Warsaw, February 26, 2023.‎



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| #financialresults **Commentary of the President of the Management Board of Budimex SA,** **Artur Popko,****to selected financial data** **from the consolidated financial statements of the Budimex Group for 2023*** The Budimex Group's sales revenue in 2023 amounted to PLN 9,802 million (+13.7% y/y). ‎
* The Group's gross profitability reached 9.5% compared to 7.5% in 2022.
* The Budimex Group's order book at the end of 2023 amounted to PLN 13.1 billion.
* The value of projects awaiting signing, as well as those where ‎Budimex's bid or those of the Group's companies occupy the best ‎bidding position, is currently close to PLN 13 billion, of which over PLN 7 billion is for contracts on foreign markets.

**We are achieving historic results while improving profitability. In 2023, ‎the Budimex Group generated an operating profit of PLN 781 million. ‎ The improvement in the financial result is mainly due to more effective ‎cost management, the use of synergies in the Group and a larger ‎portfolio of construction contracts. The result was also supported by first ‎revenues from operations in foreign markets.** ‎Given the record level of projects waiting to be signed, we are confident about ‎the level of utilization of our production capacity in the next 2 years.‎It was not an easy year, but we ended it with a sense of a job well done in ‎the Budimex Group. Such good results are mainly the effect of the hard work of ‎our employees and the adopted strategy of effective cost control, responsible ‎bidding and construction risk management, combined with diversification of ‎operations. The foundation of Budimex's business remains construction in Poland, but our offer ‎is now much more comprehensive.‎The Budimex Group's order book at the end of 2023 amounted to PLN 13.1 billion. The value of contracts waiting to be signed, where our ‎company's bid took first place in tender proceedings, is currently close to PLN ‎‎13 billion, of which more than PLN 7 billion is attributable to contracts on ‎foreign markets: the Czech Republic and Latvia. ‎

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| **Budimex Group ‎(PLN million)**‎ | **Profit and loss account** |
| 2023 | 2022 | y/y |
| Sales | **9,802** | **8,619** | **13.7%** |
| **‎Operating profit** | **781** | **562** | **38.9%** |
| **‎‎% of sales**‎‎ | 8.0% | 6.5% | 1.5% pp. |
| **Gross profit** | **930** | **649** | **43.3%** |
| **‎‎% of sales**‎‎ | 9.5% | 7.5% | 2.0% pp. |
| **Net profit\*** | **738** | **534** | **38.1%** |
| **‎‎% of sales**‎‎ | 7.5% | 6.2% | 1.3% pp. |
| ‎\*attributable to shareholders of the Parent ‎Company.‎‎  |   |   |   |

We also recorded double-digit growth (year-on-year) in the Group's sales ‎revenue, both in the construction (+13.8%) and services segment ‎‎(+13.5%). ‎‎ **Construction and assembly production in 2023** (at current prices) **increased 4% ‎year-on-year, from PLN 140 billion to PLN 162 billion.** In the buildings ‎segment, invoiced production increased by 6.5%, while in the infrastructure area ‎the increase reached 24.1%.‎

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| **Construction sector** | **Statistics (PLN billion)‎** |
| 2023 | 2022 | y/y |
| **Invoiced production** | **161.9** | **140.4** | **15.4%** |
| **Buildings** | **74.3** | **69.7** | **6.5%** |
| share | 45.9% | 49.7% | -3.8% pp. |
| **Engineering** | **87.6** | **70.6** | **24.1%** |
| *Including roads* | *34.2* | *26.9* | *27.3%* |
| *Including railway* | *9.4* | *8.4* | *11.5%* |
| share | 54.1% | 50.3% | 3,8% pp. |

**Sales of the Budimex Group's construction segment in 2023 amounted to ‎PLN 8,902 million (+13.8% year-on-year), recording an increase in both ‎operating profitability (from 6.0% to 8.0%) and gross profitability (from ‎‎7.1% to 9.7%). ‎**

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| **Construction segment (PLN million)**‎  | **Profit and loss account** |  |
| 2023 | 2022 | y/y |   |
| **Sales** | **8,902** | **7,821** | **13.8%** |  |
| **‎Operating profit** | **714** | **471** | **51.4%** |  |
| ‎‎% of sales‎‎ | 8.0% | 6.0% | 2.0% pp. |   |
| **Gross profit** | **863** | **552** | **56.4%** |  |
| **‎‎% of sales**‎‎ | 9.7% | 7.1% | 2.6% pp. |   |
| **Order book** | 13,140 | 13,290 | -1.1% |   |
| **Contracts signed** | 8,290 | 7,879 | 5.2% |   |

The scale of achieved sales revenue in 2023 in the construction segment was noticeably higher than in the previous year. An elevated level of the order book ‎and its diversification, combined with favourable weather conditions, allowed us ‎to increase revenues by more than 13.8%. Sales growth was observed in most ‎areas of construction activity in the domestic market. Budimex Group's sales ‎were also supported by the recognition of the first significant revenues from ‎foreign markets. The operating profitability of the construction segment in the period in question reached 8.0%, that is 2.0 percentage points higher than in 2022.The improvement in operating profitability compared to the previous year was possible, among other things, thanks to a diversified order book and the stabilisation of prices for key construction materials such as steel, as well as the hedging of asphalt prices. Profitability at the gross profit level was supported by the positive result obtained on financial activities from interests earned on bank deposits. **New contracts and order book**In 2023, we won contracts worth PLN 8.3 billion. These include projects such as: Zabierzów bypass within national road DK 79, railway line 104 Chabówka – Rabka Zaryte, renovation of the A1 Rusocin-Czerniewice highway, S8 Wrocław-Kłodzko task 3 Jordanów Śląski or a railway contract for the implementation of comprehensive construction works including railway and road infrastructure on the Tychy – Most Wisła section.In December 2023, a consortium consisting of: Eiffage Genie Civil, Rizzani de ‎Eccher S.p.A. and Budimex SA signed a contract for the execution of the ‎first stage of works for the construction of the main railway line "Rail Baltica" in ‎Latvia. Budimex SA holds more than 30% share in the consortium. The ‎value of works to be carried out by the consortium under the first order is ‎about €200 million, and the budget for the entire contract is estimated at ‎nearly €3.7 billion. The execution of the entire project will be carried out over ‎the next few years, which should further support the maintenance of the ‎Group's high and geographically diversified order book.‎Budimex Group's order book at the end of 2023 exceeded PLN 13 billion, which secures work for the next two years. The ‎intensification of work on acquiring new projects in the country and abroad has ‎resulted in the value of projects awaiting signature, and those where the bid of ‎Budimex or the companies of the Group has received the best score, or holds the best tender position, is ‎currently close to PLN 13 billion. XXX More than PLN 7 billion of this amount is ‎attributable to contracts in foreign markets - the Czech Republic and Latvia. **‎Budimex Group ended 2023 with a strong net cash position, exceeding ‎PLN 3.7 billion.** In June, for the 15th consecutive year, we paid a dividend of ‎PLN 459 million, that is PLN 17.99 per share. The stable margins achieved on ‎construction sites in recent quarters, combined with effective working ‎capital management and meticulous control of fixed costs, allow the Budimex ‎Group to maintain a safe level of cash that can be invested in new areas of ‎activity in the future.‎**Sales of the services segment amounted to PLN 932 million.‎***\*pro-forma data, prepared on the assumption of consolidation of FBSerwis Group from 01.01.2019*

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| **Services segment(PLN million)** | **Profit and loss account** |
| 2023 | 2022 | y/y |
| **Sales** | **932** | **821** | **13.5%** |
| **‎Operating profit** | **68** | **92** | **-26.5%** |
| ‎‎% of sales‎‎ | 7.3% | 11.2% | -3.9% pp. |
| **Gross profit** | **71** | **99** | **-28.9%** |
| ‎‎% of sales‎‎ | 7.6% | 12.1% | -4,5% pp. |

Revenues of the FBSerwis Group, which is a key asset within the services ‎segment (the results of the services segment also include the activities of ‎companies in the RES area and Budimex Parking Wrocław), amounted to PLN ‎‎924.1 million and were 13% higher than in the same period of the previous year. The ‎increase in sales value was achieved in each of the business segments and ‎was higher than our internal plans. ‎ **Renewable energy and electromobility** Last year was an exceptional year for us in terms of new lines of business, ‎namely renewable energy and electromobility. In September, our first wind ‎farm began producing green energy. In 2023, we established a new ‎company, BXF Energia. The company's goal is to develop, build and operate renewable energy ‎projects. It is focusing on projects in ‎photovoltaic and wind farm technology, the preparation of which has started ‎by securing more locations for potential power plants with a capacity of several ‎hundred MW.‎On the other hand, we are gradually building our potential in the area of ‎electromobility. We are one of the largest players in the area of domestic ‎electric vehicle charging infrastructure. Currently, Budimex Mobility has more ‎than 160 publicly available chargers, and internal plans assume 230 chargers by ‎the end of 2024‎**Market outlook** We are entering the new year with an order book exceeding PLN 13 billion ‎and a record level of contracts awaiting signature. Our order book is healthy and based on ‎contracts signed in the last 2 years, which were bid at current prices. Additionally, most projects are subject to indexation. In an environment of high competition and an expected lower number of tenders launched by major contracting authorities, this gives us the prospect of stable margins and, at the same time, the comfort of the business and the certainty of utilising our production capacity in the next 2-3 years. In the local market, we are constantly witnessing an aggressive battle for contracts in the areas of road, rail, and general construction. In addition, we consistently encounter strong ‎competition from foreign companies. When competing in tenders outside Poland, ‎we usually must undergo a certification process. We would like to have the impression that foreign construction companies are verified and certified in Poland in the same way as Polish companies - including Budimex - in other EU countries. On the local market, we have already had the first cases of additional verification of bidders in terms of the references they have obtained, but these still are exceptions. Last year was for the Budimex Group a period of intensifying activities on foreign markets. We developed structures on the German, Slovak, Czech and Latvian markets. We acquired a historic Rail Baltica contract and the first contract in Czech Republic - Kutřin detention reservoir worth PLN 113 million. Given the fierce competition on the local market, we are even more convinced that decisions to diversify into new segments and expand into foreign markets have been the right direction. We have adequate equipment, people, capital, and experience to execute such complex contracts in Poland and abroad. It is an opportunity for us to strengthen the Budimex Group's position as a leading construction company in Central and Eastern Europe. **Social activities and awards**Budimex, as every year, implemented its flagship social programmes: the road safety campaign „Hello ICE" and a campaign supporting children's wards in hospitals called “Parents Zone”. In the year in question, a total of more than 20,000 school children participated in meetings with our educators, police, and fire brigade representatives. In 2023, a new Parent Zone was set up at a hospital in Ełk. We also launched the third edition of the “Home from the Heart” campaign. In its framework, we are building a house for Teresa from Wołomin near Warsaw. We have previously built such houses near Radom and in Bory Tucholskie for numerous families. We created a new school room for the Energy Technical School in Bełchatów. This is the award in the competition for the best CSR project as part of the "Internship that stays with you" action, which is an initiative of Budimex carried out in cooperation with the “Zwolnieni z Teorii” Foundation. The winners - a group of students from the Energy Technical School in Bełchatów - decided to use the construction skills they had acquired at school and renovated a flat for a family from Ukraine. We supported the “Lunchbox” campaign aimed at elementary school ‎first-year students in Ełk. ‎ More than 30 housing communities and cooperatives joined two editions ‎of the “Green Stop” programme in Warsaw. Budimex continues its internship programme for male and female students of construction technical schools. We started a collaboration with more than 40 technical schools and colleges in the field of internships and joint research. We locally supported more than 50 associations and foundations conducting support and educational activities in the vicinity of our construction sites. ‎Budimex's projects won prestigious awards. The modernization of the ‎Planetarium in Chorzów received the title of Modernization of the Year 2023 in ‎the 27th edition of the Modernization of the Year - Construction of the 21st ‎Century competition. The site carried out by Budimex in 2019 - 2022 ‎received the highest score from the jury in the category of public buildings. More than ‎‎500 projects were submitted for the competition. Only the best 20 of them ‎were awarded. Budimex received 2 awards in the 2023 edition of the ‎‎"Construction Site of the Year" competition, organized by the Polish Association of ‎Construction Engineers and Technicians. The construction of the Łagiewnicka Route in Kraków and the modernisation of the Institute of Thermal Engineering at the Warsaw University of Technology were the projects awarded with the Construction Oscars. Budimex was ranked among the top ten construction ‎companies in the world in the Financial Times - Diversity Leaders 2024 ‎ranking. The Polish company scored 71.6 out of 100 possible points and was ‎ahead of many leading players in the international market. The award is the result of a consistent policy of supporting diversity and the professional development of women. | Contact details: Michał Wrzosek, spokespersontel. 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