



Briefing on Financial Results

H1 21

Strong growth and profitability

ElvalHalcor performed today the Analysts Briefing, where the financial performance of the Group during H121 was presented to the analysts and investors' community.

2021 started dynamically for ElvalHalcor, following on from a strong last quarter of 2020, with recovery in demand across most sectors, and in some cases surpassing pre-pandemic levels. The recovery of the building and construction as well as the automotive and transportation industry, which had lagged during the previous year, adversely affecting the aluminium segment, was especially strong. As a result, sales volumes grew by 16.5%, driven primarily by aluminium, followed by copper and copper alloys rolled products.

Market optimism and increased demand led to a rapid increase in metal prices in the LME, with the average price of copper amounting to EUR/t 7,544 (51.2% higher versus H120) and the average price of aluminium amounting to EUR/t 1,864 (up by 28.8% compared to H120). The combination of increased volumes and metal prices resulted in sales revenue of EUR 1,343.9 million for H121, increased by 34.6% versus the same period the previous year (sales revenue of EUR 998.8 million for H120).

The increase in sales volumes and the positive impact of the increased consumption of scrap partly offset the negative pressure from an increase in the price of natural gas. Consequently, ElvalHalcor's adjusted consolidated earnings before taxes, interest, depreciation and amortisation, metal result, and other incidental costs (a-EBITDA), which are a more accurate reflection of operational profitability, rose by 25.5%, reaching EUR 85.2 million versus EUR 67.9 million for the respective prior-year period.

The uptrend in metal prices positively impacted the accounting results from metal, which reached a profit of EUR 41.4 million for H121 versus a loss of EUR 12.7 million for H120. Supported by the positive metal result, gross profit increased to EUR 130.7 million versus EUR 58.6 million for the first six months of 2020. Furthermore, it is also worth noting that safeguarding of the Company's personnel and stakeholders from the effects of the pandemic continued throughout the period, with EUR 2.3 million of expenses included in the consolidated results versus EUR 1.7 million for H120. The consolidated profit before tax, interest, depreciation, and amortisation (EBITDA) amounted to EUR 122.8 million versus EUR 52.1 for the respective period of 2020.

Finally, profit after tax amounted to EUR 85.8 million versus a profit of EUR 7.8 million for H120, with profit after tax and non-controlling interest reaching EUR 83.6 million for H121 or EUR 0.2227 per share from EUR 7.6 million for H120 or EUR 0.0202 per share.

