



**ELVALHALCOR**

HELLENIC COPPER AND ALUMINIUM INDUSTRY S.A.

# 2022 Corporate Presentation

HELLENIC FUND AND ASSET  
MANAGEMENT ASSOCIATION



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# ElvalHalcor at a Glance.

## Corporate Structure Overview.



Other Participations

93%

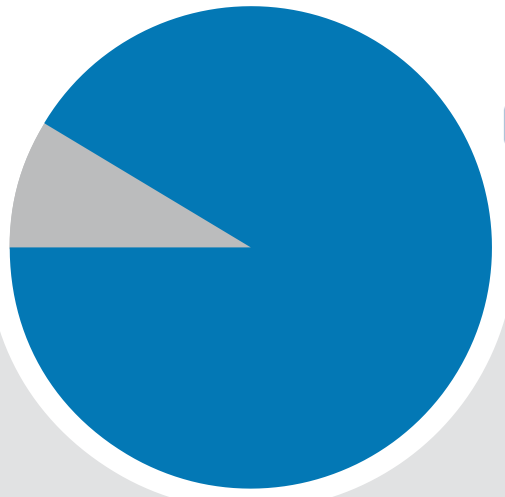


28%



Aluminium segment

Other Shareholders  
15.2%



VIOHALCO  
84.8%

Copper segment

100%



100%



100%



100%



49%



(1)

75%



80%



(Acquired in 2021)

89%



100%



100%



50%



(1)

50%



(1)

1. HC Istitma and Nedzink are JVs

# ElvalHalcor at a Glance. **Figures.**



**No.1**

copper tubes producer in Europe



**The 2nd**

aluminium rolling plant in Europe (in terms of hot rolling capacity)\*



**>900**

€ million investments during the last 10 years

Our financial and social footprint in Greece is significant according to an impact study conducted by IOBE\*.



**€1.94 billion**  
production value in 2021



**€890 million**  
annual total impact of ElvalHalcor's activity on GDP (0.5% of GDP)



**7.8%**  
of the country's total industrial exports (compared to 6.7% in 2020)



**48.6%**  
of the base metals sector, (compared to 45.2% in 2020)



**65.4%**  
of the value of valuable and non-ferrous metals exports (63.1% in 2020)



**€161.8 million**  
invested in materials during 2021



**6X**  
per capita investment from the corresponding average investment as a whole economy



**2,800**  
employees (2021) comprising:  
• 0.9% of the country's manufacturing sector  
• 25% of the country's base metals sector



**6X**  
every job at ElvalHalcor creates another six in the country's economy

# Emphasis on the Human Side.

Our people are the  
key to our success.



Our people and partners' health  
and safety is our priority and  
primary concern



We empower our people  
(improving leadership skills and  
utilizing all employees' skills,  
developing and promoting talent)



A rewarding work environment  
based on equal opportunities for all  
(with respect on human rights and  
diversity)



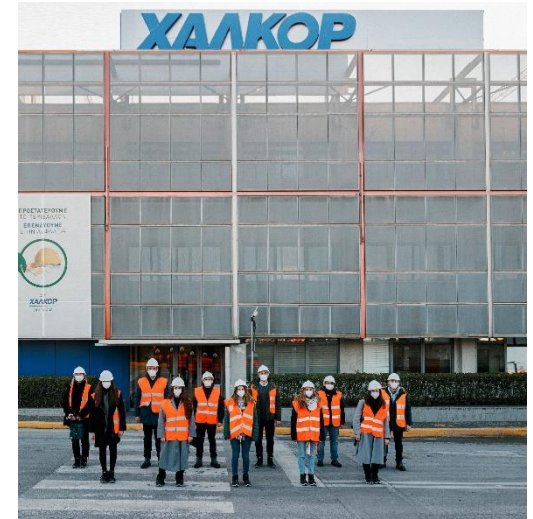
Continuous, ongoing training  
and employee development  
(Elval & Halcor Academies,  
ELVAL E-Cademy)

# Our power is our people.

We invest on the Health and Safety of our people.

We offer international standards career opportunities reversing brain drain.

We support young engineers with 12M paid internship programs.





# Financial Highlights.

# FY'22 Highlights

- Very strong demand across most markets in 1st half of the fiscal year.
- Demand allowed for passing-on of energy cost increases to prices and profitable spot sales.
- Inflation, interest rate hikes and worries about global growth softened demand in the 2nd half, affecting some segments more than others.
- Increased Debt due to working capital needs and 2nd phase of Aluminium capacity expansion – but improved Net Debt/a-EBITDA
- Completion of installation of a 6-high aluminium cold rolling mill

## Volumes

**581**

Thousand tons  
volume of sales

**+5,2% YoY**

## a - EBITDA

**271**

EUR million

**+62,6% YoY**

Robust profitability is driven  
by the increased conversion  
prices and sales volumes

## Net Debt / a-EBITDA

**3.52x**

Improved as profitability rose  
much faster than debt

## EPS

**0,4245€ /share**

**+42,6% YoY**

## Dividend proposed

**0,06€ /share**

**+100% YoY**

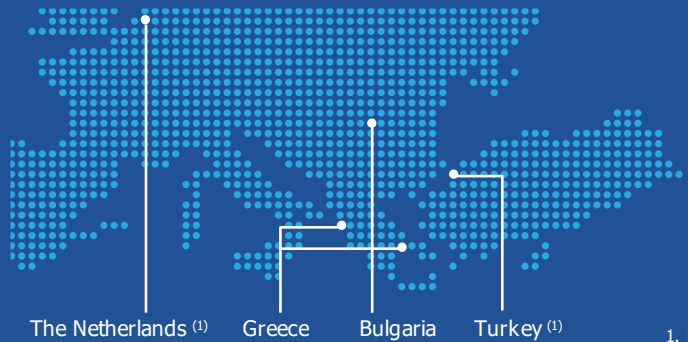


# International Focus.

Highly extrovert business model with solid presence in **94 countries** around the globe and revenues generated abroad representing over.

€ **92%** of total turnover

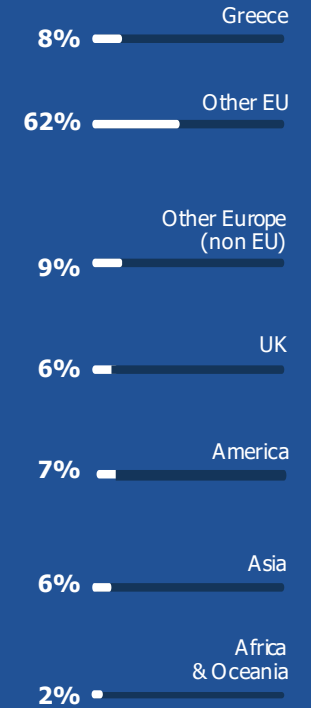
## Production facilities



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



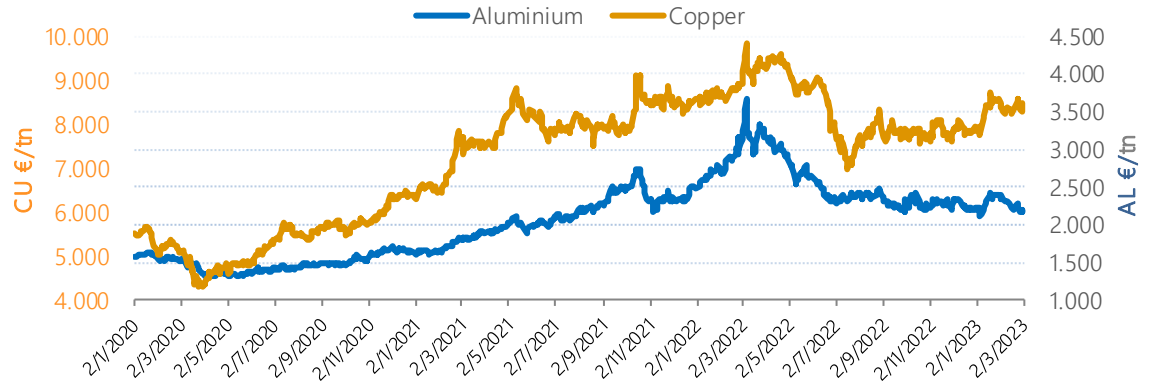
Group turnover (FY'22)



# Macroeconomic Charts.

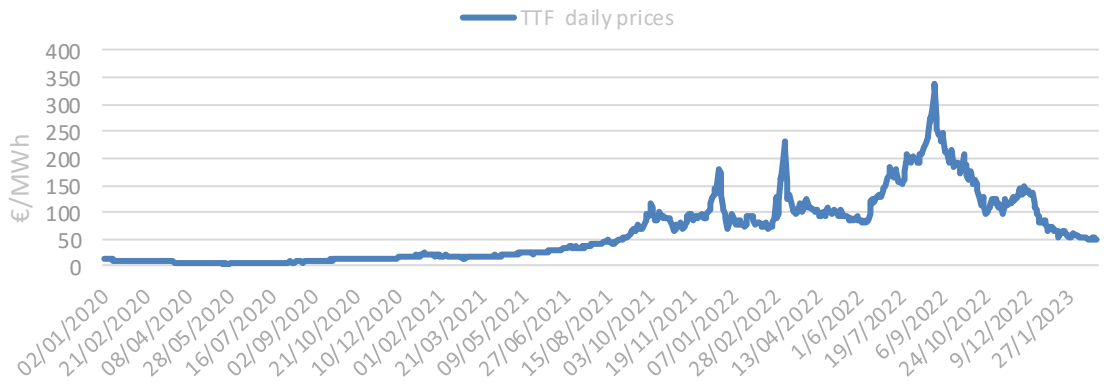
## LME Prices

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



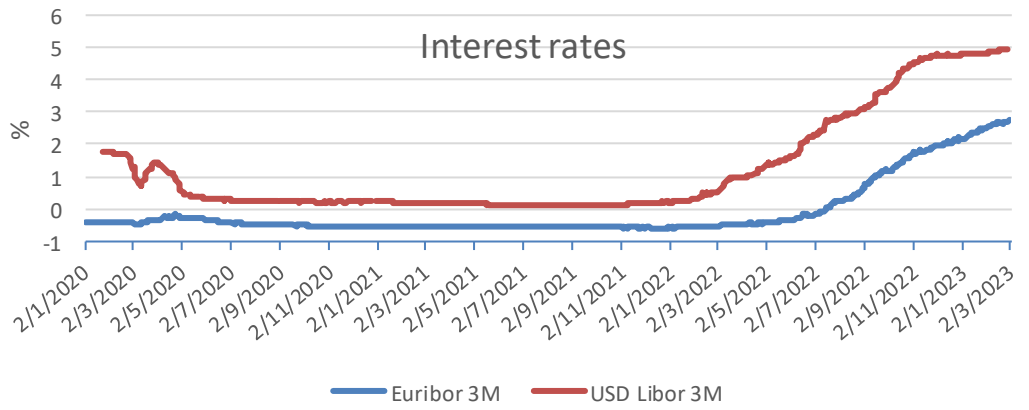
## TTF - Gas

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



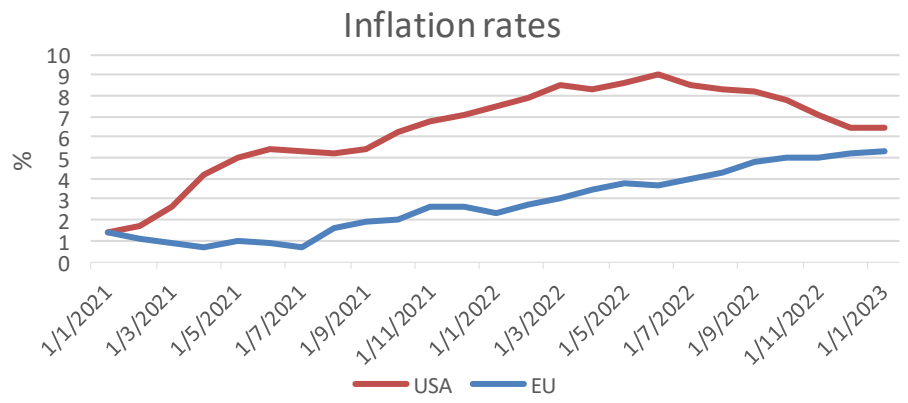
## Interest rates

Rising interest rates.



## Inflation

Rising inflation rates.

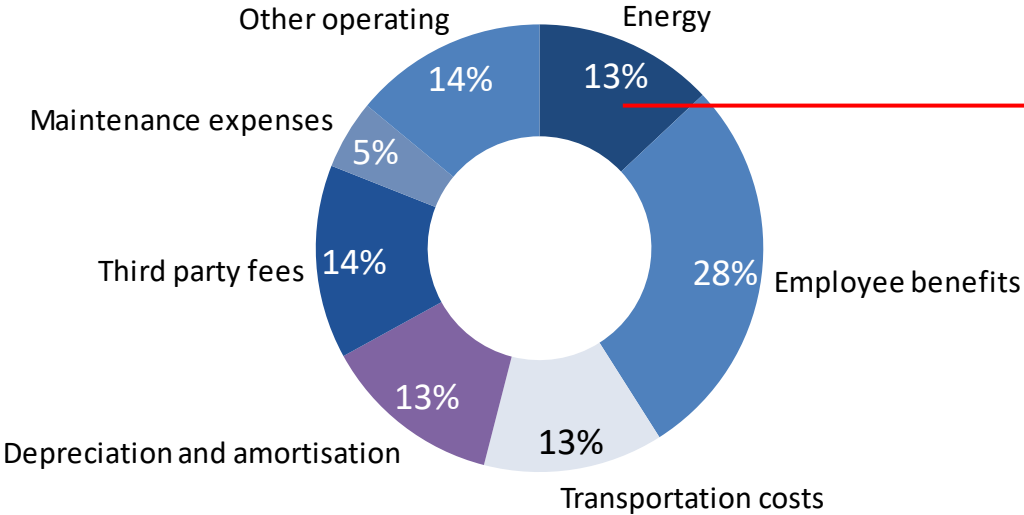


Source: Company information.

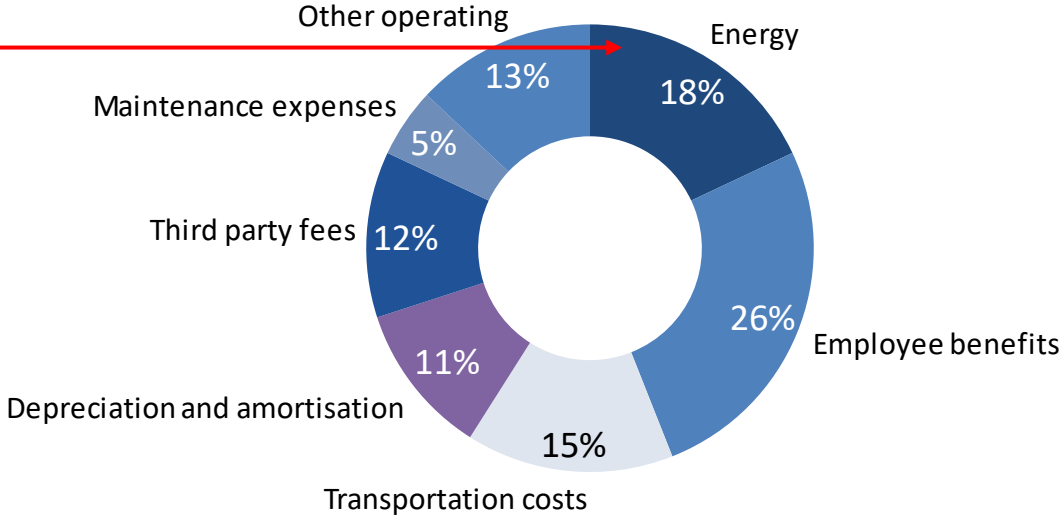
# Consolidated Cost Analysis.

Increased energy costs raises Group's costs, Excluding Al, Cu, Zn, and other metals costs which are fully passed to customers.

2021



2022

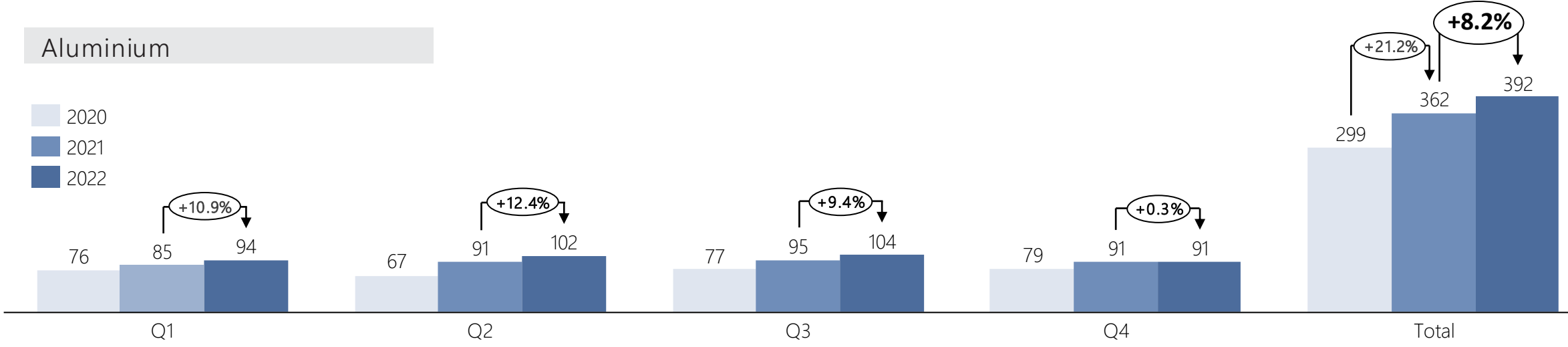


# Sales evolution per quarter.

Sales Volumes ('000tn)

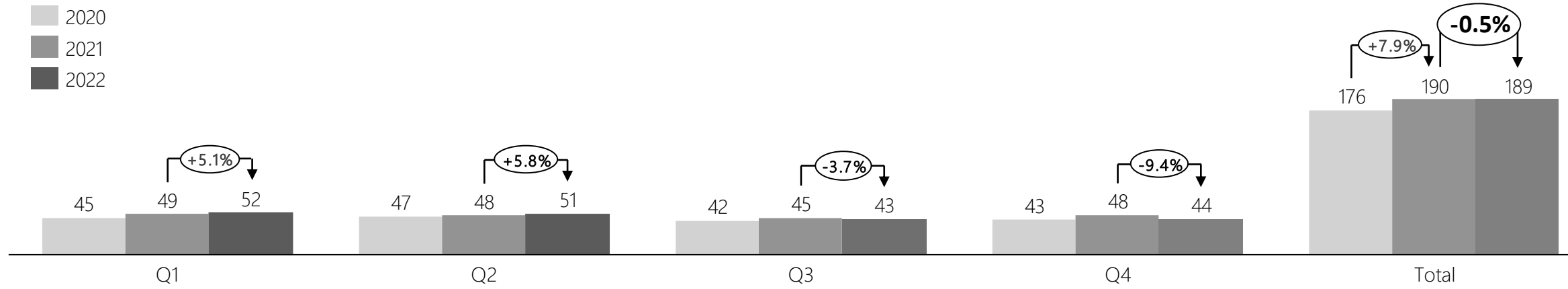
## Aluminium

- 2020
- 2021
- 2022



## Copper

- 2020
- 2021
- 2022



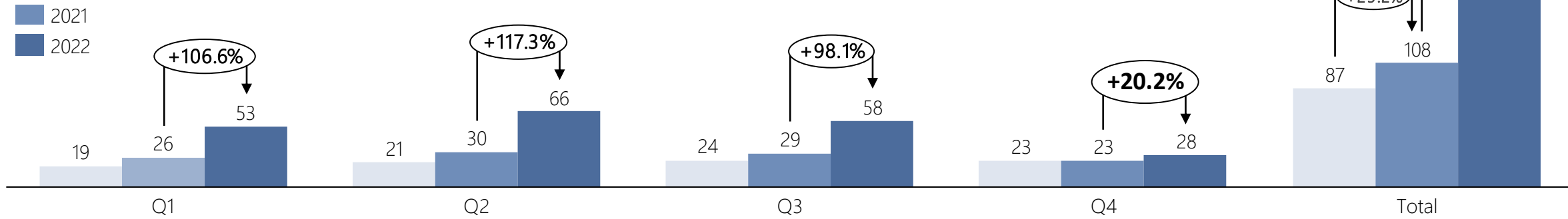
Source: Company information

# a-EBITDA evolution

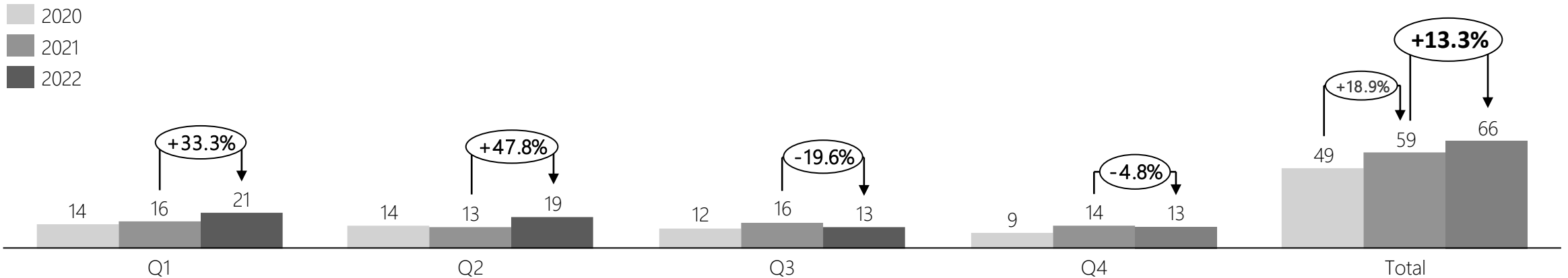
## per quarter.

a-EBITDA (€m)

### Aluminium

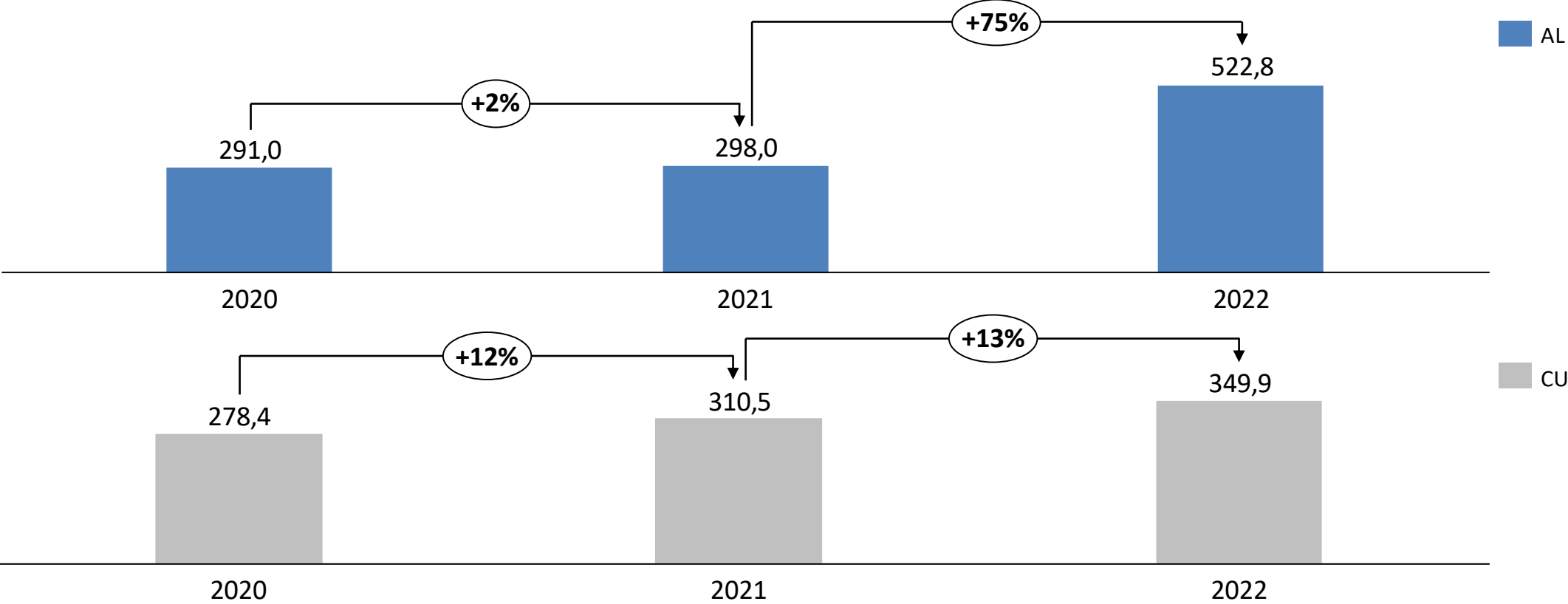


### Copper



# a-EBITDA evolution per ton.

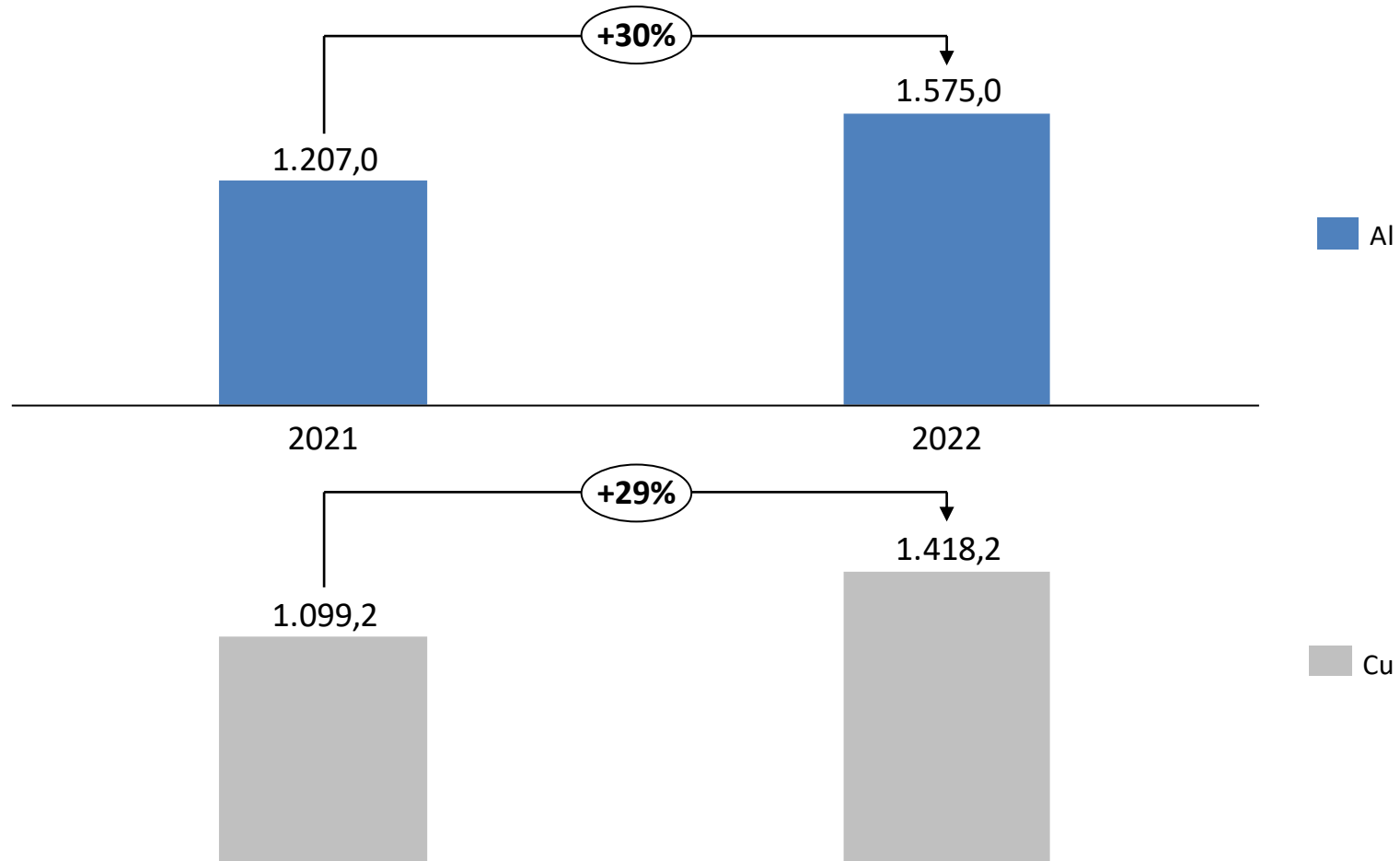
By Segment (Eur/ tons)



1. Source: Annual Financial Statements and company information.

# IVA per ton evolution.

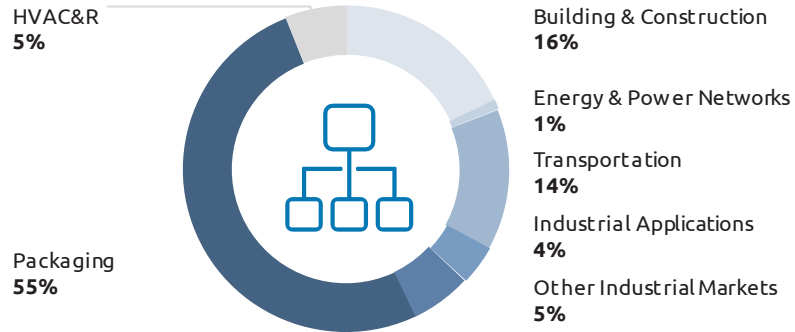
By Segment (Eur/ tons)



# Al

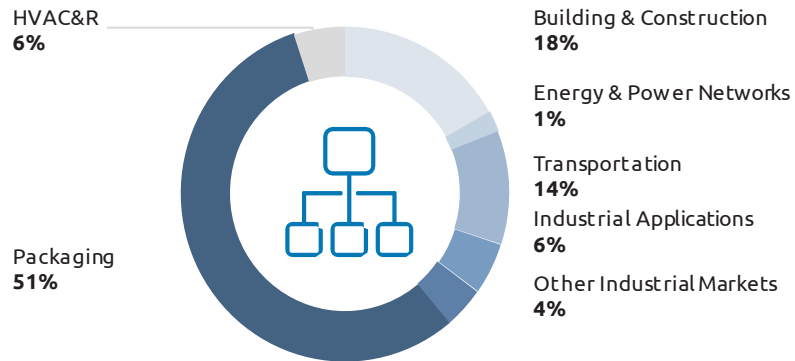
## Revenue breakdown (2022)

By Market (% of tons)



## Revenue breakdown (2021)

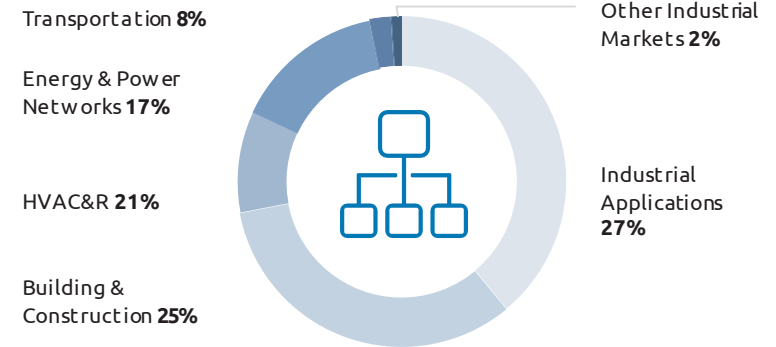
By Market (% of tons)



# Cu

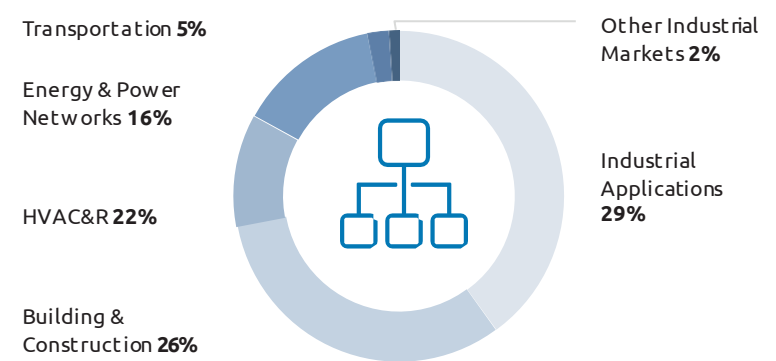
## Revenue Breakdown (2022)

By Market (% of tons)



## Revenue Breakdown (2021)

By Market (% of tons)

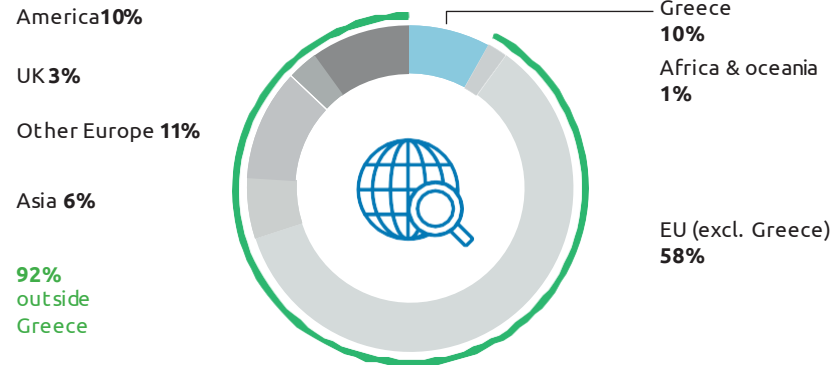




# Al

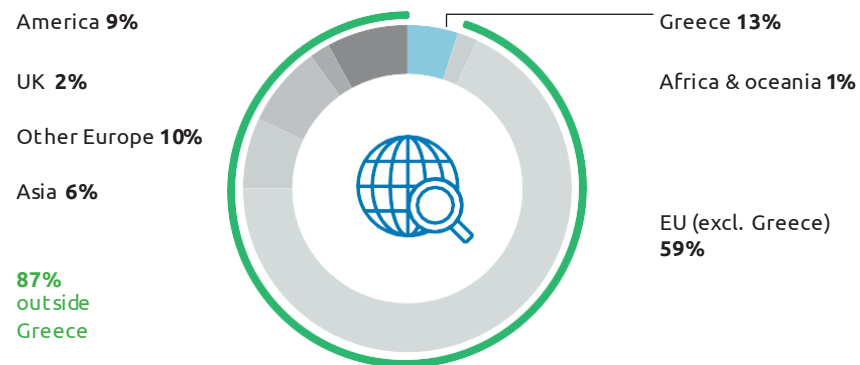
## Revenue breakdown (2022)

By Geographical Segment (% of €)



## Revenue breakdown (2021)

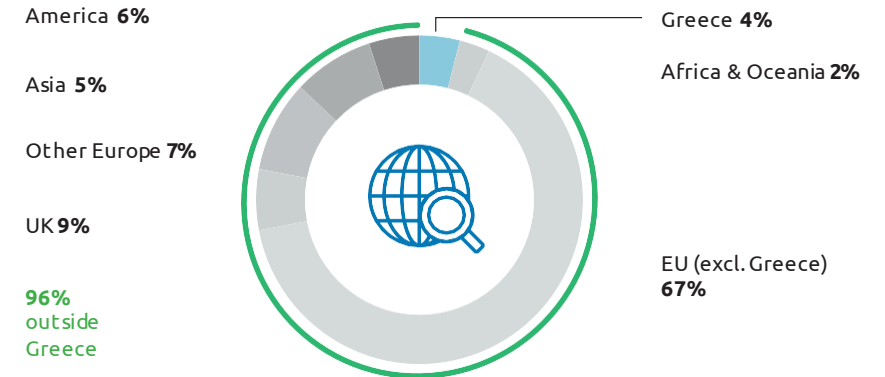
By Geographical Segment (% of €)



# Cu

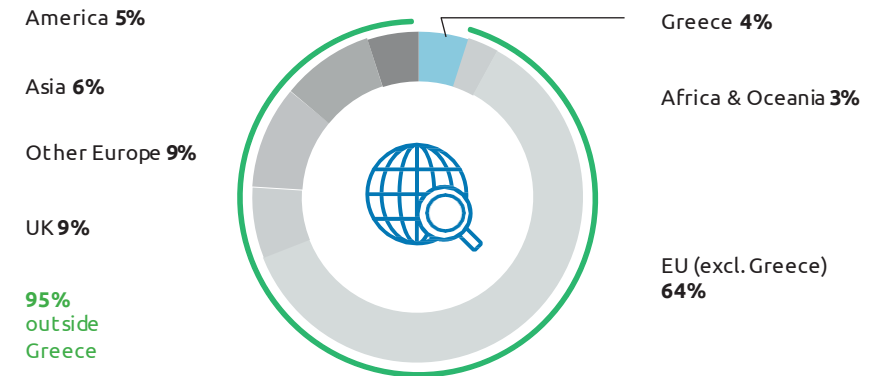
## Revenue Breakdown (2022)

By Geographical Segment (% of €)



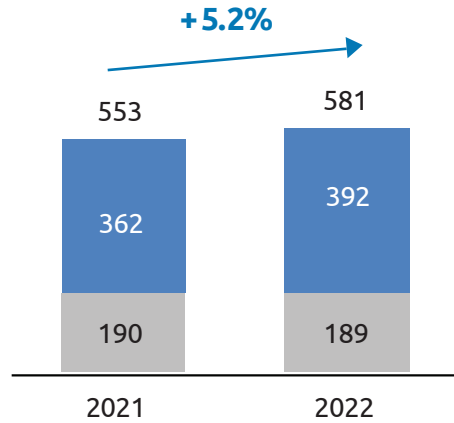
## Revenue Breakdown (2021)

By Geographical Segment (% of €)

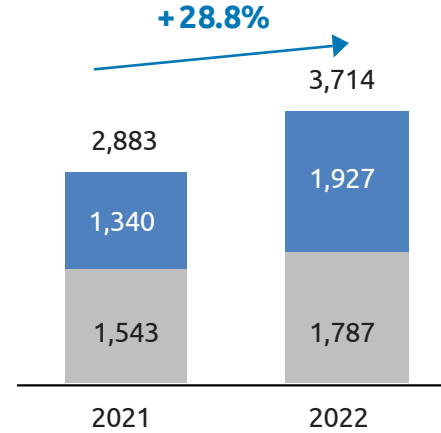


■ Al ■ Cu

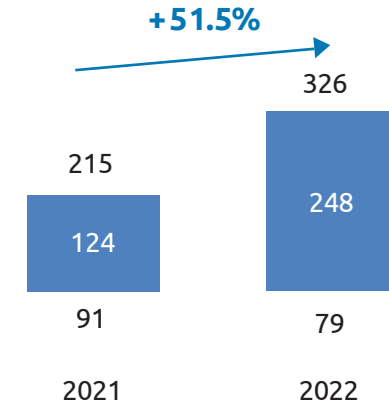
Volumes (kTn)



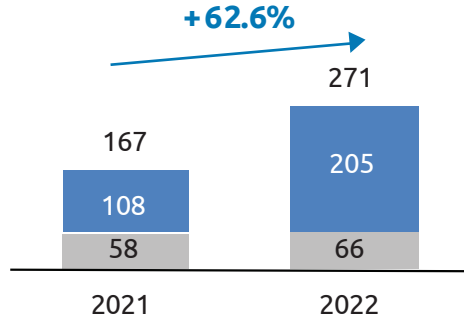
Revenue (€m)



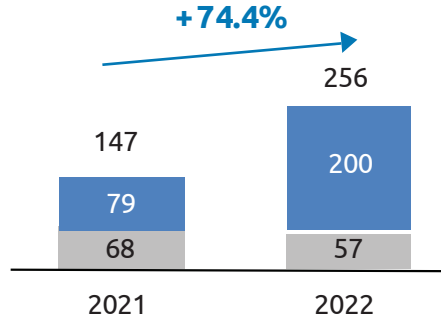
EBITDA (€m)



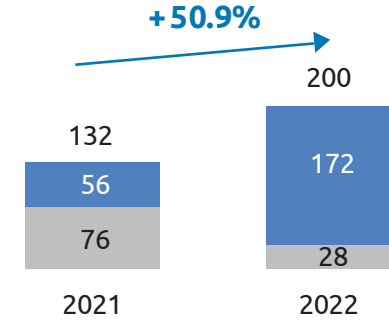
a-EBITDA (€m)



EBIT (€m)

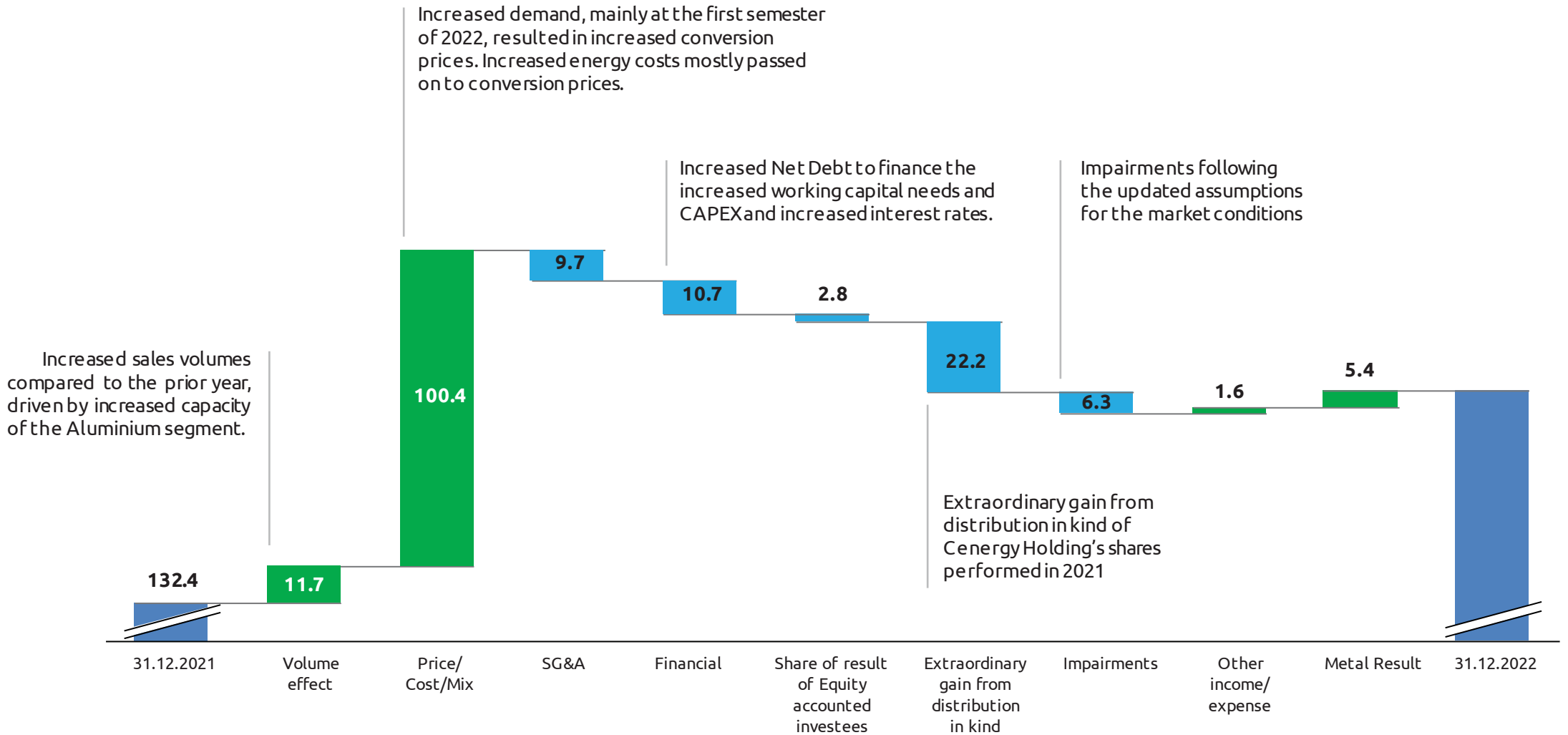


EBT (€m)

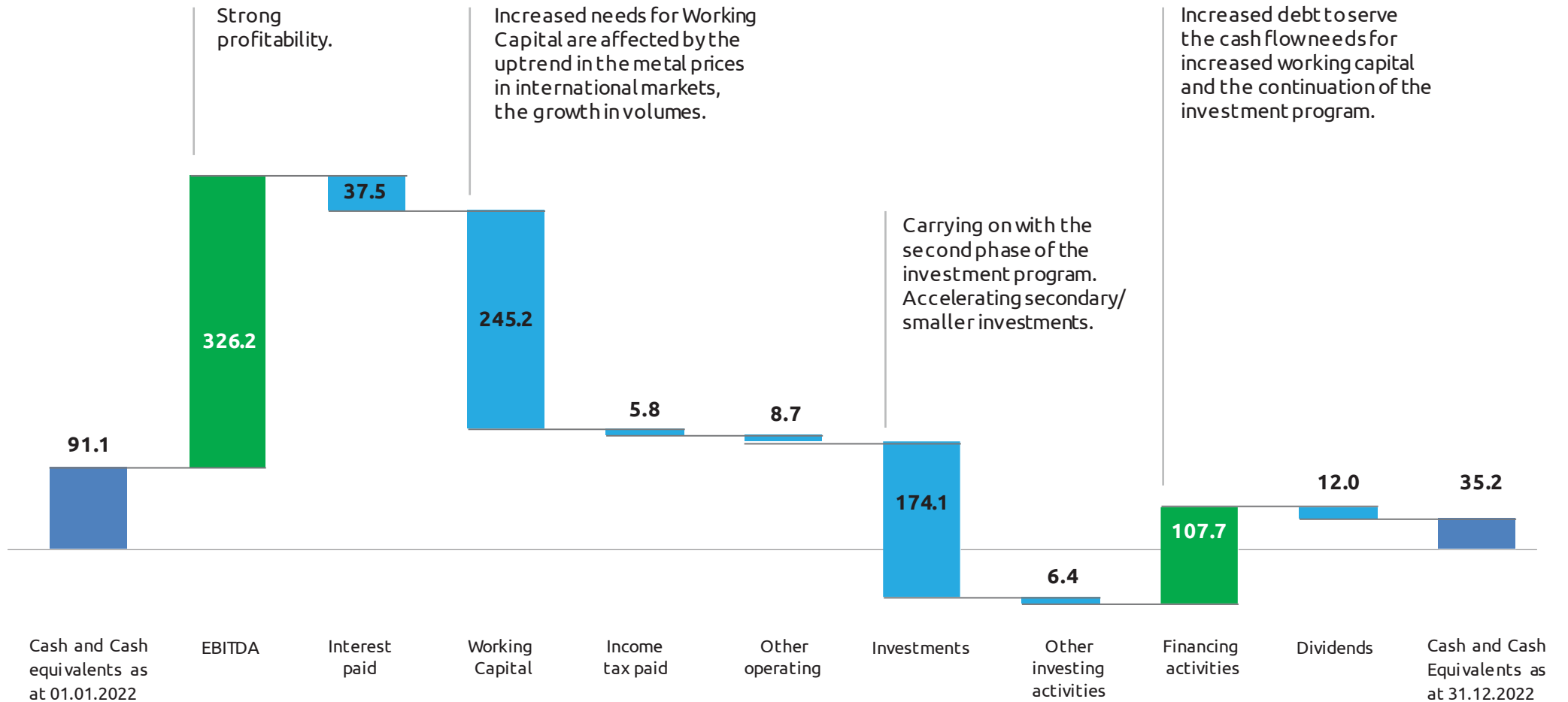


1. Adjusted for aluminium and copper price fluctuations and other non recurring items.  
Source: Company information

Amounts in €m



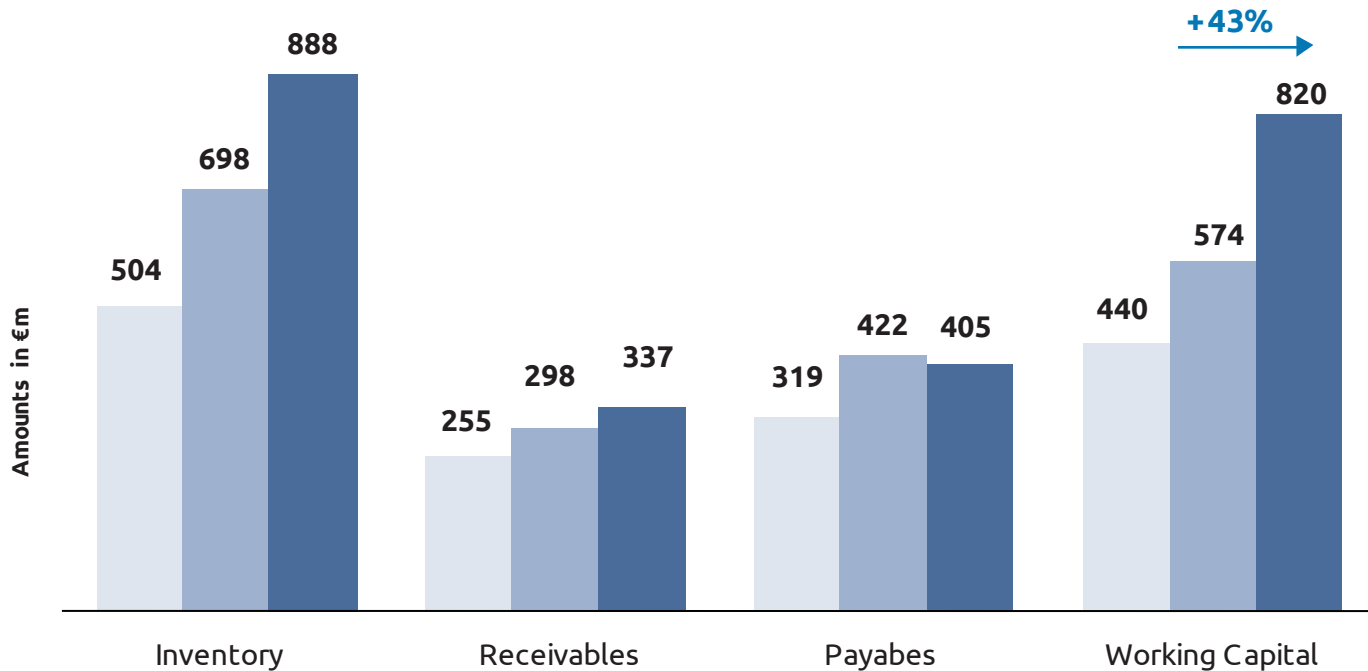
Amounts in €m



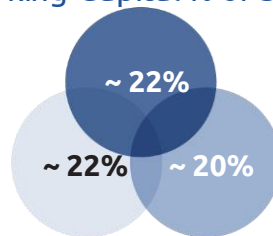


Increase in Working Capital is attributable to the increased metal prices and volumes.

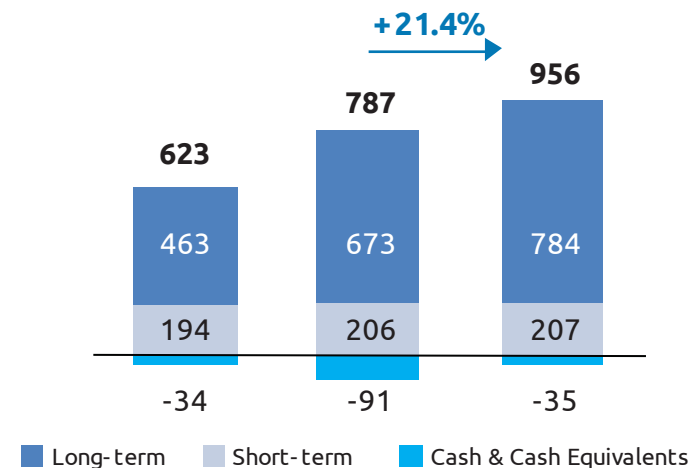
- 31.12.2020
- 31.12.2021
- 31.12.2022



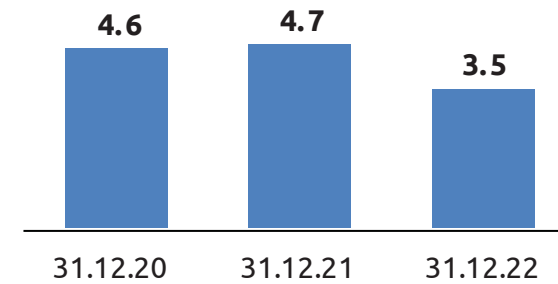
### Working Capital % of Sales



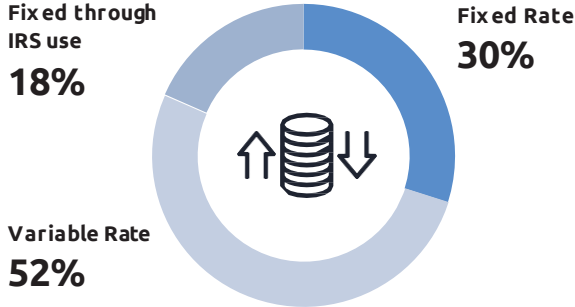
### Consolidated Net Debt Breakdown (€m)



### Net Debt/ a-EBITDA



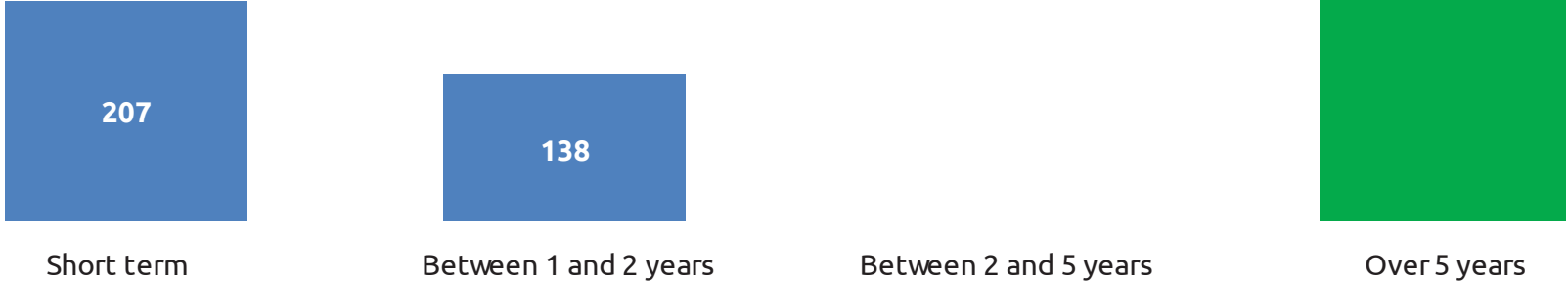
Partially hedged from the potential increase of interest rates.

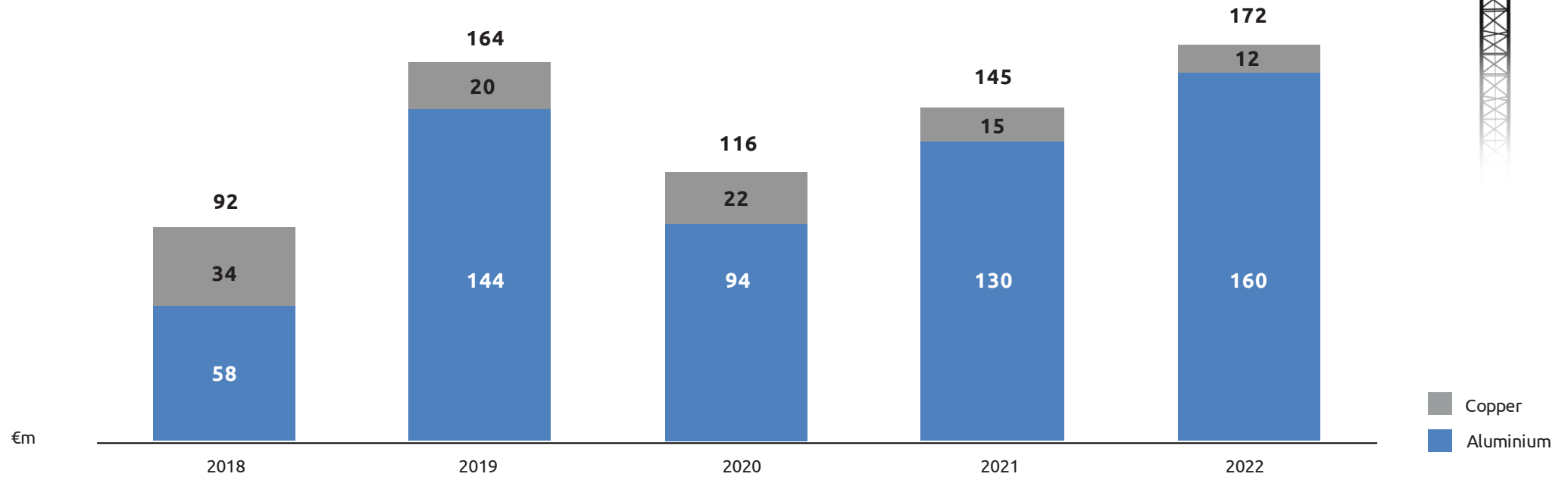
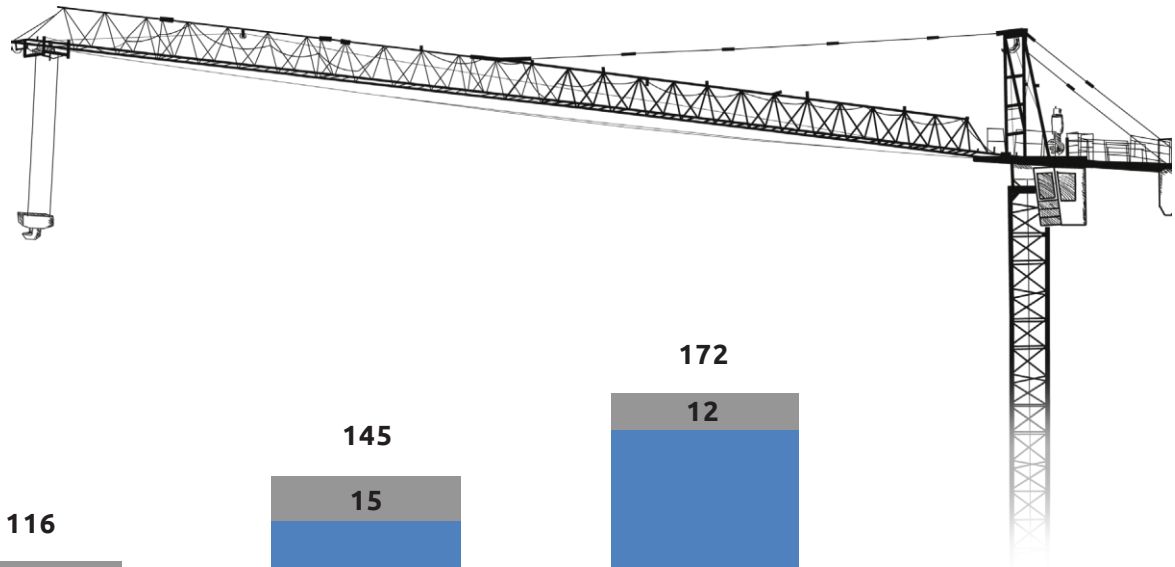


Majority of Debt on Long-term tenure, and short-term debt temporarily increased due to spike in working capital



Amounts in €m





Source: Annual Financial Statements and Company information.







**Megatrends.**  
**Our way ahead.**

# 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 segments'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 segments'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 and HVAC 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



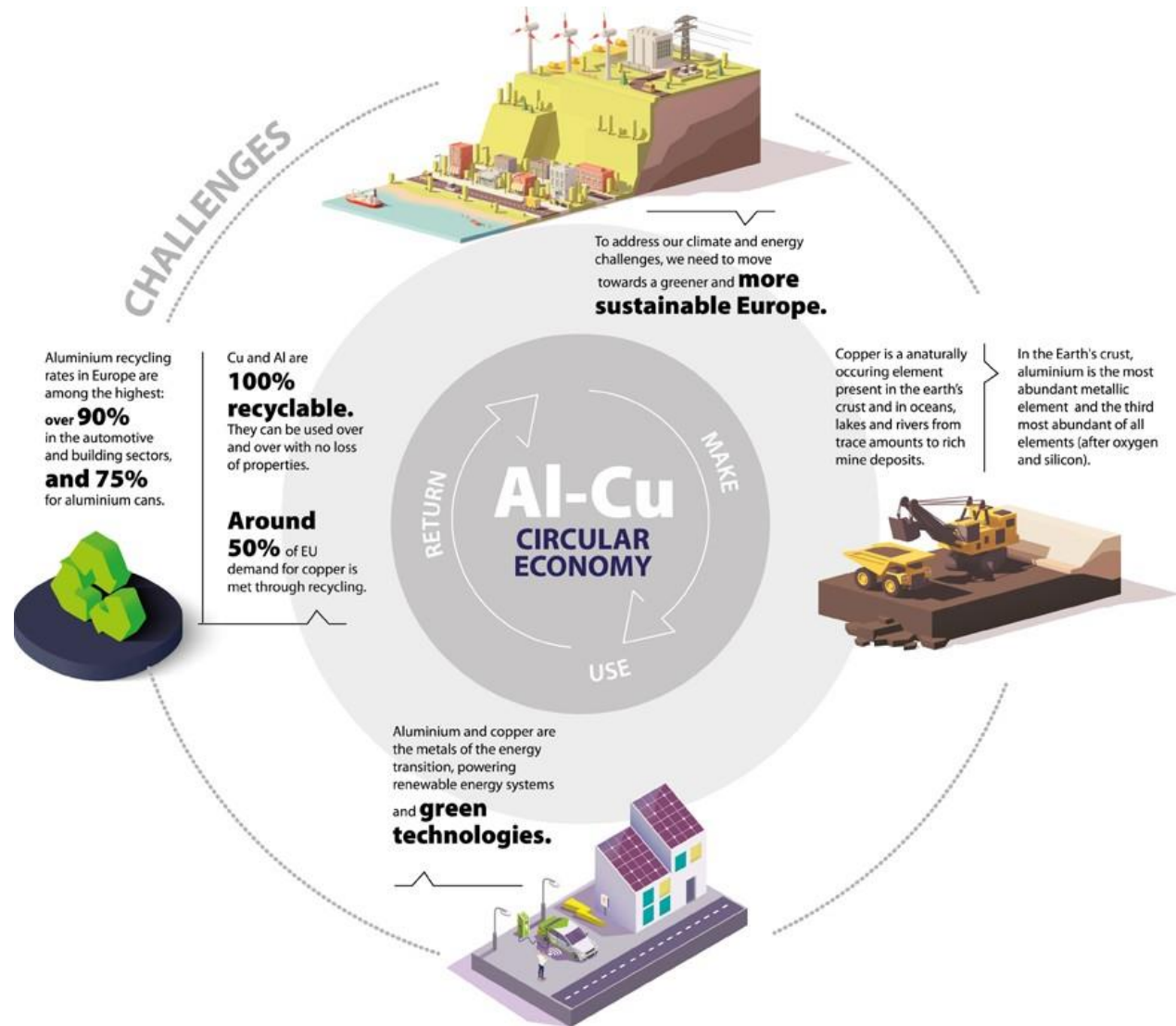
# Growth Drivers.

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.



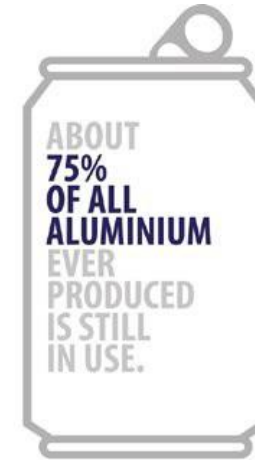
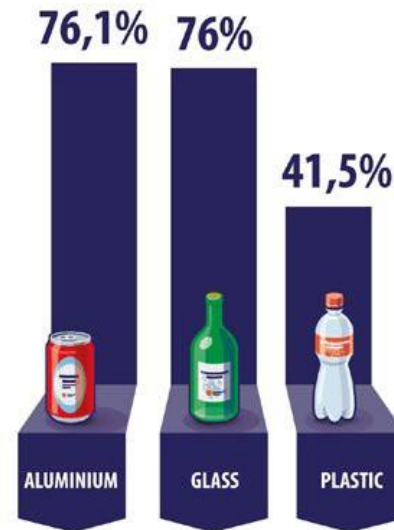
# Overview of Growth Drivers.

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 aluminum 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



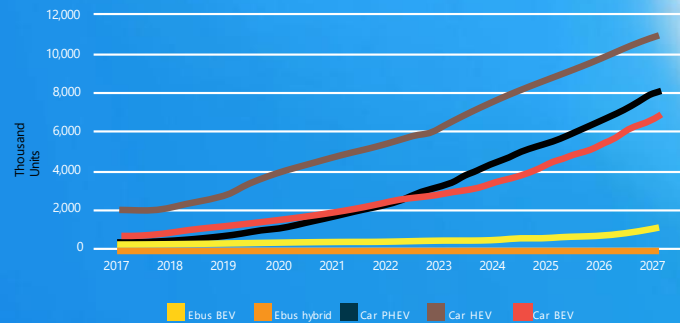
Source: The Aluminium Association, FVE, ec.europa.eu

# e-mobility. Cu-Alu.

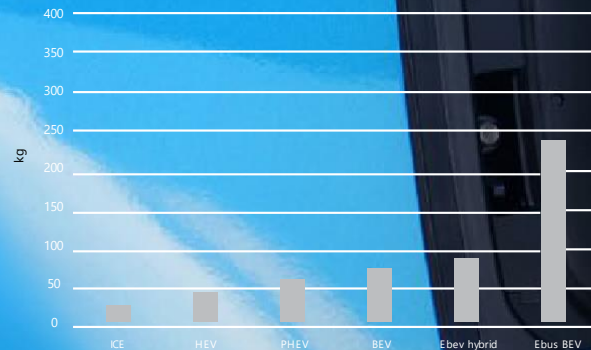


Copper and aluminium demand will be substantially impacted by the growing market for electric vehicles (EVs) over the next decade. Copper is used in electric motors, batteries, inverters, wiring and in charging stations. Battery boxes are strong drivers for aluminium.

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

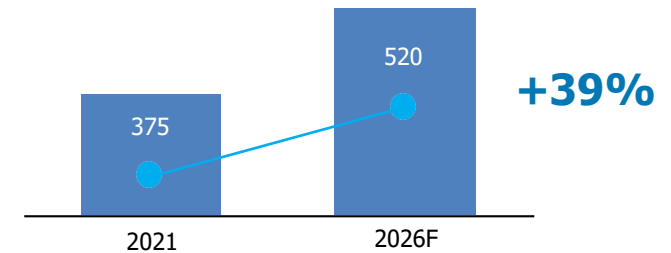
- Aluminium FRP plant operated near full capacity, which is up to 375 thousand tons, before the installation of cold rolling mill.
- Installation of the new cold rolling mill at the last quarter of the year 2022 rose production capacity, allowing for increase up to 520 thousand tons.
- Completion of the new lacquering line will absorb the increased production capacity for high added value products, resulted to increased profitability and growth.
- Smaller investments required in order to be able to fully utilize the full capacity of 520 thousand tons.

### Copper

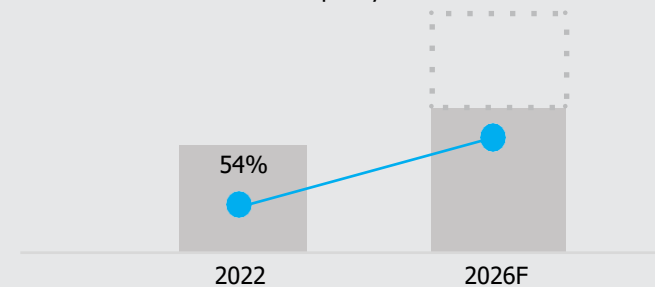
- FRP copper and alloy unit, taking advantage of high demand, is switching to high added value products, increasing its competitive advantages and market dynamics.
- The installation of 4 new bell annealing bases and the optimization of the production process will unlock capacity and further growth.
- Diversification of product range towards more profitable and promising portfolio.

## Situation Overview / Actions

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



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



1. Refers to the main Aluminium FRP plant;

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



**Thank You.**

**Q&A.**





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- 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.

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