



# GRAINES VOLTZ

Press Release

Colmar, 31<sup>st</sup> January 2024

## RESULTS FOR THE 2022/2023 FINANCIAL YEAR

Colmar, 31 January 2024 - The Board of Directors of Graines Voltz, meeting under the chairmanship of Mr. Serge Voltz, has reviewed the business and approved the consolidated financial statements for the year ended 30/09/2023.

(in K€)	AUDITED DATAS	
	2022/23	2021/22
Sales	133 036	132 243
Recurring Operating Income	2 452	6 283
ROI/CA	1.8%	4.7%
Operating Income	2 231	6 336
Group net profit	661	5 187

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Commenting on the results for the year, Serge Voltz, Chairman and CEO of Graines Voltz, said: *"The 2022-2023 financial year took place in a particularly hostile economic and weather context, despite the fact that we had organized ourselves to continue our development. The year 2023 was probably the most difficult in our history, at every level. As a result, we have accelerated the transformation of our business model in order to adapt to the new market conditions, and we remain very cautious for the year ahead."*

### SALES: BUSINESS STABLE IN AN UNFAVOURABLE ENVIRONMENT

Graines Voltz sales for 2022/2023 came to €133M, up 0.6% on the previous year on a current consolidation basis. On a like-for-like basis, sales were down 2.4%.

#### A year affected by economic and weather conditions

As mentioned in our last communications, producers were very cautious about starting up production, given the combined effects, for themselves and their customers, of inflation and exceptionally poor weather conditions (in the first half of the year).

The Group's business was particularly affected by deliveries in March. As a reminder, this second quarter alone usually accounts for more than 50% of the year's sales, and March is the biggest billing month of the year.

### **Geographically**

- France posted sales of €86.6M, up 1.9%,
- Europe excluding France posted sales of €38.1M, down 3.3%.
- The Rest of the World accounted for 6% of sales, up 6.4% to €8.3M.

### **In terms of products**

- Seeds accounted for 36% of sales, down 4.8% at €47.4M.
- Seedlings accounted for 62% of sales, up 4.8% on a current consolidation basis (down 0.2% on a like-for-like basis) to €82.4M.

## **OPERATING PROFIT ON ORDINARY ACTIVITIES: €2.4M**

Profit from recurring operations (PRO) is set at €2.4M, compared with €6.3M the previous year.

Several factors explain this change:

- The overall increase in costs linked to inflation,
- Higher costs linked to the integration of ABJP over a full financial year,
- The increase in staff numbers and in the structure set up to support development, the cost of which could not be absorbed because of the economic climate,
- The donation in kind of a stock of seeds to Ukraine for €1.5M in the 2nd half of the year.

Financial expenses rose sharply, from €629K to €1.5M, as a result of the increase in short-term debt (higher inventories and longer payment terms from our customers) and higher interest rates. Short-term loans, granted at variable rates, are mainly used in the second quarter to finance the seasonal increase in working capital.

In line with its commitment to refocus its business in Europe, the Group sold its remaining 49% stake in TOPSEM, its Algerian subsidiary, on 23 March 2023. This disposal had a negative impact of €1.3M on the financial statements. The Group has sold all its non-strategic subsidiaries, and now retains only its Moroccan subsidiary outside Europe, whose business model, based on short distribution channels, is close to the European model.

Net profit (group share) came to €661K, compared with €5.2M the previous year.

## **SOLID FINANCIAL STRUCTURE**

The Group's financial structure at 30 September 2023 is stable. Equity attributable to equity holders of the parent came to €72.3M, compared with €72.2M at 30 September 2022.

Working capital stood at €85M, up €8M on the previous year.



## GRAINES VOLTZ

This increase was mainly due to the rise in inventories from €50.3M to €55.7M, as a result of the €5.9M increase in young plant inventories following the acquisition of André Briant Jeunes Plants (ABJP), and the €45M increase in seed inventories.

The Group's long-term debt stood at €21M, unchanged from the previous year. The ratio of long-term debt to consolidated shareholders' equity was in line with the previous year, at 28.9%. Borrowings are for periods of 3 to 7 years, and are not subject to covenants. Short-term debt of €37.2M is €4.9M higher than in 2022.

## STRATEGY AND OUTLOOK

### Adjusting the cost structure

As mentioned at the time of publication of the first-half results, a number of projects have been undertaken within the Group to readjust the cost structure without affecting our ability to continue and develop our business. An action plan has been put in place focusing on 4 major areas:

- Controlling the wage bill by indexing it to sales during the 2022-2023 season
- Reducing all variable costs
- A prudent stockholding policy aimed at reducing seed stocks by around €10M by 2023-2024.
- Tougher collection rules, notably by shortening customer payment terms

### Business growth for the 2023/2024 financial year

Given that invoicing for the first quarter (October-December) represents only a minor part of business (less than 10%), and that many customers are still hesitating to place their orders in an uncertain economic climate, Graines Voltz is cautious in forecasting business and does not wish to comment on a sales target for the coming financial year.

## UPDATE OF THE DPEF AND CARBON FOOTPRINT

Graines Voltz has updated its Extra-Financial Performance Statement (EFPS) certified by an independent body. This EFRP is included in the financial report and is available on the company's website from today, 31 January 2023.

In addition, and in accordance with regulations, Graines Voltz has carried out its first carbon assessment for the 2023 financial year. The results are published in the DPEF.

## DIVIDENDS

In view of the decline in net profit, the Board of Directors will propose that no dividend be paid at the Annual General Meeting to be held on 22 March 2024 to approve the accounts for the 2022/2023 financial year.

**Next event:** 22 March 2024 - Annual General Meeting of Shareholders and review of first-quarter business.



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### **About Graines Voltz**

*Graines Voltz is one of Europe's leading independent distributors of flower and vegetable seeds and seedlings. A family group headed by its founder Serge Voltz, Graines Voltz employs over 600 people and has been expanding in France and Europe since it was founded in 1985. What sets it apart is that it has built up a very broad range of 31,000 products, aimed at professionals in short distribution circuits (market gardeners, horticulturalists and local authorities).*

*An extremely rigorous organisation enables it to identify varieties that meet new consumer expectations at a very early stage, to ensure total quality control and traceability, and to deliver its products on a just-in-time basis.*

*Graines Voltz is listed on Euronext Paris (mnemonic code: GRVO - FR0000065971). Graines Voltz shares are included in the CAC Small, CAC Mid & Small and CAC All Tradable indices.*

*For further information: [www.graines-voltz.com](http://www.graines-voltz.com).*

For more information :

**GRAINES VOLTZ**

Judith BALAGNY

Investor Relations

Tél. : 06 17 99 28 70

[jbalagnyinvestisseurs@grainesvoltz.com](mailto:jbalagnyinvestisseurs@grainesvoltz.com)