

**PERFORMANCE
& RESPONSIBILITY**
AT THE HEART OF OUR STRATEGY

Annual report
2022-2023





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Chairman of the Board
of Directors

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EDITORIAL

Patrick Ballu

Chairman
of the Board of Directors



WRITING A NEW PAGE IN OUR HISTORY.

Last year, we celebrated the 70th anniversary of our Group.

Since then, I have told the story, the DNA and the how, in our book *Enjamber l'espace et le temps*, published by Robert Laffont. Its English version *Dare and Conquer* is being printed by the same publisher. Indeed, to reach where one wants to go, one must know from where one comes.

In 2024, EXEL Industries is entering a new phase of its rich history. With the arrival of Daniel Tragus to the Group's Executive Management, we decided to promote an "inside man", who has spent most of his career with us. He will continue to grow EXEL Industries, in the search for excellence and respect for our DNA and our values. On December 20, 2023, he took over from Yves Belegaud, the first Chief Executive Officer from outside the family, to whom I would like to pay a warm tribute, wishing him a well-deserved retirement. The appointment of Daniel underlines that, at EXEL Industries, we know how to trust our teams and help them progress into new roles. This is undoubtedly a guarantee of sustainability and ambition, at a time when the world is changing at an accelerated pace: the rise of artificial intelligence, robotization, energy transition, new outlook on work, people and nature, all of which encourage us to do things differently and better than before. All in! Let's maintain and develop our spirit of innovation, daring and responsibility.

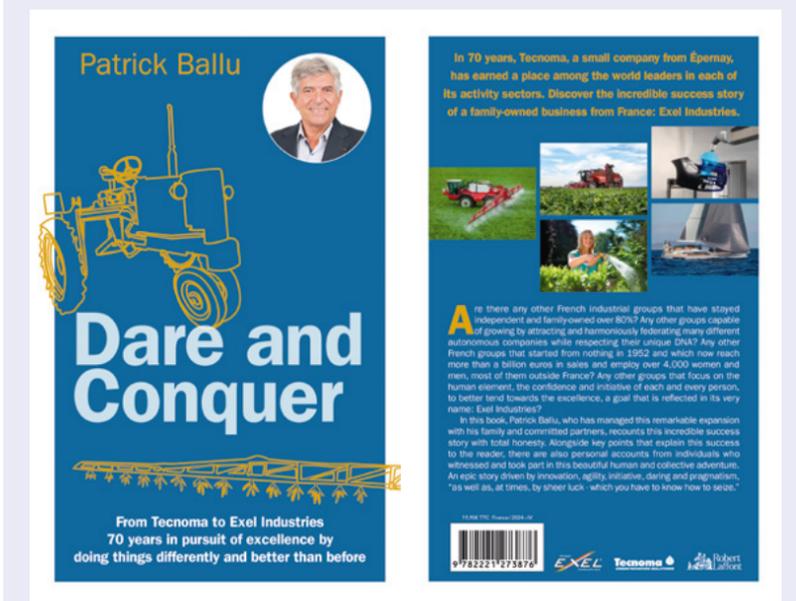
Since its creation, EXEL Industries has been able to capitalize on these fundamentals, to conquer the future and mobilize its teams, with the essential objective of meeting the needs and expectations of its customers, who are, more than ever, the raison d'être of the Group. Let's place our trust in Daniel, our new Chief Executive Officer: he will harmoniously grow our Group and inspire in our managers, our employees and our partners a sense of pleasure and a passion for a job well done.

Our objective of excellence remains unchanged: we want to distinguish ourselves through our premium quality products, offering our customers performance and durability, while being easy and fun to use, thus generating dynamic and profitable growth.

This is how we will continue to create value and overcome future obstacles, or avoid them, in order to write a new chapter in our Group's history.

Dare and Conquer

Patrick Ballu, Éditions Robert Laffont, April 2023



VISION & STRATEGY

MOVING FORWARD IN A WORLD IN TRANSITION



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INTERVIEW WITH...

YVES BELEGAUD, Chief Executive Officer of EXEL Industries until December 20, 2023 and DANIEL TRAGUS, Chief Executive Officer of EXEL Industries since December 20, 2023.

“WE WILL CONTINUE TO ADVANCE THE GROUP AND CREATE VALUE.”

On December 20, 2023, the Board of Directors of EXEL Industries appointed Daniel Tragus as Group Chief Executive Officer. He succeeds Yves Belegaud, who has decided to exercise his pension rights. Joint interview.

Yves Belegaud, what is your view on the 2022-23 year?

EXEL Industries had a very satisfactory year, with revenue exceeding the symbolic €1 billion mark for the first time. It reached €1.1 billion precisely. This increase in revenue is explained on the one hand by the increase in our selling prices, which took into account the inflationary context, and on the other hand by the increase in our sales volumes, in an increasingly uncertain economic environment. At the same time, operating income also developed favorably. After three difficult years, marked by the Covid-19 pandemic, the disruption of supply chains and the return of inflation to a level not seen for 40 years, we have been able to consolidate our positions and improve our productivity. I would add that we have also better controlled the trajectory of our working capital requirements and returned a culture of cash flow awareness to the center of our concerns.

If we look at the more specific development of our various activities, we note that the agricultural equipment sector, which represents around 60% of our revenue, benefited from a rather favorable environment.

“Nothing would have been possible without the collective spirit and without the work of those with whom I have worked since the end of 2019.”

Yves Belegaud

Daniel Tragus, you have spent most of your professional career within EXEL Industries and, in your last position, you were Deputy Chief Executive Officer of the Group, in charge of strategy, M&A and industrial property. In what state of mind are you approaching this new stage of your career, which places you at the helm of EXEL Industries?

I would like to begin by saying that I am honored by this appointment and the sense of duty it entails. Indeed, I have spent most of my professional career at EXEL Industries since I first joined KREMLIN in 1988. Within the Group, I have been fortunate enough to hold a wide variety of positions in three of our businesses - Industrial Spraying, Agricultural Spraying and Sugar Beet Harvesting. Subsequently, as a manager and executive, I have been confronted with major strategic issues. In particular, I am thinking of the integration of the companies HARDI, AGRIFAC, HOLMER and ET WORKS into the Group's scope, the commercial development of the activities for which I was responsible, and the importance of innovation and industrial property without which an industry cannot decently survive and progress.

I have worked in France and abroad, in Germany, in the United Kingdom and in Denmark. I have known Yves for four years and, as he said, we have worked together on varied, sensitive and sometimes complex subjects. The transition between us as CEO therefore took place under excellent conditions with a shared objective: to continue to advance

EXEL Industries and create value. This smooth transition is undoubtedly a rare advantage. During the process of taking up my new duties, I have met with some 200 field employees, managers and executives in order to understand their perspectives on the Group and their expectations and needs.

As the new Chief Executive Officer, my orientations, in line with the values of EXEL Industries, will be focused on the success of our customers and our employees, on innovation and industrial performance, and on the development of our societal and environmental commitments.

What were the main initiatives that characterized the year? What do they say about the Group's development?

YB: EXEL Industries continued its development with the acquisition of the French family group DEVAUX, specializing in the manufacture and marketing of garden tools. This is an important transaction as it enriches our offering in the garden sector. Until then, we were active in garden spraying and watering. We now have complementary expertise by offering our customers a new range of hand-held tools.

DT: In order to capitalize as soon as possible on this new asset and develop synergies that will help strengthen our footprint in the Garden business, we have set up cross-functional teams between HOZELOCK, G.F. and DEVAUX. The goal? Rapidly increase our market share and benefit from positive commercial spin-offs through the pooling of our strengths.



Yves Belegaud,
Chief Executive Officer of EXEL Industries until December 2023

Daniel Tragus,
Chief Executive Officer of EXEL Industries since December 20, 2023

Our STRATEGIC roadmap

The capital goods market, whether it is B2B, B2C or B2B2C, depends to a large extent on the evolution of global growth. It varies significantly from one year to another, and even from one geographical area to another. Due to its strategic choices, EXEL Industries is less exposed to this cyclical nature. The Group has decided to specialize in small and medium-batch

premium products and has chosen to control the entire value chain, from design to marketing. The brands in its portfolio are leaders in their respective markets and enjoy a strong reputation. Capitalizing on its proactive strategy, EXEL Industries intends to continue its growth thanks to its differentiating strengths, its long-term vision and its diversification policy.



The Group's success, in accordance with our values, will be based on the success of our customers and employees, on innovation, on industrial performance and on the development of our societal and environmental commitments."

Daniel Tragus

We opted for the same approach in the industry business, when INTEC joined SAMES in 2020. With these two entities, EXEL Industries now has an offer in paint applications and an offer in metering and control technologies for adhesives and sealants. Thanks to SAMES, the Group has a strong presence in these segments in Europe and the United States and in Asian markets. The joining of our forces has led to increased commercial activity.

YB: To build on what Daniel has said, other successes marked 2023 for Industrial Spraying, in particular thanks to the various projects related to the electrification of motor vehicles. This change requires a review of car manufacturers' processes, a process to which SAMES is making its contribution. This movement is set to grow. Added to this, we have the renovation of the SAMES plant in Stains, which is a major event in the life of the Group, and the opening of a subsidiary in Kazakhstan.

We have also refocused on the DNA of our brands, especially in the agricultural sector, which are once again capitalizing on their strengths, namely power, performance and innovation. The example of AGRIFAC is enlightening from this point of view.

As regards EXEL YACHTING, a new Tofinou model was released in 2023 and the W55 model will be presented by WAUQUIEZ in 2024.

Lastly, I do not forget the relaunch of the EXEL Academy, focused on motivational management. Aimed at managers, it aims to develop their knowledge of the Group, highlight its identity markers and offer keys to understanding its organization, its operating methods and its various challenges.

DT: Significant progress can also be mentioned in terms of corporate social responsibility. First of all,

EXEL Industries conducts materiality analyzes and carbon assessments in its various activities, which shed light on the nature of our footprint and now enable us to work on our roadmap, and more specifically on Scope 3. To this end, we must act on the emissions emitted by our suppliers and by the customers who use our products. The levers of electrification and hydrogen are therefore to be favored. In the first case, this involves the replacement of internal combustion engines by electric motors, in the second by the marketing of new solutions such as the TRAXX Concept H2 by EXXACT ROBOTICS, an autonomous high-clearance tractor for vineyards powered by hydrogen.

In addition, the Group has launched a commercial pre-series, in Central Europe and Australia, of the 3S Spot Spray Sensor® solution, also developed by EXXACT ROBOTICS. Based on ultra-localized spraying, i.e. on the application of the right dose of phytosanitary product in the right place, it entails a clear reduction in inputs. This undoubtedly represents a valuable innovation for farmers.

More broadly, the diagnostics being made, it is now a question of deploying projects that are beneficial for both our customers and the environment.

At a time when the economy seems to be turning around, what are the challenges that the Group must face and the issues it must watch?

YB: We must always ensure that we maintain our operational and commercial performance at a level that allows us to manufacture competitive, high-quality products and machines and, of course, to sell them. Without performance, there can be no profitability or market share gains. Nevertheless, we can be confident about our ability to continue our responsible controlled development without falling into overconfidence.

DT: I agree 100%. Even though our order book is substantial and our positions are solid, we must, at a time when the economy is experiencing some upheavals, ensure that we fully benefit from our launched projects. This means continuing to promote our brands, keeping them visible and maintaining our innovation momentum. It is important to remain agile and attentive to changes in the world and the ups and downs of the economy. This is how we can continue to create sustainable value for our stakeholders.



KEEP THE CUSTOMER AT THE CENTER OF OUR CONCERNS



INNOVATE TO CREATE SUSTAINABLE PRODUCTS AND SOLUTIONS



AIM FOR OPERATIONAL EXCELLENCE IN ALL OUR ACTIVITIES



ATTRACT AND GROW TALENT



REDUCE THE ENVIRONMENTAL FOOTPRINT OF OUR ACTIVITIES



ENSURE THE GROUP'S FINANCIAL STRENGTH OVER THE LONG TERM

Brand OVERVIEW

In order to serve its customers with the best possible expertise, EXEL Industries has built an original model around three areas of activity that, thanks to strong brands, address a wide range of markets.

INDUSTRY

€266.8 million in revenue

Garden

HOZELOCK
G.F.
LASER INDUSTRIE
COOPER PEGLER

LEISURE

€143.6 million in revenue

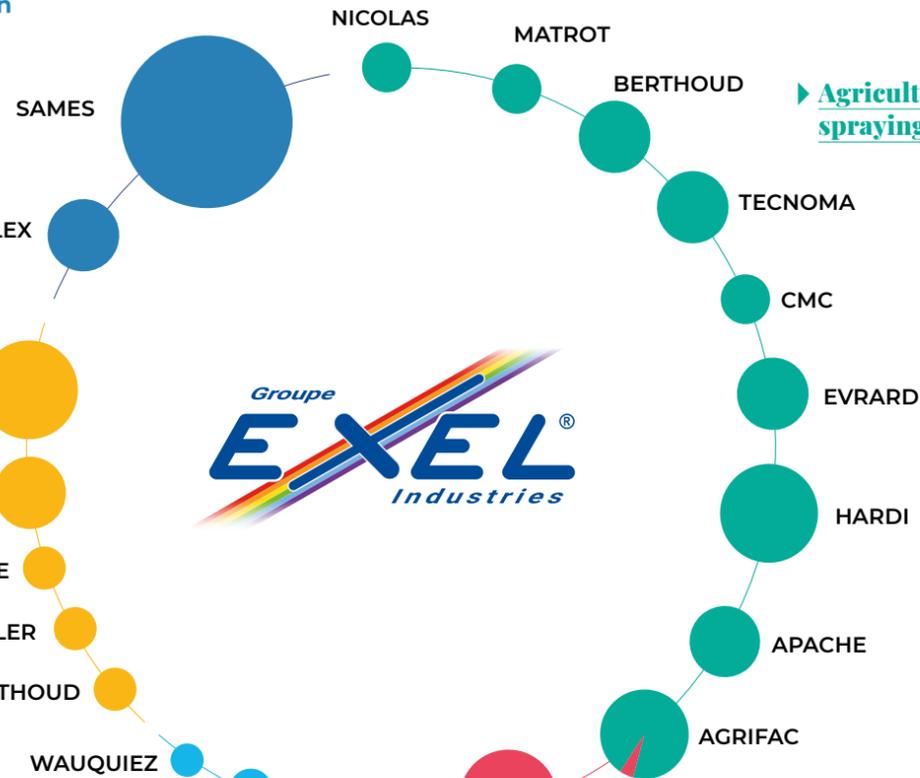
Nautical industry

WAUQUIEZ
RHÉA MARINE
TOFINOU

AGRICULTURAL EQUIPMENT

€683.8 million in revenue

Agricultural spraying



Sugar Beet Harvesting

HOLMER

Our INTERNATIONAL presence

With 81% of its revenue generated outside France, the Group is now commercially present in more than 178 countries.

€1.1 BILLION IN REVENUE

BREAKDOWN OF REVENUE



3 markets

- ▶ AGRICULTURAL EQUIPMENT
- ▶ INDUSTRY
- ▶ LEISURE

81% of revenue generated outside France

178 countries

362 patent families

3,931 employees

24 production sites

Holder of the **Best Managed Companies** label awarded by Deloitte for the 2nd consecutive year

VIRTUOUS

development for nearly 75 years

For more than seven decades, EXEL Industries has been constantly changing. Acquisitions, expansion of our areas of expertise, internationalization, all these elements have enabled us to grow and continue our growth for the benefit of our clients.

INTERNATIONAL DEVELOPMENT AND ACQUISITIONS

1966

Acquisition of VERMOREL.

1986

Acquisition of the agricultural spraying companies, CARUELLE and NICOLAS.

1987

Acquisition of BERTHOUD (SA), the French leader in agricultural and garden sprayers, and its subsidiaries SEGUIP, THOMAS and PERRAS.

1990

Acquisition of PRÉCULTURE, the French leader in agricultural self-propelled sprayers and high-clearance tractors.

1996

Diversification into industry with the acquisition of KREMLIN, an international paint spraying company.

2001
€201 M

1997
€152 M

1980
€12 M

1980
200

2001

Acquisition of SAMES Technologies, a leading maker of electrostatic industrial spraying equipment, and MATROT, the leading French manufacturer of self-propelled sprayers and sugar beet harvesters.

1987

Incorporation of EXEL, the family holding company of the Ballu family, which becomes the parent company of the Group.

1980

Patrick Ballu, son of Vincent Ballu, succeeds his father.

1997

Listing of EXEL Industries on the Paris stock exchange.

HIGHLIGHTS

1946

Invention and construction by Vincent Ballu of the first "high-clearance tractor" for narrow vines.

1952

Creation by Vincent Ballu of the family company TECNOMA.

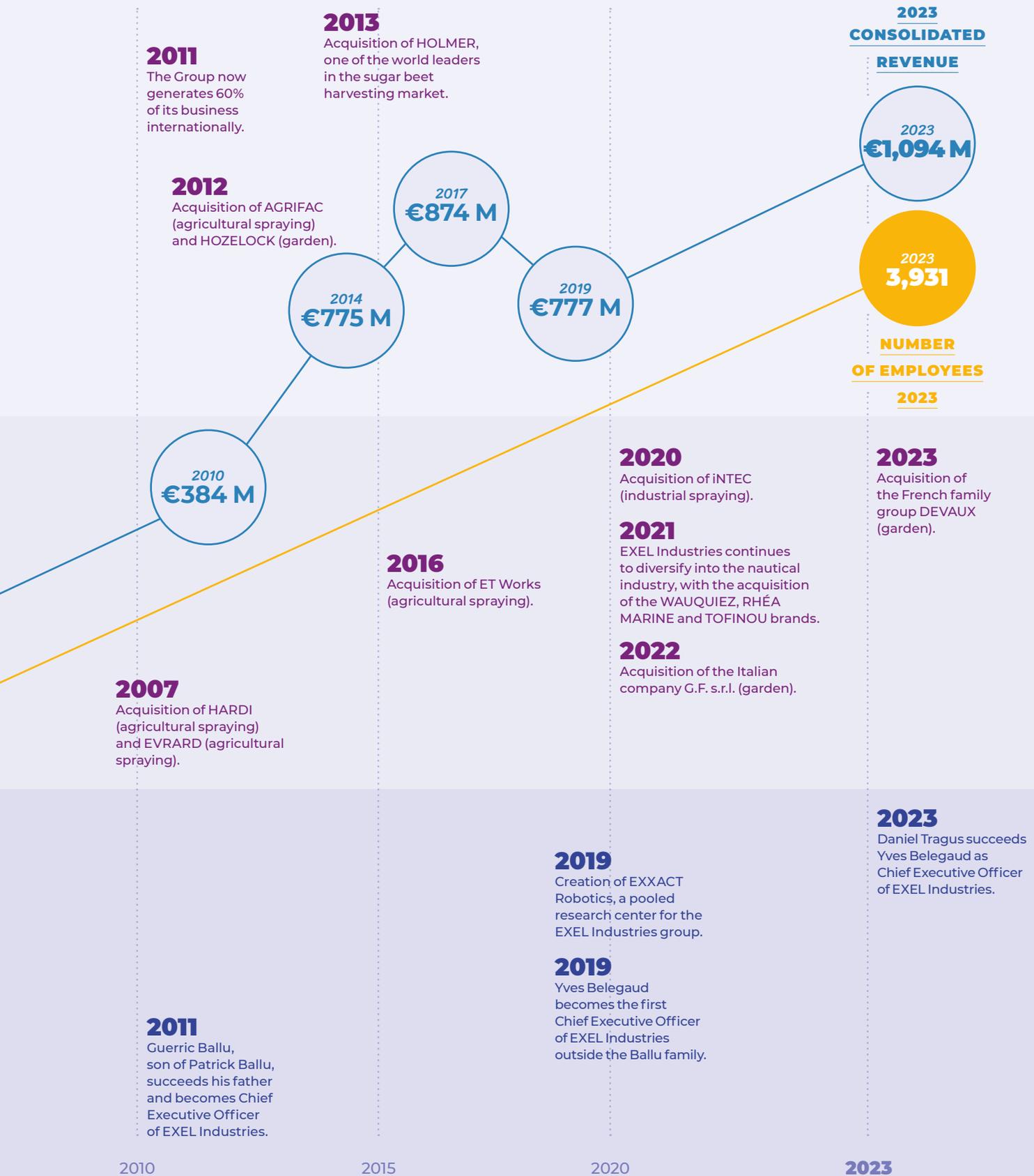
1945

1970

1980

1990

2000



2011
The Group now generates 60% of its business internationally.

2013
Acquisition of HOLMER, one of the world leaders in the sugar beet harvesting market.

2012
Acquisition of AGRIFAC (agricultural spraying) and HOZELOCK (garden).

2010
€384 M

2016
Acquisition of ET Works (agricultural spraying).

2020
Acquisition of INTEC (industrial spraying).

2021
EXEL Industries continues to diversify into the nautical industry, with the acquisition of the WAUQUIEZ, RHÉA MARINE and TOFINOU brands.

2022
Acquisition of the Italian company G.F. s.r.l. (garden).

2023 CONSOLIDATED REVENUE

2023
€1,094 M

2023
3,931
NUMBER OF EMPLOYEES

2023

2023
Acquisition of the French family group DEVAUX (garden).

2007
Acquisition of HARDI (agricultural spraying) and EVRARD (agricultural spraying).

2019
Creation of EXXACT Robotics, a pooled research center for the EXEL Industries group.

2019
Yves Belegaud becomes the first Chief Executive Officer of EXEL Industries outside the Ballu family.

2023
Daniel Tragus succeeds Yves Belegaud as Chief Executive Officer of EXEL Industries.

2011
Guerric Ballu, son of Patrick Ballu, succeeds his father and becomes Chief Executive Officer of EXEL Industries.

2010

2015

2020

2023

A world of CHALLENGES

Three megatrends structure the markets in which EXEL Industries operates. Building on its strengths and determination, the Group contributes through its actions and initiatives to meeting the challenges underlying these major changes.

THE CLIMATE CHALLENGE

The acceleration of climate change is palpable. The rise in average temperatures, the increase in extreme weather events and the gradual erosion of biodiversity are structurally disrupting our lifestyles and all natural ecosystems around the planet. At the same time, the overexploitation of natural resources degrades the biosphere and disrupts natural balances.

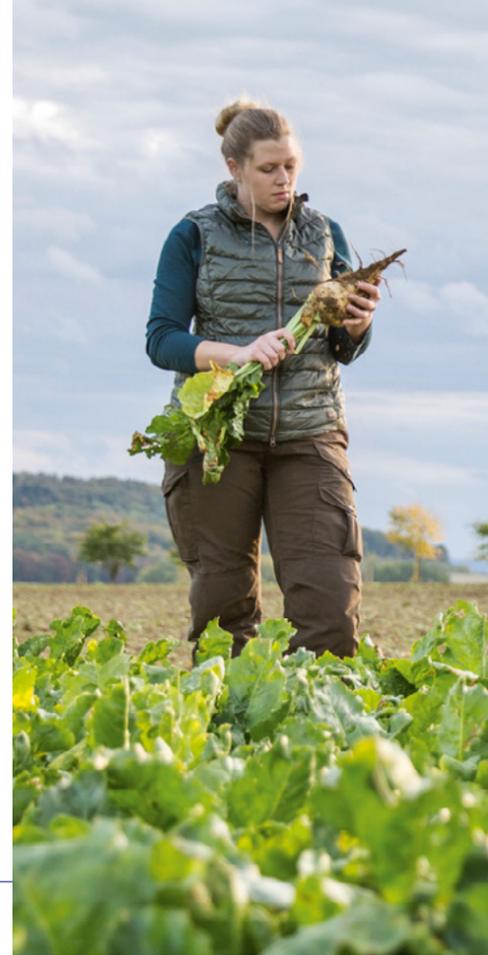
OUR STRENGTHS

- ▶ A CSR strategy aligned with the Green Deal and the UN Sustainable Development Goals
- ▶ An aggressive approach to reducing greenhouse gas emissions
- ▶ An innovation policy that fully integrates the environmental dimension

OUR CONTRIBUTION

- ▶ Regular market launch of products that minimize the carbon footprint of our customers (reducing the weight of machines, reducing energy consumption, innovative solutions in paint application)

- ▶ Launch of 3S precision spraying which preserves ecosystems by reducing the use of inputs
- ▶ Controlling water and energy consumption over time within the Group
- ▶ Development of practices based on the circular economy, through the recycling of waste and the reconditioning of machines
- ▶ Use of ATC (Alternative to Chemicals) products to replace the use of chemicals in gardens



THE FOOD CHALLENGE

One of the major challenges of the century is to meet the food needs of a population that is steadily and continuously growing, while preserving ecosystems and soils. This involves eradicating hunger, addressing food insecurity and meeting the nutritional needs of all in a sustainable and equitable manner.

OUR STRENGTHS

- ▶ Ability to meet the challenges of our customers, who must maintain high yields to feed the population and meet the requirements of a healthy diet
- ▶ Optimize the management of natural resources and comply with regulatory changes, particularly those relating to carbon neutrality
- ▶ A pooled EXXACT Robotics research center focused on finding sustainable solutions for the agricultural transition

OUR CONTRIBUTION

- ▶ Ownership of a complete range of products that protect and improve agricultural productivity
- ▶ Market launch of the EXXACT Robotics 3S Spot Spray Sensor® precision spraying solution, which, thanks to the technologies it embeds, makes it possible to detect the plants to be treated and reduce the applied doses of phytosanitary products by 30% to 80%
- ▶ Mechanical weeding solutions via the TRAXX autonomous high-clearance vineyard tractor developed by EXXACT Robotics

THE SOCIETAL CHALLENGE

In a world marked by globalization, speed and immediacy citizens aspire to a more balanced, more peaceful, more sober and more secure society. They are more concerned with protecting the environment, having a better balance of life and maintaining a way of life based on human relationships.

OUR STRENGTHS

- ▶ An absolute respect for rurality where our sites have always been present
- ▶ A deep commitment to learning that we encourage and support

OUR CONTRIBUTION

- ▶ Regular discussions with farmers (cereal growers, tree growers, winegrowers, market gardeners) to understand their changing needs
- ▶ Development of partnerships to recruit apprentices and help young people integrate into the job market

- ▶ Regular marketing of products that contribute to the pleasure of living
- ▶ An employer brand focusing on continuous training and increasing employability
- ▶ Market launch of the TRAXX autonomous vineyard robot, which contributes to improving the safety and working conditions of winegrowers
- ▶ A proactive safety policy aimed at reducing the number of workplace accidents and preserving the health of our teams



Our SUSTAINABLE VALUE CREATION

WHO ARE WE?

The EXEL Industries group is a family-owned company, whose ambition is to design, manufacture and market equipment goods and associated services that enable its customers to increase efficiency, productivity, or contribute to the pleasure of living, and to achieve their environmental and societal objectives.

Our resources

FINANCIAL AND ECONOMIC CAPITAL

€1,094 million in revenue
 €444 million in equity
 27 countries of operation
 €117 million net financial debt

HUMAN CAPITAL

4,226 permanent and seasonal employees worldwide
 127 apprentices
 21% women

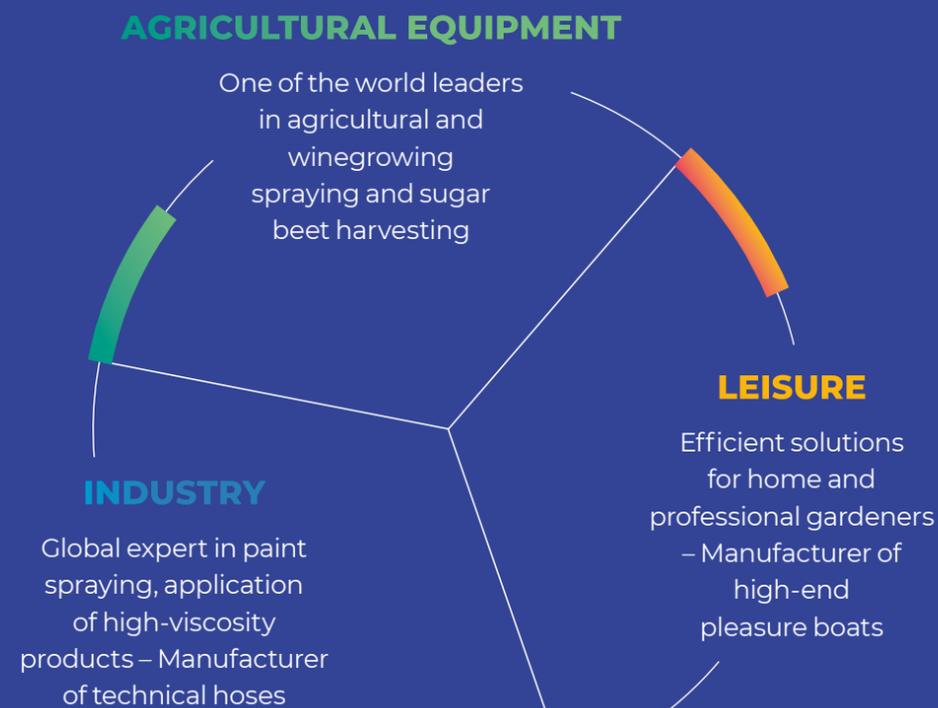
INTELLECTUAL CAPITAL

362 patent families
 362 brand families
 1,977 deposited or registered securities
 3.6% of revenue dedicated to R&D expenses

SOCIETAL AND ENVIRONMENTAL CAPITAL

CSR strategy affirmed at the highest level
 MORE label
 BREEM certification

Our activities



Our strengths

- ▶ KEEP THE CUSTOMER AT THE CENTER OF OUR CONCERNS
- ▶ INNOVATE TO CREATE SUSTAINABLE PRODUCTS AND SOLUTIONS
- ▶ AIM FOR OPERATIONAL EXCELLENCE IN ALL OUR ACTIVITIES
- ▶ ATTRACT AND GROW TALENT
- ▶ REDUCE THE ENVIRONMENTAL FOOTPRINT OF OUR ACTIVITIES
- ▶ ENSURE THE GROUP'S FINANCIAL STRENGTH OVER THE LONG TERM

Our shared value

EMPLOYEES

€257 million in wages and social security contributions
 Our employees operate in 33 countries
 Number of permanent contract hires: 645
 18% female managers

CONTRIBUTION TO THE ECOSYSTEM

Among the leaders in our markets
 Present commercially in 178 countries
 €26 million taxes and duties
 €579 million purchase volume

SHAREHOLDERS / INVESTORS

+32% share performance over one year
 €314 million market capitalization (at 09/30/2023)
 €94 million recurring EBITDA
 €67 million net income
 €42 million current operating income

TERRITORY AND ENVIRONMENT

€28 million industrial investments
 €83 million financing indexed to CSR criteria

MARKET TREND

THE CLIMATE CHALLENGE

THE FOOD CHALLENGE

THE SOCIETAL CHALLENGE

Our GOVERNANCE

Our Management team

The Board of Directors examines and approves the main strategic guidelines of the Group and ensures their implementation. Composed of eight members, including three independent Directors, it brings together a diversity of profiles with complementary skills that support the Executive Management in its strategic ambitions and its sustainable growth objectives. It is assisted by three committees, each chaired by an independent member of the Board: the Audit Committee, the Remuneration and Appointments Committee, and the CSR Committee.

The Board of Directors

43%
OF WOMEN



8
DIRECTORS



100%
PRESENCE ON THE BOARD OF DIRECTORS

3
INDEPENDENT DIRECTORS

- 1_ Patrick Ballu**
Chairman of the Board of Directors
- 2_ Marie-Claire Ballu**
Director representing EXEL (SAS)
- 3_ Pascale Auger**
Independent Director and Chair of the Audit Committee
- 4_ Claude Lopez**
Independent Director / Chairman of the Remuneration and Appointments Committee
- 5_ Marc Ballu**
Director
- 6_ Cyril Ballu**
Director
- 7_ Sylvain Maccorin**
Director representing the employees
- 8_ Sonia Trocmé-Le Page**
Independent Director / Chair of the CSR Committee



FROM LEFT TO RIGHT AND TOP TO BOTTOM

- Jens Kristensen**
Chief Executive Officer, HARDI
- Wim Van Den Bosch**
Chief Executive Officer, AGRIFAC
- Thomas Germain**
Group Chief Financial Officer
- Philippe Besançon**
Group Human Resources Director
- Daniel Tragus**
Chief Executive Officer since December 20, 2023
- Marc Ballu**
Deputy Chief Executive Officer, Chief Executive Officer in charge of the Garden activity and Chief Executive Officer of TRICOFLEX
- Philippe Breban**
Chief Executive Officer, FRANCE PULVÉ
- Cédric Perres**
Chief Executive Officer, SAMES
- Matt Hays**
Chief Executive Officer, ET Works
- Martin Fuehrer**
Chief Executive Officer, HOLMER
- Yves Belegaud**
Chief Executive Officer until December 20, 2023
- Sylvie Le Callonec**
Group Chief Legal Officer
- Cyril Ballu**
Deputy Chief Executive Officer, Chief Executive Officer WAUQUIEZ, RHÉA MARINE and TOFINOU
- Patrick Tristani**
Director of Sustainable Transformation & Group CSR Strategy

INITIATIVES & PROGRESS

CONTINUING OUR RESPONSIBLE DEVELOPMENT MOMENTUM

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“SUSTAINABILITY IS GRADUALLY BECOMING PART OF OUR BUSINESS MODEL.”



INTERVIEW WITH

Patrick Tristani, Director of Sustainable Transformation & Group CSR Strategy

What are EXEL Industries' main CSR challenges?

In 2022, we produced the materiality matrices for the Group's activities. As a result of this work, we identified nine common strategic challenges with our stakeholders. We have linked them to each of the ESG (Environment, Social and Governance) pillars, which structure the companies' reporting and are scrutinized by investors, fund managers and analysts for their investment decisions. In addition, as of September 30, 2023, more than 60% of our financing included ESG objectives.

Four challenges concern the Environment pillar: decarbonization of activities and products, respect for biodiversity, preservation of water resources, in addition to the circular economy.

The Social pillar includes three challenges: talent retention, health and safety of employees and users, and quality of life and working conditions.

Lastly, for the Governance pillar, compliance with the GDPR and SAPIN 2 directives and integration of CSR into our strategy represent the major challenges.

These nine challenges obviously affect our business and our financial performance.

What methodology has been put in place to make CSR a key component of the Group's strategy and, beyond that, support the various companies in the implementation of concrete actions?

We first carried out conceptualization and clarification work with the holding company and the Board of Directors. At the end of this reflection, we materialized our ambition to create sustainable value that reconciles three objectives - social (People), environmental (Planet) and economic (Profit) considerations.

At the heart of our ambition is the satisfaction of our stakeholders, whom we serve through our products, our solutions and our culture of innovation.

This conceptual framework highlights the Group's key objective, namely to create sustainable value for its stakeholders. It also underlines the need to reconcile three objectives, which is why it is sustainable. An economic objective of adapting our business model to respond more effectively to new ESG risks and opportunities, with the aim of generating more competitive and resilient cash flows. A social and societal objective that aims to make work a pleasant and safe activity that unites the men and women of our companies around our values. An environmental objective limiting the footprint of our activities on global warming, biodiversity and water consumption.

Once this work was done, we set up a multidisciplinary team that focused on establishing tools and methods. Each Chief Executive Officer of our companies is represented by his or her CSR manager. We now have a CSR Commission staffed with experts whose objective is to advise the Executive Management of our companies and share current best practices.

At the same time, we decided to train our 100 top managers on the Climate Fresco with, yet again, positive effects since the issues were shared and the challenges internalized. Our companies have extended the exercise to a growing number of our employees.

I would add that the Board of Directors, which includes a CSR Committee that meets three times a year, clearly wanted EXEL Industries to step up on these issues. This is indeed the case since all Group players, from the Executive Management to the CEOs of our companies and the Directors of the holding company, are aware of the sustainability issues that are systematically addressed at our top managers meetings (Group MC).

Lastly, I believe that we have found a good balance between the local and the global, between the autonomy given to our companies and the impetus emanating from the Group on this issue of corporate social responsibility, which has become central today.

Following all this work, what are the policies that the Group has decided to deploy as part of its CSR strategy?

As our CSR strategy is to create sustainable value, we have established six targeted policies to guide our actions and achieve our objective. These policies aim to help our customers generate sustainable revenues, develop sustainable products, use sustainable manufacturing methods, act as a responsible employer, implement an effective compliance policy and integrate CSR into the strategy. Each of these policies is broken down into work areas with which the various actions that we design and deploy are aligned.



To implement our CSR strategy, we have established six targeted policies that sustainably guide our actions.”

What were the main CSR initiatives rolled out during the past year?

First, we worked on the reformulation of our offer in order to harmoniously reconcile the three objectives: social (People), environmental (Planet) and economic (Profit). This is what we call the Unique Sustainable Value Proposition. This involves a total innovation policy that may be technical, commercial, organizational or service-related. The challenge is to find viable solutions for the customer but also for the Group.

In terms of the environment, we need to develop a new offer that meets the challenge of global warming under economic conditions that are compatible with our customers' objectives. The subject is complex because it is a question of offering a tangible benefit or a competitive advantage to the user, without eroding our competitiveness. This obliges us to find economically viable solutions throughout the life cycle of our products. To put it another way: we must not focus solely on the purchase price but also consider the total cost of ownership which, of course, includes the purchase price but also the savings in terms of energy and inputs offered by our products and solutions. Our customers' buyers and consumers must change their habits because the price of products will have to factor in R&D costs and investments.

From a social standpoint, all of our companies have made significant progress in terms of health and safety. As a result, the Group halved the accident frequency rate between 2017 and 2022, which encourages us to step up our efforts even further.

A word to conclude on the outlook?

The main future challenge concerns the CSRD and ESRS, whose levels of requirements are much higher than that of the current statement of non-financial performance. Hence the importance of data collection, which is a major challenge.

In conclusion, I would say that our ambition remains above all to do things differently and better than before, by developing as many viable initiatives as possible in order to contribute, at our scale, to the environmental transition, to the satisfaction of our customers, and to offer our teams a pleasant and safe working environment.

STRUCTURING OUR CSR POLICY

STRATEGIC MATERIALITY MATRICES TO PRIORITIZE OUR CSR CHALLENGES

With the establishment of strategic materiality matrices covering its activities, EXEL Industries has taken a major step forward in terms of CSR. The approach consisted first of all in selecting 29 CSR issues with the aim of assessing their impact as well as the risks and opportunities they pose to the Group's activities.

These different CSR issues revolve around the three main ESG pillars – environment, social and societal, governance. The identification of these

issues has led the Group to question its business model to ensure its relevance.

At the same time, the defined stakeholders⁽¹⁾ were asked to identify and rank the way in which the Group's activities impact them, and to assess the performance and relevance of the solutions deployed by each of our companies. Collaborative workshops were also organized with the Management Committees to assess the way in which the issues selected affect their activity in terms of revenue, reputation, employee satisfaction, satisfaction of dealers and customers, and regulations.

At the end of this exercise, the Group's materiality matrix revealed nine strategic challenges, both for the Group and its stakeholders. These challenges concern the decarbonization of activities and products, respect for biodiversity, preservation of water resources, the circular economy, talent retention, the health and safety of employees and users, quality of life and working conditions, the GDPR and SAPIN II directives, and the integration of CSR into the strategy. In response to the challenges, the Group has defined six policies that are translated into action plans in all of EXEL Industries' companies.

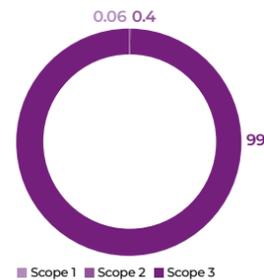
⁽¹⁾ These include management and executive management, employees and staff representatives, customers and consumers, suppliers, the financial community, industry experts, public institutions and scientific institutions.

ENLIGHTENING CARBON ASSESSMENTS

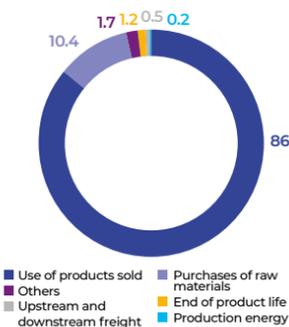
The carbon assessments carried out on Scopes 1, 2 and 3 of EXEL Industries' activities² show that the Group's overall emissions amounted to 1,801,249 tCO₂e.

Most of the emissions come from Scope 3, which represents 99% of the overall balance sheet. At the end of this assessment, every Group company began to work on the inventory of virtuous practices that could be implemented to significantly reduce the emissions of each key item. The initiatives are selected for their feasibility, i.e. they can meet both the environmental and economic challenges and create sustainable value. They are now the subject of action plans that the companies are gradually implementing. With a twofold objective: to accelerate their deployment and achieve the Group's decarbonization.

EMISSIONS BY SCOPE (%)



EMISSIONS BY ITEM (%)



Excluding ET Works, HOLMER, NAUTICAL INDUSTRY and, as for TRICOFLEX, end of product life

² The results of the carbon footprint assessment were published according to the GHG Protocol method and the French regulatory assessment.

DEPLOY INITIATIVES THAT CREATE VALUE

RENEW, RECYCLE, REUSE - TOWARDS MORE SUSTAINABLE PRODUCTION

HOZELOCK has implemented a sustainable development policy for its products, packaging and manufacturing processes, structured around three approaches: renew - recycle - reuse.

Commissions bringing together different business lines of the main brands of the Garden activity are responsible for monitoring this policy, which is intended to fundamentally transform the way we work and produce.

Renew - to extend product life

The first approach is based on the manufacture of products designed to last. As of the design phase, preference is given to reusable and renewable materials, in order to extend the life of the products as much as possible. This is done either by facilitating the delivery of end-of-life products to recycling plants, or by setting up a spare parts system that allows customers to repair their products.

Recycle - for sustainable packaging solutions

The second approach focuses on reducing the volume of cardboard and plastic packaging, with the end of overwrapping and the use, wherever possible, of recycled or biosourced plastic. The goal? Find the optimal

balance between reducing packaging weight and using recycled materials without compromising quality. This work extends to the use of compostable packaging where possible. Among them, Superhoze packaging is now 100% recyclable and compostable, thus contributing to the reduction of more than 94 metric tons of plastic waste.

Reuse - to transform end-of-life products into new resources

HOZELOCK now has a carbon footprint that is 46% dependent on inputs, mainly plastic. This is why the third approach focuses on the reduction of virgin plastic in production and on the use of recycled plastics. Certification work was carried out at the English, French and Italian sites of HOZELOCK and G.F., in order to identify plastics likely to be replaced by recycled material with the same mechanical properties as virgin plastic. The latest innovations have been developed by incorporating new materials. The Easymix composter contains 90% of materials made from recycled plastic and the Bokashi contains 40%. Lastly, a mapping to assess the CSR approach and performance of suppliers is underway. The Responsible Purchasing Charter has already been signed by 40% of the supplier panel, upon first request.

TRICOFLEX INCLUDES RECYCLED PVC IN ITS PIPES

PVC is the main source of TRICOFLEX's greenhouse gas emissions. This is why the company has set itself the goal of using recycled PVC to reduce its carbon footprint.

To this end, two initiatives have been launched. The first is to identify new suppliers capable of offering recycled PVC. The second aims to make investments to facilitate the internal process of manufacturing recycled PVC from production waste and purchased PVC waste. In this context, the machines are adapted to be able to integrate recycled plastic into the product manufacturing process

and, above all, to guarantee the same level of quality as that offered by virgin plastic. TRICOFLEX's efforts are therefore focused on the entire value chain: from R&D, through purchasing, to product design and manufacture. TRICOFLEX is the main manufacturer of HOZELOCK hoses, which are now manufactured with 70% recycled PVC, compared to 40% in 2022 and 0% previously.

This approach, in addition to reducing greenhouse gas emissions, makes it possible to diversify the sources of supply and limit the risks of shortages. It is set to intensify as the recycling channels are getting structured.

IN FIGURES

91% this is the share of TRICOFLEX's greenhouse gas emissions coming from material purchases (plastics).

94 METRIC TONS plastic waste saved by HOZELOCK's Superhoze packaging.

4 Recycled PVC emits four times less greenhouse gases than virgin PVC.

INTEGRATING THE RETROFIT INTO THE BUSINESS MODEL

When a machine is in need of technological upgrading, two solutions are available to the user. The user can replace the machine with new equipment or opt for retrofitting, an approach consisting of transforming the machine by integrating new generation technology.

A new life cycle can then begin for the machine. It is on this second choice that France Pulvé, an entity bringing together the French companies of EXEL Industries specializing in the manufacture of sprayers, has decided to capitalize. Its strategy is based on three areas: offering farmers the opportunity to replace used or obsolete parts throughout the machine's life cycle; facilitating the move upmarket of the farmer's equipment through technological innovation; integrating retrofitting into the business model.

The challenge is twofold: on the one hand, to help users maintain the highest value of the machine and its performance, and therefore its resale value, and, on the other hand, to position itself as a solution provider.

In practice, France Pulvé proposes to regularly upgrade the machine during its first life by integrating, for example, changes in management and data management software, which will make it more efficient, while taking into account changes in regulations. In addition, once the machine has been resold by the farmer, France Pulvé can transform it and upgrade it to the latest standards. This approach includes the challenges of decarbonization via the electrification of functions or via the use of alternative fuels,

such as the Tecnomat S140HVV high-clearance vehicle which, following a retrofit operation, is powered by ethanol.

With this value-creating approach, France Pulvé combines financial objectives and ESG objectives and incorporates a strong service dimension into its offer.



THREE STRATEGIC AREAS

- Offer farmers the opportunity to replace used or obsolete parts throughout the various life cycles of the machine.
- Facilitate the move upmarket of farmers' equipment through technological innovation.
- Integrate retrofitting into the business model.

SAMES EMBARKS ON ELECTRIFICATION

SAMES' materiality analysis and carbon footprint assessment have highlighted the need to reduce the company's CO₂ emissions, which mainly come from the use of its products by customers.

However, most of them run on compressed air, the efficiency of which is particularly low and energy-intensive. The project was designed to change this situation.

Its objectives? To replace compressed air with electricity on current products and gradually develop products that no longer require air. This electrification project will be spread over several years given the impact it has on SAMES' business activities — marketing, R&D, supply chain, sales forces — which must be largely redesigned.

This is why, initially, the automated solutions, which are the most CO₂ emissive, will be privileged.

Although the management of this project is accompanied by technical, commercial and regulatory constraints, it remains strategic for SAMES, which has decided to focus on it now. The challenge of this switch to electric vehicles is twofold: on the one hand, it must be driven at the right time so as not to be left behind by competitors and not jeopardize sales of new equipment, and on the other hand, optimize the economic approach.

AGRIFAC CREATES ITS TRAINING CENTER

The construction of the AGRIFAC training center aims to welcome its stakeholders in good conditions, in particular customers and partners, during training sessions or online events.

In particular, it makes it possible to share changes in legislation with farmers, to present the added value of AGRIFAC solutions or to promote the Group's innovations through which spraying provides better results with a lower impact on the environment. Meeting

the international BREEAM development standard sustainable for the built environment, this training center, which also includes a garden, leisure and rest areas, is also a meeting place where employees can exchange, learn or read the quarterly presentations that are prepared for them. It can also host local schools and other businesses.

From 2024, this center is expected to award certifications at the end of the training courses provided.



AGRICULTURAL EQUIPMENT

“WE USE INNOVATION TO REDUCE DEMAND FLUCTUATIONS RELATED TO CLIMATIC UNCERTAINTIES.”



INTERVIEW WITH
Bill Franklin,
CEO of HARDI Australia

What are the major challenges that the agricultural equipment market must face?

In addition to the normal challenges facing farmers from other agricultural nations, Australian farmers face the additional challenges of farming in an arid land. Common climatic extremes mean that Australian farmers often face floods that wash away crops and livestock and then droughts that can mean no crops at all for up to five or six years. Surviving in such a harsh environment requires not only resilience, but also scale to ensure sufficient reserves are able to be accumulated during good years so that farmers can survive the drought years. The harsh climate and soil structure also dictate that low or zero tillage farming is practiced. This ensures that the soil structure is able to be maintained and precious moisture is trapped deep for the growing season. To eliminate competition for moisture,

weeds must be eradicated without disturbing the soil. This farming practice places a significant reliance on sustainable application of agrichemicals for weed control. Due to the scale of broadacre farms in Australia, chemical costs are one of the highest farm inputs costs.

Another major challenge is the 34% decline in the number of agricultural machinery businesses since 2009. This is attributed to the disappearance or consolidation of small independent distributors and, more broadly, the concentration of dealerships, leaving many customers without local support.

After two or three profitable growing seasons, farmers are generally in good financial health. A combination of record harvests and higher-than-usual prices has enabled Australian broad-acre farmers to retire debt and invest in capital machinery and improving on-farm efficiency.

How does HARDI Australia operate with its clients?

The vision of HARDI Australia is to be “The Brand of Choice” by offering a positive brand experience superior to that of competitors. To drive this, we focus 100% on quality. HARDI Australia uses innovation to expand its business into new markets and reduce demand fluctuations related to climatic uncertainties. Introducing new products with substantial value, such as technologies that help reduce costs, attracts interest, especially when farm revenue is limited.

What types of clients does HARDI Australia work with and what services does it provide?

HARDI Australia engages with both dealers and retail customers (farmers). There are approximately 300 dealers nationwide, with the majority of business coming from about 70 of them. End customers are typically family farms, although larger corporate farms are increasingly at present. HARDI works with clients from almost all sectors of agriculture, horticulture, and viticulture, predominantly though, the bulk of HARDI's business comes from the broadacre or cropping sector. With a national sales force supporting the dealer network, HARDI, provides a diverse range of whole-goods, spare parts and after-sales service to meet the needs of customers in Australia and New Zealand

How does HARDI Australia collaborate with France and Denmark to manufacture machines that align with both the established HARDI International brand and the Australian market?

HARDI Australia aims to reflect the HARDI brand personality while remaining true to EXEL Industries' values. Close communication with Europe is maintained through various channels, including regular scheduled online meetings, reporting, and market visits. Whilst product lines are broadly replicated in both hemispheres, local requirements are also acknowledged. For example, some large sprayers are only sold in the Australian marketplace where the demand is for machines that can cover vast areas without the need for constant refilling.

What results do the synergies between HARDI Australia and other brands of the group produce? (e.g., commercial partnership with ET Works)

HARDI Australia processes certain administrative functions for other EXEL companies. The CEO of HARDI Australia

INITIATIVES & PROGRESS

also acts as a director of other EXEL companies in order to satisfy the requirement of the Australian Securities & Investments Commission for a resident Director⁽¹⁾.

A recent agreement between ET Works and HARDI Australia will see HARDI represent the ET Works 'APACHE' self-propelled sprayers from 2024. This partnership will dramatically broaden representation for ET Works in Australia as well as fill a gap in the HARDI range of Self-Propelled Sprayers.

What role does innovation play in the development of HARDI Australia?

Innovation is critical to HARDI Australia. The recently released GeoSelect selective spraying technology was 100% developed at HARDI's Adelaide facility. GeoSelect is a great complement to EXEL Industries' 3S camera system, allowing the Group to cover both the coupled (on sprayer camera imaging) and de-coupled (remote imaging) selective spraying techniques. Plans are in place to develop GeoSelect technology globally. In 2023, HARDI also introduced its fluid control technology, HIVE⁽²⁾, which controls fluids through a single user interface.

What initiatives have allowed HARDI Australia to grow in 2022-2023?

To increase market share, HARDI Australia maintained close relationships with customers and highlighted the added value of its products. The implementation of the LEAN manufacturing concept focuses on continuous improvement and waste elimination. Additionally, the partnership with the Society of Precision Agriculture of Australia (SPAA) aims to promote precision technology to improve the sustainability of Australian agriculture through reduced farm inputs.

What are the future prospects for HARDI Australia?

HARDI Australia is now recognized as a credible player in the technology sector, with an increasing market share in the self-propelled sprayer sector. The challenge is to continue to develop our innovation capacity to ensure sustainable growth.

⁽¹⁾ Australian Securities & Investments Commission

⁽²⁾ HARDI Integrated Vehicle Experience

AGRICULTURAL EQUIPMENT

MAINTAIN A DYNAMIC OF CONQUEST

3S SPOT SPRAY SENSOR® TECHNOLOGY EQUIPS AGRIFAC SPRAYERS

Developed by EXXACT Robotics, the 3S Spot Spray Sensor® real-time precision spraying technology can now equip the Condors marketed by AGRIFAC.

Thanks to on-board sensors, the 3S technology can significantly reduce the use of inputs, by 30% to 80%. Specific real-time image analysis, using artificial intelligence, enables the system to precisely detect and locate pests and diseases.

A breakthrough innovation that combines technological progress and positive benefits for the environment. Integrated into AGRIFAC's

AICPlus camera detection system, the solution stands out for its high precision in that the system is able to target an area of 25 cm by 25 cm.

Furthermore, it can be used on bare ground as well as on large-scale crops, day or night, up to a speed of 25 km/hour.

Innovation with positive impacts

To integrate this state-of-the-art equipment into their sprayers,

the AGRIFAC teams worked together with those of EXXACT Robotics. This solution is part of the ongoing modernization movement that has been transforming the agricultural sector for a century, with ever more efficient, ever more precise equipment.

Interpreting what the camera sees, the AICPlus algorithms break with earlier practices in order to better protect the crops. It facilitates the simultaneous combination of different treatments, allows the segmentation of the areas of application and generates resource savings, even if the interventions are more frequent.

By being treated only when and where necessary, crops become healthier. However, this involves advising customers in the field so that they can use the 3S solution correctly and integrate it efficiently into their agricultural operations. This is what AGRIFAC's agricultural engineers strive for. Already marketed in Australia and Canada, AICPlus systems equipped with 3S cameras will soon be available in Central and Eastern Europe.

Having such a strategic technology, developed in-house, guarantees the best possible integration and consolidates AGRIFAC's position as a manufacturer of high-end sprayers.



NOTED PRESENCE AT TRADE SHOWS

AGRIFAC, TECNOMA, BERTHOUD and EVRARD took part in the Innovagri fair in September 2023, exhibiting more than a dozen machines.

Several highlights marked these three days: organization of an evening dedicated to dealers; highlighting of EXXACT Robotics' 3S Spot Spray Sensor® precision spraying solution in the area dedicated to new technologies and agronomy; promotion of the Evrard Alpha Blue Edition self-propelled sprayer. This new model, enriched with numerous options and improvements, offers the user an improved experience and increased comfort, perfect road holding and high-performance precision spraying.

In November 2023, in Hanover, the Agritechnica trade fair, the largest European agricultural machinery event, highlighted the technological progress made by several EXEL Industries group brands. On this occasion,



TECNOMA and BERTHOUD announced a partnership with FieldView, Bayer's digital agriculture platform, developed around the Sniper precision spraying technology and the use of data in Europe. Its goal? To provide farmers with advanced tools for better data visualization, real-time control of sprayer performance, and

data-driven decisions in crop protection and precision spraying. HARDI, in addition to its latest machines, presented its two precision spraying solutions: Hardi GeoSelect, a geolocation-based weed targeting technology, and Hardi SpotSelect, which incorporates EXXACT Robotics' 3S Spot Spray Sensor® technology.



A SLURRY INJECTOR HOE DESIGNED FOR ROW CROPS

At Agritechnica 2023, HOLMER presented its SecatFlex SL slurry hoe. Designed to be used with the Terra Variant 435 light spreader for maize cultivation but also on other tractors as a trailed implement, this equipment allows the user to hoe and inject slurry for row crops. It is equipped with a camera guidance system that facilitates quality work and avoids, for example, damaging the headlands that may be at the end of the field. This slurry-injecting hoe, already available in Germany, is now available to European customers.



INTERVIEW WITH

Thomas Viot,
Chief Executive Officer Asia,
SAMES

INDUSTRY

**“IN ASIA,
WE MAINTAIN
SIGNIFICANT
MARKET SHARES
BECAUSE OUR
CUSTOMERS
RECOGNIZE
THE EXCELLENCE
OF OUR SERVICES.”**

What are the major challenges facing the industrial spraying market?

The first challenge is to improve productivity and profitability. The industrial spraying market is distinguished by its complexity insofar as it requires technological expertise and a sense of rigor. It is the finishing work of an entire industrial process since it is the last operation on the treated part. We therefore cannot make any mistakes. Customers have real expectations when it comes to quality and reliability. And that's exactly what we offer them. This is why in China we retain significant market shares because our customers recognize the excellence of our services.

The second challenge is, at a time when environmental regulatory constraints are becoming increasingly strict, to be able to have good transfer efficiency. This means that the quantity of paint sprayed must actually be applied to the surface to be painted and not be dispersed, in order to limit volatile

organic compounds as much as possible. A higher transfer efficiency rate improves cost control and reduces waste and harmful effects on health and the environment. Due to changes in regulations and increased customer liability requirements, solvent-based paints are in sharp decline and are gradually being replaced by water-based paints. In general industry, there is also a gradual but continuous replacement of paint application solutions with powder coating solutions. Hence the need to reposition ourselves on the value chain.

Lastly, the last issue concerns the regulatory requirements. Our products, which comply with both European Union and ATEX (*ATmosphères Explosive*) standards, are accepted by China. In the future, it is not excluded that China may require the various local players operating in its market to formally comply with Chinese standards, which are now only enforced by equivalence assessment. For foreign players, there is

therefore a strategic risk of being forced to exit the market, hence the need to anticipate, to bring our products into compliance with Chinese standards and have them certified.

How is the industrial spraying market doing in Asia overall?

It should be noted that the Asian market is very diverse with significant interplay of influences. It can be represented schematically as follows. First of all, there are the industrialized countries with low growth (Japan, South Korea) which are in demand for innovation and are finding growth relays internationally, including in South-East Asia. Added to this is China, which, thanks to foreign investments, has taken off and now includes many domestic players with well-established expertise. At a time when the country is experiencing a slowdown in its growth and the beginning of demographic aging, China intends to implement its strategic project of the new silk roads whose objective is to connect the country economically to Central Asia and Europe, with the development of transport infrastructure, increased exports and new outlets for its industries. This project presents many commercial opportunities for EXEL Industries. Let's not forget the countries of South-East Asia, which are experiencing very strong growth.

In these different markets, everything is going very quickly. SAMES benefits from a good brand image due to the quality and robustness of its products as well as the relevant partnerships that we have developed in the region. This translates into a 35% and 80% market share in the automotive and wood markets respectively in the Asian market. However, the competitive risks are real. Local players have moved upmarket, remain much less expensive than us and are on the offensive in the general industry, particularly in powder and high-viscosity applications, including in the automotive industry. On the other hand, in automotive electrostatics, we maintain leading positions. At present, the markets that offer us the most opportunities are electric vehicles with batteries, liquid natural gas and rail.

What types of customers does SAMES work with in the Asian market and for what type of services?

While SAMES historically worked with end customers, since 2017 we have developed a partner model, based on a network of integrators to whom we supply components that are then integrated into their systems offered to end customers. We also work with dealers who are also developing integration capabilities. This development was positive since it enabled us to have better market coverage. In terms of markets, we are present in the automotive industry, of course, which

represents 85% of our revenue in this region. In addition, we are present in the wood, aluminum profiles, construction equipment and agricultural machinery, wind power and everyday consumer products industries. We are trying to break into the anticorrosion market, which offers good prospects.

What role does innovation play in the development of SAMES?

We note that there is a strong expectation for technical innovation in the mature markets of South Korea and Japan. We are responding to this through the Printec printing solutions, still under development, and the Low Energy Process, a new technology applied to the rotary bells, which offers a transfer efficiency of more than 90%. In contrast, in China, our customers prefer proven solutions. The expectation in terms of innovation is therefore not the same. For our part, we believe that it is essential to innovate in all areas - technological, commercial and logistics - because it is a real factor for success. We are also building action plans to respond to market changes and find relevant solutions in terms of cost reduction, inventory management and delivery times.

What were the major advances in 2022-23? What initiatives enabled SAMES to remain in a growth dynamic?

Firstly, the contribution of iNTEC, a company specializing in bonding and high viscosity, acquired by SAMES in 2020. Its references and recognized expertise contribute to developing our sales to automotive assembly and to winning new Chinese customers. Furthermore, the year was marked by a significant increase in our revenue in Asia — by more than 25% — driven by the automotive market. We are supporting the restructuring of the automotive market, which is becoming electrified, and we have entered the rail market in China, whose painting lines are being robotized. We also provided a first project for LNG carriers and forged a strategic partnership with the largest powder coating booth manufacturer in China. Let's not forget, of course, our long-term actions, which aim to make us known to paint manufacturers in order to qualify our products with end customers, the ongoing training of our local partners, or the work carried out to increase our visibility in Asia. This approach is essential because the automotive market in China might be less dynamic in 2024.

INDUSTRY

STRENGTHENING OUR LEADERSHIP

SAMES NORTH AMERICA OR THE SPIRIT OF CONQUEST

While the industrial spraying market offers good prospects in North America, it must nevertheless, like many other activities, take a turn towards sustainable development.

This is why the electrification of products, the transfer efficiency rate and the recycling and reuse of materials are major challenges that must be faced. Despite the economic slowdown that is temporarily affecting the American and Canadian economies, Sames North America has solid positions to continue to grow, driven by the transition towards automation, the dynamism of the automotive industry and

the good performance of the manufacturing and construction sectors.

The Mexican economy is experiencing a slight contraction but its automotive market continues to grow. Mexico also benefits from the establishment of several foreign companies — reshoring from Asia or nearshoring from the United States and Canada — with significant investments.

A proven model

Sames North America works with three types of customers. First, with dealers who provide sales and after-sales services to end customers ranging from manual application products to fully automated solutions. Second, with

integrators who offer automation solutions and services. Third, with large OEM accounts, which offer automation solutions with our dealer partners. To strengthen its positions, Sames North America focuses on innovation through which it improves the quality and effectiveness of its products while having a positive impact on the environment. 2023 was a year of great progress with the installation of a new state-of-the-art powder coatings laboratory, thanks to which Sames North America has returned to this market and strengthened its skills. The brand new powder coating booth allows end customers to validate their application processes and the center's patented TEC5 technology improves the transfer efficiency, limits waste and benefits the environment.

Differentiation, a key success factor

Differentiation is an essential challenge to stay in the race and continue to grow. This is why Sames North America favors long-term relationships with its partners by supporting them at each stage, whenever they need it. This approach also applies to the relations with end customers: SAMES develops products and services to support them in the maintenance of their equipment. Lastly, the focus is on working with SAMES' French and German plants, particularly in the context of a project that gives maximum local flexibility while reducing production times.



INNOVATION AT THE HEART OF CYCLOMIX® EVO

SAMES has revamped the way industrial painting is done by launching a unique paint dosing and mixing system.

Called Cyclomix® Evo, this machine, with its innovative solutions, reinvents dosing and offers greater precision, whatever the flow rate. It also guarantees a uniform mixture thanks to a patented injection technology, thus simplifying the production of varied products. Adaptable to all types of plants, it also contributes to the preservation of the

environment. It reduces paint consumption by 10%, limits the volume of volatile organic compounds in the atmosphere and automates waste management. Featuring flexible connectivity with a remote screen and a mobile app, it is customizable according to user needs. Lastly, it offers the user full traceability, synonymous with quality for the products manufactured and preventive maintenance. With its strengths in terms of performance, use and CSR, the Cyclomix® Evo certainly embodies the future of industrial spraying.



THE WORLD'S LEADING ELECTRIC VEHICLE MANUFACTURER CHOOSES SAMES

Created in 1995, BYD is now one of the world's largest manufacturers of electric vehicles in terms of revenue.

Based in Shenzhen in southern China, BYD stands out for its strong vertical integration of its value chain, with a presence ranging from rare earth mining to the manufacture and sale of batteries and vehicles. These strengths enable it to cover a wide range of markets.

Thanks to its gluing units for vehicle bodies and the Sames Intec solutions, installed and commissioned on more than 200 automatic systems in several BYD plants in China (Changsha,

Hefei, Xi'an), since 2022 Sames China has become a leading supplier of BYD. The success of SAMES continued in 2023 with the order of 84 automatic systems placed by the new factory in Ji'nan.



IN FIGURES

84
The success of SAMES continued in 2023 with the order of 84 automatic systems.

sames **intec**
sames **nanocoat**



INTERVIEW WITH
Alberto Carniato,
CEO of G.F.

LEISURE

“WE NEED TO ADDRESS THE CHALLENGES OF A CHANGING MARKET AND CLIMATE CHANGE AT THE SAME TIME.”



How is the garden equipment market doing in Europe?

In recent years, the garden and watering sector, like the housing sector, has seen its revenue grow significantly. With the successive lockdowns in 2020 and 2021, demand increased significantly. Subsequently, over the last two years, the revenue curve declined before stabilizing. The needs of consumers have changed rapidly and have given pride of place to travel and leisure.

In addition, the latest geoeconomic and geostrategic developments have had a significant impact, not only on raw material costs and prices, but also on the level of consumer confidence in the future.

What are the major challenges facing the garden equipment market?

Our industry must meet two challenges: a market challenge for which we have strengths that place us a notch above our direct competitors, and a more global challenge, that of climate change. With the already palpable effects of climate change,

the processes in place must be screened for sustainability. The use of recycled materials, the reduction of our carbon footprint, the prudent management of energy and water resources, are just a few examples of how our business processes and product portfolio can be redesigned and adapted. Flexibility and capacity for innovation will be crucial when dealing with this challenge. To meet the needs of customers, it is necessary to capitalize on a prudent pricing strategy, proximity to target markets and innovative offers. The latter must focus on quality, durability, ease of use, and provide differentiating features.

What is your assessment of the integration of G.F. Garden within the EXEL Industries group? What are the benefits?

The integration of G.F. has been and continues to be done very quickly and easily. Many factors contribute to this progress. The most important element is undoubtedly the desire of everyone to make themselves available, to help each other throughout this integration process and to assimilate the new collective dynamic

INITIATIVES & PROGRESS

as quickly as possible. The mindset is excellent and I find it beautiful to share, while respecting our cultural and national diversity, the same values and a common vision. While the changes that have affected our market and our competitors have helped accelerate the sales force reorganization project, they are probably to our advantage. We have many more arrows, we boast an incredibly wide and deep commercial offering and we have a unique capacity in our markets. Our Group stands out for its multi-brand offering and its well-established production and logistics structure in the main benchmark countries. The resulting benefits for G.F. are certainly greater than in the past. We are now able to offer our customers a wide range of irrigation hoses that were previously missing from G.F.'s catalog. We also have the means to reach the various markets more efficiently, thanks to a more extensive sales and logistics network.

Working with professionals from different countries, with multiple know-how, enriches the cultural, professional and human background of each of us.

I would add that the Group's family nature also favors a medium and long-term vision with prudent investments aimed at improving performance and innovation, and a focus on environmental sustainability. The specific governance structure also makes it possible to take into account the companies' need for local autonomy while facilitating the sharing of current best practices. The EXEL Academy is a clear example of this approach.

What are the initiatives that have enabled G.F. Garden and therefore EXEL Industries to develop and “score points” in 2022-2023?

The year 2022-2023 was a year of transition. We decided to create a dedicated Private Label team within the Garden activity, while the dealer brand market is booming. As industrial partnerships with the dealers are becoming increasingly demanding (premium quality, continuous innovation and product durability), we are developing cross-functional skills and rethinking our organization to better support them. This is why this team is required to work between the various brands of the Garden activity, in order to be more proactive and competitive.

Significant consolidations and new projects were also carried out. Thus, the Adeo group, one of our largest customers, has renewed G.F. as the main supplier of the surface irrigation range with an expanded offer now including the Geolia drip irrigation range and several new product references including special hoses, controllers and irrigation kits. The fact that G.F. can fully manage product development,

from design to mold creation, production to logistics and customer support, is an advantage, especially when it comes to dealer brands.

In addition, the new synergies with HOZELOCK and TRICOFLEX have considerably expanded the range of offers available in Italy. This allows us to expand our product catalog, to be perceived as a multi-brand company and to amplify the impact of the G.F. brand among existing customers. For example, we are finalizing a major project to extend the offering involving all the brands in the portfolio with OBI Italia.

“In a rapidly evolving market, we'll have great opportunities to seize.”

Alberto Carniato

What is the role of innovation in the development process of G.F. companies?

It has always been at the heart of our DNA. It played a fundamental role in the birth of the Unconventional range, where the innovation was technical but also aesthetic and conceptual. It enabled G.F. to emerge and make itself known in a more “colorful” way. With the launch in 2020 of the recycled RECO range, innovation became sustainable. At present, our efforts continue to focus on the sustainability of products and packaging through the use of recycled or more environmentally-friendly materials, and revamped processes encompassing both the internal and external production process. It is a commitment on our part and a response to customer requirements.

What is the market outlook?

In these times of uncertainty and general wariness, the market has entered a new era. Perceived quality and innovation have become more important than before. Consumers select their products meticulously, as evidenced by the increased importance of the Private Label in recent years, and pay particular attention to the issue of environmental impact. However, I am convinced that G.F. and the entire EXEL Garden division will have great opportunities to seize in the future.



LEISURE

BUILDING ON INNOVATION TO PROGRESS

DEVAUX JOINS EXEL INDUSTRIES

In June 2023, EXEL Industries announced the acquisition of 81% of the share capital of Devaux, a French family-owned group specializing in the manufacture and sale of gardening tools.

With this acquisition, EXEL Industries strengthens its Leisure activity by offering its customers a new range of garden products focused on hand tools.

The Devaux group, which generated revenue of €12 million in 2022 and employs around 50 employees, presents the particularity of operating under its own brand but also as a dealer brand. It is present in garden centers, DIY stores and supermarkets.

At the end of this transaction, the Devaux group, whose Chief Executive Officer remains Jean-Luc Devaux, becomes a subsidiary of Hozelock EXEL. The Devaux brand enriches the Group's Garden activity, which already includes the Hozelock, G.F., Berthoud and Tricoflex brands, alongside which it will develop.



HOT SHOWER FOR G.F. AND HOZELOCK

Initially developed by G.F., the outdoor solar shower provides users with hot water directly heated by the sun, without using any energy, which is ideal for outdoor leisure activities.

Due to its responsible nature, meeting customer expectations, this innovative equipment attracted the attention of HOZELOCK, which decided to market it after carrying out some developments or adjustments with G.F.'s teams. The integration of new materials, the desire to give the product a HOZELOCK design, the completion

of tests, the information to the sales teams throughout the adaptation process, were all stages during which the collaboration between the two companies was exemplary. When this product was launched, the challenge was twofold: to propose an innovation in line with HOZELOCK's development objectives without affecting G.F.'s sales. The objective has certainly been achieved. The product has found its audience, and is set to take off more in the future, at a time when leisure and well-being are growing massively and becoming more and more present in the minds of everyone.

EXEL YACHTING WINS THE BERNARD RUBINSTEIN AWARD FOR ITS TOFINOU 7.9

In early September 2023, EXEL Yachting had the pleasure of seeing the very first new boat launched from the TOFINOU shipyard since its integration into the Group two years ago.

Presented at the international afloat boat show Le Grand Pavois La Rochelle, held from September 20 to 25, 2023, the TOFINOU 7.9 is the smallest luxury dayboat in the TOFINOU range.

Combining high-end design and exceptional features, it stands out for its large cockpit, its fully electric onboard engine, its noble materials, and its high-end finishes and refined equipment.

Skippers can use it both for solo navigation and for family outings. Winner of the Bernard Rubinstein prize for the 2024 sailboat of the year, the TOFINOU 7.9 marks a break with the

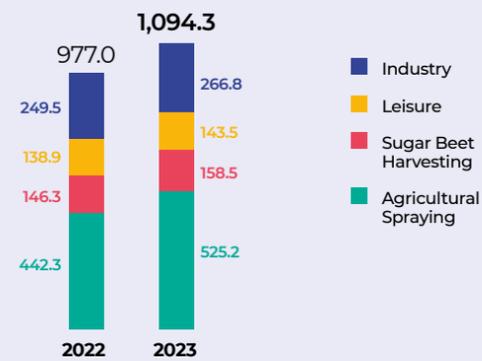


older generation of TOFINOU boats. Throughout its design, this concentrate of innovations has been guided by the search for an optimal customer

experience, better cost management and the desire to stay ahead of the competition through its removable electric batteries. The bet is a success!

Our financial INDICATORS

SALES BY ACTIVITY in € millions



NET INCOME

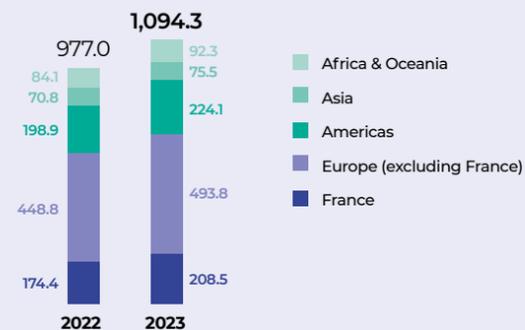
€42
MILLION

8.6% Recurring EBITDA/Revenue

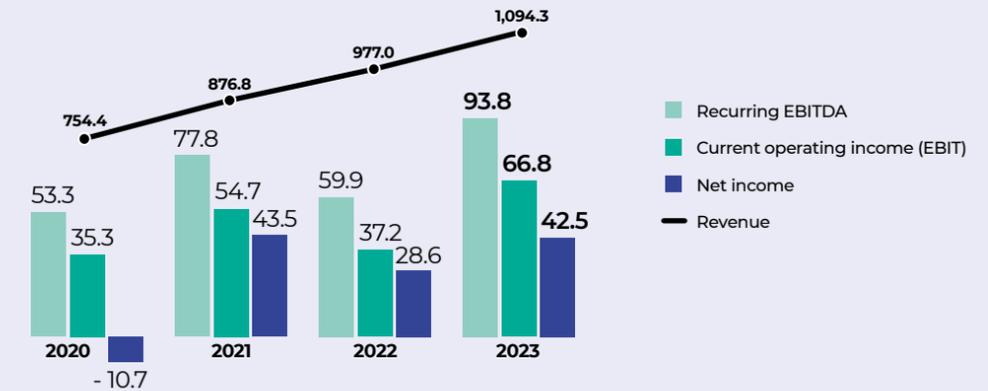
€1.57

Dividend per share

SALES BY GEOGRAPHICAL AREA in € millions



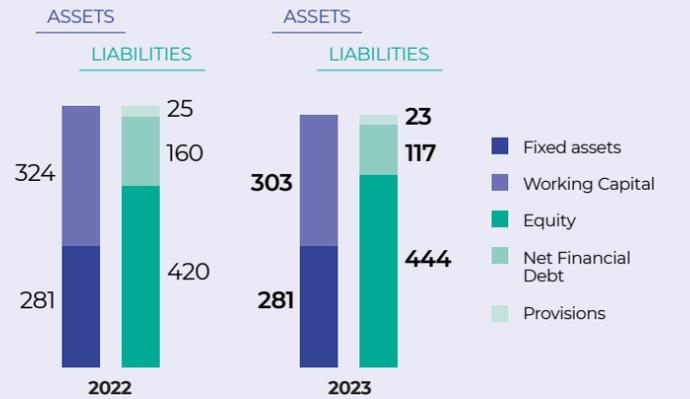
RESULTS in € millions



SIMPLIFIED BALANCE SHEET in € millions

Revenue

€1.1
BILLION



NET FINANCIAL DEBT

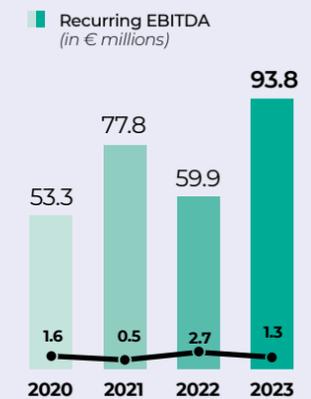
Gearing

(Net financial debt/Equity)



Leverage

(Net financial debt/Recurring EBITDA)



THE SHAREHOLDER'S logbook

SHARE PRICE EVOLUTION



↑ **€62.89**
HIGH OF THE YEAR

↓ **€33.80**
LOW OF THE YEAR

EXEL INDUSTRIES IDENTITY CARD

NYSE EURONEXT PARIS, COMPARTIMENT B
Indexes: indice EnterNext® PEA-PME 150
ISIN/MNEMO/Reuters/Bloomberg:
 FR0004527638/EXE/EXEP.PA/EXE:FP

Close of the fiscal year: September 30
Number of shares: 6,787,900
Nominal value: €2.50

2024 SCHEDULE

JANUARY 25	Q1 revenue
FEBRUARY 6	Annual General Meeting
APRIL 24	Q2 revenue
MAY 24	First-half results

JULY 23	Q3 revenue
OCTOBER 25	Q4 revenue
DECEMBER 19	Full-year results

ANALYSTS COVERING EXEL INDUSTRIES SHARE

ODDO: Jean-François GRANJON
 GILBERT DUPONT: Christine ROPERT
 IDMIDCAPS: Denis SCHERRER

PORTZAMPARC: Nicolas DELMAS
 CIC: Dominique DESCOURS



OUR MAIN WEBSITES

- BERTHOUD:** www.berthoud.com
- CMC:** www.cmc51.fr
- EVARD:** www.evrard-fr.com
- TECNOMA:** www.tecnoma.com
- MATROT:** www.matrot.fr
- NICOLAS SPRAYERS:** www.nicolas-sprayers.com
- AGRIFAC:** www.agrifac.com
- HARDI:** www.hardi-fr.com
- APACHE SPRAYERS:** www.etsprayers.com
- EXXACT ROBOTICS:** www.exxact-robotics.com
- HOLMER:** www.holmer-maschinenbau.com
- CAPAGRI:** www.capagri.com
- HOZELOCK:** www.hozelock.fr
- G.F.:** www.gfgarden.it
- DEVAUX:** www.devaux.fr
- COOPER PEGLER:** www.cooper-pegler.com
- RHÉA MARINE:** www.rhea-marine.fr
- LASER INDUSTRIE:** www.laser-industrie.com
- WAUQUIEZ:** www.wauquiez.com
- TOFINOU:** www.tofinou.com
- SAMES:** www.sames.com
- TRICOFLEX:** www.tricoflex.com
- INTEC:** www.sames-kremlin.com

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