

# Q1'22 Financial Results



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**Who we are**



# ElvalHalcor at a Glance.

Annual Figures of 2021.



**2.9**

EUR billion  
revenue



**2.6**

EUR billion  
Sales ex. Greece



**167**

EUR million  
adj. EBITDA



**552**

Thousand tons  
volume of sales



**>94**

Countries  
products are  
shipped



**17**

State of the art  
production  
plants



**>700** EUR

million investments  
during the  
last 10 years



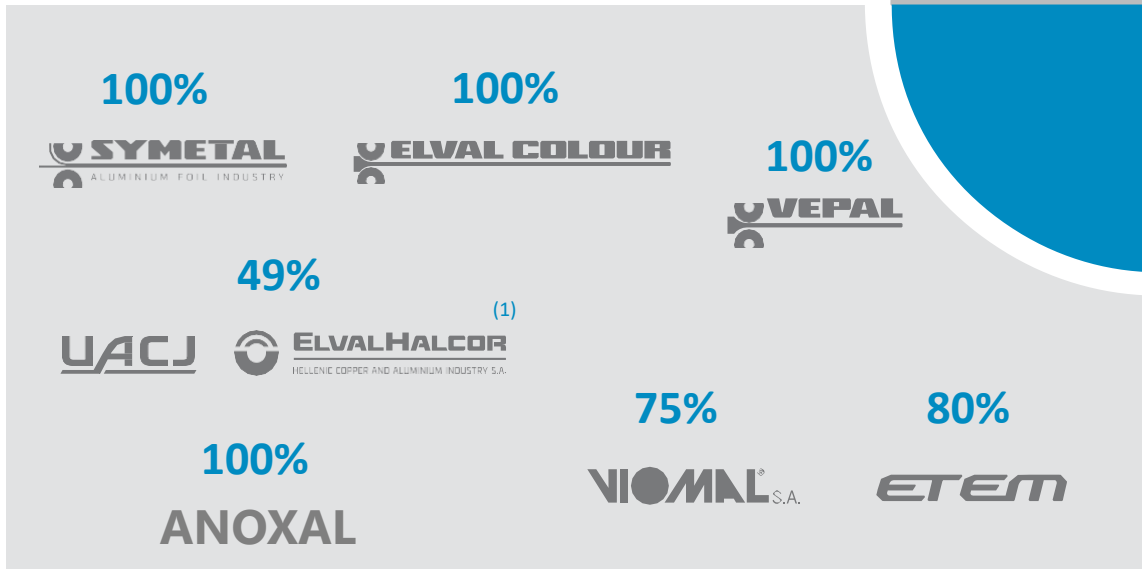
**0.03** EUR

per share dividend for 2021  
to be distributed in 2022

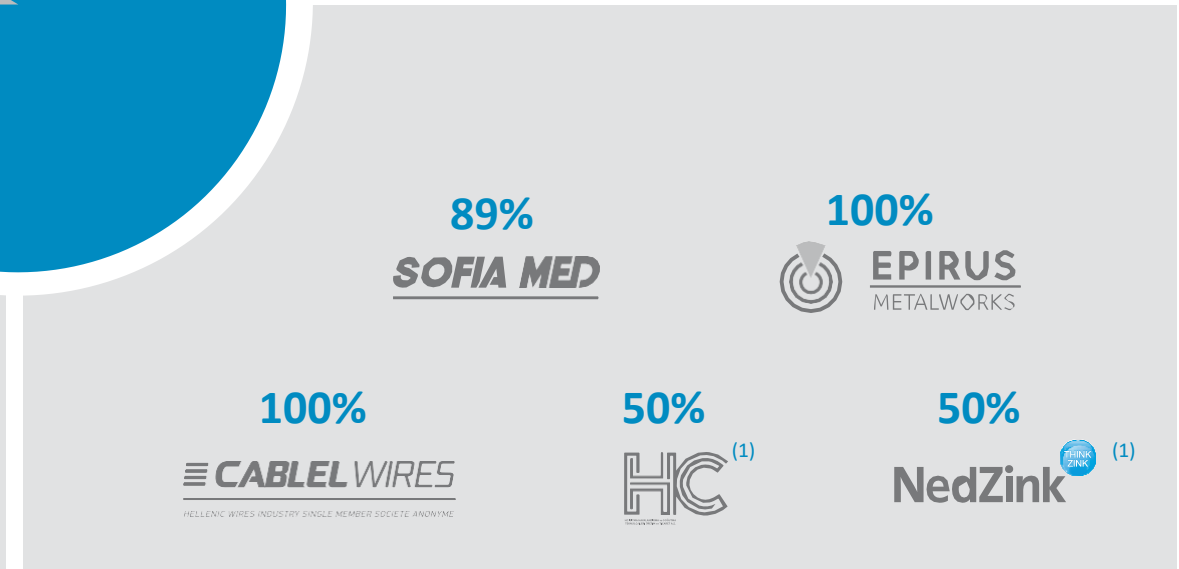
# Corporate Structure Overview.



## Aluminium segment



## Copper segment



1. UACJ ElvalHalcor, HC Isitma and Nedzink are JVs

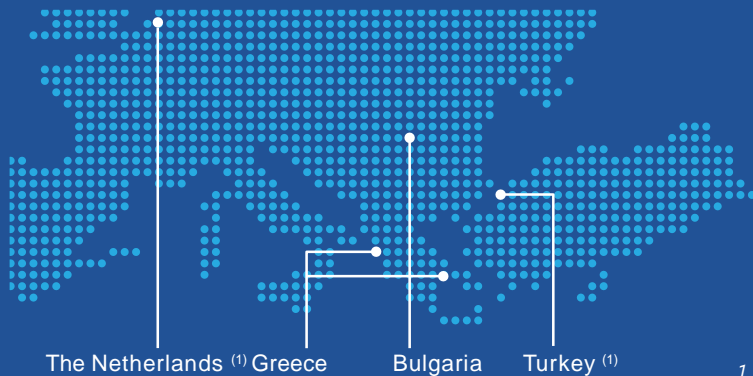
# International Focus.

Highly extrovert business model with solid sales in **more than 84 countries** for Q1'22 around the globe and revenues generated abroad representing

€ **92%** of total turnover

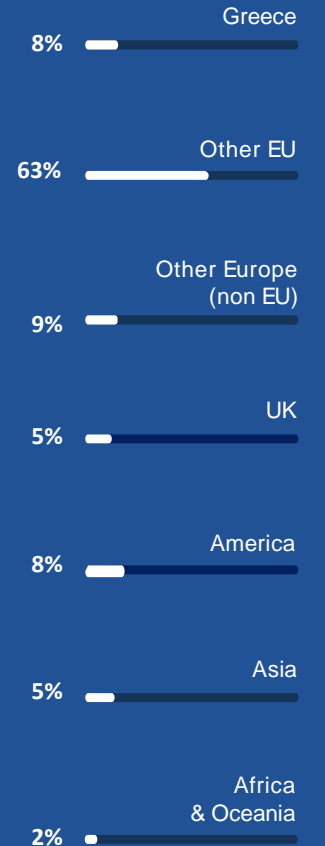


## Production facilities



1. NedZink B.V. and HC Isitma production facilities are JVs

Group turnover (Q1'22)



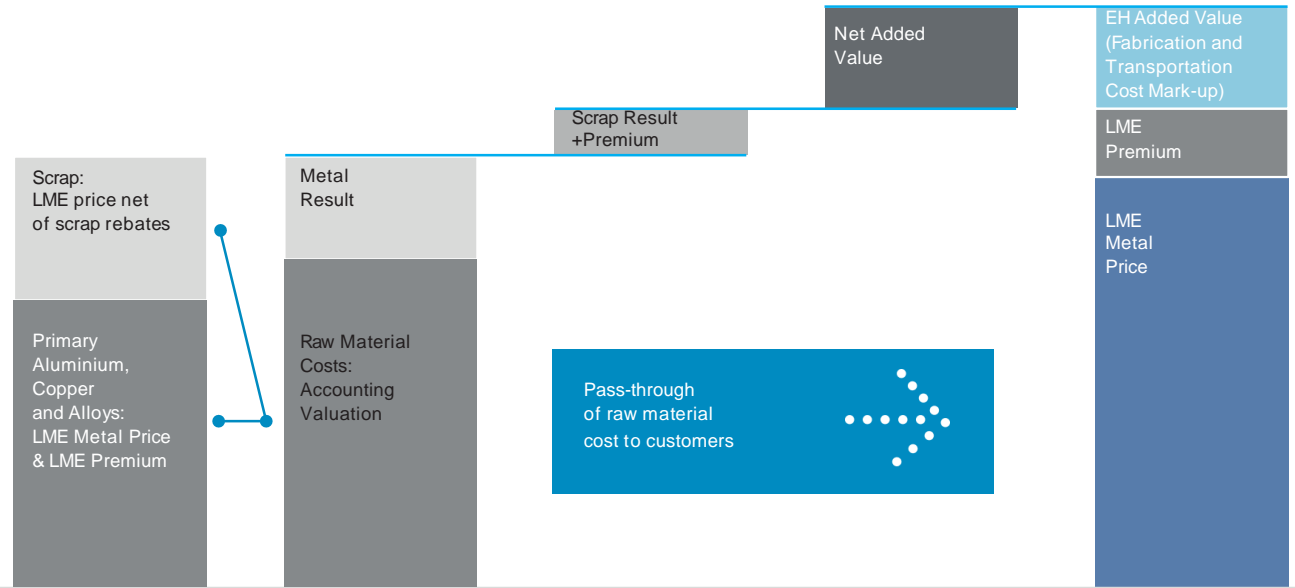


# Pass-through Business Model.

Focus on maximizing Net Added Value, with limited exposure to commodity price volatility

## Raw Material Costs

## Sales Price



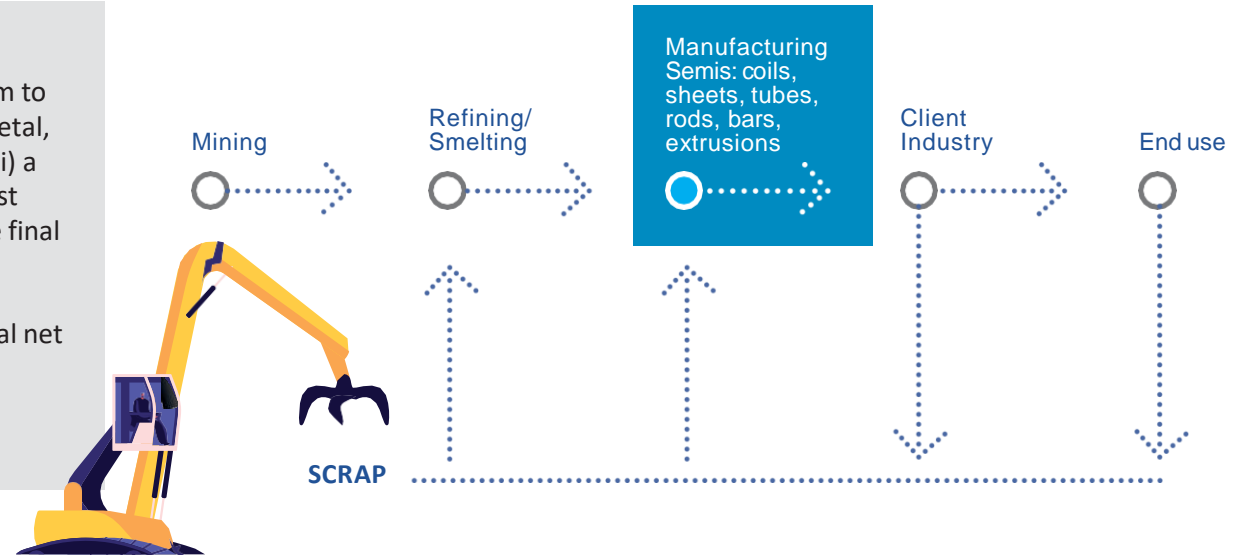
ElvalHalcor purchases primary copper and aluminium, scrap and alloying metals to remelt the materials and create products.

Majority of cost of raw materials is directly linked to LME metal price, which is passed on to customers.

ElvalHalcor creates net added value primarily through a fabrication cost mark-up.

Premiums are charged on top of LME prices including (i) premium to cover cost of receiving physical metal, (ii) any regional premiums, and (iii) a conversion price, representing cost and margin on manufacturing the final product.

As a result, ElvalHalcor has minimal net exposure to aluminium and copper prices.



**Mega trends,  
Growth drivers  
& Strategic Priorities** 



# Mega trends. Enablers.



## Clean, circular economy

- Low carbon and recyclable products
- Products with high recycled content
- Sustainable packaging
- Plastic replacement



## Transition to climate neutrality

- Electrification
- Power storage
- E-mobility
- RES growth



## Urbanization

- Sustainable buildings
- Energy efficiency in buildings
- Smart buildings
- Digitalization
- Health & wellbeing

# Mega trends. Products.

## Aluminium segment's products & solutions

- Sheets and coils for beverage cans, food containers, closure caps and aerosol valves. Foil for pouches and blister packs.
- End of life recycling, mainly for the packaging, building and transportation sector

- Sheet, plates, coils and profiles for marine applications and road, rail transportation vehicles.
- Sheets and coils for automotive applications, heat exchangers, foil for rechargeable batteries
- Sheets and coils for bus ducts, telecommunication cabins, energy and power networks
- Tread plates and wide sheets for windmill platforms and nacelles
- Anodized or coated profiles for bicycle rims

- Mill finish or coated sheets and profiles for building & construction applications
- Coils for multilayer tubes for water supply and sanitary systems and extruded profiles for heat sinks
- Brazing strips for residential heat exchangers
- Sheets, coils and profiles for solar panels and photovoltaic applications



## Copper segment's products & solutions

- End of life recycling

- Cu and special alloys strips for automotive and e-mobility
- Tubes for heat pumps and other energy efficiency HVAC&R systems
- Tubes for green refrigeration
- Strips for transformer units
- Cu bus bars for wind generators
- Electroplated bus bars for RES electrical components
- Hot Dip Tinned strips for connectors used in automotive and electrical applications
- Cu bus bars for wind generators
- Tubes for geothermal applications
- Insulated tubes for solar applications
- Tubes and strips for solar panels
- Strips and foil for cable screening and high frequency cables for smart cities.

- Energy efficiency HVAC&R systems - tech products and support services
- Thermally insulated tubes in buildings
- Tubes for natural gas networks



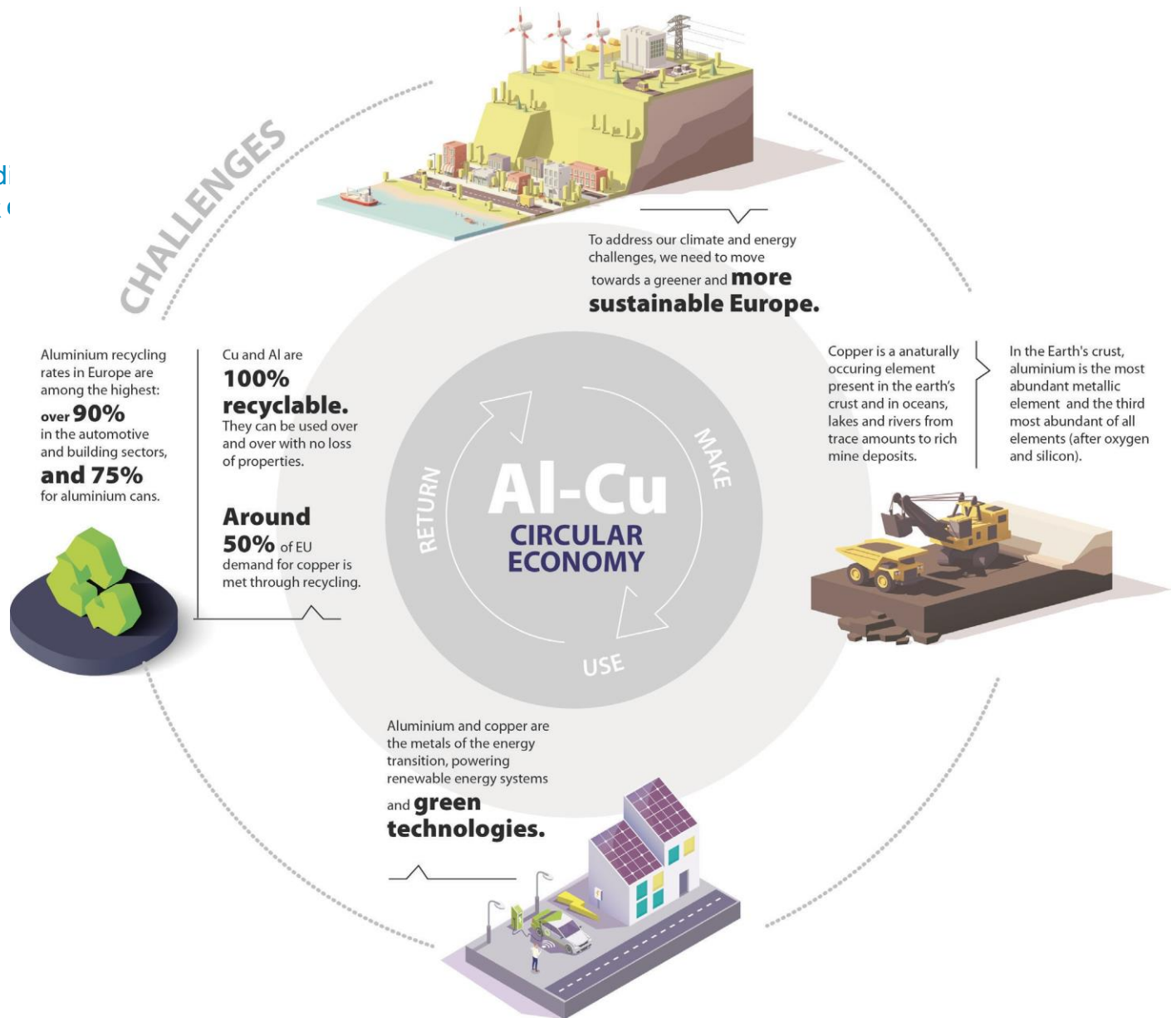
# Overview of Growth Drivers.

Global effort for reduction of plastic pollution is leading to increased demand for fully recyclable materials like aluminium and copper.

Aluminium and Copper are 100% recyclable without loss of properties, making each of them a very sustainable material of choice for the Circular Economy.

The idea of Circular Economy aims to respond to limited resources and a growing population and is based on products and services that are able to limit waste of natural resources.

Aluminium and Copper materials fit right into this idea, and millions of tonnes are recycled each year to maximize their utility to future generations.



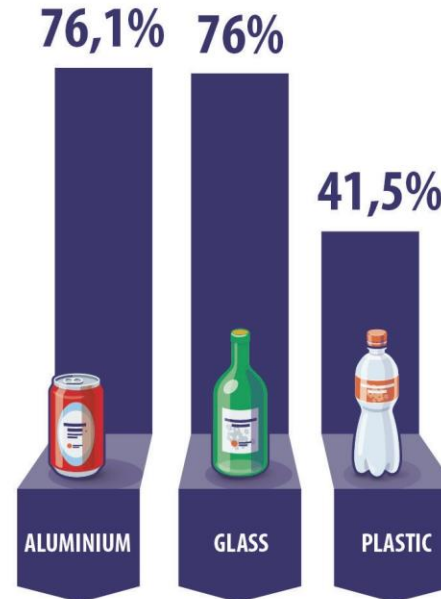
# Overview of Growth Drivers.

Global effort for reduction of plastic pollution is leading to increased demand for fully recyclable materials like aluminium and copper.

The aluminium can is the most recycled beverage container by consumers. The closed loop nature of aluminium can recycling, and the metal's inherent high value in the recycling stream, drive a virtuous environmental and economic cycle.



## Recycling rates of main packaging materials in EU



ABOUT **75%** OF ALL **ALUMINIUM** EVER PRODUCED IS STILL IN USE.

RECYCLING BEVERAGE CANS USES ONLY **5% OF THE ENERGY** USED TO PRODUCE PRIMARY ALUMINIUM.

USED ALUMINIUM DRINK CANS CAN BE RECYCLED & BACK ON SUPERMARKET SHELVES AS NEW DRINK CANS IN AS LITTLE AS **60 DAYS**.

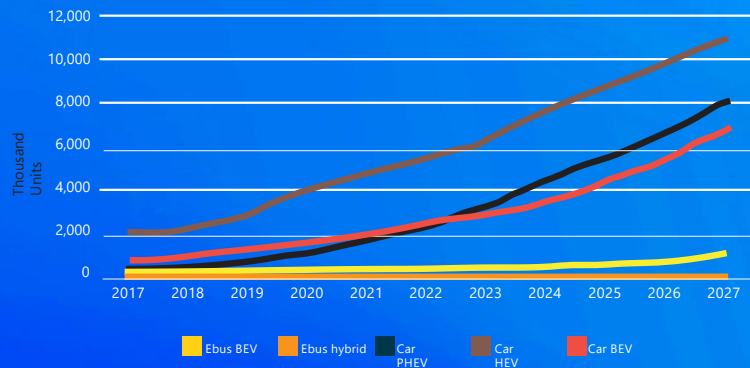
EUROPEAN ALUMINIUM HAS SET A TARGET OF **100% RECYCLED ALUMINIUM CANS** BY YEAR 2030.

# e-mobility. Cu-Al.

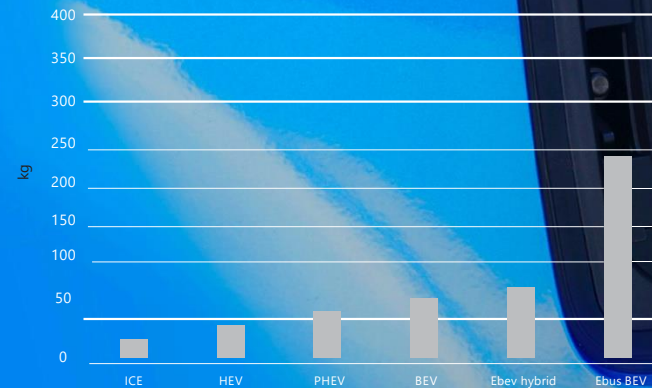


Copper and aluminium demand will be substantially impacted by the growing market for electric vehicles (EVs) over the next decade. Copper is used in electric motors, batteries, inverters, wiring and in charging stations. Battery boxes are strong drivers for aluminium.

Electric Vehicle Forecast



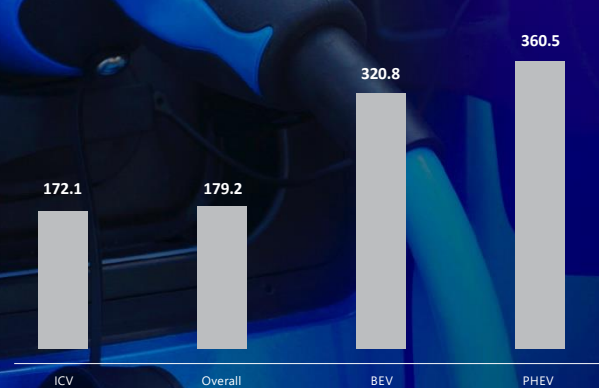
Copper content in kg by type of electric vehicle



The demand for copper due to electric vehicles is expected to increase by 1,700 kilotons by 2027. In addition, each EV charger will add 0.7 kg of copper. Fast chargers can add up to 8 kg of copper each.

Average Aluminium Content per Vehicle

Comparison by Powertrain Variant (2019, Net Weight in Kg)



Electrification components will be the main growth area of aluminium in cars by 2025. Alone Battery Boxes account for nearly 2/3 of the aluminium content increase.

# Strategic Priorities.

Capitalizing on market trends and own strengths to accelerate EBITDA growth

## Situation Overview / Actions

### Aluminium

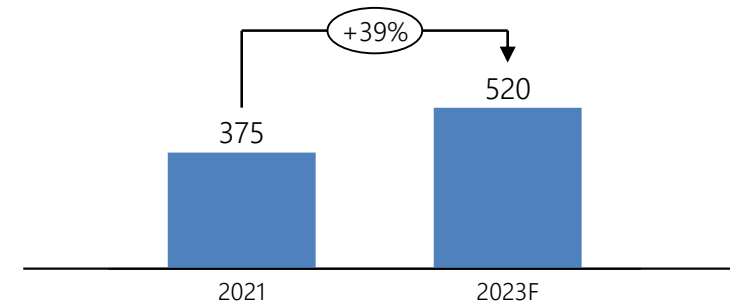
- Currently operating near full capacity which is increasing to 375 <sup>(1)</sup> thousand tons as the integration of the new Hot mill is progressing, allowing for improving sales/product mix profitability.
- New EUR 100m investment with the aim to utilize up to 520 thousand tons of the additional hot rolling capacity of the EUR 150m investment. Investment includes a cold rolling mill and lacquering line.
- Smaller investments required in order to be able to fully utilize the full capacity of 520 thousand tons.

### Copper

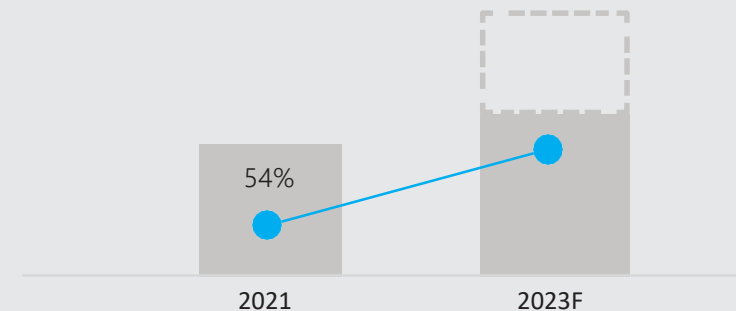
- After turnaround of FRP copper and alloy unit, consistently gaining market shares and quantities even during the pandemic, taking advantage of excess capacity, competitive advantages and market dynamics.
- High capacity utilization for tube plants and market positioning driving sales mix profitability.

## Situation Overview / Actions

Increase Installed Capacity ('000tn)<sup>(1)</sup>



Increase Capacity Utilization<sup>(2)</sup>



1. Refers to the main Aluminium FRP plant; revised from 360 kt. After efficiency improvements and smaller investments

2. Refers to Sofia Med's Flat Rolled Products capacity of the plant in Bulgaria, estimated at 110kt.

**Financial**

**Highlights**

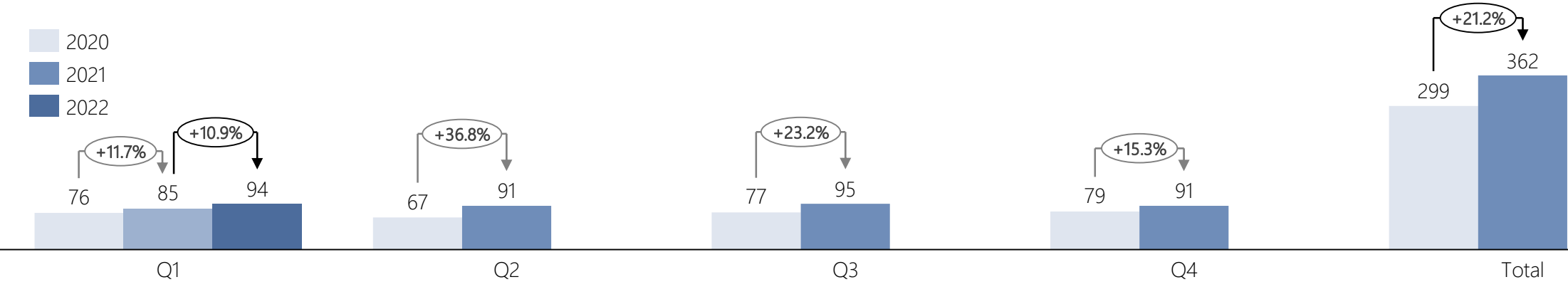


# Sales evolution per quarter.

## Sales Volumes ('000tn)

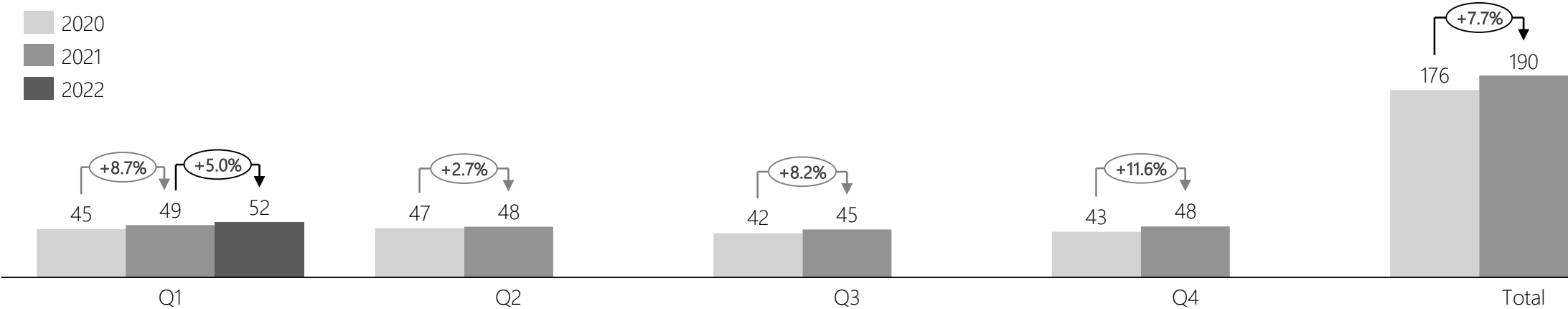
### Aluminium

- 2020
- 2021
- 2022



### Copper

- 2020
- 2021
- 2022

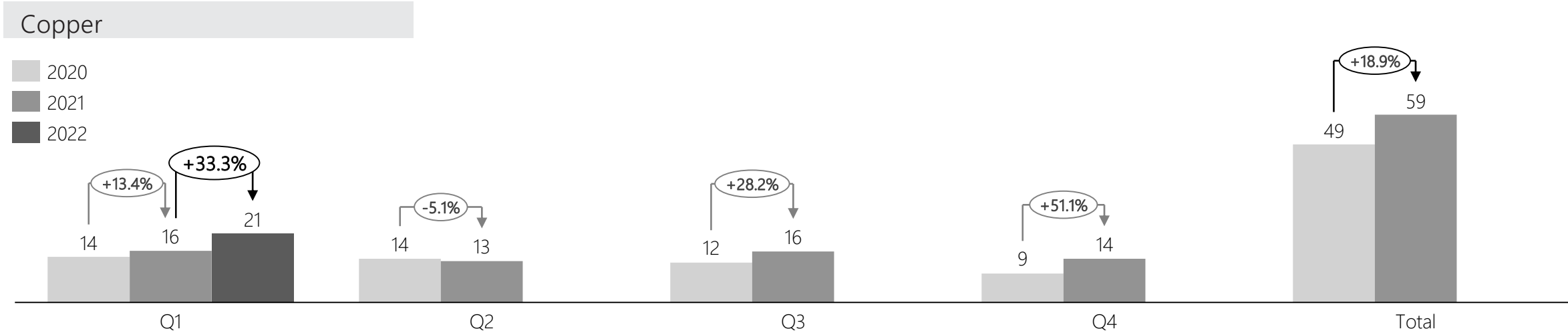
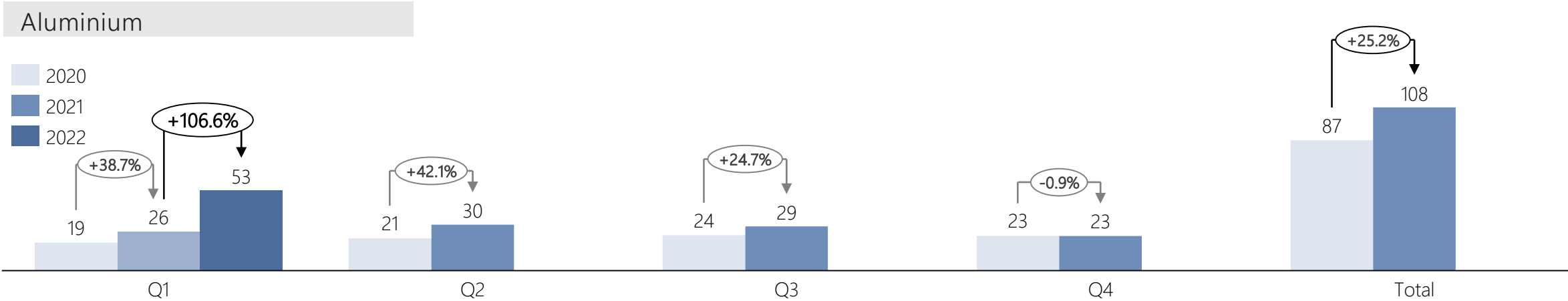


Source: Company information



# a-EBITDA evolution per quarter.

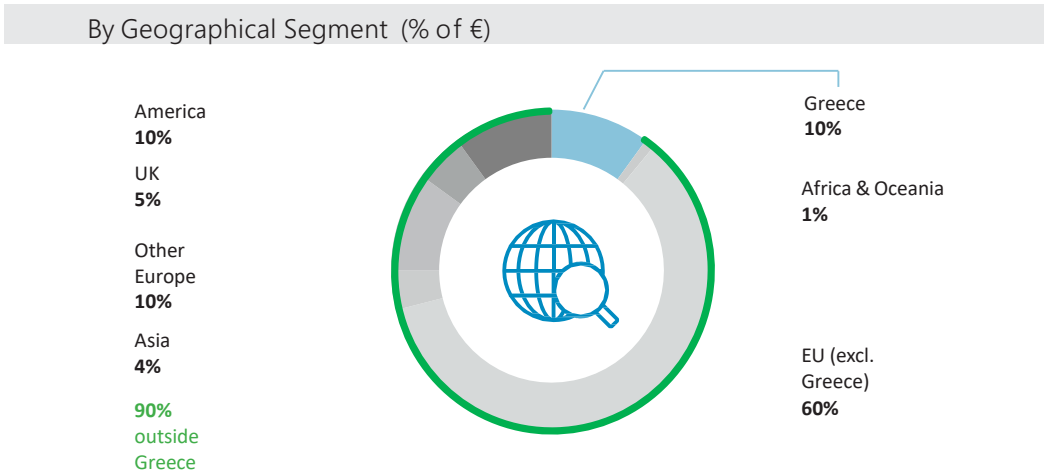
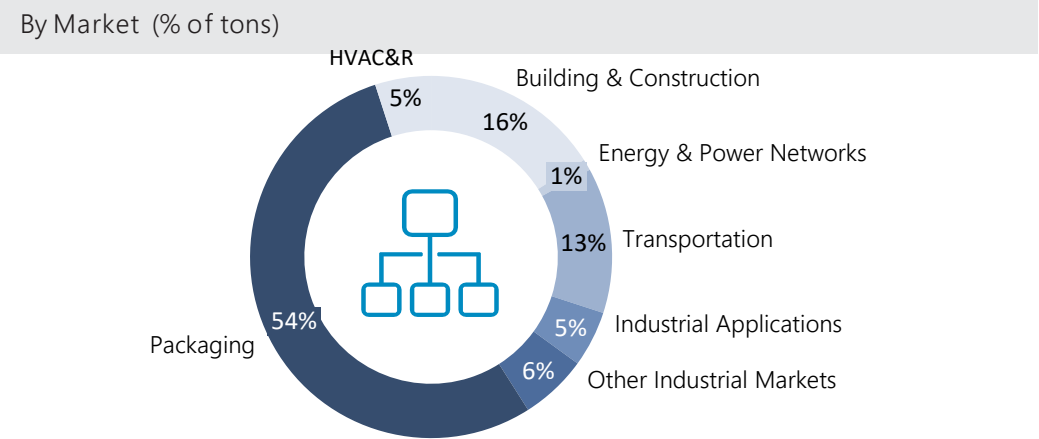
## a-EBITDA (€'000)



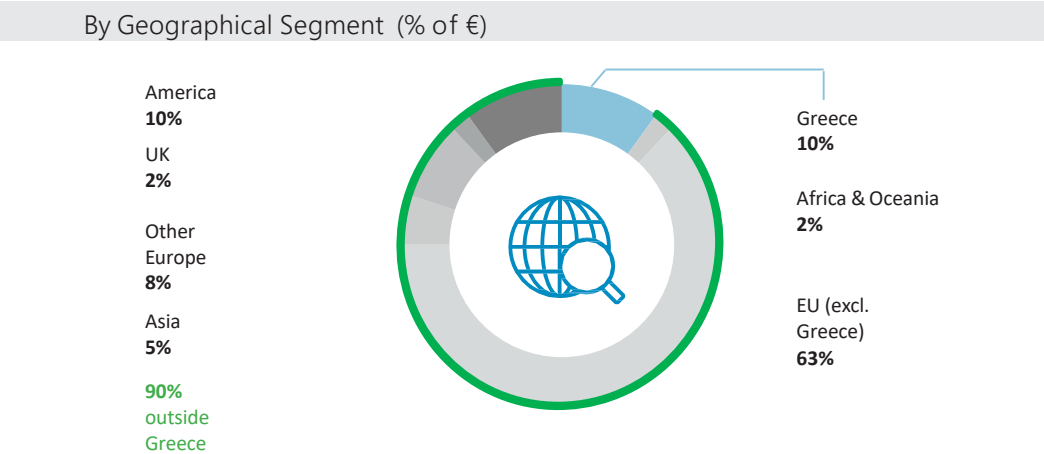
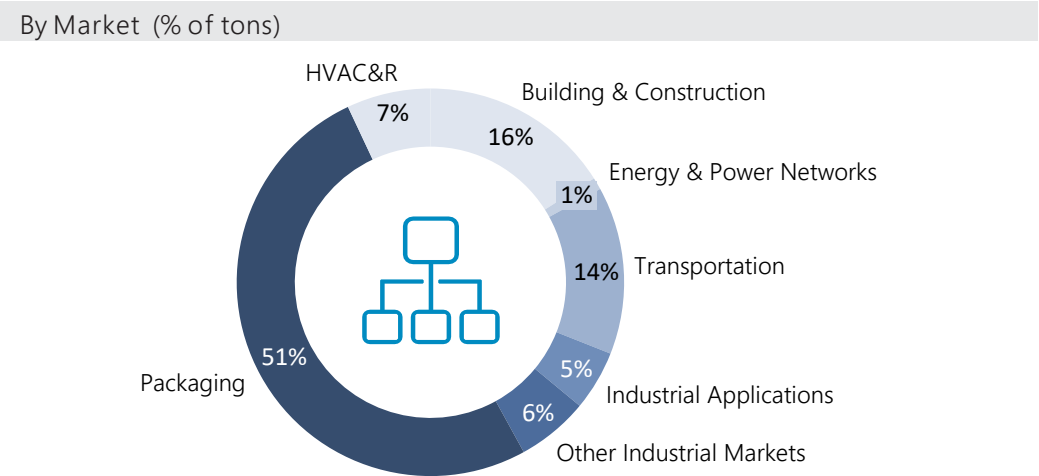
# Revenue of Core Products by Market & Geographical Segment.

AI

Aluminium Revenue breakdown (Q1'22)



Aluminium Revenue breakdown (Q1'21)



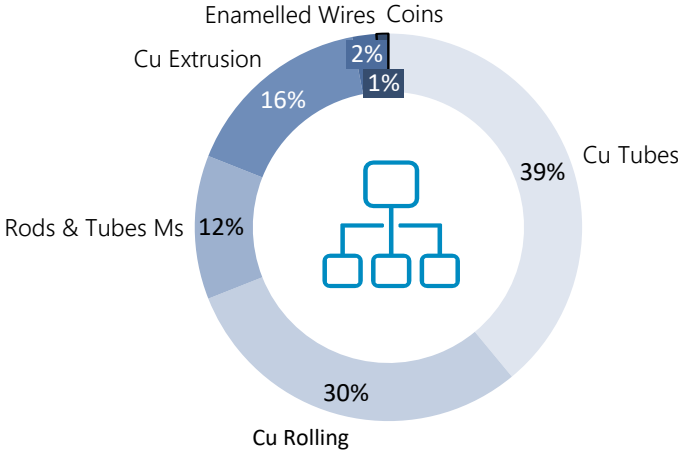
Source: Company estimates.

# Revenue of Core Products by Market & Geographical Segment.

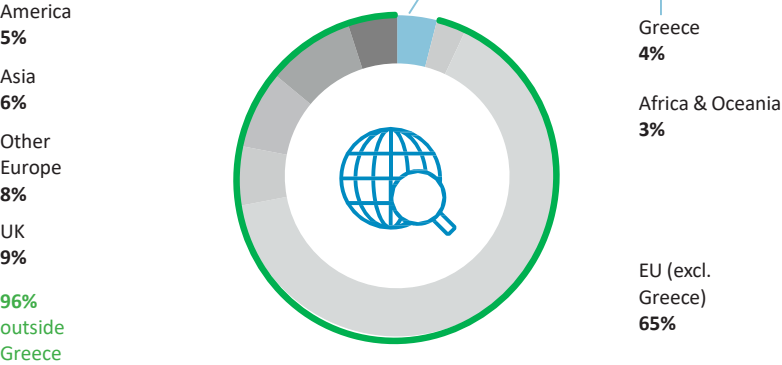
Cu

Copper Revenue Breakdown (Q1'22)

By Market (% of tons)

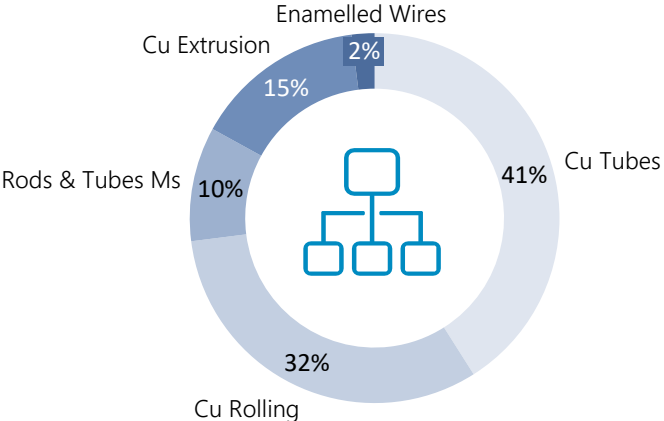


By Geographical Segment (% of €)

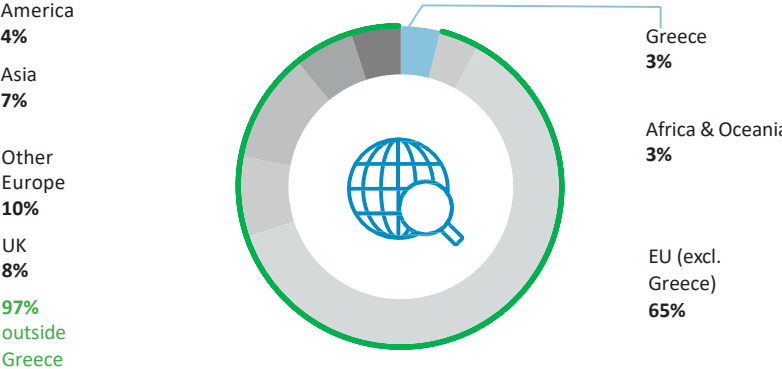


Copper Revenue Breakdown (Q1'21)

By Market (% of tons)



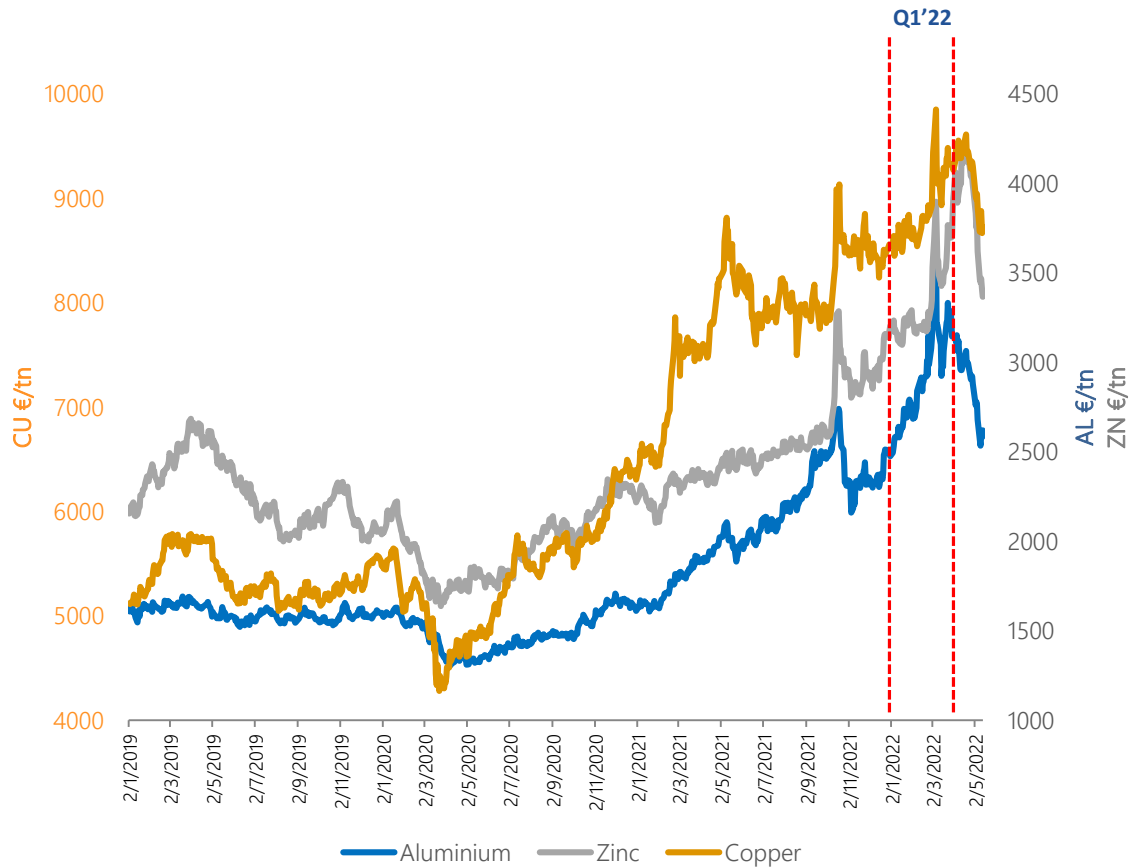
By Geographical Segment (% of €)



# LME & GAS prices.

## LME Prices

Metal prices on the uptrend affecting working capital and financing needs.



## TTF - Gas

Increased gas and energy prices passing on to conversion prices in most markets

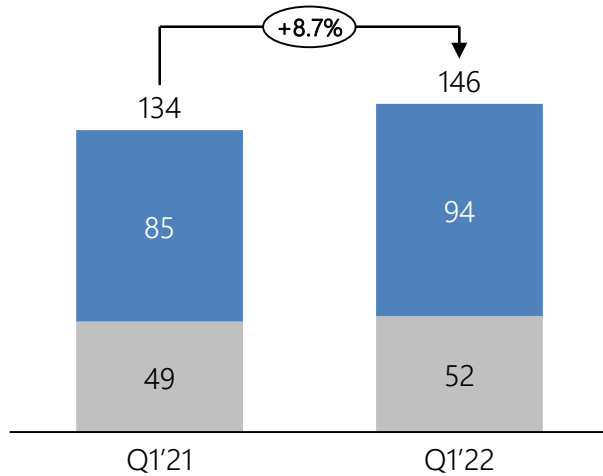


# Consolidated Key Figures.

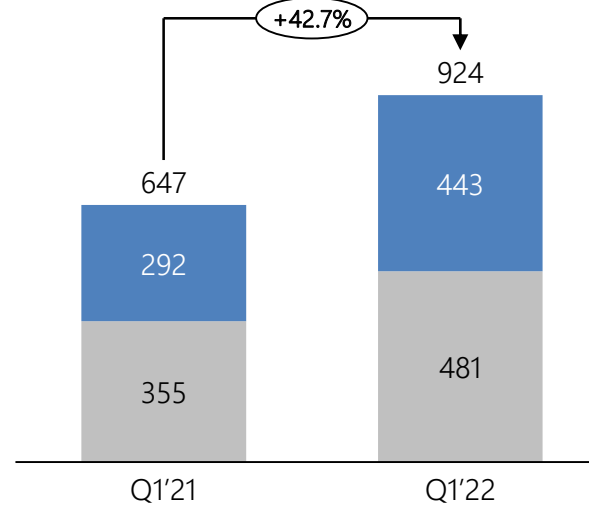
Gaining momentum.

Al  
Cu

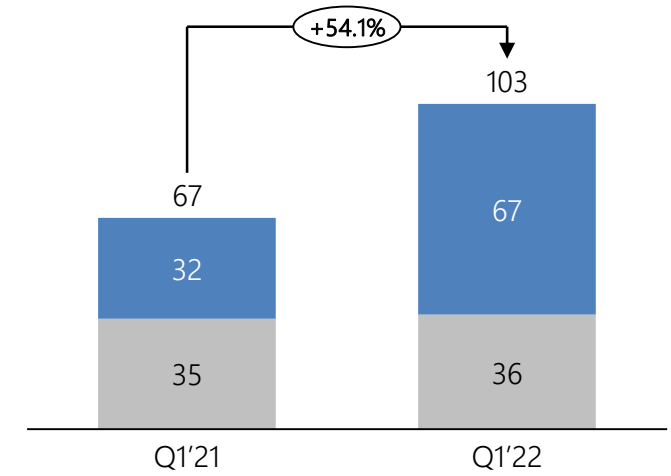
Volumes (kTn)



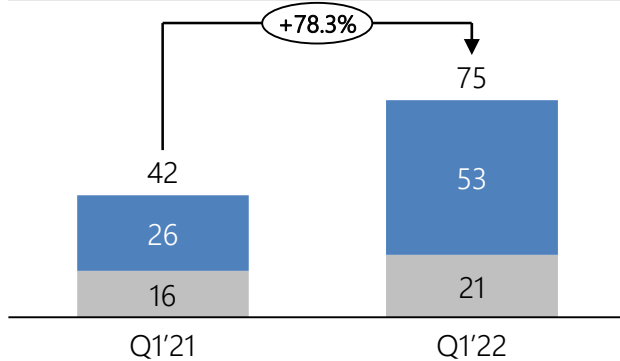
Revenue (€m)



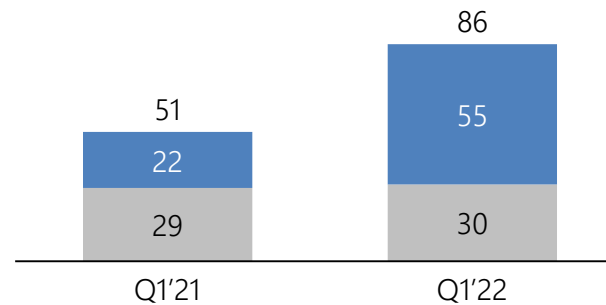
EBITDA (€m)



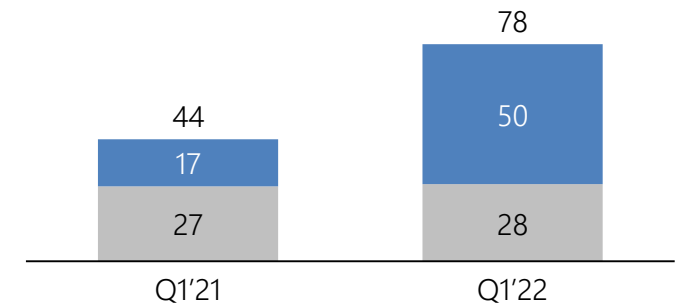
a-EBITDA (€m)



EBIT (€m)



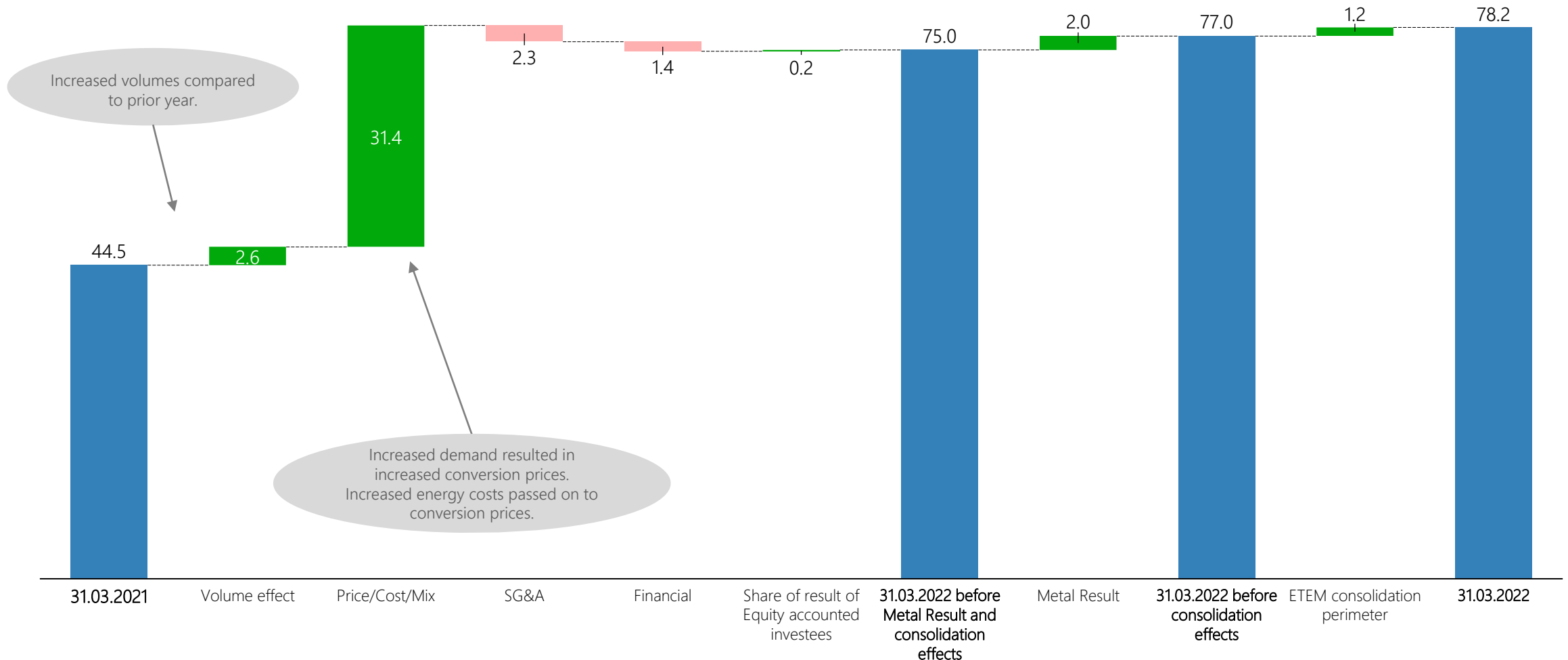
EBT (€m)



1. Adjusted for aluminium and copper price fluctuations and other non recurring items.  
Source: Company information

# Deviation analysis on the Consolidated Profit before taxes.

Strong Profitability paves the way for further Growth.



Source: Company estimates

# Analysis on the Consolidated Cash Flows.

Strong Profitability paves the way for further Growth.



Source: Company estimates

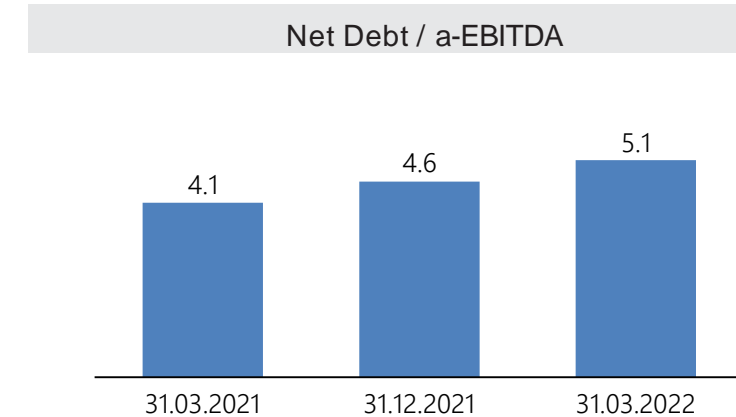
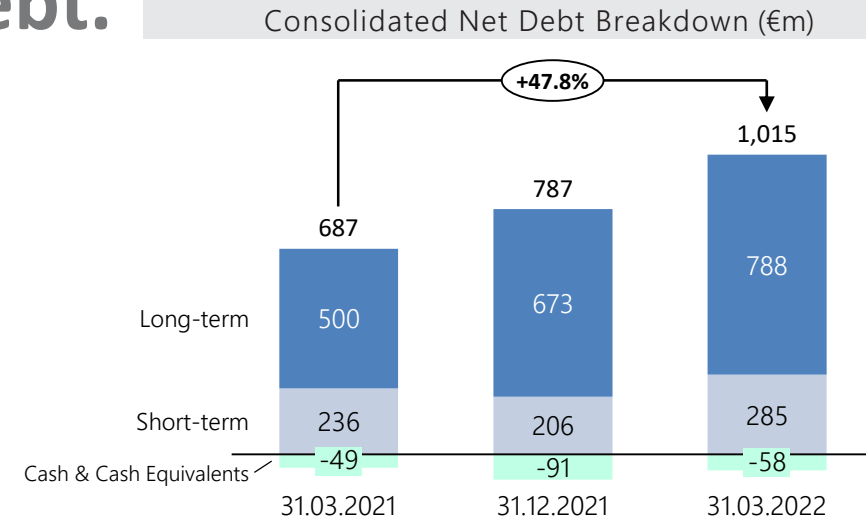
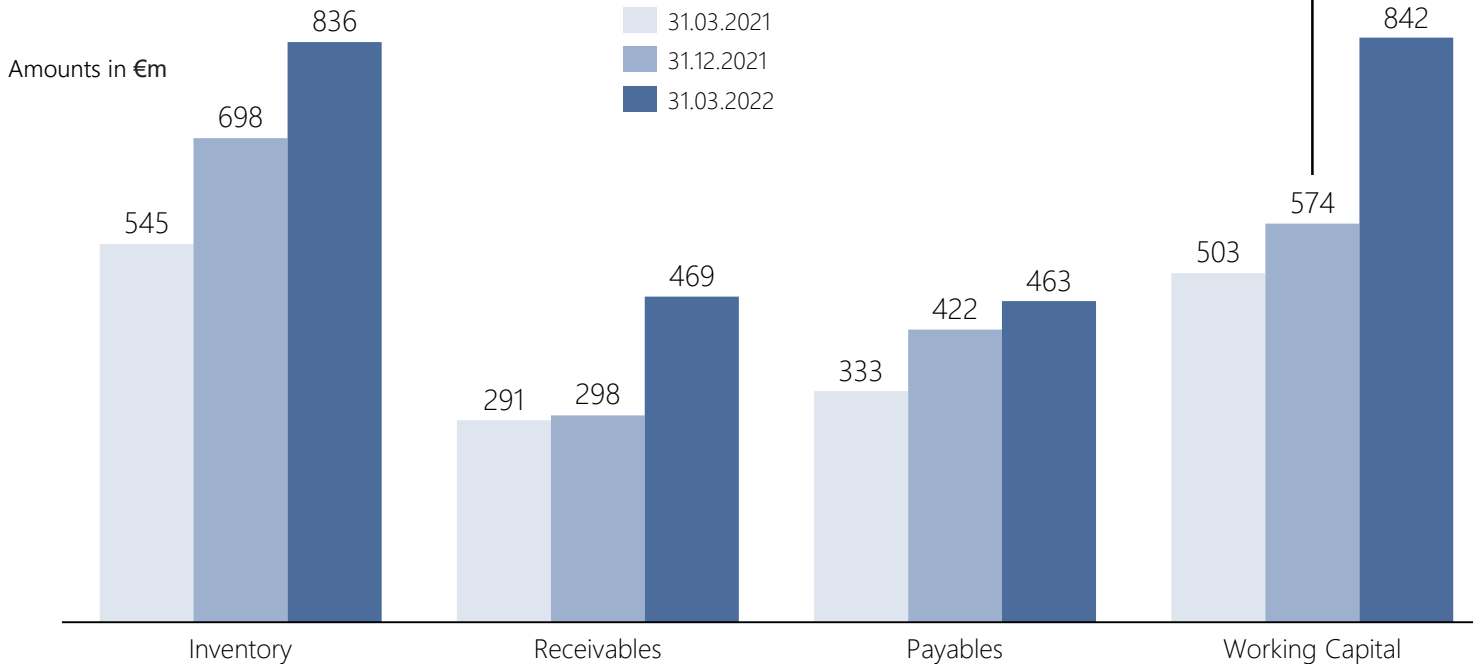
Amounts in €m

# Evolution of the Consolidated Working Capital and Net Debt.

Increase in Working Capital due to increase in price of Copper and Revenue.

Temporary increase of Working Capital due to scheduled maintenance of Tubes mill Extrusion Press.

Working Capital % of Sales



1. Source: Annual Financial Statements and company information.
2. Annualization of sales based on Q1 actual figure.
3. Annualization of a-EBITDA based on a rolling 12 month period.

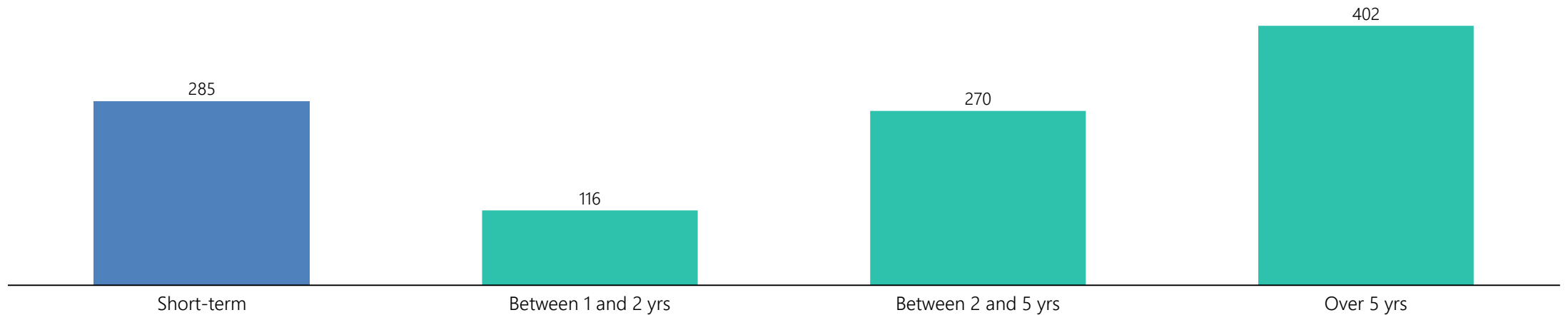
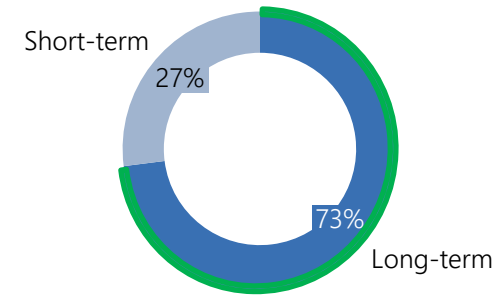
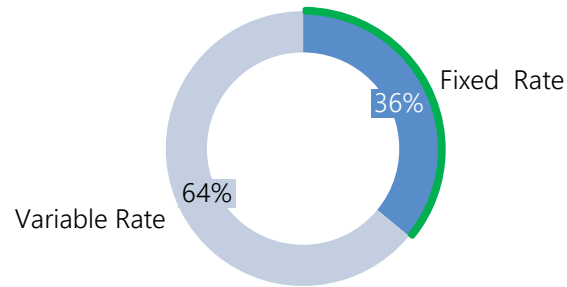


# Debt Maturity.

Well positioned to meet the challenges.

Partially hedged from the potential increase of interest rates.

With the majority of the Debt on a Long-term tenure to give way to cash-flows from investments.

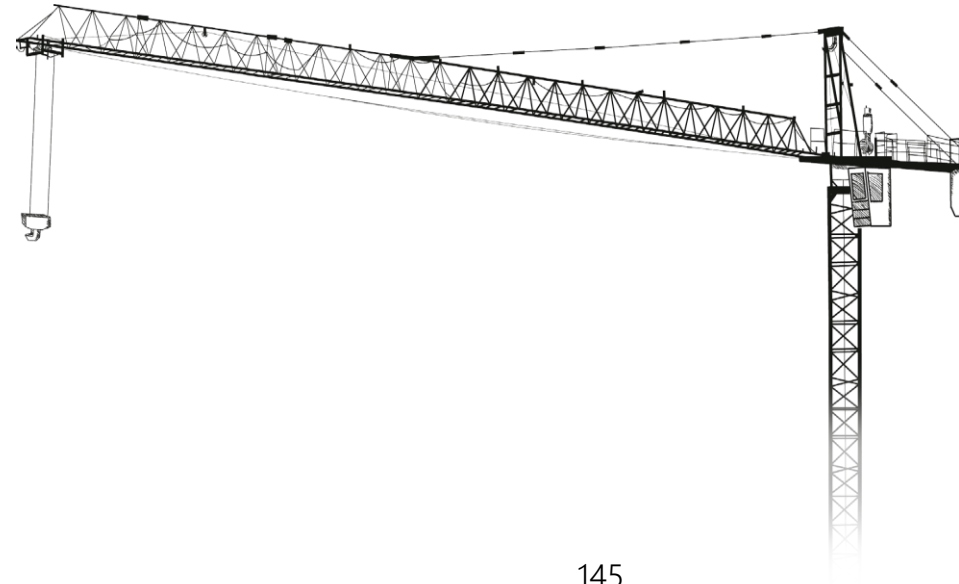


Amounts in €m

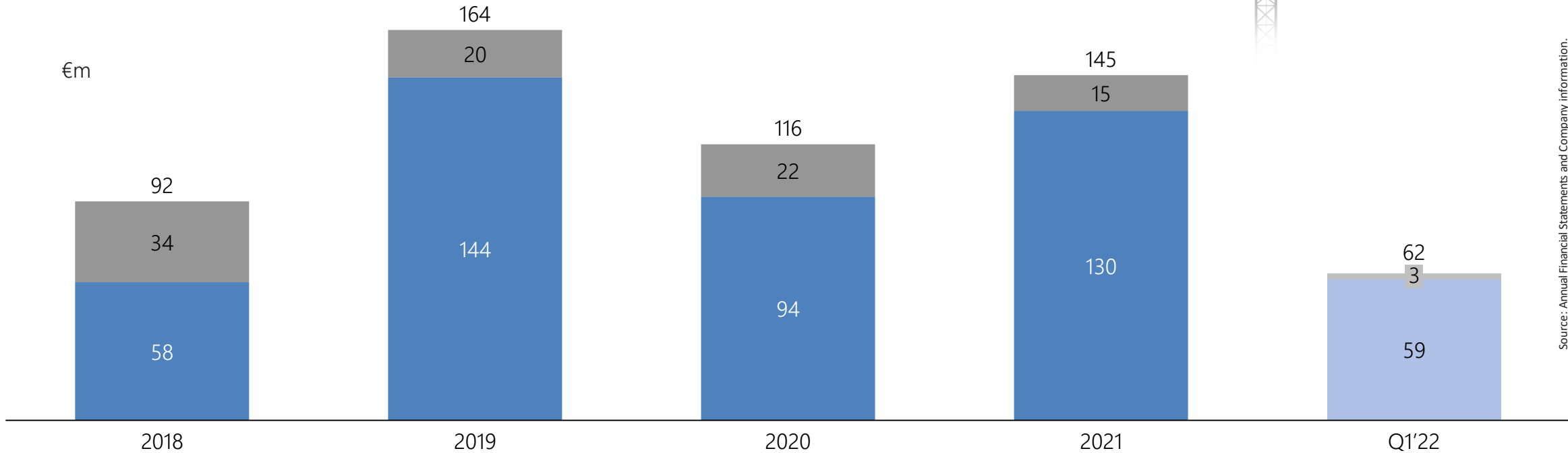
1. Source: Company information.  
2. Figures are unaudited.

# Capex Evolution.

Accelerating investments to meet demand.



Cu  
Al



Source: Annual Financial Statements and Company information.

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- Legislative and regulatory developments;
- Global macroeconomic and political trends;
- Fluctuations in financial markets conditions;
- Delay or Inability in obtaining approvals from authorities;
- Technical developments;
- Litigation; and
- Adverse publicity and news coverage.

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