

# The world changes, EXEL Industries innovates

**2020-2021 Annual Report**

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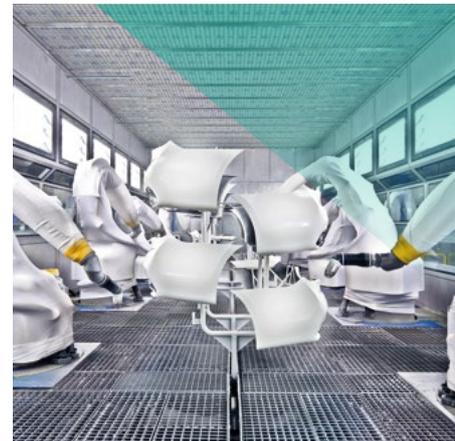
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# THE WORLD CHANGES, EXEL INDUSTRIES INNOVATES

EXEL Industries is a French family-owned group that designs, manufactures and markets capital goods and associated services in the areas of agricultural equipment, industry and leisure. These solutions promote increased efficiency and productivity for its customers or contribute to the pleasure of living while enabling them to achieve their environmental and societal objectives.

In order to meet the requirements of its customers at any time and everywhere, EXEL Industries has built its model around two components. The holding company is responsible for cross-company functions, in particular financing, legal issues, strategic studies, M&A, industrial property, transformation, human resources and the consolidation of results. The various activities have considerable autonomy to manage the processes throughout the value chain.

In a rapidly changing world, EXEL Industries is transforming itself and imagining new solutions by building on a stable majority shareholder and strong brands.

€877  
MILLION  
in revenue

3,546  
EMPLOYEES

Offices in  
27  
COUNTRIES

## Discussion with...

PATRICK BALLU,  
Chairman of the Board  
of Directors and  
YVES BELEGAUD,  
Chief Executive Officer  
of EXEL Industries.

# “We are ready to meet the post-Covid challenges”



YVES BELEGAUD,  
Chief Executive Officer



### How do you see the 2020-21 fiscal year?

**Yves Belegaud:** The year was once again marked by the Covid-19 health crisis with disparate consequences. In the automotive market, we saw a significant drop in sales, which led to a significant decrease in investments in our equipment by manufacturers. Once the restrictions were lifted or relaxed, the economic recovery was in place, but with considerable disruption to supply chains, structural supply difficulties and a surge in the price of raw materials. In the agricultural equipment market, however, this explosion in the price of agricultural raw materials generated significant investments by farmers.

In the end, we generated revenue of €877 M: our highest ever. I would add that we managed to control the impact of the increase in the price of raw materials used in our production cycle. This is due to our ability to anticipate price increases and pass on these cost increases into our sales prices.

We also reduced our debt by generating cash flow and managing our Working Capital Requirements.

**Patrick Ballu:** The year was indeed fruitful for our Group, with strong growth, a 16% recovery in our revenue and a clear improvement in our operating profit. The increase in the cost of agricultural raw materials, with a price per metric ton of wheat that has almost doubled, was positive for our agricultural customers. The other point that I would like to highlight is the mobilisation of our teams, who rose to the occasion and showed anticipation. I would like to thank them again.

I would add that after two years without dividends, during which we made provisions to deal with difficulties and to take into account exceptional impairment in our statement of financial position, we are once again in a position to compensate our shareholders up to 25% of consolidated net income, as before.

### How did the Group mobilize for its customers throughout the health crisis?

**Yves Belegaud:** We ensured that we maintained the necessary health measures in our factories, so that

our teams could continue to operate under optimal safety conditions. Likewise, teleworking was intensified wherever possible. Our factories remained open, customers orders were delivered thanks to an active destocking policy, and we had no significant disruption in the value chain. The use of videoconferencing for communication increased on an unprecedented scale in our commercial activities due to travel restrictions.

**Patrick Ballu:** In the field, the managers of our activities were able to cope with emergencies, meet our dealers' requirements and avoid supply disruptions, in order to best satisfy our customers, while benefiting from the sharing of best practices that we have implemented.

**In your opinion, what are the major achievements that marked the year?**

**Yves Belegaud:** The launch of France Pulvé, which aims to boost our commercial and marketing presence and bring us closer to our customers in the agricultural spraying segment, is undoubtedly a significant step forward.

I also note, in our industrial activity, the positive integration of iNTEC with SAMES KREMLIN.

The complementary nature of the two customer portfolios allows us today to reach out to car manufacturers more broadly, via a successful cross-selling approach. Other major achievements include the launch of the 3S "Spot Spray Sensor" solution,

**PATRICK BALLU,**  
Chairman of the Board  
of Directors



marketed in 2022; and the delivery of the Traxx vineyard robot to the market which was launched in November 2021 at SITEVI, Montpellier, thanks to the work carried out by EXXACT Robotics.

**Patrick Ballu:** 3S is an efficient solution based on the idea of the right dose in the right place. It was made possible by the work of EXXACT Robotics, structured as an agile and creative start-up, which allowed us to successfully pool our R&D capabilities in line with the objectives of the Green Deal.

**In this context and two years after the appointment of a new Group Chief Executive Officer, what are the Company's strategic priorities?**

**Patrick Ballu:** First of all, I would like to point out that the appointment of Yves Belegaud has proven valuable to our organisation. He was able to capitalize on our Group's DNA and keep to the roadmap assigned to him, in a challenging environment.

At the strategic level, we must of course continue to improve our performance and pursue our

innovation policy, in order to comply with the ever-increasing regulatory changes. We must remain the leader in our markets and cultivate our difference with our customers. We also need to step up our diversification policy, which this year has resulted in the acquisition of pleasure boat shipyards, so that today we are present in three major markets: agriculture, industry and leisure via the garden and the nautical industry.

**Yves Belegaud:** Diversification, which began in 1996, has boosted the Group's growth and strengthened its solidity. It has enabled us to expand our business activities, balance our results and overcome the economic crises we have faced.

**Patrick Ballu:** It should be noted that this dynamic of diversification is based on real consistency, which consists of positioning ourselves in premium markets, with small and medium-batch products, in which we have mastered the technologies and in which we are present throughout the life cycle.

“We must provide our customers with quality products, offer them useful innovation and provide them with a fast after-sales service that meets their requirements.”

**After more than 18 months of the Covid crisis, what are the major challenges you need to overcome?**

**Yves Belegaud:** The main thing is to manage the shortage of raw materials and components. Likewise, it is becoming more difficult to recruit in a job market that multiplies opportunities. In this unique context, meeting our rapidly growing order books on time is a daily challenge. Another major issue is the need to innovate in order to achieve our environmental impact reduction targets.

**Patrick Ballu:** This Covid period also generated immense challenges in terms of management. It is much more difficult to organize work and mobilize teams remotely in a context where professional and personal life are more intertwined. Remote working also poses new challenges in terms of R&D, since the sharing of ideas and discussions have been partly managed via videoconferencing. It is a question of reorganizing collective physical work differently, taking into account on the one hand, these new ways of working, and on the other hand, the intensification of our commercial challenges.

**At a time when CSR requirements are increasing, particularly among investors, what action plan have you put in place to support the ecological transformation of the world?**

**Patrick Ballu:** We are convinced that we must think differently in the future and that we must optimize the impact of our products and our activities. This is why the Board of Directors welcomed two new directors this year who are particularly aware of these issues. We intend to stay tuned to the “noise of the world” and open ourselves up more to societal trends, new technologies, social networks and the expectations of new generations.

**Yves Belegaud :** It is true that the requirements of the Green Deal and Farm to Fork guide us. We have a duty to design equipment that will enable users to reduce their carbon and environmental footprint. Our latest innovations demonstrate our performance in this area: progress in precision spraying (3S) and painting by printing (PRiNTEC), marketing of beet harvesters that are more respectful of the environment, design equipment that reduces excess water usage, introduction of new generation composters manufacturing natural fertilizer that can be sprayed directly, etc. CSR is perfectly integrated into our strategy.

Another step forward to our credit: we recently signed an impact bond issue, placed with private investors, for an amount of €35M, which provides that the more virtuous we are and compliant with the planned CSR criteria, the more the

interest rate on our loan is likely to fall and vice versa. There are also targets for improvement in terms of health and safety at work.

**In conclusion, what are the Group's key success factors?**

**Patrick Ballu:** I see three. The first is to perpetuate the independence of the family capital, which knows how to decide quickly and invest for the long term. The second is to preserve our model with a holding company that coordinates and leads a federation of SMEs, combining decision-making autonomy and proximity to our customers. The third is to reinforce our values, in particular that of cultivating excellence. This means that we always strive to be both better than we were yesterday and better than our competitors.

**Yves Belegaud:** I fully share this analysis. I would add that customer satisfaction is at the heart of our culture's fundamentals. We must provide our customers with quality products, offer them useful innovation and provide them with fast after-sales service that meets their requirements.

# Challenges & Vision

▶ What guides our choices



# Contributing to meeting the great challenges of our time

The environment in which EXEL Industries operates is marked by three megatrends that guide its decisions and structure its activity.



## The climate challenge

- ▶ The acceleration of climate change, against a background of global warming, is disrupting not only our lifestyles but also natural ecosystems. It results in an increase in extreme weather events, a gradual loss of biodiversity and an overexploitation of resources.

### OUR STRENGTHS

- ▶ A CSR policy aligned with the Green Deal and the UN Sustainable Development Goals
- ▶ A strategy to reduce the Group's greenhouse gas emissions
- ▶ R&D that meets the environmental objectives of our user customers

### OUR ACTIONS AND SOLUTIONS

- ▶ Regular 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

## The food challenge

Against a backdrop of depleted resources and soil erosion, one of the major challenges of the century will be to meet the food needs of a population that is steadily and continuously growing. 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, meet the requirements of a healthy diet, optimize the management of natural resources and comply with new regulatory standards as part of the carbon neutrality objective

### OUR ACTIONS AND SOLUTIONS

- ▶ Ownership of a complete range of products that protect and improve agricultural productivity
- ▶ Improved spraying precision with the use of new technologies, such as precision 3S spraying, which detects the plants to be treated and reduces the doses of phytosanitary products applied by 30 to 80%
- ▶ Mechanical weeding solutions via the Traxx vineyard robot
- ▶ Use of ATC (Alternative to Chemicals) products to replace the use of chemicals in the garden



## The societal challenge

In a world marked by globalization, citizens aspire to a more balanced, more peaceful, more sober and more secure society. The concerns of citizens relate to the need to protect the environment, to have a better life balance and to maintain a way of life made up of human ties and relationships.

### OUR STRENGTHS

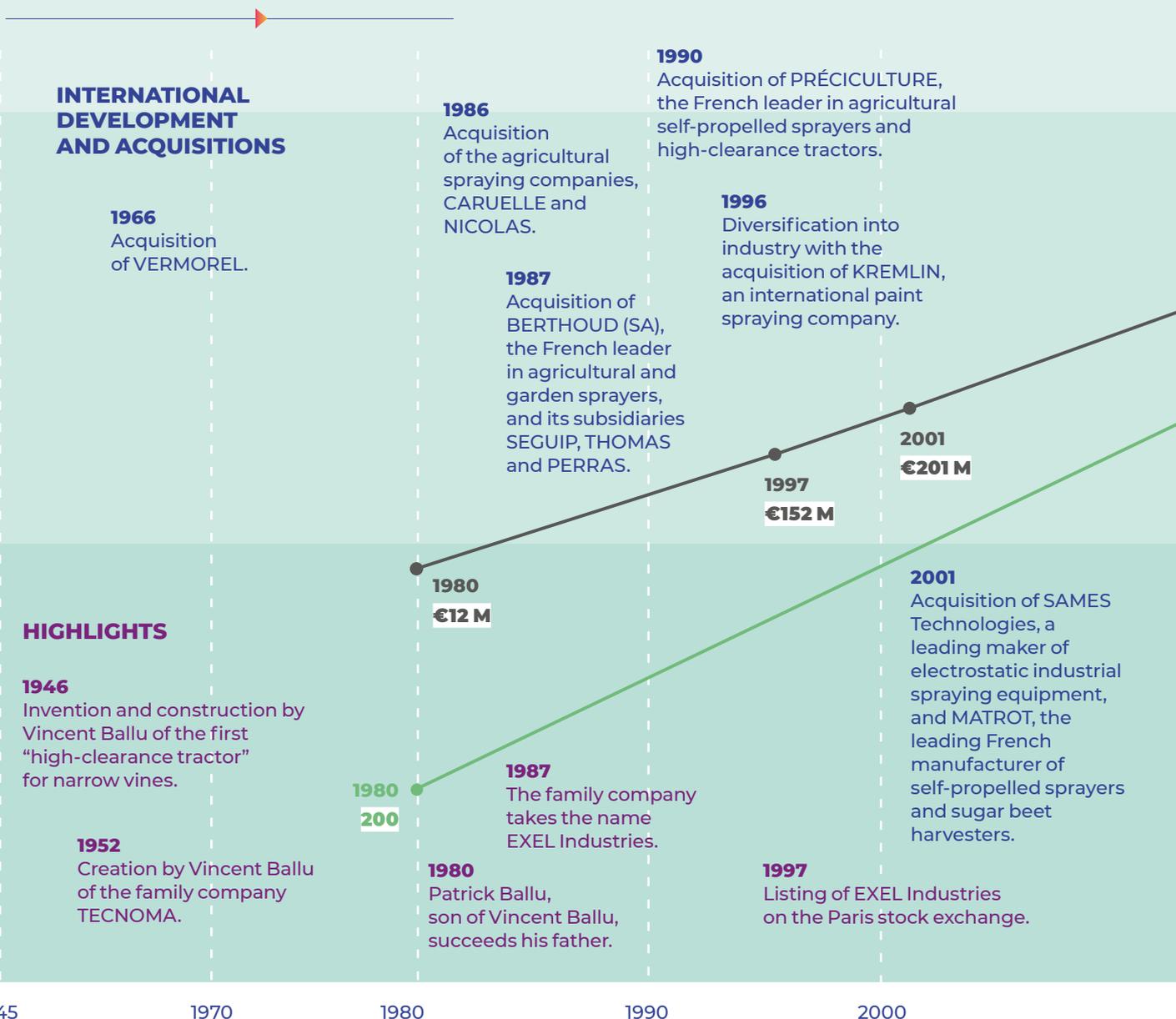
- ▶ An absolute respect for rurality where our sites have always been present
- ▶ A deep commitment to learning

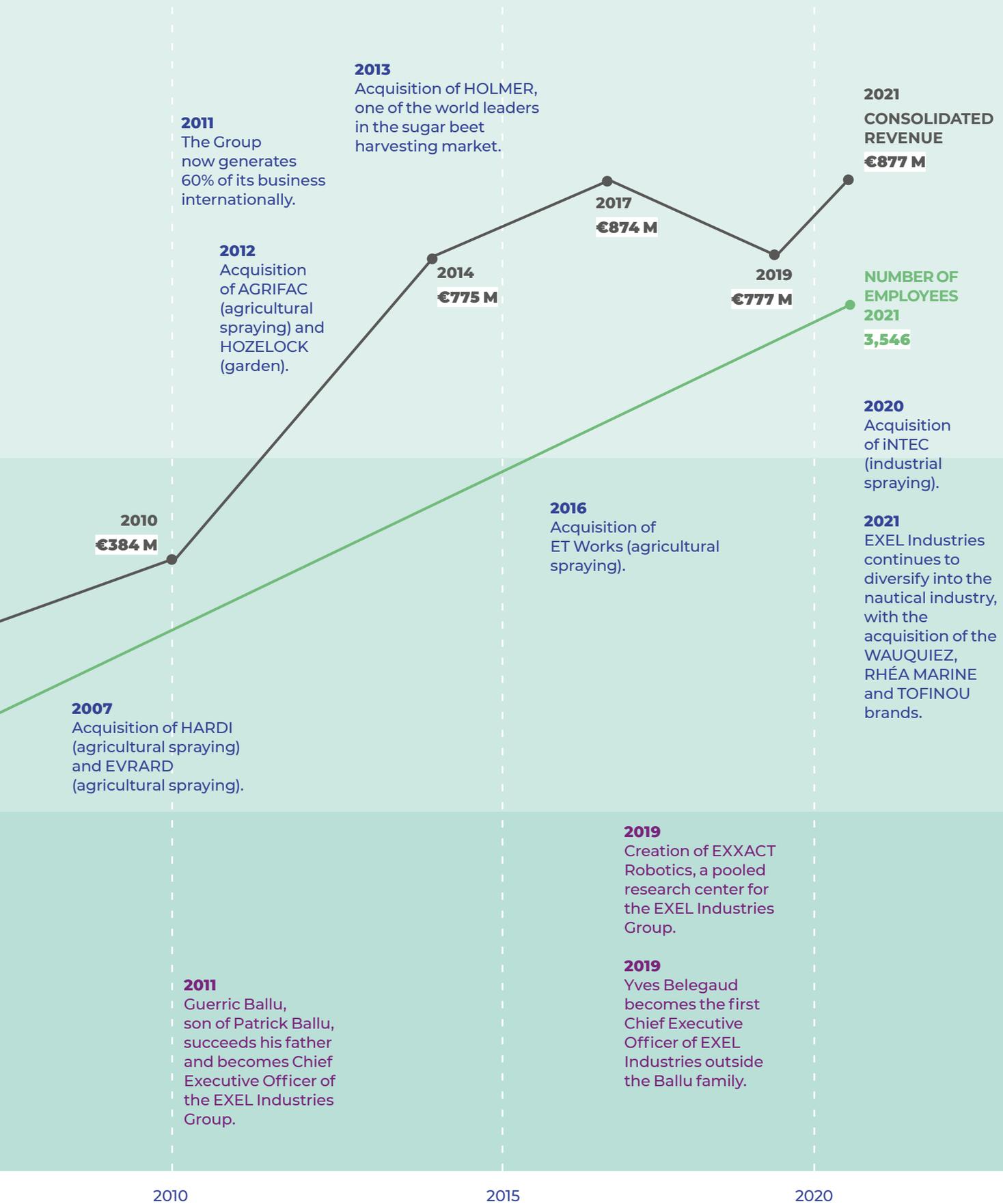
### OUR ACTIONS AND SOLUTIONS

- ▶ Regular discussions with farmers (cereal growers, tree growers, winegrowers, market gardeners) to understand their changing needs
- ▶ Developing partnerships to recruit apprentices and help young people integrate (production schools)
- ▶ Regular marketing of products that contribute to the pleasure of living
- ▶ Creation of a Leisure division
- ▶ An employer brand focusing on continuous training and increasing employability
- ▶ Market launch of the Traxx vineyard robot, which contributes to improving the safety and working conditions of winegrowers
- ▶ A proactive safety policy to reduce the number of workplace accidents

# 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 elements that have enabled us to grow and continue our growth for the benefit of our clients.





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

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

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

**2014**  
€775 M

**2017**  
€874 M

**2019**  
€777 M

**2021**  
CONSOLIDATED REVENUE  
€877 M

NUMBER OF EMPLOYEES  
2021  
3,546

**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.

**2010**  
€384 M

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

**2016**  
Acquisition of ET Works (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.

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

2010

2015

2020

# Our value creation scheme

## OUR RESOURCES



### FINANCIAL AND ECONOMIC CAPITAL

- €877 M in revenue
- €390 M in equity
- 27 countries of operation
- €42 M net financial debt



### HUMAN CAPITAL

- 3,982 permanent and seasonal employees
- 122 apprentices
- 20% women



### INTELLECTUAL CAPITAL

- 316 patent families
- 661 brand families
- 3,6% of revenue dedicated to R&D expenses



### SOCIETAL AND ENVIRONMENTAL CAPITAL

- CSR strategy affirmed at the highest level
- MORE label
- BREEAM certification

## OUR ACTIVITIES

### AGRICULTURAL EQUIPMENT

One of the world leaders in agricultural and winegrowing spraying and sugar beet harvesting

### LEISURE

Efficient solutions for home and professional gardeners;  
– manufacturer of high-end pleasure boats

### INDUSTRY

Global expert in paint spraying, application of high-viscosity products – manufacturer of technical hoses

**Market trends**



**Climate challenge**

## 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. EXEL Industries employs approximately 3,546 people (permanent contracts) spread across 33 countries and five continents.

### OUR STRENGTHS

#### 3 STRATEGIC PILLARS

Ensuring the Group's  
solidity over the long term

Innovating to create  
more value

Carrying out managed  
and responsible  
development

#### OUR CSR APPROACH

Ensuring the safety and well-being  
of our employees.

Offering our customers solutions  
that enable them to reduce  
their environmental impact.

Contributing to the objective  
of carbon neutrality.

### OUR SHARED VALUE

#### EMPLOYEES

- €217 M in wages and social security contributions
- Our employees operate in 33 countries
- Number of permanent contract hires: 541
- 17% female managers

#### CONTRIBUTION TO THE ECOSYSTEM

- Among the leaders in our markets
- Present commercially in 178 countries
- €21 M taxes and duties
- €477 M purchase volume

#### SHAREHOLDERS / INVESTORS

- +137% share performance over one year
- €543.0 M market capitalization
- €43.5 M net income
- €55 M current operating income

#### TERRITORY AND ENVIRONMENT

- €16 M industrial investments
- EURO PP signing of a first impactful financing



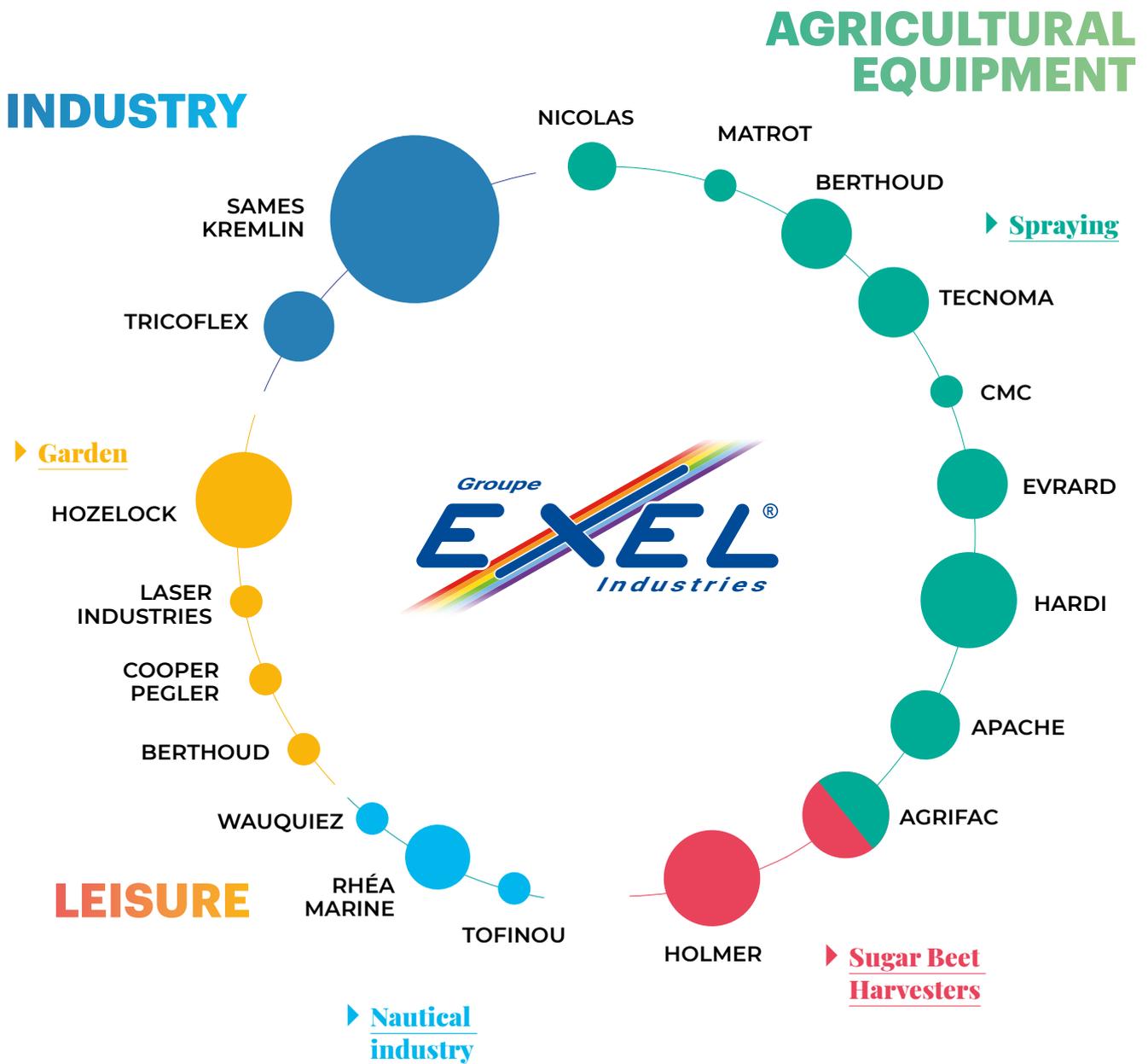
Food challenge



Societal challenge

# 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.



€516.4 M  
in revenue



## ● Agricultural Equipment

**Agricultural Spraying**  
1,654 employees

**Product range:**  
Trailed – Mounted – Self-propelled

**Markets served:**  
Large-scale crops – Viticulture – Arboriculture

**Main brands:**  
BERTHOUD – TECNOMA – NICOLAS – CMC – HARDI – EVRARD – MATROT – AGRIFAC – APACHE

**Sugar Beet Harvesters**  
351 employees

**Product range:**  
Sugar beet harvesters – Cleaner-loaders – Large multi-purpose trucks

**Markets served:**  
Harvesting sugar beet and other roots – Transport and spreading

**Main brands:**  
HOLMER – AGRIFAC

## ● Industry

**Industrial Spraying**  
832 employees

**Product range:**  
Airmix® – Airless® – Airspray® – Electrostatic – Powder – High Viscosity

**Markets served:**  
Automotive – Furniture – Plastics – Mobility

**Main brand:**  
SAMES KREMLIN

**Technical hoses**  
206 employees

**Product range:**  
Spiral – Wrapped – Knitted – Unreinforced tubes – Braided – Sheaths

**Markets served:**  
Medical – Automotive – Garden – Cleaning – Fire

**Main brand:**  
TRICOFLEX



€227.9 M  
in revenue

## ● Leisure

**Garden**

**391 employees**

**Product range:**  
Watering hoses – ATC – Sprinkler systems – Sprayers – Nozzles

**Markets served:**  
Consumer

**Main brands:**  
HOZELOCK, COOPER PEGLER, LASER INDUSTRIES, BERTHOUD

€132.4 M  
in revenue

**Nautical industry**

**Consolidation at September 30, 2021**  
**93 employees**

**Product range:**  
Motor boats – Sailing boats

**Markets served:**  
Pleasure boating

**Main brands:**  
WAUQUIEZ, RHÉA MARINE, TOFINOU



# Our strategic pillars

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 development is based both on improving our performance and on an assumed diversification policy. Our objective is to remain the leader in our markets while cultivating our point of difference with our customers.”



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PATRICK BALLU  
Chairman of the Board  
of Directors

## OUR THREE FOCUSES

### Ensuring the Group's **solidity** over the long term

- ▶ majority family shareholding
  - ▶ long-term vision
  - ▶ independence
  - ▶ geographic diversity

### Innovating to create more value

- ▶ strategy based on breakthrough innovations
  - ▶ search for structural competitiveness
  - ▶ leading position in the INPI list of patent applicants

### Managing responsible development

- ▶ desire to remain open to acquisition opportunities with a view to diversification
  - ▶ ability to harmoniously combine organic and external growth
- ▶ consideration of societal and environmental issues in our strategic choices

## Story no.1

# How to make innovation a key success factor?

In order to develop the Group's economic and industrial performance and remain leader in our markets, we have for several years placed our innovation strategy at the heart of our model. **Explanations.**

→ **The markets** in which EXEL Industries operates are experiencing profound upheavals with the need to achieve carbon neutrality by 2050. Similarly, the arrival of new technologies opens up interesting prospects for responsible development. This is why the Group has decided to place its innovation policy under the aegis of the Green Deal and the Sustainable Development Goals defined

by the UN, which set the reference framework for its corporate social responsibility approach. Pursuing the ambition to improve its operational performance and offer effective, useful and responsible solutions to its customers and prospects, EXEL Industries intends to optimize the life cycle of its products and achieve a level of reliability and competitiveness in the highest market standards and meet the resulting regulatory changes. It is in this perspective that research devoted to the development of the connectivity of our equipment and Industry 4.0, the exchange of data and the maintenance of agricultural yields while reducing inputs have increased in recent years.

## Top 3

INPI ranked EXEL Industries among the three most innovative MID-caps in France in 2020

### 20

patents filed by EXEL Industries in 2021

### 316

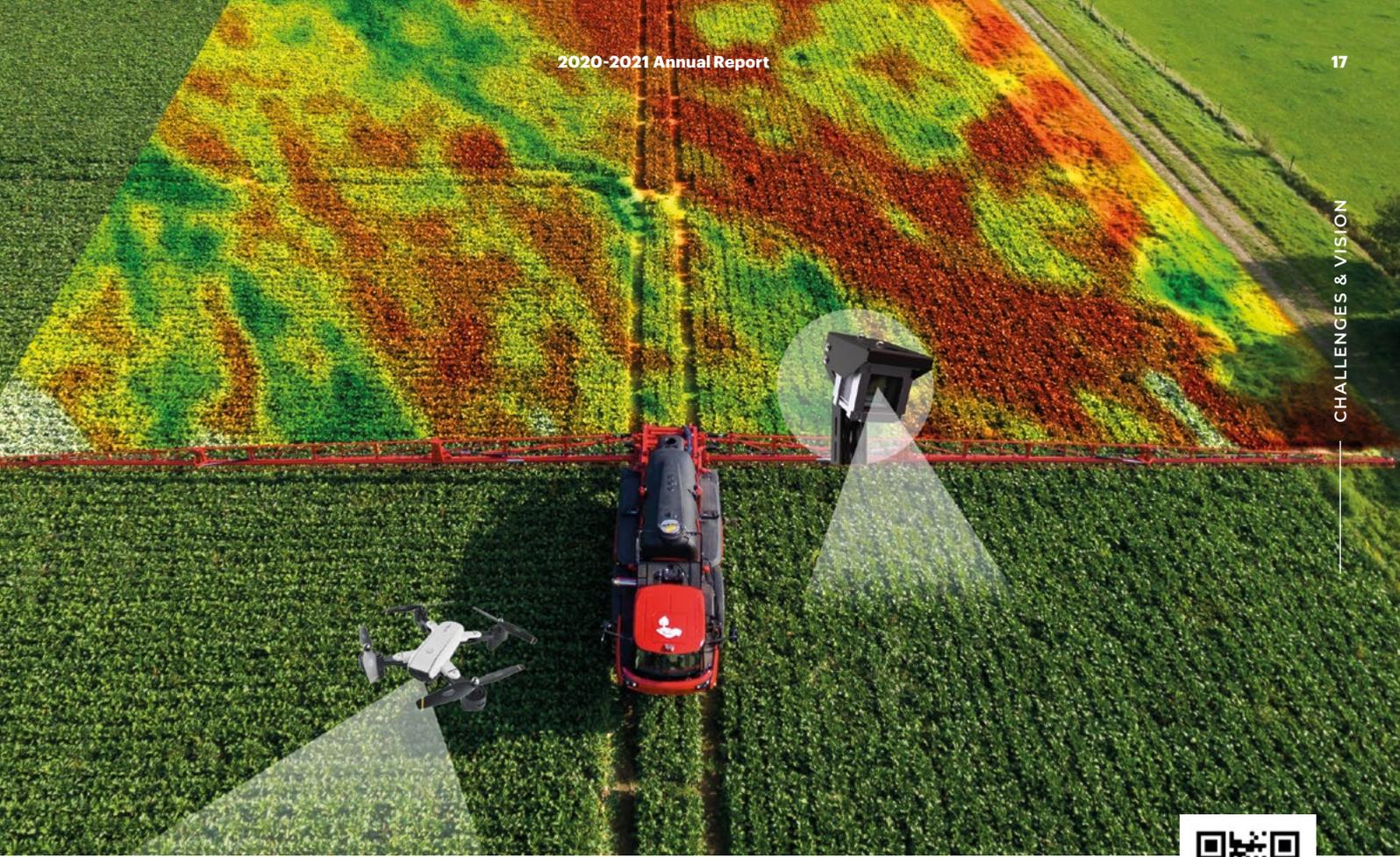
PATENT FAMILIES HELD BY THE GROUP

### 150

EXEL Industries was ranked among the top 150 companies seeking to conquer their market, in the "Spearheads of innovation" category (Institut Choiseul study, Les Nouveaux Conquérants de l'Économie, Second edition, 2021).

## Giving yourself the means to succeed

The implementation of this policy is firstly reflected in the creation of internal entities entirely dedicated to the search for breakthrough innovations. EXXACT Robotics, created in November 2019, is an example. This pooled research center offers all EXEL Industries agricultural spraying companies sustainable solutions for major agricultural transitions. For this, it relies on the performance of technology and artificial intelligence in order,



**Innovation  
is our trademark  
and the driver  
of our development.**

in particular, to develop the efficiency of the application of sprayed products and to promote the emergence of new practices to reduce the use of phytosanitary products. The launch of 3S precision spraying (Spot Spray Sensor) which, thanks to the presence of sensors that visually recognize weeds and diseases, limits the use of herbicides and fungicides while improving agricultural yields is a convincing illustration. The in-house start-up, Nature with us, created within HOZELOCK, whose aim is to satisfy gardening enthusiasts with innovative solutions that bring added value, is another facet of this approach.

### **Forging promising partnerships**

The second tangible policy method, the contractualization of partnerships, makes it possible to give life to innovation. In this context, EXEL Industries made an investment of €3m in the Agrinnovation fund, dedicated to innovative companies in the agricultural sectors, managed by Demeter, a player specializing in private equity for the energy and ecological transition. What is at stake? Financing Agtech and contributing to the transition to

more sustainable agriculture and food. EXEL Industries, which is present on this fund's Investment Advisory Committee, is therefore, attuned to the services and technologies that will make it possible to meet key agricultural challenges: producing more and better, reducing the use of chemical inputs and responding to changing consumer requirements. Since October 2021, the Group has also been a partner of the H@rvest Alliance led by the AgroParisTech Foundation, whose ambition is to support the use of digital technology for the benefit of the agricultural sector.

The benefits of this proactive policy are positive. Carried out in the field by the Group's various companies, it promotes the Group's commercial development, consolidates its image as a long-term innovator and contributes more generally to improving its level of performance in a highly competitive market.

## Story no.2

# Why focus on diversifying our activities?

To continue its long-term growth and secure its business model, EXEL Industries has made diversification one of its guidelines. **Situation analysis.**

→ **EXEL Industries** has chosen to promote the diversification of its activities. This structuring policy was initiated in 1996 when the Group became a player in industrial spraying following the acquisition of KREMLIN. It continued in 2001 with the integration of sugar beet harvesting and in 2012 with garden watering. A new step in 2021 with the acquisition of the WAUQUIEZ, TOFINOU and RHÉA MARINE shipyards, bringing the Group into the nautical world. While diversification is one of the key elements of the Group's external growth, it also and above all aims to integrate activities with different cyclical characteristics into the business model.

### Strengthening the Group's value proposition

The second consists of buying companies operating in markets where EXEL Industries is already present, with a view to seeking synergies and consolidating the commercial offering with Group companies. The acquisition in 2020 of INTEC, a company specializing in gluing equipment dedicated to the automotive industry, which joined SAMES KREMLIN is part of this logic. It has strengthened EXEL Industries' value proposition in the market for high-viscosity paints and products.

### Conquering new markets

Diversification takes two concrete forms. The first is to go to new markets without necessarily looking for bridges or common points between the business lines. In this context, the aim is to identify companies likely to be of interest to the Group in the field of capital goods and their associated services, but with the same common thread consisting of positioning themselves in niche markets and prioritizing premium products, that are easily exportable and manufactured in small and medium batches, and mastering the related value chain.

### Leveraging its financial capacity

EXEL Industries has great prospects ahead of it, as it remains more open than ever to new developments. The Group wants to gradually expand the spectrum of its activities beyond the agricultural markets and remains attentive to any opportunities that may arise.



4

number of times EXEL Industries has diversified (industry in 1996, sugar beet harvesting in 2001, garden in 2012, nautical industry in 2021)

**x5.8**

Group's revenue growth since 1996, the date of the first diversification

**27**

countries in which EXEL Industries has a commercial position



**EXEL Industries remains more open than ever to other developments in terms of diversification.**

The 2020-21 fiscal year was marked by some good progress which has enabled EXEL Industries to reach a milestone in terms of diversification, innovation and sustainable financing.

# Major achievements of the year

## Acquisition of pleasure boat shipyards

WITH THE ACQUISITION IN SEPTEMBER 2021 of the WAUQUIEZ, RHÉA MARINE and TOFINOU shipyards, and the Ettore-Yachting Méditerranée technical base, EXEL Industries is pursuing its diversification strategy. Operating in different cycles from the Group's traditional markets, the nautical industry not only offers good development prospects, particularly for export, but also helps to promote the Group in a market requiring a mastery of advanced technologies, a high level of high standards and a keen sense of quality. WAUQUIEZ, RHÉA MARINE and TOFINOU offer sailors and boat enthusiasts a whole range of products, ranging from long-distance sailing boats to neo-classic fishing and open boats, as well as prestigious day-sailers.



Of course, we intend to continue to satisfy the customers of these three brands whose influence is real, both in France and internationally. We also want to give them a new boost with new models and increased export sales.

**Cyril Ballu,**  
Chief Executive Officer  
of WAUQUIEZ, RHÉA MARINE  
and TOFINOU

## 3S revolutionizes agricultural spraying

**WITH 3S, THE ACRONYM OF SPOT SPRAY SENSOR, EXEL INDUSTRIES OFFERS** its customers to discover ultra-localized spraying. Designed by the pooled research center EXXACT Robotics, this real-time image capture and analysis solution is based on the detection and visual recognition of weeds and leaf diseases. The data, analyzed by the 3S technology, is sent to the sprayer, which can then effectively apply the right dose to the only right place.

### A significant technological leap

A true technological revolution, 3S allows farmers to reduce the doses sprayed by 30 to 80% and, thereby, meet the objectives of the Green

Deal and more specifically Farm to Fork, which plans to reduce the use of phytosanitary products by 50% by 2030. Designed after two years of R&D, 3S has the particularity of being usable on bare ground as well as on large-scale crops, day or night, up to a speed of 25 km/h. Marketed in 2022 for the application of herbicides, this solution will be gradually deployed on all Group brand equipment and will concern nitrogen fertilization, fungicides and insecticides.



### EXEL INDUSTRIES SUCCESSFULLY PLACED A EURO PP BOND LOAN OF €35M AND OBTAINED A BANK LOAN OF €30M, BOTH INDEXED TO CSR CRITERIA.

The relevance of our CSR policy has convinced partners and financial investors to work alongside us to advance societal and environmental issues. This financing links the financial conditions of the loans to specific sustainability objectives. In this context, two commitments were made. The first aims to drastically reduce the doses of phytosanitary products sprayed, an objective made possible thanks to the 3S technology, which should equip a growing number of sprayers. The second is to reduce the accident frequency rate by more than 50%. If these objectives are achieved, the Group will benefit from a reduction in the interest rate on its loans.

## EXEL Industries opts for responsible financing

## The Traxx high-clearance robot aims to attract winegrowers



**DESIGNED BY EXXACT ROBOTICS, THE NEW COMPACT STAND-ALONE TRAXX HIGH-CLEARANCE ROBOT** was presented to the public for the first time at the SITEVI international trade fair held in Montpellier at the end of 2021. Its unique advantages – length of 3.1 meters, weight of 1,300 kg without tools, combustion engine, autonomy of 10 hours, quality of the remote control of 200 meters, ease of use – allow it to perform mechanical weeding in narrow vineyards in complete safety. Designed for soil work, Traxx will be enriched with a new spraying version ready for marketing in 2023.

With 81% of its revenue generated outside France, the Group is now present in more than 27 countries.

# A strong international presence



**19%**  
of total

**France**  
12 Production sites  
**€170.5 M**  
in revenue

**Europe + CIS  
(outside France)**  
7 Production sites  
**€426.4 M**  
in revenue



**49%**  
of total



**The Americas**  
2 Production sites  
**€165.4 M**  
in revenue



**19%**  
of total

**Asia, Africa,  
Australia**  
2 Production sites  
**€114.5 M**  
in revenue



**13%**  
of total

# Progress & Convictions

▶ Our achievements in 2021



## Agricultural Equipment

# Offering new solutions to farmers



**“Our progress is significant and is headed in the right direction”**

**WIM VAN DEN BOSCH**

Chief Executive Officer, AGRIFAC

The Green Deal is clearly one of the challenges we need to address by enabling farmers to both reduce their carbon footprint and limit their consumption of chemical products. Similarly, in line with the food challenge of feeding a steadily growing world population, we must contribute to finding solutions to increase the productivity per hectare of agricultural land while ensuring food security, which is essential for consumers.

The work carried out by AGRIFAC, which uses technological advances to help farmers increase their production without excessive use of phytosanitary products, aims to address this issue. More generally, this quest for sustainability and responsibility drives our markets, which are doing well.





€516.4 M  
in revenue



## Launch of France Pulvé

The various French brands of EXEL Industries specializing in agricultural spraying have joined forces within France Pulvé. This creation will enable them to work in total complementarity, to benefit from enhanced R&D and to get closer to the end customer.

The Group aims to win back market share in large-scale crops and specialized crops. In this context, each of the French brands, BERTHOUD, TECNOMA, EVRARD, MATROT, NICOLAS and CMC, has been repositioned in its specific markets.

France Pulvé also becomes the exclusive importer of the HARDI and AGRIFAC brands in France.

## Sales of Terra Variant are booming

The Terra Variant range of large multi-purpose machines was a great success in 2021. This result is explained by wide range of machines, the Terra Variant 435 and 585 for liquid solutions, equipped with a spray boom and stubble cultivator, and the Terra Variant 650 for solid products, equipped with a hopper. All have attractive features – soil and environmental protection, traction power, high work output – which enable them to protect agricultural soil and be used whatever the season and weather conditions.

## GeoSelect the other ultra-localized spraying

In June 2021, HARDI Australia presented a GeoSelect selective spraying solution. Developed by the HARDI teams, it is based on decoupling imaging and spraying resources. A drone identifies the weeds on the plot to be treated and then sends this spatial data to an application that can be used on a screen in the cabin or on a mobile device. Only geolocated weeds are sprayed with the exact dose. The results? A reduction in the use of pre-planted phytosanitary products by up to 90% and a significant saving in human and financial resources. The marketing of this solution began at the end of 2021.

## Industry

# Continuing to optimize the customer experience



“We have been able to reinvent ourselves and support the post-Covid recovery”

**CÉDRIC PERRES**

Chief Executive Officer  
of the SAMES KREMLIN Group

We have three main challenges ahead of us: the first is to further anchor CSR in our practices in order to make it a differentiating and attractive element for our stakeholders and to become a benchmark in this area. The second concerns our ability to continue our diversification outside the automotive sector while capitalizing on our positions in this market segment. In particular, we must adapt to changes in engines. Finally, in connection with the ongoing renewal of our product range, the aim is to continue our policy of innovation as we are doing with PRiNTEC. The recent evolution of our organization contributes to this essential agility and necessary reinvention to which we aspire.



## PRiNTEC™ wins the SURCAR Innovation Award

PRiNTEC™ painting technology was awarded the Innovation Award at the SURCAR international congress in July 2021 in Cannes. The jury praised the progress of this application designed by SAMES KREMLIN which, thanks to its patented printhead, allows high speed painting, to the nearest tenth of a millimeter, of all types of patterns and shapes on 2D and 3D surfaces. This principle also applies to the application of adhesives and sealants. PRiNTEC™ is a convincing response to the need for differentiation and customization of the various industrial markets that it targets, with increased productivity, reduced costs and real environmental benefits.

## Inocoat breathes new life into powder solutions

With the renewal in September 2020 of its range of powder paint spraying equipment covering manual and automatic installations, SAMES KREMLIN intends to make a difference and establish itself permanently in the high-end powder market segment. For this, the company has made productivity its hallmark with faster color changes and less retouching. It has also relied on the ease of integration and use of the new range, which is compatible with all industrial needs.

## TRICOFLEX obtains the MORE 2021 label

For the third consecutive year, the MORE label, created by the Fédération Française de la Plasturgie et des Composites to reward manufacturers who incorporate recycled plastics in the manufacture of their products, was awarded to TRICOFLEX. This label is a strong recognition of the actions implemented by the company to reduce its environmental footprint and develop the circular economy.



# €227.9 M

in revenue

## Leisure

# Anticipating market trends



“We are giving ourselves the means to respond to our customers’ desire for green”

**MARC BALLU**

Chief Executive Officer of HOZELOCK, TRICOFLEX

Due to the health crisis, the climate emergency and societal changes, we are seeing a very clear resurgence of interest in gardening. However, even if the market is buoyant with good development prospects, particularly in France and Southern Europe, we have to deal with the difficulties encountered by supply chains and the resulting increases in the prices of raw materials. We have already replenished our inventories to improve our customer service. Another key issue is that, given the growth of our business, we are scaling up our production facilities. Finally, innovation is more than ever a key success factor since it is now essential to offer distributors and private individuals products whose design and use contribute to achieving carbon neutrality.





# €132.4 M

in revenue

## The Superhoze has a future

Convinced of the development potential of the Superhoze, an expandable garden hose recognized for its robustness, its resistance and its level of performance, HOZELOCK, holder of an exclusive license for Europe, signed an industrial property agreement in order to boost sales of this flagship product. The challenge of this proactive approach is twofold: to consolidate the Company's position in Europe, particularly in countries where the brand is not yet present, and to improve the market penetration rate of this product family.



## HOZELOCK optimizes its production tool

The production and logistics site in Birmingham (United Kingdom), dedicated to the manufacture of gardening equipment, underwent significant improvements in 2021. Six new injection molding machines were installed. The goal? Increase the site's injection, assembly and logistics capacities within three years, in line with the master plan. 85% of production is European and HOZELOCK's ambition is to produce even more in Europe, as close as possible to our customers and in line with our CSR policy.

## A new rotating garden composter

At a time when recycling is becoming more and more widespread, HOZELOCK is bringing to the market a composter that gives back to nature what nature has given us. It is aimed at gardeners wishing to use the organic potential of their food and gardening waste. Marketed under the name HOZELOCK Easy Mix, it has unique features with fast composting times and an innovative collection system that allows users to easily fertilize their garden with a 100% natural fertilizer. The launch of this new composter, which uses more than 85% recycled plastic, will start in February 2022.

# Strengthening our CSR actions



EXEL Industries is committed to implementing a strong CSR strategy. Built **around two major objectives**, it is helping to change the face of the Group and ultimately aims to make it a leading player in the key areas of social and environmental responsibility.

## → The reference framework in which EXEL Industries operates

The actions developed by EXEL Industries in the area of corporate social responsibility aim above all to meet the United Nations Sustainable Development Goals, which determine the strategic direction of the Green Deal, the European Union's new growth strategy. To ensure a fair transition involving all stakeholders, the Green Deal intends to build a competitive and resource-efficient economy while taking into account climate and environmental challenges.

## A commitment based on two complementary levers

EXEL Industries' approach to CSR is based on two levers. The first involves advancing customer practices through breakthrough innovations that contribute to the achievement of CSR objectives. The Group's various business lines are mobilizing in this direction.

The second lever is reflected in the Group's internal progress in response to major social and societal challenges such as changes in governance, employee health and safety or the preservation of rural areas and associated jobs.

## A shared priority at the highest level

While EXEL Industries' CSR will gradually be ramped up, it is already a priority shared by both the Board of Directors and the Management Team. These two bodies encourage the Group's various activities to make progress in this area and give them the means to make progress on this key subject.

Further integrating CSR into the business model gives meaning to the Group's actions, whose responsible dimension is in line with the concerns of its stakeholders. It also strengthens its usefulness in the market and makes it a responsible economic player committed to transforming its products and practices for a better world.



# 1

## Developing governance

The actions taken relate to the expansion of our Board of Directors and compliance with best practices.

- ▶ Appointment of two new directors to the Board of Directors
- ▶ Development of gender diversity (presence of three women and three independent directors) on the Board of Directors
- ▶ Adoption of a code of conduct to combat corruption

# 2

## Actively participating in achieving carbon neutrality

The actions rolled out concern both the improvement of our processes and the aim of supporting our customers by offering them new, more sustainable and carbon-efficient products and services.

### Agricultural Spraying

- ▶ Optimization of the quantity of products sprayed thanks to innovations proposed by the brands' design offices and by EXXACT Robotics
- ▶ Design of a vineyard robot improving working conditions and exposure to risks

### Sugar Beet Harvesters

- ▶ Introduction of a new generation of machines whose performance helps reduce soil erosion and helps limit soil compaction
- ▶ Reconditioning of beet harvesters to give them a second life

### Garden

- ▶ Development of rotating garden composters that recycle waste and promote fertilization
- ▶ Use of thermal weedkillers
- ▶ Design of schedulers to help adjust water consumption

### Industrial Spraying

- ▶ Design of paint application equipment and viscous products that reduce waste and help reduce the weight of cars
- ▶ Design of a printhead technology that reduces the amount of paint used, eliminates masking materials and reduces the volume of volatile organic compounds (PRiNTEC)

### Technical Hoses

- ▶ Adoption of circular economy practices with the recycling of internal waste and the use of recycled PVC (TRICOFLEX)

# Our governance

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 two committees, each chaired by an independent member of the Board: the Audit Committee and the Remuneration and Appointments Committee.

**8**  
directors\*

**3**  
independent  
directors\*

**43%**  
of women\*

**100%**  
presence on the Board  
of Directors

1. **PATRICK BALLU**  
Chair of the Board of Directors
2. **PASCALE AUGER**  
Independent Director and  
Chair of the Audit Committee
3. **CLAUDE LOPEZ**  
Independent Director / Chair  
of the Remuneration and  
Appointments Committee
4. **ELLA ETIENNE DENOY**  
Director representing EXEL SAS
5. **MARC BALLU**  
Director
6. **CYRIL BALLU**  
Director
7. **SYLVAIN MACCORIN**  
Director representing  
employees
8. **SONIA TROCMÉ-LE PAGE\***  
Independent Director

## The Board of Directors



1.



2.



3.



4.



5.



6.



7.



8.

\* Subject to the appointment of Sonia TROCMÉ-LE PAGE by the Annual General Meeting of February 8, 2022.

# Our Management team



**YVES BELEGAUDE**  
Chief Executive Officer



**DANIEL TRACIUS**  
Deputy Chief Executive Officer in charge of Strategy, M&A, Industrial Property



**MARC BALLU**  
Deputy Chief Executive Officer, Chief Executive Officer HOZELOCK, TRICOFLEX



**CYRIL BALLU**  
Deputy Chief Executive Officer, Chief Executive Officer WAUQUIEZ, RHÉA MARINE and TOFINOU



members



**THOMAS GERMAIN**  
Chief Financial Officer



**PATRICK TRISTANI**  
Chief Transformation Officer



**DELPHINE SEFERIAN**  
Legal Director



**PHILIPPE BESANÇON**  
Human Resources Director



**COLIN CHABALLIER**  
Chief Executive Officer, EXXACT Robotics



**FABRICE DOOSTERLINCK**  
Chief Executive Officer, TRICOFLEX



**BERTRAND GARNIER**  
Chief Executive Officer EVRARD, GAMA Technologies, PRÉCICULTURE, SUPRAY Technologies



**MATT HAYS**  
Chief Executive Officer, ET WORKS



**JENS KRISTENSEN**  
Chief Executive Officer, HARDI



**GERHARD OSENBERG**  
Chief Executive Officer, HOLMER



**CÉDRIC PERRES**  
Chief Executive Officer, SAMES KREMLIN



**OLIVIER THIEBLIN**  
Chief Executive Officer, France Pulvé



**WIM VAN DEN BOSCH**  
Chief Executive Officer, AGRIFAC

# Our financial indicators

In a context of economic recovery and despite the current uncertainties given the health crisis, operating margins are up sharply and the Group has managed to halve its financial debt. The strict management of its expenses and working capital requirements has enabled EXEL Industries to strengthen its statement of financial position.

**€42 M**

Net Financial Debt

**8.9%**

Recurring EBITDA/  
Revenue

**€1.60**

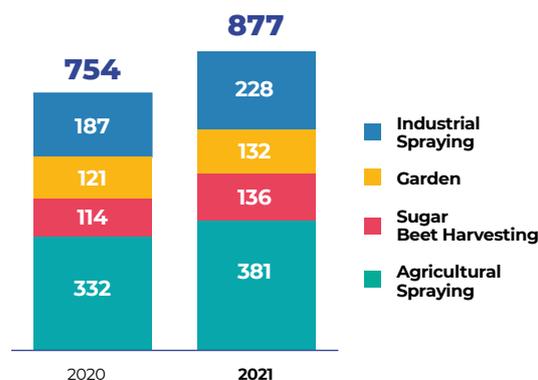
Dividend  
per share

**€877**

MILLION  
in revenue

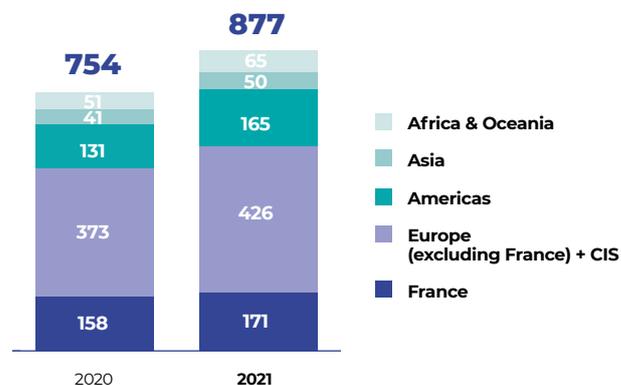
## Sales by activity

in €M



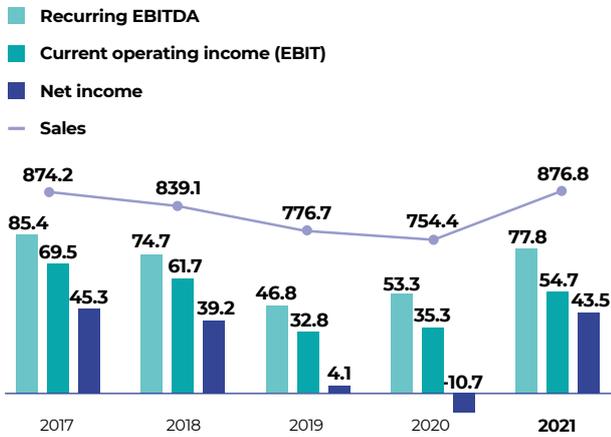
## Sales by geographical area

in €M



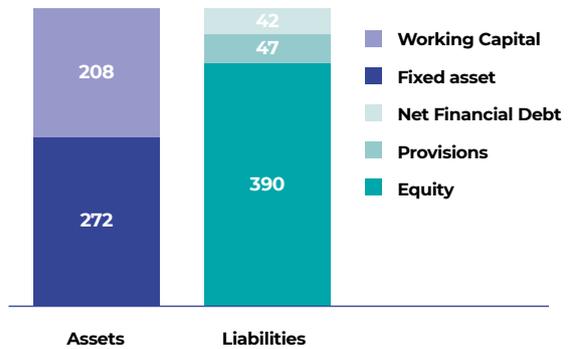
## Results

in €M



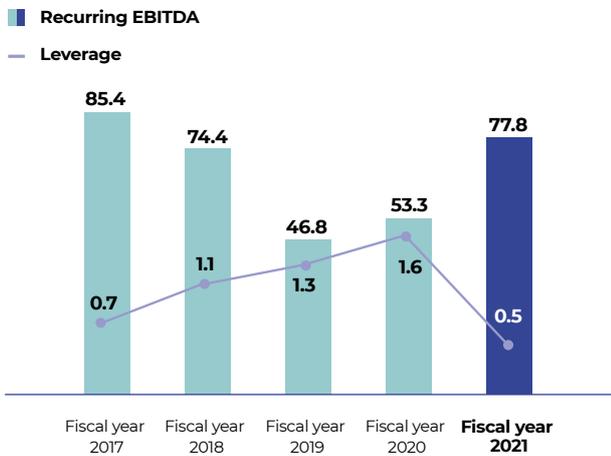
## Simplified balance sheet

in €M



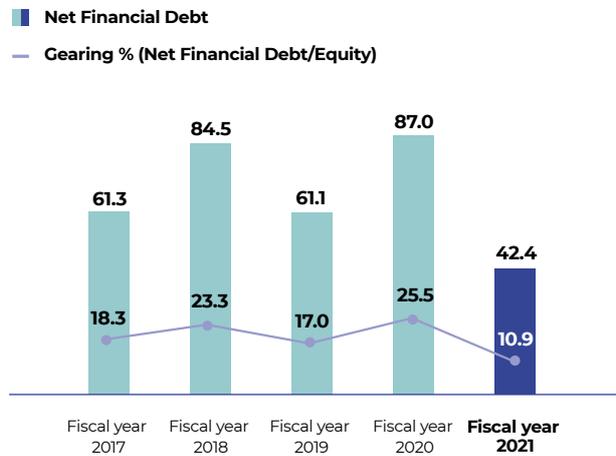
## Net Financial Debt Leverage

Leverage



## Net Financial Debt Leverage

Gearing



# The shareholder's logbook

## CHANGES IN THE STOCK MARKET PRICE

**€80.00**

Share value at September 30, 2021  
(fiscal year-end)

**€543 M**

Market capitalization  
at September 30, 2021

**1,214**

Average number of shares  
traded per day

**▲ €92.40**

High of the year

**▼ €34.20**

Low of the year

### EXEL INDUSTRIES IDENTITY CARD

NYSE Euronext Paris,  
compartment B

Indexes: 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

### 2022 SCHEDULE

|                          |                        |
|--------------------------|------------------------|
| <b>January 25, 2022</b>  | Q1 revenue             |
| <b>February 8, 2022</b>  | Annual General Meeting |
| <b>April 26, 2022</b>    | Q2 revenue             |
| <b>May 31, 2022</b>      | First-half results     |
| <b>July 26, 2022</b>     | Q3 revenue             |
| <b>October 27, 2022</b>  | Q4 revenue             |
| <b>December 20, 2022</b> | Full-year results      |

### Analysts covering EXEL Industries share

**ODDO:** Jean-François GRANJON

**MIDCAP:** Gilbert FERRAND

**GILBERT DUPONT:** Christine ROPERT

**PORTZAMPARC:** Yann de PEYRELONGUE

**CIC:** Ebrahim HOMANI



#### OUR MAIN WEBSITES

BERTHOUD: [www.berthoud.com](http://www.berthoud.com)  
 CMC: [www.cmc51.fr](http://www.cmc51.fr)  
 EVRARD: [www.evrard-fr.com](http://www.evrard-fr.com)  
 TECNOMA: [www.tecnoma.com](http://www.tecnoma.com)  
 MATROT: [www.matrot.fr](http://www.matrot.fr)  
 NICOLAS SPRAYERS: [www.nicolas-sprayers.com](http://www.nicolas-sprayers.com)  
 AGRIFAC: [www.agrifac.com](http://www.agrifac.com)  
 HARDI: [www.hardi-international.com](http://www.hardi-international.com)  
 APACHE SPRAYERS: [www.etsprayers.com](http://www.etsprayers.com)  
 EXXACT ROBOTICS: [www.exxact-robotics.com](http://www.exxact-robotics.com)  
 HOLMER: [www.holmer-maschinenbau.com](http://www.holmer-maschinenbau.com)

CAPAGRI: [www.capagri.com](http://www.capagri.com)  
 HOZELOCK: [www.hozelock.com](http://www.hozelock.com)  
 COOPER PEGLER: [www.cooper-pegler.com](http://www.cooper-pegler.com)  
 RHÉA MARINE: [www.rhea-marine.fr/en](http://www.rhea-marine.fr/en)  
 LASER INDUSTRIE: [www.laser-industrie.com](http://www.laser-industrie.com)  
 WAUQUIEZ: [www.wauquiez.com](http://www.wauquiez.com)  
 TOFINOU: [www.tofinou.com](http://www.tofinou.com)  
 SAMES KREMLIN: [www.sames-kremlin.com](http://www.sames-kremlin.com)  
 TRICOFLEX: [www.tricoflex.com](http://www.tricoflex.com)  
 INTEC: [www.sames-kremlin.com](http://www.sames-kremlin.com)

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