

Investor presentation

Q3 2021



ERBUD Group - Q3 2021 in brief



- PLN 881.0 million sales revenue in Q3 2021. 69% growth y/y.
- PLN 25.5 million operating profit in Q3 2021.
- Order portfolio from external customers worth PLN 2.93 billion (as at 30.09.2021).
Considering the value of ONDE's own projects, the value of orders at the end of September was PLN 3.53 billion.
- Contracts worth approximately PLN 724.8 million acquired in Q3 2021.
- Nearly PLN 200 million cash surplus over interest-bearing liabilities, Group's financing requirements secured.
- Series D bond issue of PLN 75 million.
- Increase in the number of employees by 410.



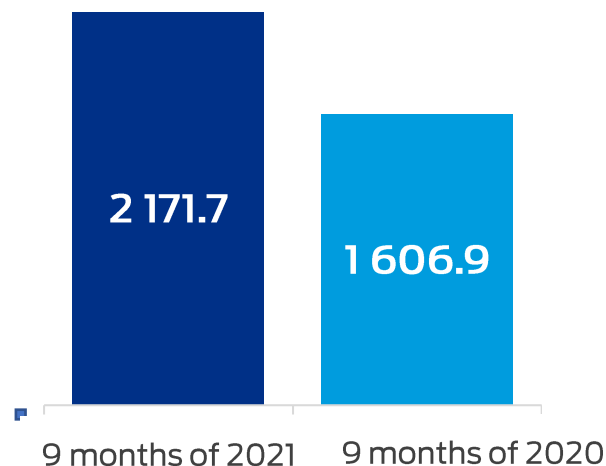
Operating and Financial Performance



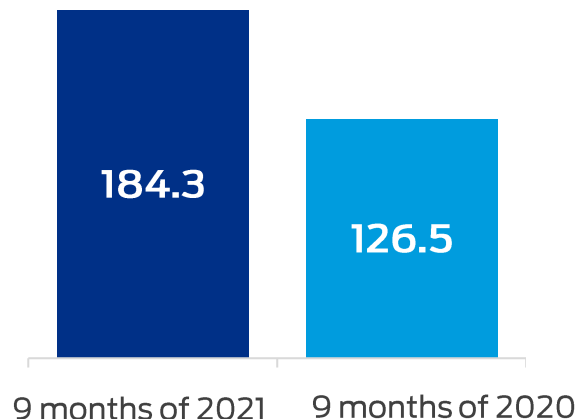
Group financial results for 9 months of 2021



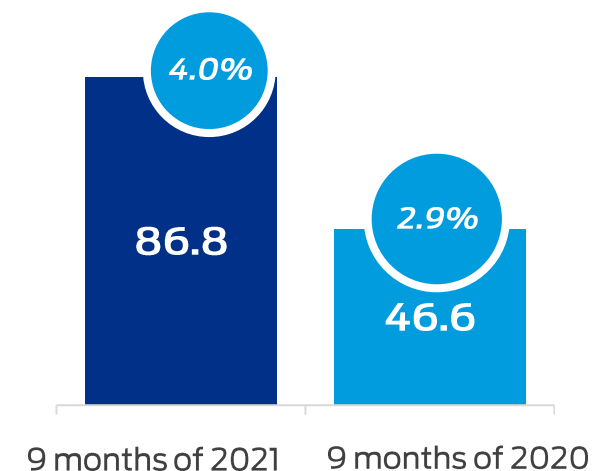
Sales revenues
[million PLN]



Gross sales result
[million PLN]



Normalized* EBIT
[PLN million]



COMMENT

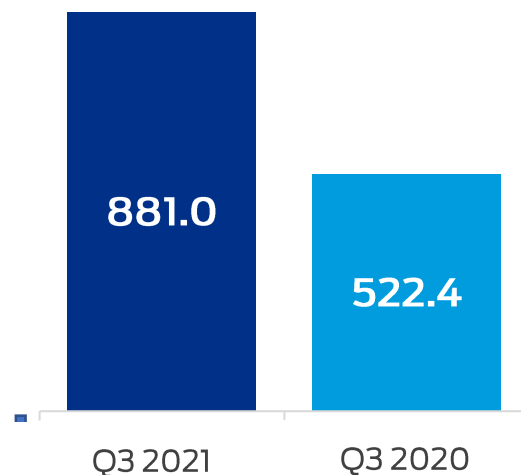
- 69% y/y increase in Group revenue. Group's gross margin on sales up 0.6 pp y/y to 8.5%.
- PLN 105.7 million normalised* EBITDA, an increase of 67% y/y.
- Normalised* Group EBIT up 86% y/y, operating margin up 1.1 pp y/y to 4.0%.

* Result cleared of the impact of valuation of ONDE D shares (share-based remuneration) and IKR transaction costs

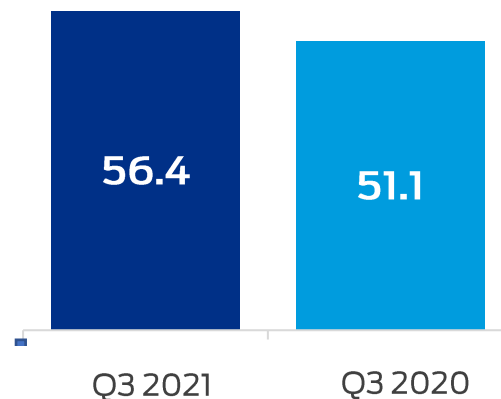
Group financial results for Q3 2021



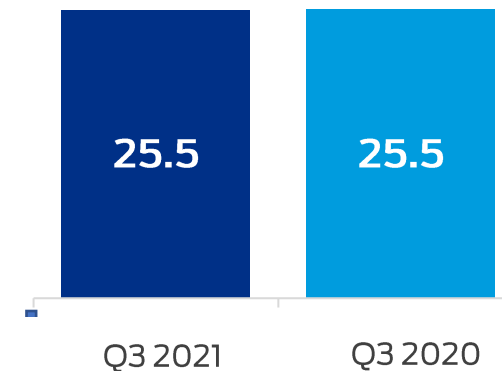
Sales revenues
[million PLN]



Gross sales result
[million PLN]



EBIT
[million PLN].

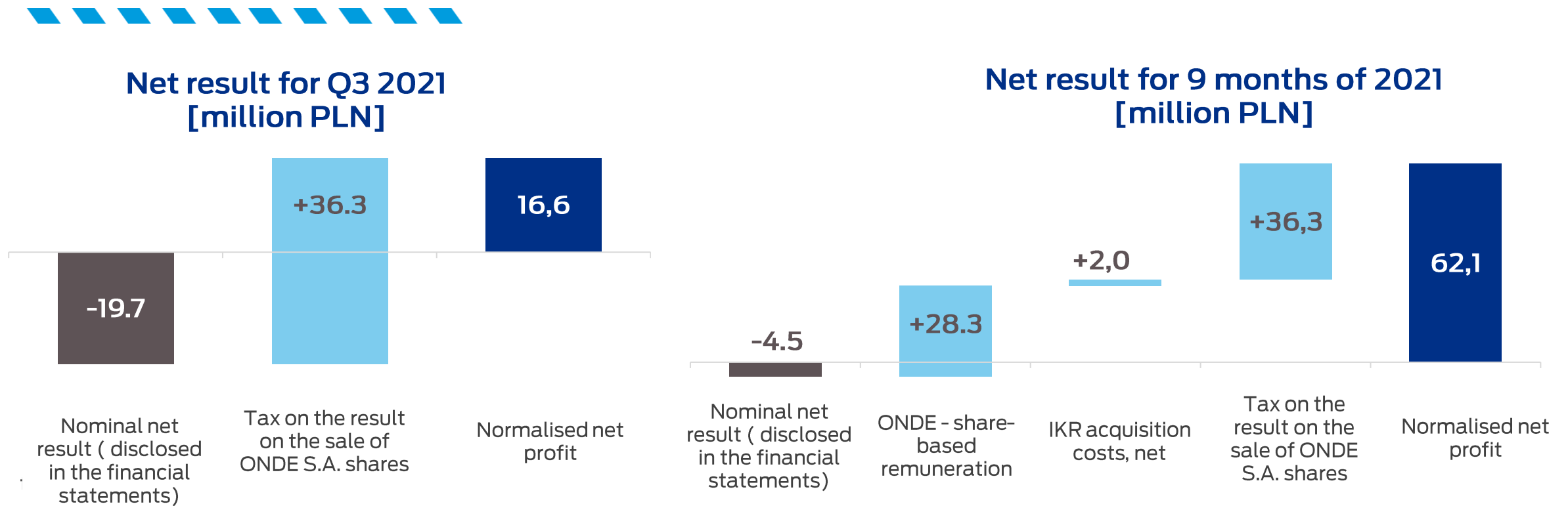


COMMENT

- 69% y/y increase of the Group's revenues in Q3 this year, achieved, inter alia, thanks to 116% increase in sales of the RES segment.
- EBIT of PLN 25.5 million in Q3, up from PLN 25.5 million a year earlier. Slight (3%) increase in general and administrative costs.
- RES segment, with nearly PLN 21 million EBIT in the past quarter, the main source of revenue for the Group.

* Result excluding tax on gain from sale of ONDE shares

Cleared net profit for Q3 and 9 months of 2021



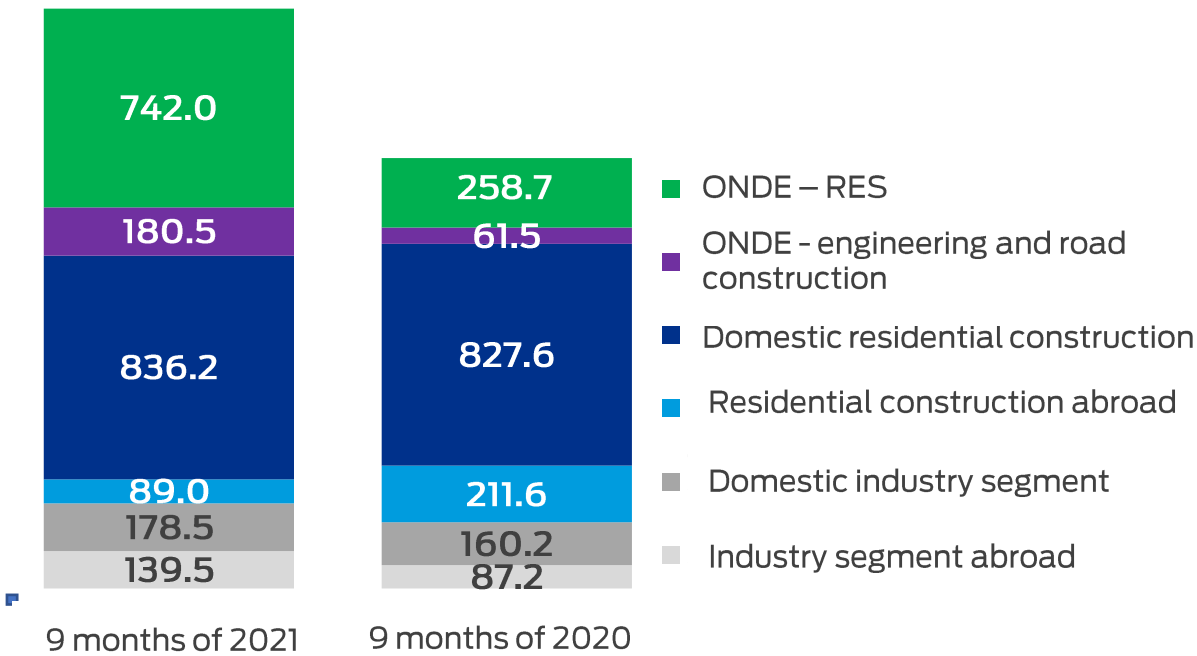
COMMENT

- 78% increase in normalised net income for the 9 months of 2021, to PLN 62.1 million,
- PLN 16.6 million normalised net profit in Q3, compared to PLN 23.1 million a year earlier.

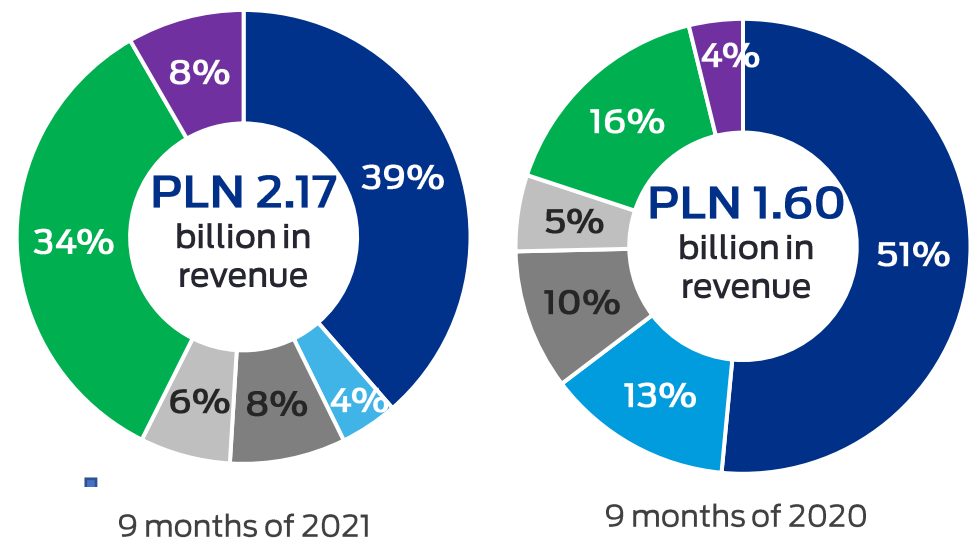
Revenues by segment - 9 months of 2021



Sales revenues
[million PLN]



Revenue share



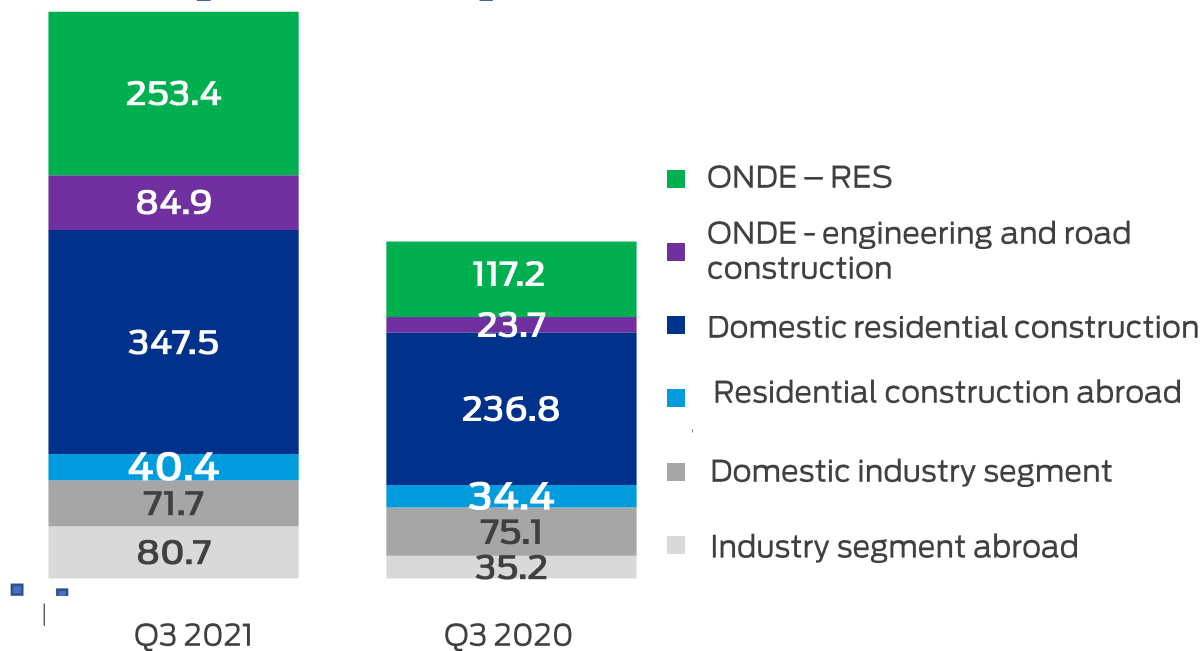
COMMENT

- Nearly threefold increase in sales of the RES segment developed within ONDE, doubling the share of sales.

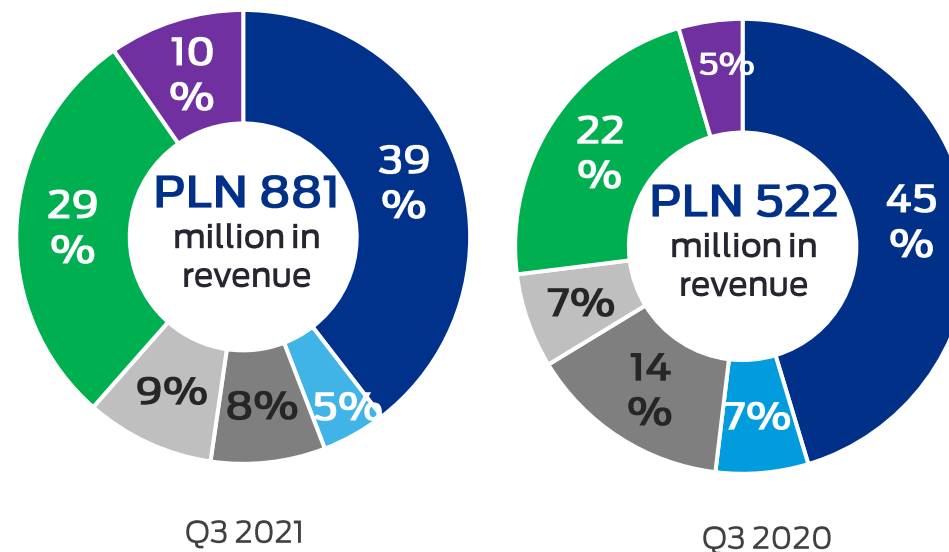
Revenue by segment - Q3 2021



Sales revenues
[million PLN]



Revenue share



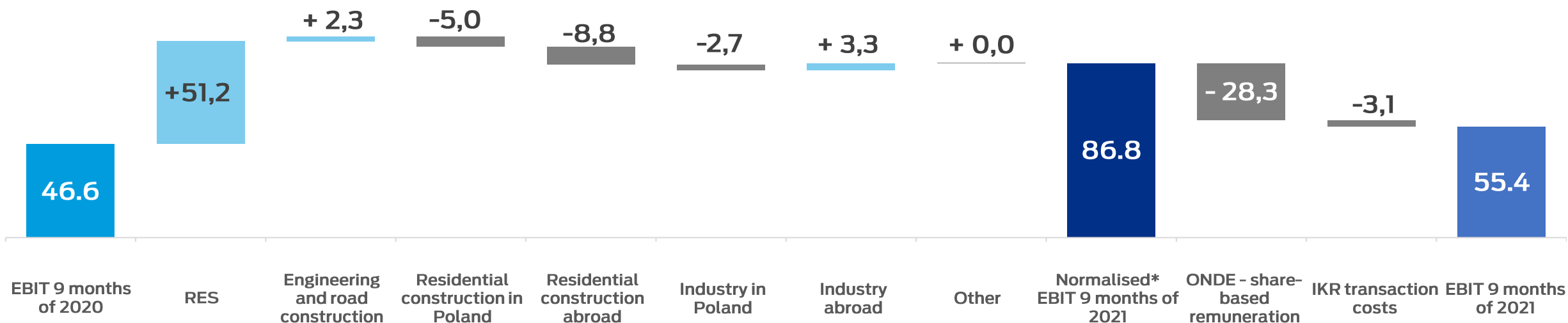
COMMENT

- RES and domestic building segments with the largest share in the Group's revenues.
- A decrease in the share of residential construction in sales to 44%, from nearly 52% a year ago.

EBIT evolution - 9 months of 2021



[PLN million]



COMMENT

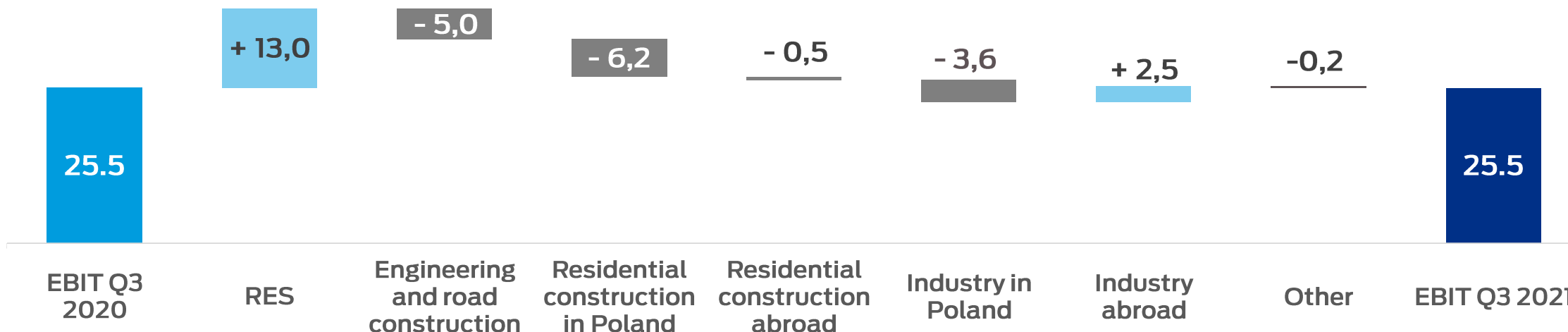
- 86% increase in normalised operating profit, mainly driven by surging profits of the RES segment.
- Decrease in residential and industrial construction profits in Poland, while maintaining positive operating profitability.
- Single events reducing the result :
 - Valuation of ONDE employee shares - PLN 28.3 million (non-cash cost),
 - Transaction costs for the acquisition of shares in IKR GmbH (PLN 3.1 million).

* EBIT cleared of impact of valuation of ONDE D shares (share-based compensation) and IKR transaction costs

EBIT evolution - Q3 2021



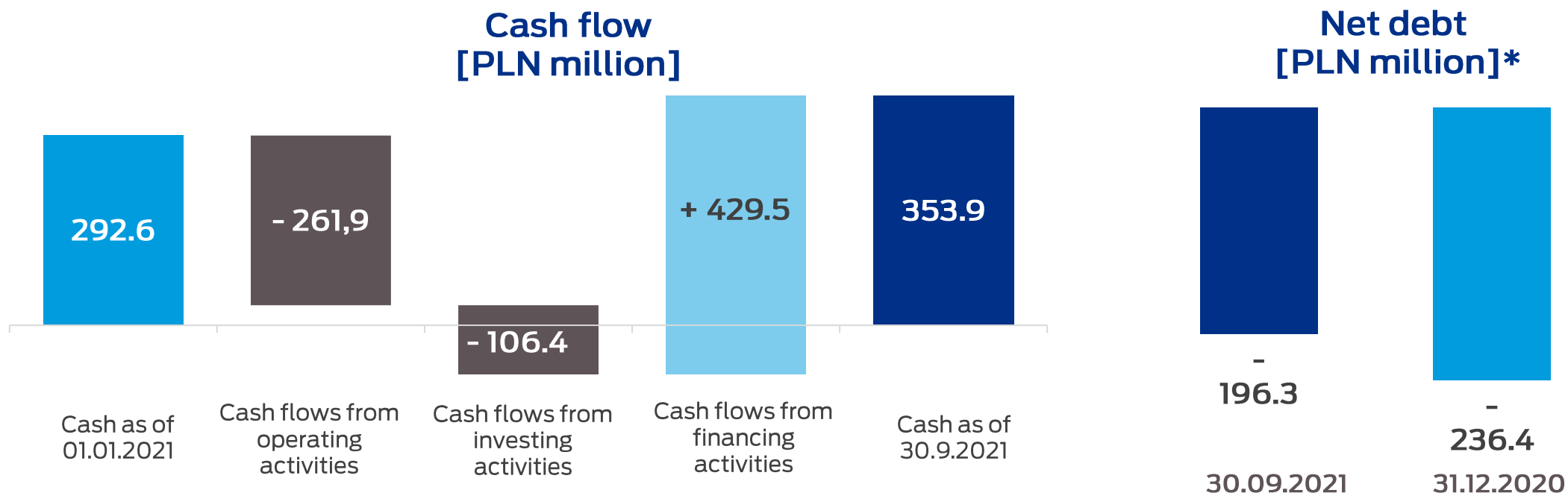
[PLN million]



COMMENT

- RES segment drives Group's results - normalized EBIT up by PLN 13 million, to PLN 21.0 million.
- Rising raw material costs and wage pressures have reduced the EBIT of the volume, engineering and road construction and industrial construction in Poland.
- Growing profits of services to industry abroad.

Financial flows and debts



COMMENT

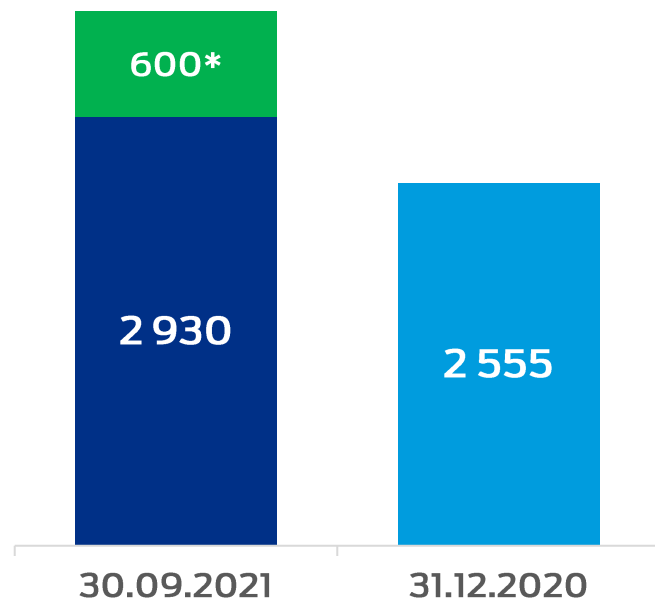
- Negative CF from operating and financing activities, related, i.a. to expansion of development activities in the RES segment, acquisition of IKR, investments in the modular buildings segment, offset by proceeds from financing activities.
- Surplus of cash over liabilities to secure the Group's investment requirements.

*Net debt = interest bearing liabilities (adjusted for IFRS16 liabilities) less cash and cash equivalents (including restricted cash and accrued VAT)

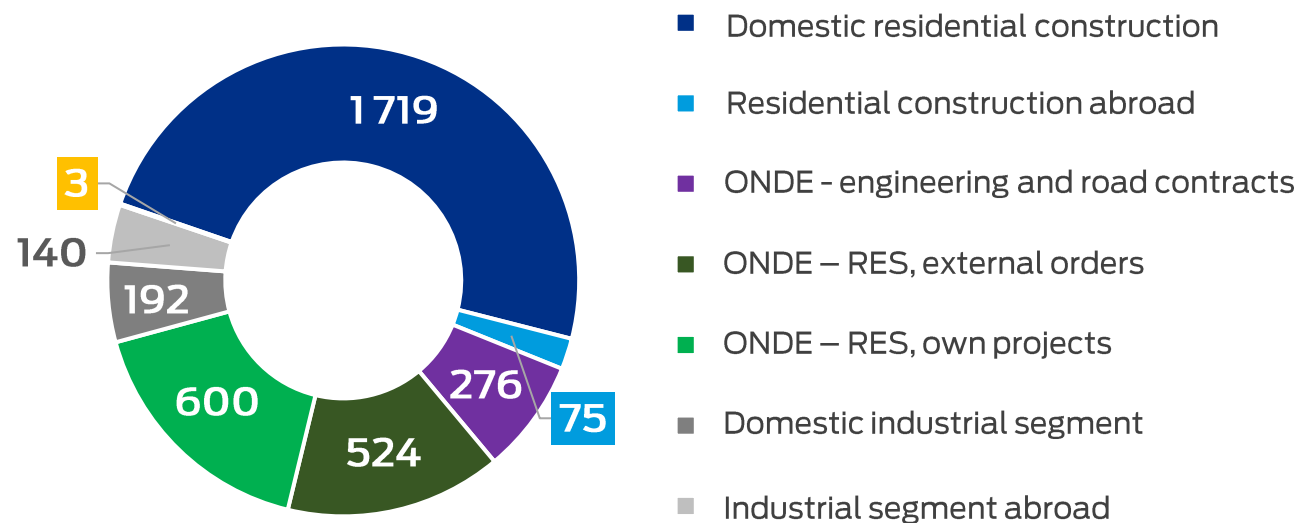
Orders portfolio



**Total orders portfolio
[PLN million]**



**Order portfolio by segments [million PLN] - as at
30.09.2021**



COMMENT

- The value of the Group's external order portfolio in the 9 months of 2021 increased by 15%, to PLN 2,930 million.
- The total value of orders, including own RES projects implemented by ONDE, amounts to PLN 3,530 million.
- The value of orders to be executed in 2021 amounts to PLN 1,062 million.



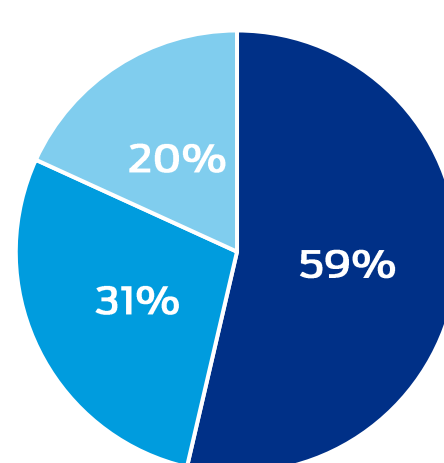
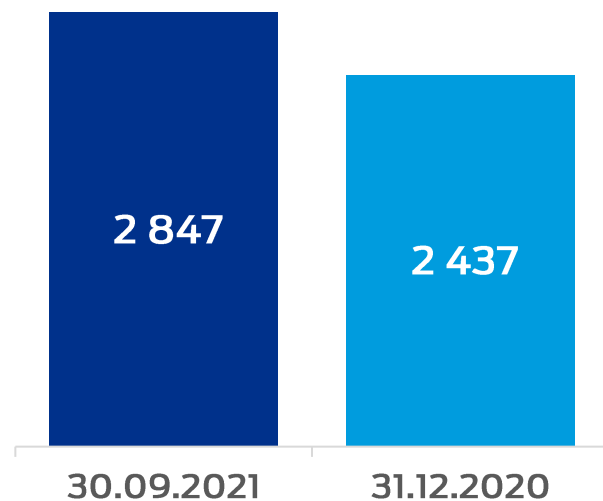
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Employment

Employment



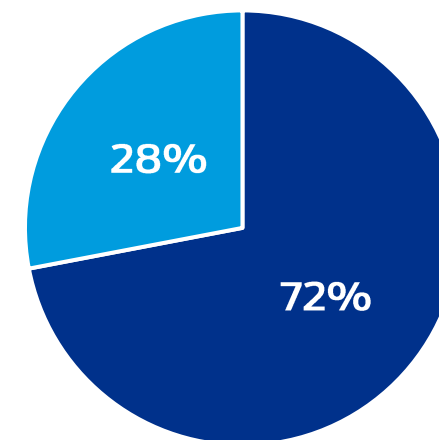
Number of Group employees



■ Production employees

■ Technical employees

Administration



■ employment in Poland

employment abroad

as at 30.09.2021

COMMENT

- In the 9 months of 2021, Erbud Group's employment increased by 410 people, to 2,847 employees.



OPERATING AND FINANCIAL RESULTS OF ONDE SA I-IX 2021

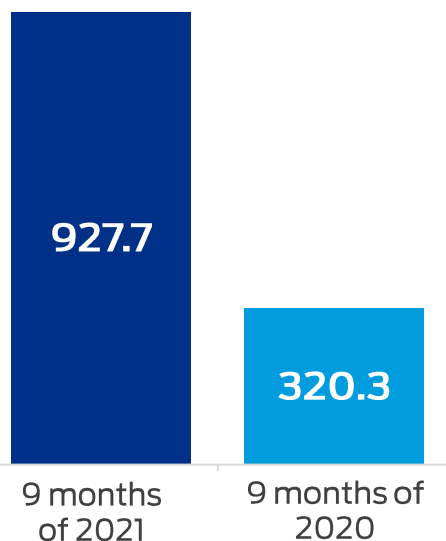
www.onde.pl

Highlights of Q3 2021

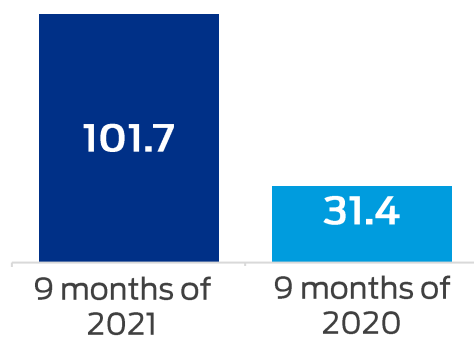
- Rocketing revenue and profit growth at all levels.
- Prompt and efficient implementation of the strategy presented to investors during the IPO.
- Acquisition of new executive contracts with a value of PLN 220.9 million in Q3 2021 alone.
- Acquisition of PV projects with a potential of approximately 300 MW since IPO.
- Total investment portfolio of approximately 830 MW of wind and solar projects.

ONDE financial results for 9 months 2021

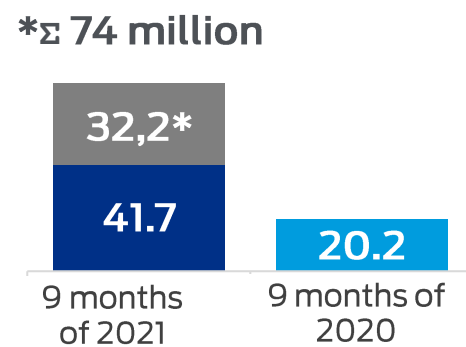
Sales revenues [PLN million]



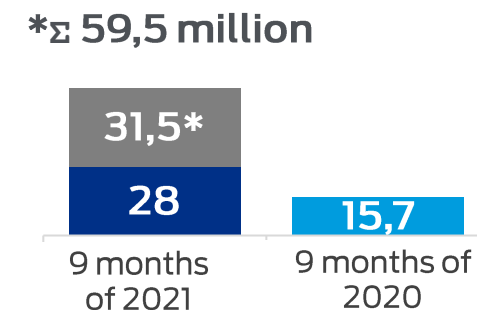
Gross sales result [PLN million]



Normalised EBIT* [PLN million]



Normalised net result [PLN million]

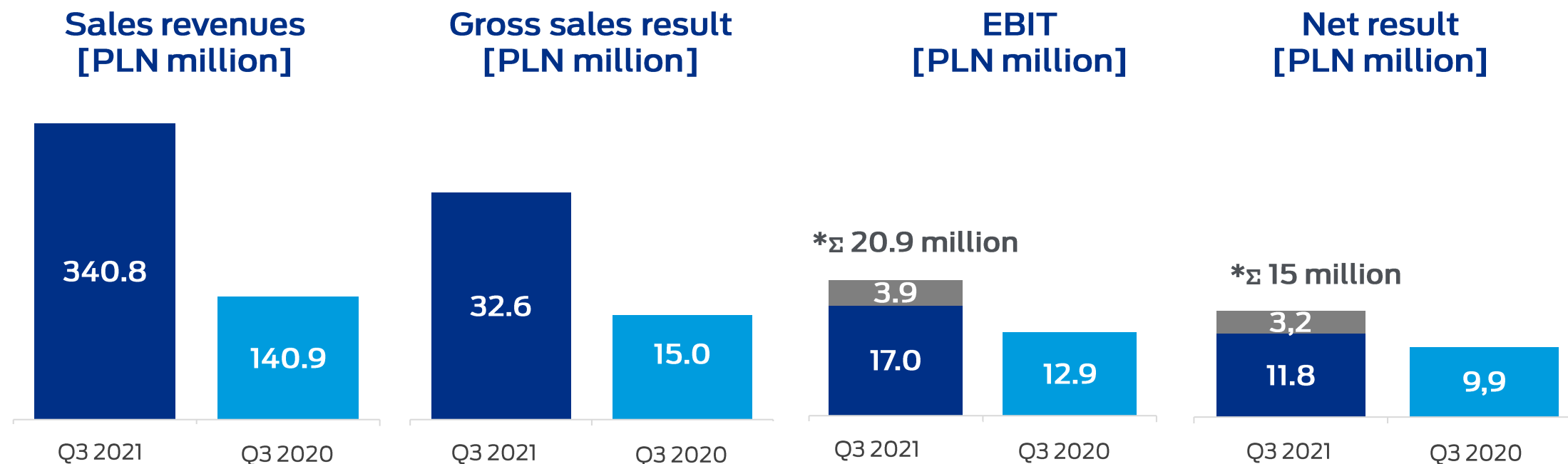


COMMENT

- Nearly 3-fold increase in segment sales. Increase in gross return on sales by 1 percentage point, to 11%.
- Normalised* EBIT more than 3 times higher y/y, increase in EBIT* margin by 1.2 percentage points to 7.5%.
- Normalised EBITDA amounted to nearly PLN 79 million compared to PLN 24.5 a year earlier.
- Nearly 4-fold increase in normalised* net income.

* Impact of valuation of ONDE D shares (share-based compensation) - (non-cash event in Q1 2021) and IPO costs included in management expenses.

Q3 2021 results

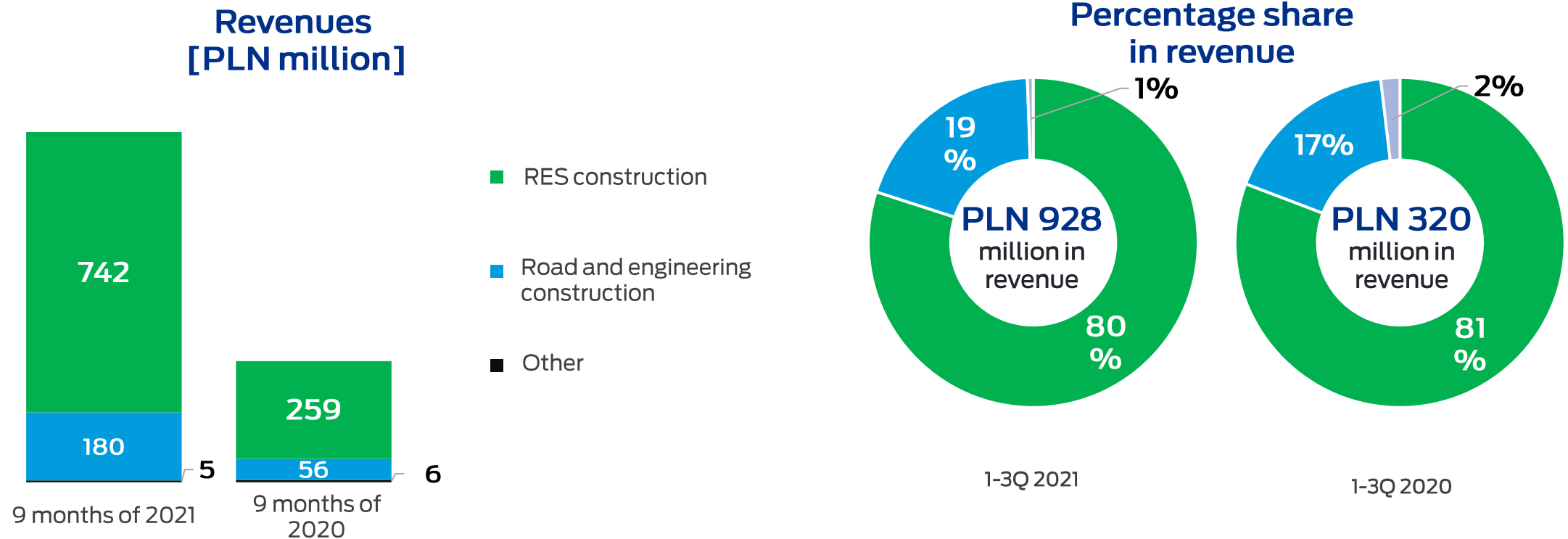


* Excluding IPO-related costs

COMMENT

- In the Q3, the IPO costs were settled, the non-capitalised part - PLN 3.9 million - was recorded in management expenses, which was charged to the operating result on a one-off basis. Normalised operating result of ONDE amounts to PLN 21 million.
- Increased costs, associated with building a development team and additional transaction costs of acquiring projects.

Revenues by segment - 9 months of 2021

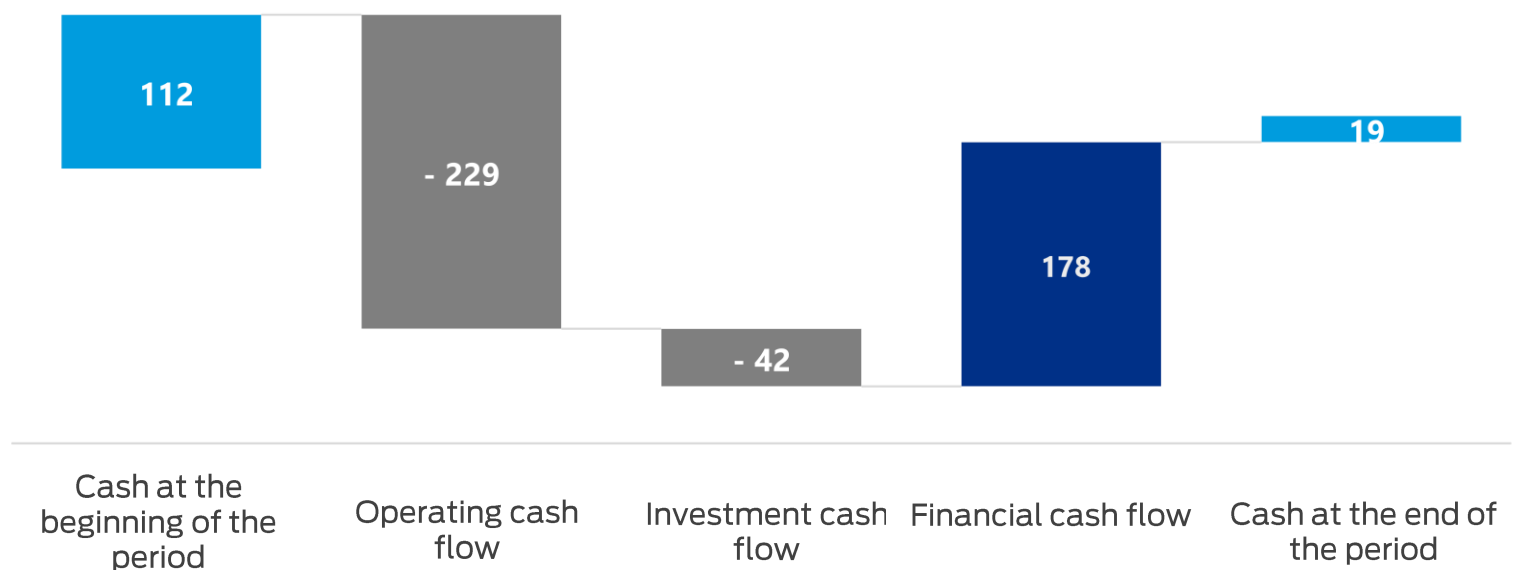


COMMENT

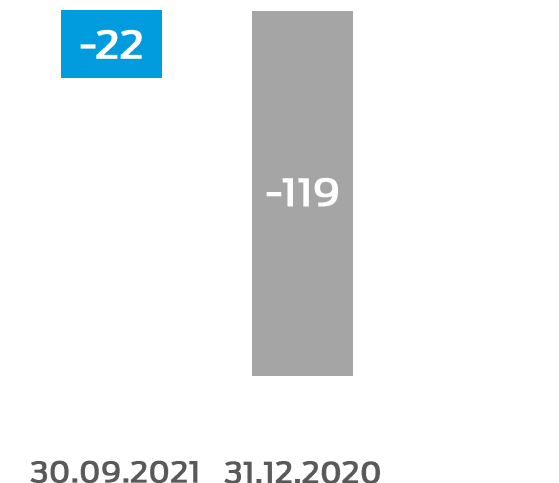
- The RES segment grew almost 3 times y/y.
- Road construction segment increased by more than 3 times y/y (related to the implementation phase of the S3 road construction project).

Cash flow and debt

Cash flow 9 months of 2021 [PLN million]



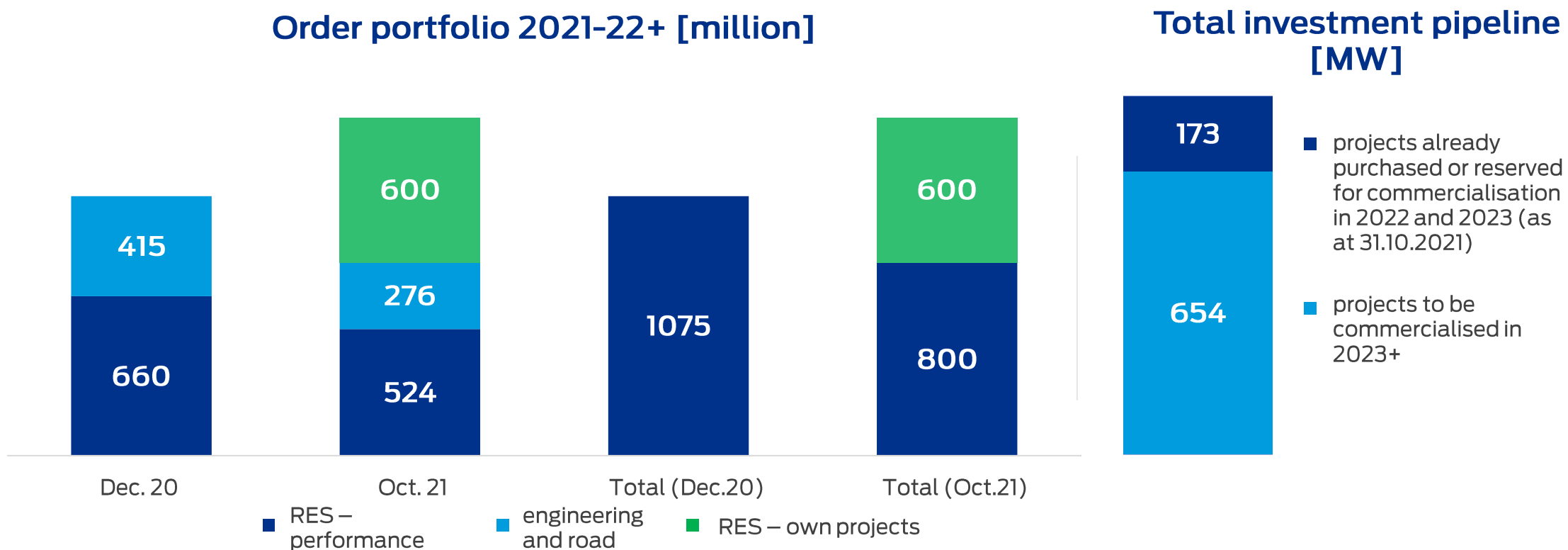
Net debt [PLN million]



COMMENT

- Negative CF, related, i.a., to the development of investment and development activities in the RES segment.
- Surplus of cash over interest-bearing debt.

Backlog in execution and investment pipeline

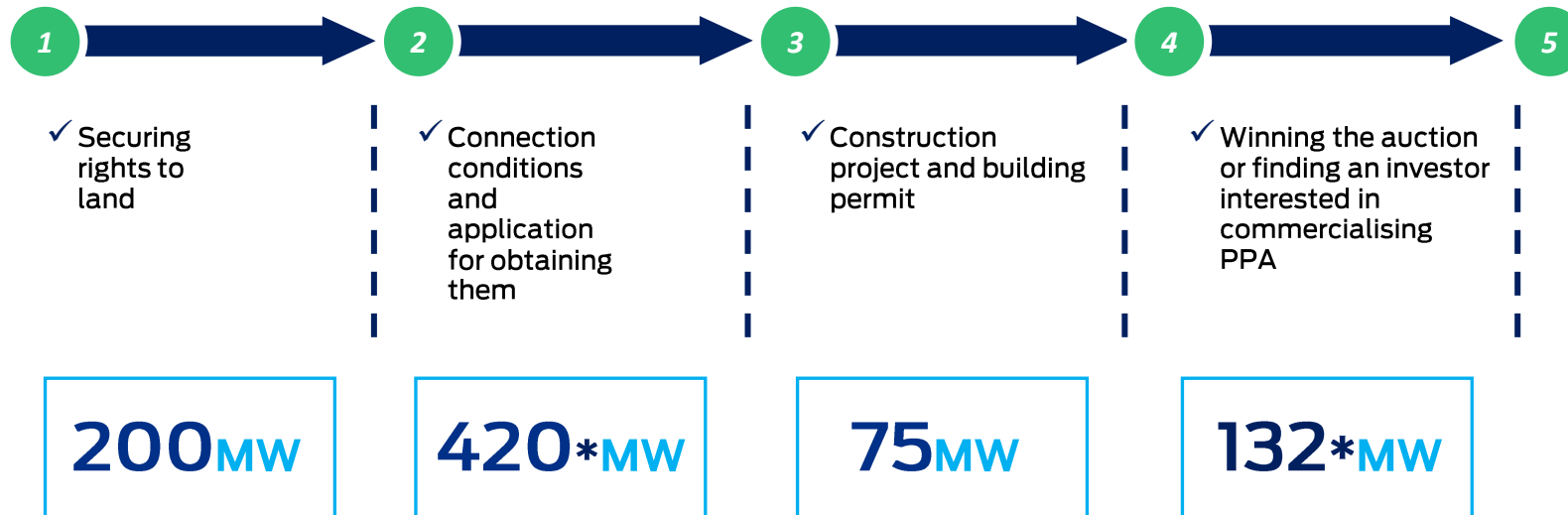


COMMENT

- Revenue 2022 secured by high backlog with potential for further growth,
- PLN 600 million in own-account projects,
- Value of orders to be executed in 2021: PLN 350 million,
- Company plans to submit 25 MW for December auctions.

* expected order portfolio for own projects

Advancement of development projects



COMMENT

- 827 MW of projects bought and secured of which almost 70 MW are wind projects.
- Additionally, about 700 MW (in various stages of development) with signed letters of intent.
- PLN 69.4 million from the IPO was designated for the refinancing of purchases, about PLN 50 million will be used to purchase further projects in 2021.

* Partly in JV 50/50 with partner

Status at the end of October 2021.

Market environment in 2021

- The 10H Act - work is underway, which industry organisations believe should accelerate to address the problem of rapidly expensive energy from conventional sources.
- Poland's photovoltaic capacity has now exceeded 5.9 GW (+107% y/y) and wind power 7 GW.
- December auctions of the Energy Regulatory Office (URE): for $1 \text{ MW} \leq$ - the maximum amount of energy to be sold is 2.75 TWh and its value is PLN 2.53 billion, for $1 \text{ MW} >$ it will be 14.1 TWh of energy worth PLN 5.1 billion.



- ERBUD and ONDE receive EMAS certificate - the highest European distinction in the field of ecology.
- ERBUD is the first large Polish construction company and ONDE is the first RES company in Poland with EMAS certification.
- EMAS is held by 3,200 organisations in Europe, while in Poland by no more than 70.
- EMAS guarantees, among other things, enhanced loans, favourable treatment of investors and, at the same time, exemption from the waste registration fee, less frequent environmental inspections by the Voivodeship Inspectorate for Environmental Protection, exemption from excise duty on coal and gas, exemption from energy audits of the company.
- This fits with our strategy to become a leader in green transformation.





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Thank you for attention