

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

## **The machines drive the consolidated results of "BULMETAL" JSC to historical records for the half year close**

- Consolidated net sales revenue for the six months of 2024 increased by 14% to 53,8 million BGN;
- Sales of machines and technological lines increased by 133% on an annual basis to 14.5 million BGN and are the engine of the Group's growth in the first half of 2024.
- Machine capacity for 2024 is already full, the Group is signing contracts for 2025;
- Profitability is greatly improved at all operational levels;
- The EBITDA of the Group for the six months reached 8.2 million. BGN, which is a growth of 146% on an annual basis;
- The EBITDA margin doubled to 15% from 7% a year earlier;
- The net profit amounts to 3.7 million BGN at the end of June 2024 against a loss of 1.5 million BGN a year earlier. The achieved financial result reached the Group's net profit for the entire 2023.

**Sofia, 27<sup>th</sup> August 2024** - With doubled machine sales and a significant improvement in profitability, the BULMETAL Group marks an extremely strong first half of 2024, as the consolidated interim financial report of the Group as of 30th June 2024 shows.

Consolidated net revenues for the period increased by 14% on an annual basis to 53.8 million BGN, and the net profit equals the net profit for the twelve months of the entire year 2023. The profit for the six months reached 3,7 million BGN compared to 1,5 million BGN loss for the same period in 2023.

The driver of growth in the first half of the year was the "Machines" sector, whose revenues increased by as much as 75% on an annual basis to 19,3 million BGN at the end of June. The record revenue was the result of a 133% increase in sales of finished machines and technological lines to customers from the Philippines to Saudi Arabia to Germany and France.

"We are already reaping the fruits of business diversification with the "Machines" segment. The orders and offers in this segment exceed even our increased capacity in this segment and we are signing contracts with a deadline of 2025," commented Boyko Shoylev, member of the Management Board and CFO of the Group. "We expect the second half of the year to be just as strong, which makes us optimistic about the Group's performance for the whole of 2024," he added.

In the "Packaging" segment, there was a 4.6% drop in sales to 34.5 million BGN due to adjustment of the pricing policy to end customers.

"However, lower raw material price volatility together with cost optimization investments and generally preserved volume of packaging sales are expected to translate into a significant improvement in the Group's profitability at all levels. As a result of the positive trend in the Group's performance and the moderately conservative policy regarding bank financing, we managed to reduce financial leverage by more than 60% compared to the same period last year, reducing the debt/equity ratio to 61%," Shoylev explained.

Even at the level of gross profit, there is an improvement in profitability of over 6% points to 26 percent, and at the EBITDA and EBIT level, the rate of profitability almost doubled. EBITDA increased by as much as 146% on an annual basis to 8,2 million BGN compared to 3,3 million BGN a year earlier, and the EBITDA margin reached as much as 15% - the second highest level since the end of 2022. EBIT, on the other hand, reached 5,2 million BGN with an operating loss of 150 000 BGN a year earlier, and the EBIT margin reached 10 percent.

The net profit reaches 3,7 million. BGN with a net loss of 1,5 million BGN a year earlier. The financial result for the half-year is equal to the total result of the Group for the whole year 2023.

#### Key financial indicators of the Group (unaudited)

Indicator (in thousand BGN)	30/06/2024	30/06/2023	Year change (%)
Net sales revenue	53,826	47,209	14.02%
Earnings before taxes, interest and depreciation (EBITDA)	8,198	3,332	146%
Operating profit (EBIT)	5,179	-150	n.a
Net profit	3,741	-1,480	n.a



## About Bulmetal JSC:

*BULMETAL JSC is a leading manufacturer of metal packaging in Bulgaria with over 25 years of history. Annually, the company processes over 13 thousand tons of raw material and exports over 70% of its production to over 450 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.*

*The packaging business traditionally generates about 2/3 of the Group's annual sales. The upswing in the engineering sector now accounts for over 1/3 of the Group's activity. Bulgaria, Romania, Greece, Slovenia, Germany and Italy are leading markets for BULMETAL's packaging, and Europe, Asia, North Africa and South America are leading markets for the Group's machines.*

## For more information:

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