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Summary of operating results for 2021 in Murapol Group

Last year Murapol Group sold over 4.5 thousand apartments and handed over the keys to nearly 3 thousand of them.

The developer, securing the potential for further business growth, in 2021 doubled investments in land real estate year to year, and spent nearly PLN 213 million on land purchases for real estate projects. Throughout 2021, Murapol acquired 16 new properties in 11 cities: Warsaw, Kraków, Łódź, Wrocław, Poznań, Gdańsk and Gdynia, and the cities of the Silesian agglomeration (Katowice, Gliwice, Tychy and Siewierz).

Last year the Group made a strategic decision concerning entering the dynamically developing segment of institutional rental of premises (PRS), establishing cooperation with Ares Group, the leading entity managing alternative investments, advised by Griffin Real Estate.

SALES

In the entire 2021 Murapol Capital Group sold **4,532** apartments, which constitutes developer's historical sales record – which includes, signing **2,809** development and preliminary contracts with retail clients and **1,723** premises sold to PRS segment.

The level of sales to retail clients achieved throughout the last year confirms the stability of operational results in this market segment. The most popular were the Murapol Capital Group's apartments in Cracow and Wieliczka – where 486 premises found new owners. 385 development and preliminary contracts were signed by the Company in Poznań, and 360 more in Łódź. 289 apartments were sold in Wrocław, and 232 in Warsaw. A significant number of premises were sold in Katowice – 163, Gliwice – 162, Gdynia and Gdańsk – 130 in each of the cities. In Toruń – 119 apartments found new owners, in Siewierz – 115, and 106 in Bydgoszcz.

Apart from 2,809 apartments sold to retail clients last year, another 1,723 premises must be added to the result achieved last year, from the sales of units for the purpose of institutional rental of premises, as part of cooperation with Ares – an international capital group and a majority shareholder of Murapol Capital Group.

HANDOVERS

The stability of Murapol Group's business may also be evidenced by **2,926** apartments handed over to customers, last year.

In 2021, most apartments were handed over to the customers in Cracow and Wieliczka – 619, Łódź – 511, Wrocław – 470, Poznań – 442 and Gdynia – 285. Moreover, another 196 clients



collected their keys to apartments in Warsaw and Katowice, 121 in Mikołów, 38 in Tychy and 37 in Gliwice.

The handover result achieved in 2021 complies with the strategy assumed by Murapol Group.

INTRODUCTION TO OFFER

Last year, Murapol Capital Group put **3,123 apartments and investment premises** on its offer, as compared with 1,843 in the previous year. As of 31 December 2021 Murapol Capital Group's offer included **2.8** thousand residential premises.

The premises introduced to offer last year are currently being constructed within 15 projects in 11 cities. They are both – next stages of development projects under construction and new projects:

- The highest number of apartments and investment premises, i.e. 687, were offered to the residents of Cracow and Wieliczka, as part of the next stages of developments implemented in those cities.
- 531 apartments, including 234 premises being constructed as part of a new investment – Murapol Zielony Żurawiniec, developed at Sielawy Street, were offered for sale in Poznań.
- The Group returned to Gdańsk with a bang, offering 499 residential premises, thus beginning the commercialization of two new projects – Murapol Osiedle Zdrovo at Niepołomiczka Street and Murapol Osiedle Novelo at W. Jagiełły Street.
- In Wrocław, a pool of 304 apartments were put on sale in a new investment at S. Drabika Street – Murapol Słoneczne Jagodno.
- The same number, i.e. 304 apartments were offered in another stage of the Murapol Osiedle Smart project, being carried out at Jar in Toruń.
- The Group also put on the market 276 apartments in Łódź, as part of the new stage of Murapol Nowa Przędzalnia.
- Subsequent stages of investments carried out in Gliwice, Bydgoszcz and Sosnowiec were also put on offer with 189, 170 and 122 apartments respectively.
- For its customers in Warsaw, the developer prepared 41 apartments in the second building of the project being developed there – Murapol Dzieci Warszawy.

NUMBER OF APARTMENTS UNDER CONSTRUCTION

At the end of 2021 **the portfolio of projects under construction** of Murapol Group **included 6,449 apartments** with the total usable area of **261.5 thousand square metres**, being constructed in **75 buildings**, within **19 projects** in **14 cities**.

The biggest share in the portfolio of construction projects was that of Łódź and Cracow together with Wieliczka, where respectively 1,311 and 823 premises are being constructed. Followed by Poznań – 801 apartments under construction, and Wrocław with 548 apartments.



512 apartments were built in Toruń, 499 in Gdańsk and 441 in Warsaw. The portfolio of projects under construction in Gliwice included 378 apartments, 340 in Bydgoszcz and 280 in Katowice. By the end of December 2021 another 241 apartments were under construction in Sosnowiec, 168 in Gdynia, and 107 in Siewierz.

The portfolio of 6,449 residential premises under construction included 1,723 premises with the total usable residential area of 51.2 square metres that were sold for the purpose of institutional rental of premises (PRS and PBSA).

LAND BANK

As of 31 December 2021 Murapol Group had at its disposal an active land bank for the construction of over **20.5 thousand** premises, with the total usable area of **911.2 thousand square metres**, which may be divided into two categories – by ownership and stage of investment:

- **over 9.1 thousand premises** will be constructed on land owned or under perpetual usufruct by the Group, while **nearly 11.4 thousand premises** on land under conditional preliminary contracts,
- **nearly 5.2 thousand premises** are under construction and **nearly 15.4 thousand premises** are being prepared.

	Potential UFA	Potential number of premises
Under construction	231,138	5,176
Under preparation	680,028	15,355
Total	911,166	20,531
Ownership/perpetual usufruct	420,001	9,142
Preliminary contracts	491,165	11,389
Total	911,166	20,531

From the 20.5 thousand premises included in the active land bank, **approx. 18.8 thousand** apartments are intended **for the retail customers**, while about **1.7 thousand** for the **PRS** segment.

It should be emphasized that Murapol Group has, over the years, worked out a know-how and high competences regarding building of and supplementing the active land bank. Out of the pool of 20.5 thousand premises in our land bank, **the land purchased and contracted in the period from January to December 2021 will allow for construction of 7.1 thousand units**, out of which 5.4 thousand apartments will be intended for retail customers, while the remaining 1.7 thousand for the PRS segment.



PRS

In addition, the Murapol Group, in accordance with the framework agreement concluded in July 2021 with its major shareholder (Ares Group), is constantly looking for further sites that can be used for development projects in the PRS segment and will present them to the investor for approval. It will take place in parallel and complementarily to the constant replenishment of the land bank for residential projects aimed at retail clients. For projects from the PRS segment, it will be possible to use plots of land which, in the spatial development plan, are intended for service development with the function of collective residence (in particular hotels or dormitories) and exclude multi-family housing. PRS is a new and promising segment of activity for Murapol Group - as part of cooperation with the majority shareholder, by mid-2026 Murapol Group will prepare 10,000 premises for the PRS segment, which will then be rented through a platform belonging to the Ares group. This number includes premises that will be completed and commissioned at that time, as well as under construction, or in the form of secured land rights.

- The operational results achieved in 2021 are extremely satisfactory for us, despite the still difficult and unpredictable socio-economic situation. They certainly confirm the resistance to economic turmoil of the operating model adopted by us, solid business foundations and the accuracy of the product developed through over 20 years of experience in various economic conditions on the Polish market. Undoubtedly, what distinguishes us from other developers and what has proved successful is our highly integrated business model, wide geographic diversification and matching the offer of apartments to the widest and most absorbent market segment - which is our advantage, especially in the face of increasing interest rates. In addition, I would like to emphasize that the basis for the dynamic development of Murapol Capital Group is the systemic ability to renew the land bank - we allocated nearly PLN 213 million for land acquisitions in 2021, and we're planning to intensify this aspect even more in the coming year. - says Nikodem Iskra, president of the management board of Murapol SA.

In over 20 years of its operation Murapol Capital Group has implemented 71 multi-stage investments, within which 336 buildings were constructed with the total of over 21 thousand apartments.

Murapol Group is one of the most experienced and largest housing developers in Poland in terms of the number of apartments sold and apartments handed over to clients. Since the commencement of its operation 2001, Murapol Group has completed 71 multi-stage real estate investments, in which 336 buildings with over 21,000 apartments were constructed, inhabited by about 63 thousand people.

The Group's distinguishing feature is the map of investments - most diversified among developers. At the end of December 2021, Murapol Capital Group was present in 16 cities, both in the largest residential markets in Poland, including Warsaw, Cracow, Wrocław, the Tri-City and the Silesian agglomeration, as well as in smaller cities such as Bydgoszcz and Toruń.



From the first quarter of 2020, the majority shareholder of Murapol has been AEREF V PL Investment S.à r.l. - a company owned by funds managed by Ares Management Corporation, a leading global manager in the field of alternative investments, specializing in debt financing, private equity and real estate, advised by Griffin Real Estate.

In 2021 Murapol Group started a new business product line, consisting in the construction of premises for the purpose of institutional rental, carried out in cooperation with its majority shareholder.

Murapol Group has an integrated business model, assuming the consolidation within the company of all competences necessary to carry out real estate projects – from land acquisition, through architectural and engineering design, investment budgeting, construction material purchase and general contracting, all the way to marketing and sales activities.

By implementing the strategy of sustainable development, Murapol has been implementing a number of environmental protection initiatives, understanding of social issues and the notions relating to corporate governance (ESG). The Group has striven to optimise the use of raw materials, used new technologies and implemented energy-saving solutions. It has also been engaged in numerous forms of social, charity or sports activities, by supporting both – the professional sport and multiple projects promoting physical activity among children and teenagers.

Murapol has been repeatedly appreciated for its development activities, receiving, among others in the field of 'green construction', the Leading Green Building Development award in the CIJ Awards competition, Housemarket Silesia Awards in the categories: Family-friendly housing estate and Housing estate. In 2021, the Group won the first place in the National Ranking of Housing Developers, organized by Dziennik Gazeta Prawna. The company is also a laureate of the Highest Quality International 2021 competition in the Highest Quality Product category - awarded for multi-family housing investments implemented by Murapol Group.

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