



# 2022 ANNUAL RESULTS

MARCH, 16 2023



# SPEAKERS

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**ERIC H MAR**  
Chairman and Chief Executive Officer



**CHRISTOPHE SATIN**  
Deputy Chief Executive

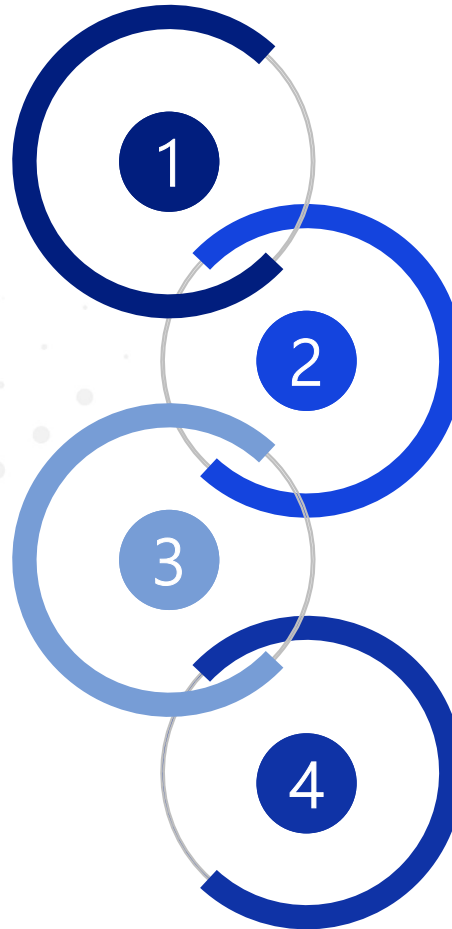


**YANN PEROT**  
Deputy CEO and CFO

# 2022 HIGHLIGHTS

Another year of strong growth in activity: +31.9% vs. 2021

Rapid post-acquisition deleveraging:  
leverage reduced to 1.9x EBITDA



Good financial performance:  
current operating income up 48.8%

CSR approach:  
2022 targets achieved, trajectory in line with the Group's roadmap

# AGENDA

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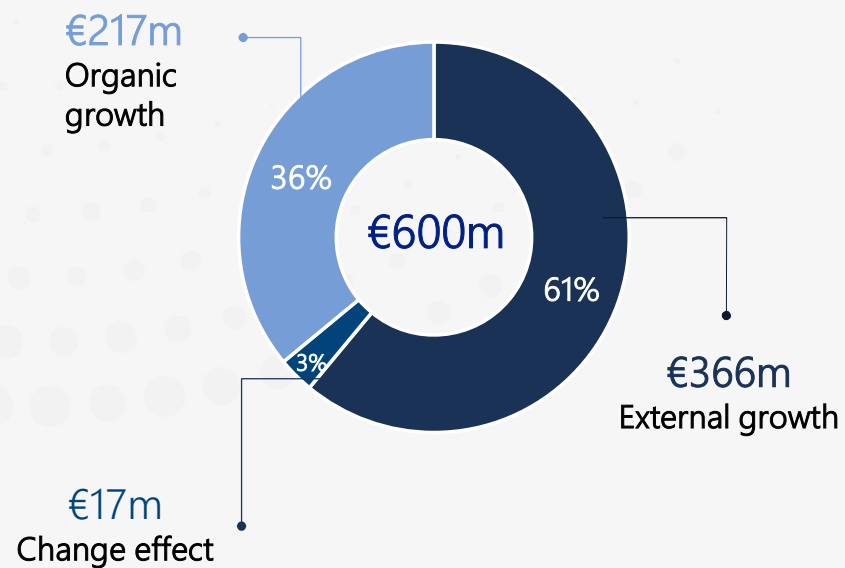
1. A solid development model
2. 2022 Results
3. Outlook



# 1 A SOLID DEVELOPMENT MODEL

# STRONG GROWTH IN REVENUE 2022: +31.9% TO €2,481M

## Breakdown of business growth 2022



# ORGANIC GROWTH: GAIN OF NEW CUSTOMERS

- Selected clients who have started or plan to start an operation during the period 2021-2023



DIAGEO

SCREWFIX

amazon

OMRON  
Sensing tomorrow™

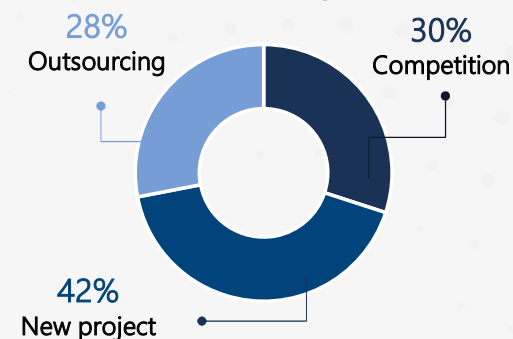


ZARA

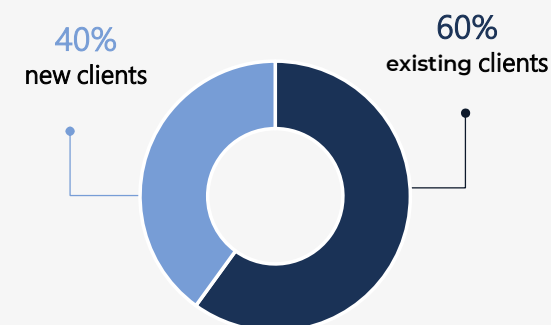


BOSCH

Contract origin



Breakdown of customers



# A DISTINCTIVE APPROACH: THE DEDICATED CORE MODEL

- Supporting a client and setting up a dedicated core model in 3 steps

## #1 First site

### 1<sup>st</sup> implementation based on:

- Customer requirements
- Understanding the need
- At the best market level

### After the ramp-up and a stabilization phase

#### → Launch of the IDL continuous improvement methodology

- Process optimization, IT appropriation
- Deployment of innovation

## #2 2 to 3 sites

### 2<sup>nd</sup> implementation based on:

- Improvement of customer knowledge and operational management
- Support from IDL teams abroad

### After the ramp-up and a stabilization phase

#### → Launch of the IDL core model

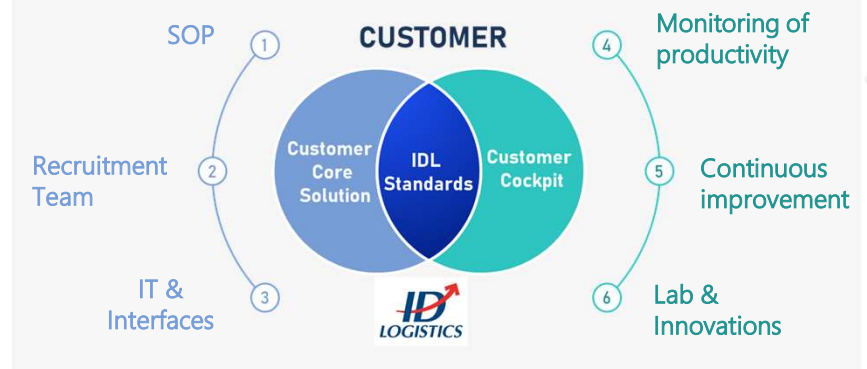
- Identification of the client's standards
- Definition of the team profile
- Creation of an international team dedicated to the client

## #3 +3 sites: full deployment of the Core Model

### Benefits

- Faster implementation (start-up in 2-3 months)
- Duplication of improved customer standards
- Monitoring immediately
- Opening of new countries: Italy in 2022

### IDL Core model:



**INDITEX**

**ROYAL CANIN**  
INCREDIBILE IN OGNI DETTAGLIO

**IKEA**

**COTY**

**MARS**  
Petcare

**pepsi**

**NESPRESSO**



**LEROY MERLIN**

**Carrefour**

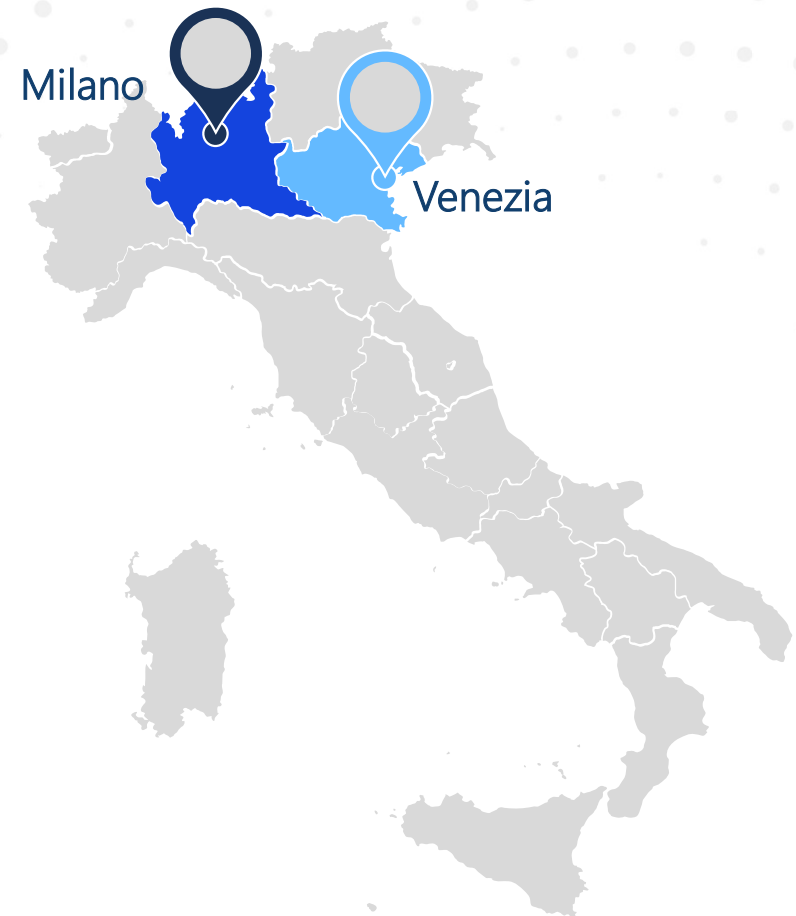
# OPENING UP OF ITALY THANKS TO THE CORE MODEL

- Group's international deployment strategy to support an e-commerce leader in a 6<sup>th</sup> country



## Italia

- February 2022 : Client request for proposals
- March 2022 : Signing of the contract
- May 2022 : Start of operations with a first site in the Milan area at Casei Gerola, 63,000 m<sup>2</sup>, 650 FTE
- September 2022 : target productivity reached
- H2 2022: recruitment of support staff (sales, engineering, development)
- February 2023 : signing of a contract with a new client



# A STRONG MODEL THAT PRESERVES MARGINS TO FINANCE DEVELOPMENT

**Client portfolio**  
of global leaders, non-cyclical

**Asset-light**  
back-to-back rental model with  
customer commitments

**Contracts**  
Long-term commitment, 5 years on  
average, renewal > 90%.

**Innovation**  
dynamic approach that allows a  
high renewal rate



Service offer mainly dedicated to  
with single-client warehouses

**Volumes**  
volume commitment, renegotiation  
clause in case of variations

**Price**  
contractual indexation based on  
inflation

**Cost optimization plan**  
strengthening of optimization plans to  
meet customer expectations

# OPTIMIZATION PLAN BASED ON 3 LEVELS

PLAN BEING DEPLOYED ON ALL THE GROUP'S SITES



## CUSTOMER WORKSHOP

In cooperation with our customers:

- Search for savings opportunities throughout their supply chain
- 30% of customers have benefited from this approach by 2022, 60% by 2023



## SHORT-TERM ANIMATION

Our management model:

- Active involvement of employees to generate savings in their daily lives
- 100% deployed in France, in progress in Europe in 2023



## CENTERS OF EXCELLENCE

By sector, we identify:

- 1 or 2 early adopter sites, benchmark for the Group
- Replication of process improvements to eligible sites in the category
- All centers of excellence have been identified and the main sectors covered



# A BUSINESS MODEL ACCELERATED BY EXTERNAL ACQUISITIONS

INTEGRATION PROCESS OF THE 3 ACQUISITIONS FINALIZED



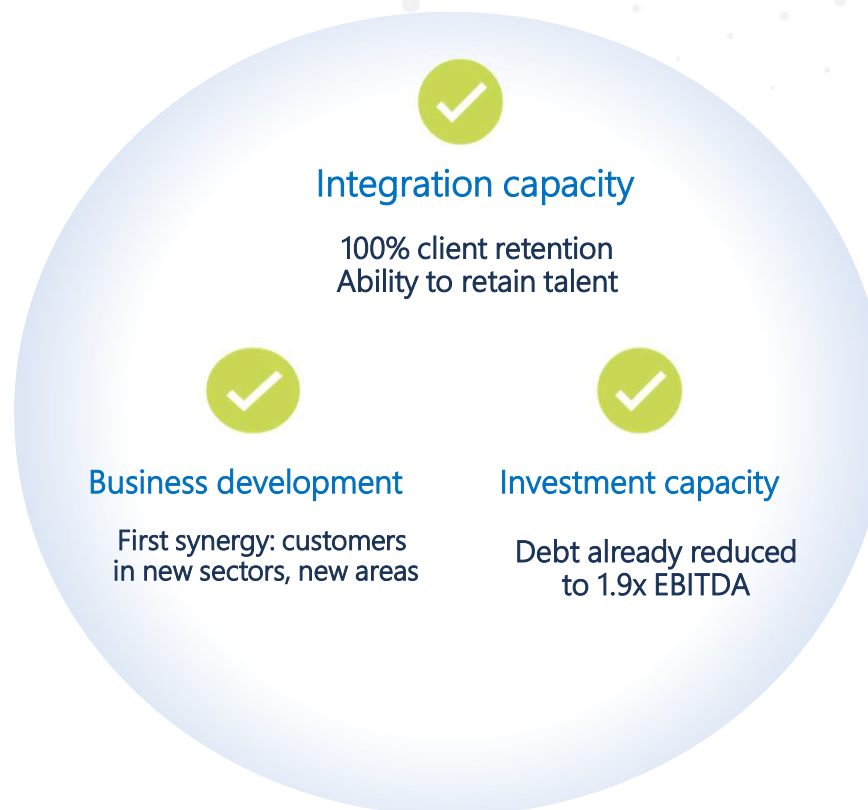
Transport and logistics  
in the Benelux



Tech company  
specialized in last mile  
delivery in France



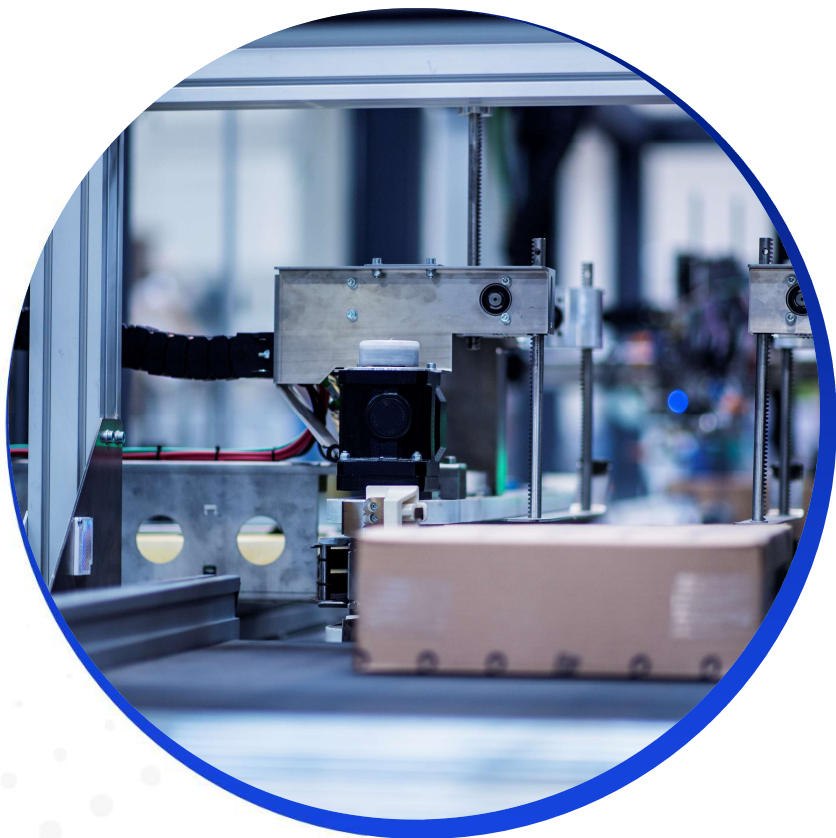
Pure player en logistique  
contractuelle aux U.S.



**MARS WRIGLEY**



**MARS**  
Petcare



# 2

## 2022 ANNUAL RESULTS

# PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

## APPLICATION OF IFRS 5 FOR THE DISCONTINUATION OF ACTIVITIES IN RUSSIA

### ■ Discontinuation of activities in Russia

- During the 4<sup>th</sup> quarter of 2022, ID Logistics organized the transfer of its activities to its customers or to their suppliers in Russia
- Last activity was transferred on January 3, 2023

### ■ Presentation of activities in Russia

- In 2022: all the income statement items of this subsidiary are reclassified on a single line of the income statement for a total net loss of -7.0 M€ (1.3 M€ of current operating profit and -8.3 M€ of restructuring costs, fees and impairment of assets)
- In 2021: in order to be comparable, the 2021 income statement has been restated using the same presentation

(In €m)	31/12/2021 reported	IFRS 5 Russia	31/12/2021 restated
Revenues	1,910.9	30.3	1,880.6
Underlying operating income	75.6	2.9	72.7
<i>% of revenues</i>	<i>4.0%</i>	<i>9.6%</i>	<i>3.9%</i>
Consolidated net income	35.7	1.6	34.1

# 2022 FINANCIAL PERFORMANCE

IMPROVED FINANCIAL INDICATORS

REVENUES

**+31.9%**

(+11.9% on a like-for-like basis)

UNDERLYING  
OPERATING INCOME

**+48.8%**

(+50bps)

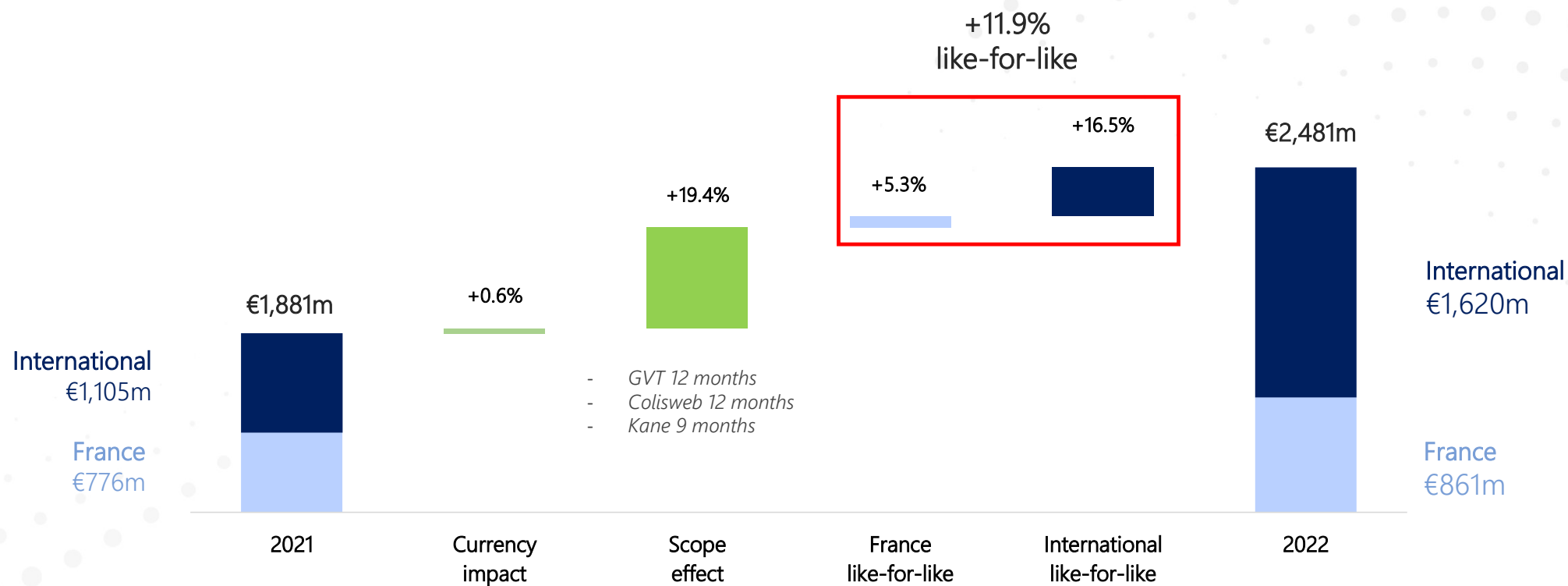
CASH GENERATED  
FROM OPERATIONS

**+54.6%**

(debt leverage down to 1.9x EBITDA)

# REVENUES

GROWTH OF 31.9% (11.9% LIKE-FOR-LIKE)



# UNDERLYING OPERATING INCOME

49% INCREASE AND 50BPS GAIN IN UNDERLYING OPERATING MARGIN

- **France: 20bps improvement to 4.3% operating margin**

- Good increase in productivity of projects started in 2020 and 2021
- Cost control for projects started in 2022
- Good management of inflation on costs and client rates

- **International: 70bps improvement to 4.4% operating margin**

- Good increase in productivity for projects started in 2020 and 2021
- Impact of start-up costs (particularly the opening of Italy)
- Good management of inflation on costs and client rates in all countries

(In €m)

France

% of revenues

International

% of revenues

Underlying  
operating income

% of revenues

2022

2021

Change

37.3

32.1

+16.2%

4.3%

4.1%

+20bps

70.9

40.6

+74.6%

4.4%

3.7%

+70bps

108.2

72.7

+48.8%

4.4%

3.9%

+50bps

# GROUP SHARE OF NET INCOME

43% INCREASE IN NET INCOME FROM CONTINUING OPERATIONS

- **Amortization of customer relationships**
  - 2022: increase related to the acquisitions of GVT and Kane Logistics
- **Non-recurring expenses**
  - Acquisition costs of €4.3m
- **Net financial expense**
  - Financing: net expense of €15.2 million, up €10.9 million in line with acquisitions and organic growth
  - Interest on IFRS 16 rental debt: expense of €14.0 million, up €6.5 million, of which €2.7 million was due to the scope of consolidation
  - Other (discounting, foreign exchange, etc.): €1.7 million expense, up €0.4 million
- **Tax**
  - CVAE stable at €3.9m in 2022 vs. €3.7m in 2021
  - Effective tax rate excluding CVAE stable at 25.6% (21.5% before non-cash consumption of deferred tax by Kane Logistics)
- **Net income from discontinued operations in Russia**

(In €m)	2022	2021
<b>Underlying operating income</b>	<b>108.2</b>	<b>72.7</b>
Amortization of client relationships	(5.6)	(1.4)
Non-recurring expenses	(4.3)	(9.4)
Financial result	(30.9)	(13.5)
Tax expense	(20.1)	(15.0)
Equity method	1.5	0.7
<b>Net income from continuing operations</b>	<b>48.7</b>	<b>34.1</b>
<i>% of revenues</i>	<i>2.0%</i>	<i>1.8%</i>
Net result from discontinued operations	(7.0)	1.6
<b>Consolidated net income</b>	<b>41.7</b>	<b>35.7</b>
Of which non-controlling interest	3.5	2.6
<b>Net income, group share</b>	<b>38.2</b>	<b>33.1</b>
<i>% of revenues</i>	<i>1.5%</i>	<i>1.8%</i>

# CASH FLOWS

NET CASH GENERATED BY OPERATIONS: +54.6%

- **Good working capital management**
- **Operating investments**
  - Operating investments down to 2.4% of revenues after a high level of 4.7% in 2021, after Covid 19
- **Acquisition of subsidiaries**
  - 2022 :
    - » €226.7 million for Kane Logistics
    - » €18.7 million for Colisweb
    - » €4.3 million in acquisition costs
  - 2021 :
    - » €67.7m for GVT
- **Net issuance of financial debt**
  - 2022: new €400 million syndicated loan to finance acquisitions of 2021 and 2022 and the existing €132.5 million loan at the end of 2021
  - 2021: drawdown of the revolving credit facility for €50 million
- **IFRS 16 rental payments**
  - Increase in line with the increase in revenues
- **Other changes**
  - Mainly purchase of treasury shares for the employee share ownership plan

(In M€)	2022	2021
<b>EBITDA</b>	<b>372.8</b>	<b>264.5</b>
<i>% of revenues</i>	<i>15.0%</i>	<i>14.1%</i>
Change in WCR	(9.3)	21.9
Others (tax, non recurring, etc.)	(20.2)	(21.0)
Net investments	(60.0)	(82.2)
<b>Cash generated by operating activities</b>	<b>283.3</b>	<b>183.2</b>
<i>% of revenues</i>	<i>11.4%</i>	<i>9.7%</i>
Acquisition of subsidiary incl. Acquisition costs	(249.7)	(67.7)
Net financing costs	(15.2)	(4.3)
Net issuance of financial debt	228.3	57.2
Lease payments IFRS 16	(214.1)	(153.2)
Other variations	(5.8)	(2.3)
<b>Change in current cash position</b>	<b>+26.8</b>	<b>+12.9</b>
Net current cash at opening	156.8	143.9
<b>Net current cash at end of year</b>	<b>183.6</b>	<b>156.8</b>

# BALANCE SHEET

## SOLID FINANCIAL STRUCTURE

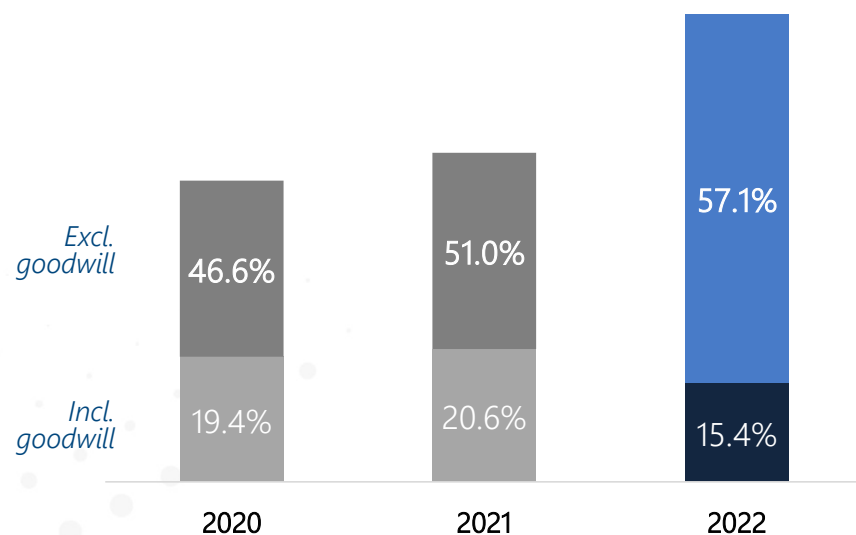
- **Goodwill**
  - Increase related to Colisweb and Kane Logistic goodwill
- **Other non-current assets**
  - Perimeter effect of €37.1 million from Kane Logistics
- **Working capital requirement**
  - Working capital resource of 16 days of revenues at the end of 2022 vs. 15 days at the end of 2021
- **IFRS 16**
  - Scope effect of €82.5 million from Kane Logistics

(In €m)	31/12/2022	31/12/2021
Goodwill	471.5	227.6
Other non-current assets	289.1	234.6
Rights of use (IFRS 16)	720.8	595.2
<b>Non-current assets</b>	<b>1,481.4</b>	<b>1,057.4</b>
<b>(Negative) working capital requirements</b>	<b>(114.3)</b>	<b>(79.7)</b>
Net financial debt	309.8	105.1
Lease liabilities (IFRS 16)	732.2	605.3
<b>Net Debt</b>	<b>1,042.0</b>	<b>710.4</b>
<b>Net liabilities of discontinued operations</b>	<b>0.4</b>	<b>-</b>
<b>Shareholders' equity</b>	<b>324.7</b>	<b>267.3</b>

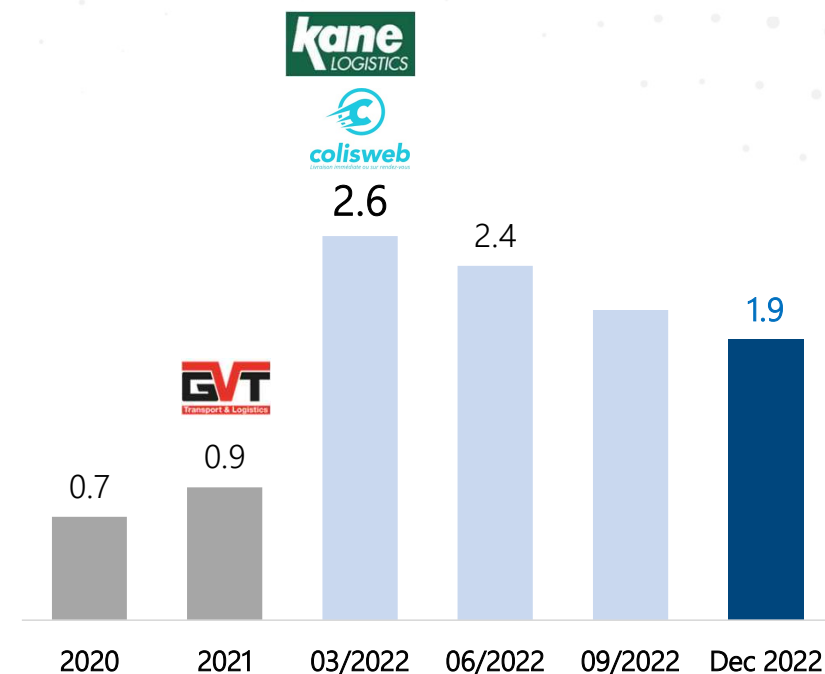
# INVESTMENT CAPACITY

A VERY FAST POST-ACQUISITION DE-LEVERAGING

ROCE before tax\*



Net debt / EBITDA\*



\*See definitions in the appendix  
Pre IFRS16 / proforma incl. 12 months GVT for 2021 / proforma incl. 12 months GVT, Colisweb and Kane for 2022

# EXTRA FINANCIAL PERFORMANCE 2022

DEPLOYING THE CSR ROADMAP ONLINE TO ACHIEVE THE GROUP'S 10 OBJECTIVES



## SOCIAL

Help our associates fulfill their potential in an ethical, inclusive & safe working environment



the employment rate of people with disabilities by 2025

the frequency and severity rate of accidents at work by 2027



of internal promotion by 2030

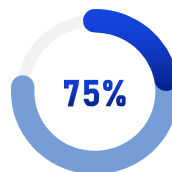


## ENVIRONMENTAL

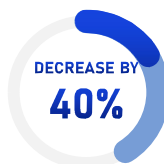
Reduce our environmental footprint & support our customers towards sustainable logistics solutions



of waste valorization by 2025



of sites committed to an environmental project in collaboration with their customer by 2025



greenhouse gas emissions by 2030

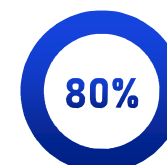


energy intensity of logistics activities



## COMMUNITY

Encourage and promote local initiatives in all our



of purchased amount covered by the CSR Charter of Responsible Purchasing ID Logistics by 2022

Foster projects between countries and local communities by 2025



Country Excom and 80% of managers trained in ethics by 2022

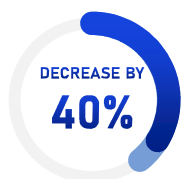
Targets

2022

# EXTRA FINANCIAL PERFORMANCE 2022

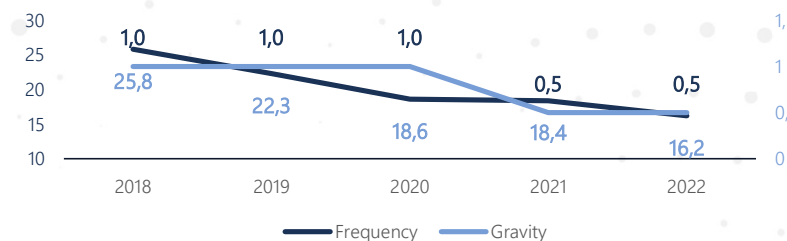
ROADMAP IN LINE TO ACHIEVE SHORT-TERM TARGETS

Targets 2022



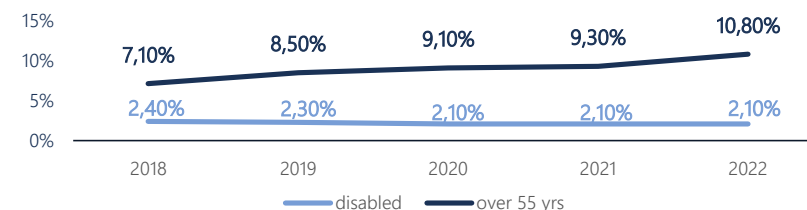
the frequency and severity rate of accidents at work by 2027

## ACCIDENT AT WORK



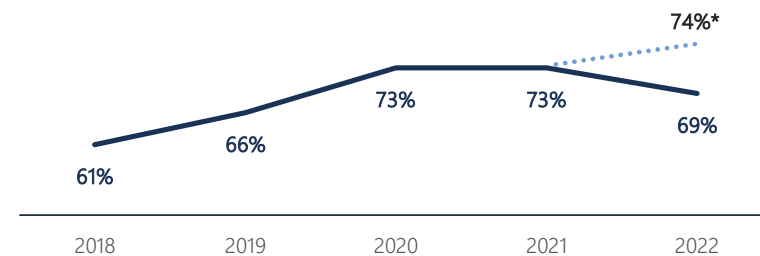
the employment rate of people with disabilities by 2025

## DIVERSITY



of waste valorization by 2025

## WASTE RECYCLING





# 3 OUTLOOK

# OUTLOOK

## SHORT TERM

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- Customer proximity in a context of inflation
- Deployment of the core model in the new Group perimeter and organic growth
- Continuation of the M&A approach

# OUTLOOK

## MID TERM

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- Leveraging the many synergies achieved in 2022
  - Acquisition of Kane in the United States, opening of Italy, strengthening of Consumer Goods and co-packing activities
- Continue the Group's development while balancing the geographical breakdown of revenues
  - Americas (North/South) / France / Rest of Europe



# 4

## APPENDIX

# A MODEL ACCELERATED BY EXTERNAL ACQUISITIONS IN 2022

GAINING NEW CUSTOMERS IN NEW SECTORS/AREAS



## Activities overview

- Transport and logistics in Benelux
- Revenues 2021: €100 million (+14% vs. 2020)

- Tech company specialized in last mile delivery
- Revenues in 2021: €30 million (x2 vs. 2020)

- Pure player in contract logistics in the U.S.
- 2021 revenues: \$235 million (+20% vs. 2020)

## Strategic rationale

- Strengthen our presence in Northern Europe and expand our customer portfolio

- Provide a last mile response to our home equipment customers (IDL n°1 on this segment in France)

- Open a new important market in our core business

## Main customers



# FINANCIAL DEFINITIONS

## LIKE-FOR-LIKE

*Organic sales performance excluding the impact of:*

- acquisitions and disposals: the revenue contribution of companies acquired during the period is excluded from the same period, and the revenue contribution made by companies sold during the previous period is also excluded from that period;
- changes in the applicable accounting principles;
- changes in exchange rates (revenues in the various periods calculated based on identical exchange rates, so that the reported figures for the previous period are translated using the exchange rates for the current period).

## EBITDA

Underlying operating income before net depreciation of property, plant and equipment and amortization of intangible assets

## NET FINANCIAL DEBT

Gross debt plus bank overdrafts minus cash and cash equivalents

## FINANCIAL DEBT

Net financial debt plus rent liabilities (IFRS 16)

Dette financière nette augmentée de la dette locative (IFRS 16)

## GEARING

Ratio of net financial debt to consolidated equity

## ROCE

Return On Capital Employed – ratio of underlying income to capital employed (non-current assets minus working capital requirement resources)



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