



Alumetal Group

3Q 2021 financial results

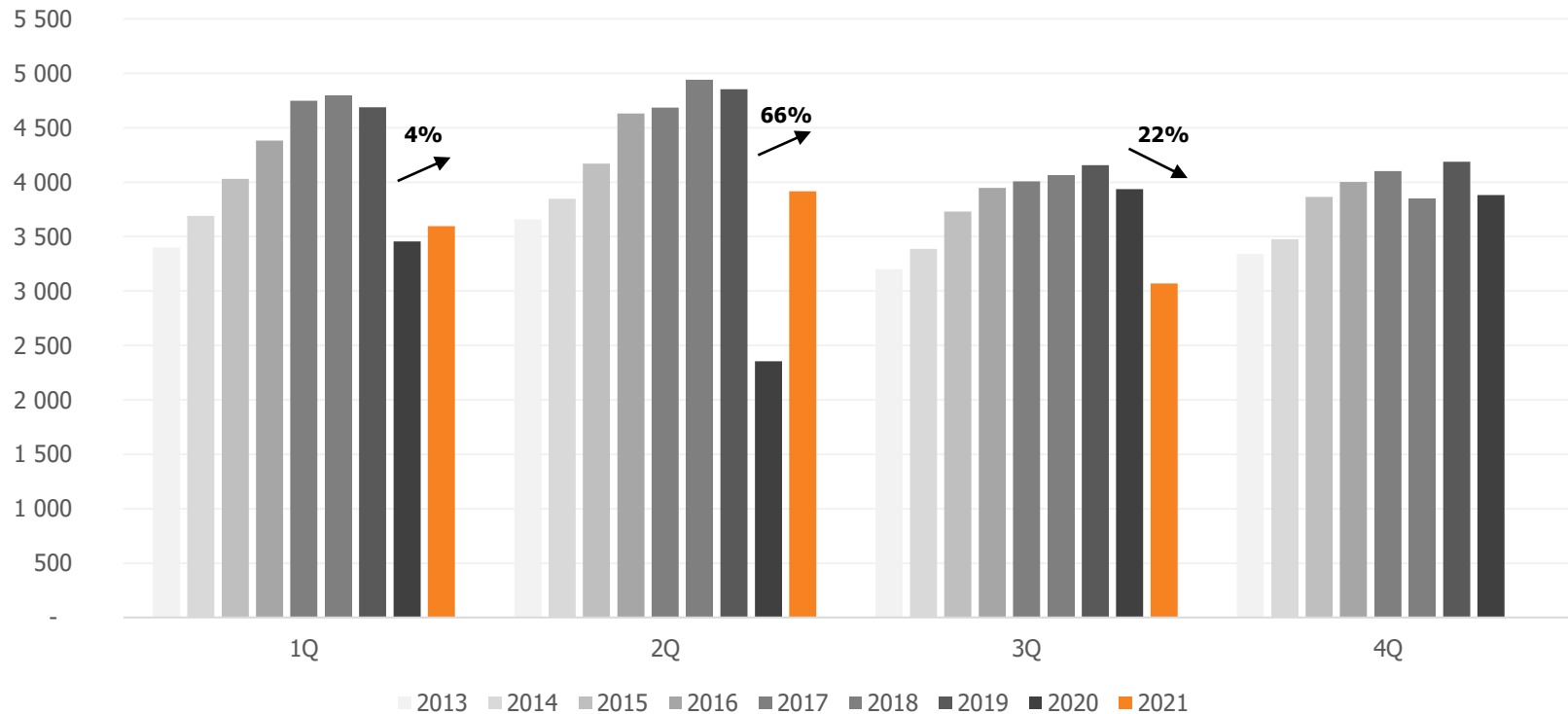
16 November 2021



3Q 2021 and LTM at glance

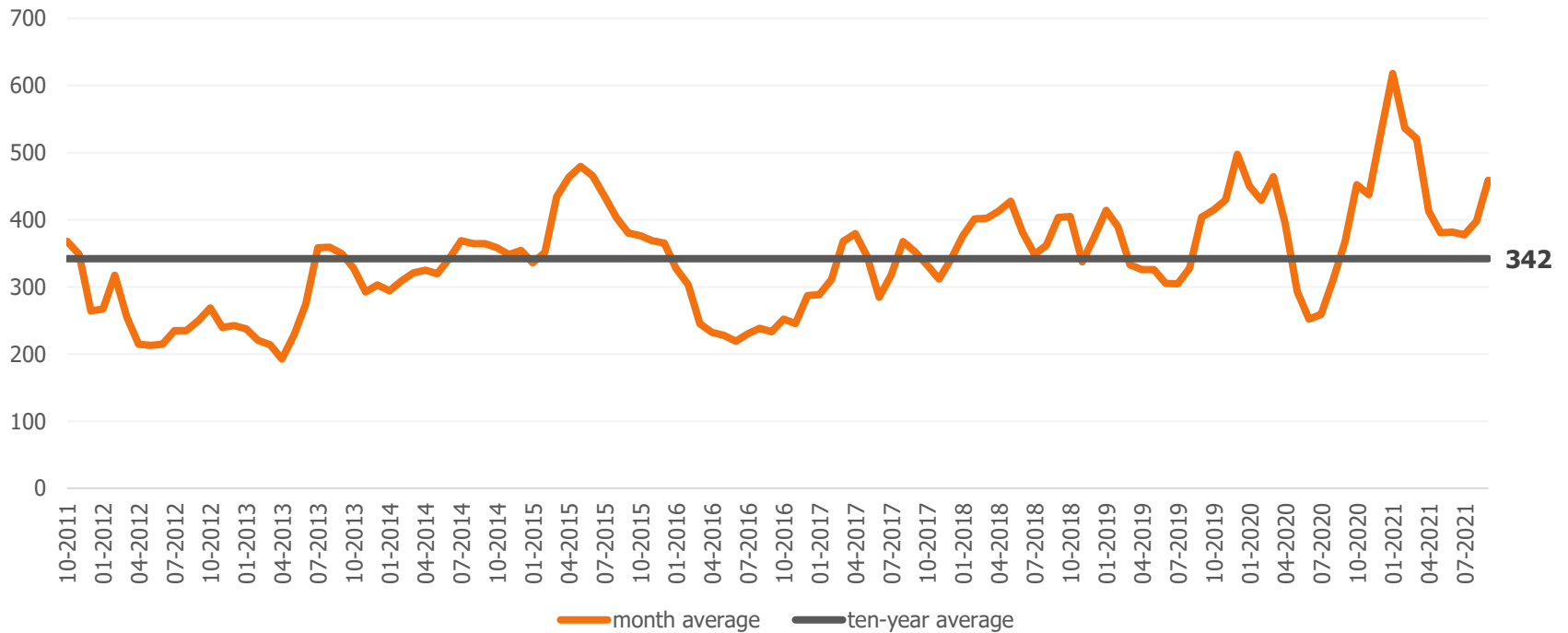
- ⊕ Volume sales – **55,2 k tons** in 3Q 2021 and **223,6 k tons** in LTM
- ⊕ EBITDA – **PLN 45,8 mn** in 3Q 2021 and **PLN 200,2 mn** in LTM
- ⊕ Normalized net profit – **PLN 28,7 mn** in 3Q 2021 and **PLN 145,2 mn** in LTM
- ⊕ Operating cash flow – **minus PLN 0,8 mn** and 3Q 2021 and **PLN 8,3 mn** in LTM
- ⊕ Net debt – **PLN 162,6 mn** (0,8x EBITDA)

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



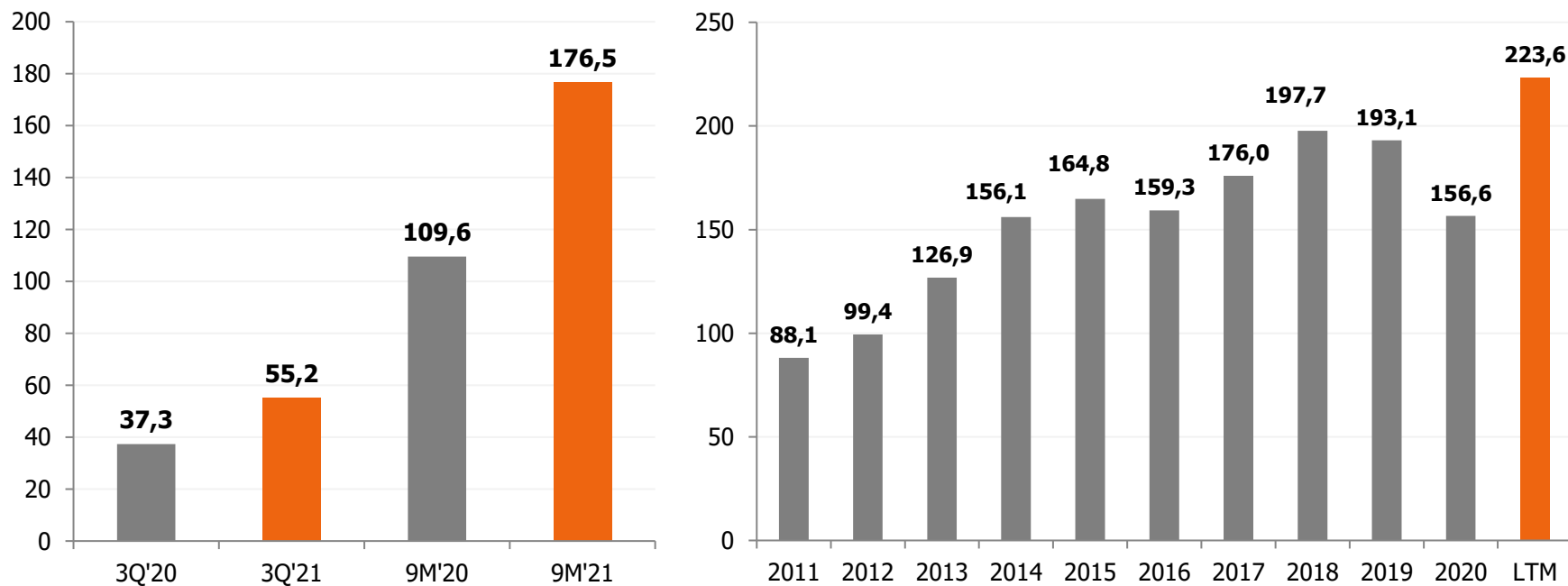
- ✦ In 3Q 2021 new motor vehicle registrations in the EU and UK decreased by 22% (decrease passenger cars by 24% and commercial vehicles by 12%)
- ✦ In LTM sales volume of motor vehicles in the EU and UK amounted to 14,46 mn units, increase by 6% in comparison to 2020 (increase in PC sales by 5% and CV sales by 14%)

Metal Bulletin 226 alloy spread in EUR/t



- ✦ The benchmark margin increased from 382 EUR/t in June 2021 to 459 EUR/t in September 2021 and a significant increase in October 2021 to 843 EUR/t
- ✦ In 3Q 2021 average margin amounted to 412 EUR/t and was 6% higher than the average margin in 2020 and 20% higher than the ten-year average

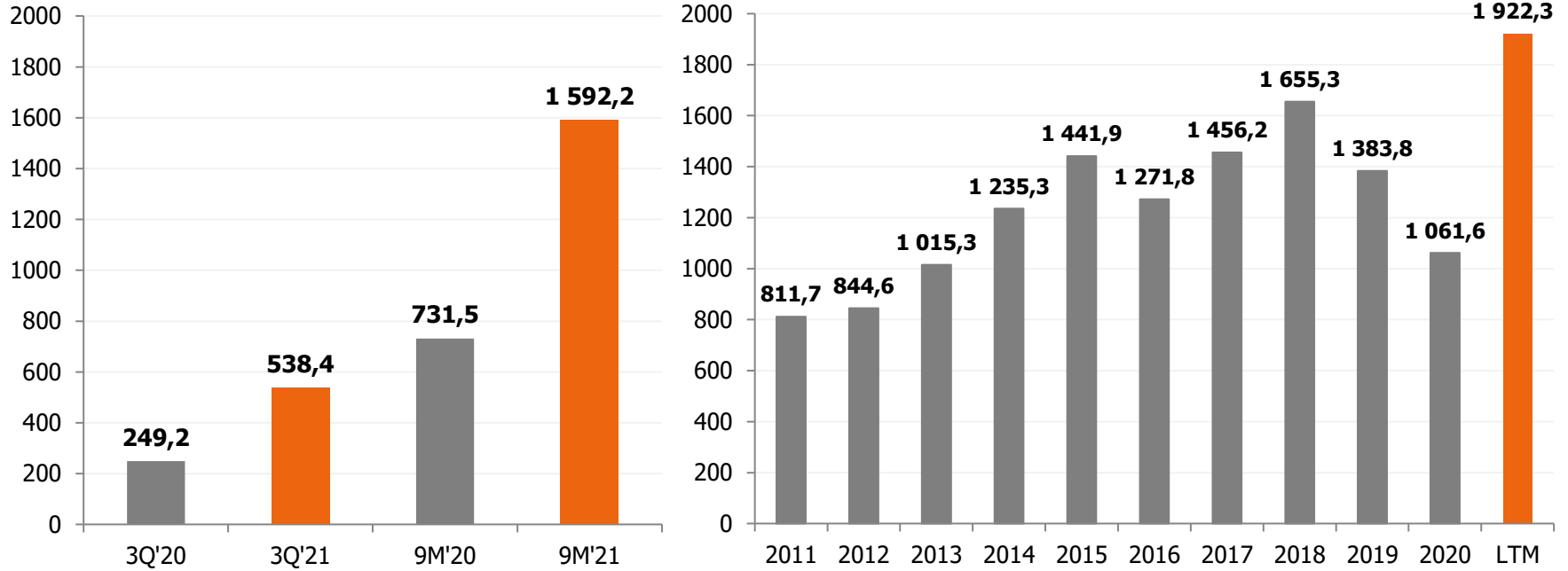
Volume sales in thou. tons



✦ In 3Q 2021 sales volume increased by 48% yoy to 55,2 k tons

✦ In LTM sales volume amounted to 223,6 k tons, increase by 43% in comparison to 2020

Sales revenue in mn PLN

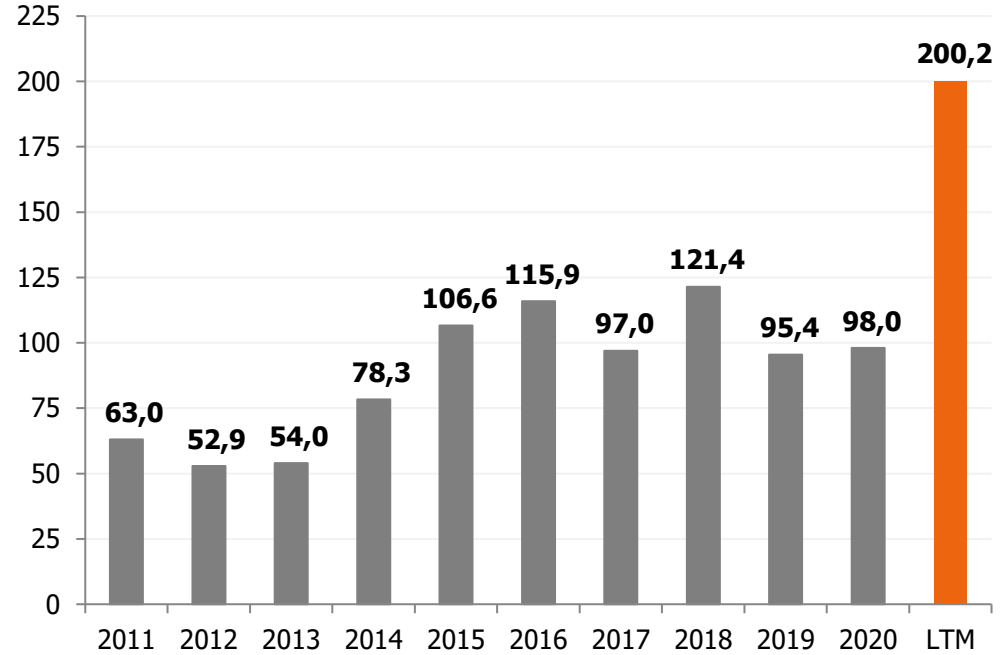
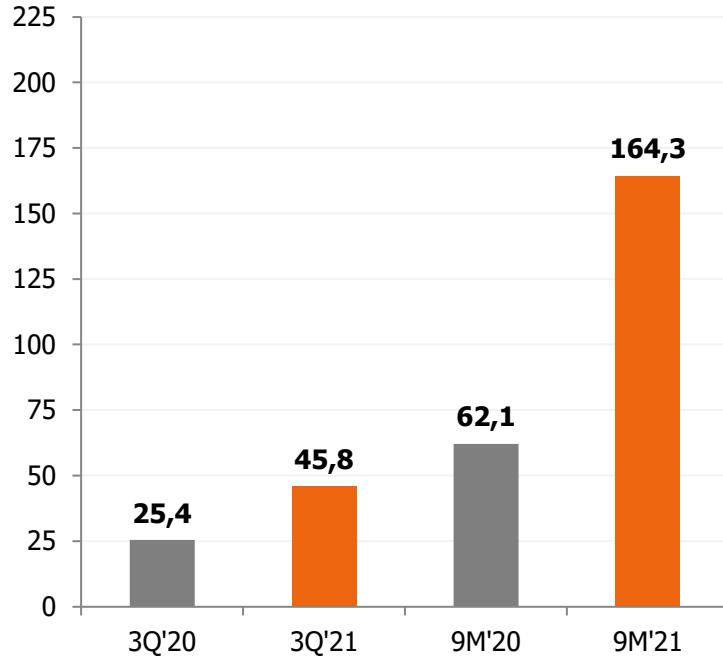


✦ In 3Q 2021 sales revenue increased by 116% yoy to PLN 538,4 mn

✦ In LTM sales revenue amounted to PLN 1,92 bn, increase by 81% in comparison to 2020



EBITDA in mn PLN

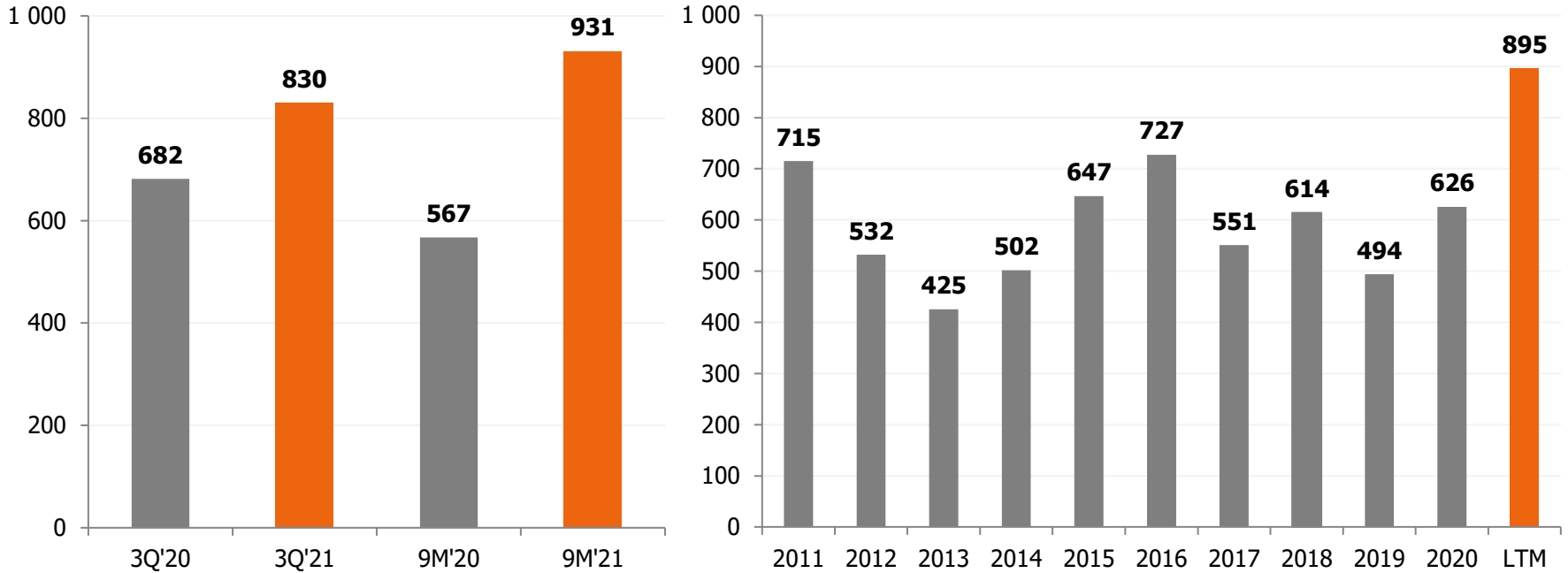


✦ In 3Q 2021 EBITDA increased by 80% yoy to PLN 45,8 mn

✦ In LTM EBITDA amounted to PLN 200,2 mn, increase by 104% in comparison to 2020



EBITDA per ton in PLN

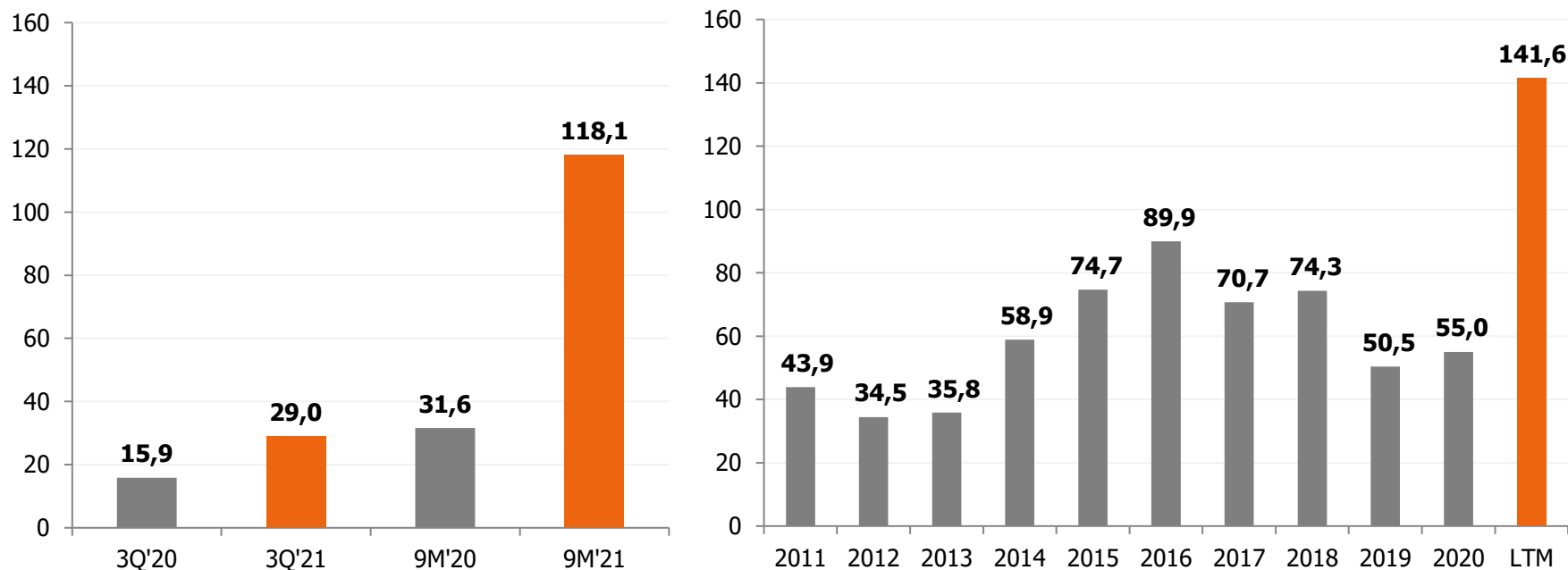


✦ In 3Q 2021 EBITDA per ton increased by 22% yoy to PLN 830

✦ In LTM EBITDA per ton amounted to PLN 895, increase by 43% in comparison to 2020



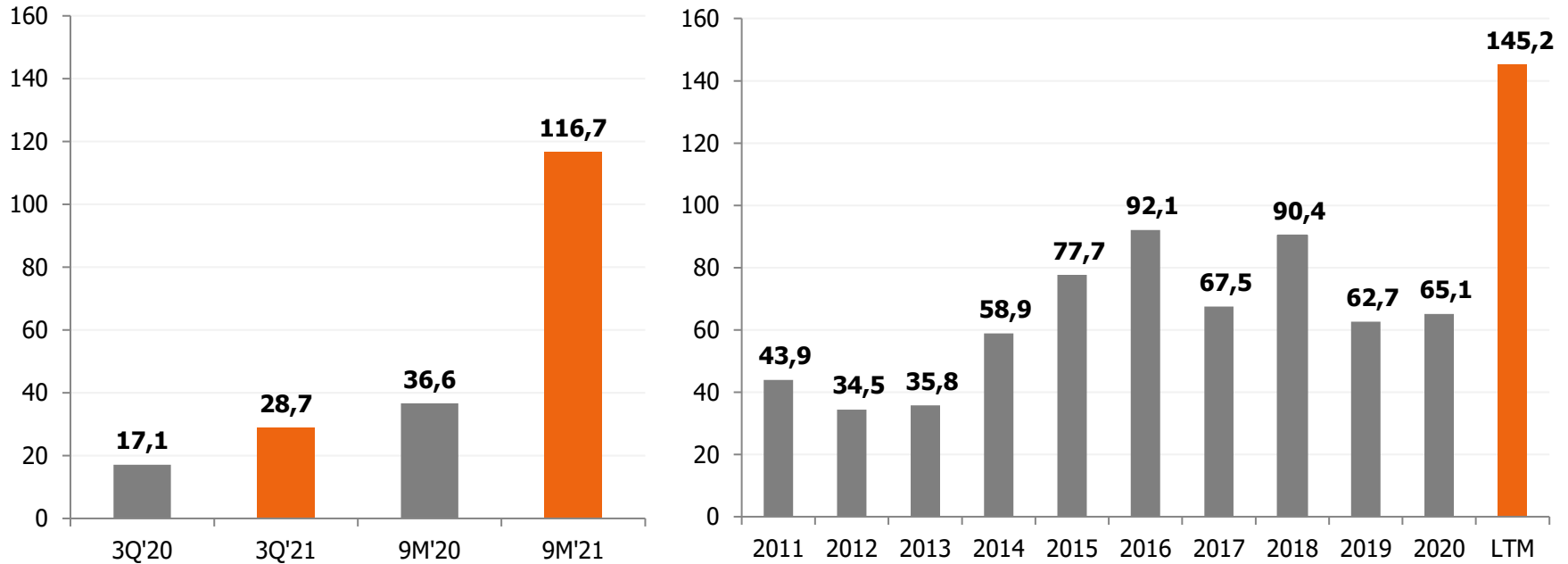
Net profit in mn PLN



✦ In 3Q 2021 net profit increased by 83% yoy to PLN 29 mn

✦ In LTM net profit amounted to PLN 141,6 mn, increase by 157% in comparison to 2020

Normalized net profit in mn PLN

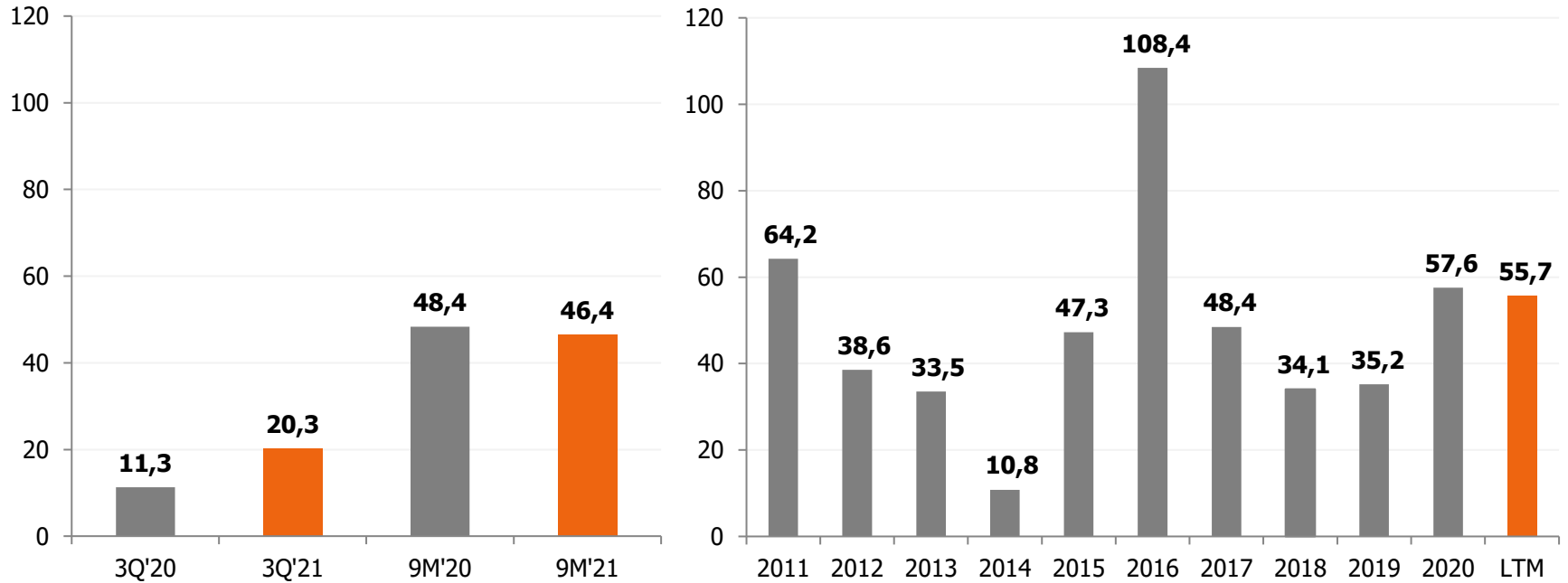


✦ In 3Q 2021 normalized net profit increased by 68% yoy to PLN 28,7 mn

✦ In LTM normalized net profit amounted to PLN 145,2 mn, increase by 123% in comparison to 2020



Capex in mn PLN



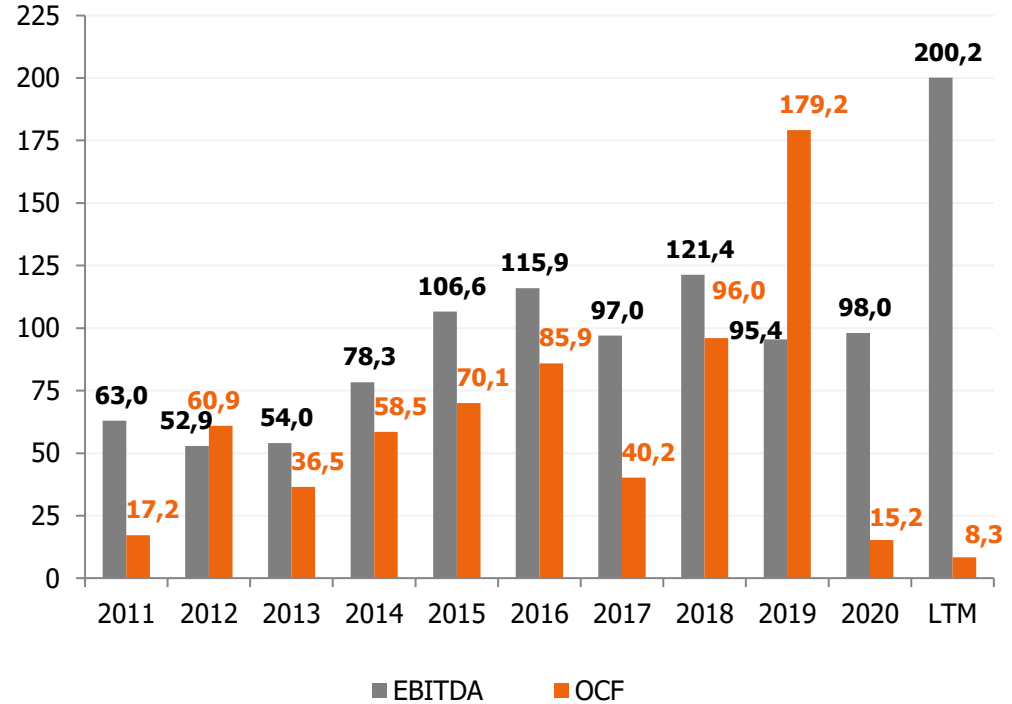
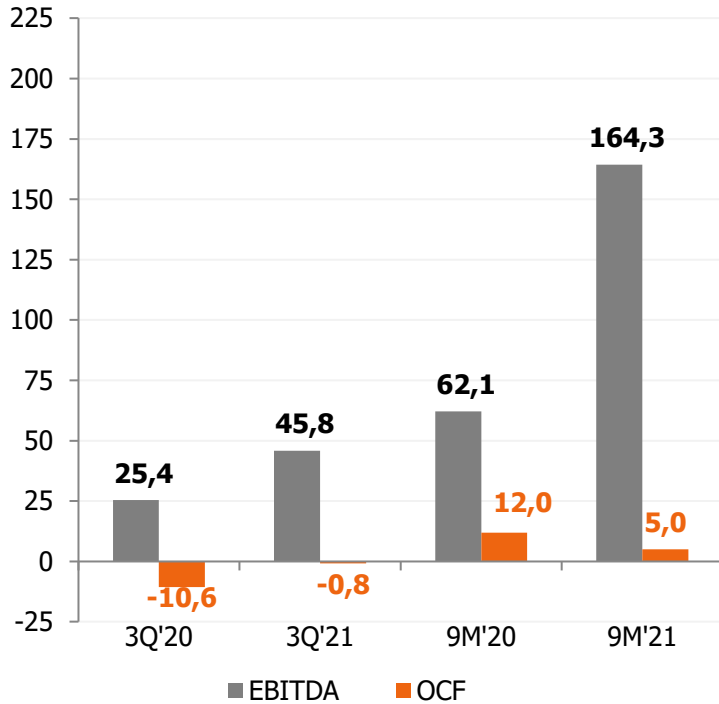
✦ In 3Q 2021 capex amounted to PLN 20,3 mn

- PLN 5,2 mn maintenance capex
- PLN 15,1 mn development capex

✦ In LTM capex amounted to PLN 55,7 mn, decrease by 3% in comparison to 2020



EBITDA vs OCF in mn PLN

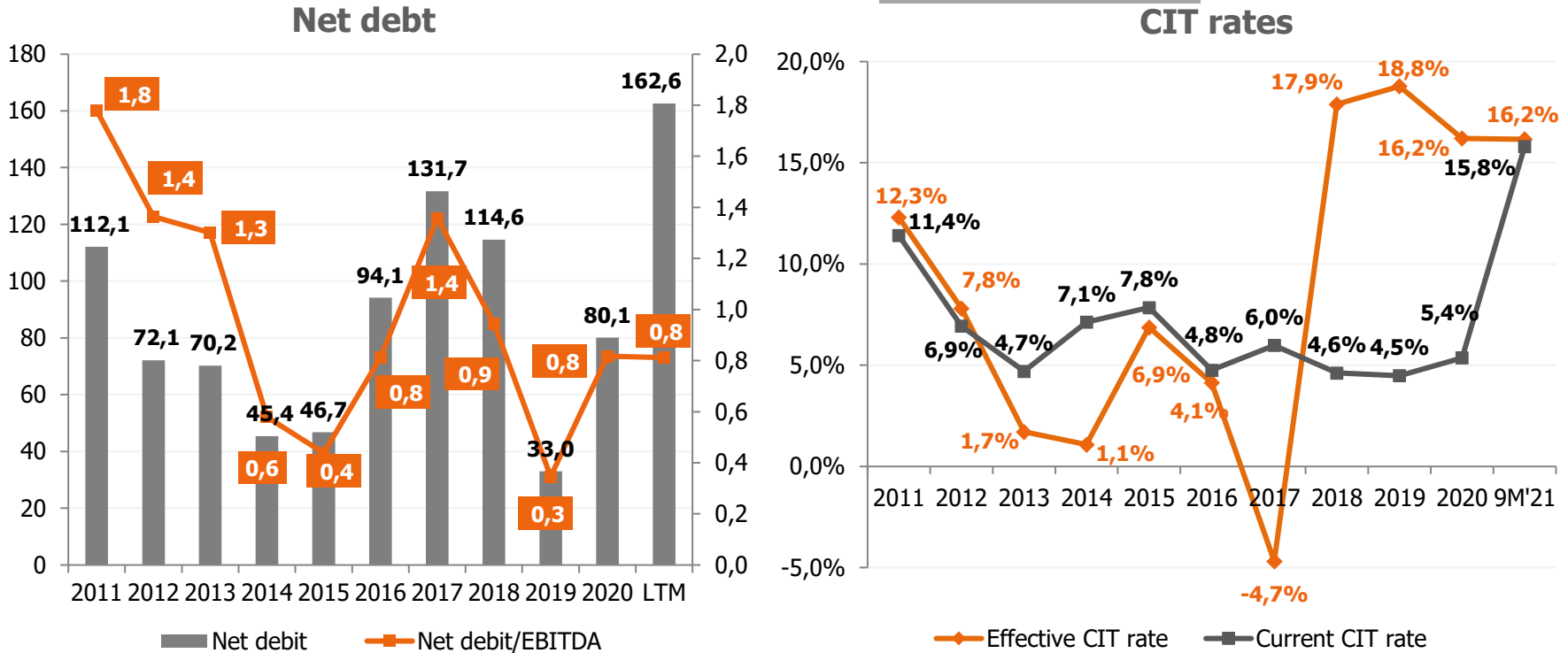


⊕ In 3Q 2021 OCF amounted to minus PLN 0,8 mn vs EBITDA at PLN 45,8 mn

⊕ In LTM OCF amounted to PLN 8,3 mn vs EBITDA at PLN 200,2 mn



Net debt and CIT rates



- At the end of 3Q 2021 net debt amounted to PLN 162,6 mn and Net debt/EBITDA ratio remained at the same level as at the end of 2020 and was 0,8x
- At the end of 3Q 2021 effective CIT rate amounted to 16,2% and current CIT rate amounted to 15,8%

Expansion of the scrap metal processing department in Nowa Sól

- ⊕ In the 3Q 2021 we completed the following tasks
 - in July 2021 we applied for a building permit and signed a contract for construction works
 - in August 2021 we obtained a building permit and started a construction works
- ⊕ We are maintaining the project launch date in the 4Q 2022
- ⊕ In 9M 2021 capex of the project amounted to PLN 23,6 mn and cumulatively PLN 30,6 mn since the beginning of the project
- ⊕ Capex updated in August 2021 amount to PLN 91,0 mn

Summary

- ⊕ Sales volumes at record levels, almost 224 k tons in LTM. In 4Q 2021 we plan to increase sales yoy
- ⊕ In 2021 Alumetal will significantly increase the volume of sales and consequently our market share in Europe, despite a reduction in global motor vehicle production of around 7 mn units in the three quarters of 2021 compared to forecasts, of which the European market appears to be the largest contributor to this reduction
- ⊕ Very good financial results in LTM as a result of an effective commercial policy, diversification of contractors and products, investments carried out in previous years
- ⊕ Alumetal Group keeps a relatively low net debt despite a significant increase in net current assets. Very good financial standing helps us to gain the market share
- ⊕ In the next year, we aim to exceed our sales volume target from the 2018-2022 strategy (250 k tons)

