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**PRESS RELEASE**

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**FINANCIAL RESULTS OF THE FIRST HALF 2021**  
**Significant improvement of business activity and profitability**

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ELASTRON S.A. – STEEL SERVICE CENTERS reported the financial results for the first half of 2021 according to the International Financial Reporting Standards (IFRS).

The Group's turnover posted a significant improvement during the first half of the year and amounted to € 78.3 million from € 47.3 million in the same period of the previous year, recording an increase of 66%. Gross profit amounted to € 18.5 million or 23.6% on sales, compared to € 5.3 million or 11.3% on sales in the first half of 2020. Results before interest and taxes (EBIT) amounted to € 13.0 million compared to € 0.2 million in the previous year, whereas the results before interest, taxes, depreciation and amortization (EBITDA) amounted to € 14.3 million compared to € 1.4 million in the first half of 2020. Finally, the results before taxes amounted to earnings of € 12.4 million compared to losses of € 0.8 million in the same period of the previous year.

A similar increase was recorded in the parent company's turnover which amounted to € 77.6 million compared to € 46.6 million in the first half of 2020, while the gross profit amounted to € 18.1 million or 23.3% of the sales, compared to € 4.9 million or 10.4% of sales in the corresponding period of 2020. The results before interest and taxes (EBIT) amounted to € 12.9 million compared to losses of € 0.003 million in the previous year, whereas the results before interest, taxes, depreciation and amortization (EBITDA) amounted to € 13.9 million compared to € 0.9 million in the first half of 2020. Finally, the results before taxes amounted to € 12.1 million compared to losses of € 0.9 million in the corresponding period of the previous year.

The results of the Group during the first half of the year posted a significant increase, reflecting the increase of the activity of the steel sector of the Group as well as the significant increase of the raw material prices. In particular, the level of activity of the Group recorded a double-digit growth rate mainly led by the various sub-sectors of steel product consumption and mainly those of RES, tourism and metal structures, which recorded a strong recovery compared to the same period of the previous year. At the same time, there was an increase in foreign markets, while the share of exports remained at levels above 30% of total business activity. Particularly important, however, was the increase in prices of raw materials, already taking place in the 4th quarter of 2020, which was integrated into the sales prices, substantially improving the profit margins of the Group. The main factors that contributed to the price increases were the gradual resumption of economic activity and consequently the increase in demand for steel products, combined with the shortage of raw materials observed in the market due to pandemic mitigation measures, as well as the rising transport costs which were consequence of disruptions in international freight transport market.

The positive course of the Group's activity and financial performance continues in the 3rd quarter of the year so far, and the profit margins generated during the first half of the current year are expected to be maintained. For the 4th quarter, as well as for the entire year, it is quite difficult to make any forecasts due to the extremely volatile market conditions as well as the ongoing pandemic conditions. Despite the correction that is already observed in the international prices of raw materials, the growth rate of demand for steel products shows stabilization or even a slight decline in anticipation of a further correction, while the profit margins of the Group are expected to normalize due to higher replacement costs of raw materials. In any case, the Management of the Group closely monitors the developments in the market, aiming at the protection of liquidity and the optimal management of working capital. At the same time, the Group continues to implement investments targeting the increase of the production output, the improvement of productivity and the reduction of operating costs.

For the coming years, the steel products sector and in particular the steel sector of the Group are expected to benefit significantly from the initiation of infrastructure projects, private investments, as well as from the resources of the Recovery Fund which are expected to provide a significant impetus to the market.

Note: The "Semi-Annual Financial Report according to IFRS" of ELASTRON SA will be posted on Thursday 23 September 2021 at the Company's website [www.elastron.gr](http://www.elastron.gr) as well as at the website of the Athens Exchange [www.helex.gr](http://www.helex.gr).