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The summary of H1 2021 in Murapol Group: stable sales, maintained high efficiency, constantly updated active land bank

In the first half of this year Murapol Group signed 1,491 developer and preliminary contracts, compared to 1,526 in the same period a year earlier. In the analysed period the developer handed over the keys to 947 apartments to its customers, and introduced 2,099 apartments in 11 investment projects. The group also started cooperation with the current, significant shareholder, i.e. Ares group, supported by Griffin Real Estate, with respect to construction and sales of premises in PRS sector, and with Student Depot with respect to construction and sales in PBSA sector.

The first half of 2021 was full of business changes in GK Murapol, which affect the operating results of the Groups operations in several areas:

I. In terms of sales - in Q1 2020 the shareholding structure changed, which influenced the implementation of additional business lines in Murapol Group. In 2021, due to the anticipated, significant development of the living sector in Poland, the Group started cooperation with its current, significant shareholder, i.e. Ares Group, supported by Griffin Real Estate, based on the experience and competences in the implementation of development projects, while the shareholder and Griffin Real Estate – in the living sector.

As part of cooperation in H1 2021 Murapol Group has designated for sale 1,362 units (under construction) for PRS segment. Moreover, further 361 units will be built by Murapol Capital Group as PBSA, i.e. dedicated student accommodation facilities for the Student Depot. Which, in operating terms, means that in H1 2021 apart from the sales result of 1,491 units, additional 1,723 apartments were intended for sale to PRS and PBSA.

II. In terms of hand-overs – in view of 947 units handed over to clients in H1 2021 GK Murapol hopes to increase the pace of hand overs in H2 2021, and estimates approx. 3 thousand hand overs in the entire 2021. This means the third year in a row (in 2019 – 2,922 units handed over, in 2020 – 3,124 units handed over), in which the total number of hand overs will oscillate around 3 thousand per year, thus accounting for a sustainable level of this parameter in the indicated period and the implementation of plans assumed by Murapol Capital Group.

III. In terms of land bank – in the last quarters Group has expanded its land portfolios in majority of the cities being its current and proven markets. Despite the growing problems in the industry with the purchase of land and reconstruction of the land bank, the Murapol Capital Group achieved



its purchase goals, using, in most cases, its proven model of land contracting until the necessary administrative permits were obtained.

IV. In terms of margin – Murapol Group cares and maintains the assumed business efficiency and is consistent in its sales strategy, focusing on achieving better margin results, while achieving balance and repeatability in the number of sold apartments.

SALES

In the period from January to June 2021 Murapol Group signed **1,491 developer and preliminary contracts**, including 727 in the second quarter of 2021, thus keeping the current strategy, stable and sustainable sales level year to year. Apartments by Murapol Capital Group enjoyed greatest interest in Cracow, Wieliczka and Poznań, and also in Łódź where 264, 199 and 197 apartments were bought respectively. The company also signed a significant number of apartment sales contracts in Warsaw – 141, Wrocław – 112 and Katowice – 105. Approximately 70 contracts were signed in Gdynia, Bydgoszcz, Gliwice, Toruń and Siewierz.

HAND OVERS

In the first half of this year Murapol Capital Group **handed over the keys to 947 apartments**, compared to 1,089 ones handed over to owners in the respective period of 2020. In the second quarter alone, 495 apartments were handed over to new owners. In the first half of this year most of the apartment keys were handed over to customers in Wrocław – 205, Katowice – 174 and Warsaw – 134. Approximately 120 apartments were collected in Łódź, Gdynia and Mikołów.

INTRODUCTION TO THE OFFER

In the period from January to the end of June of this year, Murapol Capital Group **offered 2,099 new apartments to its customers**, compared with 1,119 in the respective period of the previous year. Residential and commercial apartments introduced to the offer are being built within 11 projects in 9 cities. Those include both the next stages of projects under development and new projects. Majority of them, i.e. 531 apartments were offered to residents of Poznań, including the new investment – Murapol Zielony Żurawiniec, being constructed at Sielawy St. A pool of 529 residential and commercial apartments was put on market in Cracow and Wieliczka, being a part of further stages of projects under development. The Group re-entered Gdańsk market, offering 299 new apartments, where it began the commercialization of a new development undertaking – Murapol Osiedle Zdrowo, constructed at Niepołomska St. In Łódź further 276 residential apartments were put on the market, as a new stage of Murapol's Nowa Przędzalnia. And for our customers in Warsaw, the developer has prepared 41 apartments in the new building of the Murapol Dzieci Warszawy project. New apartments also appeared in subsequent stages of investments in development in Gliwice, Toruń and Sosnowiec.



NUMBER OF APARTMENTS UNDER CONSTRUCTION

At the end of June 2021, the project portfolio of Murapol Capital Group included **7,636 premises** with the total usable area of **308 thousand square meters**, being constructed in **81 buildings**, within **22 projects** in **15 cities**.

The biggest share in the investment portfolio belongs to Łódź, where 1,726 units are being built. Next come Poznań and Cracow together with Wieliczka, where 1,433 and 1,107 apartments are under development respectively. 675 apartments are under construction in Wrocław, and 537 in Warsaw. The portfolio of projects under construction in Gliwice includes 378 apartments, and in Gdynia 325 apartments. Another 299 apartments are being developed in Gdańsk, and 280 in Katowice.

LAND BANK

As of 30 June 2021, Murapol Group had at its disposal an active land bank to construct over **19.4 thousand** residential premises with the total usable area of over **837 thousand square meters**. The real estate owned by the Group have been granted permits for the construction of 9.9 thousand apartments with the total usable area of almost **423 thousand square meters**. The remaining part of the land bank are investment areas under conditional preliminary contracts, where estate projects will be developed, which are now undergoing the process of issuance of appropriate administrative permits, with an assumed total of **9.5 thousand** residential premises to be built, with the total usable area of **415 thousand square meters**.

- Our sales potential in the first half of the current year oscillated around 3.2 thousand residential premises. Almost half of the pool were sales to retail customers. The other part are investments intended and built for PRS purposes and Student Depot (PBSA). It is worth noting that in retail segment also a pool of over 2 thousand residential premises was put on sale in the first half of this year, which makes our offer the most comprehensive one in Poland – both in terms of geographic diversification and availability of assets. At the same time, we've been able to sustain the margins at the assumed level. – says Nikodem Iskra, the president of Murapol Capital Group – We're also glad at our activity with respect to land acquisition, which translates directly to the future and development of Murapol Capital Group. In the first half of this year alone we contracted or signed final contracts regarding the purchase of 14 investment plots in 8 cities. If we add to that the last quarter of the previous year, we carried out a total of 24 such transactions – adds Nikodem Iskra.

In 20 years of its activity, Murapol Group carried out 67 multi-stage real estate investments, within which 316 buildings were constructed with over 18.7 thousand apartments inhabited by over 56 thousand people.



The Murapol Group is one of the most experienced and biggest residential developers in Poland in terms of the number of apartments sold and apartments handed over to customers. In 20 years of its activity, Murapol developed 67 investments, within which 316 buildings were constructed with over 18.7 thousand apartments inhabited by over 56 thousand people.

Group's operations are geographically diversified. Murapol has been operating actively in 17 cities, both on the largest residential markets in Poland, such as the Silesian agglomeration (Katowice, Gliwice, Sosnowiec), Poznań, Łódź, Tricity (Gdynia and Gdańsk), Wrocław, Cracow, Warsaw, as well as smaller locations, such as Bielsko-Biała, Bydgoszcz, Siewierz, Toruń, Tychy, Wieliczka and Mikołów. What distinguishes Murapol Group is an integrated business model, assuming the concentration within the Group of all competences required to implement real estate projects – from acquiring land, through architectural design, to general contracting and sale of premises.

The Company also places emphasis on non-business activities. It engages in initiatives promoting both professional sports, as well as projects promoting physical activity among children and teenagers. Murapol Group has also been recognized many times for its development activities, receiving, among the others, the Leading Green Building Development award at CIJ Awards for green construction, Housemarket Silesia Awards in Family-friendly Estate and Residential Estate categories. The company is also a laureate of the Highest Quality of Quality International in the Top-Quality Product category – awarded to a multi-family residential investments developed by Murapol Group. In 2020 the Group won the 1st place in the National Ranking of Housing Developers, organized by Dziennik Gazeta Prawna.

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