



**BORYSZEW  
GROUP**

# BORYSZEW GROUP

Q3 2021 FINANCIAL RESULTS

## 1. Boryszew Group – Q3 2021 Summary

2. Market environment

3. Q3 2021 financials

4. Operating segments

5. Prospects for the next quarters



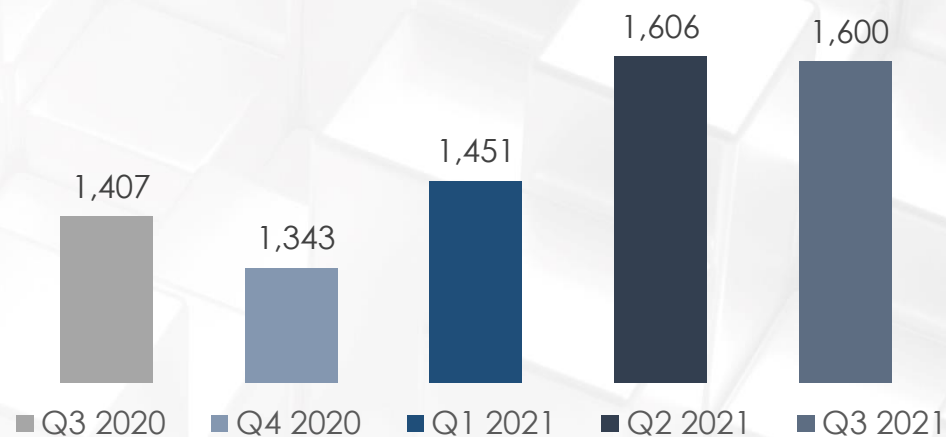
## IMPORTANT FACTORS IMPACTING THE GROUP IN Q3 2021

- Substantial hikes in prices of raw materials used in production;
- Rising prices of electricity, natural gas and logistics services;
- High demand for steel and metal products on the back of the economic recovery;
- Global semiconductor shortage crisis resulting in reduced orders from OEMs.

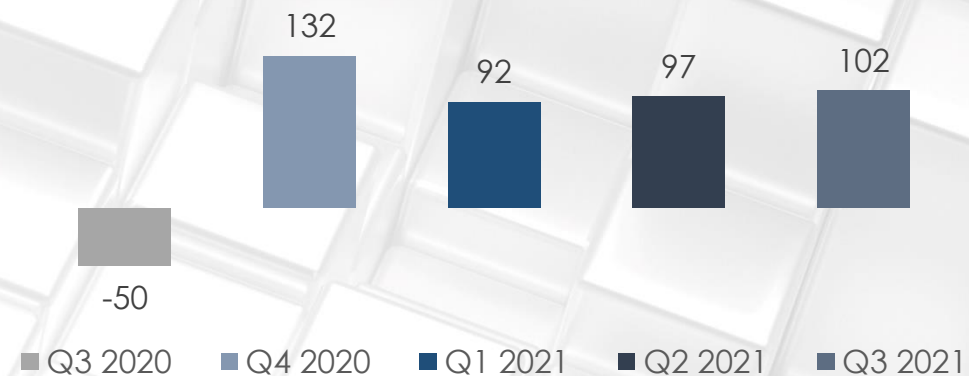


## BORYSZEW GROUP – Q3 2021 SUMMARY (1)

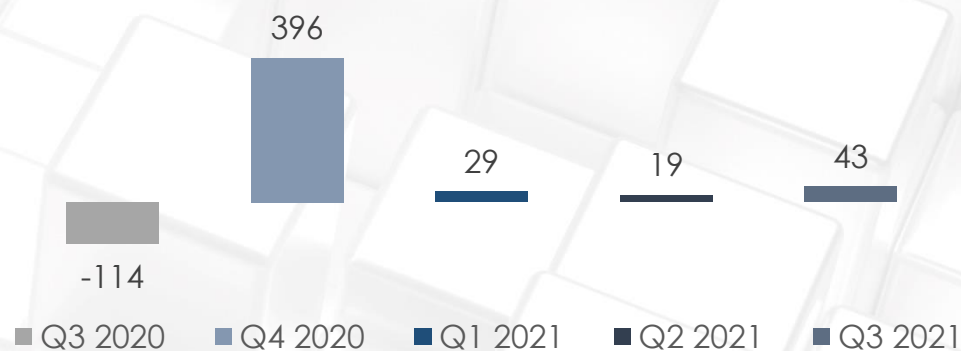
Revenue [PLN m]



EBITDA [PLN m]



Net profit  
[PLN m]



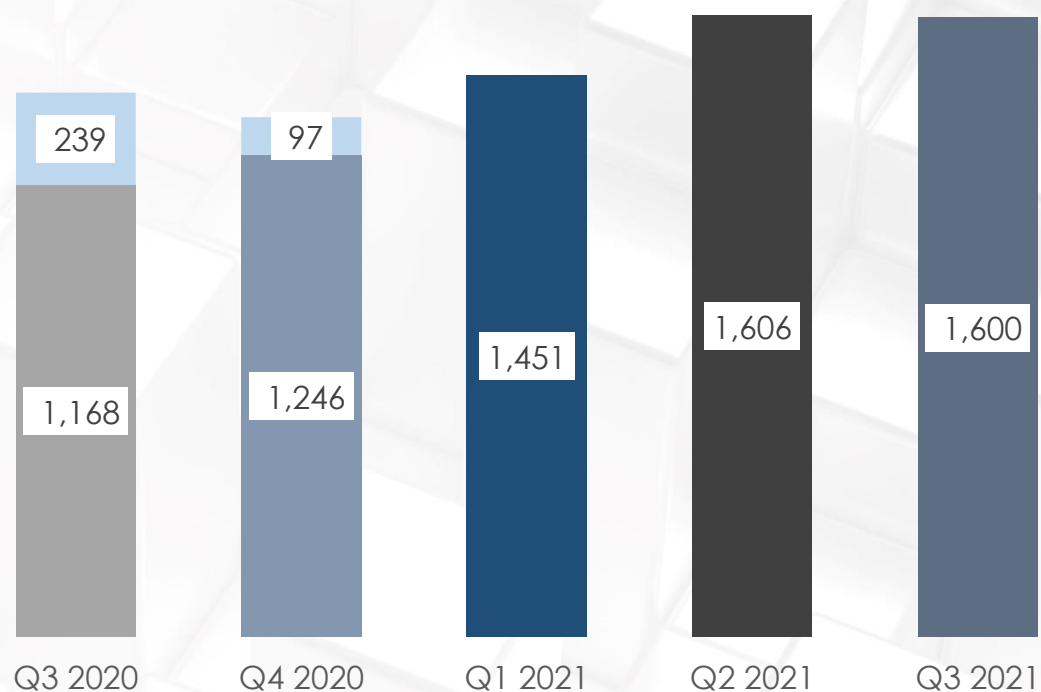


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## BORYSZEW GROUP – Q3 2021 SUMMARY (2)

Revenue [PLN m]

■ Impexmetal S.A.



EBITDA\* [PLN m]

■ Impexmetal S.A.



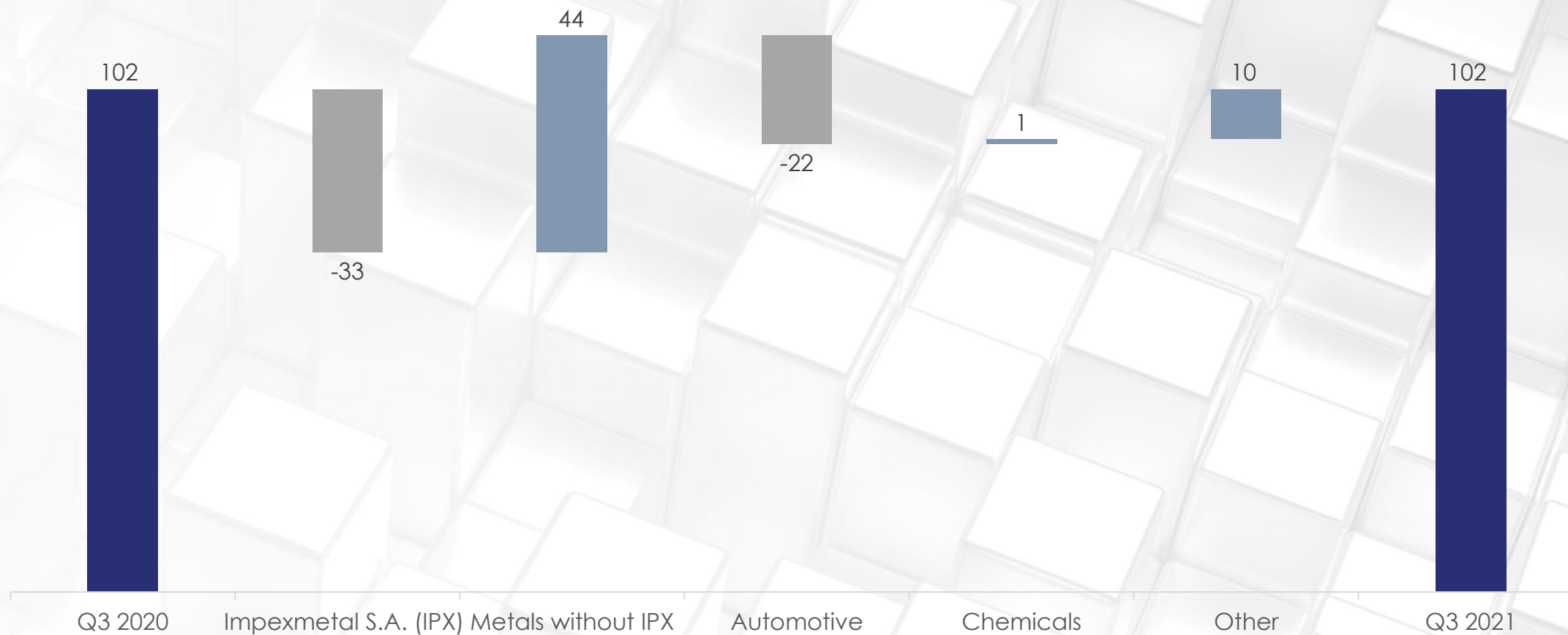
One-off items [PLN m]	Impact on	Q3 2020	Q4 2020
Provision for risks	EBITDA/Gross profit	152	-55
Profit from the sale of Impexmetal S.A.	Gross profit	-	-376
Impairment of assets	Gross profit	-	50

\* Excluding one-offs



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## Q3 2021 EBITDA BRIDGE [PLN m]



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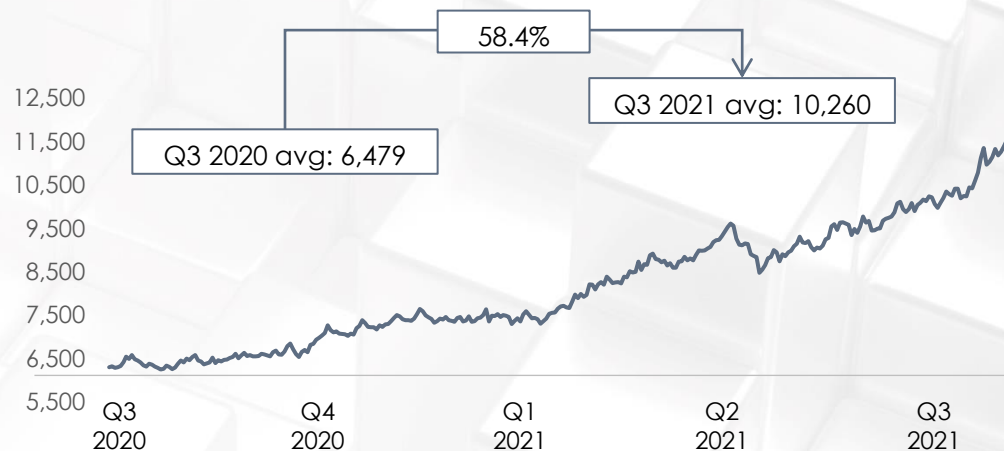
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## PRICE QUOTATIONS OF KEY METALS [PLN/t]

### Aluminium



### Copper



### Zinc



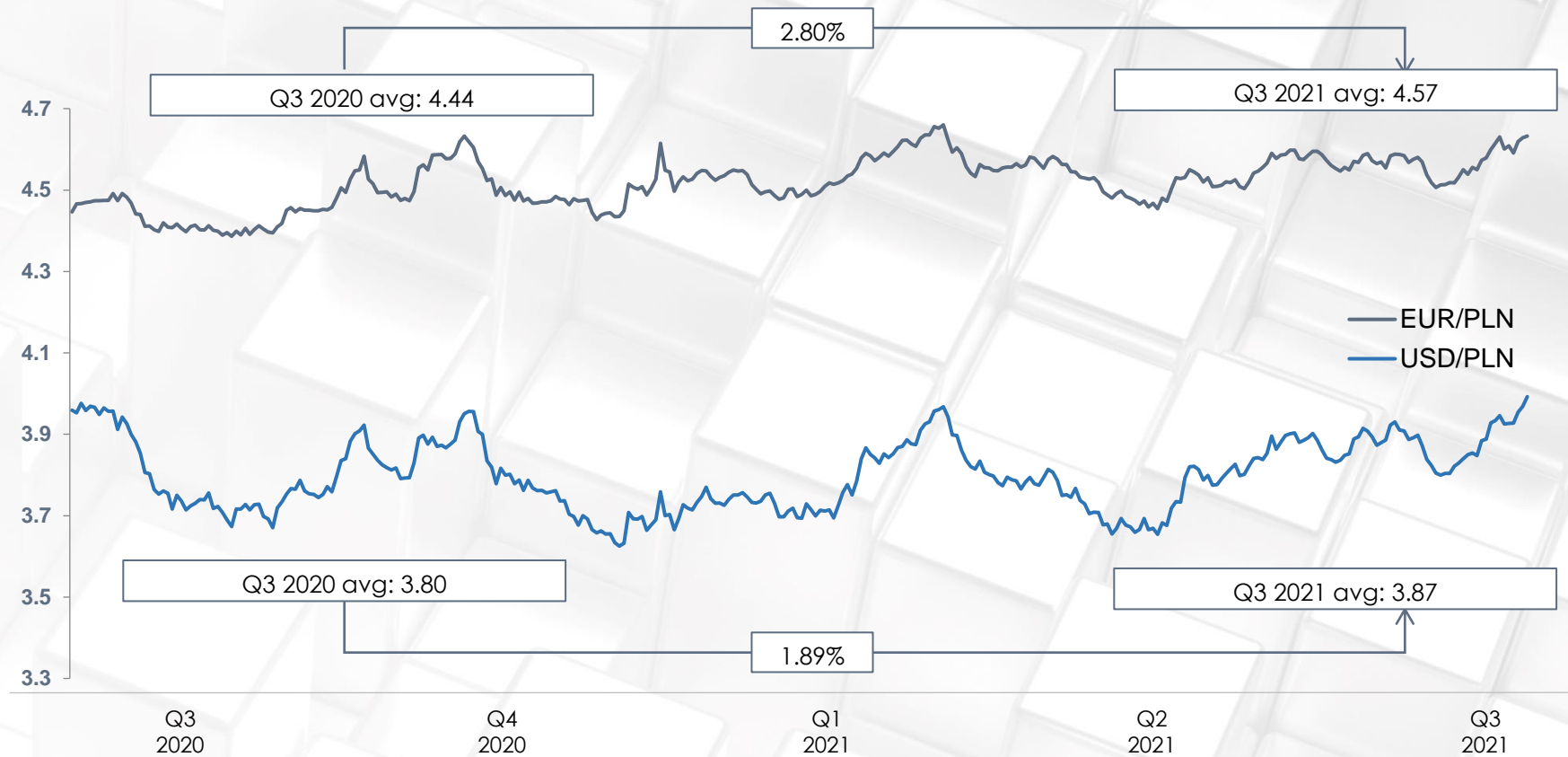
### Lead





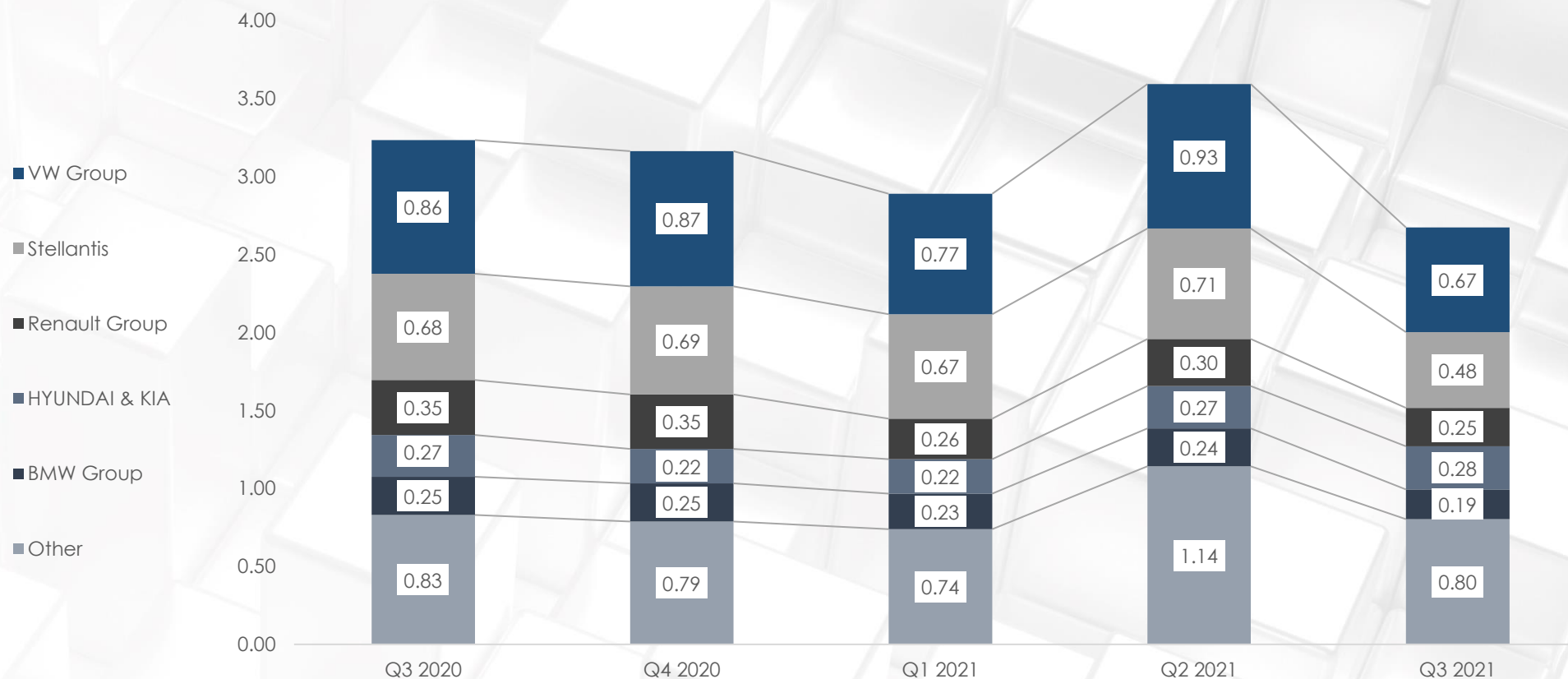


## CURRENCY EXCHANGE RATES



# EUROPEAN AUTOMOTIVE MARKET

New car registrations by country in millions (according to ACEA\*)



In Q3 2021, the European new passenger car market shrank to 2.7 million vehicles, i.e. by 17% on Q3 2020.

\* ACEA (European Automobile Manufacturers Association)

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## KEY FINANCIALS\* [PLN m]

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Y/Y % change Q3 2021 vs Q3 2020
Sales revenue	1,407	1,343	1,451	1,606	1,600	14%
EBIT	48	35	50	55	59	22%
EBITDA	102	77	92	97	102	0.1%
EBITDA margin	7.2%	5.7%	6.3%	6.0%	6.4%	-0.8 pp

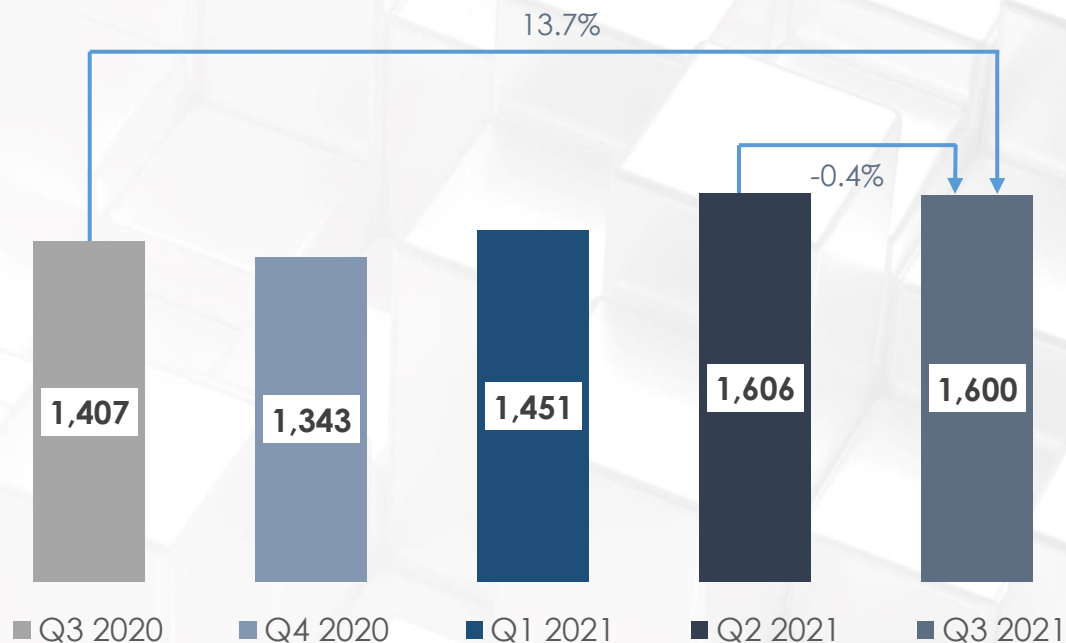
\* Excluding one-offs





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## REVENUE [PLN m]

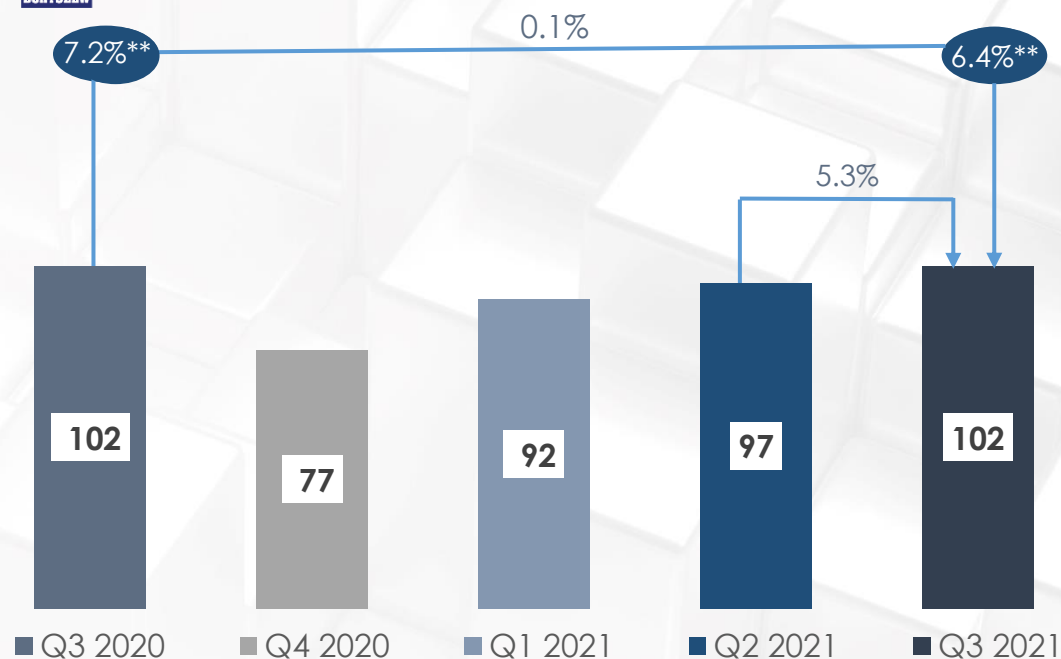


Revenue by segment [PLN m]	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Change Q3 2021 vs Q3 2020
Automotive	426	477	450	445	332	-22.0%
Metals	922	785	905	1,058	1 153	25.2%
Including Impexmetal	239	97	0	0	0	N/A
Chemicals	49	56	66	70	72	49.6%
Other*	10	25	30	33	42	266.7%

- 9% revenue growth in the Metals Segment (Q3 2021/Q2 2021) on the back of rising prices of raw material and continued high demand for products;
- Revenue stabilization in the Chemicals Segment driven by positive market trends;
- Revenue decline in the Automotive Segment due to the global semiconductor crisis.

\* Including consolidation adjustments

## EBITDA\* [PLNm]



EBITDA by segment [PLN m]	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Automotive	26.3	-0.3	32.8	18.2	4.2
Metals	71.4	36.2	52.2	75.1	82.5
Including Impexmetal	33.0	16.0	0	0	0
Chemicals	4.7	4.1	6.9	4.7	5.2
Other***	-0.2	37.3	-0.1	-1.2	10.0

- 47% surge in consolidated EBITDA Q3 2021 vs. Q3 2020 (excluding Impexmetal S.A.) on the back of the growth in the Metals Segment;
- Significant impact of the global crisis in the automotive industry on the Group's EBITDA;
- Stable EBITDA in the Chemicals Segment.

\* Excluding one-offs

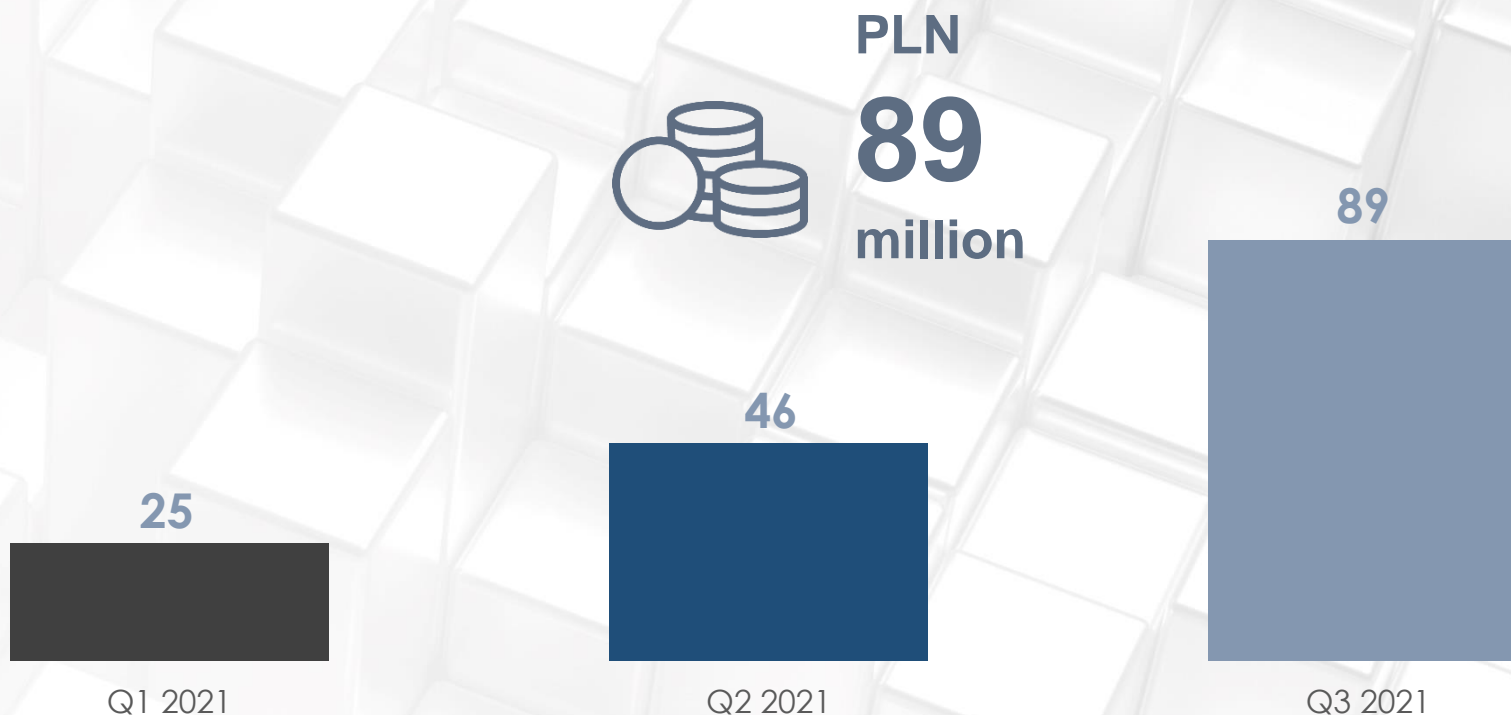
\*\* EBITDA margin

\*\*\* Including consolidation adjustments



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## 9M 2021 CAPEX \*



Some capital expenditures were postponed until 2022 due to:

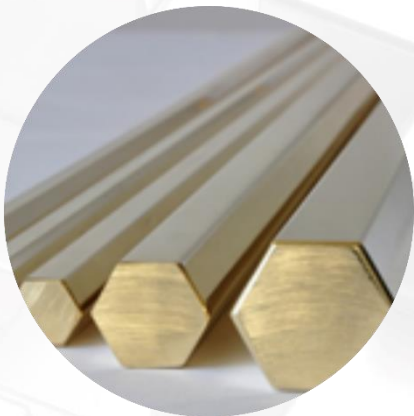
- delays in investment processes caused by extended delivery times as well as hikes in infrastructure purchase prices;
- allocation of funds to working capital due to high prices of raw materials in the Metals Segment.

\* Cumulative data



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## R&D&I PROJECTS



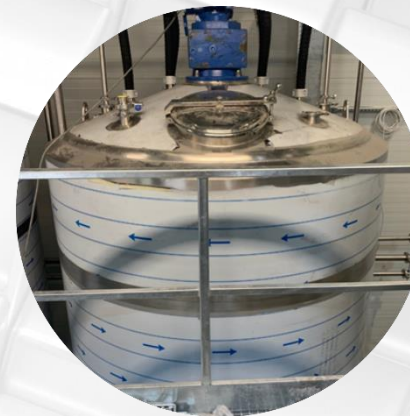
**SUPER-PRECISION DRAWN PRODUCTS  
FROM BI-HASE BRASSES**

EU project, WMD



**NEW REFRIGERANT (CO<sub>2</sub>)**

**FACTORY OF THE FUTURE (INDUSTRY  
4.0)**



**NANOBOGYO**

**SERIES OF COOLANTS ACCORDING  
TO G12++, G13, AND G12 EVO  
STANDARDS – hybrid technology**

**METAL CLEANING FLUIDS FOR  
VARIOUS INDUSTRIAL APPLICATIONS  
(MANUFACTURING, AUTOMOTIVE,  
AEROSPACE)**

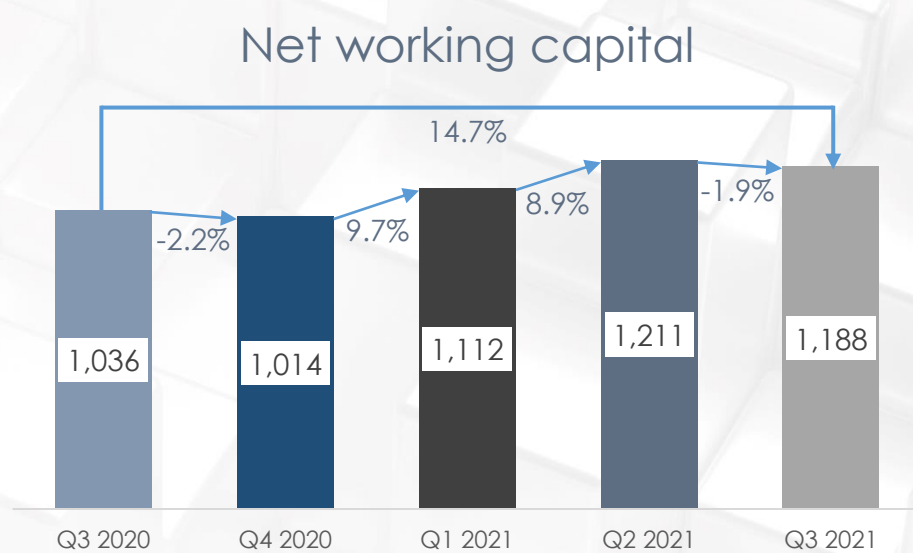
**CAR COSMETICS**



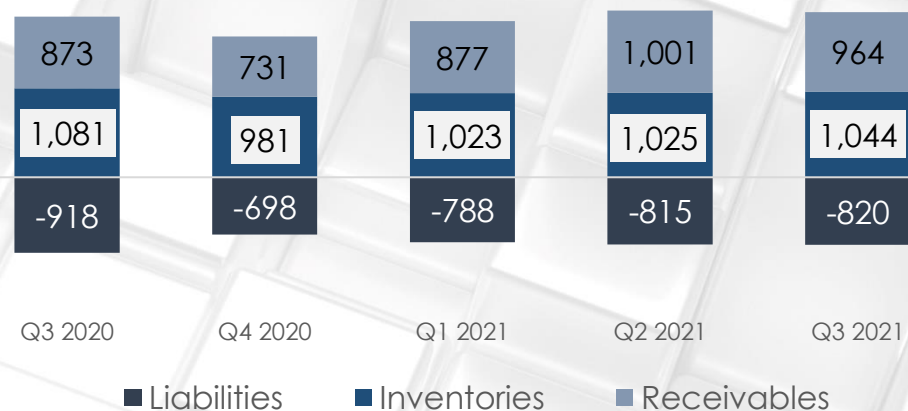


## WORKING CAPITAL AND DEBT

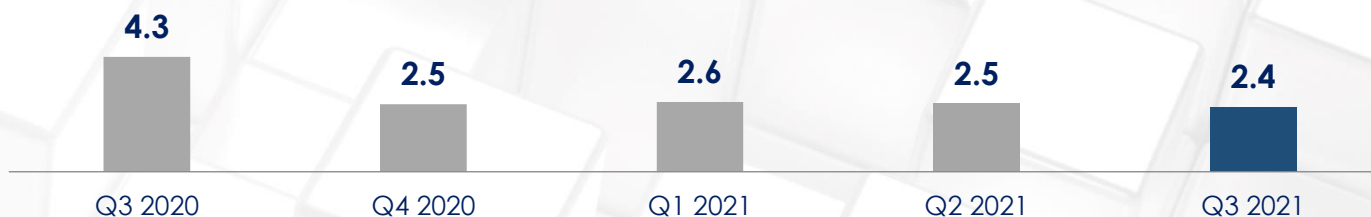
Net working capital



Receivables/Inventories/Liabilities



Net debt ratio\*



\* Net debt / EBITDA excluding one-offs

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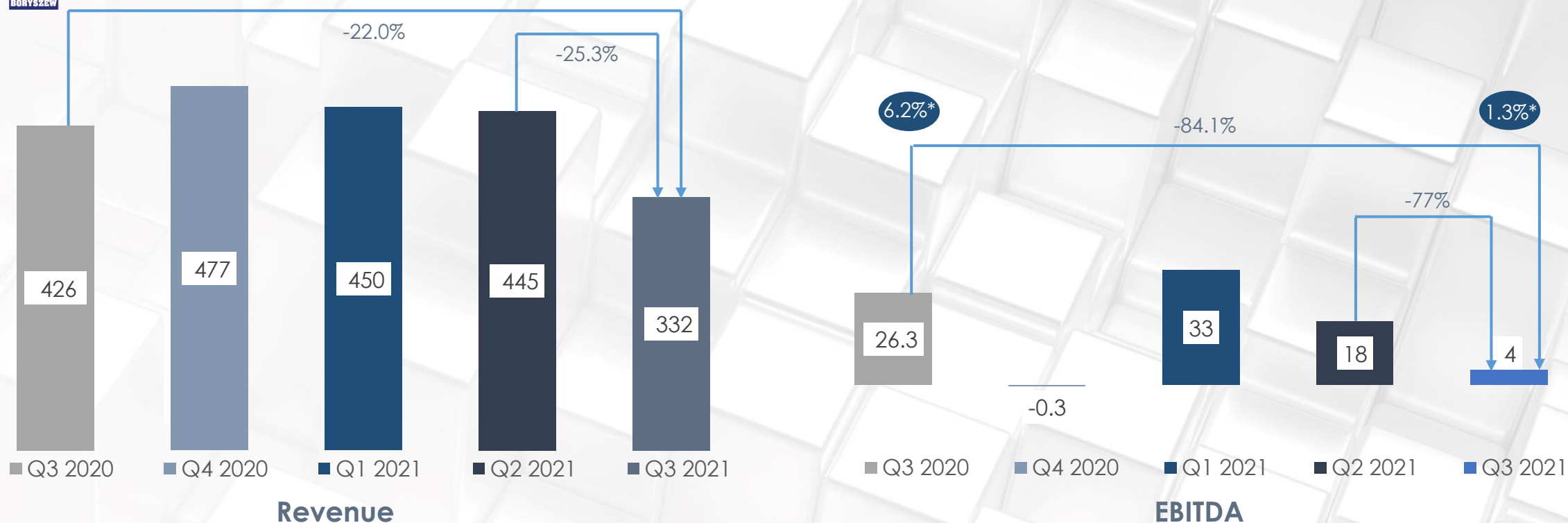
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## AUTOMOTIVE SEGMENT RESULTS [PLN m]



- Revenue decline driven by severe semiconductor supply constraints at OEMs;
- Drop in new passenger car registrations in Europe by 17% in Q3 2021 vs Q3 2020 (27% decrease in Q3 2021 vs Q2 2021 ).



## NOMINATIONS FOR NEW PROJECTS

In Q3 2021, new nominations for contracts with the value of over EUR 134 million were required with EOP 2033\*

Value of new contracts in Q3 2021

EUR 134 million

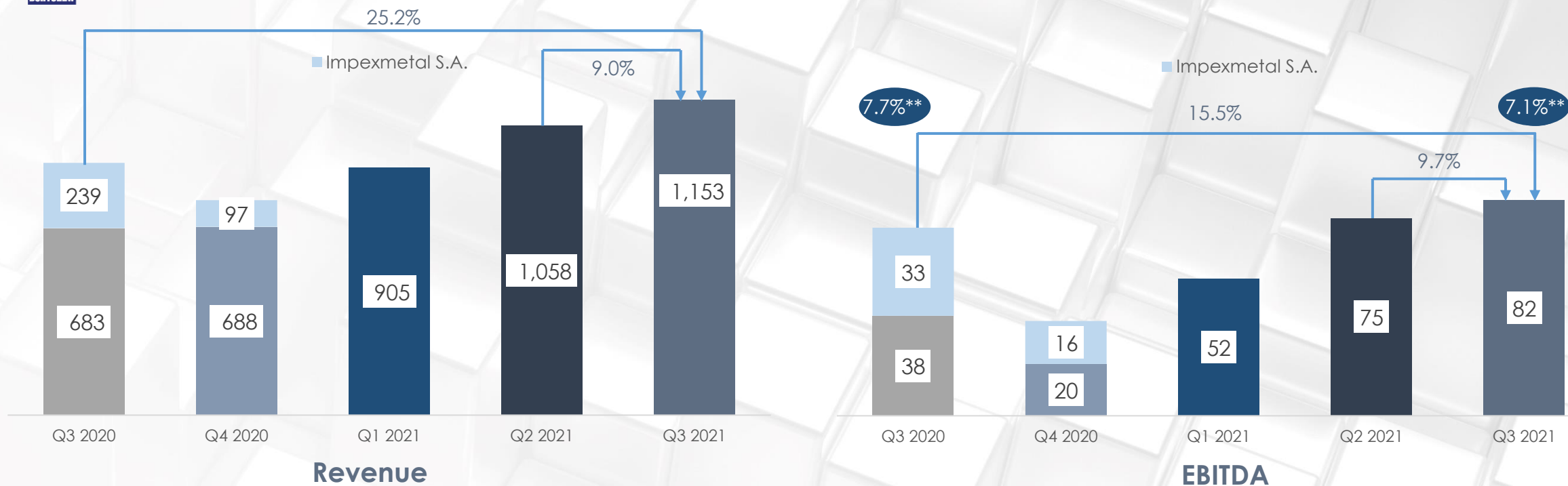
Share of nominations concerning electric vehicles in the total value of nominations throughout the project life cycle

70%

\* EOP - End of Production



## METALS SEGMENT RESULTS\* [PLN m]

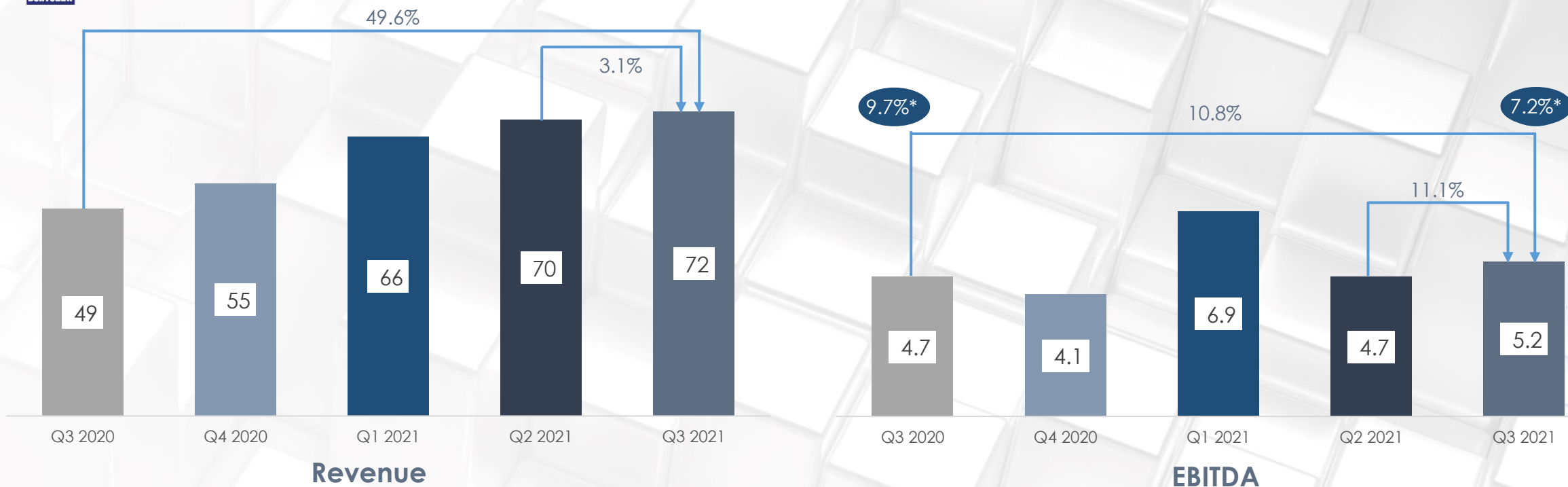


- Significantly better performance at Alchemia and Huta Bankowa;
- Price hike of key raw materials partially translated into growth in the Group's margin;
- EBITDA more than doubled in Q3 2021 vs Q3 2020 (excluding Impexmetal S.A.).

\* Excluding one-offs

\*\* EBITDA margin

## CHEMICALS SEGMENT RESULTS [PLN m]



- Increased sales volume in the Chemicals Segment (Plasticisers);
- Lower sales volume and margin of germicidal products;
- Higher margins in the categories: Chemicals (Plasticizers and Automotive) and Packaging.

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## PROSPECTS FOR THE NEXT QUARTERS

- Semiconductor availability constraints in the Automotive Segment resulting in increased demand in upcoming quarters;
- Continued rise in prices of raw materials and utilities, and rising inflation;
- Maintaining high demand for products in the Metals Segment;
- Impeded implementation of CAPEX projects due to extended delivery times as well as hikes in infrastructure purchase prices;
- Review of strategic options for selected asset groups;
- Economic uncertainty due to COVID-19 fourth wave and lack of tools to implement the national recovery plan;
- BAP Group's restructuring due to increased efficiency in upcoming quarters.





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THANK YOU