



Holding de Materiale de Construcții

H1 2024 FINANCIAL RESULTS PRESENTATION

23 AUGUST 2024

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1.

About ROCA Industry



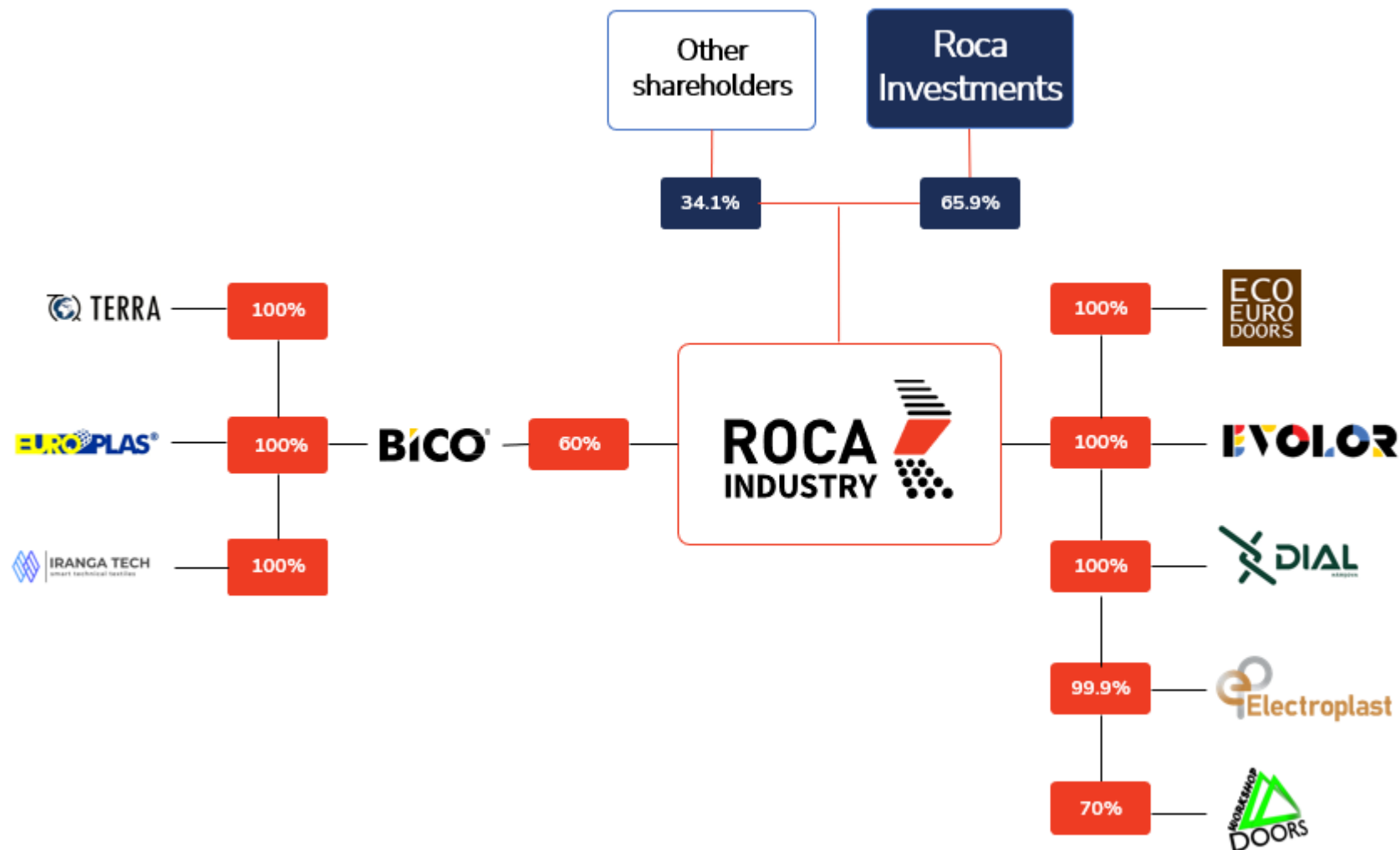
• About ROCA Industry

Achievements in 2024

- **Completion of the share capital increase** by RON 71.7 mn (January 2024)
- **Admission to trading on BSE's main market** (11 March 2024), 2 years after the listing on the AeRO Premium market
- **8 times increase in the liquidity of the shares** (as measured by the median of daily traded volumes, since the listing on the main market compared to the same period in 2023)
- **Completion of the acquisition of 70% of Workshop Doors' share capital**, the second largest manufacturer of doors for residential buildings
- Finalizing the **principles of the management incentive plan** and their approval by shareholders
- **Signing the contract with BRK** as market maker
- Continuing the brand building process for each company
- Continuation of the process of streamlining and developing the activities of the companies within the holding, with a direct impact on the results achieved

ROCA Industry

Overview



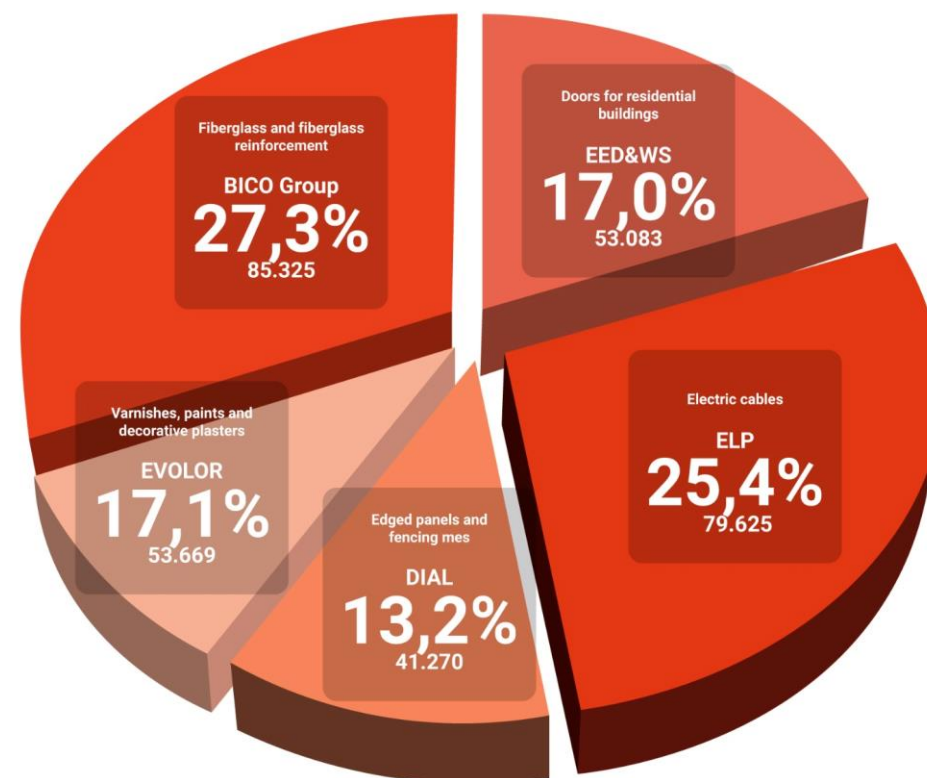
Investments in five subsectors of activity

ROCA Industry acoperă 5 sectoare de activitate și a finalizat cea de-a noua achiziție în februarie 2024.

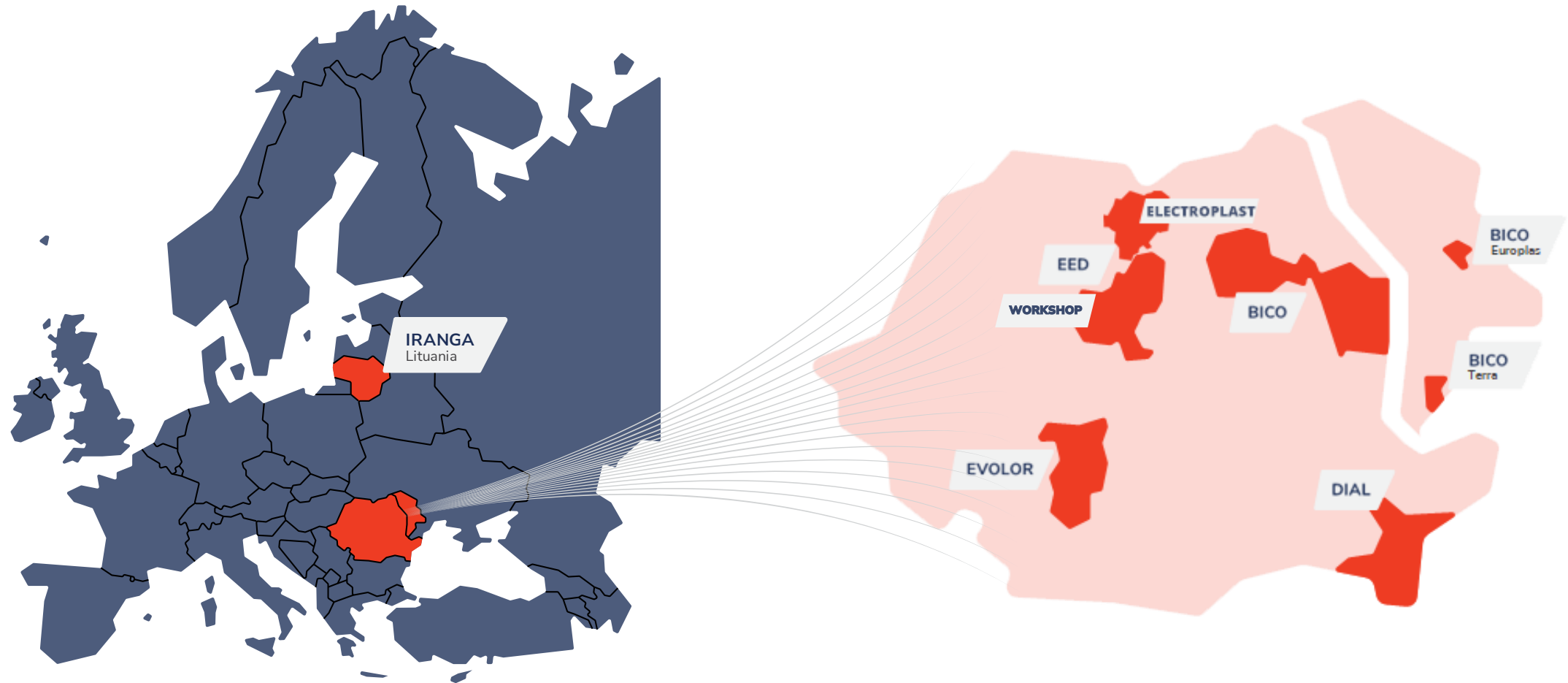
The five companies directly owned by the Holding operate in different sub-sectors:

- **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 (S1 2024)



❖ 12 factories in 3 international jurisdictions



❖ About ROCA on the capital market

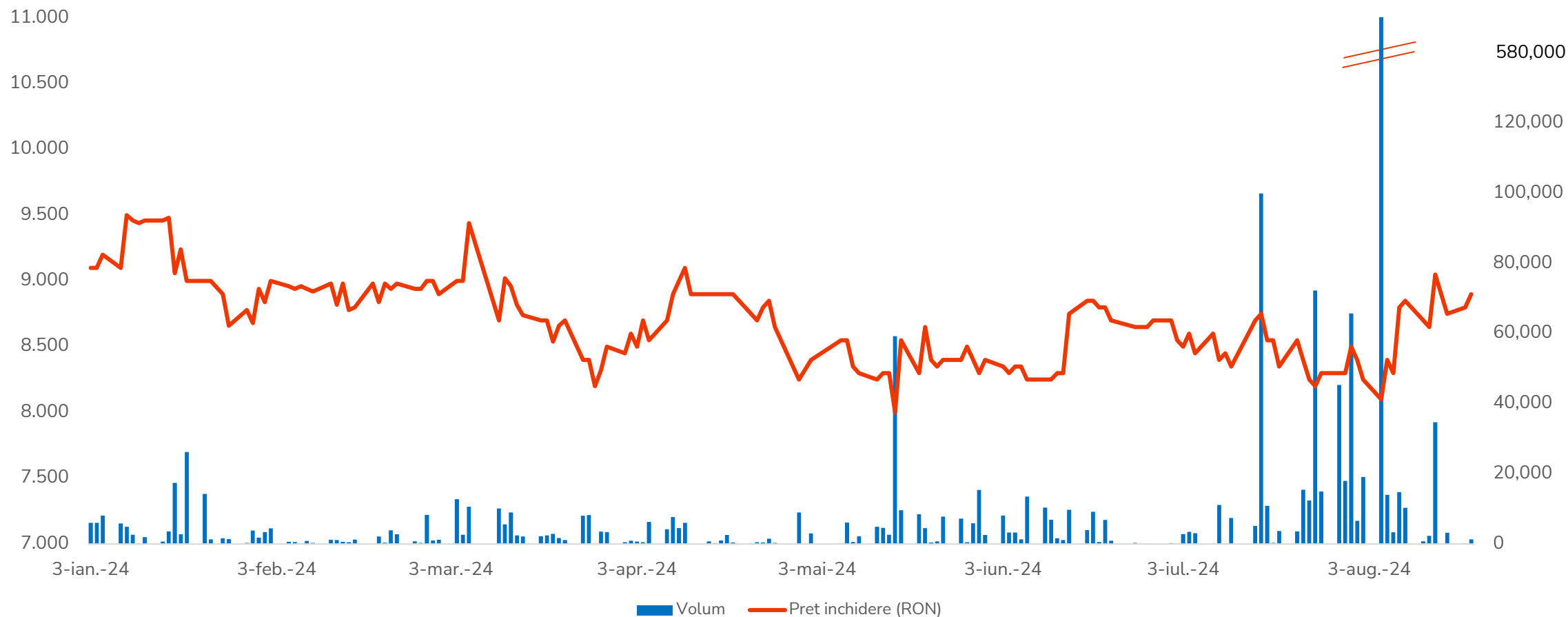
Symbol	ROC1
Market	BSE main market (previously listed on BSE AeRO market)
Date of admission to trading	27 January 2022 (AeRO), 11 March 2024 (BSE main market)
Market capitalization*	RON 218,831,554
Share capital	RON 248,672,220
Nominal value	RON 10 per share
Total number of shares	24,867,222
Liquidity since admission to trading*	6,951,123 shares (28.0% of the share capital after increase)
Free float	~ 20%
Liquisity since admission to trading on MM	Daily volumes' median 3,336 shares, 8X versus March-August 2023

*— At the end of 20 August 2024

❖ ROC1 shares evolution

Price/share

Volume



2.

In-depth overview of the Holding



• About BICO

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

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

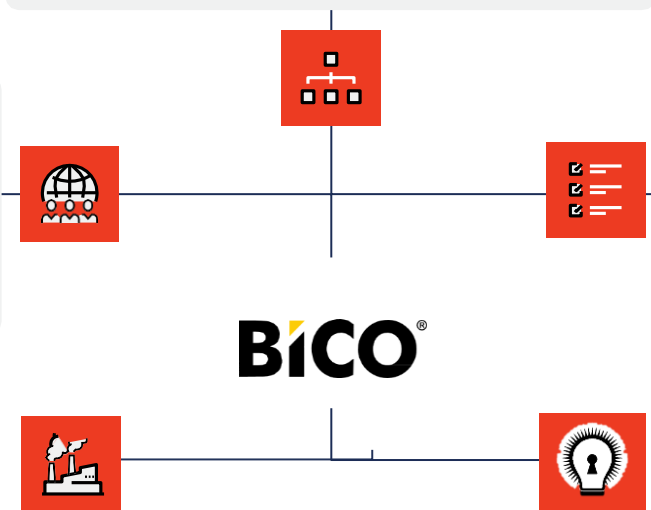
Ownership: Since September 2021

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

Active in the market: 17 years

Organization:

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



Achievements:

- A new equipment put into operation (knitted mesh) in Vulcanesti, investment of EUR 1 mn
- Recovery of technological waste generated by creating a new saleable product (fiberglass needles for reinforcing screeds)
- Negotiations with suppliers, activation of procurement channels from alternative sources
- Preservation of the share of export sales
- The best semester for the Turbotex division
- Completion of the ISO certification audit for factories in Romania

Financial performance (statutory financial statements)

Turnover H1: RON 85.3 mn, +8.8% vs H1 2023

EBITDA H1: RON 11.6 mn, +398% vs H1 2023

Net profit H1: RON 4.1 mn, vs. net loss H1 2023 RON 0.7 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
- Steps towards listing the Turbotex division on the U.S. market
- 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:

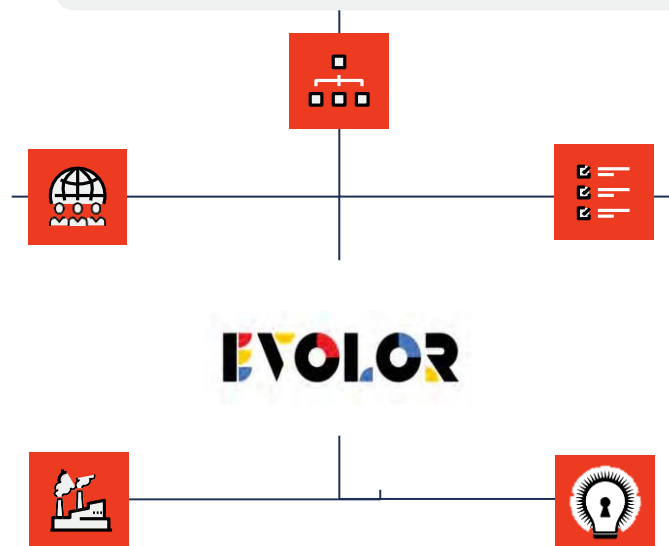
- **1 factory**
- **7 main** production sections
- **2 well-known brands** (STICKY and CORAL)
- **380 products**, with national distribution and export in the Republic of Moldova

Shareholders: Roca Industry (100%)

Ownership since November 2021

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

Active in the market for 30 years



Achievements:

- Relocation process to the new factory and new equipment (EUR 0.6 mn out of a EUR 3 mn plan)
- Expanding the presence in DIY (and in a network of approx. 1300 traditional stores)
- Diversification of the portfolio with technologically innovative products
- ETICS certification for products, necessary for thermal rehabilitation projects funded by the EU
- Brand awareness campaigns (Sticky and Coral) - TV & radio spots, online, street signage, Social Media and instore materials

Financial performance (statutory financial statements)

Turnover H1: RON 53.7 mn, +8.3% vs H1 2023

EBITDA H1: RON 5.9 mn, -28.9% vs H1 2023

Net loss H1: RON 1.7 mn vs RON 1.5 mn net profit in H1 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
- Commissioning of a modern research and development laboratory

• 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
- Increase in the number of clients by continuing expansion into new areas for TT
- Reduction of dependency on DIY (from 50% to 30%)
- Operational efficiency through aligning purchases with the estimated level of orders
- Participation in various trade fairs in the region, with real prospects for increasing export volumes
- Continuation of the multi-year ESG plan by installing photovoltaic panels with a capacity of app. 0.7 MWh



Financial performance (statutory financial statements)

Turnover H1: RON 41.3 mn, +44.3% vs H1 2023
EBITDA H1: RON 5.1 mn, +90.4% vs H1 2023
Net profit H1: RON 0.7 mn, -44.3% vs H1 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, retention of current clients, and expansion of the portfolio by attracting new clients

• About EED&WS

The two largest Romanian producer of doors for residential constructions

Achievements WS:

- Launch of a new product range for DIY (decorative wood wall panels), orders delivered to OBI Hungary (result beyond expectations)
- Initiation of negotiations with two other major networks in Western Europe
- Optimization of production processes
- Ordering an automated painting line to increase production capacity and improve quality

Financial performance (statutory financial statements)

Turnover H1 WS: RON 27.6 mn, +17.4% vs H1 2023

EBITDA H1 WS: RON 10.1 mn, +79.2% vs H1 2023

Net profit H1 WS: RON 7.6 mn, +88.1% vs H1 2023

Organization:

- **3 factories** (total of 25,000 sqm)
- **Production capacity** app. 1 mn doors/year
- The **only fully automated painting line** with 2 robots in Romania
- **3 product categories** (economic, medium, premium)

Achievements EED:

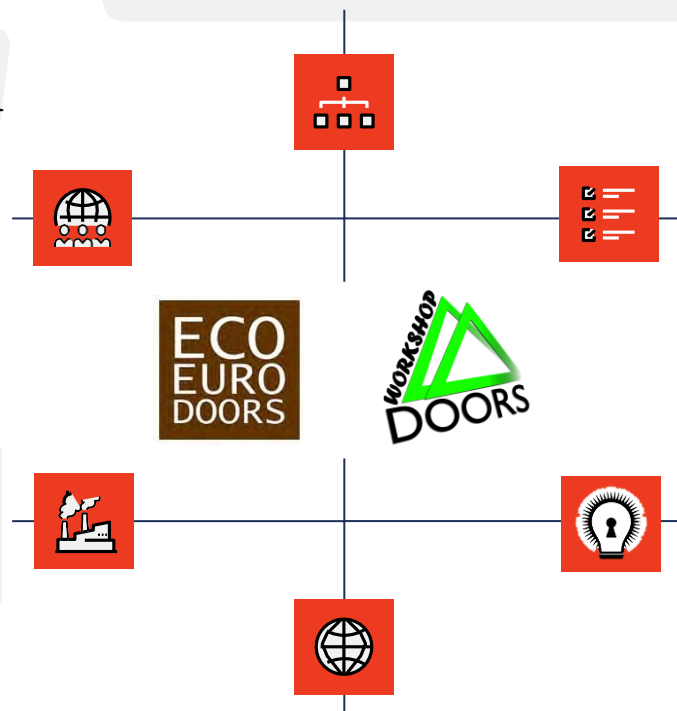
- Integration and know-how transfer process in full swing
- Large-scale project for cost optimization, including the implementation of the logistics activity optimization plan (partial outsourcing of the owned fleet)

Financial performance (statutory financial statements)

Turnover H1 EED: RON 27.1 mn, -8.5% vs H1 2023

EBITDA H1 EED: RON 2.5 mn, +62.4% vs H1 2023

Net loss H1 EED: RON 4.1 mn, -305% vs H1 2023



Key short-term projects:

- Merger between the two companies and continued integration, generating synergies in procurement and evaluating optimization solutions in logistics
- Diversification of sales channels and product portfolio, including in foreign markets (WS - delivery of battens to one of the DIY store chains in the country)
- 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

• About ELP

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

Organization:

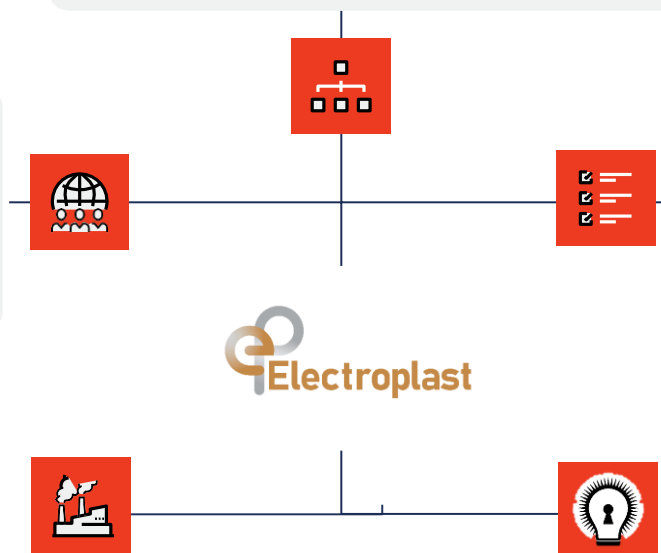
- Railway cables market leader
- 30 equipment and production lines
- 3,600 cable types and sizes
- Modern testing laboratory accredited by RENAR

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:

- Commissioning of a shielding-reinforcement line as part of the investment plan for 2022-2024
- Completion of Industry 4.0 project implementation – increasing efficiency in decision-making
- Launch of the new investment project of over EUR 9 mn by 2026 (tripling production capacity)
- Signing of important contracts for railway infrastructure projects

Financial performance (statutory financial statements)

Turnover H1: RON 79.6 mn, +2.8% vs H1 2023

EBITDA H1: RON 4.7 mn, +56.1% vs H1 2023

Net profit H1: RON 0.2 mn, vs RON 0.6 mn net loss in H1 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



❖ H1 2024 cumulated financial results (OMF)

P&L indicators OMFP 1802	Results for H1 2024 (RON th)			EBITDA margin H1 2024	Net margin Q1 2024	Variation H1 2024 vs H1 2023		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
EVOLOR	53,668	5,938	(1,696)	11.1%	-3.2%	8.3%	-28.9%	N/A
BICO Group	85,325	11,623	4,058	13.6%	4.8%	8.8%	398.2%	N/A
DIAL	41,270	5,103	681	12.4%	1.7%	44.3%	90.4%	-44.3%
Electroplast	79,625	4,707	243	5.9%	0.3%	2.8%	56.1%	N/A
EED & Workshop	54,683	12,673	3,403	23.2%	6.2%	2.9%	75.6%	13.1%
<i>EED</i>	27,110	2,524	(4,210)	9.3%	-15.5%	-8.5%	62.4%	-305.6%
<i>Workshop</i>	27,573	10,149	7,613	36.8%	27.6%	17.4%	79.2%	88.1%
<i>Total companies</i>	314,571	40,044	6,689	12.7%	2.1%	9.5%	69.7%	52.3%
ROCA Industry	-	(3,764)	(2,156)	N/A	N/A	N/A	-30.5%	N/A
<i>Total cumulated</i>	314,571	36,280	4,533	11.5%	1.4%	9.5%	75.2%	-9.4%

In a semester in which the market continued its decline, **the cumulated turnover** of the directly productive companies increased by 9.5% and their **cumulated EBITDA** was 75.2% above that of the first 6 months of 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.

❖ H1 2024 consolidated financial results (IFRS)

P&L indicators IFRS	Results for H1 2024 (RON th)			EBITDA margin H1 2024	Net margin Q1 2024	Variation H1 2024 vs H1 2023		
	Turnover	EBITDA	Net result			Turnover	EBITDA	Net result
EVOLOR	53,564	6,041	1,516	11.3%	2.8%	8.1%	-30.7%	-67.3%
BICO Group	85,325	11,000	1,973	12.9%	2.3%	18.6%	534.8%	N/A
DIAL	41,265	5,267	2,334	12.8%	5.7%	44.3%	115.7%	N/A
Electroplast	79,624	5,020	-	6.3%	-	N/A	N/A	N/A
EED & Workshop	52,712	13,100	4,908	24.9%	9.3%	77.8%	465.1%	N/A
<i>EED</i>	26,875	2,926	(2,379)	10.9%	-8.9%	-9.3%	26.2%	18.1%
<i>Workshop</i>	25,837	10,174	7,287	39.4%	28.2%	N/A	N/A	N/A
Total companies	312,490	40,428	10,731	12.9%	3.4%	73.8%	165.9%	N/A
ROCA Industry	-	(3,682)	(4,619)	N/A	N/A	N/A	-34.2%	-51.6%
Total consolidated	312,490	36,746	6,112	11.8%	2.0%	73.8%	194.9%	N/A

Revenue up 73.8% compared to H1 2023, both as a result of sales evolution and the impact that acquisitions (direct and indirect) have had during the two periods.

Positive EBITDA on all operating segments, due to the operational efficiency initiatives, along with higher sales and the new companies added to the holding

Recording a consolidated net profit of RON 6.1 mn in H1 2024 compared to the net loss of RON 7.4 mn in H1 2023, despite:

- An increase in depreciation and amortization expenses by 51.9% (new investments for expanding production capacity and for operational efficiency, and acquisitions of companies) and
- An increase in financial expenses by 52.6% (interest on credit facilities for financing company acquisitions and additional credit facilities for financing investments and the current activities of the companies).

❖ H1 2024 consolidated revenue (IFRS)

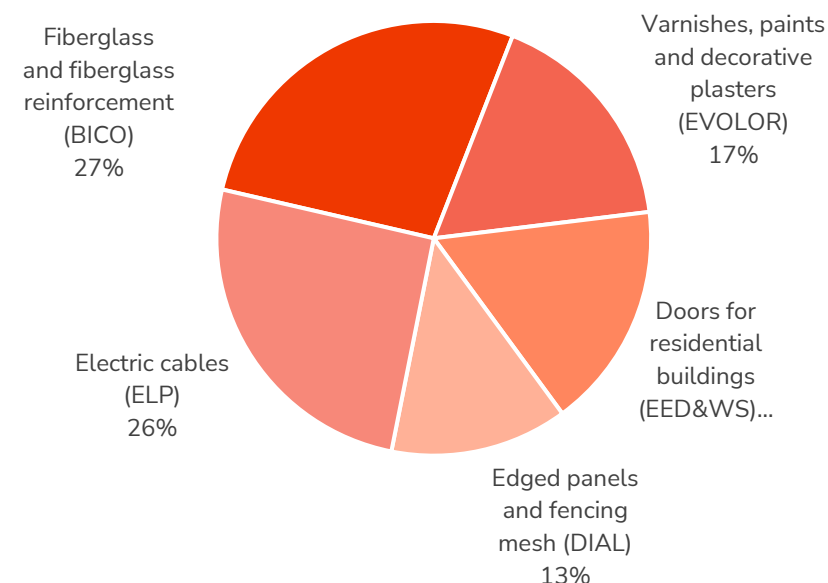
Split of revenue	30 June 2024	30 June 2023	Variation H1 24/H1 23
Revenue by segments			
Fiberglass and fiberglass reinforcement (BICO)	85,325,151	71,960,431	18.6%
Varnishes, paints and decorative plasters (EVOLOR)	53,563,587	49,553,893	8.1%
Doors for residential buildings (EED&WS)	52,711,323	29,644,141	77.8%
Edged panels and fencing mesh (DIAL)	41,265,042	28,600,736	44.3%
Electric cables (ELP)	79,625,366	-	-
	312,490,469	179,759,201	73.8%

Revenue up by 73.8% vs H1 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 77.8% of revenues (RON 243.1 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



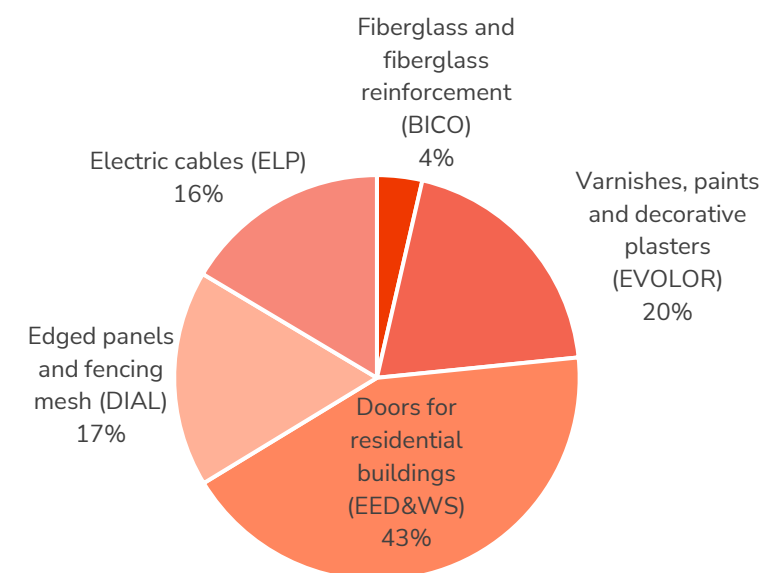
• H1 2024 consolidated adjusted EBITDA (IFRS)

EBITDA split	30 June 2024	30 June 2023	Variation H1 24/H1 23
EBITDA by segments			
Fiberglass and fiberglass reinforcement (BICO)	11,000,473	1,732,823	534.8%
Varnishes, paints and decorative plasters (EVOLOR)	6,040,895	8,711,523	-30.7%
Doors for residential buildings (EED&WS)	13,100,124	2,318,051	465.1%
Edged panels and fencing mesh (DIAL)	5,267,044	2,441,823	115.7%
Electric cables (ELP)	5,019,480	-	N/A
EBITDA productive companies	40,428,016	15,204,220	165.9%
ROCA Industry – standalone	(3,681,934)	(2,743,612)	34.2%
EBITDA consolidated	36,746,082	12,460,608	194.9%

EBITDA tripled as compared to H1 2023 (EBITDA margin of 11.8%). 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 H1 2023, would be RON 24.3 mn.

❖ H1 2024 consolidated gross result (IFRS)

Result split	30 June 2024	30 June 2023
Operating result by segments		
ROCA Industry	(4,619,363)	(3,047,030)
Fiberglass and fiberglass reinforcement (BICO)	1,973,464	(5,525,380)
Varnishes, paints and decorative plasters (EVOLOR)	1,516,192	4,638,462
Doors for residential buildings (EED&WS)	4,908,374	(2,903,056)
Edged panels and fencing mesh (DIAL)	2,333,604	(547,406)
Electric cables (ELP)	(399)	-
	6,111,872	(7,384,410)

All efforts made to improve operational activity in the second half of 2023 were reflected both in the operating result, with a profit of 20.3 million RON compared to a profit of 1.0 million RON in H1 2023, and in the net result, where the Group recorded a consolidated net profit of 6.1 million RON in H1 2024 compared to the net loss of 7.4 million RON recorded in H1 2023.

The direct productive companies obtained superior results as compared to H1 2023. Net profit of RON 6.1 mn as a result of the erosion of EBITDA by:

- **impairment and amortization expenses** (RON 15.2 mn, + 51.9% vs H1 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 12.3 mn, +53.9% vs H1 2023), generated by financial expenses of RON 12.4 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 0.1 mn financial income representing mostly interest income on short-term deposits.

The background is a low-angle, blue-tinted photograph of an industrial interior, possibly a factory or warehouse. It features a complex network of metal beams, pipes, and structural supports. A bright light source on the left creates a strong lens flare and illuminates the scene. In the center, there is a large, solid orange rectangle that serves as a container for text. This rectangle has four small dark blue circular markers at its corners, giving it the appearance of a pinned notice or a sign.

Thank you!

ROCA Industry

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