

## **Selena increases its profitability and generates EUR 4.5 million in net profit in Q1 2024**

**Selena – a global leader and distributor of construction chemicals and one of the four largest global producers of mounting foams for construction – achieved net profit of EUR 4.5 million in Q1 2024, a significant increase compared to the same period last year. Selena has achieved the presented set of results despite the continuously challenging market and unfavorable business environment, with the relative stabilization of raw material prices and the steady focus on optimization and market activities planned out by the management board.**

The sector remained influenced by the pronounced market slowdown in 2023 as it continued into the first quarter of 2024, caused by rising general inflation, high interest rates and borrowing costs, and dampened demand for construction chemicals. The measures taken by Selena's management board in the second half of 2023, supported by a detailed analysis of activity in global markets, helped set the right action lines that were primarily designed to reduce the negative impact of market processes as much as possible. And that response translated into the increase in financial results in the first quarter of 2024. The gross profit margin growth reported at the 2023-end has continued since beginning of this year. Revenues from the sale increased to EUR 92.6 million in Q1 2024, resulting in a strong gross profit margin that stood at 33.8% at the end of March. Steps were also continued to increase revenues in Western Europe, the key development market in the context of Selena's business goals. In the reporting period, sales in that market increased by 5.5%.

Selena also maintained its marketing initiatives aimed at strengthening its brand, with a particular focus on its leading brand Tytan Professional® and its Spanish equivalent Quilosa Professional®, with a view to increasing their visibility and recognition among the relevant target group – building contractors.

In Q1 2024, gross profit rose to EUR 31.3 million compared to EUR 25.4 million in the year-ago period.

Selena's net profit in Q1 2024 came in at EUR 4.5 million. Operating profit increased to EUR 6.4 million from EUR 89 thousand in Q1 2023, when the performance of the entire industry was strongly affected by the weaker economic situation on the Polish and Western European markets, in particular lower demand and earlier stock-building.

*“The unfavorable marked we experienced in 2023 was also observed in the first quarter of this year. One of the main challenges facing the industry is the rising costs of raw materials and energy, which in turn may affect product costs and demand. We're carefully watching the market and flexibly responding to any developments. This market dynamics is directly reflected in our decisions. We diversify the products and markets in which we operate, focusing on solutions from the areas of thermal upgrades, waterproofing and innovative construction methods. Importantly, we're increasing our presence in other countries. We're broadening our areas of operations and scaling up our business not only in Poland, but also in Western Europe and both Americas. These development directions will be continued in 2024 and I strongly believe they will yield fruit,”* says Sławomir Majchrowski, CEO of Selena Group.

The presented financial results for Q1 2024 are a testament to Selena Group's good health. Operating profit (EBIT) was EUR 6.4 million, and EBITDA margin increased to 9.5%. The goals and directions set will be maintained in the following months alongside continuation of the commenced initiatives, especially as the market environment remains highly challenging.



For more details, please visit: [selena.com](https://selena.com) and the press office: [selenagroup.prowly.com](https://selenagroup.prowly.com).

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**Additional information:**

**Selena Group** is a global producer and distributor of construction chemicals and one of the four largest global producers of mounting foams for construction. For over 30 years, it has been successfully delivering innovative products that accelerate and facilitate work on construction sites in nearly 100 countries. Its foams, sealants, adhesives, waterproofing products, insulation systems, fastenings, and the complete energy roof system not only help in saving energy, water and time, but also substantially increase the energy efficiency of buildings. Selena Group has been actively working for sustainable construction. It participates in projects of the Polish Green Building Council (PLGBC) and the Polish ESG Association. Selena Group comprises 30 companies in 19 countries, and in 7 of those countries it has its own R&D laboratories.