FINANCIAL PERFORMANCE OF ERBUD GROUP

Q3 2020

RESPONSIBLE, INNOVATIVE AND SAFE PARTNER



Warsaw, 6 November 2020

ERBUD Group – Major Highlights

- The Group is in the possession of a stable and profitable order portfolio. At the end of September 2020 it was worth **PLN 2.44 billion**, up by **6%** compared to the previous year.
  - Despite the Covid-19 pandemic from 1 January to 2 November 2020, the Company signed contracts worth **PLN 1.95 billion.**
    - At the end of Q3 2020, the revenues of the ERBUD Group totalled **PLN 1.61 billion**.
      - EBIT was **PLN 46.6 million**, **up by 6% y/y.** Net profit amounted to**PLN 34.8 million** and **was up by 23%** y/y.
        - The gross profit on sales totalled **PLN 126.5 million and was up by 25%** compared to the same period in 2019.

Performance summary



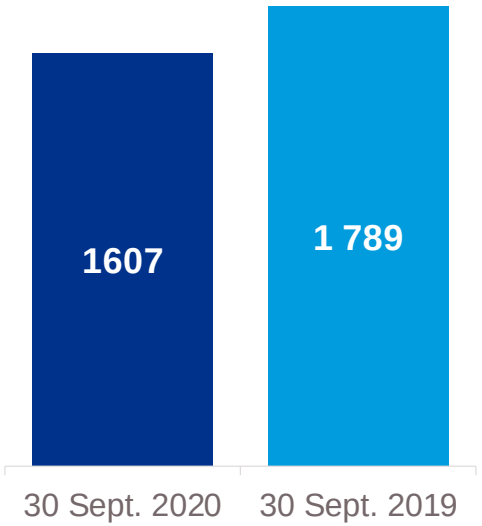
Appendices



Major Financial Highlights

at the end of Q3 2020

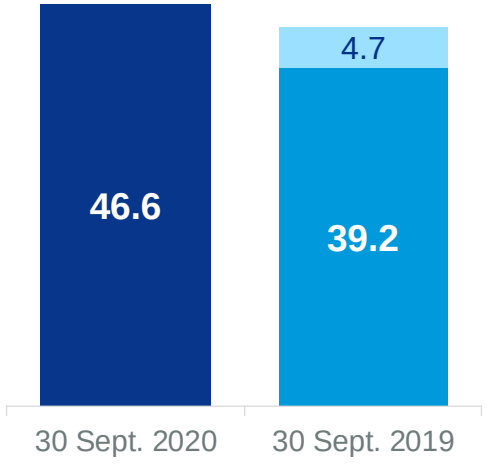
Sales revenues [PLN M]



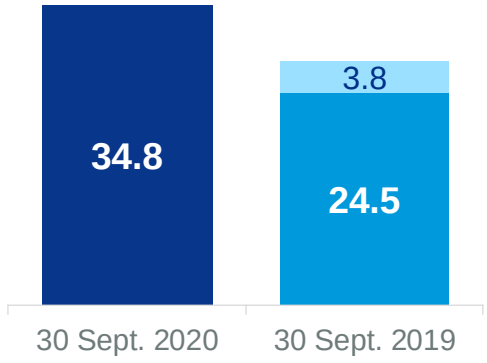
Gross profit/loss on sales [PLN M]



EBIT [PLN M]



Net profit/loss [PLN M]



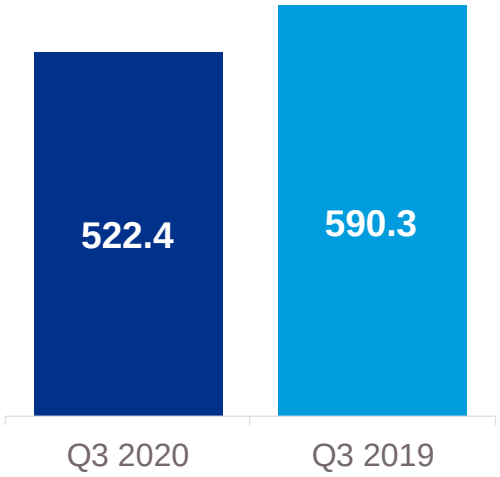
COMMENTS

- Sales revenues at the end of Q3 2020 were at a similar level to that in the same period of the previous year. Gross profit on sales was up by 25%.
- EBIT was up by 6% y/y and net profit was up by 23% compared to the same period of 2019. This is due to higher profitability of contracts, lower real tax rate and more advantageous foreign exchange gains compared to the previous year.

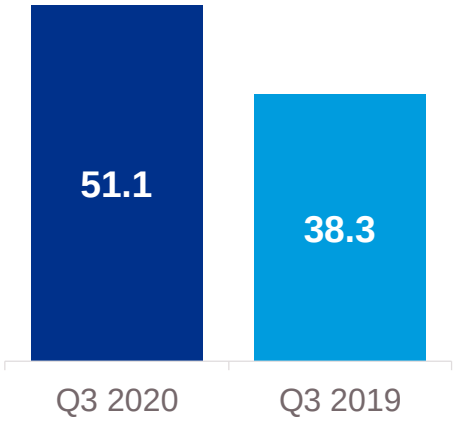
Major Financial Highlights

Q3 2020

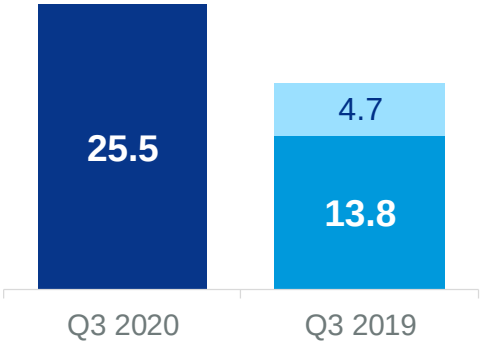
Sales revenues [PLN M]



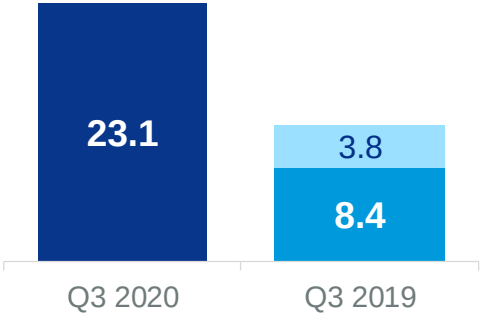
Gross profit/loss on sales [PLN M]



EBIT [PLN M]



Net profit/loss [PLN M]

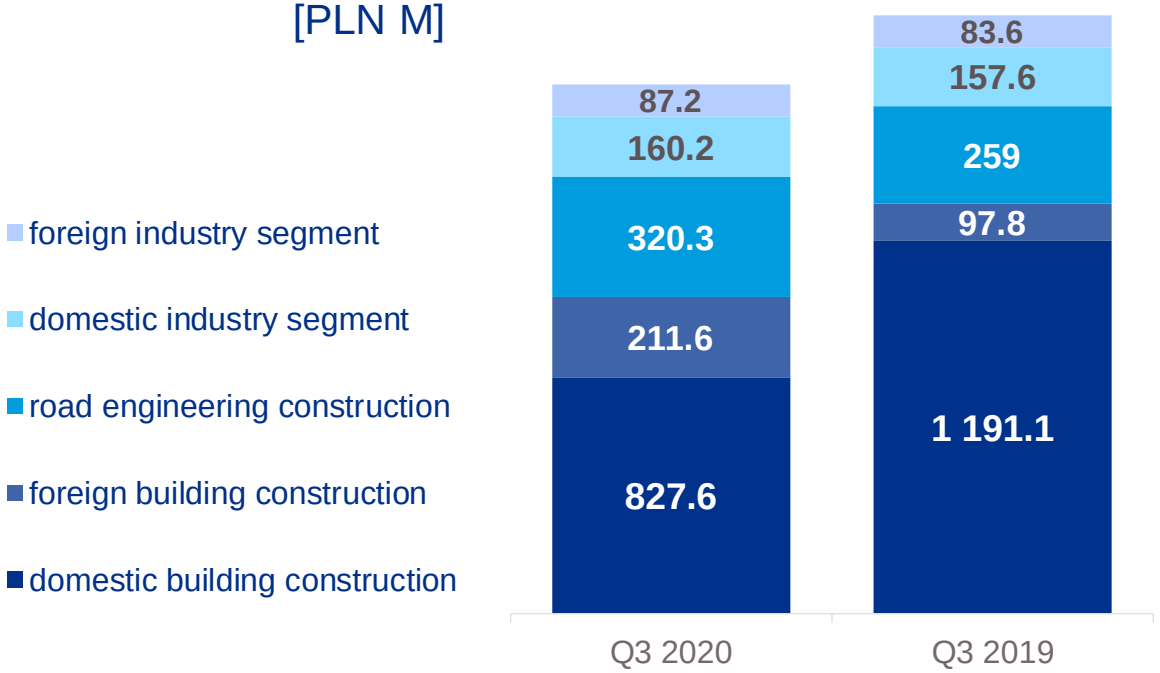


COMMENTS

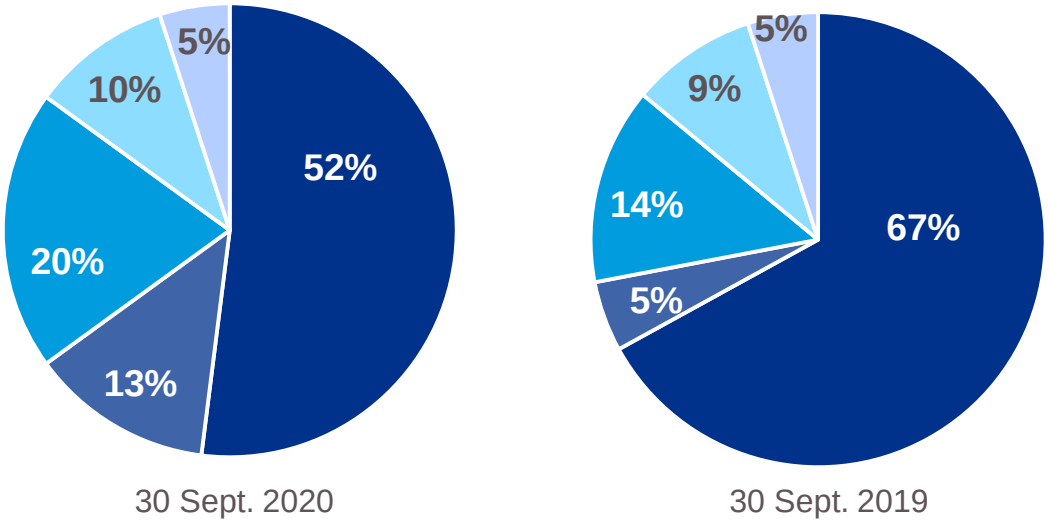
- The Q3 was very successful for the Company thanks to profitability of the executed orders.
- The gross profit on sales in Q3 2020 alone **was up by 33%** compared to the same period in 2019.
- EBIT was up by 38% y/y, net profit was up 90% compared to Q3 2019.

Revenues breakdown into segments at the end of Q3

Sales revenues [PLN M]



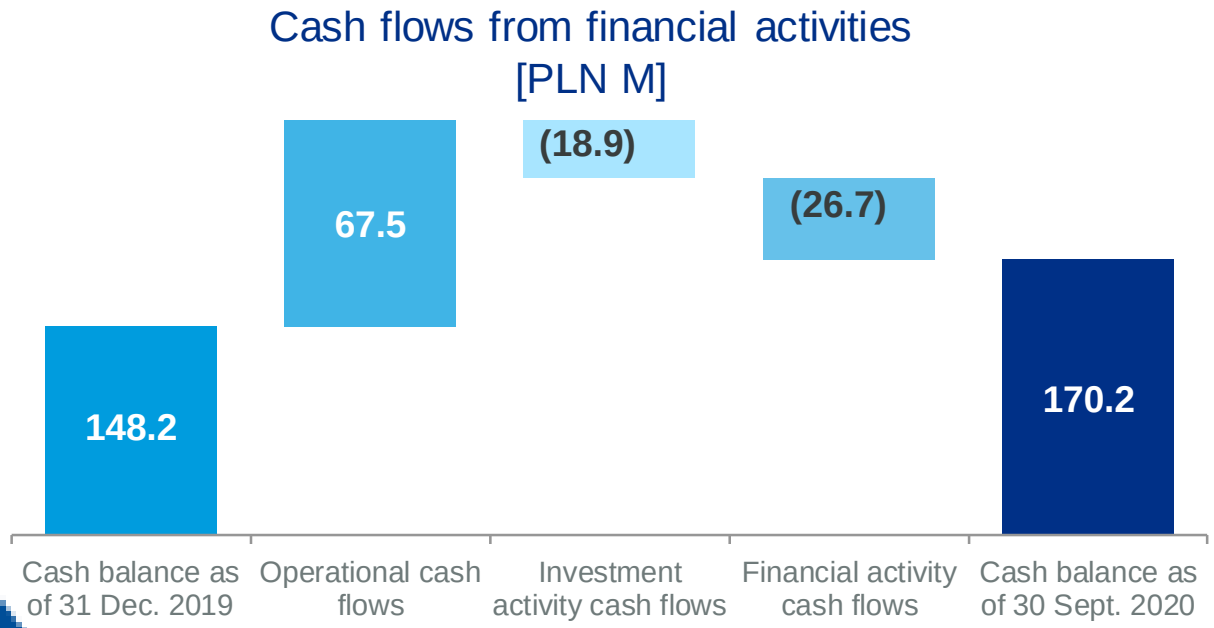
Share in revenues

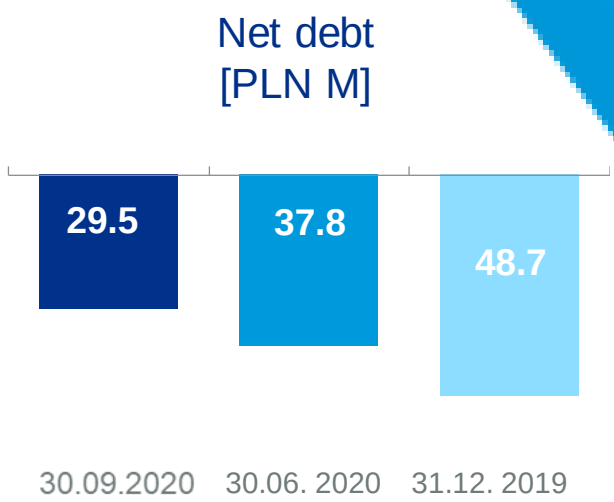


COMMENTS

- Total foreign business revenues totalled PLN 298.8 M and were up by 65% compared to the same period in 2019.
- The revenues from building construction in foreign markets were up by 116% y/y.
- The share of the domestic building construction segment in the Group's total revenues was down from 67 to 52% y/y.

Cash flows from financial activities and debt



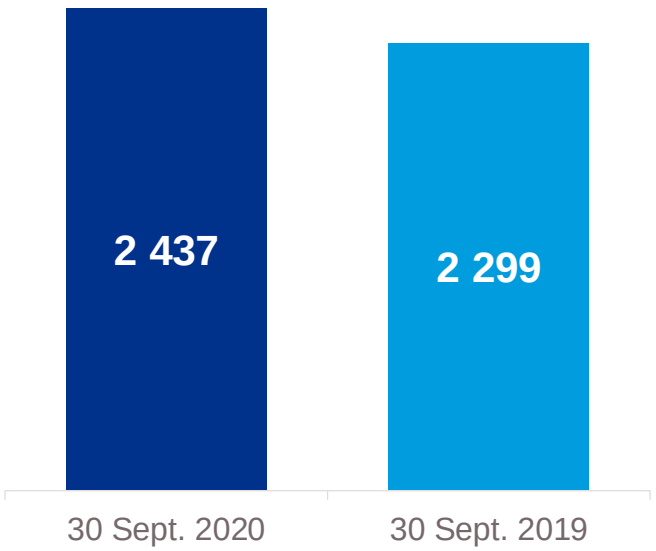


COMMENTS

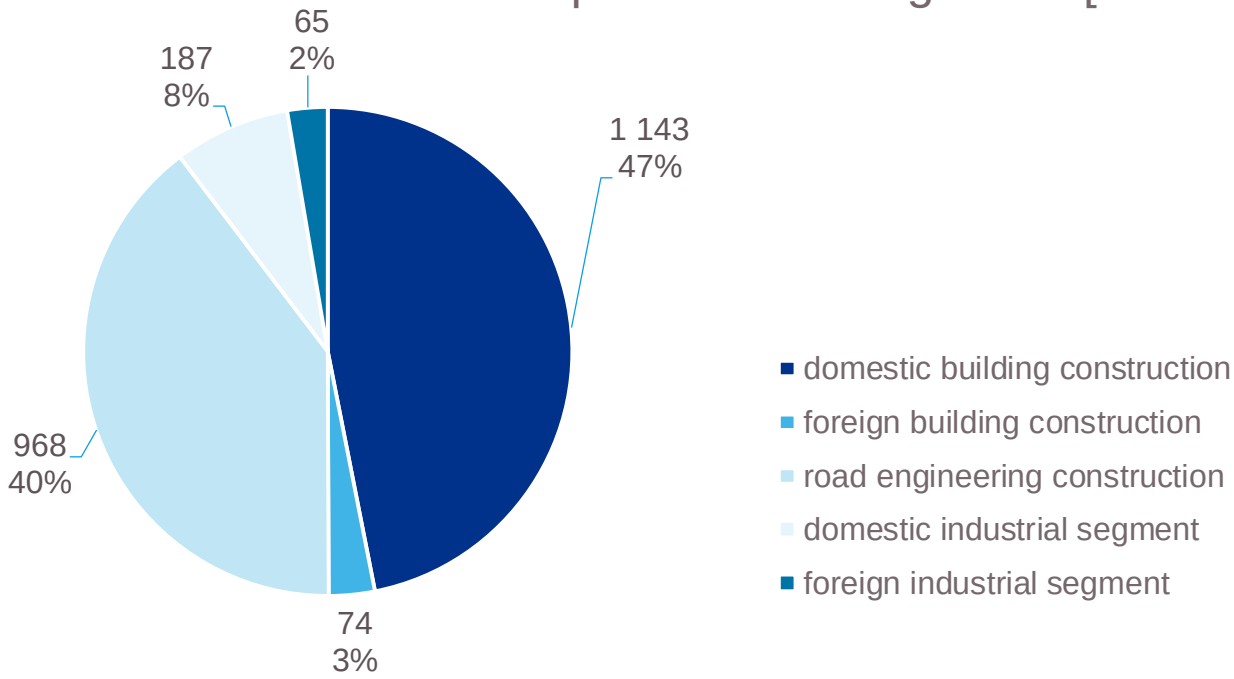
- The improved cash position compared to 31 December 2019 is a result of higher profitability generated from performed contracts.
- The Group has gradually been reducing its net debt level (to PLN 29.5 million at the end of Q3 2020) and has open guarantee and credit lines for the total amount of PLN 1.25 billion.

Order Portfolio

Total order portfolio [PLN M]



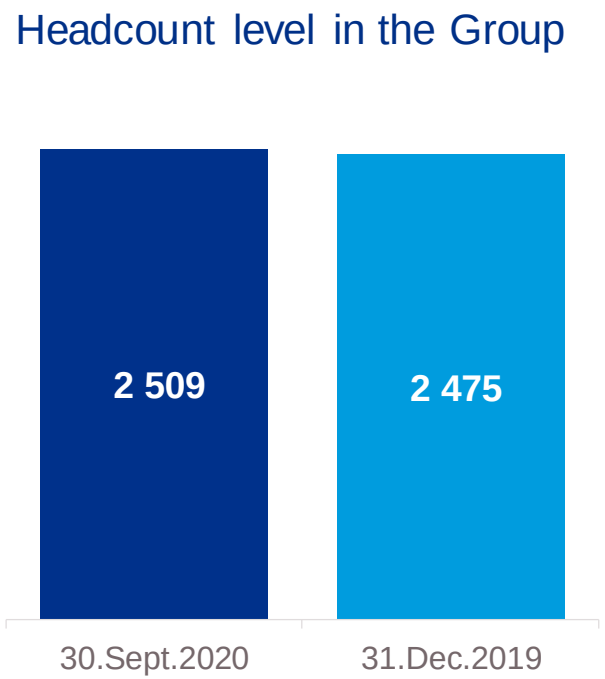
Breakdown of order portfolio into segments [PLN M]

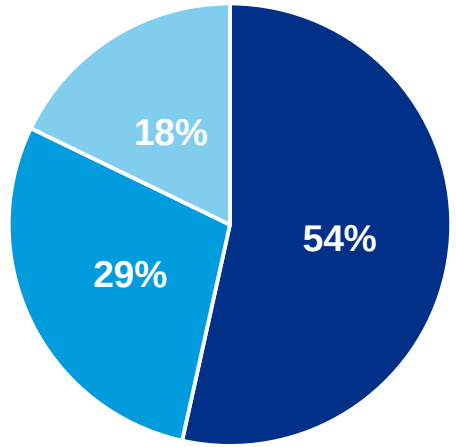


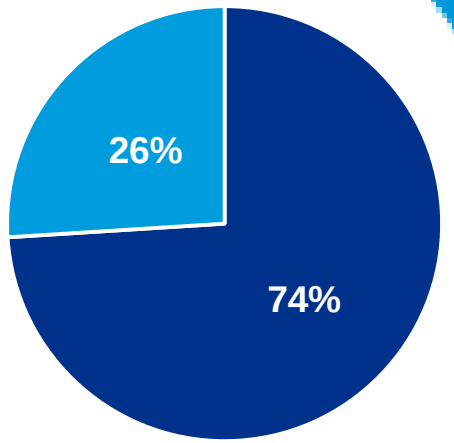
COMMENTS

- At the end of Q3 2020 the ERBUD Group held order portfolio worth PLN 2 437 million, up by 6% compared to the previous year.
- Since 30 September the Company has signed contracts with the total value of PLN 234 million.
- The 2020 order portfolio was worth PLN 669 million in value terms, and in longer term (2021-2023) the order portfolio is worth: PLN 1,768 million.
- The share of public procurement projects in the total order portfolio accounted for 36% at the end of H1 2020.

Headcount level at the Group







As of 30 Sept. 2020

COMMENTS

- Compared to 31 December 2019, as of the end of Q3 2020 the headcount level in the Group was up by 34 people.

Performance summary



Appendices



Profit and Loss Account

Selected consolidated items ('000 PLN)	30 Sept. 2020	30 Sept. 2019
Sales revenues	1 606 883	1 789 044
Cost of goods sold (COGS)	1 480 335	1 688 125
Gross sales profit/(loss)	**126 548**	**100 919**
Cost of sales	6 514	4 075
General and administrative (G&A) costs	78 218	69 393
Other operating income	9 599	15 590
Other operating expenses	5 717	3 812
Impairment of financial assets and contract valuation assets	853	4 488
Share in net profits/losses of equity-accounted subsidiaries	-	175
Operating profit	**46 551**	**43 892**
Financial income	4 631	1 796
Financial expenses	7 849	8 042
Gross profit from continued operations	**43 333**	**37 646**
Income tax	8 513	9 314
Net profit/loss from continued operations	**34 820**	**28 332**

Balance Sheet

Selected consolidated items ('000 PLN)	30 Sept. 2020	31 Dec. 2019
Tangible fixed assets	103 230	105 107
Goodwill	40 332	39 303
Financial assets	3 437	2 720
Deferred tax assets	39 827	33 524
Receivables under building contracts - bid bonds	7 788	9 080
Total fixed assets	**194 614**	**189 734**
Inventory	16 199	87 320
Receivables under building contracts - bid bonds	30 269	53 082
Receivables under building contracts - pricing	227 977	202 460
Trade receivables and other receivables	609 195	469 704
Financial assets	13 524	3 461
Cash and cash equivalents	170 213	148 240
Cash assets in VAT account	10 369	12 918
Short-term prepayments	5 964	6 576
Total current assets	**1 083 710**	**983 761**
Total assets	**1 278 324**	**1 173 495**
Shareholders' equity	293 872	274 816
Long-term liabilities	82 718	139 874
Short-term liabilities	901 734	758 805
Total liabilities	**1 278 324**	**1 173 495**

Story of the ERBUD Group

17 AUG. 1990

Setting up of a company by Eryk Jan Grzeszczak and Dariusz Grzeszczak

ERBUD

1993

GWI

1999

The ERBUD shareholders were joined by Józef Adam Zubelewicz

2003

ERBUD INTERNATIONAL

WOLFF & MÜLLER

2004

Building of regional branches

2007

budlex

GPW

2010

PBDI

2014

ERBUD INDUSTRY

2016

Disinvestment from budlex

2017

The Management Board of ERBUD S.A. was joined by Agnieszka Głowacka

2018

IVT

2019

The Management Board of ERBUD S.A. was joined by Jacek Leczkowski

2020

30th anniversary of Company

30 LAT ERBUD

Strong positions in Poland and in the Western Europe





Building construction

Maintenance services for the industry

Engineering and maintenance services for the industry and power sector

Road engineering

Shareholding and organisational structure of ERBUD Group

ERBUD

Building construction

Erbud S.A.

The Warsaw Branch
The Toruń Branch
The Wrocław Branch
The Szczecin Branch
The Kraków Branch
The Rzeszów Branch

ERBUD

ERBUD Operations Sp. z o.o.

100 %



Krzysztof Gaweł
President of the Management Board

ERBUD OPERATIONS

GWI GmbH

100%



Jürgen Kugelberg
President of the Management Board



Igor Pawłowski
Managing Director

GWI

ERBUD International Sp. z o.o.

100 %



Bogdan Dürr
President of the Management Board

ERBUD INTERNATIONAL

JV WMER Matoc Sp. z o.o.

100 %



Jurgen Hagner
A Management Board Member



Łukasz Świątkowski
A Management Board Member



Lukas Czapla
A Management Board Member

Road engineering construction

PBDI S.A.

90 %



Paweł Średniawa
President of the Management Board



Piotr Gutowski
Vice-President of the Management Board



Marcin Szerszeń
Vice-President of the Management Board

PBDI

Construction and services for industry & power sector

ERBUD Industry Sp. z o.o.

ERBUD Industry Centrum Sp. z o.o.
99,01 %

ERBUD Industry Pomorze Sp. z o.o.
100 %

ERBUD Industry Południe Sp. z o.o.
99,29 %



Mirosław Białogłowski
A Management Board Member



Marcin Nowicki
A Management Board Member

ERBUD INDUSTRY

IVT WEINER + Reimann GmbH

100 %



Dipl.-Ing.
Carsten Weiner
A Management Board Member

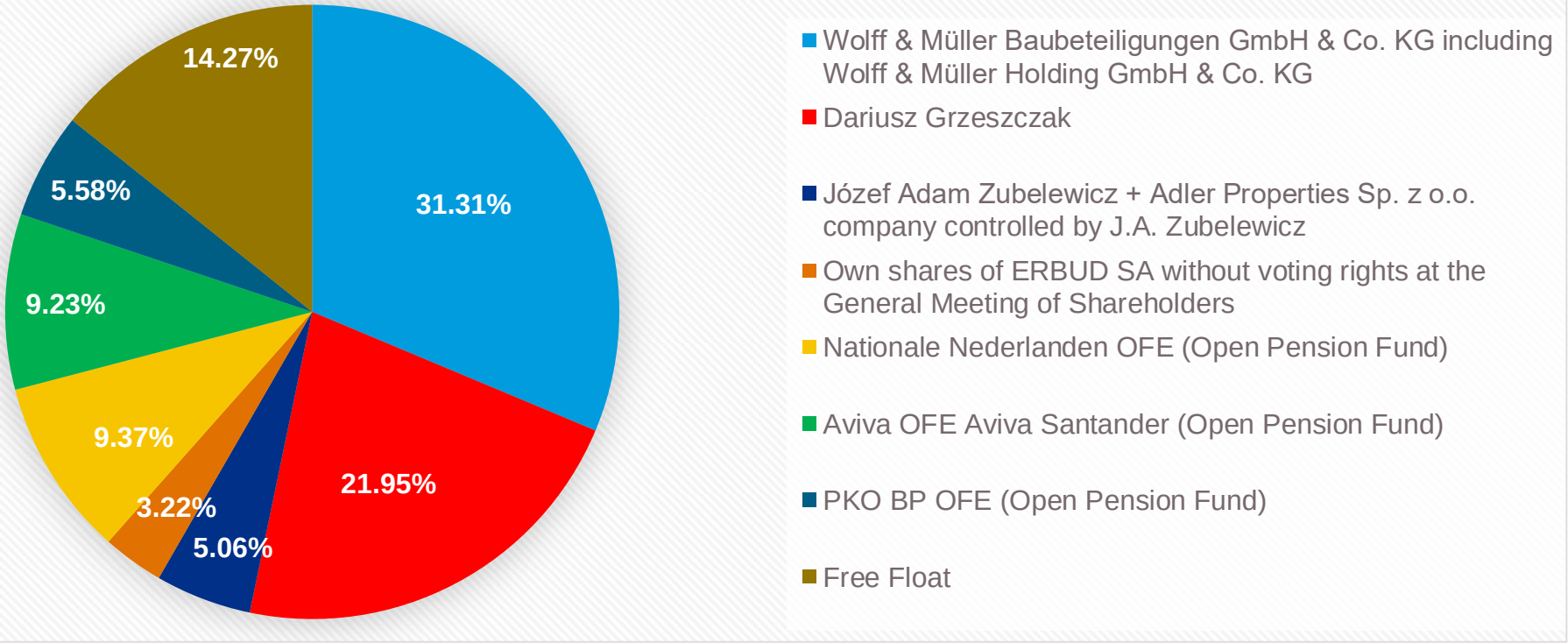


Andreas Schmitz
A Management Board Member

IVT

Dane procentowe określają zaangażowanie kapitałowe spółek dominujących

Governing bodies and shareholding



MANAGEMENT BOARD

Dariusz Grzeszczak – President of the Management Board

Agnieszka Głowacka - Vice-President of the Management Board

Jacek Leczkowski - Vice-President of the Management Board

Radosław Górski - A Management Board Member

SUPERVISORY BOARD

Udo Berner (Chairman)

Albert Dürr

Piotr Kaczmarek

Gabriel Główka

Michał Otto

Janusz Reiter



THE MŁOCINY SHOPPING MALL IN WARSAW

INVESTOR: **ECHO Investment S.A.**

EXECUTION PERIOD: **May 2016 – May 2019**

CUBIC CAPACITY: **1 432 674 m³**



SILESIA OUTLET IN THE CITY OF GLIWICE, PHASE 1

INVESTOR: **SILESIA OUTLET Sp. z o.o.**

EXECUTION PERIOD: **Dec. 2017 – Mar. 2019**

CUBIC CAPACITY: **105 476 m³**



ROYAL WILANÓW IN WARSAW

INVESTOR: **Capital Park S.A.**

EXECUTION PERIOD: **Aug. 2013 – Sept. 2015**

CUBIC CAPACITY: **281 950 m³**



NEUCA S.A. IN THE CITY OF TORUŃ

INVESTOR: **Martinigue Investment Sp. z o.o**.

EXECUTION PERIOD: **May 2018 – Feb. 2020**

CUBIC CAPACITY: **89 479 m³**



NON-INVASIVE MEDICINE CENTER IN THE CITY OF GDAŃSK

INVESTOR: **Gdańsk Medical University**

EXECUTION PERIOD: **Oct. 2018 – Oct. 2020**

CUBIC CAPACITY: **140 802 m³**

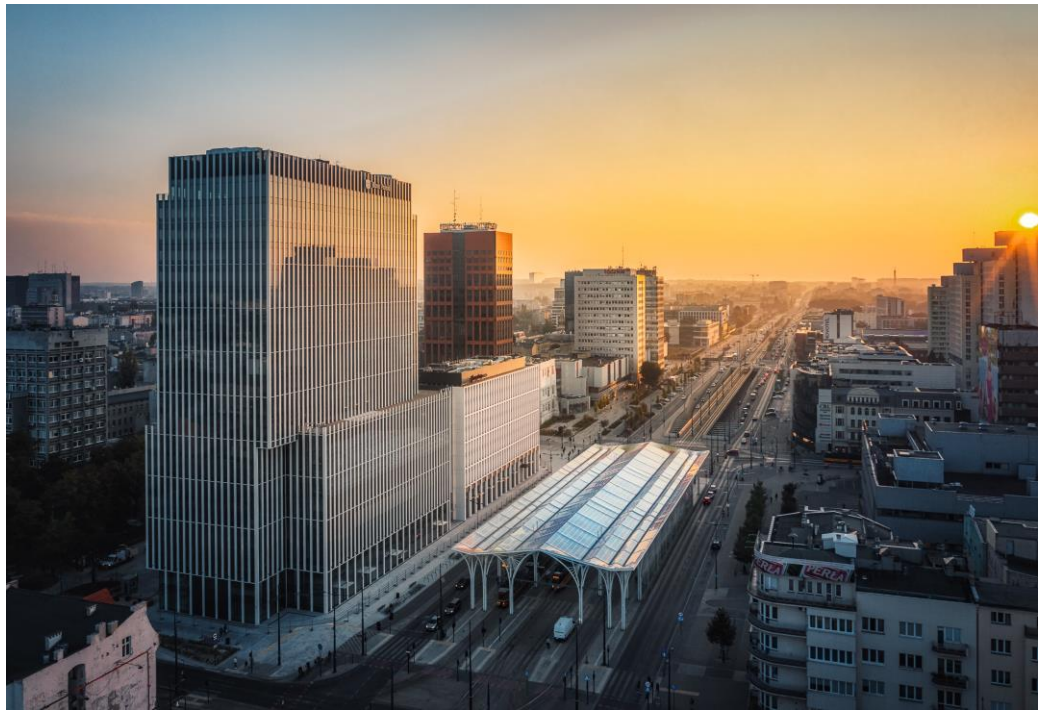


THE SOUTHERN HOSPITAL IN THE CITY OF WARSAW

INVESTOR: **The Capital City of Warsaw – The Capital City Management Board for City Development**

EXECUTION PERIOD: **from Oct. 2016 onwards**

CUBIC CAPACITY: **188 945 m³**



HI PIOTRKOWSKA COMPLEX

INVESTOR: **Master Management Group Sp. z o.o.**

EXECUTION PERIOD: **Sept. 2016 – Aug. 2020**

Photo AreckiPhoto, Arkadiusz Leśniewski



HAMPTON BY HILTON IN THE CITY OF GDAŃSK

INVESTOR: **Capital Park S.A.**

EXECUTION PERIOD: **May 2016 – Jan. 2018**

CUBIC CAPACITY: **38 680 m³**

ERBUD INDUSTRY

INDUSTRIAL CONSTRUCTION AND POWER SECTOR



ALTERATION OF MICHELIN CHP PLANT IN THE CITY OF OLSZTYN

INVESTOR: **Michelin Polska S.A.**

EXECUTION PERIOD: **Mar. 2018 – Jun. 2020**



RETROFITING OF POMORZANY POWER PLANT IN THE CITY OF SZCZECIN

INVESTOR: **Pomorzany Power Plant (PGE Górnictwo i Energetyka Konwencjonalna S.A.)**

EXECUTION PERIOD: **Oct. 2016 – Nov. 2018**

PBDI S.A.



DOBRCZ / MIERKI PHOTOVOLTAIC POWER PLANT COMPLEX

INVESTOR: **Chatteris Investments Sp. z o.o.**

EXECUTION PERIOD: **Jul. 2017 – Feb. 2018**

ERBUD INTERNATIONAL SP. Z O.O.



CADIX UNIVERSITY AT ANTWERP/ BELGIUM

INVESTOR: **NV Strabag Belgium SA**

EXECUTION PERIOD: **Mar. 2018 – Feb. 2019**



KÖ QUARTIER OFFICE AND COMMERCIAL BUILDING IN THE CITY OF DÜSSELDORF (GERMANY)

INVESTOR: **KQ Development S.C.S, Luxembourg**

EXECUTION PERIOD: **Sept. 2017 – Sept. 2018**

CUBIC CAPACITY: **90 207 m³**



UPPERNORD TOWER DÜSSELDORF (GERMANY)

INVESTOR: **CG Gruppe AG**

EXECUTION PERIOD: **Jul. 2019 – Sept. 2021**

CUBIC CAPACITY: **126 000 m³**

Contact persons

CONTACT

FOR INVESTORS

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Vice-President of the

Management Board

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CONTACT

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THANK YOU

