

# 9M'22 Trading Update



# Table of Contents

Who we are	3
Mega trends, Growth drivers & Strategic Priorities	8
Financial Highlights	15

**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  
results distributed in 2022

# Corporate Structure Overview.



## Other Participations

93%

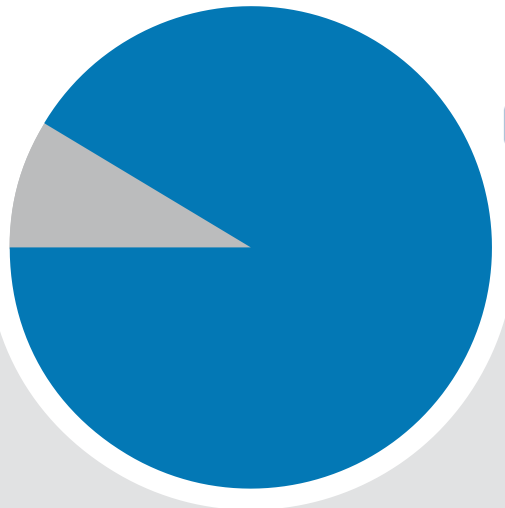


28%



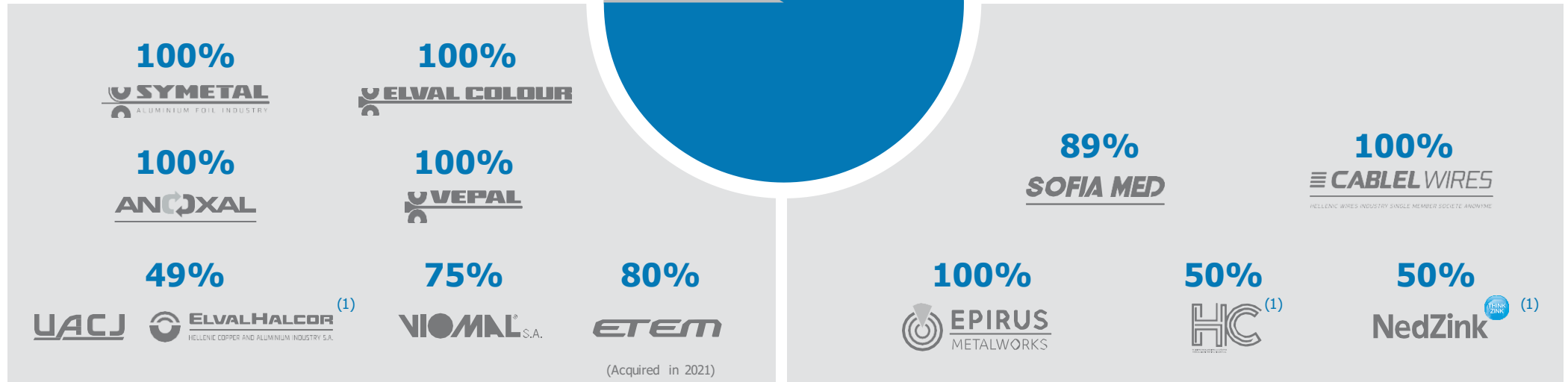
## Aluminium segment

Other Shareholders  
15.2%



VIOHALCO  
84.8%

## Copper segment



1. UACJ ElvalHalcor, HC Istitma and Nedzink are JVs

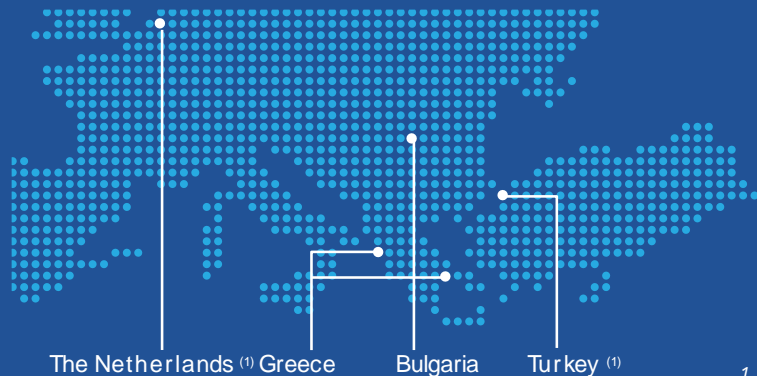
# International Focus.

Highly extrovert business model with solid sales in **more than 94 countries** for 9M'22 around the globe and revenues generated abroad representing

€ **92%** of total turnover

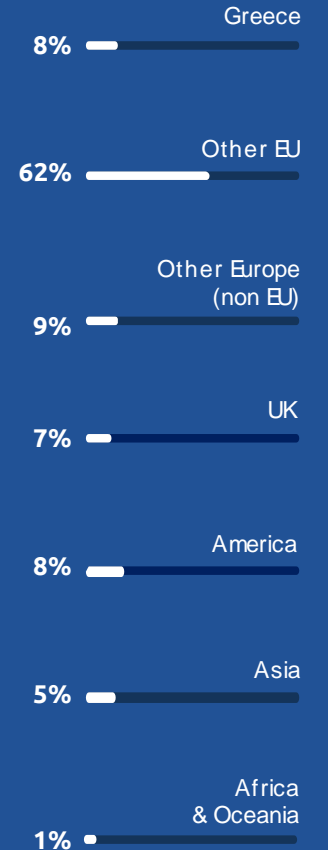


## Production facilities



The Netherlands <sup>(1)</sup> Greece Bulgaria Turkey <sup>(1)</sup>

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



Group turnover (9M'22)

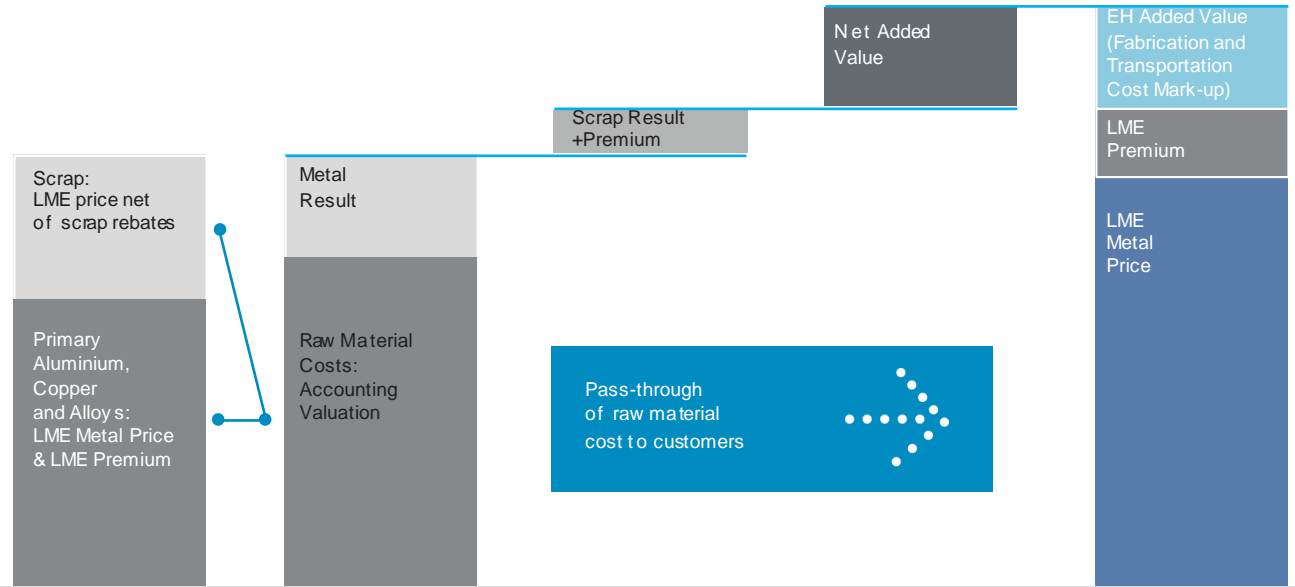


# Pass-through Business Model.

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.

Mining

Refining/Smelting

Manufacturing Semis: coils, sheets, tubes, rods, bars, extrusions

Client Industry

End use

SCRAP



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



# Megatrends. Enablers.



## Circular economy

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



## Transition to net zero

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



## Urbanization

- Sustainable and smart buildings
- **Energy efficiency in buildings**
- Health & wellbeing



## Technological advancements

- Industry 4.0
- Digitalization
- Big data mining and cloud computing
- **Machine learning** and predictive analytics
- System Integration and optimization tools
- **Smart Factory**

# Megatrends.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
- 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

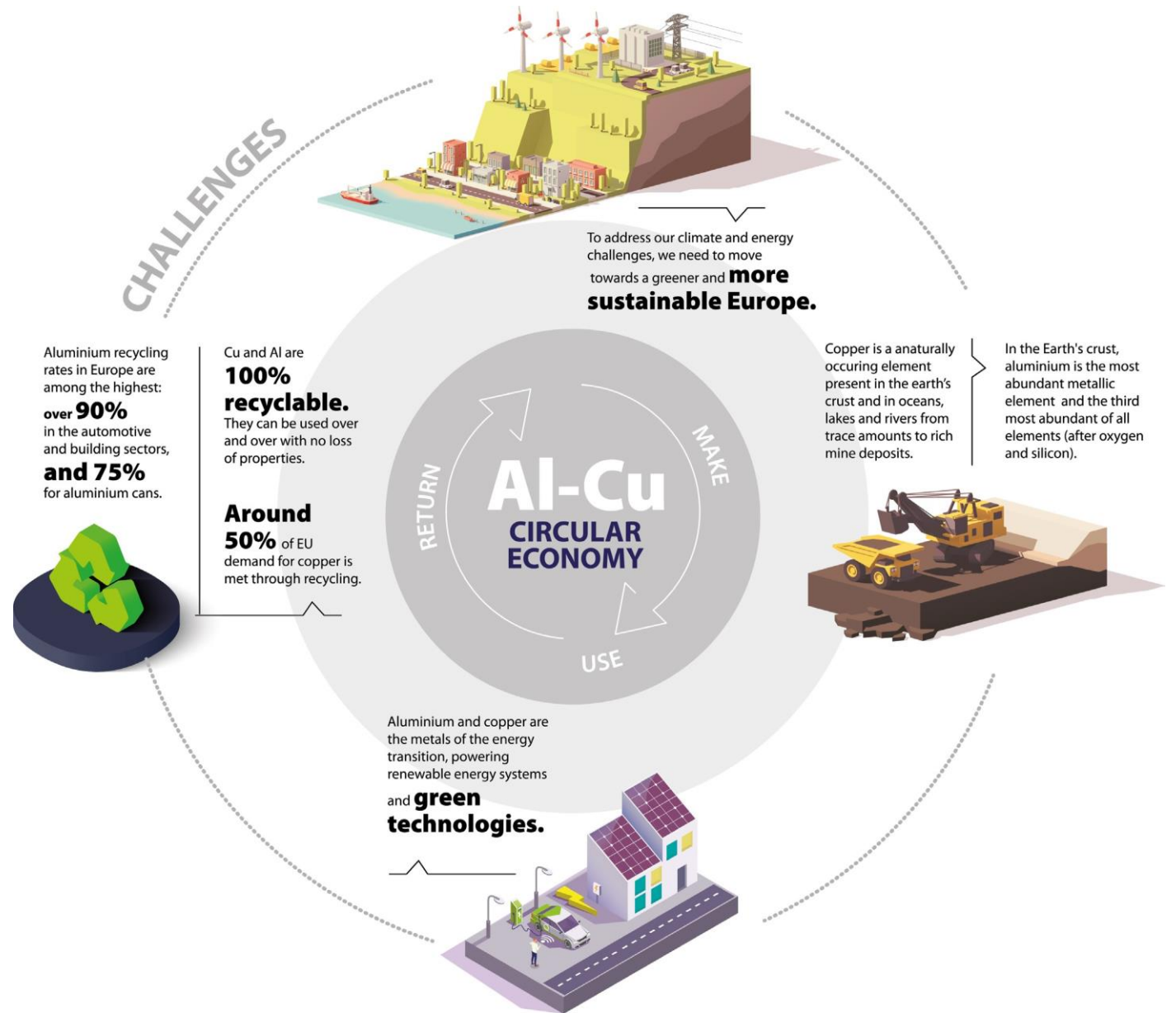
# Overview of Growth Drivers.

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.



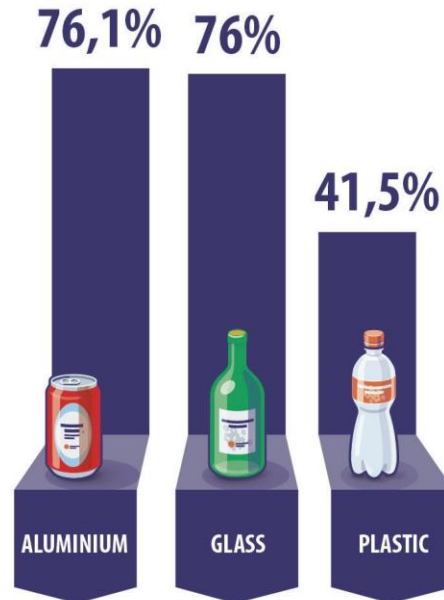
# Overview of Growth Drivers.

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**.

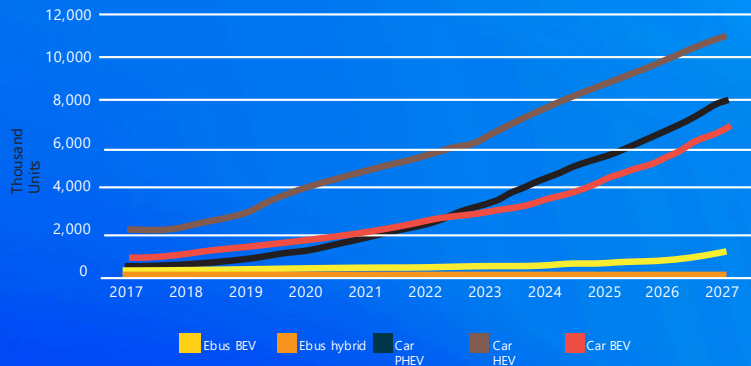
EUROPEAN ALUMINIUM HAS SET A TARGET OF **100% RECYCLED ALUMINIUM CANS** BY YEAR 2030.

# e-mobility. Cu-Al.

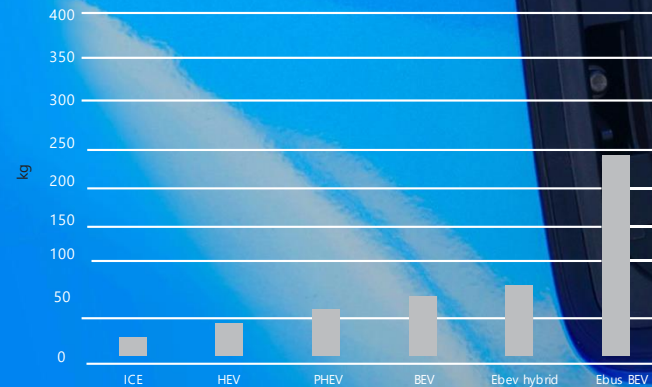


Copper and aluminium demand will be substantially impacted by the growing market for electric vehicles (EVs) over the next decade. Copper is used in electric motors, batteries, inverters, wiring and in charging stations. Battery boxes are strong drivers for aluminium.

Electric Vehicle Forecast



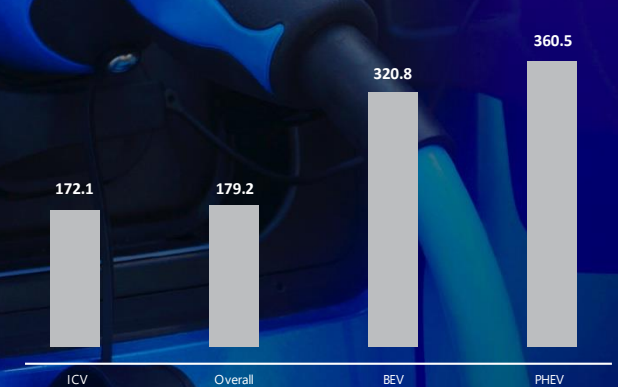
Copper content in kg by type of electric vehicle



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

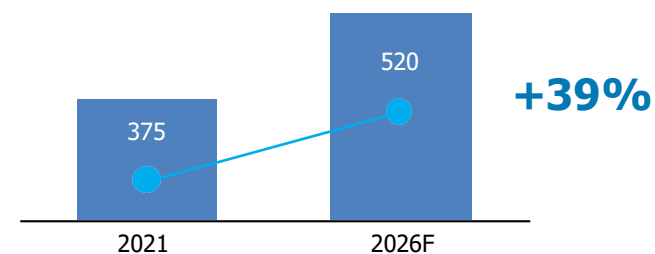
- Currently operating near full capacity which is increasing to 375<sup>(1)</sup> thousand tons as the integration of the new Hot mill is progressing, allowing for improving sales/product mix profitability.
- New EUR 100m investment with the aim to utilize up to 520 thousand tons of the additional hot 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

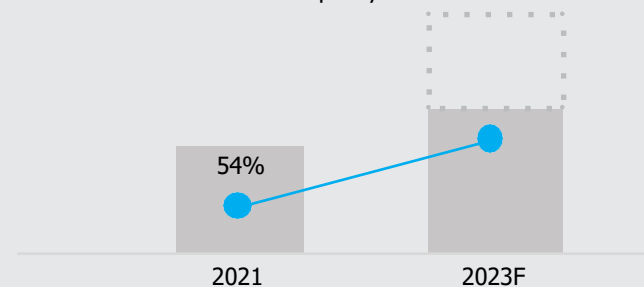
- After turnaround of FRP copper and alloy unit, consistently gaining market shares and quantities even during the pandemic, taking advantage of excess capacity, competitive advantages and market dynamics.
- High capacity utilization for tube plants and market positioning driving sales mix profitability.

## 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.

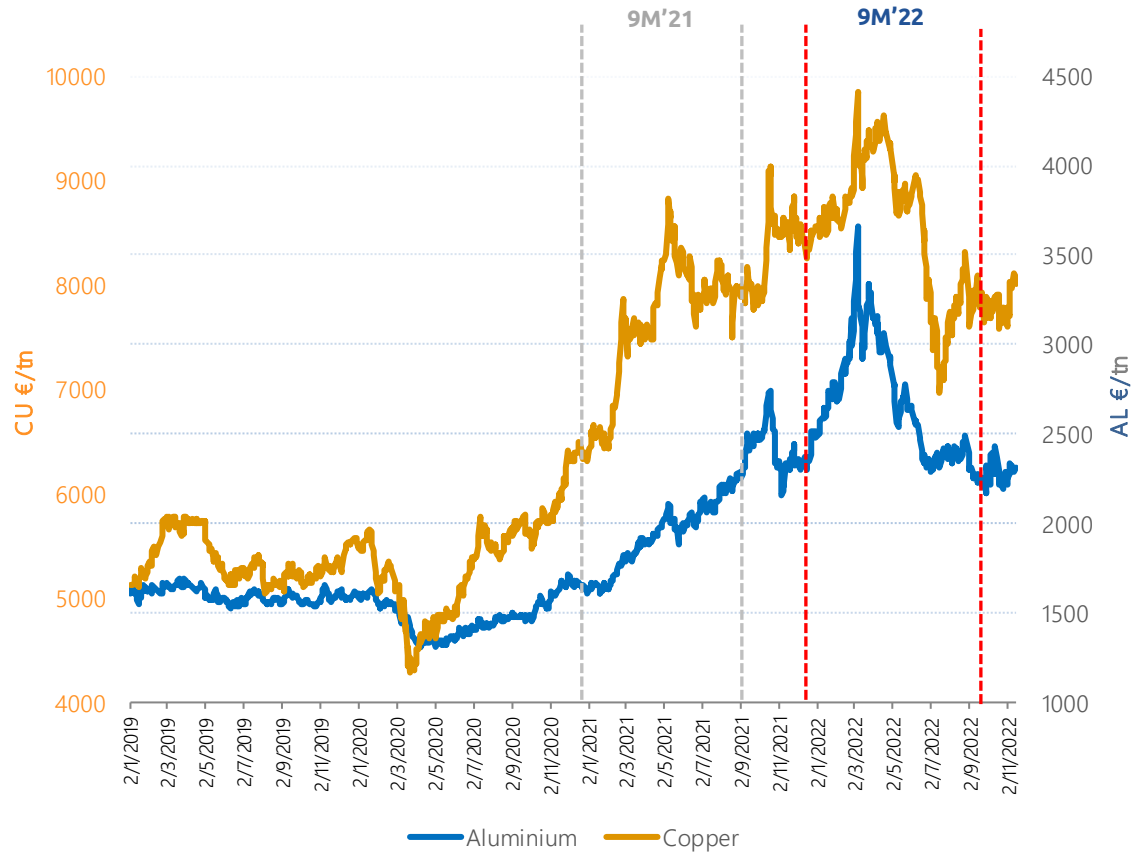
2. Refers to Sofia Med's Flat Rolled Products capacity of the plant in Bulgaria, estimated at 110kt.

# Financial Highlights

# LME & GAS prices.

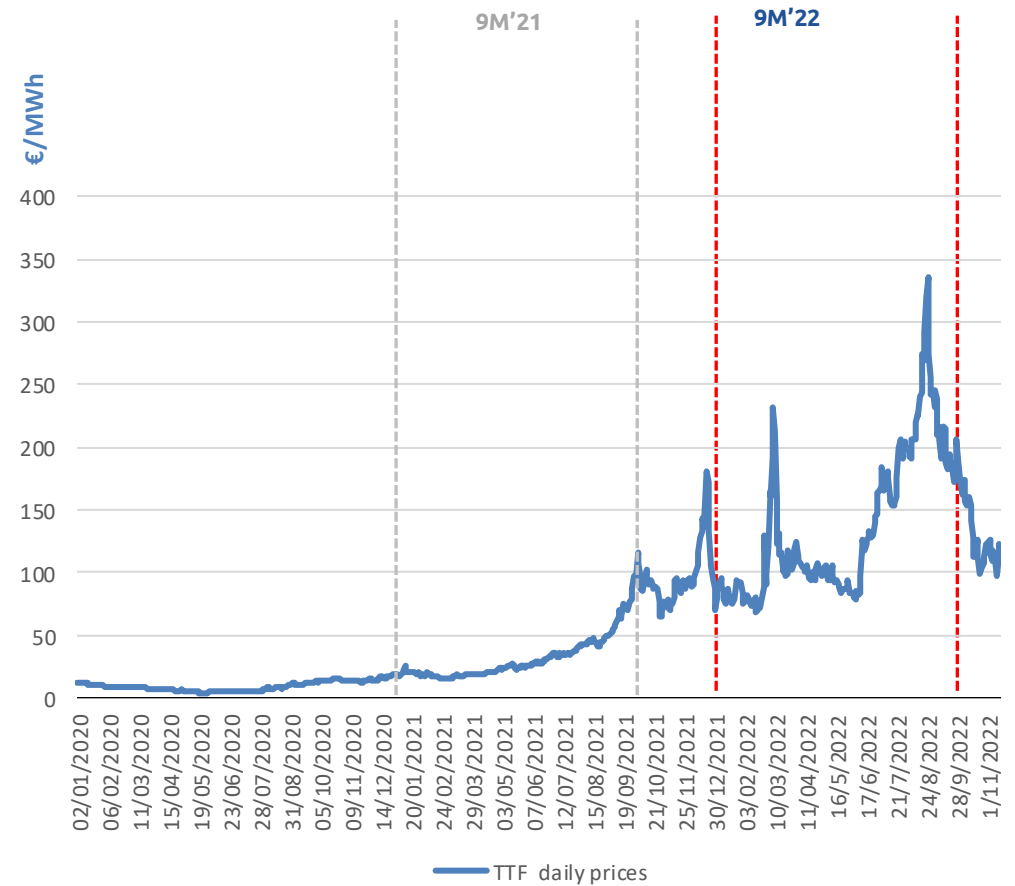
## LME Prices

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

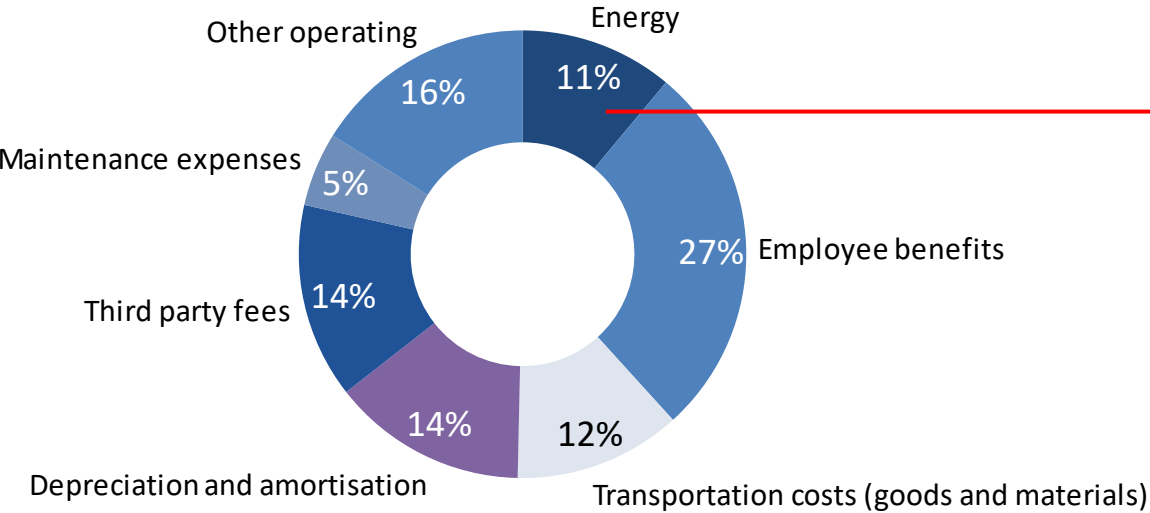




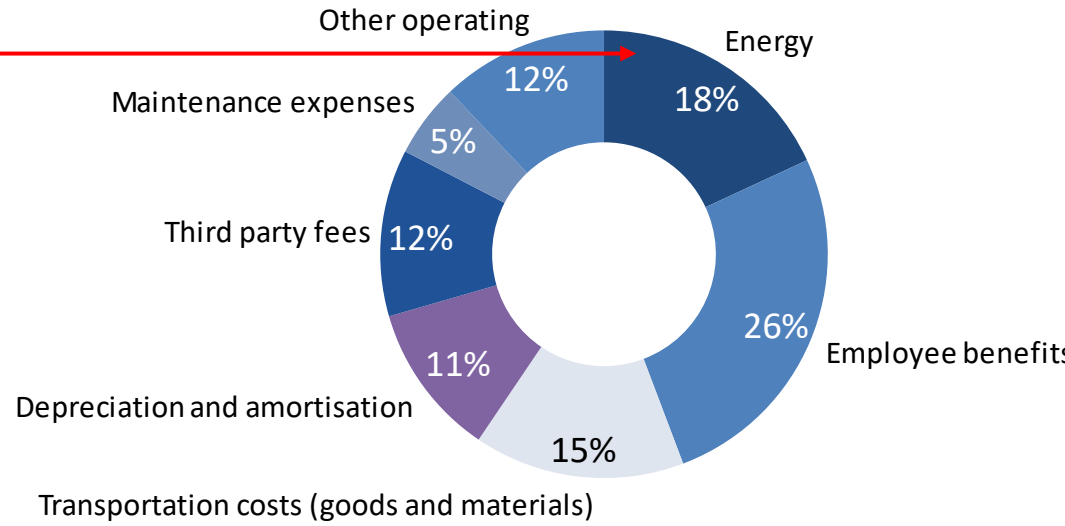
# Consolidated Cost Analysis.

Increased energy costs raises Group's costs.

9M'2021



9M'2022

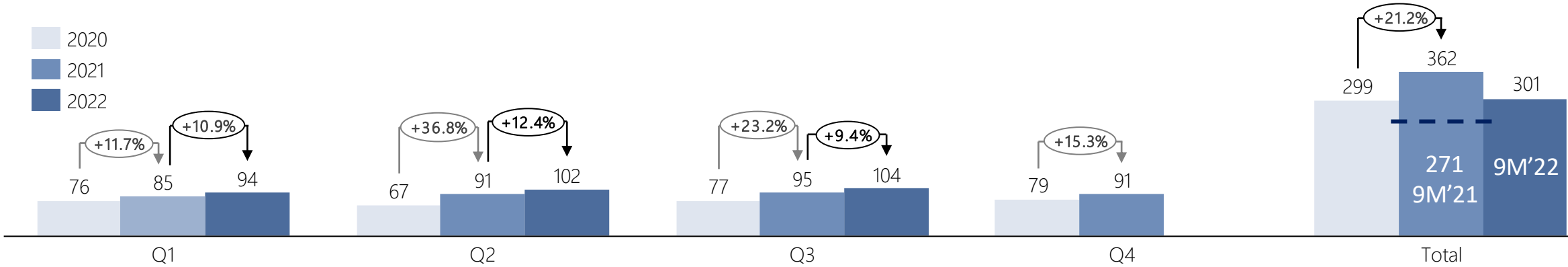


# Sales evolution per quarter.

## Sales Volumes ('000tn)

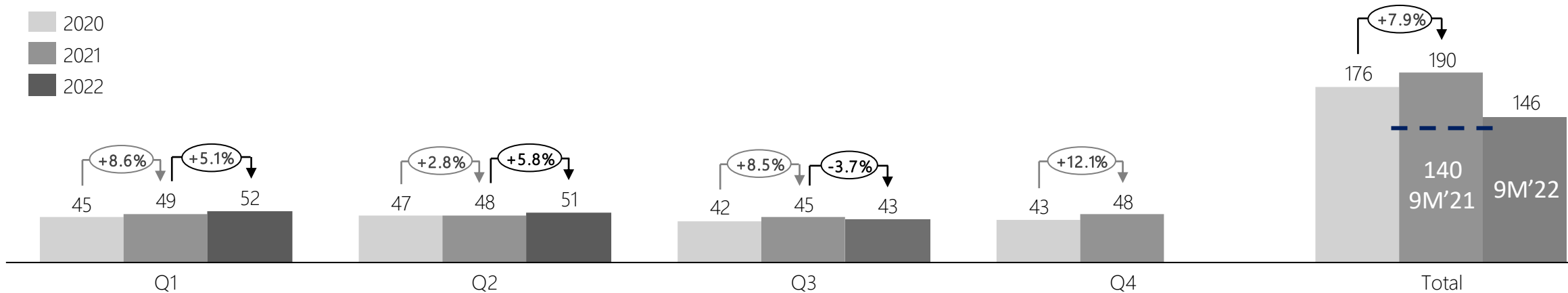
### Aluminium

2020  
2021  
2022



### Copper

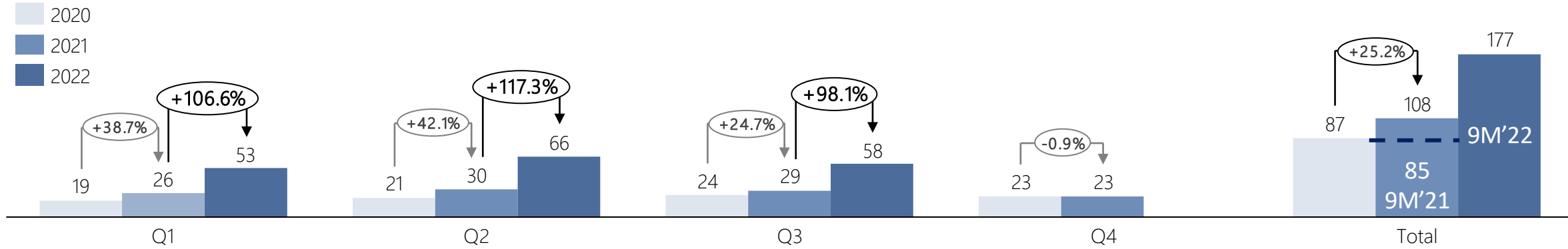
2020  
2021  
2022



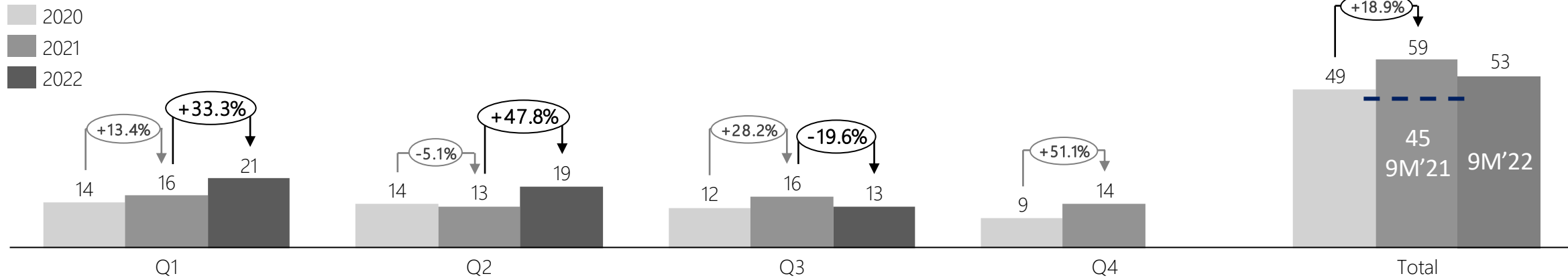
# a-EBITDA evolution per quarter.

a-EBITDA (€'000)

## Aluminium

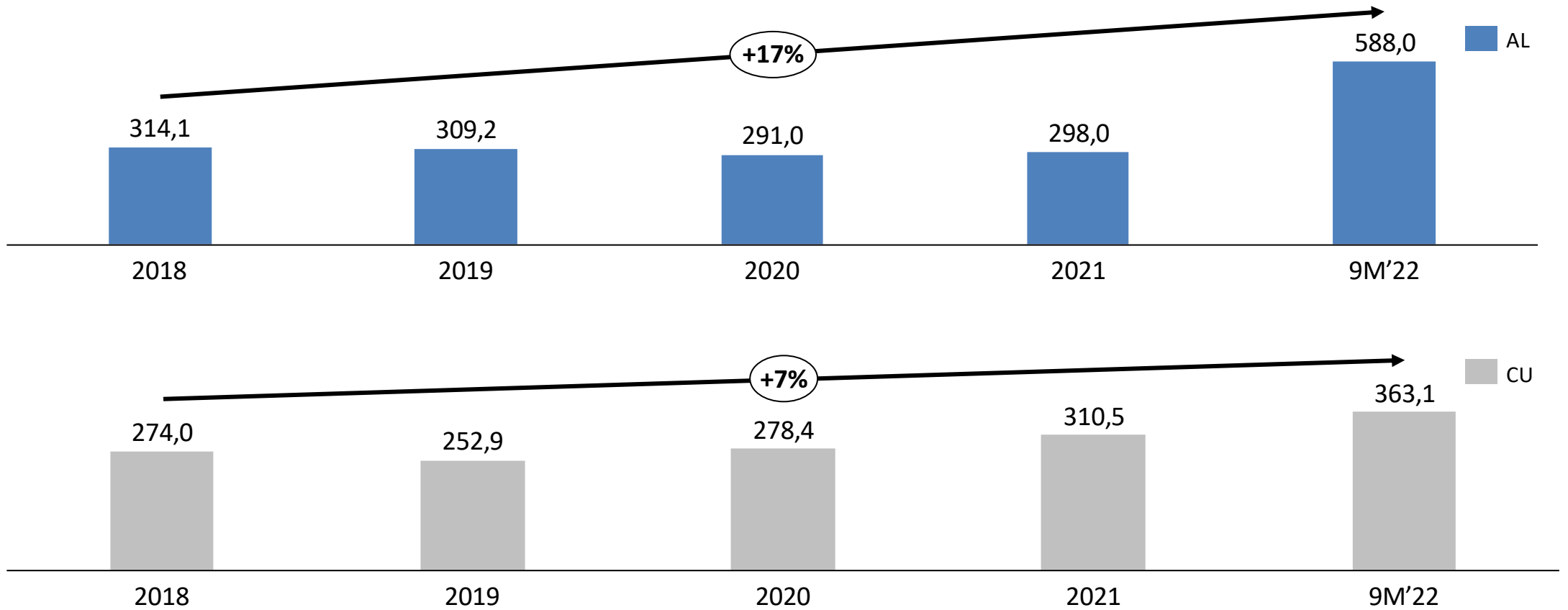


## Copper



# a-EBITDA evolution per ton.

By Segment (Eur/ tons)

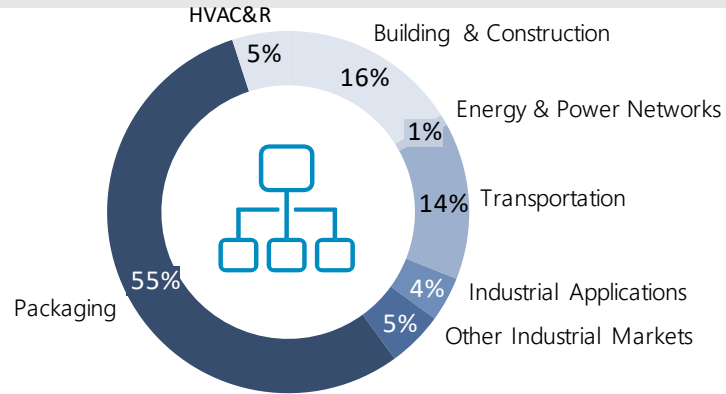


# Revenue of Core Products by Market & Geographical Segment.

Aluminium Revenue breakdown (9M'22)

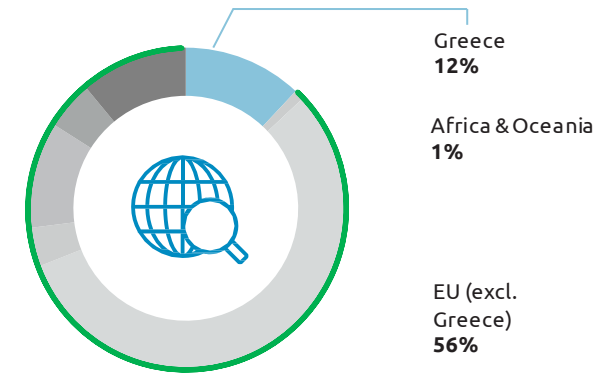
Al

By Market (% of tons)



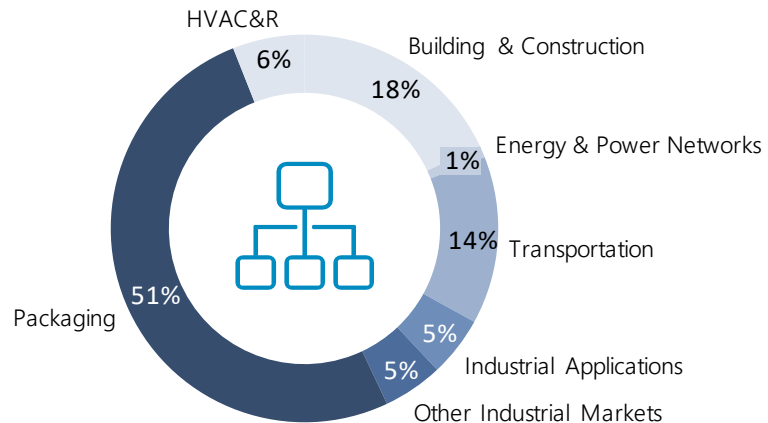
By Geographical Segment (% of €)

America  
11%  
UK  
5%  
Other Europe  
11%  
Asia  
4%  
88%  
outside  
Greece



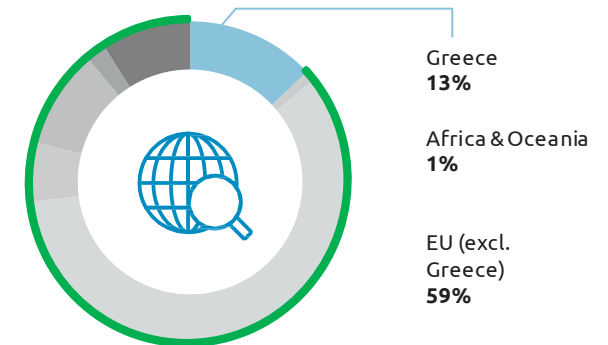
Aluminium Revenue breakdown (9M'21)

By Market (% of tons)



By Geographical Segment (% of €)

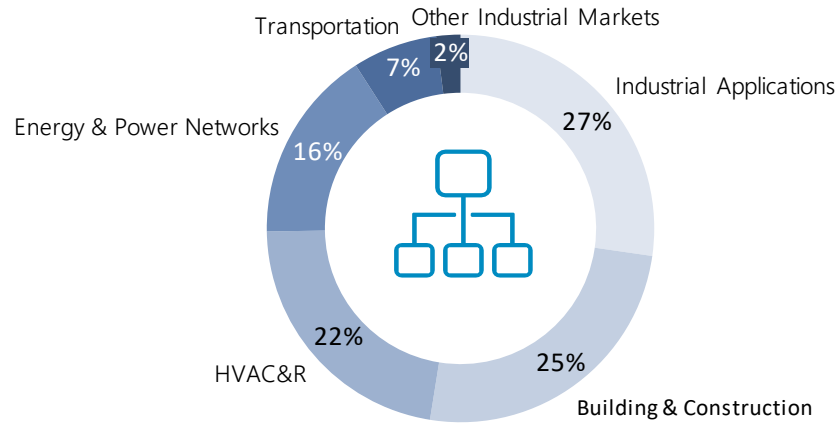
America  
9%  
UK  
2%  
Other Europe  
10%  
Asia  
6%  
87%  
outside  
Greece



# Revenue of Core Products by Market & Geographical Segment.

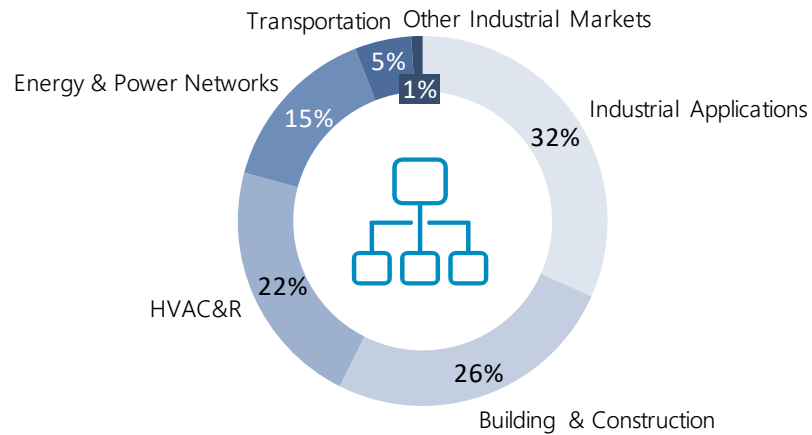
Copper Revenue Breakdown (9M'22)

By Market (% of tons)



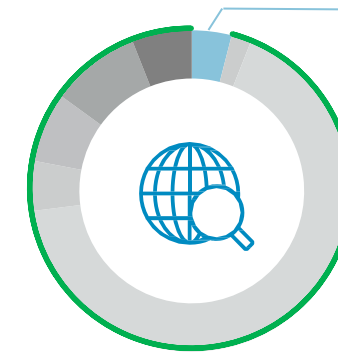
Copper Revenue Breakdown (9M'21)

By Market (% of tons)



By Geographical Segment (% of €)

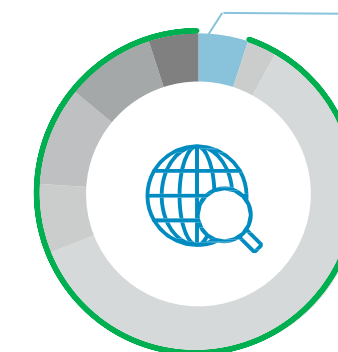
- America 6%
- Asia 5%
- Other Europe 7%
- UK 9%
- 96%** outside Greece



- Greece 4%
- Africa & Oceania 2%

By Geographical Segment (% of €)

- America 5%
- Asia 6%
- Other Europe 9%
- UK 8%
- 96%** outside Greece



- Greece 4%
- Africa & Oceania 3%

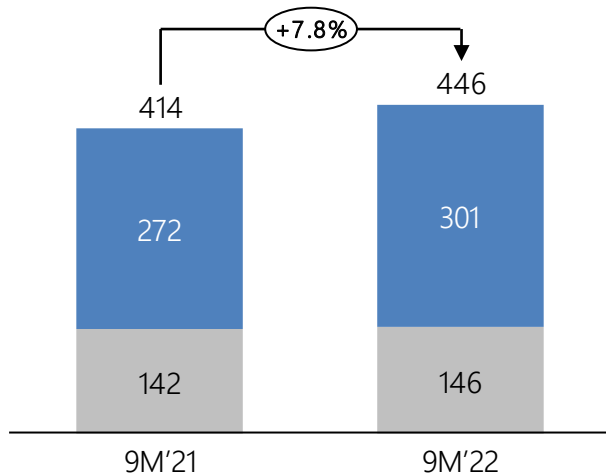
Cu

# Consolidated Key Figures.

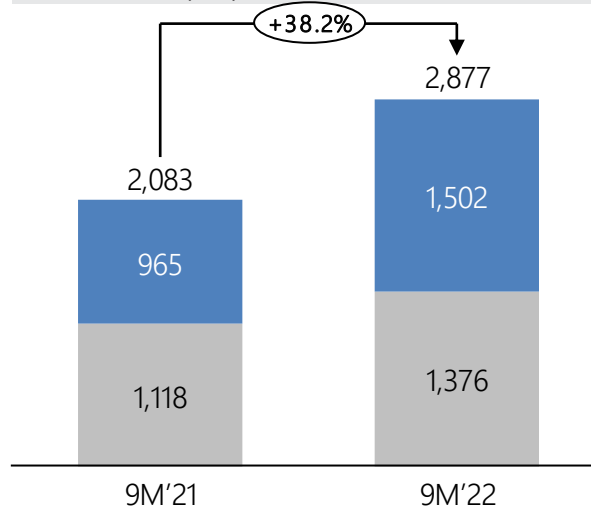
Gaining momentum.

Al  
Cu

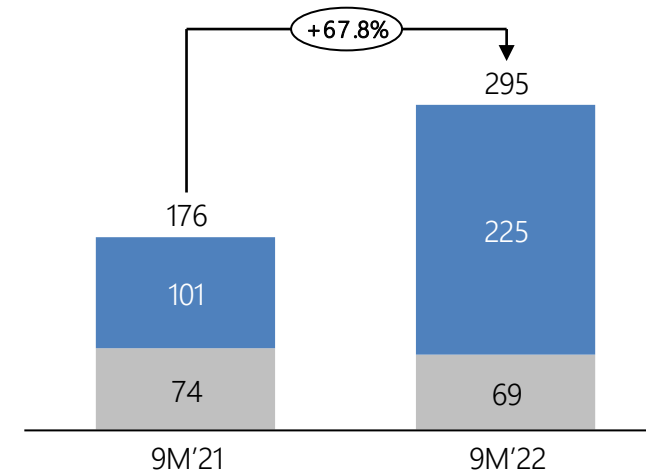
Volumes (kTn)



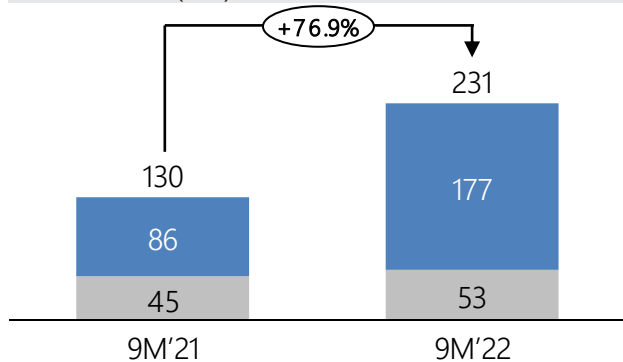
Revenue (€m)



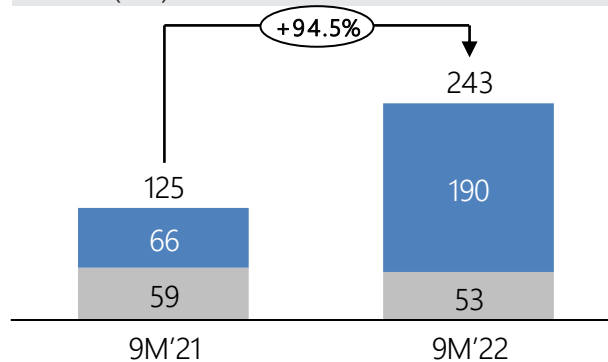
EBITDA (€m)



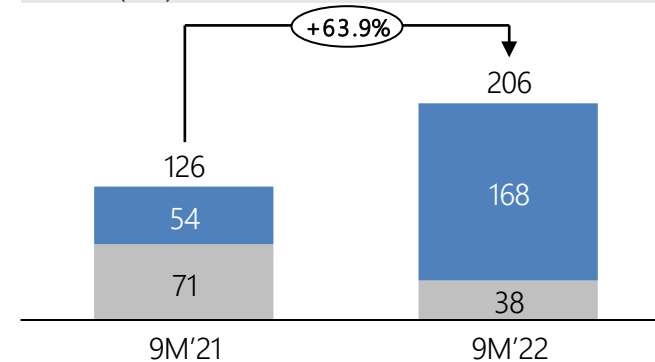
a-EBITDA (€m)



EBIT (€m)



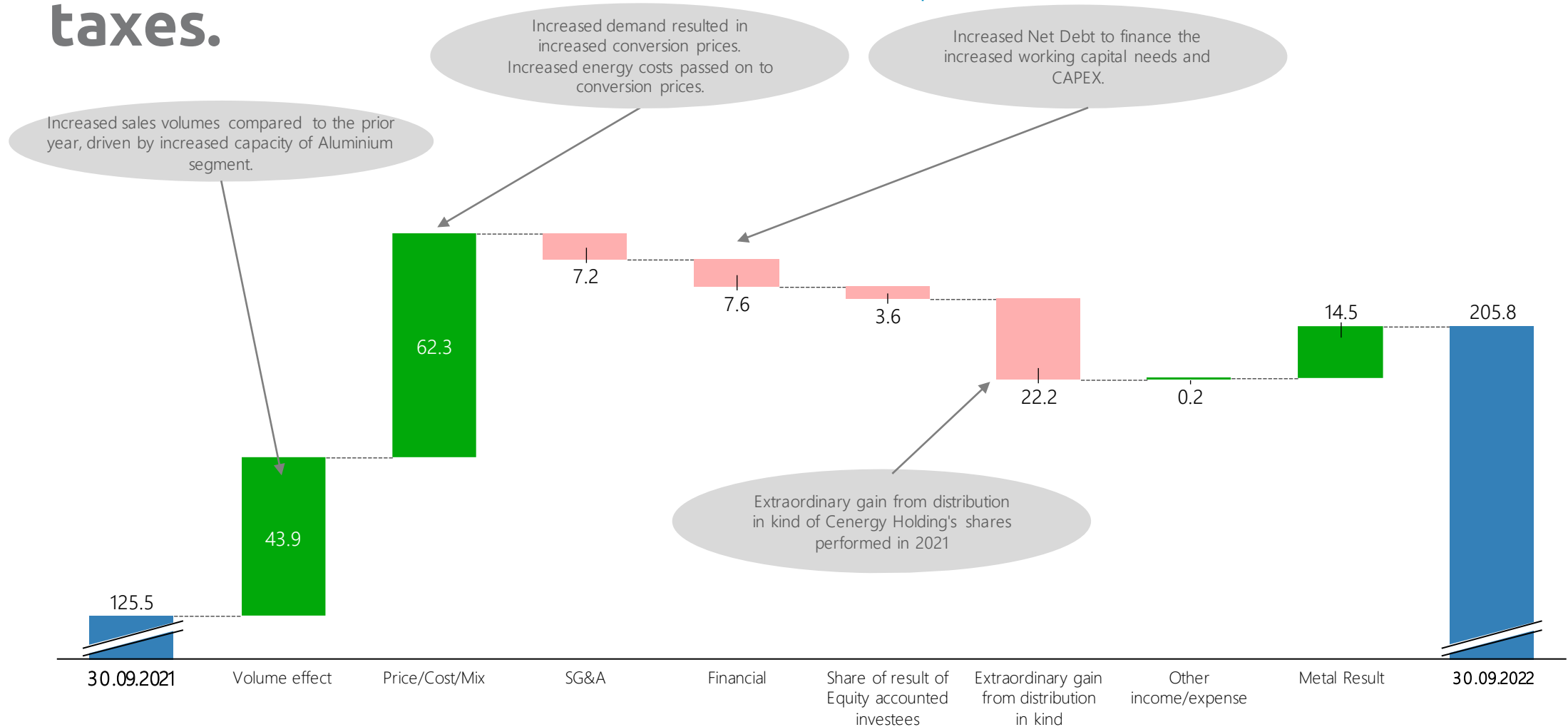
EBT (€m)



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

# Deviation analysis on the Consolidated Profit before taxes.

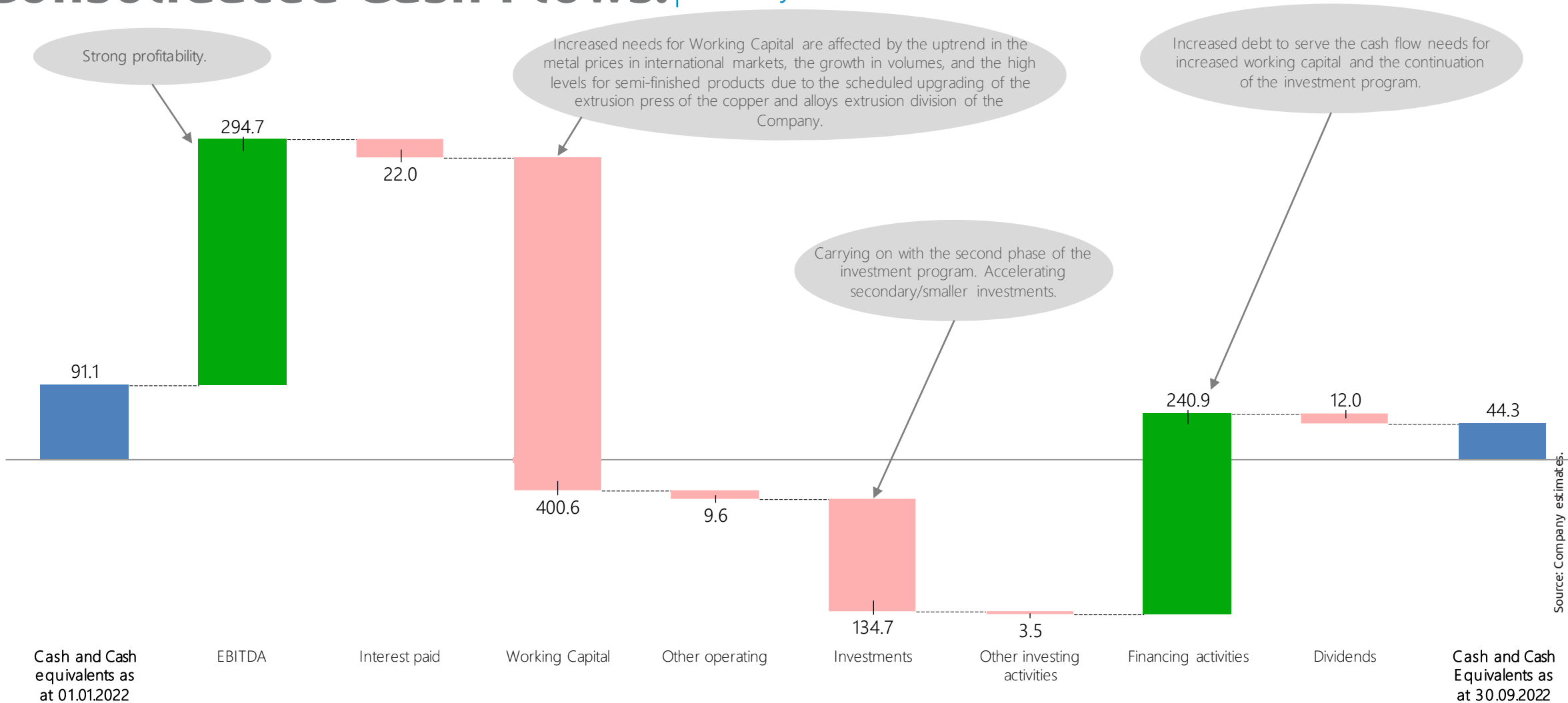
Strong Profitability paves the way for further Growth.





# Analysis on the Consolidated Cash Flows.

Strong Profitability paves the way for further Growth.



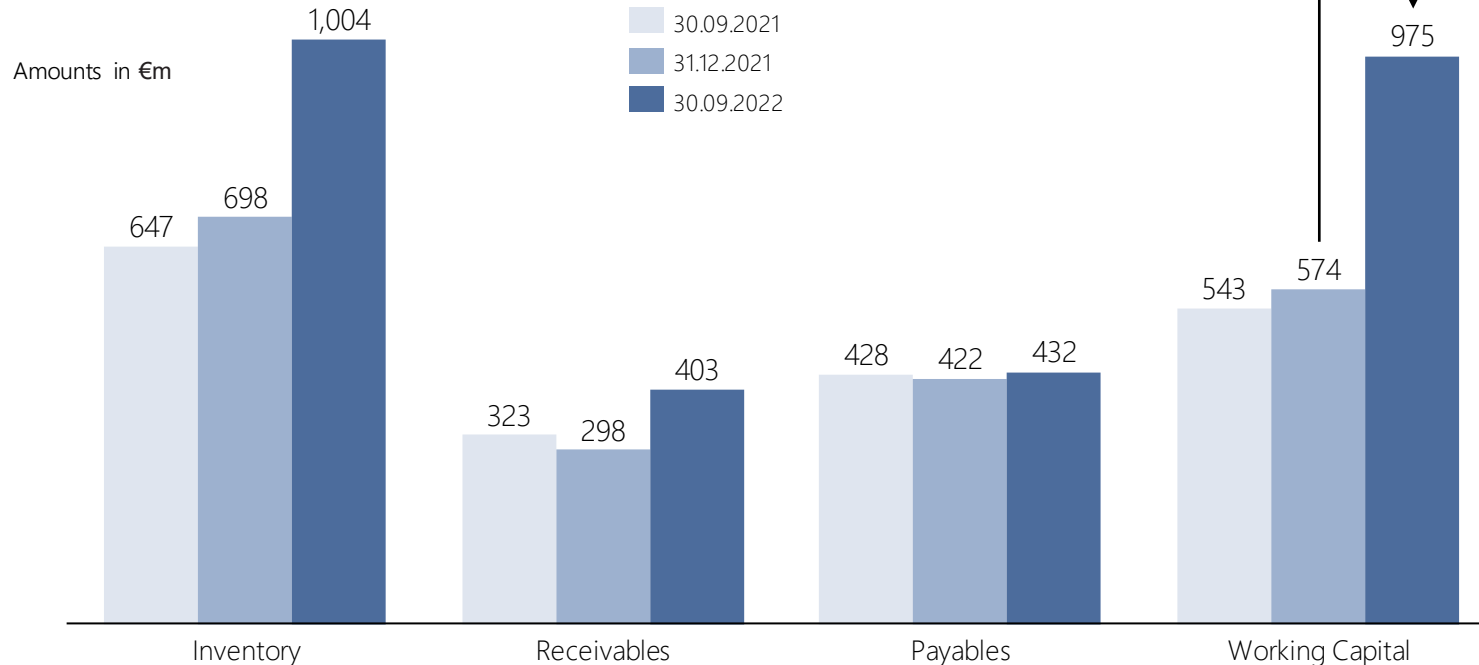
Source: Company estimates.

# Evolution of the Consolidated Working Capital and Net Debt.

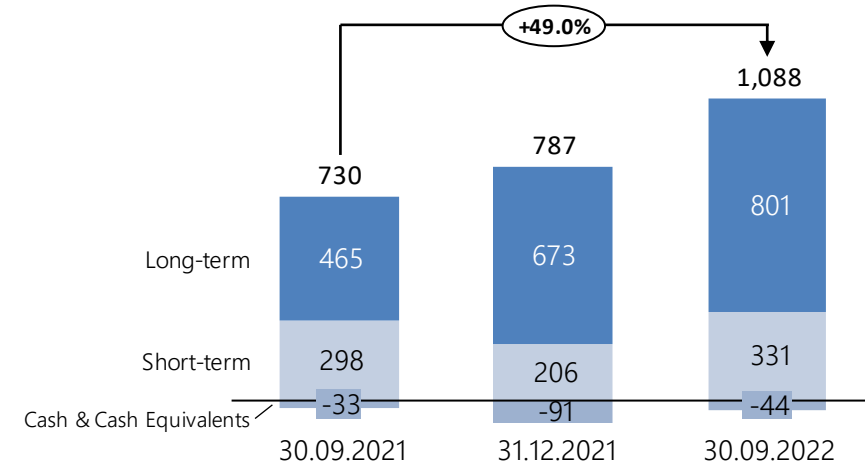
Increase in Working Capital is attributable to the increased metal prices and volumes.

Temporary increase of Working Capital in 2022 due to scheduled maintenance of Tubes mill Extrusion Press.

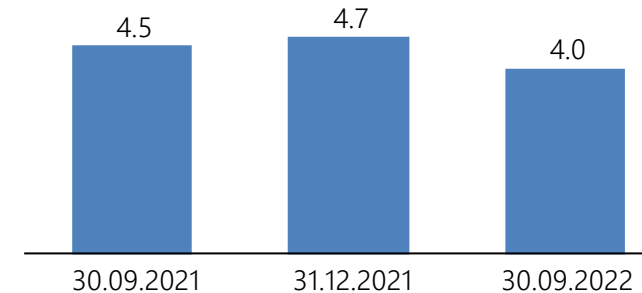
Working Capital % of Sales



Consolidated Net Debt Breakdown (€m)



Net Debt / a-EBITDA

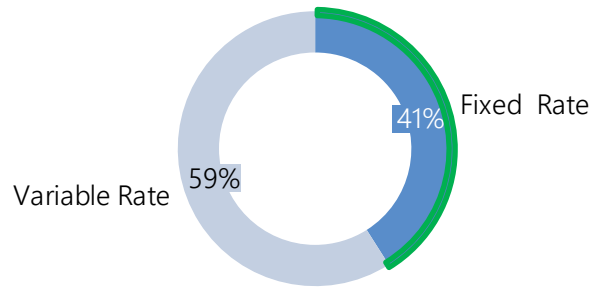


1. Source: Annual Financial Statements and company information.
2. Annualization of sales based on a rolling 12 month period.
3. Annualization of a-EBITDA based on a rolling 12 month period.

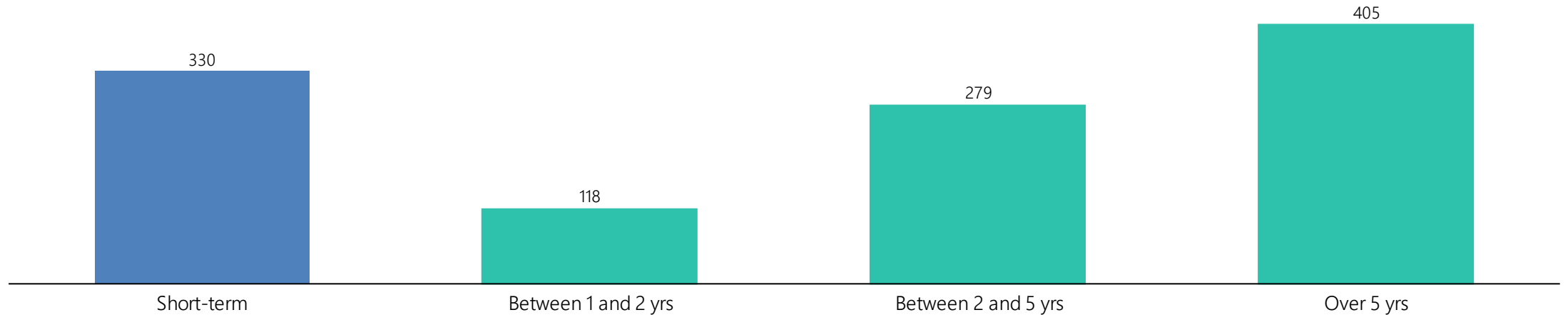
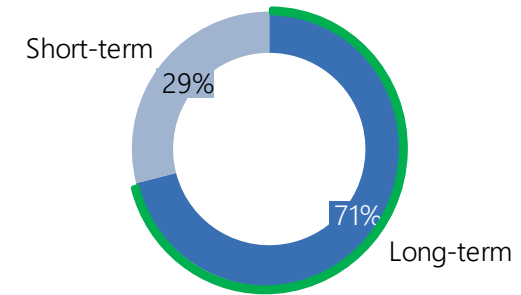
# Debt Maturity.

Well positioned to meet the challenges.

Partially hedged from the potential increase of interest rates.



Majority of Debt on Long-term tenure, and short-term debt temporarily increased due to spike in working capital

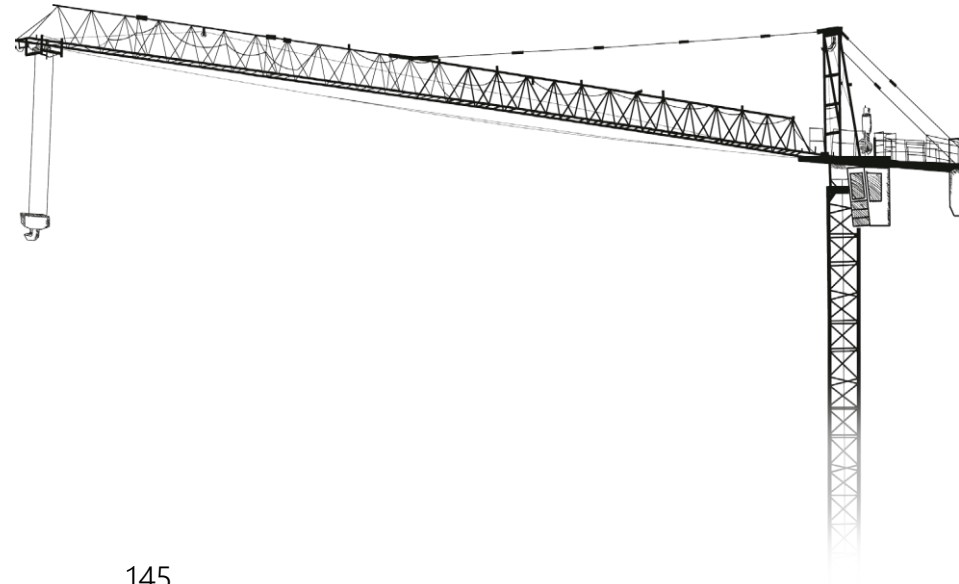


Amounts in €m

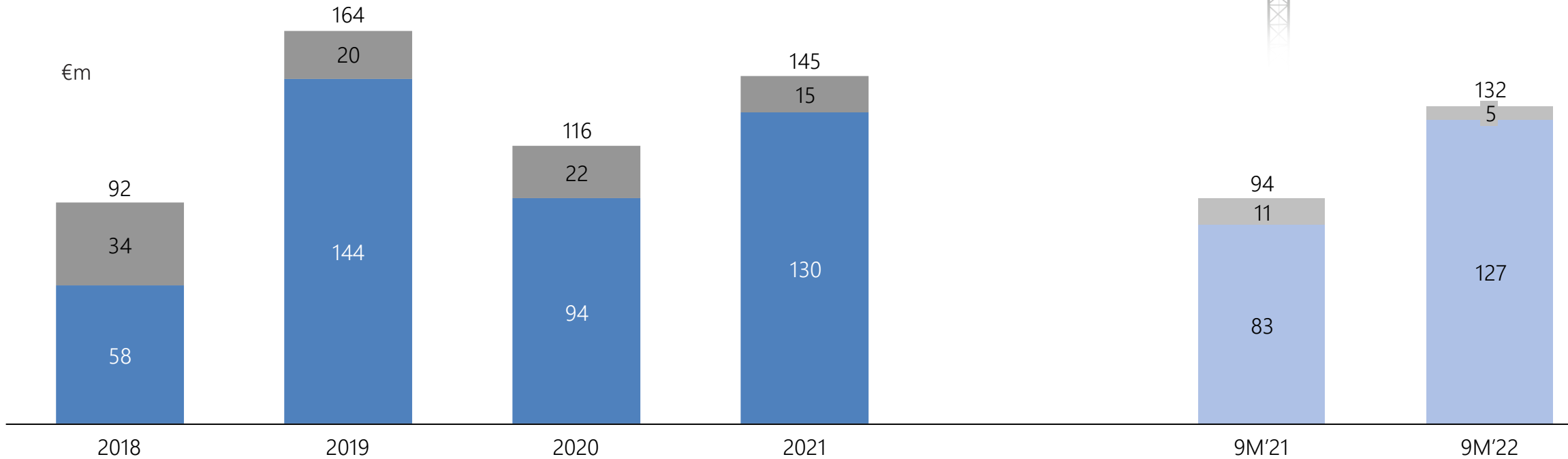
1. Source: Company information.  
2. Figures are unaudited.

# Capex Evolution.

Accelerating investments to meet demand.



- Cu
- Al
- CU
- AL



Source: Annual Financial Statements and Company information.

# Disclaimer.

The information contained in this corporate presentation (CP) has been prepared by ElvalHalcor S.A. (the Company). It is based on historical financial data and other information already publicly disclosed by the Company. It also includes information from other sources and third parties. This information has not been independently verified and it will not be updated. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein and nothing in this CP is, or shall be relied upon as, a promise or representation. None of the Company nor any of its shareholders, affiliates, nor their respective employees, officers, directors, advisers, representatives or agents shall have any liability whatsoever (in negligence or otherwise, whether direct or indirect, in contract, tort or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. This presentation is not a part to any contract, agreement or obligation and cannot be used or construed as such.

The information and opinions in this CP are provided as at the date hereof and subject to change without notice. It is not the intention of the Company to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company's financial or trading position or prospects. This presentation does not constitute investment, legal, accounting, regulatory, taxation or other advice and does not take into account your investment objectives or legal, accounting, regulatory, taxation or financial situation or particular needs. You are solely responsible for forming your own opinions and conclusions on such matters and for making your own independent assessment of the Company. You are solely responsible for seeking independent professional advice in relation to the Company. No responsibility or liability is accepted by any person for any of the information or for any action taken by you or any of your officers, employees, agents or associates on the basis of such information. This CP contains, inter alia, financial information regarding certain aspects of the business of the Company. Such information may not have been audited, reviewed or verified by any independent auditing firm. The inclusion of such information in the CP should not be regarded as a representation or warranty by the Company, its shareholders, affiliates, advisors or representatives or any other person as to the accuracy or completeness of such information's portrayal of the financial condition or results of operations by the Company and should not be relied upon when making an investment decision. This presentation includes non-IFRS financial measures and other metrics which have not been and may not be subject to a financial audit for any period. Certain information in this presentation is based solely on management accounts and estimates of the Company. Certain financial and statistical information in this presentation has been subject to rounding off adjustments.

## Forward Looking Statements

Certain statements in the CP are forward-looking. Such information is given only as of this date and the Company is under no obligation to provide any update. By their nature, forward looking statements involve a number of risks, uncertainties, assumptions and other factors that are outside the control of the Company and could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements with respect to the operational and financial results of the Company, its economic condition, its liquidity, performance, prospectus and opportunities. Such risks include:

- Competition;
- 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.

Statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Based on the above, no assurance can be given that we will be able to reach our targets or that our financial condition or results of operations will not be materially different from such information. In addition, even if our results of operations, including our financial condition and liquidity and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation. Any industry and market data and relevant forecasts included in this presentation are included for information purposes only. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this presentation.

THIS PRESENTATION DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER FOR SALE OR SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES ISSUED BY THE COMPANY NOR SHALL IT OR ANY PART OF IT FORMS THE BASIS OF OR BE RELIED ON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT TO PURCHASE SECURITIES ISSUED BY THE COMPANY."

By reading or attending this presentation you agree upon complying with the aforementioned conditions and limitations.

[www.elvalhalcor.com](http://www.elvalhalcor.com)