



CUMULATIVE RESULTS UP TO 1ST SEMESTER 2023



Results for the 1st Semester 2023

Highlights

>> Turnover reached **64.3 million euros**, a reduction of **5.3%** compared to the previous year;

>> EBITDA of **14.7 million euros** represents an increase of **31.3%** over the same period last year;

>> Positive net result of **4.6 million euros**, which compares with a negative net result of 77 thousand euros in the previous year.

>> Foreign markets accounted **73.6%** of turnover;



Activity

The macro context in the first half of 2023 continues to be marked by a deceleration in economic growth, a prolonged conflict in the Ukraine and a generally volatility and uncertain environment.

Consolidated turnover for the first half of 2023 reached **64.3 million euros**, representing a reduction of **3.6 million euros** compared to 2022.

However, despite this adverse environment, the company continues to see a positive evolution in sales of own-brand Vista Alegre and Bordallo Pinheiro products via both Retail and Horeca channels (hotels, restaurants and cafés).

Sales generated by Vista Alegre and Bordallo Pinheiro products via both **physical stores and online, nationally and internationally, grew by 5.9%**. Sales via the Horeca channel **increased by 27% compared to 2022**.

Looking at the business by segment, it is worth noting **the 7.5% growth in porcelain revenue, an increase of 10.4% in earthenware sales and the 4.1% increase in crystal revenue**, compared to the same period of the previous year.

Segments	T €		Variation (%)
	Jan to Jun 2023 Total	Jan to Jun 2022 Total	
Porcelain and related products	23,239	21,612	7.5%
Earthenware	8,107	7,342	10.4%
Stoneware	25,574	31,832	-19.7%
Crystal and Glass	7,344	7,057	4.1%
Total	64,264	67,842	-5.3%

The **stoneware segment** by contrast **saw a reduction of 19.7%** in sales volume due to the lower sales of Ovenware to the private label channel.



Internationally, the European markets of France, Spain, Germany and Italy, as well as Brazil and the USA further afield, represented the main contributors to sales in foreign markets. These accounted for **73.6%** of Vista Alegre's turnover in the quarter, with **47.3 million euros** of sales.

Results

Vista Alegre's consolidated results showed very positive performance in the 1st half of 2023, with EBITDA increasing by **31.3%** year-on-year to **14.7 million euros**. Turnover declined **5.3%** year-on-year to **64.3 million euros**, due to the negative contribution own brand products in Ovenware compared to the previous year.

Nonetheless, the efficient management of operations and the positive evolution in the sales Vista Alegre branded porcelain and crystal products, as well as the artistic earthenware of Bordallo Pinheiro, allowed for an improvement in overall profitability year-on-year.

Headings	1S 2023	1S 2022	M€	
			Var. 1S Amount	%
Turnover	64.3	67.8	-3.6	-5.3%
E B I T D A	14.7	11.2	3.5	31.3%
<i>EBITDA Margin</i>	22.9%	16.5%		6.4 pp
Operating Income	8.5	2.2	6.3	281.3%
<i>Operating Margin</i>	13.2%	3.3%		9.9 pp
Income before taxes	6.3	0.1	6.2	10484%
Income tax	-1.7	-0.1		
Net income	4.6	-0.1	4.7	6085%

The Group recorded an operating result of **8.5 million euros**, up 281% year-on-year, with the net result for the year growing by **4.7 million euros** compared to the same period in 2022, to reach **4.6 million euros** compared to the negative **77 thousand euros** that the company posted in the first half of 2022.



Investment

Investment in the first half amounted to **10.7 million euros**, mostly directed towards our Cerexport production unit, involving the upgrade of an oven for greater energy efficiency, as well as giving greater flexibility to production lines, so as to respond more efficiently to the market fluctuations in demand.

Debt

The first semester was demanding in terms of investments and also due to the typical seasonality of working capital, explaining the slight increase in consolidated net debt in the period. Nonetheless, good operating performance led to an improvement in the ratio of net debt to EBITDA LTM (last 12 months), which stabilised at 2.31x.

	T€	30-06-2023	31-03-2023	31-12-2022	Variation JUN 2023/ DEC 2022
Financial debt (bank loans, bond and leasing)		77,669	79,815	83,172	-5,503
Operating debt (export remittances, confirming and factoring)		7,378	7,789	7,020	358
Operating lease (IFRS 16)		5,837	6,497	6,911	-1,074
Consolidated debt		90,884	94,101	97,103	-6,220
Availabilities		-19,274	-19,742	-27,746	8,472
Consolidated net debt		71,610	74,359	69,357	2,253
EBITDA LTM		31,035	29,596	27,527	3,508
Net debt / EBITDA		2.31x	2.51x	2.52x	-0.21x



Consolidated Income Statement

30th of June 2023 and 2022

T €		
Headings	6M 2023	6M 2022
Sales and services provided	64,264	67,842
Cost of goods sold and material consumed	-23,474	-26,904
Production variation	5,902	2,471
Gross margin	46,692	43,409
Supplies and external services	-9,705	-9,107
Staff costs	-26,302	-24,082
Amortisations	-6,274	-6,504
Impairments	1	-14
Provisions for the financial year	0	-2,523
Other operating expenses and losses	-717	-572
Impairment of depreciable tangible fixed assets	27	46
Other profit and operating income	4,757	1,569
Operating income	8,480	2,224
Interest and similar expenses incurred	-2,519	-2,323
Interest and similar income obtained	317	159
Financial result	-2,202	-2,165
Result before taxes	6,279	59
Income tax	-1,678	-136
Consolidated income for the financial year	4,600	-77



VISTA ALEGRE ATLANTIS, SGPS, S.A.

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