

Estimated consolidated financial results for Q.3, 2021

In accordance with the adopted corporate events calendar, 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.3, 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 statements for Q.3, 2021, which is going to take place on 20 October 2021, in accordance with the binding schedule of current reports publication.

Consolidated data (PLN million)	Q.3, 2020	Q.3, 2021	Change (%)
Sales revenue	920.0	1,276	39%
EBITDA*	198.0	237	20%
Net profit on operating activities	159.3	199	25%
Net profit	129.0	158	22%

* EBITDA – net operating profit plus depreciation and amortisation

In Q.3, 2021, high demand for the products offered by the KĘTY Capital Group continued. Higher volumes and prices of raw materials, which are reflected in the prices of products, will enable sales revenue increase by 39%, to PLN 1,276 million. The highest growth rate of about 60% is estimated for the Extruded Products Segment, whereas in the Flexible Products Segment and Aluminium Systems Segment the estimated growth will be roughly 30% and 25%, respectively, compared to the corresponding quarter of the preceding year.

High level of sales by the Segments and effective operating activities should translate into the improvement of financial results. EBITDA in Q.3, 2021, as estimated at the moment, shall reach approximately PLN 237 million, which is a growth of 20% y/y. Unlike in the first half of the year, in Q.3 the highest impact on EBITA growth has been brought by the Extruded Products Segment, whose result will be higher by over PLN 35 million than the result generated in the corresponding period of 2020.

Considering the costs of depreciation and amortisation, the profit on operating activities in the discussed period shall reach about PLN 199 million, which means that it will be higher by 25% than the value generated in the corresponding period of 2020.

The Company estimates that net financial costs will amount to approximately PLN (-) 4 million.

Upon consideration of tax charges, the consolidated net profit in Q.1, 2021 is estimated to be roughly PLN 158 million, which represents a growth of 22% y/y.

The estimated net debt level at the end of Q.3, 2021 will amount to PLN 830 million.

The above estimates have been prepared based on the following assumptions related to the actual quotations by the date of 22 September, and on the projection for the period from 23 to 30 September.

	Q.3, 2020	Q.3, 2021	Change (%)
EUR/PLN mean exchange rate	4.44	4.56	+3%
USD/PLN mean exchange rate	3.80	3.87	+2%
average 3M aluminium price (USD/t)	1,740	2,645	+52%

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 672.4 million in the consolidated financial statements for 2020.

The 'net debt' parameter applied in the report represents the total of long-term loan payables and long-term lease liabilities (items of the balance-sheet equity/liabilities), plus short-term loan payables and short-term lease liabilities (items of the balance-sheet equity/liabilities), less the value of cash and cash equivalents (an item of the balance-sheet assets). The 'net debt' ratio presents the value of bank loans and other interest-bearing liabilities, in consideration of the cash available, which may be allocated to the debt repayment. In the consolidated financial statements for 2020, the 'net debt' ratio calculated in accordance with the above mentioned guidelines would amount to PLN 586 million as at 31 December 2020.

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 stakeholders.