

The logo for FAMUR, consisting of the word "FAMUR" in a bold, green, sans-serif font. The letters are slightly shadowed, giving them a 3D appearance as if they are floating or attached to the network of icons in the background.

FAMUR

Presentation of the FAMUR Group

Summary of

Q2 2022



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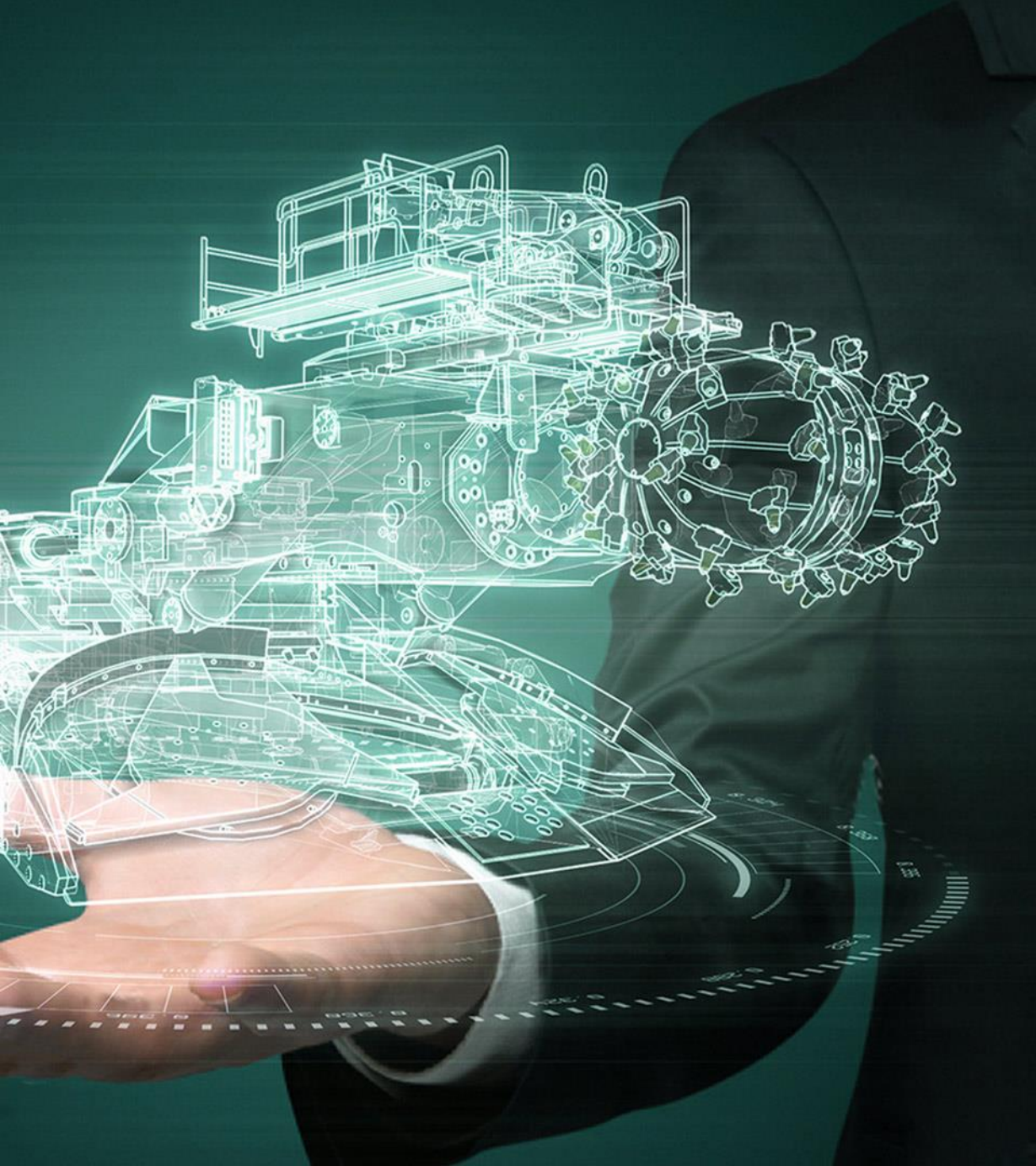
Agenda

- 1. Key developments**
- 2. Financial results**
- 3. Summary**
- 4. Q&A session**

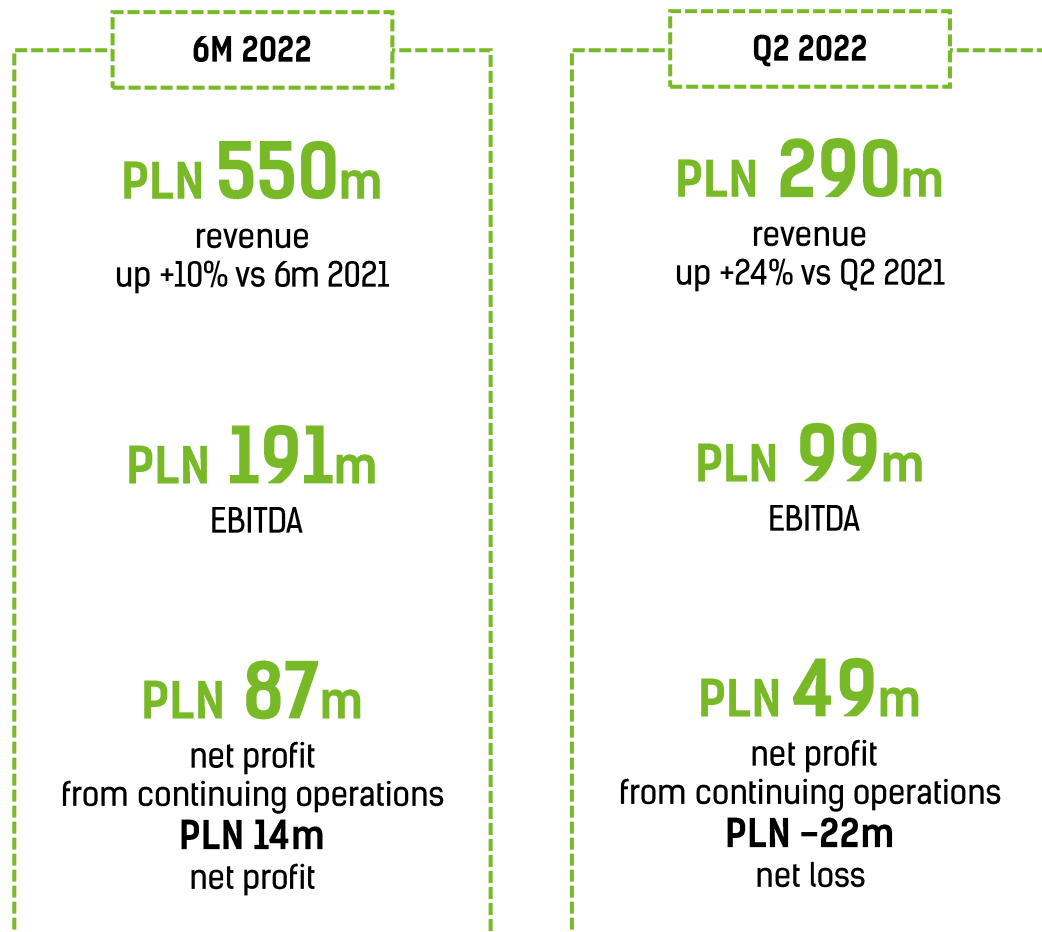
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Key developments

Mirostław Bendzera
*CEO & President of the Famur
Management Board*



FAMUR Group results for H1 and Q2 2022



Key developments in Q2 2022

- **24% revenue growth in Q2 2022 vs Q2 2021**
- **EBITDA margin up to 34%** (+6pp vs Q2 2021)
- Net profit affected by PLN 71m loss from discontinued operations, comprised largely of non-recurring items

Mining machinery segment:

- Continued high prices of coal, but the war in Ukraine is also having an adverse impact (e.g. on steel prices and the Group's traditional sale markets)
- ~PLN 192m total value of orders in Q2 2022 (+42% vs Q2 2021)
- ~PLN 736m backlog* at June 30th 2022 (vs PLN 592m at March 31st 2022)

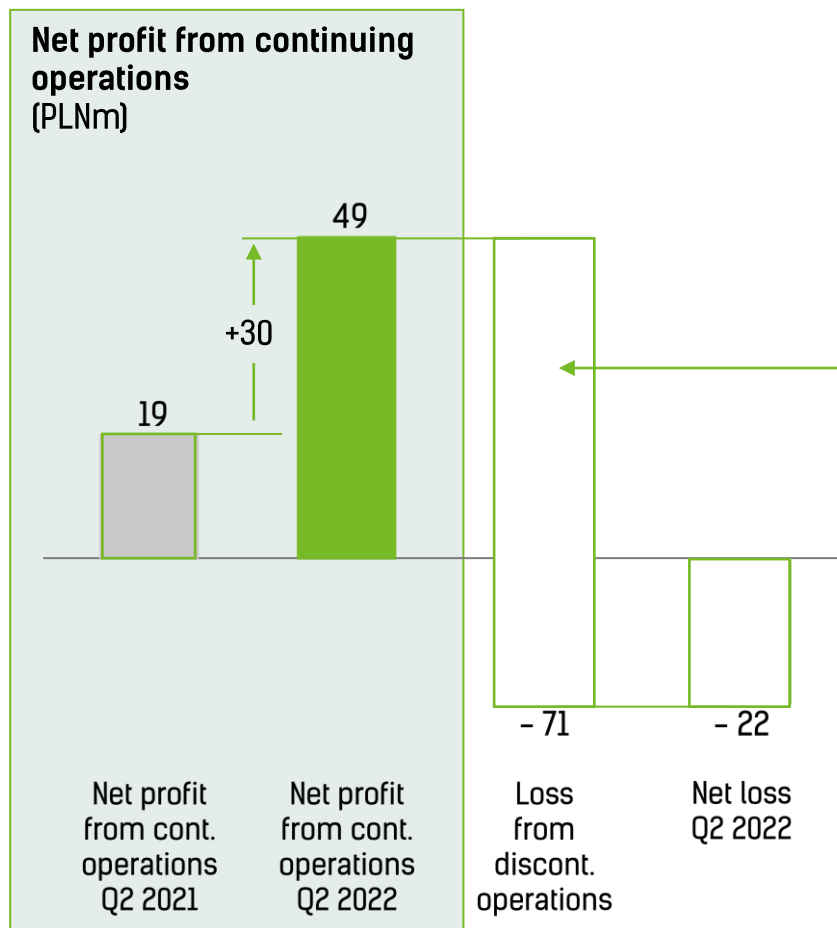
Solar PV segment:

- Further rapid growth of solar PV capacity in Poland
- Growth of PV projects in the portfolio to ~2.1 GW
- Preliminary agreement for sale of 184 MW PV farm portfolio (completed farms and PV farm projects/EPC contracts adding up to ~ PLN 750m)
- Increase of FAMUR's effective share in the solar PV segment to ~52%

Stable financial position: PLN 349m cash surplus over debt at June 30th 2022, growth capex ensured

* delivery of machinery and equipment and leases in accordance with contract duration

Loss from discontinued operations, comprised largely of non-recurring items, affecting Q2 net profit 2022



PLN 71m loss from discontinued operations in Q2 2022 comprised largely of non-recurring items, such as:

- ➔ PLN 58m loss resulting from the loss of operational control of the subsidiary OOO FAMUR registered in the Russian Federation, and its reclassification to discontinued operations. In particular, the loss of control is due to the occurrence of further indications of FAMUR’s inability to use its power over OOO FAMUR to direct the latter’s activities and influence its results in accordance with the International Accounting Standards.
- ➔ PLN 5m impairment loss on shares in the associate Famak S.A. following reclassification of its shares to non-current assets held for sale.
- ➔ PLN 5m loss on the loss of control of Kopex-Min A.D. of Niš (Serbia) following sale of 100% of its shares.

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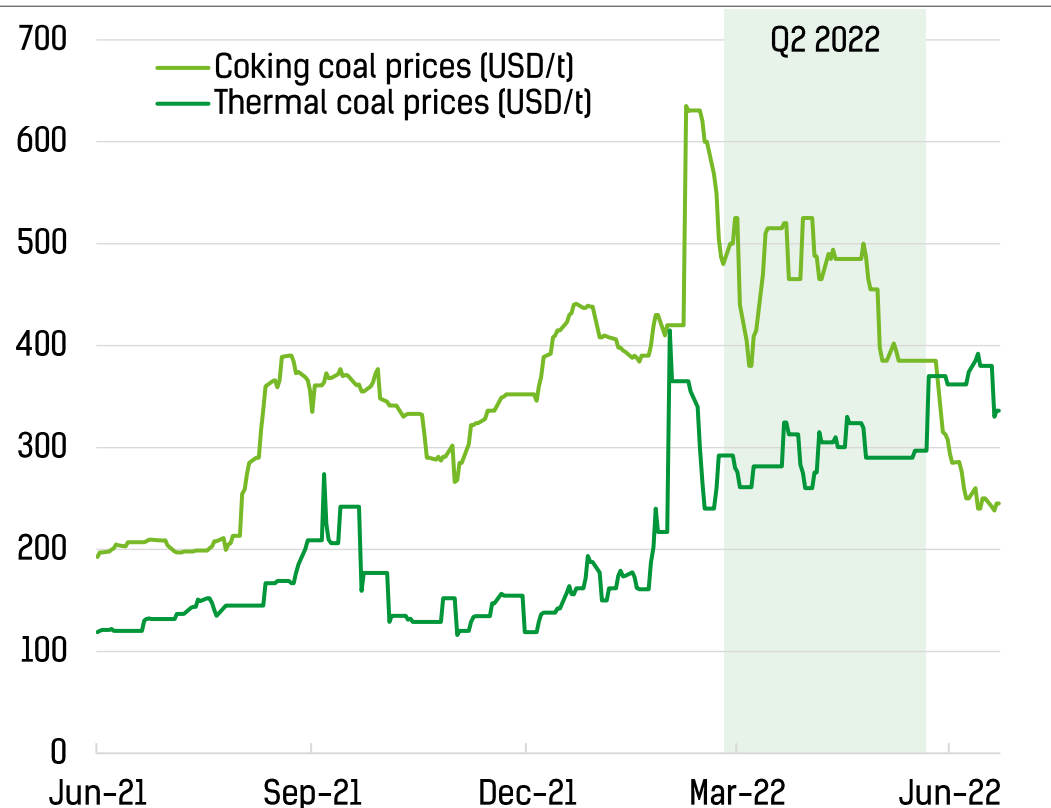


Mining machinery segment

Thermal coal prices staying record high

Stabilisation of Polish coal stocks and output

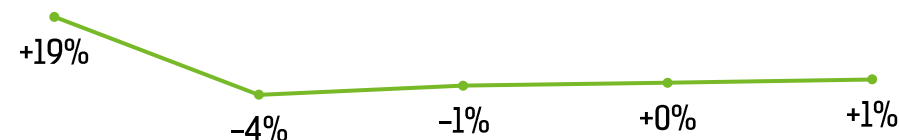
Development of global coal prices



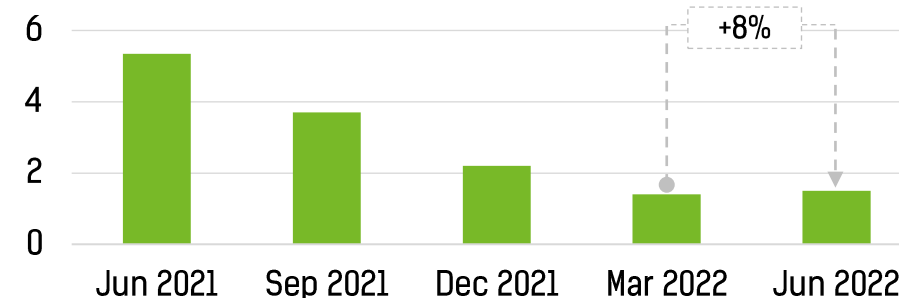
Source: Bloomberg, coking coal price index (APAC Hard Coking Coal FOB Australia), thermal coal (Europe Coal 6,000 kcal CIF ARA)

Polish hard coal mining sector

Year-on-year change in coal output, by quarter

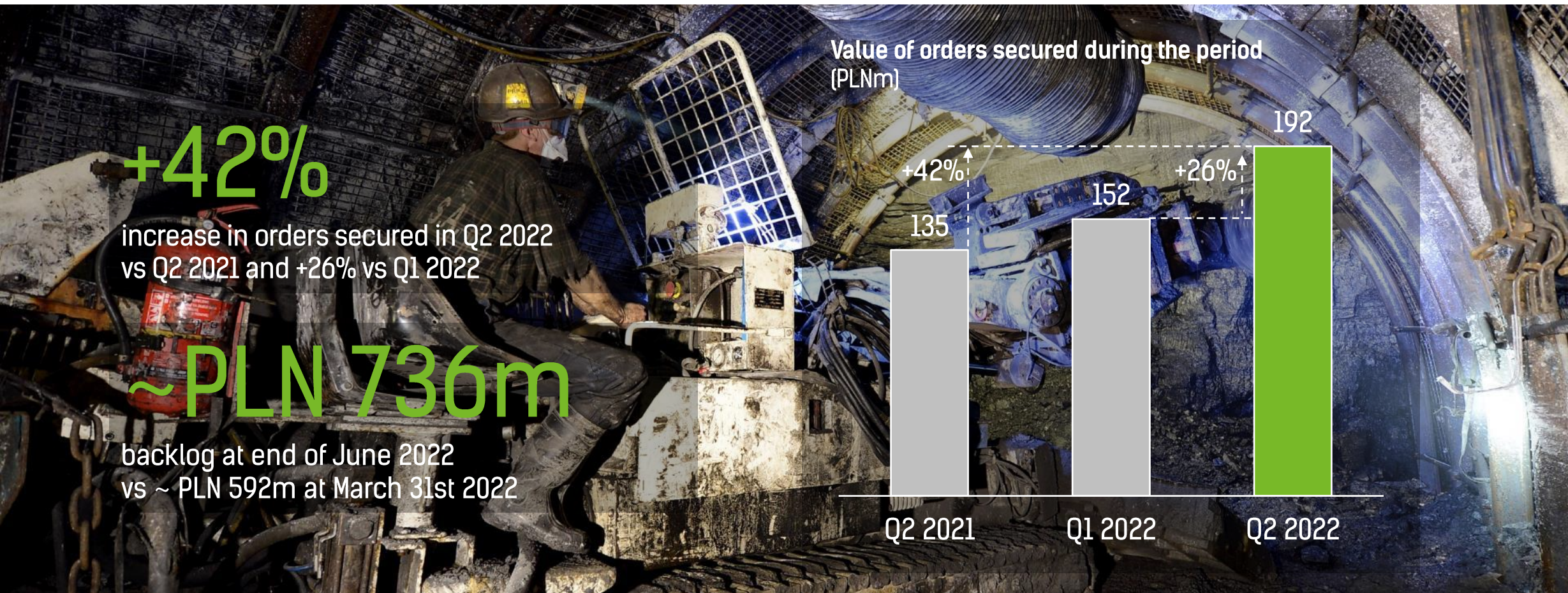


Coal stocks held by domestic producers [m tonnes]



Source: www.polskirynekwegla.pl

Mining machinery market activity in Q2 2022



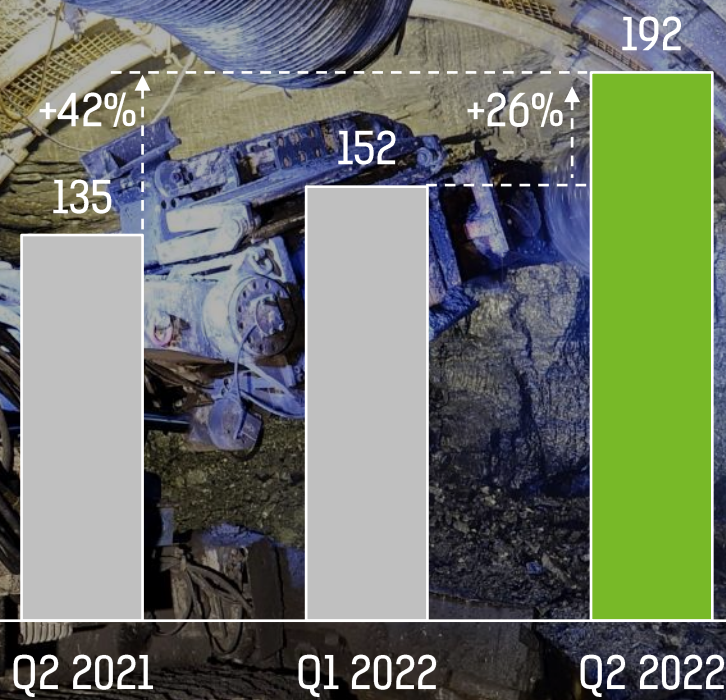
+42%

increase in orders secured in Q2 2022 vs Q2 2021 and +26% vs Q1 2022

~ PLN 736m

backlog at end of June 2022 vs ~ PLN 592m at March 31st 2022

Value of orders secured during the period (PLNm)

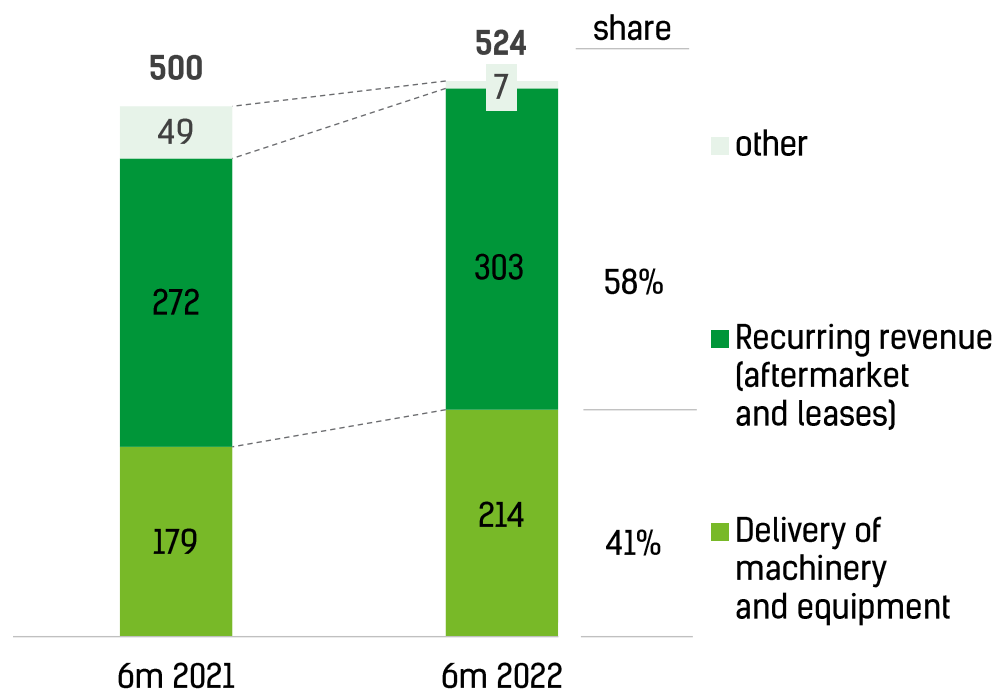


Growth in revenue from OEM market and recurring revenue in the mining machinery segment

5% y/y growth in revenue in 6m 2022:

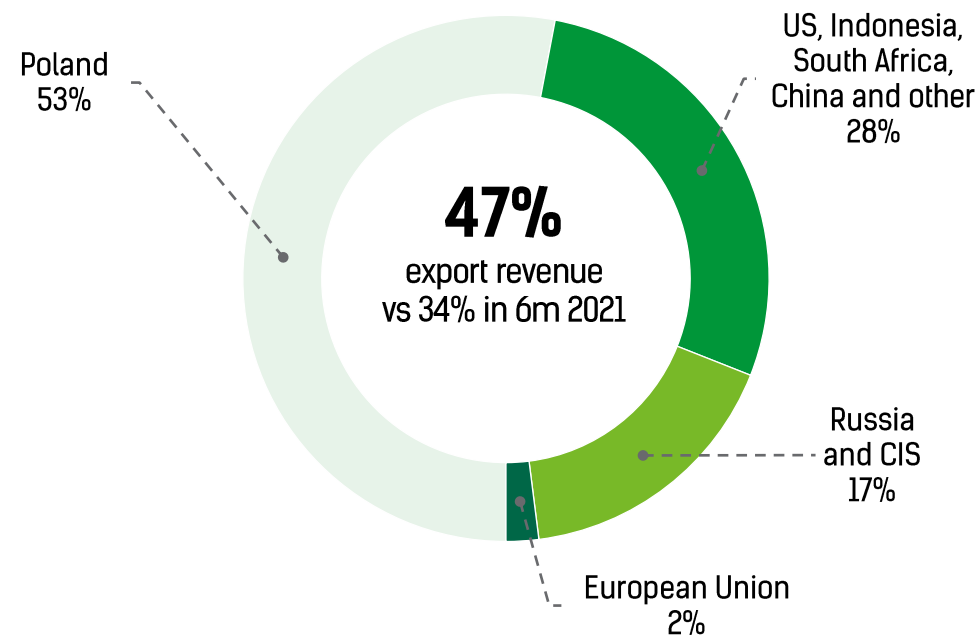
- +11% y/y increase in recurring revenue
- +20% delivery of machinery and equipment

Segment's revenue from external customers by product category, PLNm*



Sales to foreign markets are mainly to the US, Indonesia, South Africa and China. Revenue from Russia derived under contracts concluded in previous periods

Segment's revenue from external customers by geography*



* Excluding intragroup transactions and the solar PV segment



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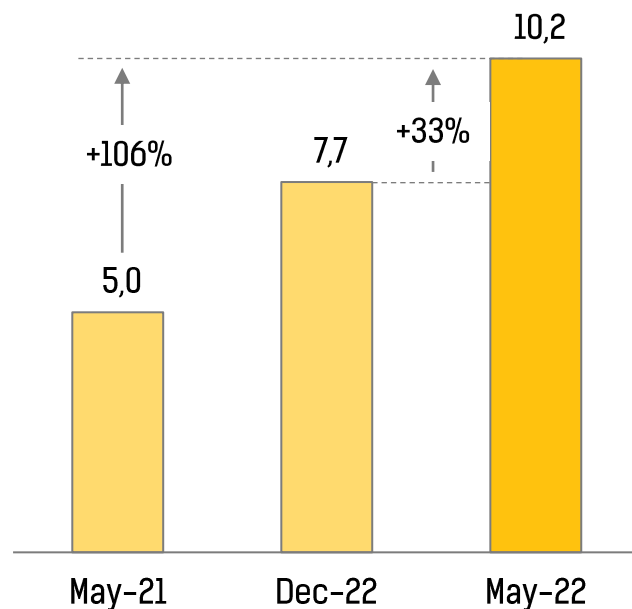
SOLAR



**Development of PV segment
at FAMUR Group**

Overview of the Polish solar PV market in Q2 2022

>2x annual growth of installed solar PV capacity in Poland in GW (according to the latest data published by the Energy Market Agency)



Source: https://energy.instrat.pl/installed_power

Key market trends

- **growth of installed solar PV capacity in Poland** 10.2 GW at end of May 2022 vs ~7.7 GW at end of 2021
- **rising average price per 1 MW of development projects and completed solar farms**
- **rising prices of components** for farm construction (panels, substations, mounting structures)
- **delays and disruptions in component supply logistics** in the wake of further COVID restrictions in China, compounded by the outbreak of war in Ukraine
- **reduced number of connection permits issued** for new projects and protracted process of connecting completed solar projects to operators' grids

Key operational activities in the solar PV segment in Q2 2022

Construction of the first 'package' of 134 MW solar farms, of which ~40% are already operational **Further projects** progressed to the construction stage
Development of own projects

Preliminary agreement for sale of 184 MW PV farm portfolio comprising projects at various stages of development and construction

- ~PLN 500m purchase price by the end of November 2022 100% of the shares in 32 project companies with a 184 MW PV farm portfolio
- up to ~PLN 250m earn-outs for subsequent stages of the project development and construction (payable in stages upon achievement of specific milestones) within a period of 4 years

Supply chain diversification to minimise the risk of disruptions in component supply logistics

Development and implementation of an offering involving construction of PV systems for business prosumers (B2B)

Business expansion in Germany, looking for growth opportunities on further EU markets



~2.1 GW of PV projects

at different stages of development at June 30th 2022

PV farms under construction and already commissioned

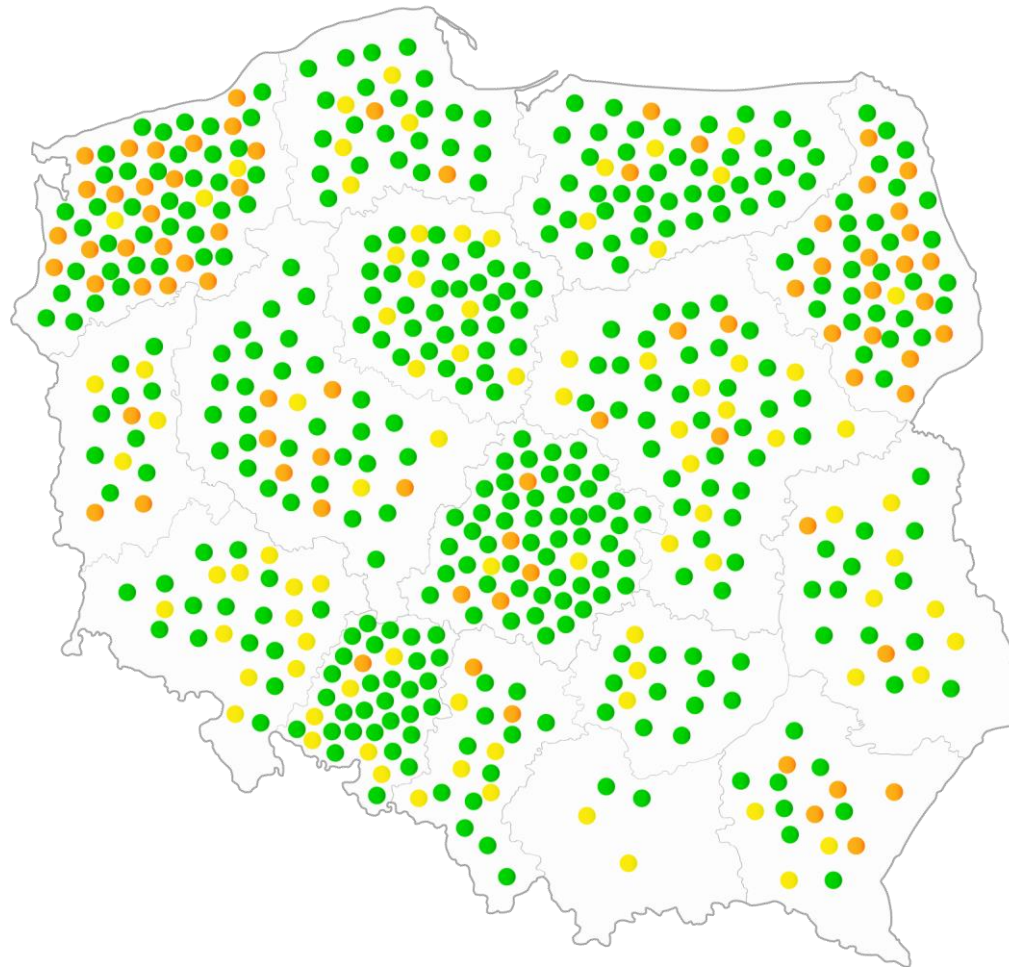
~142 MW

Projects in the pipeline

~185 MW

Projects under development

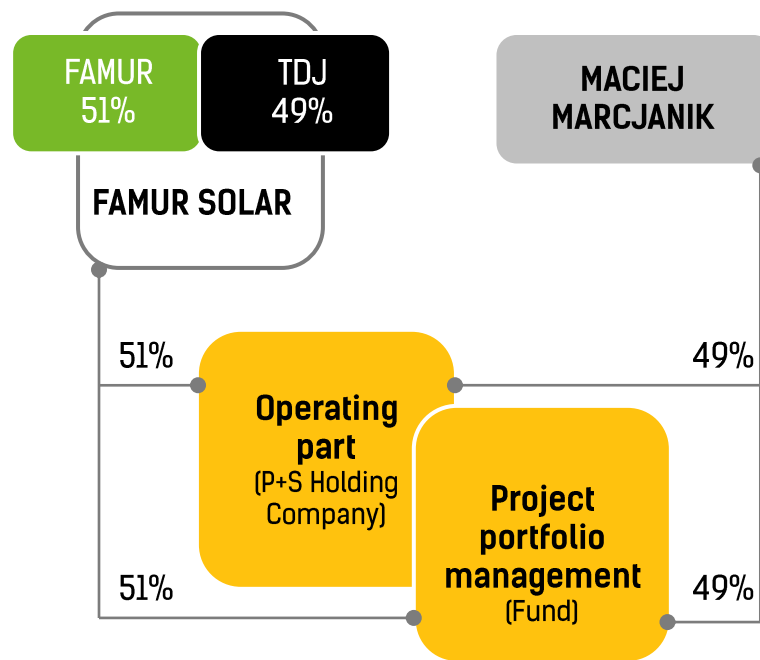
~1 773 MW



Increase of FAMUR's effective share in the solar PV segment to ~52%

Simplification of the segment's equity structure

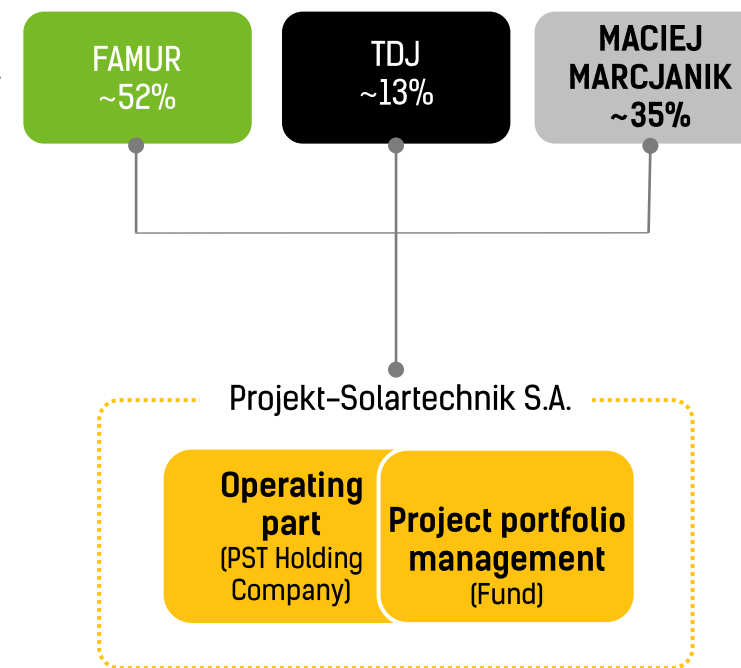
Original ownership structure of the FAMUR Group's solar PV segment
 ~26% economic share of the FAMUR Group in the PV segment (PST operating part and project fund)



Target outcome of:

- Increase of FAMUR SOLAR's share capital by FAMUR
- Acquisition by FAMUR of 14% of PST shares for PLN 117m (PLN 72.6m offset against a loan)
- Planned changes in PST's organisational structure (merger of FAMUR SOLAR with PST)

Target ownership structure of the FAMUR Group's solar PV segment
 ~52% economic share of the FAMUR Group in the PV segment (PST operating part and project fund)



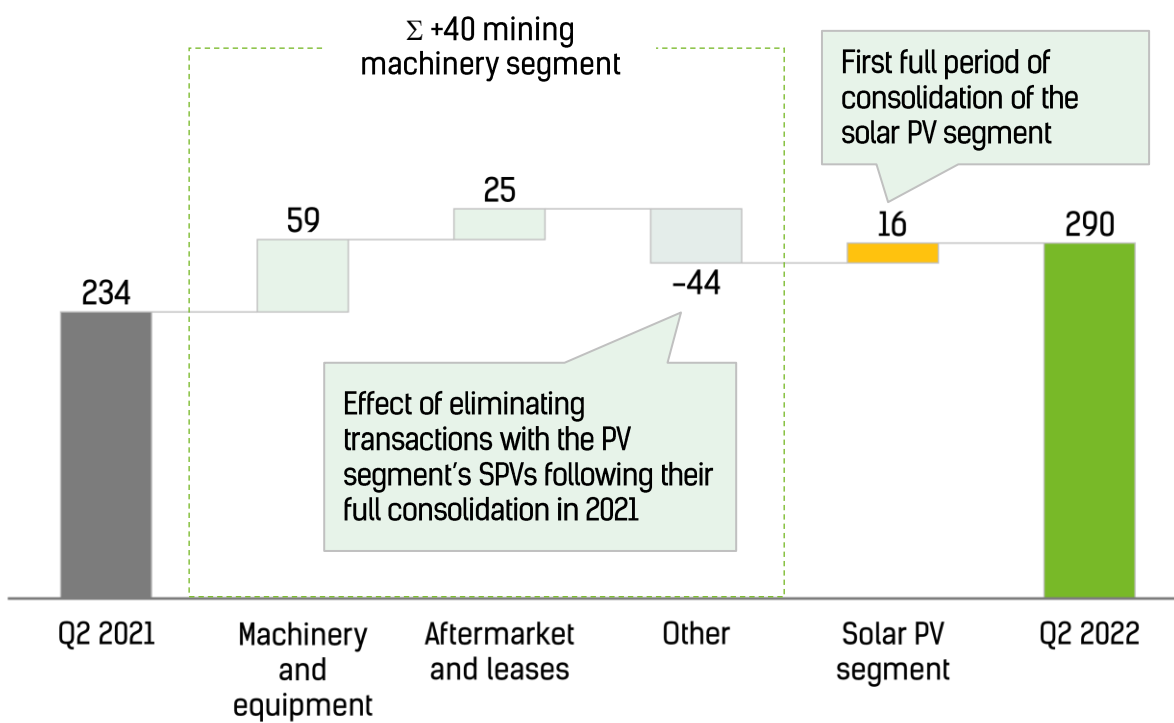
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Financial results

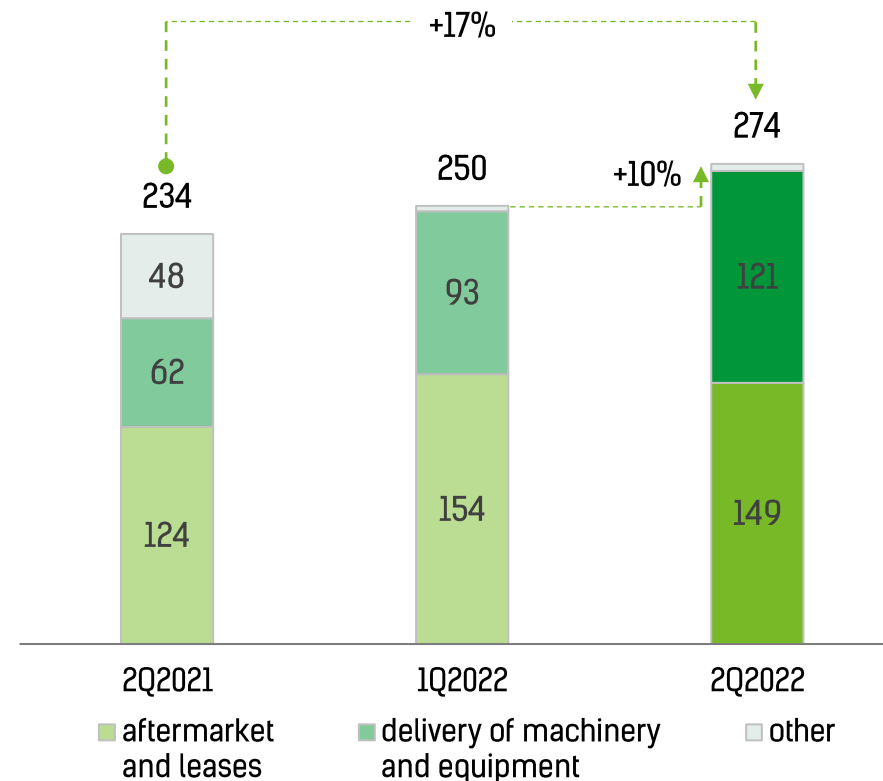
Tomasz Jankowski
Famur Investor Relations

Revenue development analysis Q2 2022

Development of FAMUR Group's revenue in Q2 2022 vs Q2 2021 (PLNm)

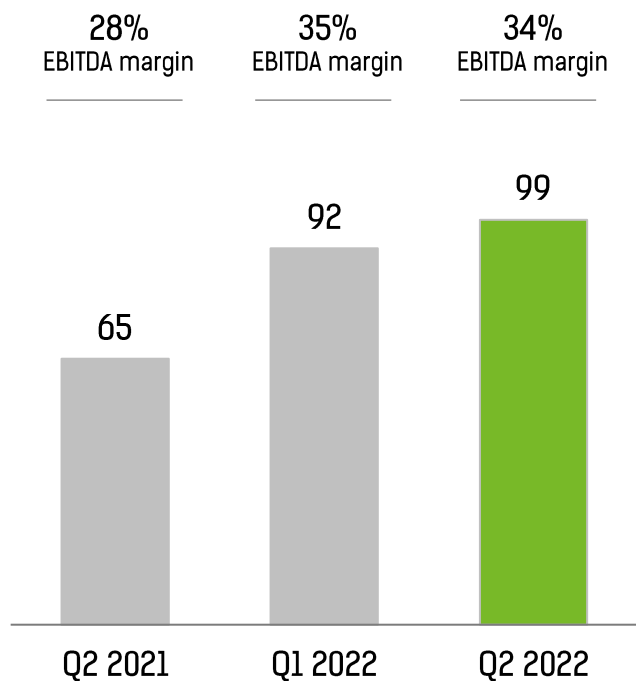


Development of mining machinery segment's revenue from external customers (PLNm)

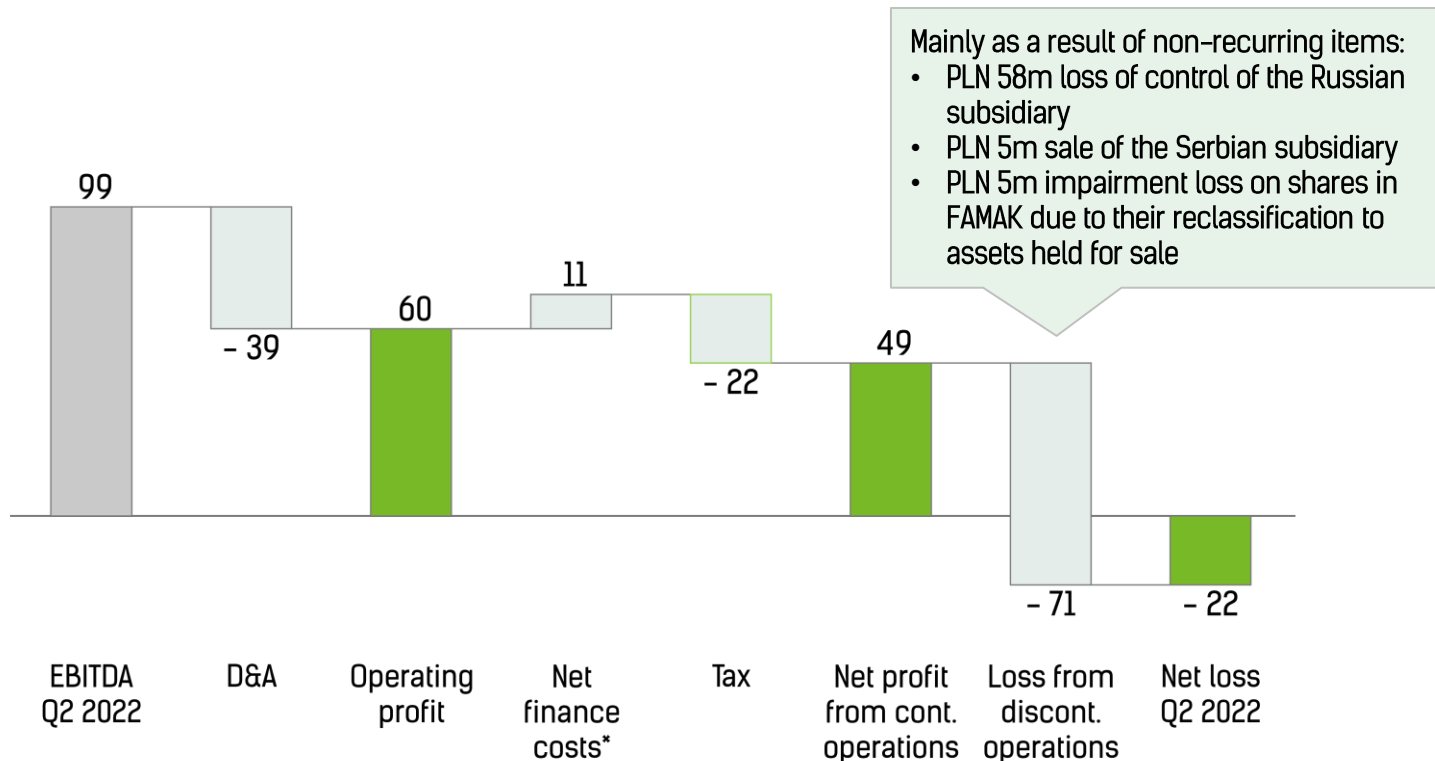


Profitability analysis Q2 2022

Development of FAMUR Group's quarterly EBITDA year on year and quarter on quarter (PLNm)



Key drivers of Q2 2022 net profit
FAMUR Group's net profit (PLNm)



Net finance income/costs are finance costs adjusted for finance income increased by net change in allowance for expected credit losses

Operating cash flow analysis Q2 2022

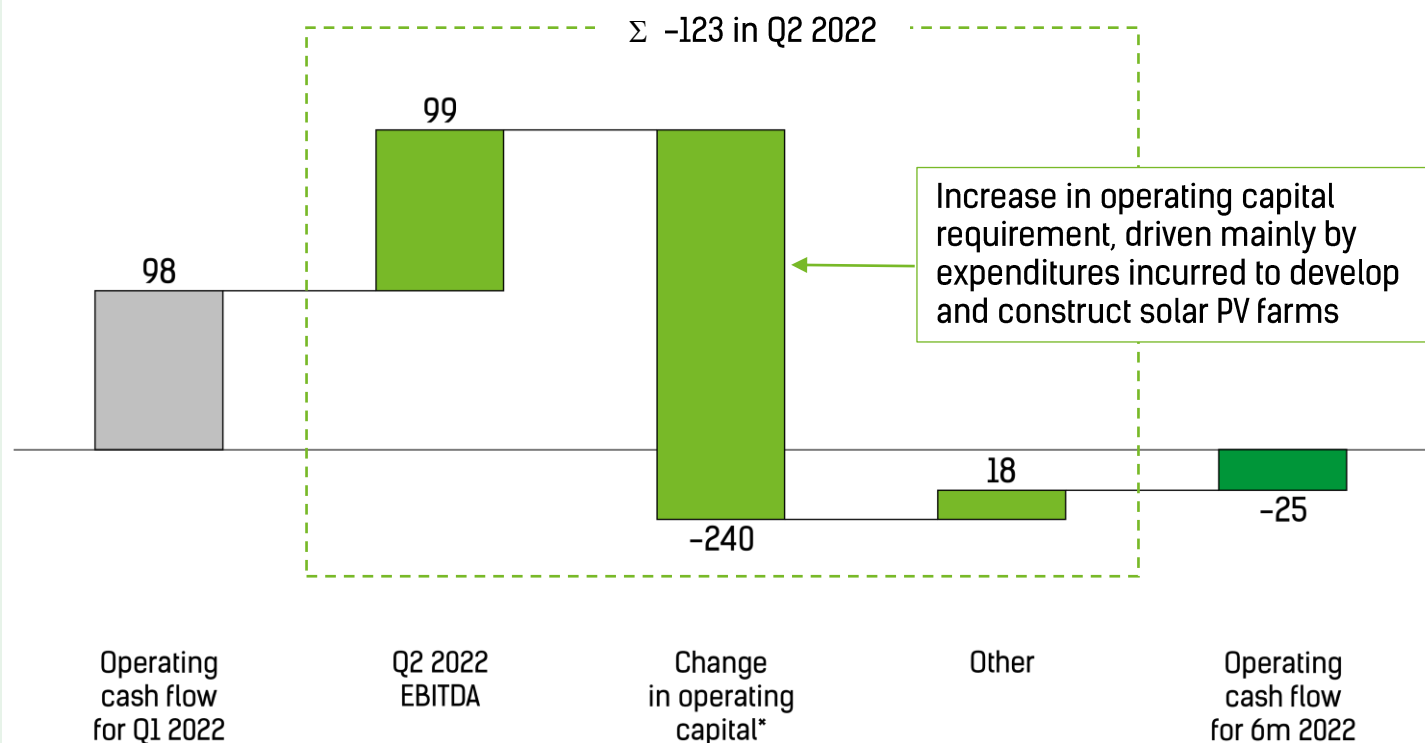
Key changes in operating cash flows:

PLN -123m of negative operating cash flows in Q2 2022:

- PLN +99m EBITDA; and
- PLN -240m: increase in operating capital requirement:
 - PLN -199m: increase in inventories
 - PLN -122m: net change in receivables
 - PLN +81m: change in operating liabilities

Operating cash flows in Q2 2022

PLNm



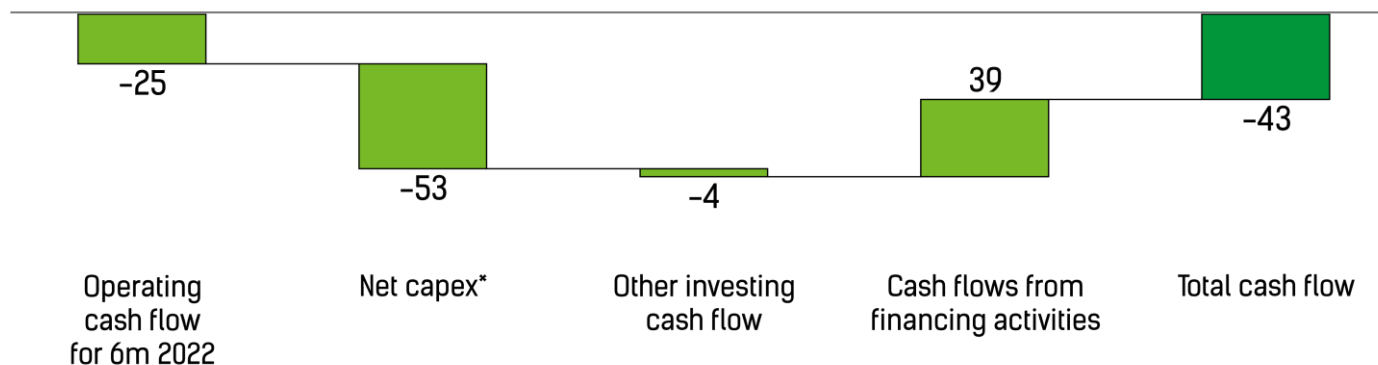
* total of the following items: change in inventories, current receivables and current liabilities, net of borrowings

PLN 349m surplus of cash over debt at June 30th 2022

Key changes in capital allocation:

- PLN 59m capital expenditure on property, plant and equipment and intangible assets, partly financed from the PLN 6m proceeds on disposal of non-core assets
- PLN +39m in cash flows from financing activities, mainly as a net effect of:
 - repayment of the Restructuring Bonds of PLN 185m plus interest
 - drawdown under a project finance facility agreement (solar PV segment)

Capital allocation in 6M 2022 (PLNm)



PLN -349m
net debt at June 30th 2022
 PLN 931m of gross debt,
 PLN 1,280m of cash

* purchase of intangible assets and property, plant and equipment less proceeds from disposal of intangible assets and property, plant and equipment

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Summary

Mirostław Bendzera
*President of the Famur
Management Board*



Q2 2022 summary and outlook for the coming quarters

Q2 2022 summary

- Revenue growth, satisfactory profit margins and strong balance sheet
- Net profit affected by PLN 71m loss from discontinued operations, comprised largely of non-recurring items
- ~PLN 736m value of orders in the mining machinery segment
- Entry into preliminary agreement to sell a portfolio of 184 MW solar PV farms and projects; Further increase in own PV projects capacity to ~2.1 GW at various stages of development

Outlook for the coming quarters

- **Continued implementation of new strategic directions** with a view to transforming the FAMUR Group into a holding that invests in green transition projects intensive work on further acquisitions
- **Solar PV segment:** active scaling up of the segment's operations
- **Mining machinery segment:**
 - consistent efforts to build the aftermarket portfolio, seeking to secure new contracts in existing markets and to enter new markets (to fill the gap left by the Russian market)
 - Further development of the wind-turbine gearbox repair/refurbishment and maintenance services
- **Maintaining tight cost discipline** across the board, further development of PV systems at the Group's own plants to optimise costs and energy sources
- **Commencing work on the FAMUR Group's Sustainable Development Strategy**



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Q&A session





Appendices

Reconciliation between operating and reported metrics

EBITDA

(PLNm)	6 months to		3 months to	
	Jun 30 2022	Jun 30 2021	Jun 30 2022	Jun 30 2021
Operating profit	112	64	60	23
Depreciation and amortisation (D&A)	79	89	39	42
EBITDA	191	153	99	65

Reconciliation between operating and reported metrics

Net debt

(PLNm)	As at	
	Jun 30 2022	Dec 31 2021
non-current financial liabilities	645	648
bank borrowings	17	4
other debt instruments	599	599
leases	29	32
factoring	-	13
current financial liabilities	286	262
bank borrowings	268	28
other debt instruments	5	206
leases	5	11
factoring	8	17
Gross debt	931	910
Less cash and cash equivalents	-1,280	-1,333
Net debt	-349	-423

Glossary

EBIT	Operating profit
EBITDA	Operating profit before depreciation and amortisation
EBITDA margin	Operating profit before depreciation and amortisation to net revenue from sale of products, merchandise, and materials
Other expenses, net	Other expenses less other income
Net finance costs	Finance costs adjusted for finance income and net change in allowance for expected credit losses
Working capital	Carrying amount of inventories, increased by trade receivables, less trade payables (from related and other entities)
Change in operating capital	Total of items: change in inventories, change in receivables and change in current liabilities, net of borrowings, disclosed in the statement of cash flows
Net CAPEX	Capital expenditure to purchase intangible assets and property, plant and equipment, adjusted for proceeds from disposal of intangible assets and property, plant and equipment

Glossary continued

Net debt	Net carrying amount of long-term and short-term borrowings and debt instruments, less cash and cash equivalents
Adjusted net debt	Net carrying amount of long-term and short-term borrowings and debt instruments, less cash and cash equivalents, adjusted for total dividend paid (after the reporting date)
Net debt to EBITDA	Net carrying amount of long-term and short-term borrowings and debt instruments, less cash and cash equivalents, to EBITDA (operating profit before depreciation and amortisation) for the last 12 months