



FINANCIAL RESULTS

MERCOR | H1 2023/24

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

H1 2023/24 HIGHLIGHTS

- Maintaining solid revenue in excess of PLN 300m
- 11% growth in orders from May to October 2023 (October 2023 alone: 28%)
- Gross margin of 25.4%
- Net profit up nearly 38% YoY, boosted by an income tax refund of PLN 10.5m
- Net debt/EBITDA ratio at 0.94
- Development of innovation at the Group, including new products from DFM Doors and mcr Tech Lab

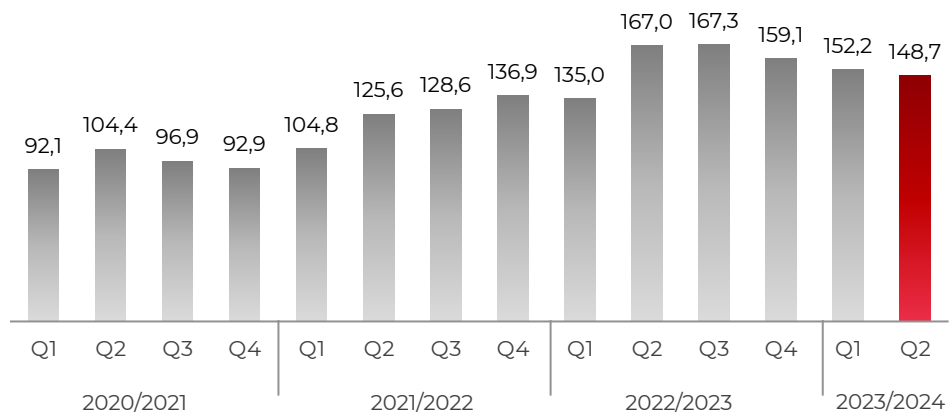
FINANCIAL RESULTS

H1 2023/24

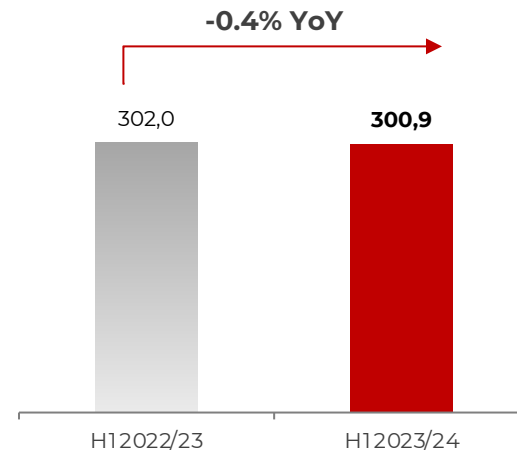


GROUP SALES

Quarterly sales [PLNm]



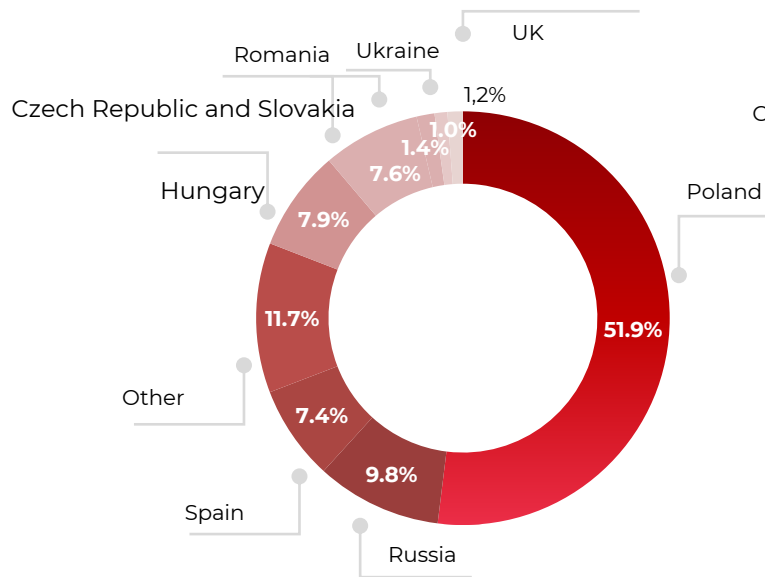
H1 2023/24 sales [PLNm]



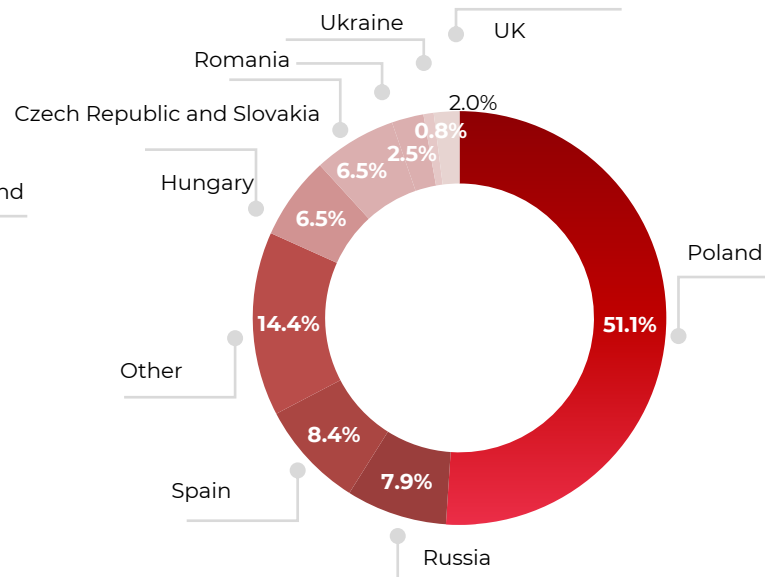
- H1 2023/24: sales drop in Poland (-2% YoY) and higher sales abroad (+1% YoY)
- Order book in H1 2023/24 up by almost 4% YoY to PLN 313.8m

GROUP SALES BY GEOGRAPHY

H1 2022/23 sales [%]

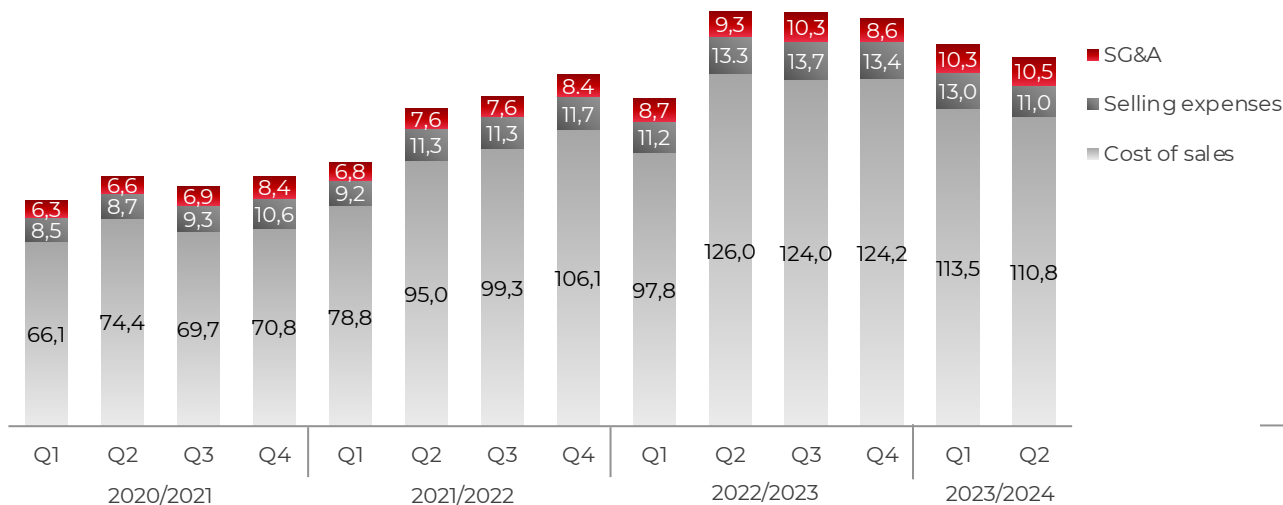


H1 2023/24 sales [%]

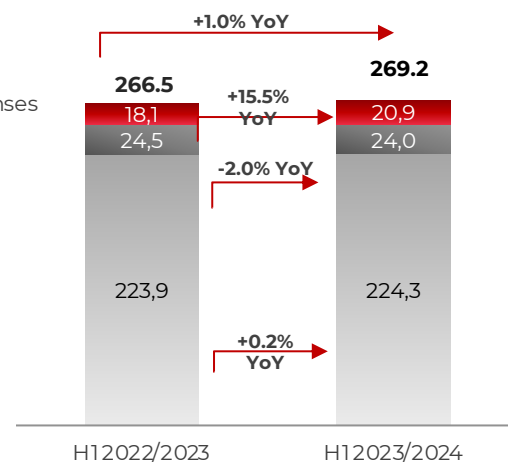


COSTS ALIGNED TO SCALE

Quarterly costs [PLNm]



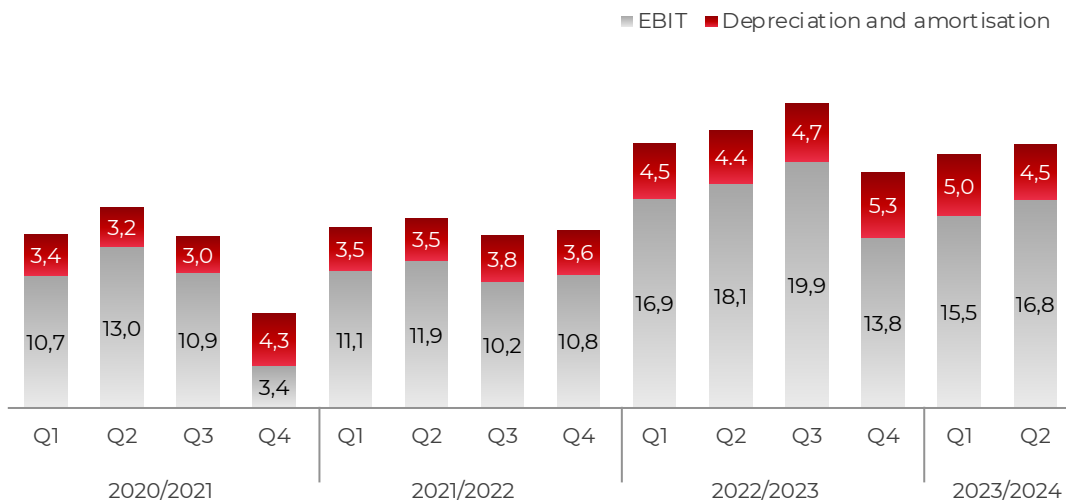
H1 2023/24 costs [PLNm]



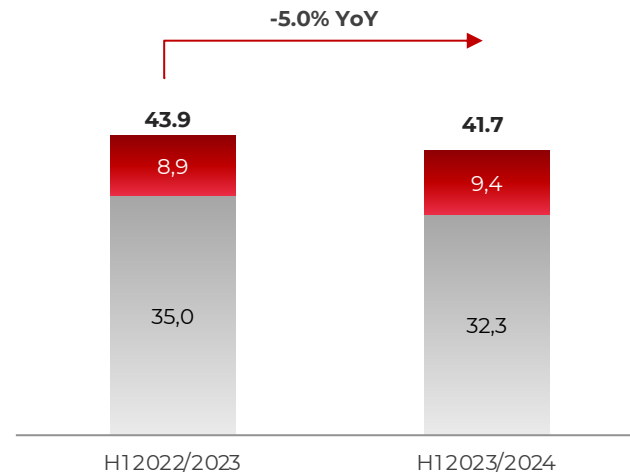
- Costs aligned to the growing scale of business.
- Increase in external costs due to rising material prices, the impact of inflation (including wage increases) and higher operating expenses.

GROUP RESULTS

Quarterly EBITDA [PLNm]



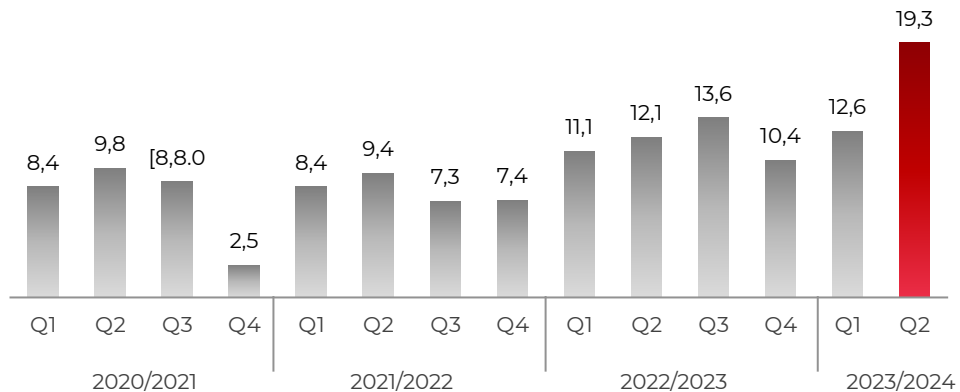
H1 2023/24 EBITDA [PLNm]



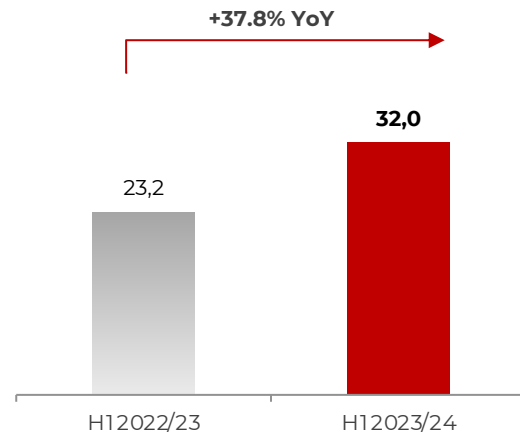
- Another quarter of EBITDA growth: up 3.9% in Q2 2023/24 from Q1 2023/24.

STRONG NET PROFIT GROWTH

Quarterly net profit [PLNm]



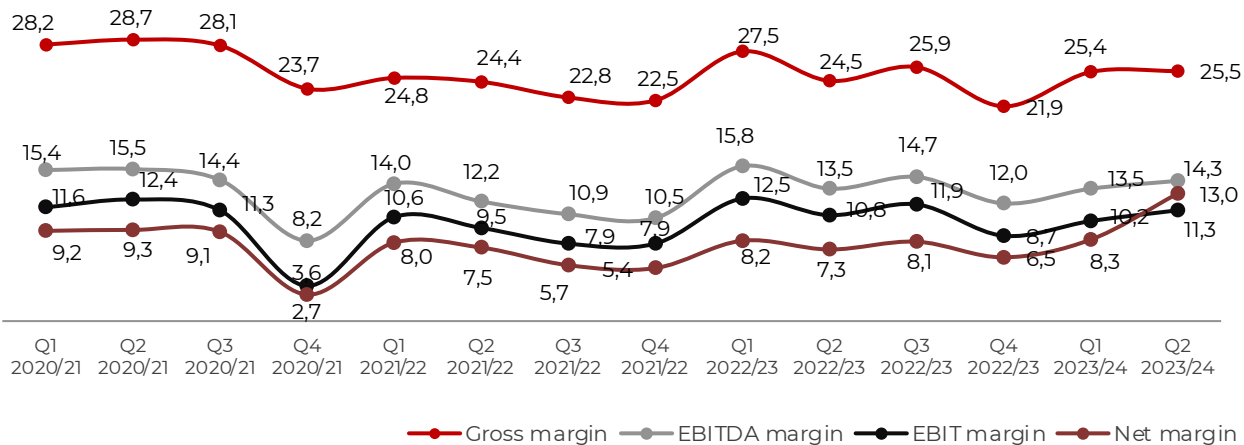
H1 2023/24 net profit [PLNm]



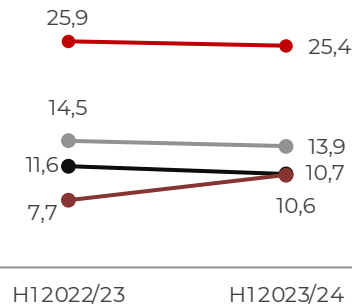
- H1 2023/24 net profit up 38%.
- H1 2023/24 net profit boosted by an income tax refund of PLN 10.5 million, including interest.

SOLID PROFITABILITY IN A CHALLENGING ENVIRONMENT

Quarterly profitability [%]



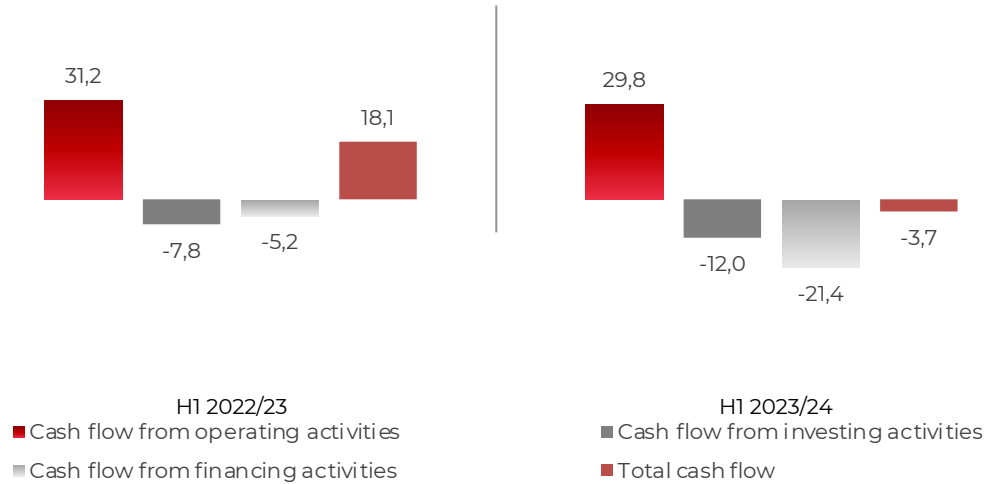
H1 2023/24 profitability [%]



- A slight improvement in margins in Q2 2023/24 despite a challenging market environment.

STABLE LIQUIDITY POSITION

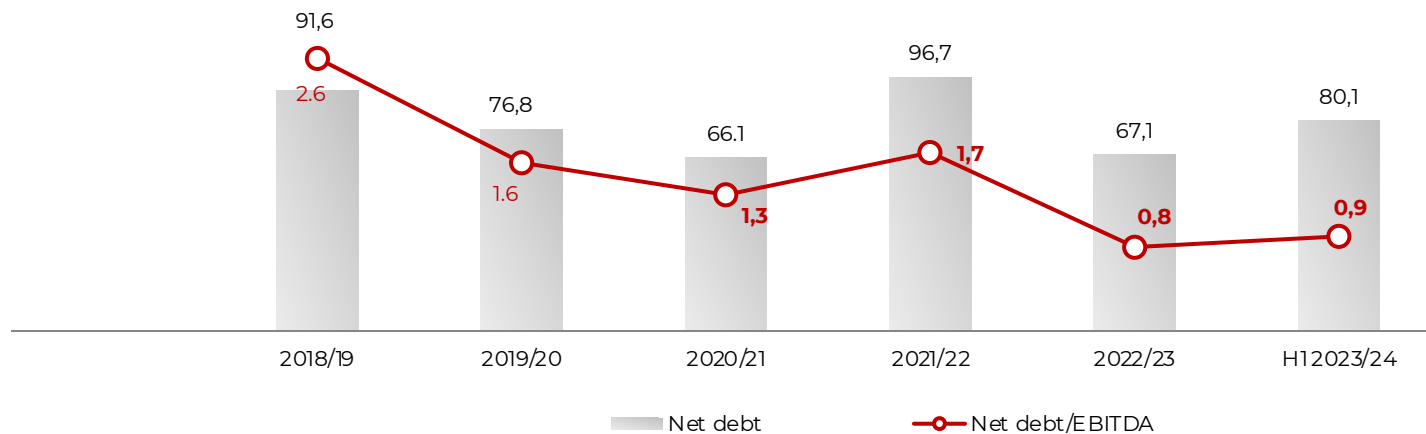
Cash flow [PLNm]



- Low debt level.
- Cash at almost PLN 26.0m with outstanding bank debt at PLN 91.1m.
- Dividend of PLN 1.51 per share paid in September 2023 (dividend yield of 5.83%).

SAFE DEBT LEVEL

Net debt [PLNm] and net debt/EBITDA ratio



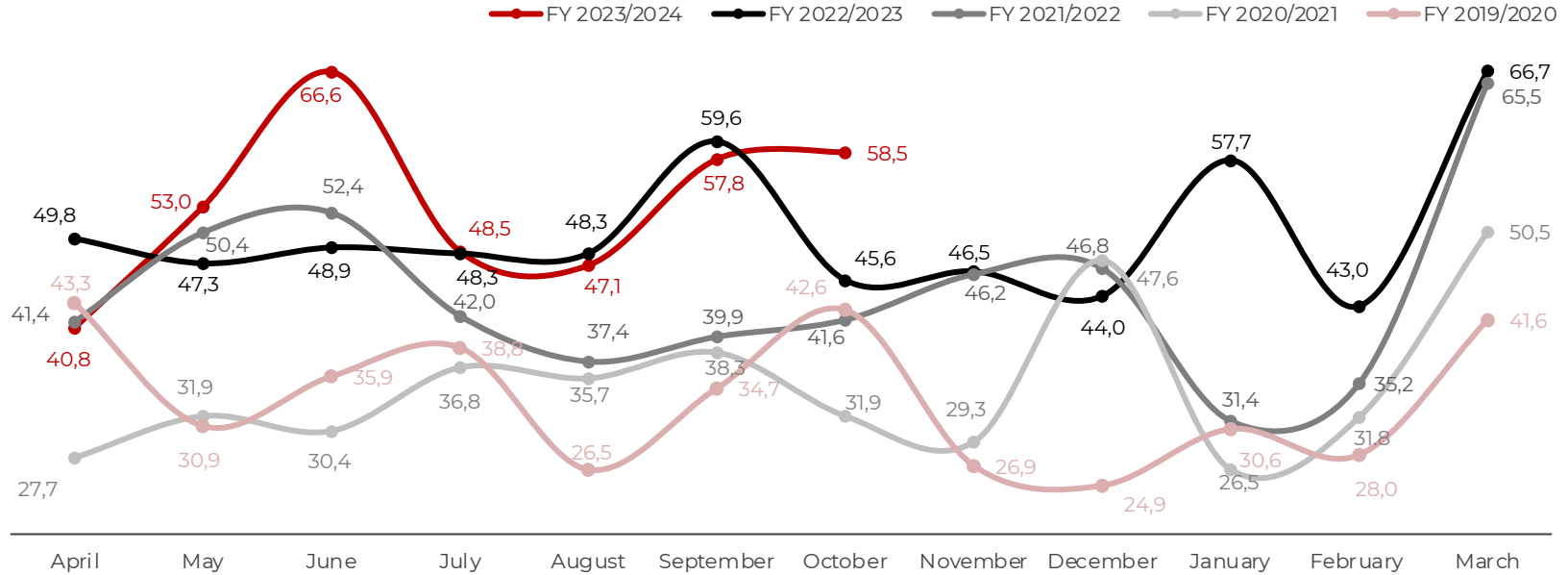
- Continued low net debt/EBITDA ratio: 0.94.



A FUTURE
BASED ON ORDERS



ORDERS



- Order book in H1 2023/24 up by almost 4% YoY to PLN 313.8m.
- Short lead times (ca. 2–3 months on average).
- 11% growth in orders from May to October 2023 (October 2023 alone: 28%).

SAMPLE PROJECTS

Power Utility – Estonia

- Systems: **mcr LAM** vents

Production floor – Sweden

- Project: Micropower Växjö
- Systems: **mcr PROLIGHT** smoke vents and **mcr PROLIGHT** skylights

Annopol Tram Depot – Warsaw

- Systems: **mcr ULTRA THERM** smoke vents, roof hatches and skylights, **mcr 9705**, **mcr R0424**, **mcr PRO-1**, **mcr BVT** control systems

}}}} NATURAL SMOKE EXHAUST SYSTEMS



SAMPLE PROJECTS

TVP Recording Studio – Warsaw

- Systems: **mcr OMEGA PRO** power supply and control unit, **mcr BORA**, **mcr MONSUN T** smoke exhaust fans

Gdańsk University of Technology Centre for Eco-Innovation – Gdańsk

- Systems: **mcr FID PRO**, **mcr FID S** fire cut-off dampers

New building of the Warsaw School of Economics – Innovative Space Centre – Warsaw

- Systems: **mcr FID S** fire cut-off damper, **mcr OMEGA PRO** power supply and control unit, **mcr EXi-F** system preventing smoke from entering the staircase



FIRE VENTILATION SYSTEMS



SAMPLE PROJECTS

Museum of Modern Art – Warsaw

- Systems: **SILBOARD** + **mcr DUNASEAL**

Ice skating rink – Krynica Zdrój

- Systems: fire protection of steel structures
mcr TECWOOL F - fire resistance class R30,
mcr POLYLACK ELASTIC, **mcr PS/PS-25** sealing for
cable penetrations EI120



PROTECTION OF BUILDING STRUCTURES





TESLA Gigafactory – Berlin, Germany

- Systems: wooden doors in aluminium frames and **DFM DS** steel doors (delivery and installation)



SKYPARK Business Centre – Luxembourg

- Systems: **DFM DS** steel doors
- Project in progress.



Port des Lumières Digital Art Centre– Hamburg, Germany

- Systems: delivery and installation of **DFM DS** and **DFM DG** doors



EXPANSION OF THE GROUP'S PRODUCT RANGE



FAST-PACED GROWTH IN DFM DOORS

- Development of the offering for the UK market (BS-compliant fire doors)
- Development of products within the Security & Safety segment
- R&D projects in collaboration with mcr Tech Lab



- Five-fold increase in the production area over five years
- Line built using CNC machining
- Sales in tens of countries across the globe.

MCR TECH LAB: DEVELOPMENT OF FIRE SAFETY 4.0 TECHNOLOGY



- 16 projects ongoing in H1 2023/24
- mcr Fire wireless fire alarm system and utilities metering added to the offering
- R&D projects in collaboration with Mercor Group companies



SUMMARY

- Strong sales maintained in Poland and abroad
- 11% growth in orders from May to October 2023 (October 2023 alone: 28%)
- Net profit boosted by an income tax refund of PLN 10.5m
- Net debt/EBITDA ratio at 0.94
- Further geographical and product diversification, including the development of new products by DFM Doors and mcr Tech Lab
- Dividend of PLN 1.51 per share paid in September 2023 (dividend yield of 5.83%)

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THANK YOU!

