

In H1 2022, Ercros expects to obtain an EBITDA of EUR [70-75] million and profits of EUR [40-45] million

In the first half of 2022, Ercros expects to obtain:

- Ordinary EBITDA within a range of EUR [70-75] million and profits of EUR [40-45] million. These figures compare to an EBITDA of EUR 44.5 million and profits of EUR 20.26 million for the same period the previous year.
- Finished-product sales within the range of EUR [510-540] million and a gross margin of EUR [170-180] million. These figures compare to sales of EUR 359.97 million and a gross margin of EUR 139.11 million for the same period the previous year.

These estimates are based on the results of April and market visibility in May and June.

We maintain that the dominant trend in 2022 will be positive, improving upon the already good results obtained in 2021. To what extent we do not know, however, due to high levels of uncertainty at the moment.

We continue to see the greatest risks in the continuation of the war in Ukraine and the negative effects of this conflict on energy prices. Though energy costs will likely remain high, we believe the supply (oil and gas) will not be affected.

Meanwhile, serious problems persist in maintaining the supply chain of commodities worldwide, and a slowdown in GDP growth is appearing because of the supply shock underway (from the spike in energy prices and raw materials).

Moreover, in the second half of the year, to the extent that international competition from other geographical regions with lower energy costs increases, we could see some price erosion in our marketed products, which may make more difficult passing on to customers the high costs that we will likely continue to bear.

Barcelona, 8 June 2022