



“A WORLD OF”
NICHE MARKET
LEADERS



CHARGEURS



Acquisition of Leach: Extending the Chargeurs Technical Substrates emerging gem

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An attractive and disruptive breakthrough to service solutions for an emerging industrial gem

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Chargeurs implements its accelerating strategy

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An emerging gem in Chargeurs group

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A recognized niche champion fully engaged in the Chargeurs Game Changer accelerating program

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A powerful transforming acquisition to enhance outstanding service capability and penetrate the ultimate value chain



Summary – Leach:

An attractive and disruptive breakthrough to service solutions for an emerging industrial gem



Leach: an attractive and disruptive breakthrough to drive solutions for an emerging industrial gem

Leach is a 11m€ revenues company, recognized as the UK market leader in visual communication lightbox and solutions for high-end retailers and institutions

- Chargeurs confirms its ability to develop its methodic acceleration strategy by extending business model
- For the recent years, the CTS business platform, focused on highly innovative specialty textiles, has successfully implemented the Chargeurs “Good to Great” strategy and delivered superior profitability
- Leach is the UK market leader for illuminated visual communication to retailer and museums :
 - An attractive market : local leaders and fragmented market
 - An attractive leader : state-of-the-art solutions, a position of key player in UK
 - An attractive profile : a unique expertise
- Thanks to Leach, the CTS platform will benefit from outstanding service solutions enhancing the value proposals to clients, from unique industrial offer to comprehensive service solutions
- Benefiting from additional competitive advantage, CTS will increase by 40% its revenue on a full year basis, from 25m€ to 35m€ before organic growth, with strong operating margin
- A first and highly selective transforming acquisition for CTS, offering strong and powerful additional earning streams, growth and margin opportunities
- With Leach, CTS is **Changing Gear** to accelerate and getting additional **Premium** and becomes an even stronger emerging business platform

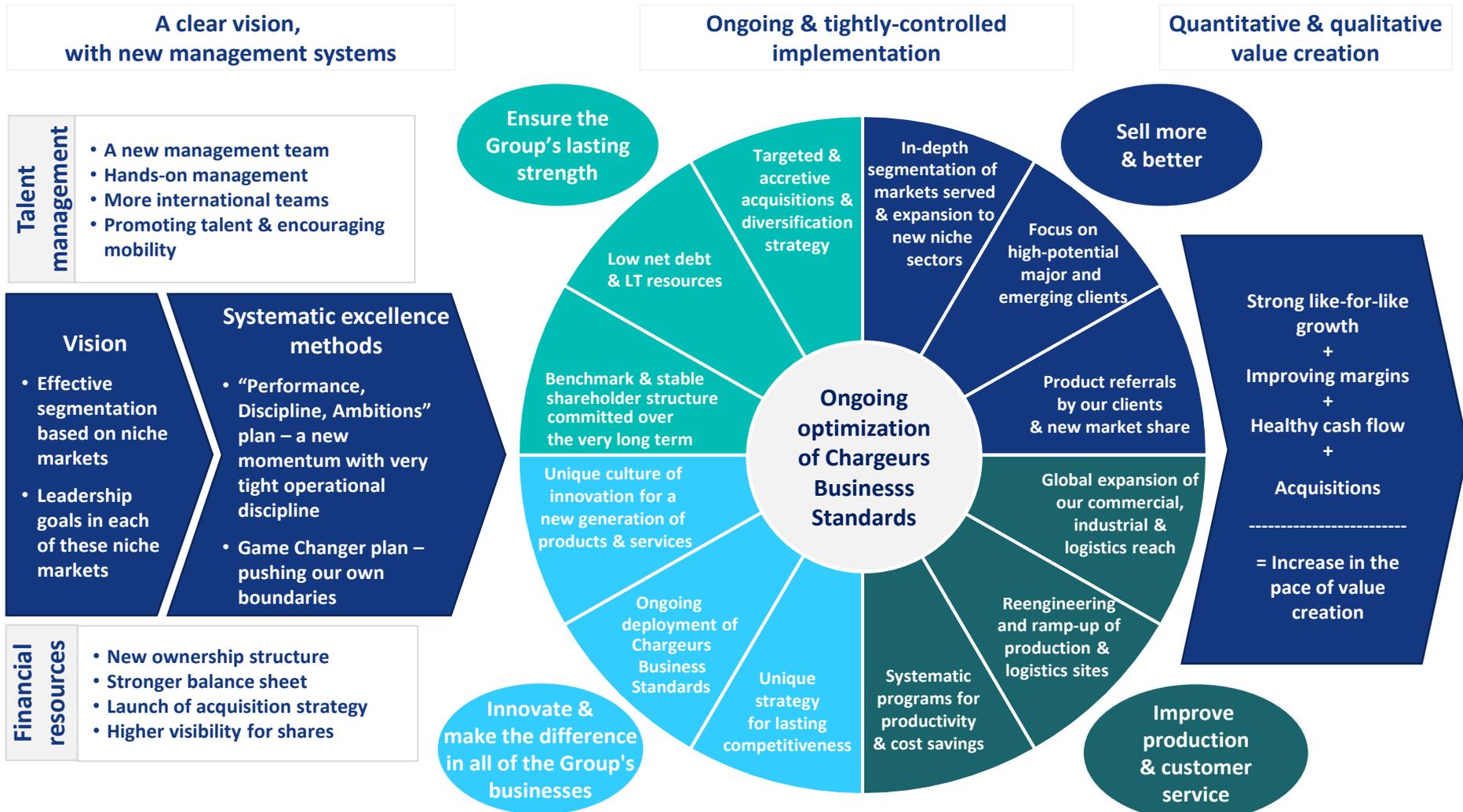




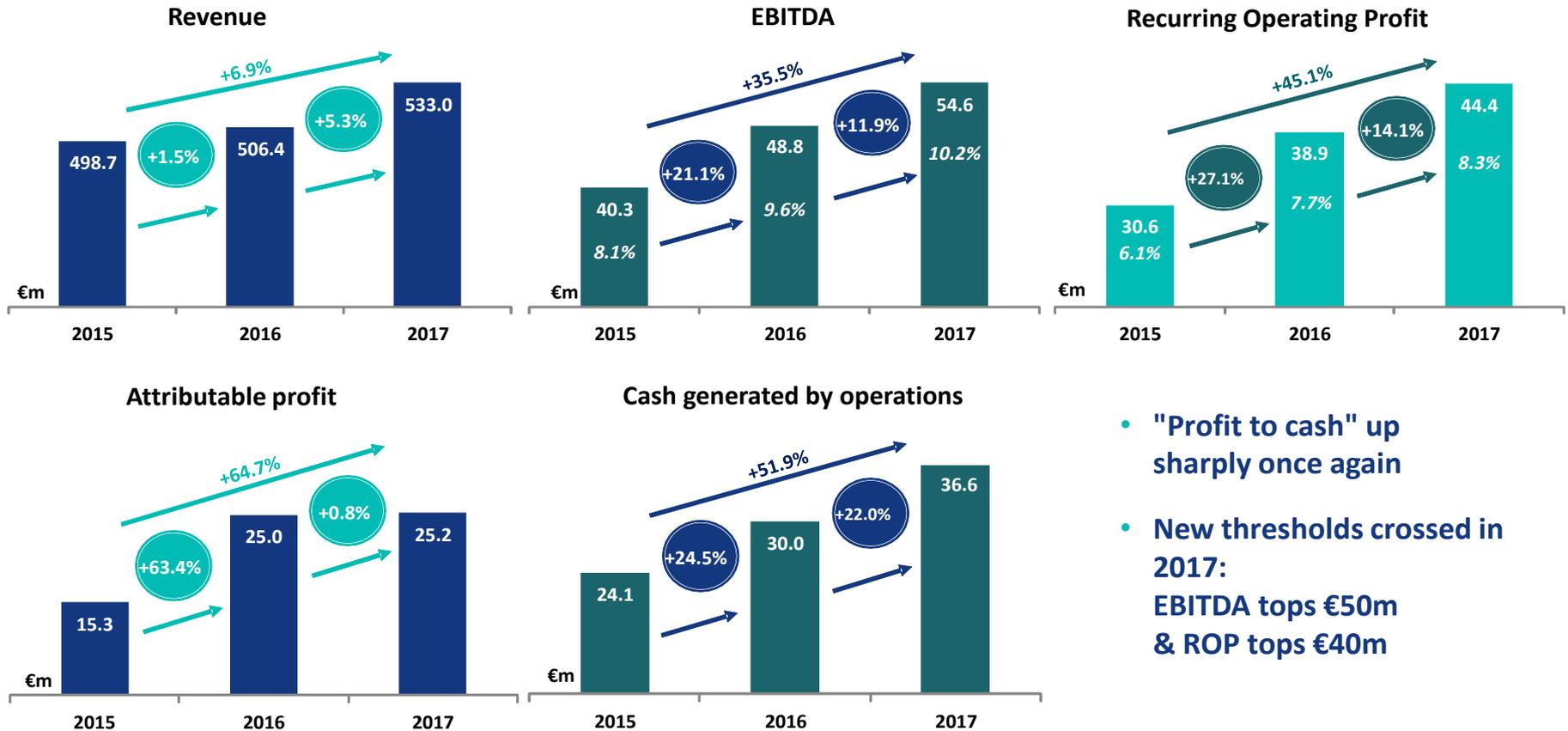
Acquisition background :

Chargeurs implements its accelerating strategy

Chargeurs is reaping the rewards of a committed and long-term strategy of excellence



Revenue up once again and strong increase in margins and cash generated by operations



- "Profit to cash" up sharply once again
- New thresholds crossed in 2017:
EBITDA tops €50m
& ROP tops €40m

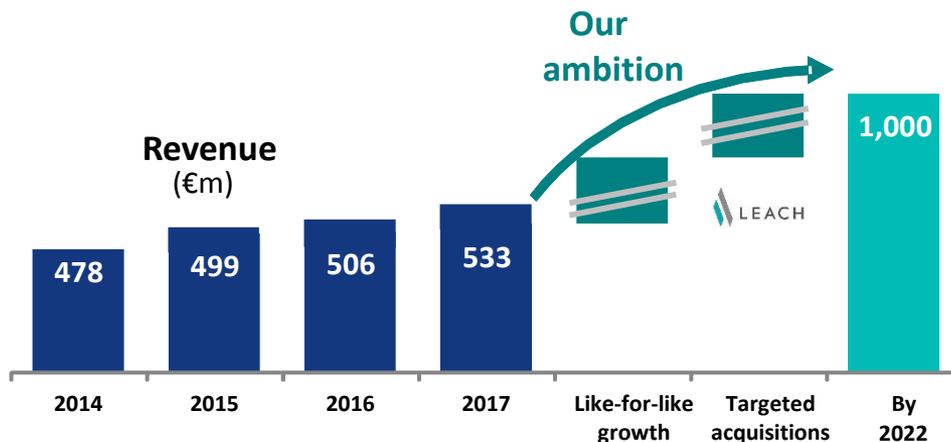
2018 Outlook

- Priority on **converting “sales to profit to cash”** and **improving recurring operating profit**
- Roll out the Game Changer performance acceleration plan aimed at increasing Chargeurs' impact on its markets and making us *“the designer of our own frontiers”*

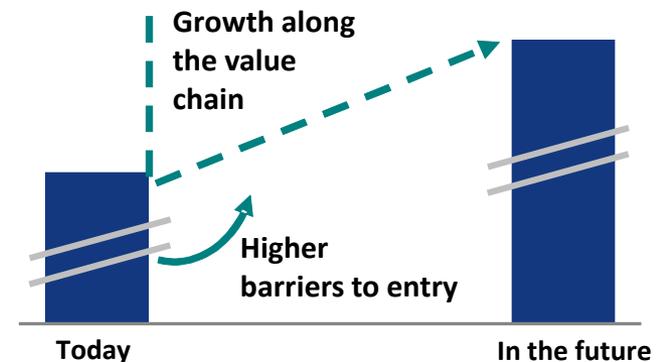
Ambitious and achievable medium- and long-term objectives

- **5-year target to achieve €1bn in revenue & improve operating margin**
(subject to macro-economic conditions remaining constant)

Growth track for €1bn revenue target



Continuous improvement in margins thanks to the product mix and economies of scale





Chargeurs Technical Substrates : An emerging gem in Chargeurs group



A European leader in its niche market for specialty technical textiles

- Chargeurs Technical Substrates has 40 years' experience of functionalizing technical textiles, drawing on its expertise in two specialty areas – fabrics and chemicals – and its passion for innovation
- Proven expertise in building positions in emerging market segments: *digital printing, interior decoration and venue display*
- The specific formulation and manufacturing processes represent very high entry barriers
- Manufacturing facilities comply with the highest international standards
- Products enjoy a strong reputation and offer distinctive solutions
- Budget control processes are among the best in the market
- Chargeurs Technical Substrates operates on a stand-alone basis with its own executive committee whose members represent the company's core competencies

The keys to Chargeurs Technical Substrates market success:

- High-level expertise in textiles and technical coating technologies
- Unrivalled print quality
- Continuous product development to keep pace with market trends
- R&D department able to respond to customer needs by developing bespoke products
- Products whose quality & properties set them apart (e.g., blackout, soundproofing)
- Efficient and effective customer service
- A coated textile offering in widths of up to 5 meters

Textile



Paste coating formulation



5-meter width coating



Inspection



Total Quality Controls



Warehousing & Supply Chain



Chargeurs Technical Substrates: A gem at the heart of innovative textile coating business

The best in class know-how for chemistry and textile substrates

- The pillar of Chargeurs Technical Substrates success is linked to its robust know-how in both chemistry and textile
- The quality and the reputation of its technical substrates products rely on the combination of
 - A heritage of long decades of experience in textile since the creation of the company
 - A specific know-how on chemistry that brings out high-tech solutions
- The Research and development teams of Chargeurs Technical Substrates work on continuous improvement and development of products : selecting new leading edge textile and developing new formula for the coating paste
 - The quality and the innovation of the paste will give the textile its characteristics : sound proof, electromagnetic GSM filtration
 - In order to be truly efficient and reliable, the textile quality is also essential



A European leader in its niche market for specialty technical textiles

80 employees

60% of sales export

1 production unit

A sales presence in **31** countries

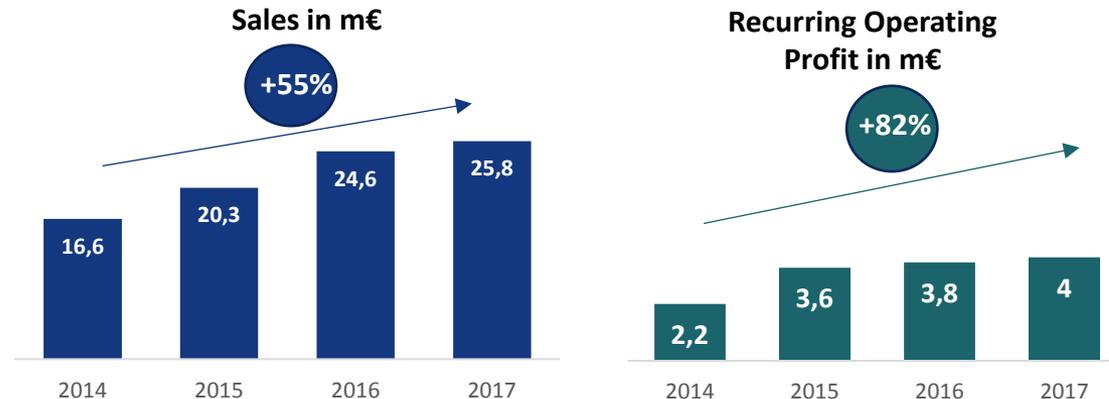


Since 2014, Chargeurs Technical Substrates started a change of dimension through a moveup market bringing higher added value and getting a more offensive approach to the markets with significant breakthrough:

- A state of the art manufacturing capability with 5-meters width
- A successful change of management with the appointment of Patrick Bonnefond in January 2017
- Diversification of offer in technical substrates for textile
- New way to ensure the traceability of our products through ink traceability and RFID
- DECOPRINT won the prestigious EDP AWARD (European Digital Press Association) in the « Best textile substrate » category, in 2015

A strong and effective transformation into a “Bluechip” customers nominated that translates into **strong financial growth** since 2014 :

- **55%** like-for-like revenue growth to some €25m in 2017 thanks to market share reinforcement
- Recurring Operating Profit up by **82%**, reflecting tight control over costs and effective absorption of fixed costs associated with new coating line

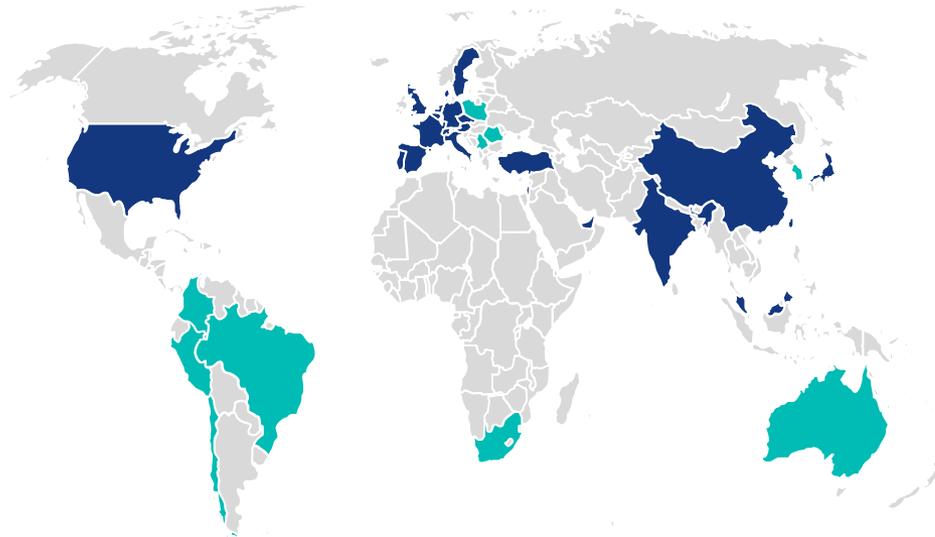


Chargeurs Technical Substrates: An emerging gem in a buoyant market

An increasing international footprint going along with new markets penetration

A global sales representation in **31** countries across **5** continents, since 2015 a development in **9** countries :

- +3 countries in Eastern Europe
- +4 countries in Latin America
- +1 countries in Asia
- +1 countries in Oceania



A offensive presence in major exhibitions in the world :

SGIA NEW ORLEANS



FESPA HAMBURG



ICE MUNICH



FESPA BANGKOK



A strong innovation culture to penetrate new markets:

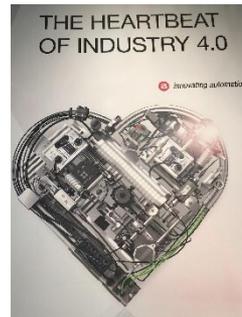
- Development of EstoMpe®, a coated fabric that selectively filters electromagnetic waves (GSM, WiFi)
- New distinctive patents filed for the Sublimis range
- Deco Wall Sound : **powerful solution able to absorb the reverberations of the sound in a room for the comfort of all**





The Chargeurs Technical Substrates platform :

A recognized niche champion fully engaged in the Chargeurs Game Changer accelerating program



Objective:

To accelerate revenue growth, with the target of doubling profitable revenue within 5 years

→ Intended to speed up the Group's growth and profitability, designed in collaboration with all of Chargeurs' teams worldwide and focused on four key areas



Chargeurs Technical Substrates: A Game changer in the substrates industry

Further steps to transformation to stand as a global leader

Chargeurs is ambitioning to accelerate revenue growth, with the target of doubling profitable revenue within 5 years.

Benefiting from the first success of the transformation, Chargeurs Technical Substrates is going further, its strategy focus on **innovation**, **targeted expansion** in the most promising markets and the **geographic extension** of its commercial network placing digital at the heart of the customer experience.

Strengthen and increase market shares

Capacity increases to offer customers innovative solutions with a 5-meter width

Develop new sources of growth

Capital spending to diversify product innovations and develop business in new countries

Conquer new markets

Launch of Sublimis, a break-through innovation
Development of EstoMpe®, a coated fabric that selectively filters electromagnetic waves (GSM, WiFi)



Optimize organization

Successful start of P. Bonnefond as CEO in 2017
Sales force strengthened in Asia and North and South America

Digitalize businesses and marketing

RFID new traceability tool



Leach:

A powerful transforming and disruptive acquisition¹ to penetrate the ultimate value chain



¹ Under satisfaction of specified conditions

Leach: a UK's unique expertise in a growing market

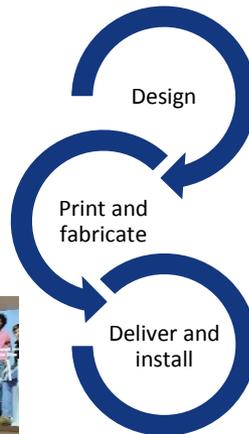
Leach provides large format graphics and graphic display structures, delivering an integrated end to end service, from design, production and fabrication through installation. It is one of limited group of suppliers who produce and install both graphics and fabricated structures.

Leach has extensive production capability, with considerable historical investment in large format printing presses and specialist fabrication capacity to offer in-house designed light boxes. The company manufactures range of LED light boxes and aluminium frames, including free standing, curved and suspended variations.

High impact display product are supplied through two distinct brands targeting separate end user markets : Leach Impact and Leach Inspire.



High impact graphics and retail display systems supplied to major retailers and brands.



Innovative graphics and display structures to the cultural and heritage sectors to create inspirational visitor environments.



Leach: An acceleration in the CTS transformation

Strengthening the Group's leadership position by creating added value for our customers

A high quality acquisition illustrating superior M&A capability

- A long unrivalled depth of experience and reliability
- A renown and unique transversal expertise from art working through printing, production to installation
- A 40% increase in revenues on short term

A transforming strategic fit

- High degree of relatedness before acquisition
- Complementary expertise and offers
- Fast move together after acquisition completion

A first step to vertical integration : combining resources for new value creating outstanding customers value

- A unique service platform completing the already existing relation between CTS and key players (printers, distributors, display providers...)
- A future global leader that will leverage the strength of Chargeurs international network and its financial strength to enhance innovation capacities
- An addition of an innovative expertise for Chargeurs Technical Substrates development
- A complementary range of offer for customers retailers, designers, brands and institutions with new leading edge solutions



A milestone in the achievement of the Game Changer plan

- An industrial and marketing strategy designed to stretch the value chain
- The creation of a leading actor in the enhancement of consumer experience



Leach: A trophy asset in CTS emerging gem

Leach: an attractive market, an attractive leader, an attractive team

A key player in the United Kingdom historical events and a strong hand with outperformance

- Leach’s business has been operated through 127 years by four generations of the Leach family
- A long history full of flagship projects
 - Large format photographic of Royal family
 - Best-selling music album covers : Michael Jackson or The Beatles



A strong metrics company with a renown transversal expertise in display business

- £10m revenues in 2017 with a comprehensive array of high-quality solutions for customers
 - Prestigious institutions : The National Army museum in London, the US Embassy in London or the Bahrein Monument
 - Famous high-end retailers : Gap, Topshop, HSBC or Samsung

An innovation-driven company standing as a forerunner in the display market

- Queen Award for Innovation in 2008 for its Stik solution : a revolutionary magnetic wallpaper system
- A leading actor in the large format visual communication



A value creating opportunity : platform extension, technology addition in a high growth market

A game changer in the new “experience- trends” of physical high-end retails

Chargeurs and Leach: leading together the Chargeurs Good to Great strategy



Allying together market leaders to stretch the value chain and increase our competitive advantage



Common long established values

- A well established manufacturing heritage in Chargeurs and Leach
- A harmonious match across people, teams and a strong cultural fit
- A renown expertise of the teams in United Kingdom that can expand globally leveraging Chargeurs' network

A new expertise added to a strong structure

- Complementary offer combining quality substrates and state of the art lightboxes creating high end solutions
- New comprehensive knowledge through new markets, new innovations and new customers
- A step change to conquer new markets with the back up of Chargeurs' international network and existing luxury brand client base

A compelling opportunity for profitable international growth

- Strong competitive positioning through two recognized brands : Senfa & Leach
- A path to high profitable business with sustainable revenues, solid client base and accretive margins
- Sharing the Chargeurs success factors

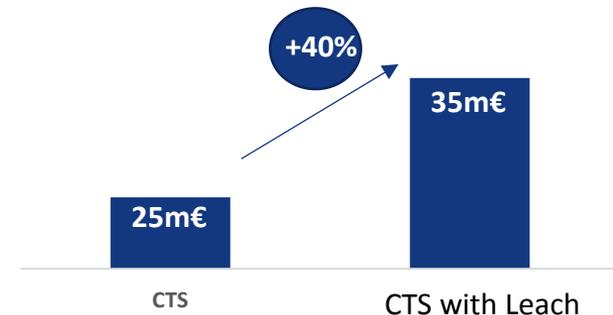
Chargeurs and Leach: leading together the Chargeurs Good to Great strategy

A significant business size increase with additional growth and margin opportunity

- **2018 : Second quarter acquisition completion with signing , then closing by the end of the first half of the year**
- **Short term outlook**
 - A short term revenue increase by 40% on a full year basis and a growth in operating margin
 - A double sized teams with strong know-how
 - A well established manufacturing structure in Europe : 2 facilities in France and in UK
- **Medium and long-term outlook**
 - A growing market
 - A strong combination of expertise to replicate globally
 - New opportunities : markets and countries

Normative trend

Revenue growth opportunity
on a full year basis





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2018 Financial calendar

Monday, April 16, 2018 (before start of trading) : First-quarter 2018 financial information

Monday, April 16, 2018 : 2018 Annual Shareholders' Meeting

Thursday, September 6, 2018 (before the start of trading) : First-half 2018 results

Wednesday, November 14, 2018 (after the close of trading) : Third-quarter 2018 financial information

External links

Access to Chargeurs Technical Substrates website : <http://www.senfa.fr/>

Access to Leach website : <https://leachimpact.com> and <https://leachinspire.com/>

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