Press release 12/05/2026

# ERBUD Group expects to regain momentum after difficult winter

**The exceptionally cold and snowy weather conditions in the first quarter of 2026 significantly limited construction activity, which had a noticeable impact on the ERBUD Group's revenues. However, the Management Board has announced that the Group expects to offset the winter-related slowdown in the coming quarters.**

In the first quarter of 2026, the ERBUD Group generated revenue of PLN 586.6 million, compared with PLN 733.2 million in the corresponding period last year, representing a 20% year-on-year decline. At the same time, the Group maintained its gross profit margin on sales at virtually the same level as a year earlier, achieving gross profit on sales of PLN 36.6 million. Revenue generated by the Group's three mature business segments (building construction, industrial services and renewable energy) amounted to PLN 539 million, representing a year-on-year decline of 22%. At the same time, the gross margin on sales in these segments improved by 2.7 percentage points compared with the first quarter of 2025. EBITDA generated by the three mature segments totalled PLN 12.4 million, compared with PLN 13.1 million in the corresponding period last year.

The building construction segment generated the Group's highest revenue in the first quarter of this year. However, revenue declined by 20% year-on-year, from PLN 394 million in the first quarter of 2025. Despite the decrease in revenue, the segment increased its operating profit to PLN 4.3 million, representing a year-on-year increase of 28%. A similar trend was observed in the renewable energy segment, which generated revenue of PLN 97 million in the first quarter of 2026, compared with PLN 152.1 million in the corresponding period of 2025, representing a decline of 36% year-on-year. Despite the decline in revenue, the segment achieved a gross profit on sales comparable to the previous year's result, at PLN 11.7 million versus PLN 12.1 million in the first quarter of 2025.

- *"The first quarter is typically the weakest period for the industry, and this year it was further affected by exceptionally unfavourable weather conditions. Against this backdrop, the performance of our three core segments at the gross margin level is particularly encouraging. We expect to recover the revenue shortfall in the coming quarters. We continue to adopt a selective approach to contracts and apply conservative budgeting assumptions. We are under no pressure to pursue revenue growth at any cost. This strategy should, however, translate into satisfactory margins,"* **explains Dariusz Grzeszczak, President of ERBUD.**

The industrial services segment, which had recorded strong growth in recent periods, reported an approximately 20% year-on-year decline in revenue in the first quarter. This

was due to the completion of a major contract in Germany. In Poland, by contrast, revenue increased by 12% year-on-year. Overall, the industrial services segment generated revenue of PLN 120 million in domestic and international markets, with operating profit amounting to approximately PLN 1.7 million.

- *Last year, industrial services accounted for one fifth of the Group's total revenue. This segment is also characterised by higher margins and greater scalability than construction services. We are able to provide comprehensive services across multiple locations in Poland and abroad, which strengthens our competitive advantage. Our objective is to continue the dynamic growth of this business, both organically and through further acquisitions,"* **says Tomasz Wojak, Member of the Management Board of ERBUD responsible for the industrial services segment.**

MOD21, the Group's timber modular construction business, generated revenue of PLN 47.6 million in the first quarter of 2026, representing a year-on-year increase of 26%, while recording an operating loss of PLN 16.9 million, compared with a loss of PLN 11.9 million in the corresponding period last year. The business is currently undergoing restructuring.

- *"We are currently conducting a strategic review to determine which areas of our business should be further developed and which should be scaled back. Market conditions remain highly dynamic. Major infrastructure investment programmes lie ahead, but there are also considerable uncertainties related to climate policy and the geopolitical environment. We concluded that this was the right time to take a closer look at the organisation and its needs,"* **says Dariusz Grzeszczak.**

As at the end of March 2026, the Group's external order backlog stood at approximately PLN 3.5 billion. In addition, the ONDE Group's portfolio of proprietary renewable energy projects with secured grid connection conditions was valued at approximately PLN 780 million. Since January, the Group has signed contracts with a total value exceeding PLN 1.1 billion. These include, among others, a significant contract confirming the complementary nature of the ERBUD Group's services: the construction of four cogeneration units for OZC commissioned by GETEC Energia (with a net value of approximately PLN 250 million), together with a 10-year maintenance agreement worth approximately PLN 700,000 per month.

- *"In addition to its core operations, ONDE sees the construction of large-scale energy storage facilities as a particularly promising growth area. Energy storage represents another key step in the energy transition. Market estimates for 2030 point to a potential capacity of between 5 and 7 GW. This development will significantly improve the profitability of solar energy, enhance grid efficiency and strengthen the country's energy security,"* **comments Jacek Leczkowski, Vice President of ERBUD.** - In recent months, ONDE has signed two such contracts with a combined value of PLN 150 million. - *"ONDE also has a portfolio of renewable energy development projects with a total capacity exceeding 2 GW which, once completed, could supply electricity to approximately 3 million people. Of this portfolio,*

*projects with a combined capacity of 387 MW have already secured grid connection conditions,"* **- adds Jacek Leczkowski.**

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*The ERBUD Group is the largest construction group in Poland that is not part of an international holding. ERBUD has more than 35 years of experience in the Polish market as well as in Western Europe. The Group specialises in building construction, renewable energy, industrial services, and modular construction. Since 2007, ERBUD S.A. has been listed on the Warsaw Stock Exchange. Since 2021, ERBUD has been included in the prestigious EMAS register – the European Union's highest environmental distinction – and in 2022 it was named among the "World's Best Employers" by Forbes.* Learn more at www.erbud.pl.

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