

Sfpi Group presents its 2023 results

strong growth in sales and net cash flow

Paris, 18th April 2024

The Board of Directors of Sfpi Group, which specializes in the protection of people, property and the environment, met on April 18, 2024 and approved the **consolidated financial statements for the year ended December 31, 2023**.

These consolidated financial statements for the period January 1, 2023 to December 31, 2023 have been audited by our statutory auditors, and their audit report is currently being issued.

in M€	31/12/2023	in % of CA	31/12/2022 (*)	in % of CA	Variation 2023/ 2022 (in %)
Sales	688,8		629,1		+9,5 %
<i>of which Dom Security Division</i>	<i>232,0</i>		<i>207,6</i>		<i>+11,7 %</i>
<i>of which MAC Division</i>	<i>250,2</i>		<i>232,3</i>		<i>+7,7 %</i>
<i>of which NEU-JKF Division</i>	<i>136,6</i>		<i>129,2</i>		<i>+5,7%</i>
<i>of which MMD Division</i>	<i>70,3</i>		<i>60,2</i>		<i>+16,9 %</i>
Gross margin	393,2	57,1 %	361,4	57,4 %	-0,3 pt
<i>of which Dom Security Division</i>		<i>67,5 %</i>		<i>69,0 %</i>	
<i>of which MAC Division</i>		<i>51,3 %</i>		<i>52,4 %</i>	
<i>of which NEU-JKF Division</i>		<i>49,3 %</i>		<i>49,4 %</i>	
<i>of which MMD Division</i>		<i>58,2 %</i>		<i>54,1 %</i>	
Current operating income	28,5	4,1 %	35,9	5,7 %	
<i>of which Dom Security Division</i>	<i>16,4</i>		<i>17,2</i>		
<i>of which MAC Division</i>	<i>-7,2</i>		<i>3,9</i>		
<i>of which NEU-JKF Division</i>	<i>7,6</i>		<i>8,0</i>		
<i>of which MMD Division</i>	<i>12,0</i>		<i>6,7</i>		
Operating income	8,9	1,3 %	32,0	5,1 %	
Net income of consolidated companies	0,9	0,1 %	21,7	3,5 %	
<i>Group share</i>	<i>1,2</i>		<i>21,9</i>		
<i>Minority share</i>	<i>-0,3</i>		<i>-0,2</i>		
Earnings per share of consolidated companies (in euros)	0,01		0,24		

(*) During the first half of 2023, the Group finalized, in accordance with IFRS 3, the evaluation of the purchase price, assets acquired and liabilities assumed of the Wo&Wo group acquired on 01/08/2022. As a result, the financial statements have been adjusted.

Consolidated sales at December 31, 2023 stood at €688.8m, up 9.5% on 2022. On a like-for-like basis, excluding acquisitions made in 2022 and 2023, sales grew organically by 4.0%.

In fiscal 2023, Sfpi Group acquired the Italian company Viro, a recognized player in locking solutions, as well as Viro Tronic, which owns the real estate complex housing this activity. These two companies are included in the DOM Security division.

In an inflationary environment, the Group's gross margin remained stable.

Operating income recurring came to €28.5 million, compared with €35.9 million in 2022. This decline is mainly due to a one-off setback in the MAC division (building market facing troubles, pressure on margins, exceptional costs linked to the operational transformation project).

The performance of the other 3 divisions will ensure good financial results: the combined operating income before non-recurring items of the DOM Security, Neu-JKF and MMD divisions in 2023 will reach €36 million, corresponding to the operating income before non-recurring items of the entire Group in 2022.

Operating income amounted to €8.9 m, including €18.9m of goodwill impairment on the Wo&Wo group. An arbitration procedure to review the acquisition price has been initiated, and will be announced in December 2023.

Net income from consolidated companies came to €0.9m, compared with €21.7m in 2022.

At December 31, 2023, shareholders' equity (Group share) stood at €248.6m, compared with €248.9m at December 31, 2022.

In M€	31/12/2023	31/12/2022 (*)
Non-current assets	200,4	210,0
Current assets	257,9	269,2
<i>Inventories</i>	127,8	139,4
<i>Customers</i>	106,7	106,2
<i>Other</i>	23,4	23,6
Cash and cash equivalents	143,8	126,5
Total assets	602,1	605,7
Shareholders' equity	247,9	249,1
<i>of which Group share</i>	248,6	248,9
Non-current liabilities	146,1	143,8
<i>Non-current borrowings</i>	68,1	66,6
<i>Non-current lease liabilities</i>	13,6	15,4
<i>Other liabilities (pensions, etc.)</i>	64,4	61,8
Current liabilities	208,1	212,8
<i>Current borrowings</i>	30,4	34,4
<i>Current lease liabilities</i>	5,3	5,5
<i>Trade payables</i>	61,0	67,6
<i>Tax and social security liabilities</i>	51,1	48,3
<i>Other</i>	60,3	57,0
Total liabilities	602,1	605,2

(*) During the^{first} half of 2023, the Group finalized, in accordance with IFRS 3, the valuation of the purchase price, assets acquired and liabilities assumed of the Wo&Wo group acquired on 01/08/2022. As a result, the financial statements have been adjusted.

After acquisitions, the financial structure remains solid. Sfp Group has a net cash position of 137.2 M€ and a net financial debt surplus of 45.3 M€.

in M€	31/12/2023	31/12/2022	Variation 2023/2022
Non-current borrowings (1)	(68,1)	(66,6)	(1,5)
Current borrowings (1)	(23,8)	(30,9)	7,1
Overdrafts and spot loans	(6,6)	(3,5)	(3,1)
Cash and cash equivalents	143,8	126,5	17,3
Net financial surplus	45,3	25,5	19,8

(1) financial liabilities do not include IFRS 16 lease liabilities

The simplified cash flow statement is as follows:

in M€	31/12/2023	31/12/2022	Variation 2023/2022
Cash flow from operating activities	63,5	26,4	+37,1
Cash flow from investing activities	(31,7)	(56,4)	+24,7
Financing cash flow	(17,9)	(1,4)	-16,5
Foreign exchange impact	0,3	(0,2)	0,5
Variation in cash	14,2	(31,6)	+45,8

In 2023, cash flows from investing activities include the acquisition of Viro and Viro Tronic, for €7.2m and €6.9m respectively. Cash flows from financing activities include €4.7 million in dividends and €15.1 million in new borrowings from credit institutions.

Dividends 2023: the Board of Directors will propose a dividend of €0.03 per share, i.e. a total of €2.8 million, to the Annual General Meeting to be held on June 18, 2024.

Outlook: For fiscal year 2024, Sfpi Group expects annual sales of around €690 million.

For Henri Morel, CEO and founder of Sfpi Group: *"2023 was marked by a one-off setback in one division, but also by confirmation of the relevance of the Group's transformation strategy, which is delivering excellent financial performances in the other 3 divisions. On the eve of our 40th anniversary, a new period has begun for the Group, based on very solid fundamentals: the strengthening of the confidence of our historic shareholders, a net financial surplus up by almost 80%, a transformation plan that infuses all our activities and prepares us for CSRD, a formalized internal culture, and the constant ambition to become the European leader in industrial responsibility".*

Find the presentation of the 2023 results, as of April 19, 2024
on <https://www.sfpi-group.com/global/fr/investisseurs>

Next meeting: Annual General Meeting, June 18, 2024

Identity card

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Who we are ?

SFPI Group (Safety for People and Industry) was created in France in 1985. Today, it constitutes a group of companies specialized in the safety industry for people, goods and environment. They're united within 4 autonomous, innovative and digitalized operating divisions: DOM Security, MAC, MMD, NEU-JKF. SFPI Group generates a turnover of more than 690 million Euros, employs over 4000 collaborators and delivers solutions such as buildings security and convenience, air-treatment and energy saving, both for industrial and private markets. Industrial, responsible and European with global ambitions, SFPI Group is pursuing its international expansion.