

To the Financial Supervision Commission
To the Bulgarian Stock Exchange
To the public

BULMETAL reports a 10 times increase in EBITDA in the first quarter of 2024.

- The revenue of BULMETAL Group in the first three months of 2024 reach 21 407 thousand BGN, growing by 10.5% on an annual basis;
- EBITDA increased tenfold to 2 387 thousand. BGN in March 2024;
- The net profit of the Group reaches 90 thousand BGN compared to a loss of 2 239 thousand BGN a year earlier;
- 139% growth in the "Machines" segment to 5,5 million BGN and 100% filled capacity for 2024.

Gurkovo, 30 May 2024 - The consolidated revenues of the BULMETAL Group grew by 10.5% on an annual basis in the first three months of 2024, and the profitability at the operational level jumped tenfold.

Consolidated revenues for the period reached 21 407 thousand BGN, and the profit before interest, taxes and depreciation increased tenfold to 2 387 thousand BGN

The achieved result is mainly due to the strong performance of the "Machines" segment, whose sales increased by 139% on an annual basis to 5 476 thousand BGN at the end of March 2024. In the first quarter, a project for a new technology line was completed with an important customer of the Group in the Philippines. A project with a client from Sri Lanka has also been completed, and in the coming months the finalization of projects for clients and partners in India and Saudi Arabia for Cevolani and Morocco, Germany, France and the UAE for BIBRA is expected.

"The good positioning of the engineering companies of the Group is already bearing fruit. The capacity for 2024 is 100% filled. The volume of Cevolani offers registered in the first quarter amounted to approximately 25 million euro and some projects for machines and lines are already being transferred for implementation in 2025," said Boyko Shoylevkov, member of the BULMETAL Board of Directors and Chief Financial Officer of the Group.

"To meet the demand, in Italy we even plan to gradually recruit new staff, as well as continue to improve energy efficiency by building a photovoltaic plant with an adjacent battery. In Germany, on the other hand, we are conducting active talks about overhauling/renovating the existing production lines of large international groups, with which our activity with spare parts is also going very well," Shoylevkov added.

The "Packaging" segment remains the leader in its contribution to the Group's total sales. It reports a drop in revenue at the end of March 2024 from 7.91% to 15 710 thousand BGN due to a change in demand from some customers in Romania, Greece and Slovenia as a result of the decrease in the value of the main raw material. At the same time, volume demand is picking up, notably in the food and beverage sector.

Against this background, the Group's profitability improves significantly in the first quarter of 2024. Gross profit grew by 103% on an annual basis to 5 696 thousand BGN. A contribution to this is also the fall in the value of the basic raw material and packaging materials, as well as the noticeably lower value of the energy used in production. The latter is the result of the Group's investments in green energy. This also leads to a nearly tenfold increase in profit before taxes, interest and depreciation (EBITDA) on an annual basis to 2 387 thousand BGN or an 11% EBITDA margin for the period.

Key financial indicators of the Group (interim, unaudited)

| Indicator (in thousand BGN) | 31/3/2024 | 31/3/2024 | Year change (%) |
|---|-----------|-----------|-----------------|
| Net sales revenue | 21,407 | 19,378 | 10.47% |
| Earnings before taxes, interest and depreciation (EBITDA) | 2,387 | 224 | 965% |
| Net profit | 89 | -2,239 | |

Note: The data is on a twelve-month basis and is not audited. Rounding differences may occur.

About Bulmetal JSC:

BULMETAL is an international group that exports 80% of its products and machines to over 50 countries on 5 continents around the world, serving over 500 customers.

The production of metal packaging dominates the Group's sales with over 60% share of the activity, but machinery is quickly catching up and has a nearly 40% share of revenues by the end of 2023.

The company is a leading manufacturer of metal packaging in Bulgaria with over 25 years of history. Annually, the company manufactures over 100 million packages per year, processes over 13 thousand tons of raw material and exports over 70% of its production to over 400 clients in Central and Eastern Europe.

Through its subsidiaries in Italy and Germany (Cevolani and BIBRA), BULMETAL is also among the main suppliers of machines for the production of packaging with customers on 5 continents.

Germany, Italy, Slovenia, Romania, Greece and Bulgaria are leading markets for packaging, and Italy, Canada, North Africa and South America are leading markets for the group's machinery.

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