

NEWS RELEASE

Eurohold increases its profitability in the first quarter

The holding company reports stable results from the insurance business, regardless of the regulatory dispute in Romania

- Total revenues increased to nearly BGN 1.52 billion (EUR 777 million).
- EBITDA grew to BGN 326.5 million (EUR 167 million).
- Net profit rose to nearly BGN 264 million (EUR 135 million)

Sofia, 9 June 2023 - Eurohold Bulgaria AD, a leading energy and financial group in Southeast Europe, posted an increase in its financial results in the first quarter due to improved profitability of its energy business and stable results from the insurance operations, shows the consolidated report of the company for the period.

In January-March **Eurohold** registered total revenues of nearly BGN 1.52 billion (EUR 777 million) and earnings before interest, taxes and depreciation (EBITDA) and the amount of BGN 326.5 million (EUR 167 million). The net financial result is approximately BGN 264 million (EUR 135 million).

The energy business, which operates under **Electrohold** brand, is improving its overall profitability despite falling prices on the free market compared to the first quarter of 2022. In March **Electrohold** signed a 10-year purchase power agreement with Yettel and CETIN Bulgaria for the supply of electricity from renewable sources. A major part of the consumption under this contract will be provided by the Verila solar power plant (124 MW), which is the largest so far in Bulgaria.

Outside of Romania Eurohold's insurance business, concentrated in **Euroins Insurance Group AD (EIG)**, has been developing steadily. In March the license of the group's Romanian insurer was revoked by the local regulator, which the company's management has already informed that it had been done illegally and in violation of European legislation. Therefore, it will be challenged in the law court.

Deducting the loss from ceased operations due to the case with Romania, the group ends 2022 with EBITDA in the amount of BGN 244.5 million (EUR 125 million) and a positive net financial result of nearly BGN 21.8 million (EUR 10.15 million), according to the consolidated audited report for the period. With its results in the first three months of 2023, **Eurohold** compensated for the accounting loss for the previous year.

"Two years ago we took a big step in our new development strategy, entering the energy business, and it is already paying off. The activity of **Electrohold** is of the greatest importance to our performance. The vertical business model we have announced, which includes renewable energy generation, distribution, supply and trading of clean energy, is on the way. This creates solid opportunities for growth and fits perfectly into the EU's green transition strategy. Concerning the insurance business, regardless of the regulatory shock we received in Romania, we will not deviate from the mission we have stood for all the years in this industry - to provide qualitative, reliable insurance services, for which our millions of customers in the region have always relied on us. We believe that with the support of our shareholders and partners we will overcome the adverse consequences of the development of the Romanian

case, continue the process of diversifying our portfolio and achieve a good year," commented Assen Minchev, CEO of Eurohold.

Consolidated results of Eurohold for Q1 2023 in BGN

	Revenues			EBITDA			Net profit		
Segments	3M.2023	3M.2022	Change	3M.2023	3M.2022	Change	3M.2023	3M.2022	Change
	000'BGN	000'BGN	%	000'BGN	000'BGN	%	000'BGN	000'BGN	%
Energy	726,811	883,274	-17.7%	109,893	71,155	54.4%	57,013	25,854	120.5%
Insurance	789,530	168,898	367.5%	217,547	6,122	3453.5%	213,839	17,303	1135.8%
-gross written premium	643,256	114,148	463.5%	-	-	-	-	-	-
Financial-investment operations	5,855	2,494	134.8%	672	193	248.2%	592	118	401.7%
Total subsidiaries	1,522,196	1,054,666	44.3%	328,112	77,470	323.5%	271,444	43,275	527.3%
Parent company	323	527	-38.7%	-1,131	-1,208	-6.4%	-7,593	-6,431	18.1%
Total without eliminations	1,522,519	1,055,193	44.3%	326,981	76,262	328.8%	263,851	36,844	-
Intragroup eliminations	-2,886	-811	-	-461	808	-	147	57	-
Total after eliminations	1,519,633	1,054,382	44.1%	326,520	77,070	323.7%	263,998	36,901	-
Net profit from ceased operations	-	-	-	-	-	-	0	-28	-
Net profit	-	-	-	-	-	-	263,998	36,873	616.0%

Source: Consolidated statement for the period

Consolidated results of Eurohold for Q1 2022 in EUR

	Revenues			EBITDA			Net profit		
Segments	3M.2023	3M.2022	Change	3M.2023	3M.2022	Change	3M.2023	3M.2022	Change
	000'EUR	000'EUR	%	000'EUR	000'EUR	%	000'EUR	000'EUR	%
Energy	370,822	450,650	-17.7%	56,068	36,304	54.4%	29,088	13,191	120.5%
Insurance	402,821	86,172	367.5%	110,993	3,123	3453.5%	109,102	8,828	1135.8%
-gross written premium	328,192	58,239	463.5%	-	-	-	-	-	-
Financial-investment operations	2,987	1,272	134.8%	343	98	248.2%	302	60	401.7%
Total subsidiaries	776,631	538,095	44.3%	167,404	39,526	323.5%	138,492	22,079	527.3%
Parent company	165	269	-38.7%	-577	-616	-6.4%	-3,874	-3,281	18.1%
Total without eliminations	776,795	538,364	44.3%	166,827	38,909	328.8%	134,618	18,798	-
Intragroup eliminations	-1,472	-414	-	-235	412	-	75	29	-
Total after eliminations	775,323	537,950	44.1%	166,592	39,321	323.7%	134,693	18,827	-
Net profit from ceased operations	-	-	-	-	-	-	0	-14	-
Net profit	-	-	-	-	-	-	134,693	18,813	616.0%

Source: Consolidated statement for the period

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 3,000 employees.

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