



**GRUPA
BORYSZEW**

Business strategy for Boryszew Group

Warsaw, 17.05.2022

This strategy was prepared in collaboration with KPMG Advisory Spółka z ograniczoną odpowiedzialnością sp.k.



The vision of Boryszew Group in 2026 assumes increasing profitability and focus on innovative products with higher added value

I



Continued development of the most profitable products by expanding into new markets and diversifying end customer sectors

II



Maintaining high dynamics of ca. 13% year-on-year growth of EBITDA in 2022-2026 and reaching EBITDA of PLN 0.6 billion in 2026

III



Ensuring the required liquidity in the capital group through optimisation of resources used

IV



New product development through the use of research and development (R&D) centres

V



Active participation in the green energy transition

BORYSZEW CG in 2026.

A strong leader in the global automotive and metals sector with an innovative product range and a diversified customer base



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Key strategic objectives of each business segment in the period 2022-2026



Automotive



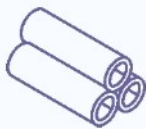
Adaptation to market changes by ensuring an innovative manufacturing process for electric car components



Automation and digitalisation of production lines in Maflow Group used in production of air conditioning ducts



Expansion of the customer base to include manufacturers of household appliances and electronics, window manufacturers, construction sector and increase in sales of non-automotive parts (injection moulds, parts for household appliances, decorative elements)



Metals



Processing of semi-finished products (aluminium wire rods) into higher value-added products (aluminium cables)



Increase in production capacity of aluminium products at Nowoczesne Produkty Aluminiowe Skawina and of copper products at Walcownia Metali Dzierżycice



Reduction of environmental impact through gradual diversification of energy sources, participation in the energy transition



Increase in processing capacity of hazardous waste at Zakład Utylizacji Odpadów Konin



Optimisation of low-margin assets



Chemical products



Strengthening the position in current markets in the automotive and specialty fluids segment, product expansion into new markets: Western Europe, Scandinavia



Optimisation of low-margin assets



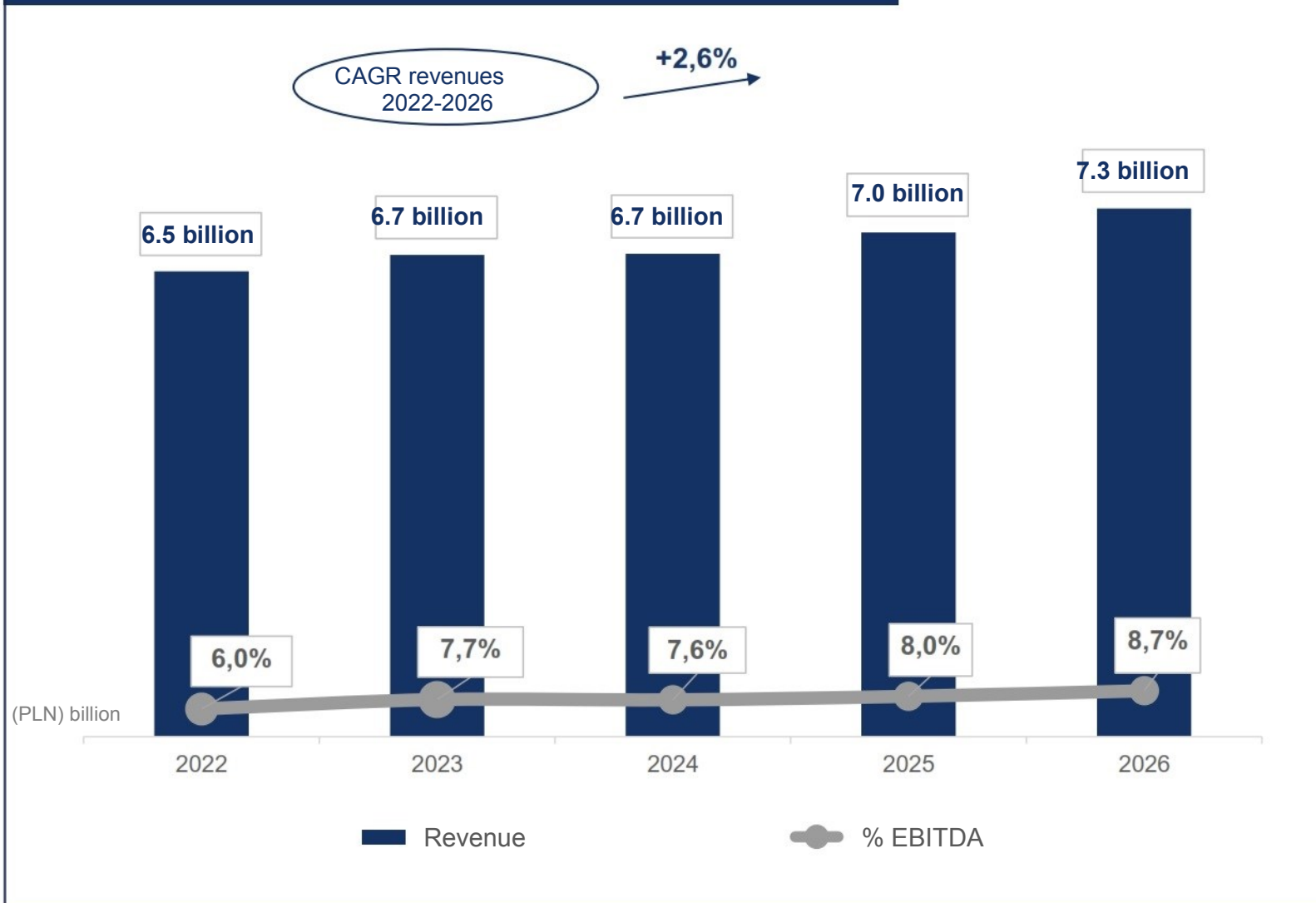
Innovations in the energy sector



Potential extension of the range of Boryszew Group with technological products and services through acquisition

Revenue growth rate after implementation of initiatives will remain stable due to the optimisation of asset base

Revenues and EBITDA of Boryszew Group in 2022-2026

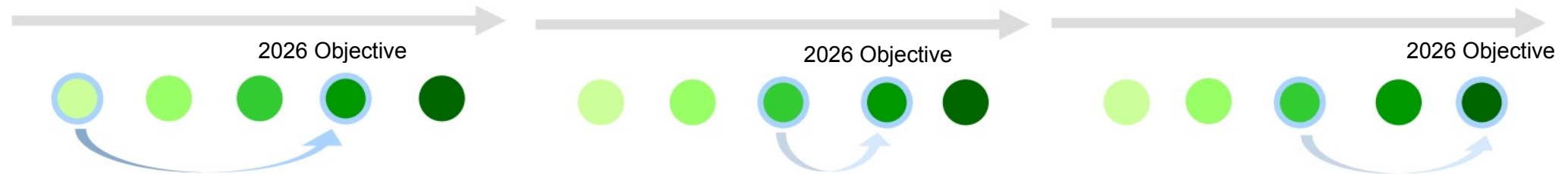


- The growth rate of revenue over the forecast period remains at approximately **2.6%**, which is related to the planned **optimisation of the Group's assets**.
- EBITDA margin is growing **dynamically** as a result of a change in operating profile and **focus of Boryszew Group on products with higher added value for customers**.
- Optimising the non-current asset base will help **increase ROA** in 2026, in the scenario after full implementation of initiatives from 4.95% to 5.5%.



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Planned strategic initiatives will be implemented along with a reduction of the environmental impact for the entire Group



Strategic initiatives

- Modernisation of machinery
- Installation of 5MW RES by 2023.
- Reduction of CO2 emissions by 10% by 2026 (tonne of emissions/tonne of production)
- Reduction of CO2 emissions through greening energy purchase by 20% by 2026.
- Increase in energy efficiency (MWh/tonne of production)

- Monitoring and actively addressing the gender pay gap
- Reducing accident severity and frequency rates
- An environment that helps increase employee performance and engagement

- Strengthening organisational culture
- Partnership initiatives, charity, education, sponsorship
- Leadership that focuses on caring for people
- Integration of the 2030 Sustainable Development Goals in a long-term growth strategy