



# **Alumetal Group**

## **1H 2021 financial results**

*17 August 2021*



## 1H 2021 and LTM at glance

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Volume sales – **121,3 k tons** in 1H 2021 and **205,7 k tons** in LTM

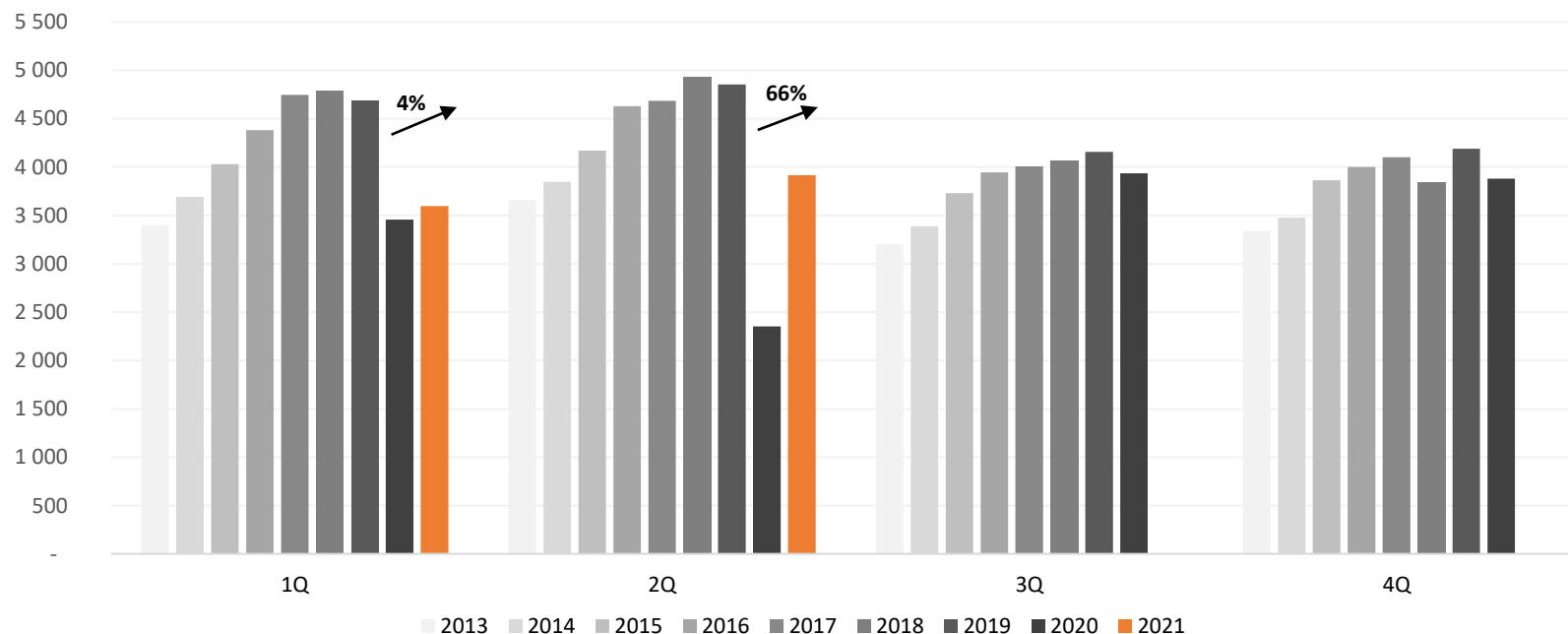
EBITDA – **PLN 118,5 mn** in 1H 2021 and **PLN 179,8 mn** in LTM

Normalized net profit – **PLN 88,0 mn** in 1H 2021 and **PLN 133,6 mn** in LTM

Operating cash flow – **PLN 5,9 mn** in 1H 2021 and **minus PLN 1,5 mn** in LTM

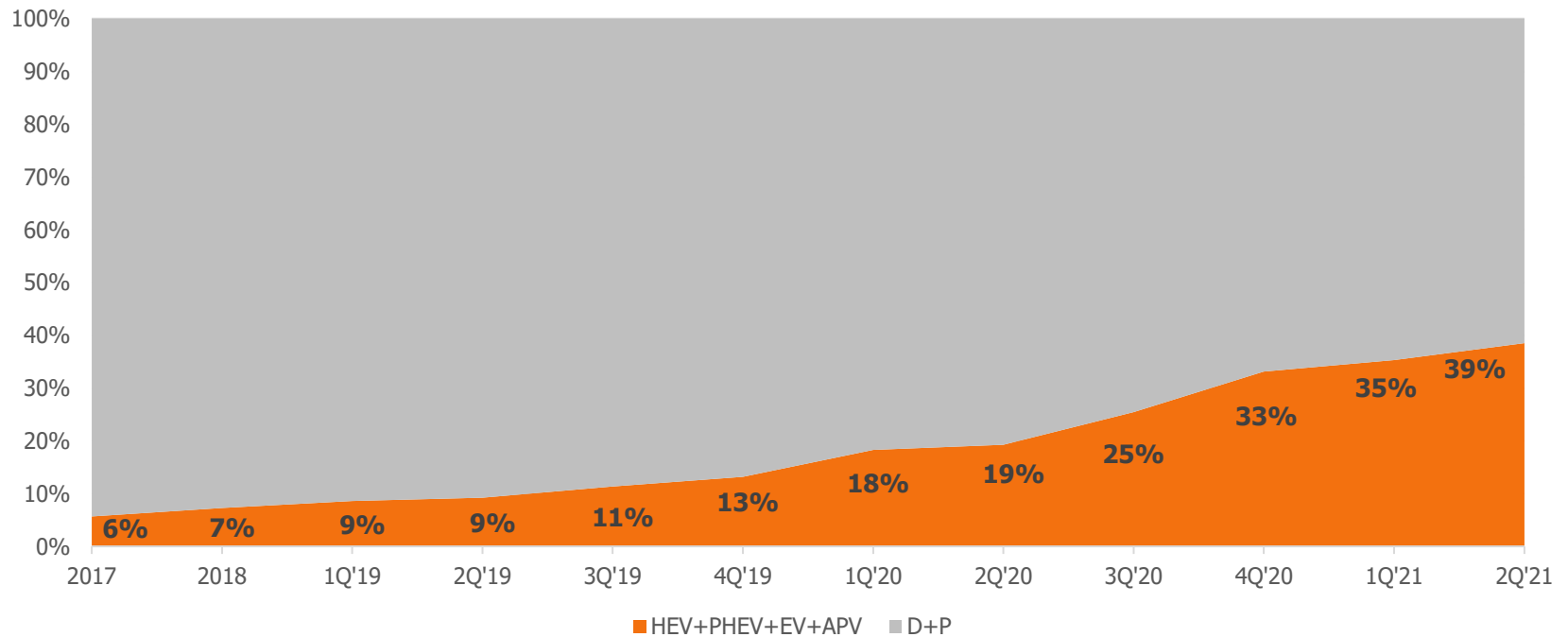
Net debt – **PLN 139,2 mn** (0,8x EBITDA)

# Motor vehicle registrations in the EU and UK in thou. units



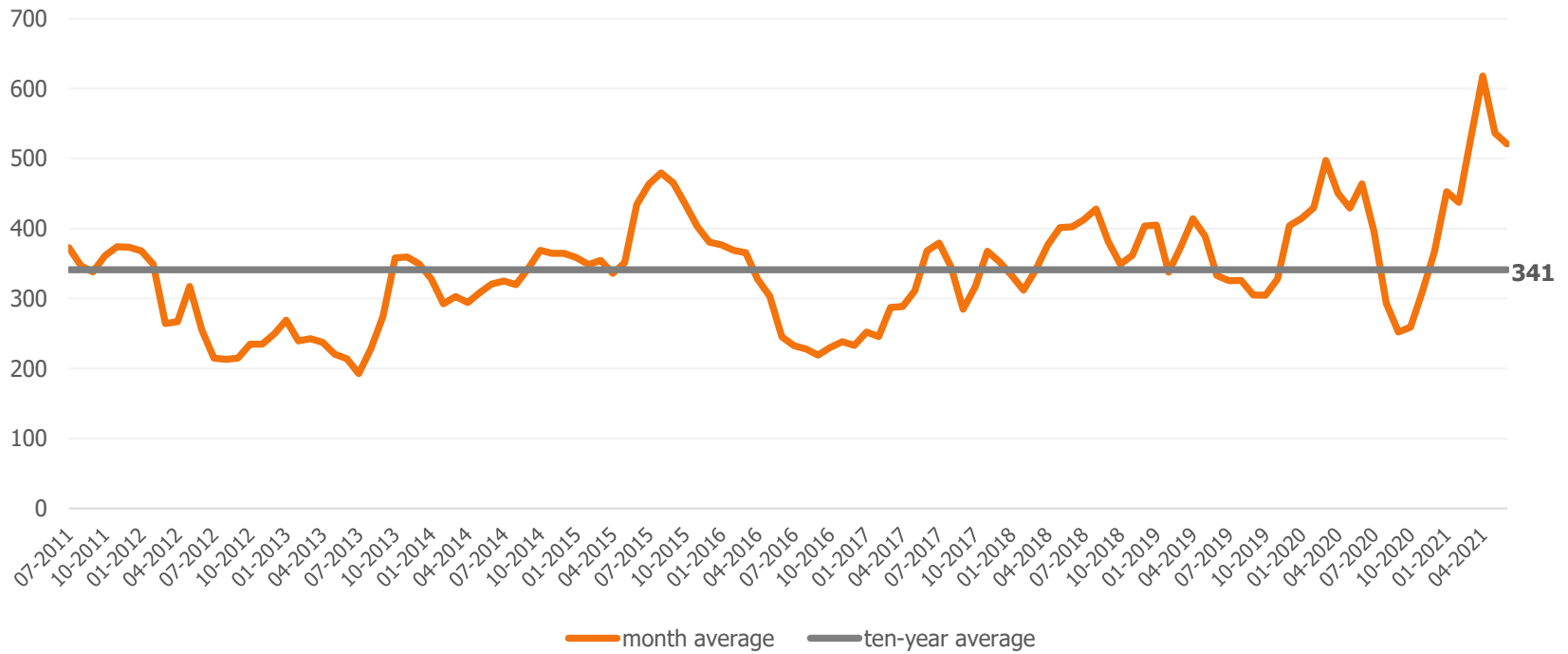
- ✦ In 1H 2021 new motor vehicle registrations in the EU and UK increased by 29% (increase passenger cars (PC) by 27% and commercial vehicles (CV) by 42%)
- ✦ In LTM sales volume of motor vehicles in the EU and UK amounted to 15,33 mn units, increased by 13% in comparison to 2020 (increase in PC sales by 12% and CV sales by 18%)

## Changing structure of motor vehicles in the EU and UK



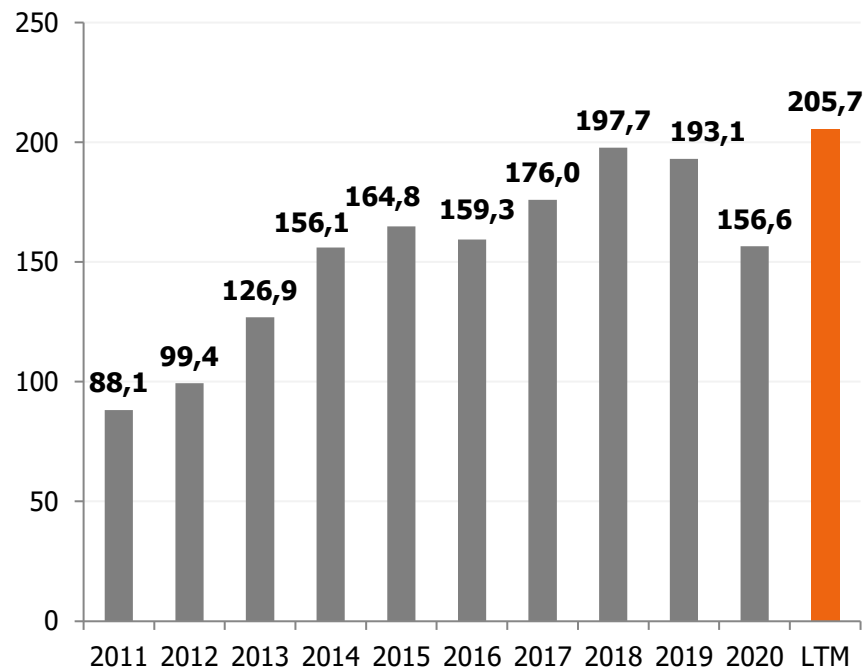
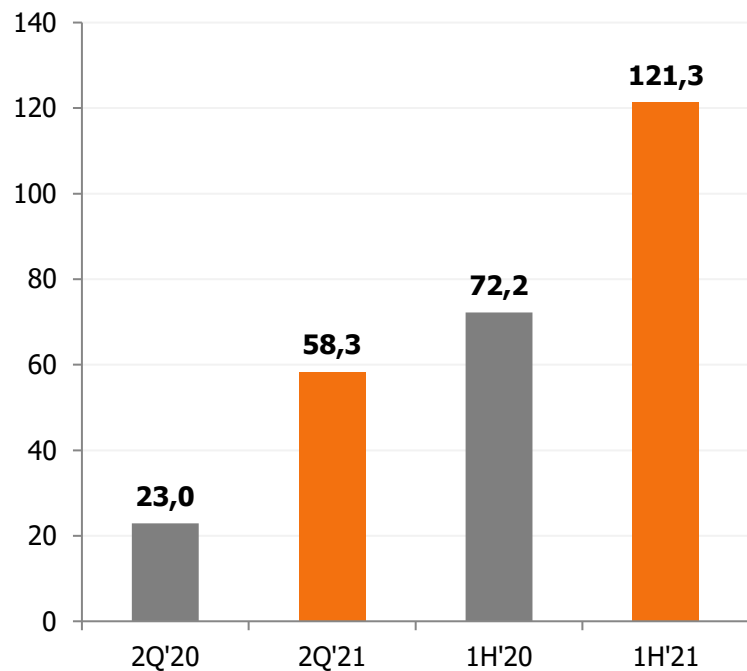
- ✦ In 2Q 2021 the trend of growing share of sales of alternative powertrain vehicles continued, nearly 40% of new cars registered in the EU and UK already have other than an internal combustion engine
- ✦ The share of alternative powertrain vehicles in the sales structure doubled during the year

# Metal Bulletin 226 alloy spread in EUR/t



- ✦ In 2Q 2021 average margin amounted to 392 EUR/t and was 15% higher than the ten-year average margin
- ✦ In 1H 2020 the average margin amounted to 475 EUR/t and was 23% higher than the average margin in 2020 and 39% higher than the ten-year average

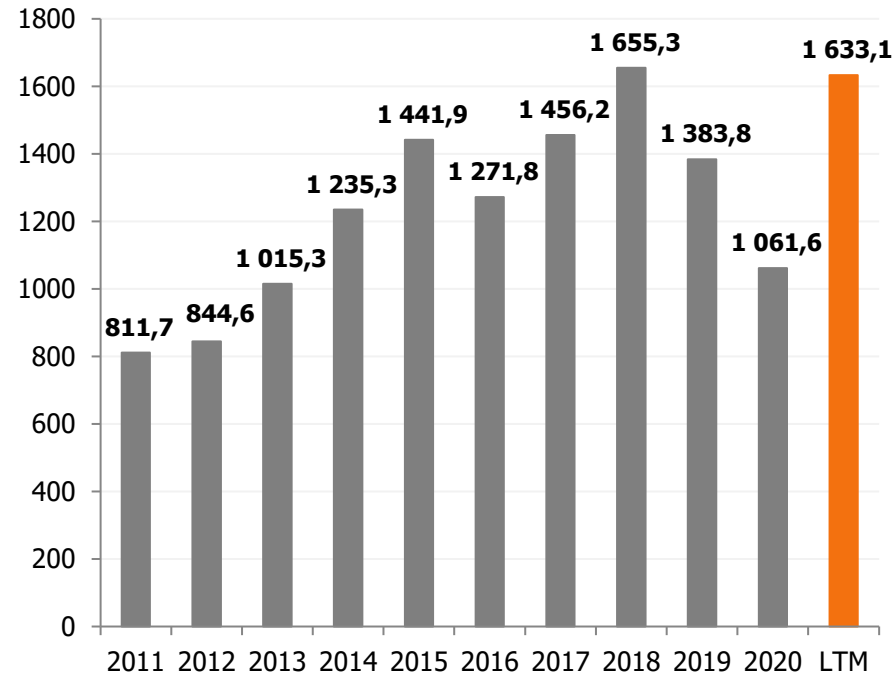
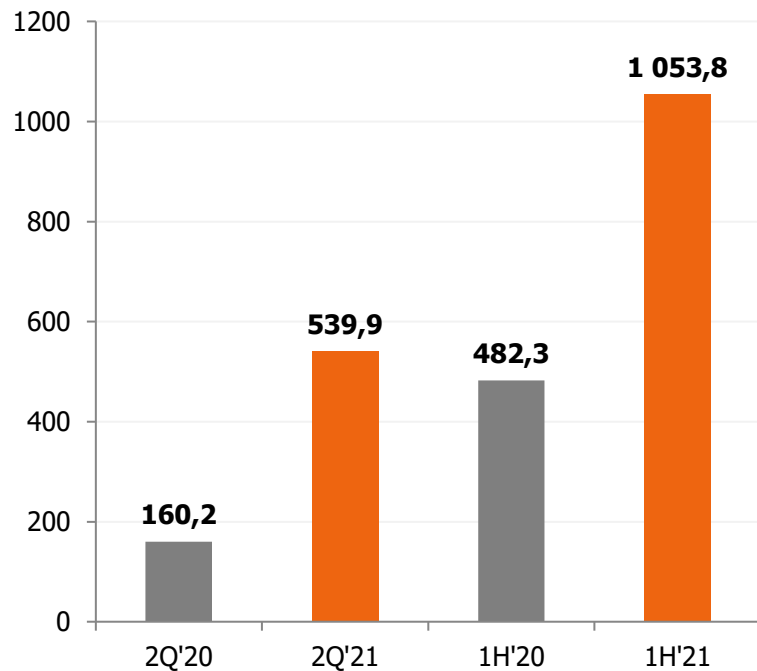
## Volume sales in thou. tons



✦ In 1H 2021 sales volume increased by 68% yoy to 121,3 k tons

✦ In LTM sales volume amounted to 205,7 k tons, increase by 31% in comparison to 2020

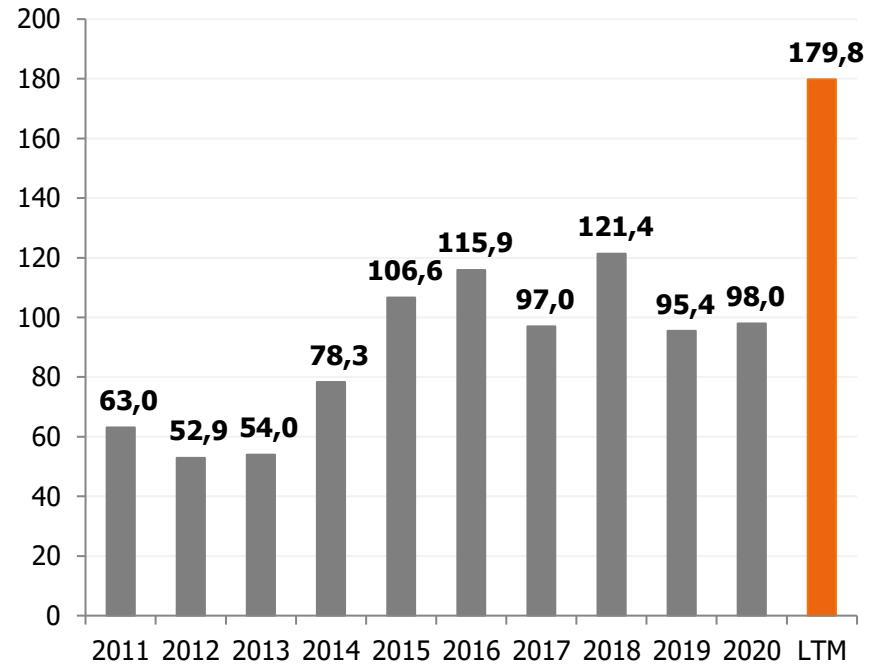
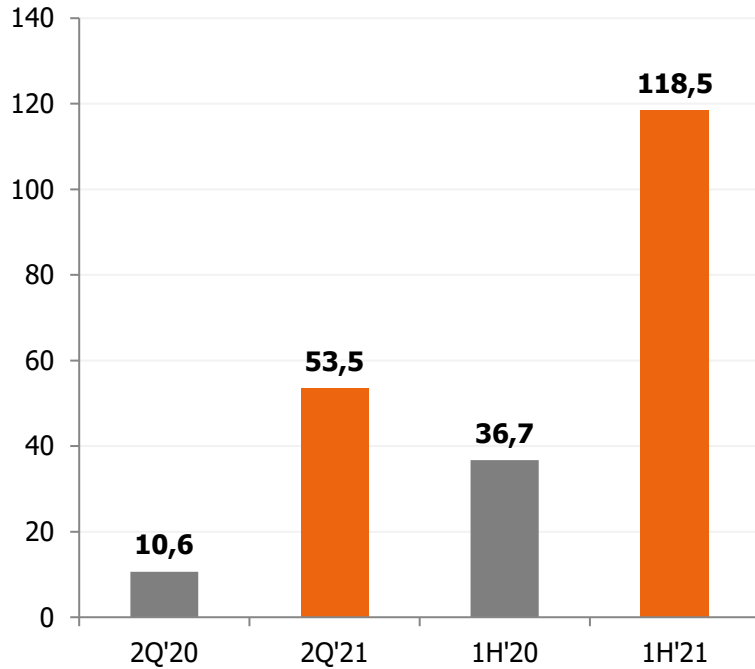
# Sales revenue in mn PLN



✦ In 1H 2021 sales revenue increased by 118% yoy to PLN 1,05 bn

✦ In LTM sales revenue amounted to PLN 1,63 bn, increase by 54% in comparison to 2020

# EBITDA in mn PLN



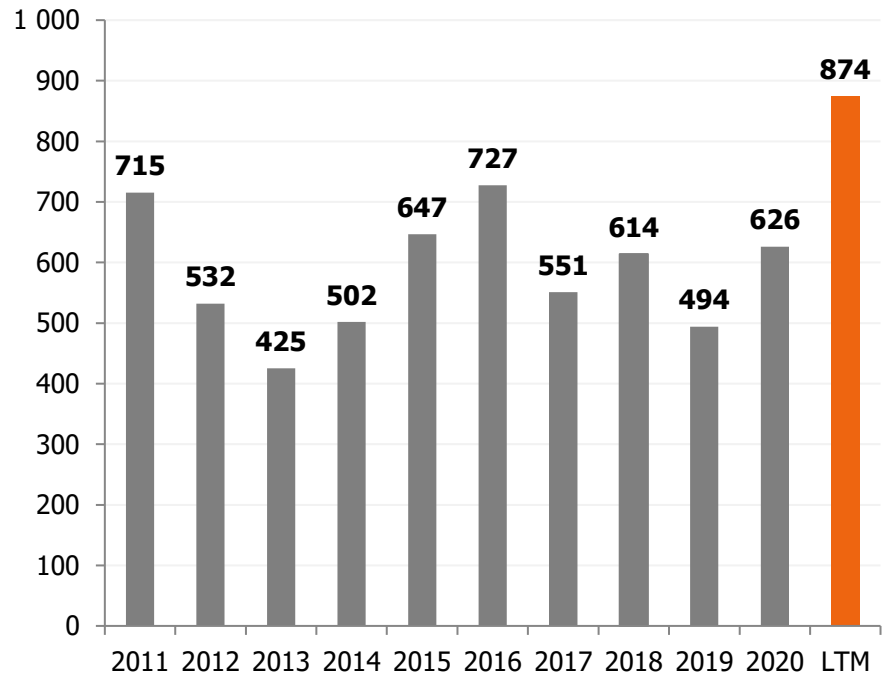
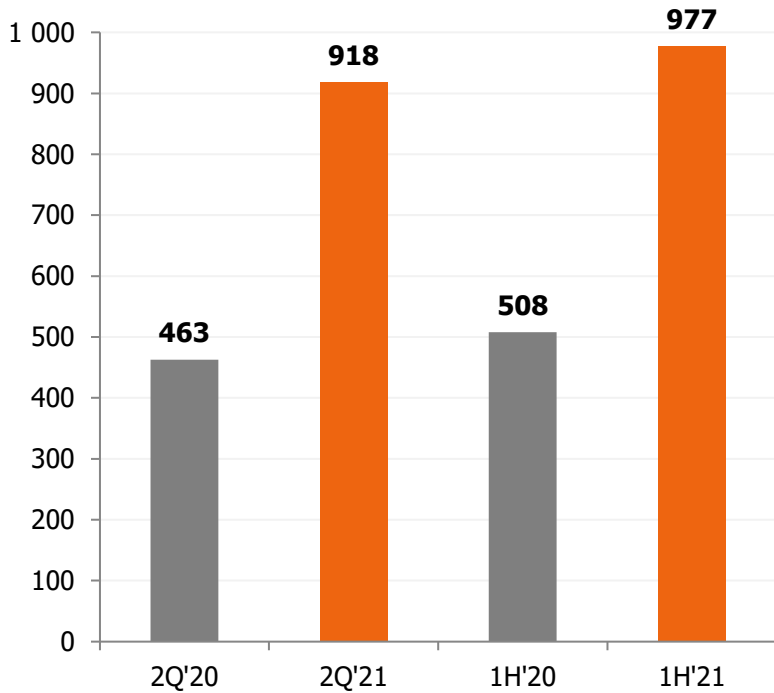
✦ In 1H 2021 EBITDA increased by 223% yoy to PLN 118,5 mn

✦ In LTM EBITDA amounted to PLN 179,8 mn, increase by 83% in comparison to 2020





# EBITDA per ton in PLN

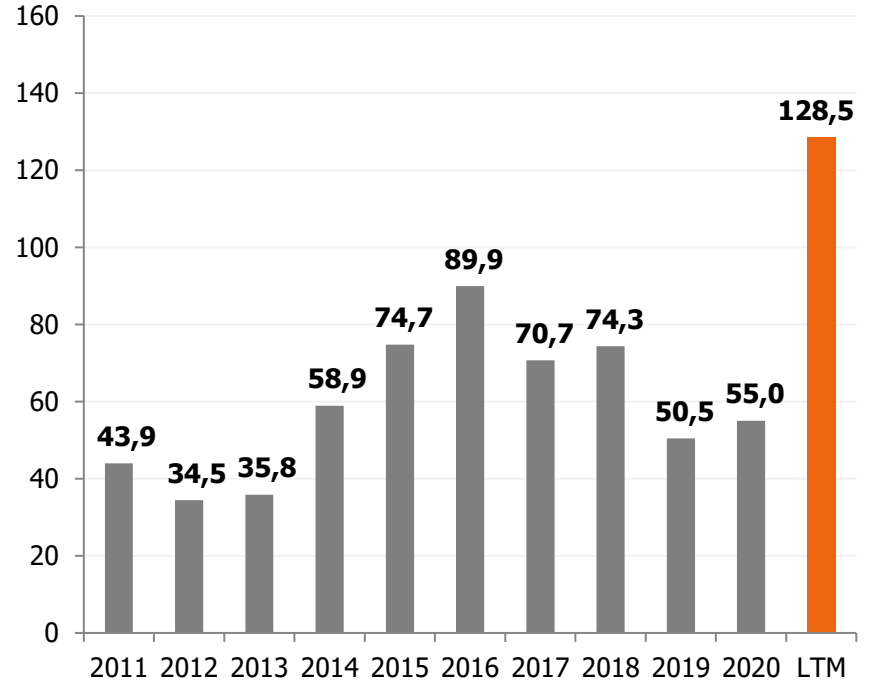
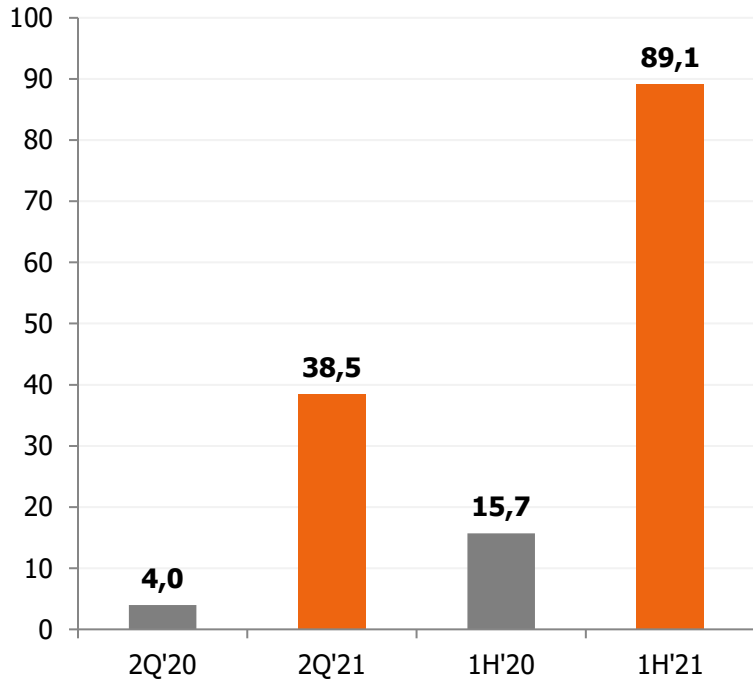


✦ In 1H 2021 EBITDA per ton increased by 92% yoy to 977 PLN/t

✦ In LTM EBITDA per ton amounted to 874 PLN/t, increase by 40% in comparison to 2020



# Net profit in mn PLN

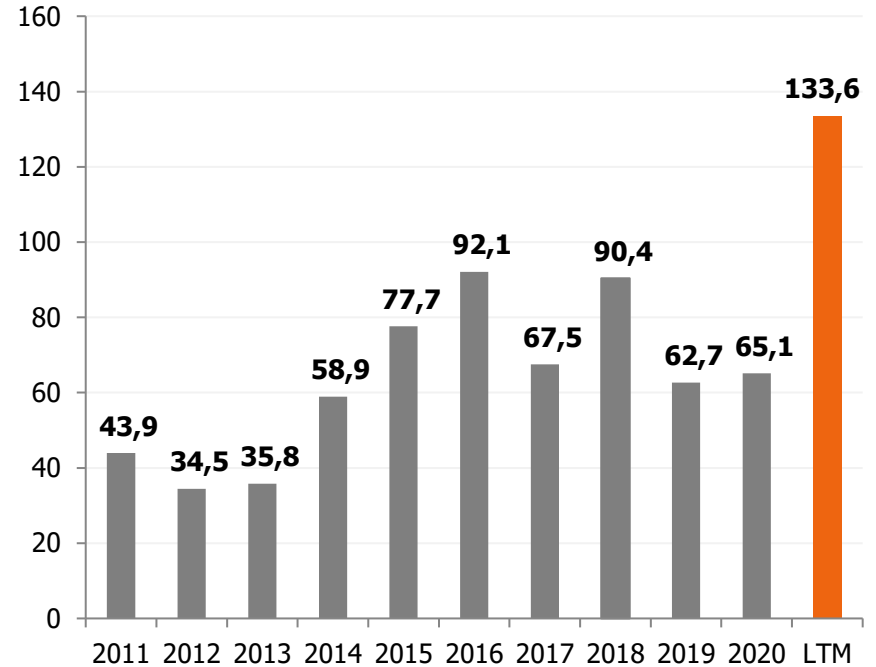
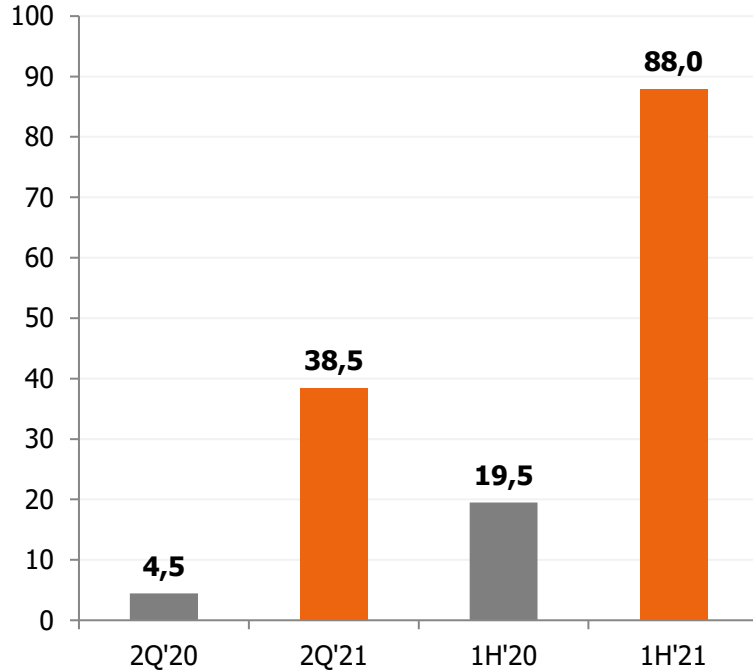


✦ In 1H 2021 net profit increased by 467% yoy to PLN 89,1 mn

✦ In LTM net profit amounted to PLN 128,5 mn, increase by 133% in comparison to 2020

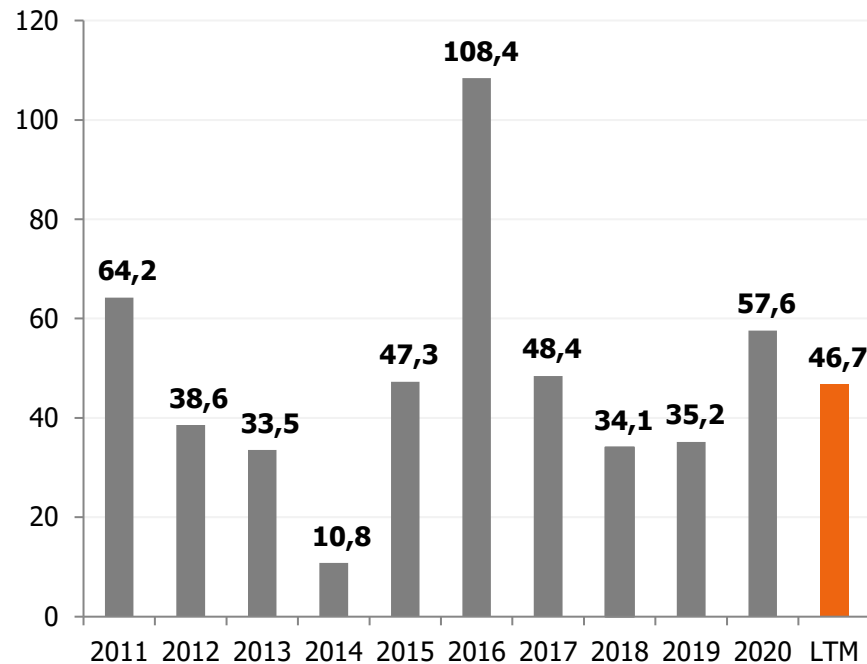
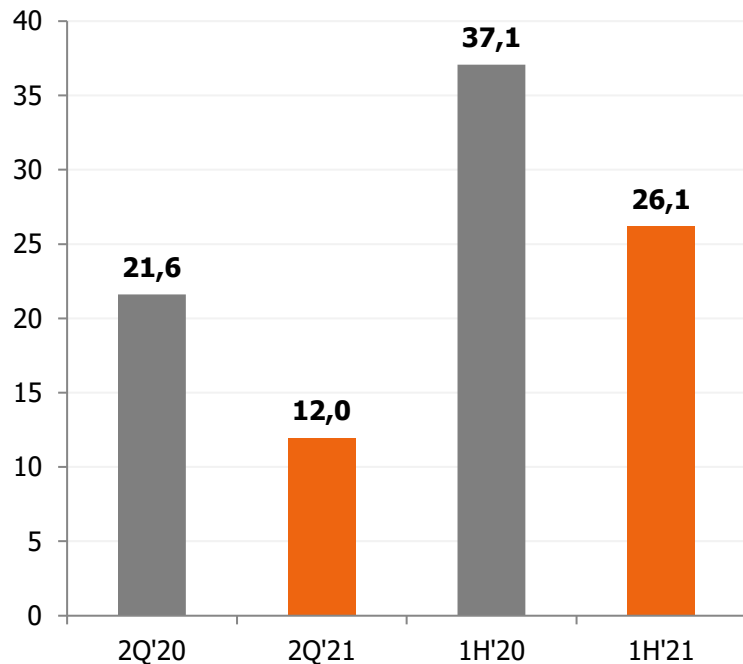


# Normalized net profit in mn PLN



- ✦ In 1Q 2021 normalized net profit increased by 351% yoy to PLN 88,0 mn
- ✦ In LTM normalized net profit amounted to PLN 133,6 mn, increase by 105% in comparison to 2020

# Capex in mn PLN

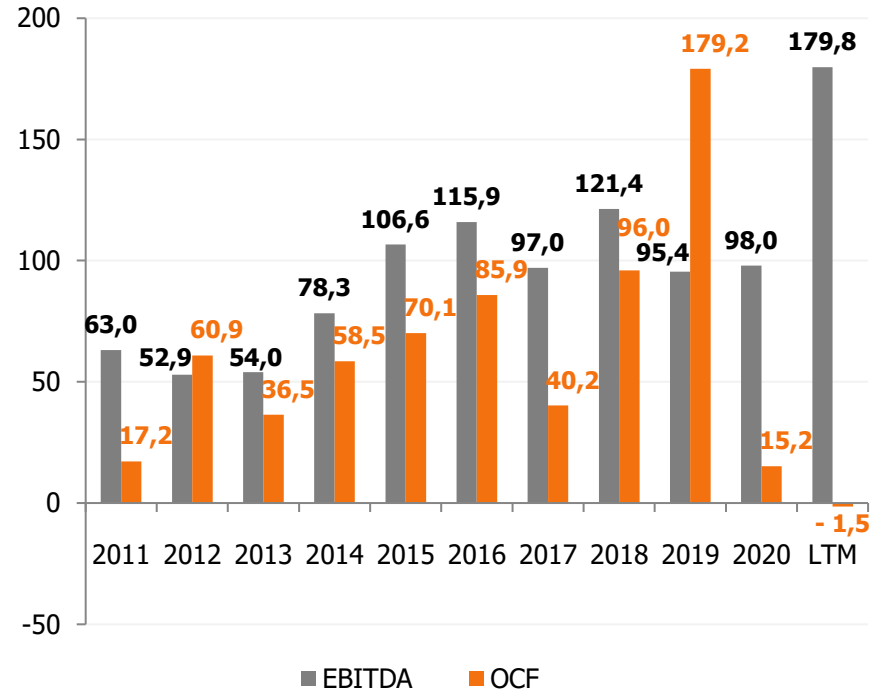
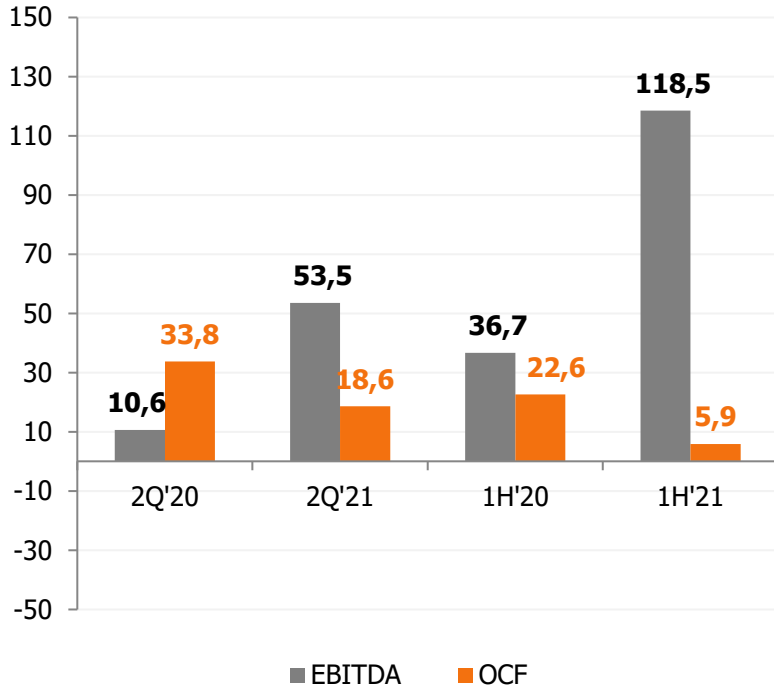


⊕ In 1H 2021 capex amounted to PLN 26,1 mn

- PLN 5,8 mn maintenance capex
- PLN 20,3 mn development capex

⊕ In LTM capex amounted to PLN 46,7 mn, decrease by 19% in comparison to 2020

# EBITDA vs OCF in mn PLN



- ⊕ In 1H 2021 OCF amounted to PLN 5,9 mn vs PLN 118,5 mn of EBITDA
- ⊕ In LTM OCF amounted to PLN minus 1,5 mn vs PLN 179,8 mn of EBITDA



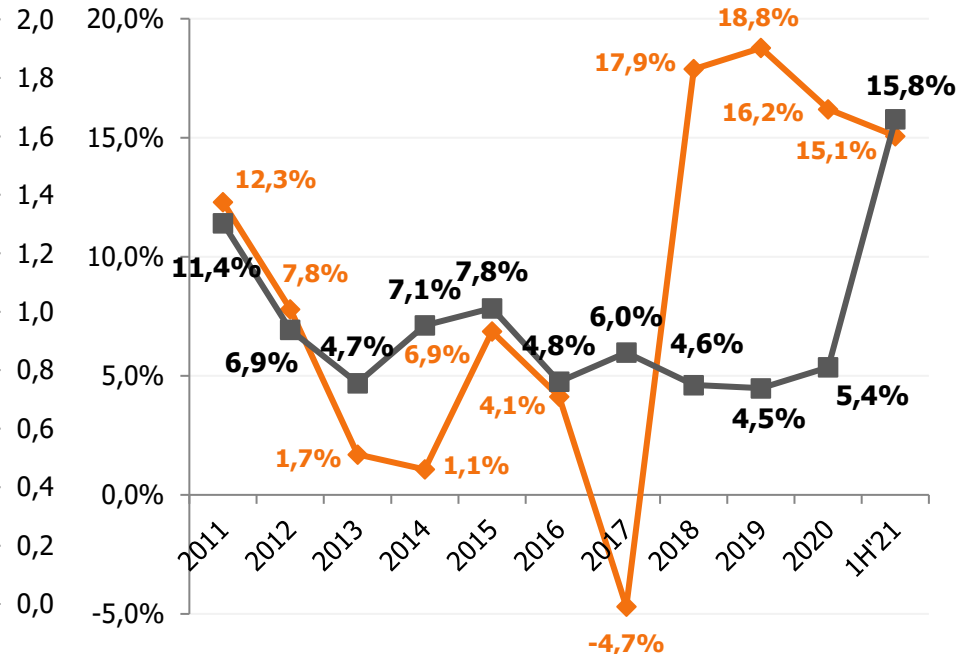
# Net debt and effective CIT rate

## Net debt



■ Net debt    — Net debt/EBITDA

## Effective CIT rate



◆ Effective CIT rate    ■ Current CIT rate

✦ At the end of 1H 2021 net debt amounted to PLN 139,2 mn and Net debt/EBITDA ratio at the end of June 2021 remained at the level of 0,8x

✦ Effective CIT rate in 1H 2021 amounted to 15,1% and current CIT rate amounted to 15,8%

# Expansion of the scrap metal processing department in Nowa Sól

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- ⊕ In the 1H 2021 we completed the following tasks
  - we received a public aid in the form of CIT allowance (tax allowance at the level of 35% of eligible capex)
  - we purchased the necessary plots and carried out preparatory works on this area
  - we obtained a decision on environmental conditions
  - we have signed a contract for design works
  - we contracted all key machinery and equipment
  
- ⊕ In July 2021 we applied for a building permit and signed a contract for construction works, we plan to start the works in August 2021
  
- ⊕ We plan to complete the project and start production in 4Q 2022
  
- ⊕ In 1H 2021 capex of the project amounted to PLN 12,4 mn and cumulatively PLN 19,3 mn. The updated planned capex of the project amounts to PLN 91 mn

# Summary

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- ⊕ In 1H 2021 new motor vehicle sales in the EU and UK increased by 29% yoy. For the last six quarters, the share in the sales of alternative drive vehicles has been growing dynamically. Alumetal Group participates in this transformation
- ⊕ Sales in LTM at record levels, we sold more than 200k tons for the first time ever and increased our european market share to around 8,5%. In 2021, we will come significantly closer to achieving the strategic goal set out in the 2018 strategy - sales of 250k tons in 2022
- ⊕ Very good financial results in the 1H 2021 are a result of the increase in sales volumes, above-average margins resulting from the favorable market environment and sustainable changes in Alumetal Group (improvement of operating and cost efficiency)
- ⊕ Alumetal Group has a strong financial standing and low interest debt, despite the increase in net current assets, capex and dividend payment
- ⊕ The Management Board expects continued strong demand in the coming quarters

