



RAMADA

INVESTIMENTOS E INDÚSTRIA

RAMADA INVESTIMENTOS E INDÚSTRIA, S.A.

Earnings announcement 1st Half of 2024
(unaudited information)

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

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).

During the first half of 2024, and as disclosed by the Ramada Group to the market, the sale transaction of the subsidiary Ramada Aços and its subsidiaries was completed. The key information and indicators of Ramada Group's consolidated activity can be presented as follows:

Amounts in thousands of Euros	1H 2024	1H 2023 (Restated IFRS 5)	Var. %
Total revenues	5 095	4 852	5.0%
Total costs	(938)	(1 226)	-23.5%
EBITDA	4 157	3 626	14.6%
EBITDA margin	81.6%	74.7%	+6.9 p. p.
Amortization and depreciation	(278)	(240)	15.8%
EBIT	3 879	3 386	14,6%
EBIT margin	76.1%	69.8%	-6.3 p. p.
Results related to investments	387	187	107.0%
Financial expenses	(1 019)	(773)	31.8%
Financial income	10	60	-83.3%
Profit before income tax from continuing operations	3 257	2 860	13.9%
Income tax	(630)	(602)	4.7%
Consolidated net profit from continuing operations	2 627	2 258	16.3%
Profit after tax from discontinued operations	22 192	3 141	606.5%
Consolidated net profit	24 819	5 399	359.7%
Net profit attributable to shareholders of the parent company	24 819	5 399	359.7%

- **Completion of the sale transaction of the subsidiary Ramada Aços and its subsidiaries**

On 21 June 2024, Ramada Group informed the market about the completion of the sale to 1 Thing Investments, S.A. of all the shares representing the share capital and voting rights of Ramada Aços, S.A., and its subsidiaries, namely, Universal – Afir, S.A., Planfuro Global, S.A., Ramada Solar, Unipessoal, Lda., owned directly by Ramada Aços, and also Blau Stahl, Unipessoal Lda, owned by Planfuro Global, S.A., everything in accordance with the terms contracted on 10 May 2024 and in due course announced to the market, on 12 and 14 May 2024. The Special Steels activity was developed by the referred entities, which are dedicated to the distribution of special steels, steel for molds, the production of drawn steel, and to the rendering of services, namely, Machining and Heat Treatment, for two main application areas, namely, metalworking and molds and tools.

This transaction represented a cash inflow of 70.5 million Euro, of which 59.6 million Euro was in the form of a fixed price and ticking fee, the amount paid by 1 Thing, and 10.9 million euros was in the form of a dividend distribution,

made by Ramada Aços to Ramada Investimentos, before the transaction took place, under the terms contractually agreed between the parties.

As a result of the completion of the sale transaction, a capital gain was calculated as at 30 June 2024 in the consolidated financial statements of Ramada, taking into account the price, the costs associated with the transaction and the net assets of the aforementioned subsidiaries, in the amount of 21.1 million Euro, which is presented under the caption "Profit after tax from discontinued operations".

In accordance with IFRS 5, all the operations of Ramada Aços and its subsidiaries up to the date of the transaction were presented under the caption "Profit after tax from discontinued operations" in the consolidated income statement. In this way, the results of discontinued operations for 2024, up to the date of the transaction, amounted to 0.7 million Euro, and the information for the year ended 30 June 2023 was also restated.

It is the Group's understanding that transactions between continued operations and discontinued operations, namely industrial asset leasing contracts, will continue after the sale transaction, which is why the income and expenses have been eliminated in the discontinued operations, with this disclosure being the one that best represents the activity of continued operations after the sale transaction.

By means of completion of the transaction, the previously existing group relationship between Ramada Investimentos and Ramada Aços has been terminated.

- **Presentation of Socitrel and its subsidiaries as a discontinued operation**

With the completion of the transaction of the sale of Ramada Aços and its subsidiaries, and with reference to 30 June 2024, the Board of Directors believes that, in view of the plan developed, the criteria for the presentation of the Wire Drawing activity, 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, developed by Socitrel, as a discontinued operation, have been met.

In the first semester of 2024, the Wire Drawing activity has registered a decrease in turnover. Although sales have grown in quantity, the average price was, approximately, 14% lower than in the first semester of 2023. The Wire Drawing activity operates essentially for the foreign market, which, in the first semester of 2024, represented 65% of turnover, with emphasis on Spain and the United States of America. In the first semester of 2023, exports represented 63% of turnover.

In accordance with IFRS 5, all the operations of Socitrel and its subsidiaries were presented under the caption "Profit after tax from discontinued operations" in the consolidated income statement. In this way, the results of discontinued operations for 2024, amounted to 0.4 million Euro, and the information for the year ended 30 June 2023 was also restated.

It is the Group's understanding that transactions between continued operations and discontinued operations, namely industrial asset leasing contracts, will continue after a possible sale transaction, which is why the income and expenses have been eliminated in the discontinued operations, with this disclosure being the one that best represents the activity of continued operations after a possible sale transaction.

- **Continued operations**

As a result of the completion of the sale of Ramada Aços and its subsidiaries, and the presentation of Socitrel and its subsidiaries in this consolidated financial information as a discontinued operation, as explained above, the Board of Directors believes that, according to the way the information is monitored by it, there is only one segment that can be reported that, essentially, incorporates the following activities:

- the real estate asset management activity (composed, essentially, by the forest assets and other real estate); and
- the financial investments management activity, relating to minority shareholdings, namely, the participations held in CEV, S.A. and Físio Share – Gestão de Clínicas, S.A.

Total revenues of Ramada Group in the first semester of 2024 amounted to 5,095 thousand Euro, representing a increase of 5% over the total revenues recorded in the same period of 2023.

Total costs amounted to 938 thousand Euro, recording a reduction of 23.5% over the same period of the previous year.

EBITDA amounted to 4,157 thousand Euro, an increase of 14.6% over the amount recorded in the first semester of 2023. EBITDA margin reached 81.6%, representing an increase of 6.9 percentage points when compared to the same period of the previous year.

EBIT, in the amount of 3,879 thousand Euro, recorded an increase of 14.6% when compared to 3,386 thousand Euro recorded in the first six months of 2023.

The Financial results, in the amount of negative 1,009 thousand Euro, recorded a 41.5% variation over the same period of the previous year.

The consolidated net profit from continued operations recorded in the first semester of 2024 in the amount of 2,627 thousand Euro, presented an increase of 16.3% compared to the net profit of the same period of the previous year.

INDEBTEDNESS

As of 30 June 2024, the amount of cash and cash equivalents exceeds the amount of bank loans and other loans by approximately 17 million Euro. Ramada Group's net nominal indebtedness on 31 December 2023 amounted to, approximately, 30 million Euro.

FUTURE PERSPECTIVES

The second quarter of 2024 was marked by the completion of the sale of Ramada Aços and its subsidiaries.

Taking into account the current context of the European economy, we continue on our path of continuous improvement in the search for greater efficiency, the profitability of operations and the maximization of free cash flow.

Oporto, 25 July 2024

The Board of Directors

Glossary

EBIT: EBITDA + Amortization and depreciation

EBIT margin: EBIT / Total revenues

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

EBITDA margin: EBITDA / Total revenues

Financial results: Financial income - Financial expenses

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

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