

A record first quarter for Chargeurs Revenue up 14.8% to €180.8m

- **Like-for-like growth of 15.6% driven by Chargeurs Protective Films and Chargeurs Healthcare Solutions:**
 - ◆ Quarterly record performance for Chargeurs Protective Films (CPF) with like-for-like growth of +10.9%;
 - ◆ Revenue generated by Chargeurs Healthcare Solutions (CHS) came to €41.7m confirming our status as a benchmark innovative player in upscale healthcare products;
 - ◆ Good business performance for the museum business with an increase in the orderbook;
 - ◆ Persistence of the impact of lockdown measures on other traditional businesses.
- **Finalization of the Fournival Altesse acquisition, expanding the Chargeurs Healthcare Solutions business into the hygiene and wellness markets**
- **Start of a promising partnership with the École Polytechnique Fédérale de Lausanne research institute in Lausanne (Switzerland) to enhance the innovation capabilities of all of the Group's business lines**

Michaël Fribourg, Chairman and Chief Executive Officer, commented: *“Following a record 2020 performance, in first-quarter 2021, Chargeurs maintained robust momentum. The performance achieved confirms the success of the business diversification strategy started and the effectiveness of the new low-capital intensive business models. In particular, CPF and CHS continued to build on the brisk demand for high-quality products and solutions in their respect markets in order to deliver excellent results. Activities that were hampered by lockdown measures strengthened their product portfolios and achieved commercial success, which improve their prospects of recovery: the latter are to materialize with the gradual reopening of the global economy and various government stimulus plans.*

In an effort to enhance its innovation capabilities, the Group has also just signed a partnership with the Ecole Polytechnique Fédérale de Lausanne research institute. The partnership is aimed at capitalizing on its technological know-how. All of these initiatives and the program to complete the potential of the embedded performance at the core to Leap Forward 2025 bodes well for strong growth prospects for the months and years ahead. Quarter after quarter, Chargeurs continues to methodically strengthen its leadership in high value-added niche business.”

Q1 2021 REVENUE UP 15.6% LIKE-FOR-LIKE

First-quarter 2021 revenue came to €180.8m, up 14.8%. This performance, after the remarkable Q2 2020, is the best for several decades for Chargeurs, and the result of strong like-for-like growth of 15.6%, an acceleration versus Q4 2020. It was driven by the excellent performances of Chargeurs Protective Films, reporting double-digit like-for-like growth, and Chargeurs Healthcare Solutions which benefited from its premium positioning. Like-for-like growth for businesses excluding CHS reflects a sequential improvement: the 10.9% decline attributable to the impacts of lockdowns on retail activities in Q1 2021 compares very favorably with the 17.3% decline reported in Q4 2020.

Revenue growth was also supported by a positive scope effect of 2.7% linked to the acquisitions of D&P in February 2020 and Hypsos in April 2020 within Chargeurs Museum Solutions (CMS). The decline in the US and Hong Kong dollars versus the euro contributed to a negative currency impact of 3.4% on Group revenue.

A DYNAMIC START TO 2021 FOR SEVERAL BUSINESS LINES

(in €m)	First quarter			chg. 2021 vs. 2020		chg. 2021 vs. 2019	
	2021	2020	2019	reported	like-for-like	reported	like-for-like
Protective Films	76.5	70.9	69.2	+7.9%	+10.9%	+10.5%	+12.7%
PCC Fashion Technologies	31.6	45.2	53.0	-30.1%	-24.6%	-40.4%	-34.9%
Museum Solutions	12.6	11.3	8.1	+11.5%	-19.5%	+55.6%	-50.6%
Luxury Materials	18.4	30.1	30.9	-38.9%	-38.5%	-40.5%	-39.8%
Chargeurs excl. Healthcare Solutions	139.1	157.5	161.2	-11.7%	-10.9%	-13.7%	-16.2%
Healthcare Solutions	41.7	-	-				
Chargeurs	180.8	157.5	161.2	+14.8%	+15.6%	+12.2%	+9.7%

By business line, Chargeurs' Q1 revenue performance breaks down as follows:

- **Chargeurs Protective Films** generated revenue of €76.5m, a record high for this business line. Like-for-like growth came to 10.9%, an acceleration of the momentum started in Q4 2020. Demand was brisk on all continents, with a sharp rebound reported in major European countries. In particular, demand was driven by the strength of the construction sector, reflecting robust growth in building permit allocations. The planned ramp-up in the Italian techno-smart production line enabled us to respond to the significant increase in the orderbook, with the latter providing promising visibility for the months ahead. In line with commercial agreements with customers, CPF began adjusting its selling prices to reflect the sharp increase in the price of polyethylene in recent months. The CPSM – Specialty Machines – business line also performed well, with order intake reaching record levels at the end of the quarter. During the quarter, the business line signed an innovation partnership with Saint-Gobain, for the development of exclusive protection solutions for its double glazing.

- **Chargeurs*PCC Fashion Technologies** posted revenue of €31.6m. Further lockdown measures introduced in several countries throughout the world continued to weigh heavily on the clothing industry. Nevertheless, thanks to buoyant consumer trends in Asia, the business line's global orderbook is gradually recovering. The business line is actively rolling out its performance interlining range to meet strong demand in the sportswear segment, reflected in growth in revenues generated with certain brands and a return to positive like-for-like growth in a few countries. Similarly, the *Sustainable 360* range, the first complete interlining range made from eco-friendly materials is a real success with upscale brands, and benefits from promising growth prospects. Business in Europe remained stable compared with Q4 2020, driven in particular by the good performance of French and Italian luxury goods brands.
- **Chargeurs Luxury Materials** reported revenue of €18.4m, down 38.5% like-for-like compared with Q1 2020 as the first two months of last year enjoyed strong growth. Although this business line continues to suffer from the health crisis, it is benefiting from the rebound in wool prices and a gradual recovery in demand, particularly in Europe. The *Nativa™* certified and traceable wool range enjoyed new marketing successes, directly with internationally renowned brands who prioritize sustainable development criteria.
- **Chargeurs Museum Solutions** recorded 11.5% revenue growth to €12.6m. This growth reflects a positive scope effect linked to the H1 2020 acquisitions of Hypsos and D&P, for which the extension of the National Air & Space Museum contract in the US made a significant contribution. Lockdown measures leading to the closure of non-essential establishments in many European countries continued to weigh on business in retail sectors and for professional trade shows, which are significant end-markets for Senfa and Leach. The announced or already effective re-opening of certain public places in the United Kingdom, where Leach is based, however, point to a gradual recovery in CMS' historical businesses in the coming months. Lockdown measures also led to the postponement or slowdown in execution of some museum development projects, which, together with new contract wins, led to an increase in the orderbook for this business line. Indeed, business momentum for entities active in the museum development business remains very vigorous. During the first quarter, a CMS subsidiary specialized in project management and museum engineering won the biggest tender offer in its history, for a project extending to more than five years, worth more than €20m, guaranteeing excellent visibility on business.
- **Chargeurs Healthcare Solutions** posted €41.7m in revenue. Major tender bids won since Q4 2020 with public, state and regional authorities providing the business line with good visibility for the first half of the year, and already enable the Group to confirm its target of revenue of €50-100m for this business line for 2021.

The Lainière Santé™ offering continues to move upmarket and diversify, with an extended range of re-usable masks and patented innovations in terms of filtration, breathability and comfort. This offering also includes a sustainable dimension, with the use of recycled and recyclable materials and collection solutions for used products, unlike most competitors. Furthermore, Lainière Santé™ has stepped up its independent domestic production capacity for surgical and FFP2 masks to provide secure supply solutions for disposable masks for major companies and smaller businesses.

The business line has also launched a major market innovation in the fight against the spread of the pandemic. Benefiting from the expertise of Novacel, the Chargeurs Protective Films subsidiary, specialized in techniques to incorporate active ingredients in acrylic glue, the Group has developed and filed a patent for a disinfectant solution which involves using a colorless spray, without any risk to health or the environment, to ensure lasting elimination of germs.

This innovation, which is a genuine example of the hidden assets of the Group's different business lines, has enjoyed its first commercial success with the signature of a contract with Transdev Rouen/the Rouen Normandie metropole, for the regular disinfection of the Astuce public transport network. It was also the subject of business discussions with public and private players aware of health concerns in places welcoming the public apart from transport infrastructures, such as theaters, cinemas, museums, and public establishments such as schools, town halls, train stations and even airports.

SUBSEQUENT EVENTS

Finalization of the Fournival Altesse acquisition

The acquisition of Fournival Altesse, the specialist in high-end Made in France hairbrushes, was finalized in early April 2021. The company joins the Chargeurs Healthcare Solutions business line, expanding its offering into healthcare, wellness and hygiene products for exacting customers to pool distribution channels – pharmacies, selective distribution and travel retail on the one hand, and e-commerce on the other.

This family-to-family acquisition, like nearly all of the acquisitions carried out by Chargeurs over the past five years, is the first stage in CHS' product extension strategy to consolidate the business line, with the active involvement of Fournival Altesse's management.

Initiation of an innovation partnership with the École Polytechnique Fédérale de Lausanne research institute

Chargeurs and the École Polytechnique Fédérale de Lausanne (EPFL) research institute have signed a partnership, effective May 1, 2021 enabling the Group to join the EPFL Innovation Park (EIP) network. Thanks to this privileged access to a world-renowned scientific ecosystem, the "Chargeurs Innovation" arm, now part of the EIP network, is targeting the development and acquisition of cutting-edge technologies in contact with a number of specialist research laboratories with a view to enhancing the innovation capabilities of the Group's business lines and its global leadership.

The unit will be supervised by the Transformation, Acquisitions and Innovation Department newly-created and managed by Etienne Petit, who joined the Group's Executive Committee in February 2021. EIP, which is based on the prestigious institute's campus, is home to more than 40 global-reaching companies and 150 start-ups. The campus has more than 2,000 employees, students, engineers, researchers and scientists.

Strengthened Group liquidity

The private placement bond (Euro PP) for €100m with an 8-year maturity signed by the Group end-2020, was increased with an additional subscription of €20m, by the health-sector specialized fund of Eiffel Investment Group, bringing total funds raised to €120m.

This subscription by a benchmark investor reflects the appeal of the Chargeurs signature and contributes to securing the liquidity required to roll out the Leap Forward 2025 strategic development program.

2021 Financial Calendar

Thursday September 9, 2021 (before market)

First-half 2021 results

Wednesday, November 10, 2021 (before market)

Third-quarter 2021 financial information

ABOUT CHARGEURS

CHARGEURS is a world leader of niche technologies and services, offering integrated, high value-added solutions to its B2B and B2C customers. Active in 90 countries with nearly 2,500 employees, the Group, whose global signature is High Emotion Technology®, develops its manufacturing and technological expertise across a range of sectors including premium materials protection, fashion and luxury goods, museum services and healthcare.

As the Group begins a new chapter in its history of nearly 150 years, the Leap Forward 2025 strategic plan is aimed at seizing market opportunities linked to developments in production, distribution and consumption methods and widespread demand for sustainable manufacturing solutions. Recognized for its highly responsive, agile manufacturing and global footprint, Chargeurs' presence in many areas of expertise supports its profitable and sustainable growth. In 2020, the Group generated revenue of €822m.

APPENDICES

Breakdown of revenue by business line:

(in €m)	2021	2020	2019	Change 2021 vs. 2020
First quarter				
Chargeurs Protective Films	76.5	70.9	69.2	+7.9%
Chargeurs PCC Fashion Technologies	31.6	45.2	53.0	-30.1%
Chargeurs Museum Solutions	12.6	11.3	8.1	+11.5%
Chargeurs Luxury Materials	18.4	30.1	30.9	-38.9%
Chargeurs Healthcare Solutions	41.7	-	-	
Chargeurs	180.8	157.5	161.2	+14.8%
Second quarter				
Chargeurs Protective Films	-	62.8	72.9	-
Chargeurs PCC Fashion Technologies	-	20.3	54.8	-
Chargeurs Museum Solutions	-	13.7	9.9	-
Chargeurs Luxury Materials	-	10.3	27.3	-
Chargeurs Healthcare Solutions	-	253.9	-	-
Chargeurs	-	361.0	164.9	-
Third quarter				
Chargeurs Protective Films	-	67.1	69.8	-
Chargeurs PCC Fashion Technologies	-	32.9	48.4	-
Chargeurs Museum Solutions	-	13.2	6.7	-
Chargeurs Luxury Materials	-	9.8	21.5	-
Chargeurs Healthcare Solutions	-	46.7	-	-
Chargeurs	-	169.7	146.4	-
Fourth quarter				
Chargeurs Protective Films	-	69.6	66.2	-
Chargeurs PCC Fashion Technologies	-	33.4	54.4	-
Chargeurs Museum Solutions	-	13.4	12.6	-
Chargeurs Luxury Materials	-	14.4	20.5	-
Chargeurs Healthcare Solutions	-	3.0	-	-
Chargeurs	-	133.8	153.7	-
Full-year total				
Chargeurs Protective Films	-	270.4	278.1	-
Chargeurs PCC Fashion Technologies	-	131.8	210.6	-
Chargeurs Museum Solutions	-	51.6	37.3	-
Chargeurs Luxury Materials	-	64.6	100.2	-
Chargeurs Healthcare Solutions	-	303.6	-	-
Chargeurs	-	822.0	626.2	-

Breakdown of revenue by geography:

<i>(in €m)</i>	2021	2020	2019	Change 2021 vs. 2020
First quarter				
Europe	103.5	71.2	78.4	+45.4%
Americas	41.2	39.3	38.4	+4.8%
Asia	36.1	47.0	44.4	-23.2%
Chargeurs	180.8	157.5	161.2	+14.8%
Second quarter				
Europe	-	291.2	72.9	-
Americas	-	39.4	38.8	-
Asia	-	30.4	53.2	-
Chargeurs	-	361.0	164.9	-
Third quarter				
Europe	-	96.3	63.0	-
Americas	-	38.1	36.3	-
Asia	-	35.3	47.1	-
Chargeurs	-	169.7	146.4	-
Fourth quarter				
Europe	-	53.2	59.8	-
Americas	-	39.8	36.4	-
Asia	-	40.8	57.5	-
Chargeurs	-	133.8	153.7	-
Full-year total				
Europe	-	511.9	274.1	-
Americas	-	156.6	149.9	-
Asia	-	153.5	202.2	-
Chargeurs	-	822.0	626.2	-

Glossary of financial terms

Like-for-like change from one year to the next is calculated:

- by applying the average exchange rates for year Y-1 to the period concerned (year, half-year, quarter);
- and based on the scope of consolidation for Year Y-1.