FACTSHEET

Q2'25

14.08.2025

Revenue Q2'25 **+2.6% y/y**	Gross profit on sales Q2'25 **-15.2% y/y**	EBITDA Q2'25 **+33.9 y/y**	Net profit for shareholders of a parent company Q2'25 **0% y/y**
PLN 56.92 mln	PLN 20.27 mln	PLN 3.32 mln	PLN -1.85 mln

Report Q2'25
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- A surprising turnaround in the Polish industry in 2Q'25 pushed the Polish PMI down to 47.1 in May and 44.8 in June, which resulted in a sharp decline in sentiment and new orders.
- The LUG Group's quarterly revenue in 2Q'25 increased by 2.6% year-on-year and by 7.6% quarter-on-quarter.
- Sales revenue structure: 57.5% domestic sales and 42.5% export sales.
- The gross profit margin remained under strong price pressure, amounting to 35.6% in 2Q'25 and 36.3% in the first half of the year.

Our analysis demonstrates that macroeconomic indicators, both for Poland and for foreign markets, did not result in an improvement in sentiment during the reporting period. This was particularly reflected in the Group's export revenues, which accounted for only 42.5% of the total sales structure. Despite the downturns observed in the market and a decrease in orders, we managed to maintain our sales revenue, which increased by 7.5% year-on-year in the first half of 2025, reaching PLN 109.84 million. Additionally, we achieved a positive operating profit of PLN 215 thousand, which may be a promising signal for the future. At present, our priority remains the protection of margin and cost flexibility, which will support improved profitability and enable us to return to a path of growth.

Ryszard Wtorkowski, President of the Board/CEO

78 markets

10 markets

3 production plants

>50 SMART projects

190 lm/W record effectiveness of LUG luminares

Strategic objectives 2023-2026

- Transformation to service
- Sustainability
- Quality of life innovations
- International partnerships

LUG Strategic perspective
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Strategic measures of the LUG Group until 2026

Net profit and margin for the shareholders of LUG S.A. [PLN mln %]

GOAL: **7%** Net profitability › **-3.3%** Net profitability in Q2'25

Geographical structure of sales revenue [%]

GOAL: **75%** Revenues from foreign markets › **42.5%** Revenues from foreign markets in Q2'25

Industry growth factors

- **Reduction of electricity costs thanks to LED technology**
- **Development of infrastructure investments**
- **New financial perspective in the EU countries**
- **Climate regulations of the European Union**
- **Development of Intelligent IoT Lighting**

Forecasts for the global LED lighting market*

+10.14% CAGR 2025-2033

Forecasts for the European LED lighting market**

+9.3% CAGR 2025-2033

*source:https://www.researchandmarkets.com/report/led-lighting#tag-pos-1
**source: https://www.researchandmarkets.com/report/europe-led-lighting-market#tag-pos-8

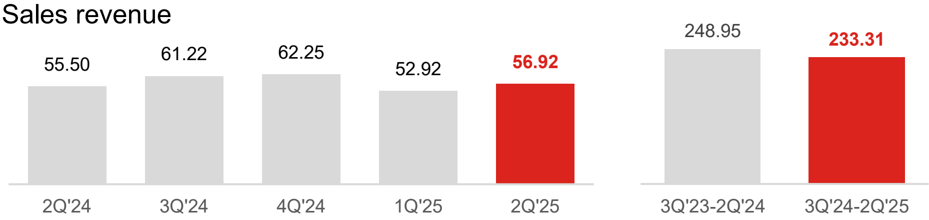
Q2'25

FACTSHEET

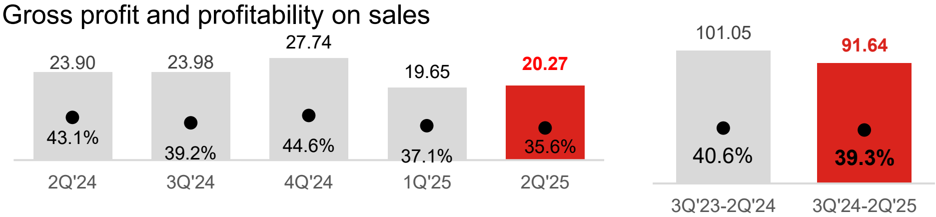
WYNIKI FINANSOWE

LUG®

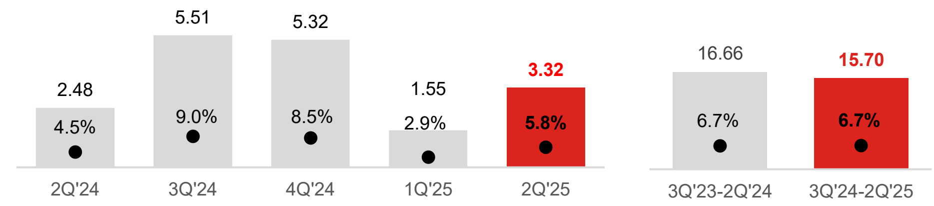
Sales revenue



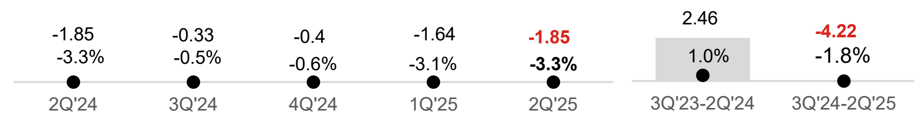
Gross profit and profitability on sales



EBITDA result and profitability



Net profit and profitability for the shareholders of the parent company



Commentary

Revenue increased by 7.6% compared to the previous quarter. This growth was driven by projects won under the "Light Up Poland" program, which entered the implementation phase in Q2'25.

Cumulative revenue declined by 6.3%, reflecting weaker year-over-year results in Q3 and Q4 of 2024.

Margins were negatively impacted by low investment activity and strong price pressure within projects under the "Light Up Poland" program. However, compared to Q1'25, gross profit on sales increased by 3.2%.

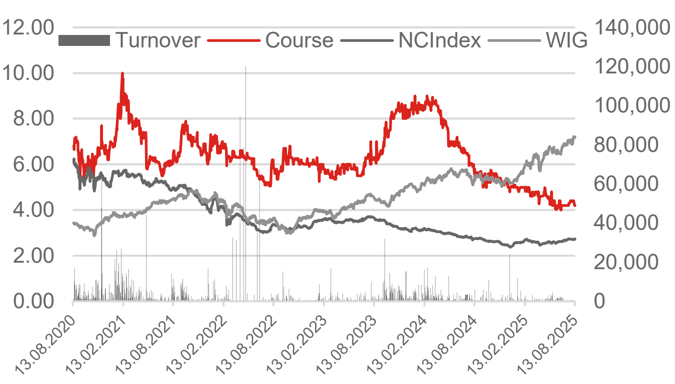
EBITDA results were 114% higher than the previous quarter. EBITDA margin improved both quarter-over-quarter (by 2.9 percentage points) and year-over-year (by 1.3 percentage points), reaching 5.8% at the end of the period.

Net profit attributable to the shareholders of the parent company was -1.85 million PLN, resulting in a negative net margin of -3.3%.

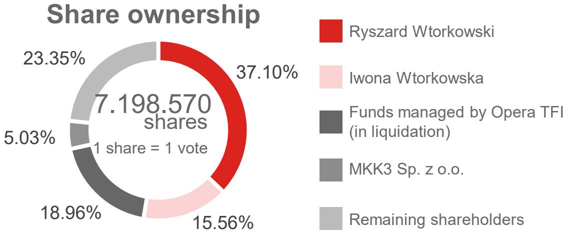
Selected balance sheet items and ratios

	30.06.2024	31.03.2025	30.06.2025
Balance sheet total	216.56	209.14	206.03
Fixed assets	80.53	81.17	79.60
Current assets	136.03	127.97	126.43
Inventory	68.62	65.02	58.79
Trade receivables and assets arising from contracts with customers	47.75	48.36	56.04
Cash and cash equivalents	10.96	7.09	2.87
Equity	69.35	67.00	64.23
Long-term liabilities	11.36	16.54	16.95
Long-term loans and credits	4.08	12.17	12.22
Short-term liabilities	135.85	125.60	124.85
Short-term loans and credits	63.49	50.38	52.05
Trade liabilities and liabilities from contracts with customers.	37.98	38.66	40.66
ROE	6.8%	-7.9%	-9.5%
ROA	2.2%	-2.5%	-2.9%
Net debt/ EBITDA	4.74	5.08	5.17
EV/EBITDA (at the end of the period)	7.25	7.35	7.06

Quotation on ASO NewConnect



Share ownership



Management	Supervisory Board
Ryszard Wtorkowski President of the Board/CEO	Iwona Wtorkowska President of the Supervisory Board
Mariusz Ejsmont Vice-President of the Board Technical Director	Renata Baczańska Eryk Wtorkowski
Małgorzata Konys Board Member Financial Director	Zygmunt Ćwik Szymon Zioło

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