

Source : FactSet Research

<b>Market</b>	<b>Euronext</b>
ISIN / Mnemonic	FR0000130692 / CRI
Reuters / Bloomberg	CRI PA / CRI FP
Index	CAC Small
<b>Research partially paid by the issuer</b>	
PEA-PME	Yes

<b>Market Cap (€m)</b>	<b>240,14</b>
Float (%)	70,0%
Nbre of shares (Mio)	24,756
Closing	31-Dec

	22	23e	24e
<b>PER</b>	<b>18,6</b>	<b>25,8</b>	<b>12,4</b>
PCF	12,5	8,3	4,7
EV/Sales	0,8	0,6	0,5
EV/EBIT	15,7	16,1	9,6
PB	1,5	0,9	0,8
Yield	7,3%	7,8%	2,7%
Free Cash Flow Yield	-7,0%	2,3%	10,3%
ROACE	9,9%	ns	12,1%

<b>Sales</b>	<b>746,4</b>	<b>733,3</b>	<b>800,4</b>
Previous Sales	746,4	733,3	800,4
chge y/y-1	1,3%	-1,8%	9,2%
EBITDA	67,9	56,3	75,1
Underlying EBIT	45,4	33,8	49,9
% Sales	6,1%	4,6%	6,2%
EBIT	38,5	26,5	42,5
% Sales	5,2%	3,6%	5,3%
Decl.Net inc Group Sh	22,1	9,3	19,3
% Sales	3,0%	1,3%	2,4%

<b>EPS</b>	<b>0,91</b>	<b>0,38</b>	<b>0,78</b>
Previous EPS	0,91	0,38	0,78
chge y/y-1	-28,0%	-58,6%	107,5%
<b>Restated EPS</b>	<b>0,91</b>	<b>0,38</b>	<b>0,78</b>
Net Asset per Share	11,5	11,4	11,9
Net Dividend	0,76	0,26	0,55
<b>NFD</b>	<b>181,8</b>	<b>185,8</b>	<b>167,7</b>

**Calendar :**  
Q3 Sales on 9 November

Jérémy Sallée, Financial Analyst

+33 (0)2 40 44 94 30  
jeremy.sallee@bnpparibas.com

**8 September 2023**

**Price: €9,70**

**Target Price: €17,60**

## STRONG BUY (1)

Opinion unchanged

1 : Strong Buy 2 : Buy 3 : Hold 4 : Reduce 5 : Sell

Price at 07/09/2023

H1 Results – Feedback Confcall

## Reaching the low point

Chargeurs' H1 results were down sharply but in line with our expectations. The publication was marked by CAM's underperformance, which masked a very good performance by the other four business lines. Momentum should gradually improve in H2. We are slightly lowering our scenario and our price target from €18.3 to €17.6.

### CAM's difficulties...

In line with our expectations (PZP H1 sales €351.2m -11.9% -13.9% L/L / H1 EBITA €14.4m, EBITA margin 4.1% -2.3pts), H1 sales and results (H1 sales €352.8m -11.5% -12% / EBITA €14.1m, EBITA margin 4% -2.4pts) were significantly hit by lower volumes from CAM (Protective Films), which usually accounts for c.50% of group sales and EBITA. In line with the trend of the last three quarters, sales in Q2 (down 19% L/L) suffered from 1/ an unfavourable basis for comparison (a record level of activity in H1 22), 2/ a slowdown in demand due to higher energy prices and rising interest rates, and 3/ a customer destocking effect. The BU's EBITA by 74% to €4m (EBITA margin 2.8% -5.6pts) due to lower volumes and a €3m increase in the energy bill.

### ...masking the good performance of the other four business lines

CAM's underperformance masks the strong progress made by new growth drivers (CMS: Museum) and the resilience of margins at CFT (interlining) and the Luxury Goods division (CMS, CPG and CLF: wool). CMS accelerated in Q2 (+82% +63% L/L) while improving its margin (6.2% +1.2pt). The Group has good visibility, and confirms that it is targeting sales of c.€120m and c.€150m for this division in 2024. The textile businesses (CFT and CLF) grew more slowly than our expectations due to the impact of the cyclone that hit New Zealand in H1 for CLF (H1 -26%, Q2 -21%) and an unfavourable exchange rate effect (Argentinian peso) for CFT (Q2 -13% -2% L/L). Nevertheless, their profitability proved highly resilient (CFT EBITA margin 7.2% +0.4pt), with CLF's EBITA is up 20% (EBITA margin 3% +1.2pt). CLF is beginning to benefit from an improvement in its mix, with the development of its Nativa traceability offering, which grew by 40% in the first half and now accounts for almost a third of the BU's EBITA.

### 2024 guidance in line with expectations

Chargeurs has given no indication of its full-year landing, but has announced that it is targeting sales of >€800m, EBITDA of 9-10% and NFD/EBITDA leverage of <3x in 2024, in line with our scenario and the consensus. We understand that CAM's recovery will be very gradual in H2 23 (PZP +3%) before returning in 2024 to the sales levels of 2021-2022 (c.€335m) under the effect of a restocking phase and the gradual recovery of markets other than new construction (75% of CAM's markets). We remain more cautious and confirm our scenario of CAM 24 sales close to €310m (PZP +6%). The main driver of growth in 2024 will be CMS, which should boost both sales (PZP +22%) and margins (PZP EBITA margin 9% +2pts).

**H1 results mark the low point of this transitional year. At these levels (valuation close to Covid lows), we believe the risk/reward becomes attractive due to the gradual improvement in momentum expected in H2, which will be supported by a more favourable comparative base (PZP sales Q3 +5%, Q4 +18%). Nevertheless, the lack of visibility over the terms of the expected deal in the luxury goods segment could be a drag in the short to medium term.**

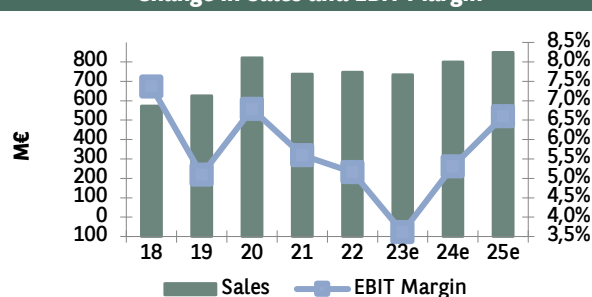
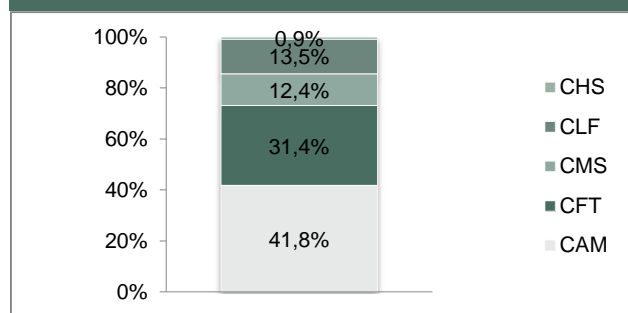
## CHARGEURS

P&L Account	18	19	20	21	22	23e	24e	25e
Sales	573,3	626,2	822,0	736,6	746,4	733,3	800,4	849,8
<i>chge y/y-1</i>	7,6%	9,2%	31,3%	-10,4%	1,3%	-1,8%	9,2%	6,2%
<i>organic chge</i>	2,6%	-1,2%	27,5%	-10,4%	-4,4%	-2,7%	9,2%	6,2%
EBITDA	59,8	60,0	102,4	73,8	67,9	56,3	75,1	91,3
Underlying EBIT	49,0	41,4	79,3	50,7	45,4	33,8	49,9	63,9
<i>chge y/y-1</i>	10,4%	-15,5%	91,5%	-36,1%	-10,5%	-25,6%	47,6%	28,1%
EBIT	42,2	31,9	55,8	41,2	38,5	26,5	42,5	56,0
RCAI	31,6	20,4	46,3	30,6	19,4	3,8	20,5	37,3
Tax Rate	-5,1	-4,9	-4,3	-0,5	2,5	5,5	-1,2	-2,2
Declared Group Net income	26,6	15,1	41,0	30,6	22,1	9,3	19,3	35,1
Restated Group Net income	26,6	15,1	41,0	30,6	22,1	9,3	19,3	35,1
<i>chge y/y-1</i>	5,6%	-43,2%	+ / ++	-25,4%	-27,8%	-58,0%	+ / ++	82,2%
<hr/>								
AACR Sales 2020 / 2024e	-0,7%							
Gross Margin (%)	26,9%	26,7%	26,6%	25,3%	26,1%	24,2%	25,2%	26,4%
Operating Margin (%)	7,4%	5,1%	6,8%	5,6%	5,2%	3,6%	5,3%	6,6%
Net margin (%)	4,6%	2,4%	5,0%	4,2%	3,0%	1,3%	2,4%	4,1%
Tax Rate (%)	16,1%	24,0%	9,3%	1,6%	-12,9%	-147,1%	5,9%	5,9%
Cost of personnel / Sales (%)	-16,1%	-15,8%	-13,8%	-16,7%	-17,6%	-	-	-
Sales/employees (K€)	320	303	361	330	309	-	-	-
<i>chge y/y-1</i>	-8,1%	-5,4%	19,2%	-8,7%	-6,1%	-	-	-
Avg nb of staff	1 792	2 069	2 278	2 235	2 412	-	-	-
<i>chge y/y-1</i>	17,0%	15,5%	10,1%	-1,9%	7,9%	-	-	-

Balance Sheet	18	19	20	21	22	23e	24e	25e
Equity value (group's share)	237,2	232,4	237,4	267,4	279,7	280,4	293,1	314,7
Net Financial Debt	92,2	122,4	126,7	117,3	181,8	185,8	167,7	139,9
Other	-32,3	-2,3	20,5	-31,6	-16,0	-26,4	-26,4	-26,4
<b>Invested Capital</b>	<b>297,1</b>	<b>352,5</b>	<b>383,8</b>	<b>352,5</b>	<b>445,7</b>	<b>440,0</b>	<b>434,6</b>	<b>428,4</b>
Net Fixed Assets	238,8	286,2	349,9	354,8	389,9	387,3	377,9	367,8
<i>o/w goodwill</i>	126,8	135,9	176,8	188,8	217,2	217,2	217,2	217,2
<i>o/w financial assets</i>	6,4	6,7	8,3	30,9	12,6	12,6	12,6	12,6
WCR	64,7	73,0	42,2	28,6	68,4	65,3	69,3	73,2
<b>Capital employed</b>	<b>297,1</b>	<b>352,5</b>	<b>383,8</b>	<b>352,5</b>	<b>445,7</b>	<b>440,0</b>	<b>434,6</b>	<b>428,4</b>
Gearing (%)	38,9%	52,7%	53,6%	44,0%	65,0%	66,2%	57,2%	44,4%
WCR/Sales (%)	11,3%	11,7%	5,1%	3,9%	9,2%	8,9%	8,7%	8,6%
Net Financial Debt/EBITDA (x)	1,5	2,0	1,2	1,6	2,7	3,3	2,2	1,5
ROE (%)	11,2%	6,5%	17,3%	11,4%	7,9%	3,3%	6,6%	11,1%
ROACE (%) after normative tax	23,2%	15,8%	23,5%	14,0%	9,9%	ns	12,1%	15,7%

Cash Flow statement	18	19	20	21	22	23e	24e	25e
Cash Flow	36,9	38,7	70,4	43,0	32,9	28,8	50,9	69,0
Change in WCR	-22,5	-13,3	2,6	21,9	-40,5	3,1	-4,0	-3,9
Capital expenditures	-24,3	-35,0	-25,8	-23,9	-21,1	-26,4	-22,3	-23,8
% of Sales	4,2%	5,6%	3,1%	3,2%	2,8%	3,6%	2,8%	2,8%
<b>Free Cash Flow</b>	<b>-9,9</b>	<b>-9,6</b>	<b>47,2</b>	<b>41,0</b>	<b>-28,7</b>	<b>5,5</b>	<b>24,6</b>	<b>41,3</b>
Asset disposal	0,6	0,9	4,9	0,5	0,3	0,0	0,0	0,0
Financial Investments	-65,0	-9,6	-53,0	-20,4	-5,1	-1,2	0,0	0,0
Dividends	-10,8	-8,6	-5,9	-17,7	-17,9	-8,6	-6,5	-13,5
Capital increase	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Other	-16,0	-3,3	2,5	6,0	-13,1	0,3	0,0	0,0
Change in Net Financial Debt	101,1	30,2	4,3	-9,4	64,5	4,0	-18,1	-27,8
<b>Net Financial Debt</b>	<b>92,2</b>	<b>122,4</b>	<b>126,7</b>	<b>117,3</b>	<b>181,8</b>	<b>185,8</b>	<b>167,7</b>	<b>139,9</b>

### Change in Sales and EBIT Margin



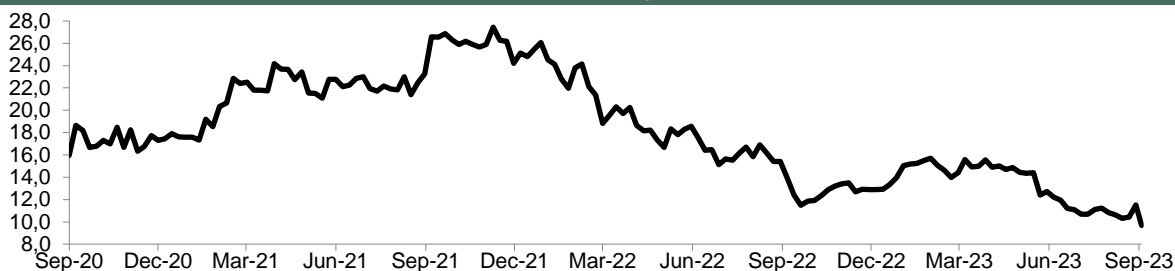
## CHARGEURS

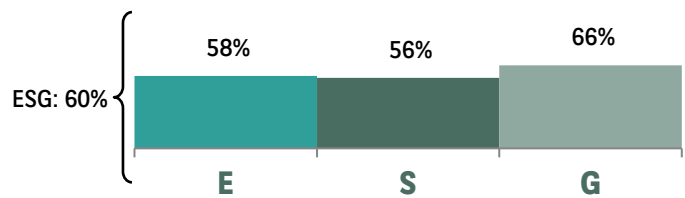
Data per Share	18	19	20	21	22	23e	24e	25e
EPS	1,15	0,66	1,76	1,26	0,91	0,38	0,78	1,42
chge y/y-1	6,9%	-42,7%	+ / + +	-28,3%	-28,0%	-58,6%	+ / + +	82,2%
CFPS	1,6	1,7	3,0	1,8	1,4	1,2	2,1	2,8
NAPS	10,3	10,2	10,2	11,0	11,5	11,4	11,9	12,8
Net Dividend (distributed y+1)	0,67	0,40	1,32	1,24	0,76	0,26	0,55	1,00
Payout (%)	58,1%	60,5%	75,0%	98,3%	83,6%	70,0%	70,0%	70,0%
AACR EPS 2020 / 2024e	-18,4%							
AACR CFPS 2020 / 2024e	-9,1%							

Valuation	18	19	20	21	22	23e	24e	25e
PER (x)	20,0	26,5	9,0	18,2	18,6	25,8	12,4	6,8
PCF (x)	14,5	10,3	5,2	13,0	12,5	8,3	4,7	3,5
PNAV (x)	2,2	1,7	1,6	2,1	1,5	0,9	0,8	0,8
EV/Sales (x)	1,1	0,9	0,6	0,9	0,8	0,6	0,5	0,4
EV/EBITDA (x)	10,7	9,0	5,0	9,2	8,9	7,6	5,4	4,2
EV/EBIT (x)	15,1	16,9	9,1	16,6	15,7	16,1	9,6	6,8
Free Cash Flow Yield (%)	-1,9%	-2,4%	12,8%	7,3%	-7,0%	2,3%	10,3%	17,3%
Yield (%)	2,6%	3,8%	2,5%	5,7%	7,3%	7,8%	2,7%	5,6%
Market Cap (M€)	544,7	417,1	383,1	565,6	421,8	240,1	240,1	240,1
Enterprise Value (EV)	636,9	539,5	509,0	682,3	603,8	426,2	408,0	380,2
<b>Reference Price (€)</b>	<b>23,1</b>	<b>17,5</b>	<b>15,8</b>	<b>23,0</b>	<b>16,9</b>	<b>9,7</b>	<b>9,7</b>	<b>9,7</b>
Nb of shares (Mio)	23,552	23,849	24,211	24,584	24,919	24,756	24,756	24,756
Restated Nb of shares (Mio)	23,057	22,853	23,287	24,256	24,319	24,656	24,656	24,656
% dilution	0,3%	0,7%	0,8%	1,2%	1,2%	1,2%	1,2%	1,2%
Listing Date	02/01/1985							
Adjusted Listing Price	2,7 €							

Intermediate Data	18	19	20	21	22	23
Q1 Sales	144,8	161,2	157,8	180,8	203,5	169,7
Q2 Sales	142,3	164,8	360,7	191,6	195,2	183,1
H1 Sales	287,1	326,1	518,5	372,4	398,7	352,8
H1 EBIT	24,7	17,3	45,3	31,6	21,3	9,2
H1 restated Net result Group share	15,3	8,3	28,9	24,7	10,2	3,3
H1 Operating Margin	8,6%	5,3%	8,7%	8,5%	5,3%	2,6%
H1 Net Margin	5,3%	2,5%	5,6%	6,6%	2,6%	0,9%
Q3 Sales	134,2	146,4	169,7	172,9	174,9	
Q4 Sales	152,0	153,8	133,8	191,3	167,3	
H2 Sales	286,2	300,2	303,5	364,2	342,2	
H2 EBIT	17,5	14,6	10,5	9,6	17,2	
H2 restated Net result Group share	11,3	6,8	12,1	5,9	11,9	
H2 Operating Margin	6,1%	4,9%	3,5%	2,6%	5,0%	
H2 Net Margin	3,9%	2,3%	4,0%	1,6%	3,5%	
<b>Growth Rate (y/y-1)</b>						
Q1 Sales	1,0%	11,3%	-2,1%	14,6%	12,6%	-16,6%
Q2 Sales	2,8%	15,8%	+ / + +	-46,9%	1,9%	-6,2%
Q3 Sales	10,9%	9,1%	15,9%	1,9%	1,2%	
Q4 Sales	16,7%	1,2%	-13,0%	43,0%	-12,5%	
H1 Sales	1,9%	13,6%	59,0%	-28,2%	7,1%	-11,5%
H2 Sales	13,9%	4,9%	1,1%	20,0%	-6,0%	
H1 EBIT	20,5%	-30,0%	+ / + +	-30,2%	-32,6%	-56,8%
H2 EBIT	-2,8%	-16,6%	-27,9%	-8,8%	79,2%	

### Price History





## CHARGEURS

ESG Criteria				
ENVIRONMENT	2020	2021	2022	Comments
<b>Carbon footprint</b>				
GHG emissions in kteqCO2 (Scope 1 and 2) / Sales (€m)	NA	70,1	69,2	
CO2 emissions offsetting policy	Yes	No	No	
Positive environmental impact identified	No	No	No	
<b>Environmental Policy</b>				
Publication of an environmental report	Yes	Yes	Yes	
Fines/environmental litigation over the last 3 years	No	No	No	
14001 certification	Yes	Yes	Yes	
SOCIAL	2020	2021	2022	Comments
<b>Promoting diversity</b>				
Share of women in company	31%	32%	34%	
Equal pay index women/men	NA	NA	NA	
Action plan for equal opportunities and diversity	Yes	Yes	Yes	
Share of the disabled	3,3%	4,0%	4,6%	in France
<b>Training</b>				
Part of employees who received training during the last year	NA	NA	NA	
<b>Recruitment &amp; Attraction</b>				
Employment turnover rate	12%	18%	18%	
Certification Great place to work	No	No	No	
<b>Working conditions</b>				
Presence of an HRD on the steering committee	Yes	Yes	Yes	
Encouraging employee shareholding	Yes	Yes	Yes	
Number of shares held by employees	NA	NA	NA	
Absenteeism rate	NA	NA	NA	
Workplace accident frequency rate	3,8	6,43	6,52	
GOVERNANCE & SHAREHOLDING	2020	2021	2022	Comments
Compliance with the Afep-Medef code	Yes	Yes	Yes	
<b>Composition of governance bodies</b>				
Separation of the functions of Chairman and Chief Executive Officer	No	No	No	
Number of members of the Board of Directors	6	6	6	
<i>of which independent</i>	3	3	3	
<i>of which women</i>	3	3	3	
Employee representative on the Board of Directors	No	No	No	
Attendance of Board members	94%	100%	91%	
Audit Committee	Yes	Yes	Yes	
Risk Committee	No	No	No	
Risk Committee: a section dedicated to cybersecurity	No	No	No	
CSR Committee	No	No	Yes	Integration of CSR in sessions dedicated to the group's strategy
<b>Respect of minority shareholders</b>				
Double/multiple voting rights	Yes	Yes	Yes	
Weight of the main shareholder	30%	29%	29%	
<b>Executive compensation</b>				
Transparency on the CEO's remuneration	Yes	Yes	Yes	
Statement of the CEO's remuneration	Yes	Yes	Yes	
Compensation of the CEO linked to CSR performance criteria	No	No	No	
Fairness ratio	NA	NA	NA	
EXTERNAL STAKEHOLDERS	2020	2021	2022	Comments
Implementation of an ethics charter with its suppliers	Yes	Yes	Yes	
Implementation of customer satisfaction indicators	Yes	Yes	Yes	
Share of financial audit costs in audit costs	82%	90%	90%	

## Compulsory disclosures

---

### Stock recommendations

Our stock recommendations reflect the total return expected on the share over a 6-12 month investment horizon. They are based on target prices defined by the analyst and incorporate exogenous factors related to the market environment, which are subject to wide variations. Portzamparc's analysts use a fundamental multi-criteria approach when valuing a share (mainly, but not limited to, discounting of cash flows, comparable multiples, transaction multiples, sum of the parts and revalued net assets).

STRONG BUY (1): Expected return in excess of +15%

BUY (2): Expected return of between +5% and +15%

HOLD (3): Expected return of between -5% and +5%

REDUCE (4): Expected return of between -5% and -15%

SELL (5): Expected return of less than -15% or poor visibility on the fundamentals of the company.

All the disclaimers relating to Portzamparc's research (records of ratings, commitment to transparency, policy for handling conflicts of interest, rating system, rating breakdown, etc.) are available at <https://www.midcaps.portzamparc.fr/wp-content/fileadmin/pubt/avertissements.pdf> (institutional investors) or by contacting your usual adviser (private investors).

Unless otherwise specified, all prices are previous day's closing prices.

### Ratings applied to the issuer in the past 12 months

The following table shows the changes of rating and target price made by the financial analysis department of Portzamparc over a 12-month period.

Recommendations are updated either when a comment is made in connection with an official or legal publication, or when an exceptional event occurs (external growth, significant agreements).

No changes in recommendation for the past twelve months.

### Potential conflicts of interest for PORTZAMPARC

<i>Company</i>	<i>Potential conflicts of interest</i>
Chargeurs	6

1. Portzamparc holds or controls 5% or more of the issuer's share capital;
2. The issuer, or its main shareholders, hold or control, directly or indirectly, 5% or more of Portzamparc's share capital;
3. Portzamparc has been lead manager or co-lead manager in a public offering of financial instruments of the issuer in the past 12 months;
4. Portzamparc is market maker for the financial instruments of the issuer;
5. Portzamparc has entered into a liquidity agreement with the issuer;
6. Portzamparc and the issuer have signed an analysis service agreement whereby Portzamparc has undertaken to produce and disseminate investment research on the issuer. Research report produced in accordance with charter of good practices regarding sponsored research. Research partially paid by the issuer, limited distribution;
7. Portzamparc has received payment from the issuer in consideration for the provision of investment services or financial advisory services in the last 12 months;
8. The author of this document or any person who has assisted in its preparation (or a member of their household), and any person who, while not involved in the preparation of the report, has had, or can be reasonably assumed to have had, access to material elements of this document prior to its dissemination, holds a net or short position representing more than 0.5% of the issuer's share capital;
9. The rating published in this document has been disclosed to the issuer prior to publication and dissemination and subsequently amended prior to its dissemination.

### Potential conflicts of interest for BNP PARIBAS

Companies in which BNP Paribas holds interests: <https://wealthmanagement.bnpparibas/en/conflict-of-interest.html>

---

**Nantes** : 13 rue de la Brasserie - BP 38629 - 44186 Nantes Cedex 4

**Paris** : 16 rue de Hanovre - 75002 Paris - 33 (0) 1 40 17 50 08