



STALPRODUKT S.A.

Abridged Consolidated Financial Report for the 4th Quarter of 2021

Bochnia, February 2022

I. Consolidated Financial Report for the 4th quarter of 2021

SELECTED FINANCIAL DATA	thousand x PLN		thousand x EUR	
	4 quarter(s) increasingly for the period from 01-01-2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01-01-2020 to 31-12-2020	4 quarter(s) increasingly for the period from 01-01-2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01-01-2020 to 31-12-2020
I. Net sales of products, goods and materials	4 674 094	3 321 050	1 021 102	742 267
II. Operating profit (loss)	608 246	196 084	132 877	43 825
III. Profit (loss) before taxation	592 375	223 521	129 410	49 958
IV. Net profit (loss)	501 712	183 776	109 604	41 075
- attributable to shareholders of the parent company	488 802	172 755	106 784	38 611
- net profit attributed to non-controlling interests	12 910	11 020	2 820	2 463
V. Net cash flow from operating activities	269 069	350 487	58 781	78 335
VI. Net cash flow from investment activities	-123 040	-241 044	-26 879	-53 874
VII. Net cash flow from financial activities	-93 639	-77 552	-20 456	-17 333
VIII. Total net cash flow	52 390	31 891	11 445	7 128
IX. Total assets	4 823 436	4 360 350	1 048 710	944 862
X. Liabilities and provisions for liabilities	1 484 450	1 447 163	322 749	313 592
XI. Long-term liabilities	224 367	388 649	48 782	84 218
XII. Short-term liabilities	766 972	604 966	166 755	131 093
XIII. Shareholders' equity	3 338 986	2 913 187	725 961	631 270
- equity attributable to shareholders of the parent	3 230 580	2 801 566	702 392	607 083
- equity attributed to non-controlling interests	108 406	111 621	23 570	24 188
XIV. Share capital	11 161	11 161	2 427	2 419
XV. Number of shares	5 580 267	5 580 267	5 580 267	5 580 267
XVI. Profit (loss) for one ordinary share (in PLN)	89,91	32,93	19,64	11,95
XVII. Diluted profit (loss) per ordinary share (PLN)	89,91	32,93	19,64	11,95
XVIII. Book value per share (PLN)	598,36	522,05	130,09	112,52
XIX. Diluted book value per share (PLN)	598,36	522,05	130,09	112,52
XX. Declared or paid-out dividend for one share in (PLN/EUR)	6,00		1,32	

1. Comparable financial data (item IX-XIV and XVIII) was presented pursuant to the requirements of the International Financial Reporting Standards according to the balance for this 31st December 2020. Other comparable data is presented for the period from 1st January 2020 to 30th December 2020.
2. EUR exchange rates according to the following principles were used for the conversion of the currency into PLN:
 - the assets and liabilities items of the balance sheet were converted into EUR according to the average rate announced by the National Bank of Poland for this 31st December 2021 and amounting to PLN 4.5994 and PLN 4.6148 for this 31st December 2020.
 - the profit and loss account items and the cash flow items were converted into EUR according to the rate being the simple average of the average EUR rates announced by the National Bank of Poland on the last day of each month included in the report and amounting to PLN 4.5775 for 4 quarters of 2021 and PLN 4.4742 for 4 quarters of 2020.
3. In the item XX the amount of the dividend for 1 share to paid out in 2020 by the Issuer.
4. For profit-per-share calculation the number of 5 580 267 shares was adopted.

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CONSOLIDATED BALANCE SHEET	(thousand x PLN)			
	31.12.2021	30.09.2021	31.12.2020	30.09.2020
Assets				
I. Fixed assets	2 377 691	2 371 047	2 423 852	2 438 877
1. Intangible fixed assets, including	195 639	208 176	212 239	216 635
- right of perpetual land use	122 754	126 680	125 911	127 905
2. Tangible fixed assets	2 081 748	2 084 544	2 134 580	2 048 813
3. Long-term receivables	841	759	683	808
4. Long-term investments	19 578	21 784	28 831	29 492
4.1. Real estate investments	2 522	2 675	9 837	10 047
4.2. Intangible assets				
4.3. Long-term financial assets	817	2 826	2 919	3 304
4.4. Other long-term investments	16 239	16 283	16 075	16 141
5. Long-term prepayments	79 885	55 784	47 519	143 129
5.1. Deferred income tax assets	67 594	43 609	36 884	38 037
5.2. Other prepayments	12 291	12 175	10 635	105 092
II. Current assets	2 445 745	2 422 997	1 936 498	1 826 155
1. Inventories	987 269	940 485	809 943	801 358
2. Short-term receivables	786 285	724 643	512 891	483 424
3. Short-term investments	603 925	682 135	549 376	525 053
3.1. Short-term financial assets	599 572	676 500	530 383	496 920
a) loans	14 721	17 222	17 221	18 163
b) short-term securities	96 069	98 912	76 770	146 347
c) cash and cash equivalents	488 782	560 366	436 392	332 410
3.2. Other short-term investments	4 353	5 635	18 993	28 133
4. Short-term prepayments	0	1 587	1 834	
5. Short-term prepayments	68 266	74 147	62 454	16 320
Total assets	4 823 436	4 794 044	4 360 350	4 265 032
Liabilities				
I. Shareholders' equity	3 338 986	3 205 698	2 913 187	2 841 076
1. Equity attributable to shareholders of the	3 230 580	3 090 086	2 801 566	2 731 760
1.1. Share capital	11 161	11 161	11 161	11 161
1.2. Exchange differences	29 315	24 152	16 052	4 538
1.3. Reserve capital	864 281	864 281	764 187	764 189
1.4. Reserve capital from revaluation	-120 616	-49 263	-4 565	3 731
1.5. Other reserve capital	1 755 540	1 755 540	1 729 883	1 729 883
1.6. Retained earnings (losses)	202 097	117 161	112 093	95 931
1.7. Net profit (loss)	488 802	367 054	172 755	122 327
2. Capital non-controlling interests	108 406	115 612	111 621	109 316
II. Liabilities and provisions for liabilities	1 484 450	1 588 346	1 447 163	1 423 956
1. Provisions for liabilities	437 479	371 229	402 513	419 892
1.1. Provision for deferred income tax	149 302	122 320	136 161	141 876
1.2. Other provisions	288 177	248 909	266 352	278 016
a) long-term	185 417	119 806	102 686	172 507
b) short-term	102 760	129 103	163 665	105 509
2. Long-term liabilities	224 367	371 604	388 649	489 193
2.1. Long-term credits and loans	20 376	40 144	61 935	76 237
2.2. Other long-term liabilities	142 151	149 908	115 105	116 841

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2.3. Contingent liabilities due to the purchase of	61 840	181 552	211 610	296 115
3. Short-term liabilities	766 972	789 807	604 966	479 774
3.1. Short-term credits and loans	64 102	64 102	36 517	33 200
3.2. Current part of long-term credits and loans	20 000	20 000	20 000	20 000
3.3. Trade liabilities	439 937	507 400	291 469	257 574
3.4. Income tax liabilities	47 988	47 988	40 600	37 812
3.5. Other short-term liabilities	194 945	150 317	216 380	131 188
4. Accruals	55 632	55 706	51 035	35 097
Total liabilities	4 823 436	4 794 044	4 360 350	4 265 032
Book value	3 338 986	3 205 698	2 913 187	2 841 076
Number of shares	5 580 267	5 580 267	5 580 267	5 580 267
Book value per share (PLN)	598,36	574,47	522,05	509,13

CONSOLIDATED PROFIT AND LOSS ACCOUNT for the period	thousand x PLN			
	IV quarter of 2021 - period from 01-10-2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01-01-2021 to 31-12-2021	IV quarter of 2020 - period from 01-10-2020 to 31-12-2020	4 quarter(s) increasingly for the period from 01-01-2020 to 31-12-2020
I. Net sales of products, goods and materials,	1 315 161	4 674 094	866 872	3 321 050
1. Net sales of products	1 268 637	4 528 939	849 446	3 244 824
2. Net sales of goods and materials	46 524	145 155	17 426	76 226
II. Costs of products, merchandise and materials	1 116 102	3 853 932	753 508	2 899 088
1. Production cost of products sold	1 080 918	3 739 847	737 463	2 833 023
2. Value of goods and materials sold	35 184	114 085	16 045	66 065
III. Gross profit (loss) on sales	199 059	820 162	113 364	421 962
IV. Selling costs	19 253	84 887	21 533	80 390
V. General and administrative costs	43 670	162 478	40 024	152 904
VI. Profit (loss) on sales	136 136	572 797	51 807	188 668
VII. Other operating incomes	172 335	236 237	60 150	132 241
VIII. Other operating costs	163 978	200 788	64 394	124 825
IX. Operating profit (loss)	144 493	608 246	47 563	196 084
X. Financial incomes	8 418	14 710	6 995	45 748
XI. Financial costs	9 437	30 744	4 787	18 302
XII. Profit from shares in associated entities	-45	163	-66	-9
XIII. Profit (loss) before taxation	143 429	592 375	49 705	223 521
XIV. Income tax	19 289	90 663	6 169	39 745
XV. Net profit (loss)	124 140	501 712	43 536	183 776
1. Attributable to shareholders of the parent	121 748	488 802	40 313	172 755
2. Attributed to non-controlling interests	2 392	12 910	3 223	11 020
Profit (loss) net	124 140	501 712	43 536	183 776
Weighted average number of ordinary shares	5 580 267	5 580 267	5 580 267	5 580 267
Profit (loss) for one ordinary share (in PLN)	22,25	89,91	7,80	32,93

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TOTAL COMPREHENSIVE CONSOLIDATED INCOME for the period	thousand x PLN			
	IV quarter of 2021 - period from 01-10-2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01-01-2021 to 31-12-2021	IV quarter of 2020 - period from 01-10-2020 to 31-12-2020	4 quarter(s) increasingly for the period from 01-01-2020 to 31-12-2020
Net result	124 140	501 712	43 536	183 776
The effective part of the cash flow hedging in accordance with IFRS 9	-77 226	-125 634	34 998	-59 872
including the effective portion of cash flow hedge in line with IFRS 9 attributable to minority interest	-5 880	-9 582		-4 210
gains and losses on translating line items in the financial statements of the foreign operation	5 163	13 263		11 960
Gains and losses on the translation of items in the financial statements of the foreign operation attributable to non-controlling interests	-13	-8		140
Total Comprehensive Income	52 077	389 341	78 534	135 864
Total comprehensive income attributable to the parent company shareholders	55 558	386 014	74 552	128 912
Total comprehensive income attributed to non-controlling interests	-3 481	3 327	3 982	6 952

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Statement of changes in equity for the period from 1st January to 31st December 2021 and 2020	thousand x PLN									
	Share capital	Exchange differences	Supplementary capital	Revaluation reserve	Other reserve capital	Retained profits	Current year net profit	Equity of the dominant entity	Capital non-controlling interests	Equity TOTAL
Balance on this 1.01.2021 (opening balance)	11 161	16 052	764 187	-4 565	1 729 883	284 848	0	2 801 566	111 621	2 913 187
Profit distribution			100 094		25 917	-126 011		0		0
Dividend						-33 482		-33 482	-2 817	-36 299
Total comprehensive income for period 1.01 - 31.12.2021		13 263		-116 051			488 802	386 014	3 327	389 341
<i>Valuation of hedging transactions</i>				-116 051				-116 051		-116 051
Other					-260	76 742		76 482	-3 725	72 757
Balance on this 31.12.2021 (closing balance)	11 161	29 315	864 281	-120 616	1 755 540	202 097	488 802	3 230 580	108 406	3 338 986
Balance on this 1.01.2020 (opening balance)	11 161	4 092	667 745	51 097	1 634 274	306 538	0	2 674 907	106 004	2 780 911
Profit distribution			95 906		95 609	-191 515		0		0
Dividend						-2 817		-2 817		-2 817
Total comprehensive income for period 1.01 - 31.12.2020		11 820		-55 662			172 755	128 913	6 951	135 864
<i>Valuation of hedging transactions</i>				-55 662				-55 662		-55 662
Other		140	536			-113		563	-1 334	-771
Balance on this 31.12.2020 (closing balance)	11 161	16 052	764 187	-4 565	1 729 883	112 093	172 755	2 801 566	111 621	2 913 187

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CONSOLIDATED CASH FLOW ACCOUNT for the period	thousand x PLN	
	4 quarter(s) increasingly for the period from 01- 01-2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01- 01-2020 to 31-12-2020
A. Cash flow from operational activity - indirect method	269 069	350 487
I. Profit (loss) before taxation	592 375	223 521
II. Tax paid	-83 880	-55 150
III. Total adjustments	-239 426	182 116
1. Share in net (profits) losses of subsidiary entities	163	-9
2. Depreciation	177 039	166 823
3. (Profit) loss from exchange rate fluctuations	1 032	543
4. Interest and profit share (dividends)	9 494	8 917
5. (Profit) loss on investment activities	-25 428	8 594
6. Change in reserves	29 050	801
7. Change in inventories	-172 271	-51 879
8. Change in receivables	-281 446	101 719
9. Change in short-term liabilities, except for loans and	136 956	-78 137
10. Change in accruals	-1 309	21 349
11. Other adjustments	-112 706	3 395
IV. Net cash flow from operating activities	269 069	350 487
B. Cash flow from investment activity	-123 040	-241 044
I. Inflows	268 867	79 908
1. Sales of intangible and tangible fixed assets	43 244	6 365
2. Sales of real estate properties and intangible assets		
3. From financial assets, including:	225 623	73 543
- financial assets sold	222 589	71 730
- dividends and profit share received	1	
- repayment of long-term loans granted		1 160
- interest received	533	653
- other inflows from financial assets	2 500	
4. Other investment inflows		
II. Outflows	-391 907	-320 952
1. Purchase of intangible and tangible fixed assets	-134 681	-226 793
2. Real estate property and intangible assets		
3. To financial assets, including:	-257 101	-89 120
- financial assets purchased	-257 323	-89 120
- long-term loans granted	222	
4. Other investment outflows	-125	-5 039
III. Net cash flow from investment activities	-123 040	-241 044
C. Cash flow from financial activity	-93 639	-77 552
I. Inflows	3 224	16
1. Net inflows from issue of shares, other capital		
2. Credits and loans	3 197	
3. Issue of debentures		
4. Other financial inflows	27	16
II. Outflows	-96 863	-77 568
1. Purchase of own shares		
2. Dividends and other dues paid to shareholders	-36 094	-2 777

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3. Outflows from profit distribution, other than dues paid to		
4. Credits and loans repaid	-38 965	-57 348
5. Redemption of debentures		
6. From other financial liabilities	-147	
7. Contractual payments of financial leasing dues	-4 673	-5 210
8. Interest paid	-10 057	-9 555
9. Other financial outflows	-6 927	-2 678
III. Net cash flow from financial activities	-93 639	-77 552
D. Total net cash flow	52 390	31 891
E. Balance sheet change in cash, including:	52 390	31 891
- change in cash due to exchange rates fluctuations	0	0
F. Cash (beginning of period)	436 392	404 501
G. Cash (end of period), including:	488 782	436 392
- of limited access and disposal		

II. Abridged Financial Report for the 4th quarter of 2021

Selected Financial Data	thousand x PLN		thousand x EUR	
	4 quarter(s) increasingly for the period from 01-01-2021 to 31- 12-2021	4 quarter(s) increasingly for the period from 01-01-2020 to 31- 12-2020	4 quarter(s) increasingly for the period from 01-01-2021 to 31- 12-2021	4 quarter(s) increasingly for the period from 01-01-2020 to 31- 12-2020
I. Net sales of products, goods and materials	1 997 851	1 253 497	436 450	280 161
II. Operating profit (loss)	232 263	22 918	50 740	5 122
III. Profit (loss) before taxation	257 350	56 286	56 221	12 580
IV. Net profit (loss)	220 063	54 844	48 075	12 258
V. Net cash flow from operating activities	-2 095	141 301	-458	31 581
VI. Net cash flow from investment activities	23 051	26 146	5 036	5 844
VII. Net cash flow from financial activities	-61 539	-25 523	-13 444	-5 704
VIII. Total net cash flow	-40 583	141 924	-8 866	31 721
IX. Total assets	2 434 023	2 162 913	529 204	466 450
X. Liabilities and provisions for liabilities	493 092	408 564	107 208	88 532
XI. Long-term liabilities	66 533	86 597	14 466	18 765
XII. Short-term liabilities	327 082	217 851	71 114	47 206
XIII. Shareholders' equity	1 940 931	1 754 349	421 997	378 569
XIV. Share capital	11 161	11 161	2 427	2 419
XV. Number of shares	5 580 267	5 580 267	5 580 267	5 580 267
XVI. Profit (loss) per ordinary share (PLN)	39,44	9,83	2,72	2,20
Diluted profit (loss) per ordinary share (PLN)	39,44	9,83	2,72	2,20
XVII. Book value per share (PLN)	347,82	314,38	67,84	68,12
Diluted book value per share (PLN)	347,82	314,38	67,84	68,12
XVIII. Declared or paid-out dividend for one share in (PLN/EUR)	6,00		1,32	

- Comparable financial data (item IX-XIV and XVII) was presented pursuant to the requirements of the International Financial Reporting Standards according to the balance for this 31st December 2020. Other comparable data is presented for the period from 1st January 2020 to 31st December 2020.
- EUR exchange rates according to the following principles were used for the conversion of the currency into PLN:
 - the assets and liabilities items of the balance sheet were converted into EUR according to the average rate announced by the National Bank of Poland for this 31st December 2021 and amounting to PLN 4.5994 and PLN 4.6148 for this 31st December 2020.
 - the profit and loss account items and the cash flow items were converted into EUR according to the rate being the simple average of the average EUR rates announced by the National Bank of Poland on the last day of each month included in the report and amounting to PLN 4.5775 for 4 quarters of 2021 and PLN 4.4742 for 4 quarters of 2020.
- In the item XVIII the amount of the dividend for 1 share to paid out in 2020 by the Issuer.
- For profit-per-share calculation the number of 5 580 267 shares was adopted.

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BALANCE SHEET	(thousand x PLN)			
	31.12.2021	30.09.2021	31.12.2020	30.09.2020
Assets				
I. Fixed assets	1 434 616	1 445 994	1 471 502	1 493 458
1. Intangible fixed assets, including	115 824	115 991	116 921	117 156
- right of perpetual land use	83 535	83 788	84 548	86 149
2. Tangible fixed assets	745 724	757 396	784 102	796 773
3. Long-term receivables				
4. Long-term investments	569 092	569 565	567 881	577 017
4.1. Real estate investments	48 533	49 006	50 425	50 898
4.2. Intangible assets				
4.3. Long-term financial assets	520 559	520 559	517 455	526 119
4.4. Other long-term investments				
5. Long-term prepayments	3 976	3 042	2 598	2 512
5.1. Deferred tax assets	3 976	3 042	2 598	2 512
5.2. Other prepayments				
II. Current assets	999 407	1 065 554	691 410	634 724
1. Inventories	457 268	433 205	238 059	250 088
2. Short-term receivables	346 943	378 016	216 211	208 584
- including trade receivables in excess of 1 year	227	227	290	291
3. Short-term investments	169 734	240 944	212 433	175 010
3.1. Short-term financial assets	167 462	238 970	211 945	173 263
a) loans	14 500	17 000	18 400	19 550
b) cash and cash equivalents				
3.2. Other short-term investments	152 962	221 970	193 545	153 713
4. Short-term prepayments	2 273	1 974	488	1 748
Total assets	25 462	13 389	24 708	1 042
Liabilities	2 434 023	2 511 548	2 162 913	2 128 182
I. Shareholders' equity	1 940 931	1 903 713	1 754 349	1 739 232
1. Share capital	11 161	11 161	11 161	11 161
2. Own shares (stakes) (negative value)				
3. Reserve capital	103 750	103 749	103 750	103 749
4. Reserve capital from revaluation				
5. Other reserve capital	1 614 232	1 614 232	1 592 870	1 592 870
6. Retained earnings (losses)	-8 275	-8 275	-8 275	-28 634
7. Net profit (loss)	220 063	182 846	54 844	60 086
II. Liabilities and provisions for liabilities	493 092	607 835	408 564	388 950
1. Provisions for liabilities	92 809	99 560	97 221	103 224
1.1. Provision for deferred income tax	73 556	75 267	76 740	75 952
1.2. Other provisions	19 253	24 293	20 482	27 272
a) long-term	14 888	15 006	15 007	20 964
b) short-term	4 365	9 287	5 475	6 307
2. Long-term liabilities	66 533	71 536	86 597	91 316
2.1. Long-term credits and loans	10 000	15 000	30 000	35 000
2.2. Other long-term liabilities	56 533	56 536	56 597	56 316
3. Short-term liabilities	327 082	431 717	217 851	187 713
3.1. Short-term credits and loans				0

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3.2. Current part of long-term credits and	20 000	20 000	20 000	20 000
3.3. Trade liabilities	275 720	376 408	171 956	138 187
- including trade payables in excess of 1 year	2 100	2 843	3 539	3 208
3.4. Income tax liabilities	1 062	13 420	7 240	8 638
3.5. Other short-term liabilities	30 300	21 889	18 655	20 888
4. Accruals	6 668	5 022	6 895	6 697
Total liabilities	2 434 023	2 511 548	2 162 913	2 128 182
Book value	1 940 931	1 903 713	1 754 349	1 739 232
Number of shares	5 580 267	5 580 267	5 580 267	5 580 267
Book value per share (PLN)	347,82	341,15	314,38	311,68
Diluted number of shares	5 580 267	5 580 267	5 580 267	5 580 267
Diluted book value per share (PLN)	347,82	341,15	314,38	311,68

PROFIT AND LOSS ACCOUNT for the period	(thousand x PLN)			
	IV quarter of 2021 - period from 01-10-2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01-01-2021 to 31-12-2021	IV quarter of 2020 - period from 01-10-2020 to 31-12-2020	4 quarter(s) increasingly for the period from 01-01-2020 to 31-12-2020
I. Net sales of products, goods and materials, including:	553 360	1 997 851	300 681	1 253 497
1. Net sales of products	445 284	1 631 871	264 322	1 012 438
2. Net sales of goods and materials	108 076	365 980	45 359	241 058
II. Costs of products, goods and materials sold, including:	486 348	1 663 391	284 129	1 165 582
1. Production cost of products sold	379 365	1 308 632	239 736	930 343
2. Value of goods and materials sold	106 983	354 759	44 393	235 239
III. Gross profit (loss) on sales	67 012	334 460	16 552	87 915
IV. Selling costs	13 080	49 634	10 523	40 129
V. General and administrative costs	14 509	47 258	10 953	36 814
VI. Profit (loss) on sales	39 423	237 568	-4 924	10 972
VII. Other operating incomes	27 362	33 672	19 410	27 929
VIII. Other operating costs	21 783	38 977	8 195	15 983
IX. Operating profit (loss)	45 002	232 263	6 291	22 918
X. Financial incomes	541	32 564	3 299	47 269
XI. Financial costs	2 618	7 477	1 100	13 901
XII. Profit (loss) before taxation	42 925	257 350	8 490	56 286
XIII. Income tax	5 708	37 287	700	1 442
XIV. Other statutory reductions in profit (increases in loss)	0		0	
XV. Net profit (loss)	37 217	220 063	7 790	54 844
Net profit (loss)	37 217	220 063	7 790	54 844
Weighted average number of ordinary shares	5 580 267	5 580 267	5 580 267	5 580 267
Profit (loss) per ordinary share (PLN)	6,67	39,44	1,40	9,83
Weighted average predicted number of ordinary	5 580 267	5 580 267	5 580 267	5 580 267
Diluted profit (loss) per ordinary share (PLN)	6,67	39,44	1,40	9,83

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TOTAL COMPREHENSIVE INCOME for the period	(thousand x PLN)			
	IV quarter of 2021 - period from 01-10- 2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01-01-2021 to 31- 12-2021	IV quarter of 2020 - period from 01- 10-2020 to 31-12- 2020	4 quarter(s) increasingly for the period from 01-01-2020 to 31- 12-2020
Net result	37 217	220 063	7 790	54 844
Differences from evaluation				
Total Comprehensive Income	37 217	220 063	7 790	54 844

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Statement of changes in equity for the period from 1st January to 31st December 2021 and 2020	(thousand x PLN)						
	Share capital	Supplementary capital	Revaluation reserve	Other reserve capital	Retained profits	Current year net profit	Equity TOTAL
Balance on this 01.01.2021 (opening balance)	11 161	103 750		1 592 870	46 568		1 754 349
Profit distribution				21 362	-21 362		0
Dividend					-33 481		-33 481
Total comprehensive income for period 1.01 - 31.12.2021						220 063	220 063
Balance on this 31.12.2021 (closing balance)	11 161	103 750	0	1 614 232	-8 275	220 063	1 940 931
Balance on this 01.01.2020 (opening balance)	11 161	103 750	0	1 500 062	84 533		1 699 506
Profit distribution				92 808	-92 808		0
Dividend							0
Total comprehensive income for period 1.01 - 31.12.2020						54 843	54 843
Balance on this 31.12.2020 (closing balance)	11 161	103 750	0	1 592 870	-8 275	54 843	1 754 349

CASH FLOW ACCOUNT for the period	(thousand x PLN)	
	4 quarter(s) increasingly for the period from 01-01- 2021 to 31-12-2021	4 quarter(s) increasingly for the period from 01-01- 2020 to 31-12-2020
A. Cash flow from operating activities – indirect method	-2 095	141 301
I. Net profit (loss)	257 350	56 285
Tax paid	-41 848	
II. Total adjustments	-217 597	85 016
1. Depreciation	50 140	52 754
2. (Profit) loss from exchange rate fluctuations	0	0
3. Interest and profit share (dividends)	-25 835	-32 719
4. (Profit) loss on investment activities	-72	-2 663
5. Change in reserves	-4 412	-2 873
6. Change in inventories	-218 443	64 818
7. Change in receivables	-146 304	35 558
8. Change in short-term liabilities except for loans and credits	124 740	-33 529
9. Change in accruals	-2 357	-22 731
10. Other adjustments	4 946	26 401
III. Net cash flow from operating activities	-2 095	141 301
B. Cash flow from investment activities	23 051	26 146
I. Inflows	36 776	47 198
1. Sales of intangible and tangible fixed assets	832	5 484
2. Sales of real estate properties and intangible assets		
3. From financial assets, including:	35 944	41 715
- financial assets sold		
- dividends and profit share received	31 539	37 057
- repayments of long-term loans granted	0	
- interest received	505	657
- other inflows from financial assets	3 900	4 000
4. Other investment inflows		
II. Outflows	-13 725	-21 052
1. Purchase of intangible and tangible fixed assets	-10 622	-15 088
2. Real estate property and intangible assets		
3. To financial assets, including:	-3 103	0
- financial assets purchased	-3 103	-25
- long-term loans granted		-900
4. Other investment outflows		-5 039
III. Net cash flow from investment activities	23 051	26 146
C. Cash flow from financial activities	-61 539	-25 523
I. Inflows	0	0

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1. Net inflows from issue of shares, other capital instruments or capital receipts		
2. Credits and loans	0	0
3. Issue of debentures		
4. Other financial inflows	0	0
II. Outflows	-61 539	-25 523
1. Purchase of own shares		
2. Dividends and other dues paid to shareholders	-33 482	0
3. Outflows from profit distribution, other than dues paid to shareholders		
4. Credits and loans repaid	-20 000	-20 000
5. Redemption of debentures		
6. From other financial liabilities		
7. Contractual payments of financial lease dues	-63	-55
8. Interest paid	-6 209	-4 995
9. Other financial outflows	-1 785	-471
III. Net cash flow from financial activities	-61 539	-25 523
D. Total net cash flow	-40 583	141 924
E. Balance sheet change in cash	-40 583	141 924
F. Cash (beginning of period)	193 545	51 621
G. Cash (end of period)	152 962	193 545

III. Introductory Information

1. The basic data

Apart from the parent company, the Stalprodukt S.A. Capital Group embraces 9 associated entities accounting for subsidiary companies. Stalprodukt S.A. holds 100 % of shares in the subsidiary companies, except for Zakłady Górniczo-Hutnicze "Bolesław", where it holds 94.93 % of shares.

As the group's parent company, Stalprodukt S.A., provides operating and development guidelines for the associated entities formed within the framework of the Company's restructuring and expansion of its production, trade and services and organization of its own sales network.

The basic objects of operation of the capital group companies are:

- production of electrical transformer sheets – parent company Stalprodukt S.A., GO Steel a.s.,
- production of cold formed profiles, road safety barriers as well as cut-to-length cold- and hot-rolled sheets and strips – parent company Stalprodukt S.A.,
- non-ferrous metal ores mining and zinc and lead production – ZGH "Bolesław" S.A. along with its subsidiary companies:
 - Zinc Smelter - Huta Cynku "Miasteczko Śląskie" S.A. – production of rectified zinc, lead and cadmium,
 - Bol-Therm Sp. z o.o. – power supply-, laboratory-, mechanics and construction-related services, transport-equipment and forwarding services, production of dolomite aggregates, zinc products and zinc alloys,
 - Gradir Montenegro d.o.o. – zinc ores mining and concentrate production,
 - Agencja Ochrony Osób i Mienia "Karo" Sp. z o.o. – bodyguard and property security services,
- trade activities:
 - Stalprodukt - Zamość Sp. z o.o.,
- other production- and services-related activities:
 - production of galvanized banding steel and wire, as well as steel strips - Cynk-Mal S.A.,
 - production of cold-rolled sheets – GO Steel a.s.
 - spare parts production and regeneration - Stalprodukt-Wamech Sp. z o.o.,
 - installation, repair/renovation and maintenance of machines - Stalprodukt-Serwis Sp. z o.o.,
 - structural steel production - STP Elbud Sp. z o.o., Stalprodukt-Wamech Sp. z o.o.,
 - galvanizing services - STP Elbud Sp. z o.o. and Cynk-Mal S.A.,

- roads and freeways construction and management – Stalprodukt-Wamech Sp. z o.o.
- bodyguard and property security – Stalprodukt-Ochrona Sp. z o.o.,
- designing equipment related to the use of renewable energy sources – Anew Institute Sp. z o.o.,
- Hotel Ferreus Sp. z o.o. - hotel services.

2. Changes in the Issuer's and Capital Group's Ownership Structure

In relation to the 4th Quarter of 2020, which is a comparable period to this Consolidated Financial Report, in the 4th Quarter of 2021 the following changes in the structure of the Issuer's Capital Group took place:

1. In connection with the entry into force in the Czech Republic on January 1, 2021 of the amendment to the Act on Commercial Companies 33/2020 Sb and in order to avoid problems related to the interpretation of the new regulations, Stalprodukt S.A., as the sole shareholder of GO Steel Frydek-Mistek a.s., made the decision to change the existing system of the internal structure of the company (the so-called one-tier one, with the statutory director and the management board) to a dual system (in which the management board and supervisory board operate), i.e. a system also known in Poland under the provisions of the Commercial Companies Code. In connection with the above, on December 16, 2020, the necessary changes were made to the statutes of GO Steel Frydek Mistek a.s., with the simultaneous change of the company's name to GO Steel a.s. The changes entered into force on January 1, 2021.
2. Due to the completion by the Company of the construction of the 5-star Ferreus Hotel in Kraków, on March 9, 2021, the articles of association of the company Hotel Ferreus Sp. z o.o. were drawn up. The share capital of this company is PLN 500 thousand and is divided into 500 shares with a nominal value of 1 thousand PLN each, which were fully covered by Stalprodukt S.A. as its sole partner.
On June 17, 2021, the National Court Register registered the company. The company Hotel Ferreus Sp. z o.o. was established to conduct hotel activities on the basis of a lease agreement for the facility in question. Due to the coronavirus pandemic, the Company withheld the launch of the hotel. The currently expected date of commencement of operations is the 1st quarter of 2022. The facility has a permit for use by the County Construction Supervision Inspector - Grodzki County, and a positive position in the field of fire protection of the Municipal Commander of the State Fire Service in Krakow. The hotel has a total of 71 accommodation units. The total planned expenditure on its construction based on the investor's cost estimates was determined at the level of PLN 66 million. The expenditure actually incurred amounted to PLN 58.9 million. Despite the establishment of the special purpose vehicle, the Issuer's

Management Board does not rule out other forms of running the hotel business (i.e. directly by Stalprodukt S.A.).

3. On September 29, 2021, the General Meeting of Shareholders of Stalprodukt - Centrostal Kraków Sp. z o.o. adopted a resolution to put the company into liquidation. This decision is a consequence of the optimization of the distribution channel started in 2018. On June 28, 2018, an agency agreement was signed with Stalprodukt - Centrostal Kraków Sp. z o.o. Pursuant to its terms, the purchases and sales were not made for the subsidiary's own account, but for and on behalf of Stalprodukt. At that time the first stage of reorganization of the distribution business also took place, i.e. the takeover of the warehouses from Stalprodukt-Centrostal Kraków and their inclusion in the structures of the Stalprodukt's marketing director division.

In turn, on October 1, 2021, Stalprodukt took over the commercial teams in their structures and the scope of their tasks, thus the activity of the subsidiary as an Agent was terminated.

The changes introduced in the distribution of the Profiles Segment products are aimed at improving the efficiency of finished goods warehouse management and reducing the costs related to the sales network, as well as increasing the segment's sales efficiency.

In the opinion of the Management Board, this decision does not constitute a discontinuation of operations in accordance with the International Accounting Standards.

3. Fundamental Principles Governing the Preparation of the Abridged Interim Consolidated Financial Report

The presented Abridged Consolidated Financial Report was prepared in respect of the period from 1 October 2021 to 31 December 2021 with the use of the full consolidation method, considering all the Group's subsidiaries. The comparable data cover the period from 1 October 2020 to 31 December 2020 referring to the profit and loss account and the cash flow statement, the balance sheet values reflect the status as of 31 December 2020.

This Abridged Consolidated Financial Report was prepared in line with the International Financial Reporting Standards approved by the European Union and, in particular, with the International Accounting Standard No 34 "Interim Financial Reporting" and was based on the assumption that the Group will be continuing its activities in the predictable future. As of the Financial Report approval day, the Issuer's Management Board does not find any circumstances likely to threaten the continuation of activities pursued by the Capital Group.

The Interim Abridged Consolidated Financial Report does not contain all the information and disclosures required in the consolidated financial report and the additional information sheet mainly contains the explanations of events and changes indispensable for the understanding

of the changes in the Group's financial standing and its performance results to have occurred since the end of the previous reporting year.

The Additional Information sheet embraces selected data explaining the facts required by the IAS 34 and the Regulation of the Minister of Finance as of 29.03.2018 r. on current and periodic information to be disclosed by issuers of securities and conditions for recognizing as equivalent of information whose disclosure is required under the laws of a non-member state (Journal of Laws 2018, item 757).

If the Additional Information sheet does not contain a description of some events, required by the above mentioned regulations, this shall mean that such events have not occurred during the reporting period.

4. Accounting Principles (Policy)

1. In the quarterly abridged consolidated financial report the accounting principles (policy) used, including the assets and liabilities, income and costs valuation methods as well as calculation methods adopted, were identical with the ones presented in detail in the Consolidated Report 2020.

In the reporting period no essential amendments were introduced into the accounting standards (policy), nor any adjustments were made in respect of the fundamental errors and adopted estimated values which would have significantly affected the Group's property and liquidity standing and its financial result.

2. The changes introduced into the standards and interpretations issued by the International Financial Reporting Standards Council and International Financial Reporting Standards Interpretation Committee, applicable since 1 January 2021 or later, either do not apply to the Stalprodukt Group, or do not significantly affect the heretofore applied accounting policy and assessment of its asset position and financial standing. The numerous changes introduced into the existing accounting standards and interpretation changes, referring to the existing standards, have already been adopted by the International Financial Reporting Standards Council, but not approved by the EU yet and so the same shall take effect at later dates.

The Management Board does not expect the introduction of the above standards and interpretations to significantly affect the accounting principles (policy) applied by the Group, its financial standing and financial result, but the same may still require further additional or amended disclosures to be included in the report. The above mentioned changes were precisely described in the Additional and Explanatory Information sheet appended to the published Consolidated Financial Report for 2020.

3. The information contained in the Consolidated Financial Report was compiled in compliance with the principles pertaining to the assets and liabilities valuation and net financial result measurement, defined as of the balance sheet day, in compliance with IFRS adopted by the European Union and interpretations related thereto, announced in

the form of the European Commission Regulations, with the principle of materiality observed.

From January 2019, the Issuer applies IFRS 16 to recognize and present perpetual usufruct as a lease. The impact of IFRS 16 has been described in the consolidated and separate financial statements for 2019.

4. Estimated Values in the 4th Quarter 2021

1. The provision for deferred tax was increased by PLN 5,819 thousand, and decreased by PLN 5,891 thousand.
2. A write-down was created for inventories of finished products and materials in the amount of PLN 10,226.8 thousand, and dissolved in the amount of PLN 11,621.4 thousand.
3. A write-down for doubtful receivables was created in the amount of PLN 2,412.4 thousand (including PLN 2,096 thousand in the Zinc Segment), and dissolved in the amount of PLN 240 thousand.
4. A write-down for fixed assets was created in the amount of PLN 385 thousand.
5. A provision was created for employee benefits in the amount of PLN 11,234.8 thousand, and resolved in the amount of PLN 11,241.7 thousand (mainly in the Zinc Segment).
6. A provision was created for the bonus fund in the amount of PLN 4,943 thousand, and dissolved in the amount of PLN 3,977 thousand,
7. A provision was created for certificates of origin for energy and CO₂ emission rights in the amount of PLN 5.750 thousand, and dissolved in the amount of PLN 19,878 thousand,
8. A provision was created for fixed costs during the renovation in the amount of PLN 1,500 thousand.
9. A provision for land reclamation was created in the amount of PLN 114 thousand, and dissolved in the amount of PLN 90 thousand.
10. A provision for deferred repairs was created in the amount of PLN 18.908 thousand, and dissolved in the amount of PLN 19,238 thousand.
11. Other provisions - created in the amount of PLN 1,200 thousand, and dissolved in the amount of PLN 732 thousand.
12. In the Zinc Segment, in the current result, the mine decommissioning provision was increased by the amount of PLN 3,007 thousand. In addition, as a result of previous years, an additional reserve was created for mining damage caused by rising groundwater and flooding in forest areas in the amount of PLN 73,499.5 thousand. The amount of PLN 20,708.6 thousand was used from the mine decommissioning fund. The creation of provisions did not affect the Group's result in the fourth quarter of 2021, due to the use of the created contingent liabilities.
13. Additionally, in the Zinc Segment, a write-down was created for the shares in Gradir Montenegro in the amount of PLN 30,000 thousand and a write-off was made for the value of the loan in the amount of PLN 17,164.5 thousand, goodwill was also written off in the amount of PLN 17,973 thousand. The creation of write-offs did not affect the Capital Group's result in the fourth quarter of 2021, due to the use of the created contingent liabilities.

Additionally, in the fourth quarter of 2021, an item in the amount of PLN 140,937 thousand was recognized in the consolidated financial statements in other operating income, which are revenues from free CO₂ emission rights, including in the Zinc Segment PLN 135,911

thousand. At the same time, redemption of CO₂ received free of charge in the amount of PLN 140,937,000 was shown in other operating expenses.

IV. Business Segments

The segment-based reporting was based on IFRS 8 "Operating Segments". The rules governing the Stalprodukt Capital Group's division into operating segments and accounting principles applied in this kind of reporting were described in detail in the last published Consolidated Financial Report for 2020.

Revenues presented in the breakdown into operating segments include only revenues from external customers. There are no transactions between the 3 operating segments (electrical sheet segment, profiles segment and zinc segment). As part of the accounting policy (principles), the "other operations" item was separated to balance the results of the Capital Group. The scope of "other activities" includes assembly services, maintenance services, security, galvanizing services, production of cold rolled steel coils, etc. These services are carried out by the Capital Group companies for external customers and for the needs of individual segments, which in the Issuer's opinion is not a transaction between operating segments. At the same time, taking into account the consolidation principles, revenues from sales under "other activities" made for the benefit of operating segments as carried out within the Capital Group were excluded from consolidation.

Information on Operating Segments for 4th quarter of 2021 (PLN thousand)

Itemization	Operating Segments				Total
	Electrical Sheets Segment	Profiles Segment	Zinc Segment	Other Activities	
Segment Revenues	335 805	226 454	640 236	112 666	1 315 161
Domestic	19 412	157 862	395 488	97 254	670 016
Export	316 393	68 592	244 748	15 412	645 145
Segment Costs	262 497	223 766	554 937	94 155	1 135 355
Segment Result	73 308	2 688	85 299	18 511	179 806
Other Operating and Financial Revenues Non-Attributable to the Segment					180 708
Other General, Operating and Financial Costs Non-Attributable to the Segment					217 085
Gross Profit					143 429
Income Tax					19 289
Net Profit					124 140
Segment Assets	1 173 276	821 143	2 350 815	410 607	4 755 842
Assets Non-Attributable to the Segment					67 594
Total Assets					4 823 436

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Liabilities	311 521	246 621	773 608	90 860	1 422 610
Contingent Liabilities					61 840
Total Liabilities					1 484 450
Investment Outlays	1 486	1 894	34 125	577	38 082
Depreciation	9 565	4 766	26 316	4 049	44 696

Information on Operating Segments for 4th quarter of 2020 (PLN thousand)

Itemization	Operating Segments				Total
	Electrical Sheets Segment	Profiles Segment	Zinc Segment	Other Activities	
Segment Revenues	174 064	150 082	483 978	58 748	866 872
Domestic	15 739	98 876	278 996	49 648	443 259
Export	158 325	51 206	204 982	9 100	423 613
Segment Costs	170 061	146 750	404 880	53 350	775 041
Segment Result	4 003	3 332	79 098	5 398	91 831
Other Operating and Financial Revenues Non-Attributable to the Segment					67 080
Other General, Operating and Financial Costs Non-Attributable to the Segment					109 206
Gross Profit					49 705
Income Tax					6 169
Net Profit					43 536
Segment Assets	961 600	639 527	2 235 604	470 073	4 306 804
Assets Non-Attributable to the Segment					35 847
Total Assets					4 342 651
Liabilities	263 942	208 953	613 800	76 984	1 163 679
Contingent Liabilities					296 115
Total Liabilities					1 459 794
Investment Outlays	1 362	687	113 417	3 693	119 159
Depreciation	10 889	4 729	23 025	2 737	41 380

V. Ocena uzyskanych wyników i sytuacja finansowa

In the fourth quarter of 2021, compared to the same period of 2020, the Stalprodukt S.A. Capital Group achieved sales revenues higher by PLN 448,289 thousand, i.e. by 51.7 %. At the level of profit on sales, PLN 136,136 thousand was achieved, against PLN 51,807 thousand in the fourth quarter of 2020, which means an increase by 162.8 %. On the other hand, the level of operating profit PLN 144,493 thousand was achieved, against PLN 47,563

thousand in the fourth quarter of 2020, an increase by 96,930 thousand, i.e. 203.8 %. Net profit in the fourth quarter of 2021 amounted to PLN 124,140 thousand compared to the fourth quarter of 2020, when it amounted to PLN 43,536 thousand, which means an increase by 80,604 thousand, i.e. by 185.1 %.

The Capital Group recorded positive results in all operating segments.

In the Electrical Sheets Segment, the sales volumes of transformer sheets were recorded at a level similar to the 4th quarter of 2020. At the same time, significant price increases and an increase in the share of sheets with higher parameters were achieved. Revenues increased by PLN 161,741 thousand, i.e. by 92.9%. In the fourth quarter, the segment's market conditions, which started in the second quarter of 2021, continued to improve. Both the increase in demand and prices resulted in the achievement of over 18 times better result than in the same period of 2020.

In the fourth quarter of 2021, the share of sheets in the HiB grade at the Bochnia plant amounted to over 20% of the production volume.

Despite the improved results, the situation of producers in the European Union is still negatively affected by competition with lower production costs coming from the regions that do not pay fees for CO₂ emissions and with lower energy costs. Hence, there is still some degree of uncertainty about the further development of the macroeconomic situation in many markets.

Throughout the entire period, the segment had the organizational, production and financial capacity to conduct operating activities, both at the plants in Bochnia and in Frydek-Mistek. The development of the situation in the segment will be closely related to the impact of the pandemic on foreign markets, the reaction of the authorities of individual countries and the development of the situation in relation to with successive waves of the pandemic.

On October 9, 2020, the Management Board of ArcelorMittal Poland S.A. ("AMP") made a decision on the permanent closure of steelmaking facilities of the Krakow branch. The blast furnace and steel plant were temporarily shut down in November 2019 due to the decline in steel demand and large import volumes of steel products from outside the EU. The decision was dictated by structural reasons such as: the lack of effective measures to protect the European steel market, further increase of duty-free quotas for imports of steel products from outside the EU with a decrease in demand for steel and high energy costs.

The Issuer's Management Board emphasizes that this decision does not have a direct negative impact on the supply of input products for the Company's needs, as they have already been taken over by other mills of the ArcelorMittal Group and are carried out in accordance with the schedule and production needs of the Company. Nevertheless, the

long-term cooperation relations between both entities, favorable (due to the close location of the steelworks) logistics of deliveries from the Krakow branch of AMP and the great importance of this plant in securing supplies for the Electrical Sheets Segment are the reason that the decision to completely shut down the steelmaking facilities of the Krakow AMP steelworks and the failure to implement a development project ensuring the supply of the highest-performance transformer sheets charge should be assessed as unfavorable from the point of view of ensuring the optimal functioning of the Company.

What is particularly important from the point of view of securing the raw materials needs for the Stalprodukt's Electrical Sheets Segment, the statement of the Management Board of AMP also mentions investments in the steel plant in Dąbrowa Górnicza, including projects enabling the production of steel grades that will be used in the further production of grain-oriented electrical steels.

Extending the protection period for the European transformer sheets market for another 5 years

On January 14, 2022, the COMMISSION IMPLEMENTING REGULATION (EU) 2022/58 was published, imposing a definitive anti-dumping duty on imports of certain grain-oriented flat-rolled silicon electrical steel products originating in the People's Republic of China, Japan, the Republic of Korea, the Russian Federation and in the United States of America following an expiry review pursuant to Art. 11 sec. 2 of Regulation (EU) 2016/1036 of the European Parliament and of the Council.

The above Commission Regulation maintains the mechanism of minimum import prices and the price levels for individual product groups (differing in the level of magnetic core loss), as set out in the original Implementing Regulation, i.e. 2015/1953 of 29 October 2015.

The expiry review procedure was carried out at the request of the EUROFER Association, representing 2 European producers of grain oriented sheets, i.e. ThyssenKrupp Electrical Steel and Stalprodukt S.A.

Grain oriented electrical sheets are a key component in the production of transformer cores. They are also essential for the maintenance and expansion of the EU energy network and for the further development of the e-mobility sector.

According to Axel Eggert, CEO of EUROFER: "The EU's energy security and climate goals can only be achieved by maintaining a viable European GOES industry." He also added that GOES is a strategic top-shelf product, and the European Union cannot be dependent on foreign steel mills located in Asia, Russia or the United States in terms of supplies.

In the opinion of the Management Board of Stalprodukt, the current level of market prices of grain-oriented sheets is significantly higher than the minimum import prices specified in the Regulation, which makes the minimum price mechanism irrelevant to the market. However,

a drop in prices cannot be ruled out in the future. It is then that the minimum import prices should allow European producers of transformer sheets, including Stalprodukt and its subsidiary GO Steel a.s. - maintain the profitability of sales of these products.

The Profiles Segment recorded a decrease in sales volume compared to the fourth quarter of 2020 by 19.5 %. At the same time, the Segment's sales revenues were higher by PLN 76,372 thousand, i.e. by 50.1 %. Additionally, the Segment recorded a result of PLN 51,775 thousand. In the fourth quarter, there was a short-term but significant change in market conditions. The maximum charge prices recorded in the third quarter of 2021 dropped significantly in the fourth quarter, which had an impact on the prices of finished products and a reduction in margins. Currently, the Issuer is observing a change in the upward trend.

At the same time, the Issuer would like to emphasize that the previous expectations as to a systemic solution to the issue of dumped imports, which could have a positive impact on the situation of the Company and steel processors, have not been fully resolved, e.g. due to the (relatively) high quota amounts. The import of steel products (including tubes and profiles manufactured by Stalprodukt) to the European Union market significantly affects the competitive position of the EU producers.

In the fourth quarter of 2021, **the Zinc Segment's** net revenues amounted to PLN 640,236 thousand and compared to the same period last year, in which sales amounted to PLN 483,978 thousand, were lower by 32.3%.

Sales of the Zinc Segment by products:

- sales of zinc for 12 months of 2021 amounted to 167.1 thousand tons (including 41.2 thous. tons in the fourth quarter of 2021) and was higher by 12.9 thous. tons (+ 8%) compared to sales for 12 months of 2020.
- sales of silver (Dore's metal) for 12 months of 2021 amounted to PLN 877.0 thousand ounces (including 95.5 thousand. ounces in the fourth quarter of 2021) and was higher by 238.7 thous. ounces (+ 35%) compared to sales for 12 months of 2020.
- sales of refined lead for 12 months of 2021 amounted to 14.1 thous. tons (including 3.6 thous. tons in the fourth quarter of 2021) and was higher by 1.5 thous. tons (+ 12%) compared to the same period of 2020.

For 12 months of 2021, the revenues of the Zinc Segment are increased by one-off sales from the stock of mine concentrate (flotation galena) in the amount of 5.0 thous. tons.

The prices of basic metals for the ZGH "Bolesław" Group were as follows:

12 months of 2021

average zinc cash settlement price on the London Metal Exchange USD 3,007 per tonne

average lead cash settlement price on the London Metal Exchange USD 2,206 per tonne

average silver price on the London Bullion Market USD 25.14 per troy ounce (USD 808 per kg)

the average PLN/USD exchange rate (NBP) was 3.8647

12 months of 2020

average zinc cash settlement price on the London Metal Exchange USD 2,628 per tonne
average lead cash settlement price on the London Metal Exchange USD 1,901 per tonne
average silver price on the London Bullion Market USD 19.25 per troy ounce (USD 784 per kg)

the average PLN/USD exchange rate (NBP) was 3.7803.

The price of zinc, converted into PLN, was PLN 11,634 per tonne and was 32% higher than in the 12 months of 2020, when it averaged PLN 8,795 per tonne.

The price of lead, converted into PLN, was PLN 8,529 per tonne and was 20% higher than in the 12 months of 2020, when it averaged PLN 7,070 per tonne.

The price of silver, converted into PLN, was PLN 3,123 per kg, which means a 21% increase compared to the same period last year - an average of PLN 2,575 per kg.

METAL PRODUCTION.

- zinc production for 12M'21 amounted to 164.7 thousand tonnes (including 41.8 thousand tonnes in the fourth quarter of 2021) and was higher by 4.3 thous. tonnes (+ 2.7%) compared to 12M'20.
- refined lead production for 12M'21 amounted to 18.7 thousand tonnes (including 4.4 thousand tonnes in the fourth quarter of 2021) and was higher by 0.9 thous. tonnes (+ 4.9%) compared to 12M20.
- silver production (metal Dore) for 12M'21 amounted to 27.1 tons (including 5.5 thousand tons in the fourth quarter of 2021) and was higher by 6.8 tons (+ 33.6%) compared to 12M'20.

The year 2021, in relation to the previous years, is a period of an increase in the volume of purchase and consumption of external input materials due to the cessation of zinc-lead ore extraction in the Pomorzany mine, and thus a much lower production of zinc-lead concentrates from own ore. The benchmark for this year's TC (processing charges) fell to \$ 159 per ton from \$ 299.8 in 2020, due to an insufficient supply of concentrate.

VI. Financial instruments and risk management assessment

The Parent Company is exposed to various types of financial risks - including changes in market prices of debt and equity instruments, fluctuations of currencies and interest rates. The overall financial risk management program of the Issuer focuses on the unpredictability of financial markets and seeks to minimize the potential negative effects on the Parent Company's financial results. The Department of Financial and Risk Management, supervised by the Finance Director, manages the risk in the Parent Company. The main objective is to minimize the negative effects of external changes on the results obtained by the Company. Depending on the type and size of risk, the Company complies with the appropriate instruments for the diagnosis, assessment and hedging.

Abridged Consolidated Financial Report for the 4th Quarter of 2021

As of 31 December 2020, the subsidiary companies belonging to the Zinc Segment were applying cash flow hedge accounting for commodity and currency swaps in accordance with the rules described in the Annual Report. As of 31 December 2021 they held the following hedging measures active (the connections have been planned for the period from January 2022 to October 2024):

1) currency

Hedging Type	Description of Hedging Instrument	Nominal Amount	Fair Value of the Hedging Instrument as of the Balance Sheet Day	Effective Portion Taken to Capital Revaluation Reserve	Nature of the Risk Type Hedged Against
Active currency hedging instruments as of 31.12.2021 r. PLN thousand					
Cash Flow Hedging	forward	\$ 148 404 050,00	-41 960	-41 960	risk from USD/PLN exchange rates
Cash Flow Hedging	forward	€ 1 200 000,00	-44	-44	risk from EUR/PLN exchange rates
Cash Flow Hedging	option strategies		0	0	risk from USD/PLN exchange rates
Cash Flow Hedging	option strategies (synthetic forward)	€ 2 400 000,00	-399	-417	risk from EUR/PLN exchange rates

2) raw material

Hedging Type	Description of Hedging Instrument	Nominal Amount	Fair Value of the Hedging Instrument as of the Balance Sheet Day	Effective Portion Taken to Capital Revaluation Reserve	Nature of the Risk Type Hedged Against
Active commodity hedging instruments as of 31.12.2021 (zinc) PLN thousand					
Cash Flow Hedging	swap	18 300	-55 157	-55 157	Price Change Risk Zn LME PLN
Cash Flow Hedging	swap (USD)	34 800	-61 829	-61 829	Price Change Risk Zn LME USD
Active commodity hedging instruments as of 31.12.2021 (lead) PLN thousand					
Cash Flow Hedging	swap	3 150	-2 263	-2 263	Price Change Risk Pb LME PLN
Active commodity hedging instruments as of 31.12.2021 (silver) PLN thousand					
Cash Flow Hedging	swap	45 000	669	669	Price Change Risk Ag LMBA

Explanations Referring to Balance Sheet Items Related to Derivative Instruments

Explanation Referring to the Item: Other long- and Short-Term Investments	PLN thousand	
	31.12.2021	31.12.2020
Long-Term investments	199	2 034
Short-Term Investments	98 149	95 274
TOTAL, including:	98 348	97 308
a) valuation of derivative transactions	2 280	20 537
b) securities	96 068	76 770

Abridged Consolidated Financial Report for the 4th Quarter of 2021

Explanation to Item: Liabilities pertaining to hedging instruments	PLN thousand	
	31.12.2021	31.12.2020
Contracts for Hedging Transactions	38 926	1 816
Conclusions of Currency Option Transactions	132 066	24 657
Adjustment pertaining to the amount resulting from the closed transactions settlements with brokers	-5 154	421
TOTAL	165 838	26 894

Valuation of Derivative Transactions

Valuation of Derivative Transactions	PLN thousand			
	31.12.2021		31.12.2020	
	Financial Assets	Financial Liabilities (Payables)	Financial Assets	Financial Liabilities (Payables)
Commodity Transactions - Zinc	91	117 322	4 748	23 470
Commodity Transactions - Lead	0	2 263	0	0
Currency Transactions - USD/PLN EUR/PLN	1 520	46 254	15 756	2 138
Commodity Transactions- Silver	669	0	33	1 287
Total	2 280	165 839	20 537	26 895

Division of Hedging Instruments

Division of Hedging Instruments	PLN thousand			
	31.12.2021		31.12.2020	
	Financial Assets	Financial Liabilities (Payables)	Financial Assets	Financial Liabilities (Payables)
Hedging Instruments	1 638	162 622	17 597	23 089
Commodity Transactions - zinc	91	117 077	4 411	19 923
Commodity Transactions - lead	0	2 263	0	0
Currency Transactions - USD/PLN, EUR/PLN	878	43 282	13 153	1 879
Commodity Transactions - Silver	669	0	33	1 287
Trade Instruments	642	3 216	2 941	3 805
Commodity Transactions- zinc	0	244	337	3 547
Commodity Transactions - lead	0	0	0	0
Currency Transactions - USD/PLN, EUR/PLN	642	2 972	2 604	258
Commodity Transactions - silver	0	0	0	0
Total	2 280	165 838	20 538	26 894

Financial Report Presentation of Applied Derivative Instruments

The result of the hedging instruments valuation, in its portion recognized as 'effective hedging', is taken to the capital revaluation reserve. Asian options, aimed at hedging the Company against the change of time value, are taken to costs or to financial revenues. The trade instruments valuation result is taken to costs or financial revenues. The result from the application of hedging instruments is used to adjust the hedged item (sales). The result from the application of trade instruments is taken to costs or financial revenues.

Abridged Consolidated Financial Report for the 4th Quarter of 2021

Derivative Transactions Presented in the Profit and Loss Account:	PLN thousand	
	31.12.2021	31.12.2020
Sales of Products Adjustment	-54 252	55 310
Sales of Goods Adjustments	0	0
Revaluation of Investments	-2 546	-3 262
Gains/Loss on Sale of Investments	-14 564	3 999
Total	-71 362	56 047

Cash Result from Reconciliation of Derivative Instruments:	PLN thousand	
	31.12.2021	31.12.2020
Commodity Transactions	-61 586	95 961
Currency Transactions	-1 623	-31 985
Total	-63 209	63 976

Sales of Products Adjustment Related to Application of Hedging Instruments:	PLN thousand	
	31.12.2021	31.12.2020
Sales Increase	8 133	92 784
Sales Decrease	-62 385	-37 474
TOTAL	-54 252	55 310

Status of Capital from Revaluation Related to Application of Hedge Accounting (excluding Deferred Tax)	PLN thousand	
	31.12.2021	31.12.2020
Valuation of Open Hedging Instruments:	-161 001	-5 757
- Zn	-116 986	-15 776
- Pb	-2 263	0
- USD/PLN	-41 960	11 355
- Ag	669	-1 253
- EUR/PLN	-461	-83
Result from the Application of Hedging Instruments Capital-Retained until the Realization of the Hedged Item:	0	0
- Zn	0	0
- Pb	0	0
- USD/PLN	0	0
TOTAL	-161 001	-5 757

Securities

Securities	w tys. zł	
	31.12.2021	31.12.2020
Obligacje korporacyjne	61 878	40 000
-PKO Bank Hipoteczny S.A	23 456	40 000
-PEKAO Faktoring S.A	19 983	0
-PKO Leasing S.A	18 440	0
Investment fund participation units:	34 190	36 770
- Quercus Ochrony Kapitału	2 006	3

- Quercus Obligacje Skarbowe	2 796	3 088
- Generali Aktywny Dochodowy FL	0	1 358
- Quercus Dłużny Krótkoterminowy	2 995	0
- Generali Korona Dochodowy FL	0	5 562
- Generali Aktywny Dochodowy	26 393	26 759
TOTAL	96 068	76 770

VII. Other Information

Information on the political and economic situation in Ukraine and its potential impact on the activities of the Issuer and its capital group.

Stalprodukt S.A. and the companies of the Capital Group do not have any assets in Ukraine. The Stalprodukt Capital Group conducts commercial activities to a very limited extent with customers in Ukraine and Russia. The share of these customers in the Group's sales structure is insignificant.

The main direction of supply of input materials for Stalprodukt (including mainly hot-rolled sheets) are mills belonging to the ArcelorMittal Group, located in Poland and Western Europe. Some purchases of feedstock from mills located in Ukraine and Russia are treated only as complementary (this applies only to the Profiles Segment).

As at the date of this periodic report (i.e. February 28, 2022), these are the only effects of the political and economic situation in Ukraine that may affect the activities of the Issuer and its Capital Group. Due to the high dynamics of the development of the situation, it is difficult to predict other possible financial consequences that may occur in the long term.

The impact of the coronavirus COVID-19 pandemic on the situation of the Company.

Electrical Sheets Segment and Profiles Segment

Despite the increase in the number of people staying in quarantine or isolation due to COVID-19 in both operating segments to 47 in Q4 2021, this did not have a negative impact on ensuring continuity and the planned level of production and sales of the Electrical Sheets and Profiles Segment, operating under the parent entity.

Zinc Segment

The coronavirus pandemic also did not affect the activities of the Zinc Segment in the fourth quarter of 2021. Appropriate measures have already been taken to ensure continuity of production, the supply chain or adequate human resources. In the opinion of the Management Board of ZGH, the COVID-19 pandemic did not have a significant impact on the entity, as well as on the entire Zinc Segment, and most likely, this impact will remain insignificant in the near future.

Summing up the impact of the COVID-19 coronavirus on the activities of the Issuer and its Group, it should be emphasized that it remained insignificant in the reporting period. Moreover, taking into account the recent forecasts concerning a decrease in the number of infected people and a significant slowdown in the spread of the pandemic, it should be assumed that this situation will not have a negative impact on the activities of the Stalprodukt Group in the near future.

Other Information

1. In the 4th quarter of 2021 the Capital Group did not experience any seasonality consequences. During the reporting period no other positions were recorded, significantly affecting the assets, liabilities, equity, net profit or cash flow, which would be untypical in terms of their kind, volume/size or frequency.
2. As of the balance sheet day, the Stalprodukt S.A. Capital Group holds the below mentioned off-balance-sheet contingent liabilities:
 - guarantees of good workmanship concerning the production and assembly of road barriers totaling PLN 18,967 thousand,
 - guarantees and sureties (avals) granted by ZGH "Bolesław" amounting to PLN 2,686 thousand,
 - ZGH "Bolesław" S.A. issued a promissory note in connection with the contract concluded with the National Center for Research and Development for the amount of PLN 60.5 million for co-financing investment projects,
 - ZGH "Bolesław" S.A. in the IV quarter of 2019 established in the form of bank guarantees a collateral for claims of the waste holder in favour of the Marshal of the Małopolska Province in the total amount of PLN 9,582.1 thousand. The collateral in the amount of PLN 9,111.0 thousand applies to the installation of rotary kilns used for the production of zinc concentrate from waste zinc-bearing materials in a roll down process. The second collateral in the amount of PLN 21.1 thousand applies to installations used for the production of electrolytic zinc and its alloys. The third, in the amount of PLN 450 thousand includes an installation for the processing of waste in the recovery process.
 - no hedging's securing the financing banks in respect of the signed credit agreements, which were disclosed in the 2020 report, were subject to change.
3. The pending bankruptcy and composition proceedings cover the Group's receivables totaling PLN 5,743 thousand, wherein Stalprodukt's share amounts to PLN 2,468 thousand and ZGH "Bolesław"'s - PLN 3,275 thousand.

During the reporting period, no other essential proceedings were instituted or pending before the courts or government agencies, concerning any liabilities or receivables,

which might exert a significant influence on the Group's future results and its financial standing.

4. As of the Report submission day, the shareholders holding at least 5% of the total number of votes at the General Meeting of Shareholders are:
 - STP Investment S.A. holding 1,529,319 shares, accounting for a 27.41 %-share in capital and 4,375,691 votes, accounting for 35.87 % of the total number of votes at the General Meeting of Shareholders and through F&R Finanse sp. z o.o. 43,807 shares, accounting for 0.79 %-share in capital and 43,807 votes, accounting for 0.36 % of the total number of votes at the General Meeting of Shareholders,
i.e. the total 1,573,126 shares, accounting for a 28.19 %-share in capital and 4,419,498 votes, accounting for 36.23 % of the total number of votes at the General Meeting of Shareholders,
 - FCASE Sp. z o.o. Sp. k. holding 300,010 shares, accounting for 5.38 %-share in capital and 1,500,050 votes, accounting for 12.30 % of the total number of votes at the General Meeting of Shareholders,
 - Stalprodukt Profil S.A. holding 579,652 shares, accounting for 10.39 %-share in capital and 1,095,488 votes, accounting for 8.98 % of the total number of votes at the General Meeting of Shareholders.
 - ArcelorMittal Sourcing a société en commandite par actions holding 1,066,100 shares, accounting for a 19.10 %-share in capital and 1,066,100 votes, accounting for a 8.74 % of the total number of votes at the General Meeting of Shareholders.

As of the Report submission day, the ownership statuses of management and supervision officers in respect of the Issuer's shares are as follows:

a/ management officers:

- Piotr Janeczek 115,053 shares of nominal value: PLN 230,106,
- Łukasz Mentel 100 shares of nominal value: PLN 200.

b/ supervision officers:

- Stanisław Kurnik 2,900 shares of nominal value: PLN 5,800.

In the period pending from the date of issuance of the previous periodic report, no changes occurred in respect of the shareholding status of the managing and supervising officers.

5. Apart from the typical and routine transactions, concluded in line with market conditions, with the capital group- associated companies, resulting from the on-going operating activities, neither the Stalprodukt Company, nor its subsidiaries concluded any other transactions with associated companies during the reporting period.
6. The total value of the Issuer's transactions with associated companies in the period from 01.10.2021 to 31.12.2021 and in the comparable period from 01.10.2020 to 31.12.2020 is presented in the Table below.

Abridged Consolidated Financial Report for the 4th Quarter of 2021

Items the 4th quarter of 2021	PLN thousand			
	Mutual settlements		Mutual revenues and costs	
	Receivables	Liabilities	Revenues	Costs
ZGH "Bolesław" S.A.	8	22	6	35
Anew Institute sp. z o.o.				10
Stalprodukt-Wamech sp. z o.o.	395	6 908	835	6 972
Stalprodukt-Zamość sp. z o.o.	1 778	85	3 241	96
Stalprodukt-Ochrona sp. z o.o.	28	831	63	1 073
STP Elbud sp. z o.o.	254	4 161	994	6 842
Cynk-Mal S.A.	3 050	2 147	15 526	2 465
GO STEEL a.s.	26 853	9 670	80 728	24 861
Hotel Ferreus sp. z o.o.	2		4	
PTZ Sp. z o.o.	2		2	

Moreover, in the 4th quarter of 2021 transactions were concluded with the companies in which the Company holds shares: Stalnet Sp. z o.o.- revenue PLN 12 thousand, costs PLN 36 thousand; receivables PLN 5 thousand, liabilities PLN 15 thousand; Stalprodukt-Profil S.A. revenue PLN 3 thousand, receivables PLN 2 thousand. The receivables in respect of F&R Finanse Sp. z o.o. amount to PLN 12 808 thousand. STP Investment S.A. - revenue PLN 3 thousand, receivables PLN 1 thousand. These were market-type transactions.

Items the 4th quarter of 2020	PLN thousand			
	Mutual settlements		Mutual revenues and costs	
	Receivables	Liabilities	Revenues	Costs
Stalprodukt-Wamech sp. z o.o.	442	7 323	731	7 079
Stalprodukt-Centrostal sp. z o.o.	54	1 083	118	881
Stalprodukt-Zamość sp. z o.o.	1 724	60	2 643	95
Stalprodukt-Ochrona sp. z o.o.	26	817	62	995
STP Elbud sp. z o.o.	641	3 788	935	6 051
Anew Institute sp. z o.o.	20	32	0	62
Cynk-Mal S.A.	111	725	2 815	1 427
ZGH "Bolesław" S.A.		11	0	31
GO STEEL Frydek Mistek a.s.	19 324	2 846	37 399	6 256

Moreover, in the 4th quarter of 2020 transactions were concluded with the companies in which the Company holds shares: Stalnet Sp. z o.o.- revenue PLN 12 thousand, costs PLN 36 thousand; receivables PLN 1 thousand, liabilities PLN 14 thousand; Stalprodukt-Profil S.A. revenue PLN 3 thousand. The receivables in respect of F&R Finanse Sp. z o.o. amount to PLN 12 808 thousand. These were market-type transactions.

7. In the reporting period the Group made investment outlays on the purchase and formation of tangible fixed assets amounting to PLN 38,082 thousand. No significant fixed asset components have been disposed of during the reporting period.
8. An important proceeding in court is a lawsuit filed by Przedsiębiorstwo Wodociągów i Kanalizacji sp. z o.o. in Olkusz against the ZGH "Bolesław" S.A. Company for payment of mining damages in the amount of PLN 64,015,224.00 (file reference number IX GC 99/14).

On 25.04.2018, the Regional Court of Kraków, 9th Economic Department (joint case file No IX GC 543/13) issued judgments in both of the above mentioned cases:

- a. regarding the suit brought by Przedsiębiorstwo Wodociągów i Kanalizacji sp. z o.o. in Olkusz against the Company for the payment of compensation in the amount of PLN 64,015,224.00 (File No IX GC 99/14) issued a preliminary judgment, recognizing the action of PWiK sp. z o.o. in Olkusz as justified as a matter of principle. The potential amount of the compensation shall be subject to further proceedings and may total the maximum of PLN 64 million. In connection with the referenced lawsuit, already in 2015, the Company formed a provision amounting to PLN 15 million. The company appealed against the judgment;
- b. regarding the suit brought by the Company against PWiK sp. z o.o. in Olkusz for declaratory action seeking to establish that the Company is not liable for the lack of water supplies resulting from the mine dewatering activities after the mine liquidation and that the Company is not liable for the pollution of the existing or former water intakes, PWiK sp. z o.o. (File No IX GC 543/13), issued a judgment dismissing the action. The company appealed against the judgment

On 13.03.2020 the Court of Appeal in Kraków issued the judgement in the case with ref.no AGa 527/18, between ZGH "Bolesław" S.A. and Przedsiębiorstwo Wodociągów i Kanalizacji sp. z o. o. in Olkusz, in which it dismissed the appeal of ZGH "Bolesław" S.A. against the judgement of the Regional Court in Krakow of 25.04.2018 to the case with reference number IX GC 543/13, as well as ordered that the ZGH "Bolesław" S.A. shall pay the costs of proceedings at law in the amount of PLN 8,100 for the benefit of Przedsiębiorstwo Wodociągów i Kanalizacji sp. z o.o. Consequently, the ruling of the Regional Court is final and binding.

The above status means that at the moment it has been ruled by a legally-binding decision that ZGH "Boleslaw" S.A. is liable for damages to the Przedsiębiorstwo Wodociągów i Kanalizacji for the consequences in terms of water relations, connected to the future exclusion of the Mine Olkusz Pomorzany drainage and due to this, the discontinuation of water supply to their channels and for possible groundwater pollution.

As indicated above, the interlocutory judgement is final, determining the fact of liability. The amount of compensation has not been determined, which shall be the subject of further proceedings. At the moment, the Przedsiębiorstwo Wodociągów i Kanalizacji is claiming the sum of PLN 64,604,143.05 and this is the highest amount of the principal liability amount that may be charged to the Company. The amount of compensation, if any, is influenced by the value of expenditures for alternative sources of water supply, which amount to approx. PLN 30 million. Another problem is the issue of Community co-funding, which, in the Company's opinion, shall reduce the amount claimed. At this stage the amount of any damages awarded cannot be currently determined in detail.

The above information about the judgment of the Court of Appeal was treated by the Management Board of the Issuer as confidential information and disclosed to the public in current report no. 3/2020 on 13 March 2020.

On July 28, 2020 a cassation appeal was filed with the Supreme Court in Warsaw through the Court of Appeal in Kraków.

The Supreme Court in Warsaw by a decision of January 27, 2021, ZGH refused "Bolesław" S.A. to accept a cassation appeal for examination. In this state, the case will be re-examined by the District Court, which will determine the amount of compensation.

On September 16, 2021, the Order of the District Court, IX Commercial Division in Kraków of August 30, 2021 was received, binding PWiK Sp. z o.o. to submit a pleading within one month from the delivery of a copy of this ordinance, and ZGH "Bolesław" S.A. to submit, within one month from the date of delivery of the copy of the pleading from PWiK Sp. z o.o.

On November 15, 2021. ZGH "Bolesław" S.A. sent a letter to the Court with a request for the obligation of PWiK sp.z o.o. to submit to the Court and to the requesting party documents and information related to the technical operation of the water supply network. District Court, by order of 10/12/2021, granted the application and obliged PWiK sp.z o.o. to submit such information or submit a letter that they will not submit it. From the substantive point of view, it is important that in the letter referred to above, PWiK sp.z o.o. limited the claim by approximately PLN 10 million and is now seeking a compensation of PLN 54,838,732.96.

On December 10, 2021, a pleading from PWiK Sp. z o.o. was received. It does not contain the information requested by ZGH "Bolesław" S.A. in a letter of November 15, 2021. In this state, the preparation of the pleading /pleadings containing the current position of ZGH "Bolesław" S.A. is underway.

Moreover, it should be mentioned that the above-mentioned judgment is directly related to the issue of contingent liabilities related to the acquisition of ZGH "Bolesław" S.A., which was described in detail in the consolidated financial statements of Stalprodukt S.A. for 2013

(point 11. Settlement of the purchase price of ZGH "Bolesław" S.A.). This amount was presented in the balance sheet as at December 31, 2013 in the item "contingent liabilities due to the purchase of ZGH" Bolesław " S.A."

12. Neither the Issuer nor its Capital Group's entities issued, redeemed or paid any debt or other capital securities, apart from the ones referred to herein.
13. During the reporting period and within the submission of the present quarterly report, neither the Parent Company, nor its subsidiaries, granted any sureties, loans, credits or guaranties, apart from the ones referred to herein.
14. In the Issuer's assessment, the factors likely to affect the Group's results at least in the perspective of the coming quarter, shall be:
 - fluctuations of charge prices and demand for Stalprodukt's products,
 - fluctuations of the LME zinc and lead prices and LBM silver prices ,
 - fluctuations of currency exchange rates
 - electricity, coke and gas prices,
 - the effects of the COVID-19 pandemic on the Group's operations, which as at the date of publication of this report are difficult to predict, but their importance for the level of revenues and the results achieved by the Group in the coming months or even quarters may be significant. The impact of the epidemic will depend on many factors (including regulatory issues, restrictions imposed by state authorities) or the degree of development of the epidemic itself, hence it is difficult to estimate its expected effects at present.
15. During the reporting period and following 31.12.2021 until the preparation of the Abridged Consolidated Report for the 4th quarter 2021 no other important events took place, apart from the ones mentioned herein, which might significantly affect the Group's standing and its financial results. The Issuer does not possess any other information, which, in his opinion, is essential for the assessment and changes in the Group's staffing level, assets structure and financial standing, or information essential for the assessment of its potential capacity to settle the liabilities incurred.
16. Pursuant to par. 62, subpar. 1 of the Regulation of the Minister of Finance as of 29.03.2018 on current and periodic information to be disclosed by issuers of securities and conditions for recognizing as equivalent of information whose disclosure is required under the laws of a non-member state (Journal of Laws 2018, item 757 with subsequent amendments), the Issuer does not submit its separate quarterly report. This Report constitutes a supplement to the Abridged Consolidated Report rendered as the "Stalprodukt S.A. Mid-Year Abridged Financial Report for the 4th Quarter of 2021".

17. No additional information was appended to the Abridged Consolidated Financial Report for the 4th quarter of 2021 as, during the reporting period, no other events, concerning the separate report, took place, apart from the ones referred to herein.
18. This Abridged Consolidated Financial Report for the 4th quarter of 2021 was approved for publication by parent Company's Management Board on 28.02.2022.

.....
Łukasz Mentel

Member of the Management Board
– Financial Director

.....
Piotr Janeczek

President of the Management Board – CEO