

H1 2023

FINANCIAL RESULTS

POLIMEX MOSTOSTAL CAPITAL GROUP

H1 FY2023 - FINANCIAL RESULTS



C A P I T A L G R O U P



WE BUILD THE FUTURE

The company carries out specialized investments in Poland and abroad for the energy, petrochemical, gas and environmental protection industries.

It is a producer and an exporter of steel structures and platform gratings. It also provides services in the galvanizing and painting of steel structures.



**Polimex
Mostostal**
CAPITAL GROUP

- **MARKET LEADER IN CONSTRUCTION**
- **5 000 EMPLOYEES**
- **700 EPC REFERENCES**
- **78 YEARS OF MARKET PRESENCE**
- **OVER 70 COUNTRIES**
- **5 CONTINENTS**
- **SAFETY LEADER**

GPW
SPÓŁKA NOTOWANA NA

Business segment's of Polimex Mostostal Capital Group



Polimex Mostostal Capital Group consists companies operating in the following key sectors:



POWER SECTOR AND SERVICES



OIL, GAS AND CHEMICAL



INDUSTRIAL CONSTRUCTION



MANUFACTURING



INFRASTRUCTURE



EQUIPMENT BASE



Location of Polimex Mostostal Capital Group

POLIMEX MOSTOSTAL B.V.
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Netherlands

Haga ●

Dortmund ●

POLIMEX MOSTOSTAL GMBH
Ruhrallee 9, 44139 Dortmund
Germany



**HEADQUARTERS
OF POLIMEX MOSTOSTAL S.A.**
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POLIMEX ENERGETYKA SP. Z O. O.
al. Jana Pawła II 12
00-124, Warszawa

POLIMEX INFRASTRUKTURA SP. Z O. O.
al. Jana Pawła II 12
00-124, Warszawa

Płock

Rogowiec

Warszawa

Rudnik

Jedlicze

Sokołów Podlaski

Siedlce

Lublin

Czerwonograd

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08-110 Siedlce

ZAKŁAD W RUDNIKU
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37-420 Rudnik

NAFTOREMONT-NAFTOBUDOWA SP. Z O.O.
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Червоноградський завод металоконструкцій
ul. Lviv, 53, Czerwonograd, region Lwów, 80100, Ukraina

Polimex Mostostal Capital Group

5,000

highly qualified staff

white-collar workers
almost 36%

blue-collar workers
almost 64%

directors
over than 25%

women: almost 14%



- **PLN 34 million** net profit for H1 2023. - **decrease of PLN 55 million (-62% y/y)**
- **PLN 1,654 million in** sales revenue for H1 2023. - **decrease by PLN 250 million (-13% y/y)**
- **Order portfolio** worth **PLN 7.8 billion**
- New **strategic contract in the oil, chemicals, gas segment: Olefiny III** project ("K-003 package from the OSBL scope of the Olefiny plant expansion package"). **Value** attributable to the Polimex Mostostal Group: **PLN 3.4 billion** net
- New strategic energy contract: **882 MW gas-steam unit in Rybnik** (**value for the entire contracting consortium: PLN 3.05 billion** net + **0.76 billion** net subsequent multi-year service)





Selected ongoing deliveries

Strategic Projects: Puławy (coal power)

Puławy



New coal power unit with the capacity of 100 MW_{el} and 300 MW_{th}

- Total value of the contract: PLN 1,197 million net



Contractor:



Strategic Projects: Dolna Odra (gas power)

Dolna Odra



Two new CCGT power units
at Dolna Odra Power Station

- Total value of the contract:
PLN 3,650 million net

Contractors:



Siechnice



New CCGT CHP plant
for ZEW KOGENERACJA S.A.

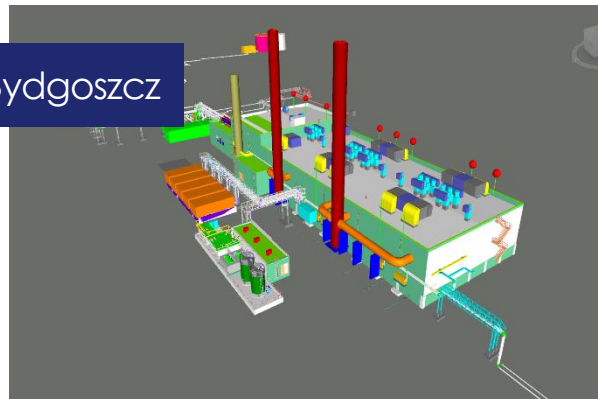
- **Total value of the contract:**
PLN 1,159 million net
- **LTSA value:**
PLN 118 million net

Wykonawcy:



Strategic projects: Bydgoszcz (gas power)

Bydgoszcz

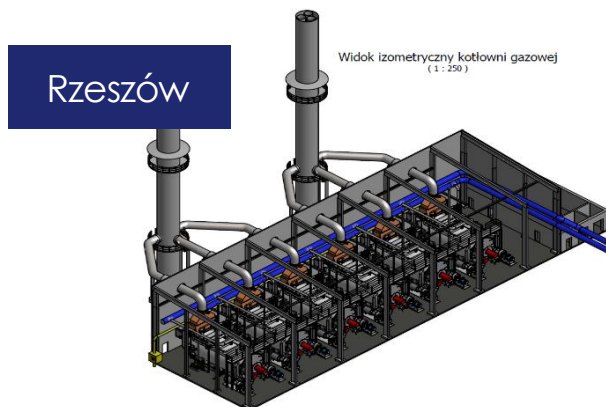


New gas-fired cogeneration source with a capacity of min. 50 MWel based on gas engines and a reserve-peak heat source for PGE Energia Ciepła S.A. Oddz. Elektrociepłownia Bydgoszcz

- **Total value of the contract:**
PLN 359.3 million net
- **LTSA value:**
PLN 110 million net

Contractors:





Construction of a gas-fired boiler plant
with a capacity 186 MWth
for PGE Energia Ciepła S.A.
Oddz. Ec Rzeszów

- **Total value of the contract:**
PLN 78.4 million net



Contractors:



Strategic Project: Olsztyn (infrastructure)

Olsztyn



Extension of tram network in Olsztyn



- Total value of the contract:
PLN 394 million net

Contractors:



Strategic Projects: Lesznów (general construction)

Lesznów



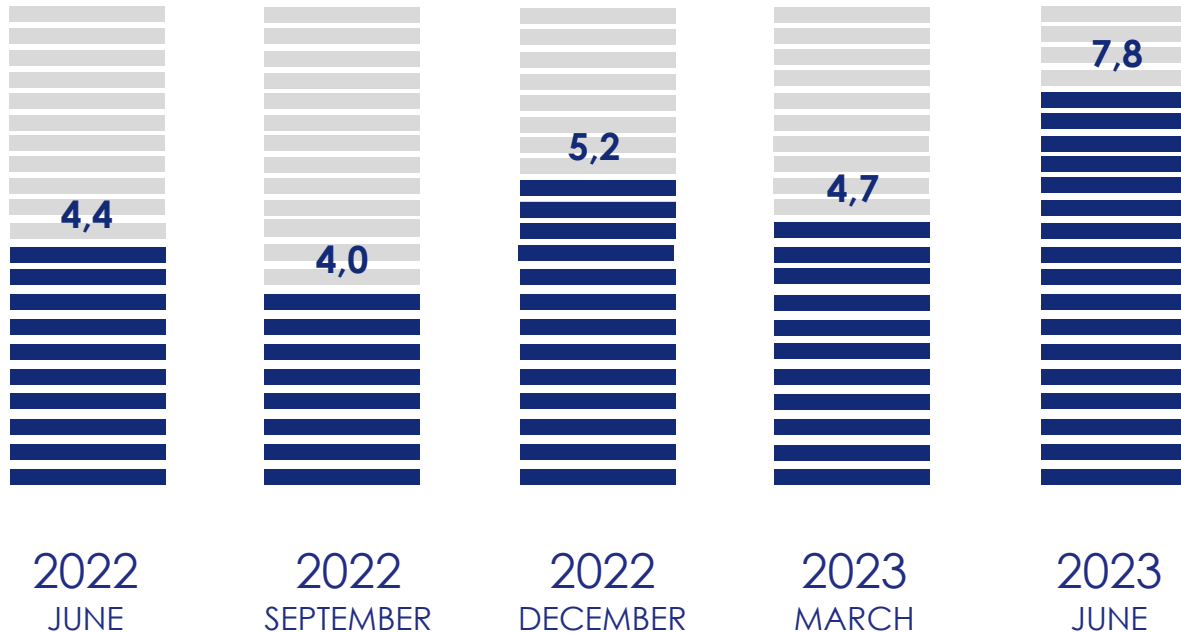
Central Museum Collections Warehouse with
associated park and required infrastructure

- **Total value of the contract:**
PLN 117.3 million net



Contractors:

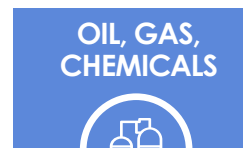
Polimex Mostostal Capital Group Order Book (in billion PLN)



Order portfolio after HI 2023 r. in million PLN



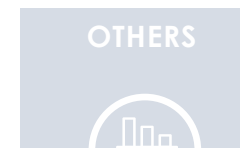
2 791



3 647



466



870

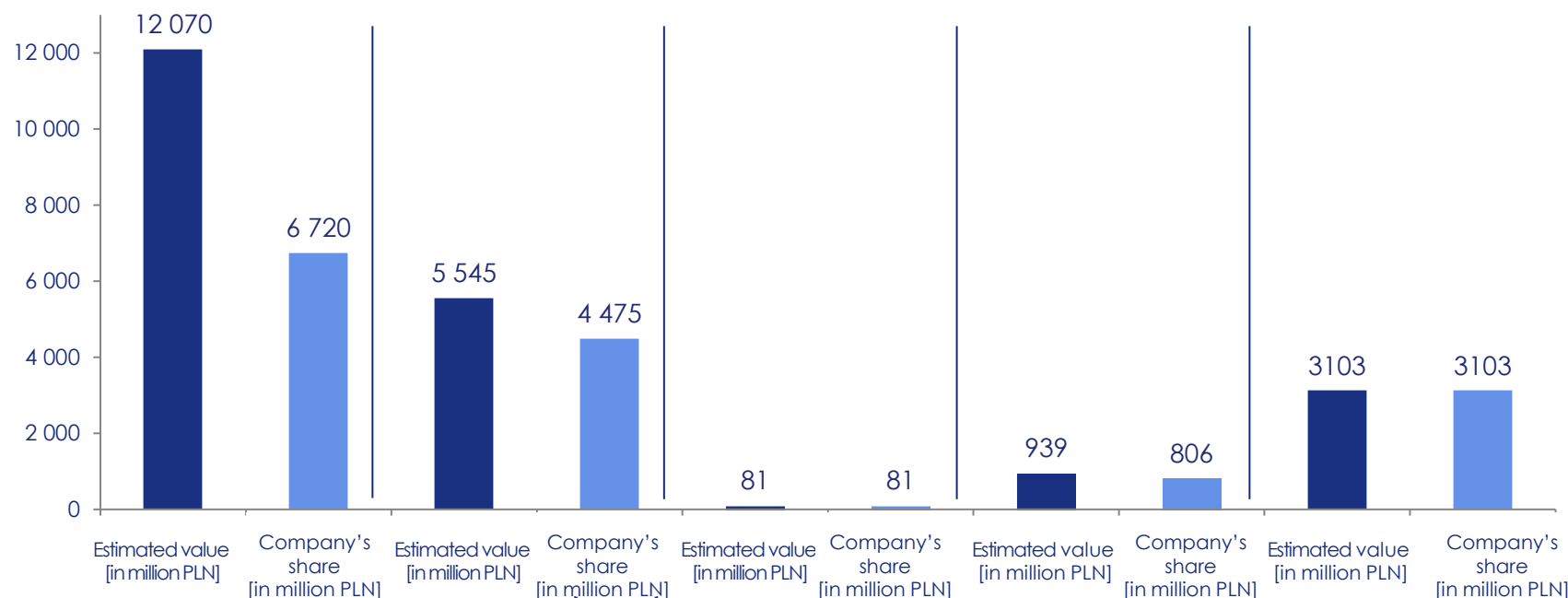


New projects as from 01.01.2023 (net values)

- **Olefiny III - K-003 PACKAGE from the OSBL scope of the Olefiny plant expansion package** (value: PLN 3.43 billion), Client: **ORLEN S.A.** (Poland)
- **Construction of an 882 MW gas and steam unit in Rybnik and subsequent long-term maintenance** (value: PLN 3.05 billion + PLN 0.76 billion), Client: **Rybnik 2050 sp. z o.o. of the PGE SA Group** (Poland)
- **"Reconstruction of a section of DW 218 - Kielnińska St. on the section from the S6 bypass to the railroad viaduct at the junction of the Tri-City Ring Road with the Metropolitan Ring Road Stage I"** (value: PLN 51.7 million), Client: **Municipality of the City of Gdansk** (Poland)
- **Design and comprehensive execution of construction and electrical works for the construction of Photovoltaic Installations with associated infrastructure and power derivation - PV Zoltańce 1 with a capacity of up to 5 MW, Zoltańce 2 with a capacity of up to 5 MW, Zoltańce 3 with a capacity of up to 5 MW,** (value of PLN 46.1 million), Client: **PGE Energia Odnawialna S.A.** (Poland)
- **Construction of steel structure for sheet metal processing line - expansion of Big River Steel steelworks in Arkansas, USA** (value: PLN 31.0 million), Client: **SMS group GmbH**
- **Construction of a road to investment areas in Golina** (value: PLN 27.5 million), Client: **Jarocin Municipality** (Poland)
- **Mechanical work in the LOT1 and 4NC3_ROG scopes during the 2023 overhaul** (value of PLN 25.8 million) Client: **Total Energies** (Belgium)
- **Marine Training Department in Gdansk Westerplatte - modernization of buildings No. 13 and 61 for the sake of technical security** (value of PLN 21.5 million), Client: **Rejonowy Zarząd Infrastruktury in Gdynia** (Poland)
- **Mechanical work during an overhaul shutdown** (value: PLN 17.0 million) Client: **Nynas AB** (Sweden)



Value of Currently Offered Projects in the Companies (gross)



Priorytetowe projekty:

- Restoration of generating capacity of 200 MW class coal-fired units at Kozienice Power Plant based on gaseous fuel combustion technology together with provision of maintenance services for Enea Group

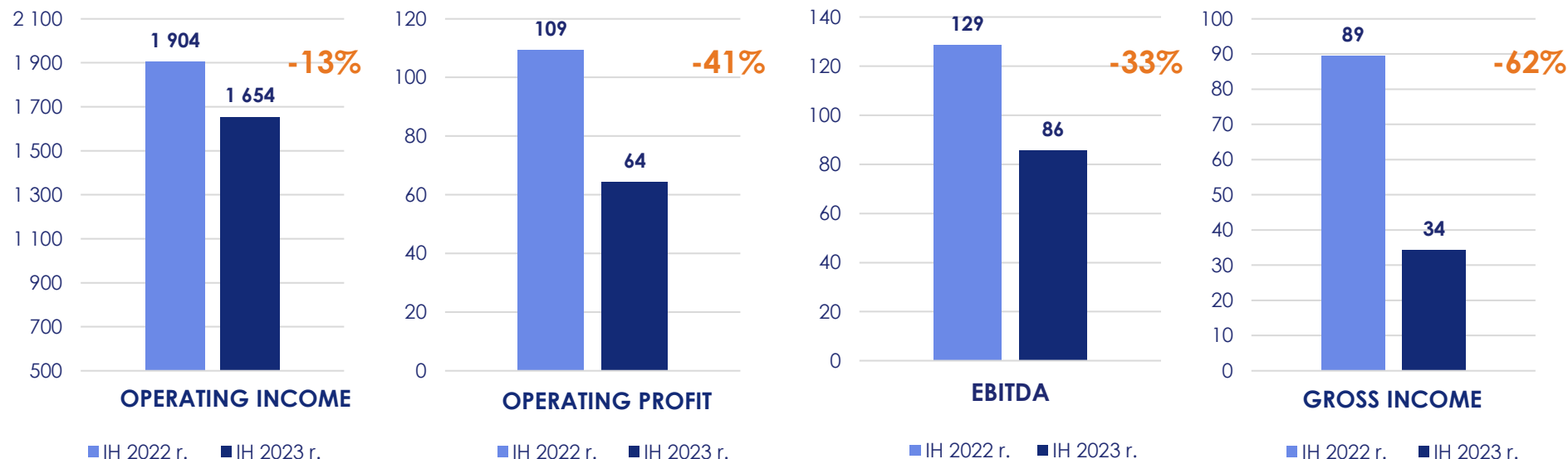


SELECTED FINANCIAL DATA FOR FIRST HALF OF 2023

Financial results of the Polimex Mostostal Capital Group for H1 2023

Selected financial data (in million PLN)

Polimex Mostostal Capital Group



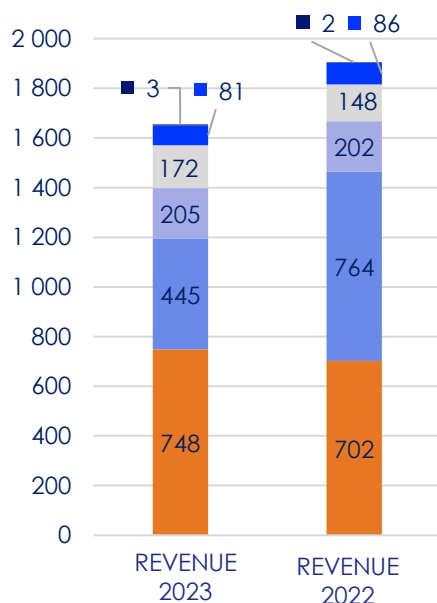
COMMENT

- Polimex Mostostal Capital Group's H1 2023 operating income amounted to PLN 1,654 million and is lower than the H1 2022 operating income by PLN 250 million (-13%)
- The Capital Group's EBITDA for H1 2023 was PLN 86 million (5.2%), a decrease of PLN 43 million compared to the H1 2022 result. (Mainly due to the lower EBITDA generated in the Production Segment)
- Operating profit decreased by 41% compared to the result for the same period in 2022.
- The Group's net result for H1 2023 is lower by PLN 55 million than the result for H1 2022, by a margin of 2.1% (The reason is mainly the lower result of the Production Segment and a higher % deferred tax charge (written-off assets on loss carryforwards))

Financial results of the Polimex Mostostal Capital Group for H1 2023

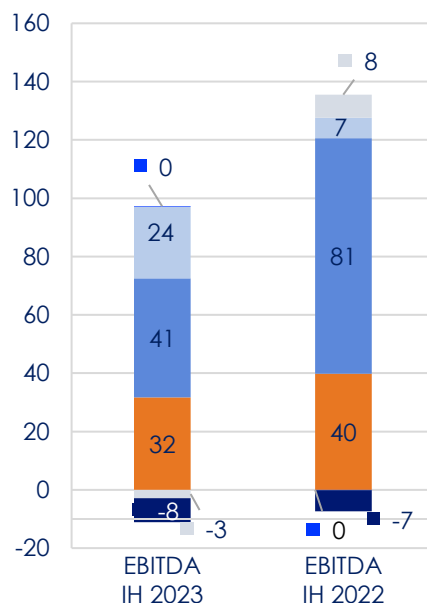
Segments of the Capital Group (in million PLN)

Revenue by the sector
PxM CG
IH 2023 vs IH 2022



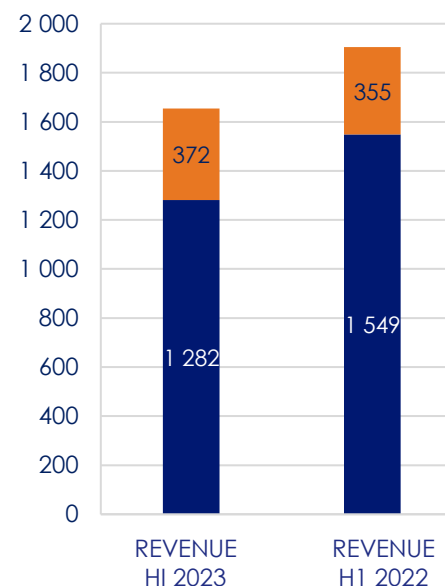
- Other activities
- Infrastructure construction
- Industrial construction
- Oil, gas, chemicals
- Manufacturing
- Power Industry

EBITDA PxM CG
Segments
IH 2023 vs IH 2022



- Other activities
- Infrastructure construction
- Industrial construction
- Oil, gas, chemicals
- Manufacturing
- Power Industry

Revenue PxM CG
Poland/Abroad
IH 2023 vs IH 2022



- Poland
- Abroad

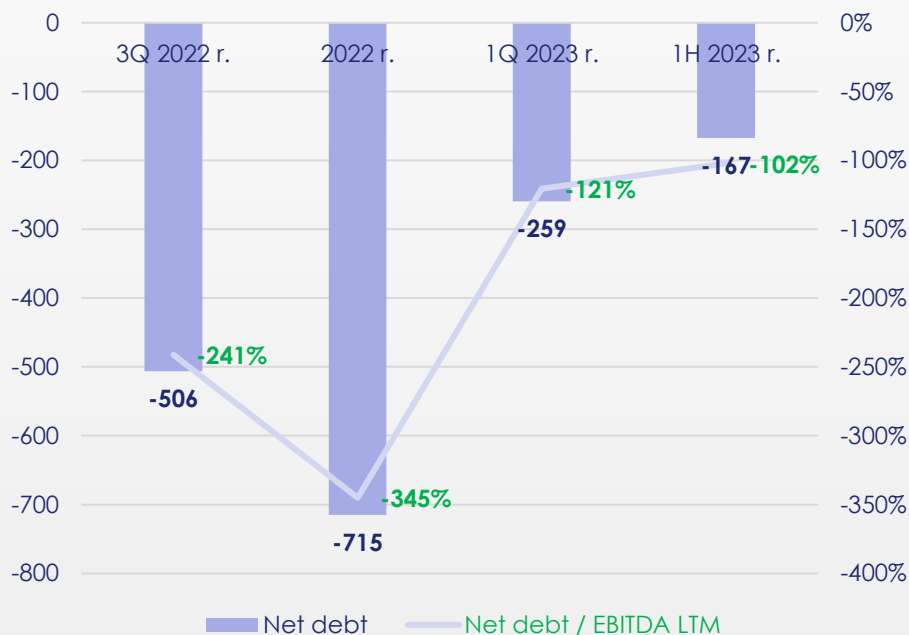
COMMENT

- The largest sales revenues were generated in the Production and Energy segments - together the two segments accounted for 72% of total revenues.
- In H1 2023 and in H1 2022, the highest results were generated by the Production Segment (EBITDA).
- Revenues from foreign sales amount to PLN 372 million and account for 22% of the Capital Group's total revenues. In H1 2022, the share was 19%.

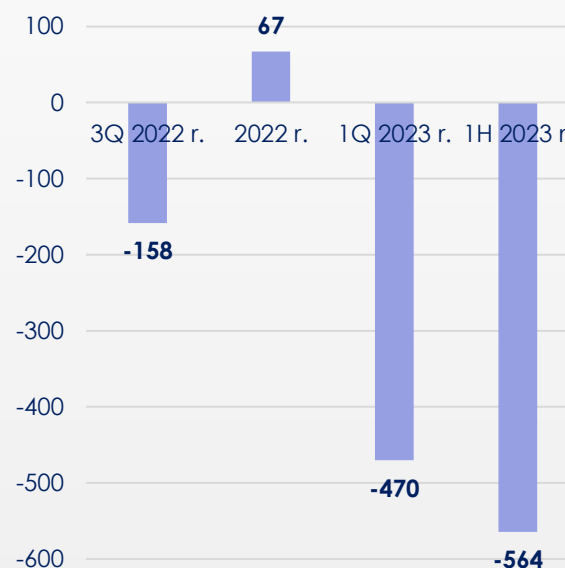
Financial results of the Polimex Mostostal Capital Group for H1 2023

Financial flows and indebtedness (in million PLN)

Net debt* in relations to EBITDA LTM



Net cash flow**



COMMENT

- At the end of H1 2023, the cash balance exceeded interest-bearing debt by PLN 167 million.
- Compared to LTM EBITDA (annualized level), net debt was -102%.
- Net cash flow in 1H 2023. - negative level related to, among other things, implementation of strategic projects (execution of planned flows)

* **Net debt** – the sum of loans and bonds payable (short-term and long-term) less cash balance

** **Net cash flow** – accumulated cash flow for the accounting year

Domestic Market – Our Clients and Partners

Klienci



Partnerzy



International projects – Our Clients



NESTE OIL



Ruhrkühlturm



International projects – Our Partners



Naftoremont-Naftobudowa sp. z o.o., a Polimex Mostostal Group company, **was doubly recognized by TotalEnergies** and ranked:

1st place in "Categorie TA big B/C > 20.000 uren" — Turn Around (plant overhaul as part of planned downtime)

and

2nd place in "Categorie medium B/C — 25,000-50,000 uren" — Tank Maintenance (refurbishment of storage tanks)



Partner Awards 2022 TA – TotalEnergies Antwerpen – Aan Naftoremont-Naftobudowa Sp. z o.o.



Awarded the top prize in the most prestigious category of the Partner Awards TotalEnergies Refinery Antwerp is a result of the overall cooperation to date, in particular the TA2022 – Mechanical and piping works U72 PLF, U72 CCR, U74 DHT2 project completed in December 2022.



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