

The Management Board of Grupa Kęty S.A. informs about the update of the consolidated 2021 results projection published in the current report of 22 April 2021.

The Management Board of Grupa Kęty S.A. informs that within the process of preparing the interim statements for the first half of 2021, which includes verification of the published annual projections, they were informed about higher than expected results assumptions for the year 2021.

The main reason for the estimated growth of sales revenue is higher volume and higher prices of raw materials, which translates into higher prices of the offered products. Higher revenue refers to all segments, whereas the Extruded Products Segment estimates the growth at about 11% over the previously projected level, the Aluminium Systems Segment – at about 7%, and the Flexible Packaging Segment – at about 2%.

The consolidated profit on operating activities plus depreciation and amortisation (EBITDA) will amount to roughly PLN 774 million, which is a growth by PLN 80 million (+11.5%) compared to the projection published in April 2021. The greatest impact on the change was contributed by the Flexible Packaging Segment (improvement of the estimated profit by PLN 40 million, to PLN 280 million) and the Extruded Products Segment (improvement of the estimated profit by PLN 31 million, to PLN 214 million), compared to the April assumptions. The Aluminium Systems Segment assumes generation of about PLN 300 million EBITDA, which means ca. 5% more than earlier assumed.

The current projection of the consolidated net profit amounts to PLN 490, which is a growth by PLN 56 million.

The current projection of 2021 results is presented in the table below:

(PLN millions)	projection (22.04.2021)	projection (30.07.2021)	change
Sales	4,000	4,280	+7.0%
EBITDA	694	774	+11.5%
Net profit on operating activities	543	622	+14.5%
Net profit	434	490	+13.0%

The other parameters of the 2021 projection remain unchanged.

When estimating the results for the subsequent months, the following assumptions for aluminium prices and PLN/EUR or PLN/USD exchange rates have been made:

- 3M aluminium price (USD/t) – 2500
- PLN/EUR – 4.55
- PLN/USD – 3.85

The above projection is the current estimation by the Management Board as at 30 July 2021 and will be subject to further analyses and possible updates, depending on the changes in external and internal factors, including those related to the SARS-CoV-2 virus pandemic.

The 'EBITDA' parameter applied in the Report represents the total net profit on operating activities (an item of the statement of profit or loss for the respective reporting year) and depreciation/amortisation (an item of the statement of profit or loss for the respective reporting year). 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 presentation by the Company of the aforesaid parameter in the Report results from its general application in financial analysis and valuation of the Issuer's Capital Group by the Company stakeholders.