

# BORYSZEW GROUP

FINANCIAL RESULTS FOR H1 '2023



**BORYSZEW  
GROUP**

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# SIGNIFICANT FACTORS AFFECTING THE GROUP IN H1 '2023



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**Visible economic  
slowdown.**

Decline in demand -  
mainly for steel.



**Continued high order  
levels and price  
indexation as a result  
of rising production  
costs.**



**Good financial  
indicators:**

- decrease in working capital - 9.1% vs Q2 '22,
- debt ratio after dividends at 1.5.

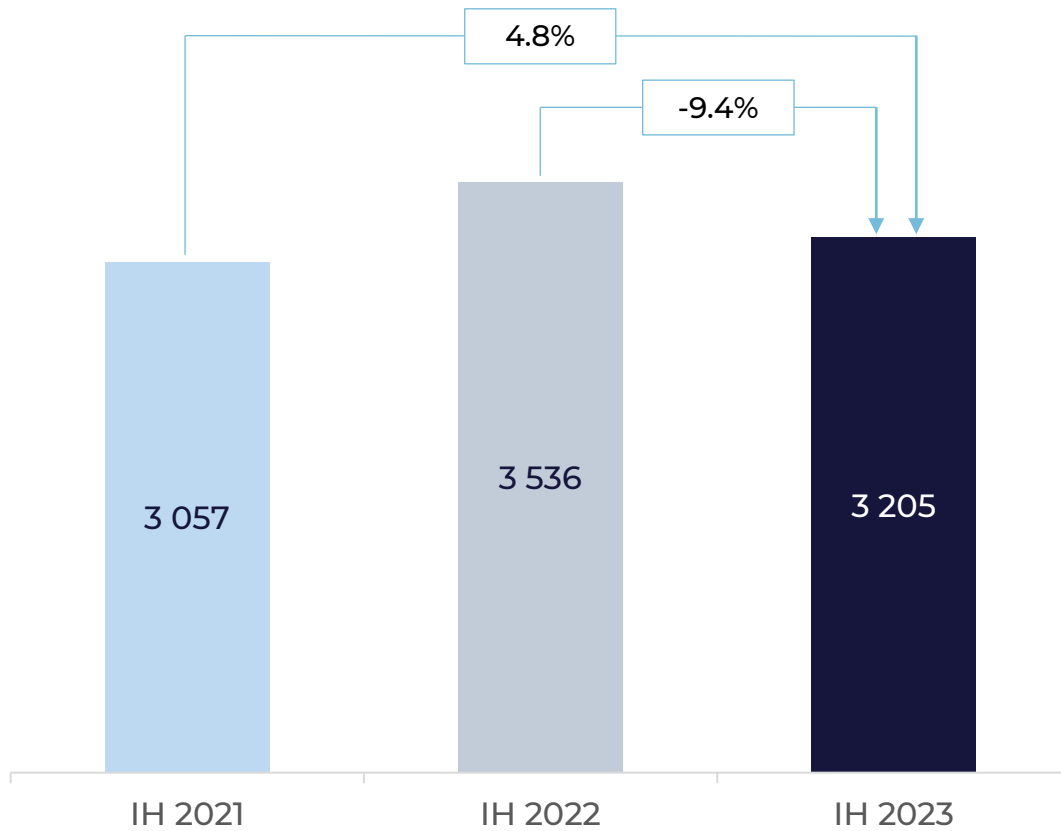


**Decline in prices of  
major manufacturing  
raw materials.**

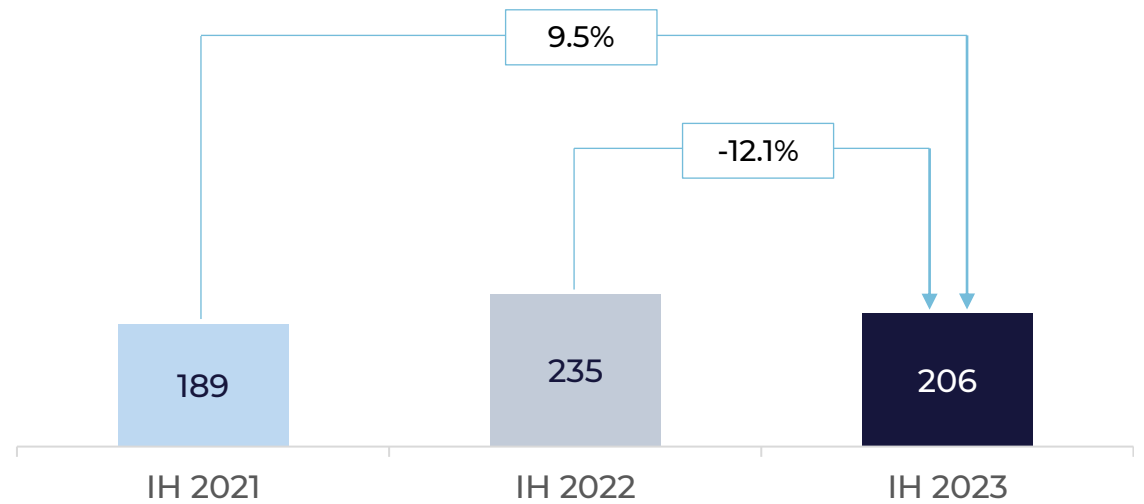
# H1 '2023 SUMMARY



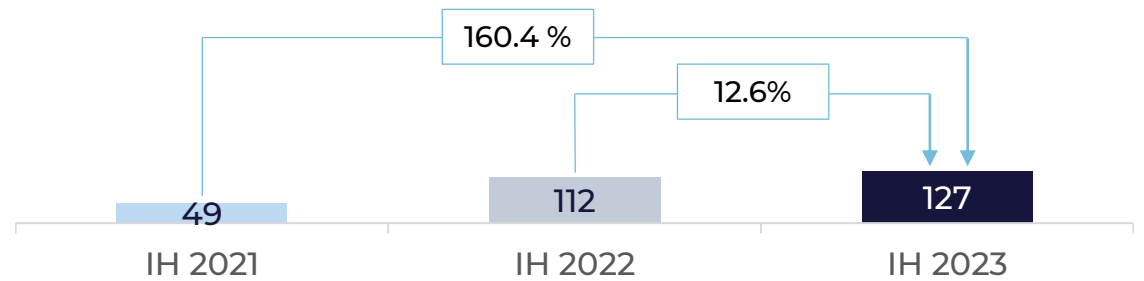
Przychody ogółem [mln PLN]



EBITDA<sup>1</sup> [PLN million]



Net profit [PLN million]



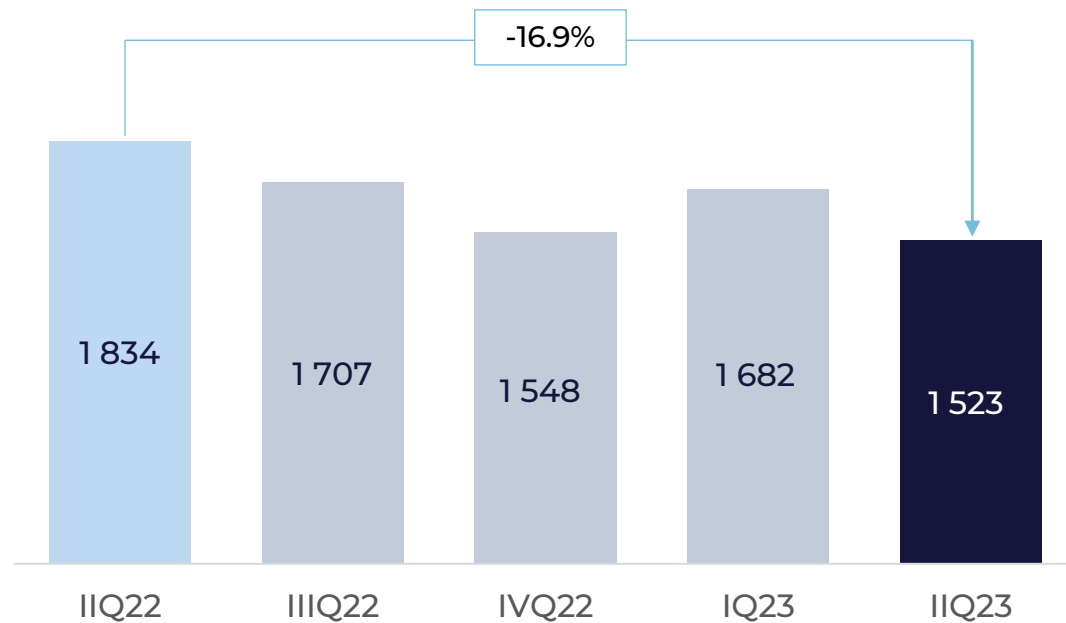
1) No one-time events

# Q2 '2023 SUMMARY

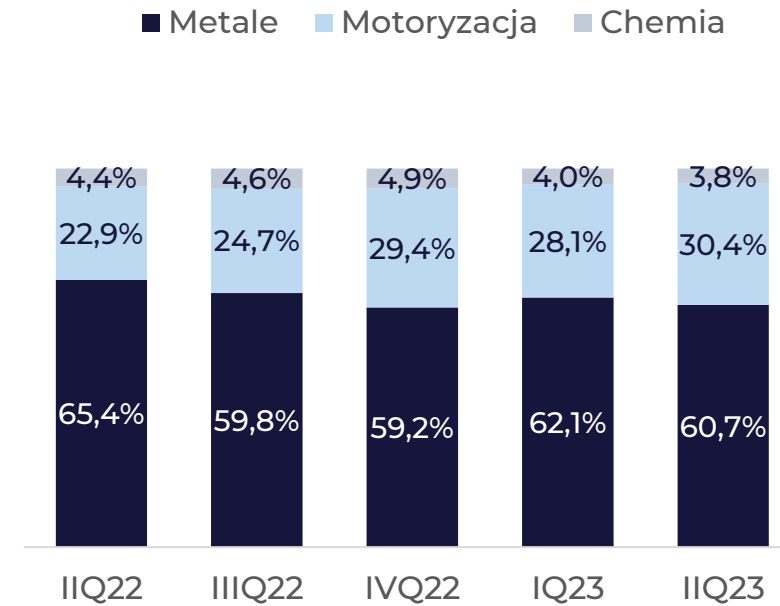


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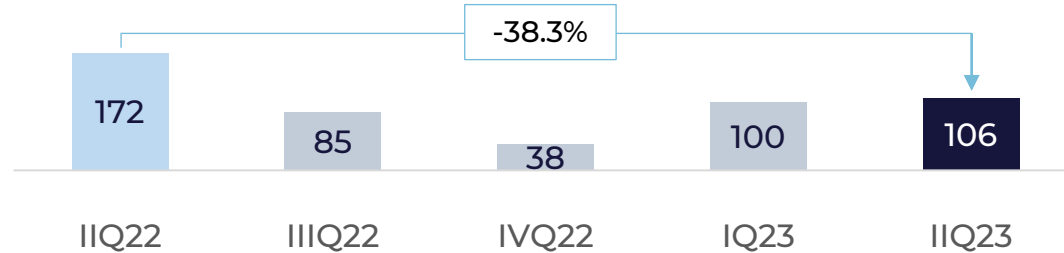
**Total revenue [PLN million]**



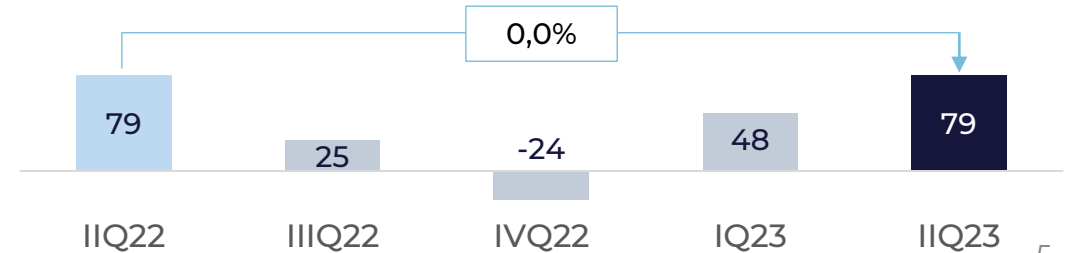
**Revenues from sale - breakdown**



**EBITDA [PLN million]**



**Net profit [PLN million]**

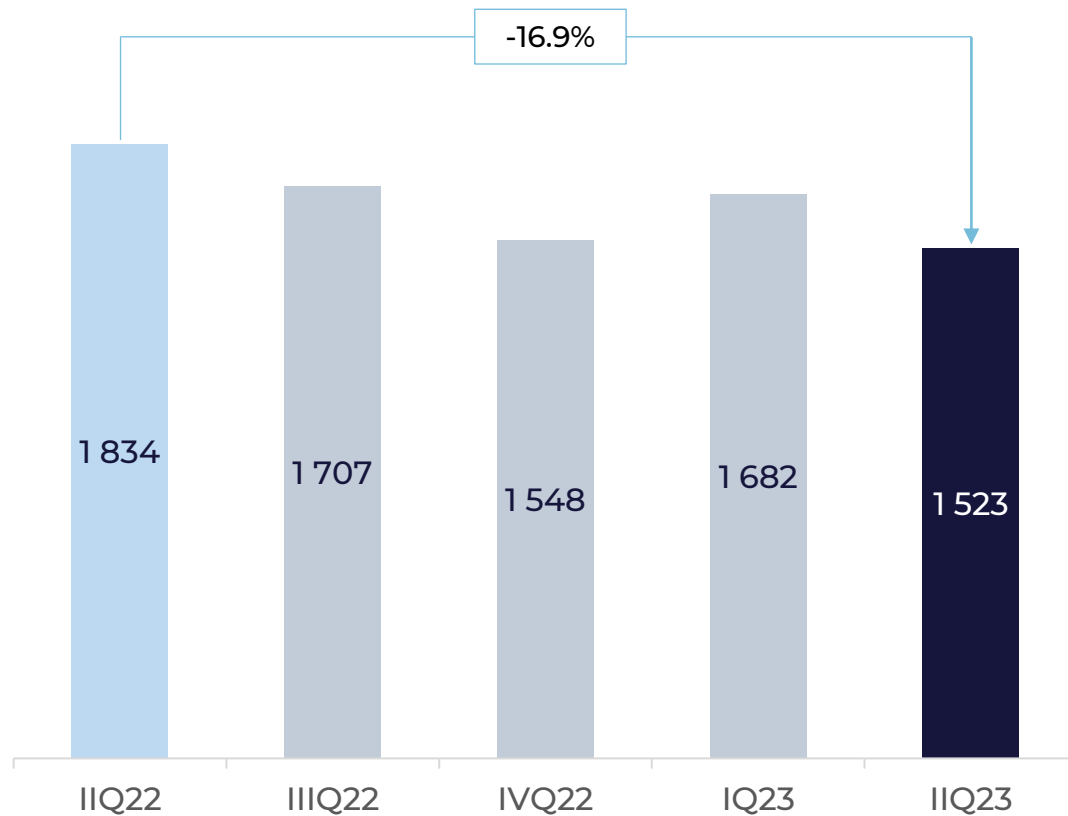


# Q2 '2023 SUMMARY

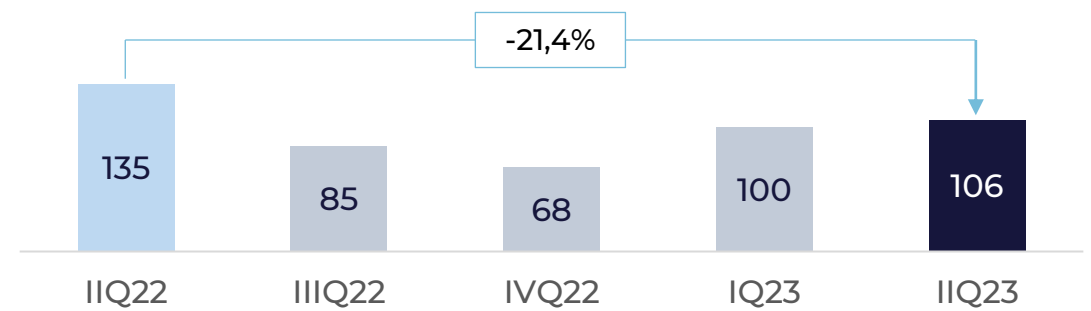


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Revenues [PLN million]



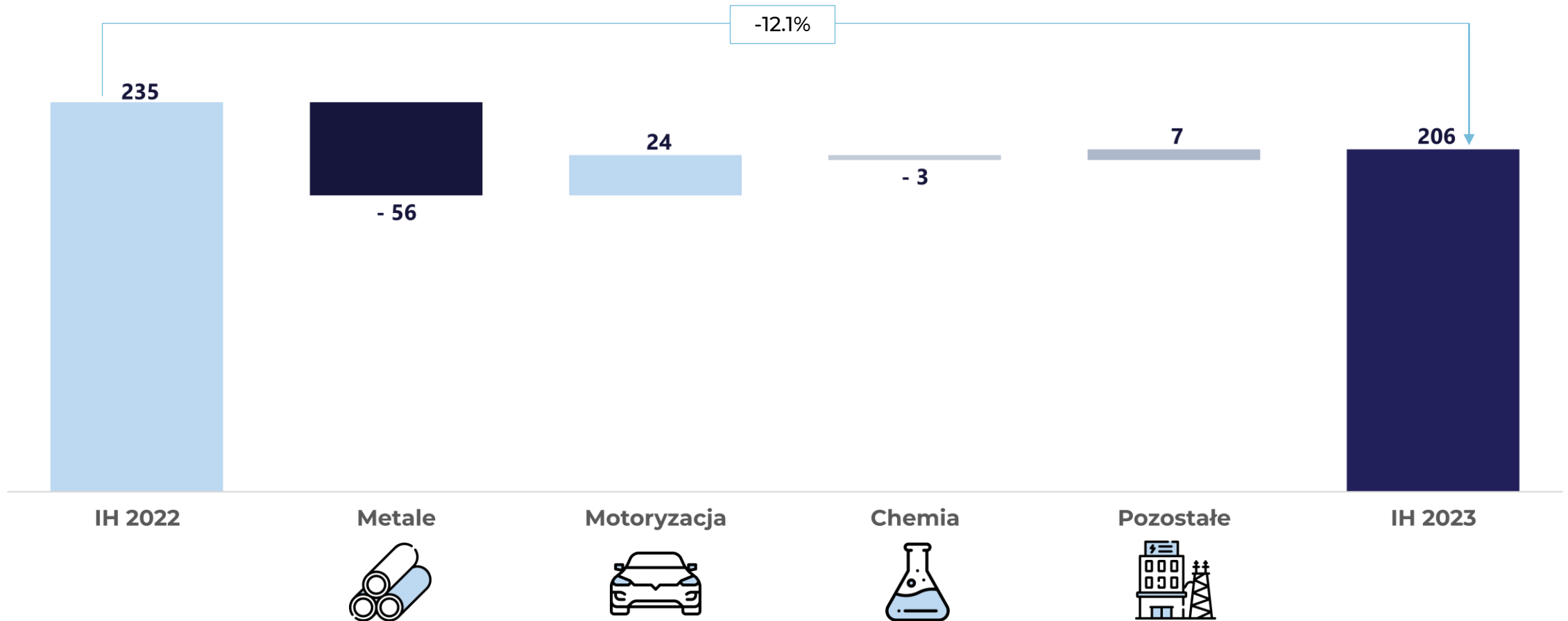
EBITDA<sup>1</sup> [PLN million]



Non-recurring events [PLN million]	Q2 '2022	Q4 '2022
Asset impairment		30
Sale/liquidation of assets	-60	
Risk reserve	23	

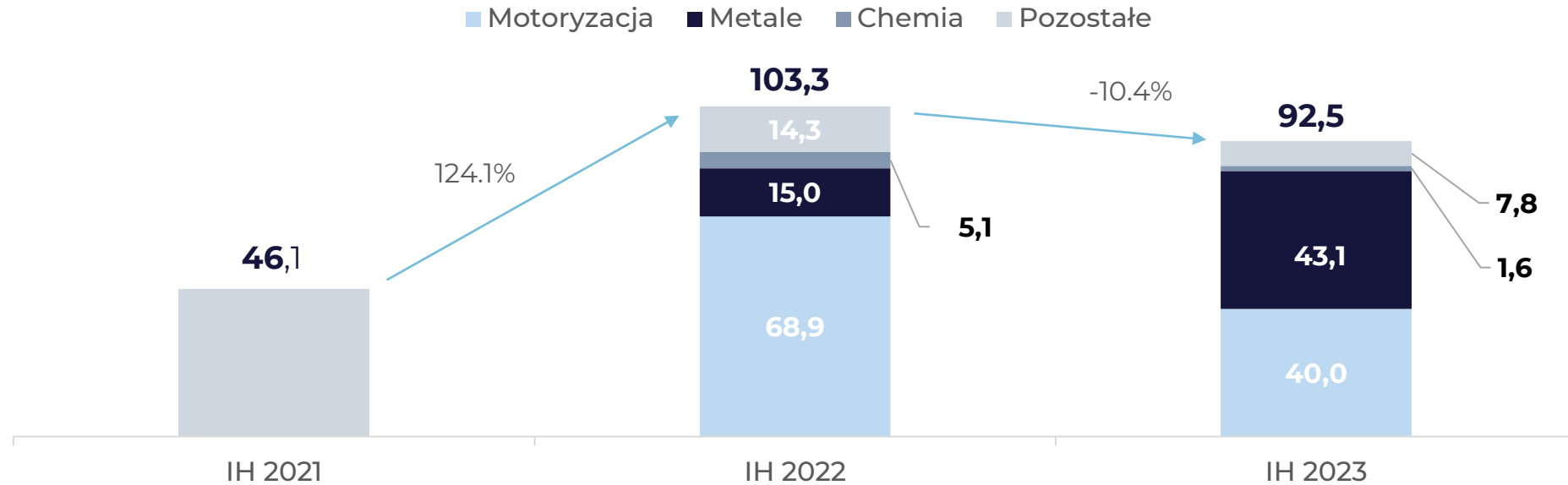
1) No one-time events

# EBITDA<sup>1</sup> H1 '2023 BRIDGE [PLN million]



1) No one-time events

# INVESTMENT EXPENDITURE [PLN million]



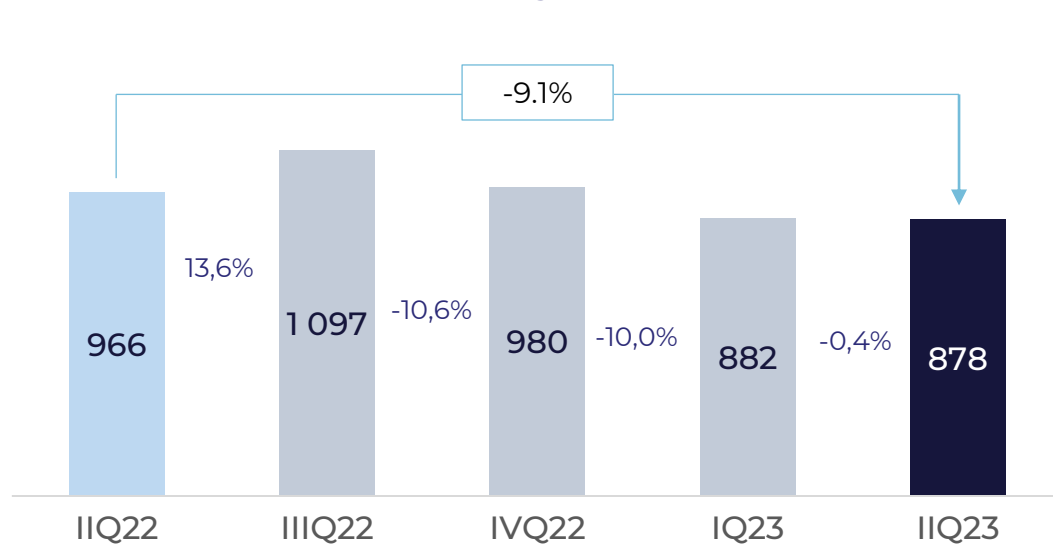
- Continued development investments for new contracts in the Automotive Segment;
- Increased expenditure in the Metals Segment, mainly due to the investment launched in NPA Skawina as well as projects at Huta Bankowa



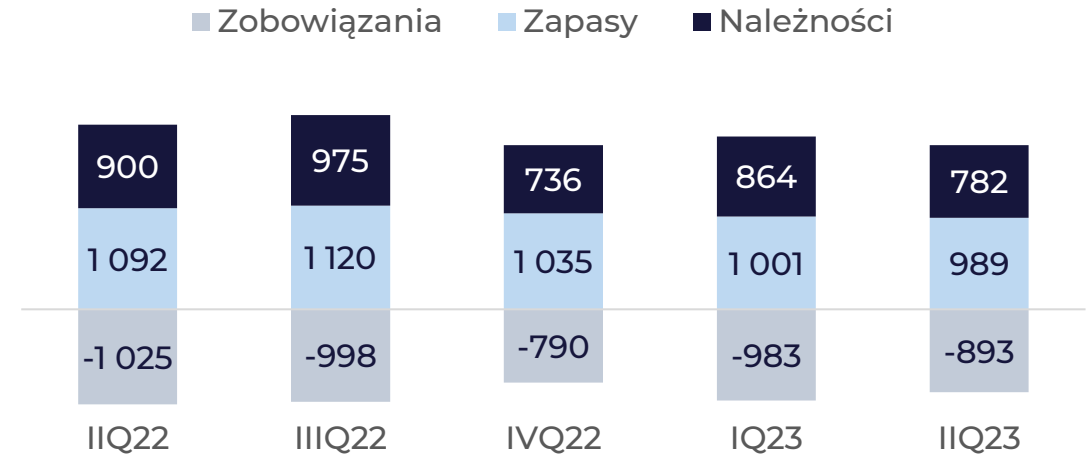
# WORKING CAPITAL AND DEBT [PLN million]



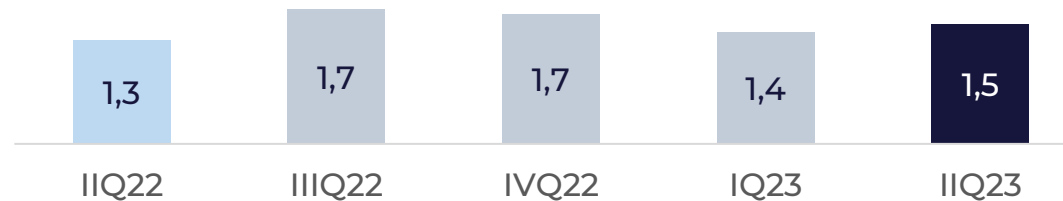
## Net working capital



## Receivables/Inventories/Liabilities



## Debt level indicator<sup>1</sup>



1) Net debt/EBITDA (excluding one-time events)

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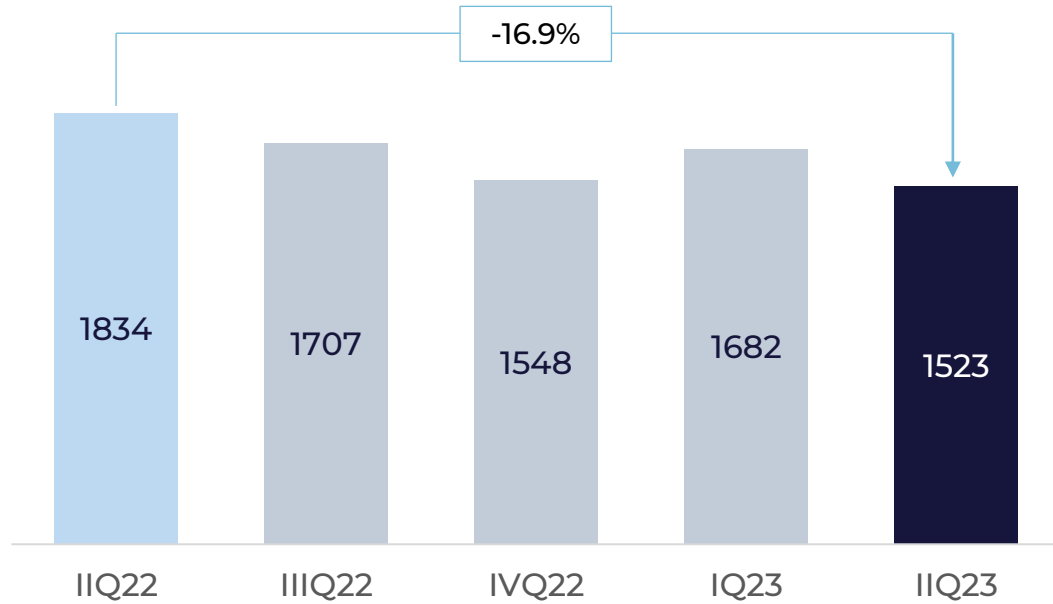






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# REVENUES [PLN million]

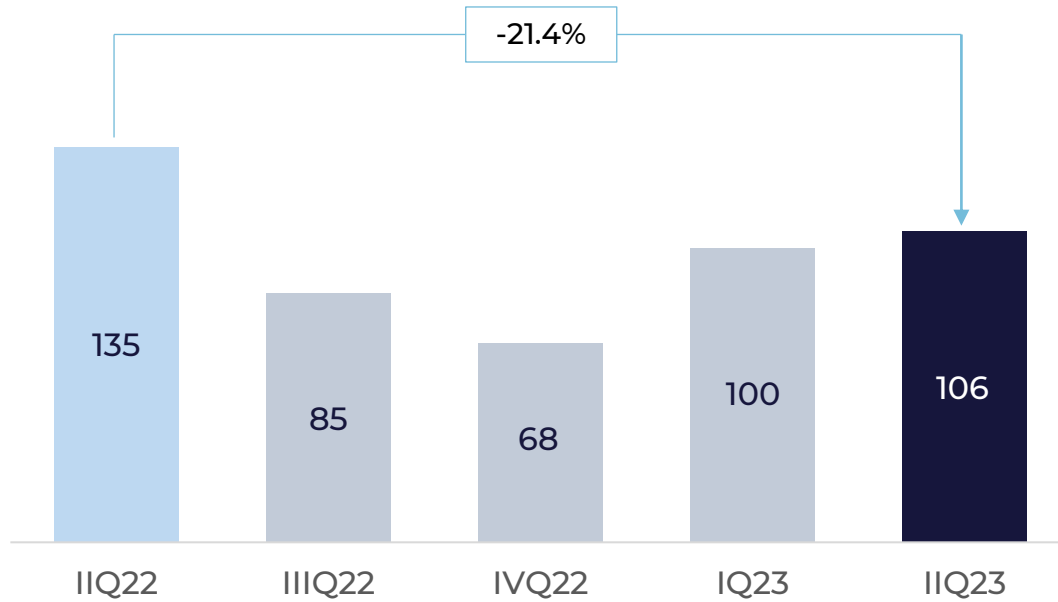






Revenues by segments [PLN million]	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Change Q2 '23/ Q2 '22
 Metals	1 200	1 020	916	1 044	924	-23.0%
 Automotive	419	421	455	473	464	10.6%
 Chemical products	80	79	75	67	57	-28.2%
 Other <sup>1</sup>	134	187	101	98	78	-41.8%

- Group's revenues dropped mainly due to declines in the prices of major raw materials and reduced steel sales volumes;
- Decrease in revenue in the Metals Segment in Q2 '23 due to a decline in the prices of major raw materials, offset by continued high revenue levels in the Automotive Segment;
- Decrease in revenue in the Other segment due to a decrease in unit prices for electricity and gas;

1) Includes consolidation adjustments

# EBITDA<sup>1</sup> [PLN million]

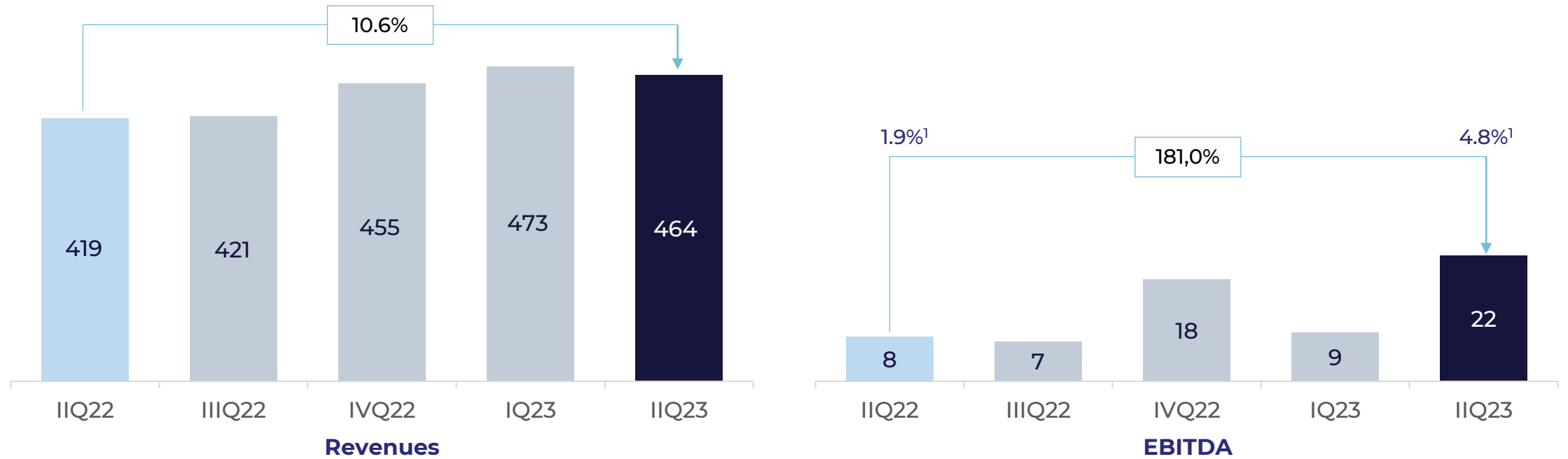


EBITDA by segments [PLN million]	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
 Metals	120.9	72.0	48.4	88.7	75.0
 Automotive	7.9	7.0	17.8	8.5	22.1
 Chemical products	4.1	2.0	0.5	2.2	2.6
 Other <sup>2</sup>	1.8	3.8	1.0	1.0	6.3

- Group EBITDA in Q2 '23 at a higher level versus Q1 '23, despite deteriorating macroeconomic conditions;
- Very good results in the aluminium business;
- Increased orders in the Automotive Segment due to supply unfreeze;

1) No one-time events  
2) Includes consolidation adjustments

# RESULTS OF THE AUTOMOTIVE SEGMENT [PLN million]



Increase in revenue by 10.6% and EBITDA by PLN 14.2 million in Q2 '23 y/y due to:

- continued growth in sales volumes at Maflow, as a result of higher production of vehicles by major OEMs, an 18% increase in vehicle registrations in H1 '23 versus H1 '22;
- a gradual increase in the share of electric cars;
- indexation of rising production costs;



1) EBITDA margin

# NOMINATIONS FOR NEW PROJECTS

The value of new contracts signed in 2021-2023 with EOP 2036<sup>1</sup> is Euro 1 310 million.

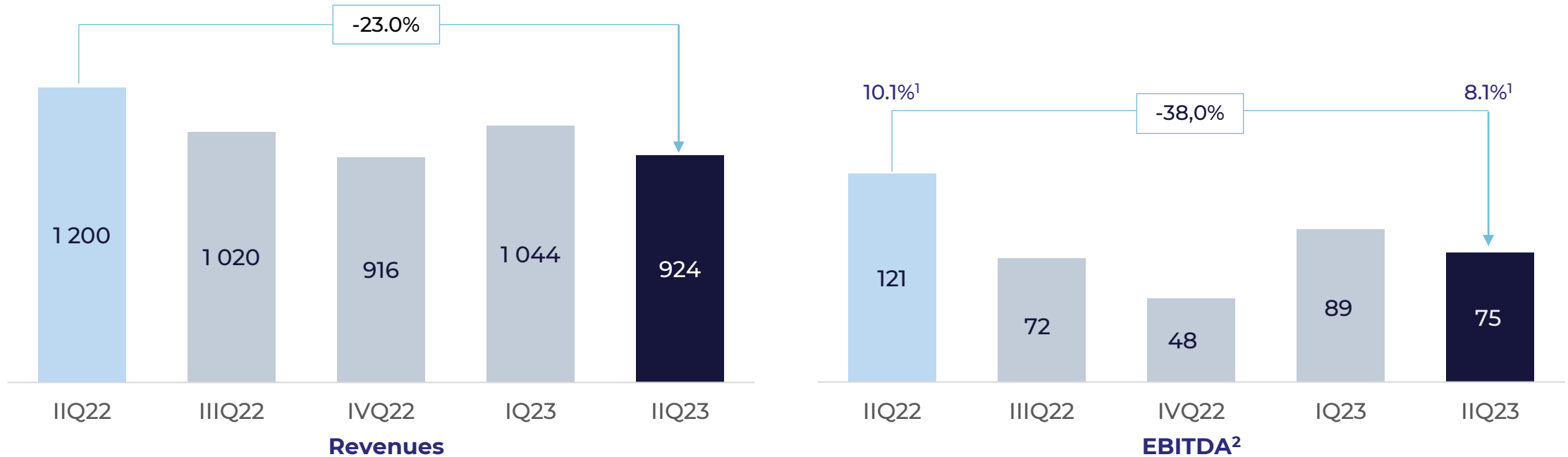
	Value of new contracts	Share of electric and hybrid cars
2021	EUR 521.3 million	69.3%
2022	EUR 98.6 million	20.5%
2023 <sup>2</sup>	EUR 690.0 million	76.9%

1) EOP - End of Production

2) H1 '2023 data.



# RESULTS OF THE METALS SEGMENT [PLN million]

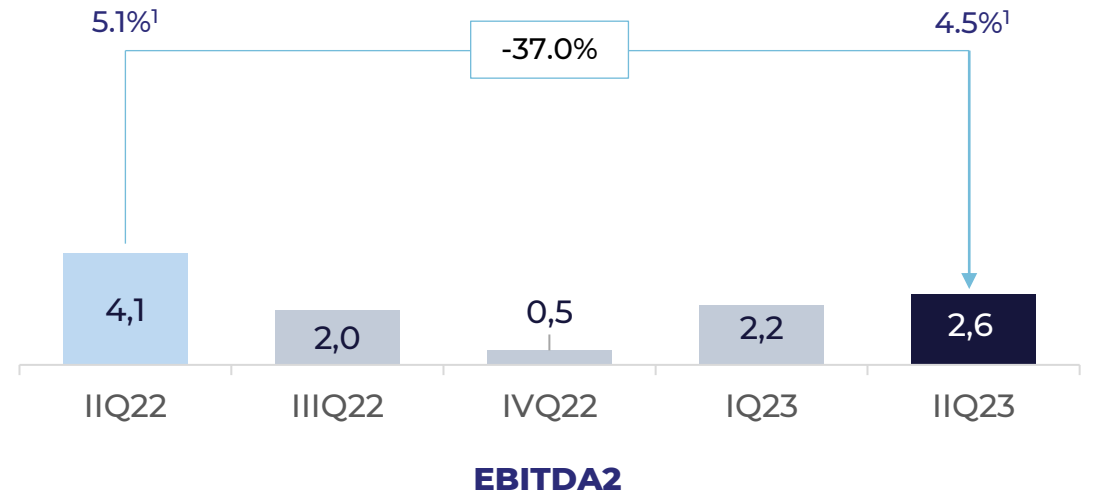
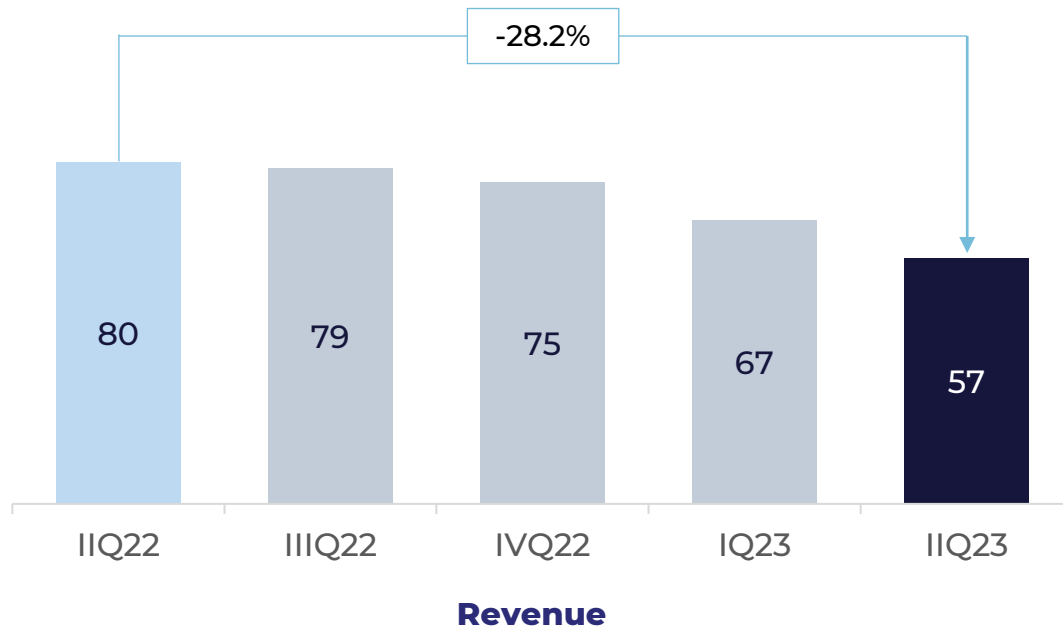


- A 23.0% drop in revenue vs Q2 '22 due to declines in the quotations of the main metals used in production and a drop in orders in the steel business, as a result of the economic slowdown and competition from China;
- Very good results in the aluminium business;
- EBITDA decline of 38.0% mainly due to declines in the steel business;



1) EBITDA margin  
2) No one-time events

# RESULTS OF THE CHEMICAL SEGMENT [PLN million]



1) EBITDA margin  
2) No one-time events



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# OUTLOOK FOR NEXT QUARTERS

Proactive foreign  
exchange risk  
management policy

Implementation of the  
strategy

Commercialisation of  
automated production  
lines  
in the Automotive  
Segment

Simplifying the  
Group's organisational  
structure

Level of support  
for energy-intensive  
industry

Effects of the  
economic slowdown

Further restructuring  
of  
BAP Group

Prolonged  
implementation of  
planned investment  
projects

# Thank you for your attention!

Boryszew Group is:

- one of the largest private industrial groups in Poland,
- largest non-ferrous metals processor in Poland, Central and Eastern Europe,
- Poland's largest manufacturer of automotive components.

The group operates through 34 manufacturing plants and six R&D centres located in Europe, Asia and the Americas.



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