

Record half year and quarter of the ERBUD Group

The construction leader ended the first half of 2021 with over 190% increase in the normalized operating result (cleared of the impact of one-off non-cash events), to a record of PLN 61.4 million. In the second quarter, the Group doubled its normalized EBIT to a record of PLN 33.9 million. The dynamic growth of the Group's results is, inter alia, due to the growing sales and profitability of the RES segment, developed as part of the ONDE company listed on the Warsaw Stock Exchange.

The Group's consolidated revenues increased in the first half of the year by 19%, exceeding PLN 1.29 billion, which is the highest result for the first half of the year in the Group's history. The Group's gross profitability on sales increased by 3.0 percentage points to 9.9% in this period. In addition, the second quarter was closed with record high sales of over PLN 754 million, the gross profitability of which is 9.1%.

The RES segment remains the driving force of the Group. The sales of this segment increased in the first half of the year by 245% to PLN 488.6 million, and the normalized operating profit of the segment increased by over 460% to PLN 46.4 million. The RES segment is being developed within the ONDE company, which has been listed on the WSE main market since July this year. ONDE ended the half year with PLN 587 million in revenues and PLN 53 million in normalised EBIT.

- The results of the first half of the year confirm the correctness of the strategy implemented by the ERBUD Group, emphasizing the diversification of activities, placing particular emphasis on development in the most promising areas of business while maintaining involvement in traditional segments for the Group. We ended the past six months not only with a satisfactory increase in revenues and profits, but also with a noticeable increase in the value of contracts acquired and sales processes. We enter the second half of 2021 with almost 3

billion orders, from which contracts amounting to over PLN 1.6 billion are planned for execution in the second half of this year. At the end of June this year, the value of active offers submitted by entities from the Group amounted to PLN 7.7 billion, PLN 1.2 billion more than at the end of 2020. We have the potential to provide our Shareholders with further reasons to be satisfied with their participation in our activities in the second half of the year - comments Dariusz Grzeszczak, the President of ERBUD.

The ERBUD Group entered the second half of 2021 with a stable, comfortable financial situation. The Group's net debt at the end of June amounted to PLN 66.7 million, and its ratio to the Group's normalized EBITDA is below 0.5. These indicators do not consider the impact of IPO of ONDE and PLN 415 million gained by the Group as part of the offer of shares of this company as the finances of ERBUD.

"The publication of ONDE and the expansion of the company's business to include development activities in the RES area is one of the elements of the strategic green transformation of the ERBUD Group. We are concentrating on its further internationalization, which includes the purchase of the German service company IKR GmbH finalized in the second quarter of this year. In addition, we are investing in new, prospective areas of business, which is the production of prefabricated objects from wood. We want to multiply the capital entrusted to us even more effectively than before, be a leader in the green transformation in line with the European Green Deal, thus strengthening the Group's position on the European market – comments the President of ERBUD.

ERBUD Capital Group is the largest construction company in Poland that is not part of international holdings. It has over 30 years of experience on the Polish market and in Western European countries. ERBUD specialises in building, road and industrial as well as energy construction. Annually, it implements projects worth over PLN 2.5 billion. Since 2007, ERBUD S.A. has been listed on the Warsaw Stock Exchange. The most prestigious projects carried out recently by the companies of the ERBUD Group include: Młociny Gallery in Warsaw, Koszyki Hall in Warsaw, Eurocentrum Office Complex and Royal Wilanów office buildings in Warsaw, the Invasive and Non-Invasive Medicine Centre of the Medical University of Gdańsk, the Southern Hospital in Warsaw, Lidl Distribution Centre in Stargard, Municipal Waste Incineration Plant in Konin, Construction of a boiler room with a WR25

boiler with accompanying infrastructure for FORTUM BYTOM S.A. Heat and Power Plant and Dobrcz/Mierki Photovoltaic Power Plant Complex.

More information on www.erbud.pl.

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