Privas, 15 May 2020, 6 PM

Annual result 2019

The supervisory board (Conseil de Surveillance), met on 15th May 2020. The Directory President approved and presented the 2019 consolidated financial statements. Those statements are under audit.

(in K€)	2019	2018
Net Consolidated sales	136 120	129 932
Operational result	11 732	10 961
In % of net sales	*8,6%*	*8,4%*
Net Result (controlling interests)	6 303	6 091
In % of net sales	*4,6%*	*4,7%*
Earning per share (in Euros)	11,7	11,1

Consolidated sales increase by 4.8 % with an operational result level of 8.6 %

The Precia Molen Group achieved a **turnover of 136.1 M€** in the year 2019. This represents an increase of 4.8% compared to the same period in 2018. The contribution of the acquisitions amounts to 0.8 %, exchange rate effects amounts to +0.2 %. At constant exchange rates and perimeter, **organic growth amounts to 3.8%**

The **operational result for the period reaches 11.7 M€**, corresponding to 8.6 % of the consolidated sales. It is slightly increasing compared to the previous year (8.4 %). The **operating profit before amortization amounts to 18.1 M€**, corresponding to 13.3 % of the consolidated sales, and is increasing by 7.7 % compared to 2018 (16.8 M€).

After consideration of a net positive financial result of 28 K€, of positive exchange rate effects of 111 K€ and income tax reflecting an increasing tax rate (42 % of the result), the net result group share amounts to 6.3 M€ in 2019 (+3.5% vs 2018), corresponding to 4.6 % of the consolidated sales, to be compared with 4.7 % in 2018. This result also takes into consideration flat non-controlling interests for 0.6 M€.

The earning per share amounts to 11.7 € per share, to be compared to 11.1 € in 2018.

Increasing operating cash flow and stable working capital

With a flat working capital of 13.3 % of the sales (the same as in 2018), the net cash flow generated by the activity (after tax) amounts to 14.2 M€ versus 11.9 M€ a year before. Moreover, significant investments have been made in 2019, in both external growth (4.3 M€ vs 1.1 M€) and production means (5.6 M€ vs 4.7 M€). The level of dividends paid and the purchase of own shares is decreasing to 1.6 M€ vs 3.3 M€. The variances between new loans and loans' repayment is - 2.4 M€.

As a consequence, the cash net of financial debts (including rental debt for 7.1 M€) amounts to 3.3 M€ vs 4.6 M€ a year before.

Net cash (cash and cash equivalent) amounts to 24.6 M€ vs 24.2 M€ a year before.

2020 outlook and forecast

The year 2020 will conclude our 2016-2020 business plan, the objective of which was to reach 135 M€ of net consolidated sales, which we have already achieved in 2019.

2020 will obviously be marked by the effects of the COVID-19 pandemic. The level of first quarter order intake is above our budget projection. First quarter sales have been affected by the closure of our French factories and the drop in service activity.

However, the Group reacted quickly and strongly: production continued in all the countries where it was possible. Both our factories in France resumed production early April and have reached 90% of their capacity as soon as the lockdown was lifted. The service activity managed to keep 50 % of its turnover in spite of the crisis, and is strongly increasing since the end of the lockdown.

Globally, assuming we will not go through a second wave of the pandemic, our strong backlog, the restart of our production and service activities, and the significant impact of our acquisition, Milviteka, should significantly compensate the negative impact of the COVID-19 on our 2020 turnover and result.

The profitability we had in 2019 should certainly not be reached in 2020 because of the fixed costs not covered during the period, non-recurring operating costs and other impacts (customer risk, material and supply risk…).

Consolidated financial statements for the semester

The consolidated financial statement as of 31st December 2019 will be available starting 31st May 2020 on the company internet website: http://www.preciamolen.com/informations-reglementees/ (Fr only)

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About Precia Molen

PRECIA MOLEN designs and manufactures, sells and maintains systems and solutions of industrial and commercial static weighing and of continuous weighing and dosing equipment. Main clients are heavy industries (mines, quarries, steel, environment, energy…) and light industries (food, chemicals, transportation and logistics…) and also public sectors (posts, local authorities…).
From design to after sales service, PRECIA-MOLEN is able to provide total weighing solutions for all businesses Precia Molen is present in 42 countries, with 19 commercial subsidiaries and a large network of selling agents. It has seven production plants (France, The Netherlands, India, the United Kingdom, Morocco, Australia, Poland and Lithuania) and two assembly sites (Brazil, USA). The Group pursues a large research and innovation program, and has been granted an "Innovating Company" status by French authority Oseo.

Precia Molen is listed on NYSE Euronext's C compartment in Paris (code ISIN FR0000060832 - Mnemo: PREC).

More information on www.preciamolen.com