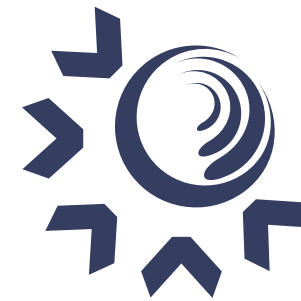




# METALCORP GROUP

Investor Prelims Update  
FY 2021





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# INTRODUCTION

# INTRODUCTION TO METALCORP GROUP

## WORLDWIDE PRESENCE WITH LONG STANDING RELATIONSHIPS WITH SUPPLIERS AND CUSTOMERS

- Metalcorp Group is the Metals and Minerals subsidiary of Monaco Resources Group
- Metalcorp is a diversified group, operating via 3 main divisions; Aluminium, Metals & Concentrates and Bulk & Ferrous
- Niche market operations with high barriers to entry offer advantages in profitability
- **The company deploys risk-averse and robust business models with long-term partnerships with customers and suppliers**
- **All production is on an on-demand basis and marketing activities are strictly via back-to-back arrangements**



### Business divisions and subsidiaries

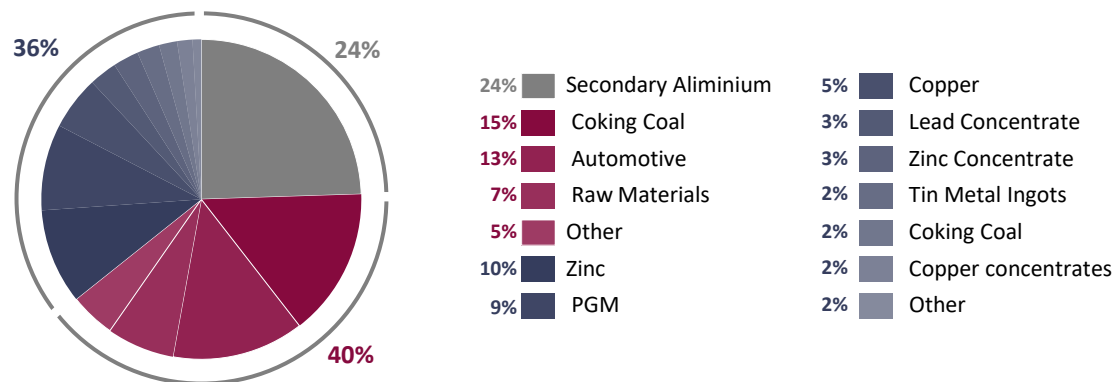
Aluminium	Metals & Concentrates	Bulk & Ferrous



# INTERNATIONAL, DIVERSIFIED METALS BUSINESS OF QUALITY AND SCALE...

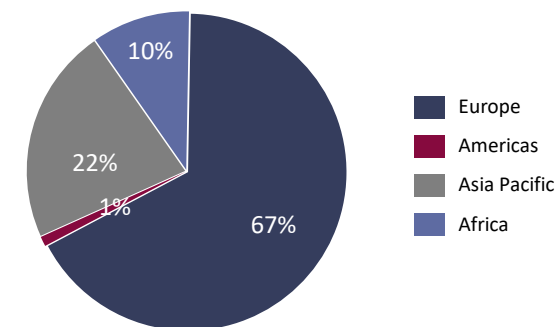
## DIVERSIFIED EXPOSURE ACROSS COMMODITIES...

Revenue by product 2021P



## ...AS WELL AS GEOGRAPHY

Revenue by geography – 2021P



With additional production and marketing agreements secured, Metalcorp's geographical sales is well diversified in 2021

Aluminium	Metals & Concentrates	Bulk & Ferrous

# METALCORP OPERATES THREE FOCUSED BUSINESS UNITS WITHIN THE METALS AND MINERALS INDUSTRY...

## Aluminium

Leading independent producer of secondary alloyed slabs in Europe with two significant bauxite mines



**Berlin, Germany**

Production of aluminium slabs from scrap

90,000 mts per year



**Stockach, Germany**

Production of aluminium slabs from scrap

60,000 mts per year



**Guinea, West Africa**

Bauxite mine

Resource of 354MT



**Guinea, West Africa**

Bauxite mine

Resource of >200MT

## Metals & Concentrates

Metals service provider acting as a strategic partner to suppliers and clients, supported by two copper recycling facilities



**Bilbao, Spain**

Production of copper granulates out of copper scrap

30,000 mts per year



**Thessaloniki, Greece**

Production of copper granulates out of copper scrap

12,000 mts per year



**Luxembourg (HQ)**

Marketing division with focus on metals and concentrates

## Bulk & Ferrous

Steel service provider acting as a strategic partner to suppliers and clients supported by strategic minority investments



**Maputo, Mozambique**

Production and extrusion of pipes and hollow sections

200,000 mts per year



**Savona, Italy**

Coke production

450,000 mts per year



**Luxembourg (HQ)**

Marketing division with focus on bulk and ferrous

# ...WITH A FOCUS ON SUSTAINABLE PRODUCTION USING RECYCLING FACILITIES



**Aluminium**



**Copper**



Metalcorp operates four recycling facilities in Europe

Metalcorp operates two aluminium recycling facilities in Germany

Metalcorp operates two copper recycling facilities, one in Spain and one in Greece



Copper and Aluminium are highly recyclable material

Aluminium is infinitely recyclable and about 75% of all aluminium ever produced is still in use

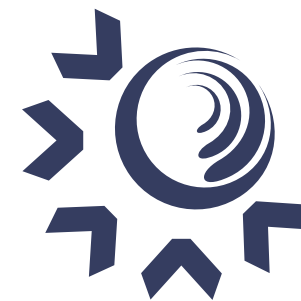
Copper scraps are 100% recyclable and ~1/3 global copper demand met by recycled metal



Recycling production uses significantly less energy

Recycling aluminium typically uses only about 5% of the energy that is required for primary aluminium production – with our regenerative burners, usage c.3%

Recycling copper consumes 85% less energy than is required to produce copper from scratch

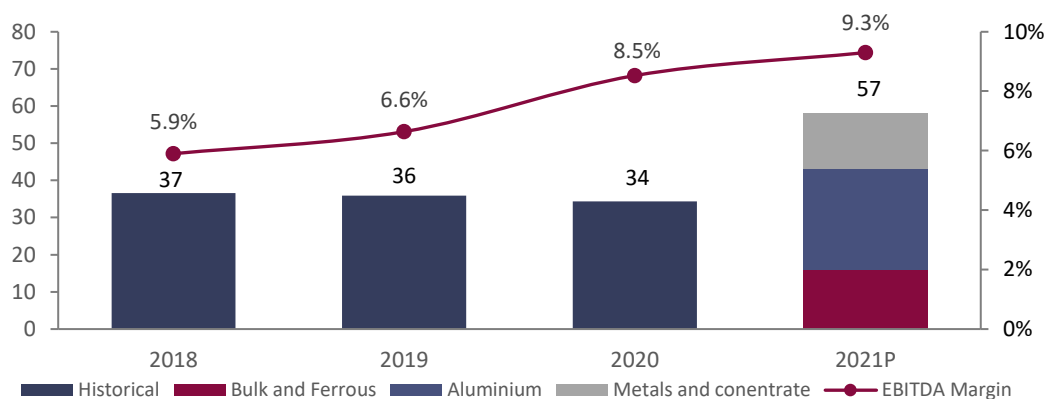


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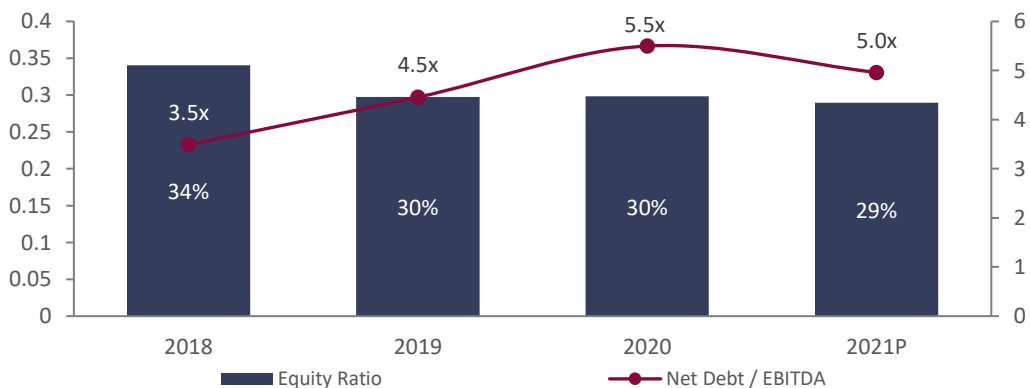
## METALCORP'S 2021 PRELIMINARY FINANCIAL AND OPERATIONS UPDATE

# FINANCIAL HIGHLIGHTS AND FY 2021 PRELIMINARY UPDATE

## EBITDA AND EBITDA MARGIN DEVELOPMENT



## NET DEBT / EBITDA AND EQUITY RATIO DEVELOPMENT



## FULL YEAR PRELIMINARY UPDATE

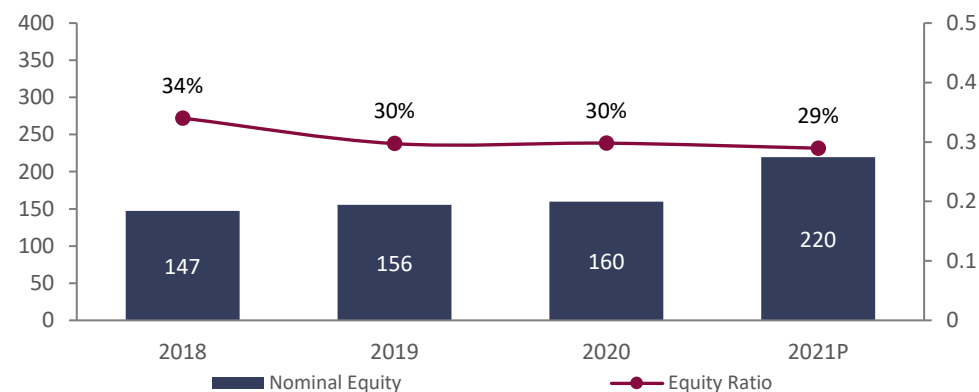
Income Statement (EUR m)	2020	2021P
Revenue	403	611
Cost of sales	(360)	(540)
<b>Gross profit</b>	<b>43</b>	<b>70</b>
SG&A and personnel costs	(10)	(13)
<b>Operating profit</b>	<b>33</b>	<b>57</b>
<b>EBITDA</b>	<b>34</b>	<b>57</b>
<i>Margin, %</i>	<i>8.5%</i>	<i>9.3%</i>

- Strong performance from the Aluminium division - 20% increase in volume
- Bulk and Ferrous benefiting from the new physical and contractual assets secured in 2020 with tonnage of raw materials procured and volumes sold increasing more than 2.7x from 2020 to 2021
- Revenue increased 52% to EUR 611m in 2021
- Consistent EBITDA margin growth, 80bps higher than in 2020
- Sustainable growth, primarily driven by ramp up from new physical and contractual assets secured in 2020/2021, procurement and marketing activities as well as a new 5 years supply agreement secured for Platinum Group Metals

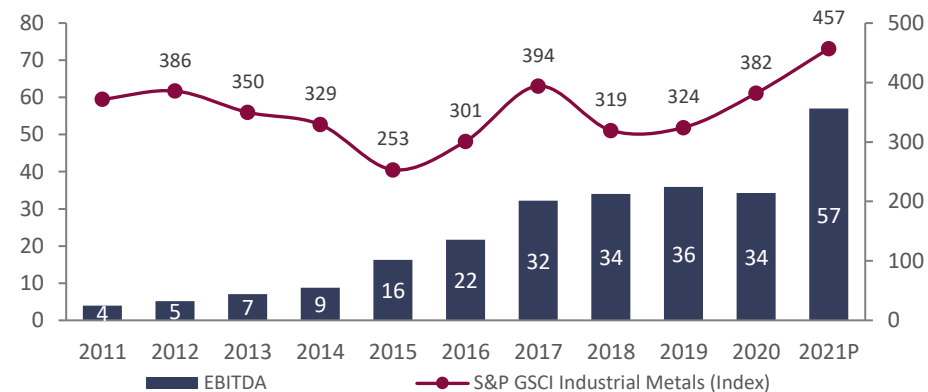


# STRONG INCREASE IN EBITDA FOR 2021 AND SOLID EQUITY POSITION...

## SOLID EQUITY POSITION



## PROVEN RESILIENCE THROUGH MULTIPLE BUSINESS CYCLES



- Resilient because Metalcorp mitigates exposure to price volatility - on demand production and back-to-back sales only
- Successful sustainable EBITDA growth following its investment programme in its aluminium and bulk and ferrous business divisions
- Strong growth, paving the way for a sustainable and consistent deleveraging, which is complemented by a strengthening equity position
- Profitable every year since inception in 2006 and resilient through Covid

# ...SUPPORTED BY STRONG LIQUIDITY AND INCREASING VOLUMES

## METALCORP GROUP CORE BUSINESS

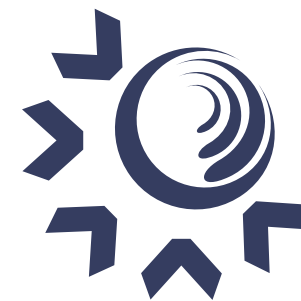
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- Metalcorp has c. € 200m of liquidity available through cash, cash equivalents and credit lines
- Metalcorp utilizes cash available for supply chain finance and to finance its operations ( finance line costs range from c. 4%-9% depending on jurisdiction and terms)

## INCREASING VOLUMES AND UNINTERRUPTED OPERATIONS

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- Additional businesses, financed via cash and supply chain finance:
  - PGM: initial 5 year marketing agreement
  - Italiana Coke: procurement from the US to Italy of input material
  - Bauxite ramp-up, mining and transportation
- Bauxite mining continues its ramp up, with sales of 1.7 million tons in 2021 with shipment commencing in March 2022
- Bauxite operations continued throughout 2021 without interruption
- Unlawful action against SBG dismissed by the Conakry Appeal Court– no impact on operations



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## CONCLUSION

## STRONG GROWTH SUPPORTED BY PRUDENT FINANCIAL STRATEGY AND POLICY

<p>Leverage</p>	<ul style="list-style-type: none"> <li>▪ Strong deleveraging over the next couple of years through EBITDA growth – aim to keep leverage below 4x in the future</li> <li>▪ Growth underpinned by a portfolio of highly resilient recycling plants, complemented by increasing operational cash flow from production assets ramping up</li> </ul>
<p>Liquidity</p>	<ul style="list-style-type: none"> <li>▪ Strong liquidity with c. €200m available</li> <li>▪ Ability to support maintenance capex through internal cash flows</li> <li>▪ Pro-forma roll forward net liquidity balance of € 100m+ post repayment of 2022 bond balance (cash and finance lines)</li> </ul>
<p>Capital Investment</p>	<ul style="list-style-type: none"> <li>▪ Well-invested asset base, with 2021 representing the end of a period of intensive capital investments to support future growth</li> <li>▪ Recurring maintenance capex limited to c. €5m per annum</li> </ul>
<p>M&amp;A Policy</p>	<ul style="list-style-type: none"> <li>▪ Growth focused on organic expansion with M&amp;A opportunities in the recycling industry being evaluated</li> </ul>
<p>Dividend policy and exit strategy</p>	<ul style="list-style-type: none"> <li>▪ Long-term investment horizon with no exit constraints</li> <li>▪ No dividend distribution envisaged in the near-term</li> </ul>



**METALCORP GROUP**