

---

# Corticeira Amorim

---

## Consolidated sales surpass €500 million

---

### Highlights:

- Sales by Amorim Cork totalled €392 million, penalised by an unfavourable business climate and a fall in volumes
- Sales growth at Amorim Cork Composites, whose sales totalled €60 million
- EBITDA margin of 18.9%, despite the impacts of operating deleverage and cork consumption prices
- New organisational model, with the creation of Amorim Cork Solutions

### Message from António Rios de Amorim

Chairman and CEO

"In the first half of the year, we announced a new organisational model, with the creation in January 2025 of Amorim Cork Solutions, which will bring together three Business Units (BU): Amorim Cork Flooring, Amorim Cork Composites and Amorim Cork Insulation. We believe this new BU will lead to more efficient management of our 'non-stoppers' operations and enhance industrial, commercial and support synergies resulting from the sharing of resources and means, as well as the optimisation of installed production capacity and technologies.

The year 2024 has been impacted by a significant increase in cork consumption prices, reflecting the price hike during the 2023 campaign, challenging market conditions, including low visibility and pressure on volumes, and the restructuring of Amorim Cork Flooring. Our efforts are focused on strengthening financial solidity and protecting profitability levels through increased industrial efficiency, an improved product mix and market share gains."

### Performance and Consolidated Results

Corticeira Amorim's consolidated sales totalled €500.7 million in the first six months of 2024, a decrease of 7.1% compared with the same period of 2023.

All Business Units (BUs) registered a reduction in sales due, generally, to lower levels of business activity, except for Amorim Cork Composites, whose sales totalled €60.0 million, an increase of 3.2% compared with the first half of 2023. An adverse market context, particularly in terms of volume performance, continued to penalise Amorim Cork's sales, which decreased 7.1% compared with the same period of last year.

---

**AMORIM**

**Corticeira Amorim, SGPS, S.A.**

Edifício Amorim I  
Rua Comendador Américo  
Ferreira Amorim, 380  
4535-186 Mozelos, Portugal

[www.corticeiraamorim.com](http://www.corticeiraamorim.com)

IRO:

Ana Negrais de Matos, CFA  
T: + 351 227 475 423  
F: + 351 227 475 407

[ana.matos@amorim.com](mailto:ana.matos@amorim.com)

Listed Company

Share Capital: € 133 000 000,00

A company incorporated in Santa

Maria da Feira – Portugal

Registration and Corporate Tax ID No.

PT500077797

[instagram: amorimcork](https://www.instagram.com/amorimcork)

---

Consolidated EBITDA totalled €94.4 million, compared with €103.8 million in the first half of 2023, reflecting higher consumption prices for raw material cork and the impact of operational deleveraging. On the other hand, these effects were partially offset by the lower cost of non-cork raw materials, enhanced industrial efficiencies and product mix improvement., supporting the consolidated EBITDA margin at 18.9% (1H2023: 19.2%).

After results attributable to non-controlling interests, Corticeira Amorim closed the first half of 2024 with net earnings of €36.5 million, a reduction of 28.9% compared with the same period of 2023. This evolution reflects the inclusion of non-recurring costs (€5.3 million), as well as increased financial charges due to higher levels of indebtedness.

At the end of June, net remunerated debt totalled €237.5 million. Despite an increase in working capital needs (€30.0 million), dividend payments (€26.6 million) and increased investment in fixed assets (€22.2 million), Corticeira Amorim was able to reduce net debt by €3,4 million compared with the end of December 2023 (€240.8 million).

### **Change of the organisational model**

A demanding economic climate and increased competition have impacted the flooring market in Europe, consequently affecting the business of Amorim Cork Flooring over recent years.

In response to this situation and lacking any signs of recovery in the industry, a restructuring process of the BU began in May this year, involving adjustments to its production and support structures in line with the current sales, with the aim of reducing operational losses and increasing efficiency by means of industrial optimisation. This process also includes ongoing commercial optimisation measures and adjustments to the distribution model that involve the closure or optimisation of the BU's own distribution companies based overseas.

In addition, Corticeira Amorim has concluded that to improve its application offer for different sectors within its "non-stoppers" businesses, sharing resources and means, as well as making use of its installed production capacity and technologies will increase the efficiency and effectiveness of its operations. Industrial, commercial and support synergies have been identified between Amorim Cork Flooring and other BUs, that combined with the above measures, will significantly improve the performance of the flooring business.

Consequently, in the coming months, Corticeira Amorim will develop a new organisational model, bringing together the three BUs - Amorim Cork Flooring, Amorim Cork Composites and Amorim Cork Insulation - to form a new BU called Amorim Cork Solutions. The new BU will enhance Corticeira Amorim's sustainable growth potential, while the resulting synergies will lead to a more efficient organisation of its "non-stoppers" operations, improving performance over the medium term and contributing to the diversification of its application portfolio.

João Pedro Azevedo, the current CEO of Amorim Cork Composites, will accumulate the role of CEO of Amorim Cork Flooring and will become CEO of Amorim Cork Solutions from January 2025.

## Main Consolidated Indicators

		1H23	1H24	yoy	2Q23	2Q24	qoq
Sales		539,269	<b>500,736</b>	-7.1%	279,382	<b>266,041</b>	-4.8%
Gross Margin – Value		277,875	<b>271,402</b>	-2.3%	141,403	<b>139,968</b>	-1.0%
Gross Margin / Sales		51.5%	<b>54.2%</b>	+2.7 p.p.	50.6%	<b>52.6%</b>	+2.0 p.p.
Operating Costs - current		200,652	<b>206,396</b>	2.9%	98,604	<b>103,926</b>	5.4%
EBITDA - current		103,774	<b>94,444</b>	-9.0%	55,869	<b>50,765</b>	-9.1%
EBITDA/Sales		19.2%	<b>18.9%</b>	-0.38 p.p.	20.0%	<b>19.1%</b>	-0.92 p.p.
EBIT - current		77,223	<b>65,006</b>	-15.8%	42,799	<b>36,041</b>	-15.8%
Net Income	1)	51,360	<b>36,542</b>	-28.9%	27,588	<b>20,460</b>	-25.8%
Earnings per share		0.386	<b>0.275</b>	-28.9%	0.207	<b>0.154</b>	-25.8%
Net Bank Debt		187,247	<b>237,462</b>	50,216	-	-	-
Net Bank Debt/EBITDA (x)	2)	1.10	<b>1.42</b>	0.31 x	-	-	-
EBITDA/Net Interest (x)	3)	73.0	<b>45.5</b>	-27.42 x	65.8	<b>53.2</b>	-12.59 x

1) Includes non-recurring results, mainly related to Amorim Cork Flooring's restructuring plan.

2) Current EBITDA of the past four quarters.

3) Net interest includes interest from loans deducted of interest from deposits (excludes stamp tax and commissions).

Mozelos, July 29, 2024