2019-20 reference period. This favorable impact was offset by negative foreign exchange rate effects linked notably to the US dollar (down €11.6 million).

Comments on sales per activity are detailed in our press release of October 28, 2021. As a reminder, the nautical activity was acquired on September 30, 2021 with no impact on the income statement.

FINANCIAL PERFORMANCE

Recurring EBITDA increased to €77.8 million (8.9% of sales) from €53.3 million (7.1% of sales in 2019-20). The post-COVID economic recovery started at the end of the 2019-20 period and accelerated during 2020-21. Production costs were subject to strong and continuous inflation over the year, including raw materials, components and logistics. The Group partially adapted its pricing. Good control of fixed costs enabled the company to maintain strong growth in operating income, up by nearly €20 million from €35.3 million to €54.7 million.

Net income rose sharply to €43.5 million, compared with a net loss of €10.7 million in 2019-20, which was particularly affected by non-recurring items, including €26 million goodwill impairment for Agricultural Spraying in addition to €3.9 million of non-recurring expenses. It comprises the following elements:

- **Net exceptional income of €5.3 million** mainly due to a revaluation of pension liabilities in the UK.
- **A net financial expense of €2.1 million**, primarily composed of borrowing costs. Changes in foreign exchange rates had a limited effect on the results for the period, whereas exchange rates had a negative impact of €7.9 million in 2020.
- **A tax expense of €14.8 million**, in line with the increase in income.

BALANCE SHEET

Net Financial Debt at September 30, 2021 reduced to €42.4 million, compared to €87.0 million in 2020. Strong cash generation during the year was made possible by strict control of working capital despite the increase in sales.

Financial leverage for the year 2020-21 (Net financial debt/recurring EBITDA) remains at a controlled level of 0.5, compared to 1.6 the previous year.

Furthermore, the EXEL Industries group has lines of financing that allow it to support its operating and, where applicable, external growth requirements. A €35 million bond issue incorporating CSR criteria was subscribed to by investors with a maturity of 6 and 7 years. The interest rate will be adjusted based on the achievement of CSR objectives.

DIVIDENDS

The distribution of a dividend of €1.60 per share, corresponding, as in previous years, to 25% of consolidated net income, will be proposed to the Annual General Meeting on February 8, 2022.

AUDIT PROCESS

The Group Audit Committee met on Tuesday, December 14, 2021.

The Board of Directors met on Wednesday, December 15, 2021 and approved the group parent company and consolidated financial statements for the year ended, September 30, 2021.

The Statutory Auditors have finished certifying the parent company and consolidated financial statements and will shortly issue a report without reservations.

OUTLOOK

- **AGRICULTURAL SPRAYING**
 - End of subsidies in North America
 - Agricultural commodity prices expected to remain high
 - Continued demand driven by the post-COVID economic recovery and performance improvement requirements
 - Order book up and ahead of FY 2020-21
 - Continuing shortage of components affecting the pace of invoicing
 - The announcement of our 3S technological solution for ultra-localized spraying and our first viticulture robot consolidate our reputation as an innovative company.
- **SUGAR BEET HARVESTING**
 - Sugar beet growing under heavy pressure with historically high grain prices
 - Stabilization of new machine sales
 - Continued growth in Terra Variant sales, in line with farmers' financing capacities.
- **GARDENING**
 - Business should be sustained at the beginning of the year at least due to distributors' concerns about plastic shortages.
 - The arrival of new products allows for dynamic development of the Hozelock brand.
- **NAUTICAL INDUSTRY**
 - The integration of this new activity continues with a greater emphasis on the 3 flagship brands Wauquiez, Rhéa Marine, Tofinou
 - The reorganization in progress and the repositioning of prices in line with the market should make it possible to improve margins.

- **INDUSTRY**
 - Underlying markets (automotive, furniture, construction, etc.) are expected to grow despite the shortage of components for our customers in the car industry
 - Some disruptions to our rate of invoicing due to pressure on supplies, in particular in the technical hoses business.

The Group confirms its confidence in the outlook in general, and in particular thanks to our multi-activity strategy, which provides stability. In addition, our sales are sustained by strong demand, which allows us to adjust our prices in line with inflation on our production costs.

EXEL Industries group CEO Yves Belegaud said: *"In a context of economic recovery and despite the current uncertainties related to the health crisis, the EXEL Industries Group's activities have grown considerably. Our operating margins have risen sharply and the Group has succeeded in halving its financial debt through strict management of its expenses and working capital. All of our activities have been affected by the supply difficulties, but have managed to maintain a good level of service to our customers despite these supply chain disruptions. The Group has also been able to cope with the rise in production costs, limiting its impact on profitability to the greatest extent possible. The Group has continued to diversify its activities this year by acquiring three well-known brands in the nautical industry."*

UPCOMING EVENTS

Tuesday, January 25, 2022, after market closing, 2021-22 Q1 Revenue

Tuesday, February 8, 2022: Annual General Meeting of Shareholders

About EXEL Industries

EXEL Industries is a French family-owned group that designs, manufactures and markets capital equipment and provides associated services that enable its customers to improve efficiency and productivity or enhance their well-being while achieving their CSR objectives.

Driven by an innovation strategy for over 60 years, EXEL Industries has based its development on innovative ideas designed to offer customers unique, efficient, competitive and user-friendly products.

Since its inception, the Group has recorded significant growth in each of its markets through both organic growth and corporate acquisitions, underpinned by a stable shareholder base guided by a long-term development strategy.

EXEL Industries employs approximately 3,546 permanent employees spread across 27 countries and five continents. The Group posted FY 2020-2021 sales of €877 million.

Euronext Paris, SRD Long only – compartment B (Mid Cap) EnterNext© PEA-PME 150 index (symbol: EXE/ISIN FR0004527638)

Press release available on www.exel-industries.com.

Yves Belegaud Group Chief Executive Officer Yves.belegaud@exel-industries.com	Thomas Germain CFO/Financial Communication direction.communication@exel-industries.com
---	--