

Press release
24 September 2020

FIRST HALF OF 2020

Limited decline in sales and results against the backdrop of an unprecedented crisis

Consolidated data (€ millions)	H1 2019	H1 2020	Change 2020/19
Sales	269.2	239.2	-11.2%
EBITDA	18.8	11.0	-7.8
Current operating profit/(loss)	7.1	(1.6)	-8.7
Net profit/(loss)	(0.1)	(11.5)	-11.4
Operating cash flow	11.8	6.6	-5.2
Net financial debt*	98.9	111.6	+12.7

* Financial debt including earn-out liability and deferred settlements

Note: 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 totalled €239.2 million for the first six months of the financial year, a decline of 11.2% (10.5% on a constant portfolio basis) compared with the first half of 2019.

This fall was due to the effects of the pandemic, which forced the companies to shut down most of their manufacturing sites for several weeks. The companies subsequently structured themselves to gradually resume their operations with a view to rapidly re-turning to their pre-pandemic production and distribution capacities.

The impact of the crisis was particularly marked in March and April, before easing significantly. Most of the companies saw a substantial recovery as soon as the lockdown

eased, with some (de Buyer, Gaviota and Zurflüh-Feller) experiencing a better June than in the previous year.

Conversely, Thermo Technologies was more severely impacted by the pandemic due to its significant exposure to the aeronautical and car industries.

RESULTS

Consolidated EBITDA totalled €11.0 million over the half year, a fall of €7.8 million.

This deterioration was a direct consequence of the fall in sales and was successfully contained thanks to the response measures adopted within each of the companies as soon as the crisis emerged, and the support received as part of the furlough scheme.

A net loss of €11.5 million was recorded, an increase of €11.4 million. It included a €4.3 million net non-recurring operating expense, of which €1.2 million was linked to the decision to abandon the proposed combination of Thermo Technologies and Fisk Alloy.

FINANCIAL POSITION

Consolidated net debt rose from €98.9 million to €111.6 million over a rolling 12-month period.

This increase was due to higher working capital requirements and the completion of investment programmes agreed before the pandemic.

In addition, cash and cash equivalents were bolstered by the various types of banking and state support made available to the companies.

OUTLOOK

Sales began to catch up at the end of the first half-year, with the trend confirmed over July and August.

As a result of the resilience shown by the portfolio companies, coupled with the measures undertaken, profits are expected to recover over the second half of the year, although the current economic and health situation dictates caution over the coming months.

Moreover, its sound financial base allows Edify to reaffirm its desire to acquire new shareholdings and to pursue its strategy of supporting its portfolio companies in both their transformation and their development.

FINANCIAL TRANSACTION

On 10 September 2020, Edify announced a proposed offer to buy back its shares, followed by an application to delist from the Luxembourg Stock Exchange due to the low volume of shares traded.

The offer applies to 309,357 shares, representing 6.4% of the Company's share capital, at a price of €70 per share. It is scheduled for between 8 October and 12 November 2020, subject to approval at the Shareholders' General Meeting to be held on 6 October 2020.

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 European 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

Third quarter sales: 30 November 2020

CONTACTS

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