

**MERCOR AFTER THE FIRST QUARTER OF THE 2023/24 FINANCIAL YEAR:
DOUBLE-DIGIT GROWTH IN REVENUE AND NET PROFIT**

The MERCOR Group, a leader in the European market for passive fire protection systems, posted a 12.7% year-on-year increase in revenue, to PLN 152.2 million, for the quarter from April 1st to June 30th 2023. Net profit rose 14% year on year, to PLN 12.6 million. The Group's EBIT for the same period came in at PLN 15.5 million (-8.3% y/y), and EBITDA at PLN 20.5 million (-4.15% y/y).

"The results for the first quarter of the 2023/2024 financial year highlight our strong operational performance and healthy financial condition. We are delighted to report double-digit year-on-year growth in both revenue and net profit, while maintaining solid profit margins. In light of these achievements, the Management Board has recommended a dividend payment of PLN 1.51 per share, or PLN 23.5 million in total, i.e. about half of the Group's net profit," says **Krzysztof Krempeć, President of the Management Board of MERCOR S.A.**

In the three months to June 30th 2023, revenue generated by the Group on the domestic market accounted for 49.1% of total revenue, having reached PLN 74.7 million. PLN 77.5 million, or 50.9% of total revenue, was contributed by foreign markets.

"Our revenue from foreign markets has seen a year-on-year increase of 26%. Over the years, we have not only solidified our reputation within Poland but also internationally, with our portfolio boasting projects at prestigious facilities across various countries. Our distinguishing trait in the global marketplace is our unwavering commitment to innovation," adds **Mr. Krempeć**.

Stable growth in orders

"The Group's current order book is promising. In July 2023, the Mercor Group secured orders valued at approximately PLN 48.5 million, mirroring the figures from the corresponding period of the previous year. Over the last six months, i.e. from February to July 2023, the Group secured new orders worth a total of about PLN 315.8 million, up from PLN 294.5 million a year earlier, marking a 7% growth," concludes **Mr. Krempeć**.

Q1 2023/2024 RESULTS OF THE MERCOR GROUP:

PLN '000	Q1 2023/24	Q1 2022/23	Change
Revenue	152,206	135,010	+12.74%
<i>Foreign sales</i>	77,455	61,401	+26.15%
<i>Domestic sales</i>	74,751	73,609	+1.55%
Gross profit	38,682	37,168	+4.07%
Gross margin (%)	25.41%	27.53%	-2.12pp
EBITDA	20,489	21,377	-4.15%
EBITDA margin	13.46%	15.83%	-2.37pp
EBIT	15,523	16,923	-8.27%
EBIT margin (%)	10.20%	12.53%	-2.33pp
Net profit	12,649	11,096	+14.00%
Net profit attributable to owners of the Parent	11,732	10,740	+9.24%
Net margin (%)	8.31%	8.22%	+0.09pp

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MERCOR S.A. with its registered office in Gdańsk is a leading manufacturer of advanced technology solutions for fire protection with a market presence of over 35 years. The MERCOR Group offers passive fire protection solutions including natural smoke exhaust systems, fire ventilation systems, fire protections of building structures as well as fire resistant doors and gates. In addition, the Group's offering includes energy storage systems and Fire Safety 4.0 solutions. Half of its sales are generated on foreign markets, and its products have been deployed in more than 50 countries on four continents. Since July 2007, MERCOR S.A. has been listed on the Warsaw Stock Exchange.

The impressive portfolio of projects delivered by the MERCOR Group includes systems installed at airports in Moscow, Prague, Madrid, Barcelona and Paris, the modern railroad station in Afragola (Italy), the European Investment Bank and the European Court of Auditors in Luxembourg, the Russian Vostochny Cosmodrome; the Henriksdal wastewater treatment plant (Sweden); RWE's coal-fired power plant in the Netherlands; production facilities of Rolls Royce Deutschland, the Olympic Stadium in London, the VTB Arena Stadium in Moscow (Russia); retail chains: Hypernova, Kaufland, Tesco, IKEA; corporations including: Peugeot, Opel, Michelin, Volkswagen, Volvo and Renault, Suzuki; tunnels: the AVE high-speed train tunnel in Malaga and Alicante, Smestad tunnel in Oslo (Norway), Al Ras Al Akhadar tunnel (UAE), Doha tunnel (Qatar); Singapore's largest road project: Marina Coastal Expressway. In Poland, the Group has provided fire safety to the Warsaw Metro, Hilton Hotels in Warsaw, Gdańsk and Łódź, the National Bank of Poland in Warsaw, the National Library, airports in Warsaw, Kraków, Katowice, Wrocław, Gdańsk, Poznań and Łódź; refineries, including: Lotos, Nafty Gorlice, PKN Orlen Płock, the LMG Gas Production Site, the Lotos Petrobaltic platform; the Kozienice power plant; the POLIN Museum of the History of Polish Jews in Warsaw, the Apartamenty Żłota 44 residential development project in Warsaw, Amber Expo Gdańsk, the Copernicus Science Centre in Warsaw, logistics parks (including Panattoni, R7), distribution centres (including Amazon, Lidl, Jeronimo Martins, Decathlon) and many others.

For further information, visit: www.mercor.com.pl