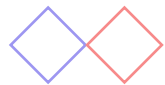


# MASTERPLAST INVESTOR CONFERENCE



27th of April 2023

# MASTERPLAST

# PROGRAM

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- About Masterplast
- Strategy 2023-2026
- Updated profit forecast 2023-2026
- Summary
- Questions and answers



# ABOUT MASTERPLAST



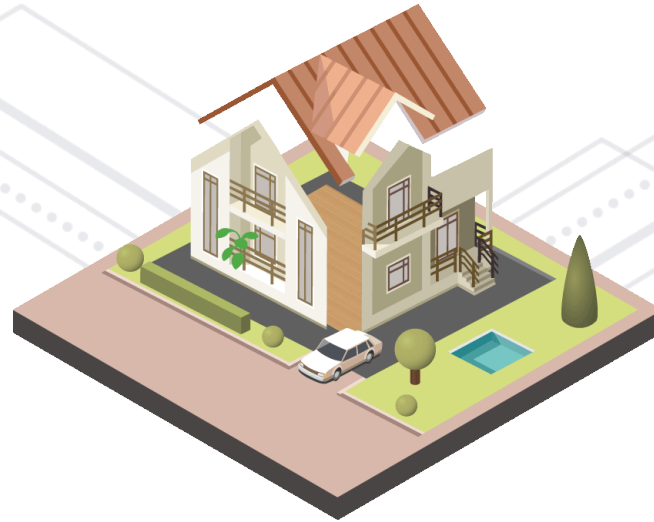
**MASTERPLAST**

# DIVISIONS



**CONSTRUCTION  
INDUSTRY**

■



**MODULAR  
PRODUCTION**

■



**HEALTHCARE  
INDUSTRY**

■

# MARKET PRESENCE



HQ / PRODUCTION



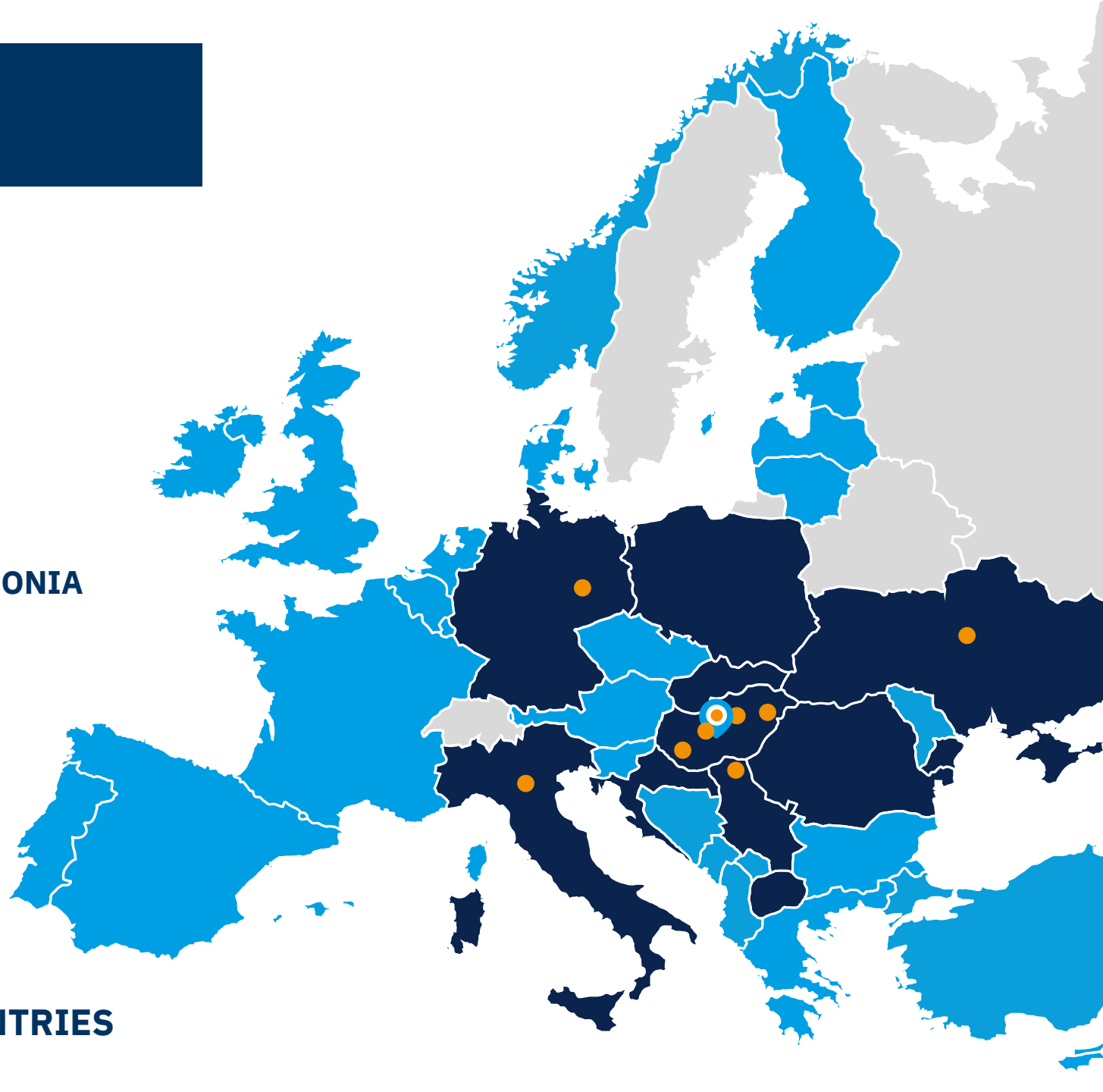
PRODUCTION



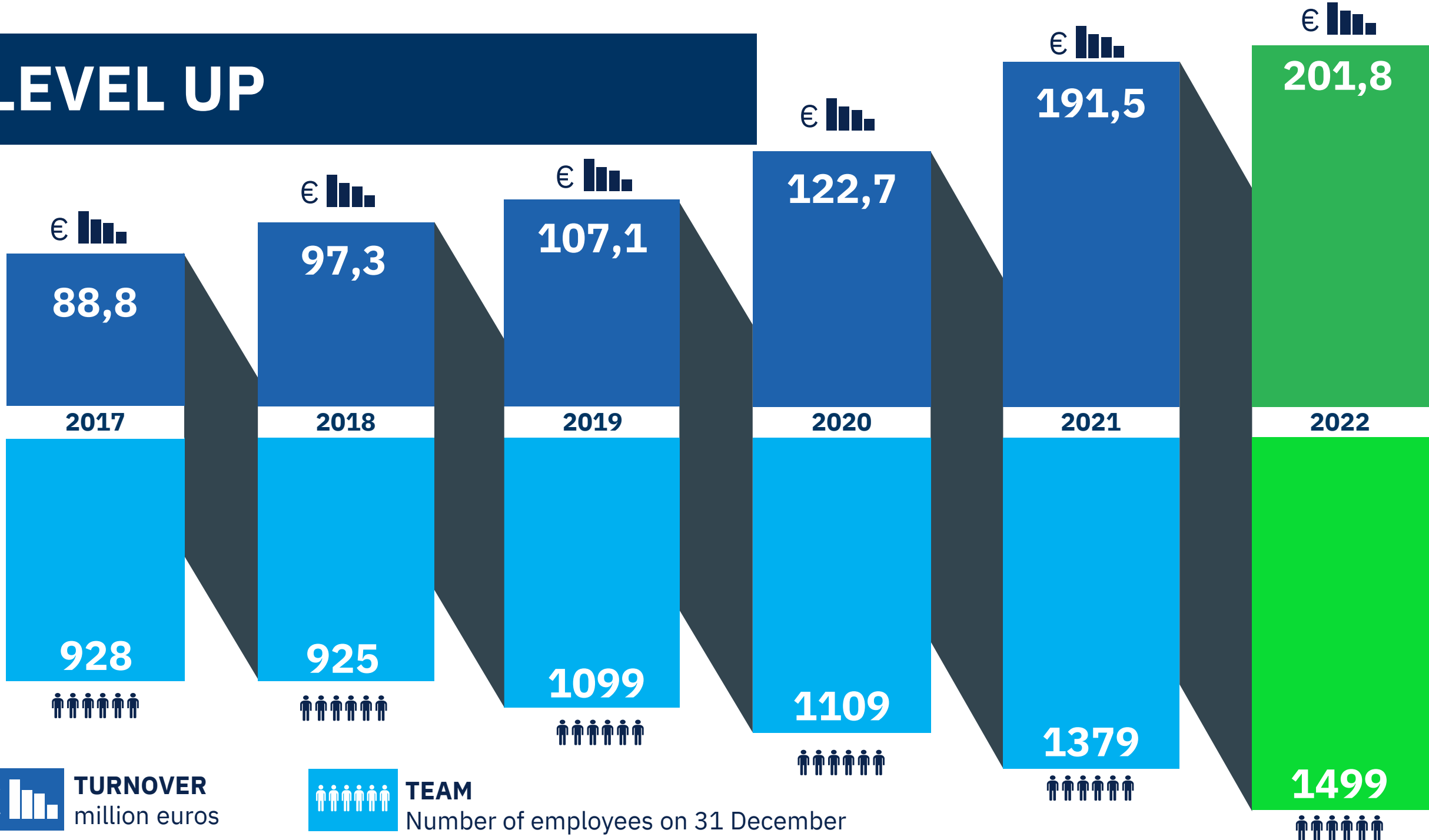
SUBSIDIARIES



EXPORT COUNTRIES



# LEVEL UP



# AUDITED RESULTS 2022

	2021	2022	Index 2022/2021
<b>Sales (mio EUR)</b>	<b>191,5</b>	<b>201,8</b>	<b>5%</b>
<b>EBITDA (mio EUR)</b>	<b>22,8</b>	<b>20,6</b>	<b>-10%</b>
<i>EBITDA ratio</i>	11,9%	10,2%	
<b>EBIT (mio EUR)</b>	<b>18,3</b>	<b>15,1</b>	<b>-17%</b>
<i>EBIT ratio</i>	9,5%	7,5%	
<b>PAT (mio EUR)</b>	<b>16,1</b>	<b>15,7</b>	<b>-2%</b>
<i>PAT ratio</i>	8,4%	7,8%	

# RE-ELECTED BOARD OF DIRECTORS

## Non-independent members

### Dávid Tibor

- President of Masterplast
- Founder, owner
- In charge of the acquisitions and commercial strategy

### Balázs Ács

- Vice-President of Masterplast
- Founder, owner
- In charge of asset management and logistics strategy



Dávid Tibor, Bálint Fazekas, Margaret Dezse, Dirk Theuns, Balázs Ács

## Independent members

### Bálint Fazekas

- Commercial Director of Euronics Hungary
- A pioneer of online sales and automated warehouse systems in Hungary.

### Margaret Dezse

- Former partner of EY and PWC
- Transaction advisor on strategic and investment decision making

### Dirk Theuns

- Experienced sales and marketing manager
- CEO of several IKO companies in Belgium, France and Netherlands



# SITUATION ASSESSMENT

- The negative impact of the high inflation and interest rate environment has led to a contraction in housing demand
- Incorrect forecasting of market trends
- Running out of state support programs related to building renovation, delay in starting new ones
- Decline in demand for insulation materials, retailer destocking



# SITUATION ASSESMENT

- Strategy unchanged, stable vision
- Low demand, intensifying competition, decreasing margins - waiting in the market
- The negative impact of raw materials purchased at a high price can be felt until the end of Q2 2023
- Low utilization of production capacities, deterioration of efficiency
- It is necessary to update the September 2022 strategic plan numbers, the backlog is significant

# SITUATION ASSESSMENT

- We expect a loss-making business in H1 2023, which will improve in H2 2023
- Mineral wool insulation material investments are being implemented, the final budget of which has become significantly higher
- The involvement of a co-owner is also required for the implementation of the glass wool investment
- Pausing of dividend payments for 2022/2023 due to weak business and additional financial needs

# FORECAST 2023

	2022	FC 2023
<b>Sales (mio EUR)</b>	<b>201,8</b>	<b>175</b>
<b>EBITDA (mio EUR)</b>	<b>20,6</b>	<b>8,0</b>
<i>EBITDA ratio</i>	<i>10,2%</i>	<i>4,6%</i>
<b>PAT (mio EUR)</b>	<b>15,7</b>	<b>1,0</b>
<i>PAT raio</i>	<i>7,8%</i>	<i>0,6%</i>



# STRATEGY 2023-2026

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# DOMINANT EUROPEAN TREND

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- The European Union's "Fit for 55!" package of measures aims to align the EU's climate and energy legislative framework with the EU's climate neutrality objective for 2050 and the EU's target of at least 55% reduction in net greenhouse gas emissions by 2030 compared to 1990 levels
- Agreement between the European Council and Parliament to amend the Energy Efficiency Directive - increased energy efficiency targets: by 2030, final energy consumption should be reduced by at least 11.7% compared to the energy consumption projections made in 2020.
- All member states will contribute to achieving the overall EU target through indicative national contributions and trajectories, set by the member states in their integrated national energy and climate plans (NECPs).
- Hungary needs to reduce its emissions by 18.7% by 2030 compared to 2005 levels, up from 7% today

Source:



# DOMINANT EUROPEAN TREND



- The annual energy savings target for final energy consumption should be gradually increased between 2024 and 2030. The member states will have to gradually increase their energy savings from 2024 to 2030. The end-use energy savings will on average account for 1.49% of the total consumption per year, gradually reaching 1.9% by the end of 2030.
- The public sector will contribute to energy efficiency by reducing its final consumption by 1.9% annually
- Each year, Member States must renovate at least 3% of the total floor space of public buildings
- In addition, as part of the REPowerEU plan, the Commission has proposed further targeted amendments to the Energy Efficiency Directive

Source:



Council of the European Union  
General Secretariat

# THE BASIS FOR IMPLEMENTING THE STRATEGY





# FIBERGLASS MESH

- A basic element of the facade thermal insulation system, demand is expected to increase
- Masterplast is the 2nd largest mesh producer in Europe and the 3rd largest in the world
- Competitive production capacity - 150 million m<sup>2</sup>/year
- Mesh production units based on traditional and the most modern automated German technology

# ROOFING FOIL PRODUCTION

- It is a defining element of high roof insulation and side wall insulation of prefabricated houses
- High quality competitive production
- Increasing capacity utilization
- Europe's 3rd largest producer

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# EPS PRODUCTION

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- Most popular facade insulation material in East-Central Europe
- Two new investments in Hungary and Italy worth nearly EUR 5 million;
- Plus 600 000 m<sup>3</sup>/year of new capacity
- We expect an increase in demand for facade insulation systems



# XPS PRODUCTION

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- Watertight thermal insulation solution, popular footing insulation
- Location: Subitoca, Serbia
- Investment size: EUR 14 million, 50% non-refundable state aid
- Planned start: 2023 Q2
- We expect an increase in demand for facade thermal insulation systems

# STONEWOOL PRODUCTION

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- Location: Halmajugra, Hungary
- Investment size: ~ EUR 49M
- Strategic agreement with Market Építő Zrt., 50% ownership
- Planned capacity: 35 000 t
- Non-refundable State aid
- Planned production start: 2025 H1



# GLASSWOOL PRODUCTION

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- Acquisition of PIMCO Ltd.
- Location: Szerencs, Hungary
- Investment size: ~EUR 47,5 M
- Involvement of a co-owner
- Planned capacity: 19 000 t
- Non-refundable State aid
- Planned production start: 2025 H1



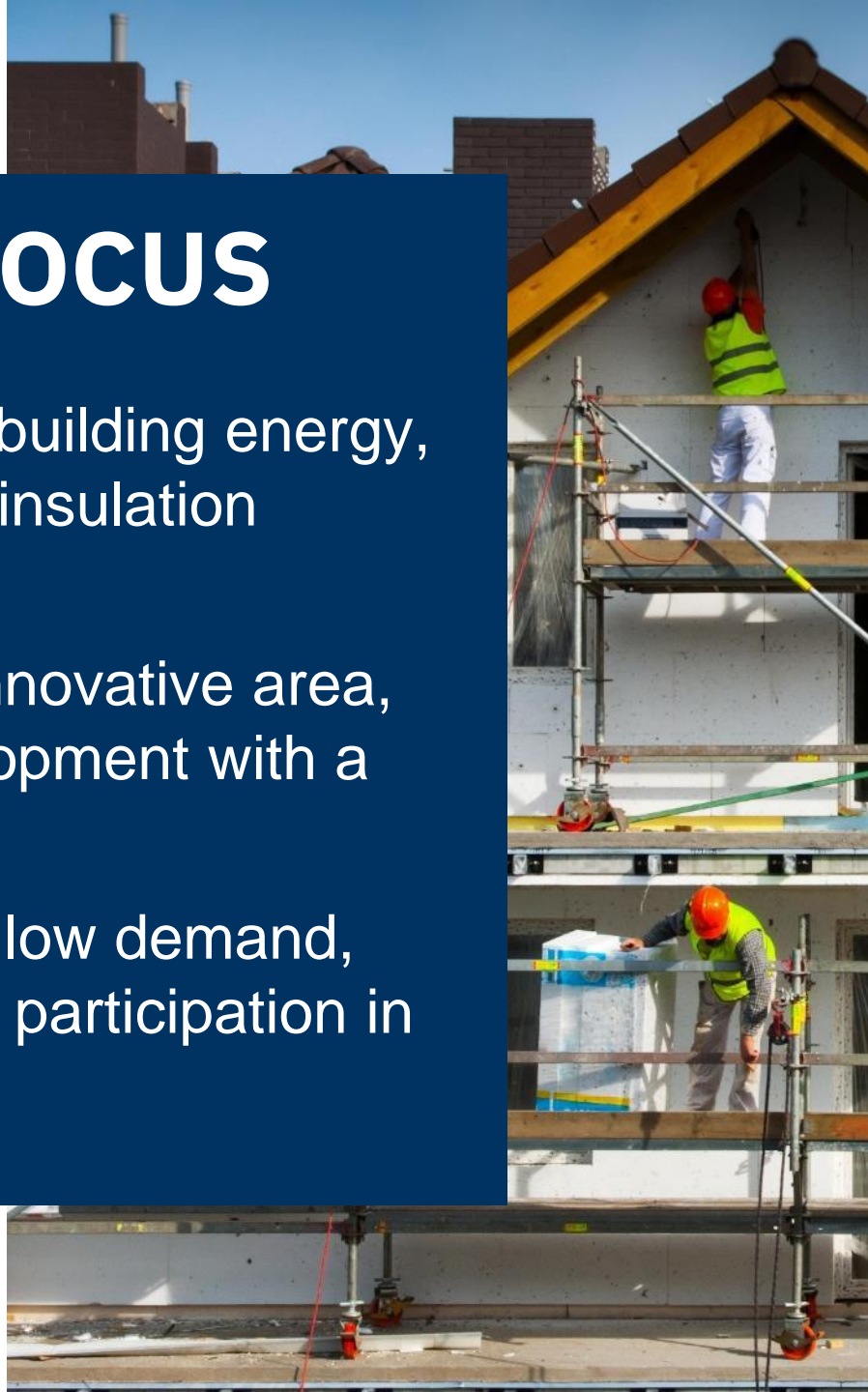
# MASTERPLAST BAU Messe München 17-22 April 2023



# STRATEGIC FOCUS

- Priority focus area is building energy, renovation sector => insulation material production
- Modular business - innovative area, future-oriented development with a long run-up
- Healthcare industry - low demand, obtaining certificates, participation in public tenders

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# ORGANISATIONAL STRUCTURE

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- New organisational structure for a changed environment
- CEO: Tibor Dávid
- Renewal of the Group-level Operational Management Board
- Staff adjusted to market needs
- Digitalisation efforts



# ESG APPROACH

- 2022 report according to GRI standard
- Reduction of waste and emissions, as well as energy consumption
- Use of renewable energy resources
- Focus on circular economy
- CSR programs
- Transparent, ethical operation according to stock exchange standards



# UPDATED PROFIT FORECAST 2023-2026



# UPDATED PROFIT FORECAST 2023-2026

	<b>Sales</b> <i>(million euros)</i>	<b>EBITDA</b> <i>(million euros)</i>	<b>EBITDA</b> %	<b>Profit after tax</b> <i>(million euros)</i>	<b>Profit after tax</b> %
<b>2020</b>	<b>122.7</b>	<b>11.1</b>	<b>9.0%</b>	<b>6.4</b>	<b>5.2%</b>
<b>2021</b>	<b>191.5</b>	<b>22.8</b>	<b>11.9%</b>	<b>16.1</b>	<b>8.4%</b>
<b>2022</b>	<b>201.8</b>	<b>20.6</b>	<b>10.2%</b>	<b>15.7</b>	<b>7.8%</b>
<b>2023 forecast</b>	<b>175</b>	<b>8.0</b>	<b>4.6%</b>	<b>1.0</b>	<b>0.6%</b>
<b>2024 forecast</b>	<b>241</b>	<b>24.1</b>	<b>10.0%</b>	<b>15.8</b>	<b>6.6%</b>
<b>2025 forecast</b>	<b>332</b>	<b>34.4</b>	<b>10.4%</b>	<b>22.5</b>	<b>6.8%</b>
<b>2026 forecast</b>	<b>405</b>	<b>43.9</b>	<b>10.8%</b>	<b>30.8</b>	<b>7.6%</b>

# DIVIDEND FORECAST

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- We return to the original track
- 2024 forecast: 66 HUF/share
- 2025 forecast: 77 HUF/share
- 2026 forecast: 88 HUF/share
- We are committed to an increasing dividend policy



# BASE OF PERFORMANCE

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- Increasing the share of own produced products and the manufacturer's margin
- Economies of scale
- Operational efficiency
- Higher efficiency in the production of stone and glass wool
- Full range of insulation materials



# SUMMARY

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The decade of thermal insulation is still ahead of us, building energy is a priority  
EU programs and energy independence goals are stable

An expected wave of support from the EU reconstruction fund may cause a sudden upturn in the market environment

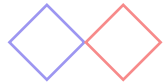
Long-term prospects have strengthened  
The goal is to create investor value

# QUESTIONS & ANSWERS





Thank you for your  
attention



  
**MASTERPLAST**