



budimex

Investor presentation

3Q'2023

budimex

Key events in Q3

Backlog diversification and maintaining profitability

Backlog

12

bn PLN

EBIT

6,9 %

Net cash

2,9

bn PLN

Record-breaking potential of contracts pending

+13

bn PLN

of contracts pending

W tym kontrakt
Rail Baltica

4,9

bn PLN

>3

bn PLN

of the most favourable
offers in Czechia and
Slovakia

Further development

Signing a contract with
PKP PLK with a value of

909 M PLN

E65 Tychy – Most Wisła

Budimex in the index

**MSCI
Poland**

bxf energia

analysis of projects with a capacity
of 800 MW and submission of
offers for >70 MW

Agenda

Macroeconomics background

Financial results of Budimex Group

Backlog & contracting

FBSerwis & Mostostal Kraków

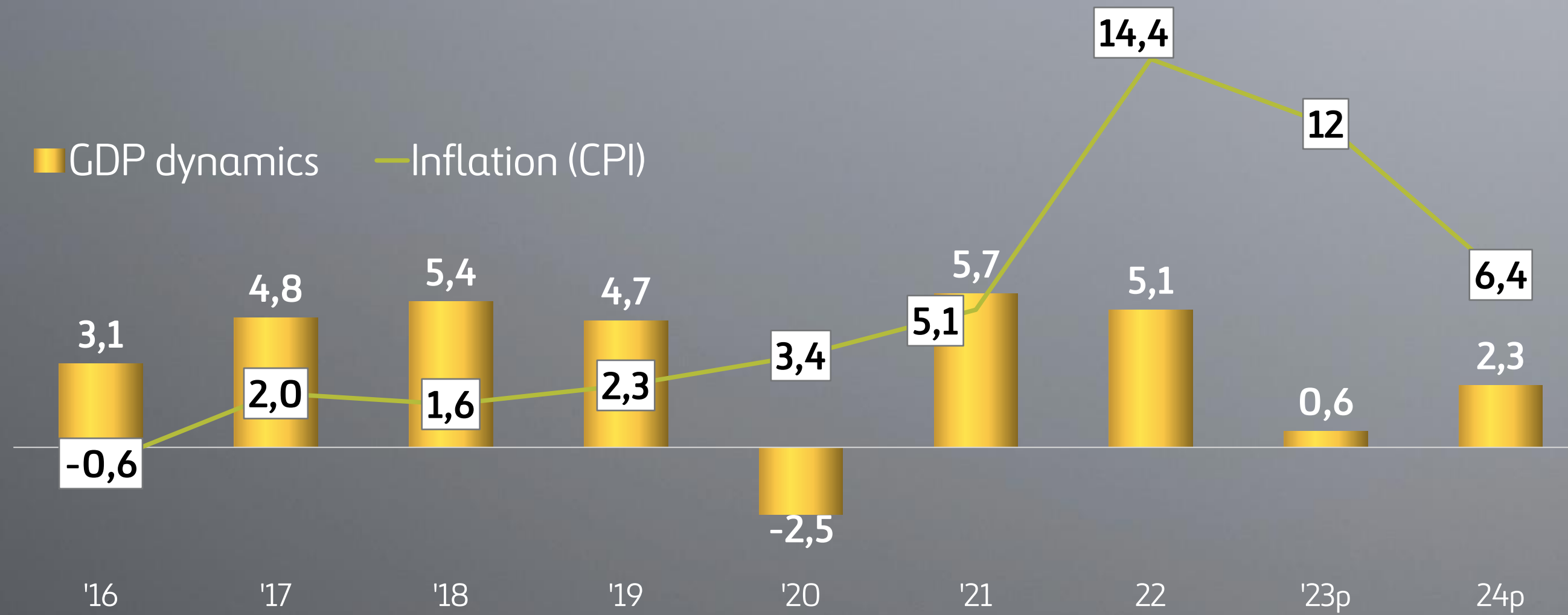
Market and outlook

CSR & ESG

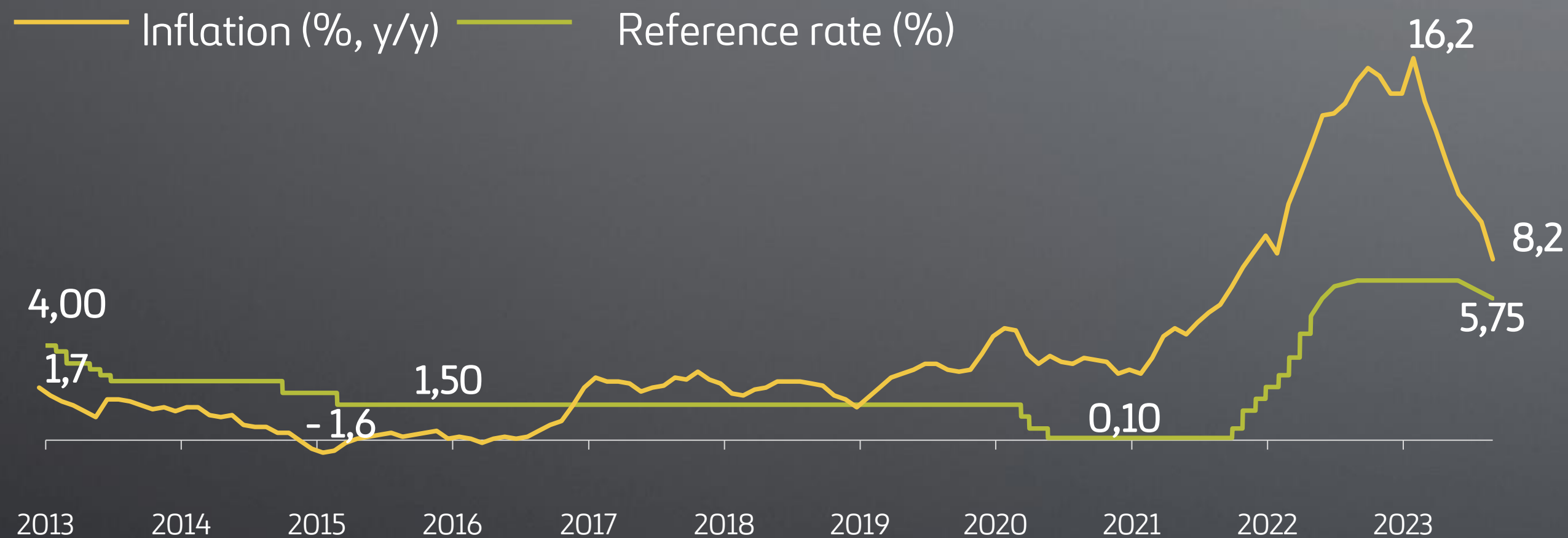


Macroeconomic background

GDP dynamics and CPI inflation in Poland (% , y/y)



Inflation (% , y/y), reference rate in Poland (%)



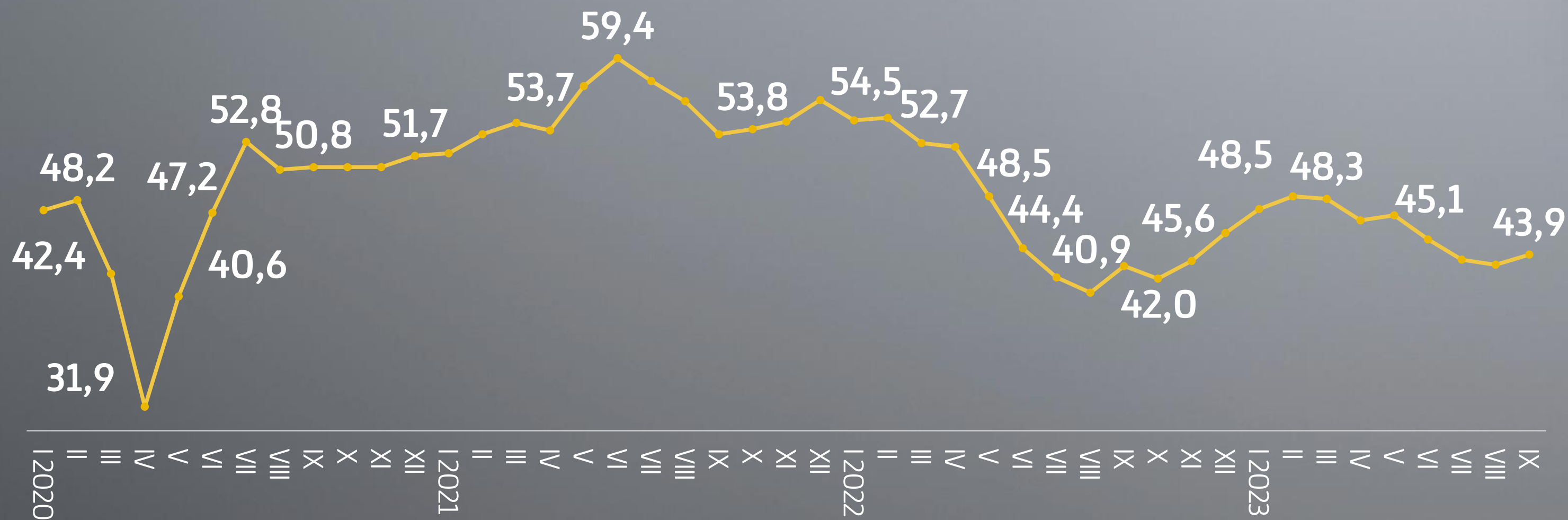
The IMF forecasts inflation to remain at double-digit levels and GDP growth to weaken significantly to 0.6% y/y in 2023.

Domestic inflation in the GUS's quick estimate for September was 8.2%.

In September 2023. The NBP decided to cut interest rates by 75 basis points to 6%. In October this year, it made a further cut of 25 basis points to 5.75%.

Macroeconomic background

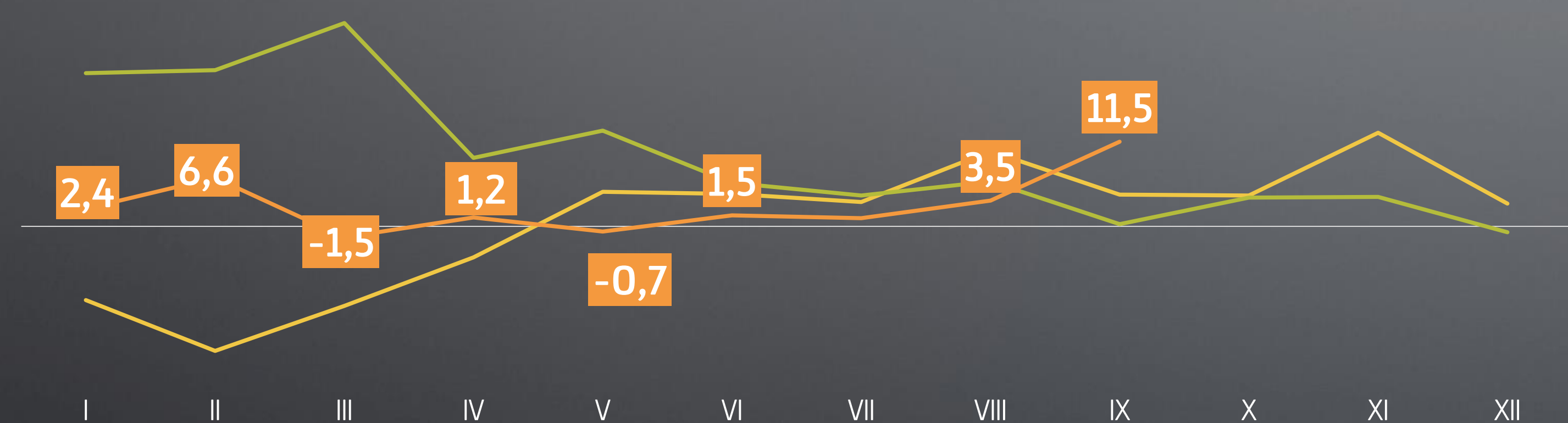
PMI indicator for Poland



In September, the PMI increased to 43.9 points from 43.1 points recorded a month earlier.

Growth in construction and assembly production (% y/y, constant prices)

— 2021 — 2022 — 2023



The value of construction and assembly production increased by 11.5% y/y in September. In the January-September period, the index increased by 2.3% y/y, while the individual segments were as follows: building construction (-8.1% y/y), specialised construction (3.9% y/y), civil engineering construction (10.5% y/y).

Situation of the construction industry – stabilisation and prospects for improvement

Percentage of construction companies considering shortage of materials as a barrier to business (%)



Percentage of construction companies considering material costs as a barrier to business (%)



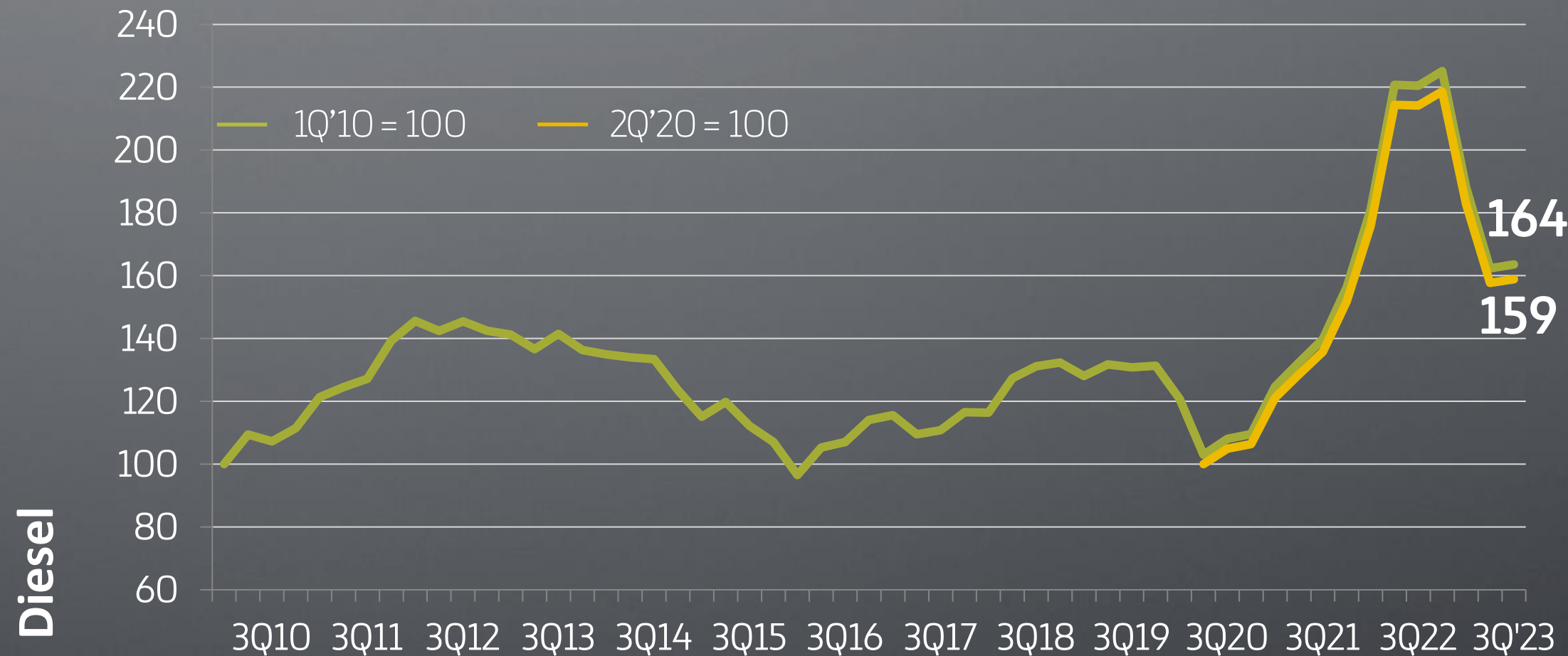
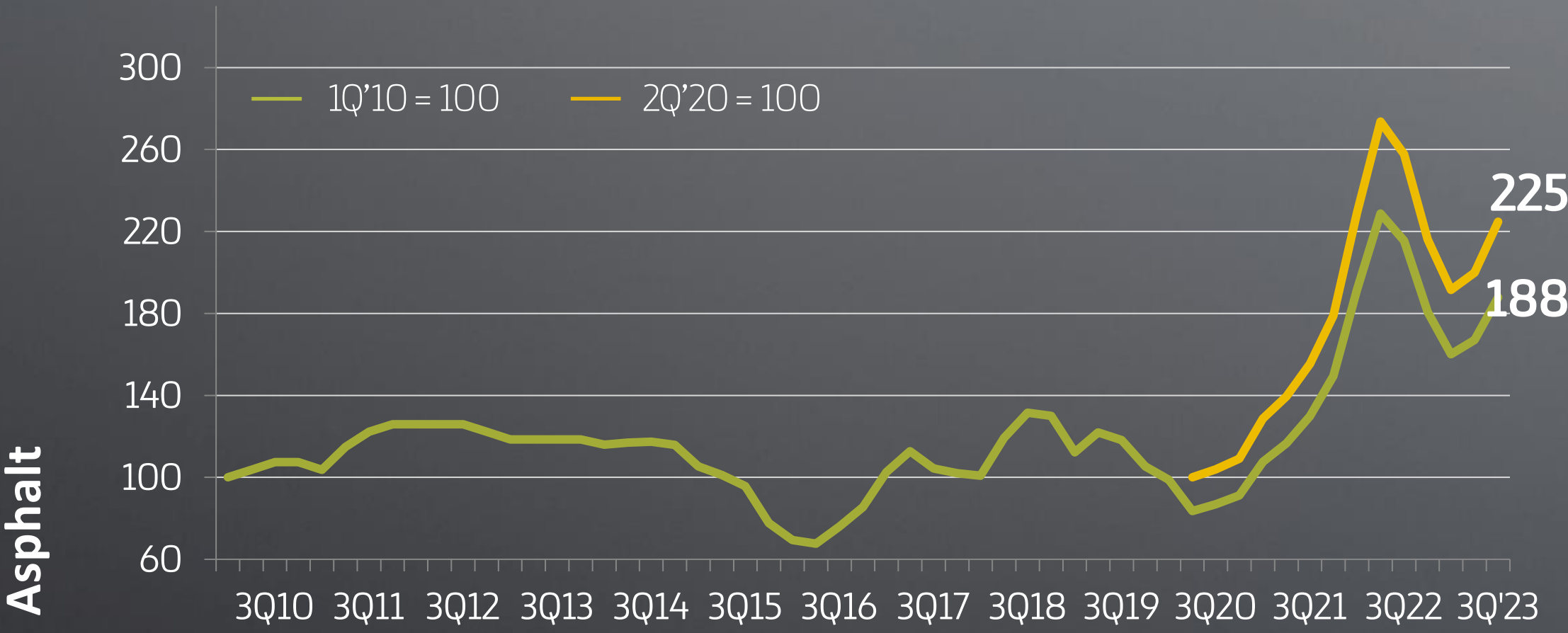
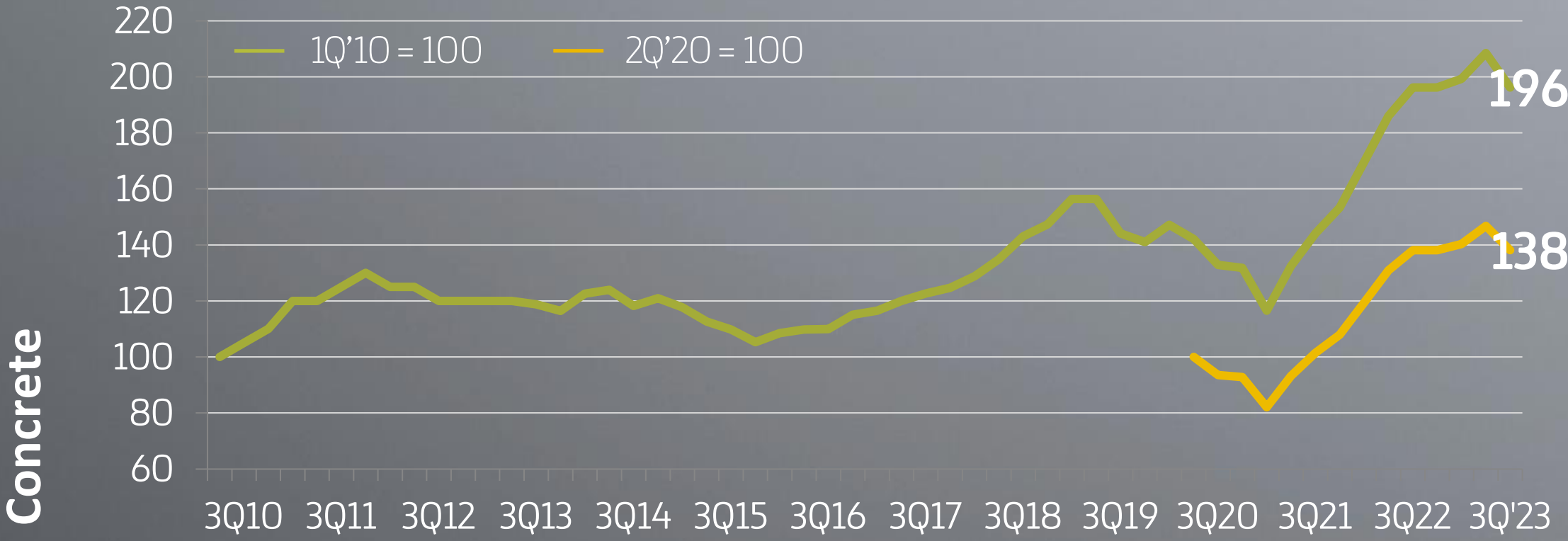
Percentage of construction companies considering labour shortage as a barrier to business (%)



Percentage of construction companies considering employment costs as a barrier to business (%)



Prices of selected raw materials



Data: Budimex (as of September 2023).

Agenda

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Financial results of Budimex Group

Backlog & contracting

FBSerwis & Mostostal Kraków

Market and outlook

CSR & ESG



Budimex Group is not only Budimex SA

budimex

Construction

budimex

budimex
kolejnictwo

budimex
budownictwo

mostostal
kraków

Foreign markets

budimex
Bau

railbx

budimex
Oddział Czechy

budimex
Oddział Słowacja

budimex
Oddział Łotwa

Services

fbserwis

circular
construction

Renewable
energy sources

bxfernergia

magnolia
farma wiatrowa

kamelia
farma fotowoltaiczna

Others

budimex
mobility

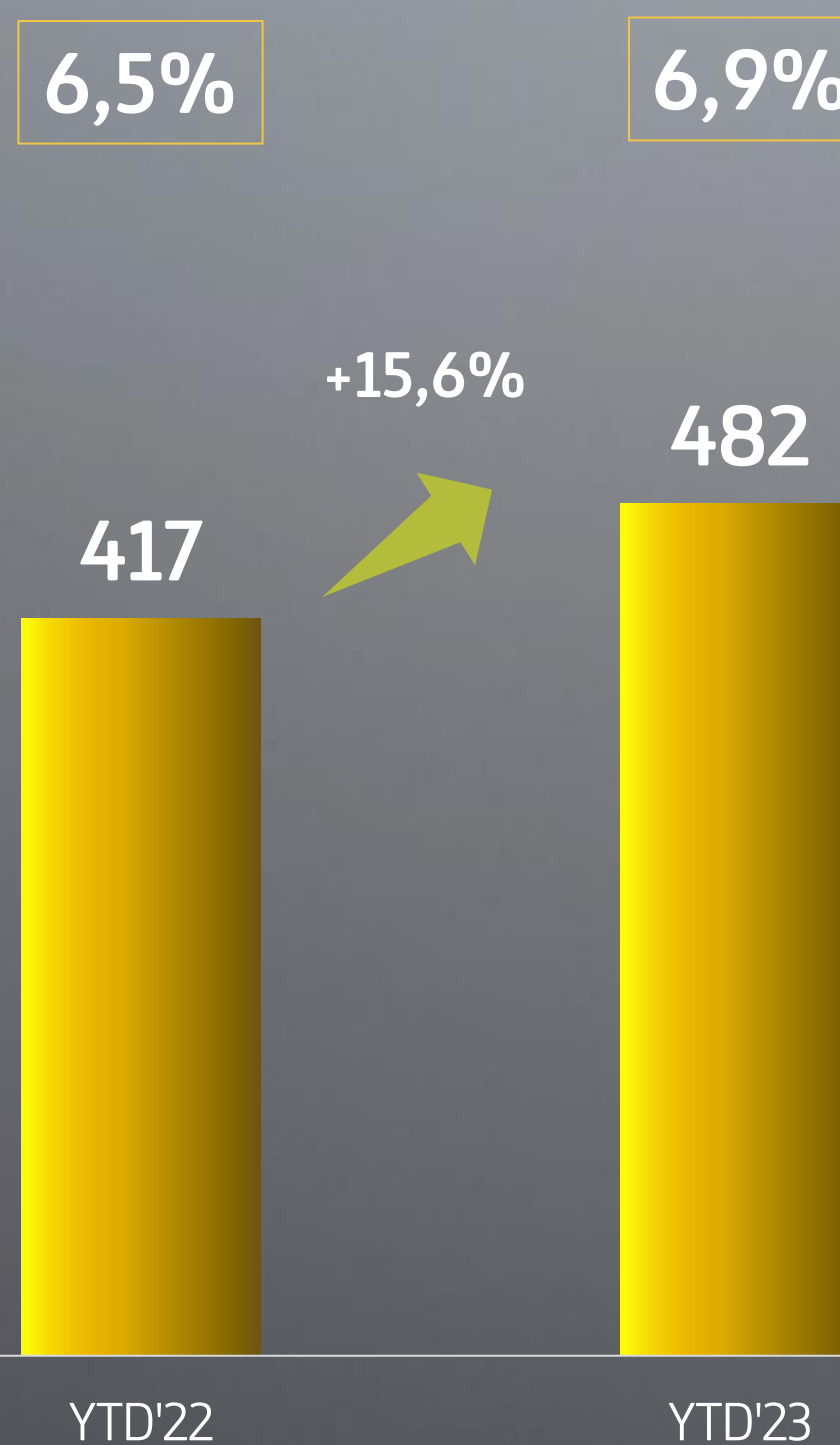
budimex
Parking Wrocław

Results from continuing operations (Q1-Q3)

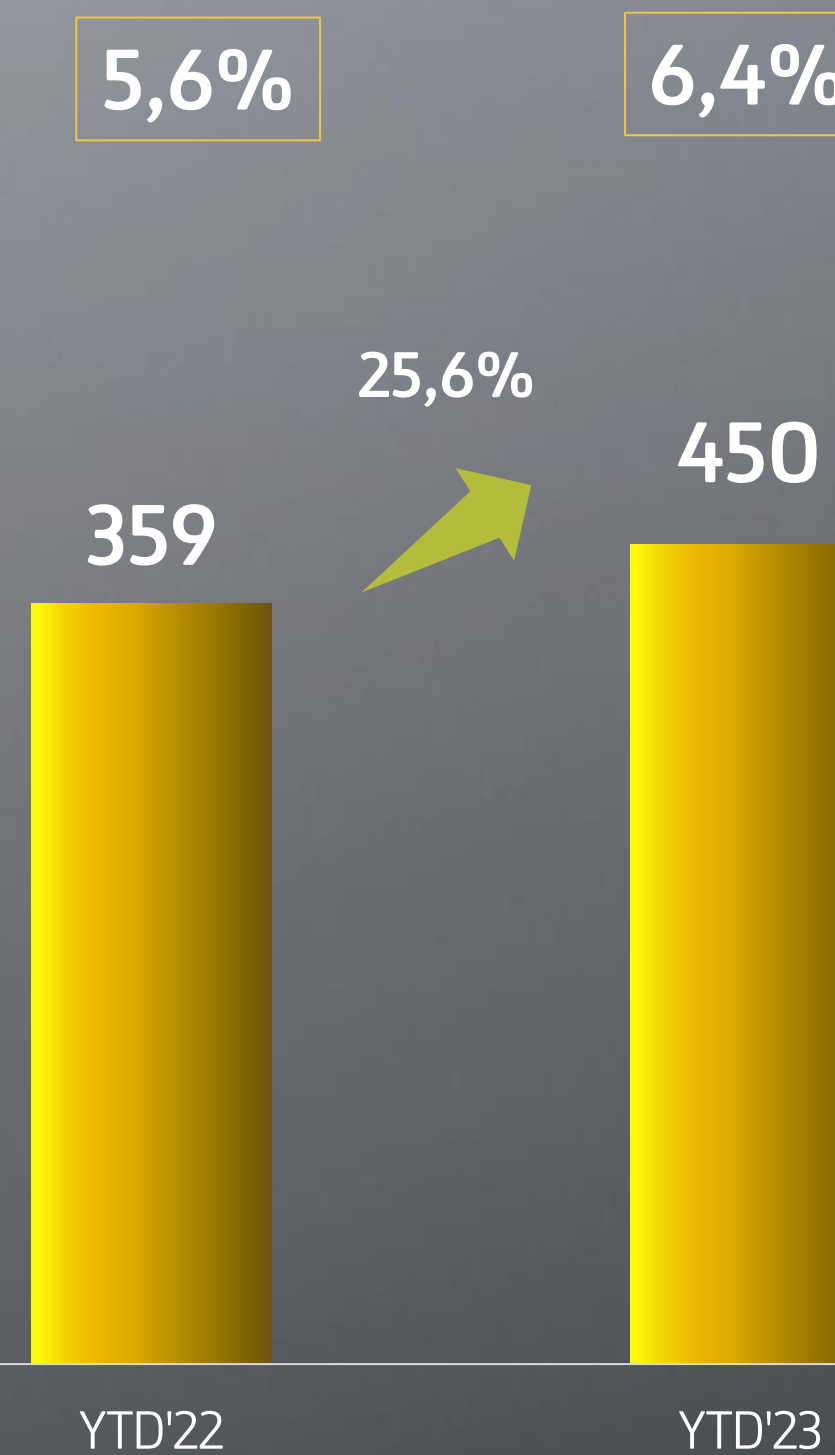
Revenues
(mln PLN)



EBIT
(mln PLN)



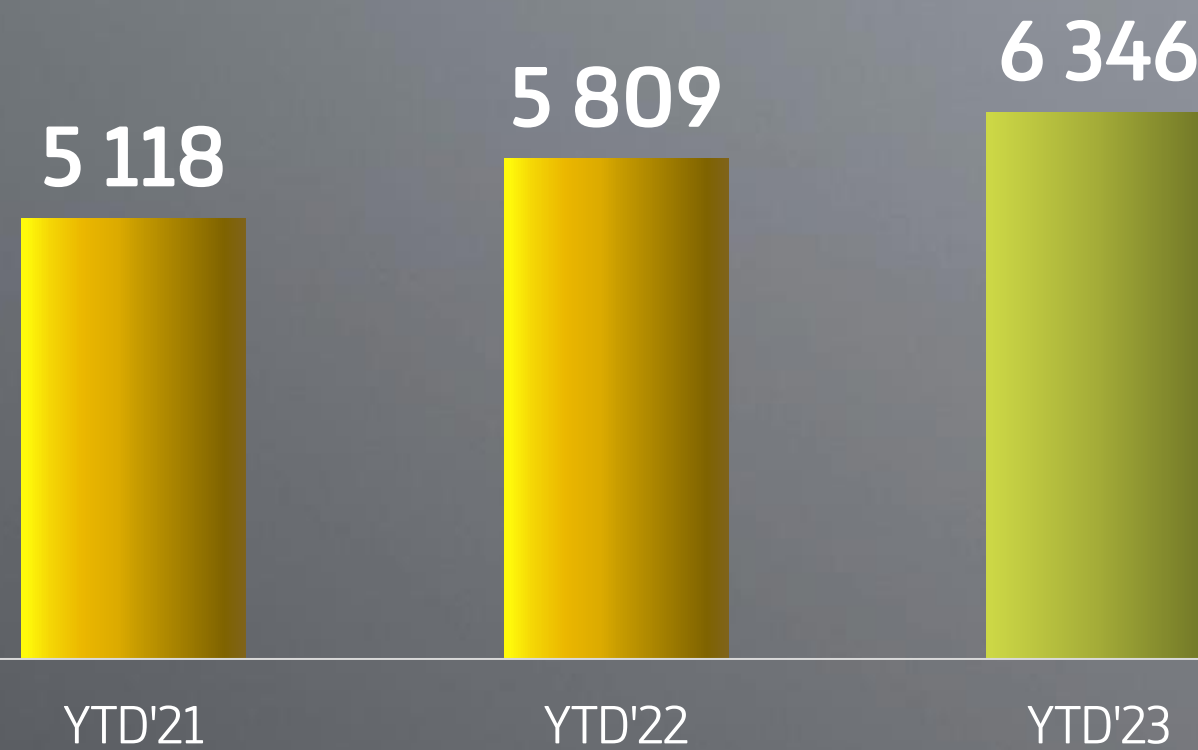
Net profit
(mln PLN)



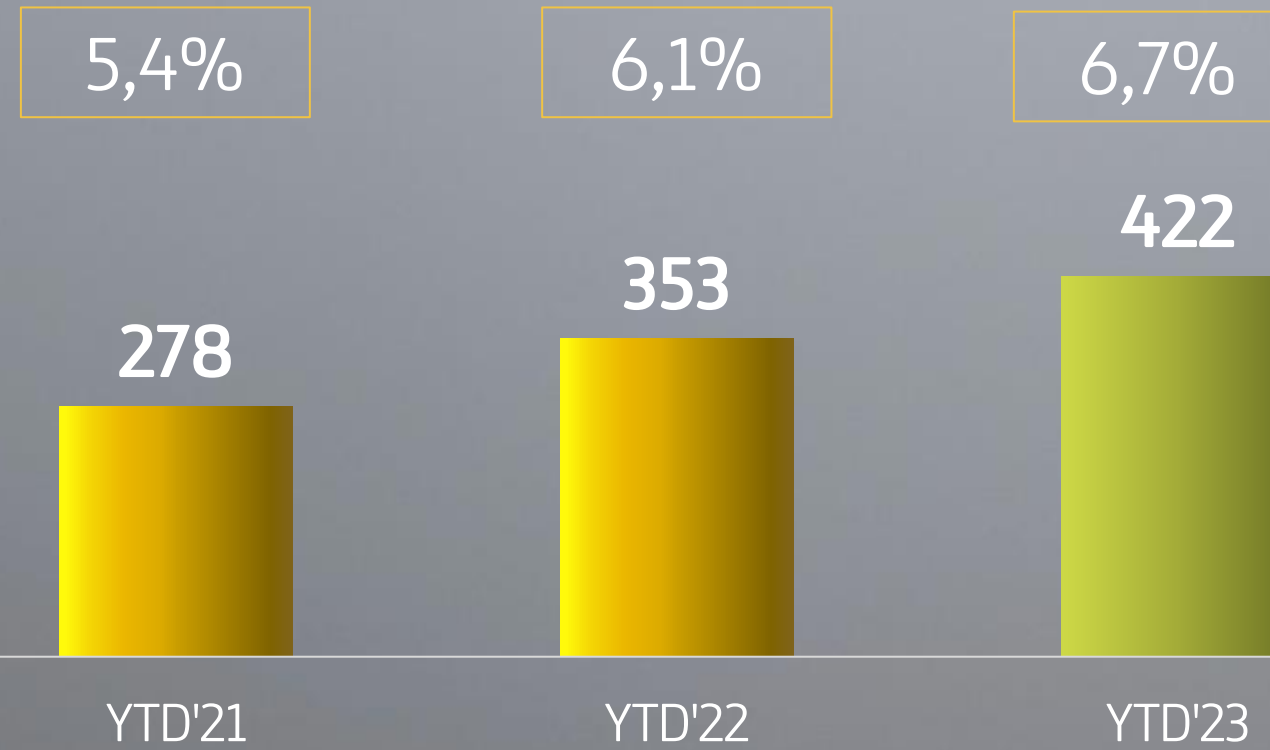
Financial results by segment

Construction

Revenues (mln PLN)



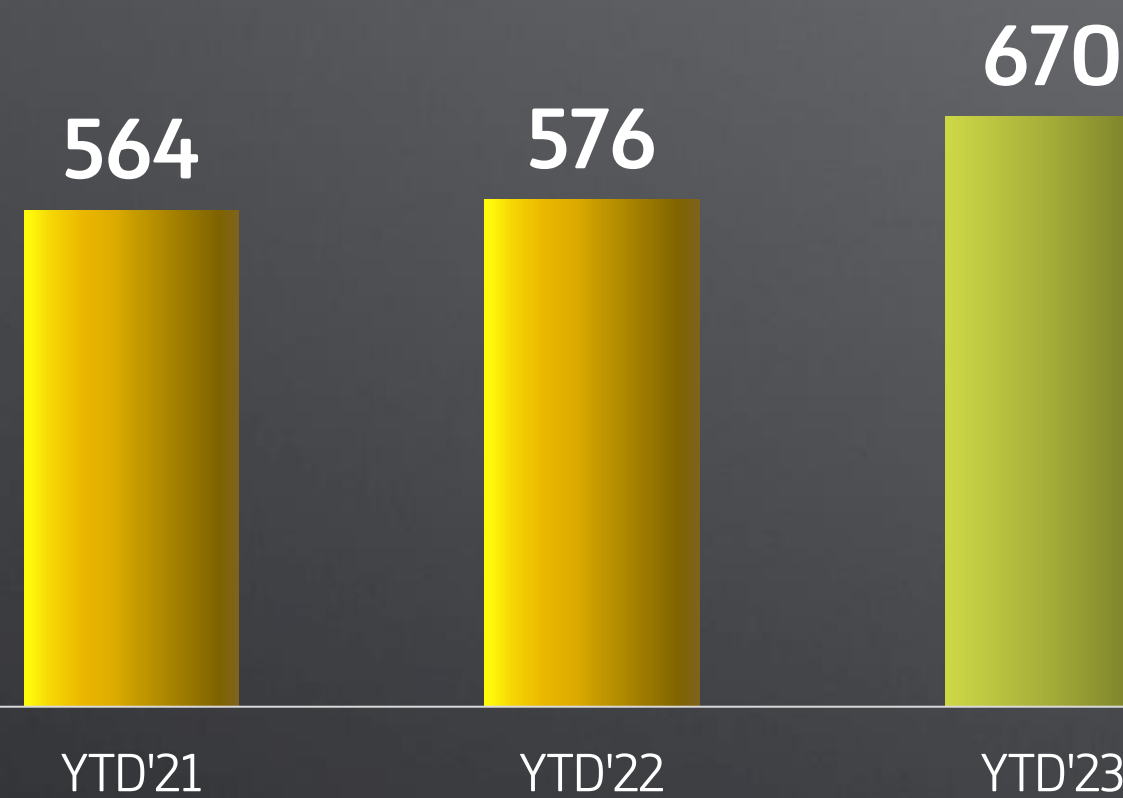
EBIT (mln PLN)



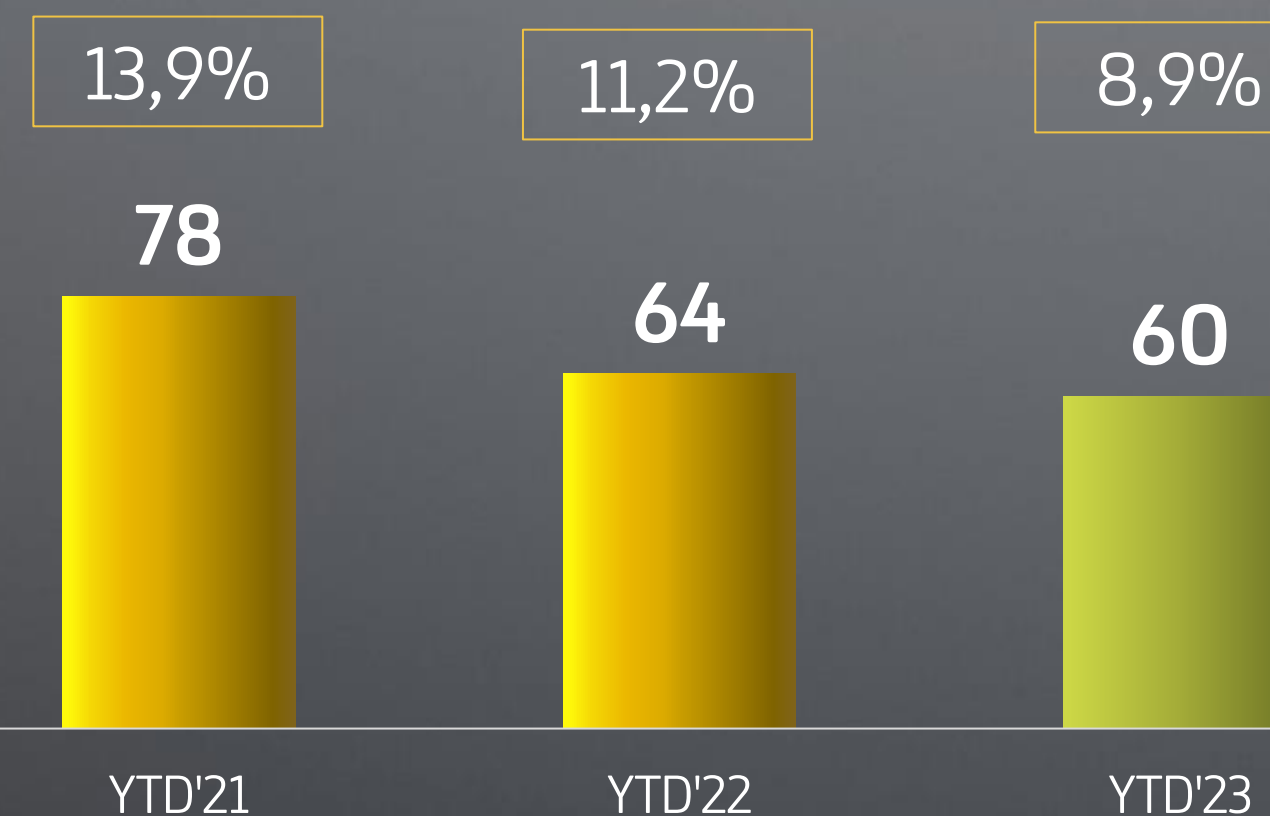
The high level of backlog and its diversification, combined with favourable weather conditions, allowed revenues to increase by more than 9.2%.

Services*

Revenues (mln PLN)



EBIT (mln PLN)



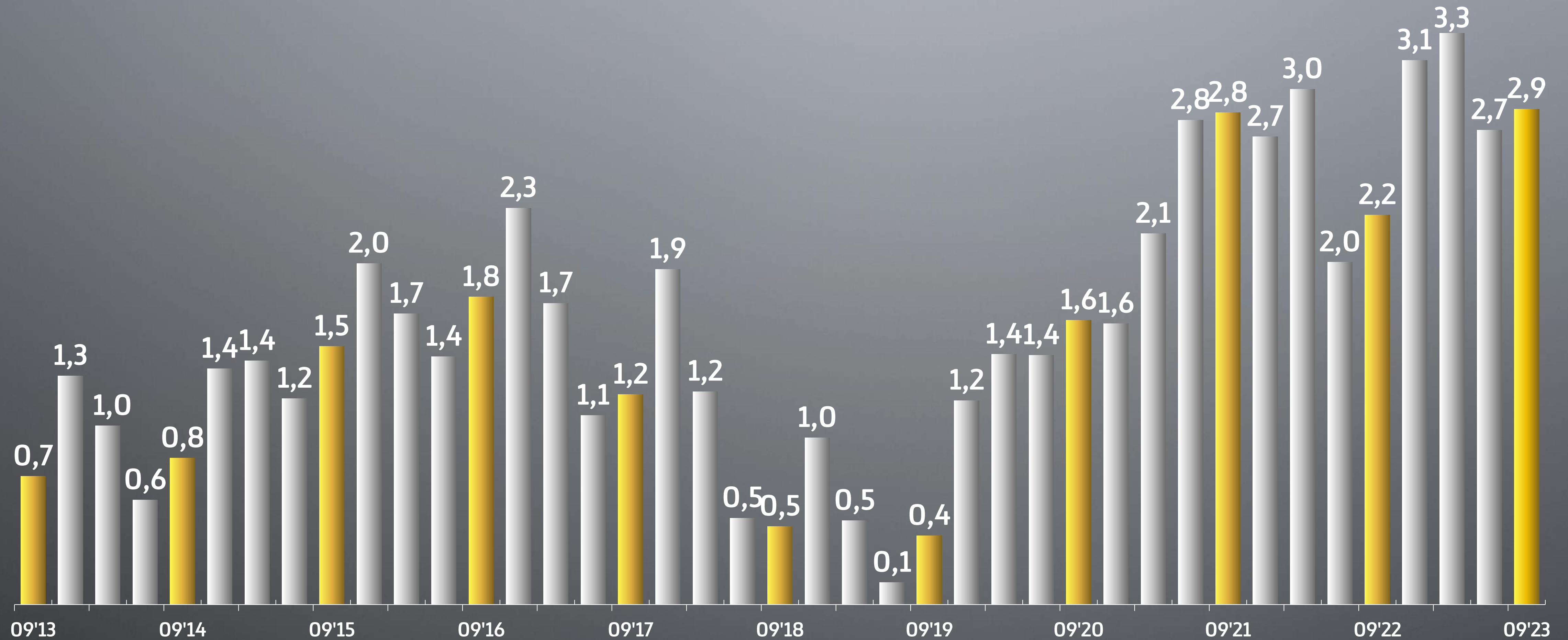
Sales growth was recorded in most of the company's areas of activity in the domestic market. Budimex Group's sales were also supported by the recognition of the first significant revenues from foreign markets.

Services generated sales revenue of PLN 670 million with a profitability of 8.9%.

* Revenues of the services segment also include the activities of companies from the area of RES and Budimex Parking Wrocław

Evolution of the net cash position

Net cash position in Budimex Group (bn PLN)



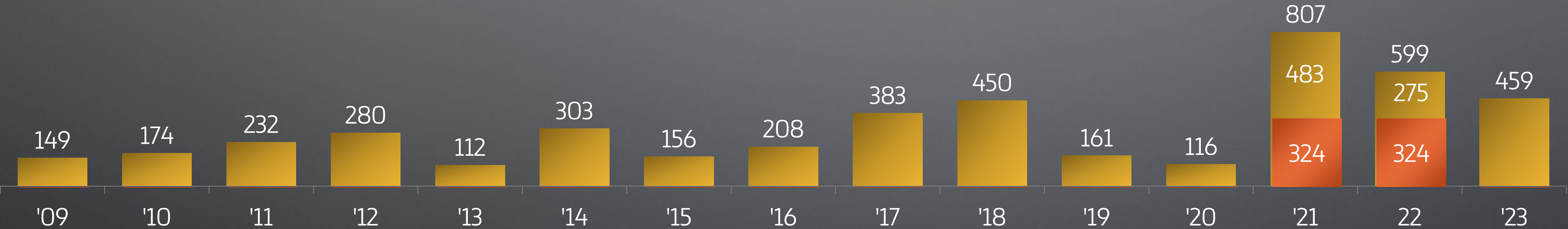
Budimex Group dividend history

Budimex has regularly shared profit with shareholders for 15 years



In 2021, Budimex paid a dividend from the 2020 profit and an advance dividend for 2021, which included the profit from the sale of Budimex Nieruchomości shares.

PLN/share



Total dividend in M PLN

Agenda

Macroeconomics background

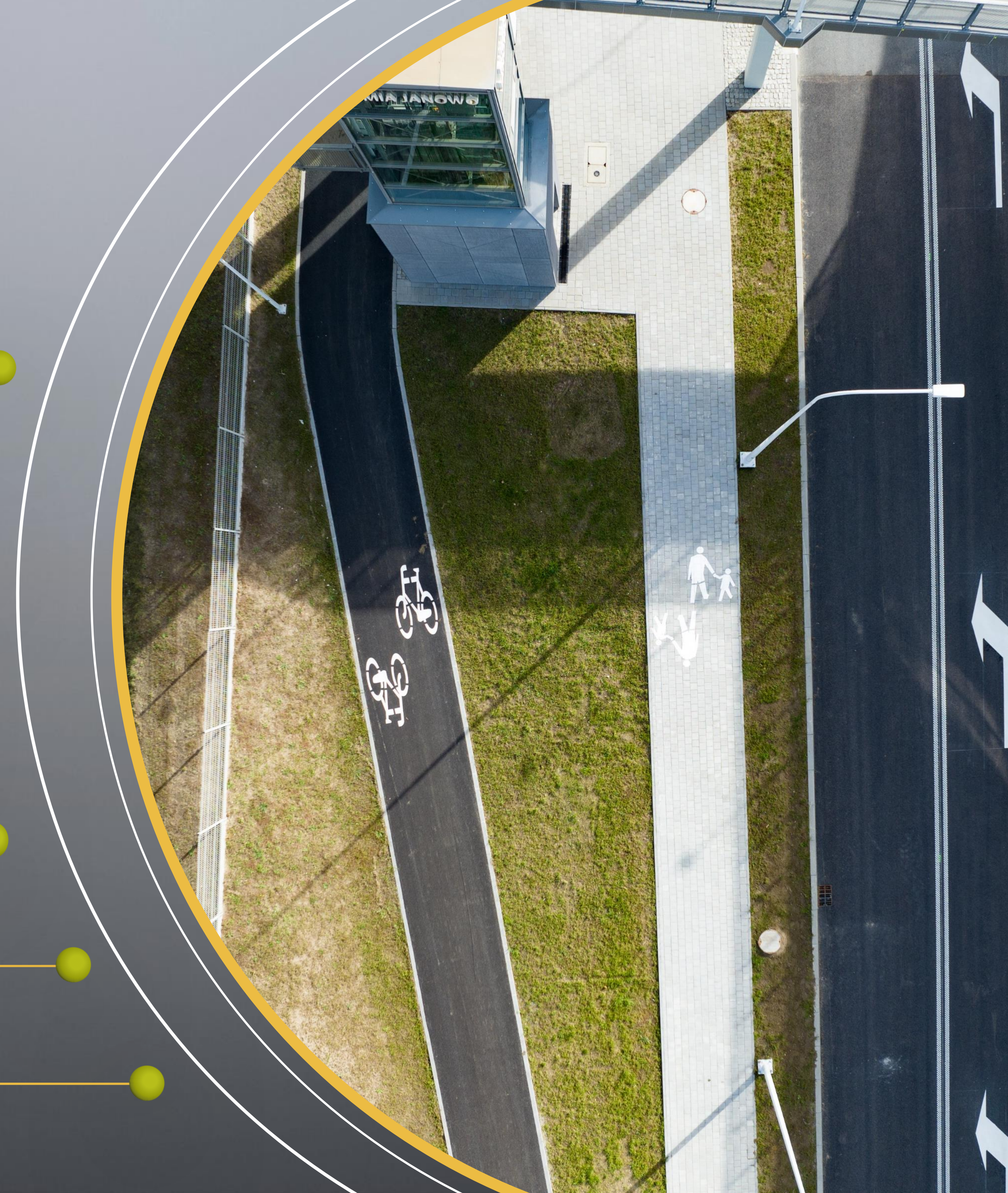
Financial results of Budimex Group

Backlog & contracting

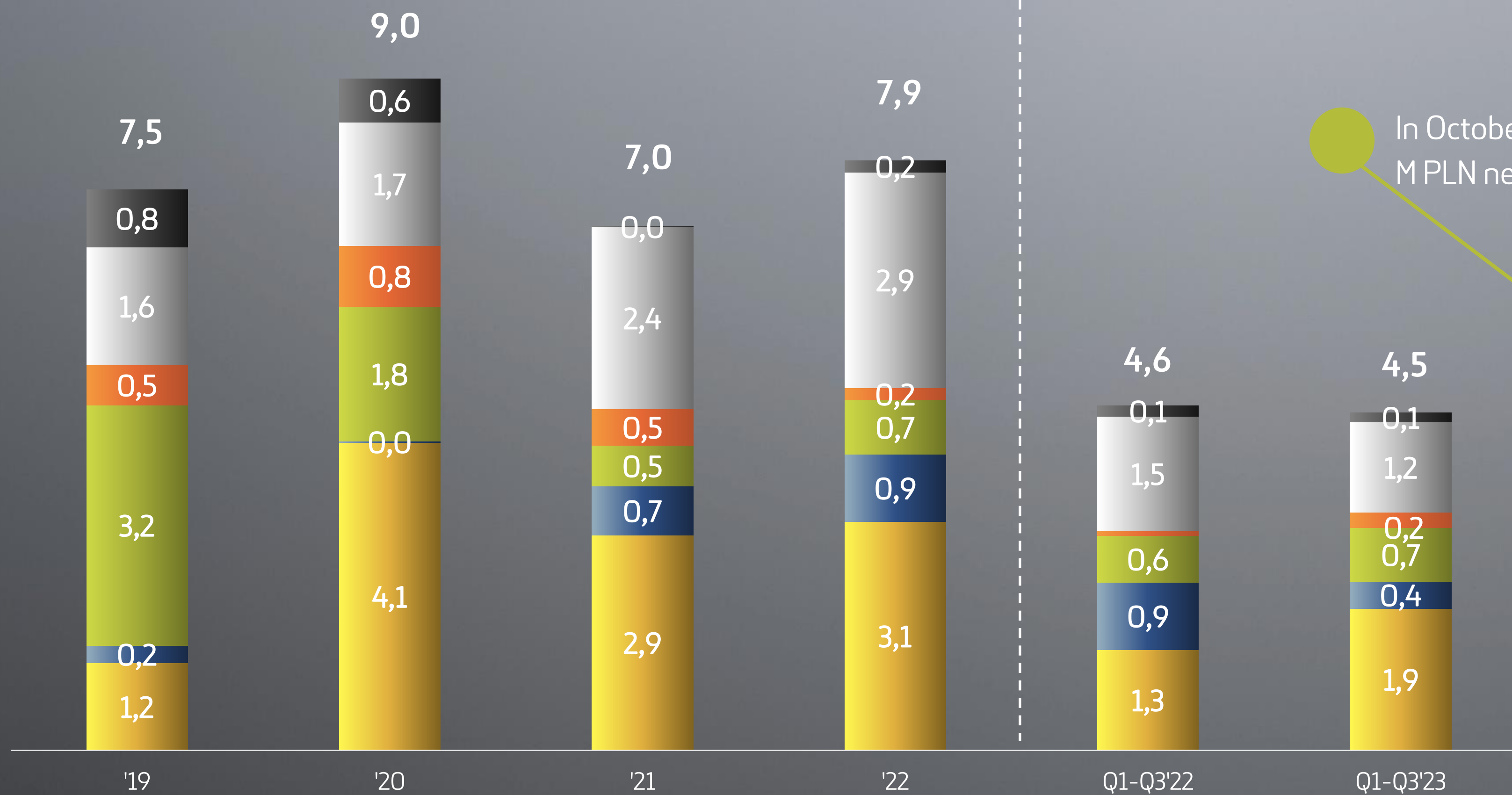
FBSerwis & Mostostal Kraków

Market and outlook

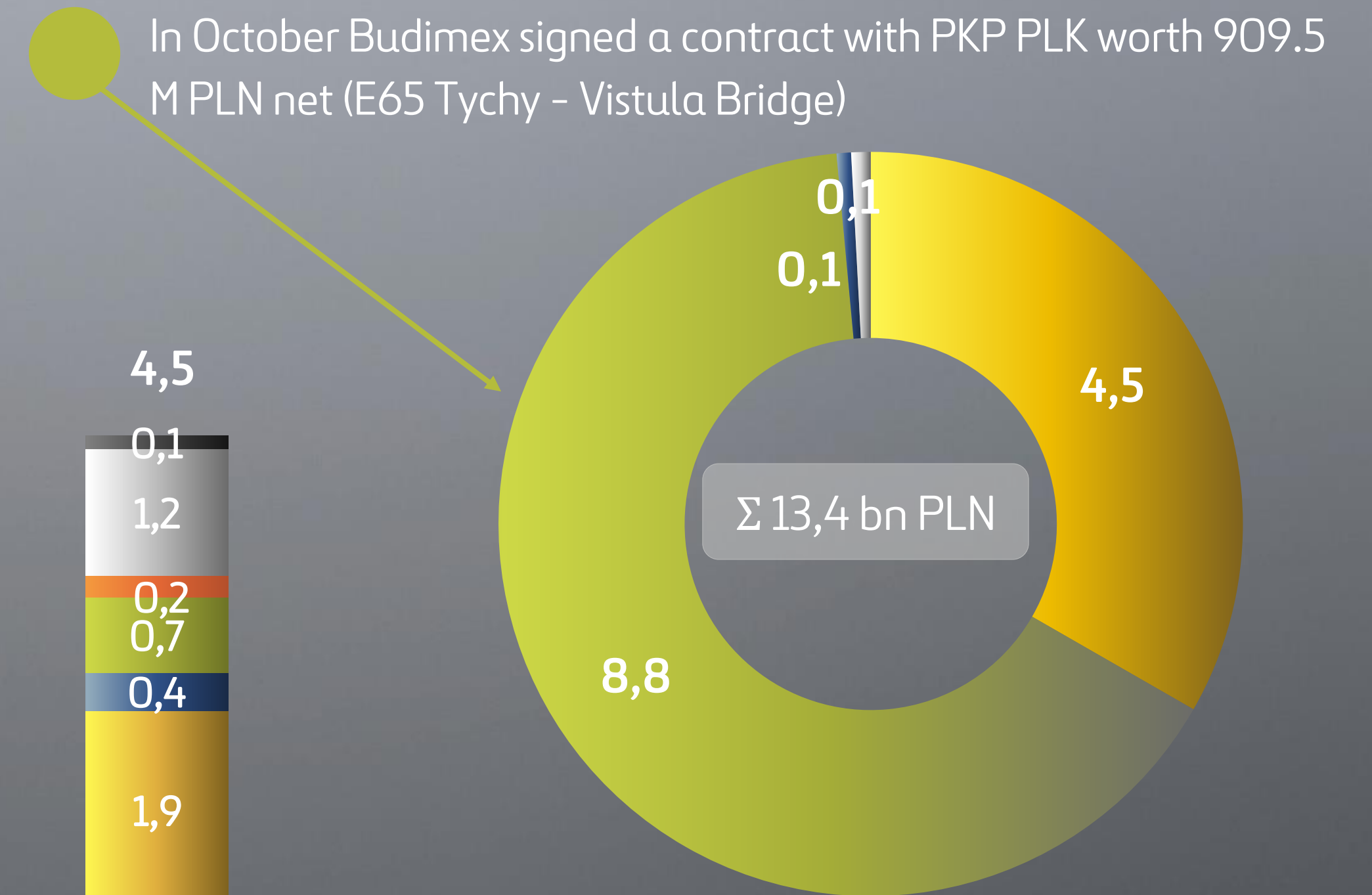
CSR & ESG



Contracts signed (bn PLN)

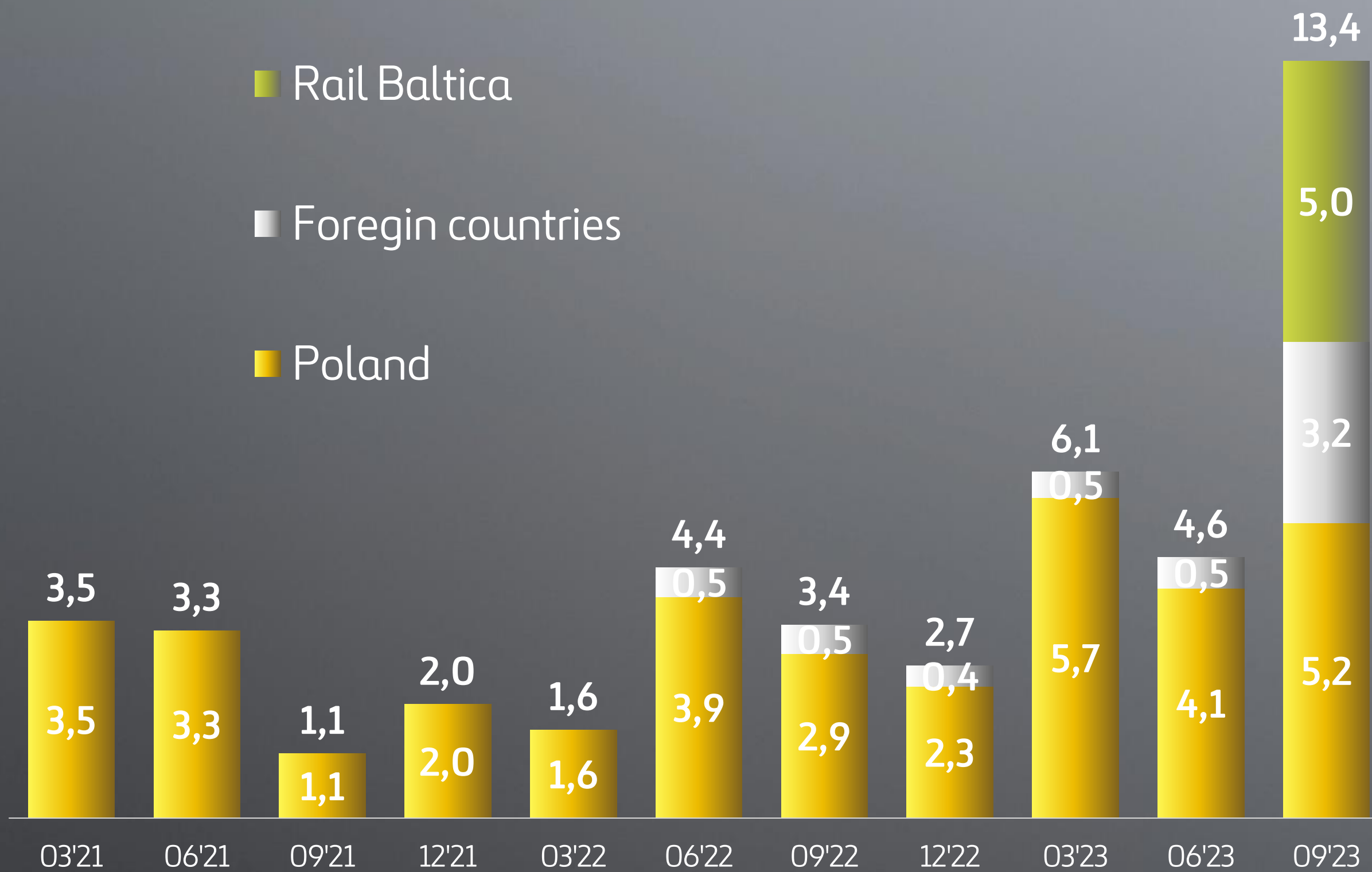


Contracts pending as of 09'23 (bn PLN)

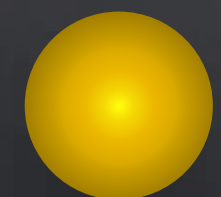
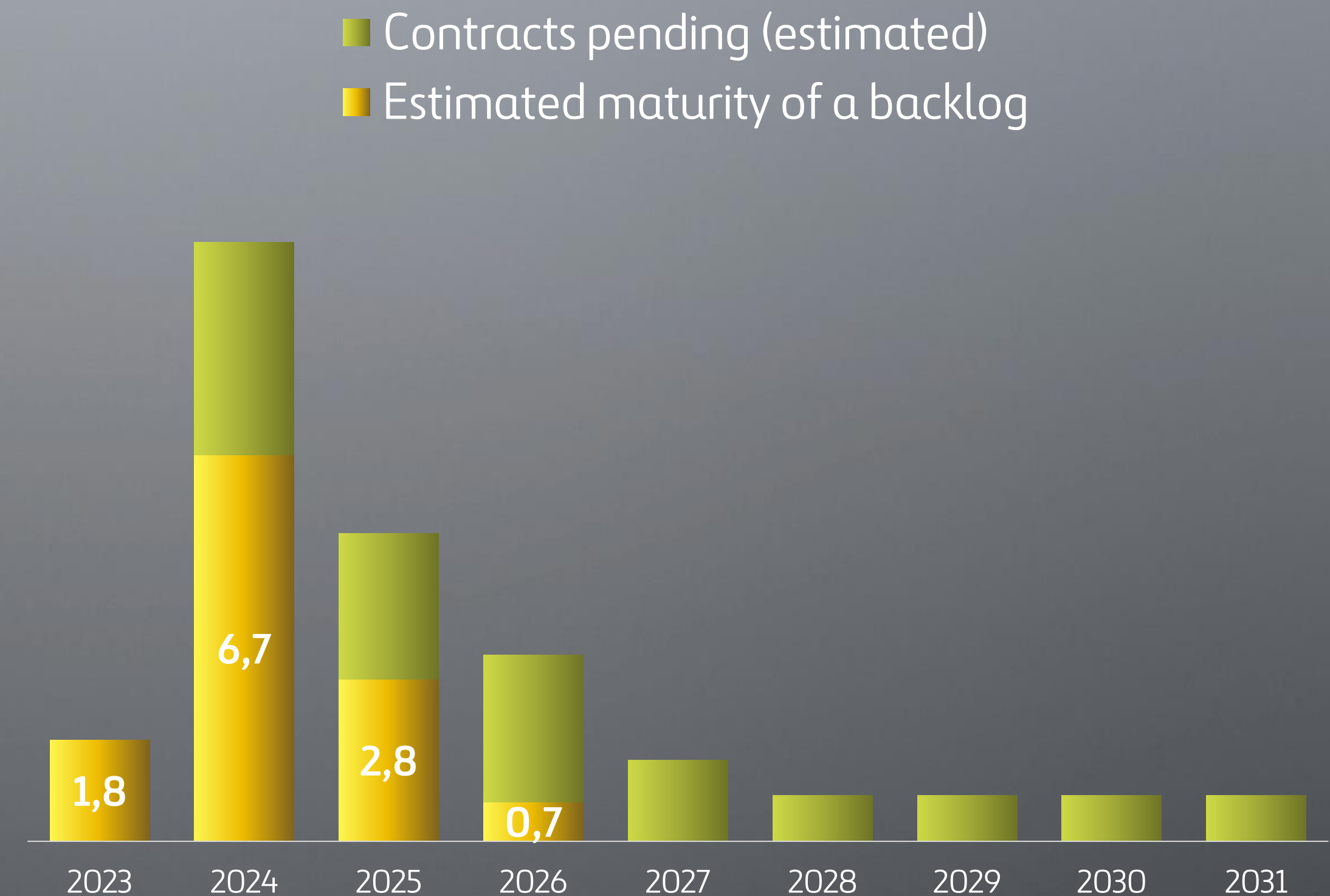


Contracts pending with the greatest potential in years

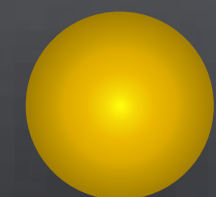
Contracts pending (bn PLN)



Estimated maturity of a backlog including contracts pending (PLN billion)



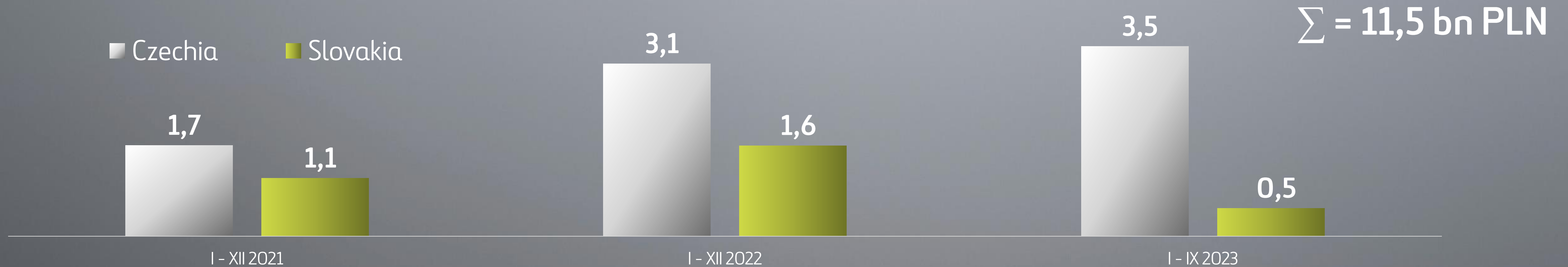
Conversion of domestic pending contracts is around 90-95%.



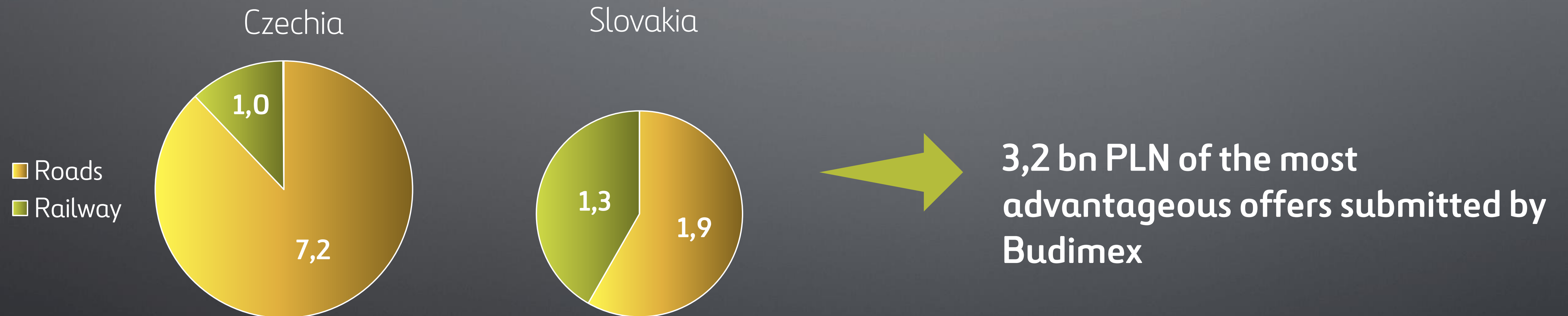
The Rail Baltica contract will be recognised in backlog in stages. The remainder will remain in pending.

Summary of offers submitted on the Czech and Slovak markets

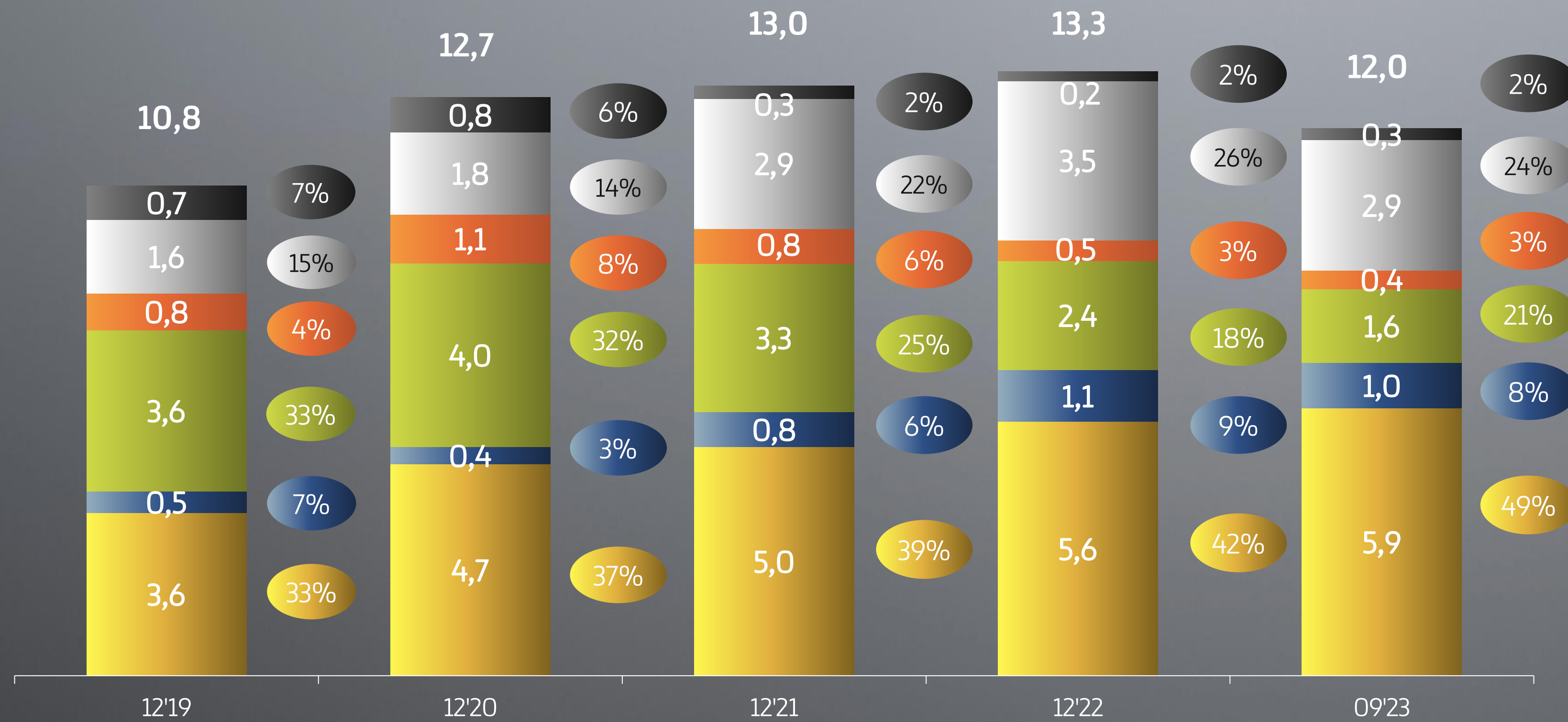
Offers made on the Czech and Slovak markets (bn PLN)



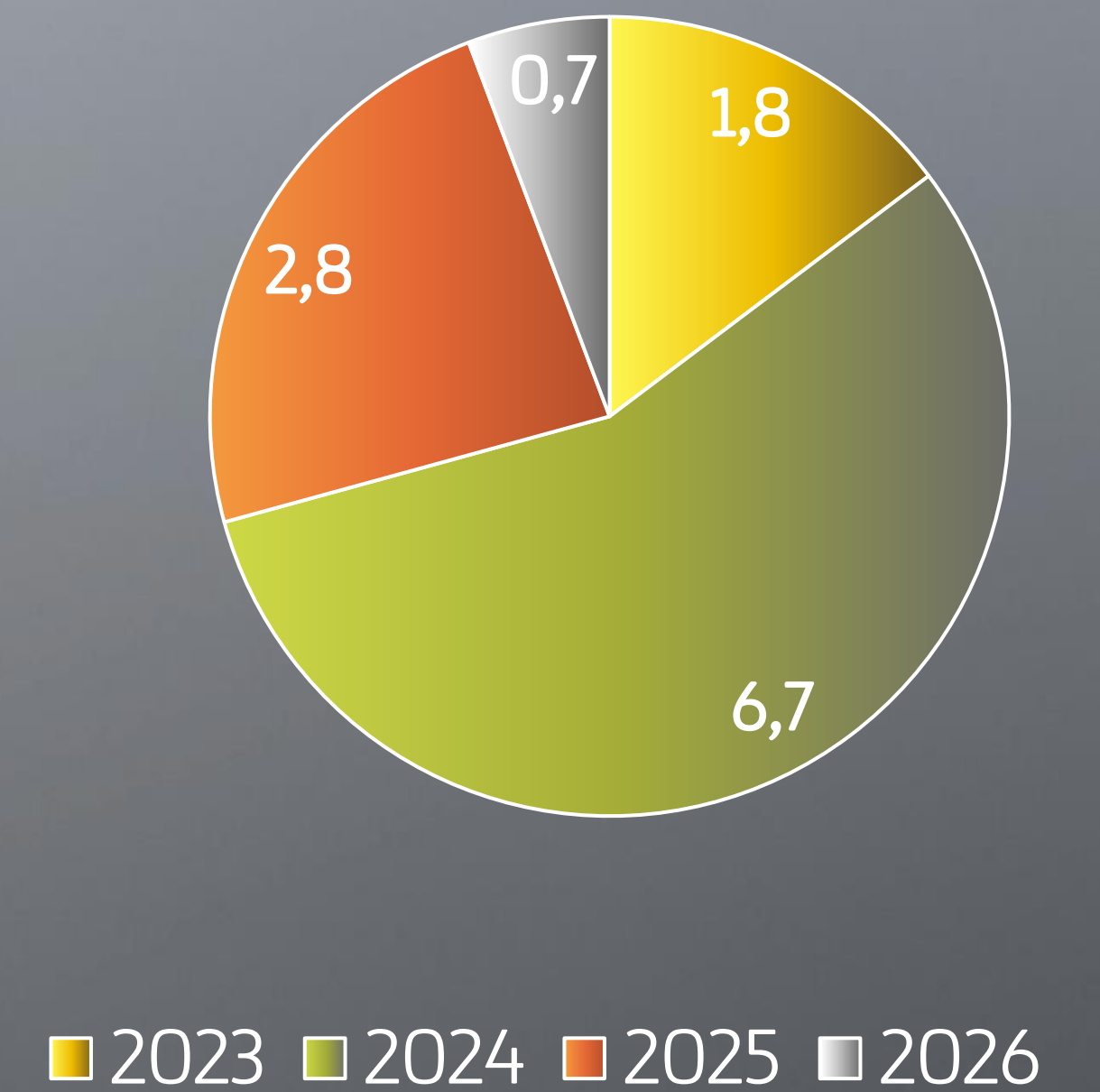
Offers made by division (bn PLN)



Backlog (bn PLN)

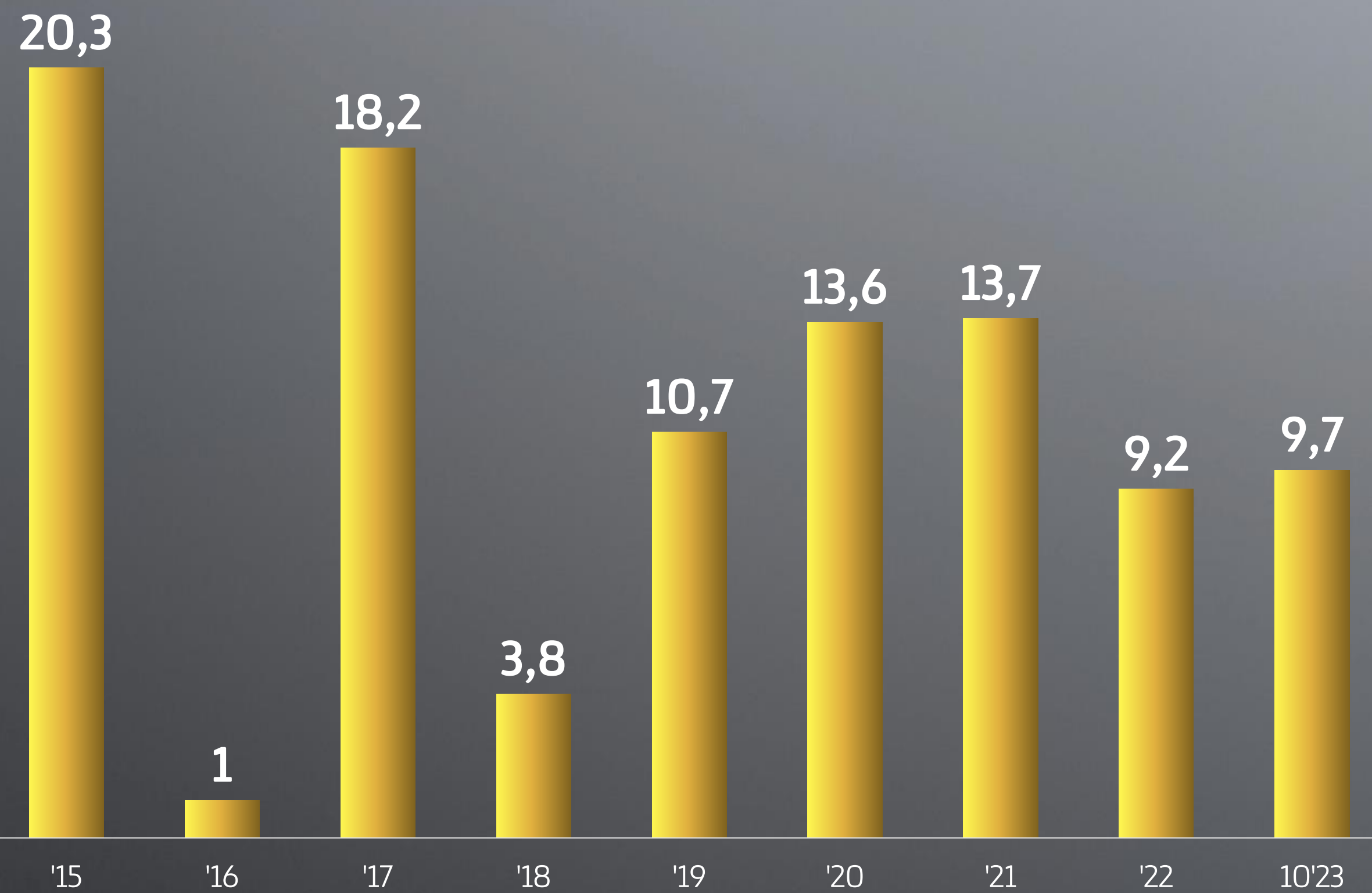


Backlog maturity (bn PLN)



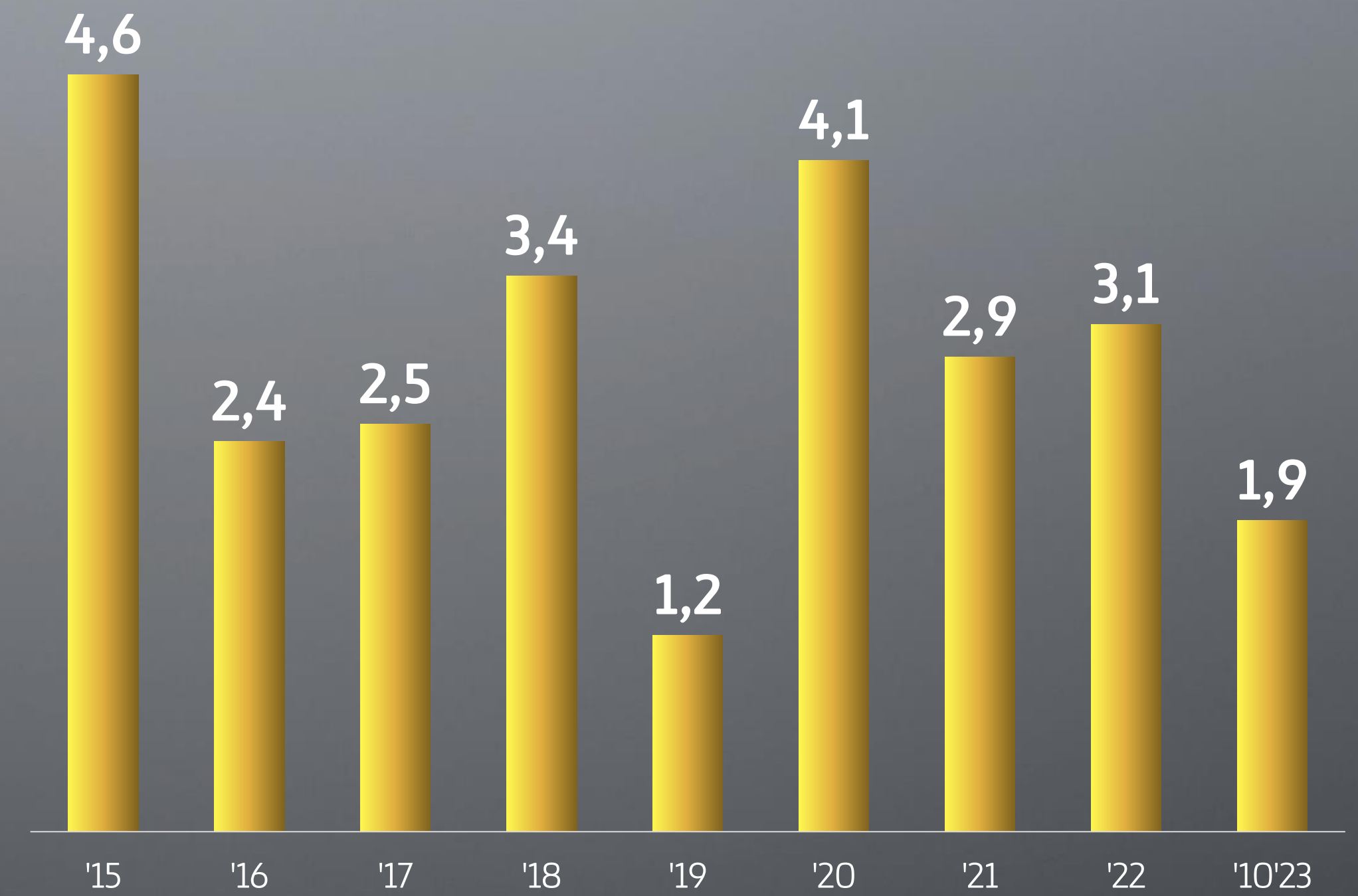
Road market

Value of the lowest offers on the domestic road market (billion PLN)



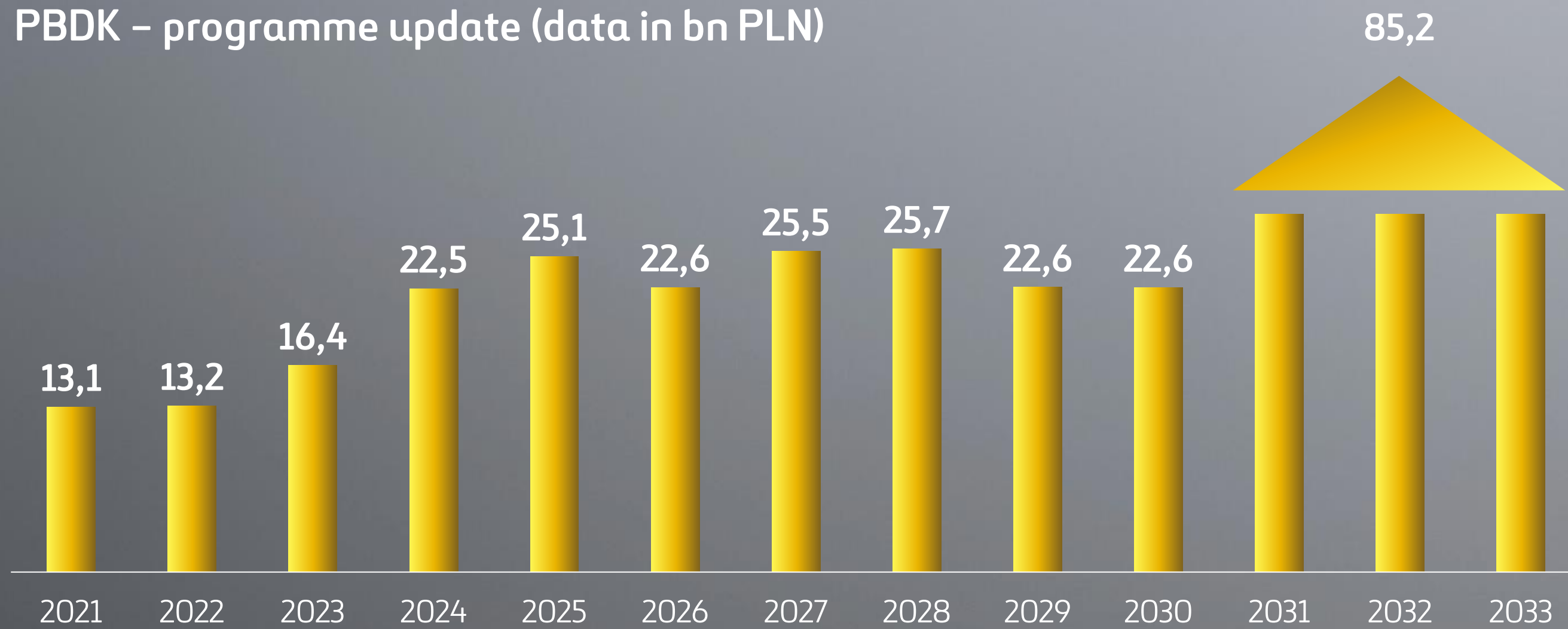
Budimex contracting - road segment* (PLN billion)

In addition, 4,5 billion PLN of contracts pending



Investment programmes – infrastructure

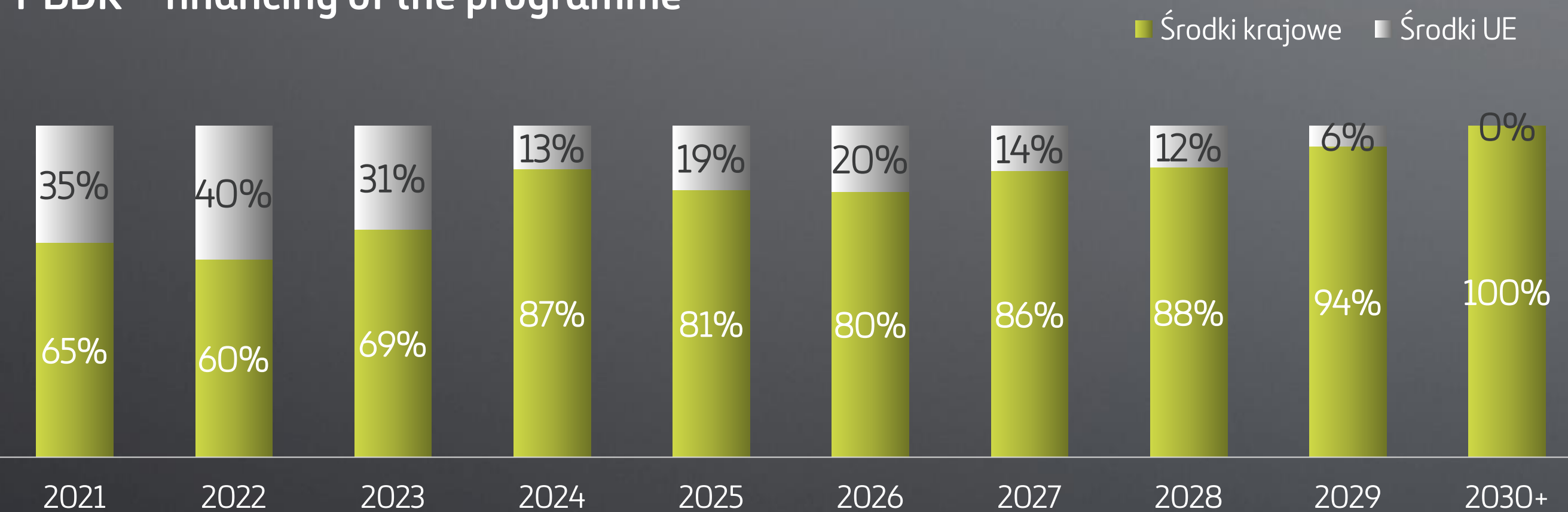
PBDK – programme update (data in bn PLN)



Main features of the updated PBDK:

- The largest road programme in history
- Total value of investments amounts to 294.4 billion PLN
- Implementation of investments of over 6,100 km.
- Implementation of 2,500 km of new roads
- In 2023, planned announcement of tenders with a length of 480 km

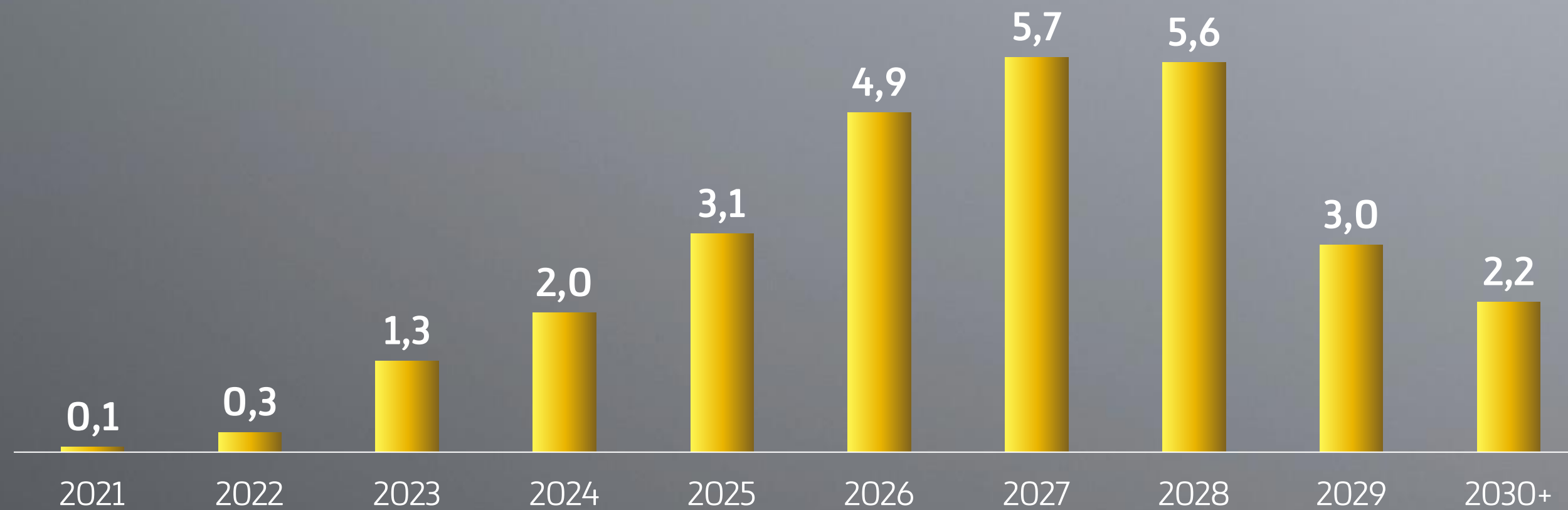
PBDK – financing of the programme



The main source of funding for the investments included in the PBDK is the National Road Programme, which is fed among other things with EU funds.

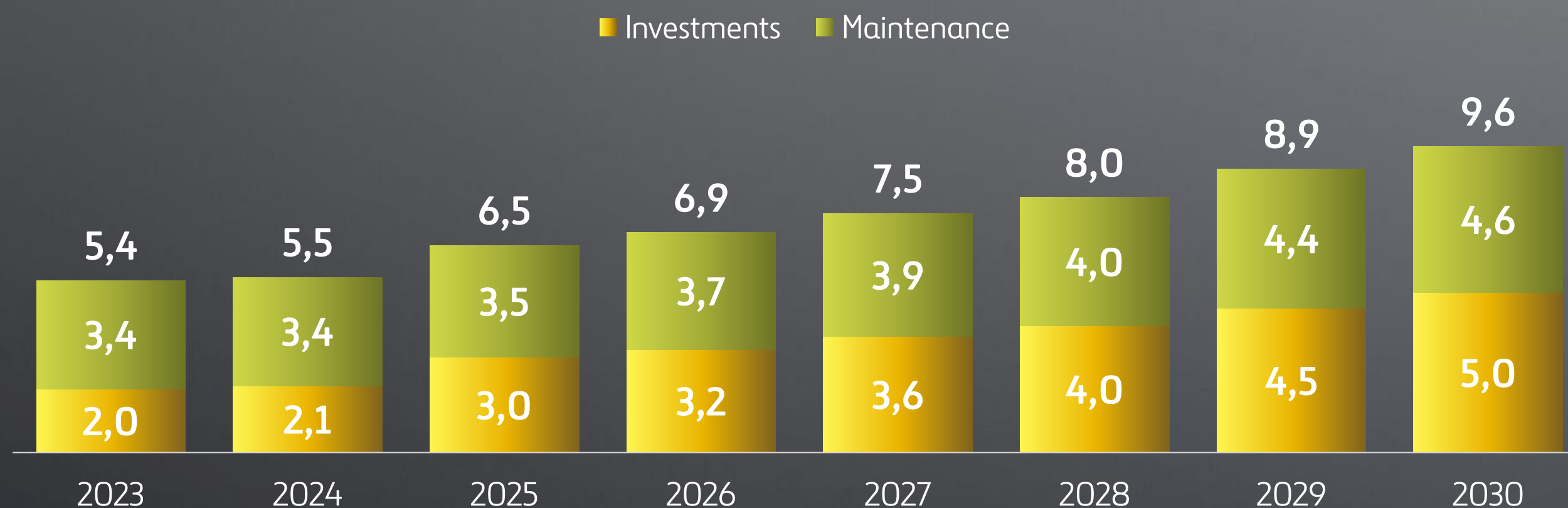
Investment programmes – infrastructure

100 bypasses programme (data in bn PLN)



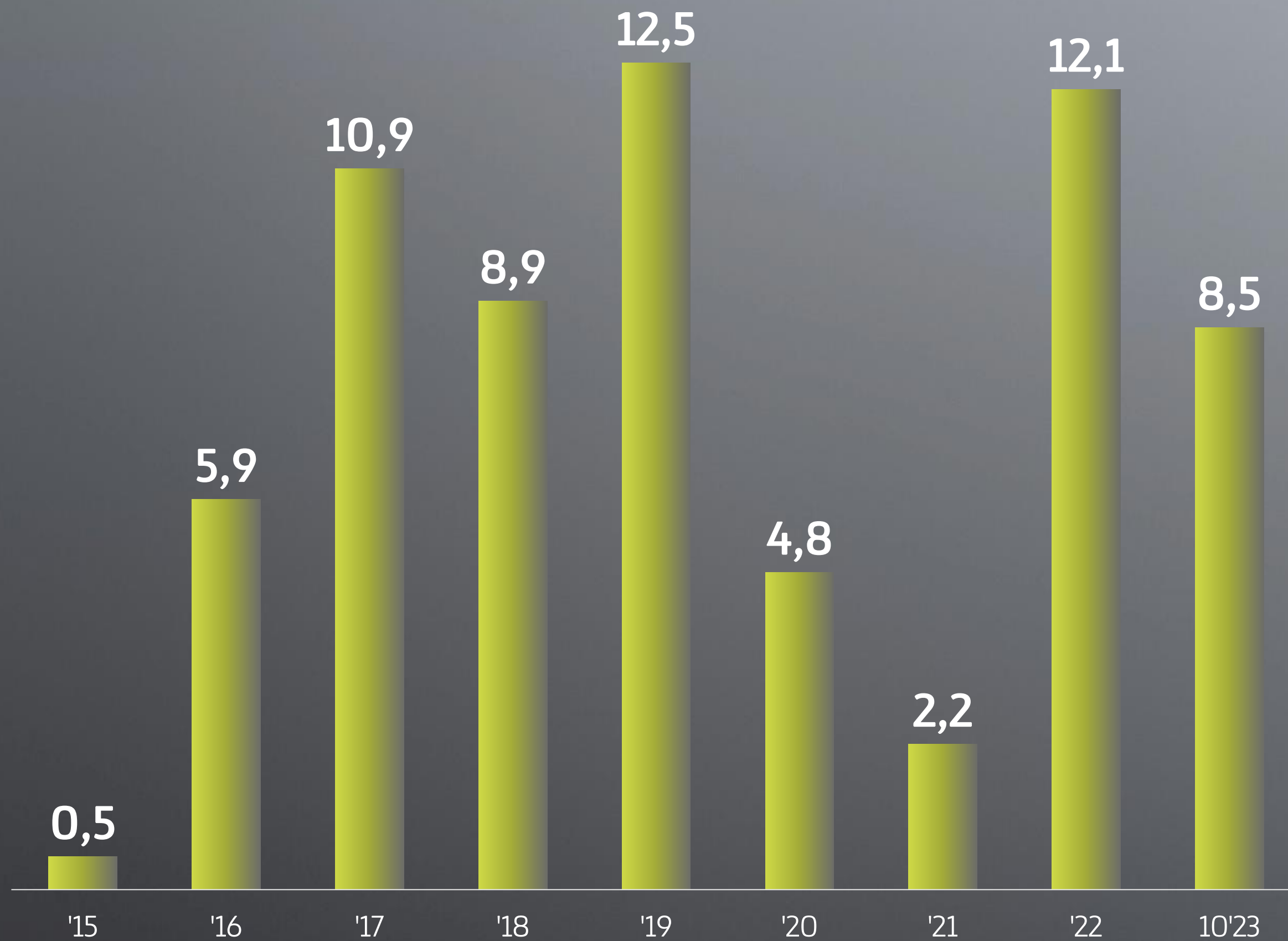
The cost of implementing the Programme for the Construction of 100 bypasses has been estimated at PLN 28 billion. Funding will be provided by the National Road Fund.

Programme for Strengthening the National Road Network



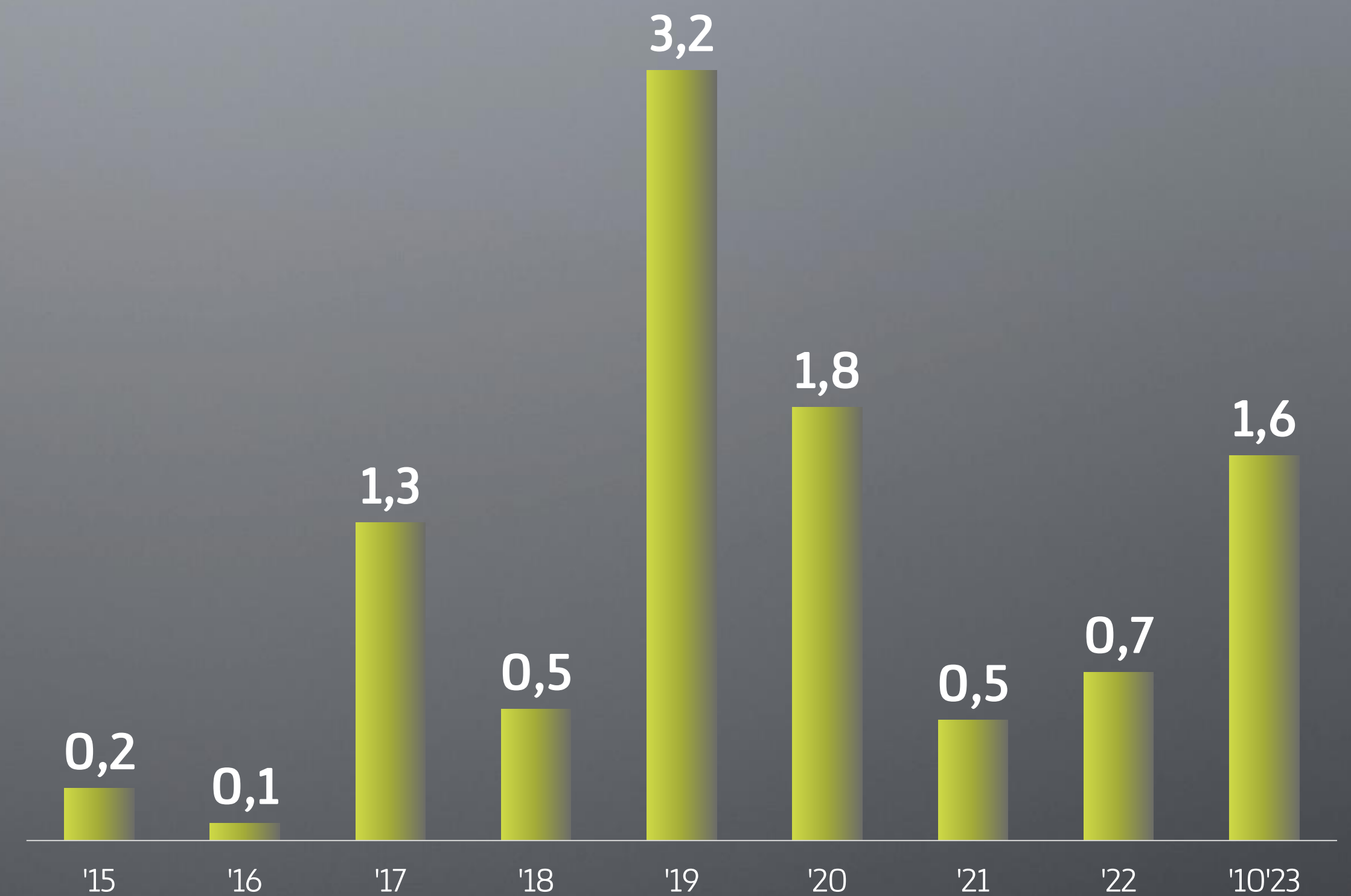
The main source of funding for the Programme will be the state budget (funds from excise duty on motor fuels). It is allowed to apply for funds from the EU budget in the case of tasks of an investment nature. The KFD is to play an auxiliary role in financing. The necessary amount for implementation is **58.3 billion PLN**.

Value of the lowest offers on the domestic rail market (PLN billion)



Budimex contracting - railway (PLN billion)

Additionally, 8,8 bilion PLN of contracts pending

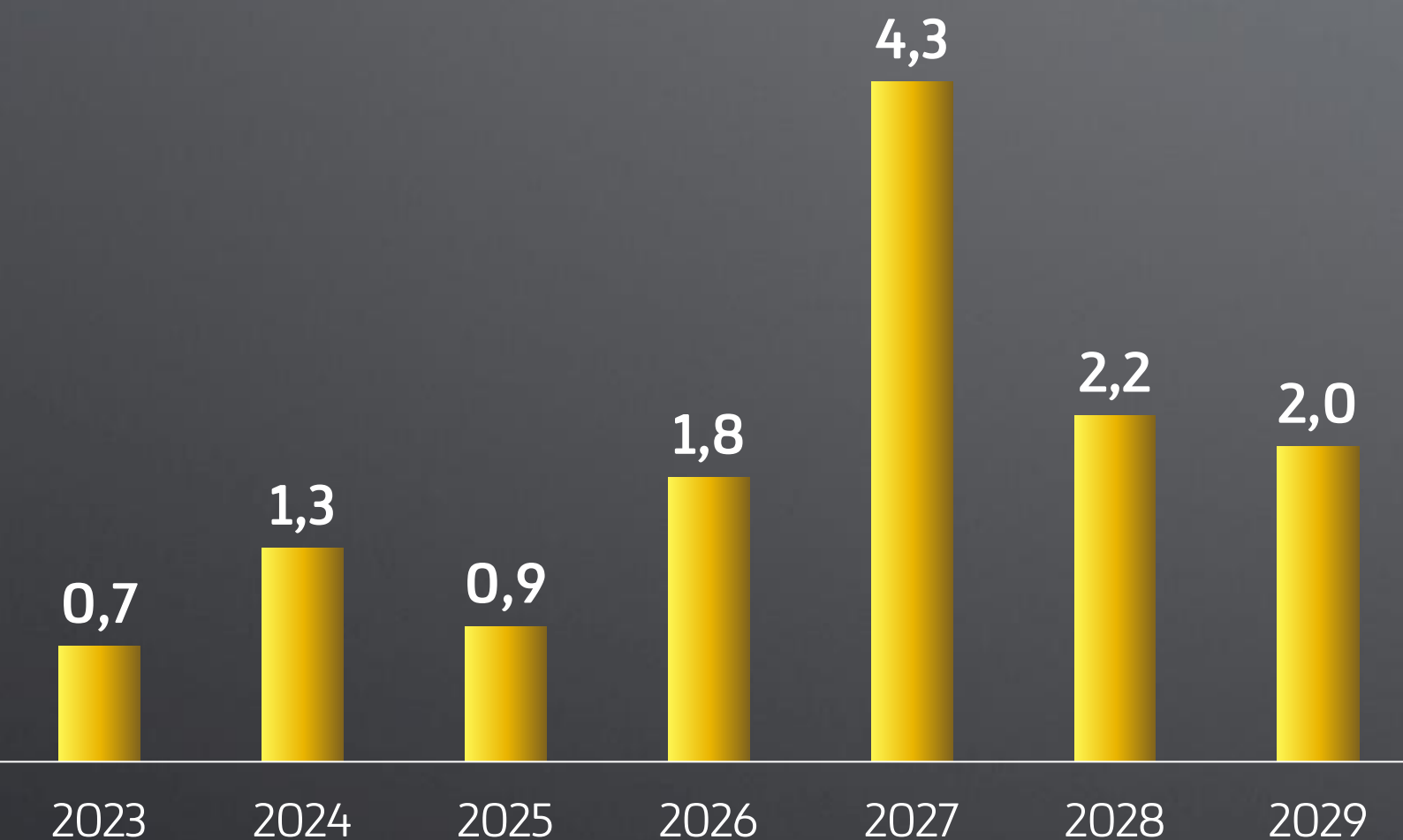


National investment programmes – rail

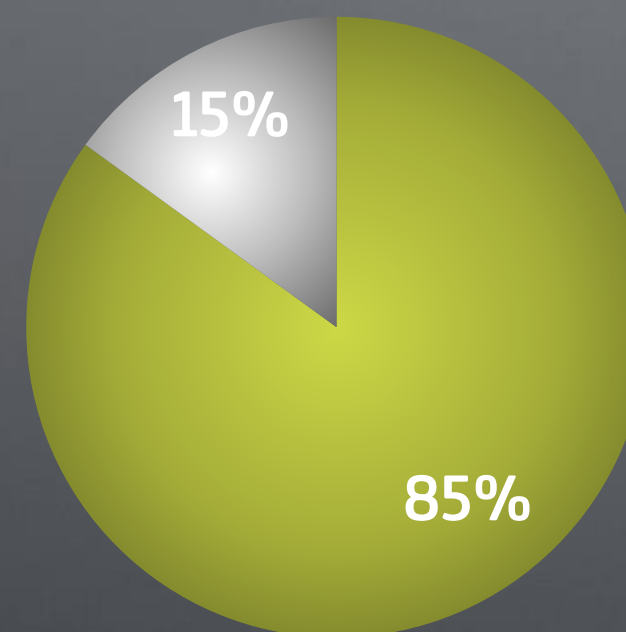
National Railway Programme – planned outlays of PLK SA



Rail+ programme (data in bn PLN)



● UE funds ● National funds



Update of the National Railway Programme (NCP) forecasts expenditure of PLN 80 billion.

The Rail + programme, detailed until 2029, confirms the dependence of rail investment on EU funds

The target funding sources are the Cohesion Fund, the CEF programme and the National Enlosure Plan (NEP). The planned PLN 11 billion for projects from the NEP is to be transferred to the NRP.

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Backlog & contracting

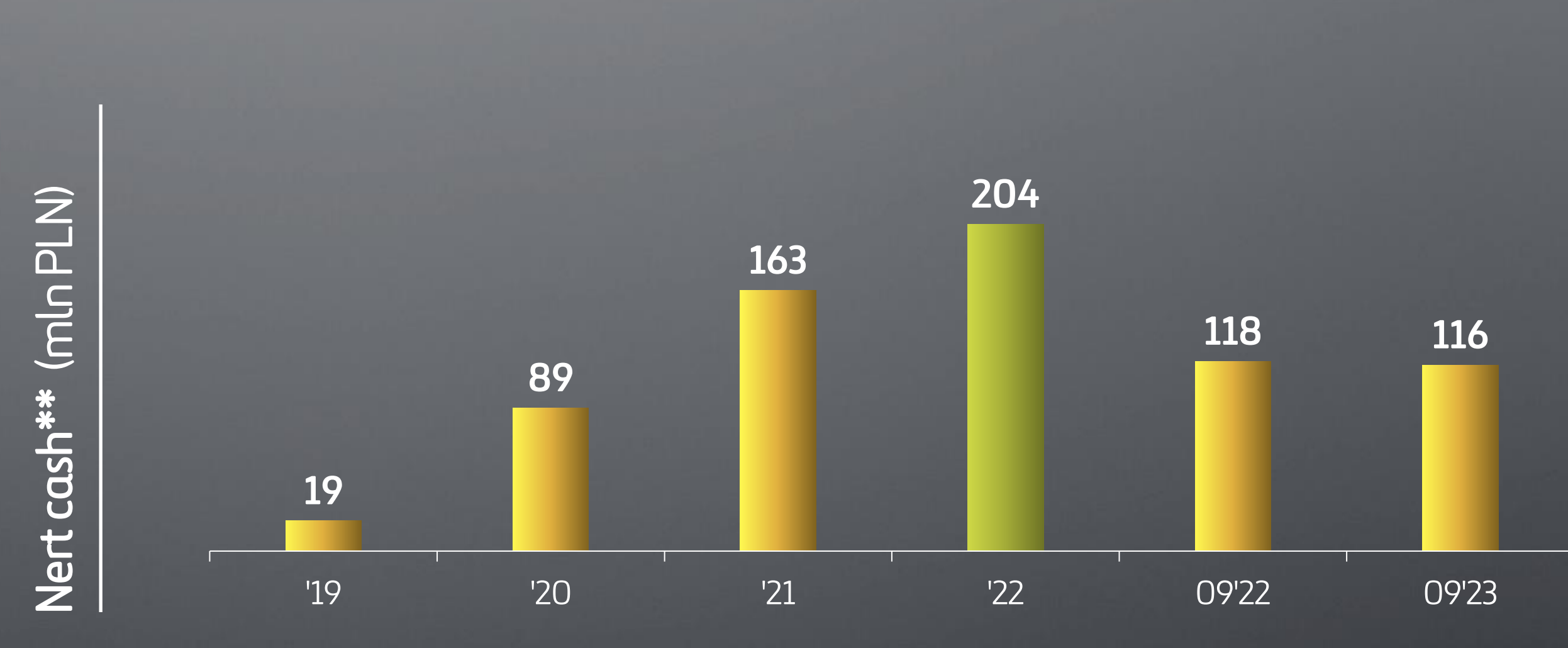
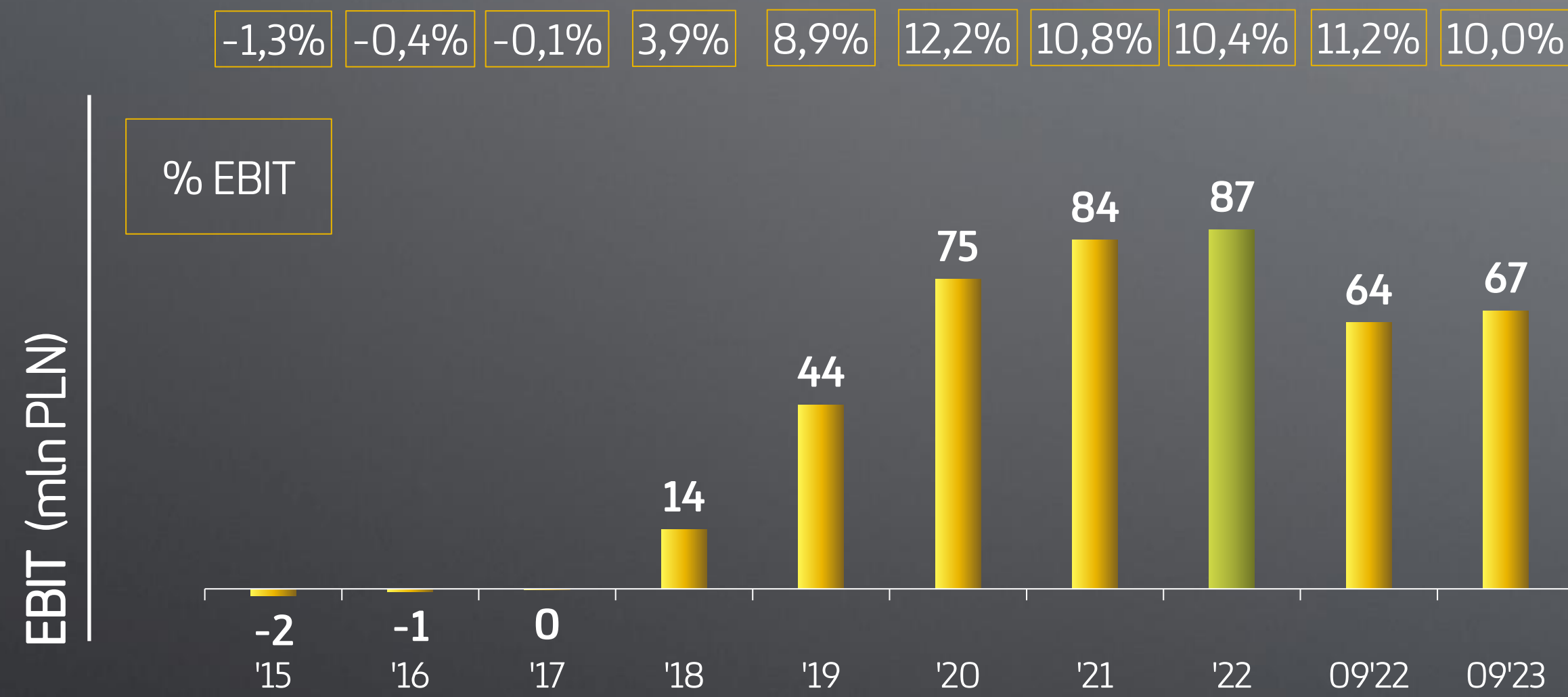
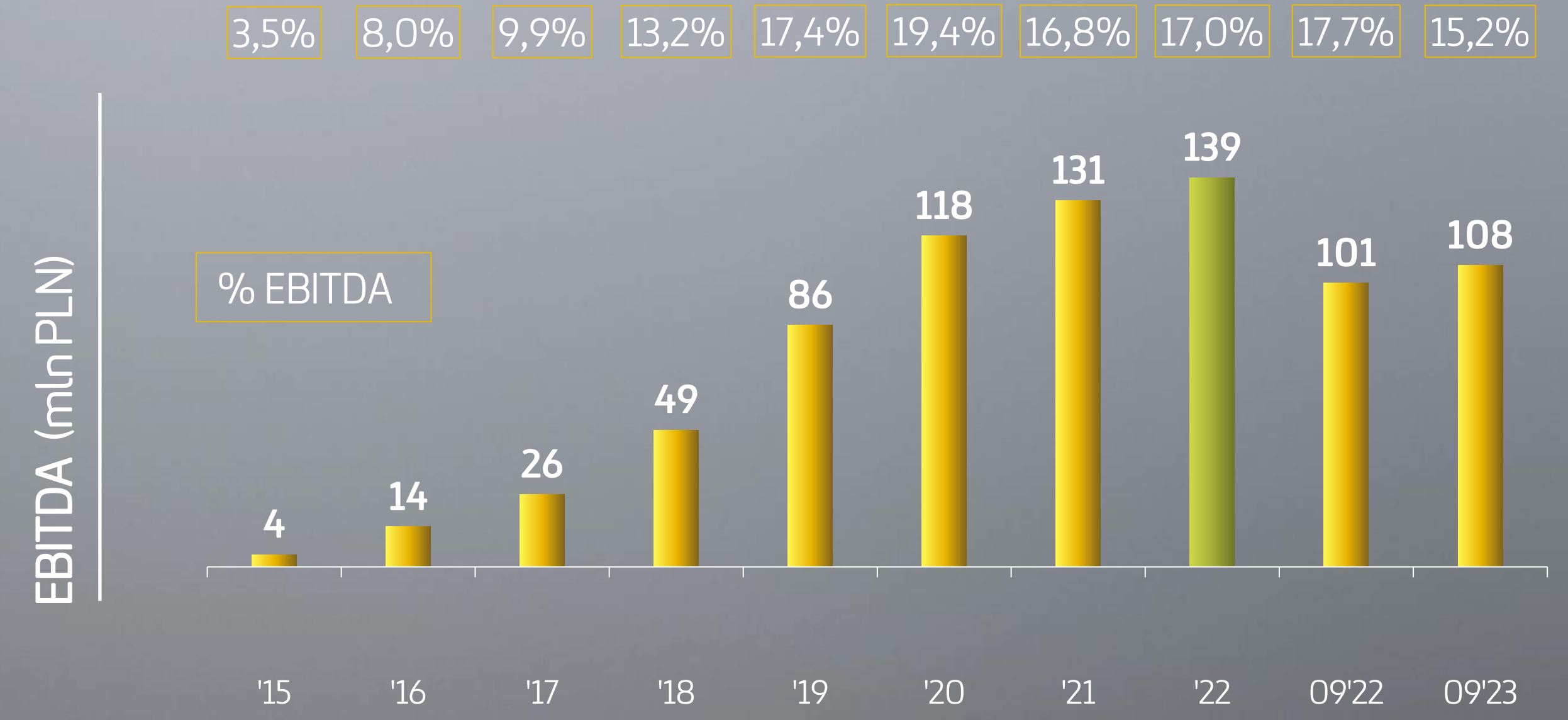
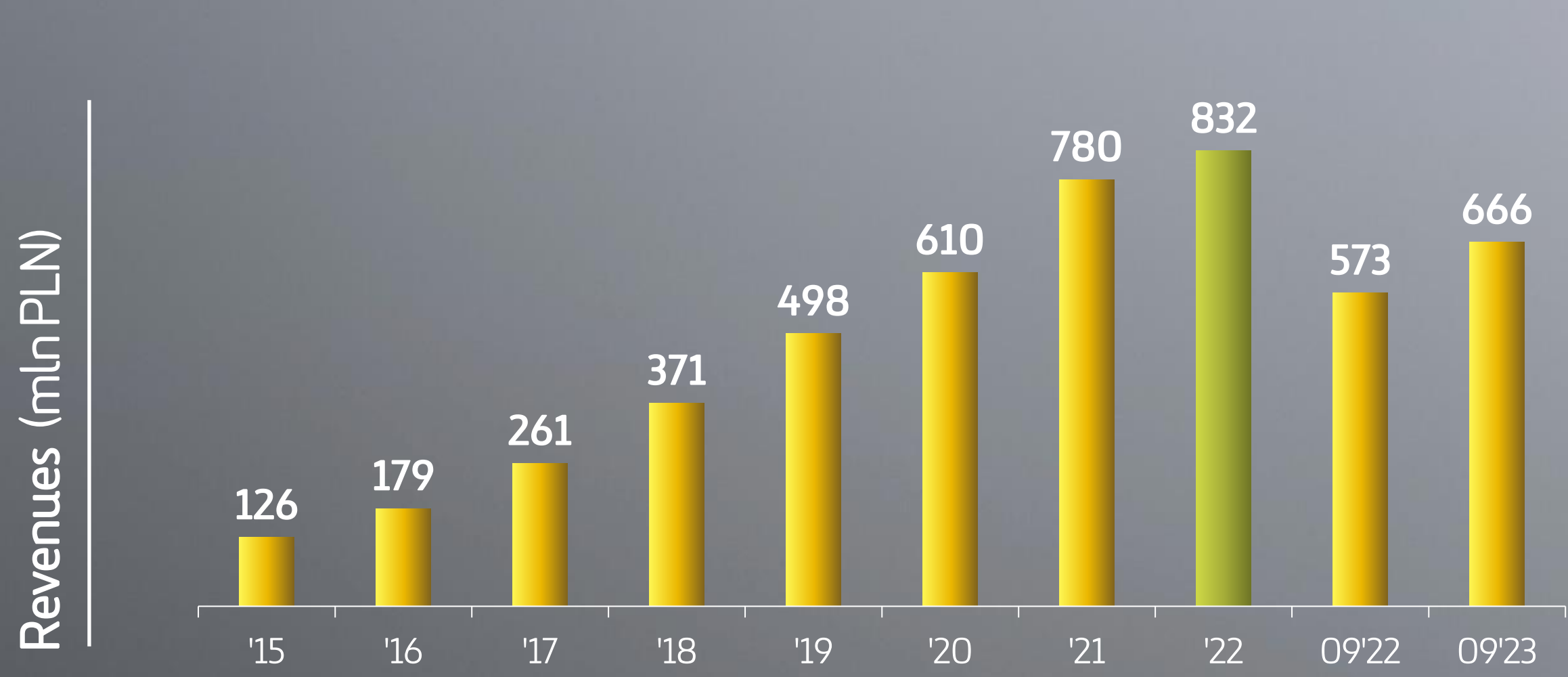
FBSerwis & Mostostal Kraków

Market and outlook

CSR & ESG



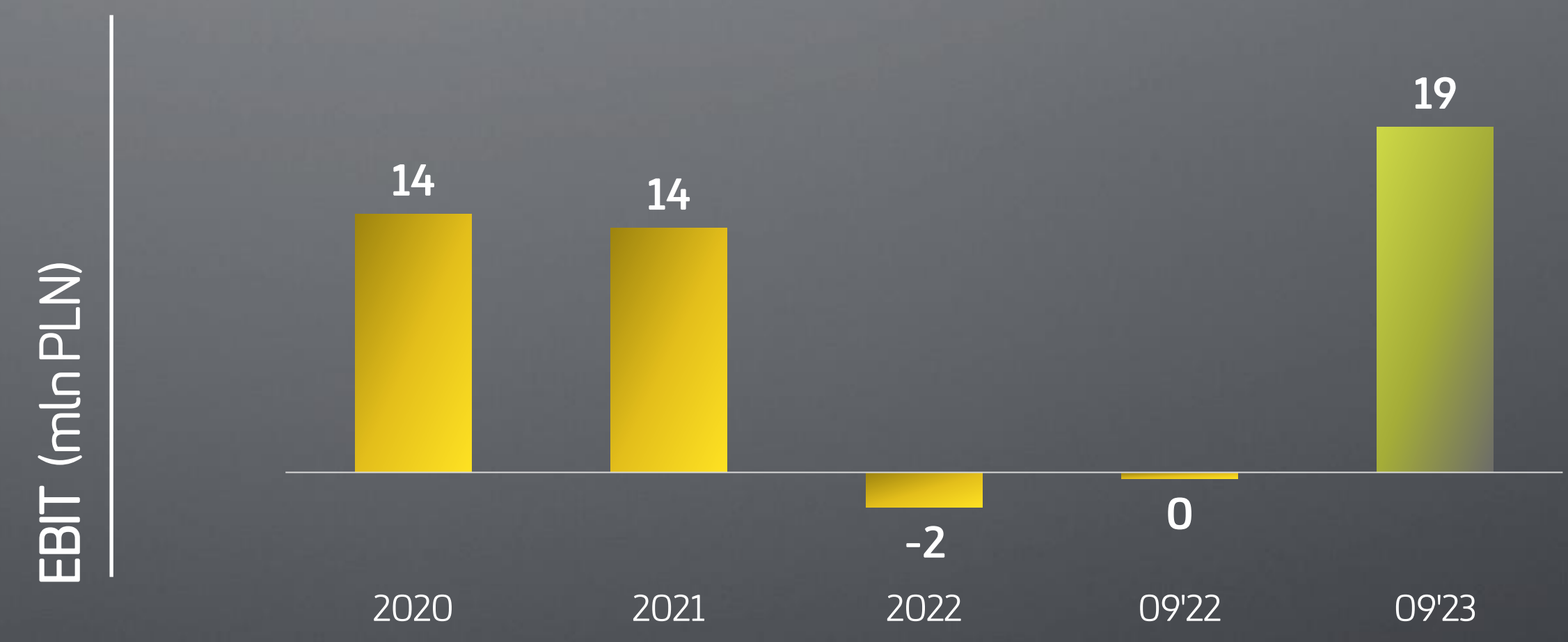
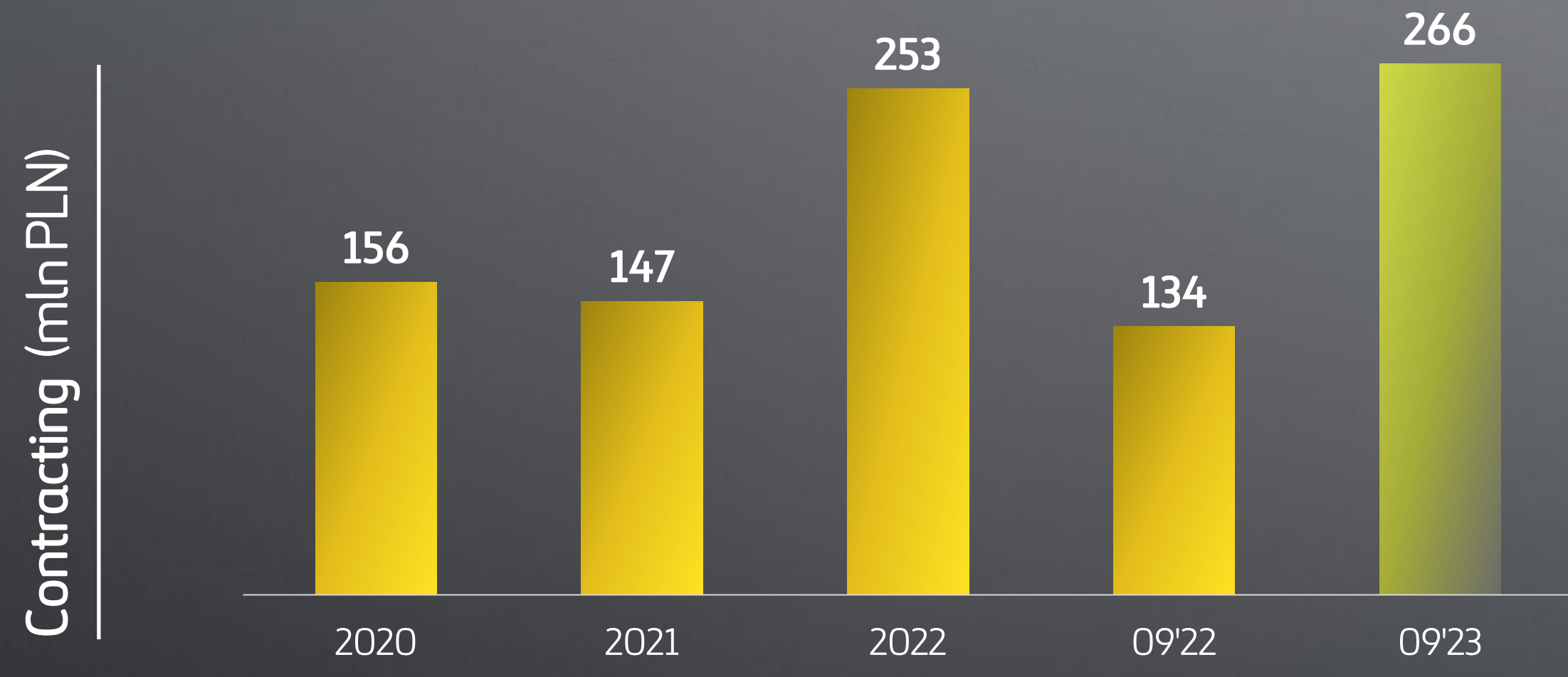
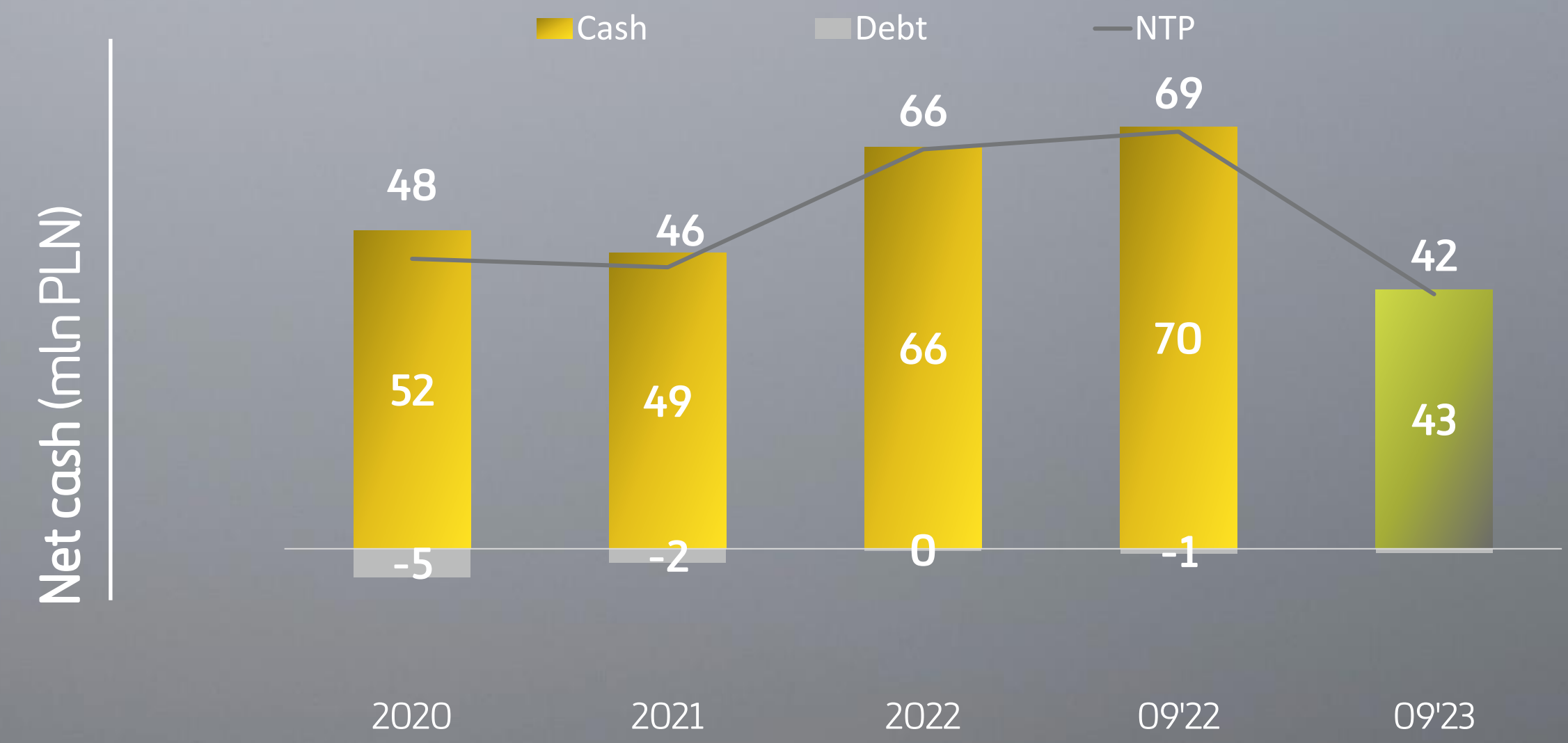
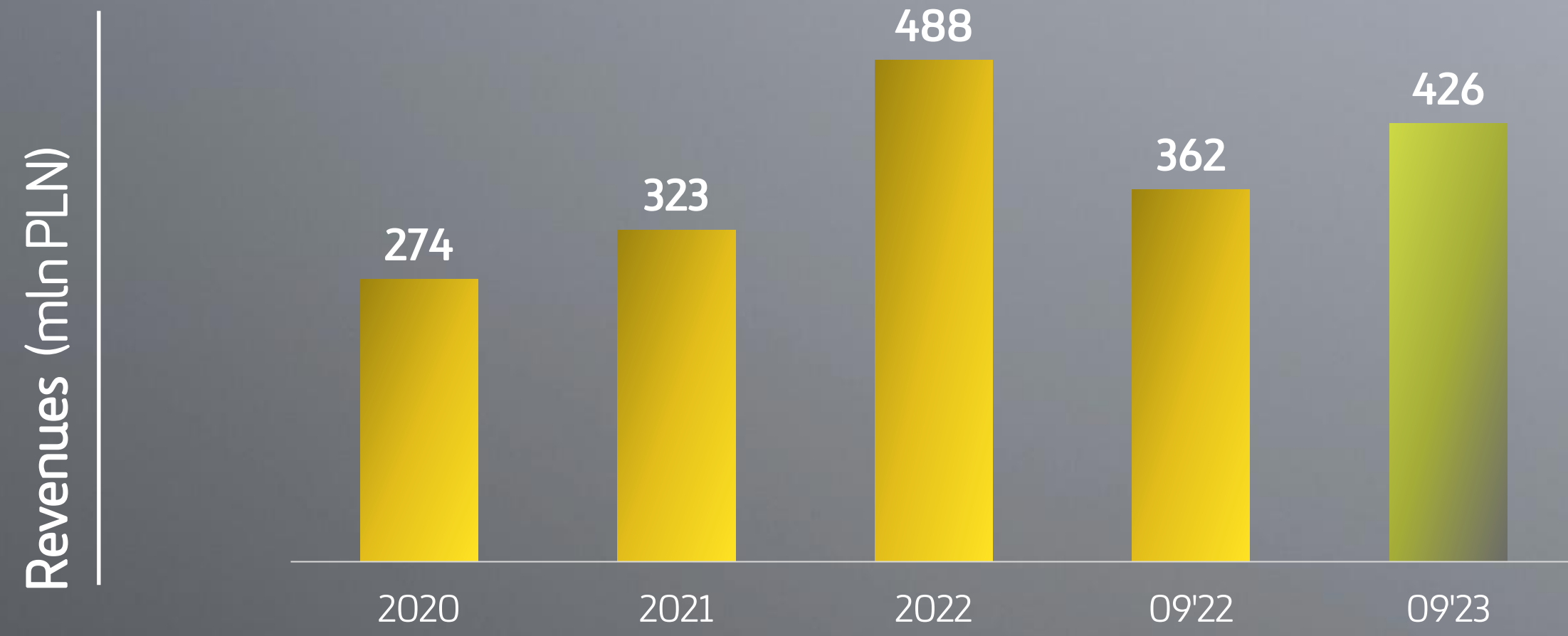
FBSerwis – financial results



* Financial results including correction of the 2022 report

** Net cash since consolidation of 100% of FBSerwis shares.

Mostostal Kraków - wyniki finansowe



New offerings in the portfolio

Multi-storey steel car parks

The modular steel car parks are the result of a continuous search for market solutions in cooperation with our western partners. The modular configuration means that the system can be duplicated and extended to suit all types of land and plots.

Modular construction

A modern building using modular technology is the result of a number of factors from different disciplines. Modules are prepared in a production facility according to detailed design documentation. Each consists of a number of pre-prepared components. More than 90 per cent of the construction work is carried out in the factory.



Agenda

Macroeconomics background

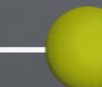
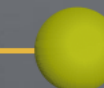
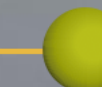
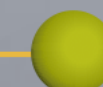
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Summary of investment programmes



Government Programme for
the Construction of National
Roads to 2033

294 bn PLN



Programme of 100 Bypasses
by 2030

28 bn PLN



Programme for
Strengthening the National
Road Network up to 2030

58 bn PLN



National Railway
Programme to 2030

>100 bn PLN



CPK

≈140 bn PLN



Investment in ports until
2030

40 bn PLN



PSE until 2036

62 bn PLN



Nuclear power plants

≈200 bn PLN



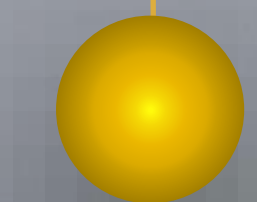
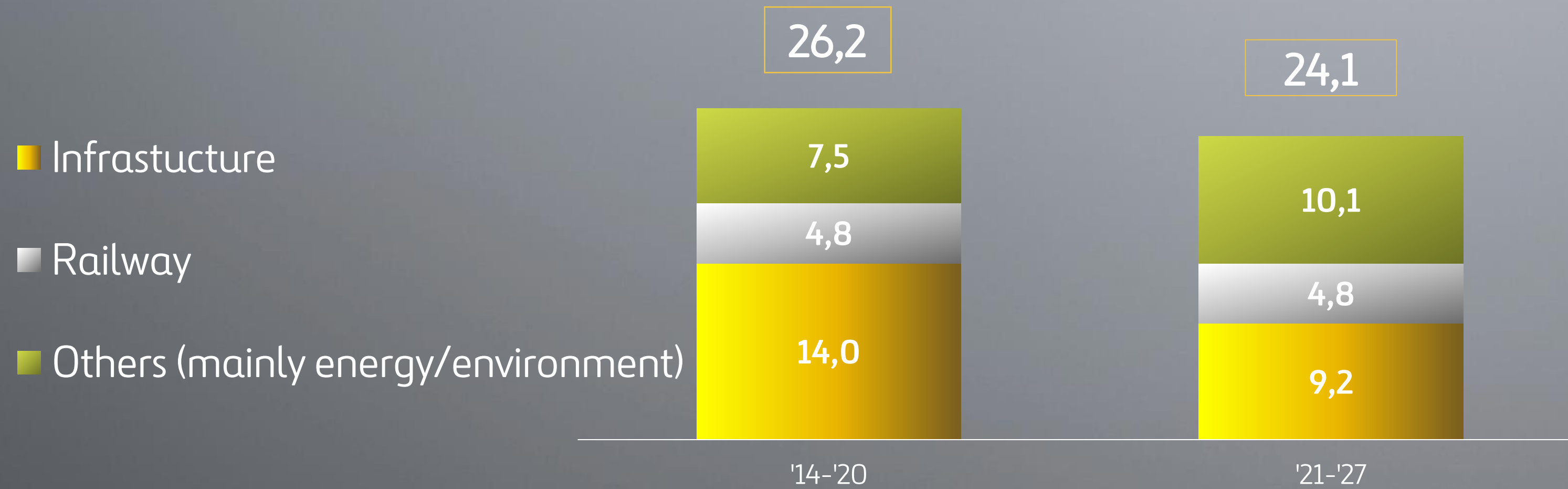
Off-shore
do 2040

>100 bn PLN

Σ 1000 bn PLN

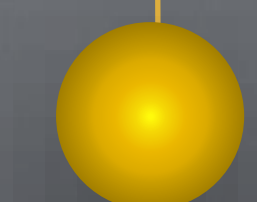
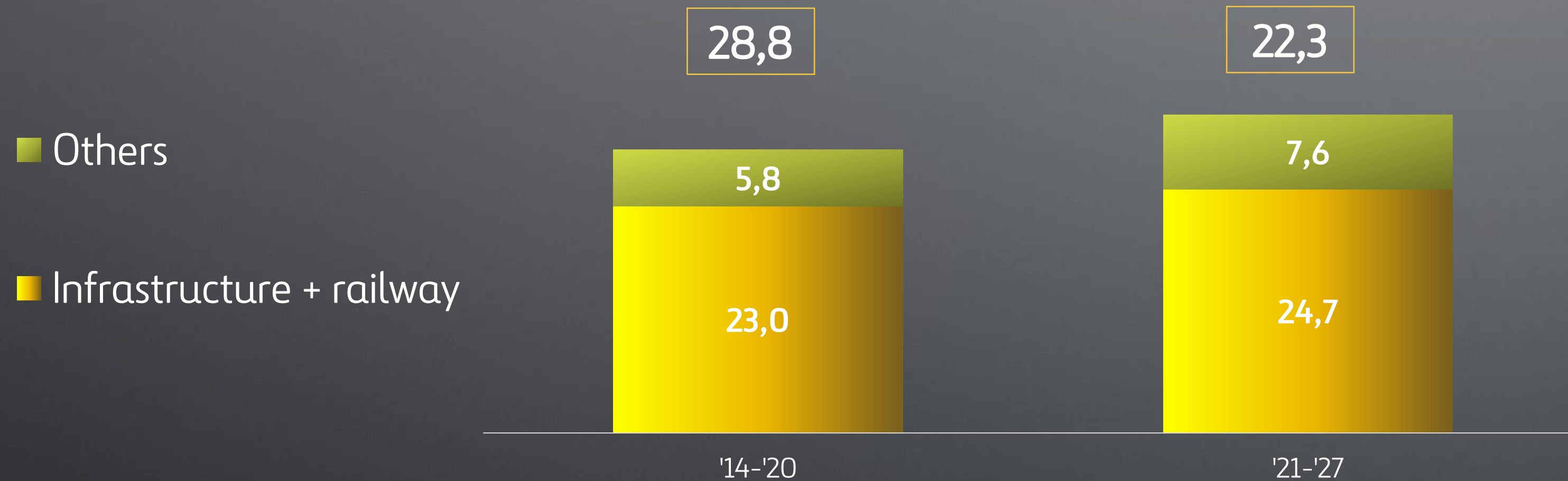
Cohesion Fund & CEF Programme (bn EUR)

European Funds for Infrastructure, Climate, Environment 2021-2027 (FENiKS) programme (bn EUR)



Poland remains the largest beneficiary of the Cohesion Fund.

Connecting Europe Facility (CEF) - funds for all countries (EUR billion)



≈ 10% of the total amount allocated to Poland

National Enclosure Fund (bn EUR)

NEF components and their value (EUR billion)

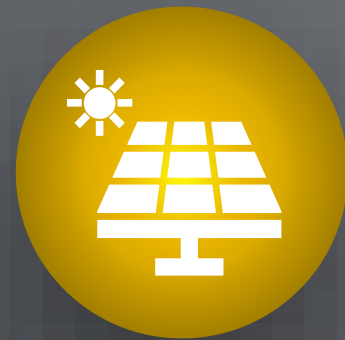


Investment in Renewable Energy Sources (RES)



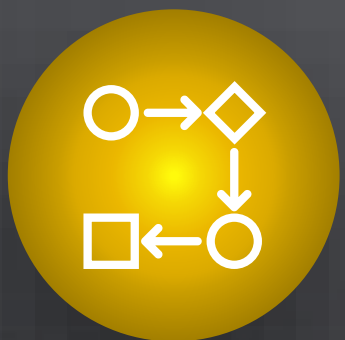
Magnolia project (2 turbines up to 7 MW):

- the first kWh was produced in September
- current production > 2 GWh
- sale of energy in a PPA contract to an external customer



Kamelia project (14 MW):

- start of construction work
- Planned completion of construction in 2024
- project bought to meet Budimex's needs



New greenfield projects:

- applications for connection conditions submitted for 140 MW
- projects of approximately 800 MW at various stages of development are currently under consideration

bxfernergia

- company established by Budimex SA (51%) and Ferrovial Energy Infrastructure (49%)
- responsible for the development of energy infrastructure in the field of RES as an investor
- with the aim of building a 500 MW portfolio in 2027/28 that is either operational or under construction
- basing the construction of the portfolio on projects developed independently or in cooperation with developers
- supporting the construction of a portfolio at an early stage of activity with M&A transactions of projects

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We are a good neighbor



dom
z serca

3 EDYCJA



Hero: 70-year-old Mrs. Tereska

What happened: An electrical short circuit in Mrs. Teresa's house caused a fire that consumed her entire property

How we help: according to Mrs. Teresa's wishes, we are building a modular house, revitalizing the garden and furnishing a new house

Organizers: Budimex, Mostostal Kraków, FBSerwis, PFR Foundation

Stage I: demolition is behind us, today we are designing a house



We teach about the safety of the youngest
14 Hello Ice campaigns across Poland

Wyremontowaliśmy
**salę dla uczniów
Technikum**

Energetycznego
w Bełchatowie

budimex
&UBR-Y



Students of the Technical School of Power Engineering in Bełchatów used the skills acquired at school and renovated an apartment for a family in need from Ukraine.

As a reward for this CSR project, carried out as part of the announced Budimex campaign entitled: "Practice that will stay with you", renovated a 134-square-meter educational classroom at the school, which not only gained a new look, but was also equipped with air conditioning and new furniture

We are a good neighbor



150 new trees in Wilanów and Mokotów as part of the Green Stop campaign



We build the awareness of our employees:

1. ESG training – 5 modules:
 - ESG regulations in the context of the construction sector
 - Discussion of Budimex's ESG strategy
 - Taxonomy
 - Preparing for non-financial reporting for 2023
 - Q&A session
2. We conducted a double significance study
3. We have announced an educational campaign for employees on the ESG strategy – Autumn under the sign of ESG (employees will be educated on the Sustainable Development Goals, greenwashing or calculating the carbon footprint)



1. Tests of the robot at the construction site of the Hospital in Krakow (CONCERT project)
2. The first printout of the slope stairs that we will install on our railway investment in Etk.

budimex

10,3%

Gross margin

15 years

Divident payment

+9,8%

Revenue dynamics

+13

Bn PLN

Contracts pending

2,9

mld PLN

Net cash

6,9%

EBIT margin

12

mld PLN

Backlog

800MW

RES projects under analysis