

Current Report No. 2 / 2023

Subject: Preliminary estimates of selected financial and operational data of the ULMA Construcción Polska S.A. Capital Group for 4 quarters of 2022.

The Management Board of ULMA Construcción Polska S.A. (Issuer) announces the preliminary estimates of selected financial and operational data of ULMA Construcción Polska S.A. Capital Group (Capital Group) for the period of four quarters of 2022 [the data for the corresponding period of 2021 presented in the brackets].

Preliminary financial and operating results of the Capital Group for the period of four quarters of 2022:

- 1) Total consolidated sales: PLN 200 943 thousand [PLN 209 851 thousand], i.e. a decrease by 4,2%
Including:
 - Consolidated revenue in the 'construction service' segment: PLN 159 333 thousand [PLN 153 712 thousand], i.e. an increase by 3,7%,
 - Consolidated revenue in the 'sales of building materials' segment: PLN 41 610 thousand [PLN 56 139 thousand], i.e. a decrease by 25,9%,
- 2) Consolidated EBITDA: PLN 67 627 thousand [PLN 75 628 thousand], i.e. a decrease by 10,6%,
- 3) Consolidated net profit: PLN 14 503 thousand [PLN 24 978 thousand], i.e. a decrease by 41,9%,
- 4) Net cash (cash less loans and plus loans granted): PLN 57 403 thousand [PLN 69 684 thousand], i.e. a decrease by 17,6%.

In 2022, the Capital Group continued its strategy of increased market penetration both in Poland and on export markets.

As a result of these activities, it was possible to obtain satisfactory sales revenues in the 'construction service' segment in Poland, in the Baltic States and Kazakhstan, and their dynamics compared to the corresponding period of previous year made it possible to completely cover the revenue gap related to the limited scale of operations in the war-torn Ukraine.

The activity of the Capital Group in the 'sales of building materials' segment in 2022 was influenced by two significant aspects:

1. Limited scale of commercial activity in Ukraine, compared to the corresponding period of 2021, and
2. Limited export activity throughout 2022 regarding the movement of construction materials within a broadly defined group of related entities (i.e. entities subsidiaries and controlled by ULMA C y E S. Coop.), following the high rotation of equipment in Poland and the Baltic States as part of rental activities. It should be pointed out that this activity is highly profitable, as it concerns used equipment which is often characterized by high degree of redemption.

As a result, the negative dynamics in the 'sales of building materials' segment significantly contributed to the decline on operating profitability.

The preliminary estimates presented take into account the impact of the planned updating of the provision for the risk of permanent destruction of shuttering assets belonging to the Group's subsidiary operating on the Ukrainian market, the recognition of which was reported by the Issuer's Management Board in previous periods. According to the projected balance for 31 December 2022, the value of the mentioned provision at the consolidated level was estimated at PLN 436 thousand, which involved the reversal of an amount recognised in previous periods of PLN 3 933 thousand.

This issue was thoroughly presented in Current Report No. 1/2023.

Legal basis: Article 17(1) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

Date: 27. 01. 2023

Signatures: Andrzej Sterczyński – Member of the Management Board
Krzysztof Orzełowski – Member of the Management Board