



Current Report: 24/2021

Date: 2021-09-01

Name of the Issuer: FERRUM S.A.

Title: Initial financial results for the I half-year 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 1st September 2021, with regard to the completion of financial data aggregation process initiated in order to prepare consolidated report for the I half-year 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 the I half-year 2021 amounted to app. PLN 304 856 thousand and was by PLN 72 043 thousand, i.e. by ca. 31%, higher than the revenue of comparable period of previous year. In the I half-year 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 the I half-year 2021 profit from sales of PLN 15 483 thousand in comparison to profit of PLN 3 302 thousand in comparable period of previous year. In the first half-year 2021 the Company achieved operating profit of ca. PLN 14 170 thousand, higher by ca. PLN 10 956 thousand than the operating profit achieved in the I half-year 2020. Within net result in the I half-year 2021 the Issuer also achieved profit of ca. PLN 9 295 thousand instead of net loss of PLN 2 531 thousand in the I half-year 2020, which means increase of net result by PLN 11 826 thousand.

Consolidated net revenue from sales of products, goods and materials in the I half-year 2021 amounted to app. PLN 343 711 thousand, which means increase by the amount of PLN 56 435 thousand, i.e. by ca. 20% 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. and in affiliated company FERRUM Marketing Sp. z o.o. Comparing to analogical period of previous year, FERRUM Capital Group (Group) registered increase of gross profit from sales from PLN 6 997 thousand to PLN 17 230 thousand. Consolidated operating profit of the Group in the I half-year 2021 amounted to app. PLN 16 191 thousand and was higher by ca. PLN 9 957 thousand than the operating profit in the I half-year 2020. The Group recorded net profit of app. PLN 9 754 thousand instead of net loss of PLN 273 thousand in the I half-year 2020, which means increase of the result by ca. PLN 10 027 thousand.

Moreover, the Issuer informs that the aforementioned initial results were aggregated in accordance with the Company's best knowledge and under the proviso that no circumstances occur during further works, which would result in necessity of significant one-shot operations of accounting nature. Additionally, the Issuer informs that the process of reviewing the financial reports for the I half-year 2021 by the certified auditor is still in progress. Therefore, detailed information on the final financial results of the Company and FERRUM



FERRUM S.A.

Steel pipes

Hollow sections

Coating

Established in 1874

Capital Group in the I half-year 2021 shall be made public within extended consolidated report for the I half-year 2021, which is meant to be published on 30th September 2021.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2021-09-01	President of the Management Board	Krzysztof Kasprzycki
2021-09-01	Vice-President of the Management Board	Honorata Szlachetka