

Half-year 2024 earnings: growth in profitability despite difficult market conditions

- **Revenues: €47.6m**, compared with €50.1m in the first half of 2023
- **Income from ordinary operations: €3.6m** (representing 7.6% of revenues), compared with €2.9m in the first half of 2023
- **Consolidated net income: €3.1m** (representing 6.5% of revenues), compared with €2.2m in the first half of 2023
- **Net financial debt: 52.5 % of shareholders' equity**

During its meeting on October 29, 2024, the Board of Directors of ROUGIER SA (ALRGR, ISIN FR0000037640) reviewed and approved the unaudited financial statements for the first half of the year. With €47.6m of revenues and a clear improvement in profitability (consolidated net income up 38.7%), these results confirm ROUGIER's ability to maintain its recovery trajectory despite an uncertain global economic environment. Confident in the strength of its fundamentals, ROUGIER continues to expand its activities in responsible African timber, consolidating its leadership position in this demanding market.

Half-year 2024 activities

Consolidated revenues for the first half of 2024 came to €47.6m, down (5.1)% compared to the first half of 2023. This decline reflects the global economic slowdown, reduced demand across all end markets, and ongoing economic and geopolitical uncertainties.

Performance varied by region: in Gabon, revenues contracted by (5.7)%, primarily due to lower forestry production, while in Congo, they increased by 2.6%, driven by the strong performance of industrial activities. ROUGIER Afrique International's trading sales continue to be impacted by the slowdown in global demand.

The breakdown of half-year revenues by product category was as follows:

Products	HY 2024		HY 2023		Change
	€M	% revenues	€M	% revenues	
Unaudited consolidated data					
Logs	19.7	41.4%	21.6	43.1%	(8.8)%
Sawn timber and derivatives	13.9	29.1%	14.4	28.8%	(3.9)%
Plywood and derivatives	13.8	29.0%	13.8	27.5%	-
Other	0.2	0.5%	0.3	0.6%	(24.8)%
Group's half-year revenues	47.6		50.1		(5.1)%

Improved half-year earnings

In this context, ROUGIER was able to maintain its margins through rigorous cost management.

Although revenues contracted by €(2.6)m, EBITDAⁱ increased by €0.3m to €8.7m, representing 18.2% of revenues, compared to 16.8% in the first half of 2023. This improvement is mainly due to a higher gross margin rate from the forestry and industrial activities, as well as the strict management of operating expenses.

After accounting for €(5.1)m in depreciation and provisions, income from ordinary operationsⁱⁱ rose by 24.5% year-on-year to €3.6m, representing 7.6% of half-year revenues, compared to 5.8% in the first half of 2023.

Operating income totaled €3.7m, compared to €3.0m in the first half of 2023, representing an increase of 24.7%.

Following net financial costs of €(0.4)m and a tax expense of €(0.3)m, consolidated net income reached €3.1m (€2.1m Group share), a 35.8% improvement on the first half of 2023, highlighting the resilience of ROUGIER's business model.

Financial structure

After taking into account the half-year earnings, consolidated shareholders' equity increased by €3.1m compared with December 31, 2023, reaching €24.2m.

Consolidated net financial debtⁱⁱⁱ at June 30, 2024 totaled €12.7m, compared with €10.0m at December 31, 2023. This represents 52.5% of shareholders' equity, compared with 47.7% at December 31, 2023, and 58.3% at June 30, 2023.

The Group's net financial debt primarily includes the bank borrowings of the Rougier Afrique International subsidiaries (€7.1m, with €4.2m non-current), with repayments staggered from 2024 to 2028, as well as other borrowings and related debt (€7.8m), including the frozen current account of Rougier Afrique International's minority partner, bank overdrafts (€1.5m) and €3.7m of cash.

Condensed P&L and balance sheet

€M	HY 2024 (6 months)	HY 2023 (6 months)	Change	2023 (12 months)	
Unaudited consolidated data					
<u>Income statement</u>					
Revenues	47.6	50.1	(5.1)%	98.9	
EBITDA	8.7	8.4	+2.6%	15.2	
	% of revenues	18.2%	16.8%	+1.4 pts	15.4%
Income from ordinary operations	3.6	2.9	+24.5%	6.1	
	% of revenues	7.6%	5.8%	+1.8 pts	6.1%
EBIT	3.7	3.0	+24.7%	6.4	
	% of revenues	7.8%	5.9%	+1.9 pts	6.5%
Net income	3.1	2.2	+38.7%	5.1	
	% of revenues	6.5%	4.5%	+2.0 pts	5.2%
Net income (Group share)	2.1	1.5	+35.8%	3.5	
	% of revenues	4.3%	3.0%	+1.3 pts	3.5%
<u>Balance sheet</u>					
Shareholders' equity	24.2	18.2	+32.6%	21.1	
Gross financial debt	16.4	13.9	+17.6%	14.0	
Cash and cash equivalents	3.7	3.3	+11.6%	4.0	

Outlook

ROUGIER is committed to its sustainable development strategy, focusing on the responsible and certified harvesting of natural forests in Gabon and the Republic of Congo, alongside the development of international trade in African tropical timber on demanding international markets with high standards of environmental responsibility.

Despite the uncertain economic outlook for the second half of 2024, the Group remains confident in its ability to stabilize its business while consolidating its market positions.

With strong environmental responsibility commitments, ROUGIER continues to be a major player in the timber sector, seen as a driving force for economic growth in Central Africa.

Further information can be found in the 2024 half-year financial report, downloadable from www.rougier.fr/en/ under Financial Documentation / Reports.

About ROUGIER

Founded in 1923, ROUGIER is a market leader for responsible African timber. Operating in Central Africa (Gabon and the Republic of Congo), ROUGIER is involved in the management of 100% responsible natural forests, certified with independent international labels, as well as industrial processing and international trade.

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ROUGIER shares are eligible for SME share-based savings schemes (PEA-PME).

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ⁱ EBITDA measures the Group's operating income before depreciation, amortization and provisions, and before the impact of non-recurring operations. It is determined based on income from ordinary operations before non-recurring items shown in the consolidated income statement, less the impact of depreciation, amortization and provisions.

€M	HY 2024	HY 2023
Income from ordinary operations	3.6	2.9
+ Depreciation and amortization	3.9	3.7
+ Provisions	1.2	1.8
EBITDA	8.7	8.4

ⁱⁱ Income from ordinary operating represents the EBIT from the company's core activities, excluding certain non-recurring items that could distort the assessment of the company's recurring performance due to their unusual, abnormal, or infrequent nature.

ⁱⁱⁱ This indicator monitoring the Group's debt is determined based on the total amount of current and non-current financial debt recognized as liabilities on the consolidated balance sheet, representing the gross financial debt, less the impact of the cash and cash equivalents recorded as assets on the consolidated balance sheet.