



CONSOLIDATED QUARTERLY REPORT BORYSZEW CAPITAL GROUP

for the period between 1 January and 31 March 2021

**Report publication date:
28 May 2021**





Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Table of contents	Page
SELECTED FINANCIAL DATA	3
ABBREVIATED MID-YEAR CONSOLIDATED FINANCIAL STATEMENTS	4
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	5
CONSOLIDATED INCOME STATEMENT – discontinued operations.....	6
CONSOLIDATED BALANCE SHEET	7
CONSOLIDATED CASH FLOW STATEMENT.....	9
CONSOLIDATED STATEMENT ON CHANGES IN EQUITY	10
ADDITIONAL INFORMATION.....	12
MID-YEAR ABBREVIATED FINANCIAL STATEMENTS FOR BORYSZEW S.A.	45
STATEMENT OF COMPREHENSIVE INCOME	46
STATEMENT OF FINANCIAL POSITION	47
CASH FLOW STATEMENT	49
STATEMENT OF CHANGES IN EQUITY	50
ADDITIONAL INFORMATION.....	51



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(amounts expressed in PLN '000 unless specified otherwise)

SELECTED FINANCIAL DATA

	in PLN '000		in EUR '000	
	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
data regarding abbreviated consolidated financial statements				
Revenue from continuing operations	1 450 938	1 573 706	317 346	357 961
Operating profit	49 885	31 910	10 911	7 258
Net profit on continuing operations	27 641	(37 711)	6 046	(8 578)
Profit on continuing and discontinued operations	29 297	(38 055)	6 408	(8 656)
Net profit attributable to the parent	26 977	(35 148)	5 900	(7 995)
Weighted average number of shares (excluding treasury shares)	202 000 000	202 000 000	202 000 000	202 000 000
Earnings per share attributable to shareholders of the Parent (in PLN/EURO)	0.13	(0.17)	0.03	(0.04)
Net cash flow from operating activities	(24 812)	(3 821)	(5 427)	(869)
Net cash flow from investment activities	(31 493)	(77 545)	(6 888)	(17 639)
Net cash flow from financial activities	23 994	45 569	5 248	10 365
	As at 31.03.2021	As at 31.12.2020	As at 31.03.2021	As at 31.12.2020
Total assets	4 291 041	4 098 778	920 765	888 181
Total liabilities and provisions	2 609 594	2 465 184	559 963	534 191
Assets of continuing operations	4 289 331	4 097 774	920 398	887 964
Liabilities of continuing operations	2 593 017	2 447 657	556 406	530 393
Equity	1 681 447	1 633 594	360 802	353 990
Equity attributable to the parent company	1 658 073	1 612 540	355 787	349 428

	in PLN '000		in EUR '000	
	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
data regarding separate condensed financial statements				
Revenues from sales	404 249	301 534	88 416	68 588
Operating profit	23 958	20 759	5 240	4 722
Net profit	19 807	18 095	4 332	4 116
Weighted average number of shares (excluding treasury shares)	205 205 000	220 716 169	205 205 000	220 716 169
Profit per ordinary share in PLN/EUR	0.10	0.08	0.02	0.02
Net cash flow from operating activities	45 870	2 749	10 033	625
Net cash flow from investment activities	(91 336)	(6 935)	(19 977)	(1 577)
Net cash flow from financial activities	44 057	10 174	9 636	2 314
	As at 31.03.2021	As at 31.12.2020	As at 31.03.2021	As at 31.12.2020
Total assets	2 678 315	2 545 049	574 709	551 497
Total liabilities and provisions	1 043 483	947 257	223 909	205 265
Equity	1 634 832	1 597 792	350 800	346 232

ABBREVIATED MID-YEAR CONSOLIDATED FINANCIAL STATEMENTS

**Boryszew Capital Group
for the period between 1 January and 31 March 2021**





Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Continuing operations		
Revenues from sales	1 450 938	1 573 706
Prime cost of sale	1 296 741	1 437 021
Gross profit on sales	154 197	136 685
Selling costs	36 913	39 256
Administrative expenses	72 748	75 702
Other operating revenue	17 230	21 479
Other operating expenses	8 517	9 441
Profit/loss on impairment of trade and other receivables	(3 364)	(1 855)
Operating income	49 885	31 910
Financial revenues	14 524	11 170
Financial expenses	22 090	63 287
Profit/loss on impairment of financial assets	(9)	(116)
Financial profit/loss	(7 575)	(52 233)
Share in profit of affiliates	(19)	17
Profit before taxation	42 291	(20 306)
Income tax	14 650	17 405
Net profit on continuing operations	27 641	(37 711)
Net profit/loss on discontinued operations	1 656	(344)
Profit on continuing and discontinued operations	29 297	(38 055)
including attributable to:		
<i>to shareholders of the parent</i>	26 977	(35 148)
<i>to non-controlling interests</i>	2 320	(2 907)
Earnings / Diluted earnings per share	26 977	(35 148)
Weighted average number of shares (excluding treasury shares)	202 000 000	202 000 000
Earnings / Diluted earnings per share (PLN)	0.13	(0.17)

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - continued

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Net profit	29 297	(38 055)
Earnings recognised in equity		
<i>Earnings recognised in equity, to be transferred to income statement</i>	2 879	(14 055)
Hedge accounting	279	(32 901)
Measurement of financial assets recognised in income statement		-
Exchange differences on translating foreign operations	2 653	12 595
Income tax expense (-provision/+asset)	(53)	6 251
<i>Earnings recognised in equity, not to be transferred to income statement</i>	15 677	-
Gains/losses on valuation of equity instruments	19 354	-
Gains/losses on disposal of equity instruments	-	-
Employee benefit capital reserve	-	-
Income tax	(3 677)	-
Total earnings recognised in equity	18 556	(14 055)
<i>to shareholders of the parent</i>	18 556	(14 055)
<i>to non-controlling interests</i>	-	-
Total comprehensive income, including attributable:	47 853	(52 110)
<i>to shareholders of the parent</i>	45 533	(49 203)
<i>to non-controlling interests</i>	2 320	(2 907)

CONSOLIDATED INCOME STATEMENT – discontinued operations

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Revenues from sales	2	8
Prime cost of sale	2	8
Gross profit (loss) from sales	-	-
Selling costs	-	-
Administrative expenses	-	-
Other operating revenue	2 150	-
Other operating expenses	382	333
Profit (loss) from operating activity	1 768	(333)
Financial revenues	11	23
Financial expenses	65	34
Financial profit/loss	(54)	(11)
Profit (loss) before income tax	1 714	(344)
Income tax	60	-
Net profit (loss) on discontinued operations	1 654	(344)
<i>in the parent company</i>	1 253	130
<i>to non-controlling interests</i>	401	(474)

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED BALANCE SHEET

ASSETS	As at 31.03.2021	As at 31.12.2020	As at 31.03.2020
Non-current assets			
Non-current assets	1 299 366	1 303 109	1 822 611
Investment property	151 660	152 079	158 532
Goodwill	8 865	6 418	23 332
Intangible assets	46 157	48 102	48 514
Right-of-use assets	315 913	317 929	364 527
Shares in affiliates	191	210	328
Financial assets	1 537	1 036	207
Long-term receivables	2 717	3 387	5 041
Deferred tax assets	26 853	26 580	923
Other assets	25 157	27 625	24 508
Total fixed assets	1 878 416	1 886 475	2 448 523
Current assets			
Inventory	1 022 856	980 958	1 176 055
Trade receivables and other receivables	877 082	731 083	918 462
Short-term financial assets	280 490	249 458	33 764
Derivative financial instruments	4 330	4 250	20 738
Current tax assets	6 335	8 306	14 317
Other assets	64 902	52 033	69 780
Cash and cash equivalents	154 920	185 211	184 696
Total current assets	2 410 915	2 211 299	2 417 812
Assets classified as held for sale	1 710	1 004	787
Total assets	4 291 041	4 098 778	4 867 122



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

	As at 31.03.2021	As at 31.12.2020	As at 31.03.2020
LIABILITIES AND EQUITY			
Equity			
Share capital	248 906	248 906	248 906
Share premium	114 435	114 435	114 435
Own shares	(236 753)	(236 753)	(236 753)
Hedge accounting capital	(6 024)	(6 250)	(12 324)
Capital reserve on translating employee payables	(1 851)	(1 851)	(2 602)
Revaluation reserve	47 469	31 792	(21 817)
Exchange differences on translating foreign entities	(53 889)	(56 542)	(6 140)
Retained earnings	1 545 780	1 518 803	1 204 135
Total equity	1 658 073	1 612 540	1 287 840
Equity of non-controlling shareholders	23 374	21 054	165 088
Total equity	1 681 447	1 633 594	1 452 928
Liabilities and long-term provisions			
Bank credits, loans, bonds	190 175	168 209	597 972
Lease liabilities	56 928	83 044	114 459
Liabilities associated with right-of-use assets	114 874	114 175	145 516
Payables on perpetual usufruct of investment land	56 817	56 826	58 321
Deferred tax provision	86 847	83 842	100 165
Employee benefit provisions	27 890	27 112	29 866
Other provisions	48 155	47 859	34 468
Other long term equity and liabilities	35 781	53 710	56 834
Liabilities and long-term provisions - total	617 467	634 777	1 137 601
Short-term liabilities			
Bank credits, loans, bonds	787 982	755 622	966 606
Lease liabilities	59 596	50 440	46 117
Liabilities associated with right-of-use assets	7 728	5 107	5 227
Payables on perpetual usufruct of investment land	241	241	265
Trade payables and other liabilities	787 712	698 454	1 020 356
Derivative financial instruments	12 809	12 811	44 898
Current tax liabilities	65 829	64 202	38 754
Employee benefit provisions	39 281	33 189	35 141
Other provisions	152 874	154 550	51 253
Other liabilities and equity	61 498	38 264	51 534
Liabilities and short-term provisions - total	1 975 550	1 812 880	2 260 151
Liabilities directly associated with assets classified as discontinued operations	16 577	17 527	16 442
Total liabilities and provisions	2 609 594	2 465 184	3 414 194
Total equity and liabilities	4 291 041	4 098 778	4 867 122

**Boryszew Capital Group**

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CONSOLIDATED CASH FLOW STATEMENT

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Cash flows from operating activities		
Profit before taxation	42 291	(20 306)
Adjustments for (+/-)	(67 103)	16 485
Amortisation/depreciation	41 894	48 718
Profit/loss on financial activity (including interest on financial liabilities)	9 447	29 574
Profit / loss on investment activities	(4 271)	(28 678)
Change in receivables	(160 369)	(176 391)
Change in inventories	(35 995)	57 014
Change in liabilities	100 600	80 112
Change in provisions and accruals as well as prepayments	4 145	(1 886)
Other items	(2 649)	17 548
Income tax paid	(19 905)	(9 526)
Net cash from operating activities	(24 812)	(3 821)
Cash flows from investment activities		
Proceeds from disposal of fixed assets	7 795	1 872
Proceeds from redemption of bonds by issuers	-	1 031
Proceeds from repayment of loans granted	2 311	-
Other proceeds from investment activities	1 216	-
Expenses on acquisition of fixed assets	(27 615)	(50 298)
Acquisition of shares and stocks in capital group entities	-	(30 054)
Loans granted	(15 200)	-
Expenditure on bonds	-	(96)
Net cash from investing activities	(31 493)	(77 545)
Cash flows from financial activities		
Incomes on credit and loan facilities	139 866	147 863
Loans received	3 000	-
Proceeds from grants and other proceeds	4 711	18 844
Loans repaid	(89 758)	(94 238)
Repayment of borrowings	(2 286)	-
Interest paid on loans, borrowings and leasing	(10 865)	(11 729)
Payment of liabilities under finance lease agreements	(20 674)	(15 171)
Net cash from financing activities	23 994	45 569
Net change in cash	(32 311)	(35 797)
Translation reserve	2 020	852
Cash opening balance	185 211	219 641
Cash closing balance	154 920	184 696



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CONSOLIDATED STATEMENT ON CHANGES IN EQUITY

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Revaluation reserve	Exchange differences on recalculation of overseas controlled entities	Retained earnings	Capital of the controlling entity	Equity of non-controlling interest	Total equity
As at 01.01.2021	248 906	114 435	(236 753)	(6 250)	(1 851)	31 792	(56 542)	1 518 803	1 612 540	21 054	1 633 594
Valuation of hedge instruments				226					226		226
Valuation of employee benefits					-				-		-
Valuation of equity instruments						15 677			15 677		15 677
Currency translation differences (subsidiaries)							2 653		2 653		2 653
Profit/loss for Q1 '2021								26 977	26 977	2 320	29 297
Comprehensive income for Q1 '2021	-	-	-	226	-	15 677	2 653	26 977	45 533	2 320	47 853
As at 31.03.2021	248 906	114 435	(236 753)	(6 024)	(1 851)	47 469	(53 889)	1 545 780	1 658 073	23 374	1 681 447

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Revaluation reserve	Exchange differences on recalculation of overseas controlled entities	Retained earnings	Capital of the controlling entity	Equity of non-controlling interest	Total equity
As at 01.01.2020	248 906	114 435	(236 753)	14 326	(2 637)	(21 817)	(18 735)	1 248 784	1 346 509	188 548	1 535 057
Valuation of hedge instruments				(32 380)					(32 380)		(32 380)
Valuation of employee benefits					167				167		167
Valuation of equity instruments						31 792			31 792		31 792
Currency translation differences (subsidiaries)							(37 807)		(37 807)		(37 807)
Profit/loss for 2020								279 106	279 106	2 384	281 490
Total comprehensive income for 2020	-	-	-	(32 380)	167	31 792	(37 807)	279 106	240 878	2 384	243 262
Dividend distribution									-	(27)	(27)
Change of capital group structure					35			18 075	18 110	(169 024)	(150 914)
Disposal of subsidiary				11 804	584	21 817		(27 162)	7 043	(827)	6 216
As at 31.12.2020	248 906	114 435	(236 753)	(6 250)	(1 851)	31 792	(56 542)	1 518 803	1 612 540	21 054	1 633 594



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	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Revaluation reserve	Exchange differences on recalculation of overseas controlled entities	Retained earnings	Capital of the controlling entity	Equity of non-controlling interest	Total equity
As at 01.01.2020	248 906	114 435	(236 753)	14 326	(2 637)	(21 817)	(18 735)	1 248 784	1 346 509	188 548	1 535 057
Valuation of hedge instruments				(26 650)					(26 650)		(26 650)
Currency translation differences (subsidiaries)							12 595		12 595		12 595
Profit/loss for Q1 '2020								(35 148)	(35 148)	(2 907)	(38 055)
Comprehensive income for Q1 '2020	-	-	-	(26 650)	-	-	12 595	(35 148)	(49 203)	(2 907)	(52 110)
Change of capital group structure					35			(9 501)	(9 466)	(20 553)	(30 019)
As at 31.03.2020	248 906	114 435	(236 753)	(12 324)	(2 602)	(21 817)	(6 140)	1 204 135	1 287 840	165 088	1 452 928

**ADDITIONAL INFORMATION****to the consolidated quarterly report drafted as at 31 March 2021****Page**

1. INTRODUCTION	13
2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES	14
3. DESCRIPTION OF PERFORMANCE OF BORYSZEW GROUP IN Q1 '2021 INCLUDING FACTORS AND EVENTS WITH SIGNIFICANT IMPACT ON THE FINANCIAL RESULT	18
4. NOTES ON THE SEASONALITY OF THE COMPANY'S BUSINESS IN THE REPORTED PERIOD	26
5. INCOME AND PROFITS/LOSSES BY CONTINUING ACTIVITIES SEGMENTS OF AS FROM THE BEGINNING OF THE CURRENT YEAR	26
6. DIVIDEND PAID OR DECLARED IN THE PERIOD FROM THE BEGINNING OF THE YEAR	29
7. INFORMATION ON THE ISSUE, REDEMPTION AND REPAYMENT OF NON-EQUITY AND EQUITY SECURITIES	29
8. FACTORS AND EVENTS, IN PARTICULAR THOSE OF UNTYPICAL NATURE, AFFECTING THE FINANCIAL PERFORMANCE IN THE CURRENT PERIOD	30
9. FACTORS THAT WILL AFFECT THE COMPANY'S FINANCIAL PERFORMANCE FOR AT LEAST THE UPCOMING QUARTER	30
10. MOVEMENTS IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS AS WELL AS ESTIMATED DATA	31
11. FINANCIAL INSTRUMENTS, FAIR VALUE AND ESTIMATED DATA	31
12. ORGANISATION OF THE CAPITAL GROUP	33
13. THE EFFECTS OF CHANGES IN THE GROUP'S STRUCTURE SINCE THE BEGINNING OF THE YEAR, INCLUDING MERGERS, ACQUISITIONS OR SALES OF SUBSIDIARIES AND LONG-TERM INVESTMENTS, RESTRUCTURING AND DISCONTINUATION OF OPERATIONS	36
14. POSITION OF THE MANAGEMENT BOARD'S POSITION ON THE POSSIBILITY OF PREVIOUS PREVIOUSLY PUBLISHED FINANCIAL RESULT FORECASTS IN THE CURRENT YEAR	36
15. SHAREHOLDERS HOLDING, DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES, AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL MEETING OF THE COMPANY AS AT THE DATE OF SUBMITTING THE REPORT	36
16. CHANGES IN THE OWNERSHIP STRUCTURE OF SUBSTANTIAL SHAREHOLDINGS OF THE COMPANY IN THE PERIOD FOLLOWING THE SUBMISSION OF THE PREVIOUS REPORT - SHARES IN VOTES DURING THE GENERAL ASSEMBLY OF SHAREHOLDERS	37
17. COMPANY'S MANAGERS AND SUPERVISORS - CHANGES IN SHARE HOLDING OR SHARE OPTIONS IN THE CURRENT PERIOD SINCE THE SUBMISSION OF THE PREVIOUS QUARTERLY REPORT	37
18. PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY	37
19. CONCLUSION BY THE COMPANY OR ITS SUBSIDIARY OF ONE OR MORE TRANSACTIONS WITH RELATED PARTIES	39
20. INFORMATION ON BREACH OF MATERIAL PROVISIONS OF A CREDIT OR LOAN AGREEMENT, IN RELATION TO WHICH NO REMEDIAL ACTIONS WERE TAKEN UNTIL THE END OF THE REPORTING PERIOD	40
21. INFORMATION ON GRANTING BY THE COMPANY OR ITS SUBSIDIARY OF LOAN OR BORROWING SURETIES OR GUARANTEES – JOINTLY TO A SINGLE ENTITY OR ITS SUBSIDIARY, IF THE TOTAL VALUE OF THE EXISTING SURETIES OR GUARANTEES IS MATERIAL	40
22. OTHER INFORMATION THAT IS RELEVANT FOR THE EVALUATION OF ITS HUMAN RESOURCES, FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CHANGES THEREOF AS WELL AS ANY INFORMATION RELEVANT FOR THE EVALUATION OF THE CAPACITY TO MEET OBLIGATION	42
23. OTHER IMPORTANT EVENTS	42
24. DECLARATIONS OF THE MANAGEMENT BOARD	44



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

1. INTRODUCTION

COMPANY DETAILS

The head office of Boryszew Spółka Akcyjna is located in Warsaw.

The company is registered with the District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register under KRS number 0000063824. The Company's REGON (Business ID) is 750010992 and NIP (tax ID) is 837 000 06 34.

The company is established for an indefinite period of time.

HISTORY

The history of Boryszew S.A. ("Company", "Issuer") dates back to 1911, when the Belgian Society of the Sochaczew Rayon Factory was established. Following the II WW the factory was nationalised. In 1991, as a result of privatisation of the state-owned enterprise Boryszew ERG, a joint stock company Boryszew S.A. with 100% private capital was established.

The Company is listed on the Warsaw Stock Exchange since May 1996.

In 1999 Boryszew S.A., offering a wide range of chemicals (including Borygo, a widely known coolant) gained a strategic investor, Mr Roman Karkosik.

The new shareholder initiated a dynamic growth of the company. Acquisitions of manufacturing companies in the same industry combined with restructuring, mergers as well as organic growth of sales in Group's companies contributed to significant improvement of results.

Boryszew Capital Group is one of the largest industrial groups in Poland, with production facilities on 4 continents, involved in automotive, metals and chemical industry.

The Capital Group employs more than 9 000 employees.

SUPERVISORY BOARD OF BORYSZEW S.A.

As at 1 January 2021, the following persons were members of the Supervisory Board of Boryszew S.A.:

Mr Wojciech Kowalczyk	– Chairman of the Supervisory Board,
Mr Mirosław Kutnik	– Secretary of the Supervisory Board
Mr Jarosław Antosik	– Member of the Supervisory Board,
Mr Damian Pakulski	– Member of the Supervisory Board,
Ms Małgorzata Waldowska	– Member of the Supervisory Board.

MANAGEMENT BOARD OF BORYSZEW S.A.

As at 1 January 2021, the following persons were members of the Management Board of Boryszew S.A.:

Mr Piotr Lisiecki	– President of the Management Board, CEO,
Mr Andrzej Juszczynski	– Vice-President of the Management Board, CFO,
Mr Mikołaj Budzanowski	– Member of the Management Board

On 3 May 2021 the President of the Management Board of the Company, Mr Piotr Lisiecki, died.

Given this, on 18 May 2021 the Supervisory Board decided to delegate on the same day Mr Wojciech Kowalczyk - Chairman of the Supervisory Board - to temporarily perform the duties of the President of the Company's Management Board for a period of three months.

As on the report publication day, the following persons were members of the Management Board of Boryszew S.A.:

Mr Wojciech Kowalczyk	– acting. President of the Management Board
Mr Andrzej Juszczynski	– Vice-President of the Management Board, CFO,
Mr Mikołaj Budzanowski	– Member of the Management Board



2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES

The information contained in the financial statements for Q1 '2021 has been prepared in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognising as equivalent information required under the laws of a non-member state (Dz. Laws of 2018.757 of 20 April 2018) and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

These financial statements were drafted on the basis of International Financial Reporting Standards as approved by the European Union (EU).

Selected financial data in the initial part of the report were converted into EUR as per § 64 of the Regulation of the Minister of Finance of 29 March 2018 (Journal of Laws of 2018.757 of 20.04.2018).

Balance sheet items were converted at the exchange rate of the last day of the reporting period and income statement items as well as cash flow statement items - at the average rate of the period.

The accounting principles and calculation methods applied by the Group have not changed in the period covered by these statements, and are presented in detail in the consolidated financial statements for 2020, published on 30 April 2021.

	average EUR exchange rate in the period	EURO exchange rate as at the last day of period
01.01 - 31.03.2020	4.3963	4.5523
01.01 - 31.12.2020	4.4742	4.6148
01.01 - 31.03.2021	4.5721	4.6603

CHANGES IN ACCOUNTING PRINCIPLES

The effect of application of new accounting standards and changes in accounting policy

Accounting principles (policy) of applied when drafting these mid-year consolidated financial statements for the period of 3 months ended on 31 March 2021 are consistent with those applied when drafting annual consolidated financial statements for the financial year ended on 31 December 2020, except for changes described below.

The same principles were applied to the current period and the comparable period.

These financial statements were drafted on the basis of International Financial Reporting Standards as approved by the European Union (EU).

Implementation of the standard and the modification had no material impact on the financial statements. The Company decided to implement the standards in a retrospective manner.

Non-compulsory standards (New standards and interpretations)

The Company did not choose to early implement, in these financial statements, published standards or interpretations before their effective date.

The following standards and interpretations have been issued by the International Accounting Standards Committee or the International Financial Reporting Interpretations Committee, but have not yet come into effect:

- IFRS 17 Insurance Contracts

The new standard was published on 18 May 2017 then amended on 25 June 2020 and applies to annual periods beginning on or after 1 January 2023. Earlier application is permitted (but subject to simultaneous application of IFRS 9 and IFRS 15). The standard supersedes the existing regulations concerning insurance contracts (IFRS 4). IFRS 4 was also amended on 25 June 2020 - in terms of extending the exemption for insurers from the application of IFRS 9 *Financial Instruments* until 1 January 2023.

The Company is not involved in insurance activity, the new standard will not affect future financial statements of the Company.



- Amendment to IAS 1 Presentation of Financial Statements: *Classification of liabilities as short- and long-term liabilities*

The amendment to IAS 1 was published on 23 January 2020, the effective date was subsequently modified in July 2020 and it applies to annual periods beginning on or after 1 January 2023.

The amendment redefines the criteria for current liabilities. The change may affect the presentation of liabilities and their reclassification between current and non-current liabilities.

The Company will apply the amended standard as of 1 January 2023. . As of the date of drafting of these financial statements, it is not possible to reliably estimate the impact of application of the new standard.

- Amendments to IFRS 3, IAS 16, IAS 37 and annual improvements to standards 2018-2020

The amendments to these standards were published on 14 May 2020 and apply to annual periods beginning on or after 1 January 2022. The changes include introduction of a prohibition to reduce the cost of fixed assets by revenues from the sale of test products generated in the process of creating/commissioning a fixed asset.

The Group will apply the amended standards as of 1 January 2022. As of the date of drafting of these financial statements, it is not possible to reliably estimate the impact of application of the amended standards.

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 *Interest Rate Benchmark Reform - Phase 2*

The amendments to these standards were published on 27 August 2020 and are complementary to phase 1 of reporting changes resulting from the September 2019 interbank reference rate reform. The amendments are effective for annual periods beginning on or after 1 January 2021. Changes in phase 2 focus on the impact on the valuation, for instance of financial instruments, lease liabilities, of the replacement of existing reference rate by a new rate resulting from the reform. The Group is in the process of assessing the impact of this change, which will be reported in the 2021 annual report

- Amendments to IAS 1 - *Disclosure of Accounting Policies* and IAS 8 - *Definition of Accounting Estimates*

Amendments to these standards were published on 12 February 2021 and apply to annual periods beginning on or after 1 January 2023. The purpose of these amendments is to place greater importance on the disclosure of significant accounting policies and to clarify the nature of differences between changes in accounting estimates and changes in accounting policies.

The Group will apply the amended standards as of 1 January 2023. On the date of drafting of these financial statements, it is not possible to reliably estimate the impact of application of the amended standards.

IFRS, as approved by the EU, do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following standards, interpretations and amendments to these standards and interpretations, that were not yet effective in EU states as at the date of publication of these financial statements:

- IFRS 17 *Insurance Contracts*, published on 18 May 2017, as amended on 25 June 2020,
- Amendment to IAS 1 *Presentation of Financial Statements: Classification of liabilities as short-term and long-term* published on 23 January 2020, as amended on 15 July 2020,
- Amendments to IFRS 3, IAS 16, IAS 37 and annual improvements to standards 2018-2020 published on 14 May 2020,
- Amendments to IAS 1 - *Disclosure of Accounting Policies* and IAS 8 - *Definition of Accounting Estimates* published on 12 February 2021.

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

THE FOLLOWING COMPANIES WERE INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2020:

Company name	Seat	share of the parent in share capital (%)	subsidiary of:	Business segment
<i>Head Office</i>	Warsaw			Other
<i>Elana Branch</i>	Toruń			Chemical products
<i>Boryszew Energy Branch</i>	Toruń			Other
<i>Maflow Branch</i>	Tychy			Automotive
<i>NPA Skawina Branch</i>	Skawina			Metals
<i>Boryszew ERG Branch</i>	Sochaczew			Chemical products
<i>Nylonbor Branch</i>	Sochaczew			Chemical products
Elimer Sp. z o.o.	Sochaczew	52.44	Boryszew S.A.	Chemical products
Elana Pet Sp. z o.o.	Toruń	100.00	Boryszew S.A.	Chemical products
SPV Boryszew 5 Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Other
SPV Boryszew 6 Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Other
SPV Boryszew 9 Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Other
Maflow Polska Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Automotive
Maflow BRS s.r.l	Italy	100.00	Boryszew S.A.	Automotive
Maflow Spain Automotive S.L.U	Spain	100.00	Boryszew S.A.	Automotive
Maflow France Automotive S.A.	France	100.00	Boryszew S.A.	Automotive
Maflow do Brasil Ltda	Brazil	100.00	Maflow Polska Sp. z o.o. (21%). Boryszew S.A. (79%)	Automotive
Maflow Components Co. Ltd.	China	100.00	Maflow Polska Sp. z o.o.	Automotive
Maflow India Private Limited	India	100.00	Boryszew S.A.	Automotive
MAFMEX S.DE R.L.DE C. V	Mexico	100.00	Maflow Spain Automotive S.L.U (3.34%). Maflow Polska Sp. z o.o. (96.66%)	Automotive
Boryszew Automotive Plastics Sp. z o.o.	Toruń	100.00	Maflow Polska Spółka z o.o.	Automotive
Boryszew Components Poland Sp. z o.o.	Warsaw	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew HR Service Sp. z o.o.	Toruń	100.00	Boryszew S.A.	Automotive
Boryszew Commodities Sp. z o.o.	Warsaw	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
ICOS GmbH	Germany	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Theysohn Kunststoff GmbH	Germany	100.00	ICOS GmbH	Automotive
Theysohn Formenbau GmbH	Germany	100.00	ICOS GmbH	Automotive
Boryszew Formenbau Deutschland GmbH	Germany	100.00	Boryszew Kunststofftechnik Deutschland GmbH	Automotive
Boryszew Kunststofftechnik Deutschland GmbH	Germany	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew Oberflächentechnik GmbH	Germany	100.00	Boryszew Kunststofftechnik Deutschland GmbH	Automotive
Boryszew Deutschland GmbH	Germany	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
AKT Plastikarska Technologie	The Czech Republic	100.00	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew Plastic RUS Sp. z o.o.	Russia	100.00	Boryszew S.A., Boryszew Kunststofftechnik Deutschland GmbH	Automotive
Boryszew Tensho Poland Sp. z o.o.	Ostaszewo	93.68	Boryszew S.A.	Automotive



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Company name	Seat	share of the parent in share capital (%)	subsidiary of:	Business segment
Impexmetal Holding Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Other
Hutmen Sp. z o.o.	Wrocław	100.00	Boryszew S.A, Impex - invest Sp. z o.o., SPV Impexmetal Sp. z o.o.	Metals
Walcownia Metali Dziedzice S.A.	Czechowice-Dziedzice	100.00	Hutmen Sp. z o.o., Boryszew S.A.	Metals
Huta Metali Nieżelaznych Szopienice S.A. in liquidation	Katowice	61.77	Polski Cynk Sp. z o.o.	discontinued operations
ZM SILESIA S.A.	Katowice	100.00	Boryszew S.A.	Metals
Baterpol S.A.	Katowice	100.00	Polski Cynk Sp. z o.o.	Metals
Alchemia S.A.	Warsaw	100.00	Eastside Bis Sp. z o.o., Boryszew S.A., Alchemia S.A. (own shares)	Metals
Huta Bankowa Sp. z o.o.	Dąbrowa Górnicza	100.00	Alchemia S.A.	Metals
Laboratoria Badań Batory	Chorzów	100.00	Alchemia S.A.	Metals
Polski Cynk Sp. z o.o.	Katowice	100.00	Boryszew S.A.	Metals
FŁT Polska Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Metals
Metalix Ltd w likwidacji	Great Britain	100.00	Boryszew S.A.	Metals
FLT USA L.L.C	the US	100.00	FŁT Polska Sp. z o.o.	Metals
FLT Bearings Ltd.	Great Britain	100.00	FLT France SAS	Metals
FLT France SAS	France	100.00	FŁT Polska Sp. z o.o.	Metals
FLT Wälzlager GmbH	Germany	100.00	FŁT Polska Sp. z o.o.	Metals
FLT & Metals s.r.l.	Italy	100.00	FŁT Polska Sp. z o.o.	Metals
FLT (Wuxi) Trading Co. Ltd.	China	100.00	FŁT Polska Sp. z o.o.	Metals
SPV Lakme Investment Sp. z o.o.	Warsaw	100.00	SPV Impexmetal Sp. z o.o.	Other
Impex – Invest Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Other
Eastside Capital Investments Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Other
Symonvit Ltd w likwidacji	Cyprus	100.00	Boryszew S.A.	Metals
Baterpol Recycler Sp. z o.o.	Wrocław	100.00	Polski Cynk Sp. z o.o.	Metals
SPV Impexmetal Sp. z o.o.	Warsaw	100.00	Boryszew S.A.	Metals
Metal Zinc Sp. z o.o.	Katowice	100.00	ZM Silesia S.A.	Metals
Eastside BIS Sp. z o.o.	Warsaw	100.00	Eastside Capital Investments Sp. z o.o.	Other
Zakład Utylizacji Odpadów Sp. z o.o.,	Konin	59.97	Boryszew S.A.	Metals

COMPANIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company name	Seat	share of the parent company in capital (%)	share in votes (%)	Core activity
Elana Ukraina Sp. z o.o.	Ukraine	90	90	dormant company
Nylonbor Sp. z o.o.	Sochaczew	100	100	dormant company
Brasco Inc	the US	100	100	dormant company
Hutnik Sp. z o.o. – in liquidation,	Konin	94	94	dormant company
Boryszew Automotive Mexico S.DE R.L.DE C.V	Mexico	100	100	company has not commenced operations
EW Rywałd Sp. z o.o.	Toruń	100	100	short-term investment

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

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Associated companies

Company name	Seat	share of the parent in share capital (%)	shareholder	Core activity
RAPZ Sp. z o.o.	Dąbrowa Górnicza	42.67	Huta Bankowa Spółka z o.o.	repair and maintenance services
Brick factory Wostocznaja - Sp. z o.o.	Belarus	30.00	Boryszew S.A.	trade, production of secondary raw materials

Apart from the subsidiaries mentioned above, the Issuer holds a block of shares in Gränges AB accounting for 3.1% of the company's share capital; the value of the shares at the market price as at 31.03.2021 is PLN 172 229 thousand.

3. DESCRIPTION OF PERFORMANCE OF BORYSZEW GROUP IN Q1 '2021 INCLUDING FACTORS AND EVENTS WITH SIGNIFICANT IMPACT ON THE FINANCIAL RESULT

ACHIEVED PROFIT/LOSS**A. OVERALL MACROECONOMIC SITUATION**

Market (segments and geographical structure) of the Boryszew Capital Group ("Group", "BCG"):

Structure of revenues by segments

	1Q 2021		1Q 2020	
Chemical products	66 417	4.6%	59 959	3.8%
Automotive	449 555	31.0%	445 692	28.3%
Metals	904 711	62.4%	1 052 291	66.9%
Other *	30 255	2.1%	15 764	1.0%
TOTAL	1 450 938	100%	1 573 706	100.0%

*others include consolidation adjustments

Geographical structure of revenues

	1Q 2021		1Q 2020	
Poland	446 404	30.8%	520 697	33.1 %
Germany	324 833	22.4%	340 426	21.6%
Other EU countries	521 429	35.9%	563 482	35.8%
Other *	158 272	10.9%	149 101	9.5%
TOTAL	1 450 938	100%	1 573 706	100.0%

Key determinants:

Market sentiment - PMI and GDP:

Since approximately 90% of revenues at Boryszew Capital Group is generated in Europe, then the overall economic situation within the European Union (including in Germany) is critical for Group's performance.

In the EU countries as well as in Poland, the general macroeconomic sentiment in the first quarter of 2021 was at a higher level compared to the previous year. The recovery is mainly due to the gradual unfreezing of restrictions introduced due to the Covid-19 pandemic

The average values of the PMI index, which determines the level of activity in industry of the most important economies for the Capital Group (the Euro zone, Poland) were at a level higher then in the same period of the previous year.

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

PMI	1Q 2021	1Q 2020
EU	62.5	44.5
Poland	54.3	42.4
Germany	66.6	45.4

In Poland PMI was at a level higher than in the corresponding period of the previous year and above of 50, indicating an increase in industrial activity. PMI went up from 42.4 to 54.3, which is a sign of an overall improvement in the condition of Polish industry.

Forecast of GDP growth for Poland	2021	2022
NBP	4.1%	5.4%
World Bank	3.3%	4.2%
European Commission	4.0%	5.4%

In its spring forecast, the European Commission forecasts Poland's GDP to grow by 4.0% (vs. 3.1% growth in the winter forecast). This is due in part to the gradual lifting of restrictions introduced due to the COVID-19 pandemic. The forecast for 2022 was increased to 5.4% from 5.1%. By comparison the EU economy as a whole is expected to grow by 4.2% this year and by 4.4% next year. The rebound in global activity and trade and the growth impulse provided by the EU Reconstruction Fund are expected to improve the outlook for GDP growth for all EU countries. The NBP expects GDP growth of 4.1% in 2021 (3.1% in the November 2020 forecast) and 5.4% (5.7% in the November 2020 forecast) in 2022. Current NBP forecasts are similar to those of the European Commission.

Market sentiments - Sales of cars:

Another important parameter with an impact on the results of the Group is the sale of cars (the Automotive segment accounts for approximately 31% of Group's turnover).

European car sales increased in the first quarter of 2021. According to ACEA, the passenger car market in Europe grew by 0.9% year-on-year.

After 3 months of 2021 the main customer of the Automotive segment, Volkswagen Group, recorded a 3.8% drop in car sales on the European market (compared to the same period last year). Importantly, despite the presence of the Automotive segment entities on the markets of South America and Asia, the key market for this segment remains the European market, accounting for approximately 79,3% of sales value.

Market sentiment - basic products of the Metals segment and prices of basic raw materials:

Since 62% of Boryszew Capital Group's sales is in the metals segment, Group's performance is exposed to fluctuations in average prices of metals quoted on the London Metal Exchange (LME). The hedge policy for metal price and exchange rates, followed by the Group, has a significant effect on risk reduction. However, the level of income and working capital still remain sensitive to the volatility of these materials.

The first quarter of this year saw a significant increase in the average prices of all four basic metals (in USD) - copper (by 51%), zinc (by 29%), lead (by 9%) and aluminium (by 24%).

Also metal prices expressed in PLN increased yoy by 45% (copper), 24% (zinc), 5% (lead) and 19% (aluminium) respectively, which was due to changes in the USD to PLN exchange rate.

Metal scrap, which is basic or significant raw materials for production, is an important raw material for the Group.

The situation on the market of aluminium wire rod and aluminium alloy products is very good. Wire rod is used in production of wires, cables and wires. In particular the segment of overhead conductors and wires records a continuous increase in demand of several percent. Boryszew S.A. NPA Skawina Branch is the only manufacturer of the above mentioned products in Poland.

As predicted last year, the situation in the steel market at the beginning of 2021 improved significantly.

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Market sentiments - significant currency pairs

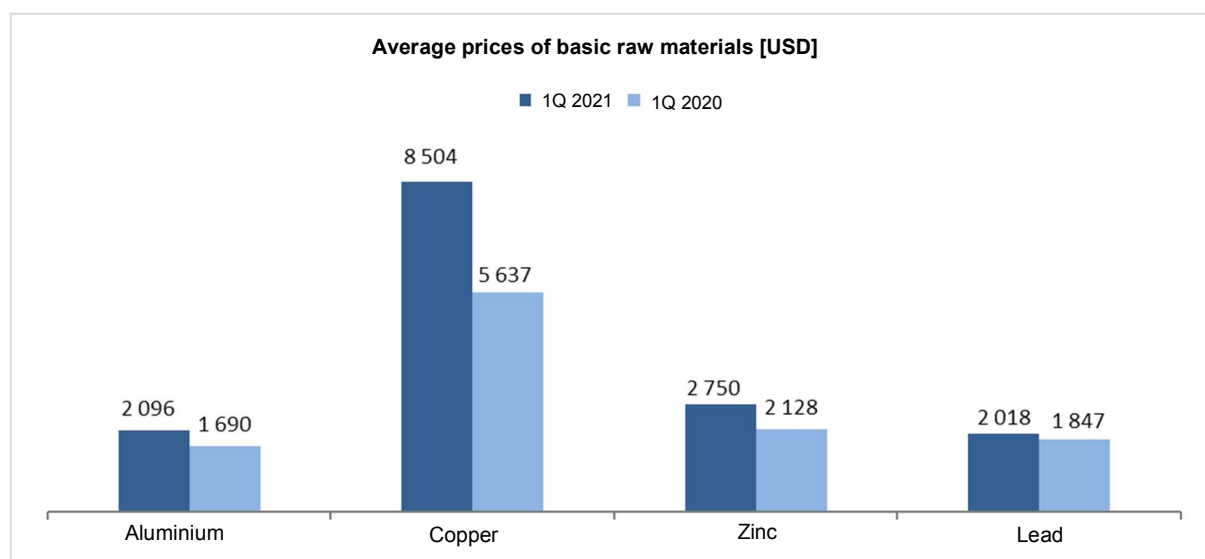
The U.S. dollar has an impact on Group's raw material costs. In the discussed period the dollar weakened against PLN by 3.8%. This affected the quotations of basic metals expressed in PLN and the profitability of sales on this account.

Since the Group operates on the European market, the exchange rate of the Euro affects its revenues. In reviewed period of 2019 the average EUR listings increased by 5,1% in relation to PLN.

In the first 3 months of 2021, the EUR/USD exchange rate was 1.20, or some 9.2% higher than in the same period last year.

Strengthening of Euro against the PLN had a positive impact on the Group's results, especially its trade margins.

Detailed information on the above key parameters (daily average metal prices and exchange rates) are presented in the chart and table below:



	1Q 2021	1Q 2020	% change
Aluminium [USD]	2 096	1 690	24.1%
Copper [USD]	8 504	5 637	50.9%
Zinc [USD]	2 750	2 128	29.2%
Lead [USD]	2 018	1 847	9.3%

EUR/PLN	4.55	4.33	5.1%
USD/PLN	3.78	3.92	-3.8%
EUR/USD	1.20	1.10	9.2%

	1Q 2021	1Q 2020	% change
Aluminium [PLN]	7 917	6 627	19.5%
Copper [PLN]	32 115	22 108	45.3%
Zinc [PLN]	10 379	8 347	24.4%
Lead [PLN]	7 611	7 243	5.1%

Source: Daily listings of LME, NBP

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Revenues from sales / Demand for Group's products

The revenues of Boryszew Capital Group after the first quarter of 2021 amounted to PLN 1 450.9 million, which was a decrease of 7.8% against its revenues for the same period last year.

By segments, the sales revenues and volumes are as follows:

in PLN million	1Q 2021	1Q 2020	difference
Revenues from sale, including:	1 450,9	1 573,7	(122.8)
Automotive Segment	449.6	445.7	3.9
Metals Segment	904.7	1 052.3	(147.6)
Chemicals segment	66.4	60.0	6.5
Other	30.3	15.8	14.5

(in thousand tonnes)	1Q 2021	1Q 2020	difference
Volume of sales, including:	126.4	139.5	(13.1)
Metals Segment	112.5	128.8	(16.3)
Chemicals segment	13.9	10.6	3.2

The decline in revenues as well as in volumes of the Metals Segment was mainly due to the sale of Impexmetal S.A. in Q4 '2020.

Eliminating the effect of the aforementioned Company, both revenues and volumes would be higher than in the corresponding period of the previous year. Most segment companies achieved higher sales volumes compared to the first quarter of 2020.

The increase in revenues in the Automotive Segment was due to an increase in sales of parts, which followed the gradual improvement of the situation in the automotive market. According to ACEA, the number of newly registered cars increased by around 1% y/y.

The Chemicals segment reported higher revenue compared to the same period in the prior year with higher sales volumes primarily due to a lower base caused by Companies' production curtailment in Q1 '2020 due to the COVID-19 pandemic.

The increase in volumes in the Chemicals Segment was recorded in all Companies and amounted to 30.2% (3.2 thousand tonnes).

The increase of sales revenues in other companies is mainly due to the launch of sales of electricity to end customers by Boryszew S.A. Energy branch at the end of 2020.

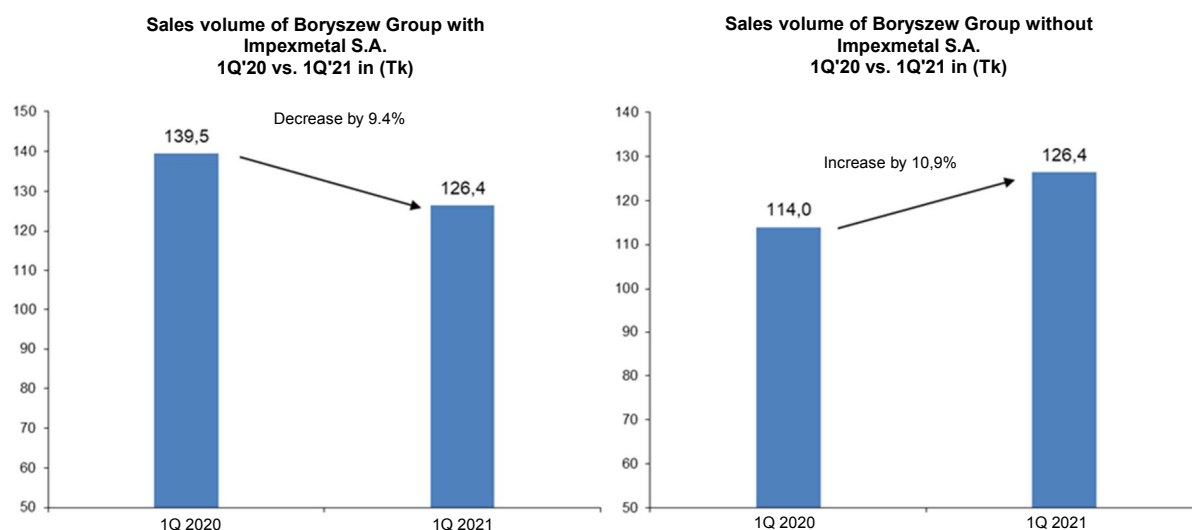
The comparison of the total sales volumes of the Capital Group in the discussed periods is presented in the following charts:



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

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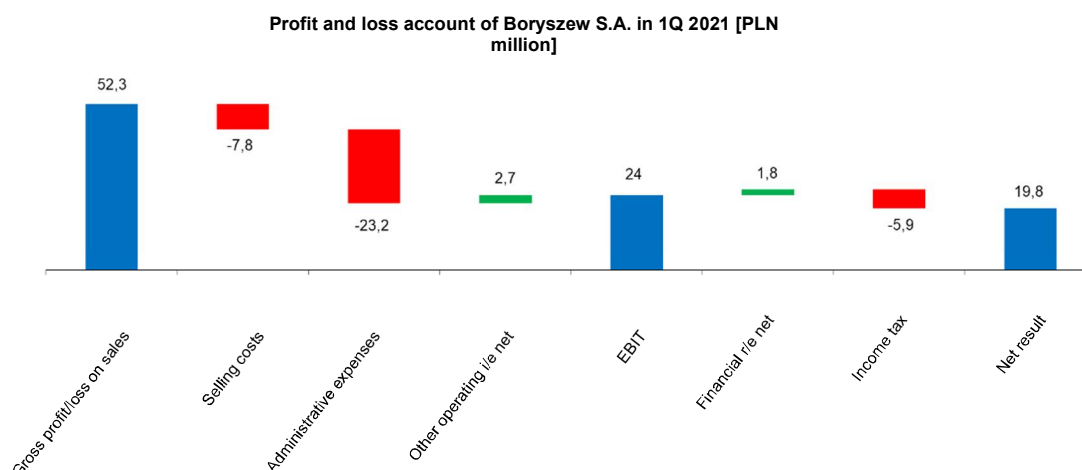


In terms of comparable data, after eliminating the sales volumes of Impexmetal S.A. for the same period of the previous year, the Group achieved a higher sales volume in Q1 '2021 by 12.4 thousand tonnes (or 10.9%).

B. ACHIEVED FINANCIAL RESULTS

Separate figures

The chart below compiles components of the profit and loss account of Boryszew S.A. after the first quarter of 2021



Gross profit on sales after the first quarter of 2021 amounted to PLN 52.3 million and was higher by PLN 11.9 million than the result in the corresponding period of the previous year. The increase in gross profit is a consequence of improved results in all Business Segments.

Average gross margin on sales decreased from 13.4% at the end of Q1 2020 to 12.9% today.



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

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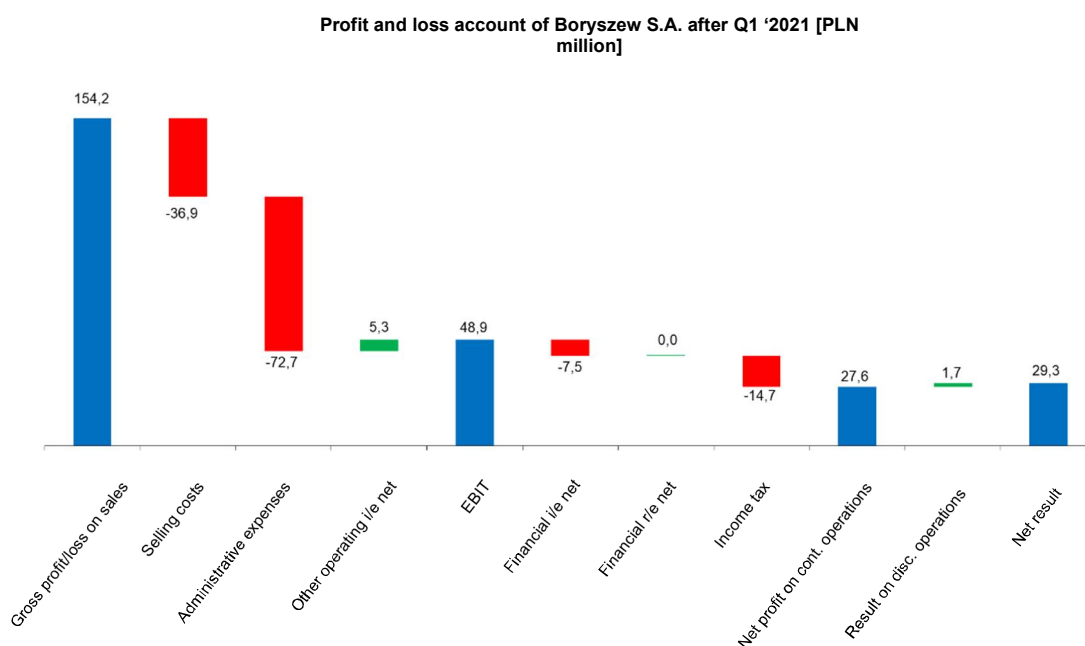
Costs of sales were higher by PLN 1.4 million, i.e. by 22.8% as compared to the same period of the previous year, mainly due to the launch of a new product - ERG CleanSkin disinfectant.

General and administrative expenses were by PLN 4.3 million or 22.8% higher than in Q1 '2020.

The balance of operating income/expenses amounted to PLN 2.7 million and was lower by PLN 2.9 million than in the corresponding period of 2020, mainly as a result of a lower balance of income/expenses from the sale of assets and a decrease in subsidies received.

Consolidates figures:

The graph below compiles components of the profit and loss account after Q1 '2021.



Gross profit on sales after the first quarter of 2021 amounted to PLN 154.2 million and was higher by PLN 17.5 million than the result in the corresponding period of the previous year. The increase in gross profit is a consequence of improved results in most of the Group's Segments.

Average gross margin on sales increased from 8.7% at the end of Q1 '2020 to 10.6% today.

Costs of sales were lower by PLN 2.3 million, or by 6.0% against the same period of the previous year.

General and administrative expenses were down by PLN 3.0 million, or 3.9%, compared to Q1 '2020.

The balance of operating income/costs amounted to minus PLN 5.3 million and was lower by PLN 4.8 million than in the corresponding period of 2020, mainly due to lower subsidies and lower balance of inventory write-offs.

Net financial income/expenses amounted to PLN 7.6 million negative and was lower by PLN 44.7 million against the corresponding period of the previous year, mainly due to exchange rate differences.

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

OPERATING RESULTS BY SEGMENTS**Separate figures**

At the end of 1Q '2021, EBITDA on continuing operations of Boryszew S.A. amounted to PLN 35.1 million compared to PLN 31.6 million in the corresponding period of the previous year. In relevant operating segments, the EBITDA result was as follows:

in PLN million	1Q 2021	1Q 2020	difference
EBITDA, including:	35.1	31.6	3.5
Automotive Segment	24.0	16.7	7.3
Metals Segment	4.5	3.6	0.9
Chemicals segment	6.4	5.5	0.9
Other companies	0.2	5.7	(5.5)

The increase in profit was due to higher results in almost all Operating Segments (except for Other).

The deterioration in results in the non-segmented entities (Other) was associated with lower royalty income compared to the same period in 2020.

In Metals segment better results came from higher sales volumes and higher unit margins.

In Chemicals segment the improvement of results came mainly from Boryszew S.A. ERG branch (products for the aviation market).

Consolidates figures:

After Q1 '2021 EBITDA on continuing operations amounted to PLN 91.8 million compared to PLN 80.6 million in the corresponding period of the previous year. Importantly, EBITDA increased despite the absence of the impact of Impexmetal S.A. following its sale in Q4 2020. In relevant operating segments, the EBITDA result was as follows:

in PLN million	1Q 2021	1Q 2020	difference
EBITDA, including:	91.8	80.6	11.2
Automotive Segment	32.8	6.4	26.4
Metals Segment	52.2	69.3	(17.1)
Chemicals segment	6.9	5.4	1.5
Other *	(0.1)	(0.5)	0.4

*others include consolidation adjustments

1. Metals Segment

Lower results in the Metals Segment than last year are mainly attributable to the aforementioned non-recognition of the impact of the sale of Impexmetal S.A. in Q4 '2020.

Other entities of the Segment, in most cases, achieved a higher EBITDA than last year indicating an improvement in the market after the previous year dominated by the COVID-19 pandemic which resulted in an uncertain economic environment.

2. Automotive Segment

Higher EBITDA in the Automotive Segment is mainly due to the already mentioned improvement in the automotive market. Importantly, the outbreak of the COVID-19 pandemic in March 2020 has hit the AUTOMOTIVE sector parts suppliers hard. Temporary shutdowns at the main clients' of Maflow Group and BAP Group caused the deterioration of financial situation of the Companies.



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

3. Chemical products segment

Boryszew S.A. ERG branch is responsible for the increase of EBITDA of the Segment. Higher results of Boryszew S.A. ERG branch are attributable to higher sales of most products, including mainly de-icing fluids and radiator fluids.

4. Other companies

Other results remained at a level similar to last year's due to the absence of significant non-recurring events in the periods in question.

NET PROFIT/LOSS

Separate figures

Net result of Boryszew S.A. for the first quarter of 2021 amounts to PLN 19.8 million and is higher than in the same period of the previous year by PLN 1.7 million.

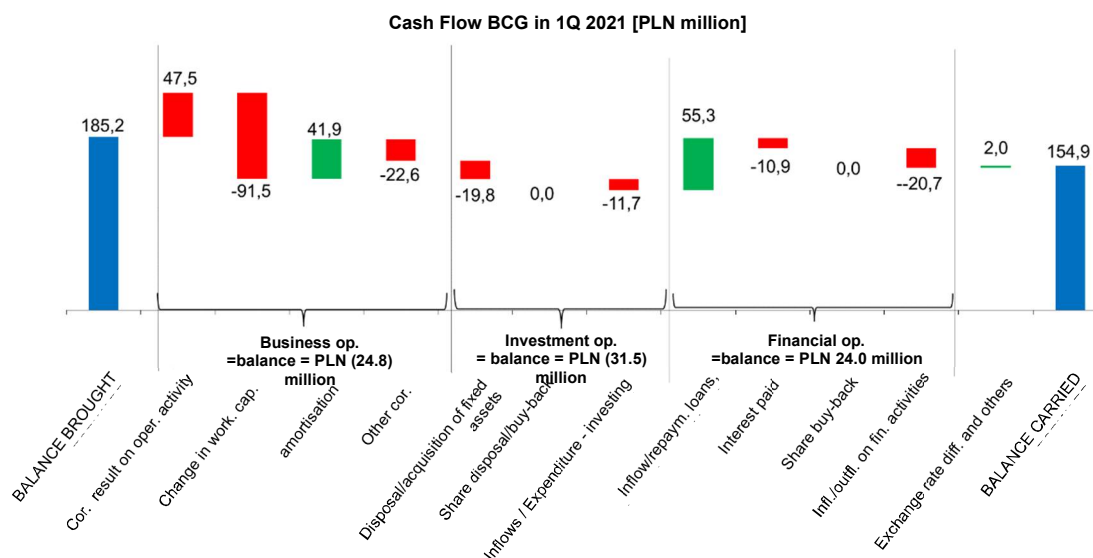
Consolidates figures:

Net result on continuing operations amounted to PLN 27.6 million and was higher by PLN 65.3 million than the result after the first quarter of the previous year.

The total net result including continuing and discontinued operations amounted to PLN 29.3 million and was lower than the result after Q1 '2018 by PLN 67.4 million, while the net result attributable to shareholders of the parent company amounted to PLN 27.0 million - higher than last year's result by PLN 62.1 million, mainly due to profit on operations by PLN 18.1 million and higher financial expenses caused by exchange rate differences.

C. CASH FLOW

Cash flows after the first quarter of 2021 are presented in the chart below:



After Q1 '2021, Boryszew Capital Group generated negative cash flows from operating activities, cause by an increase in the price of raw materials.

The negative balance of cash flows from investment activities came mainly from investments in fixed assets in the amount of PLN 27.6 million (with proceeds from the sale of assets in the amount of PLN 7.8 million), primarily in the Automotive and Metal Segment and the balance on loans in the value of PLN 12.9 million negative.

After Q1 '2021, the Boryszew Capital Group's net debt amounted to PLN 939.8 million and was higher by PLN 67.7 million compared to the end of 2020.



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

The net debt/EBITDA ratio was 2.6x after the first quarter of 2021 and remained at a similar level compared to December 2020.

4. NOTES ON THE SEASONALITY OF THE COMPANY'S BUSINESS IN THE REPORTED PERIOD

Boryszew Capital Group is exposed to seasonality only to a limited extent.

In the Automotive segment seasonality affects holiday months as well as December, when production of cars falls considerably, causing also a fall in component orders.

In the Metal Segment, seasonality affects the range of products sold for the construction sector, which include:

- copper installation pipes and cupronickel condenser pipes manufactured by Hutmen Sp. z o.o.
- brass condenser pipes used for district heating, manufactured by WM Dziedzice S.A.
- zinc-titanium roofing sheets and zinc wire manufactured by ZM SILESIA S.A.

The peak in sales of these products for the construction sector is recorded the second and third quarter, which is predominantly influenced by weather conditions, suitable for construction works, as well as the economic situation in the construction industry. Other products of this segment are not exposed to seasonality.

In the segment of Chemical products seasonality affects a certain range of products manufactured by Boryszew ERG, Branch of Boryszew S.A. in Sochaczew. This range includes cooling fluids for the automotive segment (with peak sales in the third and fourth quarter, shifting to the beginning of the first quarter), de-icing fluids for runways and aircraft (with peak sales in the fourth and first quarter).

No significant seasonality is observed for other products of the Capital Group.

Furthermore, in the fourth quarter of the year, due to the December Christmas holiday period and planned shutdowns by customers, lower sales are observed each year.

5. INCOME AND PROFITS/LOSSES BY CONTINUING ACTIVITIES SEGMENTS OF AS FROM THE BEGINNING OF THE CURRENT YEAR

Boryszew Capital Group operates in the area of four industry segments.

OPERATING SEGMENTS

Automotive	Boryszew S.A. Oddział Maflow w Tychach, Maflow Spain Automotive S.L.U., Maflow France Automotive S.A.S., Maflow BRS s.r.l., Maflow Components Dalian Co. Ltd., Maflow do Brasil Ltda., Maflow Automotive Mexico S.de. Rl. De.C, MAFMEX S.DE R.L.DE C.V., Maflow Polska Sp. z o.o., Maflow India Private Limited, Boryszew Automotive Plastics Sp. z o.o., Theysohn Kunststoff GmbH, Theysohn Formenbau GmbH, Boryszew Kunststofftechnik Deutschland GmbH, AKT Plastikarska Technologie Cechy spol. s.r.o., Boryszew Formenbau Deutschland GmbH, Boryszew Oberflächentechnik Deutschland GmbH, Boryszew Plastik Rus, Boryszew Tensho Poland Sp. z o.o., ICOS GmbH, Boryszew Deutschland GmbH, Boryszew Commodities Sp. z o.o., Boryszew HR Service Sp. z o.o., Boryszew Components Poland Sp. z o.o.
Metals	Impexmetal Holding Spółka z o.o., Hutmen Sp. z o.o., WM Dziedzice S.A., ZM SILESIA S.A., Baterpol S.A., Polski Cynk Sp. z o.o., Boryszew S.A NPA Skawina Branch, Baterpol Recycler Sp. z o.o., Metal Zinc Sp. z o.o., Alchemia S.A., Huta Bankowa Sp. z o.o., Laboratoria Badań Batory Sp. z o.o., SPV Impexmetal Spółka z o.o., FŁT Polska Sp. z o.o., FLT Bearings Ltd., FLT France S.A.S., FLT & Metals s.r.l., FLT Wälzlager GmbH, FLT (Wuxi) Trading Co. Ltd., Metalix Ltd. in liquidation; FLT USA L.L.C., Symonvit Ltd. in liquidation, Zakład Utylizacji Odpadów Sp. z o.o.
Chemical products	Elana Pet Sp. z o.o., Boryszew S.A. Elana branch, Boryszew S.A. Boryszew ERG branch, Boryszew S.A. Nylonbor branch, Elimer Sp. z o.o.
Other	Boryszew S.A. – HQ, Boryszew S.A. Energy branch, Eastside – Bis Sp. z o.o., Huta Metali Nieżelaznych Szopienice S.A. in liquidation, SPV Lakme Investment Sp. z o.o., Impex – invest Sp. z o.o., Eastside Capital Investments Sp. z o.o., Elana Energetyka Sp. z o.o., SPV Boryszew 5 Sp. z o.o., SPV Boryszew 6 Sp. z o.o., SPV Boryszew 8 Sp. z o.o., SPV Boryszew 9 Sp. z o.o.

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

REVENUES FROM SALE BY DESTINATION MARKET

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Continuing operations		
Domestic sales	446 404	520 697
Sales to EU member states *)	846 262	903 908
Sales to other European countries	69 972	75 858
Export outside Europe	88 300	73 243
Total (revenues from continuing operations)	1 450 938	1 573 706

*) the United Kingdom was counted among the other European countries

SHARE OF EU MEMBER STATES IN INTRA-COMMUNITY SALES:

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Germany	38%	38%
The Czech Republic	17%	16%
Italy	9%	6%
France	6%	5%
Spain	6%	5%

**Boryszew Capital Group**

Abbreviated consolidated financial report for the period between 1 January and 31 March 2021
drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

REVENUES AND RESULTS BY OPERATING SEGMENTS IN QUARTER 1 OF 2021 (data regarding continuing operations)

	Chemical products	Automotive	Metals	Other	Total	exclusions between segments	Total
Continuing operations 01.01.2021 - 31.03.2021							
Revenues from sales	66 417	449 555	904 711	79 407	1 500 090	(49 152)	1 450 938
Segment costs of sales	53 773	391 937	826 187	72 513	1 344 410	(47 669)	1 296 741
Result on sales within segment	12 644	57 618	78 524	6 894	155 680	(1 483)	154 197
General, administrative and sales expenses	8 198	49 120	46 869	7 371	111 558	(1 897)	109 661
Other operating profit/loss	828	1 280	3 174	2 035	7 317	(1 968)	5 349
Segment profit/loss	5 274	9 778	34 829	1 558	51 439	(1 554)	49 885
Amortisation/depreciation	1 669	22 983	17 347	1 368	43 367	(1 473)	41 894
EBITDA *)	6 943	32 761	52 176	2 926	94 806	(3 027)	91 779
Segment assets	276 326	1 435 537	2 971 376	2 509 260	7 192 499	(2 903 168)	4 289 331
Segment liabilities	128 183	1 846 550	1 303 746	529 890	3 808 369	(1 215 352)	2 593 017

	Chemical products	Automotive	Metals	Other	Total	exclusions between segments	Total
Continuing operations 01.01.2020 - 31.03.2020							
Revenues from sales	59 959	445 692	1 052 291	44 864	1 602 806	(29 100)	1 573 706
Segment costs of sales	47 385	410 482	965 409	37 940	1 461 216	(24 195)	1 437 021
Result on sales within segment	12 574	35 210	86 882	6 924	141 590	(4 905)	136 685
General, administrative and sales expenses	8 353	48 020	57 617	4 595	118 585	(3 627)	114 958
Other operating profit/loss	(615)	(2 287)	15 301	2 833	15 232	(5 049)	10 183
Segment profit/loss	3 606	(15 097)	44 566	5 162	38 237	(6 327)	31 910
Amortisation/depreciation	1 809	21 476	24 735	2 126	50 146	(1 428)	48 718
EBITDA *)	5 415	6 379	69 301	7 288	88 383	(7 755)	80 628
Segment assets	246 760	1 427 871	4 734 975	1 413 942	7 823 548	(2 956 426)	4 867 122
Segment liabilities	105 940	1 818 291	1 948 817	537 460	4 410 508	(996 314)	3 414 194

*) EBITDA = operating profit/loss plus depreciation and amortisation



6. DIVIDEND PAID OR DECLARED IN THE PERIOD FROM THE BEGINNING OF THE YEAR

The Management Board of the parent Company recommends that the net profit for 2020 in the amount of PLN 1 176 737 thousand be allocated to cover the loss for 2019 in the amount of PLN (PLN 173 789 thousand) and the balance in the amount of PLN 1 002 948 thousand be allocated to the supplementary capital and be retained as retained earnings.

7. INFORMATION ON THE ISSUE, REDEMPTION AND REPAYMENT OF NON-EQUITY AND EQUITY SECURITIES

DEBT SECURITIES

In Q1 '2021, until publication of the report the Company did not issue any equity securities.

ISSUES OF BONDS

In the first quarter of 2021 and until the date of publication of the report, the Company issued no debt securities.

REDEMPTION OF BONDS ISSUED BY BORYSZEW S.A.

Since 1 January 2021, the Company has redeemed 36 registered bonds with a total nominal value of PLN 36 million:

1. 2 registered bonds, A20 series with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 2 000 000.00 issued by SPV Lakme Investment Sp. z o.o. on 16 October 2018,
2. 1 registered bonds, A32 series, with a nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 1 000 000.00, subscribed for by Eastside Capital Investments Sp. z o.o. on 17 December 2018
3. 15 registered bonds, A28 series, with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 15 000 000.00, subscribed for by Hutmen Sp. z o.o. on 29 October 2018,
4. 6 registered bonds, A34 series, with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 6 000 000.00, subscribed for by Hutmen Sp. z o.o. on 31 December 2018,
5. 12 registered bonds, A18 series, with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 12 000 000.00, subscribed for by Zakład Utylizacji odpadów Sp. z o.o. on 1 September 2018,

On the day of report publication, Boryszew liabilities due to bonds amount to PLN 28 million.

EQUITY SECURITIES

In Q1 '2021, until publication of the report the Company did not issue any equity securities.

CAPITAL INVESTMENTS

The list of shares and stocks held is presented in point 2 of the report.

Apart from the subsidiaries and associates in point 2, the Issuer holds no other significant capital investments.

LOANS GRANTED

Information on loans granted by other entities of the Capital Group is presented in point 17 of the report.

REAL PROPERTY

In the first quarter of 2021 and until the report publication date, the Company acquired no significant real estate.

Boryszew Capital Group holds no other significant investments in securities, financial instruments, intangible assets or real estate outside Boryszew Capital Group.



8. FACTORS AND EVENTS, IN PARTICULAR THOSE OF UNTYPICAL NATURE, AFFECTING THE FINANCIAL PERFORMANCE IN THE CURRENT PERIOD

During the period under review, despite significant staff shortages associated with the outbreak, the Group's performance was not affected by the COVID-19 pandemic. The Group saw an increase in demand for its products.

9. FACTORS THAT WILL AFFECT THE COMPANY'S FINANCIAL PERFORMANCE FOR AT LEAST THE UPCOMING QUARTER

External factors that will affect the consolidated results of subsequent quarters include:

- global economic situation, especially in the key sectors (automotive and construction) as well as in the main sales markets (the European Union, including Germany).
- the duration and scale of the COVID-19 pandemic as well as the protective measures implemented by institutions at Polish and European Union level,
- changing consumer moods due to the economic slowdown and reducing demand or postponing consumer spending to future periods,
- changes to the rules for granting financing by the banking sector,
- disruption of supply chains caused by suppliers' limitation or shutdown of business due to the COVID-19 pandemic,
- demand for new cars, especially for products of the VW Group, which is the most important customer of the Automotive Segment of Boryszew Capital Group,
- the level of metal quotations and currencies determining the amount of working capital and effectiveness of export and domestic sales.
- higher economic protectionism in international trade, resulting in restrictions to access markets,
- costs of raw materials, including in particular scrap prices and the amount of the metal premium,
- PLN exchange rate against foreign currencies; due to the significant share of export sales, which in effect affects the level of margins earned in PLN,
- prices of crude oil and, as a consequence, prices of organic chemicals derivatives - plastics and components for the production of plastic parts for cars in injection moulding technology,
- cost of energy carriers, given the announcement of a significant price increase, of particularly high importance in the energy-intensive metal processing industry and in chemistry,

Internal factors significant for the Group's performance in future periods include the following:

- the effect of obtaining new contracts in the Automotive Segment,
- the effect of optimisation of manufacturing processes in all market segments,
- effects of development investments and update of investment plans as a result of the COVID-19 pandemic,
- the effects of subsidies granted for implementation of investment projects and improvement of energy efficiency.
- availability of employees on the labour market, especially in the Silesian agglomeration.

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

10. MOVEMENTS IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS AS WELL AS ESTIMATED DATA

	As at 31.03.2021	As at 31.12.2020
Guarantees granted to subsidiaries and jointly-controlled companies and guarantees for repayment of financial liabilities	59 017	57 908
Liabilities due to tax risk	34 262	34 262
	93 279	92 170

Entity for which guarantee or surety was issued	Issue date of guarantee or surety	Subject of liability	Surety value in PLN '000	Expiry date of guarantee
Boryszew Plastic RUS	2017-02-13	Guarantee granted to Volvo Group Trucks Operations	23 302	indefinite validity
Mafmex S. de R.L. de C.V.	2020-11-13	Mafmex's performance bond for AB Volvo	23 302	term of the Agreement
Mafmex S. de R.L. de C.V.	2020-01-14	Mafmex's rent payment bond to Innova Dintel	12 414	2030-01-01
Total guarantees and sureties granted by Boryszew S.A.			59 017	

The Group also has contingent liabilities resulting from tax proceedings, for which the risk was determined to be medium and low in the amount of PLN 34.3 million.

In addition, the Group has contingent liabilities towards financial institutions from issuing orders of letters of credit/bank guarantees/insurance guarantees to their customers with the total value of PLN 34.9 million.

11. FINANCIAL INSTRUMENTS, FAIR VALUE AND ESTIMATED DATA**Financial assets per balance sheet as at 31.03.2021**

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Derivatives used for hedges	Financial assets at fair value through other comprehensive income	Carrying value
Shares and stock	191	39 480		172 229	211 900
Trade receivables	632 975	98 556			731 531
Derivative financial instruments		1 166	3 164		4 330
Loans granted	36 835				36 835
Bonds	33 483				33 483
Other debtors	36 084				36 084
Cash and cash equivalents	154 920				154 920
Total	894 488	139 202	3 164	172 229	1 209 083

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Financial assets per balance sheet as at 31.12.2020

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Derivatives used for hedges	Financial assets at fair value through other comprehensive income	Carrying value
Shares and stock	210	39 453		152 902	192 565
Trade receivables	502 251	76 566			578 817
Derivative financial instruments		394	3 856		4 250
Loans granted	23 560				23 560
Bonds	34 579				34 579
Other debtors	42 108				42 108
Cash and cash equivalents	185 211				185 211
Total	787 919	116 413	3 856	152 902	1 061 090

Financial liabilities as at 31.03.2021

	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	978 157			978 157
Bonds	-			-
Derivative financial instruments			870	11 939
Lease liabilities	116 524			116 524
Liabilities to SMA and PdUA	122 602			122 602
Liabilities to SMA - investment property	57 058			57 058
Trade and other liabilities	646 108			646 108
Total	1 920 449	870	11 939	1 933 258

Financial liabilities as at 31.12.2020

	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	923 831			923 831
Bonds	-			-
Derivative financial instruments		1 626	11 185	12 811
Lease liabilities	133 484			133 484
Liabilities to SMA and PdUA	119 282			119 282
Liabilities to SMA - investment property	57 067			57 067
Trade and other liabilities	576 149			576 149
Total	1 809 813	1 626	11 185	1 822 624

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Transactions with affiliated entities

	Associates	Personally related entities
in the period 01.01.2021 - 31.03.2021		
Revenues from sales (of products, services, goods)	189	218
Interest income	-	375
Other revenues (waiver of liabilities)	-	9
Purchase of goods and services	2 506	1 162
Interest expense	-	31
as at 31.03.2021		
Trade receivables	44	6 061
Loans granted	-	33 503
Bonds purchased	-	33 930
Other receivables (advances, deposits)	-	5 625
Trade liabilities	1 018	1 015

	Associates	Personally related entities
in the period 01.01.2020 - 31.03.2020		
Revenues from sales (of products, services, goods)	284	706
Interest income	-	279
Purchase of goods and services	2 683	3 703
as at 31.12.2020		
Trade receivables	76	6 093
Loans granted	-	23 560
Bonds purchased	-	34 479
Other receivables (advances, deposits)	-	6 849
Trade liabilities	-	529
Liabilities arising from loans and borrowings	1 049	2 307

12. ORGANISATION OF THE CAPITAL GROUP

Boryszew S.A. is the Parent entity of Boryszew Capital Group. The Group features both domestic and overseas subsidiaries, jointly controlled entities, affiliated entities. As the Parent company, it performs management and supervisory functions with regard to other companies of the Capital Group.

The core business of the Head Office in Warsaw is management of the Capital Group, and its objective is to increase the Company's goodwill in the long run.

In Q1 '2021 Boryszew S.A. carries out its activity through the following units:

- Maflow Branch in Tychy – manufacturer of tubes for the automotive industry, including mainly air-conditioning tubes, power steering systems and various rubber components. The Branch's assets, constituting the largest productive assets of Maflow Group, were purchased on 10 August 2010.
- Elana Branch w Toruń - producer of polyester fibre and plastics with wide application. Its key products include staple fibres and silicon spheres. Elana Branch was established by merger of Boryszew S.A. and Elana S.A., which took place on 28 January 2005.
- Nowoczesne Produkty Aluminiowe Skawina Branch in Skawina– operating in the field of manufacturing of aluminium rolled products (rods), wire and cables, including overhead cables of special aluminium alloys with constructions which eliminate the threat of phenomena of the „black-out”,



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

- Boryszew ERG Branch in Sochaczew - manufacturer of chemical and construction products. Company's flagship product is "Borygo" coolant and CleanSkin disinfectants;
- Nylonbor Branch in Sochaczew – production of modern engineering polyamides, which are used for manufacture of machinery and equipment as well as battlefield simulators for military applications.
- Boryszew Energy Branch in Toruń - involved in sales of energy utilities (electricity, gas) for the companies of Boryszew Capital Group and external customers.

STRUCTURE OF BORYSZEW GROUP

Boryszew Capital Group is one of the largest private industrial groups in Poland.

In 2005 Boryszew SA seized control of Impexmetal S.A., a company listed at the Warsaw Stock Exchange, a parent company of manufacturing enterprises involved in non-ferrous metals and bearing industry.

In 2010, the Company seized control of the Maflow Group, one of the largest manufacturers of air-conditioning tubes, power steering systems and active suspension systems for automotive industry. It was then that the automotive sector became the key segment of the Group's activity.

In the years 2011-2012, the Company continued its development strategy through acquisitions of automotive companies. In July 2011, the Company signed takeover agreements in respect of two German capital groups (AKT/ICOS – Theysohn) in the plastics processing sector, and in March 2012 share acquisition agreement for shares of YMOS Group, leading European producer of plastic, galvanized and chromium-plated components for the automotive industry. In June 2014 Boryszew S.A. assumed control over Tensho Poland Corporation Sp. z o.o. based in Ostaszewo (currently: Boryszew Tensho Poland Sp. z o.o.), a manufacturer of high quality plastic products. In 2019, Boryszew Group assumed control over Alchemia Capital Group and the following Alchemia Group companies: Alchemia S.A., Huta Bankowa Spółka z o.o. and Laboratoria Badań Batory Spółka z o.o. The core business of Alchemia Group is production of steel products in the form of seamless steel tubes as well as other specialist steel products. The business of Alchemia Group was transferred to the Metal segment.

On 5 November 2020 Boryszew S.A. purchased from Impexmetal S.A. shares in Capital Group companies.

On 6 November 2020 Boryszew S.A. sold Impexmetal S.A. to a third party (Gänges AB).

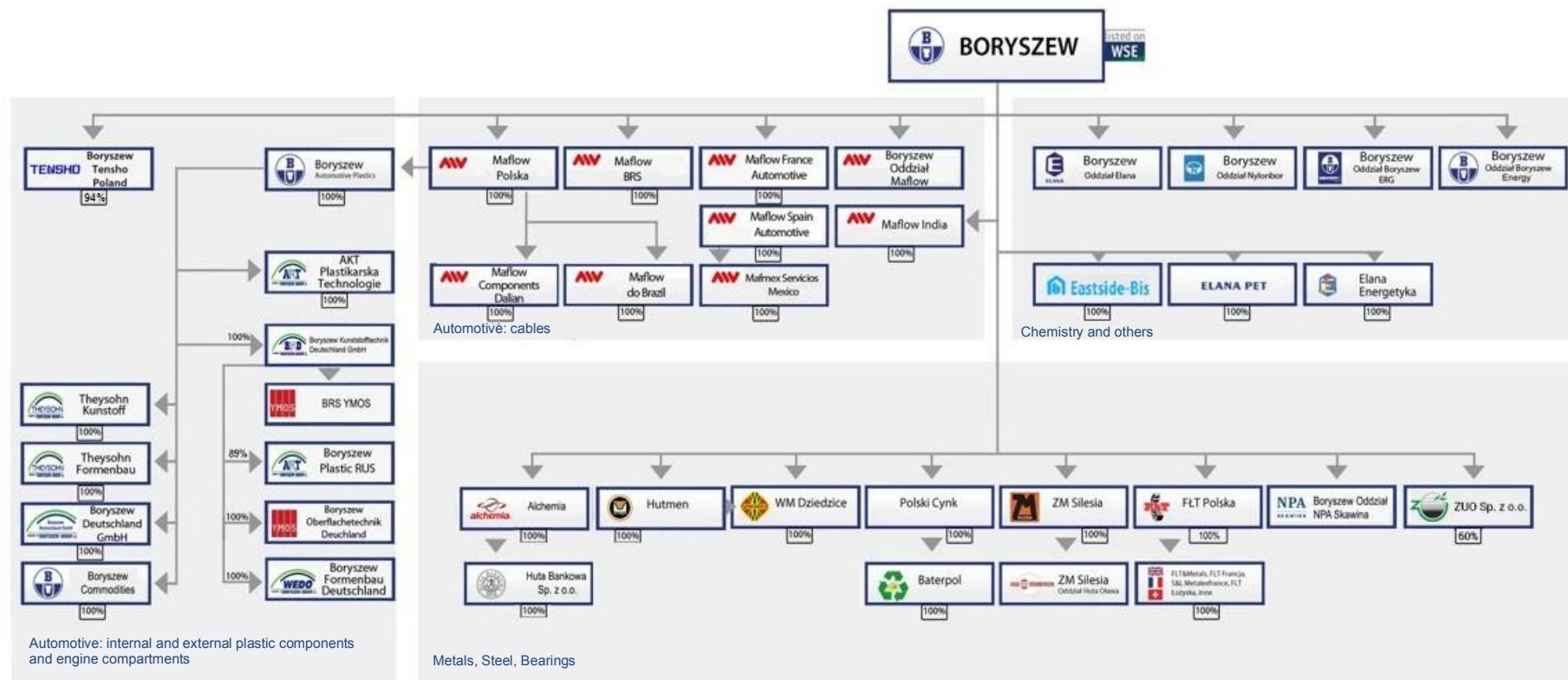


Boryszew Capital Group

Abbreviated consolidated financial report for the period between 1 January and 31 March 2021
drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

SIMPLIFIED ORGANISATIONAL CHART OF BORYSZEW CAPITAL GROUP (ON THE REPORT PUBLICATION DATE)



**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

13. THE EFFECTS OF CHANGES IN THE GROUP'S STRUCTURE SINCE THE BEGINNING OF THE YEAR, INCLUDING MERGERS, ACQUISITIONS OR SALES OF SUBSIDIARIES AND LONG-TERM INVESTMENTS, RESTRUCTURING AND DISCONTINUATION OF OPERATIONS**Transformation of Hutmen S.A.**

On 22 March 2021 District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Division of the National Court Register registered the transformation of Hutmen S.A. into a limited liability company. As of the report publication date, the partners of the company are:

1. Impex - Invest Spółka z o.o. based in Warsaw,
2. Boryszew S.A. with its registered office in Warsaw,
3. SPV Impexmetal Spółka z o.o. based in Warsaw.

Events after the balance sheet date**Sale of shares in EW Rywałd Sp. z o.o.**

On 27 April 2021, SPV Impexmetal Sp. z o.o., based in Warsaw and KGAL ESPF 4 Holding S.à r.l. ("Buyer") signed an agreement on the sale of 1 000 shares of a nominal value of PLN 50 each, accounting for 100% of the share capital of EW Rywałd Sp. z o.o. based in Toruń (EW Rywałd) for the price of EUR 11 million, of which EUR 9.6 million will be paid on the day of concluding the agreement and the balance will be paid in four instalments payable in line with the progress of construction of the wind farm progresses, which should be completed by the end of 2022.

The provisions of the agreement on significant contractual obligations that may be imposed on individual parties (including in particular provision on the occurrence of circumstances that will result in the inability to implement the investment in accordance with the currently estimated budget, schedule and other key assumptions) as well as on assurances made, termination of the agreement or withdrawal from the agreement are not different to conditions generally applied in agreements of this type.

The sale of EW Rywałd was carried out as it was possible to obtain an attractive rate of return on transactions involving the assets of EW Rywałd as well as due to the intention to focus the Group's capital expenditure on projects involving primarily the current segments of the Group's operations

14. POSITION OF THE MANAGEMENT BOARD'S POSITION ON THE POSSIBILITY OF PREVIOUS PREVIOUSLY PUBLISHED FINANCIAL RESULT FORECASTS IN THE CURRENT YEAR

The Management Board of Boryszew S.A. published no forecasts of the financial result for 2021.

15. SHAREHOLDERS HOLDING, DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES, AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL MEETING OF THE COMPANY AS AT THE DATE OF SUBMITTING THE REPORT

The table below presents Shareholders holding more than 5% of the share capital and of the total number of votes as at 31.03.2021 and the date of submitting the report for publication:

Shareholders	Number of shares	% of capital	Number of votes	% of votes
Roman Krzysztof Karkosik (*)	156 832 020	65.35%	156 832 020	65.35%
Including:				
Boryszew S.A. (**)	34 795 000	14.50%	34 795 000	14.50%
RKKK Investments Sp. z o.o.	119 998 000	50.00%	119 998 000	50.00%
Others	83 167 980	34.65%	83 167 980	34.65%
Total:	240 000 000	100.00%	240 000 000	100.00%

(*) Mr Roman Krzysztof Karkosik with subsidiaries (as per notification of 1 October 2018).

(**) As per the notification of Boryszew S.A. of 30 October 2020



16. CHANGES IN THE OWNERSHIP STRUCTURE OF SUBSTANTIAL SHAREHOLDINGS OF THE COMPANY IN THE PERIOD FOLLOWING THE SUBMISSION OF THE PREVIOUS REPORT - SHARES IN VOTES DURING THE GENERAL ASSEMBLY OF SHAREHOLDERS

In the period since the previous report submission, i.e. the annual report for 2020 on 30 April 2021 no changes have occurred to the ownership structure of significant blocks of shares of Boryszew S.A.

17. COMPANY'S MANAGERS AND SUPERVISORS - CHANGES IN SHARE HOLDING OR SHARE OPTIONS IN THE CURRENT PERIOD SINCE THE SUBMISSION OF THE PREVIOUS QUARTERLY REPORT.

Members of the Management Board and Supervisory Board hold no shares of Boryszew S. A. or rights to shares of Boryszew S.A.

18. PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY

Proceedings before a court, arbitration body or public administration authority

Boryszew S.A. and Boryszew Capital Group Companies, as at the date of this report, were not a party to any significant proceedings concerning liabilities or receivables, pending before a court, a competent arbitration authority or a public administration authority.

TAX PROCEEDINGS IN THE CAPITAL GROUP COMPANIES

The Group operates in a sector which, due to its specific nature, is particularly exposed to VAT fraud by dishonest contractors. Group companies are subject to various stages of inspection and audit proceedings on the correctness of VAT settlements. Given the above, the Parent Company has taken steps to recognise the risks that could be estimated and are related to the ongoing proceedings.

Proceedings completed at first instance

1. On 12 March 2018, ZM SILESIA S.A. received a decision of the Head of the Customs and Tax Office (Office) in Opole dated 28 February 2018, determining the outstanding VAT liability for 2012 in the amount of PLN 28.9 million plus interest on tax arrears in the amount of PLN 15.5 million. According to the position of the Office, ZM SILESIA S.A. failed to exercise due diligence in verifying the tax reliability of some of its suppliers, who, as it turned out, failed pay the due VAT to the state budget. As a result, ZM SILESIA S.A. should not have reduced its output tax by the input tax shown on invoices issued by dishonest contractors. Due to its different assessment of the facts from that of the inspection bodies, the company appealed against the decision of the Office. On 26 April 2021 the company received the decision of the Head of the Fiscal Administration Chamber in Katowice dated 19 April 2021 determining overdue VAT liability of ZM SILESIA S.A. for 2012 in the amount of PLN 28.6 million, plus interest on outstanding tax liability. This decision is final. Following different assessment of the above circumstances, the Company appealed against that decision to the Provincial Administrative Court. This decision is final. In order to secure the Authority's claims under the decision, compulsory mortgages were established on the company's properties and bank accounts were frozen. As at the date of the report, the Company received the decision regarding the suspension of debt enforcement.
2. On 24 September 2020 ZM SILESIA S.A. received the decision of the Head of the Małopolska Customs and Tax Office determining the overdue VAT tax liability for 2013 and 2014 in the amount of PLN 97.3 million plus interest on outstanding tax liability. According to the position of the Office, ZM SILESIA S.A. failed to exercise due diligence in verifying the tax reliability of some of its suppliers, who, as it turned out, failed pay the due VAT to the state budget. As a result, ZM SILESIA S.A. should not have reduced its output tax by the input tax shown on invoices issued by dishonest contractors. Due to its different assessment of the facts from that of the inspection bodies, the company appealed against the decision of the Office. On 8 October 2020, the Company filed an appeal against this decision with the head of the tax administration. An appeal is currently pending. On 15 December 2020, the company received a decision on extending the appeal deadline to 6 August 2021.



3. On 14 February 2018 Hutmen Sp. z o. o. filed a cassation complaint against the judgment of the Provincial Administrative Court in Warsaw dismissing the company's complaint against the decision of the Director of the Tax Chamber in Warsaw concerning VAT settlement for November 2012. The subject of the dispute is the amount of PLN 548 thousand, which the Company paid and recognised in the result in 2018.
4. On 3 April 2018, Hutmen Sp. z o. o. received the decision issued on 26 March 2018 by the Head of the Lower Silesian Tax and Customs Office (Office), which sets out company's VAT arrears for Q4 of 2014 at PLN 3.04 million plus interest on tax arrears. As claimed by the Office, Hutmen Sp. z o. o. failed to observe due diligence in verifying the tax reliability of some of its contractors, and consequently had no right to apply the VAT rate of 0% for the intra-Community supply of goods. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. appealed with the Tax Chamber against the decision of the office. On 23 September 2019 Director of the Fiscal Chamber in Wrocław repealed the decision of the 1st Instance Body in its entirety and referred the case for re-examination by that Body. On 16 November 2020, the company received a decision of the Head of the Lower Silesian Customs and Tax Office (Office) in Wrocław, determining again the outstanding VAT liability for Q4 '2014 in the amount of PLN 3.04 million plus interest on tax arrears. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. appealed with the Tax Chamber against the decision of the office. The decision is not final and is not enforceable. The anticipated date for hearing the appeal was indicated by the Director of the Tax Administration Chamber as 21.06.2021.
5. On 10 September 2018 Hutmen Sp. z o. o. received a decision of the Tax Administration Chamber (Office) in Wrocław dated 4 September 2018 determining the outstanding VAT liability of Hutmen Sp. z o. o. for October and December 2012 in the amount of PLN 1.14 million plus interest on tax arrears. As claimed by the Office, Hutmen Sp. z o. o. failed to observe due diligence in verifying the tax reliability of some of its contractors, and as a consequence did not have the right to deduct input VAT. Due to its different assessment of the facts from that of the inspection bodies, the company appealed against the decision of the Office to the Provincial Administrative Court in Wrocław. On 13 March 2019 the Provincial Administrative Court issued a decision in favour of Hutmen Sp. z o. o., the judgment is final and binding. On 3 September 2019 the Director of the Fiscal Administration Chamber in Wrocław repealed fully the decision of the 1st Instance Body in its entirety and referred the case for re-examination by that Body. On 11 December 2019 Hutmen Sp. z o. o. received a refund of the entire amount of the tax in question together with interest. On 12 April 2021, Hutmen Sp. z o. o. received the decision issued on 8 April 2021 by the Head of Mazowiecki Tax and Customs Office, which again sets out company's VAT arrears for Q4 of 2012 at PLN 1.14 million plus interest on overdue tax liability. Due to its different assessment of the facts from that of the inspection bodies, Hutmen S.A. appealed with the Tax Chamber against the decision of the office. The decision is not final and is not enforceable.
6. Audit by the Małopolska Customs and Fiscal Office in Kraków, Tarnów Branch - audit of the correctness of VAT for 2015 - expected date of completion postponed to 12 October 2020. On 13 November 2020, Hutmen Sp. z o.o. received the Protocol of the audit of books in tax proceedings, in which the Office claimed that the company had failed to observe due diligence in verifying the tax reliability of some of its contractors, and consequently had no right to apply the VAT rate of 0% for the intra-Community supply of goods. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. will raise objections to protocol received from the Office. On 28 December 2020 Hutmen Sp. z o. o. received a decision of the Head of the Małopolska Customs and Fiscal Office in Kraków determining the outstanding VAT liability of Hutmen Sp. z o. o. in the first half of 2015 in the amount of PLN 7.8 million plus interest on outstanding tax liability. Due to its different assessment of the facts from that of the inspection bodies, Hutmen Sp. z o. o. appealed with the Tax Chamber against the decision of the office. The decision is not final and is not enforceable. The expected date of completion of the case - 31.05.2021.

Other significant pending VAT proceedings in the Capital Group companies

Apart from the inspection proceedings described above, the Capital Group companies are subject to audit proceedings which are at an initial stage (pending decisions). These proceedings may result in a negative stance of the authorities towards the Company, however this risk is difficult to estimate.

Litigations underway:

1. ZM SILESIA S.A. - pending VAT audit proceedings for the period January - June 2015. On 25 January 2021 the Company received a notification from the Head of Małopolska Customs and Tax Office in Kraków on the expected date of completing the case - 28 June 2021



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

2. Baterpol S.A. received a VAT audit protocol - audited period: July 2013 - December 2015. Based on that protocol, the Company estimated the risk of questioning the deductible VAT to be PLN 3.2 million plus interest as at 31 December 2020 of PLN 1.6 million. The audit was conducted by the First Silesian Tax Office in Sosnowiec. On 20 March 2019, the Head of the First Tax Office in Sosnowiec initiated VAT proceedings for the period December 2013 to December 2015. The case is expected to close on 30 June 2021.
3. On 12 March 2019 the Head of the Lower Silesian Tax Office in Wrocław sent Baterpol Recycler Sp. z o.o. a notice of initiation of an investigation by the Regional Prosecutor's Office in Katowice, on 1 April 2016, into a tax offence suspending the period of limitation of company's tax liabilities for the period between 24 January 2014 and June 2015.
4. Boryszew S.A. - on 12 April 2021 the Company received a notification from the Head of Mazovian Tax and Customs Office in Warsaw on the initiation of VAT settlements audit for the period December 2015 - March 2016. By the date of publication of the financial statements, the company has not received the audit protocol.

Other important proceedings in companies of Boryszew S.A. Capital Group

On 22 October 2020 the President of the Office of Competition and Consumer Protection initiated proceedings against Boryszew S.A. due to the company's excessive delays in meeting its cash obligations in the period June-August 2020. By the date of publication of the financial statements, the company has not received the audit protocol.

Due to the fact that there is a risk of instituting new controls that might potentially result in issuing decisions determining tax liabilities of these companies, the Management Board of the Parent Company analysed documentation relevant for the ongoing procedures and estimated risks by classifying them according to the likelihood of emergence:

- a. **probable risk** (high risk) - a high probability of negative tax consequences (negative consequences are more probable to occur than not),
- b. **risk possible** (medium risk) - risk of negative tax consequences, however, their occurrence or not is not equally probable,
- c. **potential risk** (low risk) - some risk of negative tax consequences, but this risk is less probable than probable.

The balance of provisions in the consolidated financial statement of Boryszew S.A. amounts to PLN 148 933 thousand (high risk). In addition, the Parent Company reduced its contingent liabilities to PLN 34 262 thousand (medium or low risk).

The Management Board of the Parent Company estimated the provisions considering the probability of cash outflow from the Group and chose leave such provisions out in cases where the probability of cash outflow is low.

The Management Board of the Parent Company cannot exclude that in the event of new circumstances, the estimation of risks described above may change.

19. CONCLUSION BY THE COMPANY OR ITS SUBSIDIARY OF ONE OR MORE TRANSACTIONS WITH RELATED PARTIES

Transactions between subsidiaries mainly include commercial transactions concluded between companies of the Capital Group with regard to sale or purchase of traded goods and products of typical, conventional nature for the Group's operations.

Also, standard liquidity management measures at the level of the Capital Group involved cash loan agreements between Group's companies. These transactions were intra-group in nature and are excluded from the process of consolidation of financial statements.

Other non-commercial transactions concluded between related parties (outside Boryszew Capital Group)

**Boryszew Capital Group**

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Borrowings

On 3 March 2021 SPV Impexmetal Sp. z o. o. granted a cash loan to "Unipartner" Sp. z o. o. in the amount of PLN 7 000 000.00. The repayment date was set to 30 June 2021.

The interest rate on the above loans was determined on the arm's length basis. WIBOR 3M + margin

On 22 March 2021 SPV Impexmetal Sp. z o. o. granted a cash loan to Unibax Sp. z o. o. in the amount of PLN 4 900 000.00. The repayment date was set to 31 December 2021.

The interest rate on the above loans was determined on the arm's length basis. WIBOR 3M + margin

On 25 March 2021 SPV Impexmetal Sp. z o. o. granted a cash loan to Unibax Sp. z o. o. in the amount of PLN 1 000 000.00. The repayment date was set to 31 December 2021.

The interest rate on the above loans was determined on the arm's length basis. WIBOR 3M + margin

On 31 March 2021 SPV Impexmetal Sp. z o. o. granted a cash loan to EW Rywałd Sp. z o. o. in the amount of PLN 250 000.00. The repayment date was set to 31 December 2021.

The interest rate on the above loans was determined on the arm's length basis. WIBOR 3M + margin

20. INFORMATION ON BREACH OF MATERIAL PROVISIONS OF A CREDIT OR LOAN AGREEMENT, IN RELATION TO WHICH NO REMEDIAL ACTIONS WERE TAKEN UNTIL THE END OF THE REPORTING PERIOD

As at 31 March 2021 no overdue liabilities occurred due to borrowings and loans and no breach occurred of material provisions of borrowing and loan agreements.

21. INFORMATION ON GRANTING BY THE COMPANY OR ITS SUBSIDIARY OF LOAN OR BORROWING SURETIES OR GUARANTEES – JOINTLY TO A SINGLE ENTITY OR ITS SUBSIDIARY, IF THE TOTAL VALUE OF THE EXISTING SURETIES OR GUARANTEES IS MATERIAL**SURETIES GRANTED BY BORYSZEW S.A. AS AT 31.03.2021**

Entity for which guarantee or surety was issued	Issue date of guarantee or surety	Subject of liability	Value of guarantee	Expiry date of guarantee
			EUR PLN	
Boryszew HR Service Sp. z o.o.	30.08.2016	Endorsement of a loan agreement for mBank	1 000	29.07.2021
Boryszew Kunststofftechnik Deutschland GmbH	24.07.2017	Guarantee granted to ALD AutoLeasing D GmbH	727	30.06.2022
	07.08.2017	Guarantee granted to Deutsche Leasing International GmbH	2 451	indefinite validity
	08.06.2018	Guarantee granted to Deutsche Leasing International GmbH	1 379	08.06.2023
	06.03.2019	Endorsement of lease agreement for PKO Leasing Sp. z o.o.	13 445	31.03.2022
	13.06.2019	Guarantee granted to Deutsche Leasing International GmbH	7 755	31.08.2024
Boryszew Kunststofftechnik Deutschland GmbH Oddział BRS YMOS	15.03.2016	Guarantee granted to Wurth Leasing GmbH	300	15.03.2022
Boryszew Oberflächentechnik Deutschland GmbH	26.01.2016	Guarantee granted to Bank Gospodarstwa Krajowego	20 743	31.12.2028
Boryszew Plastic RUS	13.02.2017	Guarantee granted to Volvo Group Trucks Operations	23 302	indefinite validity
	25.02.2019	Guarantee granted to Alfa Bank	1 258	31.12.2024
	15.07.2019	Payment guarantee granted to Engel Austria	10 650	25.08.2023



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Entity for which guarantee or surety was issued	Issue date of guarantee or surety	Subject of liability	Value of guarantee	Expiry date of guarantee
			EUR PLN	
Boryszew Tensho Poland Sp. z o.o.	13.06.2016	Guarantee granted to HSBC Bank Polska S.A.	7 500	11.09.2021
	17.10.2017	Aval of lease agreements for mLeasing	7 503	15.02.2025
	10.10.2019	Guarantee granted to PKO Leasing Sp. z o.o.	10 218	10.10.2022
Theysohn Formenbau GmbH	06.09.2017	Guarantee granted to akf Leasing GmbH	3 220	31.08.2023
Theysohn Kunststoff GmbH	28.09.2018	Guarantee granted to PKO Leasing Sp. z o.o.	4 623	31.12.2021
1) Boryszew Tensho Poland Sp. z o.o., 2) Boryszew Kunststofftechnik Deutschland GmbH, 3) Theysohn Kunststoff GmbH	21.12.2020	Guarantee granted to Borealis AG for commercial liabilities	4 660	31.12.2021
	06.07.2020	Guarantee granted to BSB Recycling GmbH	6 990	06.07.2023
1) Boryszew Tensho Poland Sp. z o.o., 2) Boryszew Kunststofftechnik Deutschland GmbH, 3) Theysohn Kunststoff GmbH, 4) Boryszew Plastic RUS LLC, 5) AKT Plastikarska Technologie Czechy Spol. S.R.O.	06.07.2020	Guarantee granted to Basell Sales & Marketing Company B.V.	9 321	31.12.2021
Maflow BRS s.r.l.	19.11.2020	Guarantee granted to Intesa Bank	23 302	01.12.2026
Maflow France Automotive S.A.S.	07.07.2016	Guarantee granted to Natixis Lease	1 640	31.12.2021
Mafmex S. de R.L. de C.V.	15.07.2019	Guarantee granted to Volkswagen Group of America	3 809	01.06.2021
	13.11.2020	Mafmex's performance bond for AB Volvo	23 302	term of the Agreement
	14.01.2020	Mafmex's rent payment bond to Innova Dintel	12 414	01.01.2030
Alchemia S.A.	16.10.2020	Guarantee granted to Arcelormittal Poland S.A.	11 651	31.12.2021
ZM Silesia S.A.	26.09.2018	Surety granted to PKO BP S.A.	8 000	28.02.2024
	20.12.2019	Bill of exchange surety for Coface Poland Factoring Sp. z o.o.	2 509	26.05.2021
	10.02.2021	Bill of exchange surety for Millennium	16 000	16.10.2021
	23.03.2021	Bill of exchange surety for Coface Poland Factoring Sp. z o.o.	1 306	indefinite validity
Total guarantees and sureties granted by Boryszew SA			240 977	

SIGNIFICANT CHANGES IN THE CONDITIONS OF THE SURETY GRANTED BY COMPANIES OF BORYSZEW CAPITAL GROUP

In Q1 2021 no significant changes were made to the terms of the surety.



22. OTHER INFORMATION THAT IS RELEVANT FOR THE EVALUATION OF ITS HUMAN RESOURCES, FINANCIAL POSITION, FINANCIAL PERFORMANCE AND CHANGES THEREOF AS WELL AS ANY INFORMATION RELEVANT FOR THE EVALUATION OF THE CAPACITY TO MEET OBLIGATIONS

During the reporting period no events occurred, other than described in note 3, that would be significant for the assessment of human resources, property, financial standing, financial result and the Capital Group's ability to meet its obligations.

23. OTHER IMPORTANT EVENTS

BORYSZEW S.A.

Conclusion of a loan agreement with BNP Paribas

On 8 April 2021 Boryszew S.A. signed on agreement on non-revolving facility in the amount of PLN 75 million with BNP Paribas Bank Polska S.A. in order to finance the Company's current operations. Financing term is 9 months of the agreement conclusion date.

Bank's claims are secured by a financial pledge on company's shares in Gränges AB, Stockholm.

Decision to initiate the review of strategic options for selected groups of assets

During analytical works concerning in the development strategy of Boryszew Capital Group for the coming years, on 20 May 2021 the Management Board of the Company chose to initiate the review of strategic options in the determination of key assets of the Group. The aim of the review is to assess scenarios of optimum utilisation of the assets held, in particular taking into consideration current financial results generated by different groups of assets, market and macroeconomic trends, regulatory and market environment, considering the capital needs of different business segments and groups of assets.

In review will consider different options for different asset classes including for assets identified as non-strategic, the possibility of preparing them for disposal, asset disposals, strategic partnerships or joint ventures.

So far, no decisions have been made to select a specific option or scenario for different asset groups. The Company will announce any further significant decisions regarding the above process in the form of relevant reports.

SPV IMPEXMETAL SP. Z O.O.

Sale of shares in EW Rywałd Sp. z o.o.

On 27 April 2021, SPV Impexmetal Sp. z o.o., based in Warsaw and KGAL ESPF 4 Holding S.à r.l. ("Buyer") signed an agreement on the sale of 1 000 shares of a nominal value of PLN 50 each, accounting for 100% of the share capital of EW Rywałd Sp. z o.o. based in Toruń (EW Rywałd) for the price of EUR 11 million, of which EUR 9.6 million will be paid on the day of concluding the agreement and the balance will be paid in four instalments payable in line with the progress of construction of the wind farm progresses, which should be completed by the end of 2022.

The provisions of the agreement on significant contractual obligations that may be imposed on individual parties (including in particular provision on the occurrence of circumstances that will result in the inability to implement the investment in accordance with the currently estimated budget, schedule and other key assumptions) as well as on assurances made, termination of the agreement or withdrawal from the agreement are not different to conditions generally applied in agreements of this type.

The sale of EW Rywałd was carried out as it was possible to obtain an attractive rate of return on transactions involving the assets of EW Rywałd as well as due to the intention to focus the Group's capital expenditure on projects involving primarily the current segments of the Group's operations



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

BORYSZEW CAPITAL GROUP

Impact of COVID-19 on the Group in Q1 2021

On 11 March 2020 the World Health Organisation assessed that the Covid-19 epidemic can be considered a pandemic. As a result of the spread of the virus, many sectors of the economy have been forced to reduce or stop their operations, resulting in reduced demand, disruption of supply chains, increased unemployment as well as a number of economic and social problems. The COVID-19 pandemic was still ongoing during the period covered by this report.

Boryszew Group in 2021 continued activities aimed at minimising the effects of the pandemic. Due to their diversified business profile, individual companies are exposed to COVID-19 to varying degrees. The initiatives undertaken consider the nature of the sector concerned and the impact of the pandemic on specific sector. Companies keep track of the market environment and react to changing circumstances in order to adapt their operations to changing demand. New programmes were continued and implemented to adapt costs and operational processes to the Group's changing environment.

At the end of the reporting period and as at the report date, the Group experienced no limitations in production, inventory management or supply chain management, and its liquidity remained at a good level. Liquidity forecasts are updated on an ongoing basis and verified on the basis of applicable agreements in order to secure cash at an appropriate level. The group had no problems with access to external financing. Commercial contract contain no provisions that may pose a material risk due to COVID-19 at the end of the reporting period and at the time of publication of the report. Owing to constant monitoring of contractors' situation and security measures implemented, the Group is not exposed to additional risks resulting from the difficult situation of its customers or suppliers.

At the end of the reporting period the financial indicators of Boryszew Capital Group did not breach the covenants in the agreements with the financing institutions. The Group meets its reporting deadlines; finance and accounting departments meet all their reporting obligations within the required deadlines.

The Group's Head Office as well as individual companies and branches monitor the situation at home and abroad on an ongoing basis. Due to dynamically changing circumstances, government regulations and legal situation, at the moment of drafting the financial statements it is not possible to accurately estimate the impact of the pandemic on the operational and financial situation in upcoming reporting periods. Boryszew S.A. Headquarters as well as companies and branches verify macroeconomic information on an ongoing basis as well as information obtained by the control and analysis departments during their operations, to forecast, on this basis, the impact of the pandemic on Group's results.

Due to diversified business profile of Boryszew Group and different level of risk, the impact of COVID-19 is presented by segments.

AUTOMOTIVE SEGMENT Maflow Group in the first quarter of 2021 recorded sales higher by over 25% against the first quarter of 2020. Boryszew Automotive Plastics Group (BAP Group) in the reporting period recorded revenues lower by 25% against the analogous period of the previous year. In BAP Group, after the merger with the structures of Maflow Group, the program of operational processes optimisation generating the increase in contracts profitability is under way. Despite the decline in revenues, EBITDA in the first 3 months of 2021 was better than in the same period last year.

METAL SEGMENT Boryszew S.A. NPA Skawina Branch experienced no significant negative impact of COVID-19 on sales volume in 1Q 2021. In the reporting period, the turnover of the branch was 35% higher than in the first 3 months of 2020.

In Q1 2021, Zakład Utylizacji Odpadów Sp. z o.o. generated sales that were almost 50% higher than in the previous year. The turnover of Hutmen Sp. z o.o. in the reporting period exceeded by more than 20% that of the previous year.

Also Walcownia Metali Dziedzice S.A. and FLT Group in Q1 2021 recorded sales higher than in Q1 2020: by 15% and 25% respectively.

ZM Silesia S.A. recorded sales at the level higher by more than 10% (Q1 2021 / Q1 2020).

In Q1 2021, Baterpol S.A. recorded revenues higher by more than 5% compared to Q1 2020.

CHEMICALS SEGMENT In the first quarter of 2021, the Segment recorded an increase in sales revenue of almost 10% compared to the same period of 2020.

Boryszew S.A. Boryszew ERG Branch in the first quarter of 2021 continued production and sale of ERG CleanSkin disinfecting liquids. We anticipate that the demand for disinfectants, due to the maintenance of epidemiological safety requirements, will remain high. Total sales revenues of Boryszew ERG Branch in the first quarter of 2021 were higher by more than 10% compared to the first quarter of 2020.

OTHER COMPANIES NOT ASSIGNED TO SEGMENTS The COVID-19 pandemic in Q1 '2021 had no negative impact on the EBITDA of Boryszew S.A. Boryszew Energy branch, mainly due to the structure of contracts with related companies as well as with external customers (acquisition price plus margin formula).



Boryszew Capital Group

Abbreviated consolidated financial statements for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

For the first 3 months of 2021 no significant negative impact of the pandemic on sales was observed, compared to the budget assumptions. EBITDA may be lowered in case of significant deviations from the assumed natural gas consumption volumes at Boryszew Energy Branch Customers. Until the date of the report Contractors notified no planned significant contract drops.

The COVID-19 pandemic, the stagnation on the real estate market, had no negative impact on revenues generated by Eastside-Bis Sp. z o.o.

Information on other important events was provided in the form of current reports of the Company, which are available at: www.boryszew.com

24. DECLARATIONS OF THE MANAGEMENT BOARD

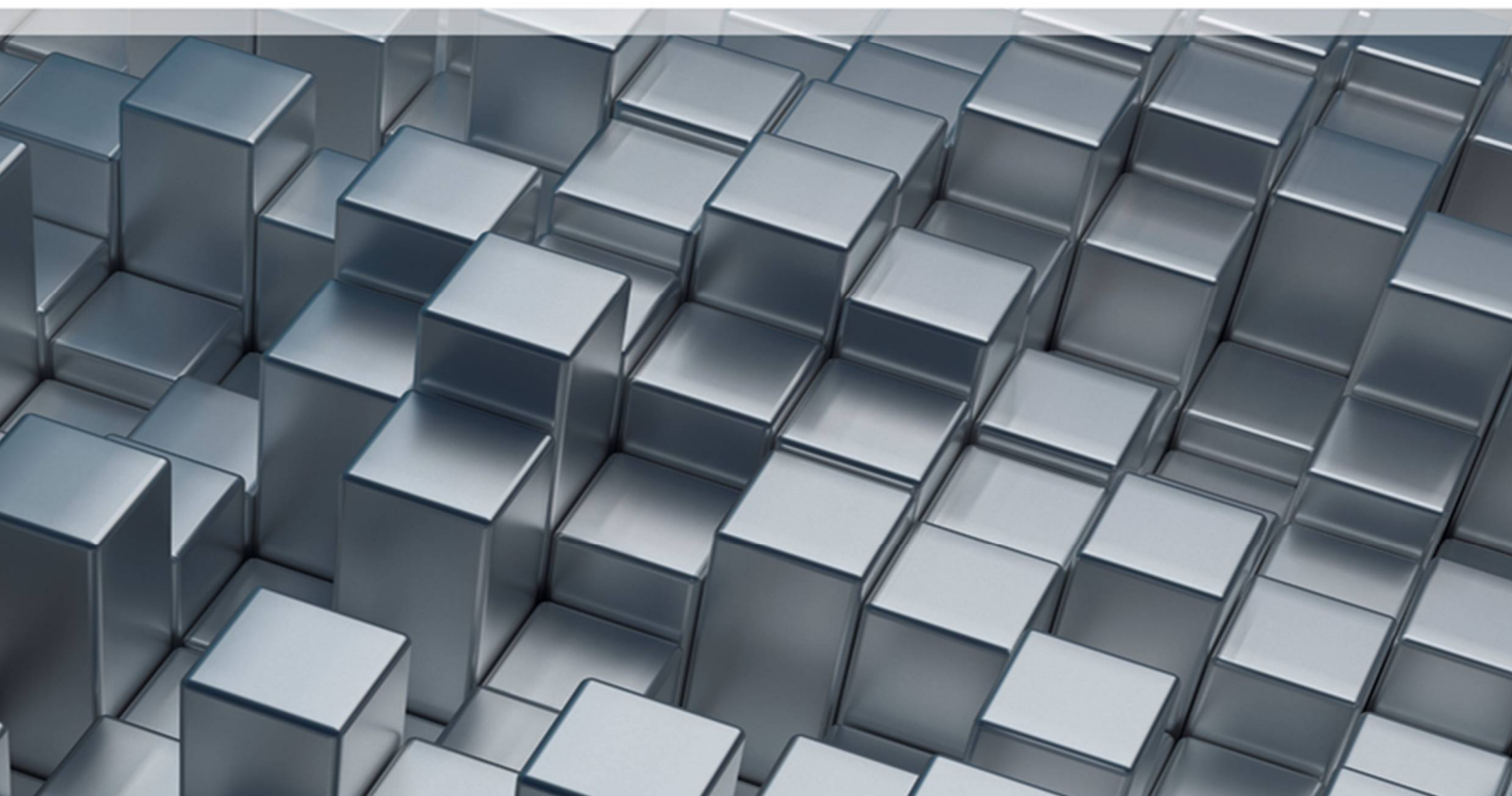
The Management Board of Boryszew S.A. represent hereby that:

- to the best of its knowledge, the consolidated financial statements of the Company and Boryszew Capital Group for Q1 '2021 and the comparative data were compiled as per the binding accounting principles and truly, accurately and clearly reflect the actual and financial condition as well as the financial result of Boryszew S.A. and Boryszew Capital Group.
- the report on activity of Boryszew Capital Group for Q1 '2021 contains a true view of development, accomplishments and situation of Boryszew Capital Group, including a description of fundamental risks and threats.



MID-YEAR ABBREVIATED FINANCIAL STATEMENTS

Boryszew S.A.
for the period between 1 January and 31 March 2021





Boryszew S.A.

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF COMPREHENSIVE INCOME

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Revenues from sales	404 249	301 534
Prime cost of sale	351 943	261 094
Gross profit on sales	52 306	40 440
Selling costs	7 783	6 338
Administrative expenses	23 244	18 923
Other operating revenue	5 294	8 744
Other operating expenses	3 478	2 294
Profit/loss on impairment of trade receivables	863	(870)
Operating income	23 958	20 759
Financial revenues	16 157	34 141
Financial expenses	14 385	33 127
Profit/loss on impairment of financial assets	-	-
Financial profit/loss	1 772	1 014
Profit before taxation	25 730	21 773
Income tax	5 923	3 678
Net profit	19 807	18 095
Earnings / Diluted earnings per share		
Weighted average number of shares (excluding treasury shares)	205 205 000	220 716 169
Earnings / Diluted earnings per share (PLN)	0.10	0.08
	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Net profit	19 807	18 095
Earnings recognised in equity		
<i>Earnings recognised in equity, to be transferred to income statement</i>	17 233	(401)
Hedge accounting	1 921	(495)
Measurement of financial assets	15 677	-
Income tax expense (-provision/+asset)	(365)	94
<i>Earnings recognised in equity, not to be transferred to income statement</i>	-	-
Gains/losses on valuation of equity instruments	-	-
Employee benefit capital reserve	-	-
Income tax	-	-
Total earnings recognised in equity	17 233	(401)
Total comprehensive income	37 040	17 694

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF FINANCIAL POSITION

ASSETS	As at 31.03.2021	As at 31.12.2020	As at 31.03.2020
Non-current assets			
Non-current assets	252 226	245 567	234 179
Investment property	17 243	17 243	16 525
Intangible assets	32 666	32 783	31 860
Right-of-use assets	108 106	112 658	120 163
Shares in subsidiaries and associates	853 656	853 656	432 050
Financial assets	312 093	120 752	61 481
Long-term receivables	118 084	116 932	35 683
Deferred tax assets	-	-	-
Other assets	10 634	11 120	7 801
Total fixed assets	1 704 708	1 510 711	939 742
Current assets			
Inventory	211 665	208 282	194 964
Trade receivables and other receivables	285 007	259 189	236 129
Short-term financial assets	422 226	511 876	259 946
Derivative financial instruments	-	482	154
Current tax assets	-	-	926
Other assets	23 224	21 615	19 911
Cash and cash equivalents	31 485	32 894	41 776
Total current assets	973 607	1 034 338	753 806
Total assets	2 678 315	2 545 049	1 693 548



Boryszew S.A.

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	As at 31.03.2021	As at 31.12.2020	As at 31.03.2020
Equity			
Share capital	248 906	248 906	248 906
Share premium	112 346	112 346	112 346
Own shares	(182 816)	(182 816)	(134 251)
Hedge accounting capital	(4 549)	(6 105)	(2 313)
Gains on investments in equity instruments	47 469	31 792	-
Capital from revaluation of other assets	-	-	-
Capital reserve on translating employee payables	(426)	(426)	(638)
Retained earnings	1 413 902	1 394 095	222 974
Total equity	1 634 832	1 597 792	447 024
Liabilities and long-term provisions			
Bank credits, loans, bonds	52 513	120 313	179 496
Liabilities under lease of fixed assets	16 634	20 868	21 607
Liabilities related to right-of-use assets - other assets	37 843	43 065	50 577
Payables on perpetual usufruct of investment land	1 932	1 941	1 931
Deferred tax provision	11 858	9 592	862
Employee benefit provisions	2 812	2 812	2 690
Other provisions	8 637	8 638	8 849
Other long term equity and liabilities	3 029	19 352	17 945
Liabilities and long-term provisions - total	135 258	226 581	283 957
Short-term liabilities			
Bank credits, loans, bonds	516 624	396 041	622 640
Liabilities under lease of fixed assets	12 329	15 732	24 684
Liabilities related to right-of-use assets - other assets	11 067	8 035	8 195
Payables on perpetual usufruct of investment land	-	-	10
Trade payables and other liabilities	275 341	239 339	281 091
Derivative financial instruments	2 623	922	1 491
Current tax liabilities	52 123	44 623	-
Employee benefit provisions	8 204	6 465	4 813
Other provisions	6 288	6 044	1 063
Other liabilities and equity	23 626	3 475	18 580
Liabilities and short-term provisions - total	908 225	720 676	962 567
Total liabilities and provisions	1 043 483	947 257	1 246 524
Total equity and liabilities	2 678 315	2 545 049	1 693 548

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

CASH FLOW STATEMENT

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Cash flows from operating activities		
Profit before taxation	25 730	21 773
Adjustments for (+/-)	20 140	(19 024)
Amortisation/depreciation	11 148	10 859
Profit/loss on financial activity (including interest on financial liabilities)	4 524	5 524
Profit / loss on investment activities	(11 891)	(18 786)
Change in receivables	(25 612)	(980)
Change in inventories	(3 366)	(16 812)
Change in liabilities	38 073	5 105
Change in provisions and accruals as well as prepayments	4 660	(1 903)
Other items	2 807	(1 628)
Income tax paid	(203)	(403)
Net cash from operating activities	45 870	2 749
Cash flows from investment activities		
Proceeds from disposal of fixed assets	6 977	799
Proceeds from redemption of bonds by issuers	-	1 017
Proceeds from repayment of loans granted	13 721	1 085
Other proceeds from investment activities	208	14
Expenses on acquisition of fixed assets	(17 134)	(4 111)
Acquisition of shares and stocks in capital group entities	-	(3)
Long term borrowings granted	(95 108)	(5 736)
Net cash from investing activities	(91 336)	(6 935)
Cash flows from financial activities		
Incomes on credit and loan facilities	62 964	28 904
Loans received	48 000	5 784
Other inflows	4 043	4 346
Loans repaid	(36 475)	(15 727)
Repayment of borrowings	(18 697)	(1 756)
Redemption of bonds	(3 000)	-
Interest paid on loans, borrowings and leasing	(3 613)	(6 174)
Payment of liabilities under finance lease agreements	(9 165)	(5 203)
Net cash from financing activities	44 057	10 174
Net change in cash	(1 409)	5 988
Cash opening balance	32 894	35 788
Cash closing balance	31 485	41 776



Boryszew S.A.

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Gains on investments in equity instruments	Retained earnings	Total equity
As at 01.01.2021	248 906	112 346	(182 816)	(6 105)	(426)	31 792	1 394 095	1 597 792
Valuation of hedge instruments				1 556				1 556
Measurement of financial assets						15 677		15 677
Profit/loss for Q1 2021							19 807	19 807
Comprehensive income, 31.03.2021	-	-	-	1 556	-	15 677	19 807	37 040
As at 31.03.2021	248 906	112 346	(182 816)	(4 549)	(426)	47 469	1 413 902	1 634 832

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Gains on investments in equity instruments	Retained earnings	Total equity
As at 01.01.2020	248 906	112 346	(134 251)	(1 912)	(638)	-	204 879	429 330
Valuation of hedge instruments				(4 193)				(4 193)
Valuation of employee benefits					212			212
Measurement of financial assets						31 792		31 792
Profit/loss for 2020							1 176 737	1 176 737
Comprehensive income for 2020	-	-	-	(4 193)	212	31 792	1 176 737	1 204 548
Share buy-back (merger with a subsidiary)			(48 565)					(48 565)
Merger with a subsidiary							12 479	12 479
As at 31.12.2020	248 906	112 346	(182 816)	(6 105)	(426)	31 792	1 394 095	1 597 792

	Share capital	Share premium	Treasury shares	Hedge accounting	Profit/Loss on restatement of employee benefits	Gains on investments in equity instruments	Retained earnings	Total equity
As at 01.01.2020	248 906	112 346	(134 251)	(1 912)	(638)	-	204 879	429 330
Valuation of hedge instruments				(401)				(401)
Profit/loss for Q1 2020							18 095	18 095
Comprehensive income for Q1 '2020	-	-	-	(401)	-	-	18 095	17 694
As at 31.03.2020	248 906	112 346	(134 251)	(2 313)	(638)	-	222 974	447 024

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

ADDITIONAL INFORMATION**MID-YEAR ABBREVIATED FINANCIAL STATEMENTS
OF BORYSZEW S.A. FOR THE FIRST QUARTER OF 2021****1. Statement by the Management Board on compliance of accounting principles**

The Management Board for Boryszew S.A.: Piotr Lisiecki, Andrzej Juszczynski, Mikołaj Budzanowski represent that to the best of their knowledge the consolidated financial statements for Q1 '2021 and comparative data covering separate financial statements of Boryszew S.A. have been compiled in accordance with the binding accounting principles and that the financial statements truly, reliably and clearly reflect the actual and financial condition as well as the financial result of Boryszew S.A.

2. Accounting principles applied

The information contained in the financial statements for Q1 '2021 has been prepared in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognising as equivalent information required under the laws of a non-member state (Dz. Laws of 2018.757 of 20 April 2018) and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

Selected financial data in the initial part of the report were converted into EUR as per § 64 of the Regulation of the Minister of Finance of 29 March 2018 (Journal of Laws of 2018.757 of 20.04.2018).

Balance sheet items were converted at the exchange rate of the last day of the reporting period and income statement items as well as cash flow statement items - at the average rate of the period.

	average EUR exchange rate in the period	EURO exchange rate as at the last day of period
01.01 - 31.03.2020	4.3963	4.5523
01.01 - 31.12.2020	4.4742	4.6148
01.01 - 31.03.2021	4.5721	4.6603

CHANGES IN ACCOUNTING PRINCIPLES

Accounting principles and calculation methods applied by Boryszew have not changed in the period of this Report and are presented in detail in the financial statements for 2020, published on 30 April 2021.

These financial statements were drafted on the basis of International Financial Reporting Standards as approved by the European Union (EU).

3. OFF-BALANCE-SHEET LIABILITIES

Sureties for the repayment of loans and other liabilities by associated companies

Total

As at 31.03.2021	As at 31.12.2020
240 977	285 887
240 977	285 887



Boryszew S.A.

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

GUARANTEES AND SURETIES ISSUED BY BORYSZEW S.A. AS AT 31.03.2021

Entity for which guarantee or surety was issued	Issue date of guarantee or surety	Subject of liability	Value of guarantee	Expiry date of guarantee
			EUR PLN	
Boryszew HR Service Sp. z o.o.	30.08.2016	Endorsement of a loan agreement for mBank	1 000	29.07.2021
Boryszew Kunststofftechnik Deutschland GmbH	24.07.2017	Guarantee granted to ALD AutoLeasing D GmbH	727	30.06.2022
	07.08.2017	Guarantee granted to Deutsche Leasing International GmbH	2 451	indefinite validity
	08.06.2018	Guarantee granted to Deutsche Leasing International GmbH	1 379	08.06.2023
	06.03.2019	Endorsement of lease agreement for PKO Leasing Sp. z o.o.	13 445	31.03.2022
	13.06.2019	Guarantee granted to Deutsche Leasing International GmbH	7 755	31.08.2024
Boryszew Kunststofftechnik Deutschland GmbH Oddział BRS YMOS	15.03.2016	Guarantee granted to Wurth Leasing GmbH	300	15.03.2022
Boryszew Oberflächentechnik Deutschland GmbH	26.01.2016	Guarantee granted to Bank Gospodarstwa Krajowego	20 743	31.12.2028
Boryszew Plastic RUS	13.02.2017	Guarantee granted to Volvo Group Trucks Operations	23 302	indefinite validity
	25.02.2019	Guarantee granted to Alfa Bank	1 258	31.12.2024
	15.07.2019	Payment guarantee granted to Engel Austria	10 650	25.08.2023
Boryszew Tensho Poland Sp. z o.o.	13.06.2016	Guarantee granted to HSBC Bank Polska S.A.	7 500	11.09.2021
	17.10.2017	Aval of lease agreements for mLeasing	7 503	15.02.2025
	10.10.2019	Guarantee granted to PKO Leasing Sp. z o.o.	10 218	10.10.2022
Theysohn Formenbau GmbH	06.09.2017	Guarantee granted to akf Leasing GmbH	3 220	31.08.2023
Theysohn Kunststoff GmbH	28.09.2018	Guarantee granted to PKO Leasing Sp. z o.o.	4 623	31.12.2021
1) Boryszew Tensho Poland Sp. z o.o., 2) Boryszew Kunststofftechnik Deutschland GmbH, 3) Theysohn Kunststoff GmbH	21.12.2020	Guarantee granted to Borealis AG for commercial liabilities	4 660	31.12.2021
	06.07.2020	Guarantee granted to BSB Recycling GmbH	6 990	06.07.2023
1) Boryszew Tensho Poland Sp. z o.o., 2) Boryszew Kunststofftechnik Deutschland GmbH, 3) Theysohn Kunststoff GmbH, 4) Boryszew Plastic RUS LLC, 5) AKT Plastikarska Technologie Czechy Spol. S.R.O.	06.07.2020	Guarantee granted to Basell Sales & Marketing Company B.V.	9 321	31.12.2021
Maflow BRS s.r.l.	19.11.2020	Guarantee granted to Intesa Bank	23 302	01.12.2026
Maflow France Automotive S.A.S.	07.07.2016	Guarantee granted to Natixis Lease	1 640	31.12.2021
Mafmex S. de R.L. de C.V.	15.07.2019	Guarantee granted to Volkswagen Group of America	3 809	01.06.2021
	13.11.2020	Mafmex's performance bond for AB Volvo	23 302	term of the Agreement

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Entity for which guarantee or surety was issued	Issue date of guarantee or surety	Subject of liability	Value of guarantee	Expiry date of guarantee
			EUR PLN	
	14.01.2020	Mafmex's rent payment bond to Innova Dintel	12 414	01.01.2030
Alchemia S.A.	16.10.2020	Guarantee granted to Arcelormittal Poland S.A.	11 651	31.12.2021
ZM Silesia S.A.	26.09.2018	Surety granted to PKO BP S.A.	8 000	28.02.2024
	20.12.2019	Bill of exchange surety for Coface Poland Factoring Sp. z o.o.	2 509	26.05.2021
	10.02.2021	Bill of exchange surety for Millennium	16 000	16.10.2021
	23.03.2021	Bill of exchange surety for Coface Poland Factoring Sp. z o.o.	1 306	indefinite validity
Total guarantees and sureties granted by Boryszew SA			240 977	

4. Dividend paid or declared in the period from the beginning of the year

The Management Board of the Company recommends that the net profit for 2020 in the amount of PLN 1 176 737 thousand be allocated to cover the loss for 2019 in the amount of PLN (173 789 thousand) and the balance in the amount of PLN 1 002 948 thousand be allocated to the supplementary capital and be retained as retained earnings.

5. Information on the issue, redemption and repayment of bonds**DEBT SECURITIES**

In Q1 '2021, until publication of the report the Company did not issue any equity securities.

ISSUES OF BONDS

In the first quarter of 2021 and until the date of publication of the report, the Company issued no debt securities.

REDEMPTION OF BONDS ISSUED BY BORYSZEW S.A.

Since 1 January 2021, the Company has redeemed 36 registered bonds with a total nominal value of PLN 36 million:

- 2 registered bonds, A20 series with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 2 000 000.00 issued by SPV Lakme Investment Sp. z o.o. on 16 October 2018,
- 1 registered bonds, A32 series, with a nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 1 000 000.00, subscribed for by Eastside Capital Investments Sp. z o.o. on 17 December 2018
- 15 registered bonds, A28 series, with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 15 000 000.00, subscribed for by Hutmen Sp. z o.o. on 29 October 2018,
- 6 registered bonds, A34 series, with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 6 000 000.00, subscribed for by Hutmen Sp. z o.o. on 31 December 2018,
- 12 registered bonds, A18 series, with nominal value of PLN 1 000 000.00 each bond and total nominal value of PLN 12 000 000.00, subscribed for by Zakład Utylizacji Odpadów Sp. z o.o. on 1 September 2018,

On the day of report publication, Boryszew liabilities due to bonds amount to PLN 28 million.



Boryszew S.A.

Interim abbreviated report for the period between 1 January and 31 March 2021
drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

6. Operating segments

	Chemical products	Automotive	Metals	Other	Total	exclusions between segments	Total
01.01.2021 - 31.03.2021							
Revenues from sales	60 525	171 513	107 474	71 720	411 232	(6 983)	404 249
Segment costs of sales	48 307	141 306	100 876	67 674	358 163	(6 220)	351 943
Result on sales within segment	12 218	30 207	6 598	4 046	53 069	(763)	52 306
General, administrative and sales expenses	7 769	13 999	3 887	6 032	31 687	(660)	31 027
Other operating profit/loss	709	(170)	218	1 926	2 683	(4)	2 679
Segment profit/loss	5 158	16 038	2 929	(60)	24 065	(107)	23 958
Amortisation/depreciation	1 213	7 956	1 588	391	11 148	-	11 148
EBITDA *)	6 371	23 994	4 517	331	35 213	(107)	35 106
Segment assets	243 005	613 121	224 162	1 904 228	2 984 516	(306 201)	2 678 315
Segment liabilities	113 682	677 601	149 333	409 069	1 349 685	(306 201)	1 043 484

	Chemical products	Automotive	Metals	Other	Total	exclusions between segments	Total
01.01.2020 -31.03. 2020							
Revenues from sales	54 191	136 116	79 640	35 213	305 160	(3 626)	301 534
Segment costs of sales	41 294	116 078	74 810	31 181	263 363	(2 269)	261 094
Result on sales within segment	12 897	20 038	4 830	4 032	41 797	(1 357)	40 440
General, administrative and sales expenses	7 920	11 128	3 798	3 642	26 488	(1 227)	25 261
Other operating profit/loss	(787)	129	1 165	5 073	5 580	-	5 580
Segment profit/loss	4 190	9 039	2 197	5 463	20 889	(130)	20 759
Amortisation/depreciation	1 317	7 675	1 452	415	10 859	-	10 859
EBITDA *)	5 507	16 714	3 649	5 878	31 748	(130)	31 618
Segment assets	219 124	605 824	235 112	805 211	1 865 271	(171 723)	1 693 548
Segment liabilities	91 824	693 980	168 885	463 558	1 418 247	(171 723)	1 246 524

*) EBITDA = operating profit/loss plus depreciation and amortisation

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Sales revenues by geographical areas**Continuing operations**

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Domestic sales	160 253	105 968
Sales to EU countries	200 545	155 688
Sales to other European countries	25 651	21 352
Export outside Europe	17 800	18 526
Total (revenues from continuing operations)	404 249	301 534

*) the United Kingdom was counted among the other European countries

Share of EU member states in intra-Community sales:

	01.01.2021 - 31.03.2021	01.01.2020 - 31.03.2020
Germany	29%	27%
Sweden	13%	15%
The Czech Republic	12%	10%
Spain	9%	7%
Slovakia	6%	8%
Italy	6%	6%

7. Notes on the seasonality of Boryszew S.A. business in the reported period

Boryszew S.A. is exposed to seasonality only in a limited extent.

In the Automotive segment seasonality affects holiday months as well as December, when production of cars falls considerably, causing also a fall in component orders.

The Metal segment is barely exposed to any seasonality.

In the segment of Chemical products seasonality affects a certain range of products manufactured by Boryszew ERG, Branch of Boryszew S.A. in Sochaczew. This range includes cooling fluids for the automotive segment (with peak demand in the third and fourth quarter, shifting to the beginning of the first quarter), de-icing fluids for runways and aircraft (with peak demand in the fourth and first quarter). PWC siding and EPS decorative components follow the seasonality of the construction industry, showing peak demand in second and third quarter.

No specific seasonality is observed for other products of Boryszew S.A. It is important to note that the Christmas period in December is usually the time of scheduled shut-downs at our customers, hence sales also decline.

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

8. Financial instruments, fair value, estimated data**Financial assets as at 31.03.2021**

	Financial assets measured at amortised cost	Financial assets measured at fair value through profit or loss	Derivatives used for hedges	Carrying value
Bonds	17 534	-	-	17 534
Trade receivables	193 364	64 372	-	257 736
Derivative financial instruments	-	-	-	-
Loans granted	544 549	-	-	544 549
Other debtors	-	122 909	-	122 909
Cash and cash equivalents	31 485	-	-	31 485
Total	786 932	187 281	-	974 213

Financial liabilities as at 31.03.2021

	Financial liabilities measured at amortised cost	Derivatives used for hedges	Carrying value
Bank loans, factoring, borrowings	508 137	-	508 137
Liabilities on bonds	61 000	-	61 000
Derivative financial instruments	-	2 623	2 623
Lease liabilities	28 963	-	28 963
Liabilities to SMA and PdUA	50 842	-	50 842
Trade and other liabilities	237 213	-	237 213
Total	886 155	2 623	888 778

Fair value of financial assets and liabilities valued at fair value on the on-going basis

	Fair value as at		Hierarchy
	As at 31.03.2021	As at 31.12.2020	of fair value
Financial assets			
Listed shares	172 216	152 862	Level 1
Derivative financial instruments	-	482	Level 2
Financial obligations			
Derivative financial instruments	2 623	922	Level 2



Boryszew S.A.

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Fair value of financial assets and liabilities that are not measured at fair value on an ongoing basis

	Fair value as at		Hierarchy of fair value
	As at 31.03.2021	As at 31.12.2020	
Financial assets			
Bonds	17 534	17 709	Level 3
Borrowings	544 549	462 037	Level 3
Trade and other receivables	380 645	343 793	Level 3
Investment property	17 243	17 243	Level 3
Cash and cash equivalents	31 485	32 894	Level 1
Financial obligations			
Borrowings and loans	508 137	452 354	Level 2
Liabilities on bonds	61 000	64 000	Level 2
Trade and other liabilities	237 213	205 559	Level 3
Lease liabilities	28 963	36 600	Level 2
Liabilities to SMA and PdUA	48 910	51 100	Level 2
Liabilities to SMA - investment property	1 932	1 941	Level 2

Impact of write-offs on assets and provisions on profit/loss

	01.01.2021 - 31.03.2021
Creation of value impairment write-offs for accounts receivable	(394)
Reversal of write-downs on accounts receivable (-)	1 257
Creation of value impairment write-offs for inventories	(431)
Value impairment write-offs for inventories	784
Tangible fixed assets impairment write-offs	-
Reversal, release of revaluation write-offs on fixed assets	233
Reversal of provisions (-)	248
Deferred tax	1 779
Total impact on profit/loss	3 476

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

9. Transactions with affiliated entities

	Subsidiaries	Personally related entities
in the period 01.01.2021 - 31.03.2021		
Revenues from sales (of products, services, goods)	68 188	137
Interest income	4 159	29
Purchases (of materials, goods, services)	24 385	194
Interest expense	412	31
as at 31.03.2021		
Trade receivables	94 669	6 040
Bonds purchased	14 916	2 768
Loans granted	539 632	2 667
Other receivables (advances, deposits)	118 084	360
Lease liabilities	15 071	-
Trade liabilities	40 365	704
Loans received	48 321	-
Issued bonds	61 000	-

	Associates	Personally related entities
in the period 01.01.2020 - 31.03.2020		
Revenues from sales (of products, services, goods)	284	706
Interest income	-	279
Purchase of goods and services	2 683	3 703
as at 31.12.2020		
Trade receivables	76	6 093
Loans granted	-	23 560
Bonds purchased	-	34 479
Other receivables (advances, deposits)	-	6 849
Trade liabilities	-	529
Liabilities arising from loans and borrowings	1 049	2 307



10. Additional information

INFORMATION ON BREACH OF MATERIAL PROVISIONS OF A CREDIT OR LOAN AGREEMENT, IN RELATION TO WHICH NO REMEDIAL ACTIONS WERE TAKEN UNTIL THE END OF THE REPORTING PERIOD

As at 31 March 2021 no overdue liabilities occurred due to borrowings and loans and no breach occurred of material provisions of borrowing and loan agreements.

IMPACT OF THE COVID-19 EPIDEMIC ON THE ACTIVITIES OF BORYSZEW S.A.

On 11 March 2020 the World Health Organisation assessed that the Covid-19 epidemic can be considered a pandemic. As a result of the spread of the virus, many sectors of the economy have been forced to reduce or stop their operations, resulting in reduced demand, disruption of supply chains, increased unemployment as well as a number of economic and social problems. The COVID-19 pandemic was still ongoing during the period covered by this report.

At the end of the reporting period and as at the report date, the Company experienced no limitations in production, inventory management or supply chain management, and its liquidity remained at a good level. Liquidity forecasts are updated on an ongoing basis and verified on the basis of applicable agreements in order to secure cash at an appropriate level. Boryszew S.A. experienced no problems with access to external financing. Commercial contract contain no provisions that may pose a material risk due to COVID-19 at the end of the reporting period and at the time of publication of the report. Owing to constant monitoring of contractors' situation and security measures implemented, the Company is not exposed to additional risks resulting from the difficult situation of its customers or suppliers.

At the end of the reporting period the financial indicators of Boryszew S.A. did not breach the covenants in the agreements with the financing institutions. The Company meets its reporting deadlines; finance and accounting departments meet all their reporting obligations within the required deadlines.

Branches monitor the situation at home and abroad on an ongoing basis. Due to dynamically changing circumstances, government regulations and legal situation, at the moment of drafting the financial statements it is not possible to accurately estimate the impact of the pandemic on the operational and financial situation in upcoming reporting periods. Boryszew S.A. Headquarters as well as the branches verify macroeconomic information on an ongoing basis as well as information obtained by the control and analysis departments during their operations, to forecast, on this basis, the impact of the pandemic on Company's results.

Due to diversified business profile of Boryszew S.A. and different level of risk, the impact of COVID-19 is presented by segments.

AUTOMOTIVE SEGMENT Boryszew S.A. Maflow branch in the first quarter of 2021 recorded the sales by almost 25% higher comparing to the first quarter of 2020. Along with the change of trends, demand and geography of car sales, Maflow branch will carry out an organised monitoring of business activities of its customers and competitors, a review of the global automotive market and local markets, and will also assess its own potential, supporting business decisions in the changing market environment.

METAL SEGMENT Boryszew S.A. NPA Skawina Branch experienced no significant negative impact of COVID-19 on sales volume in 1Q 2021. In the reporting period, the turnover of the branch was 35% higher than in the first 3 months of 2020.

CHEMICAL PRODUCTS SEGMENT Boryszew S.A. Boryszew ERG Branch in the first quarter of 2021 continued production and sale of ERG CleanSkin disinfecting liquids. We anticipate that the demand for disinfectants, due to the maintenance of epidemiological safety requirements, will remain high. Total sales revenues of Boryszew ERG Branch in the first quarter of 2021 were higher by more than 10% compared to the first quarter of 2020.

OTHER COMPANIES NOT ASSIGNED TO SEGMENTS The COVID-19 pandemic in Q1 '2021 had no negative impact on the EBITDA of Boryszew S.A. Boryszew Energy branch, mainly due to the structure of contracts with related companies as well as with external customers (acquisition price plus margin formula). For the first 3 months of 2021 no significant negative impact of the pandemic on sales was observed, compared to the budget assumptions. Until the date of the report Contractors notified no planned significant contract drops.

**Boryszew S.A.**

Interim abbreviated report for the period between 1 January and 31 March 2021 drafted in accordance with IAS 34 as adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

The financial statements were signed by the Management Board on 27 MAY 2021.

SIGNATURES:

Wojciech Kowalczyk – acting. President of the Board

Andrzej Juszczyński – Vice President of the Management Board

Mikołaj Budzanowski – Member of the Management Board

Agata Kęszczyk-Grabowska – Chief Accountant
