



FIRST-HALF 2022 SALES AND RESULTS

Ecully | July 21, 2022

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- Silit
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- Tfal
- Tefal
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- weartver
- WMF

FIRST-HALF 2022 SALES AND RESULTS

NOTE

This presentation may contain certain forward-looking statements regarding Groupe SEB's activity, results and financial situation. These forecasts are based on assumptions which seem reasonable at this stage, but which depend on external factors including trends in commodity prices, exchange rates, the economic environment, demand in the Group's large markets and the impact of new product launches by competitors.

As a result of these uncertainties, Groupe SEB cannot be held liable for potential variance on its current forecasts, which result from unexpected events or unforeseeable developments.

The factors which could considerably influence Groupe SEB's economic and financial result are presented in the Annual Financial Report and Universal Registration Document filed with the Autorité des Marchés Financiers, the French financial markets authority.

1. A contrasted first half-year
2. Sales analysis
3. Results
4. Balance sheet and financial structure
5. 2022 Outlook
6. Appendixes



SUMMARY



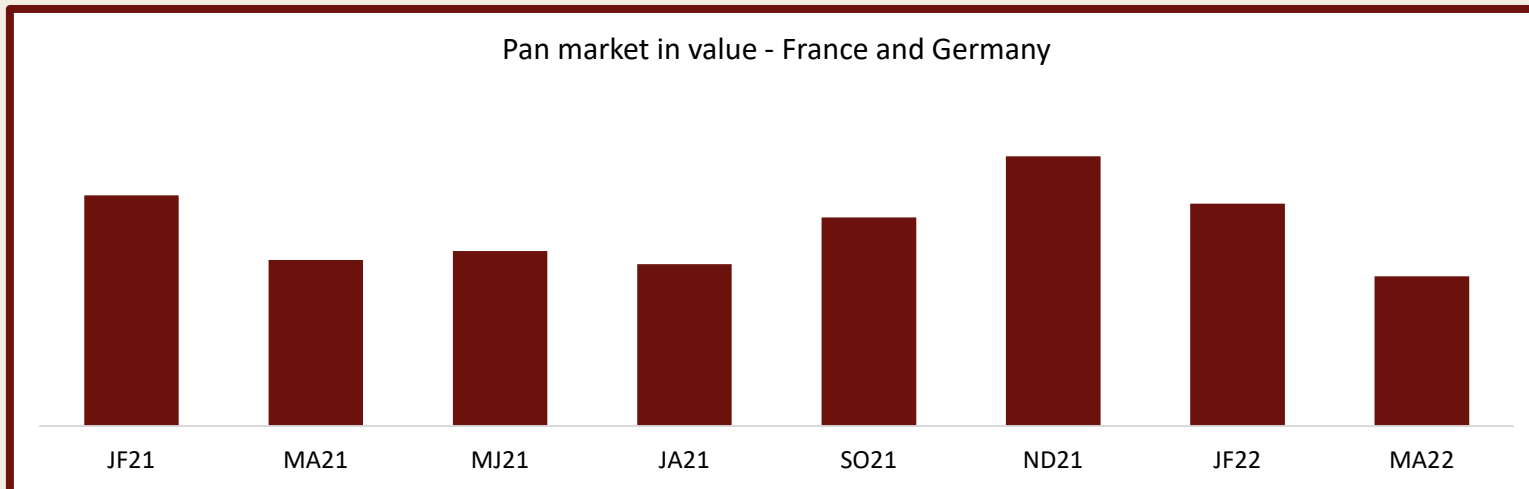
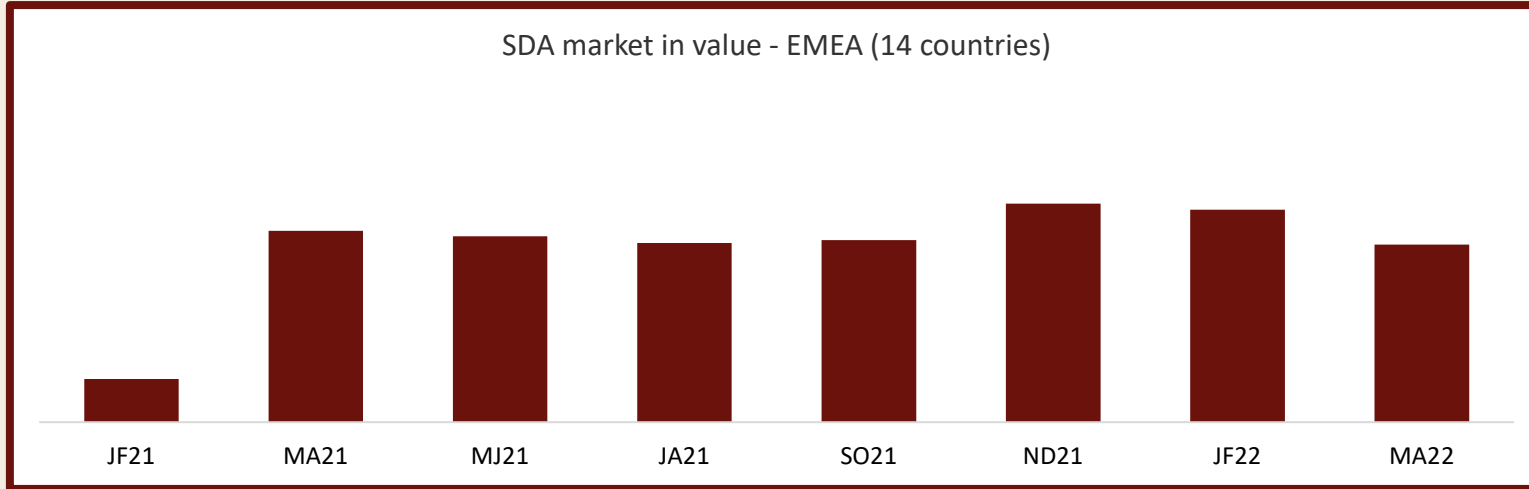
01

**A CONTRASTED
FIRST HALF-YEAR**

After a good start to the year, the deterioration in the macroeconomic environment is impacting demand in mature countries...

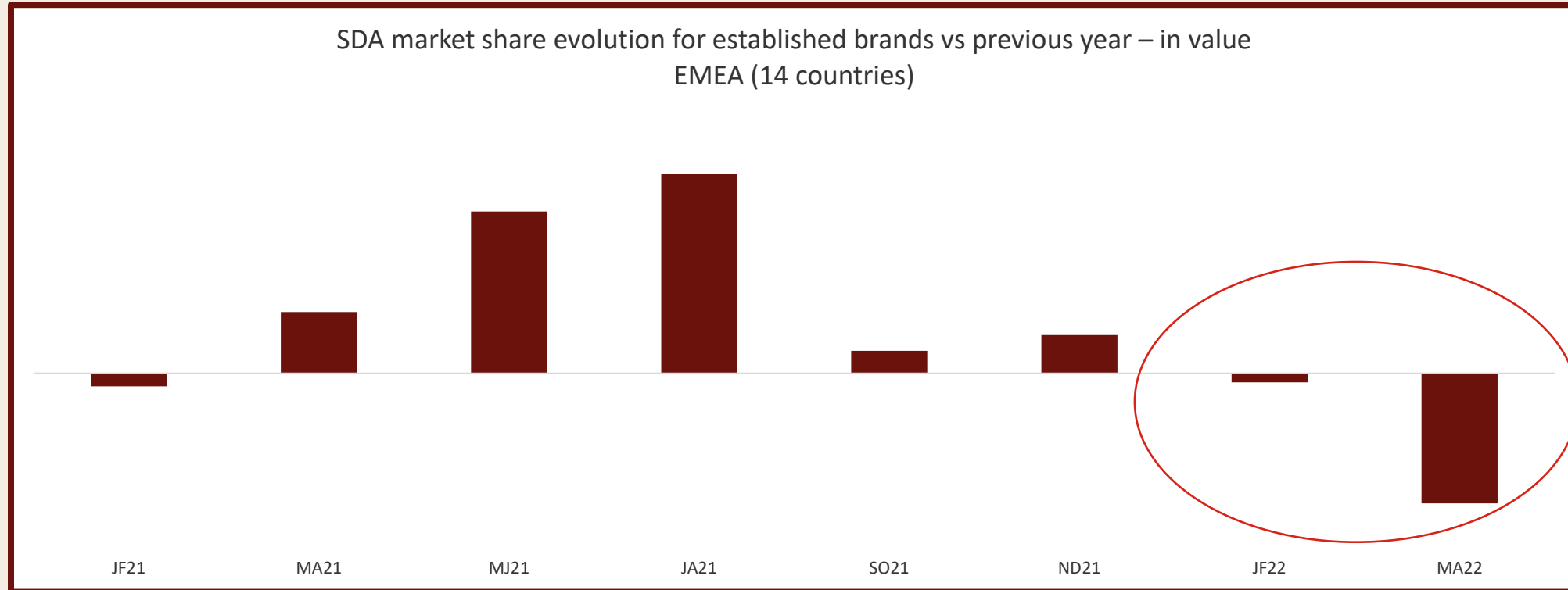
- **Consumers concerned about their purchasing power**
- **Spending tradeoffs:**
 - To other consumer goods and services (leisure, travel, etc.):
 - ✓ Positive impact on the Professional business
 - ✓ Cooking categories negatively impacted
 - Trade-down effect
- **High level of inventories in the retail**
- **Vs. very high 2021 comparative, the Small domestic equipment market having benefited from lockdown periods**

... in SDA and Cookware...

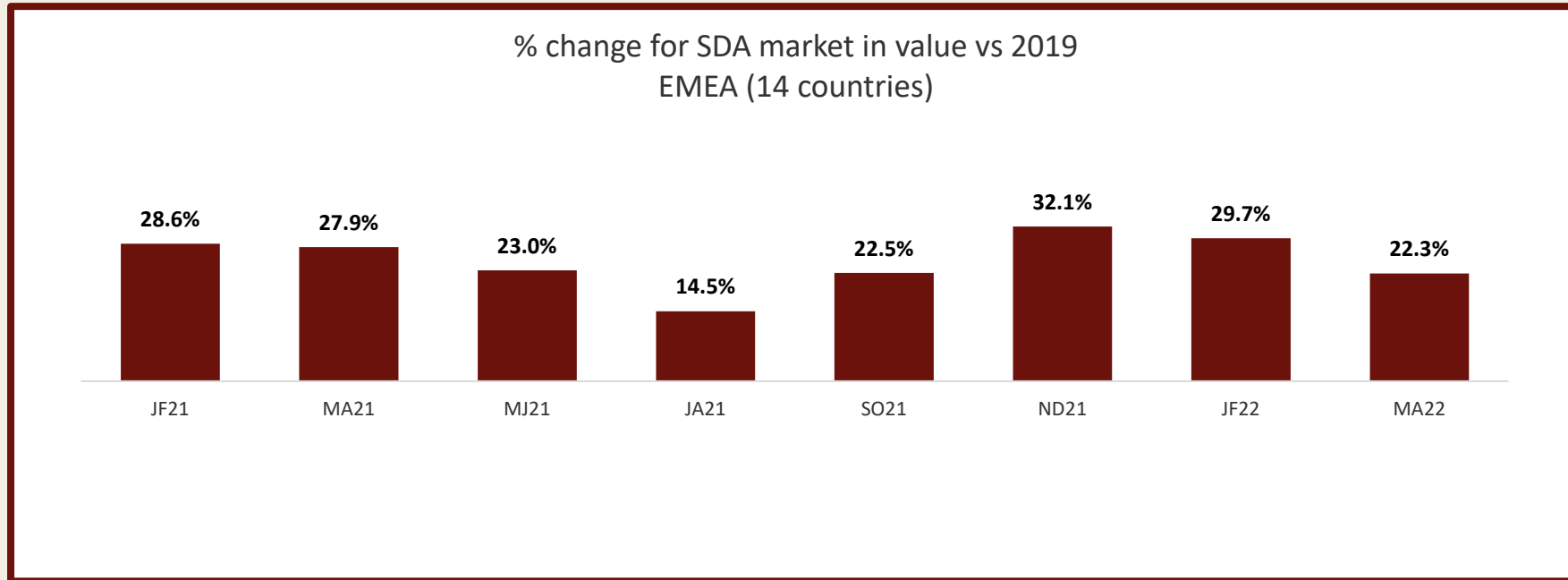


Rolling 12-month

... resulting in a trade-down temporarily unfavorable to established brands



Market momentum vs 2019 remains largely positive



In this context, the Group's performances have been contrasted in the first half

H1 Sales

€3,666m

+ 1.6 % ; - 2.3 % LFL

Q2 Sales

€1,750m

- 0.4 % ; - 5.1 % LFL

H1 ORFA

€199m, ORFA margin 5,4%

vs €320m in H1 2021

H2 ORFA

€59m, ORFA margin 3,4%

vs €122m in Q2 2021

Net financial debt at 30/06/22

€2,447m

vs €1,850m at 30/06/2021



02

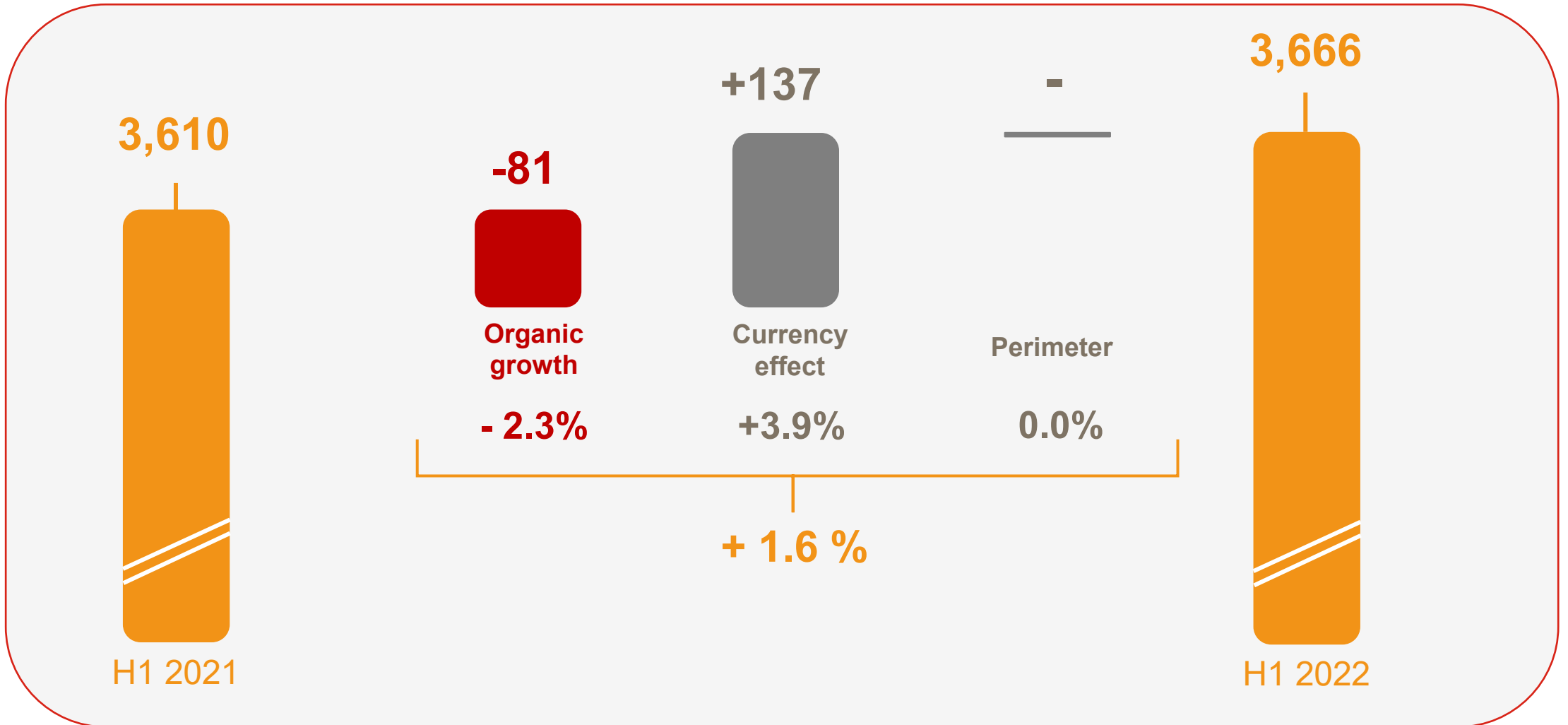
SALES ANALYSIS

Our half-year sales were impacted by specific factors

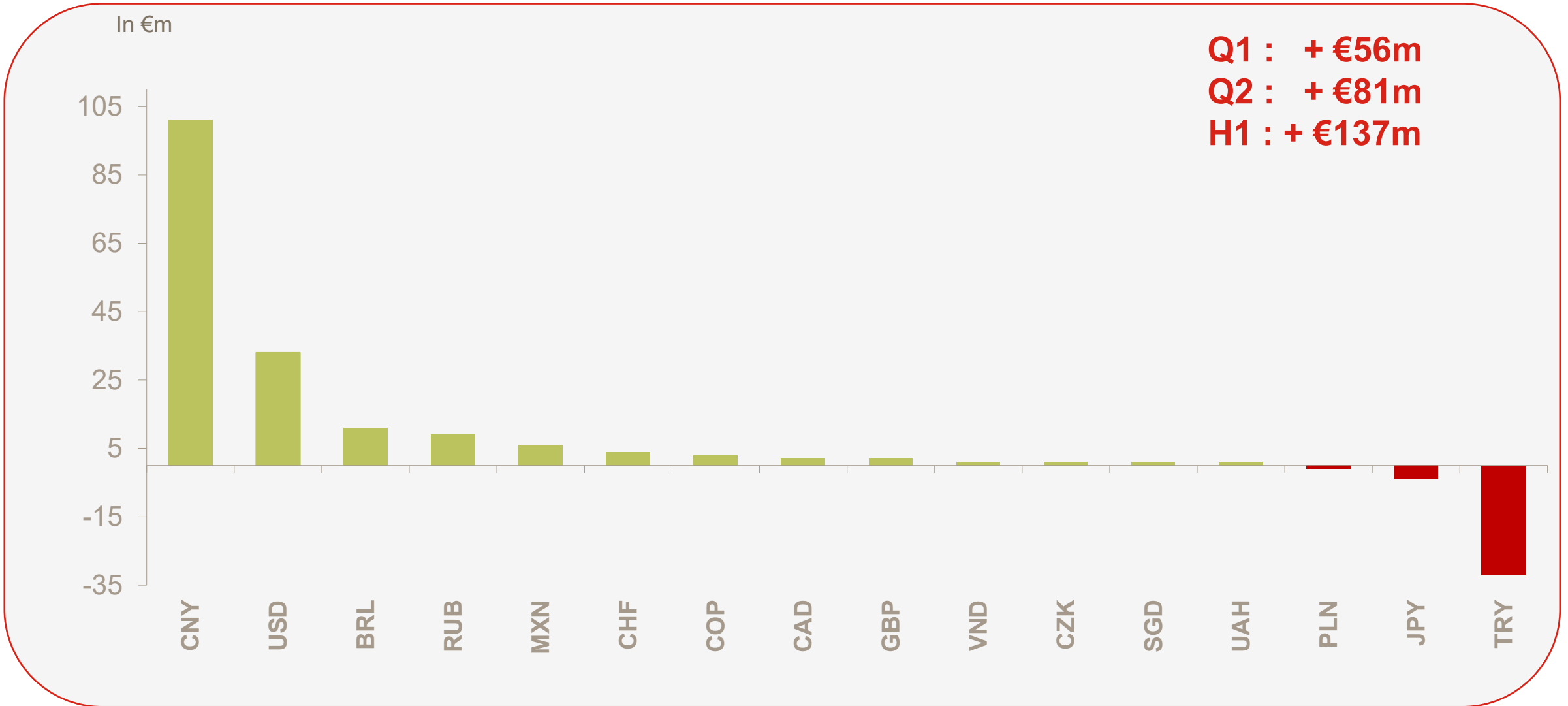
	Q1 2022	Q2 2022	H1 2022	
change vs 2021 LFL	+0.4%	-5.1%	-2.3%	- €81m
<i>Impacts on LFL growth rate:</i>				
<i>Loss in sales in Russia-Ukraine</i>	-1.1%	-2.0%	-1.6%	- €57m
<i>Non-recurrence of Loyalty Programs</i>	-2.3%	-0.6%	-1.4%	- €52m
<i>Loss in sales linked to lockdowns in China (estimated)</i>	0.0%	-2.2%	-1.1%	- €39m
change vs 2021 LFL excluding specific impacts	+3.8%	-0.3%	+1.8%	+ €67m

Positive currency effects offsetting organic decline

Sales in €m



Details of the currency impact on first-half sales

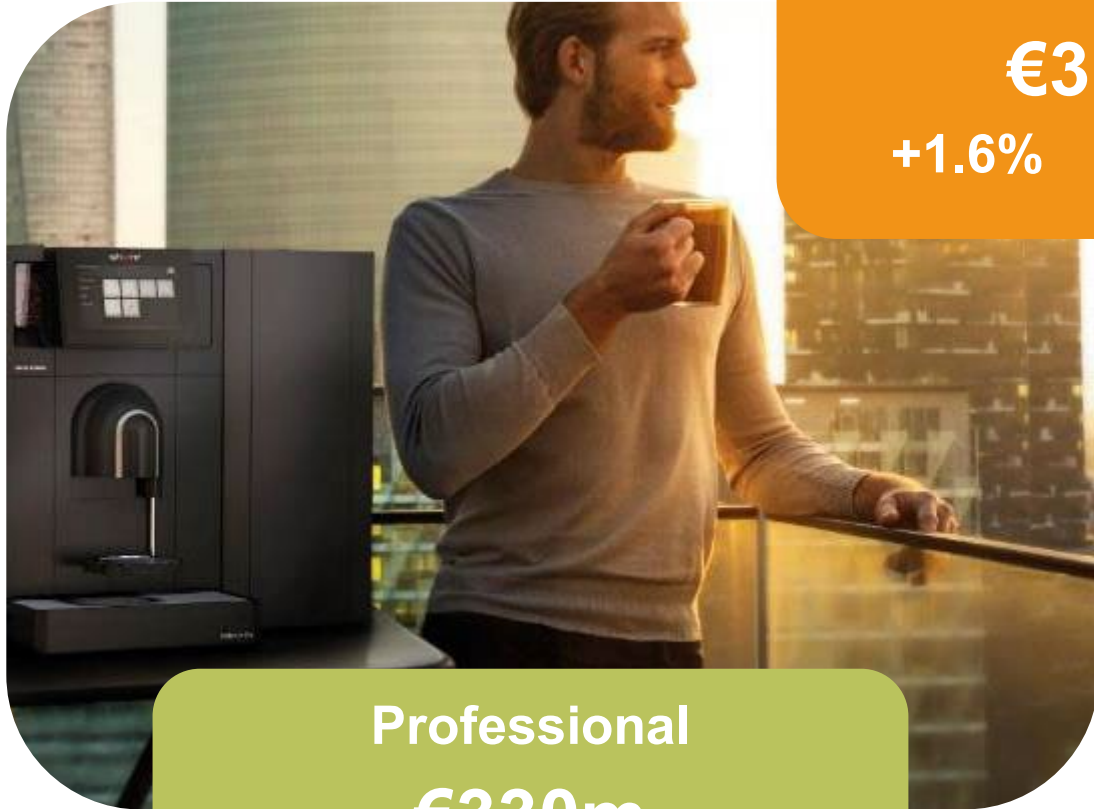


1 Review by business

2 Review by product
line / geography



Contrasted performances amid the two businesses



Professional

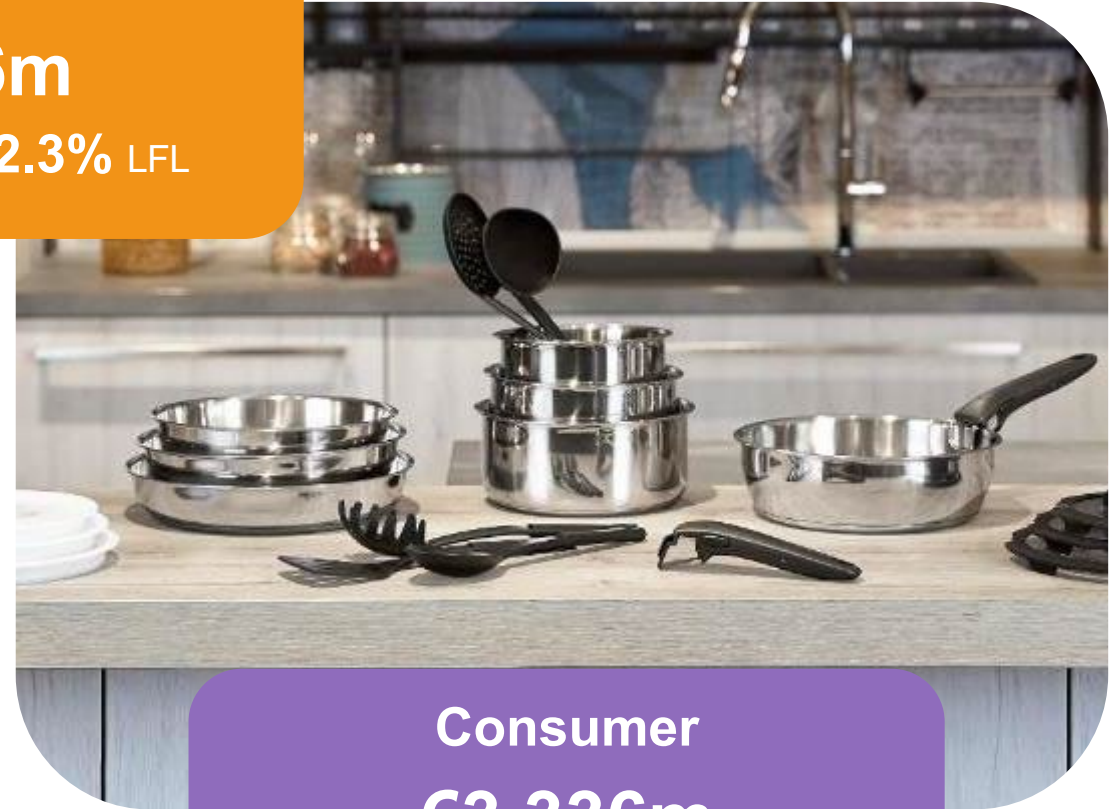
€330m

+13.6% +9.5% LFL

Sales

€3,666m

+1.6% -2.3% LFL



Consumer

€3,336m

+0.5% -3.3% LFL

The Professional business confirms its recovery



H1 sales **€330m**
 +13.6% +9.5% LFL
 Q2: +8.5 % +3.6 % à tcpc

- Solid first-half sales in Professional Coffee:
 → **+6%** LFL vs high comparatives in the 2nd quarter 2021 (deals)
- Growth **> 50%** in Hotel equipment
- Krampouz: growth ~ **25%**

Professional coffee: vigorous core business



- First-half *non-deal* revenue up ~ **25%**
 - Machines and services
 - Diversified customer portfolio
- In Europe: revenue **+20%**
- In the US, excellent first-half performance:
 - WMF/Schaerer sales almost doubling (excluding deals)
 - Wilbur Curtis sales **+50%**
- In China, resumption of the roll-out of the Luckin Coffee contract

LFL change vs H1 2021

Conversely, the Consumer business is impacted by a slowdown in demand sharper than anticipated...

- After a solid 1st quarter, decline in sales in the 2nd quarter
- Impact of the non-recurrence of 2021 Loyalty Programs on sales: -1.6 pts of growth
- Gap between sell-in and sell-out → Gradual destocking at retailers'
- A few major Group markets particularly hit
- Half-year sales in China up **~7% LFL** despite lockdowns in the 2nd quarter
- First-half 2022 sales: **+13,2% vs 2019**

H1 sales **€3,336m**

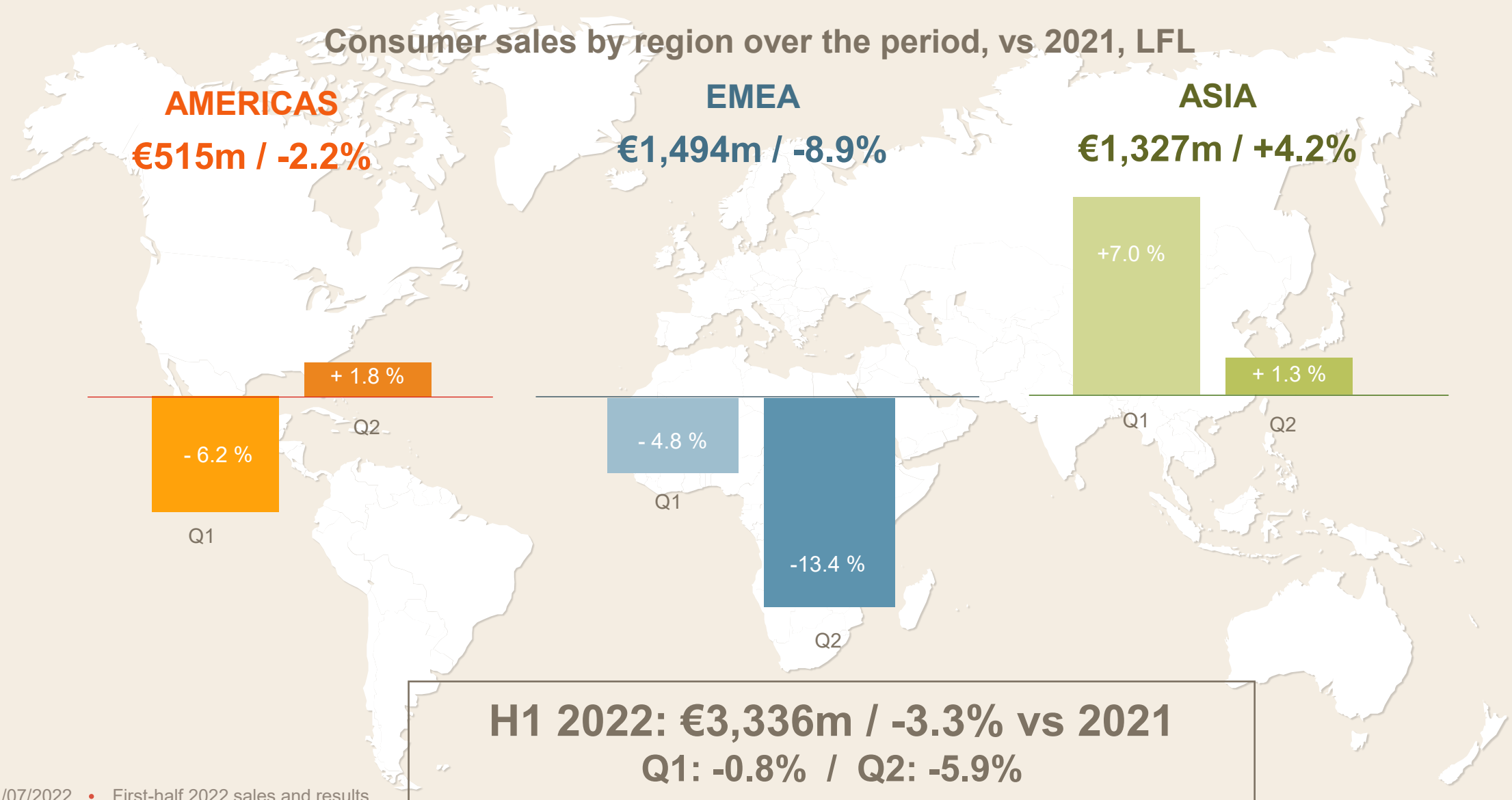
+0.5% -3.3% LFL

Q2: -1.3% -5.9% LFL



... very focused on EMEA

Consumer sales by region over the period, vs 2021, LFL



A few major Group markets were particularly hit in the 2nd quarter...

H1 2022 vs 2021, LFL

France
-20% LFL

- Impact of Loyalty Programs: -6 pts
- Marked slowdown in demand, inventories in the retail
- Record comps for the Group in 2021

Russia/Ukraine
~ - €60m in sales

- Acceleration of the impact in the 2nd quarter
- Business activity maintained but investments suspended in Russia

Japan / South Korea
-6% LFL

- Slowing demand in an inflationary context
- Consumption shift towards services

China confirms good momentum over the semester despite the lockdowns

H1 2022 vs 2021 LFL

H1 sales China

+6.6%
vs 2021

Q1: +10.9%

Q2: +1.9%

LFL growth

- Robust momentum in the 1st quarter
- Impact of lockdowns on 2nd quarter sales
 - Decline in April
 - Stability in May } **Shortfall ~ €40m**
- ~**12%** increase in June
- Supor outperforming during 6-18 Shopping festival
- Half-year sales growth driven by the vast majority of SDA categories and by large kitchen appliances



Supor continues to consolidate its positions in the Chinese market



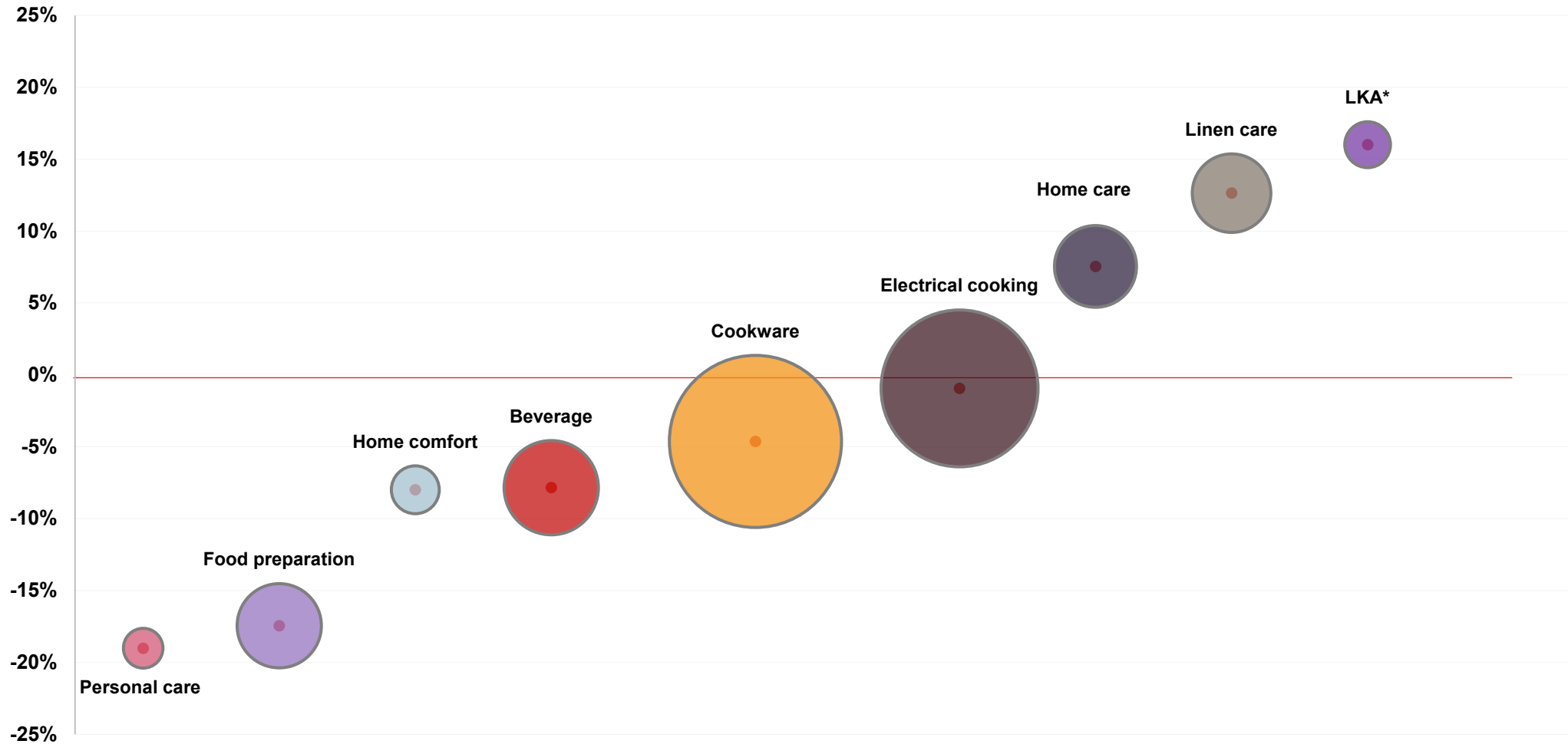
- **Supor # 1 online in May-June ahead of Midea in electrical cooking**
- **Supor's reinforced leadership in cookware**
- Continuous activation of growth levers by Supor
 - Innovation
 - Product offering extension
 - Online sales development
→ **65%**
 - Strengthened presence of Supor on booming platforms (TikTok...)

1 Review by business

2 Review by product
line / geography



Consumer sales change by product line (2022 H1 Sales vs 2021, LFL)



* LKA : Large Kitchen Appliances

Firs-half sales by region

In €m		H1 2021	H1 2022	Δ 22-21 reported	Δ 22-21 LFL	Reminder H1 2021 LFL	Δ 22-19 reported
EMEA	TOTAL	1,662	1,494	-10.1%	-8.9%	+34.9%	+6.6%
	Western Europe	1,171	1,072	-8.5%	-8.7%	+27.2%	+3.2%
	Other countries	490	422	-14.0%	-9.3%	+55.0%	+16.4%
AMERICAS	TOTAL	480	515	+7.2%	-2.2%	+57.2%	+42.0%
	North America	348	358	+2.9%	-6.5%	+50.8%	+60.1%
	South America	132	157	+18.6%	+9.0%	+72.2%	+12.9%
ASIA	TOTAL	1,178	1,327	+12.7%	+4.2%	+15.3%	+12.3%
	China	898	1,054	+17.4%	+6.6%	+13.8%	+12.4%
	Other countries	280	273	-2.3%	-3.3%	+20.0%	+11.8%
	TOTAL Consumer	3,319	3,336	+0.5%	-3.3%	+29.6%	+13.2%
	Professional	290	330	+13.6%	+9.5%	-1.7%	-15.6%
	Groupe SEB	3,610	3,666	+1.6%	-2.3%	+26.3%	+9.9%

% based on non-rounded figures



03

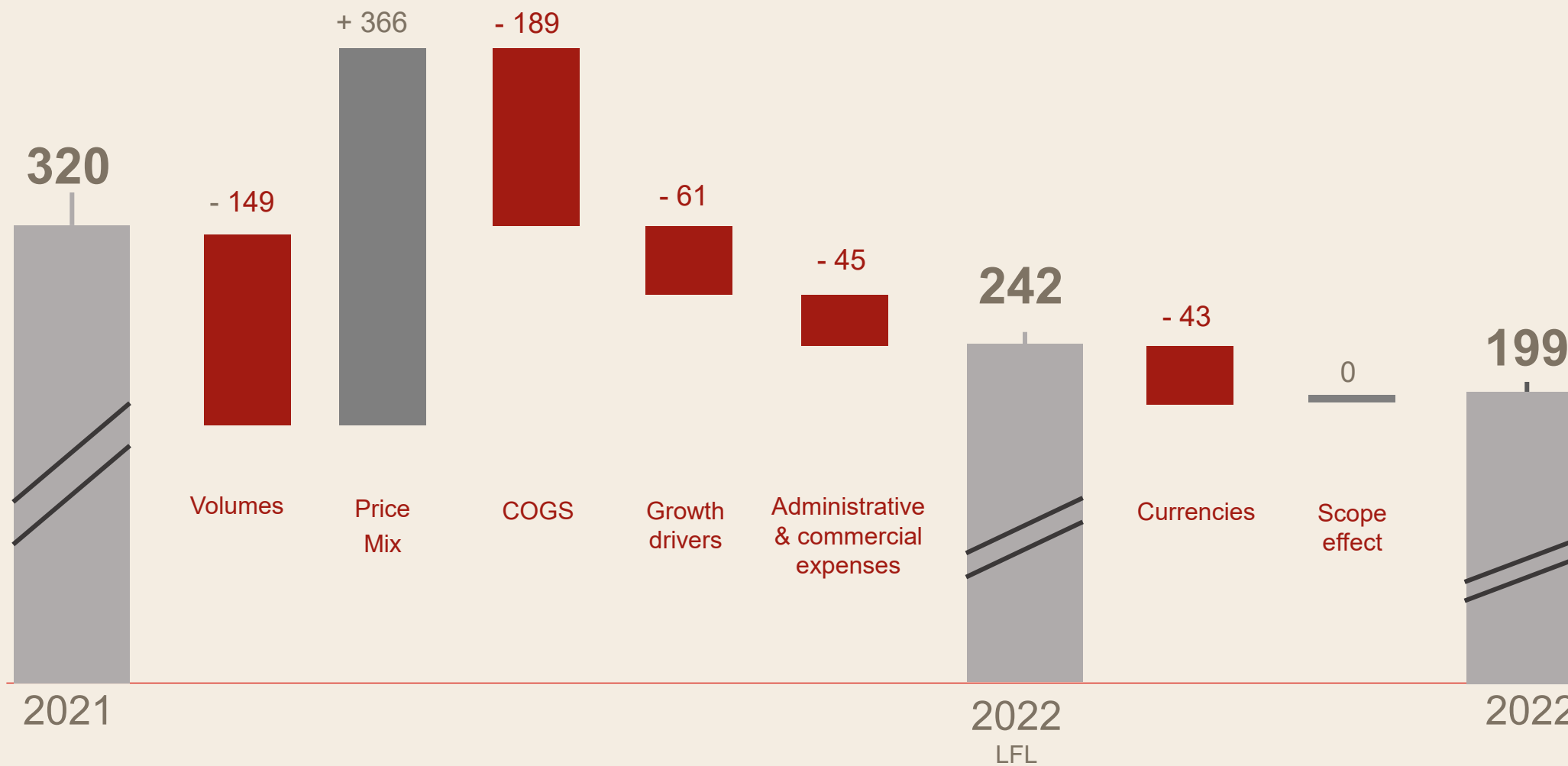
RESULTS

Operating Result From Activity (ORFA)

In €m	2021	2022	Δ	Δ tpc
Sales	3,610	3,666	+1.6%	-2.3%
ORFA	320	199	-€121m	- €78m
<i>ORFA margin</i>	8.9%	5.4%	-3.5pts	-2.1pts

ORFA bridge: H1 2021 → 2022

In €m



Growth drivers – First half-year

In €m	2021	2022	Δ tpc
Innovation	120	135	+10.2%
Marketing and advertising	244	305	+20.1%
Total growth drivers	365	440	+16.8%

From ORFA to Net profit – First half-year

In €m	2021	2022
Operating Result from Activity (ORFA)	320	199
Discretionary and non-discretionary profit-sharing	(16)	(13)
Other operating income and expense	(46)	(7)
Operating profit	258	179
Net financial expense	(27)	(47)
Tax	(53)	(31)
Non-controlling interests	(27)	(30)
Net profit	151	72

04

**BALANCE SHEET
AND FINANCIAL
STRUCTURE**

Simplified balance sheet

In €m	30/06/2021	31/12/2021	30/06/2022
Tangible fixed assets	4,285	4,444	4,584
Operating WCR	1,128	1,115	1,808
Total assets to be financed	5,413	5,559	6,392
Equity	2,816	3,291	3,406
Provisions	438	394	307
Other current assets and liabilities	309	350	232
Net financial debt	1,850*	1,524*	2,447*
Total financing	5,413	5,559	6,392

*o/w €333m, €335m and €350m in IFRS16 impact, respectively

Change in Operating WCR

	H1 2021		H1 2022	
	€m	% sales*	€m	% sales*
Inventories	1,455	19.1%	2,241	27.6%
Receivables	752	9.9%	676	8.3%
Payables	-1,079	-14.2%	-1,109	-13.7%
WCR	1,128	14.8%	1,808	22.3%

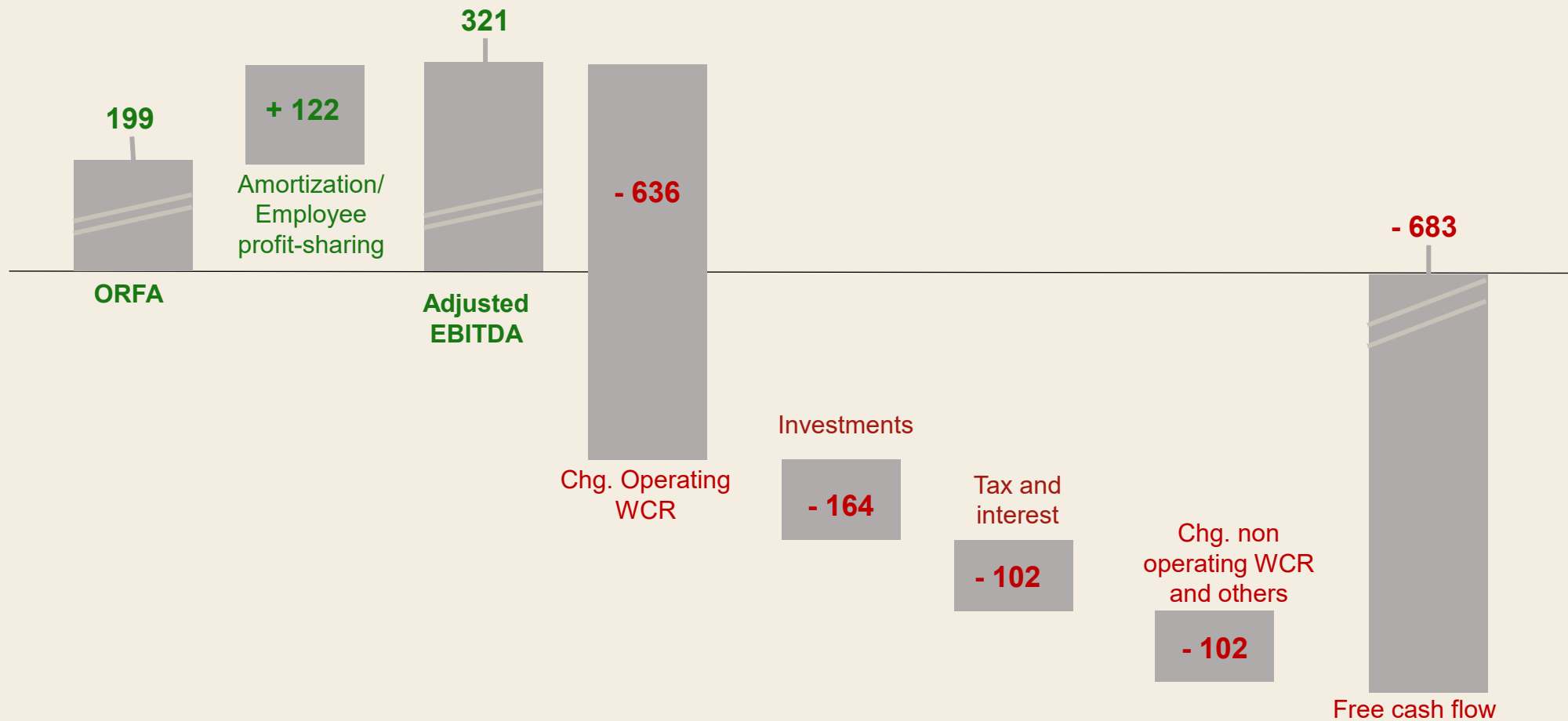
Deterioration in WCR, by €680m, related to higher inventories:

- Voluntary policy to meet initially anticipated demand
- Higher prices for raw materials, components and freight
- Increased transport time for our finished products (inventories in transit)
- Good stock quality

* Rolling 12-month

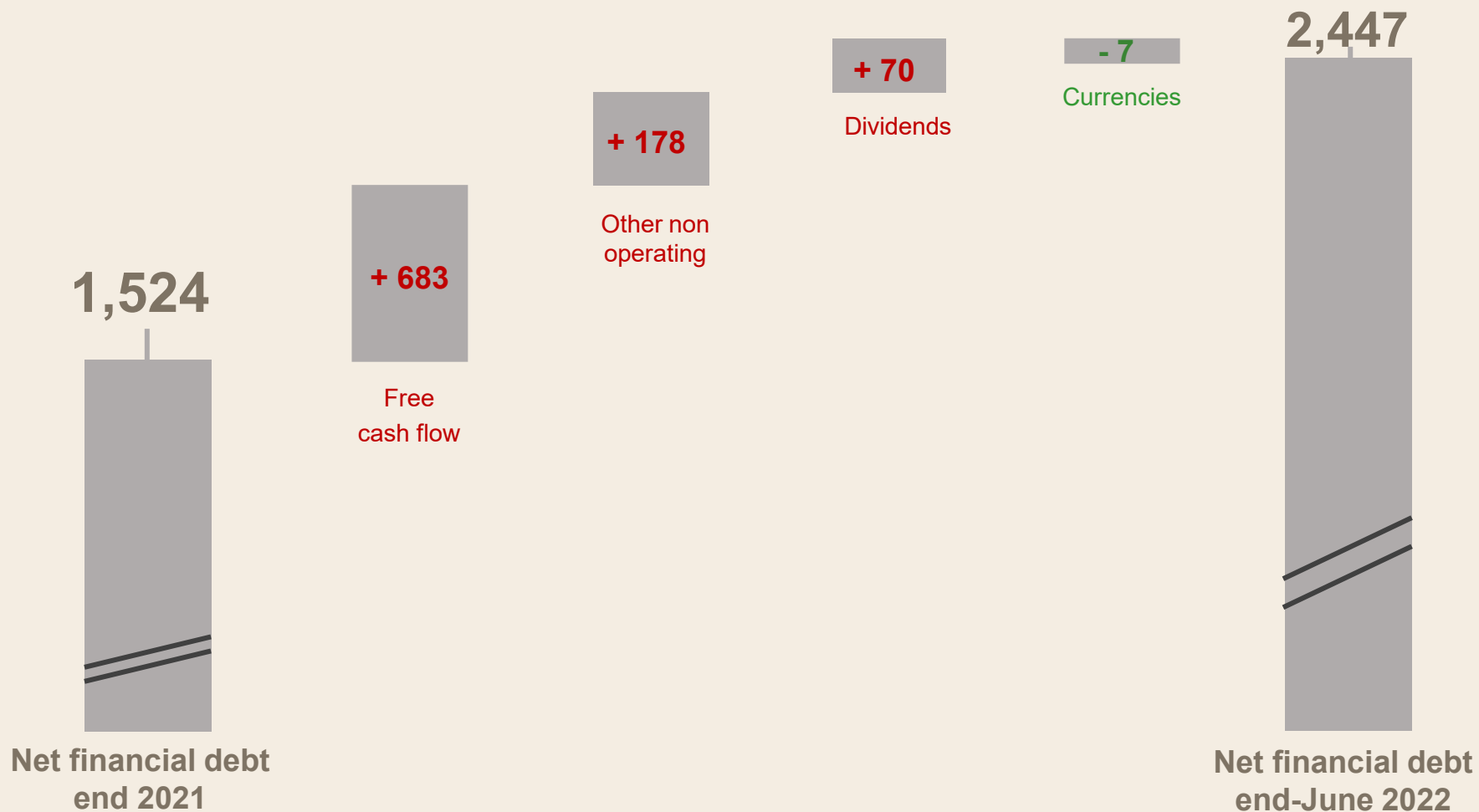
Cash flow generation / Free cash flow

In €m



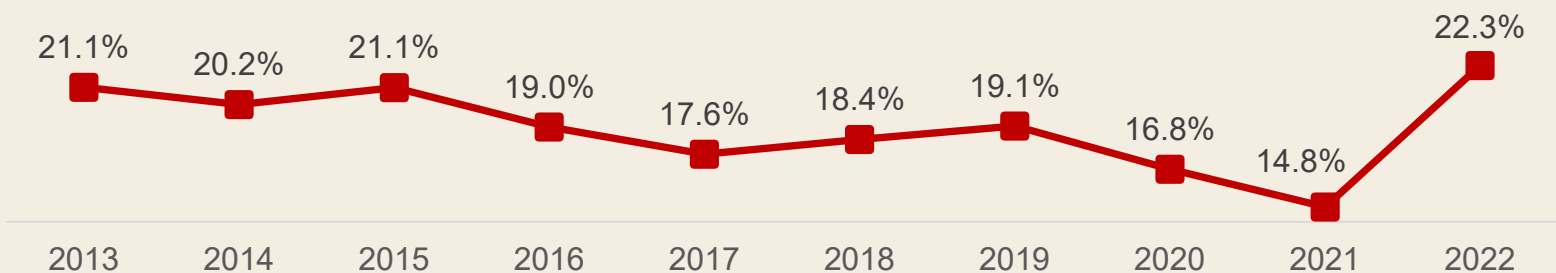
Change in net financial debt

In €m

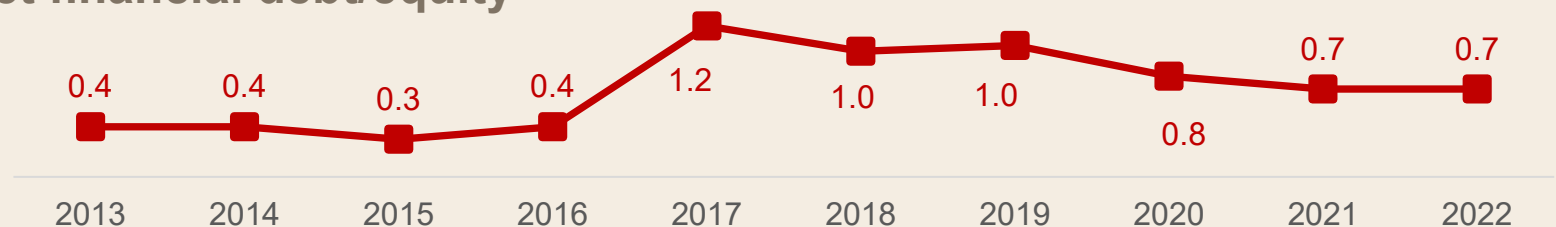


Ratios at June 30

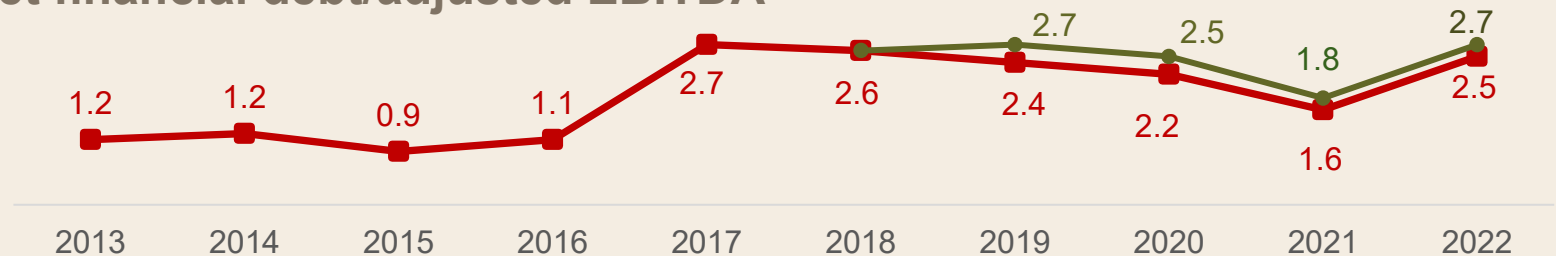
Operating WCR as % of sales



Net financial debt/equity



Net financial debt/adjusted EBITDA*



— Incl. IFRS 16

* Rolling 12-month



05

2022 OUTLOOK

2022 outlook (1/2)

- After a solid 1st quarter, the Group had made the assumption of a gradually improving economic situation for the rest of the year but the climate worsened in the 2nd quarter
 - The Group now expects this environment to persist in the 2nd half of the year
- Under these conditions, the Group is revising its previously announced growth assumptions for 2022 sales and Operating Result from Activity and is now assuming:
 - **Stable 2022 sales overall vs 2021**
 - **An ORFA margin in the range of 8% to 8.5% for the full year**
 - These new assumptions factor in additional costs (raw materials, components, freight, currencies) now estimated at €300m, compared with the initial estimated amount of €200m

2022 outlook (2/2)

- In response to the current economic environment:
 - **Rapid implementation of the necessary actions in terms of prices and strict control of its operating costs**, including the adaptation of growth drivers to present market conditions
 - **Plan to gradually adjust its inventories** to expected 2nd-half levels of activity
- Continuation of a **long-term value-creation strategy**

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APPENDIXES

Q1 sales by region

In €m		Q1 2021	Q1 2022	Δ 22-21 reported	Δ 22-21 LFL	Reminder Q1 2021 LFL	Δ 22-19 reported
EMEA	TOTAL	870	813	-6.6%	-4.8%	+41.5%	+14.3%
	Western Europe	599	582	-2.9%	-3.2%	+34.7%	+12.2%
	Other countries	271	231	-14.6%	-8.3%	+57.1%	+20.1%
AMERICAS	TOTAL	243	243	+0.3%	-6.2%	+61.0%	+44.4%
	North America	178	173	-2.3%	-9.1%	+64.4%	+69.1%
	South America	65	70	+7.4%	+1.6%	+54.6%	+5.9%
ASIA	TOTAL	609	703	+15.4%	+7.0%	+29.1%	+6.7%
	China	468	569	+21.7%	+10.9%	+30.2%	+5.2%
	Other countries	142	134	-5.4%	-5.8%	+25.5%	+13.6%
	TOTAL Consumer	1,722	1,760	+2.2%	-0.8%	+39.1%	+14.3%
	Professional	130	156	+20.1%	+16.8%	-6.2%	-15.0%
	Groupe SEB	1,852	1,915	+3.4%	+0.4%	+30.9%	+11.2%

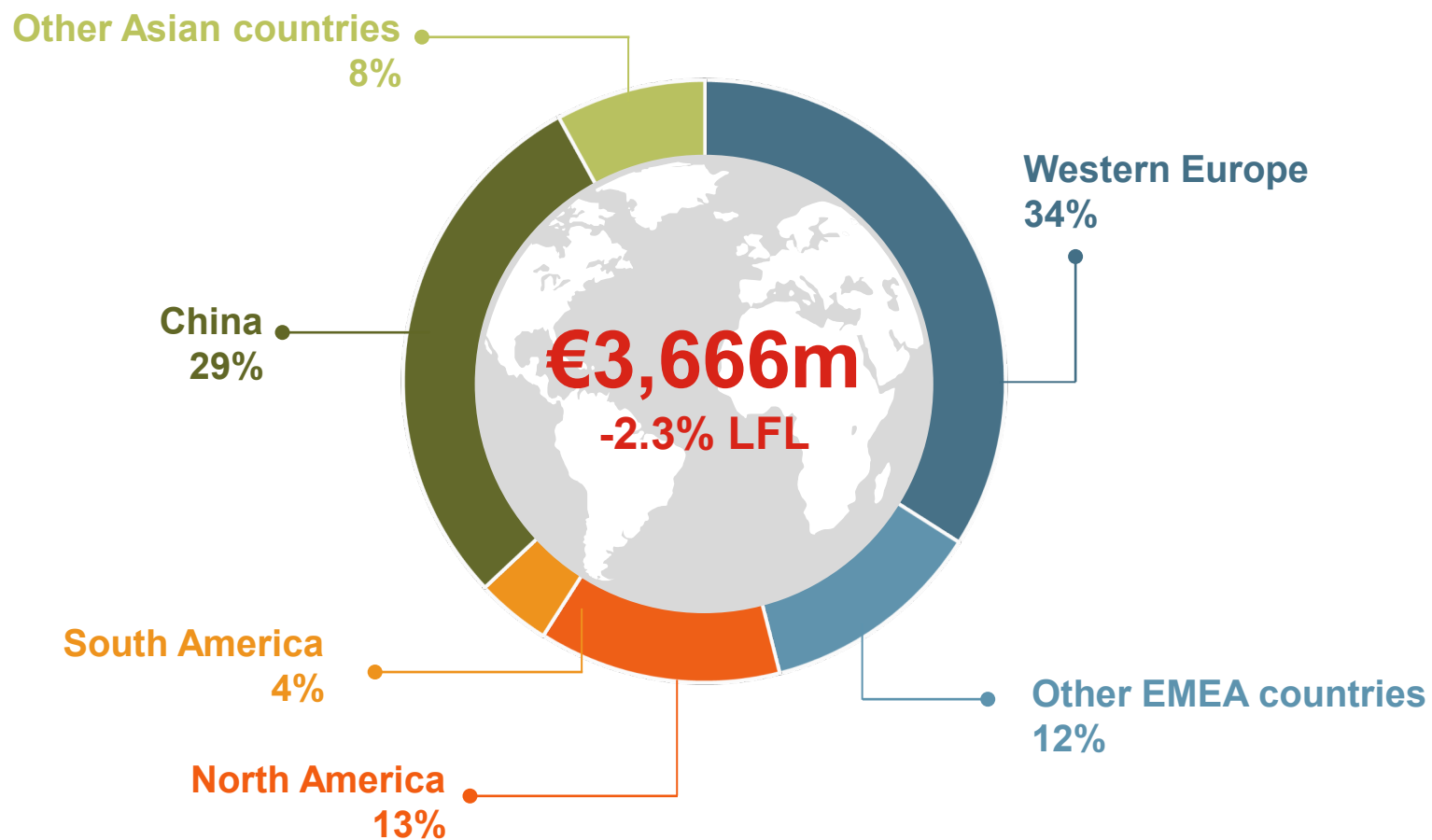
% based on non-rounded figures

Q2 sales by region

In €m		Q2 2021	Q2 2022	Δ 22-21 reported	Δ 22-21 LFL	Reminder Q2 2021 LFL	Δ 22-19 reported
EMEA	TOTAL	791	680	-14.0%	-13.4%	+28.2%	-1.3%
	Western Europe	572	490	-14.3%	-14.5%	+20.2%	-5.3%
	Other countries	220	190	-13.3%	-10.6%	+52.5%	+10.5%
AMERICAS	TOTAL	237	271	+14.3%	+1.8%	+53.4%	+40,0%
	North America	170	185	+8.4%	-3.8%	+38.9%	+52.4%
	South America	67	87	+29.4%	+16.0%	+96.5%	+19.3%
ASIA	TOTAL	568	624	+9.8%	+1.3%	+3.3%	+19.3%
	China	430	485	+12.7%	+1.9%	-0.1%	+22.3%
	Other countries	138	139	+0.9%	-0.7%	+14.8%	+10.2%
	TOTAL Consumer	1,597	1,576	-1.3%	-5.9%	+20.6%	+12.0%
	Professional	161	174	+8.5%	+3.6%	+34.2%	-16.2%
	Groupe SEB	1,758	1,750	-0.4%	-5.1%	+21.8%	+8.4%

% based on non-rounded figures

H1 2022 sales by region



Impact of the loss in sales in Ukraine and Russia: -€57m

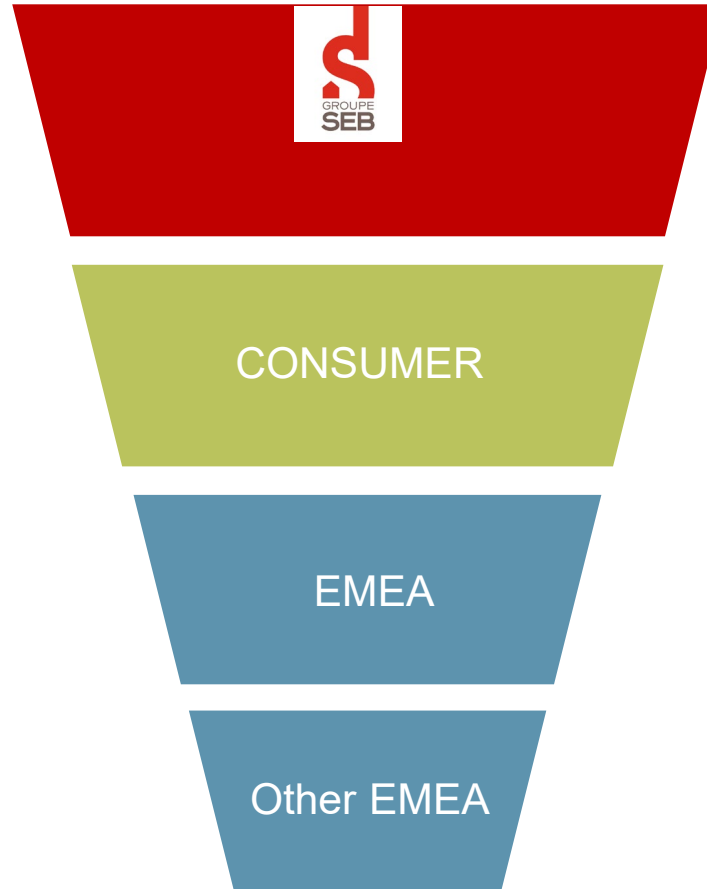
Sales
H1 2022 vs 2021 LFL

-2.3%

-3.3%

-8.9%

-9.3%



Russia-Ukraine impact
LFL

**-0.7%, change restated
Impact - 1.6 pts**

**-1.7%, change restated
Impact - 1.6 pts**

**-6.2%, change restated
Impact - 2.7 pts**

**+2.9%, change restated
Impact - 12.2 pts**

Glossary

On a like-for-like basis (LFL) – Organic

The amounts and growth rates at constant exchange rates and consolidation scope in a given year compared with the previous year are calculated:

- using the average exchange rates of the previous year for the period in consideration (year, half-year, quarter);
- on the basis of the scope of consolidation of the previous year.

This calculation is made primarily for sales and Operating Result from Activity.

Operating Result from Activity (ORfA)

Operating Result from Activity (ORfA) is Groupe SEB's main performance indicator. It corresponds to sales minus operating expenses, i.e. the cost of sales, innovation expenditure (R&D, strategic marketing and design), advertising, operational marketing as well as sales and marketing expenses. ORfA does not include discretionary and non-discretionary profit-sharing or other non-recurring operating income and expense.

Adjusted EBITDA

Adjusted EBITDA is equal to Operating Result from Activity minus discretionary and non-discretionary profit-sharing, to which are added operating depreciation and amortization.

Free cash flow

Free cash flow corresponds to adjusted EBITDA, after considering changes in operating working capital, recurring capital expenditures (CAPEX), taxes and financial expenses, and other non-operating items.

Net financial debt

This term refers to all recurring and non-recurring financial debt minus cash and cash equivalents, as well as derivative instruments linked to Group financing. It also includes debt from application of the IFRS 16 standard "Leases" in addition to short-term investments with no risk of a substantial change in value but with maturities of over three months.

Loyalty program (LP)

These programs, run by distribution retailers, consist in offering promotional offers on a product category to loyal consumers who have made a series of purchases within a short period of time. These promotional programs allow distributors to boost footfall in their stores and our consumers to access our products at more attractive prices.

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