

Estimated consolidated financial results for Q.1, 2021 and information regarding the influence of SARS-CoV-2 virus spreading on the operations in that period

The Management Board of Grupa Kęty S.A. (hereinafter referred to as the Issuer or the Company) discloses in public the selected estimated financial results of the Issuer's Capital Group for Q.1, 2021, which have not been audited by a statutory auditor.

The financial figures disclosed in this current report are only estimations and may change by the time of publishing the consolidated annual report for the first quarter of 2021, which is going to take place on 21 April 2021, in accordance with the binding schedule of current reports publication.

Consolidated data (PLN million)	Q.1, 2020	Q.1, 2021	Change (%)
Sales revenue	829	980	18%
EBITDA*	145.6	185	27%
Net profit on operating activities	108.4	149	37%
Net profit	83.3	118	42%

* EBITDA – net operating profit plus depreciation and amortisation

In the opinion of the Management Board, 2021 commenced optimistically with a significant demand for the products offered by the Capital Group Segments. Thanks to that, the estimated sales revenue will increase by 18%, to PLN 980 million, whereas the greatest growth rate has been observed by the Extruded Products Segment (23%), and in the Flexible Packaging Segment and the Aluminium Systems Segment the expected growth of revenue will amount to 14% and 13%, respectively.

High level of sales by the Segments and effective operating activities should translate into the improvement of financial results. EBITDA in Q.1, 2021, as estimated at the moment, shall reach approximately PLN 185 million, which is a growth of 27% y/y.

Considering the costs of depreciation and amortisation, profit on operating activities in the discussed period shall reach about PLN 149 million, which means that it will be higher by 37% than the value generated in the corresponding year of 2020.

The Company estimates that the result on financing activities will be negative, at the level of approximately (-) PLN 3 million.

Upon consideration of tax charges, the consolidated net profit in Q.1, 2021 is estimated to be roughly PLN 118 million, which represents a growth of 42% y/y.

The estimated net debt level at the end of Q.1, 2021 will amount to PLN 500 million.

In Q.1, 2021, by the date of publication of this disclosure, no significant negative impact of the SARS-Cov-2 virus ('coronavirus') pandemic on the financial results of the Capital Group of Grupa Kęty S.A. has been recorded.

The actions in that regard have invariably concentrated on ensuring the safety of the employees at their workstations as well as continuity of production.

The above estimates have been prepared based on the following assumptions related to the actual quotations by the date of 23 March, and on the projection for the period from 24 to 31 March.

	Q.1, 2020	Q.1, 2021	Change (%)
EUR/PLN mean exchange rate	4.32	4.54	+5%
USD/PLN mean exchange rate	3.92	3.75	-4%
average 3M aluminium price (USD/t)	1,712	2,080	+21%

The 'EBITDA' parameter applied in the Report represents the total profit on operating activities (an item of the profit and loss account for the respective reporting period) and depreciation (an item of the profit and loss account for the respective reporting period). The 'EBITDA' parameter is a measure presenting the capability of the Company to generate cash on basic activities. The 'EBITDA' ratio calculated in accordance with the above mentioned guidelines would amount to PLN 523.1 million in the consolidated financial statements for 2019.

The 'net debt' parameter applied in the Report represents the total of long-term loan payables (an item of the balance-sheet Equity and Liabilities) and short-term loan payables (an item of the balance-sheet Equity and Liabilities), less the value of cash and cash equivalents (an item of the balance-sheet Assets). The 'net debt' ratio presents the value of debt in consideration of the cash available, which may be allocated to the debt repayment. The 'net debt' ratio calculated in accordance with the above mentioned guidelines would amount to PLN 703.4 million in the consolidated financial statements for 2019.

The presentation of the aforesaid parameters in the Report by the Company results from their general application in financial analysis and valuation of the Issuer's Capital Group by the Company's interest holders.