

ERCROS ANNUAL
RESULTS
FINANCIAL YEAR
2023

Barcelona, 27 February 2024



Ercros



ADJUSTED EBITDA
€48 MILLION

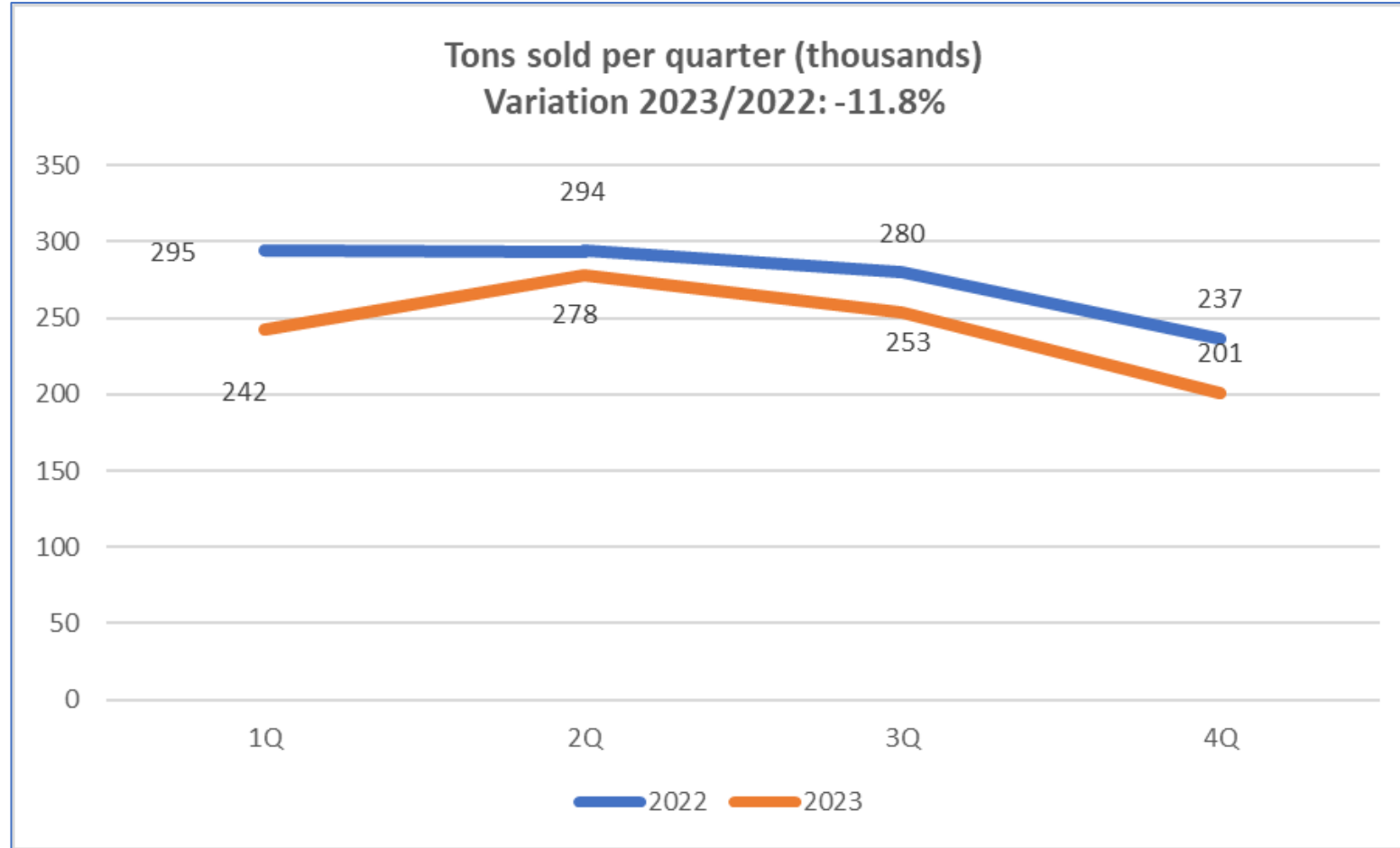
BENEFIT
€28 MILLION

SHAREHOLDER REMUNERATION
€9 MILLION

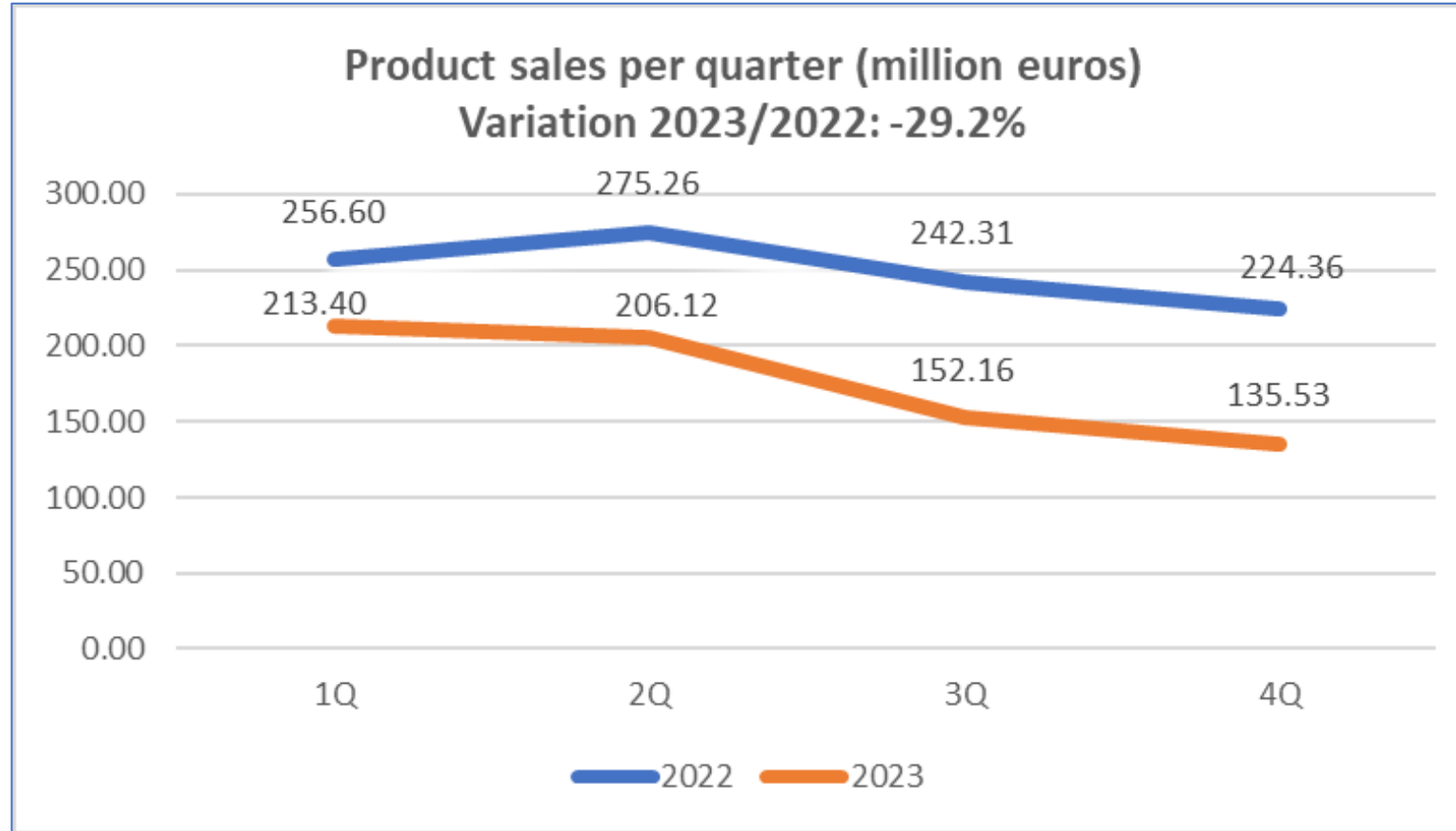
KEYS TO THE EXERCISE

- (i) The ruling of the Constitutional Court on the compensation of negative tax bases adds 26.1 million to Ercros' initial profit.
- (ii) The initial profit of 1.5 million is obtained in an environment of low demand in the European chemical sector present since mid-2022, characterized by a significant reduction in prices and quantities, by very volatile markets and by strong international competition.
- (iii) The effects of the energy shock that followed the war in Ukraine, with high costs of energy and raw materials, are still present, although with a clear trend towards moderation, among other causes, due to lower demand from the chemical sector due to the decrease in their activity level.

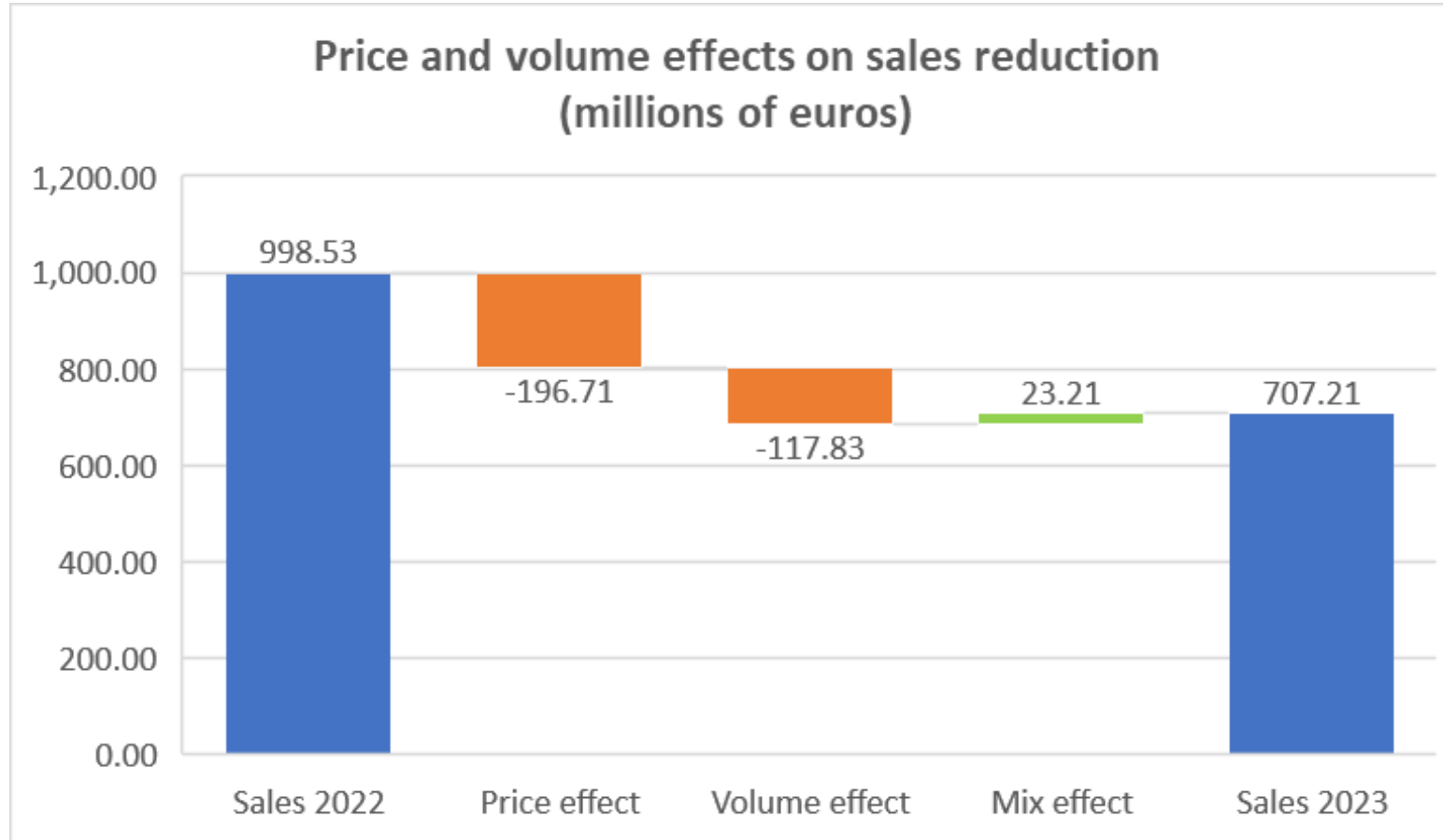
TONS



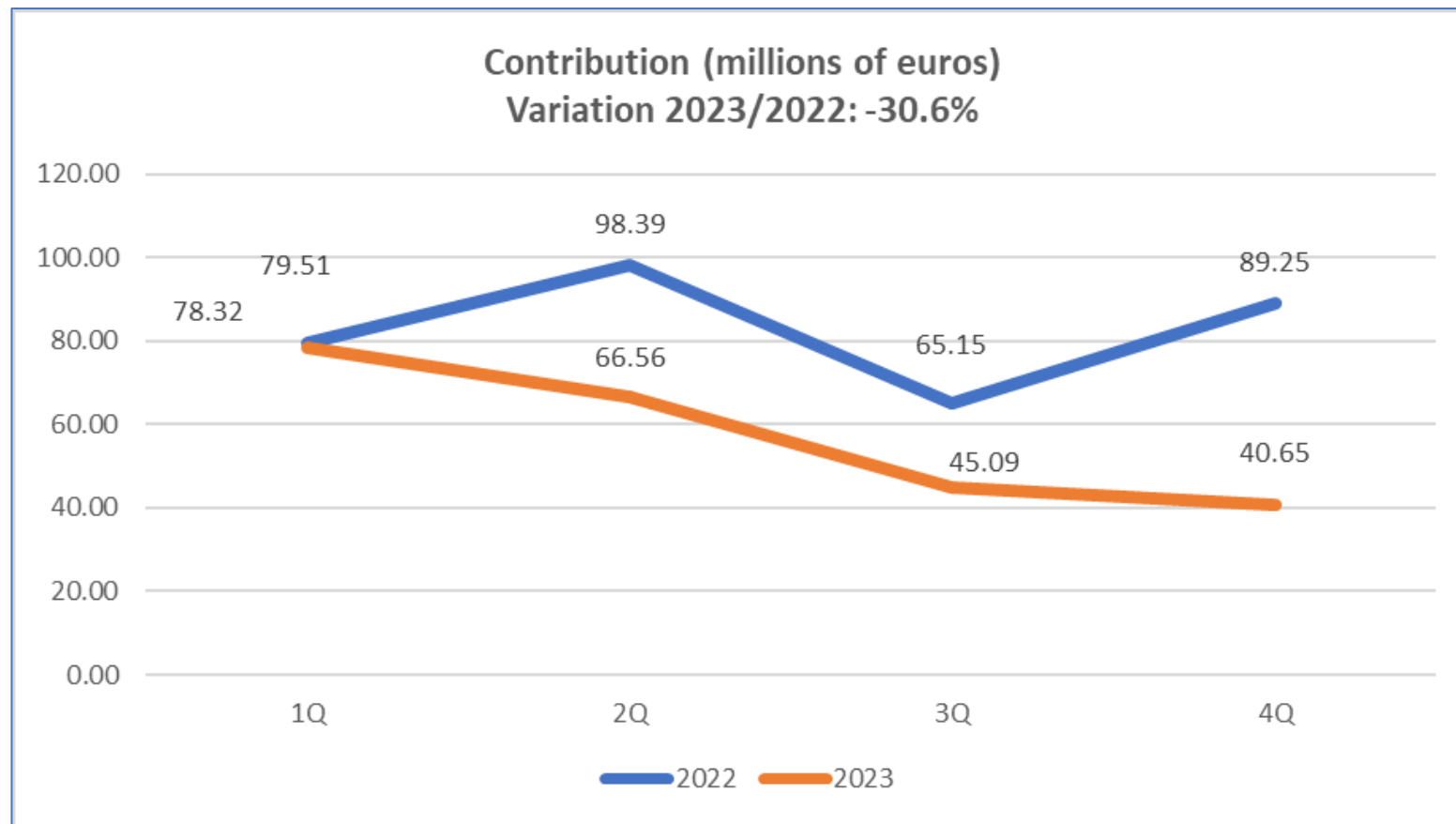
SALES



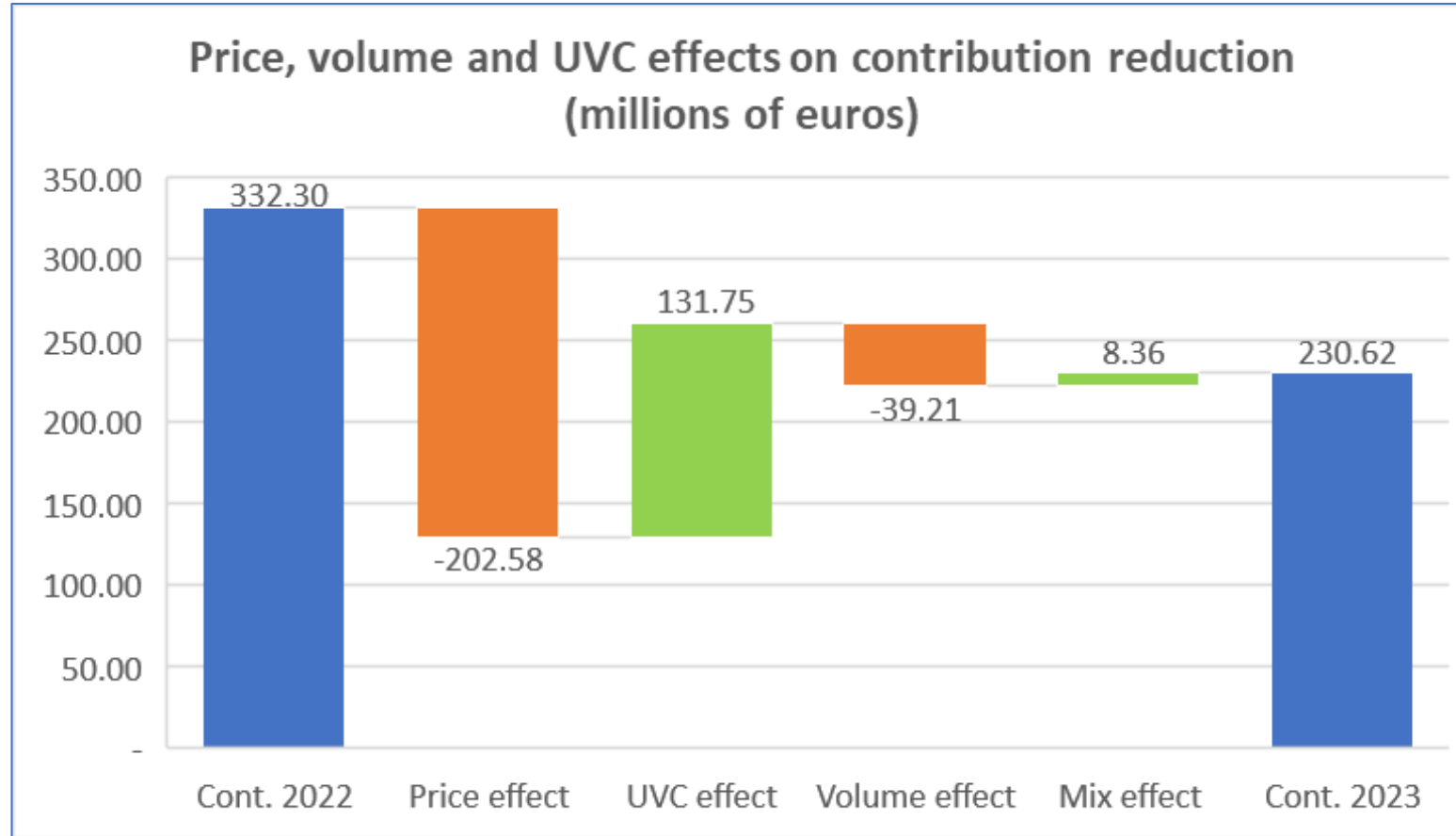
EFFECTS ON SALES VARIATION



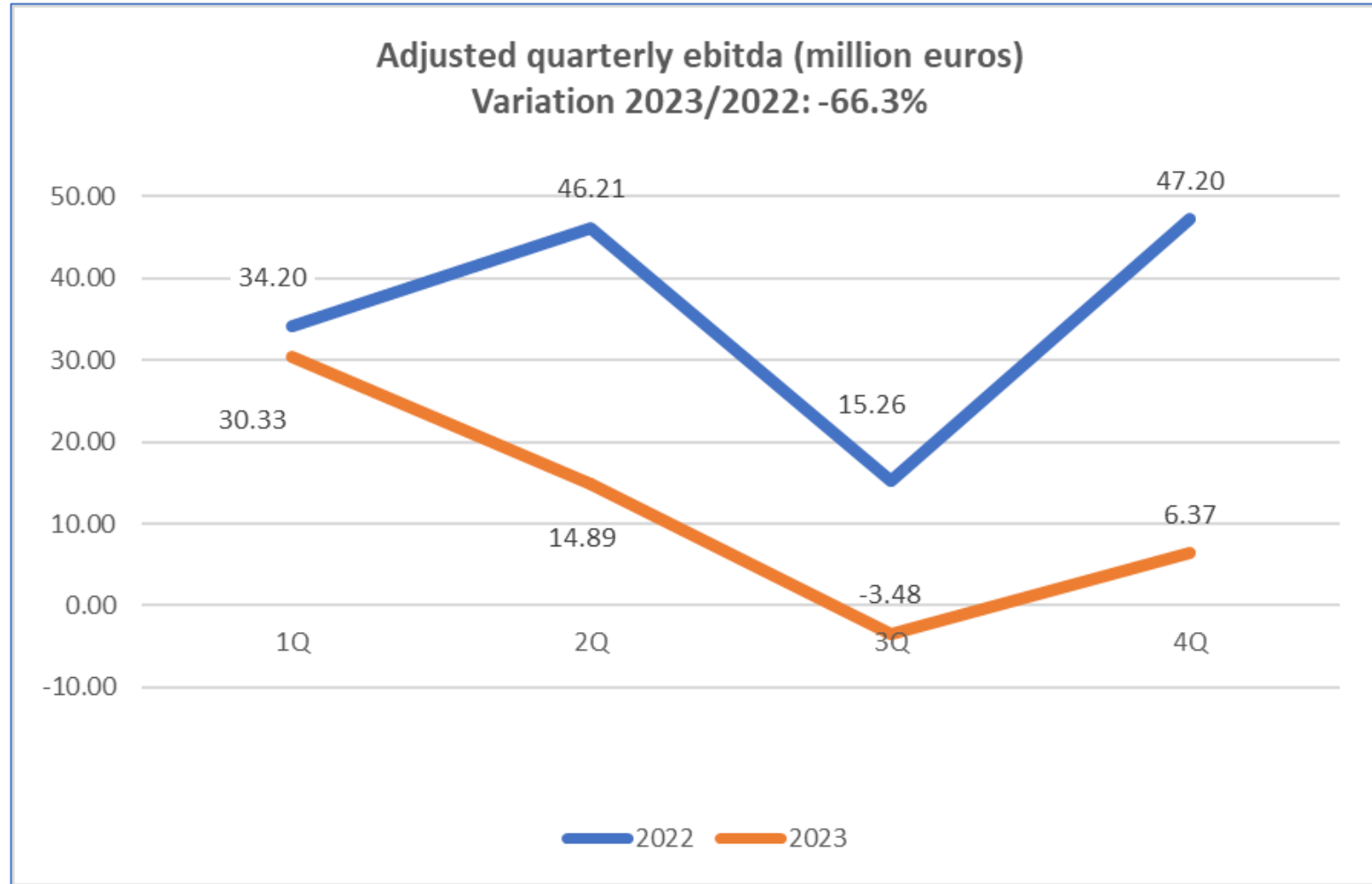
QUARTERLY EVOLUTION OF THE CONTRIBUTION



EFFECTS ON THE VARIATION IN THE CONTRIBUTION

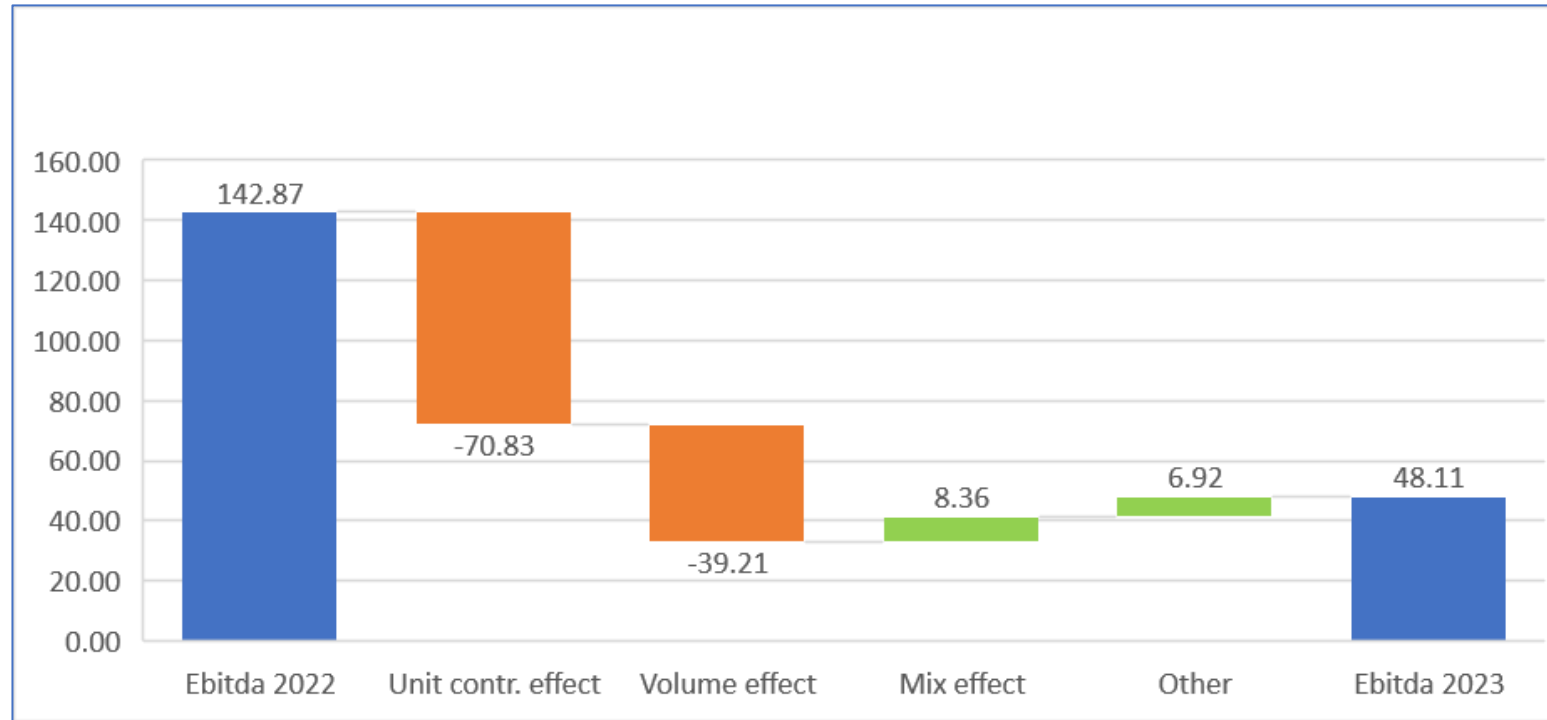


EVOLUTION OF ADJUSTED EBITDA



Adjusted ebitda: ebitda excluding atypical items.

EFFECTS OF UNIT CONTRIBUTION AND VOLUME ON THE REDUCTION OF ADJUSTED EBITDA (millions of euros)



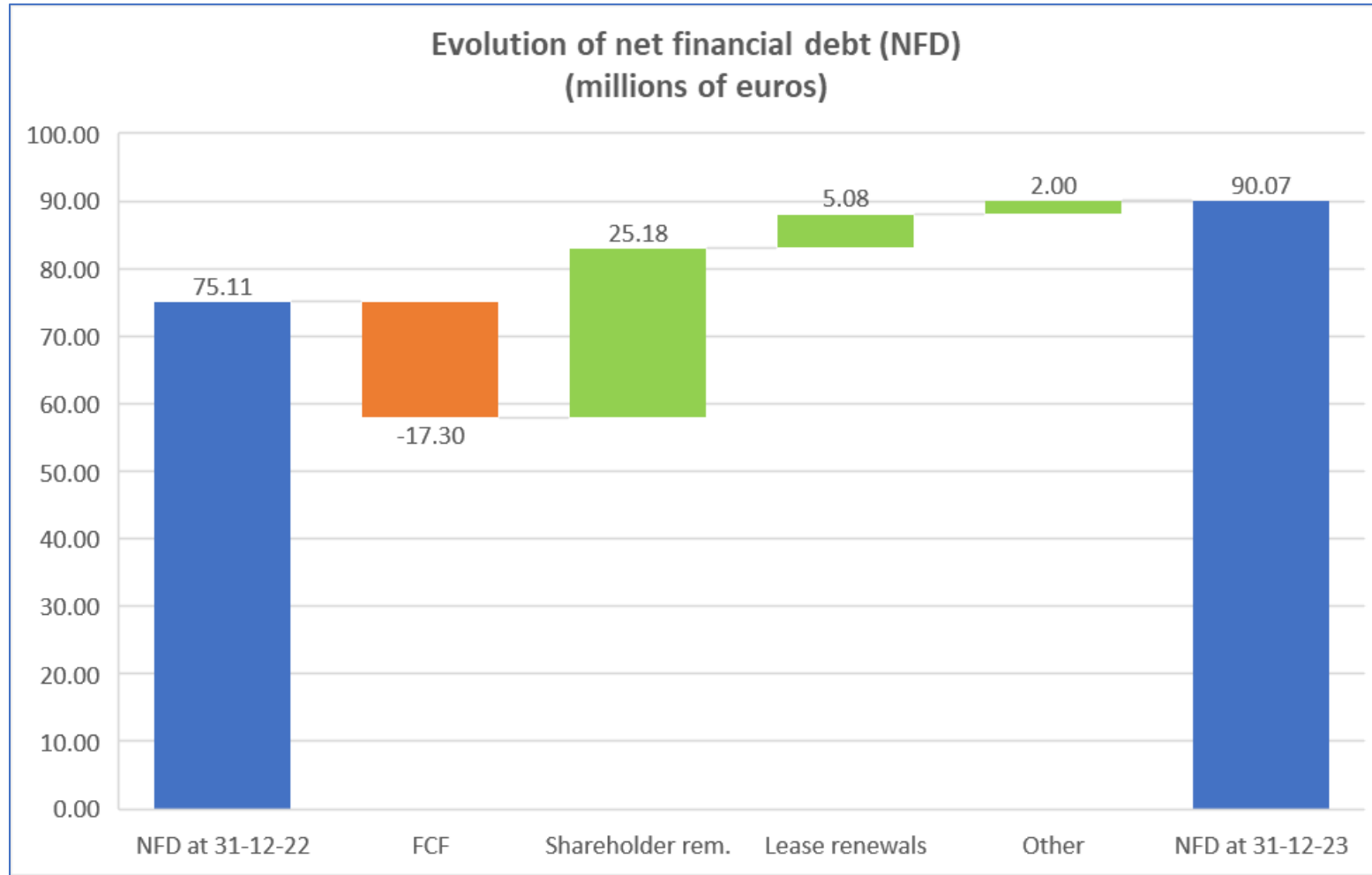
PROFIT/LOSS FOR THE YEAR

Thousands of euros	2023	2022	%
Continuing operations			
Revenue	757,626	1,059,685	-28.5
Sales of finished goods	707,214	998,532	-29.2
Service provision	18,080	26,370	-31.4
Other income	32,332	34,783	-7.0
Expenses	-713,320	-937,024	-23.9
Procurements and supplies	-494,673	-698,589	-29.2
Personnel expenses	-91,627	-89,582	2.3
Other expenses	-127,020	-148,855	-14.7
Ebitda	44,306	122,661	-63.9
Amortizations and impairments	-31,267	-30,505	2,5
Financial result	-8,005	-4,198	90.7
Profit before tax	5,034	87,958	-94.3
Income tax	23,764	-17,314	-
Profit for the year from continuing operations	28,798	70,644	-59.2
Net loss from discontinued operations	-1,213	-7,655	-84.2
Profit for the year	27,585	62,989	-56.2

BALANCE SHEET

Thousands of euros	31-12-23	31-12-22	Change	%
Non-current assets	419,152	393,040	26,112	6.6
Working capital	64,218	77,349	-13,131	-17.0
Current assets	169,527	241,119	-71,592	-29.7
Current liabilities	-105,309	-163,770	58,461	-35.7
Resources used	483,370	470,389	12,981	2.8
Equity	363,115	360,710	2,405	0.7
Net financial debt (NFD)	90,070	75,110	14,960	19.9
Provisions and other debts	30,185	34,569	-4,384	-12.7
Origin of funds	483,370	470,389	12,981	2.8

WHY DOES NET FINANCIAL DEBT INCREASE?



DETAIL OF FINANCIAL DEBT

Thousands of euros	31-12-23	31-12-22	Change	%
Loans	108,831	85,007	23,822	28.0
Finance lease liabilities	9,260	12,324	-3,062	-24.9
Working capital financing	13,158	38,096	-24,938	-65.5
Gross financial debt	131,249	135,427	-4,178	-3.1
Cash	39,145	58,283	-19,138	-32.8
Deposits	2,034	2,034	-	-
Net financial debt	90,070	75,110	14,960	19.9

LIQUIDITY

Thousands of euros	31-12-2023	31-12-2022	%
Cash	39,145	58,283	-32.8
Undrawn financing	109,487	99,863	9.6
Total liquidity	148,632	158,146	-6.0

SHAREHOLDER REMUNERATION

SHAREHOLDER REMUNERATION CHARGED TO THE 2023 PROFIT*		
	Amount (millions of euros)	Payout (%)
Dividend payment (0.07 euros/share)	6.40	23.9
Disbursement for repurchase of own shares	2.32	8.6
Total remuneration	8.72	32.5

* Proposal pending approval by the June 2024 general meeting.

ACCUMULATED SHAREHOLDER REMUNERATION

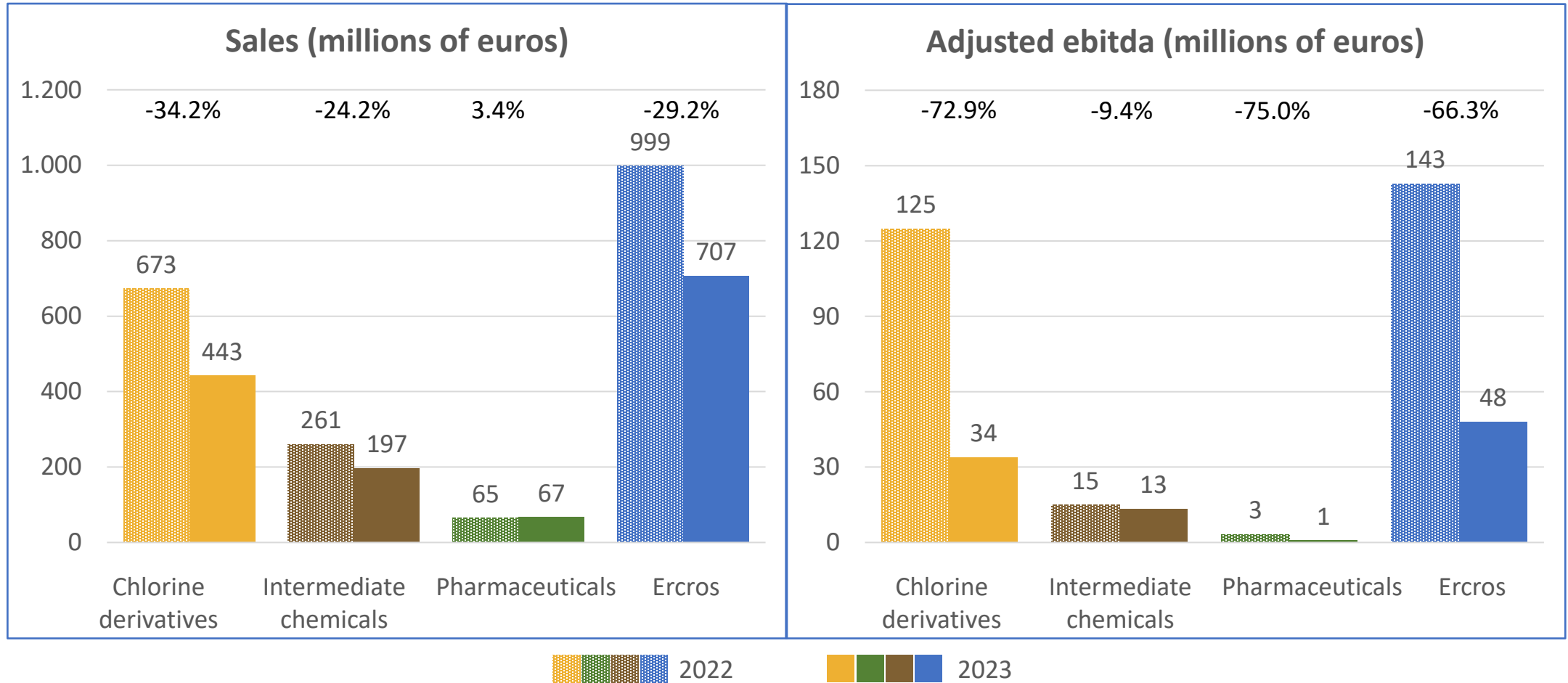
	2016-2023	
	Millions of euros*	%
Dividend payment	49.55	40.3
Disbursement for repurchase of treasury shares	73.55	59.7
Total remuneration	123.10	100.0

- Approximate figures, pending approval of the remuneration by the general meeting in June 2024.
- These figures include the shareholder remuneration, shown on the previous slide, charged to the profit of fiscal year 2023.

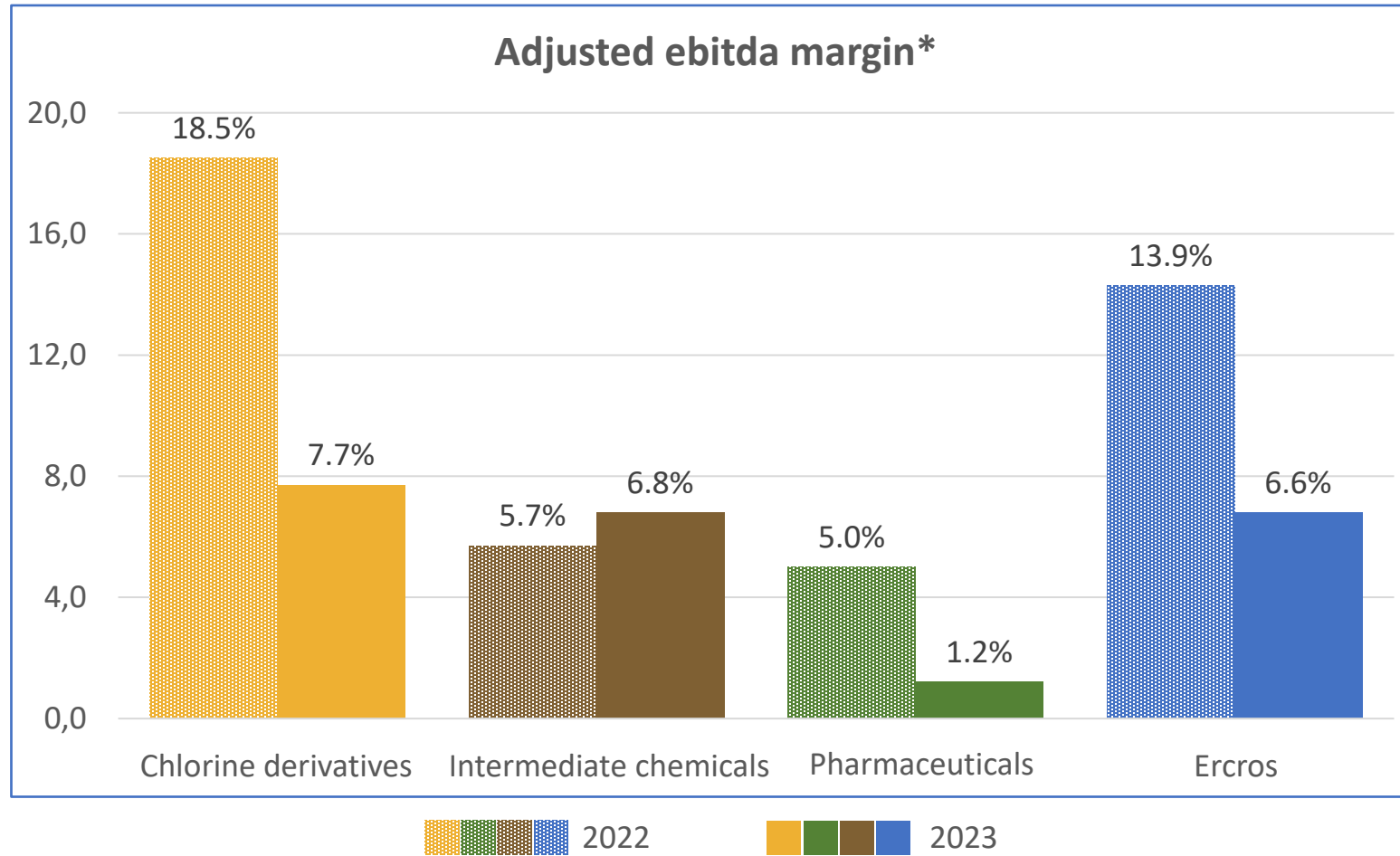
BUSINESS RESULTS

Thousands of euros	2023	2022	%
Chlorine derivatives division			
Product sales	442,729	673,099	-34.2
Adjusted ebitda	33,873	124,816	-72.9
Adjusted ebitda/product sales (%)	7.7	18.5	-58.7
Intermediate chemicals division			
Product sales	197,392	260,518	-24.2
Adjusted ebitda	13,423	14,819	-9.4
Adjusted ebitda/product sales (%)	6.8	5.7	19.5
Pharmaceuticals division			
Product sales	67,093	64,915	3.4
Adjusted ebitda	811	3,239	-75.0
Adjusted ebitda/product sales (%)	1.2	5.0	-75.8

DIFFERENCES BETWEEN BUSINESSES

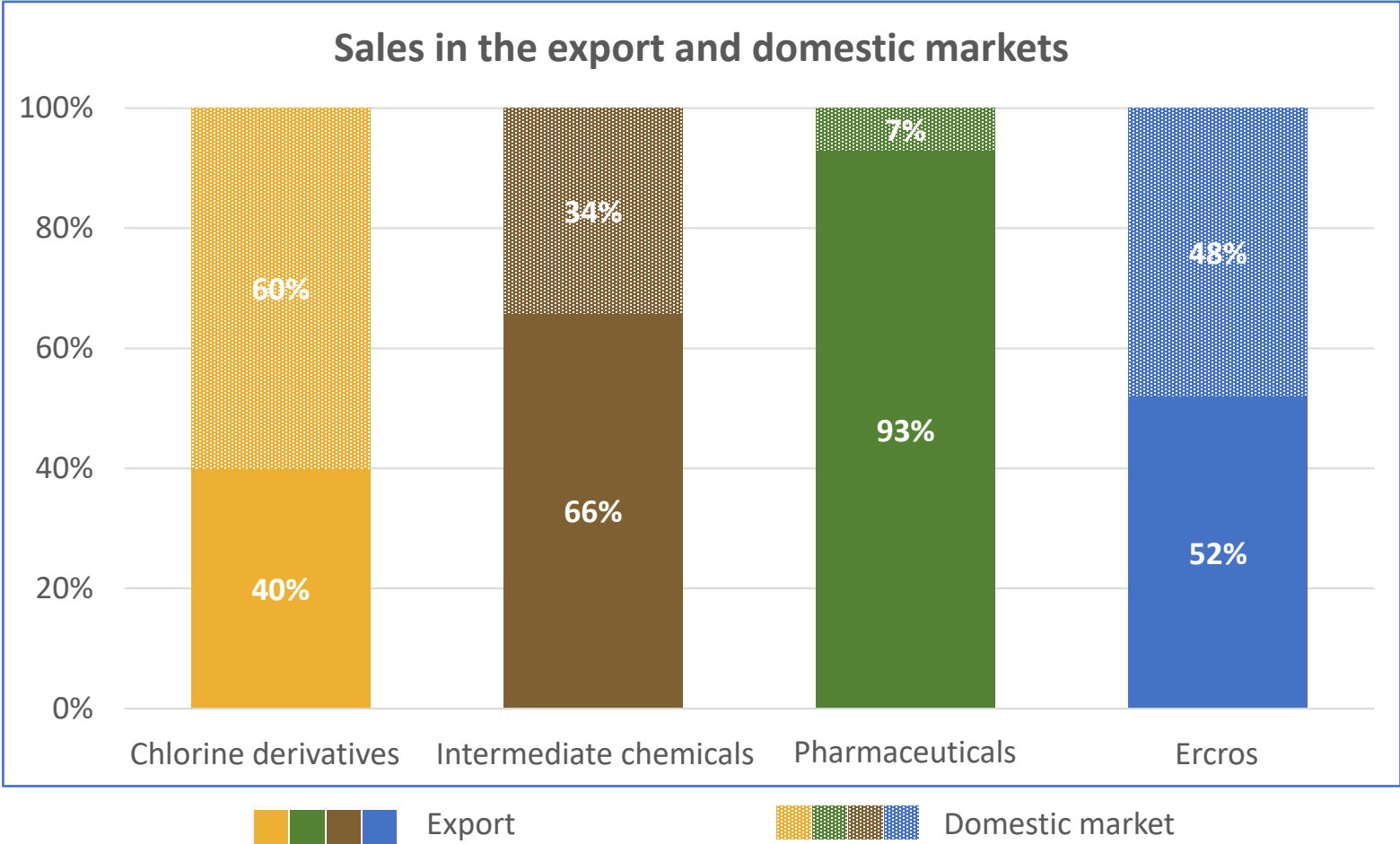


DIFFERENCES BETWEEN BUSINESSES



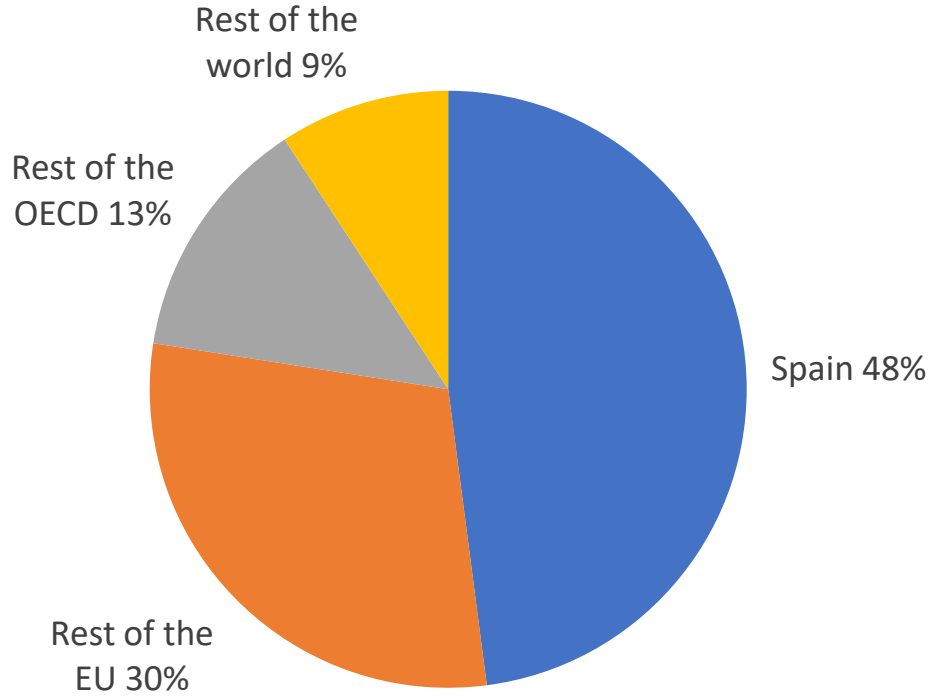
* Adjusted ebitda/sales.

FOREIGN TRADE BY BUSINESS

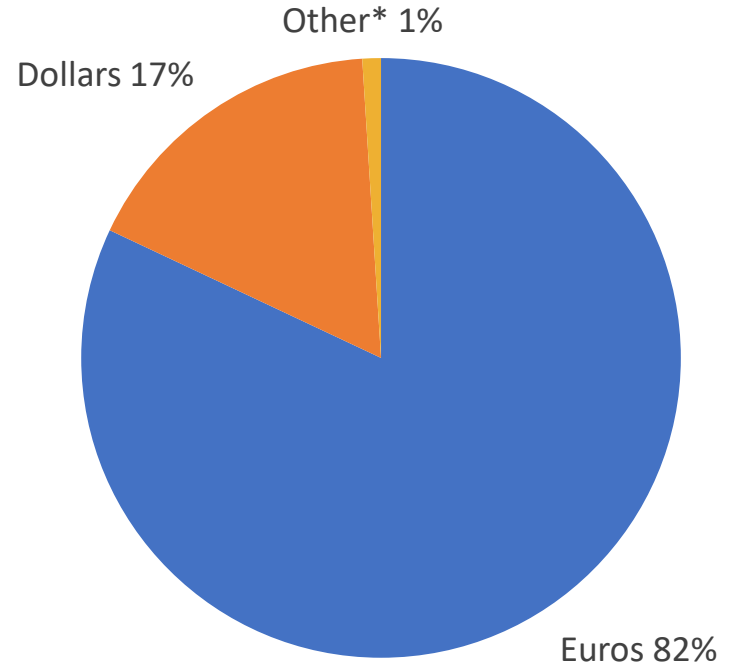


SALES STRUCTURE

Sales by destination



Sales by currency



* Pound sterling and yen.



3D PLAN INVESTMENTS

As of today, the following actions have been completed:

Diversification:

- Expansion of the polyols plant in Tortosa.
- Expansion of the moulding compounds plant in Cerdanyola.
- Expansion of the sodium chlorite and TCCA plants in Sabiñánigo.
- Expansion of the fosfomicin trometamol plant; production of sterile micronized fusidic acid; new erythromycin salt extraction plant; and industrial scaling for the manufacture of vancomycin and gentamycin, in Aranjuez.

Digitalisation:

- Implementation of Business Intelligence in the areas of purchasing, logistics, production and maintenance.
- Tracking and monitoring of shipments by sea and land.
- Mobility solutions in the industrial environment.

Decarbonisation:

- Improvement of energy efficiency in Tortosa and optimization of energy consumption in Cerdanyola.
- Replacement of lighting fixtures with LEDs in the factories of the intermediate chemicals division and in the Tarragona industrial complex.
- Optimization of the consumption of chemical products and raw materials in Aranjuez.
- Improvement in the use of hydrogen in Sabiñánigo, Vila-seca I and Vila-seca II.

WHAT DO WE EXPECT FROM 2024?

- The environment of high uncertainty, weak demand and strong international competition continues.
- Specialized publications delay the start of the recovery in demand in the European chemical sector - initially planned for the first quarter of 2024 - until the second half of this year.
- In this context, Ercros' margins and volumes will continue to be affected during the first half of 2024 to recover, gradually, in the rest of the year.



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