



**BORYSZEW
GROUP**

BORYSZEW GROUP

FY 2019 FINANCIAL RESULTS

1. Boryszew Group – FY 2019 Summary

2. Market environment

3. FY 2019 financials

4. Operating segments

5. COVID-19 impact on the Company



KEY FACTORS AFFECTING THE GROUP IN FY 2019

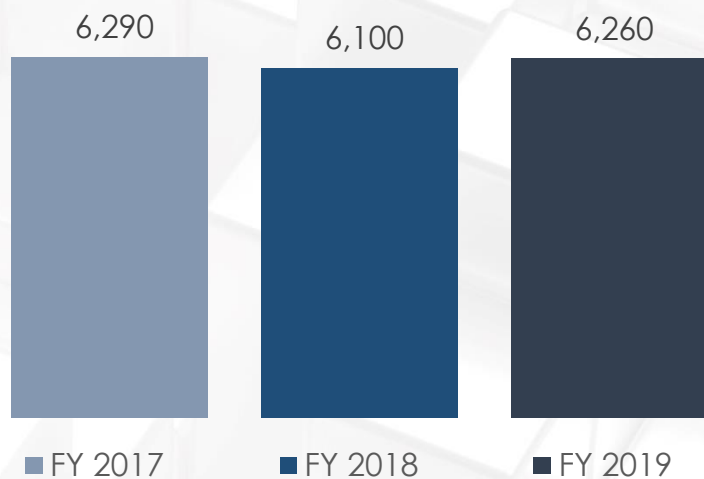
- Takeover and delisting of Alchemia Group (fully consolidated from Q2);
- Acquisition and delisting of Impexmetal S.A.;
- Conclusion of the preliminary agreement for the sale of Impexmetal Aluminium Konin;
- Improved profitability in Maflow Group.



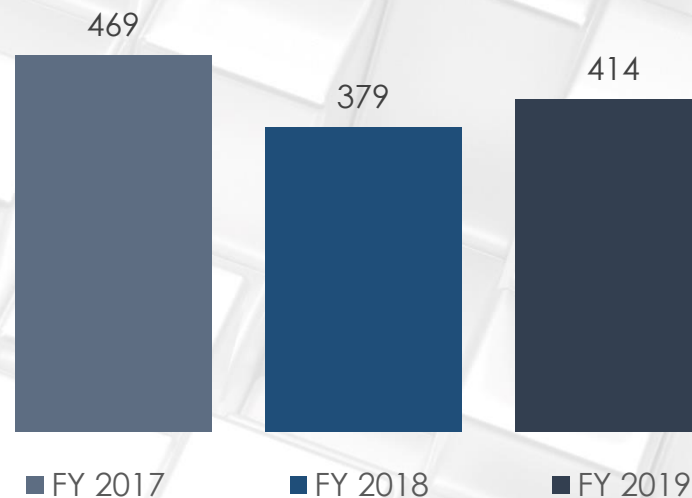
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BORYSZEW GROUP – FY 2017-2019 SUMMARY

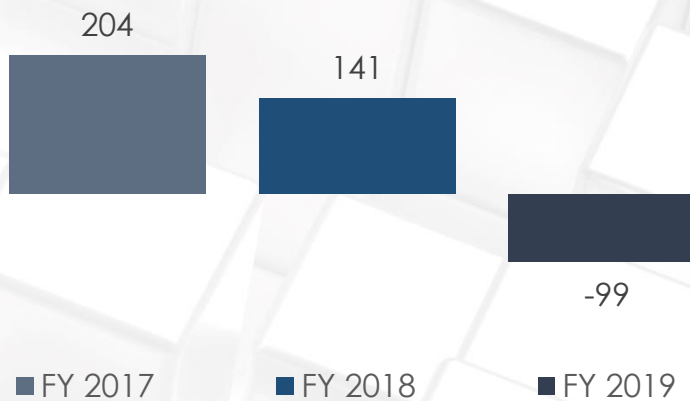
Revenues [PLN m]



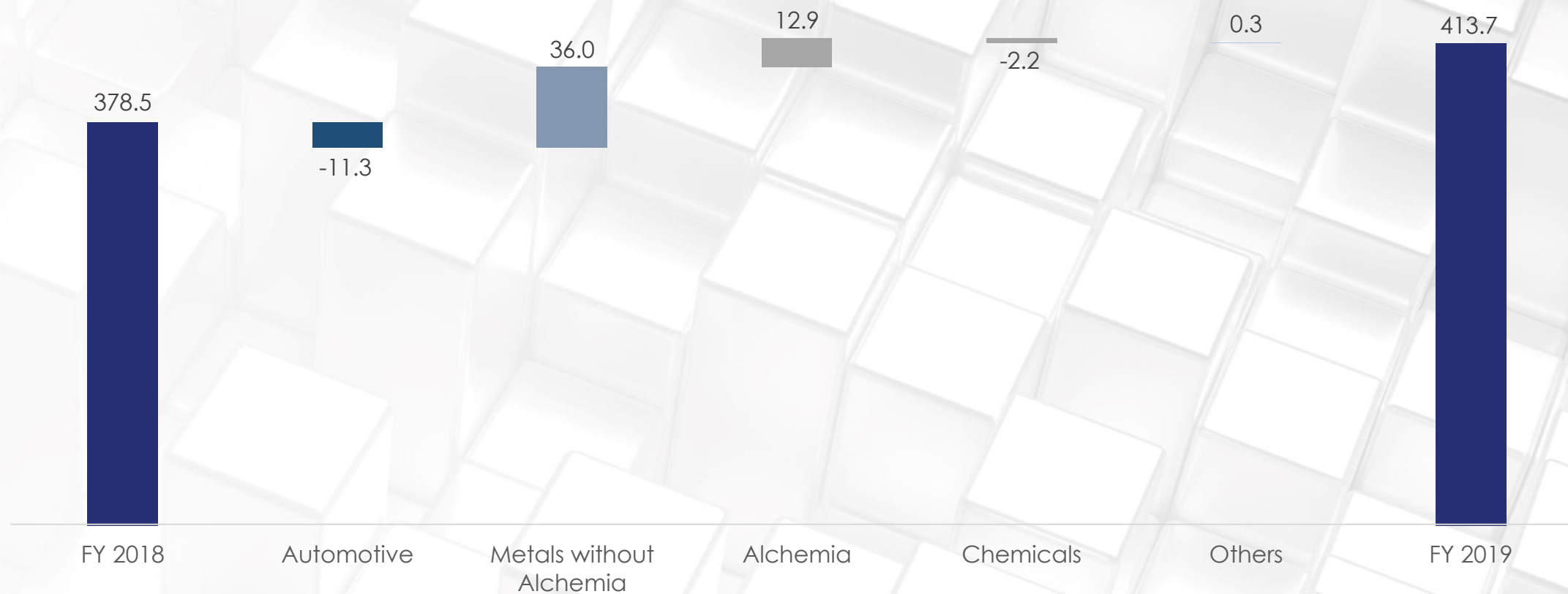
EBITDA [PLN m]



Net profit
[PLN m]



Q4 2019 EBITDA BRIDGE [PLN m]



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PRICE QUOTATIONS OF KEY METALS [USD/t]

Aluminium



Copper



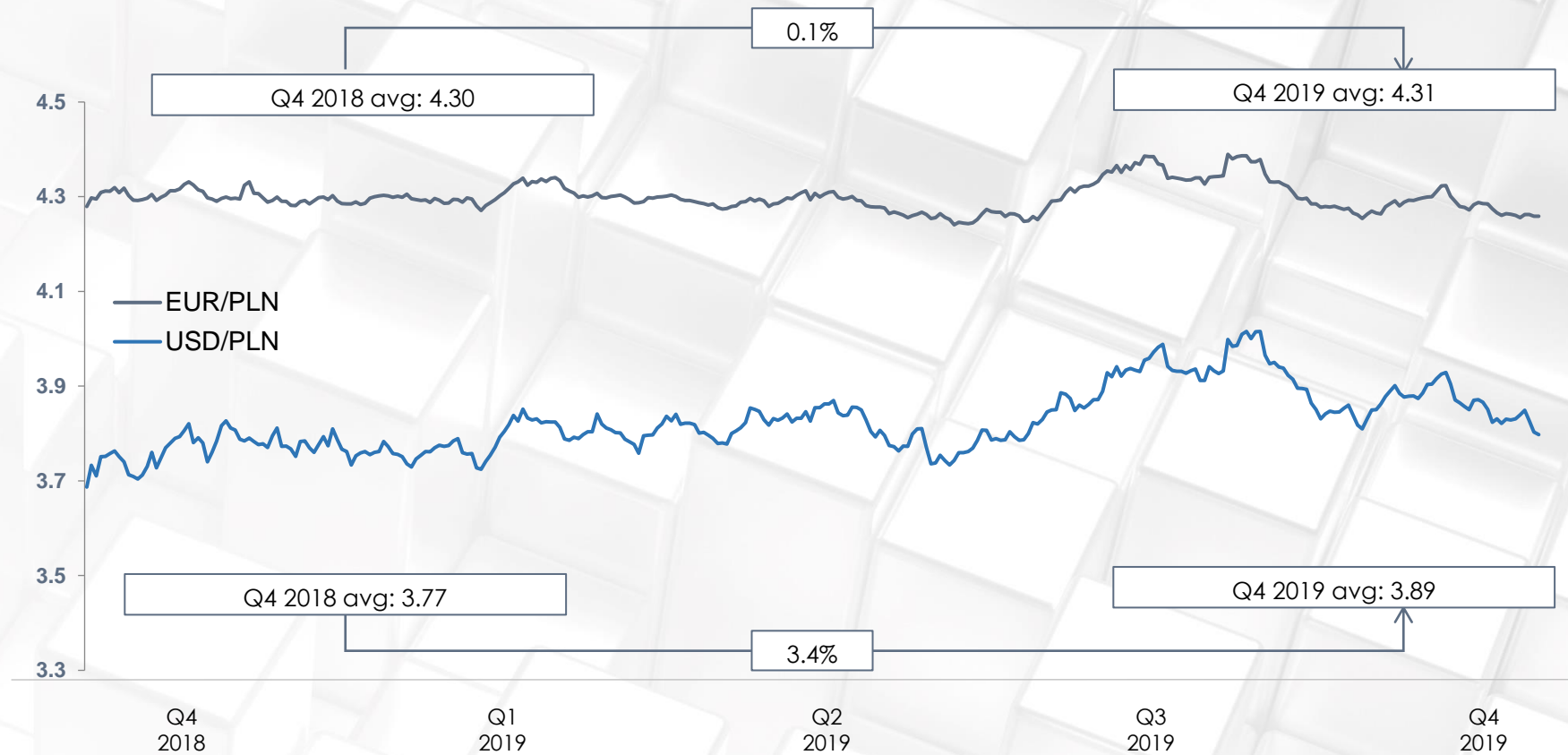
Zinc



Lead

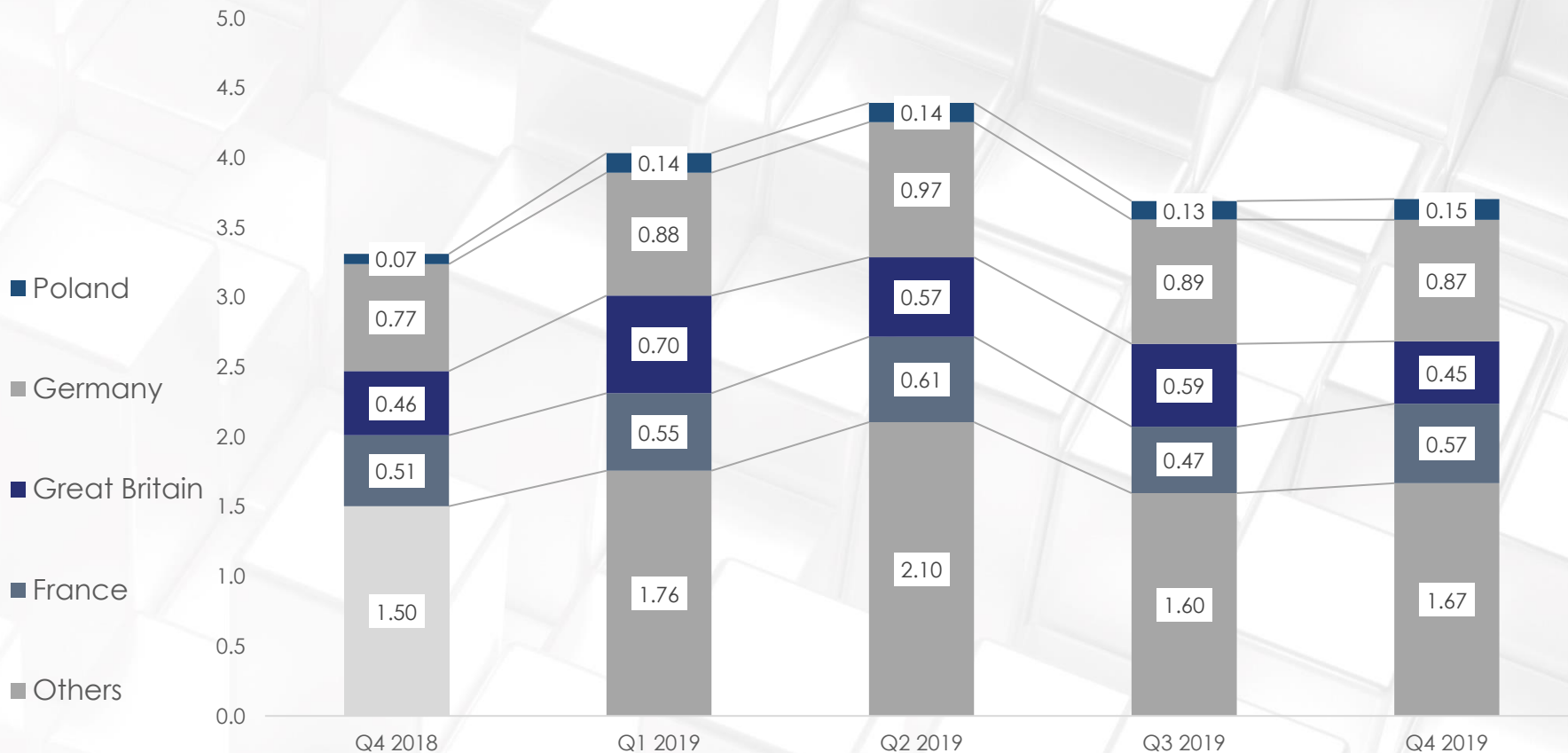


CURRENCY EXCHANGE RATES



EUROPEAN AUTOMOTIVE MARKET

- Registrations of new cars by country in millions (according to ACEA*)



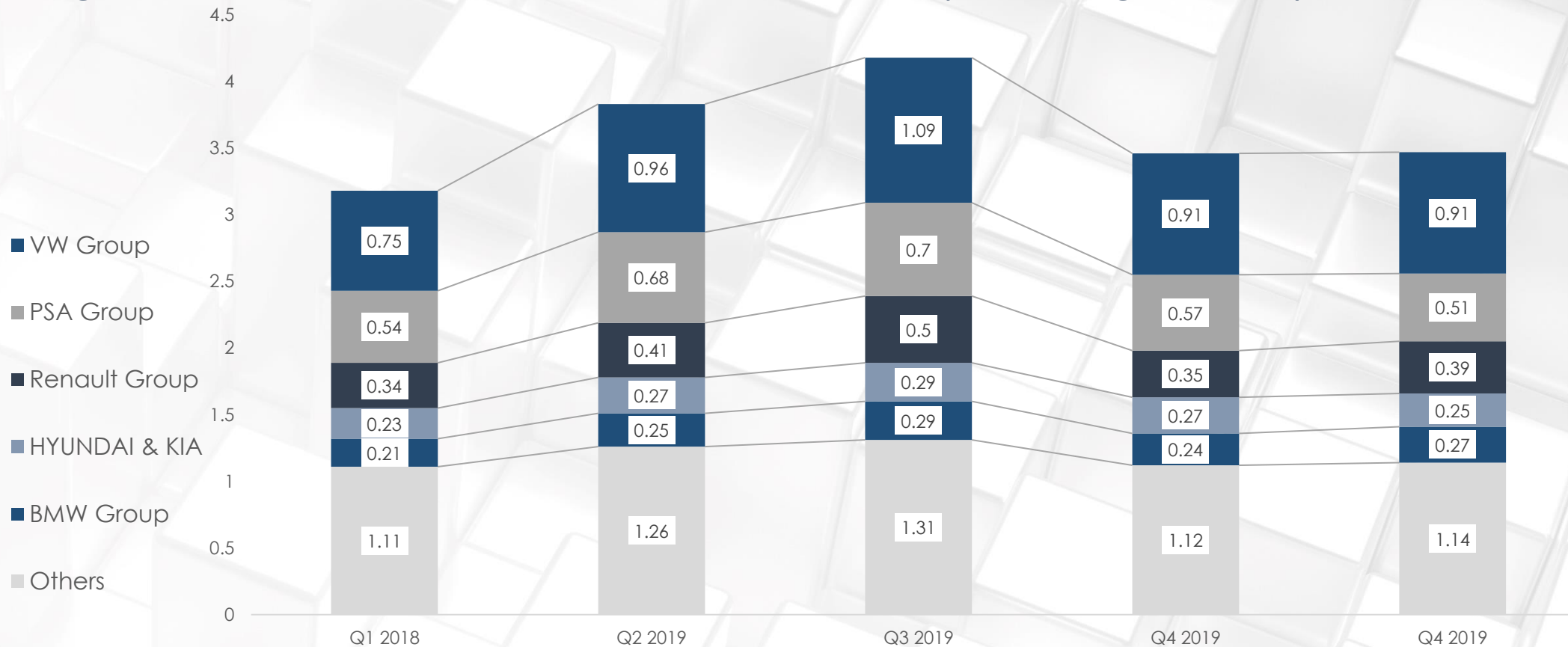
FY 2019 – 15.8 million
 FY 2018 – 15,6 million
+1.2%

In 2019, the European passenger car market grew by 1.2% to 15.81 million vehicles.

* ACEA (European Automobile Manufacturers Association)

EUROPEAN AUTOMOTIVE MARKET

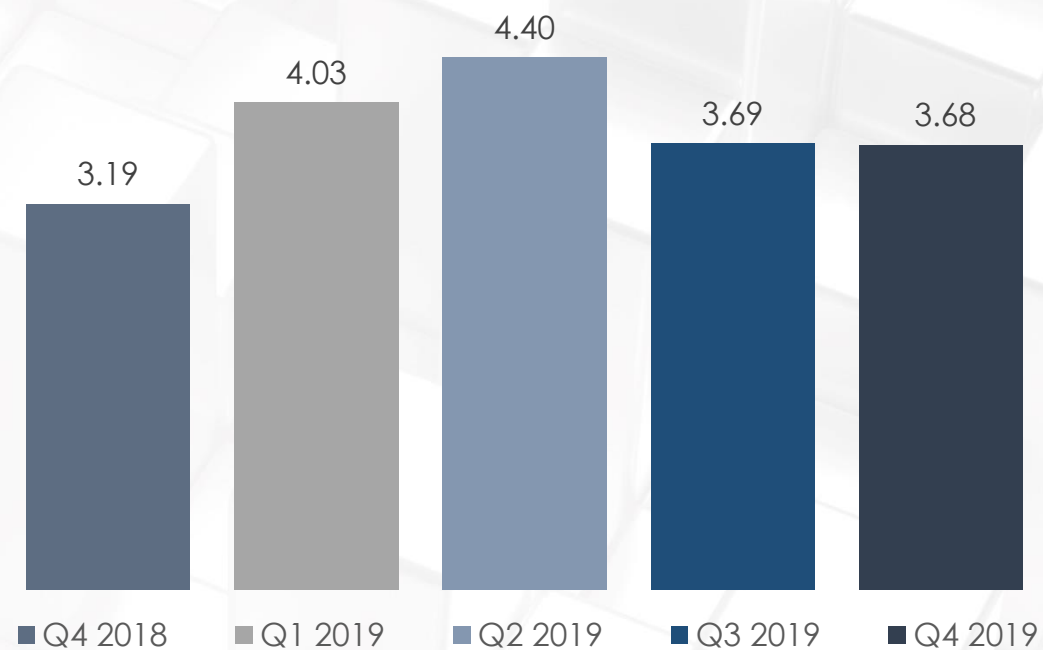
- Registrations of new cars by manufacturer in millions (according to ACEA)



* ACEA (European Automobile Manufacturers Association)

EUROPEAN AUTOMOTIVE MARKET

Registrations of new cars in millions (according to ACEA*)



VW Group					
	Market share (%)		Quantity		Y/Y % change
	FY 2018	FY 2019	FY 2018	FY 2019	
VW Group	24.0	24.5	3,744,367	3,866,779	+3.3
VOLKSWAGEN	11.3	11.2	1,764,329	1,769,482	+0.3
SKODA	4.7	4.8	728,443	761,761	+4.6
AUDI	4.6	4.7	723,922	743,042	+2.6
SEAT	2.9	3.2	452,071	507,149	+12.2
PORSCHE	0.5	0.5	70,557	79,624	+12.9

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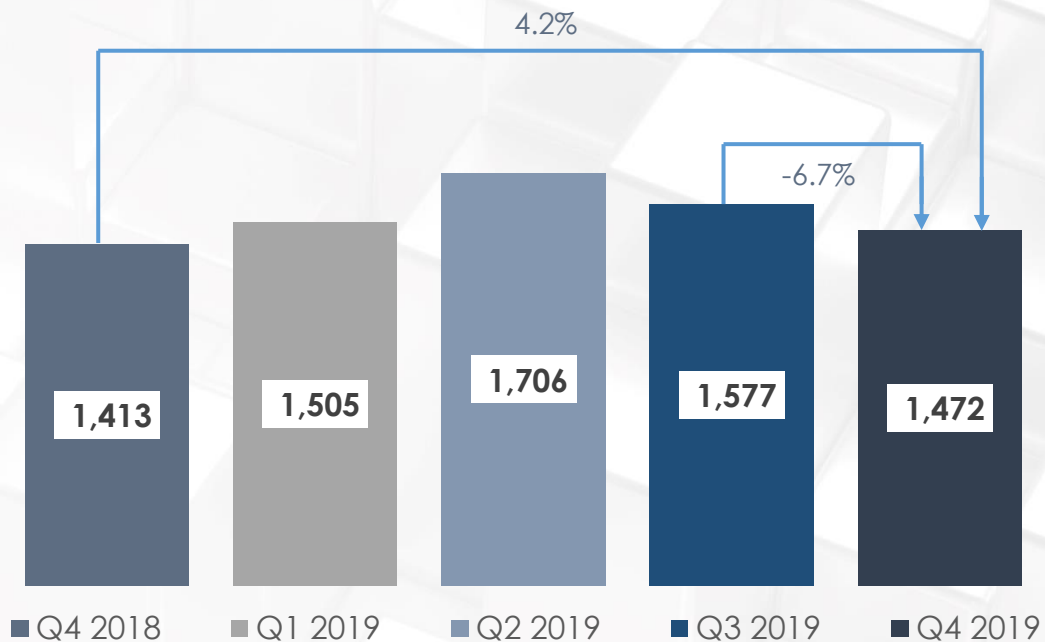
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KEY FINANCIALS [PLN m]

	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Y/Y % change Q4 2019 vs Q4 2018
Sales revenues	1,413	1,505	1,706	1,577	1,472	4.1%
EBIT	29	49	88	41	32	6.9%
EBITDA	67	90	139	92	93	38.8%
EBITDA margin	4.8%	6.0%	8.1%	5.8%	6.3%	33.3%

Revenues [PLN m]



Revenues by segment [PLN m]	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Y/Y change 2019 vs 2018
Automotive	466	449	474	424	430	-7.7%
Metals	808	907	1,133	1,058	922	14.1%
Chemicals	81	73	60	59	61	-24.7%
Others*	58	76	39	35	59	1.7%

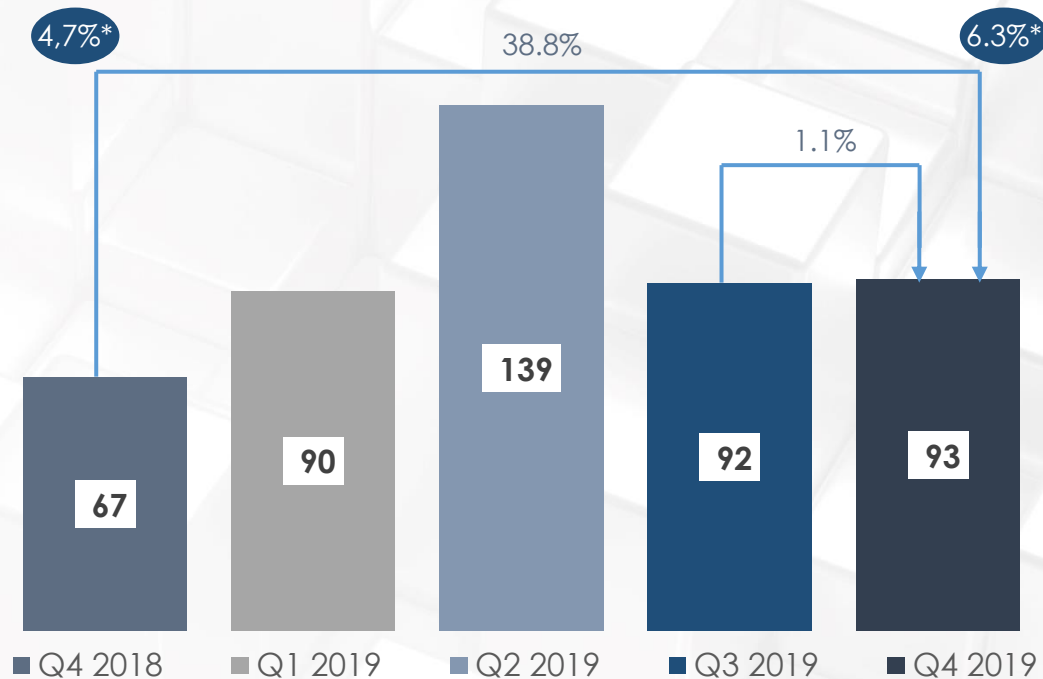
Automotive Segment:

- decrease in sales by over 7% vs Q4 2018.

Metals Segment:

- decrease in sales by 11% after consolidating Alchemia Group (PLN 204 million);
- stable sale volumes Q4 2018 vs Q4 2019.

EBITDA [PLN m]



Revenues by segment [PLN m]	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
Automotive	12.7	20.5	31.8	30.2	-10.9
Metals	50.5	58.0	102.7	61.5	103.7
Chemicals	4.1	3.5	5.0	1.7	2.3
Others*	-0.1	8.2	-1.0	-1.4	-2.0

Automotive Segment:

- significant drop in profitability in BAP Group;
- Improved efficiency of Maflow production processes.

Metals Segment:

- Stable product sales volumes;
- Sale of land in Konin (PLN 35 million).

* EBITDA margin

** Including consolidation adjustments

2019 CAPEX



PLN
282
million



Automotive

PLN
67
million



Metals

PLN
167
million



**Alchemia
Group**

PLN
45
million



Chemicals

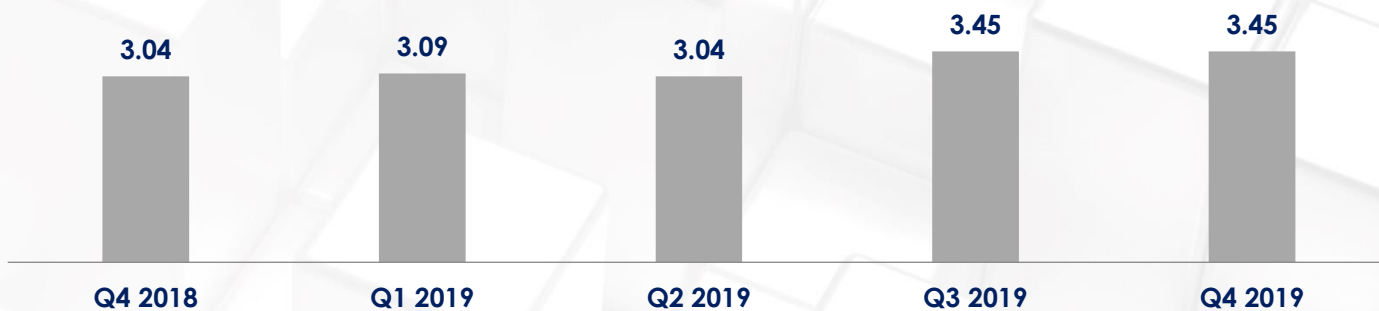
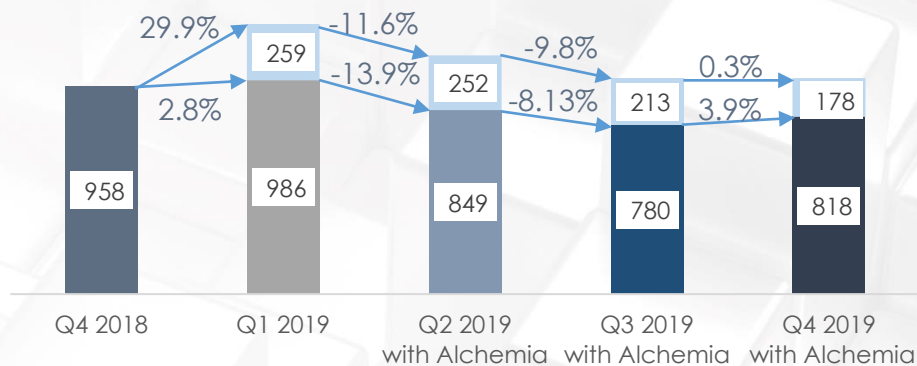
PLN
3
million

INNOVATIVE PROJECTS

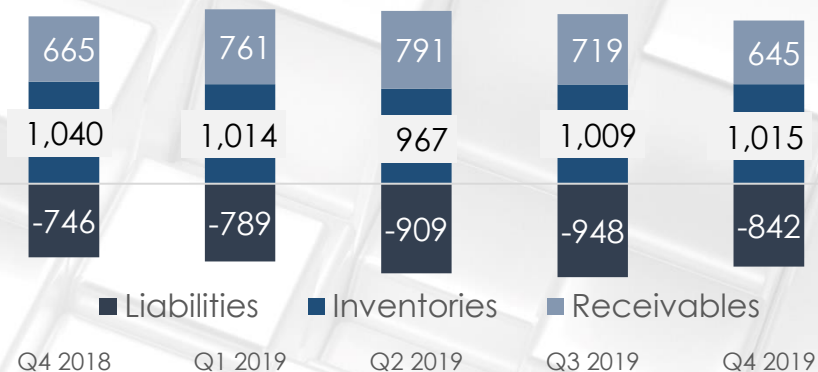
	INNOVATIVE ALUMINIUM WIRE ROD ALLOYS	Innovative production technology of wire rod from high-strength aluminium alloys of 2xxx, 5xxx, 7xxx series
	LOW-LOSS CABLES	Reduction of transmission losses in HV (110kV) power distribution lines through the development of innovative material and design solutions and technologies for the production of low-loss overhead lines
	ALUMINIUM TAPES	Development of highly advanced production technology of multilayer HSAA-P30 aluminium tapes for the new generation of automotive heat exchangers
	AlMg-VHS	Implementation of innovative production technology of sheets and strips made from AlMg-VHS alloy intended for pressing car body parts and structural elements
	ALUMINIUM ALLOY	Development and implementation of a production technology of an innovative aluminium alloy for the production of high-pressure caps in the packaging industry
	Smart Growth Operational Programme INNOSTAL	Unique forged and rolled special-purpose steel ring with advanced, designed cross-section and adjustable operating properties
	BRASS CAST&DRAW® Tech	Innovative production technology of products from copper alloys with a new standard of geometric quality intended for material removal processing on high-speed automatic cutting machines
	ZN-AL ALLOY WIRES	Development and implementation of a production technology of a full range of Zn-Al alloy wires intended for corrosion protection by spray metallization method
	NANOBOYGO	Installation for the production of innovative automotive radiator fluid, lithium-ion batteries and disinfection fluid

Working capital and debt

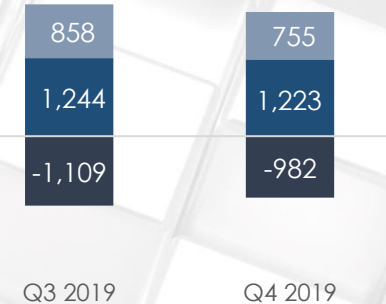
Working capital



Boryszew



Boryszew with Alchemia



- Maintaining the level of working capital in the Group and in Boryszew (Q4 2019 vs Q3 2019);
- Stable debt level.

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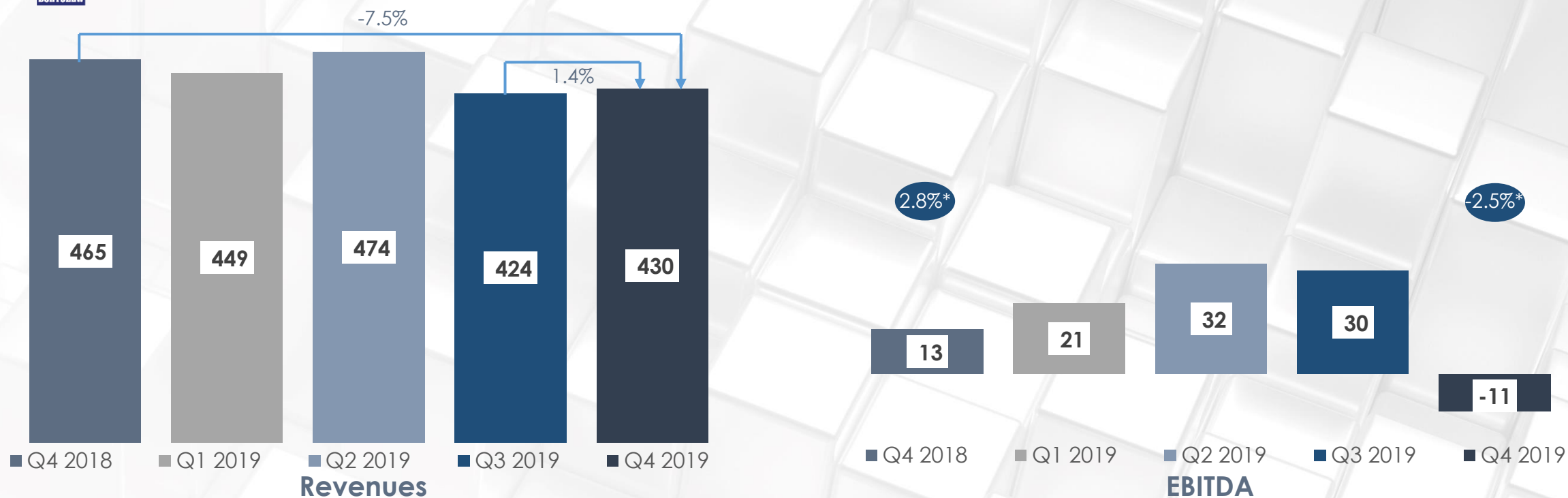
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AUTOMOTIVE SEGMENT RESULTS [PLN m]



The result of the Automotive Segment was mainly influenced by:

- maintained profitability in Maflow Group;
- collapse of operational efficiency in the BAP Group;
- continuing low sales of parts in BAP Group.

* EBITDA margin



NOMINATIONS FOR NEW PROJECTS

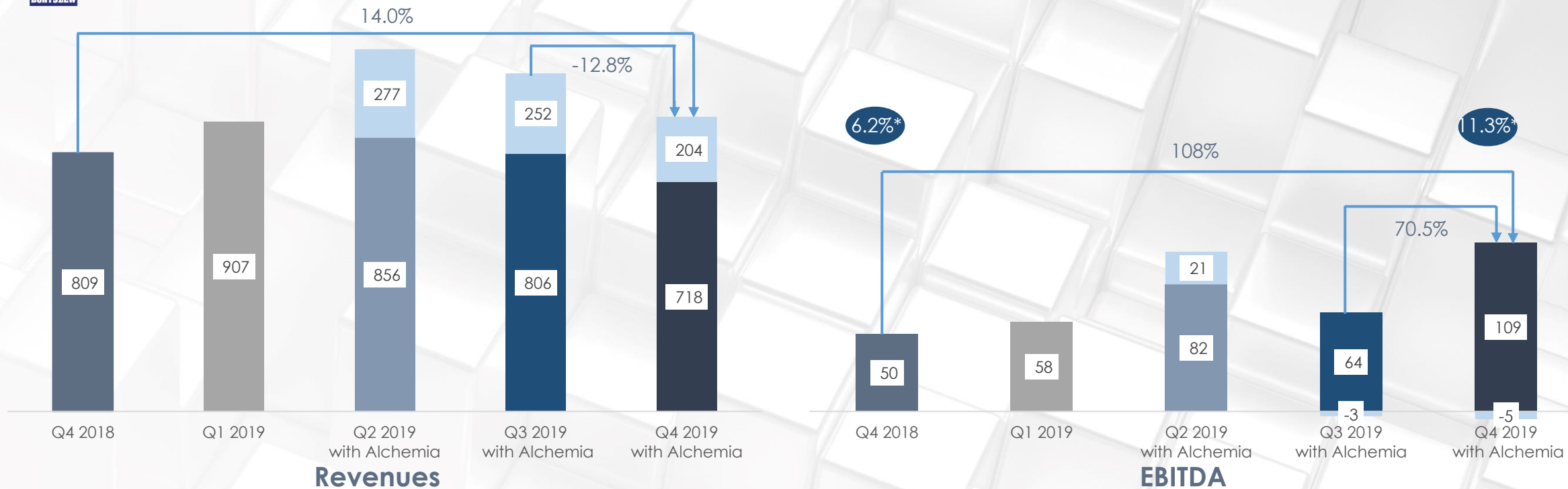
In 2019, new nominations for contracts with the value of over EUR 263.3 million were acquired with EOP 2030*

	Value of new contracts in Q1-Q4 2019 in EUR million
BAP Group	27.4
Maflow Group	235.9

	Share of nominations concerning electric vehicles in the total value of nominations throughout the project life cycle
BAP Group	10%
Maflow Group	38%

* EOP - End of Production

METALS SEGMENT RESULTS [PLN m]

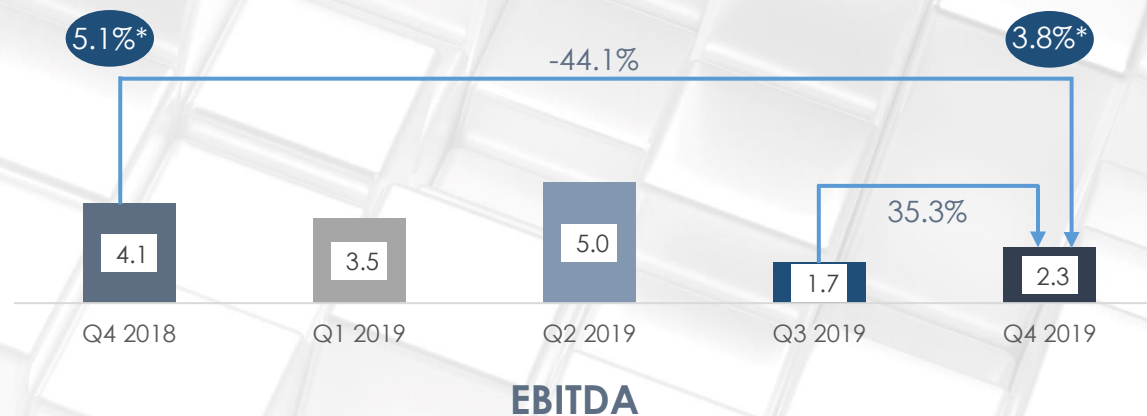
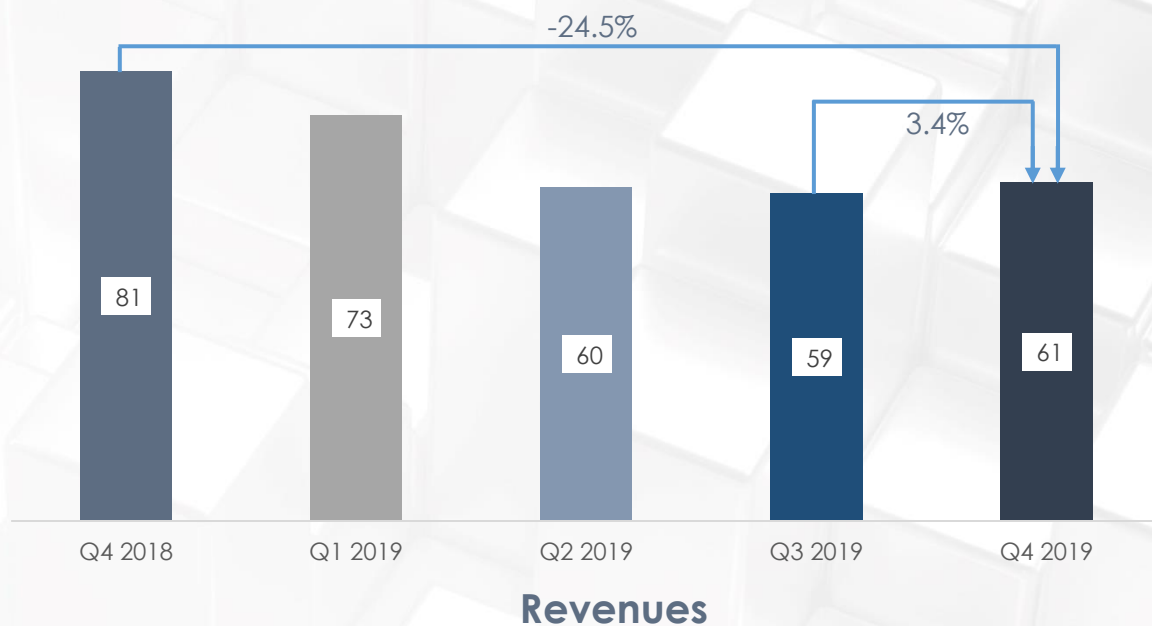


The Segment's EBITDA was affected by factors such as:

- decrease in revenue by 11% after consolidating Alchemia Group (PLN 204 million);
- stable sales volumes Q4 2018 vs Q4 2019;
- Sale of land in Konin (PLN 35 million).

* EBITDA margin

CHEMICALS SEGMENT RESULTS [PLN m]



The Chemicals Segment's EBITDA was affected by :

- the effect of "warm winter" and, as a consequence, decrease in sales of radiator fluids and de-icing fluids in Boryszew ERG;
- increase in the price of flakes and decrease in trade margins in Elana PET.

* EBITDA margin

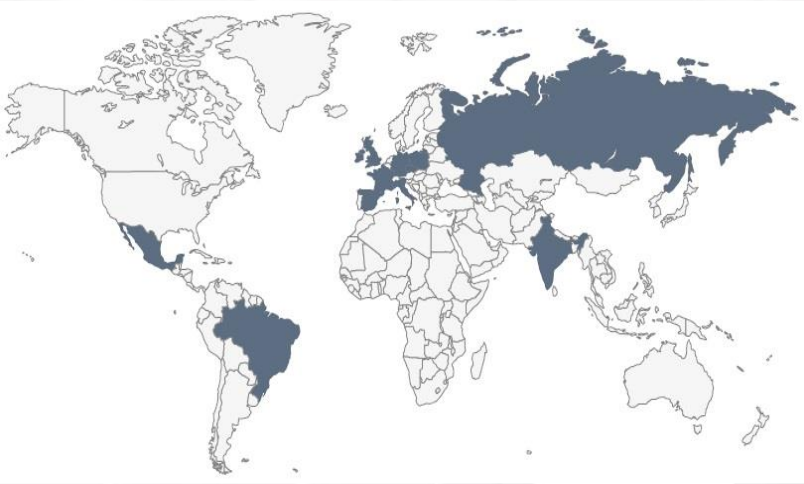
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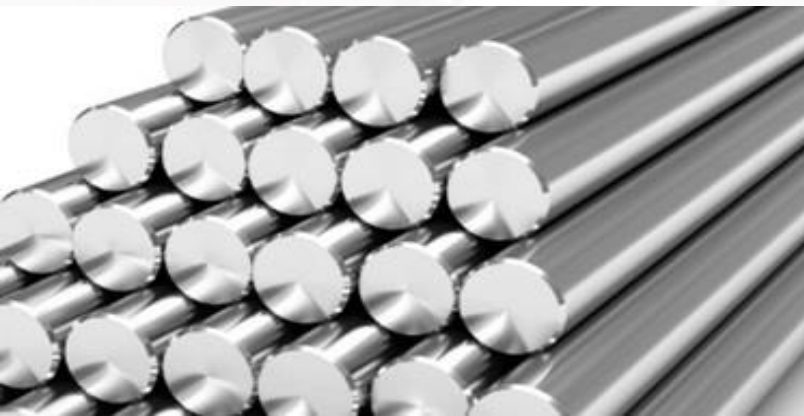
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COVID-19 IMPACT ON THE COMPANY'S OPERATIONS

- Production restrictions at the plants of Boryszew Group;
- Reduced orders from key Automotive Clients;
- New product line in Boryszew ERG;
- Projected rebound in Q3 and Q4 2020;
- Gradual recovery of the Automotive Segment revenues.





**BORYSZEW
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Thank you!