

Grenevia 04.2023

Q4 2022 results of the Grenevia Group



Grenevia

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01

Q4 2022 Summary



Financial results for FY2022

Revenue

PLN 1,296_m

+27% vs 2021

Net profit*

PLN 120_m

* Data not readily comparable due to one-off factors:
2022: PLN -58m on loss of control of OOO Famur (Russia)
2021: PLN -95m goodwill write-down in the FAMUR segment

EBITDA

PLN 406_m

+PLN 103m, +34% vs 2021

EBITDA margin

31%

+1 p.p. vs 2021

Financial results for Q4 2022

Revenue

PLN 439_m

+52% vs Q42021

Net profit*

PLN 50_m

* Data not readily comparable due to recognition in Q4 2021 of PLN -95 m write-down on goodwill in the FAMUR segment

EBITDA

PLN 123_m

+PLN 52m, +73% vs Q42021

Net debt

PLN 127_m

as at Dec 31 2022, 0.3x EBITDA

Key developments in Q4 2022

PLN 919m in total backlog* as at Dec 31 2022
in FAMUR and power engineering segments
PLN +122m vs Sep 30 2022.

~3.1GW of projects in PV segment's portfolio**
as at Dec 31 2022 +0.4GW vs Sep 30 2022
91MW operating PV farms***
as at Dec 31 2022

Acquisition of 51% interest in IMPACT, leading
manufacturer of battery systems for e-mobility in public and
industrial transport and for energy storage
Total transaction cost PLN 280m

Group sustainability strategy (ESG):
completion of work and announcement in Jan 12 2023

Implementation of Grenevia concept:
with the Group's new organisational structure and
business model

Sale of all shares
in FAMAK

*deliveries of machinery and equipment and leases in accordance with contract terms (net of inter-segment orders)

** estimated total capacity of project portfolio

*** total capacity of farms completed and connected to the grid

Change





FAMUR

Developing capabilities in mining machinery and wind power sector (wind-turbine gearbox repair and maintenance)



ELGÓR+HANSEN

Rollout of solutions for energy distribution sector; including substations for RES



PST

Portfolio of projects with a total capacity of 3.1 GW at different stages of advancement, further development of projects and entry into new European markets



IMPACT

More than 2,000 Impact battery-driven e-buses worldwide, development of hydrogen fuel cell systems, energy storage systems, and construction of Gigafactory

Grenevia

Business structure



Corporate functions

- | Investor Relations
- | Business Development
- | Finance
- | Accounting
- | Controlling

100% shares

other businesses

- | **Grenevia Finance**
- | **De Estate**
- | Other companies, not associated with FAMUR segment

Business segments

FAMUR: solutions for mining and wind power industry

Grenevia S.A. FAMUR Katowice department
(separate business unit)

FAMUR

Grenevia S.A. FAMUR Machinery
 Grenevia S.A. FAMUR Mining department
 Grenevia S.A. FAMUR Glinik department
 Grenevia S.A. FAMUR Nowomag department
 Grenevia S.A. FAMUR KHS department
 Foreign companies of FAMUR segment,
 Primetech, others

Power engineering:
solutions for energy distribution sector

100% shares

ELGÓR+HANSEN

PV: large-scale photovoltaic systems

52% shares

 **PST**

100% in FIZAN
100% in PST Group
70% in PST Development
90% in PST Germany

e-mobility: battery systems for e-mobility and energy storage

51% shares

 **IMPACT**

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Q4 2022 Summary of segments activity



FAMUR solutions for mining and wind power industry



Q4 2022

Revenue

PLN 315m

+29% y/y
PLN +70m

EBITDA

PLN 131m

+54% y/y
PLN +46m

FY 2022

Revenue

PLN 1,064m

+27% y/y
PLN +228m

EBITDA

PLN 433m

+42% y/y
PLN +128m

Recurring revenue

56%

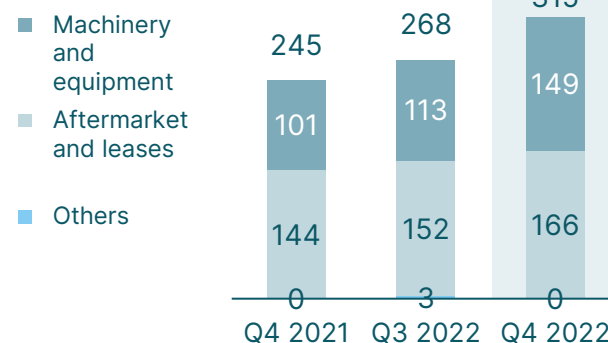
Share of exports

41%

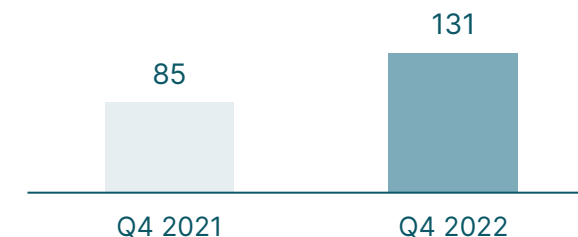
~PLN 902m backlog* as at Dec 31 2022

* deliveries of machinery and equipment and leases in accordance with contract terms

Segment's revenue, PLNm



Segment's EBITDA, PLNm



- PLN 357m in new orders in Q4 2022
- Visible recovery on domestic market, predominantly replacements
- Sustained demand in foreign markets, with continued pressure from Chinese manufacturers
- Expected decline in share of exports in segment revenue following withdrawal from Russia
- Further development of wind turbine gearbox repair and maintenance services

Power engineering segment

ELGÓR+HANSEN

Q4 2022

Revenue

PLN 45m

+61% y/y
PLN +17m

EBITDA

PLN 11m

+83% y/y
PLN +5m

FY 2022

Revenue

PLN 100m

+18% y/y
PLN +15m

EBITDA

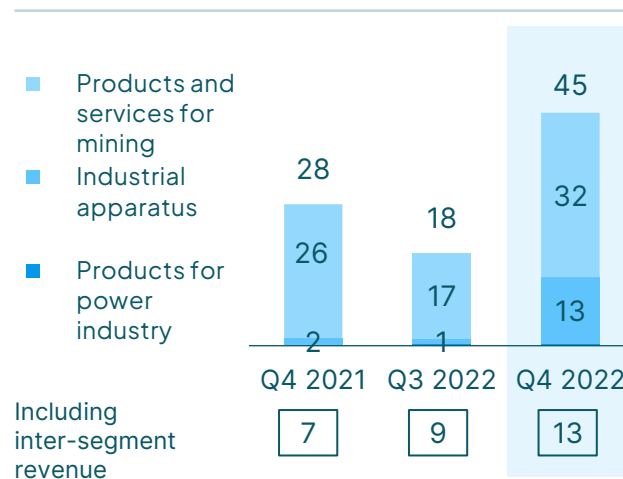
PLN 24m

+9% y/y
PLN+2m

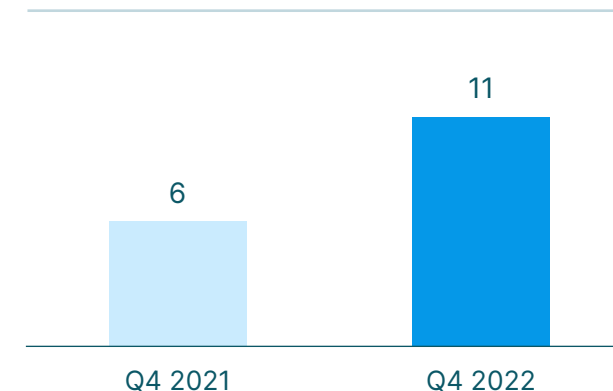
14% Revenue outside coal mining

~PLN 55m backlog as at Dec 31 2022, including PLN 17m from external customers

Segment's revenue, PLNm



Segment's EBITDA, PLNm



- Adopted strategy to maintain position in coal mining and increase revenue from offered renewable energy solutions
- Expanded commercial offering to include solutions for RES market: Elgór + Hansen S.A. containerized transformer stations
- Start of deliveries of transformer stations for Project Solartechnik PV farms

PV segment



3.1GW of total project capacity +0.4GW increase in the quarter

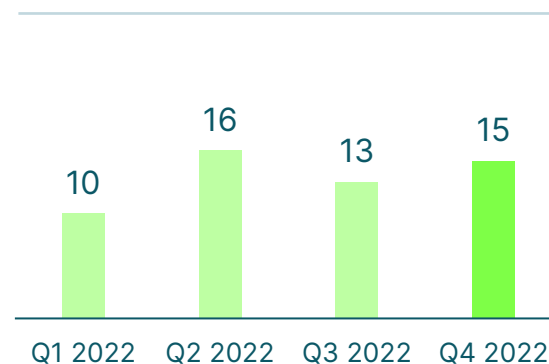
Total capacity of projects and farms (MW)	Dec 31 2022	Sep 30 2022
Farms operational	91	61
Farms under construction	124	141
Projects in pipeline*	65	147
Projects under development	~2,800	2,339
Estimated total capacity of projects at various stages of development	3,080	2.688

*The decrease in the number of projects "in pipeline" is due to reclassification of certain projects and their transfer to the "under development" group.

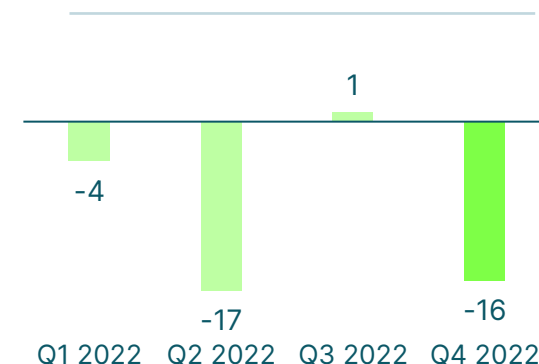
Key market factors

- Increase in installed PV capacity in Poland: 12.2GW by year-end 2022, and continued growth in RES energy demand
- Stabilizing costs of freight from China, component prices and availability of inverters
- Stabilizing project prices and costs of completed PV farms
- Market uncertainty due to energy price cap regulation and onshore wind power
- Declining availability of connection capacity for RES in Poland

Development of segment's revenue from external customers, PLNm



Development of segment's EBITDA PLNm



Key developments and activities

- Termination of agreement with Alternus for sale of 184MW PV farms, preparation of sale to other buyers
- Analysis of markets for further expansion: Spain, France and Romania
- Expanding project portfolio to include energy storage and wind projects: First connection permits for onshore wind farms obtained
- Implemented process optimization and cost reduction measures for PV projects
- Negative EBITDA mainly due to failure to finalise PV sale agreement with Alternus, as well as costs of dynamic growth of PV project portfolio in Poland, development of PV structures and projects in Germany

E-mobility segment



Visualization of GigaFactoryX facade

Entry into e-mobility sector

- | Nov 8 2022: purchase of ~51% equity interest in IMPACT S.A. (59% of total voting rights); total transaction cost: PLN 280m
- | Grenevia has control of IMPACT, including right to appoint four out of six Supervisory Board members
- | Full consolidation of IMPACT's results since Nov 15 2022
- | IMPACT's revenue in 2022 at PLN 304m (PLN 64m in Grenevia Group results)
- | Profitability affected by higher component prices and recognised provisions (2022 EBITDA PLN -4m, Group's results PLN -7m)

Key activities in 2022

- | Framework agreements for regular deliveries with Solaris and Voith, establishing cooperation with new customers (including ADL, Hess)
- | First major order from Asian market with ADL as partner
- | Implementation of European Supply Chain strategy to minimise risk of supply chain disruption
- | Production increased three-fold, while product quality improved through measures to enhance production efficiency and effectiveness.
- | GigaFactoryX in Pruszków near Warsaw: property purchased, detailed design approved, process line supplier selected
- | Commenced work on bank financing for further development

03

Q4 2022 Financial results



Grenevia Group's revenue

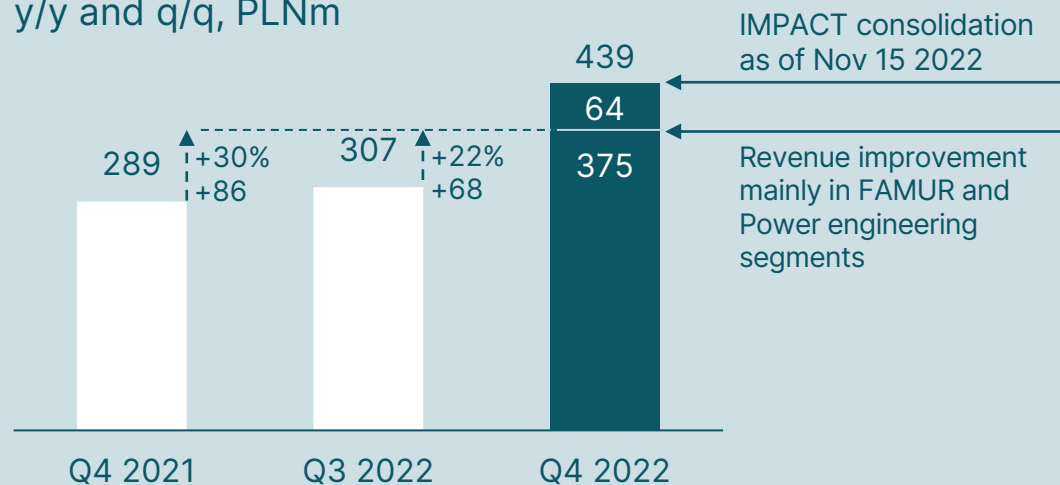
Revenue in Q4 2022



PLN 439_m

+52% (PLN +150m) vs. 4Q 2021
 +43% (PLN +132m) vs. Q3 2022

Comparison of quarter revenue in Q4 2022
 y/y and q/q, PLNm



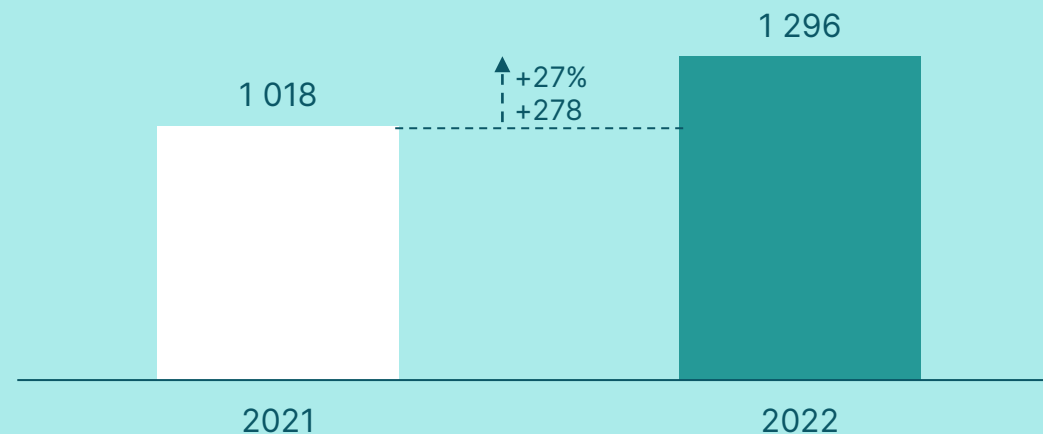
Revenue FY 2022



PLN 1,296_m

+27% (PLN +278m) vs. 2021

Comparison of revenue in 2022 vs. 2021, PLNm



Operating profitability

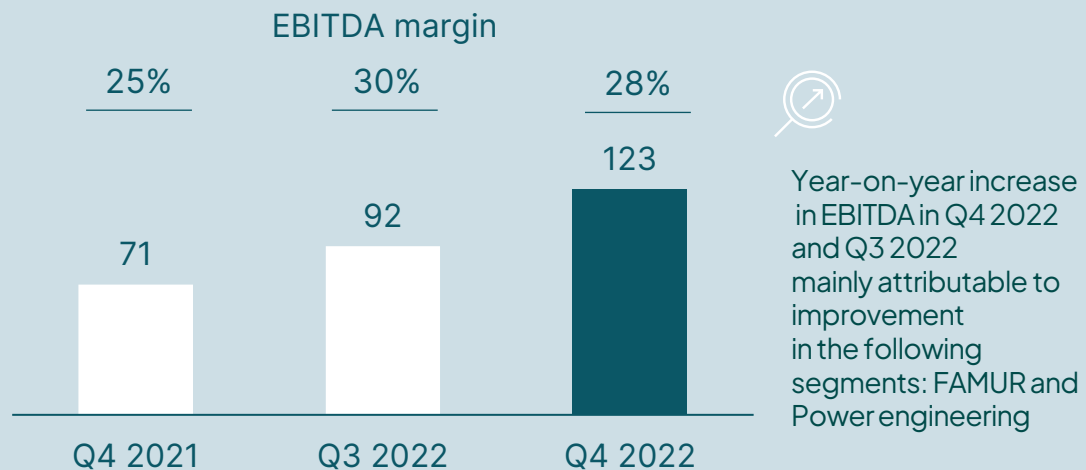
EBITDA in 4Q2022



PLN 123_m

+73% y/y
PLN +52m

Comparison of quarter EBITDA y/y and q/q, PLNm

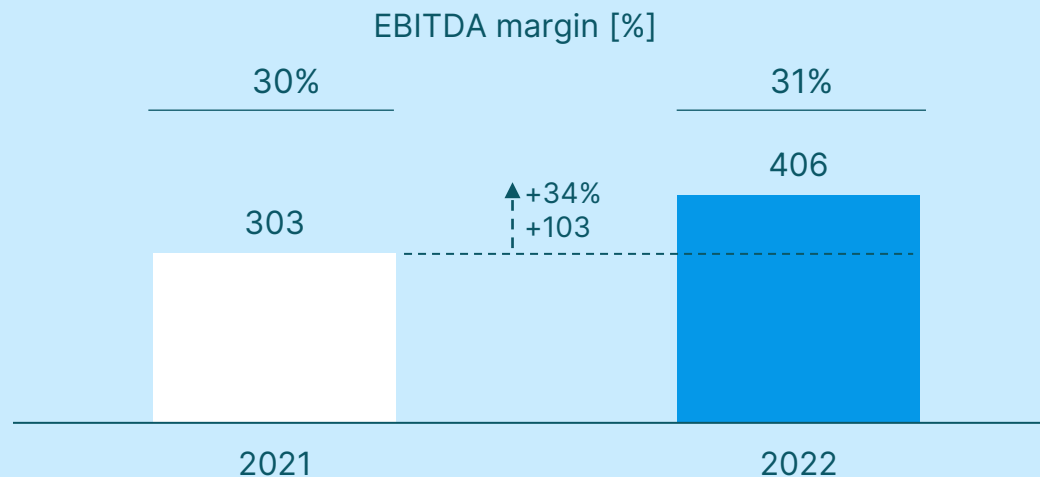


EBITDA FY 2022



PLN 406_m

Comparison of full-year EBITDA, PLNm

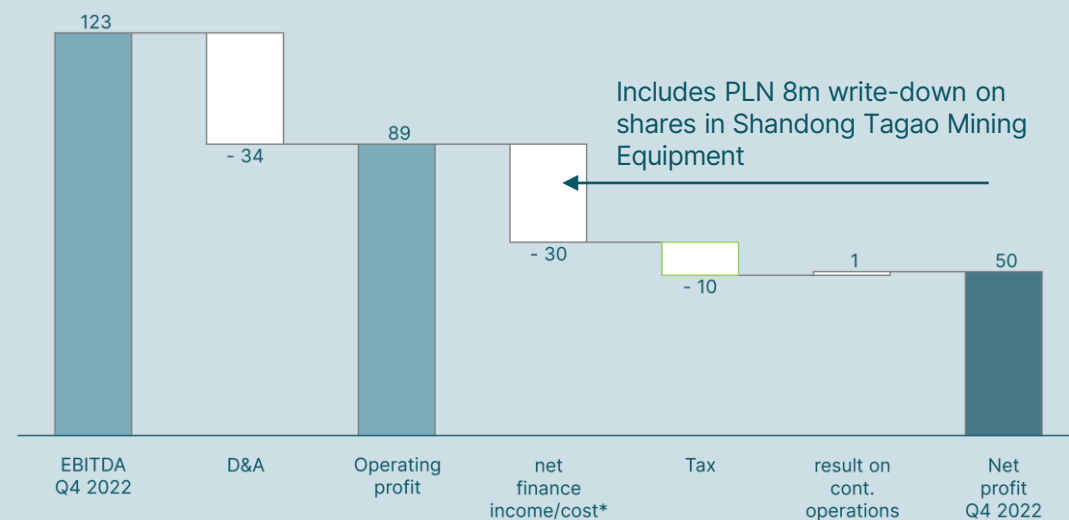


Grenevia Group's net profit

Net profit in Q4 2022

PLN 50m

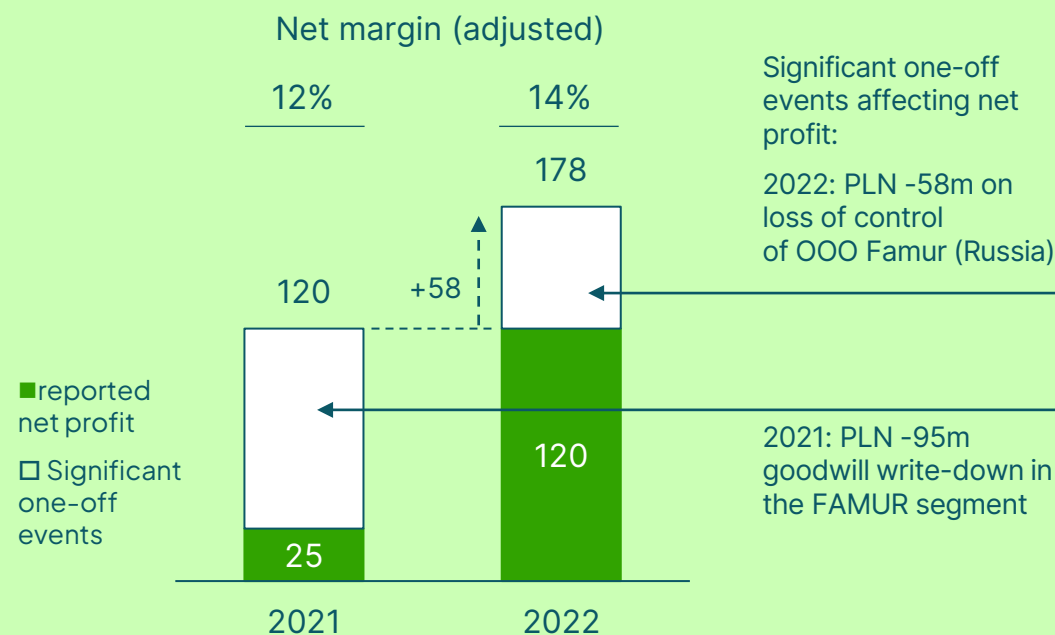
Factors affecting net profit in Q4 2022, PLNm



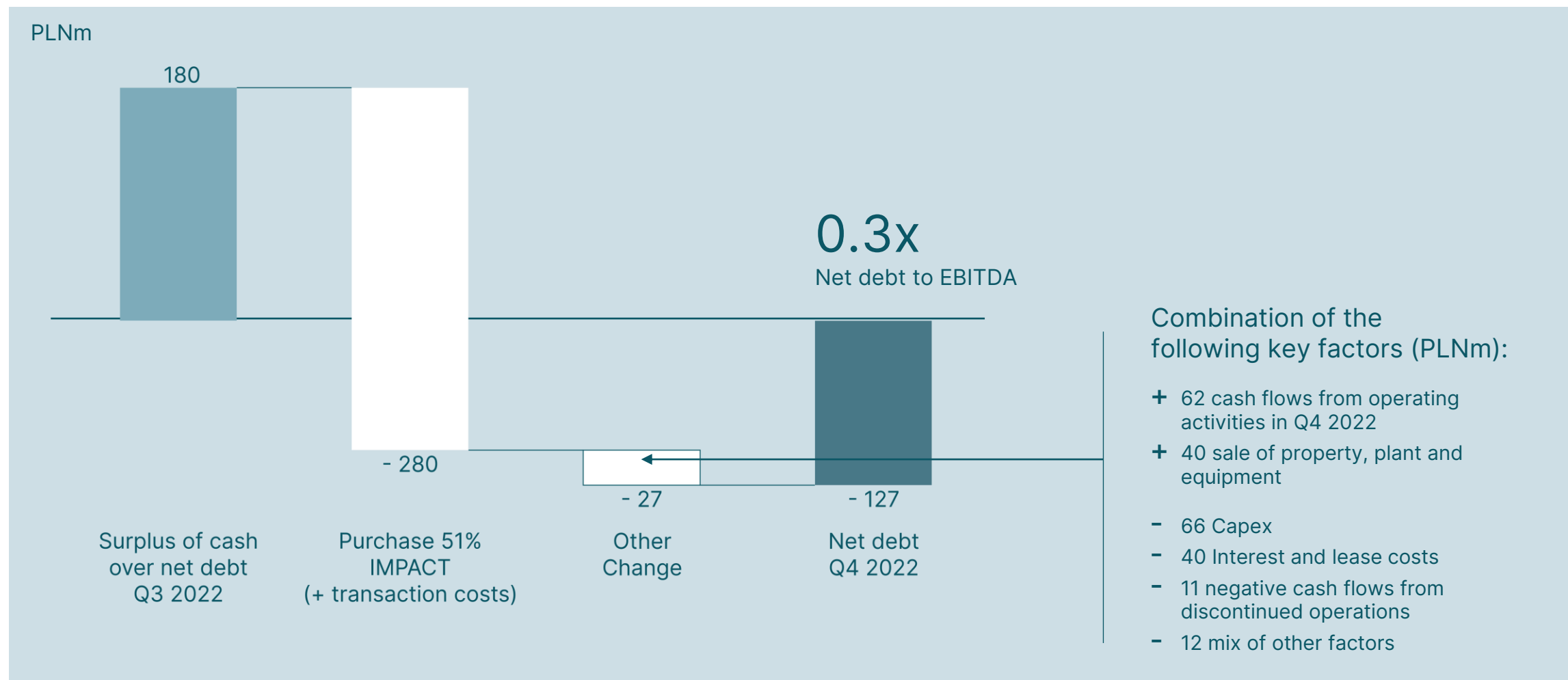
Net profit FY 2022

PLN 120m

Comparison of full-year net profit, PLNm



Change in net debt in Q4 2022



04

Summary



Summary of Grenevia Group's results for Q4 2022

Summary of Q4 2022

Revenue growth in existing segments and following acquisition of IMPACT

Maintaining satisfactory profitability of the Group

Continued growth of backlog in mining machinery and power engineering segments

Further increase in capacity of own PV projects to 3.1GW

Entry into e-mobility sector

Completion of work on sustainable development strategy and Grenevia business concept

Outlook for the coming quarters

PV segment: active scaling of operations, intensive search for buyers for completed PV farms, process optimization and cost reduction in PV projects, expansion into foreign markets, and start of building own portfolio of PV farms oriented towards production and sale of electricity (IPP)

E-mobility segment: investment in GigaFactory, growth of customer portfolio, implementation of "European Supply Chain" strategy

Power engineering segment: building order book in mining machinery and development of product offering for renewable energy (supply of transformer stations to PST)

Mining machinery segment:

- | consistent building of order book in existing and new markets, strengthening of aftermarket area and standardisation of shearer loader fleet
- | further development of wind-turbine gearbox repair and maintenance services

05

Q&A Session





Thank You!