

Brussels, 29 October 2021 (17.45)

2021 HALF-YEAR RESULTS CONFIRM COIL'S MOMENTUM TOWARDS RECOVERY

- **Sales: €12.5m, up 6.5%**
- **EBITDA: €3.0m, i.e. 24.4% of sales**
- **Net income: €1.0m, or 7.6% of sales**
- **Net financial debt: 25% of equity at 30 June 2021**
- **2021 outlook: annual sales in excess of €23.5m and improved profitability compared to 2020**

COIL, world leader in aluminium anodising, has released its results for the first half of the 2021 financial year.

❖ Half-year highlights

After a 2020 financial year strongly impacted by the global crisis linked to the COVID-19 pandemic, COIL recorded a clear improvement in its performance in the first half of 2021, although still affected by the knock-on effects of the crisis. Despite sustained demand, the Company's sales were disrupted by longer delivery delays of anodising quality aluminium from European rolling mills due to very high demand from other industries, as well as difficulties in physically supporting its sales to the Asian market due to travel restrictions and lack of logistics capacity.

In this context, COIL recorded sales of €12.45m in the first half of 2021, up 6.5% on the previous year. On the negative side, Package sales (which include metal) which represented 21% of half-year sales fell by 18% compared to the first half of 2020, mainly due to significantly longer delivery times to Asia. On the positive side, tolling sales (79% of half-year sales) increased by 16% and were driven by sustained demand in the construction and architectural end-markets, which was accompanied in the second quarter by a restocking movement in the distribution chain in Europe.

On an operational level, COIL continues to rationalise its production capacity in order to maximise cost variability. The resumption of subcontracting activities and the resulting productivity improvements had a positive impact on operations.

❖ Results

The increase in the Company's sales and the evolution of its product mix towards subcontracting with a lower share of metal in sales, combined with the rationalisation of the fixed cost structure, led to a clear recovery in profitability and cash flow.

EBITDA amounted to €3.0 million, or 24.4% of sales. It increased by €3.1m compared to the first half of 2020, mainly due to the growth in gross margin and the reduction in all operating expenses.

After almost stable depreciation and amortisation at €1.9m, operating profit improved sharply to €1.1m, or 9.1% of sales, compared to a loss of €(1.9)m in H1 2020.

Pre-tax net profit was €1.0m, including an improved financial result of €(0.2)m.

The net result for the first half of 2020 is a profit of €1.0m, compared to a loss of €(2.1)m in the first half of 2020.

❖ Simplified income statement

€M	2021 H1	2020 H1
Sales	12.45	11.69
EBITDA ¹	3.04	(0.05)
<i>% of sales</i>	24.4%	(0.5) %
Operating profit	1.13	(1.86)
<i>% of sales</i>	9.1%	(15.9)%
Income before tax	0.95	(2.06)
Net income	0.95	(2.07)
<i>% of sales</i>	7.6%	(17.7)%

❖ Balance sheet

At 30 June 2021, COIL continued to improve its financial structure. Taking into account the results of the first half of the year, shareholders equity stood at €28.1m, an increase of €1.0m compared to 31 December 2020. Net financial debt decreased by €1.6m compared to 31 December 2020 to €7.1m, representing 25.2% of equity, compared to 31.9% at 31 December 2020 and 30.2% at 30 June 2020.

❖ Outlook

Sales for the third quarter of 2021 (€6.4m) are up 20.9% compared to the third quarter of 2020. Tolling sales recovered (+27%) while Package sales increased slightly (+1.6%) thanks to the rise in sales in Europe and Russia, which compensated for the contraction of the Asian markets. As a result, sales for the first nine months of the 2021 financial year amounted to €18.8m, up 11% on the same period of the previous year.

Despite a less favourable base effect, COIL is expected to record solid sales in the fourth quarter given improved market conditions. While Package sales, particularly to Asia, continue to be affected by delivery lead-times, lack of physical presence and costs of international logistics, tolling sales should maintain a good level of activity in a more normal market environment. The Company intends to support the recovery while maintaining rigorous cost and cash management as a continuation of the efforts made in 2020.

In this context, for the full year 2021, COIL's objective is to achieve annual sales in excess of €23.5m, which will be accompanied by a significant improvement in profitability compared to 2020.

With a flexible and efficient industrial organisation, COIL has the capacity to efficiently support the recovery of its markets. The Company is confident in its longer term development prospects and is capitalising on its broad portfolio of premium, sustainable and low carbon footprint products to consolidate its global leadership.

❖ Additional information

The financial statements were approved by the Board of Directors on 28 October 2021. They are included in the 2021 half-yearly financial report available on the company's financial website (<http://investors.coil.be>).

¹ EBITDA = operating profit + depreciation, amortisation and provisions

❖ Agenda

2021 annual sales will be published on 27 January 2022 after the close of trading.

ABOUT COIL

COIL is the world's leading anodiser in the building and industrial sectors and trades under the ALOXIDE® brand name.

Anodising is an electrochemical process which develops a natural, protective oxide layer on the surface of aluminium and can be coloured in a range of UV-proof finishes. It gives the metal excellent resistance to corrosion and/or reinforces its functional qualities. Anodising preserves all the natural and ecological properties of aluminium; it retains its high rigidity and excellent strength-to-weight ratio, its non-magnetic properties, its exceptional resistance to corrosion. The metal remains totally and repeatedly recyclable through simple re-melting. Anodised aluminium is used in a wide variety of industries and applications: architecture, design, manufacturing and the automotive sector.

COIL deploys an industrial model that creates value by leveraging its unique know-how, its operational excellence, the quality of its investments and the expertise of its people. COIL has around 130 employees in Belgium and Germany and generated a turnover of around €30 million in 2019.

Listed on Euronext Growth Paris | Isin: BE0160342011 | Reuters: ALCOI.PA | Bloomberg: ALCOI:FP

For more information, please visit www.coil.be

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