Forecast of the selected financial and operating results for the year 2025

The Management Board of Grupa Kęty S.A. (hereinafter referred to as the Issuer) discloses in public a forecast of the selected financial and operating results of the Issuer's Capital Group for the year 2025 (hereinafter referred to as the 2025 Forecast).

Consolidated data (PLN million)	Forecast 2024**	Forecast 2025	Change
Sales revenue	5,140	5,612	9%
EBITDA*	910	990	9%
Profit on operating activities	698	744	7%
Net profit attributable to owners of the parent	535	541	1%

* EBITDA – operating profit plus depreciation and amortisation

** Estimated data, comprising the results of Selt Sp. z o.o. for the period of 4 months of 2024, of which: PLN 82 million sales revenue, PLN 6 million EBITDA, PLN 1.5 million loss on operating activities, and PLN 2 million of net loss.

In 2025, the results of the Capital Group will be presented as broken down into four business segments. Based on the assets of the Aluminium Systems Segment located in Opole, where production and sales of roller-shutter systems is carried out, and the assets of the company of Selt acquired in September 2024, the Segment of Sun Protection Systems will be separated.

The Management Board of Grupa Kęty S.A. expects a gradual improvement in the economic situation in Poland and on the European markets, which are the focus for the activities of the Issuer's Capital Group. The assumption is based, among other things, on:
- the expected GDP increases in most of the European countries;
- continued decreases in interest rates implemented by the European Central Bank, as well as the commencement of a cycle of interest rates reduction in Poland;
- continued trends increasing the demand for aluminium products in construction (higher energy efficiency of buildings, including thermal performance improvement);
- continued support in carrying out investment projects in Poland, with the use of financing under the National Reconstruction Plan.

In effect, the Management Board of the Issuer assumes 9% growth in consolidated sales, of which:
- 8% y/y, to PLN 2,081 million at the Extruded Products Segment,
- 6% y/y, to PLN 1,872 million at the Aluminium Systems Segment,
- 38%, to PLN 1,144 million at the Sun Protection Systems Segment (including 28 p.p. originating from disclosure of Selt in consolidation compared to 4 month's disclosure in 2024),
- 2% y/y, to PLN 1,219 million at the Extruded Packaging Segment.

In the production and organisational area, the Capital Group companies will strive for increasing productivity and cost effectiveness, through further processes automation, among other things. The total operating costs expected in 2025 will grow pro rata to the expected sales growth, and will reach PLN 4,869 million (+9% y/y), of which:
- depreciation of PLN 246 million (+16%), including +8 p.p. for Selt,
- costs of materials of PLN 3,088 million (+8%), including +5 p.p. for Selt,
- costs of energy of PLN 181 million (0%), including +2 p.p. for Selt,
- costs of employee benefits of PLN 860 million (+16%), including +6 p.p. for Selt,
- costs of third party services of PLN 431 million (+8%), including +4 p.p. for Selt.

The consolidated EBITDA will reach PLN 990 million and is going to be by 9% higher than expected in the year 2024, of which:

- PLN 214 million at the Extruded Products Segment, growth by 2% y/y,
- PLN 363 million at the Aluminium Systems Segment, growth by 2% y/y,
- PLN 194 million at the Sun Protection Systems Segment, growth by 45% (including +35 p.p. originating from disclosure of Selt in consolidation compared to 4 month's disclosure in 2024),
- PLN 247 million at the Flexible Products Segment, growth by 3%.

Net financial costs of 2025 were estimated at the level of PLN 92 million, and they refer mainly to interest on loans.

Tax charges of 2025 will be reduced by the positive effect of recognition of a differed tax asset in the amount of PLN 15 million, with regard to the projects covered with investment allowances. In 2024, the estimated effect of the allowance was higher, reaching approximately PLN 36 million.

As a result, despite limiting the positive effect of recognition of tax allowances y/y, the expected consolidated net profit of 2025 will be higher y/y and will reach PLN 541 million.

The estimated capital expenditure in 2025 will amount to PLN 329 million, including roughly PLN 47 million on continued projects that started in 2024. Within the remaining PLN 282 million for new projects planned in 2025, about PLN 60 million will represented by development projects, mainly at the Aluminium Systems Segment.

The 2025 Forecast covers for the payment of dividend amounting to 85% of the consolidated net profit for the year 2024, which complies with the binding dividend policy. The recommendation of the Company Management Board in that regard will be submitted for opinion to the Supervisory Board in 2025, based on the assessment of the current and expected standing of the Issuer and its Capital Group.

The forecast net debt level at the end of 2025 will be PLN 1,540 million, and the net debt/EBITDA ratio will reach 1.5.

Non-financial objectives have also been set for 2025, in the area related to sustainable development, including:

- reduction of greenhouse gas emissions by 25% compared to the base year 2016;
- 75% share of aluminium scrap in low-emission LOW CARBON KETY billets;
- increase by 5% in the share of the manufactured packaging films and laminates fit for recycling compared to the base year 2020;
- increase by 77% in the number of Aluprof-systems-constructed buildings with environmentally-friendly certificates compared to the base year 2020;
- performance of 261 social projects within the ‘Together with the Group’ programme;
- improvement of occupational health and safety by bringing the Total Recordable Incident Rate (TRIR) below 1.0;
- reduction of the staff turnover rate by 9.3% compared to 2024.

When preparing the 2025 Forecast, a series of assumptions have been made, including lack of a significant change in business conditions, absence of major changes in the legal, tax and administrative areas. The 2025 Forecast does not assume the existence of extraordinary or one-off events, including the impact of the potential activities in the area of acquisitions or divestment, as they may not have been foreseen on the date of preparing the 2025 Forecast.

When preparing the 2025 Forecast, the following macroeconomic assumptions were made:

- GDP in Poland: 3.8%; GDB in the eurozone: 1.4%;
- inflation in Poland: 5.2%;

- average aluminium price: USD 2,500 per ton;
- average USD/PLN exchange rate: 3.88;
- average EUR/PLN exchange rate: 4.26.

The Issuer is going to carry out the 2025 Forecast viability assessment, as well as to possibly adjust it on quarterly basis, and each time a major event related to the Capital Group and affecting its financial standing as well as development perspectives occurs, providing that the estimated effect of a given event is going to result in a deviation higher than 10% with regard to the consolidated data presented in the 2025 Forecast.

In relation to the Resolution of the Supervisory Board of Grupa Kęty S.A. with regard to appointing the previous Vice President of the Management Board Roman Przybylski President of the Management Board on the date of expiry of the term of office of the current Management Board Members, i.e. post convening the Annual General Meeting of the Company approving the financial statements of the Company for the year 2024 (current report No. 57/2024 of 5 December 2024), the Management Board informs that the Strategy assumptions for the years 2025-2029 will be disclosed in the first half of 2025.

The 2024 financial data presented in this current report are only estimations and may change by the time of publication of the consolidated annual report for 2024.

The 'EBITDA' parameter applied in this disclosure 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 Issuer to generate cash on basic activities. The 'EBITDA' ratio calculated in accordance with the above mentioned guidelines amounted to PLN 868 million in the consolidated financial statements for 2023.

The 'net debt' parameter applied in this disclosure represents the total of non-current loan payables and non-current lease liabilities (items of the balance-sheet equity/liabilities), plus current loan payables and current 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 2023, the 'net debt' ratio calculated in accordance with the above mentioned guidelines amounted to PLN 931 million as at 31 December 2023.

The presentation of the aforesaid parameters in this disclosure results from their general application, for example in financial analysis and valuation of the Issuer's Capital Group by its stakeholders.