Ranshofen, July 25, 2024

AMAG Austria Metall AG: Solid half-year result despite continuing market weakness, especially in Europe

- **Higher aluminium price in Q2/2024 and broad positioning of the AMAG Group noticeably cushion subdued demand for aluminium rolled products from certain industries**
- **Revenue of EUR 707.7 million down on the prior year due to price and volume factors (H1/2023: EUR 796.4 million)**
- **EBITDA of EUR 95.3 million below the very strong first half of 2023 (EUR 117.8 million), but better than second half of 2023**
- **Net income after taxes of EUR 33.4 million (H1/2023: EUR 51.0 million)**
- **Cashflow from operating activities grows to EUR 75.7 million (H1/2023: EUR 68.0 million)**
- **Outlook for 2024: Improved earnings forecast of EUR 160 million to EUR 180 million EBITDA, based on current assumptions regarding aluminium price, shipments and economic development**

The challenging environment at the beginning of the year continued in the second quarter of 2024. In the Rolling Division, demand for aluminium rolled products remained subdued in certain industries, particularly in Europe. The high product diversity and international customer structure had a stabilising effect. Thanks to its stake in the largest smelter in North and South America, the AMAG Group benefited from the rising aluminium price in the second quarter of 2024 and continued to generate solid earnings in the Metal Division. In the Casting Division, shipments of recycled cast alloys remained good in a difficult environment in the automotive industry.

Dr. Helmut Kaufmann, CEO of AMAG Austria Metall AG: *"With EBITDA of around EUR 95 million, we are at a satisfactory level despite the challenging market situation. Our strategic investment in the smelter in Canada also proved its worth once again, strengthening the AMAG Group's earnings. In Ranshofen, we were able to further expand our shipment volumes in the aviation industry, among others. In the automotive* *industry, our broad customer base is helping us in an environment characterised by uncertainty. For the full year, we expect a strong operating profit (EBITDA) of EUR 160 million to EUR 180 million."*

The AMAG group's **revenue** totalled EUR 707.7 million in the first half of 2024 (H1/2023: EUR 796.4 million). At 214,100 tonnes, **total shipments** in tonnes were below the previous year's level (H1/2023: 221,200 tonnes), mainly reflecting the continued reduced demand for aluminium rolled products from certain industries, particularly in Europe.

EBITDA (earnings before interest, taxes, depreciation and amortisation) amounted to EUR 95.3 million in the first half of 2024 (H1/2023: EUR 117.8 million). The Metal Division benefited from stable production at full capacity and was thus able to take advantage of the higher aluminium price level in the second quarter of 2024. The Casting Division achieved good shipments and earnings performance despite the loss of momentum in the automotive industry. In the Rolling Division, the challenging market environment, particularly in Europe, led to a reduction in shipments overall. The broad and flexible positioning made it possible to reflect significant shifts in the product mix.

Depreciation and amortisation in the first six months of the reporting year amounted to EUR -44.6 million (H1/2023: EUR -42.4 million). The **earnings before interest and taxes (EBIT)** of EUR 50.8 million reflects a solid first half of 2024 (H1/2023: EUR 75.4 million). The AMAG group generated **net income after taxes** of EUR 33.4 million in the current reporting period (H1/2023: EUR 51.0 million).

Cashflow from operating activities grew to EUR 75.7 million (H1/2023: EUR 68.0 million). While the solid operating profit (EBITDA) had a positive impact, the usual increase in receivables during the year had a particularly noticeable effect on working capital. **Cashflow from investing activities** totalled EUR -48.5 million in the first six months of the reporting year, compared to EUR -50.6 million the first half of 2023. This resulted in a **free cashflow** of EUR 27.2 million after EUR 17.4 million in the prior year.

Net financial debt increased to EUR 390.0 million as of 30 June 2024, compared with EUR 364.3 million at the end of 2023. The AMAG Group's **equity** stood at EUR 729.5 million as of 30 June 2024 (31 December 2023: EUR 746.3 million). At

44.6 %, the **equity ratio** remained high as at the end of June 2024 (31 December 2023: 46.1 %).

Outlook 2024:

In the first two quarters of 2024, the AMAG Group generated a solid earnings performance in a difficult environment thanks to its broad positioning. Further economic development, particularly in Europe, will play an important role in the second half of 2024. At present, sentiment on the European market remains subdued.[1] The current GDP forecast[2] for the eurozone is 0.9%. Growth in Germany is expected to be 0.4%, while stagnation is anticipated for Austria.

Dr. Helmut Kaufmann, CEO of AMAG: *"The current economic environment in Europe is primarily dampening the short-term growth prospects for aluminium rolled products in certain AMAG sales markets. Almost unaffected by this, demand for aluminium products is expected to rise steadily in the medium to long term according to the CRU (Commodity Research Unit). We will continue to utilise our strengths to follow this growth trend. In any case, the operating performance is strong and enabled the EBITDA floor to be raised to EUR 160 million for 2024."*

In detail, the further development of earnings in the Metal Division will depend heavily on the aluminium price and raw material costs (especially alumina). High production volumes at the Alouette smelter in Canada are expected to remain unchanged. Despite the challenging situation in the automotive sector, shipments in the Casting Division are anticipated to be on the level of the prior year. In the Rolling Division, sales volumes are expected to improve in 2024 compared to the prior year.

From today's perspective, the AMAG Management Board expects full-year EBITDA between EUR 160 million and EUR 180 million based on current assumptions regarding aluminium prices, shipments and economic trends. Compared to the previous EBITDA estimate for 2024, the lower limit has thus been raised by EUR 10 million, from EUR 150 million to EUR 160 million.

[1] See also the Purchasing Managers Index, Bloomberg

[2] Austrian Institute of Economic Research (WIFO), Economic Forecast 2/2024, June 2024

AMAG AUSTRIA METALL

AMAG key figures:

in EUR million	Q2/2024	Q2/2023	Change	H1/2024	H1/2023	Change
Shipments in tonnes	110,000	110,700	-0.6 %	214,100	221,200	-3.2 %
of which external shipments in tonnes	101,200	102,600	-1.4 %	196,700	205,400	-4.2 %
Revenue	371.9	391.6	-5.0 %	707.7	796.4	-11.1 %
EBITDA	53.0	57.0	-7.1 %	95.3	117.8	-19.1 %
EBIT	30.6	35.9	-14.7 %	50.8	75.4	-32.7 %
Net income aftes taxes	20.1	24.2	-16.8 %	33.4	51.0	-34.5 %
Cashflow from operating activities	40.1	32.5	23.5 %	75.7	68.0	11.2 %
Cash flow from investing activities	-22.5	-27.1	17.1 %	-48.5	-50.6	4.2 %
Employees[1)]	2,242	2,256	-0.6 %	2,241	2,238	0.1 %

in EUR million	June 30, 2024	December 31, 2023	Change
Equity	729.5	746.3	-2.2 %
Equity ratio in %	44.6 %	46.1 %	
Gearing	53.5 %	48.8 %	

1) Average number of employees (full time equivalents) including temporary staff, excluding apprentices. Includes the personnel from the Aloutte smelter (20 %) and AMAG components.

About the AMAG group

AMAG is a leading Austrian premium supplier of high-quality aluminium cast and flat rolled products for highly varied industries such as the aerospace, automotive, sports equipment, lighting, mechanical engineering, construction and packaging industries. The Canadian smelter Alouette, in which AMAG holds a 20 % interest, produces high-quality primary aluminium, while maintaining an exemplary net ecological impact. At AMAG components, based in Übersee am Chiemsee (Germany), ready-to-install metal parts are also manufactured for the aerospace industry.

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