

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA OR JAPAN OR ANY OTHER STATE OR JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL

Bielsko-Biała, Poland, 2 August 2021

Murapol S.A. files prospectus with Polish Financial Supervision Authority in connection with contemplated IPO

Murapol S.A., one of Poland's leading residential developers, filed a prospectus on 30 July 2021 with the Polish Financial Supervision Authority in connection with a contemplated initial public offering and listing on the Warsaw Stock Exchange.

The Murapol Group ("Murapol") is one of the largest and most experienced residential developers in Poland. In its 20 years of operation, the group has completed 67 multistage development projects, within which 316 buildings, totalling over 18,700 units.

"Thanks to some of the best apartment sales results in Poland, Murapol ranks year after year among the leading residential developers in the country. Our diverse geographic footprint and unique business model has delivered sustained growth and high margins. Our established land bank together with our internal design & engineering capabilities, will enable Murapol to successfully execute the ambitious future plans. I am confident that in the years to come we will continue to reinforce our leading position in the Polish development market," said **Nikodem Iskra, CEO of the Murapol Group**. *"Over the last three years we have carried out fundamental changes in our financing structure, replacing the previously fragmented sources of financing with structured syndicated loans. We have also adapted our financial reporting systems to the highest market standards. We believe that joining the group of companies listed on the Warsaw Stock Exchange, which already includes numerous real estate developers, is a natural step for a company with our scale of operations, and also supports its dynamic growth."*

Murapol's residential offering is focussed on the broadest and most popular segment of the market, the affordable and affordable premium sector. This offering is available throughout the country as Murapol is active in 16 cities, such as Warsaw, Kraków, Wrocław, the Tricity, the Silesian agglomeration, Poznań and Łódź.



Murapol's unique business model is vertically integrated, starting from land acquisition, through architectural and engineering design, project budgeting, procuring building materials, general contracting, marketing and sales. This approach delivers lower overall development costs which allows Murapol to price its apartments at competitive levels versus competitors whilst maintaining attractive profit margins.

Between 2018–2020 Murapol sold 8,606 units (based on property development agreements or preliminary purchase agreements) and handed over to its customers 8,639 units. Revenues from sales of units rose from PLN 603.1 million in 2018 to PLN 836.2 million in 2020, a compound annual growth rate (CAGR) of 17.7%. In the same period, gross sales margins grew from PLN 139.1 million in 2018 to PLN 217.4 million in 2020 (CAGR of 25.0%).

Murapol has a large and attractive land bank which will fuel its continued growth. At the end of June 2021, the total land bank comprised 19,400 units (plots owned / under perpetual use and covered by PSPA's) with a total floor area of over 837,000 m². As at 30 June 2021, there were 7,300 units under construction and 12,100 units in the design phase.

In the first half of 2021, Murapol made the strategic decision to enter rapidly expanding residential rental sector as a further growth channel for the development and sale of units. In conjunction with this decision, the Company has commenced cooperation with its majority shareholder, which has extensive prior experience and knowledge in the sector. Currently, 1,723 units are under construction for the private rented sector (PRS, 1,362 units) and purpose-built student accommodation (PBSA, 361 units). Further 1,200 units for PRS sector are in the design phase.

While implementing principles of sustainable growth, Murapol strives to support the environment responsibly by championing various forms of social, charitable and sports initiatives. Among others, the Company is engaged in initiatives promoting professional sport and projects promoting physical activity among children and young people.

Since the 1st quarter of 2020, the majority shareholder of Murapol has been AEREF V PL Investment S.à r.l., a company owned by funds under management of Ares Management Corporation, a leading global alternative investment manager specializing in credit, private equity and real estate, advised by Griffin Real Estate.

**Contact:**

Małgorzata Gaborek | Director of Public Relations

E: malgorzata.gaborek@murapol.pl | M: +48 510 896 877

NBS Communications

Piotr Wojtaszek | M: 500 202 355

Maciej Szczepaniak | M: 514 985 845

E: murapol@nbs.com.pl

Disclaimer

This press release is for information purposes only and will under no circumstances constitute the basis for a decision to invest in the shares of Murapol S.A. (the "Company") and as such does not constitute or form part of and should not be construed as an offer, solicitation or invitation to sell or issue, or an offer, solicitation or invitation to, subscribe for, underwrite, buy or otherwise acquire securities of the Company or any of its subsidiaries in any jurisdiction, or an inducement/recommendation to enter into investment activity in any jurisdiction. Neither this press release nor any part hereof, nor the fact of its distribution or issuance, shall form the basis of, or be relied on in connection with any contract, commitment or investment decision whatsoever. The prospectus (the "Prospectus") prepared in connection with the public offering in Poland and admission and introduction of the Company's securities to trading on the regulated market operated by the Warsaw Stock Exchange will be the sole legally binding document containing information on the Company and the offering of its securities in Poland (the "Offering"). The Offering to the public in Poland will be authorised following: (i) approval by the KNF (Komisja Nadzoru Finansowego), the relevant Polish financial supervision authority, of the Prospectus; and (ii) publication of the Prospectus in accordance with the relevant provisions of EU and Polish regulations. For the purposes of the Offering in Poland and admission and introduction of the Company's securities to trading on the Warsaw Stock Exchange, the Company will make the Prospectus available on its website in accordance with relevant EU and Polish regulations. Any investment in connection with the Offering should be made solely on the basis of the information which will be contained in the approved and published Prospectus and any amendments or supplements thereto. The Prospectus, when published, may contain information that differs from the information contained in this press release. Potential investors are advised to read the Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the shares in the Company. The approval of the Prospectus should not be understood as an endorsement of the shares in the Company that are being offered within the Offering and that are subject to the admission to trading on the regulated market.

This press release is not for distribution or use by any person or entity in any jurisdiction where such distribution or use would be contrary to local law or regulation or which would subject the Company or any of its affiliates to authorisation, notification, licensing or other registration requirements under applicable laws. Distribution of this press release and other information connected to the Offering may be restricted by law and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. It may be unlawful to distribute this press release in certain jurisdictions. This press release is not for distribution in the United States, Australia, Canada and Japan. Acquiring securities to which this press release refers may expose an investor to a significant risk of losing all of the amount invested. Persons considering investment



should consult an authorised person specialising in advising on such investments. This material does not constitute an investment recommendation within the meaning of the Market Abuse Regulation (Regulation (EU) 596/2014) and of the Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest. Statements contained herein may constitute "forward-looking statements". Forward-looking statements are generally identifiable by the use of certain words, including but not limited to: "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal" or "target" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are based on current expectations and involve a number of known and unknown risks, uncertainties and other factors that could cause the Company's or its industry's actual financial condition, results of operations or performance to be materially different from any future financial condition, results of operations or performance expressed or implied by such forward-looking statements. You should not place undue reliance on forward-looking statements and the Company does not undertake to publicly update or revise any forward-looking statements that may be made herein, whether as a result of new information, future events or otherwise. In the United Kingdom this press release is being distributed and is directed only at "qualified investors" within the meaning of the UK version of Regulation 2017/1129, which is part of English law under the European Union Withdrawal Act 2018 at who: (i) have professional experience in matters relating to investments and who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) are high net worth entities and other persons to whom such communication may otherwise lawfully be made falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as the "Relevant Persons"). This press release must not be acted on or relied on by persons who are not the Relevant Persons. Any investment or investment activity to which this communication relates is available only to the Relevant Persons and will be engaged in only with the Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so. The securities will be available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be only with, Relevant Persons. With respect to member states of the European Union other than Poland, this press release is directed only at, and the securities referred to herein will be offered only to, qualified investors within the meaning of Article 2(e) of the EU Regulation 2017/1129, such persons being referred to as the "Qualified Investors") and/or in other circumstances falling within Article 1 section 4 of the EU Regulation 2017/1129. Any such Qualified Investor will also be deemed to have represented and agreed that any such securities acquired by it in the Offering have not been acquired on behalf of persons other than such Qualified Investors. This press release is not an offer of securities for sale in the United States. The securities to which this press release relate have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States. There will be no public offering of the securities in the United States. This announcement is not directed at or intended to be accessible by persons located in the United States (including its territories and possessions, any state of the United States and the District of Columbia).