

Press release
26 March 2020

2019 ANNUAL RESULTS

Sales growth and slight erosion of EBITDA

Consolidated data (€ millions)	FY 2018	FY 2019	Change 2019/18
Sales	549.6	583.6	+6.2%
EBITDA	61.9	60.0	-1.9
Current operating profit	38.3	35.8	-2.5
Consolidated net profit	17.9	12.1	-5.8
Net financial debt*	86.5	89.6	+3.8
Net asset value	466.9	438.7	-6.0%

* Net Financial Debt including earn out

REMINDER

The consolidation scope includes the parent company Edify and the entities de Buyer, Pellenc, Sirem, Thermo-Technologies, Usines Métallurgiques de Vallorbe and Zurflüh-Feller, which are fully consolidated, Gaviota-Simbac, which is proportionally consolidated, and Ligier, which is equity accounted.

SALES

Edify's consolidated sales increased by 6.2% in real terms over the financial year just ended, to €583.6 million.

This growth was primarily driven by increased business activity at Pellenc, which benefited both from the success of recently launched products and a recovery in investments by wineries. De Buyer secured new customers, in particular in export markets (Germany and United States).

The trend was more mixed for other shareholdings. Business was stable for Gaviota-Simbac, Thermo-Technologies, Sirem and Zurflüh-Feller despite the sometimes challenging market conditions. Conversely, Usines Métallurgiques de Vallorbe suffered from a reversal in the forestry industry business cycle and from difficulties in jewellery.

RESULTS

Consolidated EBITDA fell from €61.9 million to €60.0 million and consolidated current operating profit from €38.3 million to €35.8 million, representing 10.3% and 6.1% of sales respectively.

Both declines were due to increased development costs within a number of shareholdings, notably De Buyer, Gaviota-Simbac, Pellenc and Thermo-Technologies, all of which have adopted a long-term investment outlook, and conceal good production cost control at most shareholdings.

Consolidated net profit went from €17.9 million to €12.1 million, mainly impacted by a €4.4 million asset impairment charge at Usines Métallurgiques de Vallorbe, whose profitability deteriorated.

FINANCIAL POSITION

Consolidated net debt rose year-on-year from €86.5 million to €89.6 million. This compares with a net financial position of €321.0 million at the end of December 2019, resulting in a gearing ratio of 27.9%.

This slight increase should be considered in the light of the ramp-up in investments and higher working capital requirements, in particular at Pellenc, due to strong business growth.

Cash available to the parent company Edify for future acquisitions was €185 million at year end.

NET ASSETS

Edify's Net Asset Value¹ was €438.7 million at end December, before taking account of the holding company discount, and corresponded to €90.3 per share. Due to a more unfavourable market outlook, Net Value Assets declined by 6.0% compared with 2018.

OUTLOOK

Following a satisfactory start to the year, portfolio companies are suffering from the impacts of the coronavirus crisis. Most factories are closed (partially or totally) until the end of March, and temporary lay-offs and remote working measures have been introduced. At this stage, it is difficult to assess the financial consequences given the rapidly evolving situation.

¹ Combination of capitalisation based on the multiples of comparable listed companies and future discounted cash flow

CORPORATE PROFILE

Edify is an industrial holding company listed on the Euro-MTF market of the Luxembourg Stock Exchange.

*Its portfolio is comprised of majority and minority shareholdings in French, Spanish and Swiss industrial medium-sized businesses and SMEs, namely **Zurflüh-Feller** (accessories and systems for roller shutters and industrial closing mechanisms), **Sirem** (motorised solutions for swimming pool covers, milk tank agitators and aqua fitness equipment), **Pellenc** (portable power tools and machinery for winegrowing, olive growing and green spaces), **Usines Métallurgiques de Vallorbe** (filing tools for the jewellery, watchmaking, forestry, car and aeronautical industries), **de Buyer** (items and utensils for cookery and patisserie), **Thermo-Technologies** (surface coating with precious metals using chemical or electrolytic processes and high-tech wires), **Gaviota-Simbac** (components and motors for awnings and roller shutters), **Ligier Group** (microcars for unlicensed drivers), and **Lacroix Emballages** (packaging for solid dairy products).*

SHAREHOLDERS' AGENDA

Annual General Meeting: 19 Mai 2020

CONTACTS

Edify: Valérie Marqués, Chief Financial Officer (+352 24 83 16 20)

Shan: François-Xavier Dupont (+33 1 44 50 58 74)

www.edify-investmentpartner.com