

Press Release

Trading Update Q3 2024

REGULATED INFORMATION
INSIDE INFORMATION



TRADING UPDATE Q3 2024

Brussels, 18 November 2024

Cenergy Holdings S.A. (Euronext Brussels, Athens Stock Exchange: CENER), hereafter “Cenergy Holdings” or “the Company”, announces today its financial information for the nine months period ended on 30 September 2024 and the third quarter of 2024.

Strong margins improvement along with steadily high backlog Full year 2024 guidance confirmed

- **Revenue** reaches EUR 1.26 billion, **8% higher** than prior year’s corresponding period (9M 2023: EUR 1.17 billion).
- **Operational profitability** improves significantly during Q3 pushing adjusted EBITDA to **EUR 194 million** for the first nine months of 2024 (+34% y-o-y); profitability (a-EBITDA) margin for Q3 2024 exceeds 16% due to the solid performance of steel pipes segment and the improved products and projects mix in cables segment.
- **Order backlog¹** reaches **EUR 3.48 billion** on September 30, 2024 (from EUR 3.38 billion on June 30 and EUR 3.15 billion nine months earlier); capacity expansion plans in all our plants in Greece are on track and expected to be operational on time to address the rising backlog.
- Consolidated **profit before tax** more than doubles y-o-y to **EUR 123.1 million** (EUR 60.1 million in 9M 2023) with **net profit after tax** at **EUR 100.3 million** (+113% y-o-y from EUR 47.2 million in 9M 2023).
- FY 2024 guidance is confirmed to the range of **EUR 245 – 265 million** for adjusted EBITDA.

Commenting on the Group’s performance, Alexis Alexiou, Cenergy Holdings’ Chief Executive Officer, stated:

The strong margins recorded in the first semester continued during another three months, further showing our strong competitiveness and the resilience of our balanced business portfolio as the secular megatrends of electrification, energy security and energy transition continue unabated. Capacity in all our production lines remains highly utilized and we keep on focusing on strong project execution and smooth progress of ongoing investment plans. All of these provide confidence for our achieving our stated 2024 profitability objectives. Last but not least, the recent successful Share Capital Increase marks a historic step forward for Cenergy Holdings as it acknowledges the long-term trust relationship built with all our stakeholders and allows us to expand our production base in the USA.

¹ Backlog includes signed contracts, as well as contracts not yet enforced, for which the subsidiaries have either received a letter of award or been declared preferred bidder by the tenderers.

Financial Overview

<i>Amounts in EUR thousand</i>	9M 2024	9M 2023	Change (%)	Q3 2024	Q3 2023	Change (%)
Revenue	1,260,227	1,169,656	8%	448,071	371,384	21%
Gross profit	213,276	151,801	40%	80,632	60,120	34%
<i>Gross profit margin (%)</i>	16.9%	13.0%	395 bps	18.0%	16.2%	181 bps
a-EBITDA	193,772	144,989	34%	74,316	58,876	26%
<i>a-EBITDA margin (%)</i>	15.4%	12.4%	298 bps	16.6%	15.9%	73 bps
EBITDA	196,854	136,755	44%	75,658	57,506	32%
<i>EBITDA margin (%)</i>	15.6%	11.7%	393 bps	16.9%	15.5%	140 bps
a-EBIT	168,609	123,163	37%	65,720	51,552	27%
<i>a-EBIT margin (%)</i>	13.4%	10.5%	285 bps	14.7%	13.9%	79 bps
EBIT	171,692	114,928	49%	67,062	50,182	34%
<i>EBIT margin (%)</i>	13.6%	9.8%	380 bps	15.0%	13.5%	145 bps
Net finance costs	(48,600)	(54,826)	-11%	(16,854)	(20,932)	-19%
Profit before income tax	123,091	60,102	105%	50,208	29,250	72%
Profit after tax for the year	100,269	47,161	113%	43,806	23,530	86%
<i>Net profit margin (%)</i>	8.0%	4.0%	392 bps	9.8%	6.3%	344 bps
Profit attributable to owners	100,265	47,158	113%	43,806	23,524	86%

*All margins are calculated as percentage versus revenue.

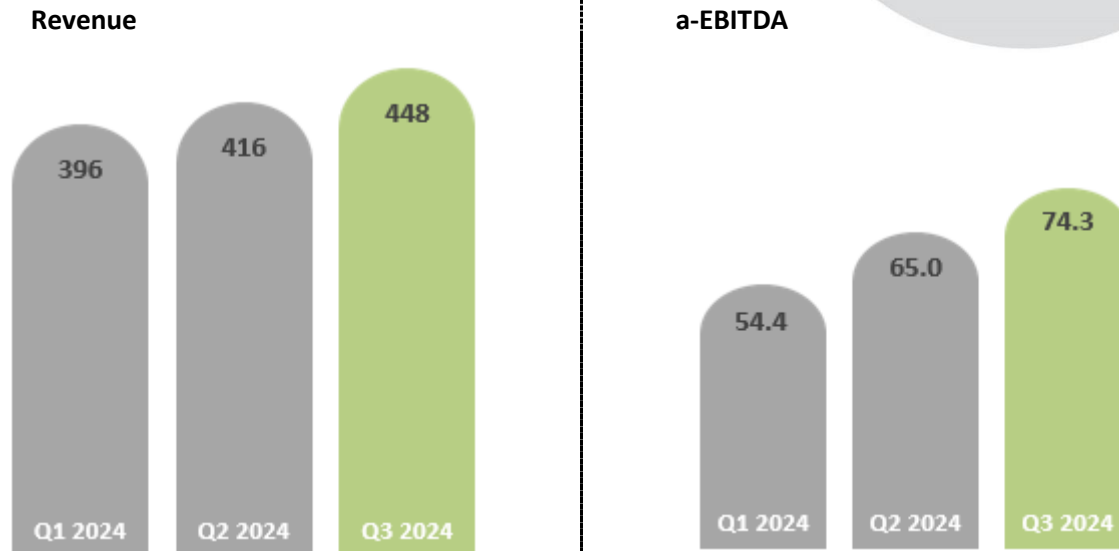
<i>Amounts in EUR</i>	9M 2024	9M 2023	Change (%)	Q3 2024	Q3 2023	Change (%)
Earnings per share	0.52730	0.24800	113%	0.23038	0.12373	86%

Sound execution of energy projects in both segments drives performance

Revenue grew by 8% for the nine-month period to EUR 1,260 million, with Q3 significantly higher (+21%) compared to 2023 Q3. Good execution plus a favourable mix of energy projects during 2024 Q3 led to significantly higher margins, especially in the steel pipes segment.

The **cables segment** progressed with the production of the 66kV inter-array cables for phase C of the Doggerbank OWF in the UK, while the first batches of export cables for the OstWind 3 project for 50Hertz were completed. The Thor OWF project in Denmark also progressed during Q3 as have several onshore projects, a fact which contributed further to Q3 2024 performance. At the same time, the sales and profit margins of cables products remained at satisfactory levels in all our main markets.

The **steel pipes segment** continued its strong performance during Q3 2024 at levels even better than those achieved in the first semester, fostered by the strong momentum recent awards created to its high backlog. During the third quarter, the segment continued the production of pipelines for Chevron, Snam and other customers, and the resulting project mix led to improved profit margins. Lastly, capacity upgrades in the HSAW mill are leading to larger quarterly production volumes.



Amounts in EUR million

Adjusted EBITDA reached EUR 74.3 million in Q3 2024 (+14% q-o-q, +26% y-o-y) due to the execution of a favourable mix of energy projects in both segments, along with full production schedules and improved profit margins, especially in steel pipes. 9-month a-EBITDA amounted to EUR 194 million, EUR 49 million (+34%) higher than last year's comparable period.

Net finance costs were EUR 48.6 million for the first nine months of the year, lower than the same period last year. As already outlined in the 2024H1 results, this de-escalation is due to lower credit spreads for all subsidiaries and to the slight cut in reference interest rates. Ongoing capacity expansions in the cables plants and larger working capital needs did not allow net debt levels to fall from H1 levels.

Higher operational profitability lifted **Profit before income tax** to EUR 123.1 million for the period ended on 30 September 2024, 105% higher than the EUR 60.1 million recorded in 9M 2023. **Profit after tax** for the same period stood at EUR 100.3 million (EUR 47.2 million in 9M 2023) representing 8% of revenue (9M 2023: 4%), and earnings per share amounted to 0.53 EUR.

Significant awards during the last months keep backlog at high levels

The successful tendering activity for both segments continued without any disruptions with total order backlog reaching a new high of EUR 3.48 billion as of September 30, 2024. Commercial teams secured several valuable orders from July to today, such as:

- the supply of 65km of 132kV inter-array cables for the Leading Light Wind project in the New York area developed by lead developer Invenergy and co-developer energyRe;
- the award of 118km of High Frequency Welded (HFW) steel pipes by Woodside Energy for the Trion Offshore Project in the Gulf of Mexico;
- a multi-year framework for MV and LV cables with Enexis Netbeheer for the expansion of the Dutch grid;
- a 3-yr framework agreement with RTE for the supply of 170km of 90kV cables, 420km of 225kV cables, associated accessories and the assembly of all these cable systems for its underground network development projects across France; and
- a turnkey contract by IPTO (ADMIE) for the design, supply, and installation of 150kV XLPE underground and submarine cables that will enhance the electrical interconnections between Kefalonia-Zakynthos and Lefkada-Kefalonia, the Ionian islands in Greece.

Subsequent events

As announced on October 11, 2024, 22,222,222 new ordinary shares of no nominal value of the Company were issued at a price per new share of EUR 9.00. The Share Capital Increase amounted to EUR 199,999,998.00. The new shares were offered in parallel through public offers in Belgium and Greece and private placements to certain institutional investors in various jurisdictions. Further information on the Share Capital Increase can be found in the related announcements of the Company and relevant material as published in its website (www.cenergyholdings.com).

On November 4, 2024, the Company announced that the share buyback program that started on July 29, 2024, was then completed. Cenergy Holdings currently holds 120,000 own shares, corresponding to 0.0565% of the total outstanding shares of the Company.

Outlook

The **cables segment** retains its strong medium term financial outlook as its order backlog keeps growing and capacity expansions in its facilities progress as planned. Increased demand for Renewable Energy Solutions, growing electricity demand and enhancements in power grids are some of the major trends for at least the next decade. Further on, the successful Share Capital Increase will allow the segment to establish a local production footprint in the US market. Finally, the demand for cables products (LV, MV and telecom) remains strong and orders are growing through the award of long-term framework contracts.

The **steel pipes segment** is building on its strengthened competitive position and continues its profitable growth, based on high-capacity utilization and new investments for productivity enhancement and capacity increase until the end of the year. Looking ahead, Corinth Pipeworks expects the gas fuel industry to keep on evolving as the main transitional fuel, followed, in the short term, by CCS projects and in the mid-term, by hydrogen infrastructure projects. As market conditions improve, so will the order backlog, while efficient execution of a profitable set of secured projects feeds into a positive outlook for the remainder of the year.

Given the strong order backlog for both segments and the strong profitability recorded so far, Cenergy Holdings confirms its expectation for an adjusted EBITDA in the range of EUR 245 – 265 million for the FY 2024. The financial outlook is subject to several assumptions including (a) smooth execution of energy projects in both segments, (b) timely and satisfactory execution of planned capacity expansions, and (c) limited financial impact from an uncertain global geopolitical and macroeconomic environment, high inflationary pressures and/or supply-chain challenges and/or potential disruptions.

Financial Calendar

Publication / Event	Date
Q3 2024 trading update - Conference Call	19 November 2024
Financial results FY 2024 – Press release	5 March 2025
Financial results FY 2024 – Conference Call	6 March 2025
Ordinary General Meeting 2025	27 May 2025

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About Cenergy Holdings

Cenergy Holdings is a Belgian holding company listed on both Euronext Brussels and Athens Stock Exchange, investing in leading industrial companies, focusing on the growing global demand of energy transfer, renewables and data transmission. The Cenergy Holdings portfolio consists of Corinth Pipeworks and Hellenic Cables, companies positioned at the forefront of their respective high growth sectors. Hellenic Cables is one of the largest cable producers in Europe, manufacturing power and telecom cables as well as submarine cables. Corinth Pipeworks is a world leader in steel pipe manufacturing for the energy sector and major producer of steel hollow sections for the construction sector. For more information, please visit our website at www.cenergyholdings.com.

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