

Zielona Góra, 14 August 2025

Consolidated Data of the LUG S.A. Capital Group for Q2 2025

Rising Revenues and Challenging Competitive Environment

Consolidated sales revenues for the LUG S.A. Capital Group in the second quarter of 2025 amounted to PLN 56.92 million, marking an increase of 2.6% compared to the same period in 2024. Cumulative revenues for the first half of 2025 reached PLN 109.84 million, which is 7.5% higher than the PLN 102.21 million achieved in the first half of 2024.

- **Operating profit in the second quarter of this year totalled PLN 215 thousand, while the consolidated operating result for the first half of 2025 was negative at PLN -1.91 million.**
- **The LUG Capital Group recorded a net loss of PLN -1.85 million for the period April–June 2025. Cumulatively, the consolidated net loss for the first half of 2025 amounted to PLN -3.49 million.**
- **The gross margin on sales in the second quarter of 2025 was 35.6%, representing a decrease of 7.5 percentage points year-on-year.**
- **EBITDA for the second quarter of 2025 amounted to PLN 3.32 million, and cumulatively for the first half of 2025 reached PLN 4.87 million.**

The LUG S.A. Capital Group has published consolidated financial data for the Capital Group for both the second quarter and cumulatively for the first half of 2025. Operating profit for the second quarter of the current year stood at PLN 215 thousand, compared to a loss of PLN 1.12 million in Q2 2024. The consolidated operating result for the first half of 2025 has improved but remains negative at PLN -1.91 million (compared to PLN -2.86 million in the same period in 2024).

Consolidated sales revenues for the LUG S.A. Capital Group in the second quarter of 2025 reached PLN 56.92 million. Cumulative sales for the first half of 2025 amounted to PLN 109.84 million, compared to PLN 102.21 million for the two quarters of 2024. This represents an increase in consolidated revenues in the first half of 2025 by 7.6% year-on-year and by 2.6% in the second quarter. Price pressure and the sales structure in the second quarter impacted the gross profit on sales, which amounted to PLN 20.27 million, compared to PLN 23.90 million (-15.2% y/y). Gross profit from sales for the first half of 2025 totalled PLN 39.92 million, a decrease of 6.4% compared to the same period in 2024. In the second quarter of 2025, the gross margin on sales was 35.6% (-7.5 percentage points year-on-year), and cumulatively after six months of 2025, it was 36.3% (-5.4 percentage points year-on-year).

“Although we have recorded an increase in revenues, persistent price pressure limits our ability to achieve the targeted margin level. Despite improved sentiment following the recent GDP readings for the second quarter of this year, the fundamentals – namely production and construction investments – still leave much to be desired, and the main driver of growth continues to be volatile service sectors. Locally, we are focused on continuing to implement successfully awarded contracts under the ‘Illuminating Poland’ programme and expanding opportunities to offer our products to a wider group of professional clients. The development of transport infrastructure, particularly railways, and the dynamic growth of defence projects naturally direct our focus towards these areas. Abroad, we consistently concentrate on those regions currently offering the greatest potential for achieving our planned margins, while remaining attentive to macroeconomic data and closely monitoring the current needs of our clients,” **says Jakub Wtorkowski, Director of Strategic Finance and Risk and Proxy of LUG S.A.**

The consolidated net loss for the period April–June 2025 amounted to PLN -1.85 million, a level comparable to the same period last year. Over the six months of 2025, the consolidated net loss totalled PLN -3.49 million, resulting in a negative net profitability of -3.2%.

In the second quarter of 2025, the consolidated EBITDA result was PLN 3.32 million, representing an increase of 33.9% year-on-year. Cumulatively for the first half of 2025, EBITDA reached PLN 4.87 million, which is 32.7% higher than in the same period of 2024. The EBITDA margin for the first half of 2025 was 4.4% (an increase of 0.8 percentage points year-on-year).

“We treat the current results as temporary challenges. Our focus is on the future, and we continually raise the bar in terms of quality – both in our products and processes. This is affirmed by our recent achievements, including a new certificate for the laboratory, the renewal of ISO certifications, and a new AQAP certificate meeting NATO’s stringent security requirements,” emphasises **Ryszard Wtorkowski, President of the Management Board of LUG S.A.**

The LUG S.A. Capital Group is one of Europe’s leading manufacturers of professional lighting solutions. The company, headquartered in Zielona Góra, boasts over 35 years of experience and has operated as a Capital Group since 2008. LUG S.A. has been listed on the NewConnect market since November 2007.

LUG S.A. is the holding company of the LUG S.A. Capital Group – one of Europe’s leading manufacturers of professional lighting solutions. The Group sells its products in Poland and in several dozen countries worldwide. With more than 35 years of experience, the company is headquartered in Zielona Góra and has operated as a Capital Group since 2008. The Group comprises: LUG S.A., LUG Light Factory Sp. z o.o., LUG GmbH, LUG do Brasil Ltda, LUG Lighting UK Ltd., TOW LUG Ukraine, BIOT Sp. z o.o., LUG Argentina S.A., LUG Turkey, LUG Services Sp. z o.o., and ESCOLIGHT Sp. z o.o. Since November 2007, LUG S.A. has been listed on the NewConnect market managed by the Warsaw Stock Exchange. More information: www.lug.com.pl

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