



**Current Report:** 10/2021

**Date:** 2021-05-24

**Name of the Issuer:** FERRUM S.A.

**Title:** Initial financial results for Q1 2021

**Legal basis:** Art. 17 item 1 MAR – inside information

**Content of the Report:**

The Management Board of FERRUM S.A. (Issuer, Company) informs that on 24<sup>th</sup> May 2021, with regard to the completion of financial data aggregation process initiated in order to prepare consolidated report for Q1 2021, it was decided to publish the initial standalone and consolidated financial results for the referred period.

Stand-alone net revenue from sales of products, goods and materials in Q1 2021 amounted to app. PLN 160 148 thousand and was by PLN 43 405 thousand, i.e. by ca. 37%, higher than the revenue of comparable period of previous year. In Q1 2021 the Company implemented deliveries to OGP GAZ-SYSTEM S.A. within partial agreements being subject to current reports no. 24/2020 and 32/2020, i.e. deliveries of steel pipes for tasks related to pipeline Baltic Pipe LOT C and pipeline Baltic Pipe LOT D. Comparing to analogical period of previous year, the Issuer registered improvement of gross result on sales of products, goods and materials (understood as gross profit from sale diminished by costs of management and costs of sales) by registering in Q1 2021 profit from sales of PLN 7 017 thousand in comparison to loss of PLN 125 thousand in comparable period of previous year. The Company achieved operating profit of ca. PLN 7 272 thousand, higher by ca. PLN 7 062 thousand than the operating profit achieved in Q1 2020. Within net result in Q1 2021 the Issuer also achieved profit of ca. PLN 1 911 thousand instead of net loss of PLN 4 326 thousand in Q1 2020, which means increase of net result by PLN 6 237 thousand.

Consolidated net revenue from sales of products, goods and materials in Q1 2021 amounted to app. PLN 183 273 thousand, which means increase by the amount of PLN 41 900 thousand, i.e. by ca. 30% in comparison to the revenue of comparable period of previous year. Higher net consolidated revenue from sales resulted from higher sales of products in the parent company FERRUM S.A. Comparing to analogical period of previous year, FERRUM Capital Group (Group) registered increase of gross profit from sales from PLN 1 917 thousand to PLN 8 004 thousand. Consolidated operating profit of the Group in Q1 2021 amounted to app. PLN 8 289 thousand and was higher by ca. PLN 6 455 thousand than the operating profit in Q1 2020. The Group recorded net profit of app. PLN 2 249 thousand instead of net loss of PLN 2 733 thousand in Q1 2020, which means increase of the result by ca. PLN 4 982 thousand.

Detailed information on the final financial results of the Company and FERRUM Capital Group in Q1 2021 shall be made public on 31<sup>st</sup> May 2021.

**SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2021-05-24	President of the Management Board	Krzysztof Kasprzycki
2021-05-24	Vice-President of the Management Board	Honorata Szlachetka