

Progress in activity during the period despite ongoing “stop & go” measures

Outlook impacted by shortages and inflationary pressure

In € million <i>Unaudited figures</i>	2020-2021	2021-2022	Change
1st quarter	191.2	160.8	-15.9%
2nd quarter	182.1	178.5	-2.0%
1st half	373.3	339.3	-9.1%

During the second quarter of the year, the Group's business levels were similar to those observed during Q2 2020-2021, as well as pre-Covid-19 levels in Q2 2019-2020. The Group reported revenue of €178.5 million, down 2.0% on the same period. However, revenue grew by 11% compared to Q1 2021-2022, in line with the anticipated quarter-on-quarter growth scenario.

North and South America benefited from a strong recovery, with revenue increasing by 32% to €26.3 million, driven by the start-up of new programs in both the Motor Vehicles and Industries divisions. This performance offset the slowdown in revenue in Europe (€152.2 million, down 6%) where business is still strongly impacted by supply chain issues affecting electric components. These shortages continue to force manufacturers to implement "stop & go" periods.

Plastivaloire Group posted revenue of €339.3 million **over the first six months of the year**, down 9.1% on the same period in 2020-2021. Like-for-like revenues in Europe came in at €289.8 million, down 12.2%. North and South America (United States – Mexico) recorded like-for-like revenues of €49.5 million, up 14.6%.

The Motor Vehicles division was hit hardest by the supply chain crisis, leading to a 12.6% drop in revenue (parts and tooling) to €266.9 million. Less impacted by the shortage and driven by solid momentum in the Wholesale Goods division, the Industries (parts and tooling) division's contribution grew 6.4% to €72.4 million. The Motor Vehicles and Industries divisions accounted for 78.7% and 21.3% of the Group's half-yearly revenue, respectively.

Inflationary pressures weigh on first-half margins

Inflationary pressures on raw materials, transport and energy were already noticeable during the first quarter and were even stronger during the second quarter, especially with the emergence of the Ukraine-Russia conflict.

These cost increases, gradually reflected in sales prices, are expected to impact the half-year gross margin by three points, which will thus affect the EBITDA margin for the period.

Outlook

Disruptions caused by the shortage of electric components and the geopolitical context are ongoing. In April, they led to a further downward revision of over 4% in 2022 international motor vehicle production projections compared to the start of the year (source: S&P Global Mobility, formerly IHS Markit).

However, thanks to its positioning on high-potential programs and its geographical diversification, the Group maintains its forecast of a return to growth during the second half of the year, with seasonal trends reversed compared to 2020-2021.

The Group is focusing on raising its margins compared to the first half of the year and preserving its cash flow. Plastivaloire is continuing to closely manage its costs, while constantly adapting its production capacity to meet demand. Investments will remain moderate, similar to the last financial year. The 10% EBITDA target will certainly not be achieved this year, however all of the actions being taken will allow the Group to be well positioned once the market recovers.

Next publication: 2021-2022 half-yearly results on June 22, 2022, after close of trading

If you would like to receive financial information about Plastivaloire Group by e-mail, go to:

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About Plastivaloire Group:

Plastivaloire Group ranks amongst the very top European manufacturers of complex plastic parts used in retail consumer products.

Using innovative solutions, it designs and manufactures these high-tech plastic parts and handles their mass production for the motor vehicle and industries sectors.

Plastivaloire Group has more than 6,200 employees and 31 production sites in France, Germany, the United States, Poland, Spain, Romania, Turkey, Tunisia, England, Portugal, the Czech Republic, Slovakia and Mexico.

Number of shares: 22,125,600 – Euronext Paris, Segment B – ISIN: FR0013252186 - PVL

Reuters: PLVP.PA – Bloomberg: PVL.FP



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