



**FINANCIAL RESULTS**

**MERCOR**

| 2022/23

# LEADER

in advanced **technologies**  
for the fire protection industry

Providing safety for

**35**  
years

Presence in over

**50** countries around the world

Sales on

**4** continents

**7** manufacturing plants

close to

**910**  
headcount  
across the Group



## System solution groups

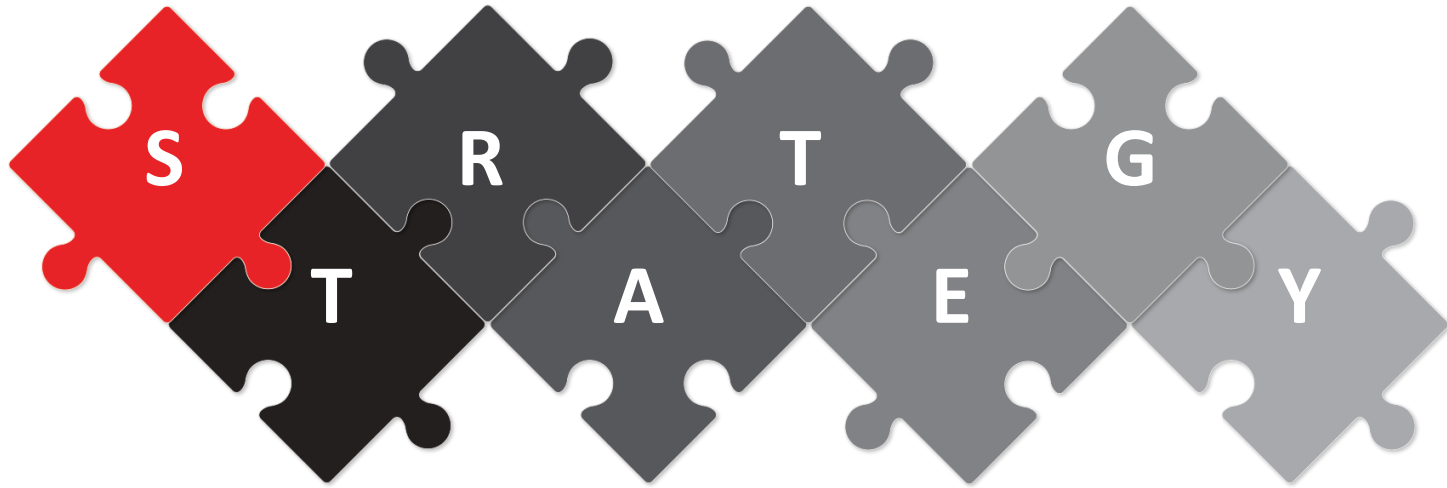
- » natural smoke exhaust systems
- » fire ventilation systems
- » fire protections of building structures
- » fire partitions (DFM Doors)

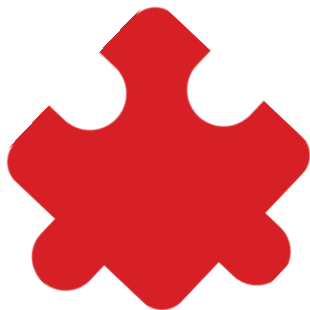
## Dedicated automation and software solutions

## Development of technologies for safety

- in the Industry 4.0 area – developed by MCRTECH LAB
- in the area of energy storage and improvement of energy quality – developed by for storing and upgrading energy, executed by ELMECH-ASE

STRATEGY





**RESULTS:**

Sales growth by 27%

Net debt/EBITDA = 0.77x

ROE = 26% (vs strategic target of 13%)

**SHAREHOLDERS:**

Dividend policy – plans to continue dividend payments

FY 2021/2022 dividend distribution of PLN 0.63 per share

Ongoing share buyback programme

**MARKET:**

Stepping up exports

Maintaining leadership in PL and a top position among leading players in Europe



**PRODUCTS:**

Automation of multiple fire safety systems

DFM Doors: dynamic growth of the company offering fire-rated doors, gates and partitions

Further certificates obtained for mcr Silboard boards; new applications researched

30 R&D projects underway

Development of energy storage systems

Development of Fire Safety 4.0 technology through MCR Tech Lab



**BUSINESS MODEL:**

Building on high-quality engineering expertise – the Group designs and manufactures custom solutions to meet specific customer needs

The first company in Poland to implement Fire Safety 4.0 technology

Steady increase in revenue from maintenance services

**SUSTAINABILITY:**

Increasing energy efficiency and lowering carbon footprint

Own solar PV systems, covering the needs of the Group's largest manufacturing plant (Cieplewo) and head office in Gdańsk

Use of Elmech energy storage systems at the Group's plants and offices

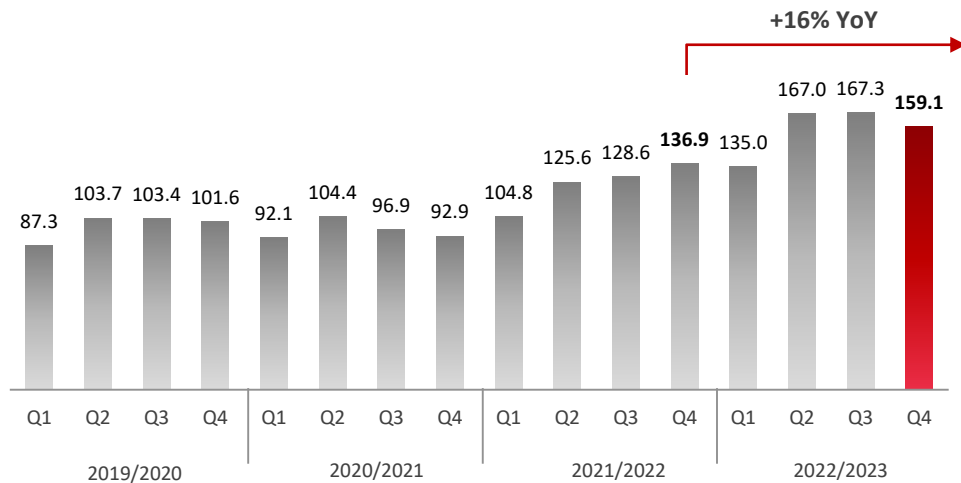
An all-hybrid vehicle fleet

## FINANCIAL RESULTS 2022/23

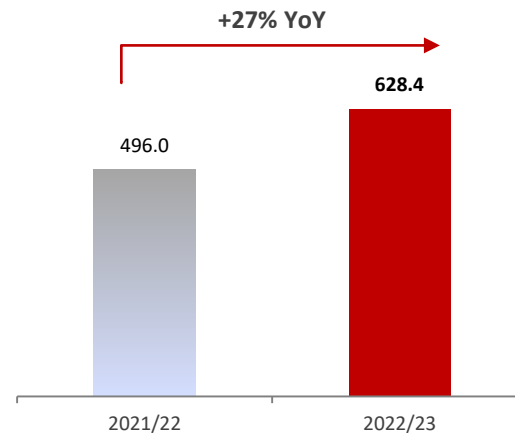


## DOUBLE-DIGIT SALES GROWTH POSTED BY THE GROUP

Quarterly sales [PLNm]



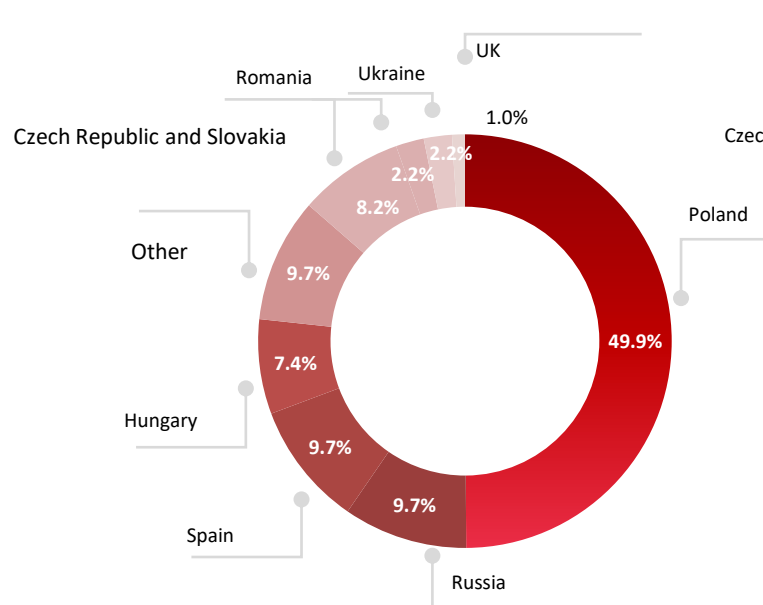
Sales in 2022/23 [PLNm]



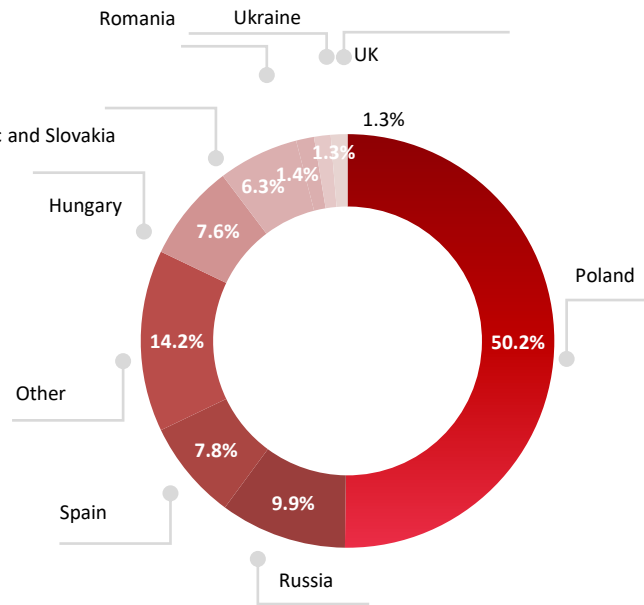
- 2022/23: double-digit sales growth in Poland (up +27% YoY) and abroad (up +26% YoY)
- Over 14% year-on-year improvement in the order book in 2022/2023, to PLN 605.7m

## GROUP SALES BY GEOGRAPHY

2021/22 sales [%]

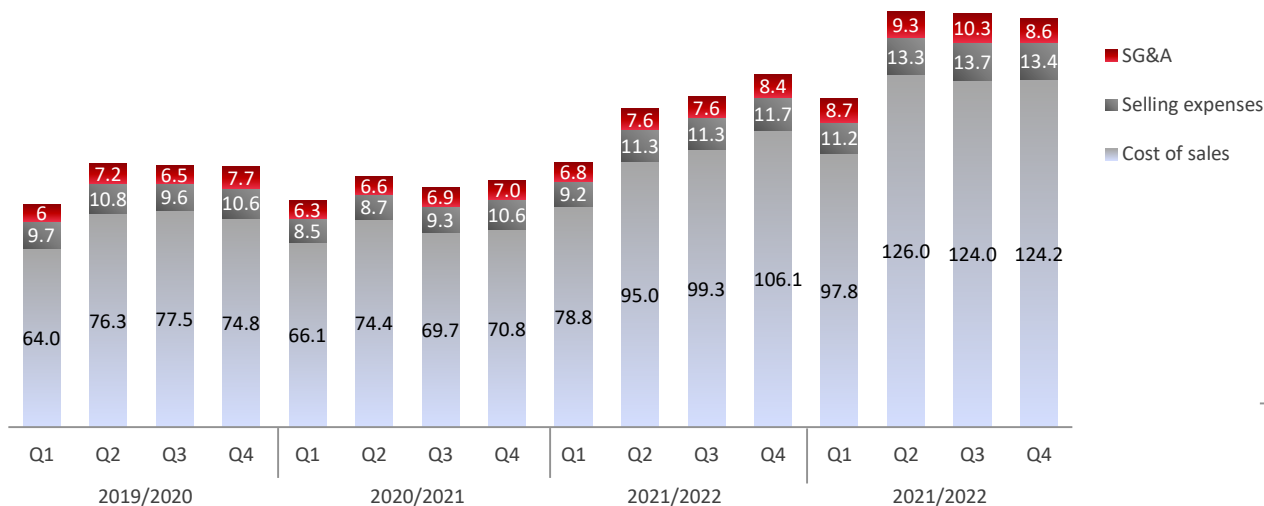


2022/23 sales [%]

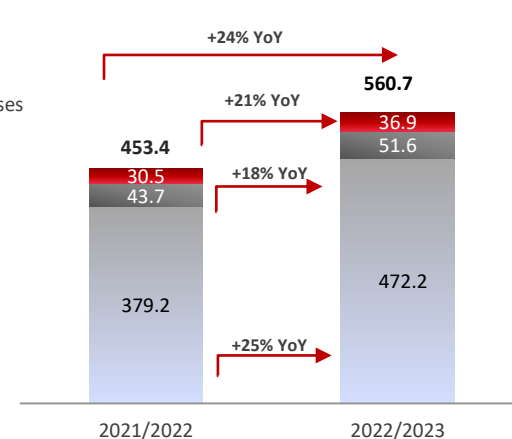


## COSTS ALIGNED TO SCALE

Quarterly costs [PLNm]



Costs in 2022/23 [PLNm]

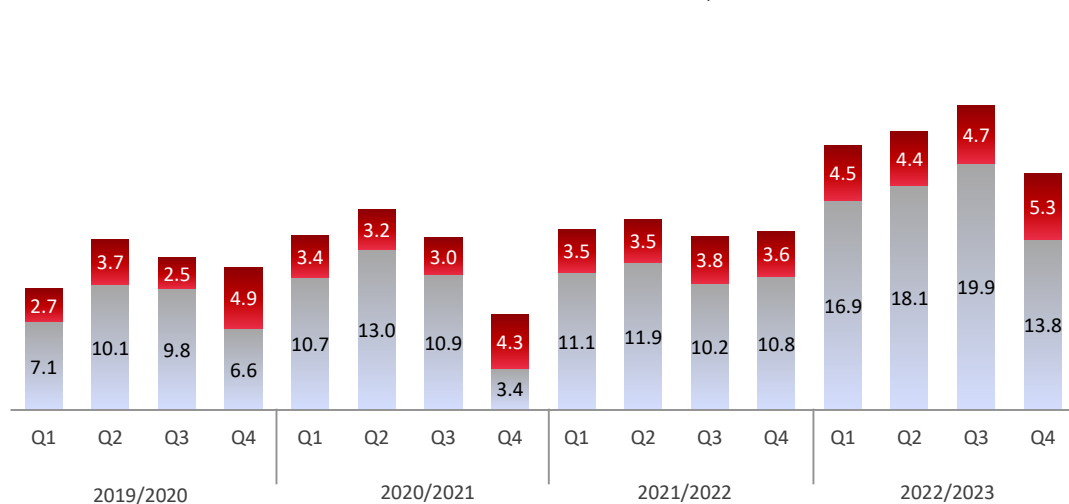


- Costs aligned to the growing scale of business
- 2022/23: SG&A costs growing slower (close to 21% YoY) than revenue (up +27% YoY); Q4 alone: SG&A up +2% vs revenue up +16% YoY
- Higher external costs due to rising material prices and the impact of inflation (including wage increases)

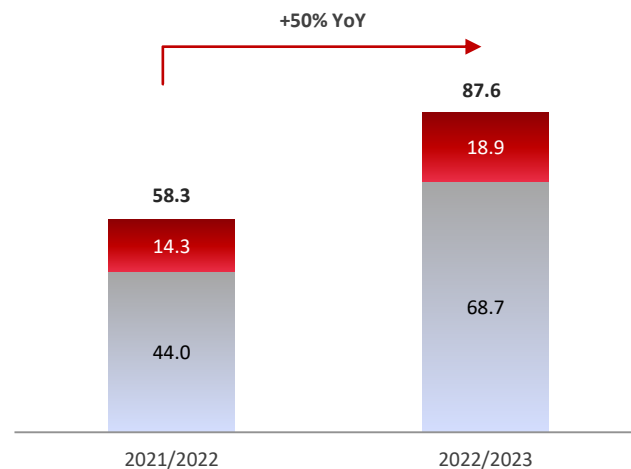
## GROUP RESULTS

### Quarterly EBITDA [PLNm]

■ EBIT   ■ Depreciation and amortisation

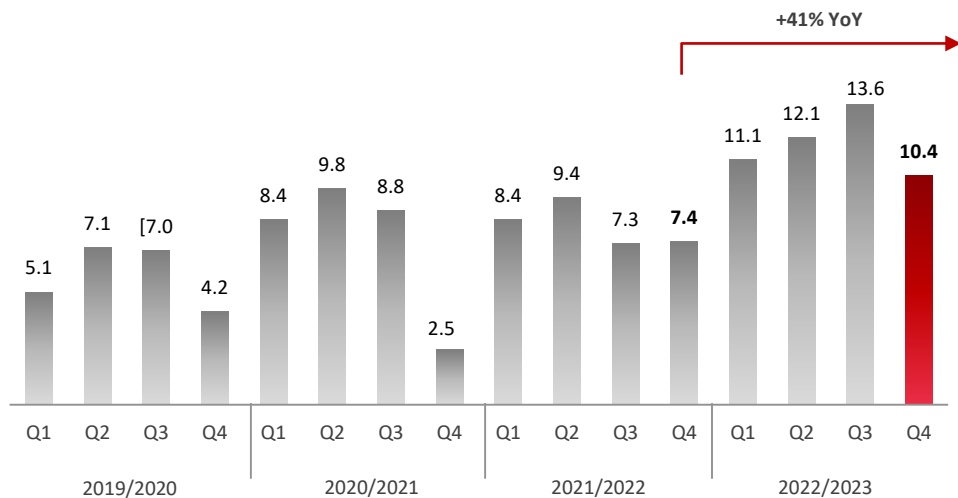


### EBITDA in 2022/23 [PLNm]

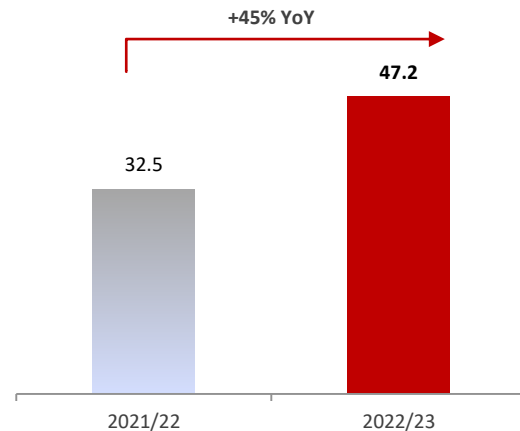


## STRONG NET PROFIT GROWTH

Quarterly net profit [PLNm]



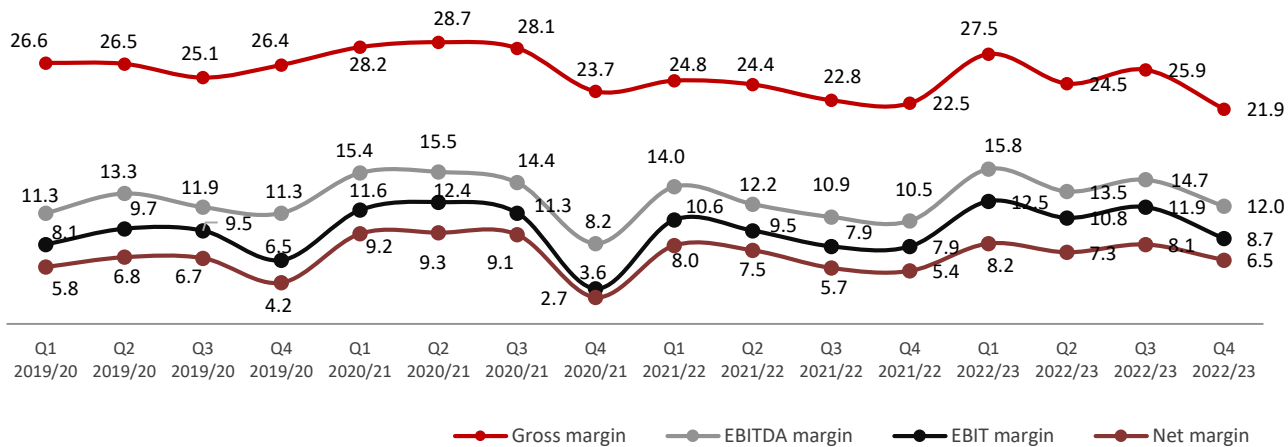
2022/23 net profit [PLNm]



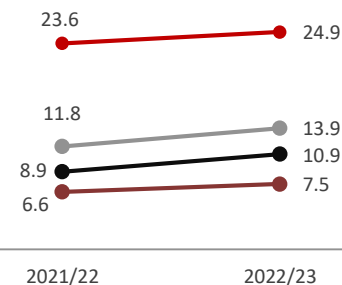
- Q4 2022/23 net profit up almost 41%
- Net profit improvement posted in both Q4 and 2022/23, with business growth achieved despite soaring material prices through tight cost discipline, product range expansion, and efficient pass-through of portion of costs to final product price

## SOLID PROFITABILITY IN A CHALLENGING ENVIRONMENT

Quarterly profitability [%]

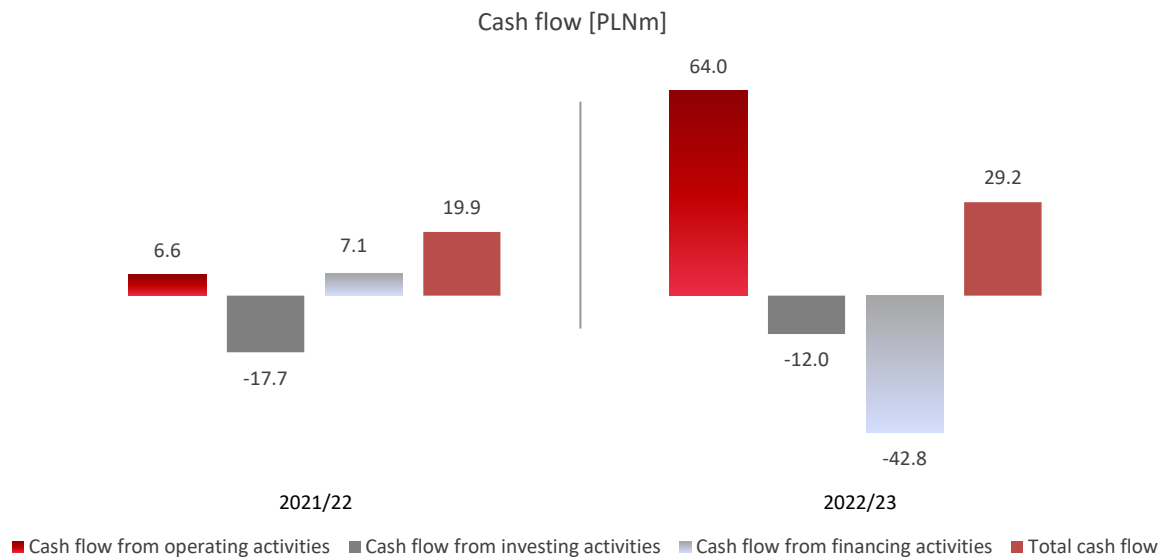


2022/23 profitability [%]



- Solid profitability despite a continued challenging market environment – focus on cost discipline

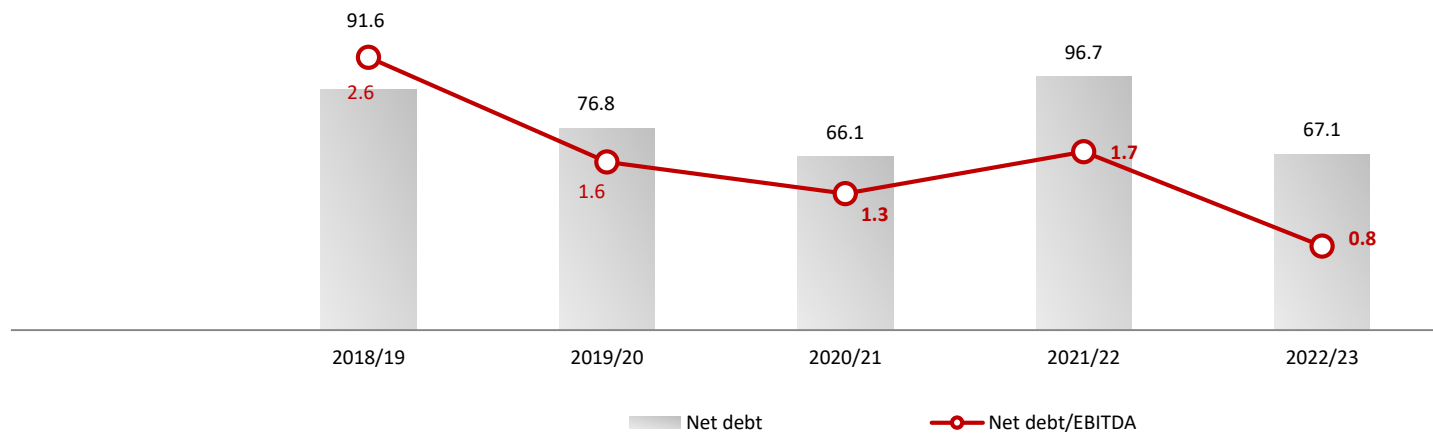
## STABLE LIQUIDITY POSITION



- Low debt level
- Cash at PLN 29.2m with outstanding bank debt at PLN 78.0m

## SAFE DEBT LEVEL

Net debt [PLNm] and net debt/EBITDA ratio



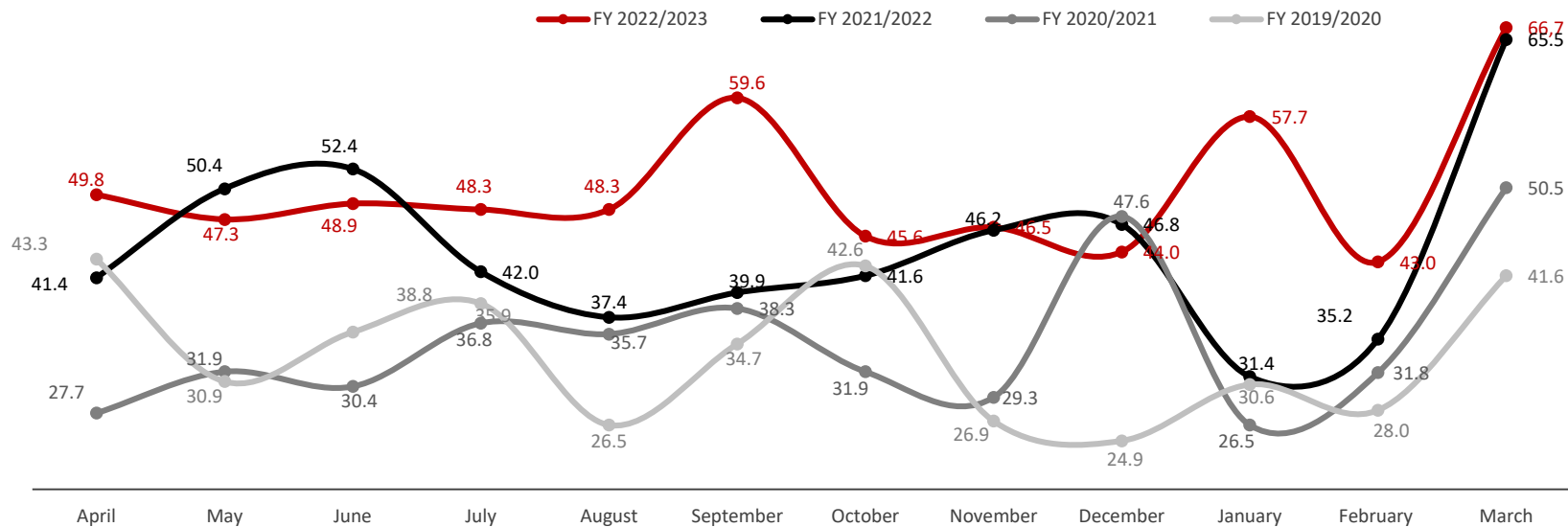
- Continued low net debt/EBITDA ratio: 0.77x with the strategic target of not more than three times EBITDA

\* as at September 30th 2022

**A FUTURE  
BASED ON ORDERS**



## ORDERS



- Over 14% year-on-year improvement in the order book in 2022/2023, to PLN 605.7m
- Short lead times (ca. 2–3 months on average)

## SAMPLE PROJECTS

### Depo – Riga

- Products: continuous rooflights + vents
- Area: 3,000 m<sup>2</sup>

### FTC Qatar W.L.L – Qatar

- Project: Qatar Free Zones
- 8 warehouse buildings in the Qatar duty-free zone
- Products: 48 **mcr PROLIGHT 24 V** vents
- Stage: installed

### Samsung – Wronki

- Products: **mcr PROLIGHT** continuous rooflights, smoke vents, **ULTRA THERM** skylights, **mcr LAM** louvered vents, controls
- Stage: in progress

## NATURAL SMOKE EXHAUST SYSTEMS



## SAMPLE PROJECTS

### Lesser Poland Science Centre Cogiteon – Kraków

- Systems: vents, EX vents

### Tunnel under the Świna river – Świnoujście

- Systems: power and control units

### SGH Warsaw School of Economics – Warsaw

- Systems: vents, pressurisation systems, smoke exhaust systems, power and control units



FIRE VENTILATION SYSTEMS



## SAMPLE PROJECTS

### Museum of Modern Art – Warsaw

- Systems: vents, pressurisation systems, smoke exhaust systems, power and control units

### Hotel Gołębiowski – Pobierowo

- Systems: vents



FIRE VENTILATION SYSTEMS



## SAMPLE PROJECTS

### ORLEN Visbreaking – Płock

- Construction of a Visbreaking Unit (VBU) with the necessary technical infrastructure at PKN ORLEN S.A.'s production plant in Płock, PKN ORLEN S.A.
- System: **mcr POLYLACK ELASTIC** sealing for cable penetrations
- Stage: in progress

### Royal Wilanów – Warsaw

- Scope: Burglar-proof roller shutter casings – **mcr TECBOR**  
**30 mm** approximately 1,000 m<sup>2</sup>



## PROTECTION OF BUILDING STRUCTURES



## SAMPLE PROJECTS

### Museum of Modern Art – Warsaw

- Scope: Installation of elastomeric bearings and ties 1,000 m<sup>2</sup> **40 mm SILBOARD** + 200 meters of **mcr DUNASEAL**

### Budryk mine – Ornontowice

- Area (m<sup>2</sup>): 320 m<sup>2</sup> of **mcr TECBOR**
- Structure: **mcr TECWOOL F**
- Contractor: Strażak Mikołów



## PROTECTION OF BUILDING STRUCTURES





### Polish History Museum – Warsaw

- Products: approximately 600 DFM DS steel door leaves (EI30, EI60 steel doors, oversized steel doors, EI120 steel doors, RC3-class burglar-proof steel doors and DFM OS RC3 large-size doors)



### The Eiffel Tower – France, Paris

- Product: **DFM DS steel doors** and **DFM GD profiles** – 6 items
- Stage: in progress



### Panattoni Park – Iłowa

- Products: 92 **DFM DS doors**, 235 **DFM OS doors** (large-size – swing gates)
- Contract secured in: February 2023
- Stage: in progress



**EXPANSION OF THE GROUP'S PRODUCT  
RANGE**



## FAST-PACED GROWTH IN DFM DOORS

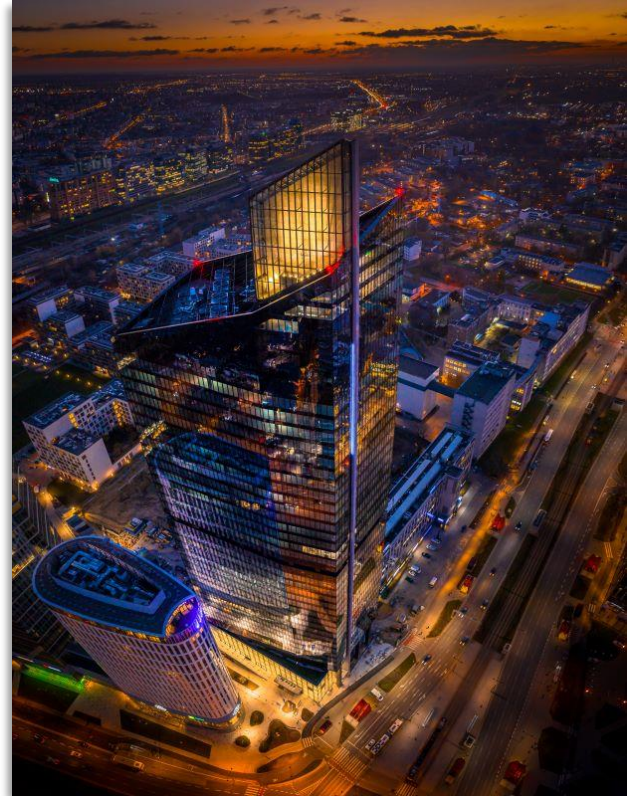
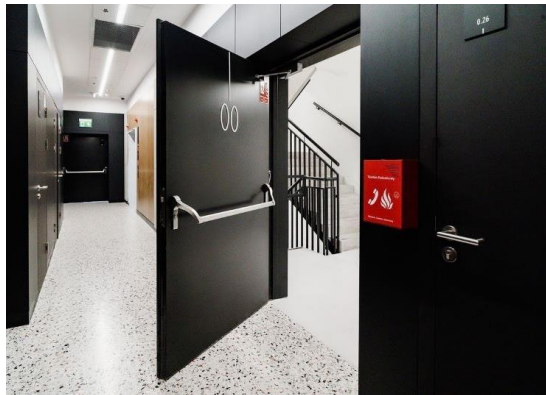
- **Volume**  
2017: **1,800** components  
2022: **33,100** components
- **Headcount**  
2017: **20** employees  
2022: **110** employees
- **Manufacturing space**  
2017: **1,000** m<sup>2</sup>  
2022: **5,000** m<sup>2</sup>
- **Machinery**  
2017: **3** CNC machines  
2022: **25+** CNC machines



Over five years, the company has manufactured:  
> 86,000 DFM DS doors  
> 11,000 EI120/OS doors  
> 11,000 steel profile fire separations

## Skyliner Warsaw

- Class EI30 to EI120 DFM DS doors
- 4th mechanical strength class
- High property standard, access control



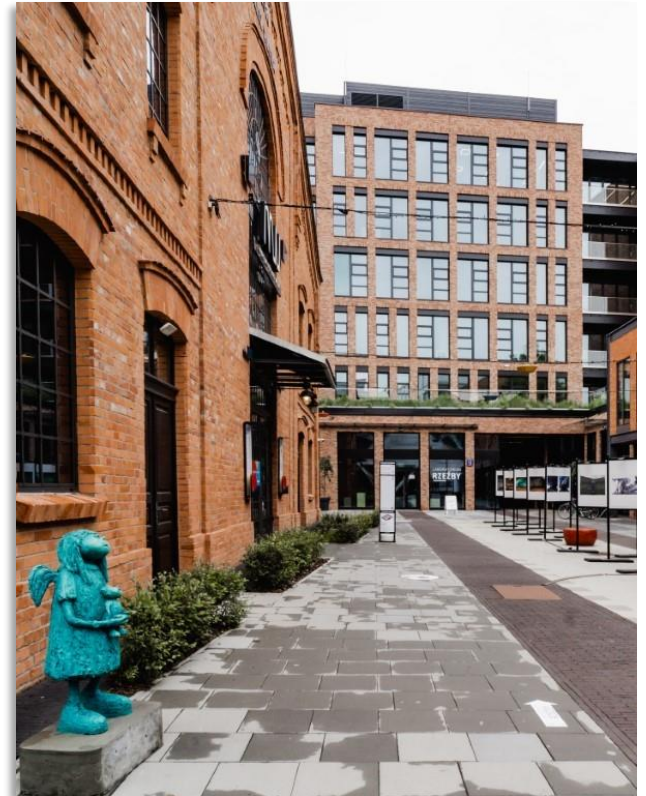
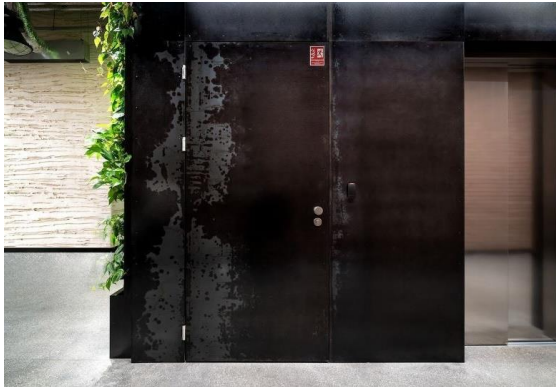
## Elektrownia Powiśle – Warsaw

- DFM DS doors (Class EI30, EI60 and EI00)
- 4th mechanical strength class
- High property standard, access control



### Centrum Praskie Koneser – Warsaw

- DFM DS doors (Class EI30 to EI60)
- DFM DS rebated doors and DFM DS HP flush doors
- Unique finish – distinctive sheet metal cladding



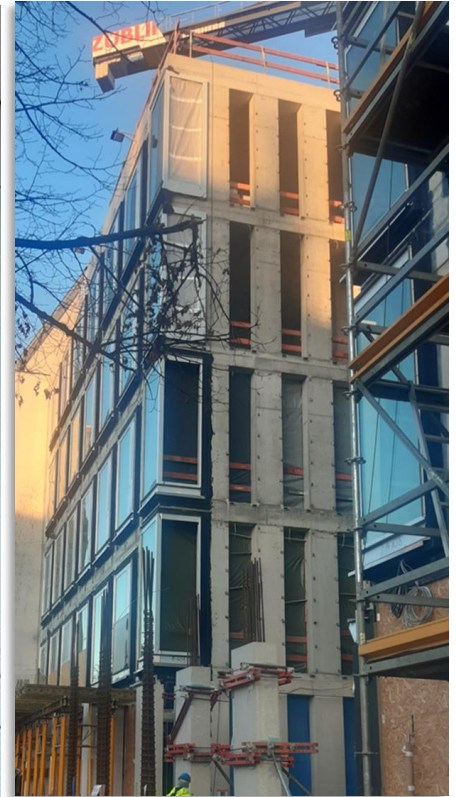
## Browary Warszawskie

- DFM DS doors (Class EI30, EI60 and E100)
- Unique finish – wooden slats cladding
- High property standard
- 280 doors



### Embassy of the Republic of Poland – Berlin

- FORSTER system windows, walls and profile doors on stainless steel profiles
- Fireproof, burglar-proof (RC2, RC3, RC4) and bullet-proof solutions
- Customised structure dimensions, tailor-made manufacturing and installation
- 700 components
- 90 tonnes of steel
- 2,000 m<sup>2</sup> of glass
- Twelve-month manufacturing process



## MCR TECH LAB: DEVELOPMENT OF FIRE SAFETY 4.0 TECHNOLOGY

- Wireless communication sensors: LoRaWAN, CAT-M/Narrowband
- mcr Tech System application for the interpretation and analysis of sensor data
- Artificial intelligence and blockchain
- Systems for risk monitoring and identification, asset control
- BMS systems integrating data from multiple sources
- Projects for the cosmetics, power generation and food industries, etc.



## SUMMARY

- Strong sales, double-digit growth in Poland and on foreign markets
- Double-digit improvement of operating results
- Low debt: net debt/EBITDA ratio at 0.77
- Continued product range expansion: robust growth in DFM Doors (fire separations), implementation of Fire Safety 4.0 technology, and development of energy storage systems
- Further geographic and product diversification

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