Polimex Mostostal S.A. summarised it's results for Q1 2024

05/29/2024



Polimex Mostostal Group generated PLN 603 million in operating revenue in Q1 2024, compared to PLN 825 million in the result in Q1 2023. The company continues to feel the impact of the war across the eastern border, which affects the most the changing prices and deadlines for the largest contracts.

The Capital Group’s EBITDA for the first quarter of 2024 amounted to PLN 1 million, down by PLN 39 million compared to the corresponding period of 2023.

The Capital Group’s total net result for the three months of 2024 is PLN 35 million lower than the Q1 2023 result and amounts to PLN -12 million.

Selected financial data for Q1 2024 in PLN million

in PLN million
OPERATING REVENUE
OPERATING PROFIT
EBITDA

in PLN million
NET RESULT

“Our construction industry is one of the sectors of the economy most strongly affected by economic changes. We operate in a challenging market reality constantly facing inflation, high prices for building materials, energy, services and, most importantly, rising labour costs and staff shortages. For years, the first quarter of the year has been a difficult time for the construction industry.

With ambitious, high-profile goals in mind, we are working intensively on new projects and strengthening the portfolio for the months and years ahead. Our order portfolio at the end of March 2024 nearly doubled compared to the previous year (PLN 4.7 billion) and amounts to PLN 8.5 billion.

The decrease in sales revenue and the Capital Group results for Q1 2024 compared to the corresponding period in 2023 is mainly due to lower cost throughput of new strategic projects due to the relatively early stage of execution, as well as reallocations in production schedules in the Production Segment.

The value of contracts signed by the group in Q1 2024 amounted to more than PLN 1 billion.

In January 2024, we signed a contract with PGE Group and Ørsted for an offshore project to build the onshore infrastructure required to take power off the ***Baltica 2*** *project – one of the two stages of the Baltica Offshore Wind Farm for PLN 849.0 million which is an important milestone for PxM CG’s contribution to offshore projects in Poland and a starting point for further such projects.*

We passed the selection process of the American giant, Westinghouse, and Mostostal Siedlce, a company from the Polimex Mostostal Capital Group, was selected as one of the potential contractors for the construction of Poland’s first nuclear power plant.

We are focusing on the execution of our strategic projects, i.e. the largest contract in the history of the Polimex Mostostal Capital Group – the ***Olefins III*** *contract which includes the execution of works in the Oil, Chemicals and Gas*

*Segment, a project involving the construction of an 882 MW combined cycle gas and steam unit in **Rybnik,** construction of a rapeseed oil compressor station in **Kętrzyn** for Orlen Południe S.A.*

We are working intensively to complete the construction and commissioning of the contracts in Puławy and the Dolna Odra and Czechnica projects which are nearing completion.

*We are expanding development competences in the energy segment as investor/general contractor for photovoltaic and small cogeneration projects. We established a joint venture with the Czech company TEDOM a.s. **- Polimex Energo sp. z o.o.**, operating in the field of energy outsourcing in the production and sale of heat, cold air and electricity from high-efficiency cogeneration fuelled by natural gas, LPG, LNG, biogas or mine gas.*

The financial position of the Polimex Mostostal Capital Group is stable. We maintain a low net debt level. At the end of Q1 2024, the cash balance exceeded interest-bearing debt by PLN 143 million.

We are increasing the share of non-energy projects' value in the revenue structure. We are monitoring costs, ensuring that we maintain the highest possible business efficiency and profitability of the projects we execute." **– says Maciej Korniluk, acting President of the Management Board of Polimex Mostostal S.A.**

Do pobrania

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