

## 2021 Annual Results: Strong increase in turnover, new increase in profitability

### - Acquisition of Scaletec Ltd (New-Zealand)

The supervisory board (Conseil de Surveillance), met on 7<sup>th</sup> April 2022. The President of the Executive Board approved and presented the 2022 consolidated financial statements. Those statements are under audit.

<i>(in K€)</i>	<b>2021</b>	<b>2020</b>	<b>Var</b>
<b>Net Consolidated sales</b>	150 711	135 949	10.9%
<b>EBITDA</b>	22 196	19 135	16.0%
<i>In % of net sales</i>	14.7%	14.1%	-
<b>Operational result</b>	14 458	12 692	13.9%
<i>In % of net sales</i>	9.6%	9.3%	-
<b>Net Result (controlling interests)</b>	9 250	7 061	31.0%
<i>In % of net sales</i>	6.1%	5.2%	-
<b>Earning per share (in Euros)</b>	1.71	1.31	30.5%

#### Revenue increased to €151 million, of which 44% was generated internationally

The Precia Molen Group achieved a **turnover of €150.7 million** in 2021. This figure is up 10.9% compared to 2020 (+10.7% compared to 2019). The contribution of the acquisition of Creative IT on 30<sup>th</sup> April 2021 amounted to +1.4% (over 9 months), currency effects are negligible, so organic growth stands at +9.4%.

**Turnover in France grew strongly by 11.9%** (14.9% for Precia SA and 4.9% for PMS, which represents the services business). **Europe**, for its part, grew slightly by **2.5%** with very good performances by Precia Polska (+44.6%) and PM UK (+14.3%) despite Brexit.

**Revenue in the "rest of the world" zone increased by 25.7%**, especially in Asia Pacific, with a very strong contribution from PM India (+51.5%), which represents 60% of the growth in revenue in this region. Subsidiaries in Malaysia, New Zealand and China are also experiencing strong growth.

#### EBITDA and operating margin improved to 9.6%

**EBITDA** reached €22.2 million, or 14.7% of revenue, up 16.0% compared to 2020 (€19.1 million). **Operating income** for the period amounted to €14.5 million, or 9.6% of revenue and up 13.9% compared to last year.

Creative IT's good level of operating income (above the group's average level) combined with numerous cost control measures on our historical basis therefore allows the group to record a record level of **operating profitability**.

**PMS with 7.3 M Euros in operating income**, up 12.7%, maintains its 50% share of the group's results. It should be noted that **PMS, Precia SA, PM India, PM NL & Belgium, PM West Africa and Milviteka** are in order the largest contributors to the operating result.

This good operating performance is the result of a **significant improvement in the situation of several subsidiaries**. **PM UK and PM Polska** are returning to balance thanks to very large reorganisation efforts and Australia remains a point of attention.

After taking into account a negative net financial result of €27K, positive currency effects of €146K and a tax expense reflecting a lower tax rate (31.5% of earnings), net income Group share 2021 reached €9.3 million (+31.0%), representing 6.1% of revenue, compared to 5.2% in 2020. This level of profit also takes into account minority interests up to €0.7 million.

Earnings per share amounted to €1.71 per share compared to €1.31 in 2020 (after a 10-fold increase in the number of shares following the 10-fold division of the nominal value).

### **Increase in operating cash flow, improvement in the level of working capital requirement**

Net cash flow from operating activities (after tax) amounted to 20.6 M€ compared with 14.8 M€ a year earlier. This increase was made possible on the one hand by the increase in the EBITDA and on the other hand by much lower working capital requirements (15.2 M€ which stood at 10.1% of revenues vs. 13.3% in 2020). Investments in the production capacities remained high (net investments of €4.5 million compared to €4.1 million in 2020) and the level of acquisitions also (€5.6 million).

As a result, cash net of financial debts (including lease debts of 9.4 M€) amounted to 11.3 M€ compared to 6.3 M€ a year earlier.

Cash (treasury and cash equivalents) amounted to 36.82 M€ compared to 31.2 M€ a year earlier.

### **2022 outlook and forecast**

The level of order intake remains excellent at the beginning of the year with an order book that continues to grow despite the uncertainties related to the health context that are not all lifted and the war in Ukraine which further complicates the situation.

The orders portfolio is now 33% higher than at the beginning of 2021. Nevertheless, shortages of electronic components will have consequences on our ability to manufacture, which will mechanically limit the growth of our turnover.

In this context, the group has set itself the objective of a consolidated turnover of €160 million in 2022. On the other hand, the very strong cost increases of all raw materials and components will have an impact on profitability, which should lead to a decrease in the expected operating margin to 9.1% against 9.6% in 2021.

### **Consolidated financial statements report available**

The consolidated financial statements as of 31st December 2021 will be available starting 30th April 2022 on the company internet website: <http://www.preciamolen.com/informations-reglementees> (Fr only)

### **Next press release**

Precia Molen Group consolidated turnover for the first quarter 2022 will be announced on 16th Mai 2022.

## Acquisition of Scaletec Ltd (New Zealand)

The Precia Molen Group announces that it has recently signed an agreement for the activities of Scaletec Ltd ([www.scaletec.co.nz](http://www.scaletec.co.nz)) in New-Zealand via its subsidiary Precia Molen New Zealand, confirming the group's high interest for the Asia-Pacific region and New Zealand in particular.

Scaletec specializes in the sale and service of industrial weighing instruments throughout New Zealand. Benefiting from a strong market position, an excellent reputation at the service of a large and renowned clientele, its workforce is 6 people and its turnover of about 700 KEUR. Scaletec's activities will be included in the scope of consolidation from 1 April 2022.

### The Chairman of the Executive Board

René COLOMBEL

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### About Precia Molen

PRECIA MOLEN designs and manufactures, sells and maintains systems and solutions of industrial and commercial static weighing and of continuous weighing and dosing equipment. Main clients are heavy industries (mines, quarries, steel, environment, energy...) and light industries (food, chemicals, transportation and logistics...) and also public sectors (posts, local authorities...).

From design to after sales service, PRECIA-MOLEN is able to provide total weighing solutions for all businesses. Precia Molen is present in 42 countries, with 22 commercial subsidiaries and a large network of selling agents. It has nine production plants (France, The Netherlands, India, the United Kingdom, Morocco, Australia, Poland and Lithuania) and three assembly sites (Brazil, USA, Malaysia). The Group pursues a large research and innovation program, and has been granted an "Innovating Company" status by French authority Oseo.

Precia Molen is listed on NYSE Euronext's C compartment in Paris (code ISIN FR0000060832 - Mmemo: PREC). - More information on [www.preciamolen.com](http://www.preciamolen.com)