Privas, 29 September 2023, 6pm

# Results for the first half of 2023 :

# Sales growth of 10.4

# Operating Profit x 2 to 10,6 M€

# Net Result x 2,2 to 6,7 M€

The financial statements for the first half were approved on 29 September 2023 by the Supervisory Board of the Precia Molen Group.

| *(in K€)* | **2023 H1** | **2022 H1** |
|---|---|---|
| **Consolidated Turnover** | 86 438 | 78 325 |
| **Current Operating Profit** | 10 630 | 5 213 |
| *% of Turnover* | *12,3%* | *6,7%* |
| **Operating Profit** | **10 630** | **5 213** |
| *% of Turnover* | *12,3%* | *6,7%* |
| **Financial result** | (99) | (34) |
| **Income Taxes** | (3 062) | (1 642) |
| **Net Result** | **7 469** | **3 537** |
| **Net Income, Minority share** | 723 | 553 |
| **Net Income, Group share** | 6 745 | 2 984 |
| *% of Turnover* | *7,8%* | *3,8%* |
| **Earnings per share (en Euros)** | 1,25 | 0,55 |

**Strong sales growth in the first half of 2023**

For the first half of 2023**, Group sales rose by 10.4% compared with the same period last year**, and even by 16.3% in the second quarter, despite a negative currency effect (-0.8%) and a negative group structure effect (-0.6%) following the closure of the Australian business. This organic growth in sales is evenly distributed between France (+7.0%), Europe excluding France (+13.3%) and the rest of the world (+31.8%)

**Doublement du Résultat Opérationnel**

The Precia Molen Group posted an operating profit of €10.6m. This performance was achieved thanks in particular to a 10.4% increase in sales and a policy of improving productivity at all sites over the last few months.

This excellent financial performance is based on a number of factors:

- An increase in Precia SA's production during the second half of the year. Delivery delays to the end of 2022 have been resolved. Precia SA's operating profit rose by €2.1m;

- A strong commercial performance by Precia Molen India, which is reaping the full benefits of Indian growth thanks to the excellence of its products and services and the confidence of its customers. PM India's operating profit rose by €1.5m;

- A new period of growth for Precia Molen Service, which continues to demonstrate the effectiveness and stability of its business model. PMS operating profit rose by €0.6m;

- Solid results from the three West African subsidiaries, despite a more uncertain political climate, particularly in Burkina Faso. Operating profit for these three subsidiaries rose by €0.5m;

- The introduction of rigorous project management procedures at Milviteka resulted in an increase in operating profit of €0.8m. The war in Ukraine is likely to continue to have a significant impact on this subsidiary's results in the second half of the year, with the need to renew the order book in other geographical areas.

These results demonstrate the Group's ability to improve profitability when markets are buoyant.

On the cost side, the Group succeeded in stabilising its gross margins, but the result was impacted by a wages and salaries policy that decided to keep pace with high inflation.

Finally, the decision to cease operations at the Norwegian and Australian subsidiaries had a positive impact of €0.8m.

**A solid financial position:**

In terms of cash flow, this increase in activity was achieved with a constant level of working capital. The high level of inventories reflects, in particular, the building up of safety stocks of electronic components whose supply lead times had risen to more than a year and which had been subject to supply shortages or risks of supply shortages in 2022.

The result for the first half of 2023 is a net debt reduction of €4.1m.

The Group's financial strength has been confirmed by the B1+ rating issued by the Banque de France in September 2023. In terms of extra-financial performance, Precia Molen obtained a TFS rating of 190/200.

Finally, during the first half of 2023, the Group made two acquisitions:

- The purchase of minority interests (20%) in subsidiaries in Ivory Coast and Burkina Faso

- 90% of the shares in Test Assured in New Zealand.

**Outlook :**

Following its excellent financial performance in the first half of the year, the Precia Group is cautious about the outlook for the second half. The uncertain global macro-economic environment has prompted Precia's customers to redouble their vigilance with regard to their order intake for the end of the year, particularly in Europe, where order intake is back to the same level as in 2019. In this respect, it should be noted that the high level of production recorded in the first half of the year has resulted in a fall in the order book, which was historically high at the start of the year.

**The Chairman of the Board of Directors**
Frédéric MEY

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**About the Precia Molen Group**
For over 70 years, PRECIA MOLEN has been designing, manufacturing, selling, installing, maintaining and checking industrial and commercial static weighing and continuous weighing and dosing instruments. These solutions are designed for both heavy industry (mining, quarrying, iron and steel, energy, environment, etc.) and light industry (food processing, chemicals, transport and logistics, etc.), as well as government departments (postal services, local authorities, etc.). From design to maintenance, the PRECIA MOLEN group covers all the weighing needs of professionals. Founded in 1951 and based in Privas in the Ardèche, PRECIA MOLEN is present on all five continents, close to its customers' needs. The group has nine production sites around the world and employs a total of more than 1,350 people. PRECIA MOLEN is listed on Euronext Growth Paris (ISIN code FR0014004EC4 - Mnemo: ALPM).
For more information, visit www.preciamolen.com