

PRESS RELEASE

**FERALPI GROUP**

**OVER 400 MILLION EURO EXTRAORDINARY INVESTMENTS  
UNDER THE 2022-2026 INDUSTRIAL PLAN FOR STEEL  
WITH CORPORATE ESG STRATEGY IN MIND**

**REVENUES (€1.93bn) AND OUTPUT (€2.62m t): A RECORD**

**GROUP CLIMATE STRATEGY CONFIRMED. DIRECT (SCOPE 1) AND  
INDIRECT (SCOPE 2) EMISSIONS WILL BE REDUCED BY MORE THAN 20%  
BY 2026.**

- **REVENUES at €1.93bn (+55.7% y/y)**
- **STEEL OUTPUT at 2.62m tonnes (+5.6% y/y)**
- **GROUP EARNINGS at €154m**
- **EXTRAORDINARY INVESTMENTS IN 2022-2026: OVER €400m**

*Lonato del Garda (Brescia), July 12, 2022*

The Feralpi Group closes a very positive 2021 and takes off with a sound **2022-2026 industrial plan** that encompasses **over 400 million euro investments in extraordinary projects in addition to ordinary investments** in Italy and Germany.

With these investments, the steel group, one of Europe's leading producers of construction steels, will grow in size and competitiveness with a fully-fledged product portfolio and a more efficient cost base. According to the climate strategy linked to the business plan, increased output and commercial flexibility will go hand in hand with the progressive reduction of CO<sub>2</sub> emissions by implementing new technologies and artificial intelligence systems throughout the Italian and German facilities. In terms of energy, the company will rely on renewable energy generated for own consumption.

*«Steel enterprises that invest in the continuity of their business, - comments **Feralpi Group president Giuseppe Pasini** - are looking well beyond a 2021 that was certainly*

very good for the steel industry and that's precisely what we do at Feralpi. For us, investing over 400 million euros in five years to cover extraordinary projects means mapping out right from the start what we will be in the years to come. »

«Engaging in ecological and energy transition processes by integrating them into ESG development plans with clear KPIs, - adds the president - is crucial for our future. That's why the Feralpi Group is bound to be energy efficient, powered by renewable sources, with a progressively lighter carbon footprint within 2026. That's the key to our competitiveness, which is also supported by our increased range of offerings. All of this in order to grow in an environmentally and economically sustainable manner i.e. independently of economic market fluctuations, which should not hold us back. We are thus committed to continuing to create value not only for the company and all its people, but also for the supply chains in which we work and for the communities in which we live ».

## FINANCIAL STATEMENTS (CONSOLIDATED, FERALPI HOLDING SPA)

	2021		2020		2019
<b>Highlights (€/000)</b>					
<b>Revenues</b>	<b>1,928,446</b>		<b>1,238,398</b>		<b>1,302,752</b>
A) Production value	2,058,086	+	1,222,458	+	1,331,674
B) Production costs	1,839,351	-	1,203,903	-	1,260,508
C) Financial income and expenses	3,309	-	3,865	-	2,794
<b>Pre-tax result for the year</b>	<b>215,297</b>	+	<b>12,642</b>	+	<b>54,508</b>
Taxes	59,413	-	7,192	-	13,677
<b>Total net result for the year</b>	<b>155,884</b>	+	<b>5,450</b>	+	<b>40,831</b>
<b>Net profit Group share</b>	<b>154,021</b>	+	<b>4,206</b>	+	<b>39,812</b>
Amortisation, depreciation and write-downs	52,966	-	55,196	-	53,935
<b>EBITDA</b>	<b>271,701</b>	+	<b>73,751</b>	+	<b>125,101</b>
<b>EBIT</b>	<b>218,735</b>	+	<b>18,555</b>	+	<b>71,166</b>
<b>Balance sheet and financial figures</b>					
<b>Technical investments for the period</b>	55,998		55,597		54,521
<b>Net technical fixed assets</b>	414,194		405,052		357,424
<b>Total net worth</b>	676,480		520,849		509,496
<b>Net cash flow</b>	125,189		145,918		134,936
<b>Employees</b>					
<b>Total</b>	<b>1749</b>		<b>1,710</b>		<b>1,570</b>
Italy	937		923		806
Abroad	812		787		764

**Feralpi Holding's 2021 consolidated financial statements** show **Net Revenues** totalling **€1,928m** against €1,238m in 2020, the year affected by the lockdown imposed by the Covid-19 pandemic, i.e., **up 55.7%** y/y, due to both an increase in volumes and sales prices. The value of production exceeded two billion euros (€2.058bn).

The strong propensity towards markets outside Italy was confirmed. **Revenues generated abroad** accounted for **59%**, slightly down on the previous year (62%). In general, sales revenues are **greater in the Group's core markets** (Italy, Germany, France, Switzerland and Austria).

Economic performance reached the greatest levels ever in the Group's history. **EBITDA** rose to **€271.7m** compared to €73.7m in 2020. After €52.9m depreciation and write-downs, the **net profit Group share rose to €154 million** (2020: €5.45m).

On the equity and financial side, the Feralpi Group is growing in strength and flexibility. **Consolidated net worth** rose from €520.8m to **€676,4m**.

The 2021 consolidated financial statements show a decrease in **Net Cash Flow**, down from €145.9m to **€125.2m**.

#### **EXTRAORDINARY INVESTMENTS (2022-2026 INDUSTRIAL PLAN):**

- **Germany**

Work has recently started in Germany on **a new rolling mill producing long products for the construction industry, which will be installed at Feralpi Stahl in Riesa** (Saxony). Equipped with all the latest technological breakthrough, it will be an innovative rolling mill in terms of technology and sustainability.

Overall, **the extraordinary investment of the Group's German business unit** amounts to **€229m**.

As a result, **direct CO<sub>2</sub> emissions from the German plant, when fully operational, will drop by 25,077 tonnes (tCO<sub>2</sub>eq/y).**

- **Italy**

A number of investments are planned at all Group plants in Italy in terms of technology and sustainability to combine greater production and environmental efficiency and strengthen verticalisation.

**Extraordinary investments in Italy amount to €80m.**

As a result, **direct CO<sub>2</sub> emissions, when fully implemented, will drop by 25,947 tonnes (tCO<sub>2</sub>eq/y).**

- **Photovoltaic energy system**

This investment is intended to generate renewable energy in Italy. The four-year plan target is to install new capacity for self-consumption to cover about 20% of the energy demand of the Group companies in Italy.

The new investment means that the Feralpi Group will get **118 MW** of installed power from renewable energies, at full capacity, leading to a reduction in **indirect CO<sub>2</sub> emissions of more than 91,000 tonnes a year** (when fully operational).

The **116 million euro investment** is part of the ESG (Environment, Social, Governance) strategy, which in turn integrates a carbon neutrality course into development guidelines.

## **Employees**

With regard to employment, the number of group **employees** rose **from 1,710 to 1,749 (+2.3% y/y)**, of which 937 in Italy and 812 abroad. Out of these, 94% are hired on a fixed-term basis. In 2021, a total of 87 young people under 30 were hired.

Feralpi is committed to valuing the individual's uniqueness as an intrinsic asset, implementing the values expressed in the Group's Code of Ethics, by complying with the United Nations Universal Declaration of Human Rights and following the principles of Global Compact to which it is committed.

The year 2021 saw the implementation of the strategic direction declared in the Group Policy, which was prepared and disseminated in 2020. Feralpi thus has engaged in a well-defined course, characterised by consistency, frequency and capillarity.

## **THE VOLUNTARY CONSOLIDATED NON-FINANCIAL DECLARATION**

Along with the Group's 2021 consolidated financial statements, Feralpi will be releasing its third **Consolidated Voluntary Non-Financial Declaration (NFD)**, giving continuity to a social reporting process that began in 2004.

Though not formally required to draw up an NFD, the Group has deemed it necessary to continue to bring forward compliance with the legislative decree in order to provide its stakeholders with comparable elements and encourage increasing transparency on social, environmental and economic matters.



In 2021 the Feralpi Group generated a **global gross added value of €387m**. The net value for stakeholders amounts to **€336.2m**. The breakdown of the overall net added value shows a higher concentration in capital strengthening (47%), followed by staff remuneration (26%) and public administration (25%). EUR 3.9m were allocated to lenders.

**The turnover concerning local suppliers** accounted for **25.4%**. **The contribution to support local communities amounted to €3.5m**.

**In the environmental field, 93% of production comes from recycled steel**. Waste sent to recovery, recycling and reuse out of the total waste produced by steel mills accounted for 89%, up 9 percentage points compared to 2020.



Download the preview of the 2021 NFD abstract

### *The Feralpi Group*

The Feralpi Group is one of the leading steel producers in Europe (€1.93bn turnover in 2021, with over 1800 direct employees in 2022) and specializes in the production of steels for both construction and special applications. From the parent company Feralpi Siderurgica, founded in 1968 in Lonato del Garda (Brescia), a path of growth has given rise to an international, diversified and verticalized Group upstream and downstream of the production and marketing chain. The Feralpi Group is one of the leaders on the national and European markets in the production of reinforcing steel in bars, smooth and ribbed wire rod, rebar, drawn wire and welded mesh.

Feralpi's mission is not only to produce the best construction steels, but to do so in the most sustainable way possible, while respecting people and their diversity and the environment, by reducing consumption and emissions using the best available technologies, through investments in technology combined with intensive innovation and research.

[www.feralpigroup.com](http://www.feralpigroup.com)



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