



Presentation of results for the first half of 2020
September 30, 2020

The most important events of the first half of 2020

The most important events of the first half of 2020

Financial results for the first half of 2020

FEERUM in Ukraine

Tanzania project

Strategy

Summary

The most important events of the first half of 2020

- ✓ In **the first half of 2020**, the Group maintained sales revenues at a very satisfactory level and, despite the difficult situation caused by the SARS-CoV-2 pandemic, continued the assumptions of the strategy of strengthening FEERUM's position on international markets.
- ✓ In addition to contracts for Epicentr K LLC (carried out according to the schedule), further investments are in Ukraine. The conditional sale agreement signed in September 2020 for the comprehensive implementation of the drying and storage facility with the Ukrainian contractor Fermerski Gospodarstwo Ahrotsentr is the result of intensive work in this area.
- ✓ We estimate the potential of the Ukrainian market for the next few years, 30-40 million tons of grains require storage in this region. FEERUM, with the support of the tools offered by the Export Credit Insurance Corporation and Bank Gospodarstwa Krajowego, competes on the Ukrainian market with the largest companies in the industry. The company offers a high-class product combined with a convenient, and above all accessible to many Ukrainian clients, investment financing program.
- ✓ The implementation of the Tanzanian contract due to the long-lasting approval procedures by Tanzanian institutions participating in the project implementation was postponed until December 31, 2020. In terms of production, the Tanzanian contract is practically finished, the last deliveries are sent to Africa. The earth and foundation works are advanced and the assembly of steel structures is in progress.
- ✓ As at the date of approval of the report for publication, the contracted orders for the Group's products for the period 2020/2021 amount to approximately **148,8 mln PLN** and include **34 contracts**, while the potential customer portfolio includes **301,7 mln PLN**, of which the potential of customers waiting for EU funding and having a permit for construction is around **34,6 mln PLN**.
- ✓ The Group is well prepared to execute the orders - it has adequate human resources, machinery and financial potential, which makes the Group a leading contractor on the market. The resources possessed by the Group allow for the correct implementation of the orders, as well as for further activity in acquiring foreign and domestic projects. Currently, the efforts of the Group's companies are focused primarily on maintaining the satisfactory profitability of the contracted projects and adequate financial support for the needs resulting from their implementation.

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Sales revenues (thous. PLN)

I half of 2020

73 651 sales revenues

I half of 2019

89 002 sales revenues

Results for the year 2019 – 242 874 thous. PLN



The Group's revenues in cross – section of geographical areas

Country	01.01 -30.06.2020	01.01 -30.06.2019
Poland	18 221	20 275
Export	55 430	68 728
Ukraine	49 788	56 524
Tanzania	4 373	10 879
Lithuania	1 254	969
Other countries	15	356
Total	73 651	89 002

Foreign sales



I half of 2020

75,3% 24,7% domestic sales

I half of 2019

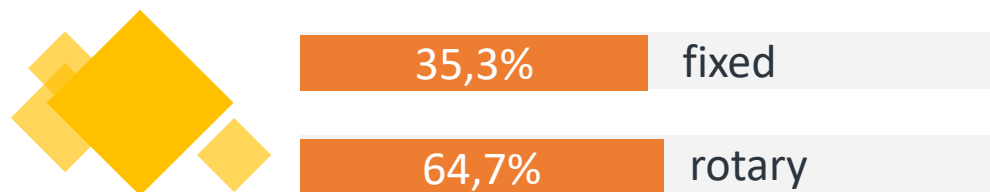
77,2% 22,8% domestic sales

Financial results for the first half of 2020

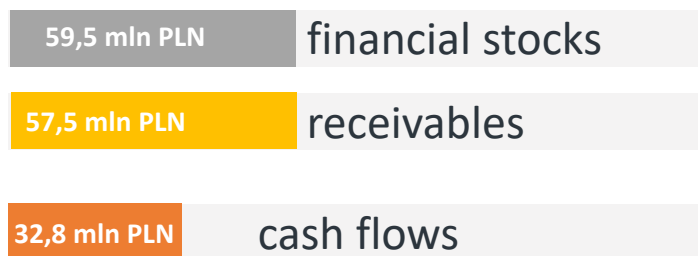
thous. PLN	I half of 2020	I half of 2019	change in %
Sales revenues	73 651	89 002	-17,2%
Gross profit (loss) on sales	17 196	16 846	+2,1%
Gross margin on sales	23,3%	18,9%	+4,42 p.p.
EBITDA	15 500	15 212	+1,9%
Profitability EBITDA	21,0%	17,1%	+3,95 p.p.
Profit from operating activities (EBIT)	10 726	10 042	+6,8%
Profitability on operating activity	14,6%	11,3%	+3,28 p.p.
Gross profit	10 804	9 533	+13,3%
Gross profit margin	14,7%	10,7%	+3,96 p.p.
Net profit	10 034	9 515	+5,5%
Return on net sales	13,6%	10,7%	+2,93 p.p.

The structure of the balance sheet as at June 30, 2020

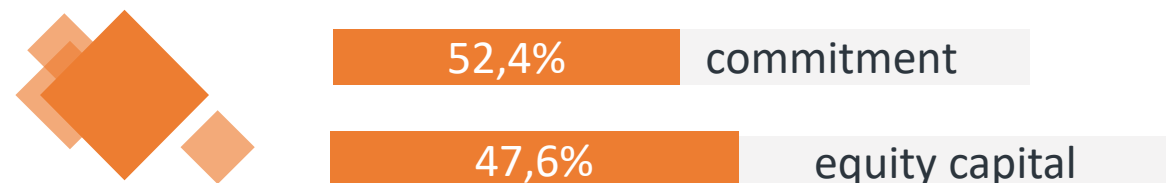
Assets



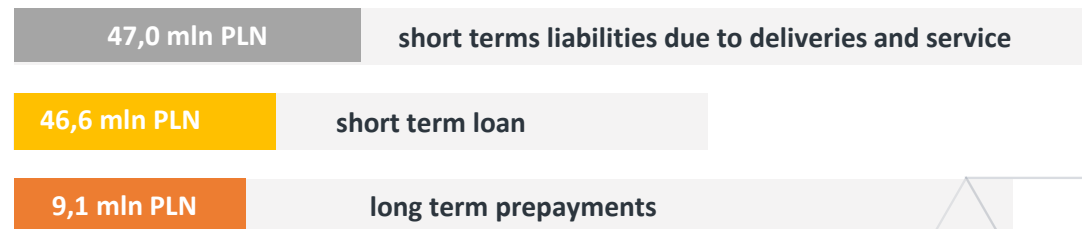
Main items:



Liabilities



Main items:



Balance sheet total: 253,6 mln PLN

FEERUM na Ukrainie

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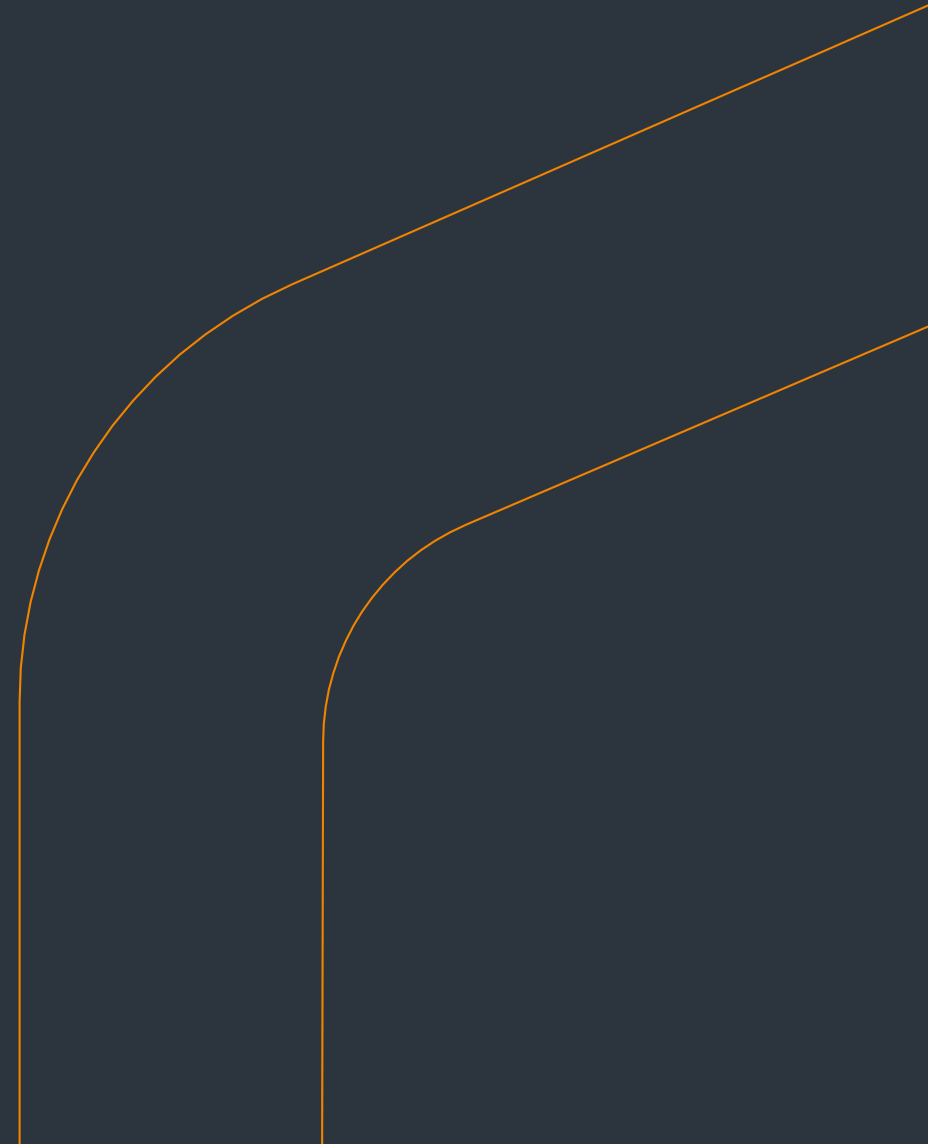
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FEERUM in Ukraine





In the first half of 2020, we launched facilities with a total capacity of nearly 260 thous. m³

The total capacity of the facilities ordered by Epicentr K LLC is nearly 1 million tons



The potential of the Ukrainian market is huge - warehousing requires 30-40 million tons of cereals.

Epicentr K in 2015 - 2020 spent on investments related to, among others, grain storage over 350 mln \$.



Comprehensive offer - a high-class product + financing

FEERUM's offer, supported by financing under the "supplier's loan" scheme or a bank letter of credit (for smaller entities), fits perfectly with the needs of this market.



FEERUM dryers

FEERUM's offer, supported by financing under the "supplier's loan" scheme or a bank letter of credit (for smaller entities), fits perfectly with the needs of this market.

Online service and automatic facility control system

We support our clients with employee training, after-sales and warranty service. This ensures long-term, reliable operation of the facilities.



Industry media appreciate our investments

MILLER
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ELEVATORIST.COM
Главный элеваторный IT сайт страны

НОВОСТИ ПОЧИТАТЬ СПРАВКА ПОСМОТРЕТЬ ПРОЕКТЫ

АГРОЭКСПЕДИЦИИ ПЕРЕРАБОТКА ЛОГИСТИКА ТРЕЙДИНГ ОБОРУДОВАНИЕ ПРАКТИКА

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FEERUM HAS LAUNCHED ANOTHER FACILITY IN UKRAINE
September 11, 2020 141 Views
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FEERUM запустил для Эпицентр Агро зернохранилище на 150 тысяч кубометров
4 сентября 2020, 15:21 458

Tanzania project

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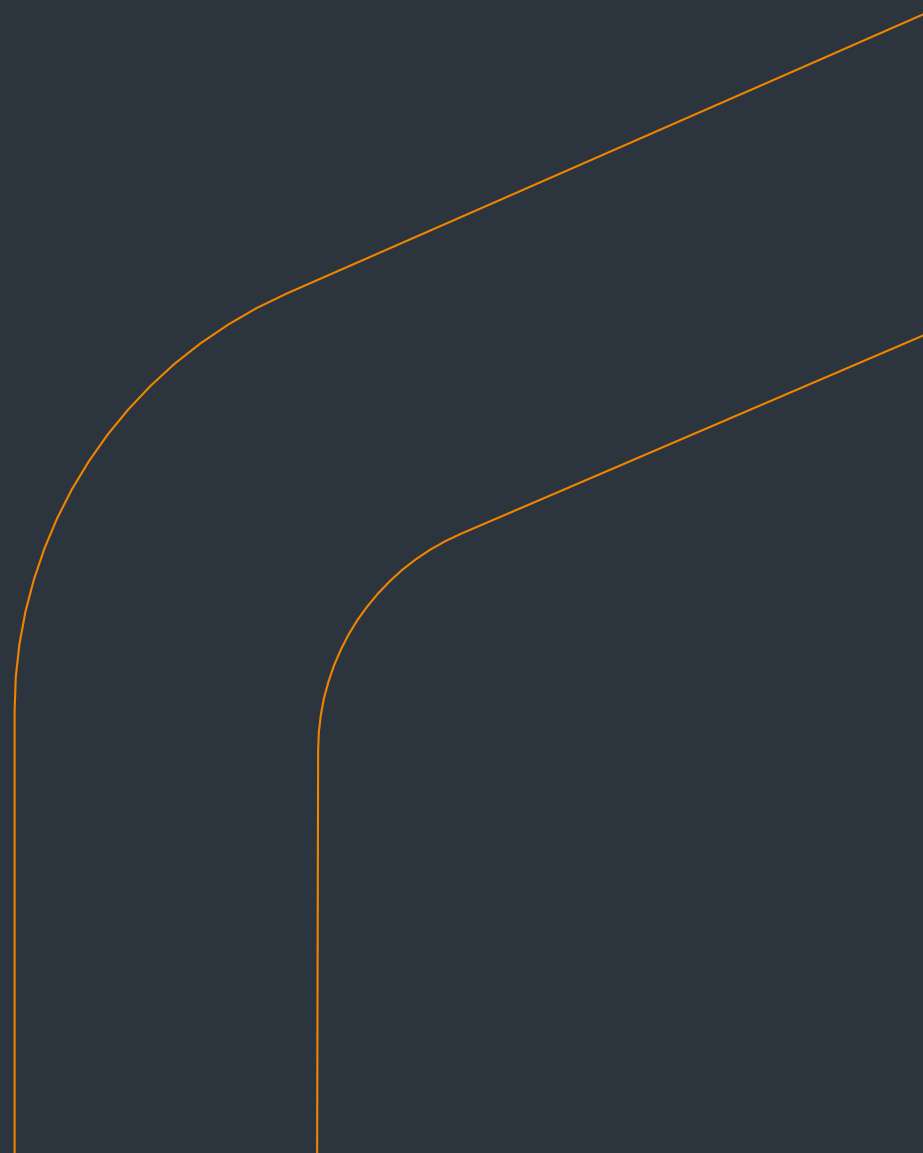
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FEERUM in Tanzania





Contract extension

Long-term approval procedures on the part of Tanzanian institutions participating in the project implementation resulted in its extension until December 31, 2020.

The earth and foundation works are well advanced, the assembly of steel structures and the construction of additional infrastructure are in progress, including social and office buildings.

As originally planned, the works are carried out simultaneously in each of the five locations.



Strategy

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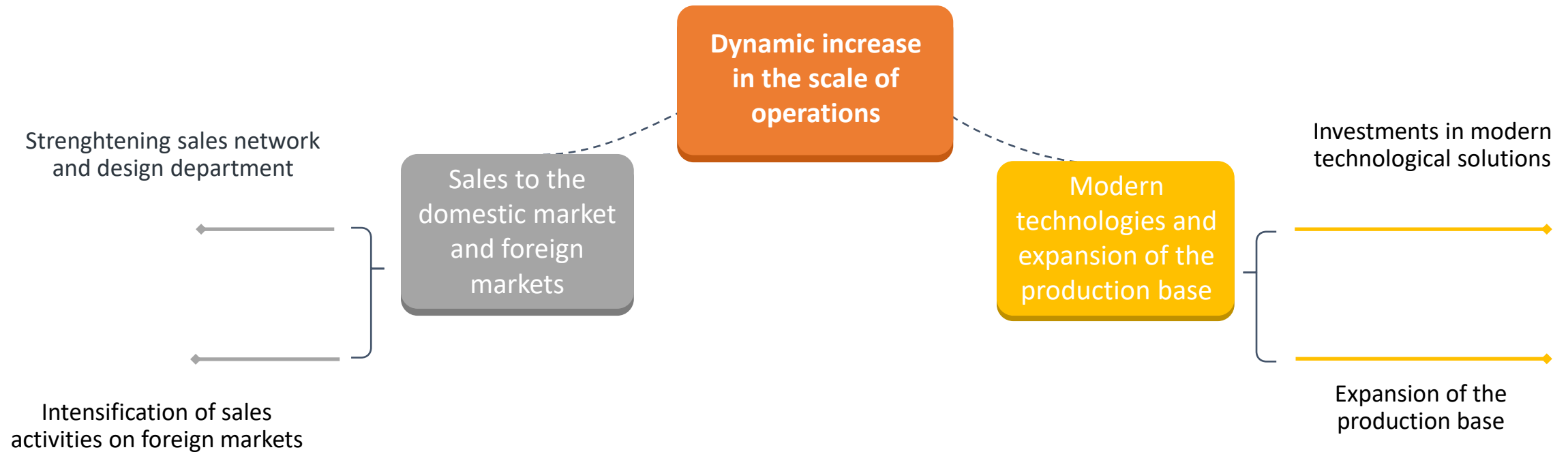
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FEERUM strategy: Obtaining an important player position on the international arena





Food storage has a future!

The SARS-CoV-2 coronavirus pandemic, climate change and significant population growth in various parts of the world have caused a major revival in the construction of investments for safe food storage.

We are strengthening our position on international markets, while not giving up on domestic projects.

This allows us to remain the industry leader.

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FEERUM – I half of the year 2020





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Reservation

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