

## 2022-2023 pro forma revenue:

**€58.9m, up 2.3%**

- **Potting soil sales in France impacted by unfavourable weather at the end of the year**
- **Growth drivers show excellent performance:**
  - International sales of potting soils (China): +56%
  - BIVIS rental: +31%

**Saint-Mars-du-Désert, 28 July 2023:** Florentaise (FR001400GO75, ALFLO), a pioneer in low-carbon potting soils, published consolidated and pro forma revenue for its 2022/2023 financial year. At 30 June 2023, the Group's consolidated sales came to €56.5 million, of which €18.1 million in the fourth quarter alone, which corresponds to the period from 1 April to 30 June 2023. Pro forma sales came to €58.9 million over the year, up 2.3% compared with the previous year.

### **2022/2023 pro forma revenue:**

€m	Pro forma 12 months	Pro forma 12 months		Change	
	2022-06	2023-06			
	(01/07/2021 – 30/06/2022)	(01/07/2022 – 30/06/2023)			
Potting soils business France	49,7	47,1	-	2,6	-5,2%
Potting soils business outside France	6,0	9,4		3,4	56,2%
Bivis businesses	1,8	2,3		0,6	32,1%
<b>Revenue</b>	<b>57,5</b>	<b>58,9</b>		<b>1,3</b>	<b>2,3%</b>
Share of BIVIS royalties in other operating income	0,43	0,56		0,13	30,7%

### **2022/2023 consolidated revenue:**

€m (1)	Cumulative over 9 months	Fourth quarter	12 months
	2022/2023	2022/2023	2022/2023
	(01/07/2022 – 31/03/2023)	(01/04/2023 – 30/06/2023)	(01/07/2022 – 30/06/2023)
Potting soils business France	31.8	15.3	47.1
Potting soils business outside France	4.9	2.1	7.0
Bivis businesses (2)	1.6	0.7	2.3
<b>Revenue</b>	<b>38.4</b>	<b>18.1</b>	<b>56.5</b>
Share of BIVIS royalties in other operating income	0.36	0.21	0.56

(1) Data as at 30/06/2023 unaudited, data as at 30/06/2022 audited

(2) The Bivis activity includes rents and maintenance invoiced to customers

*The consolidated items are presented in accordance with the financial information communicated as part of the public offering and the listing of Florentaise's shares for trading on the Euronext Growth® Paris market on 12 April 2023. As the consolidated scope of activity includes all of the companies acquired as at 31 December 2022 as part of the spin-off of the potting soils business, namely Granofibre, Floreasy India, Fulan 2 and Fulan 3, there is no basis for comparison with the previous year. This spin-off was part of a restructuring operation within the Floreasy Group, the parent company of Florentaise, with the aim of simplifying the legal structure of the listed entity and aligning the capital structure of the potting soils business with its operational scope.*

## **In France, the potting soils activity in the mass consumer market was impacted by unfavourable weather and drab consumer sentiment**

Over the year, sales of potting soils in France came to €47.1m. The difference in revenue on a like-for-like basis can be attributed to a fall in sales of potting soils in the mass consumer market during the second half of the year, which is traditionally a strong period. Despite a generally mild winter, spring temperatures were very unfavourable with persistent cold followed by prolonged drought. These weather conditions led to a delay in the release of catalogues for the mass consumer market and a delay in getting the Group's products on to shelves. Pressure on purchasing power also weighed on demand for mass consumer potting soils. At the end of June 2023, this activity represented 71% of the Group's annual sales in France.

In the professional market (market gardening, horticulture, nurseries, mushrooms and green spaces), activity trends remained positive throughout the year, illustrating the ongoing penetration of the Group's products in this segment. In this regard, the continued mobilisation of Florentaise's teams around major urban projects, such as the 2024 Olympic Games village, RATP maintenance centers in the Greater Paris Area and city démineralization projects through greening, demonstrates good recognition of the Group among this target client base. Over the last quarter of the financial year, growth was strong but was still not enough to offset the fall in the mass consumer activity in France. At the end of June 2023, this activity accounted for 29% of the Group's annual sales in France.

## **In China, 56.2% pro forma annual growth in potting soil sales, giving rise to a full-year contribution of €9.4m**

The Group's development in China was better than expected, with sales growth of 56.2%. This performance is all the more remarkable given that trade was limited by the anti-Covid measures implemented in early 2023 and the lag in the Chinese recovery. The rise in revenue can be explained by a growing recognition of Florentaise's product supply, which is particularly suited to off-ground growing, particularly of red fruits, as the soils save up to 90% of water and come with fertilisers for plant growth.

As Fulan 2 and Fulan 3 have been included in the consolidation scope since 31 December 2022, their contribution to revenue for the past quarter is significant.

With each passing month, Florentaise demonstrates the relevance of its business model in a territory that shows very promising prospects for the Group's development, notably with the opening of a new production site at the end of 2023 near the Port of Shanghai.

## **Bivis: confirmation of the success of the rental model**

The Bivis business (leasing of Bivis equipment and supply of maintenance parts) also saw higher-than-expected growth, at +32.1%. Royalties from know-how related to the provision of Bivis machines ("Other products") also increased sharply, by 30.7%, thanks in particular to the ramp-up of the Hortifibre Bv subsidiary in the Netherlands, where a Bivis machine is already installed.

Concerning the Bivis fleet, the Group recently installed four new machines in the United Kingdom for a rental period of 12.5 years, starting from 1 April 2023. Three more Bivis production lines for the same customer are being assembled and will be ready for rental from 1 September 2023.

Florentaise also finalised the signature of a contract for the establishment of a Bivis production line in the United States, which is expected to be installed by the end of 2023.

This first marketing operation in North America and the new negotiations progressing in Europe illustrate the quality of Florentaise's positioning in promoting the adoption of low carbon potting soils by multiple international players regardless of their size.

## **Reminder of targets: Revenue of €120 million in 2027, with an operating margin of around 20%**

As announced during its IPO, the Group expects to generate consolidated revenue of €120 million in 2027 (80% from potting soils and 20% from Bivis rentals). The execution of this roadmap should be accompanied by an improvement in profitability, driven by the rollout of the Bivis model offering higher margins and the development of the potting soils business in China, which has a lighter cost structure. As such, the Company plans to increase its operating income to more than 20% of revenue in 2027.

### **Next event:**

*Publication of 2022/2023 full-year results and Q1 2023/2024 revenue*

31 October 2023 after market close

### **About Florentaise (<https://www.florentaise.com/fr>)**

An ISE and mainly a family-owned group, Florentaise is a pioneer in the production of low-carbon potting soils. Formed in 1973, it employs 245 people and generated pro forma revenue of €57.5 million at 30 June 2022. Florentaise's product catalogue comprises more than 600 product references produced by its own brands and distributor brands, and available from major distributors such as Truffaut, Botanic, Aldi, LIDL and Intermarché. In France, Florentaise sells nearly one in every five bags of potting soil to the mass consumer segment and covers 12% of the professional market (horticulturists, landscapers and nursery specialists). Florentaise is the leading producer in France of potted soils and innovative eco-ingredients, and has big ambitions for international expansion. As of 30 June 2022, 77% of the raw materials used by it to



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produce potted soils were peat-free. Its patented Hortifibre® and Turbofibre® solutions emit 20 to 50 times less CO<sub>2</sub> than peat with equivalent agronomic performance. Operating internationally in six countries including China, the Group aims to exceed €120 million in consolidated revenue by 2027 with an operating margin of around 20% (vs. 4.9% at 30 June 2022).

**You can find financial information on Florentaise at:**

<https://www.florentaise.com/fr/bienvenue-aux-investisseurs>

**ACTIFIN.**

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