

# PRESS RELEASE

## HOLLAND COLOURS RESULTS 2023/2024

### *MANAGING CHALLENGES WHILE FOCUSING ON THE FUTURE*

Significant market uncertainty and high interest rates had a negative impact on demand in most of our core business segments, with Building & Construction, in particular, being hit hard. Due to these continued unfavorable market conditions, the company saw a decrease in volume and average selling price and a decline of revenue in financial year 2023/2024.

Sales margins were managed well in the face of the volume slowdown, and operational costs were kept under control. At the same time, we renewed our strategy and we have established a clear path forward. The renewed strategy is a continuation of many elements of the previous one, combined with new initiatives related to growth, efficiency and the development of a position in the circular value chain.

Holland Colours can report the following results for the 2023/2024 financial year:

- 7.3% revenue decrease on the previous financial year;
- Operating result of € 7.0 million versus € 7.3 million in the previous year;
- Net result of € 5.2 million versus € 5.9 million in the previous year, while net earnings per share came in at € 6.02 versus € 6.82 the previous year;
- Final dividend proposed of € 2.59 million (€ 3.01 per share).

Revenue for the 2023/2024 financial year was € 103.3 million, a decrease of 7.3% on the previous year (€ 111.4 million). This included a negative impact (€ 2.1 million) arising from the translation from USD to EUR.

Volumes decreased versus previous year. Because of its strong long-term partnership with customers, the company kept its relative market position.

Revenue in the EMEIA division (Europe, Middle East, India and Africa) was almost the same as the previous year. Sales volumes fell, most notably in the first half of the financial year. We saw a slight recovery in the fourth quarter of the financial year. Revenue in Asia was down significantly by 23.2% in USD. In China, sales of our colorants were impacted by the ongoing flattening demand for extended shelf life (UHT) dairy products and changing packaging concepts. We also saw lower volume in the domestic Indonesian market and Southeast Asia export markets. The Americas division's revenue was down by 6.6% in USD because of lower market demand in Building & Construction.

The net margin for the Group was € 48.7 million, an increase of € 0.2 million on the year before. The margin as a percentage of revenue ended higher at 47.2%, versus 43.5% in the previous year. This increase was mainly due to the greater availability of, and lower costs related to, raw material prices.



Operating expenses were € 41.7 million, € 0.5 million (1.2%) higher than the previous year. The operating expenses were well managed, despite increased labor costs per FTE, inflation and one-off costs related to redesign of the organization.

The net result was € 5.2 million (€ 6.02 per share) versus € 5.9 million in the previous year (€ 6.82 per share).

Net cash flow came in at € 2.8 million positive in 2023/2024, versus € 1.2 million negative the previous year. This stemmed from, among other reasons, operating activities of € 10.8 million, a cash outflow from investment of € 4.5 million, a dividend payout of € 2.9 million and a cashout from other financial activities of € 0.6 million.

### **OUTLOOK 2024/2025**

Overall, there continues to be a high degree of uncertainty about global developments. Continuing higher interest rates have a negative influence on activity in the building and construction industry, which is our biggest market in Europe and North America. Packaging markets are primarily consumer related, and demand here is less subject to business cycles.

Our renewed strategy includes specific initiatives to accelerate the growth of our core business and we are committed to finding new innovative opportunities in the area of recycling and circularity. To do so, we will invest in our commercial and technology capabilities. Further, our strategy continues to be based on a commitment to solidifying our position as an independent supplier of colorants and additives. Holland Colours traditionally does not include financial forward-looking statements in its annual reports.

Apeldoorn, May 30, 2024

### **Board of Management**

Coen Vinke (CEO)

Eelco van Hamersveld (CTO)

Geert Rutgers (CFO ad interim)

# CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH

In thousands of euros	Note	2023/2024	2022/2023
Revenue	7	103,285	111,438
Cost of Materials		(54,539)	(62,938)
<b>Contribution Margin</b>		<b>48,746</b>	<b>48,500</b>
Personnel Expenses	*8	(22,253)	(21,872)
Amortization and Impairments	11	(5)	(64)
Depreciation and Impairments	12/13	(3,222)	(3,189)
Other Operating Expenses	9	(16,255)	(16,082)
<b>Total Operating Expenses</b>		<b>(41,735)</b>	<b>(41,207)</b>
<b>Operating Result</b>		<b>7,011</b>	<b>7,293</b>
Finance Income		141	58
Finance Expenses		(135)	(137)
<b>Finance Income and Expenses</b>		<b>6</b>	<b>(79)</b>
<b>Result Before Income Tax</b>		<b>7,017</b>	<b>7,214</b>
Income Tax	10	(1,835)	(1,345)
<b>Net Result for the Year</b>		<b>5,182</b>	<b>5,869</b>
<b>Attributable to:</b>			
Shareholders of the Company		5,182	5,869
<b>Net Result for the Year</b>		<b>5,182</b>	<b>5,869</b>
<b>Earnings per Share Attributable to Shareholders of the Company in Euros</b>	20		
Basic Earnings per Share		6.02	6.82
Diluted Earning per Share		6.02	6.82

\* Comparative numbers have been adjusted. Please refer to Note 8.



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH

In thousands of euros	Note	2023/2024	2022/2023
<b>Net Result for the Year</b>		<b>5,182</b>	<b>5,869</b>
<b>Items that will not be reclassified to profit or loss:</b>			
Actuarial Gains/(Losses) on Employee Benefits		-	27
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange Differences on Translation of Foreign Operations		407	715
<b>Other Comprehensive Income for the year, net of tax</b>		<b>407</b>	<b>742</b>
<b>Total Comprehensive Income for the year</b>		<b>5,589</b>	<b>6,611</b>
<b>Attributable to:</b>			
Shareholders of the Company		5,589	6,611
<b>Total Comprehensive Income for the Year</b>		<b>5,589</b>	<b>6,611</b>

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH

In thousands of euros	Note	2024	2023	In thousands of euros	Note	2024	2023
<b>Non-Current Assets</b>				<b>Equity</b>			
Intangible Assets	11	1	5	Share Capital	18	1,953	1,953
Property, Plant and Equipment	12	24,278	22,327	Share Premium Reserve	19	1,219	1,219
Right-of-Use Assets	13	1,250	974	Translation Reserve	19	721	506
Deferred Tax Assets	14	1,108	1,047	Other Reserves	19	57,562	55,135
		<b>26,637</b>	<b>24,353</b>			<b>61,455</b>	<b>58,813</b>
<b>Current Assets</b>				<b>Non-Current Liabilities</b>			
Inventories	15	15,189	15,565	Lease Liabilities	24	672	441
Trade and Other Receivables	16	16,851	16,588	Employee Benefits	25	458	739
Current Income Tax Receivables		1,198	1,492	Deferred Tax Liabilities	14	81	106
Cash and Cash Equivalents	17	18,523	15,757	Other Provisions	26	42	115
		<b>51,761</b>	<b>49,402</b>			<b>1,253</b>	<b>1,401</b>
				<b>Current Liabilities</b>			
				Trade and Other Payables	27	14,892	12,786
				Lease Liabilities	24	432	439
				Current Income Tax Liabilities		143	124
				Employee Benefits	25	223	192
						<b>15,690</b>	<b>13,541</b>
<b>Total Assets</b>		<b>78,398</b>	<b>73,755</b>	<b>Total Equity and Liabilities</b>		<b>78,398</b>	<b>73,755</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH

In thousands of euros	Share Capital	Share Premium Reserve	Translation Reserve	Reserve for Intangible Assets	Retained Earnings	Shareholders' Equity	Non-Controlling Interests	Total Equity
As at 31 March 2022	1,953	1,219	(209)	191	54,176	57,330	420	57,750
Net Result for the Year	-	-	-	-	5,869	5,869	-	5,869
Other Comprehensive Income	-	-	715	-	27	742	-	742
Total Comprehensive Income	-	-	715	-	5,896	6,611	-	6,611
Transfer of Reserve for Intangible Assets	-	-	-	(191)	191	-	-	-
Buyout of Minority Shareholder	-	-	-	-	-	-	(420)	(420)
Dividends Paid	-	-	-	-	(5,128)	(5,128)	-	(5,128)
As at 31 March 2023	1,953	1,219	506	-	55,135	58,813	-	58,813
Net Result for the Year	-	-	-	-	5,182	5,182	-	5,182
Other Comprehensive Income	-	-	407	-	-	407	-	407
Total Comprehensive Income	-	-	407	-	5,182	5,589	-	5,589
Transfer Translation Reserve	-	-	(192)	-	179	(13)	-	(13)
Dividends Paid	-	-	-	-	(2,934)	(2,934)	-	(2,934)
As at 31 March 2024	1,953	1,219	721	-	57,562	61,455	-	61,455

## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH

In thousands of euros	Note	2023/ 2024	2022/ 2023	In thousands of euros	Note	2023/ 2024	2022/ 2023
<b>Operating Result</b>		<b>7,011</b>	<b>7,293</b>	<b>Cash Flow from Investing Activities</b>			
Adjustments for:				Purchases Intangible Assets	11	(1)	-
• Amortization/Impairment Intangible Assets	11	5	64	Proceeds Sale Property, Plant and Equipment		16	3
• Depreciation/Impairments Property, Plant and Equipment	12	2,558	2,574	Purchases Property, Plant and Equipment	12	(4,469)	(3,879)
• Depreciation Right-of-Use Assets	13	664	616	<b>Net Cash from Investing Activities</b>		<b>(4,454)</b>	<b>(3,876)</b>
• Changes in Provisions	25/26	(323)	(147)	<b>Cash Flow from Financing Activities</b>			
• Changes in Working Capital		2,439	2,154	Purchases Financial Fixed Assets		-	(420)
• Exchange Rate Differences		(36)	(41)	Dividends Paid	21	(2,934)	(5,128)
<b>Cash Flow from Operating Activities</b>		<b>12,318</b>	<b>12,513</b>	Lease Liabilities Repayments	24	(665)	(597)
				<b>Net Cash from Financing Activities</b>		<b>(3,599)</b>	<b>(6,145)</b>
Income Tax Paid		(1,594)	(3,918)	Cash and Cash Equivalents as at 1 April		15,757	16,959
Interest Received		141	58	Exchange Rate and Translation Differences on Cash and Cash Equivalents		89	303
Interest Paid		(135)	(137)	<b>Cash and Cash Equivalents as at 31 March</b>	17	<b>18,523</b>	<b>15,757</b>
<b>Net Cash from Operating Activities</b>		<b>10,730</b>	<b>8,516</b>				

## SEGMENT REPORTING

Segments 2023/2024	EMEIA	Americas	Asia	NV	Eliminations	Total
Revenue	54,564	38,065	10,656	-	-	103,285
Intersegmental Transactions	1,240	44	6	-	(1,290)	-
Revenue including Intersegmental Transactions	55,804	38,109	10,662	-	(1,290)	103,285
Depreciation, Amortization and Impairments	(1,764)	(908)	(395)	(167)	7	(3,227)
Operating Result	2,620	2,251	1,028	5,269	(4,157)	7,011
Financial Income	1	24	109	298	(291)	141
Financial Expenses	(305)	(7)	(8)	(108)	293	(135)
Income Tax	(603)	(638)	(312)	(286)	4	(1,835)
Net Result	1,713	1,631	817	5,182	(4,161)	5,182
Non-Current Assets	16,091	5,861	2,609	62,448	(60,372)	26,637
Current Assets	23,536	19,326	9,222	1,394	(1,717)	51,761
Liabilities	17,048	4,125	1,638	2,387	(8,255)	16,943
Total Investments	3,935	437	98	-	-	4,470
Average Number of Employees (in FTEs)	196	91	102	21	-	410
Segments 2022/2023	EMEIA	Americas	Asia	NV	Eliminations	Total
Revenue	54,544	42,437	14,457	-	-	111,438
Intersegmental Transactions	1,281	52	-	-	(1,333)	-
Revenue including Intersegmental Transactions	55,825	42,489	14,457	-	(1,333)	111,438
Depreciation, Amortization and Impairments	(1,656)	(960)	(445)	(258)	66	(3,253)
Operating Result	862	3,389	1,797	5,797	(4,552)	7,293
Financial Income	3	20	36	170	(171)	58
Financial Expenses	(200)	(7)	(1)	(100)	171	(137)
Income Tax	(193)	(788)	(354)	2	(12)	(1,345)
Net Result	472	2,613	1,479	5,869	(4,564)	5,869
Non-Current Assets	13,409	6,028	2,717	62,215	(60,016)	24,353
Current Assets	22,182	16,694	10,591	839	(904)	49,402
Liabilities	14,755	1,290	1,795	4,244	(7,142)	14,942
Total Investments	3,264	377	210	28	-	3,879
Average Number of Employees (in FTEs)	204	101	113	20	-	438





## NOTES

### General

The condensed consolidated financial information for the year 2023/2024 with related comparative information has been prepared using accounting policies which are based on International Financial Reporting Standards (IFRS).

### Disclaimer

This press release is based on the annual financial statements and contains only a part of these statements. The annual financial statements are published on May 30, 2024 and will be presented to the General Meeting of Shareholders for adoption on July 11, 2024.

The auditor has issued an independent auditor's statement of approval for the annual financial statements that have been prepared.

# FIVE-YEAR SUMMARY

IN MILLIONS OF EUROS, UNLESS STATED OTHERWISE

	2023/24	2022/23	2021/22	2020/21	2019/20
<b>Income statement</b>					
Revenue	103.3	111.4	110.5	96.0	101.5
Operating result before depreciation and amortisation (EBITDA)	10.2	10.6	17.0	15.5	13.7
Depreciation of property, plant, equipment and intangibles	(3.2)	(3.3)	(3.3)	(3.1)	(2.9)
Operating result	7.0	7.3	13.6	12.4	10.8
Interest	-	(0.1)	(0.1)	(0.1)	(0.1)
Income tax	(1.8)	(1.3)	(3.3)	(2.8)	(2.8)
Result of discontinued operations	-	-	-	-	(0.0)
Net result	5.2	5.9	10.2	9.6	7.9
<b>Statement of financial position</b>					
Total assets	78.5	73.8	79.6	68.7	63.2
Total equity	61.6	58.8	57.8	50.6	47.1
Interest-bearing debt	-	-	-	-	-
Working capital <sup>1</sup>	21.4	22.6	26.0	19.6	21.3
Invested capital <sup>2</sup>	45.1	46.3	39.8	38.1	39.9
Cash	18.5	15.8	17.0	16.6	7.7

<sup>1</sup> inventories + trade accounts receivable -/- trade accounts payable

<sup>2</sup> equity, long term debt 3rd parties, employee benefit obligations -/- cash

<sup>3</sup> sum of long-term financing, translation differences on cash and cash equivalents and derivatives and taxes

<sup>4</sup> equity as % of balance sheet total

<sup>5</sup> operating result as % of the invested capital

	2023/24	2022/23	2021/22	2020/21	2019/20
<b>Statement of cash flows</b>					
Cash flow from operating activities	10.8	8.5	8.0	14.5	7.8
Investments	(4.5)	(4.3)	(3.3)	(2.0)	(4.2)
Repayment lease liabilities	(0.7)	(0.6)	-	-	-
Dividend	(2.9)	(5.1)	(4.7)	(3.9)	(3.0)
Other financial activities <sup>3</sup>	0.1	0.3	0.4	0.3	(0.5)
Net cash flow	2.8	(1.2)	0.3	9.0	0.2
<b>Revenue per division</b>					
EMEIA	54.5	54.5	58.5	49.4	53.2
Americas (in USD)	41.3	44.2	43.7	37.9	36.1
Asia (in USD)	11.6	15.1	16.6	17.2	18.7
<b>Ratios</b>					
Return on Sales (ROS)	6.8%	6.6%	12.3%	12.9%	10.6%
Solvency <sup>4</sup>	78.4%	79.7%	72.5%	73.6%	74.5%
Return on Investment (ROI) <sup>5</sup>	15.5%	15.8%	34.2%	32.6%	27.0%
Working capital in % of revenue	20.7%	20.3%	23.5%	20.4%	21.0%
Market capitalisation as at March, 31	85.2	101.5	134.6	106.7	68.8
Number of shares outstanding	860,351	860,351	860,351	860,351	860,351

## PROFILE

Holland Colours develops and manufactures groundbreaking solid and liquid color concentrates, plus masterbatches and additive concentrates for rigid and flexible PVC for the building & construction industry, and for the production of PET and polyolefin-based packaging. We also produce color concentrates for use in coatings, sealants & adhesives and other applications.

As a company, we set out to deliver customer peace of mind through superior product performance, world-leading product stewardship and outstanding technical service. Our experts co-design color and functional solutions with our customers, develop solutions to support recycling and actively contribute to creating a more sustainable industry overall.

Holland Colours is a Dutch company, founded in 1979 and listed on the Euronext Amsterdam Stock Exchange. With committed employee shareholders and production locations in the Americas, Europe and Asia, we serve customers on every continent. To find out more, visit us at [hollandcolours.com](https://hollandcolours.com).

## KEY DATES (provisional)

July 11, 2024	Annual General Meeting of Shareholders
July 15, 2024	Ex-dividend listing
July 16, 2024	Dividend record date
July 26, 2024	Dividend payable
October 31, 2024	Publication of interim results 2024/2025
May 28, 2025	Publication of 2024/2025 financial statements
July 10, 2025	Annual General Meeting of Shareholders

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