



SMART SOLUTIONS IN WINDING WIRE

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## FY 2024 Financial Results Presentation



## IRCE Group – Contents

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- The Businesses
- Production Plants

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## Company Profile – Highlights

**IRCE is a leading European Group operating in the industries of magnet wires and cables**

IRCE Today	Uom	FY 2024	FY 2023
Number of employees FTE	Nr	681	671
TURNOVER	Eur M	397.7	402.8
EBITDA	Eur M	20.9	21.4
EBITDA Adj*	Eur M	21.4	21.5
EBIT	Eur M	14.5	14.4
EBIT Adj*	Eur M	15.0	14.5
RESULT of the period	Eur M	6.9	8.2

*(\*) Including gains/losses on copper and energy derivatives transactions if realized*

### History

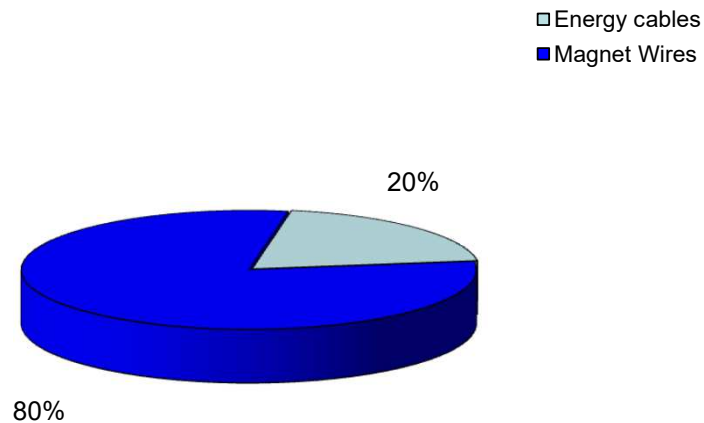
1947	IRCE began its activity in Imola (Italy) with the production of magnet wires
1961	The company started the production of PVC insulated low voltage cables
1996	The Group was listed on the Italian Stock Exchange
1998	Acquisition of Smit Draad Nijmegen BV (The Netherlands)
2001	Acquisition of FD Sims Ltd (UK)
2001	The Group was listed on the Star Market Segment
2007	Construction of Brazil Plant
2007	Acquisition of Stable Magnet Wire P. Ltd (India)
2010	Acquisition of ISODRA GmbH (Germany)
2015	New sales office in Poland
2018	Established the Company in China
2021	Established the Company in Czech Republic
2022	June 30, sold the branch of the company for the production of power cables located in Miradolo Terme Italy
2023	Start the construction of plant in Czech Republic
2024	Start the construction of plant in China

## Company Profile – The Businesses

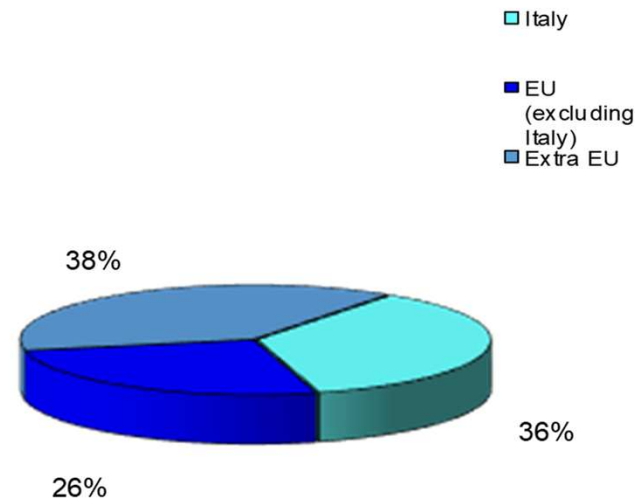
IRCE Group works in two business areas:

- **Magnet wires**      **80% of sales**
- **Energy cables**      **20% of sales**

Sales breakdown by business areas



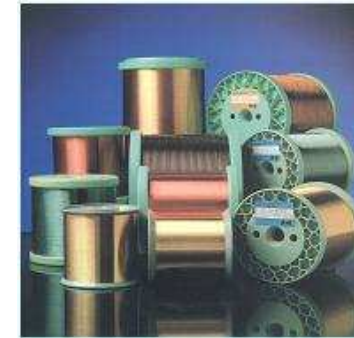
Sales breakdown by geographical area



## Company Profile – The Businesses

### Magnet Wires

Magnet wires, also known as winding wires or enamelled wires, have multiple applications such as electric motors, generators, transformers, compressors, inductors, relays, solenoid valves, etc. The wire is insulated through the application of many layers of enamels by means of highly sophisticated processes and machines, which demand high levels of investments and large scale of productions.



### Energy Cables



Cables produced by the Group encompass the complete range of Low Voltage and Medium Voltage for building and industrial sector. Cables can be insulated with PVC, rubber, polyethylene, etc.. They are used for the construction of electricity plants in residential and industrial buildings and for the wiring and cabling of electrical appliances. The principal final industry sectors are the construction industry, housing and industrial applications, and consumer durables industries (domestic appliances and other electrical appliances).

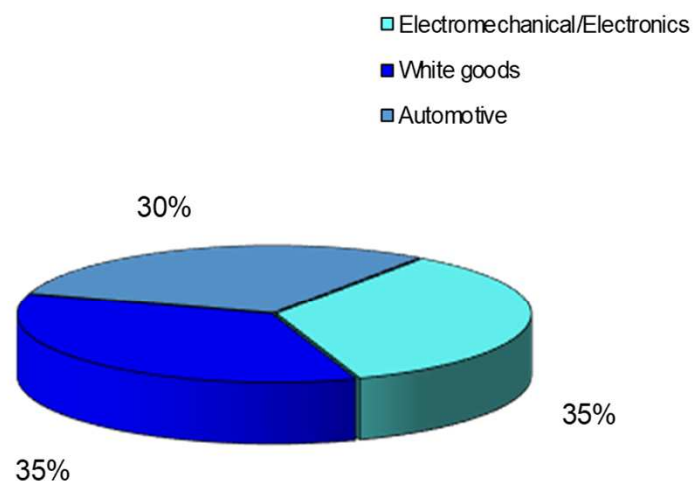
## Company Profile – The Businesses

### > Magnet Wires

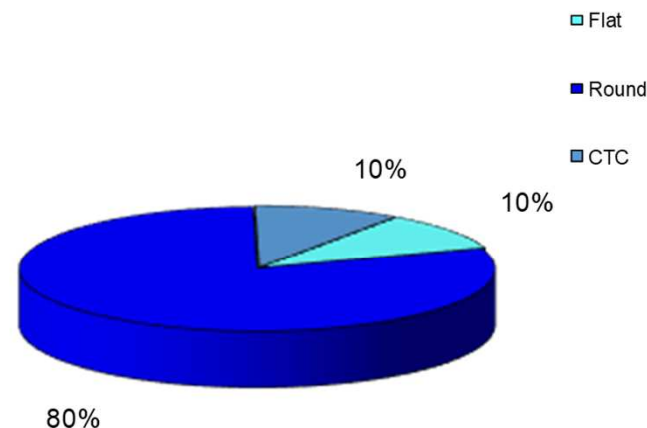
### > Market share

In the Magnet Wire business IRCE manufactures and sales the complete range of products, and is mainly engaged in the segments of the fine and medium wires. It mainly operates in Europe, where it is one of the top three producers by size.

Sales breakdown by industry

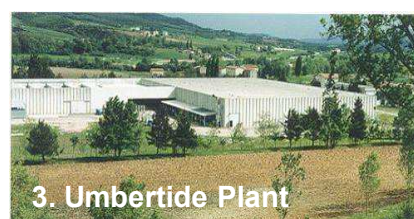


Sales breakdown by product





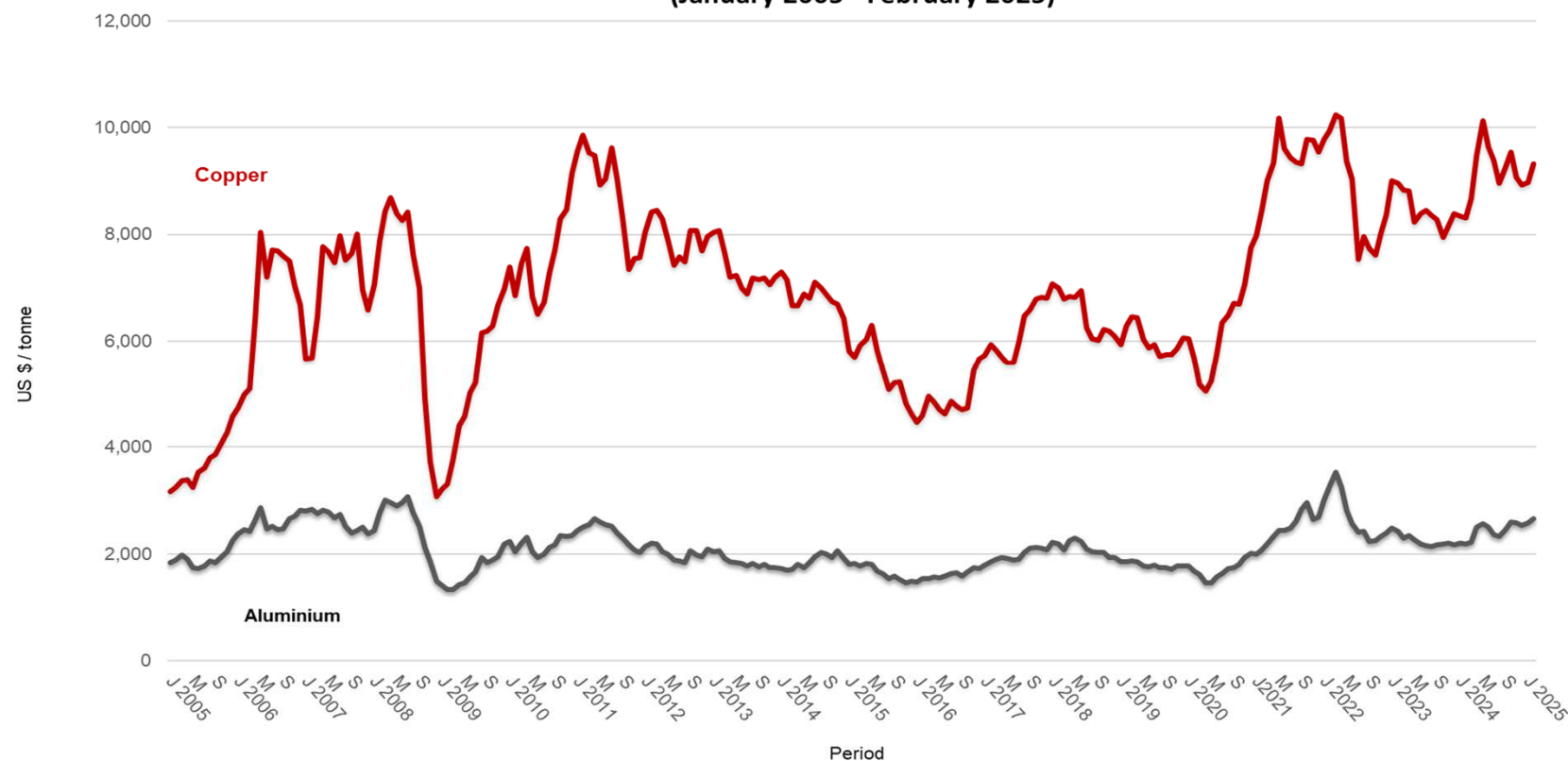
## Company Profile – Production Plants



1. IRCE SpA – Headquarters Imola – Italy	Copper and Aluminium Round Magnet Wire and LV Energy Cables	Covered Area: 46,000 Sqm Employees: 231	ISO 9001 IATF 16949 ISO 14001
2. IRCE SpA Guglionesi - Italy	LV/MV Energy Cables	Covered Area: 24,000 Sqm Employees: 84	ISO 9001
3. IRCE SpA Umbertide - Italy	Copper and Aluminium Round Magnet Wire	Covered Area: 19,400 Sqm Employees: 42	ISO 9001
4. Smit Draad Nijmegen BV Nijmegen – The Netherlands	Copper Rectangular Magnet Wire Continuously Transposed Cable (CTC)	Covered Area: 9,800 Sqm Employees: 77	ISO 9001
5. FD Sims Ltd  Blackburn – UK	Copper and Aluminium Round and Rectangular Magnet Wire	Covered Area: 7,000 Sqm Employees: 32	ISO 9001 IATF 16949 ISO 14001 ISO 45001
6. IRCE Ltda Joinville - Brazil	Copper and Aluminium Round and Rectangular Magnet Wire Continuously Transposed Cable (CTC)	Covered Area: 21,500 Sqm Employees: 126	ISO 9001 IATF 16949
7. Stable Magnet Wire P. Ltd. Cochin – India	Copper Round Magnet Wire	Employees: 27	ISO 9001
8. ISODRA GmbH Kierspe -Germany	Copper Round Magnet Wire	Employees: 12	ISO 9001

## IRCE Group – Copper and Aluminium price trend

**COPPER GRADE A and ALUMINIUM PRICE TREND (London Metal Exchange)**  
(January 2005 - February 2025)





## Financial Results – Profit and Loss Statement

<b>Euro million</b>	<b>FY 2024</b>	<b>% Turn.</b>	<b>FY 2023</b>	<b>% Turn.</b>	<b>change %</b>	<b>FY 2022</b>	<b>FY 2021</b>
Hollow turnover wires	68.0		71.0		-4.2%	72.2	67.8
Hollow turnover cables	28.2		28.2		0.0%	24.5	24.6
<b>Total hollow turnover</b>	<b>96.2</b>		<b>99.2</b>		<b>-3.0%</b>	<b>96.7</b>	<b>92.4</b>
<b>TURNOVER (copper included)</b>	<b>397.7</b>	<b>100.0%</b>	<b>402.8</b>	<b>100.0%</b>	<b>-1.3%</b>	<b>454.7</b>	<b>457.1</b>
Other income	1.8	0.5%	1.8	0.4%	0.0%	4.9	0.6
<b>TOTAL REVENUES</b>	<b>399.5</b>	<b>100.5%</b>	<b>404.6</b>	<b>100.4%</b>	<b>-1.3%</b>	<b>459.6</b>	<b>457.7</b>
Cost of material including change in stock	(304.1)	-76.5%	(314.6)	-78.1%	-3.3%	(361.9)	(366.2)
Personnel costs	(35.8)	-9.0%	(30.5)	-7.6%	17.4%	(30.0)	(30.5)
Other costs and services	(38.7)	-9.7%	(38.1)	-9.5%	1.6%	(48.3)	(37.8)
<b>EBITDA</b>	<b>20.9</b>	<b>5.3%</b>	<b>21.4</b>	<b>5.3%</b>	<b>-2.3%</b>	<b>19.4</b>	<b>23.2</b>
Depreciations and provisions	(6.4)	-1.6%	(7.0)	-1.7%	-8.6%	(7.8)	(8.8)
<b>EBIT</b>	<b>14.5</b>	<b>3.6%</b>	<b>14.4</b>	<b>3.6%</b>	<b>0.7%</b>	<b>11.6</b>	<b>14.4</b>
Copper and energy derivatives	0.5	0.1%	0.1	0.0%	-400.0%	0.5	(0.2)
Net financial charges	(2.1)	-0.5%	(2.0)	-0.5%	5.0%	(1.8)	0.0
<b>RESULT BEFORE TAXES (EBT)</b>	<b>12.9</b>	<b>3.2%</b>	<b>12.5</b>	<b>3.1%</b>	<b>3.2%</b>	<b>10.3</b>	<b>14.2</b>
Taxes	(6.0)	-1.5%	(4.3)	-1.1%	39.5%	(1.1)	(4.8)
<b>RESULT non-controlling interests</b>	<b>6.9</b>	<b>1.7%</b>	<b>8.2</b>	<b>2.0%</b>	<b>-15.9%</b>	<b>9.2</b>	<b>9.4</b>
Minorities	0.0	0.0%	0.0	0.0%	0%	0.0	0.0
<b>RESULT OF THE PERIOD</b>	<b>6.9</b>	<b>1.7%</b>	<b>8.2</b>	<b>2.0%</b>	<b>-15.9%</b>	<b>9.2</b>	<b>9.4</b>

<b>EBITDA</b>	<b>20.9</b>	<b>0.1</b>	<b>21.4</b>	<b>5.3%</b>	<b>-2.3%</b>	<b>19.4</b>	<b>23.2</b>
Copper and energy derivatives	0.5	0.1%	0.1	0.0%		0.5	(0.2)
<b>EBITDA Adjusted (*)</b>	<b>21.4</b>	<b>5.4%</b>	<b>21.5</b>	<b>5.3%</b>	<b>-0.5%</b>	<b>19.9</b>	<b>23.0</b>
Depreciation and provisions	(6.4)	-1.6%	(7.0)	-1.7%	25.7%	(7.8)	(8.8)
<b>EBIT Adjusted (*)</b>	<b>15.0</b>	<b>3.8%</b>	<b>14.5</b>	<b>3.6%</b>	<b>3.4%</b>	<b>12.1</b>	<b>14.2</b>

(\*) For a better comparison of the operating results, we have introduced the concepts of EBITDA and EBIT Adjusted, that are equal to the traditional definitions plus income or loss on copper and energy derivatives if realized.

FY 2022 and FY 2021 includes Miradolo Italian plant, sold on June 30, 2022

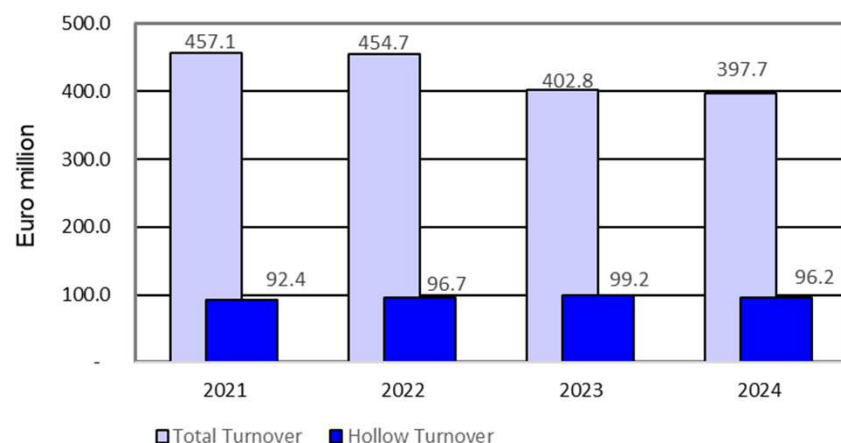
<b>ROCE (EBIT Adj. / Net Capital Employed)%</b>	<b>7.9%</b>	<b>7.6%</b>	<b>6.0%</b>	<b>7.9%</b>
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## Financial Results – Balance sheet

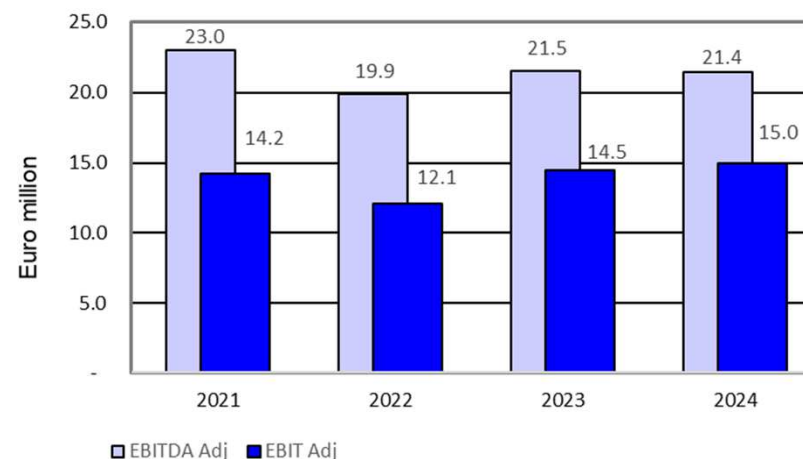
<i>Euro million</i>	31 December 2024		31 December 2023		31 December 2022		31 December 2021	
		%		%		%		%
Net working capital	122.4	62.1%	128.4	71.7%	152.3	74.4%	166.5	84.8%
Fixed Assets	86.5	43.9%	59.3	33.1%	51.7	25.2%	44.4	22.6%
Other assets and liabilities	-11.8	-6.0%	-8.7	-4.9%	0.8	0.4%	-14.6	-7.4%
<b>NET CAPITAL EMPLOYED</b>	<b>197.1</b>	<b>100.0%</b>	<b>179.0</b>	<b>100.0%</b>	<b>204.8</b>	<b>100.0%</b>	<b>196.3</b>	<b>100.0%</b>
Shareholders' Equity	150.6	76.4%	153.3	85.6%	144.8	70.7%	132.0	67.2%
Net Financial Position	46.5	23.6%	25.7	14.4%	60.0	29.3%	64.3	32.8%
<b>FINANCING AND EQUITY</b>	<b>197.1</b>	<b>100.0%</b>	<b>179.0</b>	<b>100.0%</b>	<b>204.8</b>	<b>100.0%</b>	<b>196.3</b>	<b>100.0%</b>
<b>CAPEX</b>	<b>35.0</b>		<b>14.2</b>		<b>13.6</b>		<b>7.7</b>	

## IRCE Group – Business Performance

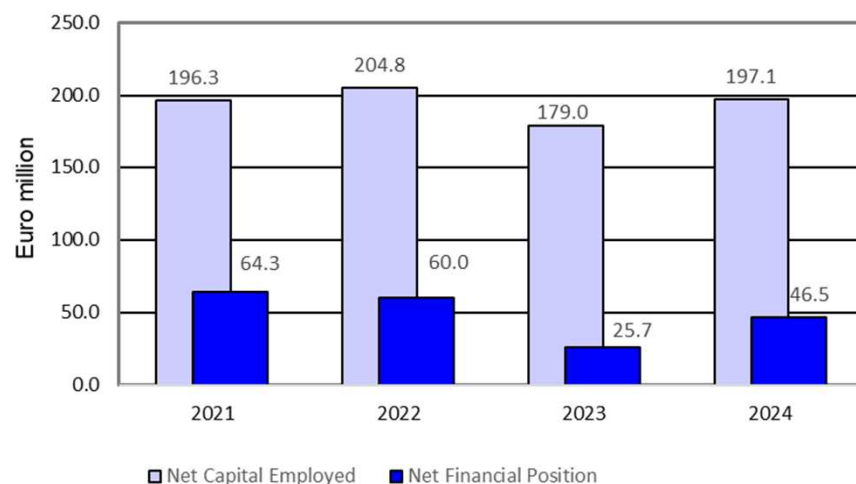
### TURNOVER and HOLLOW TURNOVER



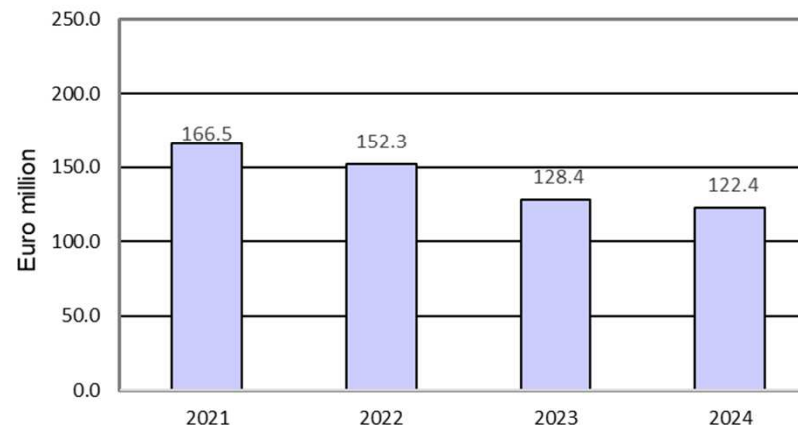
### EBITDA Adjusted and EBIT Adjusted



### NET CAPITAL EMPLOYED and NET FINANCIAL POSITION

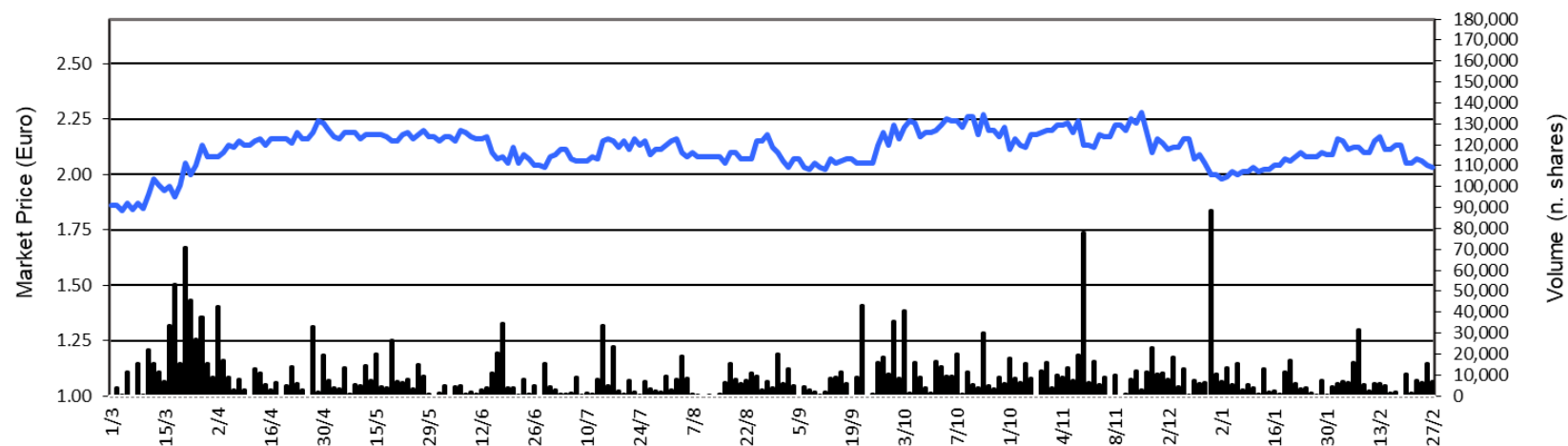


### NET WORKING CAPITAL

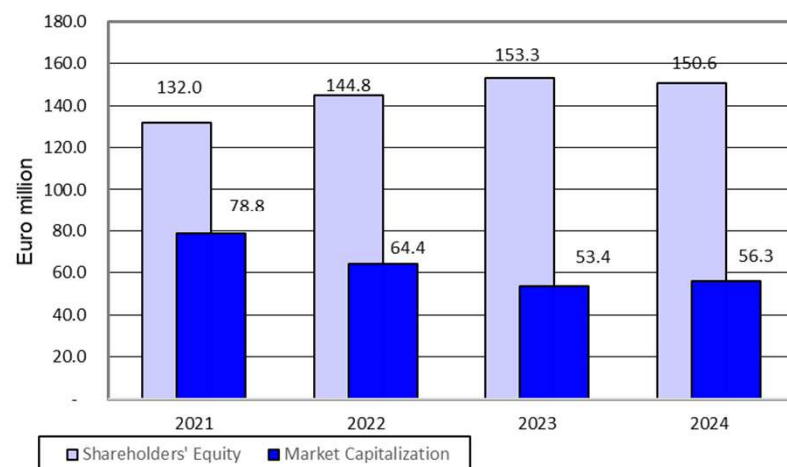


## IRCE Group – Market Performance

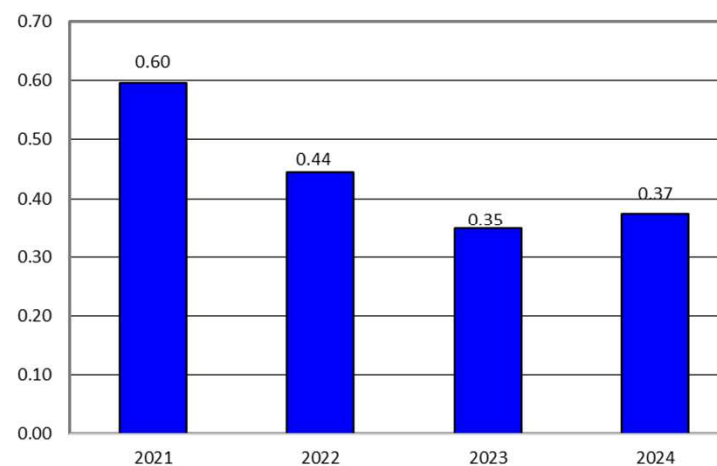
MARKET PRICE TREND IRCE (Period: 1<sup>st</sup> March 2024 - 27<sup>th</sup> February 2025)



SHAREHOLDERS' EQUITY Vs MARKET CAPITALIZATION



PRICE/BOOK VALUE RATIO



**- 2°Q 2025 Start the production**



**- 1°Q 2026 Start the production**

