



## Second quarter 2023-2024 sales: down 1.8%

*Varying sales performance across activities*

Q2 sales (January 2024– March 2024)	2022-2023	2023-2024	Change (reported)		Change (LFL*)	
	Reported	Reported	€m	%	€m	%
AGRICULTURAL SPRAYING	<b>147.7</b>	<b>157.4</b>	+9.7	+6.5%	+12.0	+8.1%
SUGAR BEET HARVESTERS	<b>34.3</b>	<b>17.1</b>	-17.2	-50.1%	-17.1	-49.9%
LEISURE	<b>48.4</b>	<b>47.4</b>	-1.0	-2.0%	-4.4	-9.0%
INDUSTRY	<b>67.6</b>	<b>70.7</b>	+3.1	+4.7%	+3.3	+4.9%
<b>EXEL Industries Group</b>	<b>297.9</b>	<b>292.6</b>	-5.3	-1.8%	-6.2	-2.1%

6-month sales (October 2023– March 2024)	2022-2023	2023-2024	Change (reported)		Change (LFL*)	
	Reported	Reported	€m	%	€m	%
AGRICULTURAL SPRAYING	<b>236.8</b>	<b>248.3</b>	+11.6	+4.9%	+17.0	+7.2%
SUGAR BEET HARVESTERS	<b>53.8</b>	<b>44.2</b>	-9.6	-17.8%	-8.5	-15.9%
LEISURE	<b>62.1</b>	<b>58.5</b>	-3.6	-5.9%	-8.8	-14.1%
INDUSTRY	<b>130.4</b>	<b>141.7</b>	+11.3	+8.7%	+14.4	+11.0%
<b>EXEL Industries Group</b>	<b>483.1</b>	<b>492.7</b>	+9.7	+2.0%	+14.1	+2.9%

\* Like-for-like (LFL) = at constant consolidation scope and foreign exchange rates

## Second quarter 2023-2024 sales

The EXEL Industries Group posted revenue of **€292.6 million** for the second quarter of the 2023-2024 fiscal year, down **1.8%**, mainly impacted by declining sales volumes in sugar beet harvesting and the leisure business. At constant consolidation scope and foreign exchange rates, revenue was down **2.1%**.

The change in consolidation scope arising from the **Devaux group acquisition** in June 2023 contributed **€4.0 million** to second quarter revenue.

- **AGRICULTURAL SPRAYING UP 6.5%**

Agricultural Spraying revenue remains in a good dynamic, up 8.1% at constant consolidation scope and foreign exchange rates. However, the situation varies across regions, with sales declining in France due to production difficulties but stable across the rest of Europe. In the USA and Australia, sales rose significantly despite lengthened delivery times to Australia since the beginning of the 2023-2024 fiscal year. In North America and Europe, distributor inventory levels remain high, thereby slowing order renewals. Furthermore, a number of factors are prompting caution among farmers: high interest rates, discontinued subsidy programs in some Eastern European countries, delayed planting and initial spraying due to high spring precipitation levels, and falling agricultural prices affecting farmers' income.

- **SUGAR BEET HARVESTING DOWN 50.1%**

As expected at the end of the previous fiscal year, the Sugar Beet Harvesting activity suffers from an adverse basis of comparison following an excellent first quarter. During the second and third quarters of FY 2022-2023, the Group posted exceptional revenues in Eastern Europe. However, sales have been steadily declining in this region since the start of 2024. Meanwhile, spare part sales remained satisfactory during the second quarter. New machines revenue is not representative of annual performance, as sales are generally concentrated towards the end of the third quarter and in the fourth quarter. On the other hand, sales of the Terra Variant range decreased in Western Europe during the first half.

- **LEISURE DOWN 2.0%**

While pre-season Garden sales proved a little disappointing, the activity picked up during the second quarter across all regions after two years of decline in the various European markets (UK, France, Italy). The Devaux group integration continues, and the first commercial synergies are beginning to kick in.

The Nautical activity is hampered by a sluggish market in which dealers still hold extensive inventories. In addition, surging interest rates over the past two years may have discouraged potential new customers.

- **INDUSTRY UP 4.7%**

After an excellent first quarter, the Industrial Spraying activity returned to more moderate but still significant growth. The activity is stabilizing in Asia and the USA after two years of strong acceleration. Meanwhile, sales in Europe continue to hold up very well.

The Technical Hoses activity has been gradually recovering over the past few months after reaching a low point in 2023.

## **2023-2024 outlook**

- **AGRICULTURAL SPRAYING**

- After a continuous decline over several months, agricultural commodity prices have stabilized, returning to relatively low levels.
- The economic environment over the last three years has fueled an increase in agricultural machinery costs exacerbated by inflation and rising interest rates, thereby curbing farmers' funding capacity and reducing the number of orders for these machines.
- Order intake fell sharply in the second quarter compared to the same period last year and is expected to remain at these levels in the coming months.

- **SUGAR BEET HARVESTERS**

- Continuing high sugar prices are expected to continue to bolster the new machines market, giving farmers visibility for replacing their machinery.
- 2024 promises to be a good year driven by growth in new machine sales across all regions except Eastern Europe.
- EXEL Industries continues to reduce its inventory of used machines in line with the significant effort carried out in 2023.
- The Group has duly anticipated the decline in Eastern Europe business after two exceptional years and is adapting its production accordingly.

- **LEISURE**

- In view of the unfavorable weather conditions, a late garden season is expected in 2024.
- The latest innovations offered by the Garden activity have been well received and have won awards at specialized trade fairs.
- Commercial synergies between Hozelock, G.F. and Devaux continue to bear fruit, expanding the product offering and promoting brand commercial development across an increasingly broad geographical network, including Italy.
- In the nautical industry, the plan to launch the new Wauquiez 55 by the end of the fiscal year is pursuing its course, with no expected impact on this fiscal year.
- High distributor inventory levels and interest rates, albeit falling slightly, are curbing new boat purchases.

- **INDUSTRY**

- Despite the healthy order book outlook for the rest of the 2023-2024 fiscal year, the Group remains cautious regarding Asia, particularly China.
- The Technical Hoses activity seems to be recovering, even if visibility is low.

**Daniel Tragus, Chief Executive Officer of the EXEL Industries Group**



*“After an excellent first quarter, EXEL Industries posted a less consistent growth pattern this quarter including the expected decline in the Sugar Beet Harvesting activity. Given the seasonal nature of our business, the second half is more significant for the Group's annual performance and, in 2024, will be faced with a challenging basis of comparison, especially in the fourth quarter. In the agricultural sector, the downward trend in the order book amid a sluggish business climate is confirmed. However, sales remained solid during the first half.”*

## Upcoming events

- **May 24, 2024**, before market opening: H1 2023-2024 results and investor presentation
- **July 23, 2024**, before market opening: Q3 2023-2024 revenue

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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 33 countries and five continents. The Group posted FY 2022-2023 revenue 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 on [www.exel-industries.com](http://www.exel-industries.com)

Daniel TRAGUS  
Chief Executive Officer

Thomas GERMAIN  
Group Chief Financial Officer / Investor relations

[direction.communication@exel-industries.com](mailto:direction.communication@exel-industries.com)