

PRESS RELEASE OF VIOHALCO SA

Brussels, March 5, 2024

The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market.

Viohalco's subsidiary, ElvalHalcor today submits its financial results for the year ended 31 December 2023 to the Athens Stock Exchange**Operational profitability and decrease of net debt**

- **Robust operational profitability (a-EBITDA) at EUR 239.3 million.**
- **High cash flows from operational activities.**
- **Decrease in net debt by EUR 142.2 million from 31.12.2022.**

During the fourth quarter of 2023, global economic activity remained subdued in most segments of the economy, while inflation continued to decline. Energy prices remained restrained at moderate levels, with abrupt fluctuations and concerns about their future course, as a result of the geopolitical crisis. European gas prices declined further amid decreased demand, with gas consumption remaining at historically low levels, mainly due to a mild winter and changes in consumer behavior and reduced industrial activity. Basic interest rates remained unchanged by Central Banks in the last quarter of the year, but at high levels aimed at continuing to reduce inflation, acting as a drag on global economic growth. This strict policy of the Central Banks, as well as the geopolitical crises, with Russia's war against Ukraine and the conflict in the Middle East intensify the uncertainty for economic growth in the short term.

Regarding the performance of the ElvalHalcor Group for 2023, sales volume dropped by 4.6% compared to the respective period in 2022, while remaining significantly increased compared to 2021. The Aluminium Segment sales volume, excluding the impact of Etem's deconsolidation from Q2'23, was slightly increased by 0,4% (-1.6% including Etem). Sales stood at EUR 3,293.4 million in 2023, down by 11.3%, compared to EUR 3,714.0 million in 2022.

LME metal prices were lower in 2023 compared to 2022. The average price of aluminium stood at EUR 2,080/tn in 2023, compared to EUR 2,559/tn in 2022, i.e. lower by 18.7%. The average price of copper reached EUR 7,835/tn versus EUR 8,334/tn in the respective prior year, falling by 6.0%, while the average price of zinc was EUR 2,445/tn 2023 versus EUR 3,299 /tn in 2022, reduced by 25.9%.

Consolidated adjusted earnings before taxes, interest, depreciation and amortisation, metal result, and other exceptional items (a-EBITDA), which better reflect the operational profitability of the Group, declined by 11.8%, reaching EUR 239.3 million in 2023 versus EUR 271.2 million of the respective prior period, mainly affected by the lower spreads from recycling and inflationary cost pressures. Notably, a-EBITDA remained at a much higher level than the respective of 2021 (EUR 166.8 million).

Consolidated gross profit amounted to EUR 213.3 million in 2023 versus EUR 364.6 million in 2022, while consolidated earnings before interest, taxes, depreciation & amortisation (EBITDA) stood at EUR 176.4 million compared to EUR 326.2 million in 2022. The accounting metal result, which amounted to losses of EUR 47.4 million in 2023 versus gains of EUR 61.5 million for 2022, negatively affected the aforementioned figures.

Consolidated net financial result (cost) reached EUR 52.7 million in 2023, rising by 26.8% in comparison to the respective prior period amount of EUR 41.5 million. This is attributed to the increased interest rates which were partially offset by the decrease in net debt and restrained by the loans received at fixed rates, representing 58% of total loans at the end of the fiscal period. The decrease in net borrowing by Euro 142.2 million within the year was a consequence of the enhanced free cash flows of the company that resulted from the high profitability, the successful management of the working capital, aided by the lower metal prices in the international markets, and the completion of the major investment programs of the Aluminum Segment within the year.

Consolidated profits after tax stood at EUR 32.8 million in 2023 versus EUR 161.9 million in 2022. Consolidated profit after tax and non-controlling interest amounted to EUR 28.5 million in 2023 or (EUR 0.0759 per share), compared to EUR 159.3 million in 2022 (or EUR 0.4245 per share).

Recognizing the current energy challenges and the inflationary pressures in the energy market, which significantly affect production costs, the Group and the Company entered into, within Q2 2023, a power purchase agreement (PPA) with an electricity producer, which is supported by Renewable Energy Sources, in order to reduce their exposure to the risk of fluctuation in energy prices. It is worth noting that the Company and the Group have already carried out hedging operations to limit the risk of natural gas price fluctuations.

On 30.06.2023 the dividend for the year 2022 of EUR 0.06/share was paid in full. The Board of Directors of ElvalHalcor decided to propose to the General Assembly, to be held on 23.5.2024, a dividend distribution of EUR 0.04/share.

Amounts in €' 000	Group		
	2023	2022	2021
Sales	3,293,421	3,714,015	2,883,042
Gross profit	213,309	364,584	234,826
EBITDA	176,390	326,163	215,312
a-EBITDA**	239,330	271,216	166,835
EBIT	103,090	256,250	146,909
a-EBIT*	166,030	201,303	98,432
Net financial result	(52,686)	(41,537)	(30,873)
Profit before tax	42,958	199,823	132,417
Profit after tax	32,846	161,889	113,915
Profit after tax & non-controlling interests	28,498	159,286	111,689
Earnings per share (€)	0.0759	0.4245	0.2976

Amounts in €' 000	Company		
	2023	2022	2021
Sales	2,317,901	2,616,208	1,969,822
Gross profit	94,278	242,366	149,159
EBITDA	77,320	220,719	144,988
a-EBITDA**	125,483	180,034	113,814

** a - EBITDA = EBITDA plus adjustments for + Losses / - Gains for metal result + Losses from fixed assets write offs + Losses / - Gains from sale of fixed assets + / - Other exceptional items

* a-EBIT= a-EBITDA – Depreciation

EBIT	25,926	174,607	98,554
a-EBIT*	74,088	133,922	67,380
Net financial result	(11,372)	(10,669)	(21,166)
Profit before tax	(3,026)	129,980	100,456
Profit after tax	2,524	111,495	88,245
Profit after tax & non-controlling interests	2,524	111,495	88,245
Earnings per share (€)	0.0067	0.2971	0.2352

ElvalHalcor's announcement in English is available on its corporate website www.elvalhalcor.com.

About Viohalco

Viohalco is the Belgium based holding company of leading metal processing companies in Europe. It is listed on Euronext Brussels (VIO) and the Athens Stock Exchange (BIO). Viohalco's subsidiaries specialise in the manufacture of aluminium, copper, cables, steel and steel pipes products, and are committed to the sustainable development of quality, innovative and value-added products and solutions for a dynamic global client base. With production facilities in Greece, Bulgaria, Romania, the United Kingdom and North Macedonia and participations in companies with production facilities in Turkey, Russia and the Netherlands, Viohalco companies generate a consolidated annual revenue of EUR 7 billion (2022). Viohalco's portfolio also includes an R&D&I and technology segment. In addition, Viohalco and its companies own real estate investment properties, mainly in Greece, which generate additional value through their commercial development.

For more information, please visit our website at www.viohalco.com.

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