

## Improvement in 2022-2023 full-year results

### Stronger financial position

In € million <i>Unaudited figures<sup>1</sup></i>	2021-2022	H1 2022- 2023	H2 2022- 2023	2022-2023	Change Y/Y-1
<b>Revenue</b>	<b>704.2</b>	<b>420.8</b>	<b>413.4</b>	<b>834.2</b>	<b>+18.5%</b>
Gross margin	317.1	182.8	191.3	374.1	
<i>Gross margin (as a %)</i>	45.0%	43.4%	46.3%	44.9%	
<b>EBITDA*</b>	<b>52.3</b>	<b>33.4</b>	<b>36.0</b>	<b>69.4</b>	<b>+32.8%</b>
<i>EBITDA margin</i>	7.4%	7.9%	8.7%	8.3%	
<b>Recurring operating income</b>	<b>4.3</b>	<b>6.9</b>	<b>15.2</b>	<b>22.1</b>	<b>+412.7%</b>
Operating income (loss)	(7.3)	(9.1)	11.2	2.1	
<b>Net income (loss)</b>	<b>(20.2)</b>	<b>(13.7)</b>	<b>2.3</b>	<b>(11.4)</b>	<b>+43.7%</b>
Net income (loss) attributable to equity holders of the parent	(22.7)	(15.9)	1.1	(14.8)	

\* *Recurring operating income before net allocations to amortization, depreciation and provisions.*

**In 2022-2023, Plastivaloire Group posted its highest ever revenue, at €834.2 million (up 18.5%), passing the €800 million mark in full-year revenue for the first time. As expected, this good business dynamic was accompanied by a gradual recovery in operating profitability.**

**EBITDA margin continued to improve in the second half, coming in at 8.7%, 80 basis points higher than in the first half. This performance takes the annual EBITDA margin to 8.3% (versus 7.4% last year), in line with the Group's target, lifting EBITDA 32.8% to €69.4 million.**

**Net income also improved strongly (up 43.7%), but remained negative due to net non-recurring expenses of €20.0 million (including €15.3 million of goodwill impairment in Germany with no cash impact). Net income would have been positive without these non-recurring items, as it was in the second half.**

**The year was also marked by a major agreement with our financial partners, enabling us to spread repayment installments over several years, notably for State-guaranteed loans and to secure new financing for the launch of new programs<sup>2</sup>. Net debt was further reduced by €18.2 million in the second half, thanks to the generation of cash over the period.**

<sup>1</sup> As the consolidated financial statements are currently being audited, the results presented are provisional. Plastivaloire's consolidated statements for financial year 2022-2023 ended September 30, 2023 will be approved by its Board of Directors on January 2024. The auditors' report will be published once the procedures required for the publication of the annual financial report have been completed.

<sup>2</sup> See 2022-2023 half-yearly results press release dated July 11, 2023.

## **Annual revenue: €834.2 million (up 18.5%)**

Plastivaloire Group recorded the best ever revenue in its history at €834.2 million, up sharply by 18.5% over the year (up 18.2% at constant exchange rates), a performance well ahead of growth in global automotive production.

The Motor Vehicle division (parts and tooling) posted strong growth to reach €672.2 million (up 20.9%), reflecting the Group's involvement in several promising sales campaigns. Buoyed by strong business momentum, the Industries division posted revenue of €162.0 million for the year (up 9.4%). The Motor Vehicles and Industries divisions accounted for 80.6% and 19.4% of the Group's annual revenue, respectively.

Business was particularly brisk in Europe, amid a rebound in automotive production, with revenue of €720.6 million, representing growth of 21.1% (up 21.8% at constant exchange rates) compared with 2021-2022. The Americas region (United States – Mexico), which benefited from the economic upturn in the previous year, consolidated its performance with revenue of €113.6 million, up 3.9% (down 1.4% at constant exchange rates).

## **EBITDA margin: 8.3%, up 90 basis points on 2021-2022**

**EBITDA margin continued to improve, reaching 8.7% in the second half of the year compared with 7.9% in the first half of the year. Over the full year, it stood at 8.3% (versus 7.4% in 2021-2022, i.e., up 90 bps).** This increase is mainly due to productivity gains and streamlining measures. Annual gross margin remained stable at 44.9%, with a sharp upturn in the second half to 46.3% (after the first-half low of 43.4%), thanks to inflation on our production costs being partially passed on in our sales prices and certain raw material pressures beginning to ease. The Group is continuing to work on improving its EBITDA margin.

Net allocations to depreciation, amortization and provisions remained stable at €47.3 million. **Recurring operating income came in at 22.1 million (versus €4.3 million in 2021-2022).**

The increase in operating income to €2.1 million (versus an operating loss of €7.3 million in 2021-2022) was mitigated by the recognition of significant non-recurring expenses consisting of a €15.3 million goodwill impairment charge on a German subsidiary (in the first half), a provision of €2.1 million following the closure of chrome-plating operations at the Morteau site (in the second half) and fees from renewed negotiations with banks.

Net financial expenses came to €8.5 million (versus €6.7 million in 2021-2022), including the impact of the increase in interest rates.

Taking into account the tax expense of €4.5 million, the Group reported a net loss of €11.4 million, of which €14.8 million attributable to equity holders of the parent.

## **Stronger financial structure**

Cash flow amounted to €66.4 million, with an excellent conversion of EBITDA. Working capital requirement was well controlled, improving by €4.6 million.

Cash flow from operating activities came to €67.5 million, exceeding net investment outflows, which amounted to €39.7 million. **Free cash flow therefore returned to positive territory, reaching a positive €27.8 million, a clear improvement on 2021-2022 (a negative €6.4 million), allowing for a reduction in net debt** after payment of interest.

**Available cash rose sharply to €71.1 million** at September 30, 2023 (versus €40.7 million one year earlier). The Group's net debt, including €24.0 million in lease liabilities, was down €18.2 million to €222.2 million, with shareholders' equity of €245.5 million, representing a net gearing ratio of 90.5% (80.7% excluding lease liabilities).

**The net debt to EBITDA ratio stood at 3.2 (versus 4.6 in 2021-2022), returning to a more standard level.**

As a result, the Group's financial structure is stronger, with less than €5 million in debt repayments due over the current year.

### **A Group committed to the environment**

Plastivaloire is continuing to reduce its environmental footprint. **As a result, all monitored indicators improved in 2022-2023**, with carbon intensity<sup>3</sup> down 12%, waste intensity<sup>4</sup> reduced by 15%, and the rate of recycled raw materials purchased<sup>5</sup> up 28%. The Group is also stepping up its efforts to reduce energy consumption in its plants, by equipping itself with specific analysis tools that are gradually being rolled out across the Group, and by raising employee awareness of best practices.

### **Continued streamlining of industrial operations, with a large-scale project in Germany**

Plastivaloire is continuing to adjust its production facilities to boost operating profitability and eliminate sources of losses. Following the closure of the Creutzwald site in France in April 2023 and the shutdown of chrome-plating activities at the Morteau site in September 2023, the **Group is launching a restructuring project in Germany in the first half of 2023-2024** which involves consolidating production at one site instead of two, and transferring the activities of the German technical center to France. **These operations will generate limited non-recurring expenses, estimated at between €3 and €4 million.**

### **A sales strategy focused on Europe and America**

Plastivaloire has decided to end its development projects in China in order to allocate all its resources to its development in Europe and the Americas. In the medium term, the Group intends to increase the share of revenue generated by the Industries division, while continuing to strengthen its business relations with its Motor Vehicles customers.

**The Group has a good degree of medium-term visibility**, thanks in particular to a record order intake of almost €900 million for the 2021-2022 financial year. Order intake was lower in 2022-2023 but remained satisfactory at close to €600 million. The period was shaped by a lower volume of motor vehicle "platform" tenders and a higher degree of selectivity in terms of profitability.

<sup>3</sup> Carbon intensity: Scope 1 & 2 GHG emissions in CO<sub>2</sub> equivalent/sales (excluding tooling).

<sup>4</sup> Waste intensity: waste production/sales (excluding tooling).

<sup>5</sup> Rate of recycled raw materials: recycled raw materials purchased/total raw materials purchased.

## 2023-2024 outlook

Against a backdrop of economic uncertainty and global automotive production trends that could weigh on production, the Group is aiming to consolidate the milestone reached in 2022-2023, with a **revenue target for 2023-2024 of over €800 million**.

**Improving operating profitability remains the priority, driven in particular by an expected rise in gross margin.** The Group will continue its negotiations with customers and its measures to streamline production. **Plastivaloire is aiming for a slightly higher EBITDA margin in 2023-2024 than in the previous year (8.3%), allowing it to pursue its innovation policy and its debt reduction program.**

**Next financial publication: February 14, 2024:  
First-quarter 2023-2024 revenue**

**If you would like to receive financial information about Plastivaloire Group by e-mail, go to:**  
[www.actusnews.com](http://www.actusnews.com)

## About Plastivaloire Group:

Plastivaloire Group ranks amongst the very top European manufacturers of complex plastic parts used in retail consumer products.

Using innovative solutions, it designs and manufactures these high-tech plastic parts and handles their mass production for the Motor Vehicle and Industries sectors.

Plastivaloire Group has more than 6,000 employees and 31 production sites in France, Germany, the United States, Poland, Spain, Romania, Turkey, Tunisia, England, Portugal, the Czech Republic, Slovakia and Mexico.

Number of shares: 22,125,600 – Euronext Paris, Segment B – ISIN: FR0000051377 – PVL

Reuters: PLVP.PA – Bloomberg: PVL.FP

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