

## Press release

### SergeFerrari Group posts H1 2023 revenues of €175.5 million, up 3.2%

- Quarterly revenue of €90.7m, very close to the Q2 2022 historic record
- Strong growth in recent acquisitions in the field of Solutions
- Cyclical impact of consumer equipment markets
- Adjusted revenue and profitability outlook for 2023

**Saint-Jean-de-Soudain, July 18, 2023, 5:45 pm CEST** - SergeFerrari Group (FR0011950682 - SEFER), a leading global supplier of innovative flexible composite materials under the Serge Ferrari and Verseidag brands and listed on Euronext Paris – Compartment C, today announces its revenues for the first half of 2023.

#### Revenue breakdown by region (unaudited)

(in € thousands)	Q2 2023	Q2 2022	Ch. at current scope and exchange rates	Ch. at constant scope and exchange rates	H1 2023	H1 2022	Ch. at current scope and exchange rates	Ch. at constant scope and exchange rates
Europe	65,335	66,851	-2.3%	-10.6%	130,105	127,409	+2.1%	-6.6%
Americas	10,853	9,498	+14.3%	+16.0%	20,129	17,080	+17.9%	+16.3%
Asia - Africa - Pacific	14,537	14,629	-0.6%	+3.4%	25,314	25,551	-0.9%	+2.4%
Total revenues	90,725	90,978	-0.3%	-5.6%	175,548	170,040	+3.2%	-2.9%

**Sébastien Baril, Chairman of the SergeFerrari Group Executive Board**, comments: "During the first half of 2023, business levels increased despite the economic difficulties linked with the downturn in consumer consumption, mainly in Europe. Revenues were up by 3% on a record historic level. The Group was able to rely on the strong momentum of its Solutions businesses, particularly in the biogas sector. The acquisition of Markleen strengthens the Group's capabilities in this promising sector, which enables us to add value to the manufacture of our innovative membranes. Thanks to our solid positioning in our historic markets and the dynamism of our new activities, we remain firmly positive about the structural dynamics of our markets".

## Q2 2023 performance: revenues of €90.7m

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Revenue for Q2 2023 amounted to €90.7 million, virtually unchanged from Q2 2022 at current scope and exchange rates (down 0.3%) and down 5.6% at constant scope and exchange rates compared with Q2 record.

This change of -0.3% is the result of:

- A scope effect of +6.1% (+€5.6m) resulting from last year's acquisitions, Baltijos Tentas, MSE and DCS, consolidated from July 1<sup>st</sup> and August 1<sup>st</sup>, 2022, respectively, and Markleen, acquired in the first half and consolidated from April 1<sup>st</sup>, 2023. The last 3 acquisitions make up the Solutions activities (biogas, fish-farming and implementation of composite materials);
- A continuing positive price-mix effect of +2.8%;
- A volume effect of -8.4%, resulting in particular from lower sales in the Solar Protection and Furniture segments. Particularly well oriented in 2022, these two markets are impacted by the slowdown in consumer consumption;
- A currency effect of -0.8%.

## H1 2023 performance, up 3.2%

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The Group generated cumulative revenue of €175.5 million in the first half of 2023, up 3.2% at current scope and exchange rates and down 2.9% at constant scope and exchanges rates.

Over the first half of 2023, revenue by geographic region is as follows:

- In **Europe**, revenue increased by +2.1% to €130m, driven in particular by acquisitions over the past 12 months.
- Revenue in **Americas** recorded strong growth of +17.9% at current scope and exchange rates and +16.3% at constant scope and exchange rates. This good performance is mainly due to the sales of the Modular Structure and Tensile Architecture segments.
- In **Asia - Africa - Pacific**, revenue increased by +2.4% at constant scope and exchange rates, following particularly dynamic commercial activity in the first half of 2022. The unfavourable impact of exchange rates (changes in the yuan, the Turkish lira and the Taiwanese dollar against the euro) is responsible for the -0.9% decline at current scope and exchange rates.

## Outlook

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Given the uncertain economic environment, SergeFerrari Group is adjusting its revenue expectations for 2023 and is now targeting growth of +4% compared with 2022, below its previous assumption of +7%.

The slowdown in sales growth in 2023 is the dual consequence of a high base effect, with record sales recorded in 2021 and 2022, and the priority given to destocking by customer-distributors in the first half of 2023. This is a reflection of the importance of indirect sales in our distribution strategy, it does not affect the quality of the Group's fundamentals.

As a result, the 2023 current operating margin will be affected by this lower-than-expected sales growth. At the same time, the sharp rise in energy costs will not be fully offset by the initial easing in prices for certain categories of raw materials. In these circumstances, SergeFerrari Group is revising its guidance for operating profit from ordinary activities in 2023 to between 5% and 5.5% of revenue in 2023, compared with 7.4% in 2022.

In the first half of the year, the Group noted the favourable impact of the actions implemented by the new supply chain organisation, which aims to improve working capital requirements and adjust inventories to forecast business levels. In addition, on July 13, 2023, the Group signed a €10 million financing agreement under the "Prêts Participatifs Relance" scheme, which will strengthen its financial structure.

## Financial calendar

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- Publication of the **H1 2023 results on September 14, 2023**, after market close
- Publication of the **Q3 2023 revenues on October 18, 2023**, after market close

### ABOUT SERGEFERRARI GROUP

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Marketing its products under two brands, Serge Ferrari and Verseidag, the Serge Ferrari Group is a leading global supplier of composite materials for Tensile Architecture, Modular Structures, Solar Protection and Furniture/Marine, in a global market estimated by the Company at around €6 billion. The unique characteristics of these products enable applications that meet the major technical and societal challenges: energy-efficient buildings, energy management, performance and durability of materials, concern for comfort and safety together, opening up of interior living spaces etc. Its main competitive advantage is based on the implementation of differentiating proprietary technologies and know-how. The Group has manufacturing facilities in France, Switzerland, Germany, Italy and Asia. Serge Ferrari operates in 80 countries via subsidiaries, sales offices and a worldwide network of over 100 independent distributors.

In 2022, Serge Ferrari posted consolidated revenues of €338.7 million, over 80% of which was generated outside France. The SergeFerrari Group share is listed on Euronext Paris – Compartment C (ISIN: FR0011950682). SergeFerrari Group shares are eligible for the French PEA-PME and FCPI investment schemes. [www.sergeferrari.com](http://www.sergeferrari.com)

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