

PRESS RELEASE

STIF, a global industrial player specialized in the design, manufacturing and marketing of components for bulk transport and innovative protective equipment against the risks of explosions in industrial environments, announces the approval of its Registration Document by the French financial markets authority, AMF, as part of its planned IPO on Euronext Growth® Paris

- ❖ A **family-owned industrial group** with a **worldwide commercial and industrial presence**
- ❖ **A regular and profitable revenue growth: 2022 consolidated revenues of 31.2M€** increased by **17% vs 2021 with a 2022 EBITDA of 11%** of consolidated revenues
- ❖ **Commercial presence** in more than **80** countries
- ❖ **Industrial presence** in France and Asia
- ❖ A positioning focusing on explosion protections for **Battery Energy Storage Systems (BESS)**, which play a central role in today's energy transition challenges
- ❖ **Recent listings** with the world's largest operators of BESS
- ❖ Estimated annual revenue growth: **+21%** by 2027 vs 2022 with an estimated EBITDA of more than 15% of total revenues

Saint-Georges-sur-Loire, 24 November 2023 - 7:30 a.m. CEST STIF, an expert in the design, manufacturing and marketing of bulk transport components and innovative explosion protection equipment for industrial environments, is announcing the approval of its Registration Document by the French financial markets authority (Autorité des Marchés Financiers, AMF) on 23 November 2023, under number I.23-033. The approval of STIF's Registration Document is the first step in the company's planned IPO on the Euronext Growth® Paris market. This project is subject to the approval by the AMF of the prospectus relating to the offer of STIF shares on the Euronext Growth® Paris market, and to favorable market conditions.

José Burgos, Chairman and Chief Executive Officer of STIF, said:

"After 40 years of existence, STIF is entering a new cycle of strong growth with a new range of explosion protection products for BESS¹, market for renewable energy storage. The number of sites is expected to grow exponentially in the coming years, with capacities to be quintupled by 2030². With its internationally recognized expertise in the manufacturing of anti-explosion panels against dust, the Group intends to establish a long-term presence in this market. Several

¹ BESS: battery energy storage system

² Source: McKinsey - August 2023

significant listings with leading BESS manufacturers have already been secured. These listings will contribute to our revenue growth, the objective being to reach €80m by 2027. We have strong ambitions and are delighted to be able to call on the stock markets to support our group's rapid growth. I hope that our project will attract your attention and that we will be able to count you among our future shareholders, as we build a global expert in industrial explosion protection and renewable energies."

STIF, an industrial player at the heart of the energy transition challenges

Historically specializing in components for the handling of bulk products, i.e. buckets for lifts or fittings for pneumatic transport, the Group has made a first strategic shift in the early 2010s by developing a range of products to protect against dust explosions in industrial environments. Building on numerous commercial successes and expertise, in 2022 STIF has created a range of anti-explosion panels dedicated to battery energy storage systems (BESS), marketed under the VIGILEX Energy® brand.

Dust explosions: a critical issue for the industry

Dust accidents are an issue for all industries, particularly agrifood and wood industries. Forming in confined work environments, explosions cause sudden pressure combined with flames, usually causing damages on the surrounding area with a risk of injury and death. Dust explosions also have a considerable financial cost for the companies, estimated at \$1m per explosion³. To address the risk, the European Union and the National Fire Protection Association in the United States have introduced regulations to protect workers.

Products positioned in diversified, resilient and growing markets

On 2022 consolidated revenues of 31.2M€, the Group's main business activities are divided into two product families, generating the following revenues in 2022:

- **Components for bulk handling (2022 revenues of €20.3m)**, with a full range of elevator buckets, lifting slings, and compression fittings used in various sectors, including in particular agrifood, and plastic industries. Sales of these products accounted for 65% of the Group's revenue in 2022.
- **Passive explosion-protection equipments (2022 revenues of €9.4m)**, consisting of products specifically designed for protection against dust explosions, as well as a recent move into explosions related to battery energy storage systems (BESS), under the VIGILEX Energy® brand. This activity accounted for 30% of the Group's revenue⁴ in 2022, for a substantial 49% increase compared with 2021.



³ INERIS, Q21 report - Dust explosions, Statistics for the United States, 2006

⁴ 5% of 2022 Group revenue correspond to other products

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BESS: a new market posting exponential growth

Harnessing the expertise acquired since 2010 in dust-explosion protection equipments, in 2022 the Group decided to extend its range of products to the BESS protection segment. Demand for energy storage is set to rise significantly, with forecast annual growth of 23% between now and 2030, driven by the increase in global renewable energy production. A few months ago, the Group began marketing its range of anti-explosion products to global BESS operators and won its first major listing, representing significant business potential for the Group.

Battery energy storage systems (BESS): a solution to address the intermittency issue

A Battery Energy Storage System (BESS) is a technology that uses rechargeable batteries to store intermittent electricity generated by solar or wind farms and releases it as and when required. BESS plays a key role in the storage of electricity produced by renewable energies such as solar and wind power. BESS also enables better management of electricity networks, particularly in the context of integrating renewable energies, stabilizing the network and managing demand. BESS can store surplus electricity produced during periods of low demand or high renewable energy production. Later, during periods of high demand or low availability of renewable energy, the stored energy can be discharged into the grid to help meet electricity demand or to stabilize the power supply. BESS can be subject to thermal runaway, leading to explosion and fire. STIF's explosion protection equipment, under the VIGILEX Energy brand, prevents the propagation of an explosion and fire.

Production facilities in 3 geographical areas for a local presence

STIF operates two production units in France and one in China with a total surface area of 16,000 m². This presence on two continents ensures proximity to its customers, enabling to adapt perfectly to their specific needs while optimizing logistics and transport costs. These state-of-the-art manufacturing sites incorporate highly automated and robotized lines. Guaranteeing close local presence for the Group's suppliers and customers, the Group plans to expand its production facilities soon with the opening of a plant in Texas (United States) to step up its expansion in the North American market.

Long-standing commercial presence in Europe, North America and Asia

The Group relies on a multi-channel sales strategy, combining direct and indirect sales of products through a network of more than 30 distributors worldwide. Thanks to this extensive geographic coverage, built up over the last 40 years, and production facilities close to its customers, the Group can cover the main regions of the world and address a wide range of international customers. This strong geographical foothold is reflected in substantial international revenue, with sales in more than 80 countries accounting for 75% of total consolidated revenues in FY 2022.

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A strong ambition, accelerating growth and a change of dimension by 2027

Drawing on a proven and profitable business model, STIF now intends to accelerate its international development in four strategic areas:

- **Quickly become the leading player** in explosion-protection equipment in the BESS segment, by being referenced by several international BESS manufacturers;
- **Strengthen the Group's commercial footprint** with new hires and the opening of new sales offices in the United States, the Middle East, and South Korea;
- **Expand production facilities** with the opening of a new plant in Texas (USA) and by increasing capacity in China and carrying out refurbishments in France;
- **Reinforce the Group's technological advance**, by developing innovative products and optimizing the design and efficiency of existing products through an active R&D policy.

Through the momentum of its markets and the quality of its product range, STIF expects to sharply accelerate its revenue growth in the coming years. By 2025, the Group is targeting revenues of around €61m, i.e. an average annual growth of 25% between 2022 (€31.2m) and 2025. By 2027, the Group is aiming for annual revenues of around €80m, with an estimated EBITDA exceeding 15% of consolidated revenues.

Extra-financial performance recognized by Ethifinance

STIF is committed to social and environmental responsibility. In July 2023, the Ethifinance rating agency awarded it a score of 50/100, corresponding to an "advanced" level of extra-financial performance, 25 points ahead of the average for companies in its universe⁵. STIF stands out for its advanced social policy, with training and profit-sharing schemes. The Group also has a quality management system and has introduced specific measures to save energy and reduce greenhouse gas emissions. The formalization of a CSR strategy will also be published shortly, along with the deployment of an environmental management system.

Read all the information on STIF's IPO project at:

<https://investir.stif.fr>

We are also available:

By telephone: +33 7 44 31 04 74

By email: stif@actifin.fr

⁵ Ethifinance benchmark criteria: company size in terms of number of employees (100 to 250), sales > €5m for the "Industry" sector in France. Sample of 2022 ratings based on 2021 data and composed of 18 companies. Report financed by the company.

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Access to the Registration Document

Copies of the STIF Registration Document, approved by the AMF on 23 November 2023 under number I.23-033, are available free of charge and upon request from the Company, at the registered office of STIF (ZA de la Lande, 49170 Saint-Georges-sur-Loire) and on the websites of the AMF (<https://www.amf-france.org>) and STIF (<https://www.stifnet.com>). The Registration Document contains a detailed description of STIF, including its business, strategy, financial situation, and the corresponding risk factors.

Risk factors

Investors should carefully read the risk factors described in Section 3 “Risk Factors” of the Registration Document before making any investment decision, especially the risk with a high level of risk related to the governance and the absence of an independent director. The occurrence of all or part of these risks is likely to have an adverse effect on STIF’s business activities, results, financial position, or outlook. In addition, other risks yet to be identified or considered as immaterial by STIF at the date of the Registration Document could also have an adverse effect.

About STIF (<https://www.stifnet.com>)

Founded in 1984, the STIF Group is a French industrial group that designs, manufactures, and markets innovative industrial equipment for niche markets. Initially specialized in handling equipment for bulk products, such as elevator buckets, lifting straps and compression fittings, the family-owned Group has diversified in the last ten years by expanding into passive protections against the risk of industrial dust explosions and, since 2022, into battery energy storage systems (BESS) for renewable energies storage. With 189 employees, product ranges listed and recognized worldwide, and three plants in France and Asia, the Group intends to support the strong growth in renewable energy production over the long term.

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Find out more at: www.stifnet.com

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This press release constitutes a marketing communication and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “Prospectus Regulation”), which forms part of the domestic law of the United Kingdom in accordance with the European Union (Withdrawal) Act 2018 (the “EUWA”, European Union (Withdrawal) Act 2018).

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