



**Current Report:** 30/2024

**Date:** 2024-04-19

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

**Title:** Initial financial results for 2023

**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 19<sup>th</sup> April 2024, with regard to the completion of financial data aggregation process initiated in order to prepare annual reports of the Company and FERRUM Capital Group (Group) for 2023, it has been decided to publish the initial standalone and consolidated financial results.

Standalone net revenue from sales of products, goods and materials in 2023 amounted to app. PLN 534 696 thousand and was by ca. PLN 271 000 thousand, i.e. by ca. 34%, lower than the revenue of comparable period of previous year. Decrease of the Company revenue resulted mainly from weak economic situation. The Issuer adjusted its sales structure to its key customers' demand level, including inter alia OGP GAZ-SYSTEM. In 2023 the unfavorable macroeconomic circumstances continued and downward trend in demand for steel products and their application prevailed. Weaker demand for steel products resulted in prices fluctuation, which forced the Issuer to relate it to the price of its products. As a result the gross profit on the Issuer's sales in 2023 amounted to ca PLN 31 141 thousand compared to 58 972 in 2022. In 2023 the Company achieved operating profit of ca. PLN 12 513 thousand, lower by ca. PLN 15 192 thousand than the operating profit achieved in 2022. The Issuer also achieved net profit in 2023 of ca. PLN 1 345 thousand, whereas the net profit in 2022 amounted to PLN 8 728 million.

Consolidated net revenue from sales of products, goods and materials in 2023 amounted to app. PLN 629 046 thousand, which means decrease by ca. PLN 255 919 thousand, i.e. by ca. 29% in comparison to the revenue of comparable period of previous year. Consolidated gross operating profit on sales in 2023 amounted to app. PLN 44 930 thousand in comparison to PLN 73 717 thousand in comparable period of previous year. Consolidated operating profit of the FERRUM Capital Group in 2023 amounted to app. PLN 17 579 thousand and was lower by ca. PLN 14 419 thousand than the operating profit of 2022. On the level of net result for 2023 the Group accumulated loss of ca. PLN 346 thousand compared to profit of PLN 9 969 thousand in 2022.

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 2023 by the certified auditor is still in progress. Therefore, detailed information on the final financial results of the Company and FERRUM Capital Group in 2023 shall be made public on 26<sup>th</sup> April 2024.

**SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2024-04-19	President of the Management Board	Krzysztof Kasprzycki
2024-04-19	Vice-President of the Management Board	Honorata Szlachetka