



# RAMADA

## INVESTIMENTOS E INDÚSTRIA

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

Earnings announcement 3<sup>rd</sup> Quarter 2022  
(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.

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Share capital: 25,641,459 Euro

## INTRODUCTION

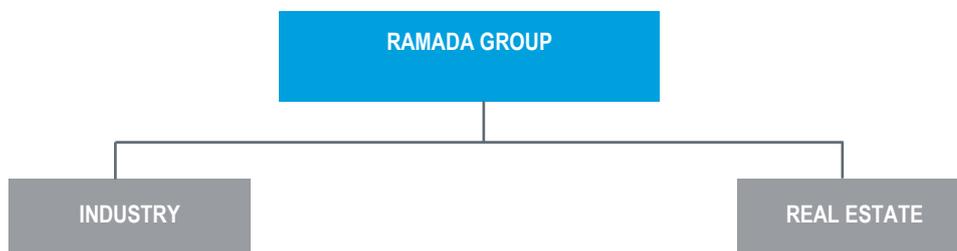
Ramada Investimentos is the parent company of a group of companies that together operate within two distinct business segments: i) Industry segment, which includes the activity of special steels and wire drawing, as well as the activity related to the management of financial investments in which the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

The special steels activity, which develops, especially at the level of the sub-segment of moulds, with a leading position in the domestic market, is developed by three companies: Ramada Aços, Universal Afir and Planfuro Global.

The wire drawing activity is developed by Socitrel, whose main business is the manufacture and commercialization of steel wires, capable of being used in a wide variety of activities, 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 Físio 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:

<i>Amounts in thousands of Euros</i>	9M 2022	9M 2021	Var. %
Total revenues	159 302	102 595	55.3%
Total costs	(134 526)	(86 838)	54.9%
<b>EBITDA</b>	<b>24 776</b>	<b>15 758</b>	<b>57.2%</b>
<b>EBITDA margin</b>	<b>15.6%</b>	<b>15.4%</b>	<b>+0.2 p.p.</b>
Amortization and depreciation	(3 025)	(2 397)	26.2%
<b>EBIT</b>	<b>21 751</b>	<b>13 360</b>	<b>62.8%</b>
<b>EBIT margin</b>	<b>13.7%</b>	<b>13.0%</b>	<b>+0.7 p.p.</b>
Results related to investments	295	177	66.7%
Financial expenses	(1 029)	(769)	33.8%
Financial income	203	26	680.8%
<b>Profit before income tax</b>	<b>21 219</b>	<b>12 793</b>	<b>65.9%</b>
Income tax	(5 093)	(2 698)	88.8%
<b>Consolidated net profit</b>	<b>16 127</b>	<b>10 096</b>	<b>59.7%</b>
Net profit attributable to shareholders of the parent company	16 127	10 096	59.7%

In the first nine months of 2022, total revenues of Ramada Group amounted to 159,302 thousand Euro, representing a 55.3% increase over the total revenues recorded in the same period of 2021.

Total costs amounted to 134,526 thousand Euro, recording a 54.9% increase when compared to the same period of the previous year.

EBITDA amounted to 24,776 thousand Euro, 57.2% higher than the first nine months of 2021. EBITDA margin achieved 15.6%, 0.2 percentage points higher than the same period of the previous year.

EBIT, in the amount of 21,751 thousand Euro, recorded an increase of 62.8% when compared to 13,360 thousand Euro in the same period of 2021.

The Financial Results, in the amount of 826 thousand Euro, recorded a 11.2% decrease over the same period of the previous year.

The consolidated net profit of the first nine months of 2022 amounted to 16,127 thousand Euro, increasing 59.7% compared to the net profit of the same period of the previous year.

**INDUSTRY**

<i>Amounts in thousands of Euros</i>	<b>9M 2022</b>	<b>9M 2021</b>	<b>Var. %</b>
Total revenues	152 389	97 151	56.9%
Total costs	(132 256)	(85 836)	54.1%
EBITDA	20 133	11 314	77.9%
EBITDA margin	13.2%	11.6%	+1.6 p.p.
EBIT	17 365	9 038	92.1%
EBIT margin	11.4%	9.3%	+2.1 p.p.
Results related to investments	295	177	66.7%
Financial results	(494)	(351)	40.7%
Profit before income tax	17 166	8 863	93.7%
Income tax	(4 120)	(1 833)	124.8%
Net profit	13 046	7 030	85.6%

In the first nine months of 2022, total revenues from the Industry segment amounted to 152,389 thousand Euro, recording an increase of 56.9% compared to the total revenues in the same period of 2021.

EBITDA in the Industry segment amounted to 20,133 thousand Euro, representing a positive variation of 77.9% compared to the 11,314 thousand Euro recorded in the same period of 2021. EBITDA margin reached 13.2%, recording an increase of 1.6 percentage points over the same period of 2021.

EBIT, in the amount of 17,365 thousand Euro, recorded an increase of 92.1% compared to the 9,038 thousand Euro in the same period of 2021.

The net profit of the Industry segment in the first nine months of 2022, in the amount of 13,046 thousand Euro, represented an increase of 85.6% compared to the net profit of the same period of 2021.

The Group's sales in the third quarter of 2022 were substantially above the same period of the previous year, despite the uncertainty caused by the post-pandemic period and the conflict between Russia and Ukraine.

It is important to highlight three points that marked the first half of the year, namely the high energy costs that caused constraints and reached worrying levels, the levels of stocks and the pressure on the sale price in the markets and in the origin, situations that continued to mark this quarter.

And in fact the month of July was the pioneer for a quarter with the trend that had been occurring at two speeds. In the moulds sector, where there was a high level of demand, especially in the machining service units, there were upward trends in supply prices, as a result of increases in energy costs.

In plastic moulds, there was a higher concentration of projects in larger companies and groups, as well as an increasingly evident trend towards projects outside the automotive area in sectors such as packaging and household.

In the metalworking sector there was a significant drop in demand. A relevant slowdown in turnover was noted, but this was partly compensated by higher prices than in the same period last year. The production difficulties of the automotive

industry are increasingly reflected in the volume of production of serial parts and are one of the points to consider. The high price of raw materials is making some projects unviable, awaiting more favourable conditions to move forward.

By the end of the year, the installation of three new machining machines is planned, located in Ovar, in the Service Center of Marinha Grande and in Planfuro, a Group company, in Vieira de Leiria. The forecast is that they will all be operational by the end of the year, providing the Group with extra capacity that is absolutely necessary given current demand. At the same time, the Kaizen project began in the conventional machining area in Ovar, with the aim of reducing lead time by 50%, and increasing performance and response capacity in this sector of activity, in the Ramada Group.

The Group continues to focus on exports and on increasing its customer portfolio to ensure future growth and less dependence on the domestic market. In the first nine months of 2022, the sales of the Steel activity to the external market represented 8.1% of the turnover, registering a growth of 43.0% compared with the same period of 2021.

In the first nine months of 2022, the wire drawing activity also recorded a significant growth in turnover, compared to the same period last year. The wire drawing activity operates essentially in foreign markets, which in the period from January to September 2022 represented 74.4% of turnover, especially in the US and Spain, with 33.5% and 26% respectively. In the same period of 2021, exports represented 65.8% of turnover, registering a growth of 69.3%.

**REAL ESTATE**

<i>Amounts in thousands of Euros</i>	<b>9M 2022</b>	<b>9M 2021</b>	<b>Var. %</b>
Total revenues	6 913	5 444	27.0%
Total costs	(2 270)	(1 001)	126.7%
EBITDA	4 643	4 443	4.5%
EBIT	4 386	4 322	1.5%
Financial results	(333)	(392)	-15.2%
Profit before income tax	4 053	3 930	3.1%
Income tax	(973)	(864)	12.6%
Net profit	3 081	3 066	0.5%

During the first nine months of 2022, total revenues from the Real Estate segment amounted to 6,913 thousand Euro, recording a 27.0% increase over the same period of 2021.

EBITDA in the Real Estate segment in the first nine months of 2022 amounted to 4,643 thousand Euro, 4.5% higher than the amount recorded in the same period of the previous year.

EBIT amounted to 4,386 thousand Euro, representing an increase of 1.5% compared to the same period of 2021.

In the first nine months of 2022, the financial results of the Real Estate segment were negative by 333 thousand Euro, recording an improvement of 15.2% when compared to the negative 392 thousand Euro in the same period of the previous year.

The net profit of the Real Estate segment during the first nine months of 2022 amounted to 3,081 thousand Euro, an increase of 0.5% compared to the same period of 2021.

### INVESTMENTS AND INDEBTEDNESS

The investments made by Ramada Group in the first nine months of 2022 amounted to approximately 1,800 thousand Euro.

Ramada Group's net nominal indebtedness on September 30, 2022 amounted to, approximately, 25 million Euros. As of December 31, 2021, the net nominal indebtedness amounted to, approximately, 11 million Euros.

### FUTURE PERSPECTIVES

The high energy prices and the energy crisis associated with the uncertainty in this sector continue to be the main focus in the metallurgical activity. The price has registered a relevant growth and on the supply side no solutions are anticipated in the short term. With the arrival of winter, it is possible that this situation will become even more critical.

Given the impact of this situation on the metal sector, there is the possibility of temporary closure of steel mills, due to the inability of the market to pay the energy rates or even the possibility of the closure of energy intensive companies to ration consumption. As steel mills are among the largest energy consumers and given the likelihood that they will not have robust order books until the end of the year, they may be left with no alternative to temporary closure.

The markets are in the expectation of trying to understand how the scenario will evolve. Inflation, energy costs and the price factor are themes that will remain present in our daily lives.

The Group will continue to be attentive and focused on the management and optimisation of the businesses, adapting to market conditions, with the aim of continuing to create value for all our stakeholders.

Oporto, November 24, 2022

The Board of Directors

Glossary

Total revenues: Sales and services rendered + Other income

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

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

EBITDA margin: EBITDA / Total revenues

EBIT: EBITDA + Amortization and depreciation

EBIT margin: EBIT / 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



Shaping industry

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