

The background features a hand holding a glowing globe. The globe is surrounded by a network of white icons connected by lines. The icons include human figures, lightbulbs, and bar charts, symbolizing global connectivity, innovation, and data. The overall color scheme is dark green and blue with white highlights.

**FAMUR**

**Annual General Meeting**

June 2022

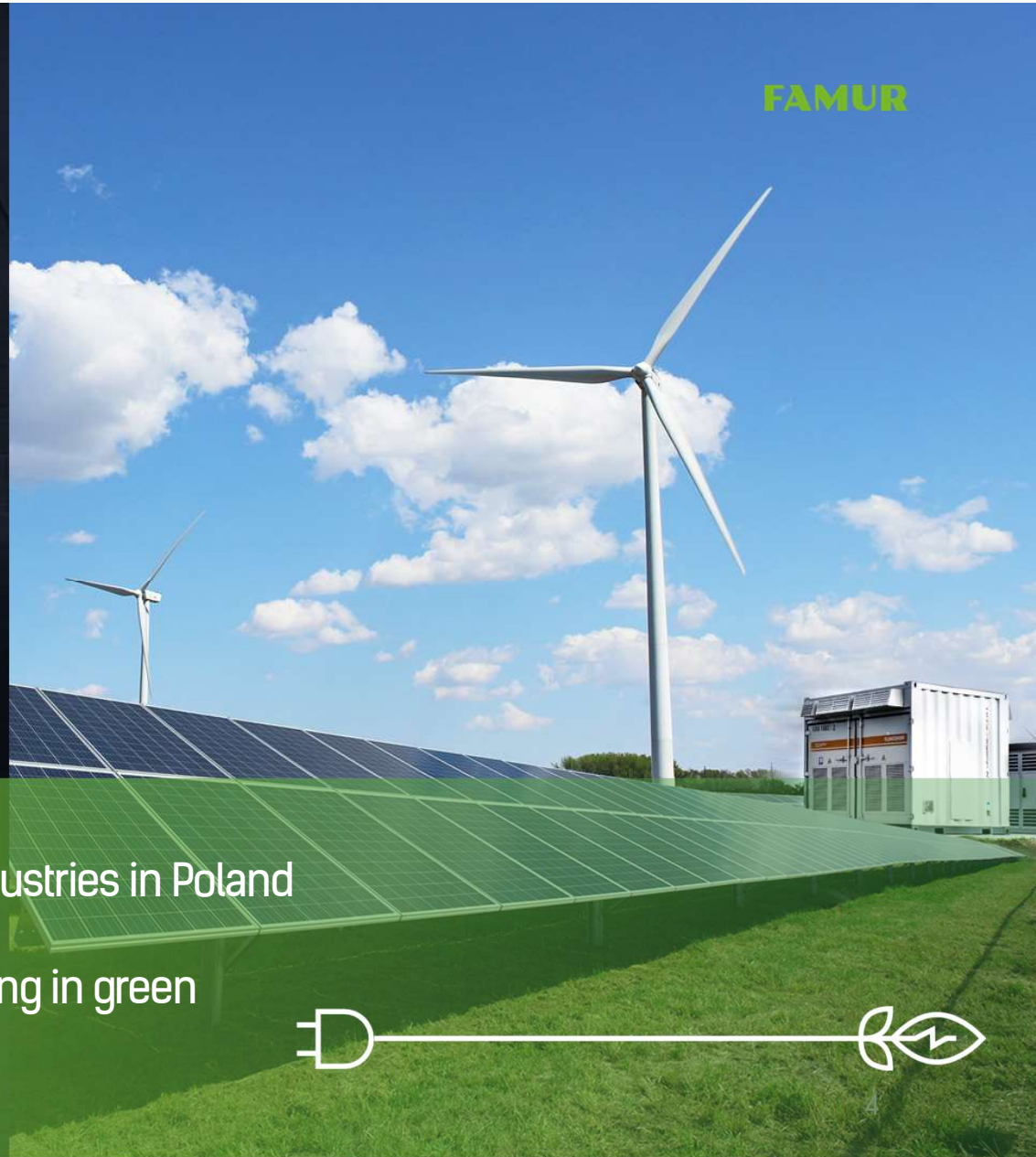
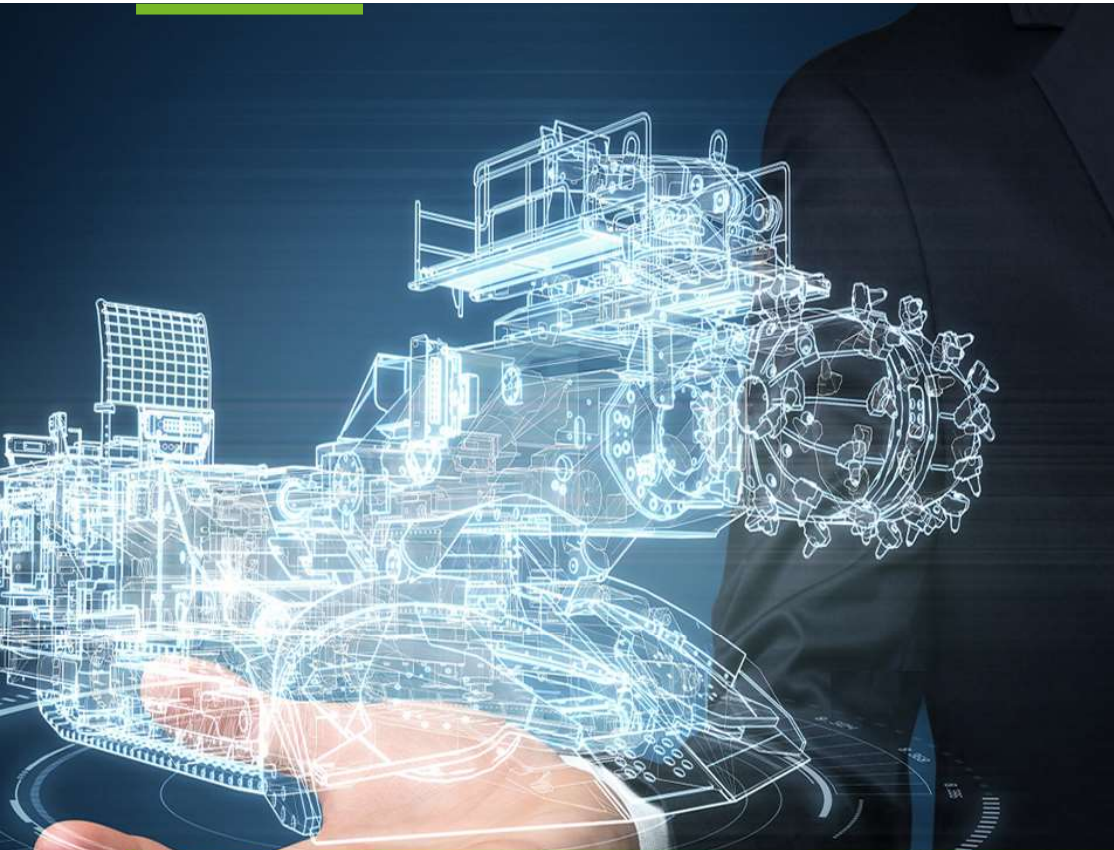
**Summary of 2021**

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# Agenda

- 1.** FAMUR Group in 2021
- 2.** Financial results
- 3.** Recommendation on distribution of profit
- 4.** Q&A session





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## FAMUR Group

Leader in solutions for the mining and power industries in Poland with a global reach on its way to become a holding company investing in green transition projects





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## **FAMUR Group in 2021**

Key events

## FAMUR Group 2021 financial highlights

**PLN 1,050m**

revenue

with a 34% share of revenue from  
export sales

**PLN 314m**

EBITDA

**PLN 120m**

net profit

before goodwill write-off  
reported net profit of PLN 25m

**-8%**

decrease vs 2020

**PLN -102m**

decrease vs 2020

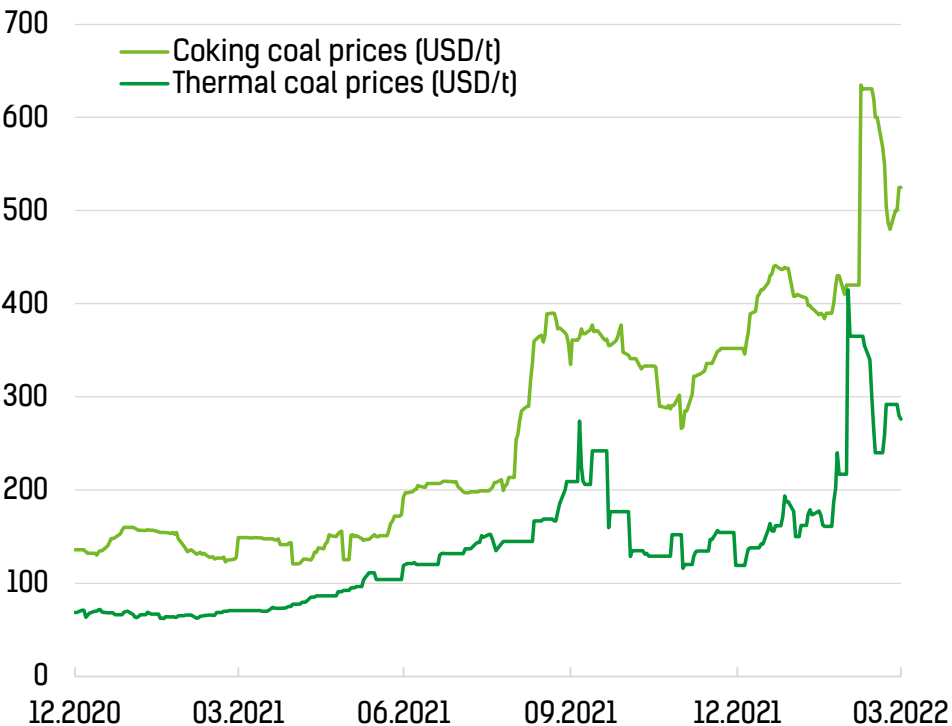
**PLN -70m**

decrease vs 2020

excluding significant non-recurring  
events  
reported net profit down  
PLN 138m

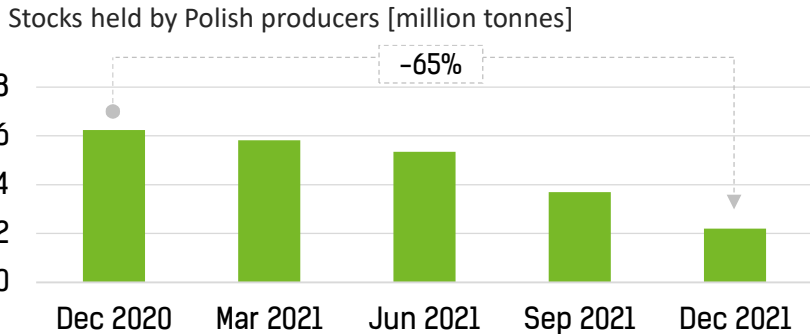
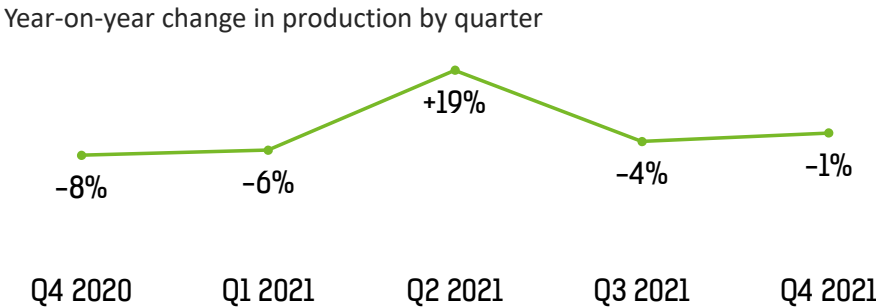
# Stable increase in coal prices observed since the second quarter of 2021 Gradual decline in domestic producers' coal stocks in 2021

Development of global coal prices



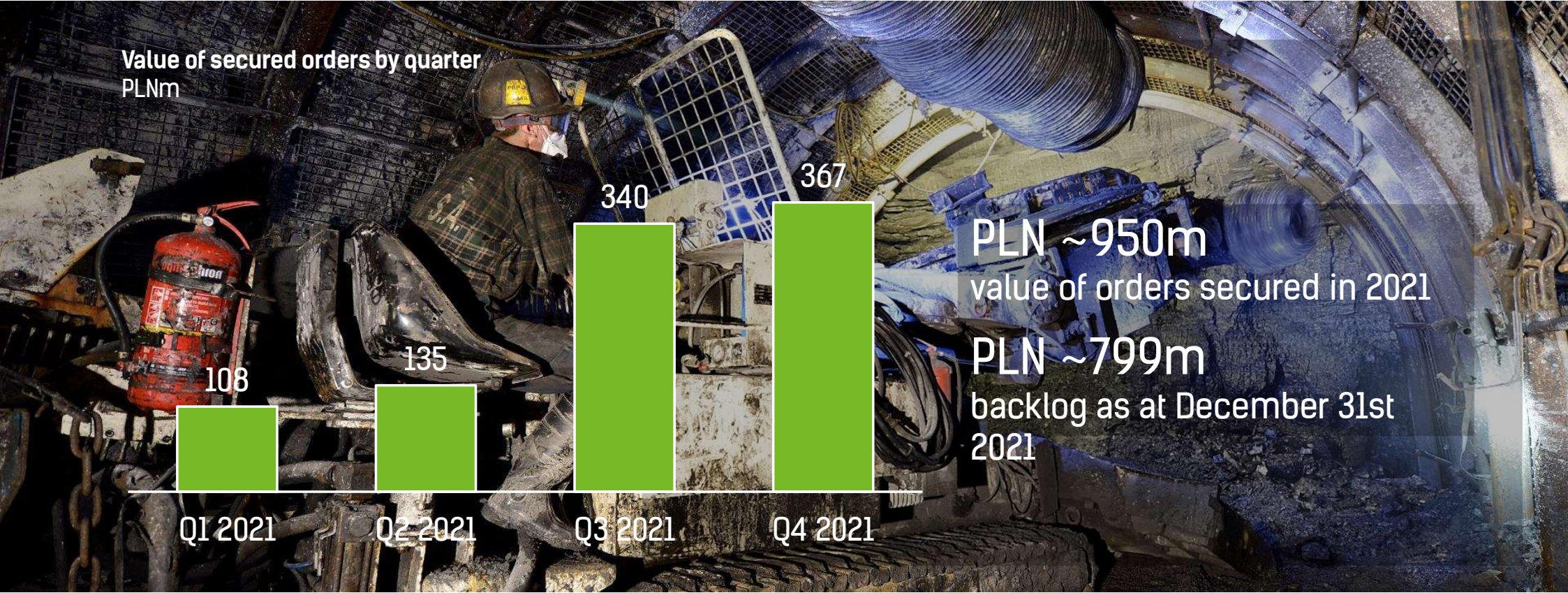
Source: Bloomberg, coking coal price index (APAC Hard Coking Coal FOB Australia), thermal coal (Europe Coal 6,000 kcal CIF ARA)

Polish hard coal mining sector



Source: www.polskirynekwegla.pl

# Mining Machinery segment's commercial activities





## Impact of war in Ukraine on the FAMUR Group's operations

### Economic impact:

- A sharp rise in raw material price volatility due to Ukraine's/Russia's significant share in the manufacture of steel products and related components (including castings and forgings)
- Disruptions in the materials supply chain due to the conflict and economic sanctions
- Risk related to discontinuation of operations of the FAMUR Group's subsidiary (OOO FAMUR Russia) in the Russian Federation
- Shrinking of sales markets

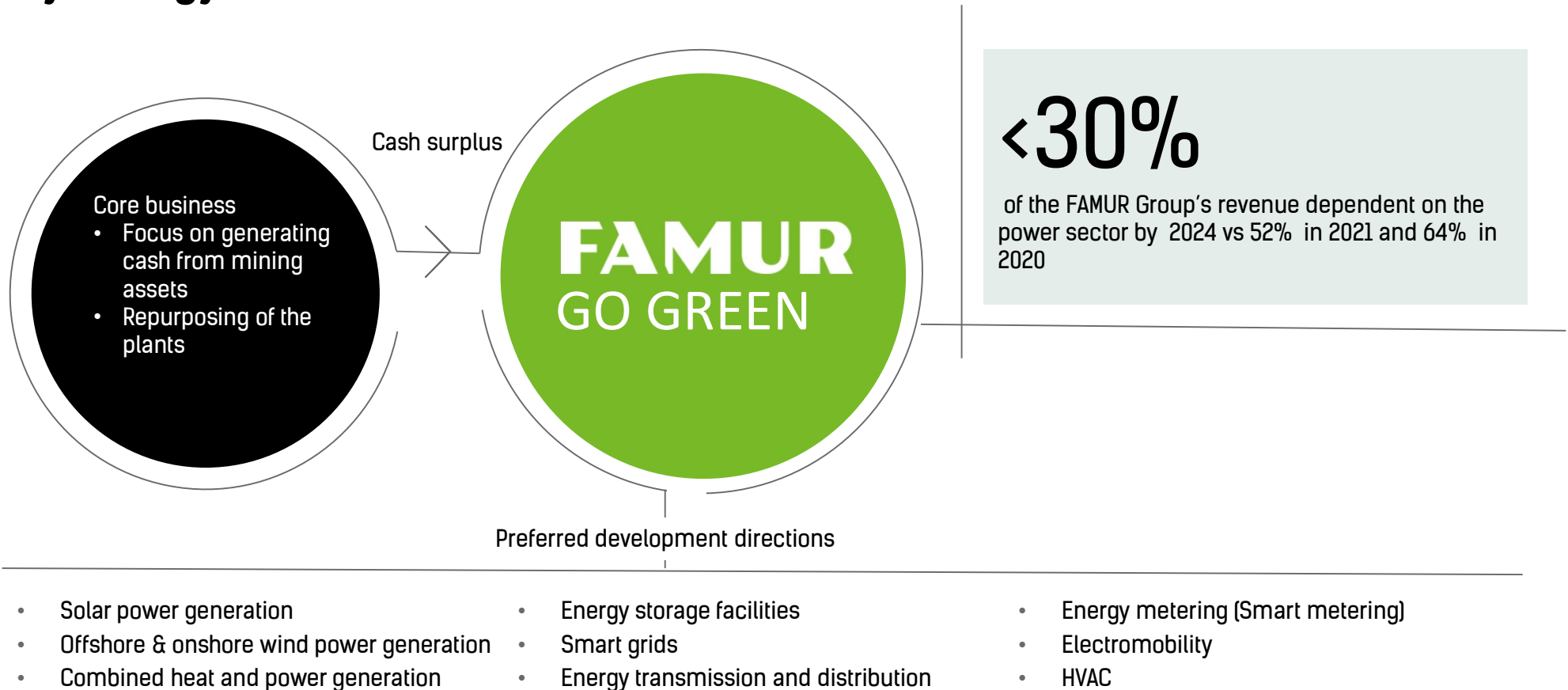
### FAMUR Group's exposure to the Russian market

- PLN 205m in revenue for 2021
- PLN ~40m – backlog as at February 28th 2021, adjusted for the value of terminated contracts
- PLN 46m – carrying amount of OOO FAMUR's net assets
- PLN 7m – receivables from OOO FAMUR

### Key actions taken by the FAMUR Group

- Suspending the offering of new mining machinery and equipment for sale in the Russian Federation until further notice
- Reviewing the directions of further operations in the Russian Federation
- Assessing the ability of obtaining raw materials and components for the ongoing and future orders from alternative sources
- Searching with business partners from CIS countries for solutions to complete the ongoing contracts and collect cash
- Reaching an agreement to withdraw from the implementation of contracts for delivery of machinery to be used in the Russian Federation, with a total price of PLN 130m (the costs to be covered by FAMUR are negligible)

# FAMUR GO GREEN to harness the opportunities and potential presented by energy transition



<30%

of the FAMUR Group's revenue dependent on the power sector by 2024 vs 52% in 2021 and 64% in 2020

## Solar PV segment's operating achievements in 2021

- Execution of an investment agreement with TDJ in the Solar PV segment
- Securing financing for the SPVs established to deliver PV projects
- Execution of a framework contract for the supply of PV panels
- Securing offtake of renewable electricity by accepting ENERGA-OBRÓT S.A.'s binding offer for the purchase of electricity until the end of 2024
- Consistent scaling up of the portfolio of new PV projects and winning auctions held by the Energy Regulatory Authority in 2021 for a total of 161 MW



# ~1.6 GW of PV projects at different stages of development at the end of 2021

Geographical distribution and size of PV projects under way

~134 MW

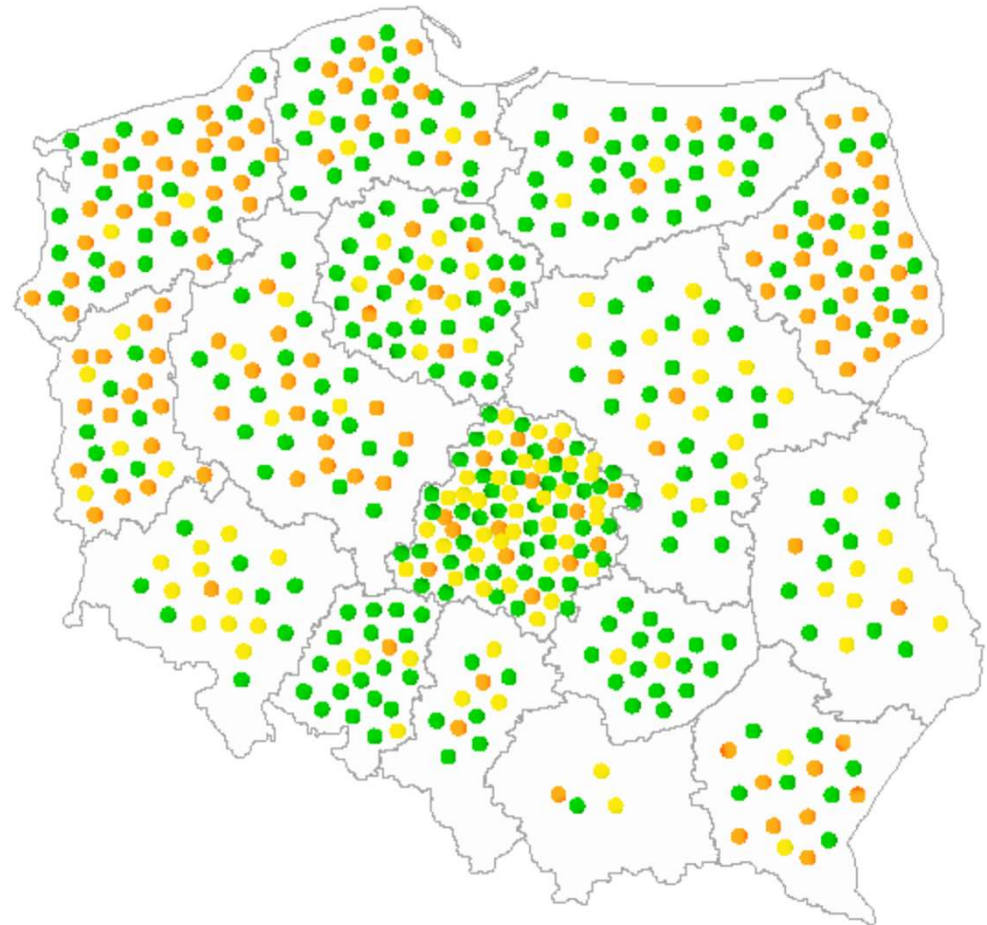
Farm projects under construction

~187 MW

Projects in the pipeline

~1,317 MW

Projects under development



# 2

## Financial results

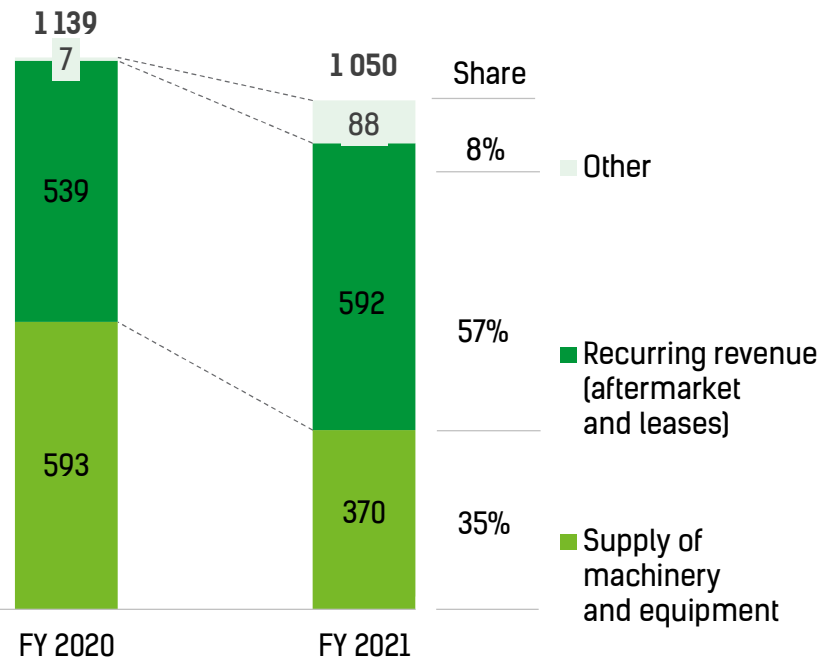


# Increase in recurring revenue partly offset decline in revenue from OEM market

## 8% y/y drop in revenue in FY 2021:

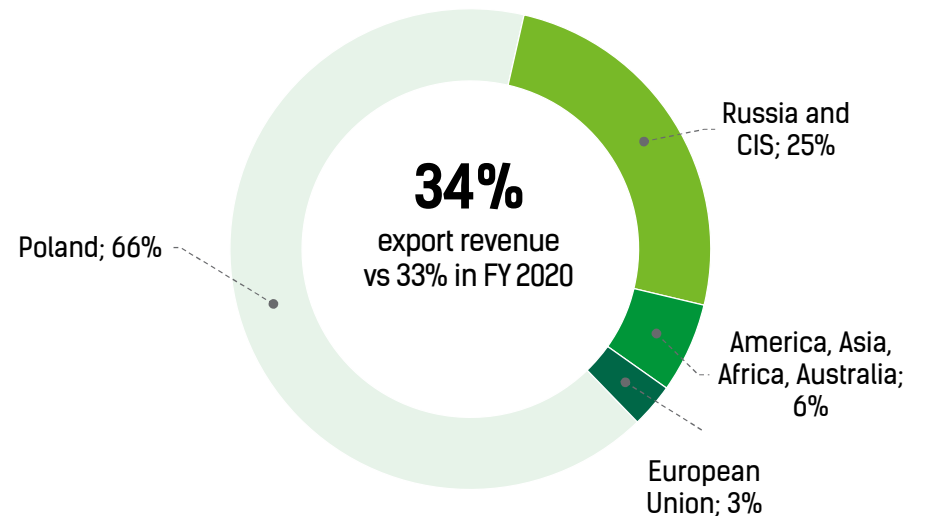
- +10% y/y increase in recurring revenue
- -38% decrease in revenue from supply of machinery and equipment

Revenue by product category (PLNm)



Sales to foreign markets mainly to Russia and CIS countries (approximately 25% of total revenue), with Asian, American and African countries combined representing about 6% of total revenue

Revenue by geographical market



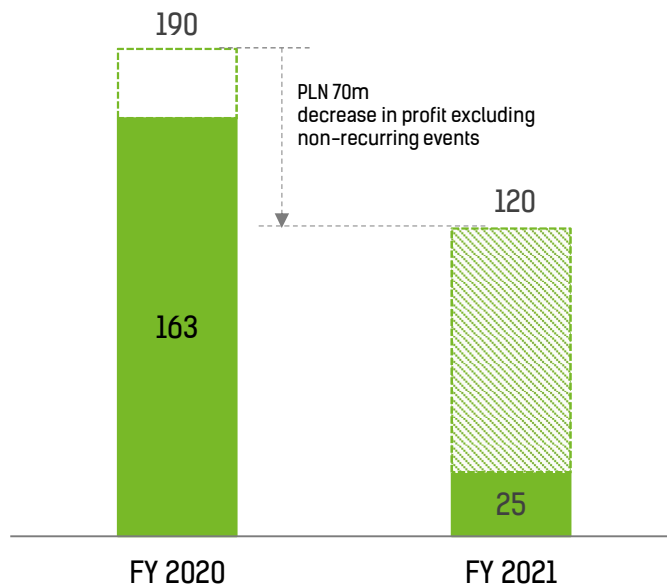
# Analysis of the FAMUR Group's net margin

Adjusted net margin

14%

11%

Net profit  
PLNm



## Significant non-recurring events affecting the comparability of the FAMUR Group's net profit for 2021 vs 2020

- **2021:** PLN -95m goodwill write-off in the Mining Machinery segment
- **2020:** PLN +22m positive effect from favourable tax decision (to discontinue CIT investigation), PLN +5m combined effect of FAMAK Group deconsolidation



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**Recommendation  
on distribution of  
profit**



## Management Board's recommendation – allocation of the entire net profit for 2021 to the Company's statutory reserve funds

### Factors underlying the recommendation:

- Providing funds for potential business acquisitions in the RES sector in accordance with the new strategic directions adopted in May 2021 to transform the FAMUR Group into a holding company investing in green transition projects
- Maintaining the company's liquidity in view of the increased uncertainty in global markets brought about by the war in Ukraine



# 4

## Q&A session





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**Thank you for your  
attention!**