



2022–2023 full-year results

A record year boosted by an exceptional second half

- For the first time in its history, EXEL Industries exceeded **€1 billion in revenue, up 12.0%**.
- The Group returned to profitability levels equivalent to those of 2021, with **full-year recurring EBITDA** totaling nearly €94 million, giving a margin of 8.6%.
- Net income amounted to **€42.5 million**, heavily impacted by a net financial expense.
- A **dividend of €1.57 per share** will be proposed to the Annual General Meeting on February 6, 2024.
- Despite a persistent inflationary environment, the Group focused on debt reduction, generating over €43 million in cash flow.

Full-year results (October 1, 2022 –September 30, 2023)	2021–2022 (€m)			2022–2023 (€m)		
	H1	H2	Full-year	H1	H2	Full-year
SALES	406.9	570.2	977.0	483.1	611.2	1,094.3
RECURRING EBITDA*	17.4	42.5	59.9	29.0	64.8	93.8
<i>% of sales</i>	<i>4.3%</i>	<i>7.5%</i>	<i>6.1%</i>	<i>6.0%</i>	<i>10.6%</i>	<i>8.6%</i>
CURRENT OPERATING INCOME (EBIT)	7.2	30.1	37.2	15.8	51.0	66.8
<i>% of sales</i>	<i>1.8%</i>	<i>5.3%</i>	<i>3.8%</i>	<i>3.3%</i>	<i>8.3%</i>	<i>6.1%</i>
Non-recurring items	(1.9)	0.2	(1.7)	0.1	3.8	3.9
Net financial income/(expense)	0.3	0.7	1.0	(8.3)	(1.8)	(10.1)
Tax and share of profit of associates	(3.6)	(4.4)	(8.0)	(3.4)	(14.7)	(18.1)
NET INCOME	1.9	26.7	28.6	4.2	38.3	42.5
<i>% of sales</i>	<i>0.5%</i>	<i>4.7%</i>	<i>2.9%</i>	<i>0.9%</i>	<i>6.3%</i>	<i>3.9%</i>
NET FINANCIAL DEBT (NFD)	-	-	(160.5)	-	-	(117.3)
LEVERAGE (NFD / RECURRING EBITDA)	-	-	2.7	-	-	1.3
GEARING (NFD / SHAREHOLDERS' EQUITY)	-	-	38.2%	-	-	26.4%

* 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

Annual revenue 2022–2023

Revenue 12 months (October 2022– September 2023)	2021–2022	2022–2023	Change (reported)		Change (LFL ^{**})	
	Reported	Reported	€m	%	€m	%
AGRICULTURAL SPRAYING	442.3	525.2	+82.9	+18.7%	+85.3	+19.3%
SUGAR BEET HARVESTERS	146.3	158.6	+12.3	+8.4%	+16.0	+10.9%
LEISURE	138.9	143.6	+4.7	+3.4%	-1.2	-0.9%
INDUSTRY	249.5	266.8	+17.3	+6.9%	+20.1	+8.1%
EXEL Industries Group	977.0	1,094.3	+117.3	+12.0%	+120.2	+12.3%

^{**} Like-for-like (LFL) = at constant foreign exchange rates and scope

Full-year 2022-2023 sales amounted to **€1.1 billion**, up **12.0%**. EXEL Industries' growth at constant foreign exchange rates and scope was **12.3%**. This performance was underpinned by price increases during the year and by strong volumes in the Agricultural Equipment and Industry segments, while the garden market experienced a downturn this year.

The scope effect represents **€8.1 million** in revenue over the 2022–2023 fiscal year, reflecting the acquisitions of G.F. in February 2022 and Devaux in June 2023.

Financial performance

Recurring EBITDA rose to €93.8 million, or 8.6% of Group revenue, compared to €59.9 million or 6.1% of sales in FY 2021-2022.

Several factors explain this increase:

- First, volume increases in Agricultural Spraying and Industrial Spraying partly offset the slowdown in the Garden segment.
- Second, in Agricultural Spraying, the Garden business and, to a lesser extent, Industrial Spraying, price rises offset increases in production costs and overheads.

At €42.5 million, net income returned to a level close to that of 2020–2021 and was well above that of 2021–2022, which amounted to €28.6 million. Despite strong EBITDA growth and net non-recurring income, the Group's net income was heavily impacted by the net financial expense and a higher tax expense than in 2021–2022.

Net income includes the following items:

- **Net non-recurring income of €3.9 million**, almost all of which was generated in the second half, and which mainly comprised a property insurance payout and the consequences of changes in the scope of consolidation during the fiscal year.
- **Net financial expense of €10.1 million**, including cost of debt (higher interest rates) and other financial expenses totaling around €6 million. Moreover, the negative trend in foreign exchange rates, particularly the euro against the US dollar, had a significant impact on results, amounting to a €4.1 million loss. In 2021–2022, changes in exchange rates positively impacted the Group in the amount of €4.5 million.
- A **recognized tax expense of €19.0 million**, in line with the trend in current operating income before tax and exceeding 2021-2022 levels, an exceptionally low year.

Balance sheet

Net financial debt (NFD) amounted to €117.3 million at September 30, 2023, compared to €160.5 million in 2022. Temporary factors (higher EBITDA and lower working capital) allowed 2022–2023 leverage (NFD/recurring EBITDA) to improve and return to 1.3.

In addition, the Group pursued an ambitious investment policy for the ongoing modernization of its plants, which it shall continue in 2023–2024 with the start of work at its Stains plant in France (Industry).

While EXEL Industries experienced a sharp increase in working capital in 2021–2022, working capital improved in 2022–2023, despite significant business growth.

Lastly, EXEL Industries' lines of credit are more than sufficient to meet its needs and are systematically renewed in line with CSR criteria.

Governance

At the Board of Directors' meeting of December 20, 2023, Daniel Tragus was appointed to succeed Yves Belegaud as Chief Executive Officer of EXEL Industries. Yves Belegaud, who had headed the Group since 2019, had announced to the Board of Directors his intention to retire as from January 2024. The transition therefore went smoothly.

Dividend

A dividend of **€1.57 per share**, corresponding to 25% of consolidated net income, will be proposed to the Annual General Meeting on February 6, 2024.

Audit process

The Group Audit Committee met on December 19, 2023.

The Board of Directors met on December 20, 2023, and approved EXEL Industries' annual and consolidated financial statements for the year ended September 30, 2023.

The Group's Statutory Auditors have finished certifying the annual and consolidated financial statements and will shortly issue a report without reservations.

Sustainable development

The 2022–2023 fiscal year saw major advances in the identification of ESG challenges and their inclusion in EXEL Industries' strategy. The Group has drawn up materiality matrices and carbon assessments covering all its business lines. Initially conducted at company level, the approach was then aggregated by division and at Group level in order to implement the appropriate policies.

2023-2024 outlook

• AGRICULTURAL SPRAYING

- Orders taken in recent months provide clear visibility across all brands and regions over the 2023–2024 fiscal year. The order book, although lower than at the same time last year, remains strong and should enable us to record fairly similar seasonal revenue trends to those of 2022–2023. However, the downturn in agricultural prices and rising interest rates are prompting farmers to be more cautious.

• SUGAR BEET HARVESTERS

- Two factors boosted sales of new machines in 2022–2023.
 - First, sugar prices have been at record highs since the spring and currently appear to be remaining steady at these levels, restoring farmers' confidence.
 - Second, the exceptional replacement of machines in Eastern Europe, at a time when exchange rates were favorable for farmers, was a windfall that is unlikely to recur in 2023–2024.

- **LEISURE**

- Since the beginning of January 2023, volumes have declined in the watering market in France and the United Kingdom. Subject to more favorable weather conditions, 2024 should see a return to volume growth after two consecutive years of decline.
- The process of integrating Devaux has started: as the season was already well underway at the time of the acquisition, efforts are focusing on improving industrial processes in line with Group standards.

- **INDUSTRY**

- The order book for Industrial Spraying remains well-stocked overall and should gain further traction thanks to the start of new works projects in North America in 2024. In Asia, and particularly in China, the wood market is expected to contract, while growth in the automotive sector is set to continue, bolstered by major investments linked to electrification.
- Few changes are expected in the hoses market.

Yves Belegaud, Chief Executive Officer of the EXEL Industries Group until December 20, 2023

"I am leaving EXEL Industries, proud to have achieved an excellent final year. After suffering in 2022 due to the economic environment, component shortages and a quick and strong inflation that penalized the Group's economic results last year, EXEL Industries has successfully returned to healthier management of its balance sheet. I am convinced that Daniel Tragus will leverage his leadership and intimate knowledge of the Group in pursuing this strategy of profitable, cash-generating growth."



Daniel Tragus, Chief Executive Officer of the EXEL Industries Group since December 20, 2023

"In a challenging market environment, albeit less inflationary but still causing disruption to our production lines, EXEL Industries has successfully prioritized the pursuit of organic and external growth, strict cost management and debt reduction. Backed by a persistently robust order book, and despite some signs of a slowdown in the agricultural sector, I am confident in the Group's prospects and fundamentals, driven by an ambitious Corporate Social Responsibility policy and committed teams."



View the full-year results of the EXEL Industries Group at
<https://www.exel-industries.com/investor-page/?lang=en>

Upcoming events

- **January 25, 2024**, before market opening: Q1 2023-2024 revenue
- **February 6, 2024**: Annual General Meeting of Shareholders
- **April 24, 2024**, before market opening: Q2 2023-2024 revenue

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 70 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 3,931 permanent employees spread across 27 countries and five continents. The Group posted FY 2022-2023 sales of €1.1 billion.

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

Press release available onsite www.exel-industries.com

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