

Privas, 29 September 2020, 8AM

First Semester 2020 consolidated results

<i>(in K€)</i>	Semester 1 2020	2019	Semester 1 2019
Net Consolidated sales	62 557	136 120	67 851
Operational result	4 544	11 732	5 748
<i>In % of net sales</i>	<i>7,3%</i>	<i>8,6%</i>	<i>8,5%</i>
Net Result (controlling interests)	1 968	6 303	3 095
<i>In % of net sales</i>	<i>3,1%</i>	<i>4,6%</i>	<i>4,6%</i>
Earnings per shares (in Euros)	3,6	11,7	5,7

The non-executive committee (conseil de surveillance), met on September 28th 2020. The Directory President approved and presented the first semester 2020 consolidated financial statements. The financial statements have been reviewed by the auditors.

The Group Precia Molen demonstrates its resilience with a decrease in sales limited to 7.8% and operating profitability at 7.3% of the revenue (8.5% in the first half of 2019)

The Precia Molen Group achieved a turnover of 62.6 M€ in the first semester of 2020. This represents a decrease of 7.8% compared to the same period in 2019. At constant exchange rates and perimeter, organic growth amounts to -10.1%, while the effects of changes in foreign currencies amount to -0.5%. Acquisitions made over the past 12 months impacted sales by +2.8%. This first half of 2020 is marked by the COVID-19 pandemic and crisis, but also by a good resistance of the portfolio, which is higher than a year ago.

Operating profit for the period reached 4.5 M€ corresponding to 7.3% of the consolidated sales. This decrease in the operating income rate is to be read in the light of the health crisis, and is explained by the relative weight of fixed expenses combined with the decrease in turnover; however, with a level maintained above 7%; it shows the strength of the group's business model and service activity combined with successful measures to lower our costs.

Net income (group share) for the six-months period amounts to 2.0 M€ (-36.4%), corresponding to 3.1% of the sales, compared to 4.6 % in 2019.

The earning per share also decreased at 3.6 € per share for six months (vs 5.7 M€ in 2019).

A resilient cash flow generation and a still very strong financial structure

Cash net of financial debts amounts to 3.3 M€, the same level as at the beginning of the year.

This stability is mainly due to cash generated by activity of 3.4 M€ (excluding IFRS16) which financed investments of 3.4 M€ (mainly in tangible assets). The working capital increased (as a percentage of sales) and represented 14.6% compared to 11.2% last year mainly due to an increase in our stocks due to a large backlog to be delivered in the second half.

Cash and cash equivalent (gross cash) increased by 3.7 M€ to 28.3 M€, due to the use of borrowing and repayment deferrals during the health crisis.

Outlook and forecast

The end of the year will also be impacted by the effects of the COVID-19 pandemic. In this context, our forecasts remain uncertain. Maintaining a reasonable profitability over the six-month period above 7% shows that this crisis mainly impacts turnover thanks to internal and governmental savings measures.

In the second half of the year, the decrease in sales is expected to be less for a total turnover of between 125 and 135 M€, subject to the evolution of the pandemic

Consolidated financial statements for the semester

The financial statements as at 30th June 2020 will be available on 30th September 2020 on the Company's web site: <http://www.preciamolen.com/informations-reglementees/> (FR only)

The Chairman of the Executive Board

René COLOMBEL

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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 six production plants (France, The Netherlands, India, the United Kingdom, Morocco and Australia) 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