

NEWS RELEASE

Eurohold maintains profitability in 2023 amid lower revenues

- Total revenues decreased by 33.5% to BGN 2.89 bln (EUR 1.48 bln)
- EBITDA fell 11.9% to BGN 207.58 bln (EUR 106.13 mln)
- Net profit reached BGN 78.63 mln (EUR 40.2 mln)

Sofia, June 8, 2024 - Eurohold Bulgaria AD continues to develop its operations steadily and maintain its profitability amid deepening geopolitical and economic challenges and uncertainties in Eastern and Southeastern Europe, the group's annual consolidated financial statement for 2023 shows.

The holding registered total revenues of BGN 2.89 billion (EUR 1.48 bln) and earnings before interest, taxes, depreciation and amortization (EBITDA) of approx. BGN 207.58 million (EUR 106.13 mln) in 2023, down by 33.5% and 11.9% percent, respectively, compared to the previous year. The company posted a positive 2023 net financial result of BGN 78.63 million.

Eurohold's energy business, which operates under **Electrohold** brand, increased its profitability despite the significant reduction of the electricity prices for business clients on the free market, compared to 2022. Lower revenues were offset by a larger decrease in power purchase costs and transmission technology costs.

Eurohold's insurance business, which operates through **Euroins Insurance Group AD (EIG)**, also performed solidly despite the ceased activities of Euroins Romania. The license of EIG's Romanian subsidiary was unjustifiably revoked by the Romanian financial supervisory authority ASF in March 2023, for which Eurohold and EIG are pursuing legal action, including arbitration proceedings at the International Centre for Settlement of Investment Disputes (ICSID) in Washington, DC. The claim is more than EUR 500 million.

Eurohold increased its revenues from insurance activities last year by 6% to BGN 507.62 million (EUR 259.54 mln). This data reflected accounting policy changes with reference to the implementation of the new International Financial Reporting Standard (IFRS) 17 in the insurance business, which included a recalculation of the values from the previous 2022 financial year. The holding's results contained some one-off effects as well.

EIG operates in a total of 11 European countries, including Romania, through its Bulgarian subsidiary - ZD Euroins AD, and under EU's freedom to provide services (FoS) provisions.

“Our energy business has been developing quite successfully. Our insurance business also remains stable and we expect to fully restore profitability in this segment in the short term,” commented Assen Christov, Chairman of **Eurohold's** Supervisory Board.

Eurohold Bulgaria AD

Eurohold Bulgaria AD is a leading energy and financial group operating in Central, Eastern and Southeastern Europe. It is listed on the Bulgarian and Warsaw Stock Exchange. Eurohold owns Electrohold, a leading energy group in Bulgaria and owner of the largest power distributor, supplier and trader in the country that has 3000 employees and serves more than 3 million consumers. Eurohold also owns Euroins Insurance Group AD (EIG), one of the largest insurance groups in the region. EIG provides a full range of insurance products, serves over 4 million customers in 11 countries and has over 2000 employees.

www.eurohold.bg; www.eig.bg; www.electrohold.bg