

PRESS RELEASE

VELCAN HOLDINGS: HALF YEARLY RESULTS (CONSOLIDATED AND UNAUDITED) FINANCIAL RESULT AFFECTED BY FOREX VARIATION LEADING TO A SHARP DECREASE OF THE NET PROFIT

	<u>30.06.2025</u>	<u>30.06.2024</u>	<u>Var %</u>
Turnover Half Year (Million Euros)	1.0	1.0	+3%
Net Result Half Year (Million Euros)	0.6	4.0	-85%
	<u>30.06.2025</u>	<u>31.12.2024</u>	
Cash and Financial instruments (Million Euros)	132	135	-3%
Consolidated Equity (Million Euros)	135	135	+0%

Brief comments on 2025 first half

- H1 2025 was marked by heightened volatility across trade, macroeconomic and geopolitical fronts, notably due to renewed U.S. trade tensions with China and India. Safe-haven assets such as gold and bitcoin appreciated, while equities overall remained resilient despite sharp swings following U.S. tariff announcements. In China, authorities introduced measures to support liquidity, consumption and high-tech/AI sectors, though the real estate market remains under pressure. Global central banks turned more accommodative, while the Bank of Japan began adjusting its yield-curve control policy and raising rates.
- The portfolio gained EUR 10.8 m excluding forex effects, partially offset by EUR –8.2 m in currency losses, resulting in a net portfolio gain of EUR 2.6 m versus EUR 6.1 m in H1 2024. As of 30 June 2025, assets comprised 33 % equities, 30 % sovereign bonds, 27 % cash and equivalents, with the remainder in short positions, BRL/INR instruments and private equity. The net cash position was EUR 74.6 m (excluding BRL and INR MM funds).
- Revenue from the Rodeio Bonito hydropower plant in Brazil totalled EUR 1.0 m (+3 % YoY in EUR, +19 % in BRL). Despite lower production due to drought, financial impact remained limited thanks to a new energy-sale mechanism mitigating volume shortfalls.
- Operating costs were stable at EUR –2.4 m, and depreciation and provisions at EUR –0.2 m. The Group net result was a profit of EUR 0.6 m (vs EUR 4.0 m in H1 2024), mainly reflecting lower financial income. Total comprehensive income stood at EUR 0.4 m (vs EUR 3.3 m in H1 2024).
- Shareholders' equity amounted to EUR 134.9 m as of 30 June 2025, up slightly from EUR 134.8 m at year-end 2024. Under the share buyback program launched in January 2025, the Company repurchased 32,328 shares for EUR 551 k, while 15,834 shares were distributed to employees under existing free-share plans.

Brief comments on the Company's stock market

- The Board has taken note of recent press articles drawing comparisons between the Company and other issuers operating on regulated markets, notably in Belgium. It has also received questions from shareholders on related matters.
- The Board of Directors wishes to clarify certain technical points, particularly for minority shareholders. Such comparisons are not relevant, as Luxembourg's Euro MTF, where the Company's shares are listed, is not a

regulated market and operates under a distinct and lighter regulatory framework. In particular, issuers listed on the Euro MTF are not subject to mandatory buyout or sell-out procedures that apply on regulated markets such as Euronext Brussels or Euronext Paris, which are designed to protect minority shareholders in the context of public offers. The Board also recalls that the Company has never conducted a public offering of its shares, contrary to the issuers referred to in the aforementioned comparisons.

- Regarding certain comments on the Company's share price being considered low, the Board notes that since February 2025, the shares have consistently traded at a discount of approximately 40 % to their Net Asset Value (NAV) — a level significantly narrower than in previous years. This discount is broadly in line with those observed for comparable listed investment holding companies. However, the Board underlines that most of those peers are larger in size, listed on regulated markets, and have a more diversified shareholder base. Given the Company's non-regulated market listing, the limited liquidity of its shares, and its concentrated and stable ownership structure — with the two founding families together holding by now about 50 % of the capital and 74 % of the voting rights — a wider discount would not be unusual.
- The Board reaffirms that the Company's investment policy remains guided solely by long-term capital preservation and disciplined asset allocation, in line with its prudent management philosophy. The ultimate objective is to enhance the Group's shareholders' equity over time, thereby benefiting all shareholders.

The complete half yearly report 2025, including the condensed and non-audited financial statements as of 30 June 2025, is available online at <http://www.velcan.lu/investors/reports-accounts/>

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About Velcan Holdings

Velcan Holdings is an investment holding company founded in 2005, managing a global portfolio of participations and investments.

The company was launched more than 15 years ago by its reference shareholder LHP SA, owned by Velcan Holdings' management team.

Velcan Holdings is listed on the unregulated Euro MTF Stock Market in Luxembourg (Ticker VLCN/ISIN FR0010245803). Velcan Holdings never performed any Public Offer as understood under Directive 2003/71/CE of the European Parliament and Council.

Disclaimer

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