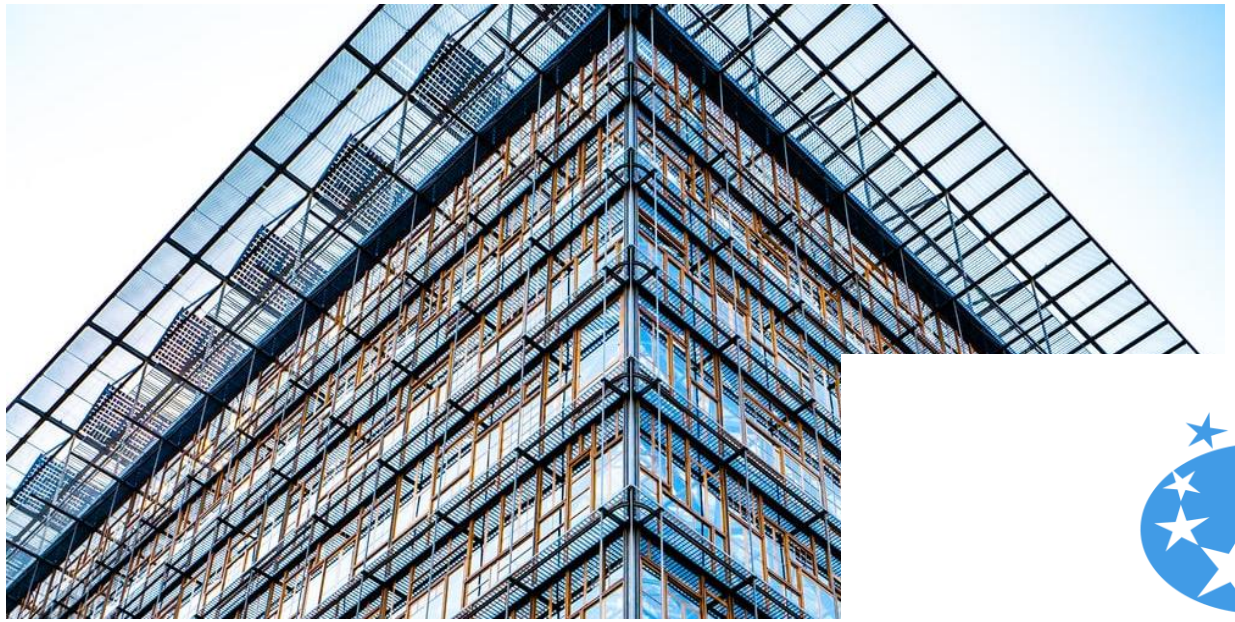

CHARGEURS
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First-half 2021 results

PERFORMANCE & ACCELERATION

Disclaimer

This presentation may contain forward-looking statements relating to the business, results and financial position of the Chargeurs group. Such forward-looking statements are based on assumptions that are currently considered reasonable but which are dependent on external factors and unforeseeable events such as changes and developments in:

- the health crisis across all the Group's geographies;
- the economic climate;
- commodity prices;
- exchange rates;
- laws;
- demand in the Group's leading markets;
- new product launches by competitors.

The performance targets and estimated objectives included in the Leap Forward 2025 strategic plan are also dependent on these unforeseeable events and are provided for information purposes only.

In view of these uncertainties, the Chargeurs group may not be held responsible for any differences between its forward-looking statements and actual results which arise due to new facts or circumstances or unforeseeable developments.

The factors that could significantly influence the Group's financial performance are set out in the Universal Registration Document, which is filed with the French Financial Markets' Authority (AMF) on an annual basis.

Where this presentation cites information or statistics from an outside source, it should not be interpreted to mean that the Group endorses such information or statistics or considers them to be accurate.

09/09/2021

First-Half 2021 Results Presentation

PERFORMANCE & ACCELERATION

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CHARGEURS
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01 Introduction

Michaël Fribourg – Chairman and CEO

CHARGEURS
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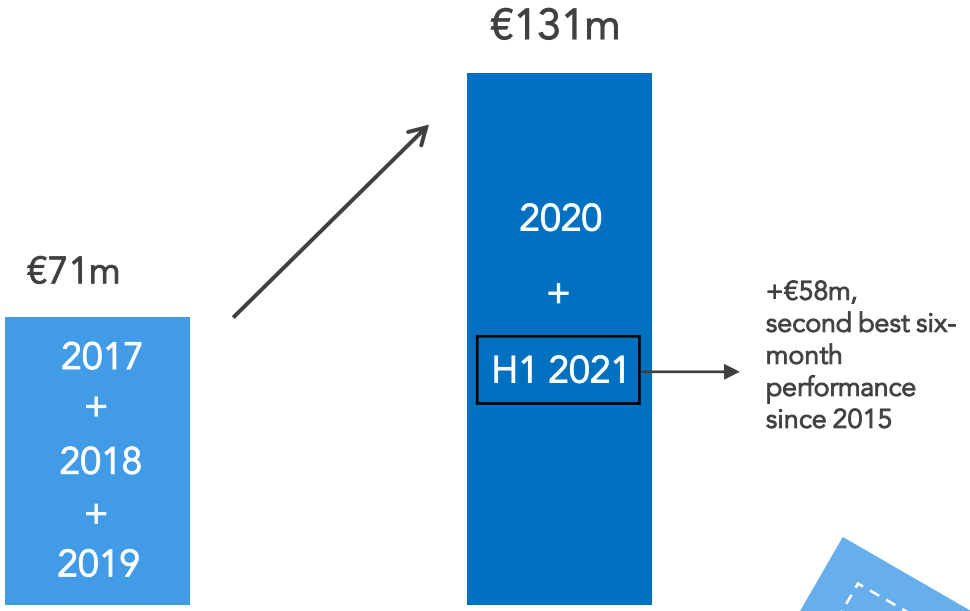
Chargeurs showed an excellent first-half performance, leveraging the recovery and the Group's transformation

EBITDA > 12% of revenue

- Revenue up 14.2% to €372.4m vs H1 2019
- Chargeurs outperforms each of its markets
- All the Group's business lines made a profit

Acceleration in cash flow generation during the crisis



The quality of Chargeurs' assets allowed it to turn the crisis into an opportunity

Chargeurs' performance drivers are gaining momentum and are set to reach high levels in 2022

- Chargeurs Protective Films experienced recorded levels of activity and has a very large order book
- CFT*PCC set to recover as product stocks in fashion and luxury retailing fall significantly
- Chargeurs Luxury Materials fully satisfies the CSR requirements of brands, with its Nativa™ offering
- Chargeurs Museum Solutions won new contracts that will drive future performance
- In just six months, Chargeurs Healthcare Solutions approached the upper end of its full-year revenue target range of €50 million-€100 million and is continuing with its diversification

Leap Forward has provided Chargeurs with the momentum to accelerate and fully profit from the recovery

Drivers	Organic growth	External growth
LEAP FORWARD 2025	Generate embedded performance	Generate additional performance
	➢ Increase market share	➢ Accelerate targeted acquisitions using available cash of €400 million
Objective Recurring op. profit of €150m	◆ **Leader's premium** in our business lines driven by **strong megatrends** ◆ Quality of assets and **high pricing power** ◆ Growth overseen by a **strengthened international management team**	◆ **Diversification underway at CHS** ◆ **A number of potential acquisitions under consideration** that would allow the business lines to improve their technological base and know-how.

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Chargeurs has the drivers to immediately accelerate value creation

Strengthening the Executive Committee

Etienne Petit, General Manager of **Chargeurs Protective Films**

Etienne Petit was previously a member of **Veolia**'s Executive Committee, where he helped to grow the group in Central Europe and was also Purchasing Manager.

Gianluca Tanzi, General Manager of **Chargeurs*PCC Fashion Technologies**

Gianluca Tanzi has held various strategic positions in international eyewear and ready-to-wear clothing groups such as **Luxottica** and **United Colors of Benetton**. He was recently Chief Operating Officer at **Brooks Brothers**.
Gianluca Tanzi will oversee the business activities of CLM with a view to accelerating the commercial synergies between it and CFT*PCC. Federico Paullier will remain the General Manager of CLM.

Future acceleration in acquisitions

- An external growth strategy tailored to the opportunities in each business line:
  - Green transformation at CPF
  - Diversification into wellbeing at CHS
  - Consolidation at CMS
- Complementary niche acquisitions for business lines with significant potential

Operating and Financial review

Olivier Buquen – Group Chief Financial Officer

Gustave Gauquelin – Chief Operating Officer

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Strong value creation in the first six months

Key figures

In €m

	H1 2021	Change from H1 2019	Change from H1 2020
Revenue	372.4	+14.2%	-28.2%
EBITDA	46.3	+42.5%	-35.0%
Recurring operating profit	34.0	+49.8%	-42.9%
Attributable net profit	24.7	+197.6%	-14.8%
Cash flow from operating activities	58.0	x 116	-18.9%

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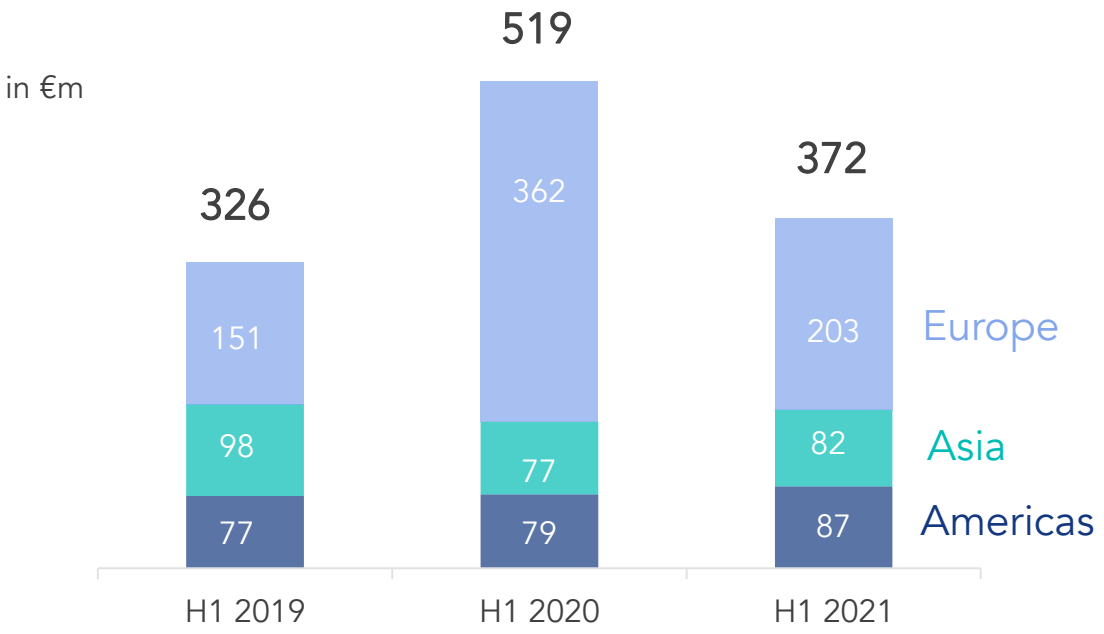
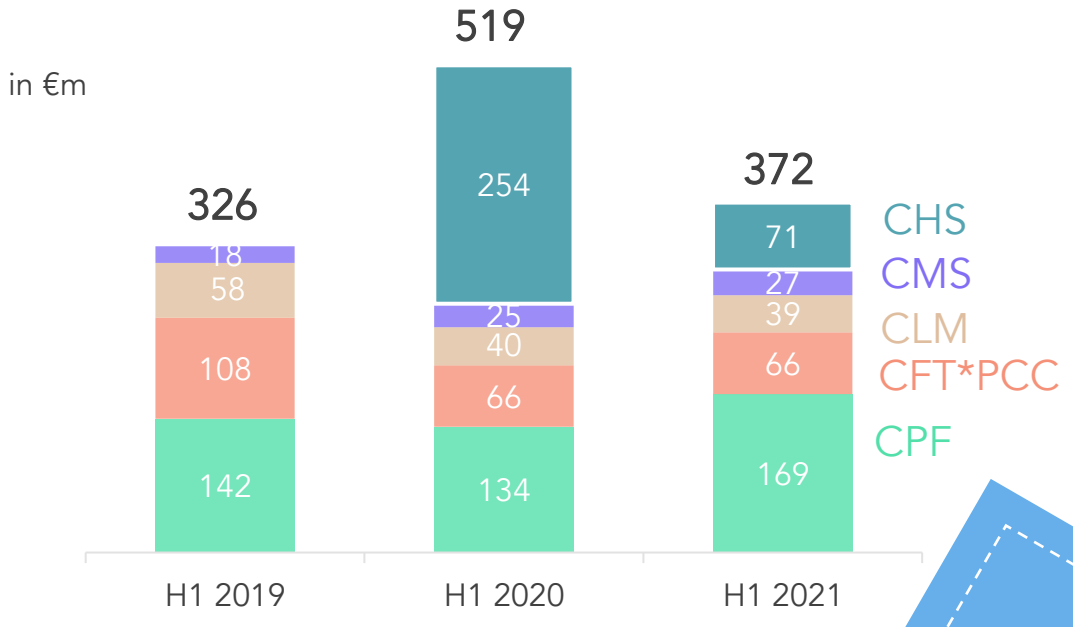
Revenue up 14.2% compared with H1 2019

Stronger momentum in America and Asia, high level of business activity in Europe linked to CHS



Historic performance of CPF and good levels of activity for the other business lines



Chargeurs Protective Films

A record-high level of activity

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Chargeurs Protective Films strengthened its leading position in a buoyant market

€m	H1 2021	H1 2020	H1 2021 vs. H1 2020	H1 2019	H1 2021 vs. H1 2019	Q2 2021	Q2 2021 vs. Q2 2020	Q2 2021 vs. Q2 2019
Revenue	**168.5**	133.7	*+26.0%*	142.1	*+18.6%*	92.0	+46.5%	+26.2%
Like-for-like			*+ 28.9%*		*+ 21.0%*		*+49.4%*	*+28.8%*
EBITDA	**19.8**	12.7	*+55.9%*	19.2	*+3.1%*			
As a % of revenue	***11.8%***	*9.5%*		*13.5%*				
Recurring operating profit	**14.1**	6.9	*+104.3%*	14.1	*+0.0%*			
As a % of revenue	***8.4%***	*5.2%*		*9.9%*				

- **Record six-month revenue performance** reflecting **increased demand,** particularly strong in the second quarter, especially in the building and household appliances sectors
- **Operating profitability significantly boosted by the growth in volumes.** Controlled impact of the increased price of polyethylene as a result of pass-through clauses and high pricing power
- Strong performance by the laminators business, boosted by the recovery of the investment cycle
- **Novacel received a grant under the French government's recovery plan** for investments that seek to reduce environmental impacts

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Chargeurs PCC* Fashion Technologies

Ideally positioned to benefit from the rebound of the fashion and luxury industry

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CFT*PCC is ideally positioned to fully capture the recovery of the fashion and luxury industry

€m	H1 2021	H1 2020	H1 2021 vs. H1 2020	H1 2019	H1 2021 vs. H1 2019	Q2 2021	Q2 2021 vs. Q2 2020	Q2 2021 vs. Q2 2019
Revenue	65.8	65.5	+0.5%	107.7	-38.9%	34.2	+68.5%	-37.5%
Like-for-like			*+7.3%*		*-32.9%*		*+78.3%*	*-30.9%*
EBITDA	5.8	5.2	+11.5%	11.4	-49.1%			
As a % of revenue	*8.8%*	*7.9%*		*10.6%*				
Recurring operating profit	2.3	2.3	+0.0%	8.1	-71.6%			
As a % of revenue	*3.5%*	*3.5%*		*7.5%*				

- **Organic growth in line** with a clothing market which continued to be impacted in H1 by restrictions and lockdown measures in place in a number of countries
- Growing interest of European luxury and ready-to-wear brands in the **eco-friendly Sustainable 360° interlining range**
- **Launch of** CFT*PCC's **virtual showroom and release of a digital version of the interlinings on the CLO-SET Connect platform**
- **Maintenance of a broadly positive operating margin** despite the significant fall in volumes as a result of the crisis
- Low level of stock held by client brands and a **sustained increase in CFT*PCC's order book**, which, at the end of August, **exceeded its August 2019 level**

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Chargeurs Luxury Materials

Development of the premium and sustainable wool offering

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Good momentum in sales volumes and expanded roll-out of Nativa™

€m	H1 2021	H1 2020	H1 2021 vs. H1 2020	H1 2019	H1 2021 vs. H1 2019	Q2 2021	Q2 2021 vs. Q2 2020	Q2 2021 vs. Q2 2019
Revenue	39.4	40.4	-2.5%	58.2	-32.3%	21.0	+103.9%	-23.1%
Like-for-like			*-2.7%*		*-31.6%*		*+101.9%*	*-22.3%*
EBITDA	0.6	-0.9		1.5	*-60.0%*			
As a % of revenue	*1.5%*	*-2.2%*		*2.6%*				
Recurring operating profit	0.5	-1.0		1.5	*-66.7%*			
As a % of revenue	*1.3%*	*-2.5%*		*2.6%*				

- **Recovery in sales volumes in the 2nd quarter of 2021,** driven by high levels of business activity in New Zealand and stronger momentum in the United States
- **Growth in the order book**
- Operating margin returned to positive territory thanks to tight cost controls
- **Launch of the Nativa™ Regenerative Agriculture** program, which seeks to reduce CO_2 emissions linked to sheep farming and preserve biodiversity

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Chargeurs Museum Solutions

Exploitation of synergies to win new projects

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CMS's results and outlook driven by the success of D&P and DPM

€m	H1 2021	H1 2020	H1 2021 vs. H1 2020	H1 2019	H1 2021 vs. H1 2019	Q2 2021	Q2 2021 vs. Q2 2020	Q2 2021 vs. Q2 2019
Revenue	27.4	25.0	+9.6%	18.1	+51.4%	14.8	+8.0%	+48.0%
Like-for-like			*-4.4%*		*-51.9%*		*+8.0%*	*-53.0%*
EBITDA	4.6	2.1	+119.0%	2.3	+100.0%			
As a % of revenue	*16.8%*	*8.4%*		*12.7%*				
Recurring operating profit	2.7	0.8	+237.5%	1.4	+92.9%			
As a % of revenue	*9.9%*	*3.2%*		*7.7%*				

- **Growth in revenue and operating profit from activities,** driven by the scope effect, essentially linked to the acquisition of D&P
- Significant contribution by the D&P contract with the **National Air & Space Museum** in the United States
- **The commencement of the Diriyah Gate Development Authority** contract in Saudi Arabia, with a value of more than €20 million, demonstrates the synergies between the various CMS entities
- The non-museum activities suffered from the partial retail closures in Europe

Chargeurs Healthcare Solutions

Diversification into well-being and hygiene sectors

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Maintenance of strong momentum at CHS, which diversified its product and service ranges

€m	H1 2021	H1 2020	H1 2021 vs. H1 2020	H1 2019	H1 2021 vs. H1 2019	Q2 2021	Q2 2021 vs. Q2 2020	Q2 2021 vs. Q2 2019
Revenue	71.3	253.9	-71.9%	-	-	29.6	-88.3%	-
Like-for-like			*-71.9%*				*-88.3%*	-
EBITDA	18.5	55.4	-66.6%	-	-			
As a % of revenue	*25.9%*	*21.8%*						
Recurring operating profit	18.1	54.3	-66.7%	-	-			
As a % of revenue	*25.4%*	*21.4%*						

- High level of business activity in the sale of masks, sustained by a number of contracts to supply public authorities and corporates, capitalizing on the **innovation of Lainière Santé™**
- **Diversification of business activities** to sectors that complement wellbeing and luxury products:
  - Acquisition of **Fournival Altesse**, the market leader in high-end Made in France hairbrushes;
  - Signature of a distribution agreement in France for **Sockwell** products, the leading US brand of compression socks;
  - Entry into an agreement with **Rivadis**, the leading distributor of health and care products to medical establishments, hospitals, creches and nursing homes, relating to the distribution of CHS's products

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Financial review

Olivier Buquen – Group Chief Financial Officer

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Second best six-month performance since 2015

€m	H1 2021	H1 2020	H1 2019	
Revenue	372.4	518.5	326.1	Very good performance by CPF. Solid business activity for CHS and CMS
Gross profit	99.7	131.8	85.0	
As a % of revenue	*26.8%*	*25.4%*	*26.1%*	Increase in gross profit due to premiumization and pricing power
EBITDA	46.3	71.2	32.5	High level of profitability despite the crisis, underpinned by the embedded performance of the business lines and efficiency programs
As a % of revenue	*12.4%*	*13.7%*	*10.0%*	
Recurring operating profit	34.0	59.5	22.7	Second best half-year performance since 2015, with all business lines contributing
As a % of revenue	*9.1%*	*11.5%*	*7.0%*	
Amort. intangible assets linked to acq.	-2.7	-1.7	-1.2	Increase related to the acquisition of D&P in H1 2020
Non-recurring	0.3	-12.5	-4.2	
Operating profit	31.6	45.3	17.3	
Net financial expense	-2.6	-7.4	-5.8	Profits optimized by dynamic cash management
Tax	-4.9	-7.7	-3.2	Geographic mix favorable for taxable profit
Associates	0.1	-1.3	0.0	
Net profit	24.2	28.9	8.3	
Attributable net profit	24.7	29.0	8.3	Second best half-year performance since 2015
Earnings per share	1.06	1.28	0.36	

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Strong cash-flow generation: +€58m

€m	H1 2021	H1 2020	H1 2019	
EBITDA	46,3	71,2	32,5	High level of profitability despite the crisis
Non-recurring – cash	*-2,7*	*-4,1*	*-4,2*	
Financial expenses – cash	*-6,8*	*-5,9*	*-5,3*	
Tax – cash	*-0,2*	*-1,6*	*-0,4*	
Other	*-*	*3,6*	*0,2*	
Cash flows provided by operating activities	36,6	63,2	22,8	
Change in working capital at constant exchange rates	21,4	8,3	-22,3	Improvement in WCR in the context of high activity levels
Net cash from operating activities	58,0	71,5	0,5	Second best performance since 2015
Acquisition of property, plant and equipment and intangible assets, net of disposals	-4,6	1,4	-16,3	Normalization of capex level
Acquisitions	-1,5	-54,6	0,0	Amount essentially linked to the acquisition of Fournival Altesse
Dividends paid in cash	-12,6	-2,5	-5,1	High dividend payments and success of the script dividend option
Other	-2,0	-2,5	-1,6	
Total	37,3	13,3	-22,5	
Effect of changes in exchange rates on cash and cash equivalents	-0,7	0,5	-0,5	
Opening net cash/(net debt)	-126,7	-122,4	-92,2	
Closing net cash/(net debt)	-88,7	-109,6	-115,2	Reduction in debt despite the crisis, acquisitions and high dividends

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Reduction in net debt and a high level of available cash

€m	06/30/2021	12/31/2020	
Intangible assets	231,7	228,7	Revaluation of goodwill linked to changes in exchange rates
Property, plant and equipment	81,0	83,1	Impact of the normalization of capex level
Associates	7,2	7,0	
Other net assets and liabilities	-1,0	-7,7	
WCR	22,6	48,6	Improvement in WCR in the context of high activity levels
Total capital employed	341,5	359,7	
Group equity	252,7	233,0	Net profit of +€24.7m; cash dividends of -€12.6m; translation adjustment of +€7.9m
Net borrowings	88,7	126,7	Reduction in debt, despite the crisis and high dividend payouts

Almost €400m in available financial resources

€m and years	06/30/2021	Average maturity	12/31/2020	Average maturity
Drawn financing facilities	353.7	4.3	354.3	4.4
Undrawn financing facilities	133.8	3.5	141.3	3.8
Total financing	487.5	4.2	495.6	4.3
Available financial resources (cash + undrawn facilities)	390.4		350.3	

Financial ratios under control despite the crisis

	06/30/2021	12/31/2020
Leverage ratio: Net debt/EBITDA	1.1	1.2
Gearing ratio: Net debt/Equity	0.35	0.5

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03 Conclusion

Michaël Fribourg – Chairman and CEO

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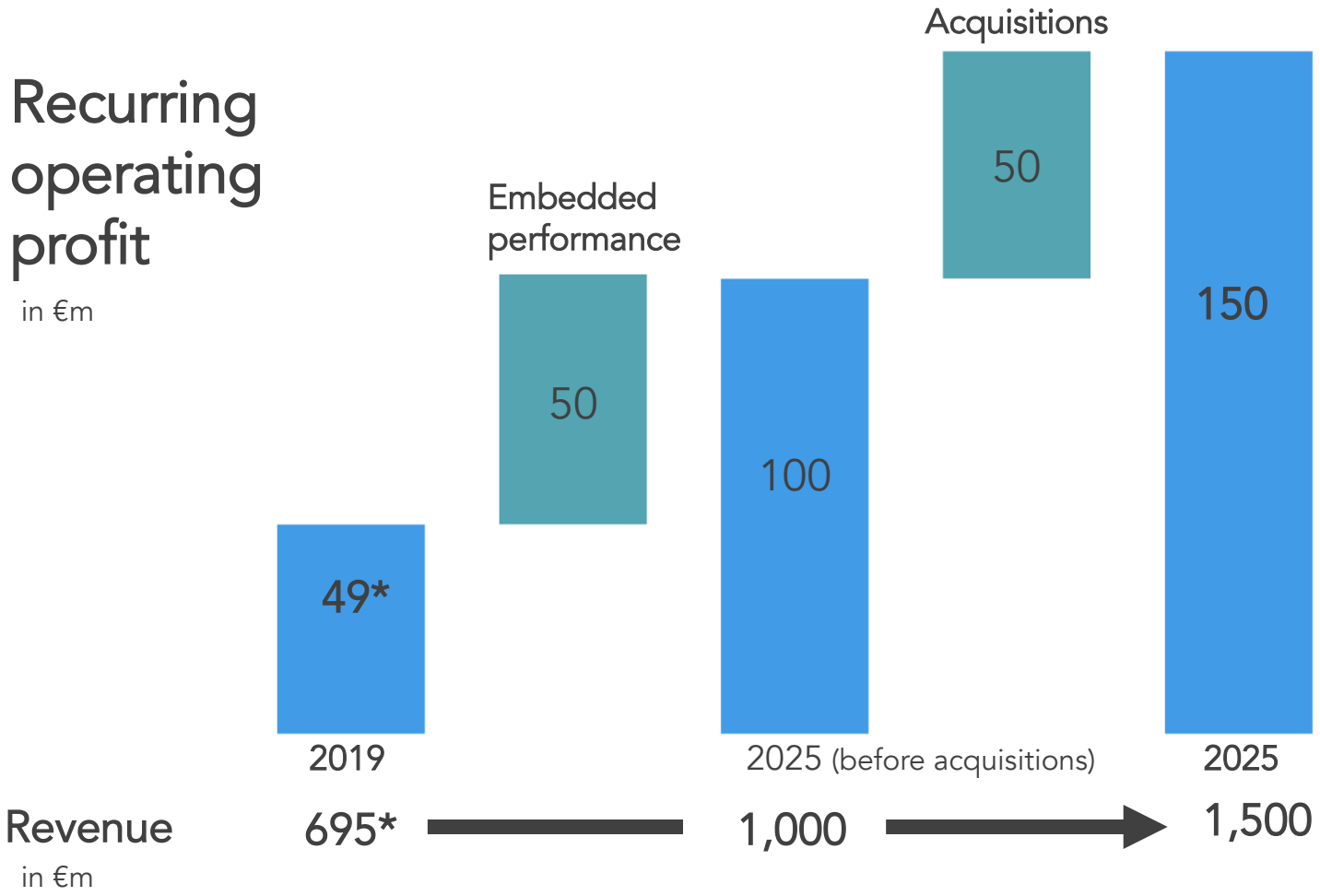
The momentum provided by an excellent H1, high-quality assets and teams committed to meeting growth ambitions

- **Robust value creation** in the first half
- A **management team** with high-level **international experience**
- High-quality assets that were resistant during the crisis and **drivers of embedded performance** during the recovery
- Almost **€400 million available to accelerate targeted acquisitions** that create significant value

Chargeurs confirms its 2025 targets



A self-financed program, with indebtedness very much under control

- Maintenance of an active dividend policy
- Normalization of capex
- Maintenance of low financial leverage

* 2019 revenue and recurring operating profit including the pro forma performance of the 4 acquisitions by CMS in 2019 and 2020

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