

Brussels, 27 July 2023 (17.45)

SLOWER FIRST HALF SALES IN 2023

CONTRASTING PERFORMANCE BETWEEN ACTIVITIES

COIL, world leader in the continuous anodising of aluminium in coil form, announces sales of €11.8M for the first half of 2023, down 15.4% compared with the first half of 2022, which was boosted by exceptionally high demand. Tolling Sales were impacted by a challenging environment marked by a sharp slowdown in demand, while Package Sales registered solid growth driven by the turnaround in the European project business.

❖ Sales evolution by quarter and by activity

(€M)	2023	2022	Variation
Q1	6.41	6.61	- 3.1 %
Q2	5.39	7.34	- 26.6 %
Half-year total	11.80	13.95	- 15.4 %
Of which			
Tolling Sales	9.28	11.68	- 20.6 %
Package Sales ¹	2.52	2.27	+ 11.1 %

❖ Tolling services: sharp slowdown in demand

In a difficult market environment, half-year tolling sales were €9.3M, down 20.6% compared with the first half of 2022. This represented 78.7% of total sales, compared with 83.8% the previous year. This decline was due to:

- i) an unfavourable basis of comparison with sales in the first half of 2022 (+18.5%) still boosted by the post-COVID-19 supply shortages,
- ii) metal distributors' conservative expectations of market trends based on a sharply lower LME price of aluminium, leading them to maintain their inventories at minimum levels in the short term, and
- iii) the emergence of a new competitor in the European continuous anodising market.

❖ Package Sales: recovery in project business

Half-year sales of Package Offers, in which the Company supplies continuous anodised aluminium directly to the end customer, came to €2.5M, up 11.1% on the previous year. This represented 21.3% of total sales, compared with 16.2% the previous year. This recovery in the Company's direct sales is mainly due to the increase in deliveries for high-end architectural projects in Europe. In addition, the Company has a solid pipeline of projects in Asia, which should translate into new orders by the end of the year.

❖ Outlook

In the short term, the decline in tolling activities and the product mix shift in favour of Package Offers will impact COIL's gross margin and results. To cope with this, the Company is optimising its operations by adjusting pricing

¹ Anodising and metal included

in line with inflation, consolidating production on a limited number of lines and optimising its variable cost base.. The investments made over the past few years and the flexibility of its industrial facilities will allow the Company to respond effectively to an expected upturn in subcontracting markets later this year..

In the medium and long term, the Company is confident in its development prospects, capitalising on its broad portfolio of premium, sustainable products with a lower carbon footprint, thereby boosting its business potential.

❖ Agenda

- 31 October 2023 First half 2023 results and half-year financial report (after 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 (electrolysis) 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 110 employees in Belgium and Germany and generated a turnover of €26,5 million in 2022.

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

For more information, please visit www.aloxide.com

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