

**ROCA
INDUSTRY**



Holding de Materiale de Construcții

Q3 2024 FINANCIAL RESULTS PRESENTATION

19 November 2024



Disclaimer

This Presentation was made based on the information contained in the Q3 2024 financial report. This Presentation is for informational purposes only and does not constitute an offer, inducement or invitation to purchase, subscribe for or otherwise acquire any shares or securities in any jurisdiction, and nothing herein can serve as a basis for any agreement, commitment or decision to invest and no one can rely on such Presentation in connection with any agreement, commitment or decision to invest. The persons holding this document have the obligation to inform themselves and to comply with all applicable restrictions.

The financial report for Q3 2024 has been prepared in accordance with applicable capital market regulations and is available on the company's website, in the section Investors at www.rocaindustry.ro.

The figures shown are rounded using the rounding method to the nearest value, therefore rounding differences may occur.

All materials or information contained herein or presented in connection with this Presentation are for informational purposes only. The presentation may be updated, supplemented, revised and amended.

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 claim to contain all the information that a person would need when purchasing 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 such affiliates, directors, managers, auditors, or, as the case may be, 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 the part of Roca Industry, its directors, directors or subsidiaries, as well as their representatives.

The presentation may contain forward-looking statements. However, these statements, including assumptions, opinions of Roca Industry or quotes from third parties, are opinions only and should not be construed as assurances or projections of Roca Industry in relation to expected future results. Forward-looking statements, including statements about future financial results, involve significant risks and uncertainties and other factors that may cause actual events to differ materially from any anticipated development and give no guarantee or assurance that those results will be achieved. Expectations are based on Roca Industry's knowledge, assumptions and/or opinions and depend on several factors that may cause Roca Industry's actual results to differ materially from those discussed in this Presentation or any meeting or oral presentation therein. Many such factors are beyond 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 them to reflect new events or circumstances, nor to correct any inaccuracies that may occur after the date of Presentation, except to the extent required by applicable laws and regulations. The reader is cautioned not to rely improperly on forward-looking statements.

Content

1. About ROCA Industry

2. In-depth Holding Overview

3. Financial results

1.

About ROCA Industry

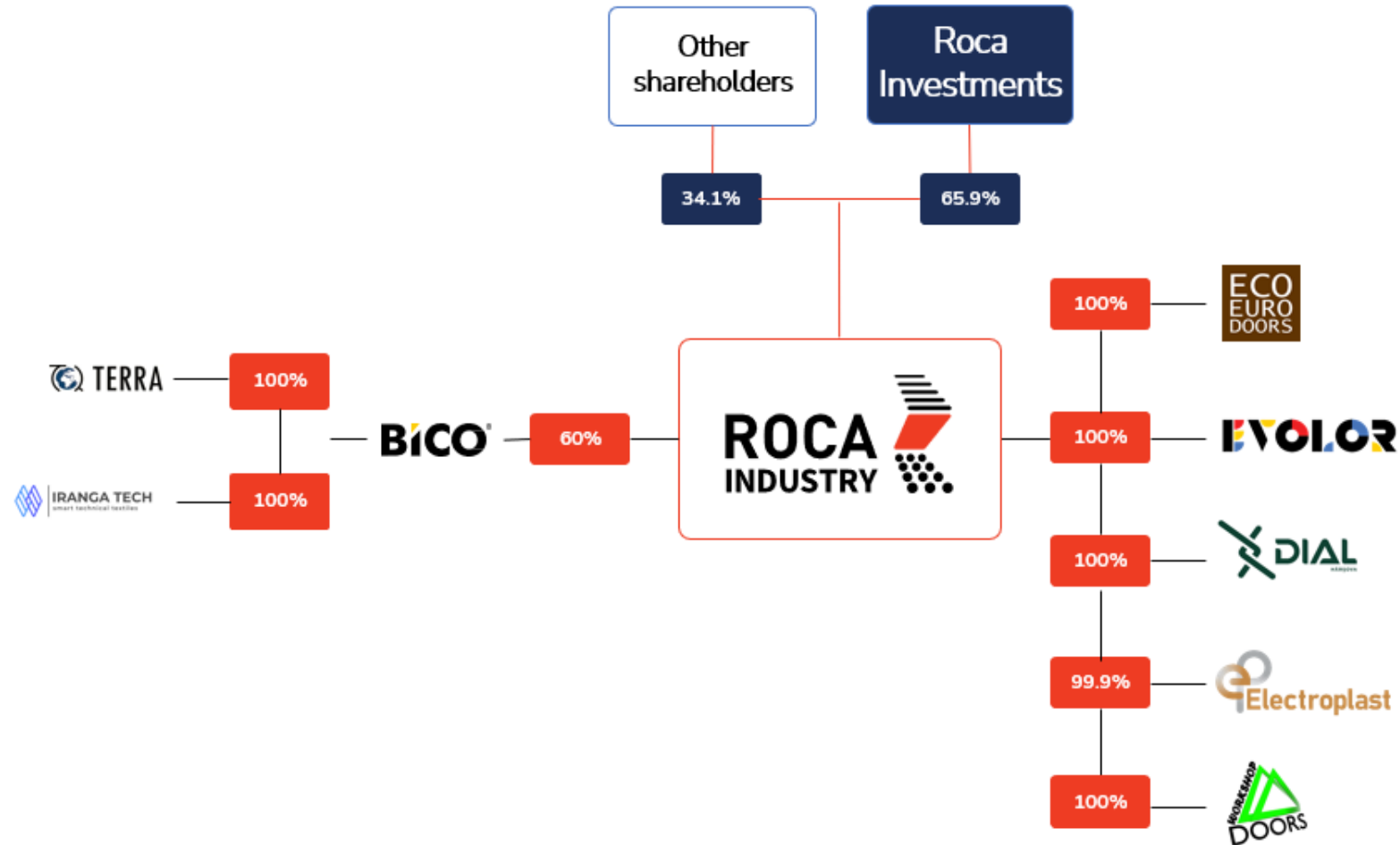


• About ROCA Industry

Achievements in Q3 2024

- **Completion of the acquisition of an additional 30% stake in Workshop Doors**, the second-largest Romanian manufacturer of interior doors, following the February transaction that brought the company into the ROCA Industry Group through the acquisition of 70% of its capital;
- **Initiation of the merger process between EED and Workshop**, expected to be completed in the near future, aiming to create a stronger player in the Romanian interior door market with the objective of becoming a regional leader;
- **Liquidity of shares** (measured as the median of daily trading volumes) **has increased by 6.1 times** since listing on the main market, compared to the same period in 2023;
- Just six months after listing, **ROCA Industry shares were included in the BET Plus index**;
- The **first independent analysis** of the share price was published (conducted by BRK).

ROCA Industry Overview



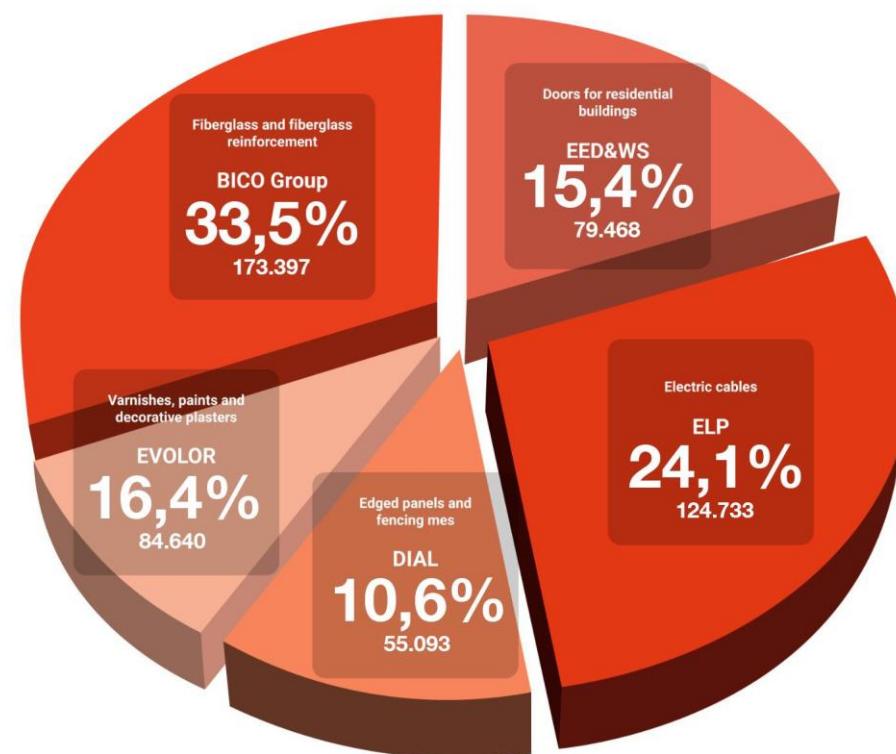
Investments in five subsectors of activity

ROCA Industry covers 5 activity sectors, directly and indirectly holds 8 companies and finalized the most recent transaction in October 2024.

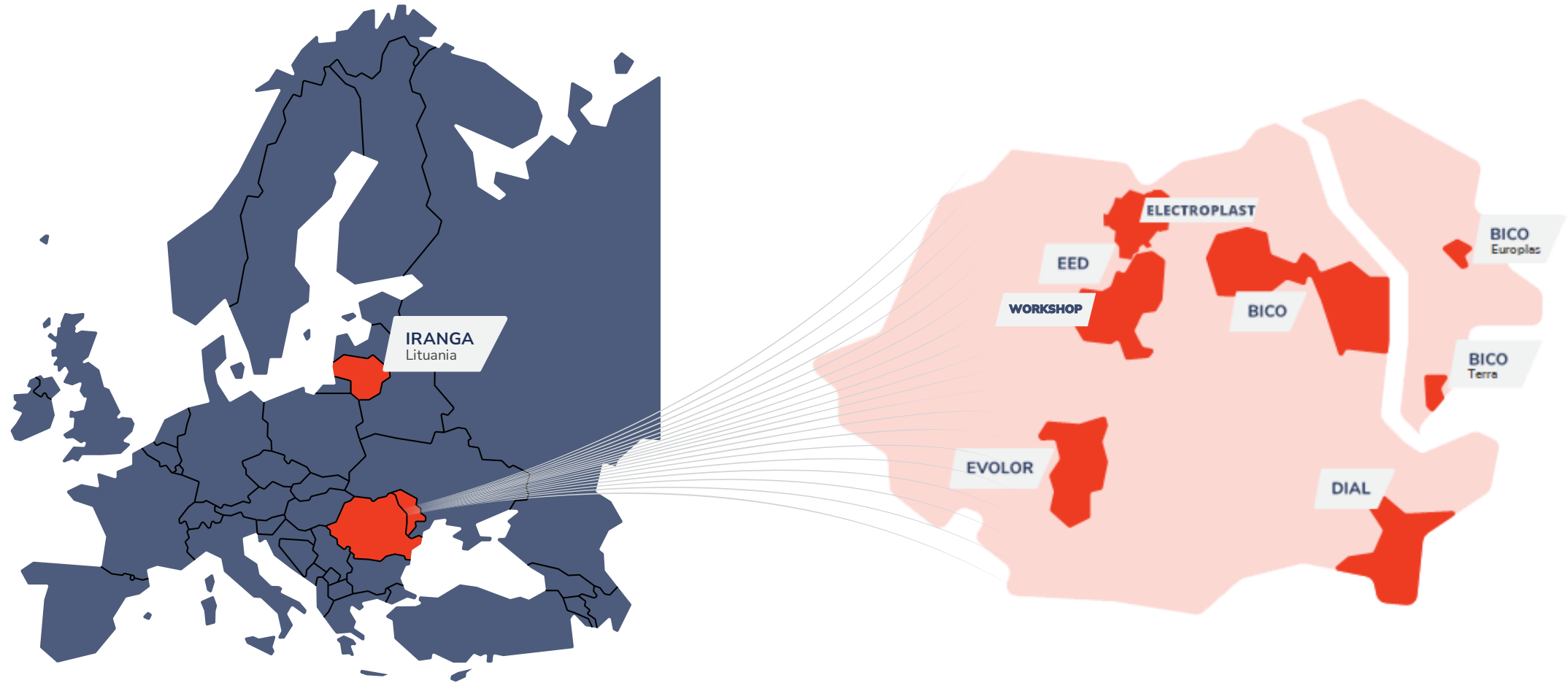
The six companies directly owned by the Holding operate in different sub-sectors:

- **BICO Industries** - The largest producer of fiberglass mesh in Eastern Europe and the third-largest producer in the European Union
- **EVOLOR** - One of the major players in the paint and varnish manufacturing industry
- **Eco Euro Doors** - The largest Romanian producer of doors for residential constructions
- **Workshop Doors** – The second largest Romanian producer of doors for residential constructions
- **DIAL** - One of the largest producers of panels and fence mesh
- **Electroplast** – One of the largest manufacturers of low-voltage copper and aluminum electrical cables

The contribution of each field of activity in the cumulative turnover (million RON) of the Holding (T3 2024)



• 13 factories in 3 international jurisdictions



2.

In-depth overview of the Holding



About BICO

3rd in the EU (production capacity) and 5th in Europe

Organization:

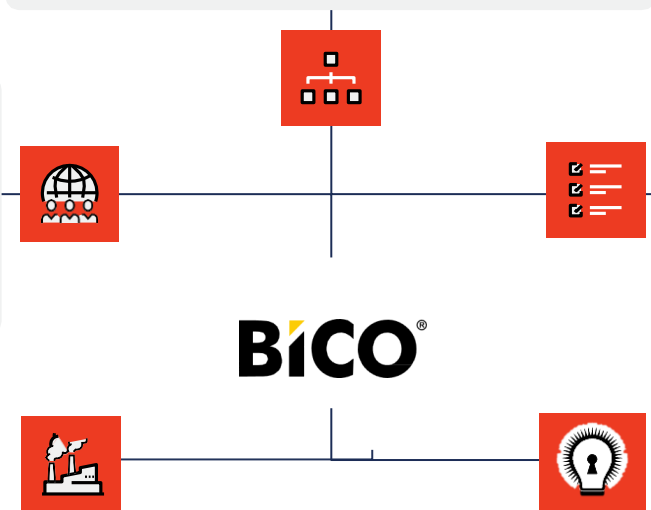
- 3 companies (Bico, Terra, Iranga)
- 5 factories
- 3 jurisdictions

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

Ownership: Since September 2021

Activity: Production of technical geotextiles, mesh, and corners from glass fiber for thermal systems

Active in the market: 18 years



Achievements:

- Completion of the merger process between Terra and Europlas to simplify activity management and improve operational efficiency.
- Negotiations with suppliers, activation of procurement channels from alternative sources
- In the domestic market - recovery of the sell-out process, internationally - a decrease in demand for thermal insulation products, which balanced the export share (55% export, 45% domestic)
- The Turbotex division continued the growing trend from H1

Financial performance (statutory financial statements)

Turnover Q3: RON 173.4 mn, +11.7% vs Q3 2023

EBITDA Q3: RON 16.9 mn, +303% vs Q3 2023

Net profit Q3: RON 7.3 mn, vs. net loss Q3 2023 RON 1.5 mn

Key short-term projects:

- Continuation of M&As integration from an operational and commercial point of view
- Regional expansion by entering 2 DIY stores in CE, two thermal insulation system distributors with European coverage
- Continuation of the operational optimization process
- Strengthening traditional relationships with suppliers from Asia and the Middle East

About EVOLOR

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

Organization:

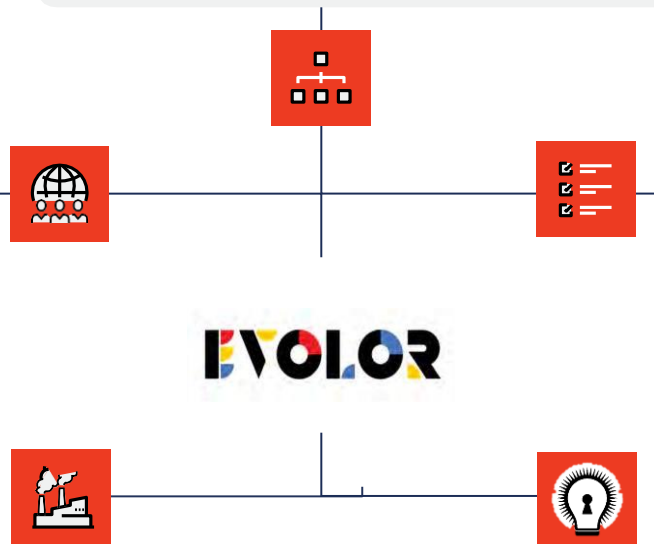
- **2 factories**
- **7 main** production sections
- **2 well-known brands** (STICKY and CORAL)
- **380 products**, with national distribution and export in the Republic of Moldova

Shareholders: Roca Industry (100%)

Ownership since November 2021

Activity: production of paints, varnishes, enamels, and plasters

Active in the market for 30 years



Achievements:

- Completion of the relocation and operationalization process for the decorative plaster section in the new factory located on the Olchim platform, commissioning of a modern R&D laboratory, and new equipment (purchased €0.6 mn out of a €3 mn plan).
- Increase in sold volumes by 10%.
- Intensification of export activities to the Republic of Moldova
- Diversification of the portfolio with technologically innovative products
- Brand awareness campaigns (Sticky and Coral) - TV & radio spots, online, street signage, Social Media

Financial performance (statutory financial statements)

Turnover Q3: RON 84.6 mn, +5.9% vs Q3 2023

EBITDA Q3: RON 10.1 mn, -27.2% vs Q3 2023

Net loss Q3: RON 1.5 mn vs RON 3.1 mn net profit in Q3 2023

Key short-term projects:

- Strengthening presence in DIY and traditional trade
- Continued expansion of presence and deliveries in the Moldovan market
- Launch of new products
- Continuation of investments for operationalizing the acquired factory, ongoing technological upgrades, and increasing production capacities

About DIAL

One of the largest producers of panels and fencing mesh

Shareholders: ROCA Industry (100%)
Ownership: 100% since September 2022
Activity: production of panels and fencing mesh
Active in the market for 30 years.

Organization:

- **Total land:** 30,000 m²
- **Factory:** 6,000 m²
- **Over 200 products**

Achievements:

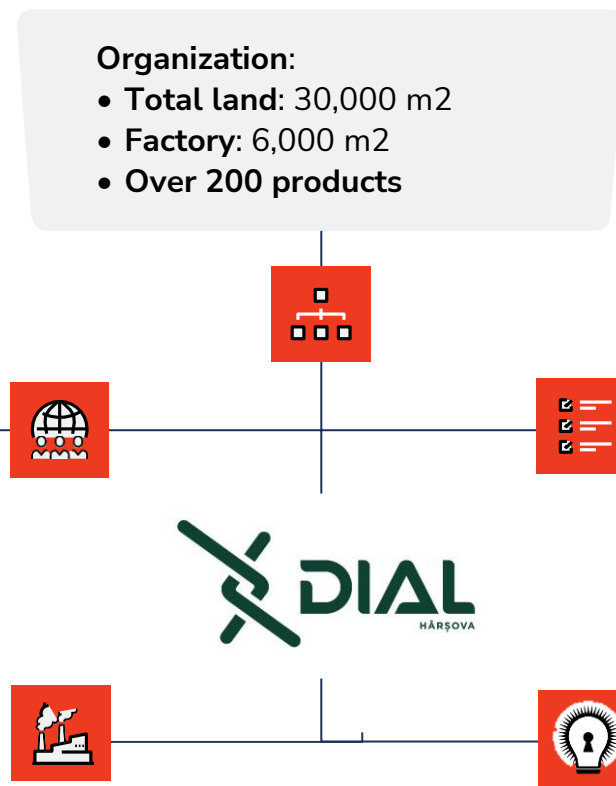
- Increase in market share
- The portfolio was expanded through the introduction of new products aimed at complementing the assortment
- The promotional campaign for plastified products continued, along with an increase in the number of clients by further expanding into new areas for TT (Iași, Cluj, and Oradea).
- Operational efficiency through aligning purchases with the estimated level of orders
- Modernization of the Plastification Section through investments in the installation of a gantry crane

Financial performance (statutory financial statements)

Turnover Q3: RON 55.1 mn, +34.2% vs Q3 2023
EBITDA Q3: RON 6.3 mn, +86.8% vs Q3 2023
Net profit Q3: RON 0.4 mn vs RON 0.1 mn net profit in Q3 2023

Key short-term projects:

- Implementation of the activity optimization plan
- Continuation of investments for energy and operational efficiency
- Visits to key suppliers to strengthen existing business relationships and to explore the market for identifying new suppliers and products
- Introduction and promotion of innovative products on the Romanian market
- Increase in exports and expansion of the portfolio by attracting new clients



About EED&WS

The two largest Romanian producer of doors for residential constructions

Organization:

- **3 factories** (total of 25,000 sqm)
- **Production capacity** app. 1 mn dors/year
- The **only fully automated painting line** with 3 robots in Romania - EED
- **3 product categories** (economic, medium, premium)

Achievements WS:

- Continued strengthening of market position (production and sales volumes), especially through existing distribution channels
- The new product range for DIY (decorative wood wall panels) achieved notable success in Q3, attracting new clients both in the domestic and international markets)
- Introduction of an automated painting line enabling faster production and improved quality.

Financial performance (statutory financial statements)

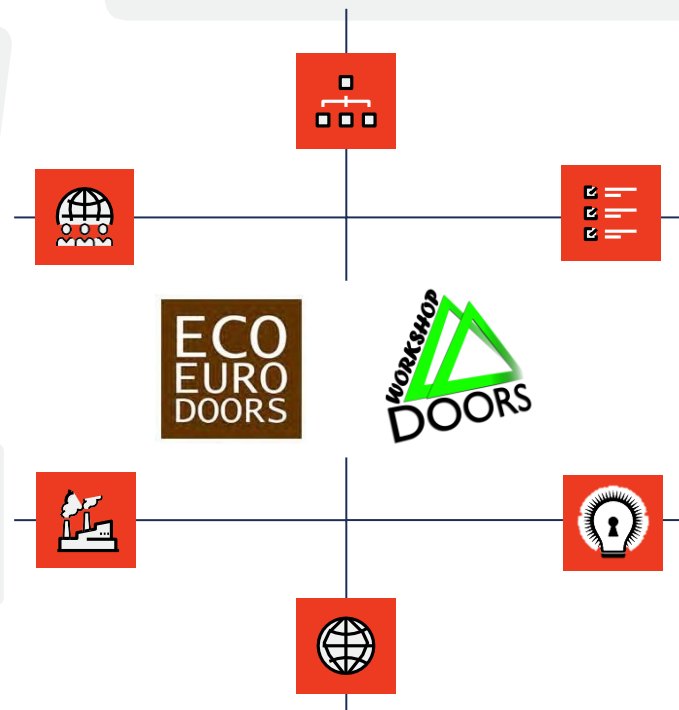
Turnover Q3 WS: RON 40.9 mn, +7.3% vs Q3 2023
EBITDA Q3 WS: RON 14.3 mn, +43.7% vs Q3 2023
Net profit H1 WS: RON 10.7 mn, +46.9% vs Q3 2023

Achievements EED:

- Continuation of integration and know-how transfer process in full swing
- Large-scale project for cost optimization, including the implementation of the logistics activity optimization plan (partial outsourcing of the owned fleet) with positiv impact on profit margin
- New ERP implementation in progress

Financial performance (statutory financial statements)

Turnover Q3 EED: RON 38.5 mn, -13.5% vs Q3 2023
EBITDA Q3 EED: RON 3.7 mn, +16.0% vs Q3 2023
Net loss Q3 EED: RON 6.4 mn, +197.4% vs Q3 2023



Key short-term projects:

- Merger between the two companies and continued integration, generating synergies in procurement and evaluating optimization solutions in logistics
- Launch of a new local brand, internationally validated, and introduction of the concept of collections
- Implementation of ERP for operational efficiency and better resource management
- Investments in equipment and operational efficiency and expansion of products portfolio

About ELP

One of the largest producers of low-voltage copper and aluminum electrical cables

Organization:

- Railway cables market leader
- 30 equipment and production lines
- 3,600 cable types and sizes
- Modern testing laboratory accredited by RENAR

Shareholders: ROCA Industry (99.99997%)

Ownership since June 2023

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

Active in the market for 30 years

Achievements:

- Continuation of the investment project approved in Q1, : €9 mn, to be completed by 2026 (tripling production capacity)
- Initiation of cable deliveries for railway infrastructure under contracts signed with two of the main players in the field, Alstom and GTS
- Signing of the financing contract with the Ministry of Energy for replacing two production pieces of equipment, to be delivered by the end of Q2 2025 and operational by Q3 2025
- 'How It's Made at Electroplast?' was broadcast on Discovery Channel in July, reaching 500,000 people.



Financial performance (statutory financial statements)

Turnover Q3: RON 124.7 mn, +5.3% vs Q3 2023

EBITDA Q3: RON 8.2 mn, +45.9% vs Q3 2023

Net profit Q3: RON 1.5 mn, vs RON 0.2 mn net loss in Q3 2023

Key short-term projects:

- Expanding the distribution channel by attracting new customers and rethinking the mix of suppliers
- Investments in the acquisition of new equipment to increase production capacity
- Modification of production flows both from a logistical standpoint and in terms of process optimization

3.

Financial results



Q3 2024 cumulated financial results (OMF)

P&L indicators OMFP 1802	Results for Q3 2024 (RON th)			EBITDA margin Q3 2024	Net margin Q3 2024	Variation Q3 2024 vs Q3 2023		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
EVOLOR	84,640	10,114	(1,544)	11.9%	-1.8%	5.9%	-27.2%	N/A
BICO Group	173,397	16,862	7,307	9.7%	4.2%	11.7%	302.8%	N/A
DIAL	55,093	6,326	445	11.5%	0.8%	34.2%	86.8%	N/A
Electroplast	124,733	8,216	1,457	6.6%	1.2%	5.3%	45.9%	N/A
EED & Workshop	79,468	17,978	4,227	22.6%	5.3%	-3.9%	37.0%	-17.0%
<i>EED</i>	38,538	3,694	(6,433)	9.6%	-16.7%	-13.5%	16.0%	197.4%
<i>Workshop</i>	40,930	14,284	10,660	34.9%	26.0%	7.3%	43.7%	46.9%
<i>Total companies</i>	<i>517,331</i>	<i>59,496</i>	<i>11,892</i>	<i>11.5%</i>	<i>2.3%</i>	<i>8.4%</i>	<i>47.9%</i>	<i>85.3%</i>
ROCA Industry	-	(5,410)	(3,259)	N/A	N/A	N/A	-23.4%	N/A
<i>Total cumulated</i>	<i>517,331</i>	<i>54,086</i>	<i>8,633</i>	<i>10.5%</i>	<i>1.7%</i>	<i>8.4%</i>	<i>50.9%</i>	<i>25.8%</i>

While the residential construction work index published by NIS shows a decline of over 23% in the first 8 months of 2024 vs. 8M 2023, the **cumulated turnover** of the companies within holding increased by 8.4%, and their **cumulated EBITDA** was by 48% higher than the one at Q3 2023.

BICO Group: operational optimizations and increased sales of products with the highest margin in the portfolio

EVOLOR: decrease in EBITDA due to base effect (2023 was exceptional for the company), with additional impact from the increase in marketing expenses (with estimated effect on sales in the next period) and salary expenses

EED: efforts to optimize expenses with raw materials and consumables, increase in salary expenses (building the management team and effect of tax changes in construction). **WKS** launched new products on the market (decorative wood wall panels), optimized its cost structure, and consequently, its sales volume increased

DIAL: implementing the commercial strategy by launching new products, maximizing existing channels and identifying new sales channels, correlating production with the needs identified in the sales area, and optimizations brought by the acquisition department

ELECTROPLAST: increased sales volume across most product categories.

Q3 2024 consolidated financial results (IFRS)

P&L indicators IFRS	Results for Q3 2024 (RON th)			EBITDA margin Q3 2024	Net margin Q3 2024	Variation Q3 2024 vs Q3 2023		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
EVOLOR	84,535	10,288	3,387	12.2%	4.0%	5.7%	-28.2%	-57.1%
BICO Group	130,419	17,580	5,823	13.5%	4.5%	17.3%	333.9%	N/A
DIAL	55,088	6,601	2,809	12.0%	5.1%	34.2%	111.3%	N/A
Electroplast	124,733	8,690	1,123	7.0%	0.9%	204.5%	188.8%	109.1%
EED & Workshop	77,549	18,662	6,286	24.1%	8.1%	74.0%	327.3%	N/A
<i>EED</i>	<i>37,015</i>	<i>3,252</i>	<i>(4,835)</i>	<i>8.8%</i>	<i>-13.1%</i>	<i>-17.0%</i>	<i>-25.5%</i>	<i>-44.8%</i>
<i>Workshop</i>	<i>40,534</i>	<i>15,410</i>	<i>11,121</i>	<i>38.0%</i>	<i>27.4%</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<i>Total companies</i>	<i>472,324</i>	<i>61,821</i>	<i>19,428</i>	<i>13.1%</i>	<i>4.1%</i>	<i>48.7%</i>	<i>114.1%</i>	<i>N/A</i>
ROCA Industry	-	(5,410)	(6,896)	N/A	N/A	N/A	-28.6%	-51.4%
<i>Total consolidated</i>	<i>472,324</i>	<i>56,411</i>	<i>12,532</i>	<i>11.9%</i>	<i>2.7%</i>	<i>48.7%</i>	<i>128.7%</i>	<i>N/A</i>

Revenue up 48.7% compared to 9M 2023, both as a result of sales evolution on all segments and the impact that acquisitions from 2023 (Electroplast) and 2024 (Workshop) have had during the 2 periods.

Positive EBITDA on all operating segments, with margins between 7% (ELP) and 24.1% (EED&WKS), due to operational efficiency initiatives, along with the new companies added to the holding

Recording a consolidated net profit of RON 12.5 mn in Q3 2024 compared to the net loss of RON 7.3 mn in Q3 2023, despite:

- An increase in depreciation and amortization expenses by 38.5% (new investments for expanding production capacity and for operational efficiency, and acquisitions of companies) and
- Financial losses higher by 39.2% vs 9L 2023 (interest on credit facilities for financing company acquisitions and additional credit facilities for financing investments and the current activities of the companies).

Q3 2024 consolidated revenue (IFRS)

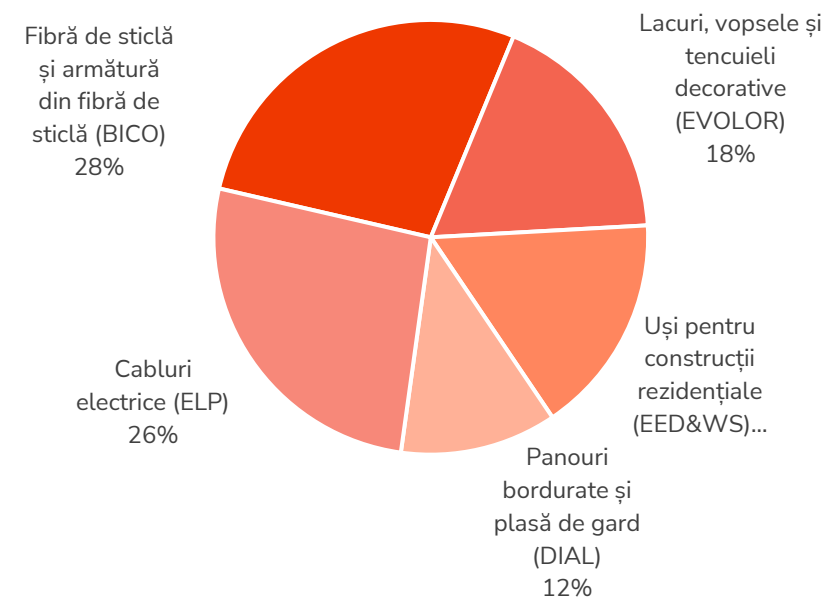
Split of revenue	30 Sept 2024	30 Sept 2023	Variation 9L 24/9L 23
Revenue by segments			
Fiberglass and fiberglass reinforcement (BICO)	130,419,114	111,179,892	17.3%
Varnishes, paints and decorative plasters (EVOLOR)	84,535,439	79,942,700	5.7%
Doors for residential buildings (EED&WS)	77,549,138	44,577,709	74.0%
Edged panels and fencing mesh (DIAL)	55,087,746	41,058,405	34.2%
Electric cables (ELP)	124,732,940	40,964,586	204.5%
	472,324,377	317,723,292	48.7%

Revenue up by 48.7% vs Q3 2023, 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.

A share of 78.0% of revenues (RON 368.5 mn) come from sales to customers in Romania, the rest of the sales being generated mainly by BICO Group with external partners (mainly Italy, Germany, Bulgaria, Greece, Poland, Hungary and Croatia)

ROCA Industry is a holding company with no operating income of its own, recording income mainly from dividends distributed by the portfolio companies and other financial income, so the entire amount of income comes from the consolidation of its portfolio companies.

Details of revenue by segments



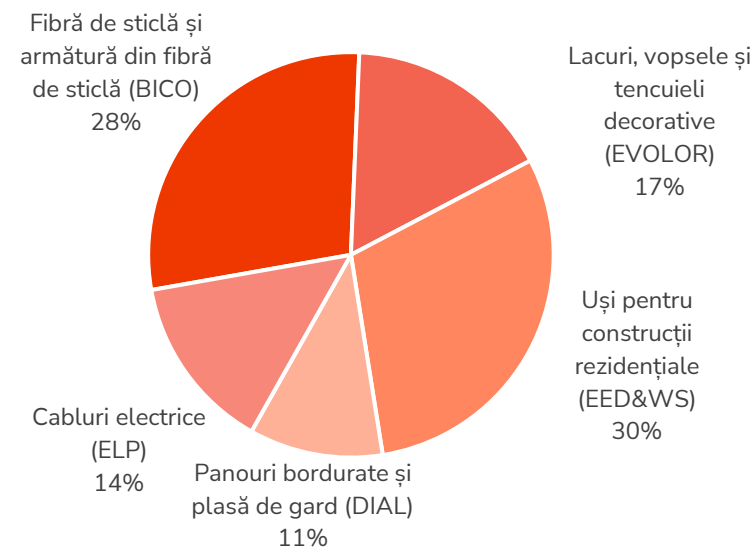
Q3 2024 consolidated adjusted EBITDA (IFRS)

EBITDA split	30 Sept 2024	30 Sept 2023	Variation Q3 24/Q3 23
EBITDA by segments			
Fiberglass and fiberglass reinforcement (BICO)	17,579,534	4,052,500	333.8%
Varnishes, paints and decorative plasters (EVOLOR)	10,288,488	14,324,785	-28.2%
Doors for residential buildings (EED&WS)	18,660,511	4,366,608	327.3%
Edged panels and fencing mesh (DIAL)	6,601,368	3,123,989	111.3%
Electric cables (ELP)	8,690,096	3,009,397	188.8%
EBITDA productive companies	61,819,997	28,877,279	114.1%
ROCA Industry – standalone	-5,408,760	-4,205,528	28.6%
EBITDA consolidated	56,411,237	24,671,751	128.6%

EBITDA up by 128.7% as compared to Q3 2023 (EBITDA margin of 11.9%). Part of the evolution comes from the implementation of the operational, commercial and financial development strategy that involves:

- growth through investment (CAPEX),
- development through M&A operations to ensure a solid long-term foundation,
- launching new products, maximizing current distribution channels, identifying new sales channels.

Details of EBITDA by segments



EBITDA evolution is also due to the new companies entering the consolidation perimeter (ELP, Workshop and Iranga). Eliminating their impact, EBITDA of the directly productive companies, part of the group in Q3 2023, would be RON 34.8 mn.

Q3 2024 consolidated gross result (IFRS)

Result split	<u>30 Sept 2024</u>	<u>30 Sept 2023</u>
Operating result by segments		
ROCA Industry	(6,895,998)	(4,555,441)
Fiberglass and fiberglass reinforcement (BICO)	5,823,150	(6,695,384)
Varnishes, paints and decorative plasters (EVOLOR)	3,387,233	7,902,314
Doors for residential buildings (EED&WS)	6,285,250	(3,340,230)
Edged panels and fencing mesh (DIAL)	2,808,523	(1,191,721)
Electric cables (ELP)	1,122,558	537,109
	<u>12,530,716</u>	<u>(7,343,354)</u>

All efforts made to improve operational activity in the second half of 2023 and the first part of 2024 were reflected both in the operating result, with a profit of RON 34.1 mn as compared to a profit of RON 5.3 mn in Q3 2023, and in the net result, where the Group recorded a consolidated net profit of RON 12.5 mn in Q3 2024 compared to the net loss of RON 7.3 mn recorded in Q3 2023.

The direct productive companies obtained superior results as compared to Q3 2023. Net profit of RON 12.5 mn as a result of the erosion of EBITDA by:

- **impairment and amortization expenses** (RON 22.7 mn, + 38.5% vs Q3 2023), amid the depreciation of assets of new companies acquired, but also as a result of investments made by holding companies to expand production capacity and operational efficiency,
- **financial loss** (RON 18.5 mn, +39.1% vs Q3 2023), generated by financial expenses of RON 18.8 mn (mainly interest expenses related to LBO credit facilities contracted to finance company acquisitions, as well as interest on credit facilities contracted by ROCA Industry portfolio companies to finance investments and current activity) and by the RON 0.3 mn financial income representing mostly interest income on short-term deposits.



Thank you!

ROCA Industry

T: + 40 (0)723 51 11 38

E-mail: investors@rocaindustry.ro