



# RAMADA

## INVESTIMENTOS E INDÚSTRIA

**RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.**  
Public Company

Earnings announcement 2023  
(unaudited information)

21 March 2024

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards adopted in European Union (IFRS-EU), some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

Head Office: Rua Manuel Pinto de Azevedo, 818  
4100-320 Oporto  
Share capital: 25,641,459 Euro

## INTRODUCTION

Ramada Investimentos is the parent company of a group of companies that together operate within two distinct business segments: i) Industry segment, which includes the activities of Special Steels and Wire Drawing, as well as the activity related to the management of financial investments, in which the Group is a minority shareholder; and ii) Real Estate segment, aimed at the management of real estate assets.

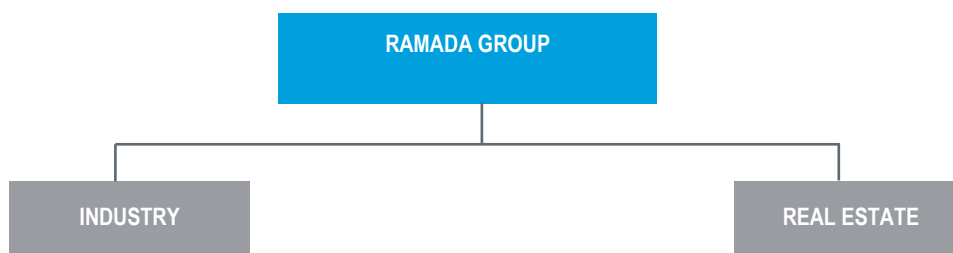
The Special Steels activity is developed by Ramada Aços, Universal Afir and Planfuro Global, which are dedicated to the distribution of special steels, steel for moulds, the production of drawn steel, and to the rendering of services, namely, Machining and Heat Treatment, for two main application areas, namely, metalworking and moulds and tools.

In June 2023, the Group acquired the company Blau Stahl, Lda. (formerly known as Voestalpine High Performance Metals Portugal), whose activity focuses on Steel Cutting and Machining, as well as a strong competence in the manufacture of customized and assembled structures. This acquisition provides the activity of Special Steels with greater responsiveness in these areas of activity.

The Wire Drawing activity is developed by Socitreil, whose main business is the manufacture and commercialization of steel wires, capable of being used in a wide variety of fields, including industry, agriculture and construction.

In the financial investments management activity, among other portfolio investments held by the Group, it should be highlighted the participations held in CEV, S.A. and Fisio Share – Gestão de Clínicas, S.A..

The Real Estate Segment includes the real estate asset management activity (composed by the forest assets and the real estate of the Group) and is developed by F. Ramada II - Imobiliária, S.A..



### CONSOLIDATED INCOME STATEMENT BY NATURE

The consolidated financial information of Ramada Investimentos was prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards, as adopted by the European Union (IFRS – EU).

The key information and indicators of Ramada Group's consolidated activity can be presented as follows:

Amounts in thousands of Euros	2023	2022	Var. %
Total revenues	141 221	194 480	-27.4%
Total costs	(123 376)	(165 302)	-25.4%
<b>EBITDA</b>	<b>17 845</b>	<b>29 178</b>	<b>-38.8%</b>
<b>EBITDA margin</b>	<b>12.6%</b>	<b>15.0%</b>	<b>- 2.4 p. p.</b>
Amortization and depreciation	(3 596)	(3 337)	7.8%
<b>EBIT</b>	<b>14 248</b>	<b>25 841</b>	<b>-44.9%</b>
<b>EBIT margin</b>	<b>10.1%</b>	<b>13.3%</b>	<b>- 3.2 p. p.</b>
Results related to investments	557	392	42.4%
Financial expenses	(2 836)	(1 709)	65.9%
Financial income	241	498	-51.7%
<b>Profit before income tax</b>	<b>12 211</b>	<b>25 022</b>	<b>-51.2%</b>
Income tax	(1 798)	(4 988)	-64.0%
<b>Consolidated net profit</b>	<b>10 413</b>	<b>20 034</b>	<b>-48.0%</b>
Net profit attributable to shareholders of the parent company	10 413	20 034	-48.0%

Total revenues of Ramada Group in 2023 amounted to 141,221 thousand Euro, representing a decrease of 27.4% over the total revenues recorded in 2022.

Total costs of 123,376 thousand Euro decreased 25.4% when compared to the previous year.

EBITDA amounted to 17,845 thousand Euro, a decrease of 38.8% compared to 2022. EBITDA margin reached 12.6%, representing a decrease of 2.4 percentage points when compared to the previous year.

EBIT, in the amount of 14,248 thousand Euro, recorded a decrease of 44.9% when compared to 25,841 thousand Euro recorded in 2022.

The Financial results, in the amount of negative 2,595 thousand Euro, recorded a 114.3% variation over the previous year.

The consolidated net profit recorded in 2023 in the amount of 10,413 thousand Euro, presented a decrease of 48.0% compared to the net profit of 2022.

**INDUSTRY**

	<b>2023</b>	<b>2022</b>	<b>Var. %</b>
Amounts in thousands of Euros			
Total revenues	<b>132 723</b>	186 654	-28.9%
Total costs	<b>(121 101)</b>	(161 114)	-24.8%
EBITDA	<b>11 622</b>	25 539	-54.5%
EBITDA margin	<b>8.8%</b>	13.7%	- 4.9 p. p.
EBIT	<b>8 429</b>	22 550	-62.6%
EBIT margin	<b>6.4%</b>	12.1%	- 5.7 p. p.
Results related to investments	<b>557</b>	392	42.4%
Financial results	<b>(1 165)</b>	(763)	52.8%
Profit before income tax	<b>7 821</b>	22 179	-64.7%
Income tax	<b>(756)</b>	(4 305)	-82.4%
Net profit	<b>7 065</b>	17 874	-60.5%

Total revenues from the Industry segment in 2023 amounted to 132,723 thousand Euro, recording a decrease of 28.9% compared to total revenues of 2022, as a result of the reduction of prices and activity.

The year 2023, in contrast to 2022, was characterized by a market downturn. The influence of the war on the world economy, particularly the European economy, inflation, successive increases in interest rates, as well as widespread uncertainty over economic and financial issues, combined with a reduction in purchasing power, generated instability in the markets and curbed investment in the industrial equipment and automotive sectors. This macroeconomic context led to a reduction in activity in the sectors in which the Group operates, namely in the moulds and metalworking sectors. The plastic moulds sector saw the biggest reduction.

In 2023, sales of the Special Steels activity to the external market represented 10.0% of the turnover, whereas in 2022, exports represented 7.6% of sales. The Spanish market remained prominent, with significant growth in the German, French and Brazilian markets. The Group continues to focus on export growth and increasing its client portfolio to ensure less dependence on the domestic market in the future.

Despite the slowdown in machining services compared to the previous year, the Group continues to focus on exports, investment in capacity and resources, and increasing the sale of material with services, as determining factors for the growth of this business, both on the conventional and customized side. An example of this was the investment in a milling machine with continuous 5-axis milling capacity. This investment was an important contribution to customized machining services, with a positive impact on exports, while also allowing us to leverage other sectors and diversify sales.

In view of the downturn and market instability, stock and price management were the Group's priorities throughout the year. In terms of raw materials, there was a general drop in prices for all materials, but this was predominantly felt in the area of moulds.

In 2023, the Special Steels activity concluded the installation of two Self-Consumption Production Units with a joint installed solar power of 0.5 MWp (additional to the Self-Consumption Production Unit with a capacity of 1MWp, whose installation was started in the course of 2022).

The Group continues to focus on the development of a Lean culture through the various Kaizen projects carried out over the last 2 years, and the work developed jointly with the Kaizen team. As a result of this commitment, Ramada Aços was recognized in 2023 with an honourable mention in the Analytics category in the 12<sup>th</sup> Edition of the KAIZEN™ Awards Portugal which, since 2011, distinguish national entities that stand out in the implementation of continuous improvement processes, with results and gains in profitability and growth.

Ramada Aços was also distinguished with the COTEC Innovative Status by COTEC Portugal, Association for Innovation, which aims to recognize companies that combine adequate financial strength, technological investment and investment in innovation to increase competitive potential and economic results, reinforcing the position of the Ramada Group.

In 2023, the Wire Drawing activity registered a decrease in turnover, compared to the previous year, as a result of the contraction of the market, with a significant reduction in demand, but, above all, of the decrease in the average prices practiced in the various products and markets.

The Wire Drawing activity operates essentially for the foreign market, which, in 2023, represented 63.9% of turnover, with emphasis on Spain, the USA and France. In 2022, exports represented 71.3% of turnover.

The Wire Drawing activity started the installation of 1 MWp (additional to the 3 MWp that are already installed), having been completed in July 2023.

EBITDA in the Industry segment amounted to 11,622 thousand Euro, representing a negative variation of 54.5% compared to the 25,539 thousand Euro recorded in 2022. EBITDA margin reached 8.8%, recording a decrease of 4.9 percentage points over 2022.

EBIT, in the amount of 8,429 thousand Euro, recorded a decrease of 62.6% compared to the 22,550 thousand Euro reached in 2022.

The net profit of the Industry segment in 2023, in the amount of 7,065 thousand Euro, represented a decrease of 60.5% compared to the net profit of 2022.

### REAL ESTATE

Amounts in thousands of Euros	2023	2022	Var. %
Total revenues	8 497	7 826	8.6%
Total costs	(2 275)	(4 188)	-45.7%
EBITDA	6 222	3 639	71.0%
EBIT	5 819	3 290	76.9%
Financial results	(1 429)	(448)	219.1%
Profit before income tax	4 390	2 842	54.4%
Income tax	(1 042)	(683)	52.5%
Net profit	3 348	2 159	55.0%

During 2023, total revenues from the Real Estate segment amounted to 8,497 thousand Euro, recording an 8.6% increase over 2022.

EBITDA in the Real Estate segment in 2023 amounted to 6,222 thousand Euro, 71.0% higher than the amount recorded in the previous year.

EBIT amounted to 5,819 thousand Euro, representing an increase of 76.9% compared to 2022.

The financial results of the Real Estate segment were negative by 1,429 thousand Euro, recording a variance of 219.1% when compared to the negative 448 thousand Euro in 2022, as a result of the increase in the interest expenses due to the evolution of the interest rates.

In 2023, the net profit of the Real Estate segment amounted to 3,348 thousand Euro and recorded an increase of 55.0% compared to the year of 2022.

### INVESTMENTS AND INDEBTEDNESS

The investments made by Ramada Group in 2023 amounted to approximately 3,400 thousand Euro.

Ramada Group's net nominal indebtedness on December 31, 2023 amounted to, approximately, 30 million Euro. As of December 31, 2022, the net nominal indebtedness amounted to, approximately, 26 million Euro.

### FUTURE PERSPECTIVES

In 2023, there was a general downturn in the market, marked by price drops and high stocks throughout the distribution chain.

Given the current context of the European economy, high interest rates and the negative commodities cycle, we are preparing for a particularly challenging 2024. We will continue to focus on the profitability of operations and maximizing free cash flow.

Oporto, March 21, 2024

The Board of Directors

Glossary

EBIT: EBITDA + Amortization and depreciation

EBIT margin: EBIT / Total revenues

EBITDA: Profit before income tax, Financial results, Amortization and depreciation and Results related to investments

EBITDA margin: EBITDA / Total revenues

Financial results: Financial income - Financial expenses

Investments: Acquisitions of property, plant and equipment and intangible assets related to the operational activity of the Industry and Real Estate segments

Net nominal indebtedness: Bank loans (nominal values) + Other loans (nominal values) – Cash and cash equivalents

Total costs: Cost of sales and production variation + External supplies and services + Payroll expenses + Other expenses + Provisions and impairment losses

Total revenues: Sales and services rendered + Other income



Shaping industry

Rua Manuel Pinto de Azevedo, 818  
4100-320 Porto PORTUGAL

[www.ramadainvestimentos.pt](http://www.ramadainvestimentos.pt)