



## H1 2023 revenue up 16.2%

**WINFARM (ISIN: FR0014000P11 - ticker: ALWF)**, the number-one French distance seller of goods and solutions and provider of advisory and other services for the farming and breeding industry, today released its H1 2023 revenue.

<i>In millions of euros, unaudited</i>	H1 2022	H1 2023	Change	Change at constant scope <sup>1</sup>
Farming Supplies	55.2	65.6	+18.8%	+0.3%
Farming Production	5.5	4.8	-12.6%	-12.6%
Other <sup>2</sup>	0.8	1.0	+39.0%	+39.0%
<b>TOTAL</b>	<b>61.5</b>	<b>71.5</b>	<b>+16.2%</b>	<b>-0.1%</b>

WINFARM posted consolidated revenue of €71.5m in H1 2023, up 16.2% compared with H1 2022 and stable on a like-for-like basis.

Over the period, **Farming Supplies** (92% of half-year revenue), marketed under the Vital Concept brand, posted revenue of €65.6m, up 18.8% (+0.3% like-for-like). Business was driven by the contribution of the Kabelis Group companies (€10.0m of the total), consolidated in the Group scope since August 2022. BTN de Haas, acquired in the Netherlands in July 2021, also contributed significantly to business in the first half, reflecting both the relevance of the acquisitions made by WINFARM in recent years and the Group's ability to successfully integrate the businesses acquired.

The widespread easing in selling prices in some markets in recent months, including nutrition and health, weighed mechanically on revenue. Against this backdrop, Group sales remained stable, with an increase in the number of orders and the acquisition of new market share. Having built up inventories consistent with its reasonable purchasing policy, WINFARM has taken a successful proactive approach by adapting its catalogue prices to remain competitive with its customers while maintaining its operating margins.

Revenue from the **Farming Production** business (7% of half-year revenue), marketed under the Alphatech brand, amounted to €4.8m, down 12.6%. After a sharp increase in sales in 2022, stemming in particular from the recovery in sales for export (30% of Farming Production sales), business slowed in H1 2023 as some countries (including Pakistan, Bangladesh and Egypt) experienced difficulties accessing euro currencies, which limited their ability to place orders. The situation has now returned to normal and order intakes have resumed.

<sup>1</sup> Excluding the consolidation of Kabelis Group companies in revenue.

<sup>2</sup> Revenue from farming advisory services (under the Agritech brand) and experimental farm activities (under the Bel-Orient brand).

In the current quarter, the Company will also be able to count on the increase in its production level, bolstered by the commissioning of its new production line in April 2023. Currently in the ramp-up phase, this extension to the existing plant will enable the Group to boost its price-volume competitiveness in segments where it already enjoys a strong reputation.

“Other activities”, comprising **Farming Advisory** (marketed under the Agritech brand) and **Farming Innovation** (marketed by the Bel-Orient pilot farm), a technological showcase and demonstration of the Group’s farming expertise, posted a 40% increase in sales.

### **2023: Focus on preserving margins**

With selling prices expected to continue declining over the coming months, WINFARM has established a sales strategy to safeguard order-intake momentum, operating margins and the Company’s leading position in its market. The strategy has four key strategic priorities:

- Offer competitive prices on loss leaders, including in healthcare, seeds and harvest products;
- Increase the average basket by offering complementary products, particularly own-brand, which have stronger margins;
- Increase order volumes, in particular by encouraging customers who make occasional orders to make more frequent orders;
- Continue to enhance purchasing by favouring the marketing of higher-contribution products.

The decline in selling prices, combined with persistently high expenses, is expected to temporarily weigh on half-year margins. To shore up profitability, the Group will continue to exercise strict financial discipline.

After the successful acquisition of BTN de Haas in 2021 and the Kabelis Group companies in 2022, WINFARM will continue to explore external growth opportunities, the aim being to strengthen its positions and gain a stronger foothold at the European level.

In addition to the one-off price adjustment and its mechanical effect on revenue for the period, the Group in the long term is reasserting its target of annual revenue of around €200 million by 2025 and an EBITDA margin of around 6.5%. To that end, WINFARM will draw on the strength of its model which is underpinned by key fundamentals that create results:

- A solid business model combining an established long-standing business activity and high-potential growth drivers;
- An extensive catalogue constantly renewed through continuous innovation;
- Competitive prices fully transparent to customers, along with optimised costs;
- A proven ability in acquisitions and integrations;
- A unique positioning at the centre of the agricultural market, creating competitive offers for its farmer customers.

### **Next release:**

H1 2023 results on 5 October 2023, after market close.

## **About WINFARM**

*Founded in Loudéac, in the heart of Brittany, at the beginning of the 1990s, the Winfarm group is today the leading French player offering the agricultural, livestock, horse-breeding and landscape markets a range of consultancy, service and distance selling products and global, unique and integrated solutions to help them meet the new technological, economic, environmental and social challenges of the new generation of agriculture.*

*With a vast catalogue of more than 35,000 product references (seeds, phytosanitary, harvesting products, etc.), two-thirds of which are marketed under own brands, WINFARM has more than 45,000 customers in France, Belgium and the Netherlands.*

*By 2025, WINFARM aims to achieve revenue of around €200m and an EBITDA margin of about 6.5%.*

*For more information about the company: [www.winfarm-group.com](http://www.winfarm-group.com)*

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