



BULMETAL
PREMIUM CANMAKING COMPANY

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

The net earnings of Bulmetal Group for the nine months of 2024 grows by 35 % to 4.6 million BGN

The company's revenues are stabilizing with growing packaging volumes and significant demand for machines and spare parts.

- The net revenues of the Group for the nine months of 2024 decrease by 3.8 % up to 75 million BGN as a result of the price adjustment of the packaging;
- The machine capacity is almost booked for the first half of 2025, and the filed requests are for about two years ahead and amount to 39 million BGN in total;
- The revenues from sales of spare parts go up by 11 % amounting to 6.7 million BGN;
- EBITDA grows up to 11.3 million BGN, and EBITDA margin reaches 15 %;
- The net earnings of the Group grow by 35 % and reaches 4.6 million BGN;

Gurkovo, 26 November 2024 – with sustainable revenues, Bulmetal Group reports 35 % growth of the net earnings for the nine months, reaching 4.6 million BGN at the end of September 2024. The profitability is noticeable improved at all operational levels, including and due to the strong performance of products with higher value added as spare parts.

‘The machines again are the engine of our results due to the achieved balance between the uncompromising quality and reasonable pricing policy. We mark a positive trend in the ‘Spare parts’ segment, which we expect to play more significant role in the formation of positive financial results of the Group. On the other hand, a reason for optimism is the consistent policy, which the EU leads in the permanent restriction of the use of plastics in the packaging manufacture and its transition to more sustainable materials, which are the metals’, commented Boyko Shoykov, member of the Management Board of Bulmetal and Chief Financial Officer of the Group.

‘We are confident that the good references we get from our clients in ‘Machine’ segment in North America, Europe, Asia and Africa will let us accomplish sales opportunities on these markets, on the one hand, and on the other hand they will let us make deeper our good business contacts with our time-tested partners’, added

Shoylekov.

At the end of September 2024, Bulmetal reported 5.6 % increase in the revenues from accomplished projects of new machines and spare parts, amounting to 23 million BGN. Sales of spare parts are increasing particularly sharply – up to 6.7 million BGN or 11 % to the end of September 2024, and the new agreements of spare parts made for 2025 amount to 5.8 million BGN.

The situation with machines balances the results of the packaging. This way, the total net revenues of the Group for the period go down by 3.8 % up to 75 million BGN related to 78 million BGN a year earlier with a growth of the machines of 5.6 % up to 23 million BGN and a drop of the packaging of 7.6 % up to 52 million BGN. The latter is due to the price adjustment of the packaging as well as the general stagnation of the European economy and more specifically the one in Germany, Italy and Greece.

At the same time, the drop in the price of raw materials supports the profitability of the Group. Accordingly, the gross earnings for the nine months have increased by 5 % per year up to 20 million BGN and its margin reaches 26.6 %. The EBITDA grows by 7 % per year up to 11.3 million BGN, and the EBIT by 26 % up to 6.8 million BGN with a margin at these levels respectively 15 % and 9 %. Here, the Group's investments in green energy also have a positive effect, reducing the cost of electricity consumed from the power grid by over 40%.

The protection of environment is a conscious choice and mission for Bulmetal. The company is constantly striving to increase the share of green energy used, and has a long-term plan for new investments in increasing the capabilities of its own photo-electric power plants, as well as in increasing the capacity of batteries for electricity storage, thus reducing its carbon footprint, added Shoylekov.

Key consolidated financial indicators of the Group (not audited)

Indicator (in thousand BGN)	30.09.2024	30.09.2023	Annual change
Net sales revenues	75,027	78,054	-3.88 %
Earnings before interest, tax, depreciation, and amortization (EBITDA)	11,303	10,563	7 %
Earnings before interest and taxes (EBIT)	6,831	5,423	26 %
Net earnings	4,567	3,384	35 %

About Bulmetal JSC:

Bulmetal JSC is leading manufacturer of metal packaging in Bulgaria with over 25 years of history. The company processes over 13 thousand tons of raw material per year as it 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 one of the main suppliers of packaging manufacturing machines with clients on 5 continents.

The business with packaging traditionally generates about 2/3 of the annual sales of the Group. The growth in the machine building already brings over 1/3 of the Group's business activities. Bulgaria, Romania, Greece, Slovenia, Germany and Italy are the leading markets for the packaging of Bulmetal, and Europe, Asia, North Africa and South America are the leading markets for the machines of the Group.

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