



Holding de Materiale de Construcții

PRESENTATION OF PRELIMINARY FINANCIAL RESULTS - 2023

4 MARCH 2024

❖ Disclaimer:

This Presentation was made based on the information contained in the preliminary financial report for 2022. This Presentation is for information purposes only and does not constitute an offer, incentive or invitation to buy, subscribe or otherwise acquire any shares or securities in any jurisdiction and no statement herein may serve as the basis for an investment agreement, commitment or decision, and no one may rely on this Presentation in connection with any agreement, commitment or decision to invest. Persons in possession of this document are obliged to inform themselves and to comply with all applicable restrictions.

The preliminary financial report for 2023 has been prepared in accordance with the applicable capital market regulations and is available on the company's website, in the Investors section on www.rocaindustry.ro.

The figures shown have been rounded according to the nearest rounding method, so rounding differences may occur.

Any materials or information contained herein or presented in connection with this Presentation are for information purposes only. The Presentation can be updated, supplemented, revised and modified.

This Presentation does not contain a complete or comprehensive financial or business analysis of Roca Industry and does not present its position or prospects in a complete or comprehensive manner and does not purport to contain all the information that a person would need to acquire securities issued by Roca Industry in order to have a complete analysis of the matters mentioned herein. Roca Industry has prepared the Presentation with due care, but it may still contain some inconsistencies or omissions.

Neither Roca Industry, nor any of its affiliates, directors, managers, auditors or representatives or agents of such persons shall be liable (including for direct or indirect loss or damage) in any way in connection with any use of this Presentation. Also, no information contained herein constitutes an obligation or representation or warranty on behalf of Roca Industry, its managers, directors or their representatives.

This Presentation may also contain prospective statements. However, these statements, including Roca Industry estimates, opinions or quotes from third parties, are opinions only and should not be construed as assurances or projections by Roca Industry regarding expected future results. Prospective statements, including statements regarding expectations of future financial results, involve significant risks and uncertainties, as well as other factors that could cause the events to differ materially from any anticipated developments and do not provide any guarantee or assurance that those results will be reached. Expectations are based on the knowledge, assumptions and/or opinions of Roca Industry and depend on a number of factors that may cause the actual results that Roca Industry achieves to differ materially from those discussed in this Presentation or in any meeting or oral presentation herein. Many such factors exceed the knowledge and/or control that Roca Industry currently has or cannot be foreseen by Roca Industry. Roca Industry is under no obligation to update or revise these statements to reflect new events or circumstances, nor to correct any inaccuracies that may occur after the date of the Presentation, except as provided by applicable laws and regulations. The reader is cautioned not to rely on prospective statements unduly.

• Contents

1. ROCA Industry - Business Model

3. Details of Holding

2. About Roca Industry

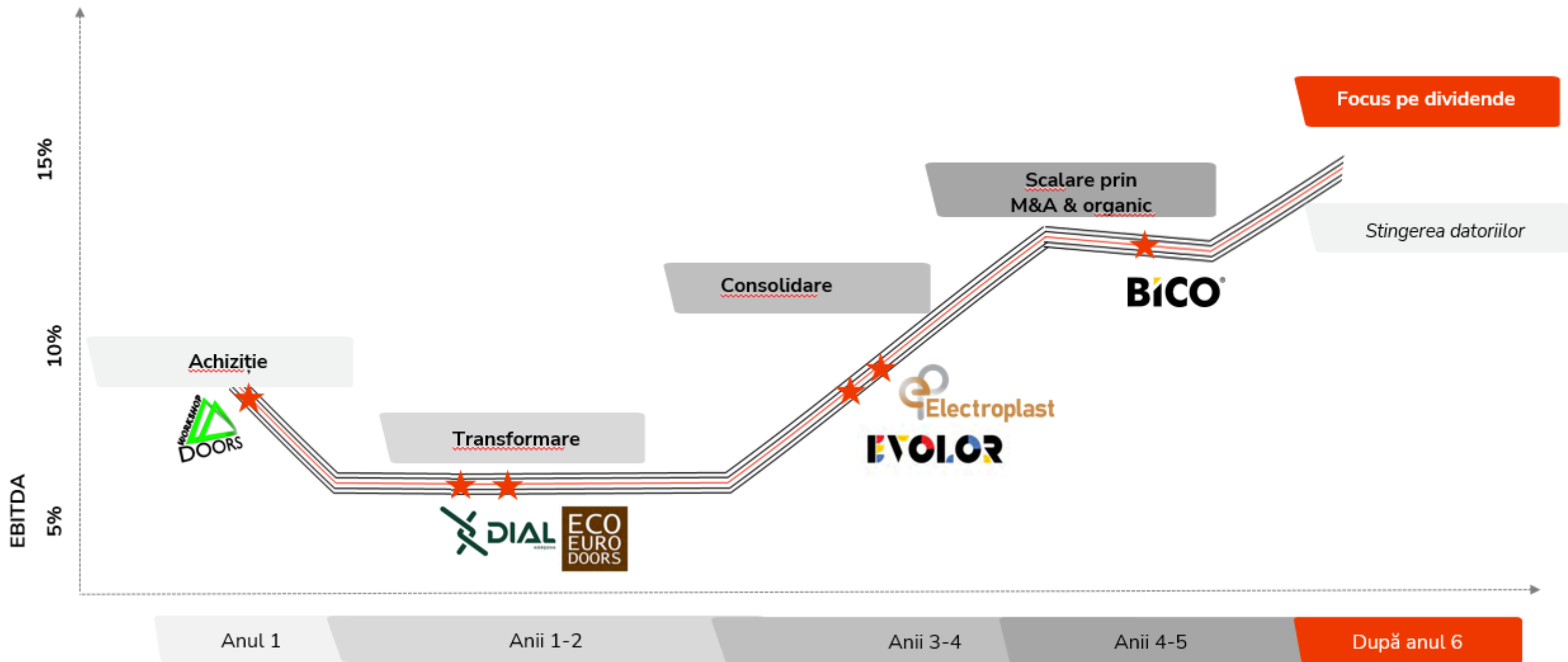
4. Financial Results

1.

ROCA Industry - Business Model



• The Holding's Development Strategy



• Advantages of companies as part of the Holding

→ Transformational process through operational efficiency, but also through access to the expertise of the management team within the Holding

→ Accelerated development by providing access to the financing needed to expand through M&A or grow organically

→ Create medium- and long-term value through active involvement in the management of companies, the Group's reputation and solid experience ensuring that they attract human and financial resources that they did not previously have

• We pay particular attention to ESG aspects



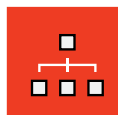
The first sustainability report published on 30 June 2023, including the sustainability strategy;



Development of innovative and sustainable products by holding companies, which also create value for the community;



Launch the Program *Industry of Good Deeds* - a platform of projects with real community impact - the first project carried out aimed at modernising the Gymnasium School in Sălcioara, Ialomița County, and preparing it for the next school year 2023-2024;



Implement specific actions at the level of each company in the holding company that target all levels of sustainability.

2.

About ROCA Industry



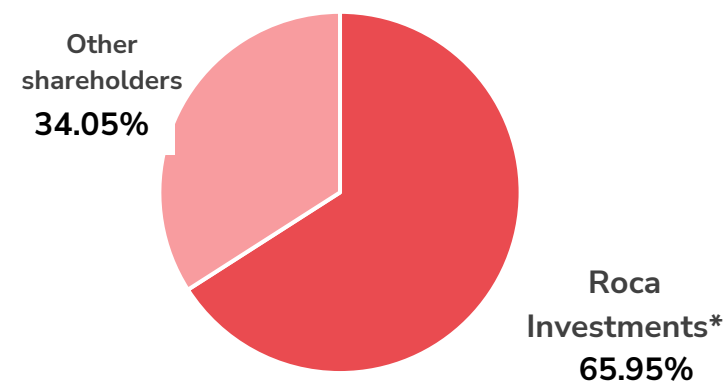
• About Roca Industry

Target sectors

Building materials and related industries

- Technical textiles made of fiberglass thread
- Interior doors made of wood
- Paints, varnishes, plasters
- Metal thread products
- Low and medium voltage electrical cables

Shareholding structure



**ROCA Investments is a buy and build private equity company with a majority shareholder specificity, which focuses on taking over medium-sized entrepreneurial companies in specialised holding companies.*

• About Roca Industry

Achievements since establishment

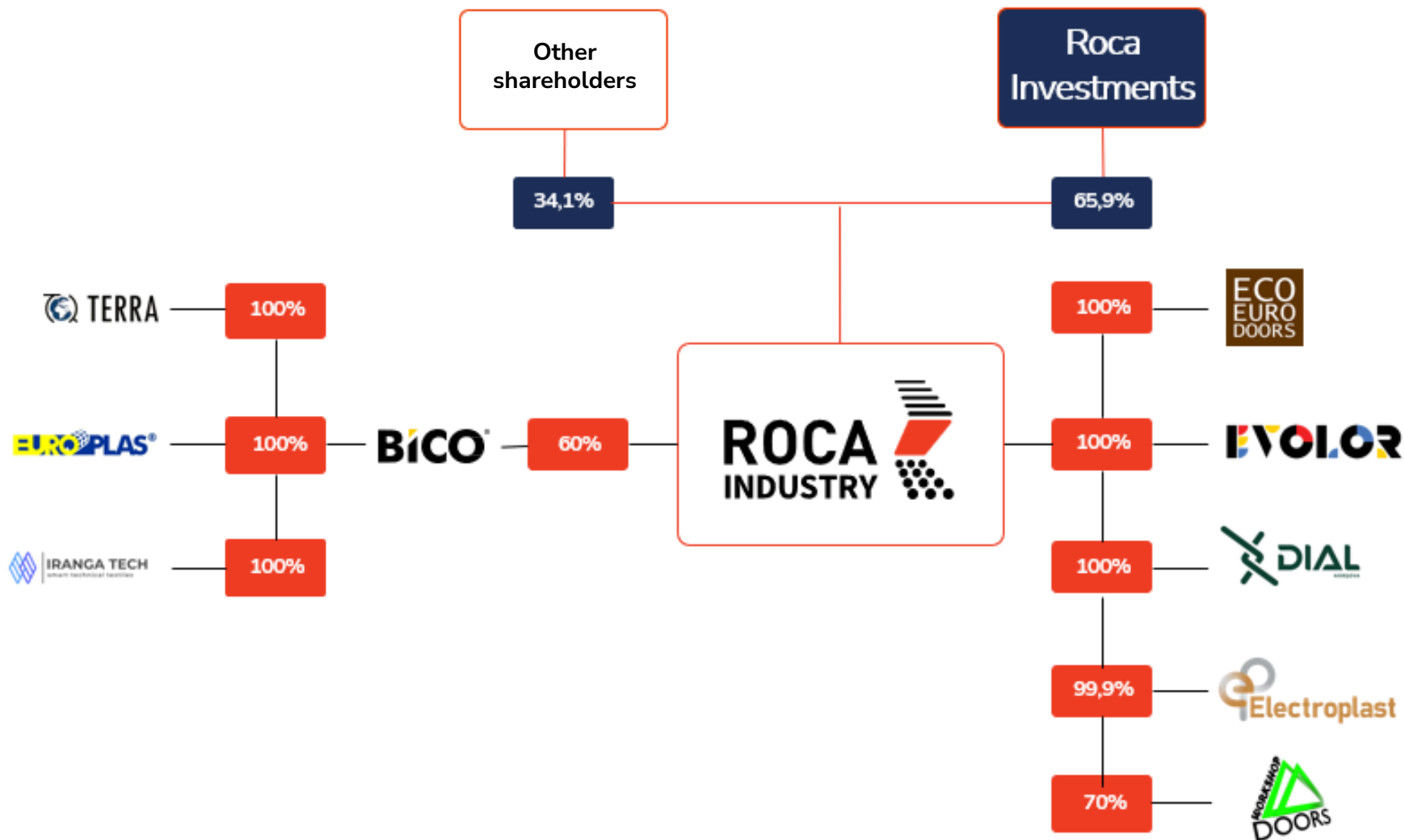
- 8 new companies entered the holding, directly or indirectly in a period of 2 years. Two acquisitions completed during 2023 (Electroplast and Iranga (Lithuania) – by BICO) and the acquisition of 70% of Workshop Doors' share capital negotiated in 2023 and completed in February 2024
- Completed the share capital increase by RON 71.7 Mn. in January 2024
- Admission to trading on the main market of BVB as of 11 March 2024 (2 years after listing on the AeRO Premium market and inclusion in the BET AeRO index)
- Formation and homogenisation of the team at the level of the holding company
- Initiated the brand building process for each company

Short-term perspectives

- Established long-term partnerships with important players in the sales markets for holding companies
- Continued the process of commercial expansion at European level as part of the strategy to build regional champions
- Sustainable organic growth by embracing new technologies, digitalisation and product innovation for each of the companies (as part of the long-term strategy)
- Continue to build strong international “made in Romania” brands
- Implemented the ESG strategy at the holding company level and setting concrete objectives for subsidiaries

ROCA INDUSTRY

Overview



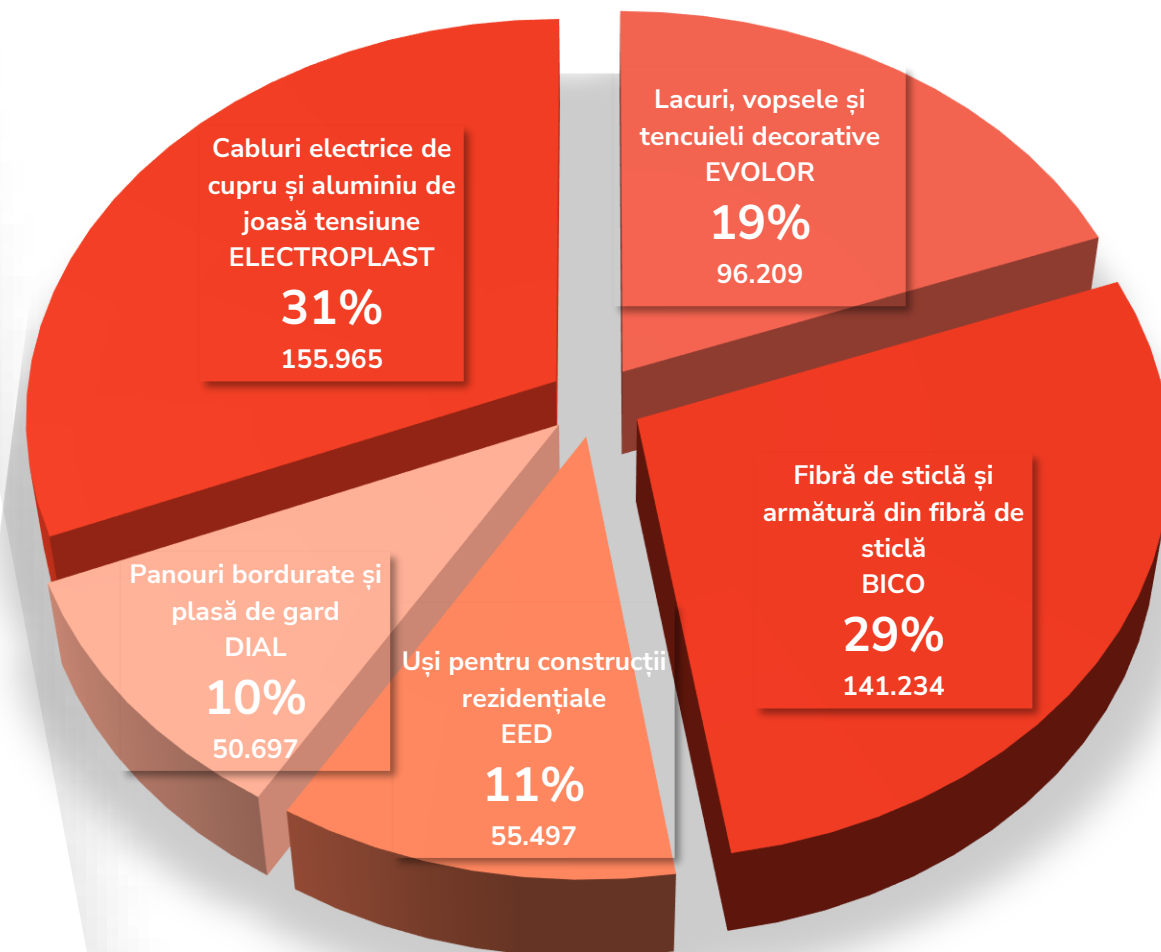
Investments in five subsectors of activity

In the last two years (since its establishment), Roca Industry has completed eight direct or indirect acquisitions.

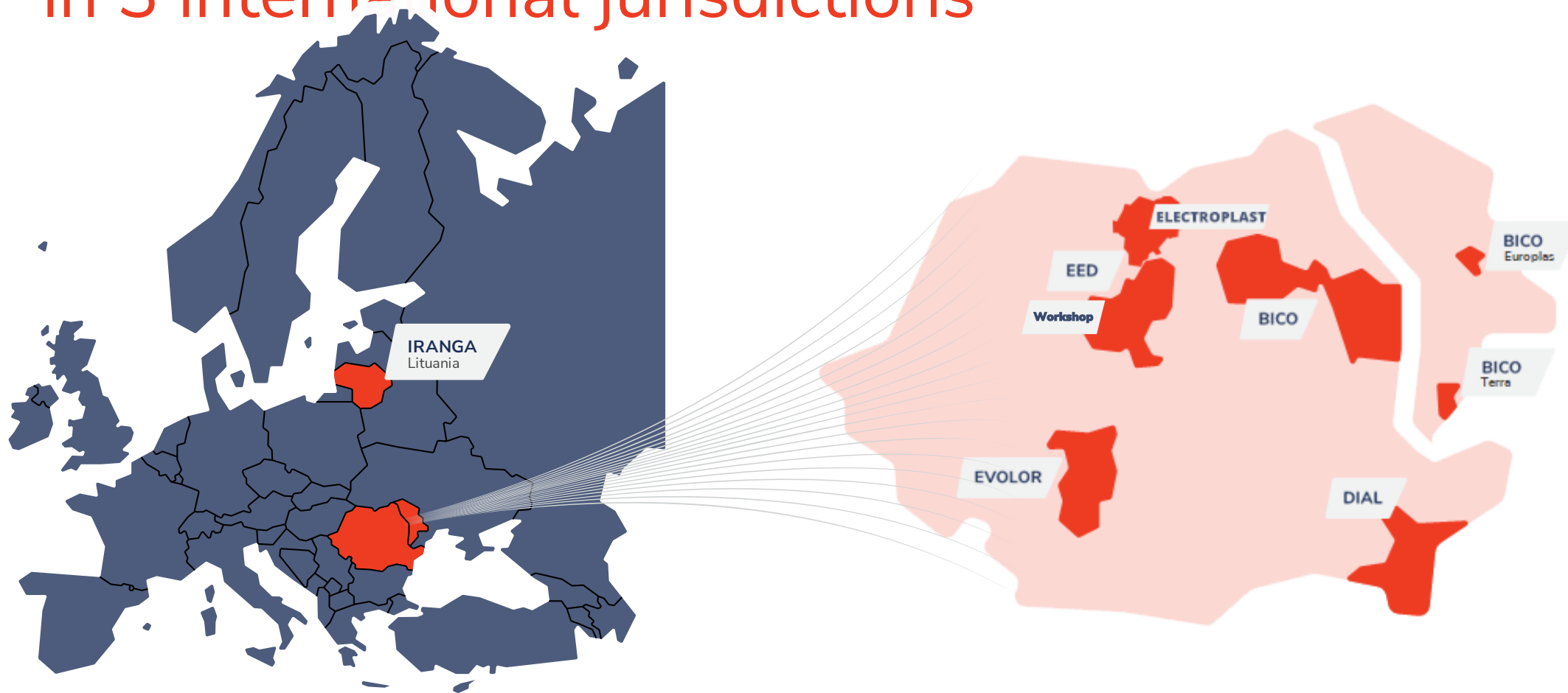
The six companies directly owned by the Holding operate in different sub-sectors of activity:

- **BICO Industries** - The largest producer of fiberglass mesh in Central and Eastern Europe and the third largest producer in the European Union
- **EVOLOR** (formerly Sarcom) - One of the leading players in the paint and varnish production industry
- **Eco Euro Doors** - The largest Romanian manufacturer of doors for residential constructions
- **DIAL** - One of the largest manufacturers of fence panels and mesh
- **Electroplast** - One of the largest manufacturers of low-voltage copper and aluminium electrical cables
- **Workshop Doors** - second largest Romanian manufacturer of doors for residential constructions (acquisition completed in February 2024)

Contribution of each field of activity in the cumulative turnover (thousand RON) of the Holding (preliminary 2023)



• 12 factories
in 3 international jurisdictions



• Strategic lines of ROCA Industry

Development

Create regional champions through:

- Organic development, accelerated by investments in technology, new product development and access to new markets
- Accelerated enhancement and development by acquisitions, both at the level of Roca Industry and at the level of its subsidiaries

Sustainability

- Integration at the level of subsidiaries production lines for construction materials and sustainable products;

Complex transformational process

- Create a culture and mindset of regional champions within companies based on principles of ethics, integrity, experienced management teams, and flexible business policies

Synergies

- Develop group synergies, unified acquisition and sale structures

3.

Details of Holding



About BICO

3rd place at EU level (production capacity) and 5th place at European level

Shareholders: Roca Industry (60%), Mihai Bîrliba (40%)

Ownership: since September 2021

Activity: production of technical textiles, mesh and fiberglass corners for thermosystems

Active in the market: 17 years

Industry:

- Market value (EU): EUR 1.8bn (2021)
- 1st place in RO production - BICO
- 3rd place in the EU production - BICO Group

Global and European growth prospects:

- EU market CAGR: 3.7%
- Global Market CAGR: 7.2%
- Fastest growth segments (example of applicability): wind energy
- Largest segments (applicability): construction and waterproofing

Organisation:

- 4 companies (Bico, Terra, Europlas, Iranga)
- 5 factories
- 3 jurisdictions
- 449 employees (group-wide)

Accomplishments:

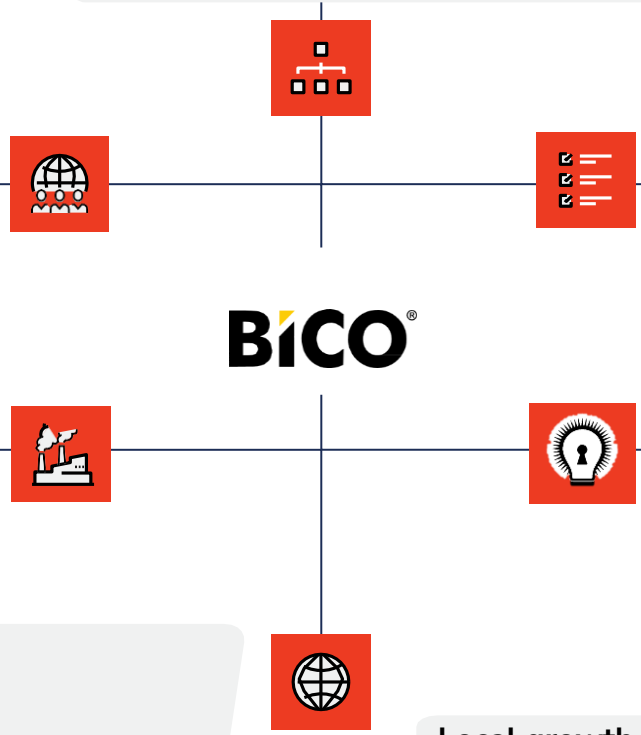
- Investments in the Vaslui factory: EUR 2 Mn., including panel installation
- Acquisition of three companies (Republic of Moldova: Terra, Europlas; Lithuania: Iranga)
- Refurbishment process of Europlas production lines
- Increasing market share and ahead of competitors
- New trade relations with Poland, UK, France, Lithuania, Slovakia

Key short-term projects:

- M&As integration from an operational and commercial point of view
- Trade strategy for expanding exports benefiting from flexibility (5 factories), different products and different cost structures

Local growth prospects:

- PNRR funds allocated to residential renovations: EUR 684.4 Mn. (2023)
- Aged residential stock: 70% of residential buildings developed between 1945 and 1990
- European Thermal Rehabilitation Directive - 2018-2030



About EVOLOR

One of the most important Romanian producers of paints, varnishes and plasters

Organisation:

- 2 factories
- 7 main production sections
- 2 well-known brands (STICKY and CORAL)
- 380 products, with national distribution
- Total number of employees: 139

Shareholders: Roca Industry (100%)

Ownership since November 2021

Activity: production of paints, varnishes, enamels and plasters

Active in the market 30 years

Industry:

- Total market value: RO - EUR 500 Mn. (2022); EU - EUR 16.7bn
- Average consumption / inhabitant: 10.3 kg RO vs 12.3 kg EU
- CAGR: 3% (2019-2026)
- 8th place in RO (2022) vs 9th place (2021) - turnover
- Top 10 producers - 80% of the market

Global and European growth prospects:

- EU market CAGR: 3.7%, Global Market CAGR: 5%
- Drivers of growth: the construction industry, indirectly through ESG - to extend the life of products
- Growth segments: water-based paints and enamels

Accomplishments:

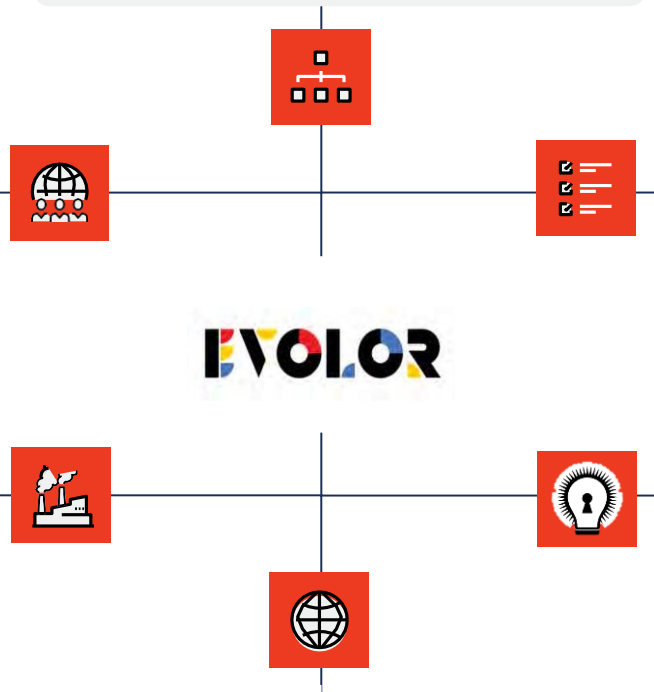
- Digitalisation: ERP implementation
- Technology: bottling and packaging line
- Implementation of trade strategy – RO, TT & KA
- Factory relocation and production line purchases
- Making the first sales outside the country (Republic of Moldova and Israel)
- Starting the energy efficiency project
- Rebranding and commercial brand building
- Completion of the acquisition of the hall for the relocation of the factory and expansion of the production capacity

Key short-term projects:

- Strengthening the presence in DIY and traditional commerce
- Regional expansion
- New product launches
- Investments for the operationalisation of the acquired factory, continue the technological upgrade, the

Local growth prospects:

- PNRR funds allocated to residential renovations: EUR 684.4 Mn. (2023)
- Aged residential stock: 70% of residential buildings developed between 1945 and 1990
- European Thermal Rehabilitation Directive - 2018-2030



About DIAL

One of the largest manufacturers of fence panels and mesh

Shareholders: ROCA INDUSTRY S.A.

Ownership: 100% since September 2022

Activity: September of fence panels and mesh

Active in the market for 30 years

Organisation:

- **Total land:** 40,000 m²
- **Factory:** 6,000 m²
- **Over 80 products**
- 79 employees

Accomplishments:

- Integration process in the holding company
- Organisational structure and recruitment
- Completion of an additional production hall of 5,000 sqm, to be equipped with production lines
- Energy efficiency through the installation of photovoltaic panels through the Electric Up program



Industry:

- Dial in the top 5 manufacturers
- CAGR 2.24% (2019-2028) (estimated based on independent expert report hired by the Issuer, 2022)
- RO market share - 12% (estimated based on independent expert report hired by the Issuer, 2022)
- Opportunity to grow the segment via EU legislation - European motorway / road fencing

Key short-term projects:

- Development strategy, including development of sales channels and launch new products in the local market, positioning in export markets
- Implementation of the business efficiency plan
- Continue investments for energy efficiency

About EED

The largest Romanian manufacturer of doors for residential constructions

Organisation:

- **Factory** of 10,000 m²
- **Storage capacity** of over 8,000 m²
- **The only fully automated painting line** with 2 robots fully automated, in Romania
- **3 categories of products** (economy, medium, premium)
- **214 employees**

Shareholders: Roca Industry (100%)

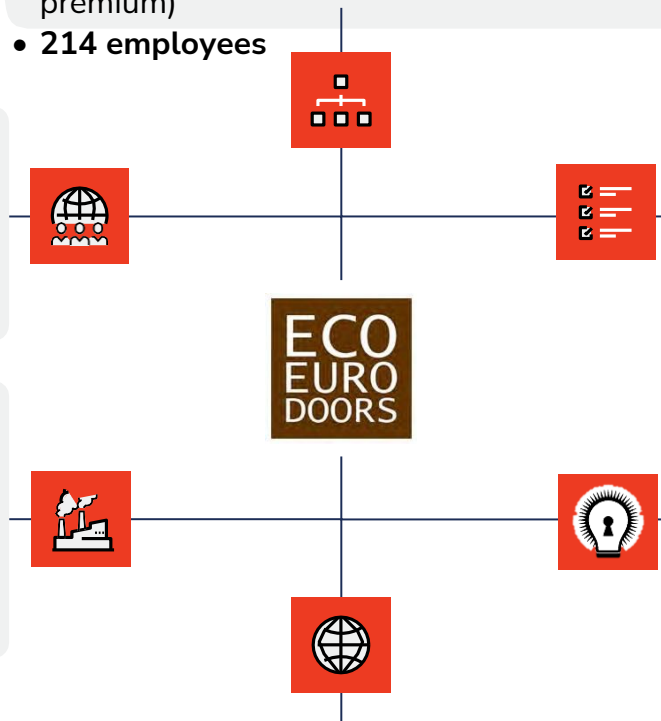
Ownership 70% since May 2022, 100% since December 2022

Activity: production of interior doors

Active in the market 27 years

Industry:

- Total market value: RO - EUR 196 Mn. (21);
- 1st place in RO (2021) - volume, 3rd place - value¹
- 10% market share (sales, value)
- Top 10 producers - 80% of the local market (50% of total sales)
- 47% of local production - destined for exports



Accomplishments:

- Completion of two production halls (~5,000 sqm each)
- Automation with robotic painting line
- Implementation of investments in solar panels
- Sales channel Opening - residential real estate projects
- Project and financing of investments in 2 new equipment
- Completing the management team with a new CEO

Key short-term projects:

- Diversification of sales channels and product portfolio, including on foreign markets
- Launch a new local brand, internationally valid, and introduce the concept of collections
- Investments for equipment and operational efficiency

Local growth prospects:

- CAGR demand RO: CAGR: 5% (2020-2030)
- PNRR funds allocated to residential renovations: EUR 684.4 Mn. (2023)
- Increase in the share of sales from local production from 31% (2022) to 34% (2027)

About ELP

One of the largest manufacturers of low-voltage copper and aluminium electrical cables

Organisation:

- **Leader** in the railway cable market
- **30 equipment and production lines**
- **3,600 type-sizes of cable**
- Modern RENAR accredited **testing laboratory**
- **107 employees**

Shareholders: ROCA Industry (99.99997%)

Ownership since June 2023

Activity: production of low-voltage copper and aluminium electrical cables

Active in the market 30 years

Accomplishments:

- Initiation of the equipment refurbishment process to increase efficiency and production capacity
- Accelerating the process of prospecting export markets in parallel with local contracting

Industry:

- Market value (2022): EUR 987.1 Mn.
- Increasing domestic production demand trend vs decreasing import product demand
- Consumption/capita +58% above the EU average (due to the pace of industrialisation)

Key short-term projects:

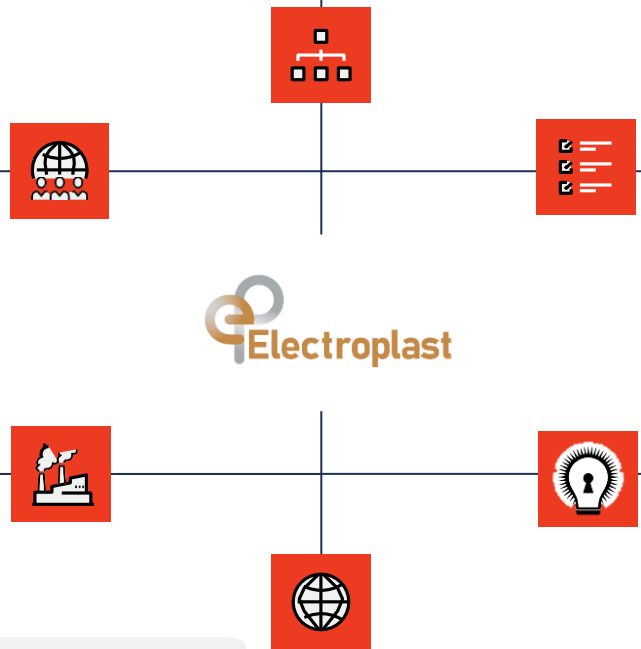
- Expanding the distribution channel, by attracting new customers and rethinking the supplier mix
- Completion of the refurbishment process
- Investments for the acquisition of new equipment in order to increase production capacity

Global and European growth prospects:

- Global Market CAGR (medium and low voltage electrical cables): 5.9% (2023-2032)
- Estimated EU solar energy market value: EUR 1.196bn

Local growth prospects:

- CAGR demand RO (medium and low voltage electrical cables): 7.74% (2022-2026) ³
- PNRR funds Monitoring and renewal of railway infrastructure: EUR 3.5bn
- Photovoltaic panels - RO 2030 target - increase in installed capacity from 1.4 GW to 3.7 GW (30% renewable energy)



Board of Directors Members



RUDOLF VIZENTAL

Member of the Board of Directors

Co-founder of the Impetum Group and the investment fund ROCA Investments, with over 15 years in the turnaround, investment and M&A area, Rudi Vizental comes with a complete and complex approach to the Romanian business that he applies in the development of the Roca Industry holding.



ALEXANDRU SAVIN

Member of the Board of Directors

With over 15 years of experience in Sales & Risk management positions at Libra Bank, CEO of Roca Agri RDF (ROCA Investments Agrifood holding) with a turnover of almost RON 800 Mn., Alex Savin focuses on strategic management and investments, important areas for the development and consolidation of Roca Industry.



IOAN BINDEA

Chairman of the Board of Directors

CEO and Chairman of the Board of Directors of Roca Industry, previously investment manager at ROCA Investments, during which he restabilised Frigotehnica and transformed it into a profitable company in less than two years, Ionuț Bindea has proven experience in making decisions oriented towards the development of Roca Industry.



MIHAI BÎRLIBA

Member of the Board of Directors

Mihai Bîrliba has been active for over 30 years in the technical textiles industry specific to construction. Founder of Bico Industries, currently a minority shareholder of the company, he has gained experience in developing regional leaders, thus actively contributing to the business decisions of the companies under the umbrella of the holding.



VASILE SANDU

Member of the Board of Directors

Founder and CEO of Proinvest Group, one of the most important suppliers of steel solutions in Romania, Vasile Sandu brings to Roca Industry his experience of over 20 years in the development, production and marketing of construction materials.

Management Team



VALENTIN ALBU
Chief Financial Officer

Valentin Albu, CFO of Roca Industry, has over 10 years of expertise in business consulting, taxation, accounting and financial analysis. He managed complex situations, including from the position of CFO of Electroplast at a time when the company needed financial expertise to stabilise the activity.



ONDINA OLARIU
Chief Marketing Officer

With 20+ years of experience in marketing in various sectors, Ondina Olariu has successfully managed projects of numerous companies, such as Danone, Vodafone, BAT, Ursus, Coca-Cola, P&G. As Chief Marketing Officer, her experience supports the construction of the strategic framework through which marketing tools are used with maximum benefits for Roca Industry companies.



ALEXANDRU FOGARAȘI
Chief Commercial Officer

Alex Fogarași joined the Roca Industry team as Chief Commercial Officer after almost 20 years of experience in the commercial field, in collaboration with companies such as Macon, Xella, Holver and Cemacon. He is actively involved in coordinating the commercial activity of the companies in the Roca Industry holding, including by building cross-company commercial policies.



ȘTEFAN SZITAS
Chief Operating Officer

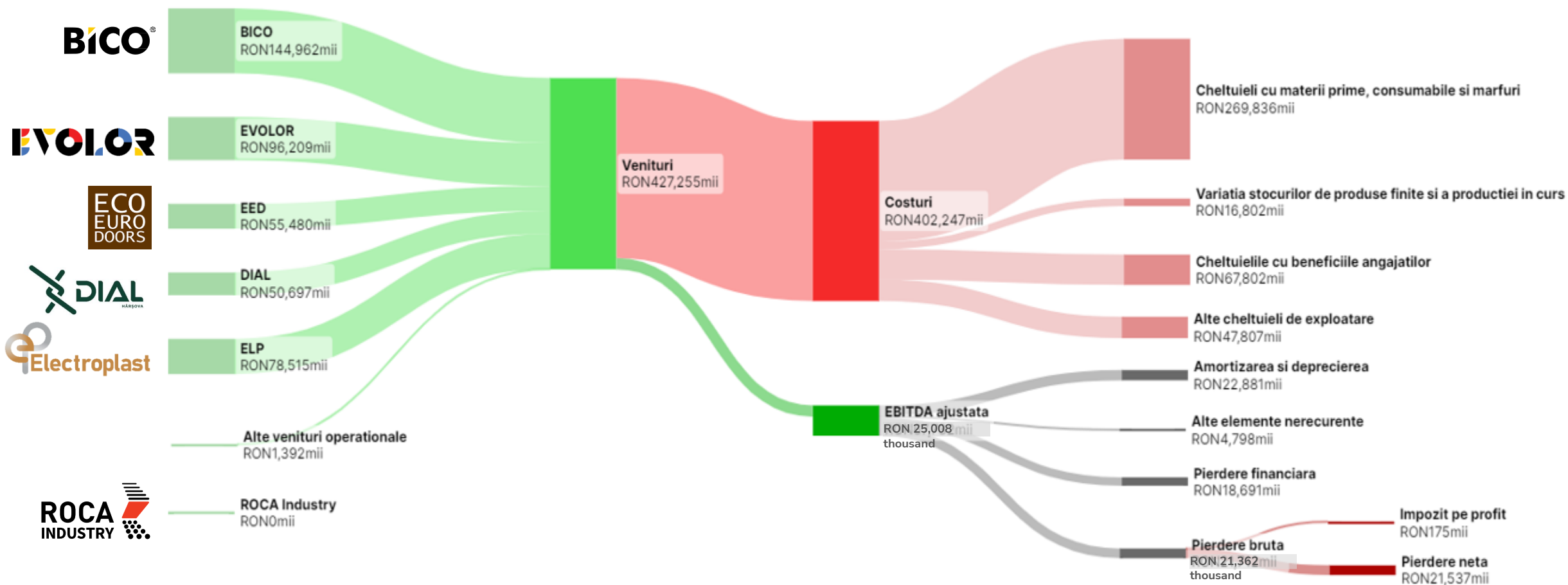
Ștefan Szitas, Roca Industry Chief Operating Officer, brings a wealth of experience in managing the operational aspects of the companies owned by Roca Industry, accumulated in over the 15 years in which he has held management roles covering the entire value chain. During this period, he coordinated teams from 6 countries within OMV Petrom, Bravo Europa and Trans Gas LPG Services.

4.

Financial Results



• Preliminary Financial Results (consolidated 2023) (IFRS)



Consolidated Financial Results 2023 (IFRS)

IFRS profit and loss account indicators	Results for 2023 (thousand RON)			EBITDA margin 2023	Net profit margin 2023	Variation 2023 vs 2022		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
Evolor	96,209	14,771	6,938	15.4%	7.2%	24.9%	54.2%	45.5%
Bico	144,962	5,181	(10,036)	3.6%	-6.9%	9.1%	-55.5%	23.6%
EED*	55,480	3,069	(7,653)	5.5%	-13.8%	40.6%	-45.7%	554.8%
Dial*	50,697	2,879	(4,705)	5.7%	-9.3%	318.8%	N/A	141.2%
Electroplast	78,515	5,434	741	6.9%	0.9%	N/A	N/A	N/A
Total companies	425,863	31,334	(14,715)	7.4%	-3.5%	62.9%	17.3%	127.2%
Roca Industry	-	(6,326)	(6,823)	N/A	N/A	N/A	104.3%	94.8%
Total consolidated	425,863	25,008	(21,537)	5.9%	-5.1%	62.9%	5.9%	115.8%

Depreciation and amortization expenses (+71.4% vs 2022 - new investments for expanding production capacity, efficiency and acquisitions of companies) and financial expenses (doubled compared to 2022 - interest on credit facilities necessary for acquisitions of companies and related to credit facilities contracted by companies for investments and current activity) generated a **consolidated loss** of RON 21.5 Mn. (RON 18.9 Mn. for the parent company and RON 2.6 Mn for interests that do not control).

Revenues up by 62.9% vs 2022, both as a result of the evolution of sales in certain segments and as a result of the impact that acquisitions (direct and indirect) had in the two periods.

EBITDA of RON 25.0 Mn, influenced by higher sales in certain segments, with pressure on applied margins, of acquisitions of companies also carried out by EBITDA and adjusted by ROCA Industry.

Cumulative Financial Results 2023 (OMF)

Profit and loss account indicators OMF 1802	Results for 2023 (thousand RON)			EBITDA margin 2023	Net profit margin 2023	Variation 2023 vs 2022		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
Evolor	96,209	15,025	439	15.6%	0.5%	24.9%	58.5%	-93.7%
Bico	141,234	2,938	(3,034)	2.1%	-2.1%	38.0%	-67.1%	N/A
Terra	41,141	1,996	319	4.9%	0.8%	-6.9%	-53.0%	-88.7%
Europlas Lux	4,180	(1,152)	(1,266)	N/A	-30.3%	-60.6%	N/A	N/A
Iranga	8,924	558	(321)	6.3%	-3.6%	-18.5%	N/A	-42.2%
EED	55,497	1,766	(6,657)	3.2%	-12.0%	-17.3%	-85.0%	N/A
Dial	50,697	3,113	(2,439)	6.1%	-4.8%	-22.5%	-60.2%	N/A
Electroplast	155,965	7,720	143	5.0%	0.1%	16.4%	-19.8%	-95.3%
Total companies	553,848	31,965	(12,816)	5.8%	-2.3%	8.2%	-39.6%	-153.8%
Roca Industry	-	(6,513)	(434)	N/A	N/A	N/A	94.3%	N/A
Total cumulative	553,848	25,453	(13,250)	4.6%	-2.4%	8.24%	-48.62%	N/A

The directly productive companies within the Group au recorded a cumulative turnover of RON 553.8 Mn., up 8.24% compared to 2022, as a result of the evolution of sales in certain segments.

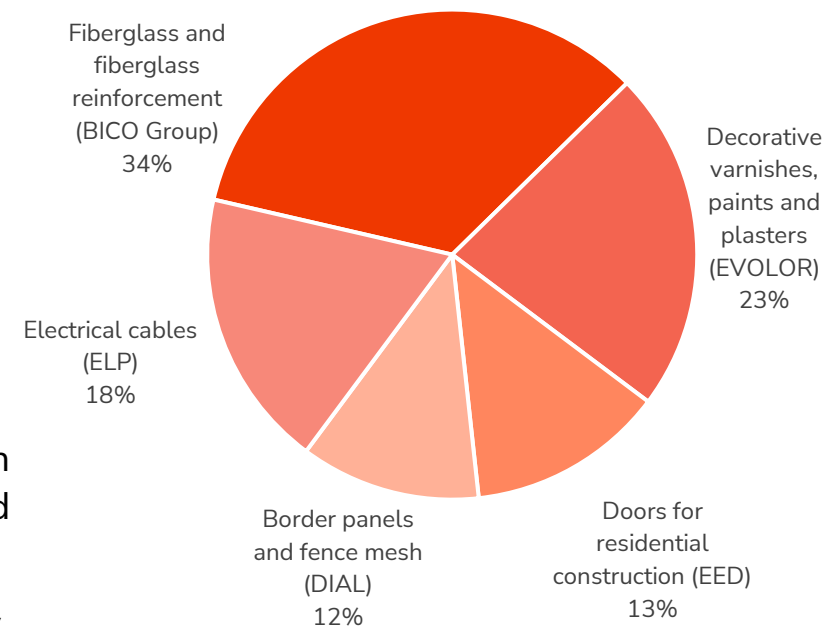
EBITDA of RON 32.0 Mn. for directly productive companies influenced by the higher sales of certain companies, but with a pressure on the commercial margins applied.

Bank interest rates at a high level, combined with higher indebtedness, as well as additional depreciation expenses following investments made, generated accumulative loss of RON 12.8 Mn.

Income consolidated 2023 (IFRS)

Breakdown of revenues	2022	2023
Revenue by product line		
Fiberglass and fiberglass reinforcement	132,876,211	144,961,929
Decorative varnishes, paints and plasters	77,029,926	96,209,238
Doors for residential construction	39,448,801	55,479,732
Border panels and fence mesh	12,106,555	50,696,545
Electrical cables	-	78,515,277
	261,461,493	425,862,721

Details of revenue by segments



Revenues up by 62.9% vs 2022, both as a result of the evolution of sales in certain segments and as a result of the impact that acquisitions (direct and indirect) had in the two periods.

ROCA Industry is a holding company without its own operational activity, recording income mainly from dividends distributed by the companies held in the portfolio and other financial income, so that the entire value of the income comes from the consolidation of the companies owned by it.

Consolidated adjusted EBITDA 2023 (IFRS)

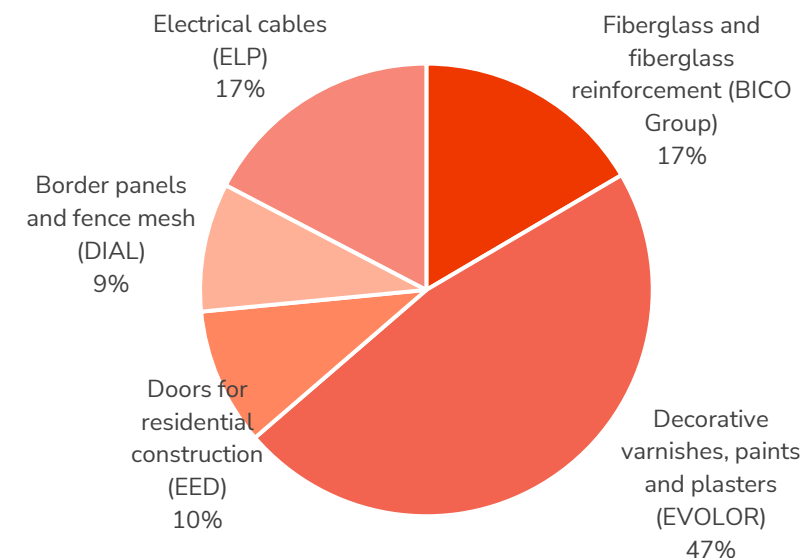
Breakdown of EBITDA

	2022	2023
EBITDA by product line		
Fiberglass and fiberglass reinforcement (BICO Group)	11,655,221	5,181,156
Decorative varnishes, paints and plasters (EVOLOR)	9,578,841	14,770,904
Doors for residential construction (EED)	5,655,085	3,068,929
Border panels and fence mesh (DIAL)	(176,716)	2,879,032
Electrical cables (ELP)	-	5,434,060
EBITDA of productive companies	26,712,431	31,334,081
ROCA Industry – individual	(3,095,892)	(6,326,136)
Consolidated EBITDA	23,616,539	25,007,945

EBITDA at consolidated level reached a total value of RON 25.0 Mn. (EBITDA margin of 5.9%). The year 2023 was characterised by higher sales in certain segments, but with pressure on the commercial margins applied. During the year, the operational development strategy for future growth (investments in CAPEX) was implemented, and acquisitions of new companies took place to ensure a solid foundation, in an economic context that will not be free of challenges and influences that are not in the Group's control.

The productive companies in the group achieved EBITDA margins between 3.6% (BICO) and 15.4% (EVOLOR).

Details of adjusted EBITDA by segments



Consolidated gross result 2023 (IFRS)

Breakdown of loss by segments

	<u>2022</u>	<u>2023</u>
Loss of operating activity by product line		
ROCA INDUSTRY	(3,474,165)	(6,785,545)
Fiberglass and fiberglass reinforcement (BICO Group)	(8,011,763)	(10,478,547)
Decorative varnishes, paints and plasters (EVOLOR)	5,389,544	7,788,788
Doors for residential construction (EED)	(1,525,456)	(7,923,672)
Border panels and fence mesh (DIAL)	(2,317,104)	(4,602,066)
Electrical cables (ELP)	-	638,965
	<u>(9,938,944)</u>	<u>(21,362,077)</u>

Loss of RON 21.4 Mn. following erosion of consolidated EBITDA by:

- **depreciation and amortization expenses** (RON 22.9 Mn., + 71,4% vs 2022), amid the amortisation of the assets of the new companies entered the consolidation perimeter, but also as a result of the investments made by the companies to expand production capacity and to streamline operations.
- **financial loss** (RON 18.7 Mn., +93,1% vs 2022), generated by financial expenses of RON 19.4 Mn. (mainly interest expenses related to LBO-type credit facilities contracted to finance acquisitions of companies, and interest related to credit facilities contracted to finance investments and current activity) and financial income of RON 0.7 Mn. (interest income related to short-term deposits).



Thank you,

ROCA INDUSTRY

T: + 40 (0)723 51 11 38

E-mail: investors@rocaindustry.ro