



Gdańsk | Murapol Osiedle Zdrowo

## About the Company

December 2021



**The Murapol Group is one of the largest and most experienced residential developers in Poland.** In its over 21 years in operation, the Group has completed 71 multistage projects, within which 336 buildings, totalling over 21,000 units.

**The geographically diversified map of projects and unique, vertically integrated business model** generate sustained growth and high margins on the Group's projects.

In the view of the management board, the Group's business strategy will enable it to **hand over about 3,200–4,200 units to customers annually** from 2022.

Additionally, **by mid-2026 Murapol intends to contract on 10,000 units in the private rented sector (PRS).**

**21+**

years on the residential market

**336**

buildings completed until 30.09.2021

**17**

cities with Murapol's projects<sup>1)</sup>

**22.3k**

units sold since the start of operations until 31.12.2021

**3,200-4,200**

projected number of units handed over annually, from 2022<sup>2)</sup>

**10,000**

portfolio of apartments for PRS by mid-2026<sup>3)</sup>

1) completed, under construction and in preparation (as at 31.12.2021)

2) excluding apartments for the PRS platform

3) units completed and handed over by this point, under construction or in the form of secured rights to land

**Murapol has been active on the residential real estate market for over 21 years, which makes it one of the most experienced developers in Poland.**

In its sales results and handovers of apartments, year after year it ranks **among the country's largest residential developers.**

In its over 21 years in operation, the Murapol Group has sold over 22,300 units (as at 31 December 2021). In 2019–2021 Murapol sold a total of 10,120 units and handed over 8,972 units to customers, which makes the Murapol Group one of the TOP 3 development companies on the Polish market.

In 2021 Murapol sold 2,809 units to retail customers and handed over 2,926. Additionally, 1,723 units were sold to investors in the institutional private rented sector. Thus, Murapol sold a

total of 4,523 units in 2021, which is a record-high result in the Group's history and in relation to the Polish market.

## An attractive, growing market

The Murapol Group **operates on the residential market in Poland, which has been characterized by a dynamic growth as well as excellent prospects for future years.** The main factors that determine the attractiveness of Polish residential real estate sector are:

- strong demand among retail customers and structural housing deficit estimated at over 2 million units;
- favourable macroeconomic factors: GDP growth dynamics, increase in average salary, low interest rates and availability of mortgage loans, as well as stable financial market;
- relatively high inflation encouraging holders of savings to seek alternative methods of protecting the real value of their money on the real estate market.



Murapol Group's offering is dominated by units with 2 or 3 rooms and an average area of 38-52 m<sup>2</sup>. Apartments with such parameters are the most sought-after among customers, as reflected in the high rate of sales of the units added to the offer.



Poznań | Murapol Nowy Poznań



Warszawa | Murapol Osiedle Praskie



## An absorptive segment, geographical diversification...

The Murapol Group's offering is focused on the most absorptive segments of the residential property market, i.e. the affordable and affordable premium, which in the view of the management board are relatively resilient to macroeconomic fluctuations.

The Group's offering is available throughout nearly the entire country. Murapol currently has development projects under construction and in preparation in 14 cities – in both the largest urban areas in Poland, such as Warsaw, Kraków, Wrocław, the Tricity, the Silesian agglomeration, Poznań and Łódź, and in smaller regional cities like Bydgoszcz and Toruń (as at 31 December 2021).

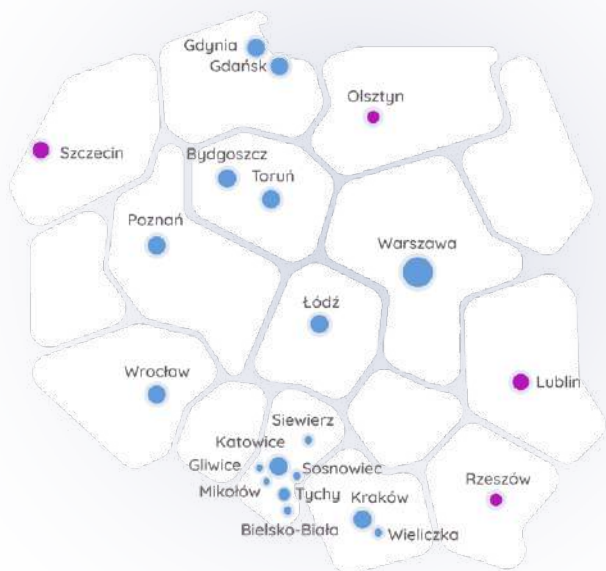
Thanks to its geographical diversification, Murapol reaches a broad group of customers and can take advantage of the observed growth not only on the biggest residential markets, but also on local markets.

## ...and one of the largest land banks

Another competitive advantage of the Murapol Group is its large, regularly renewed and extended land bank. As at the end of December 2021, it included plots (owned or held by the Group in perpetual usufruct, or covered by conditional preliminary purchase agreements) sufficient for the construction of over 20,500 units with a total usable floor area of over 911,000 m<sup>2</sup>.

A distinguishing feature of Murapol is its unique two-stage model of land acquisition. It is based on payment of a portion of the price for the property upon conclusion of a conditional preliminary purchase agreement, and then conducting legal and permitting processes. The remaining portion of the payment is made upon conclusion of the contract transferring ownership of the property and after fulfilment of certain conditions, such as obtaining a building permit. This tested model for building up and renewing the landbank, developed over the years, reduces investment risk and enables lower equity requirements in the development process.

### MAP OF MURAPOL GROUP PROJECTS



- Projects completed, under construction and in preparation
- Potential new locations

### MURAPOL GROUP'S LAND BANK

Land bank (as at 31.12.2021)	Potential number of units	Planned usable floor area (UFA, m <sup>2</sup> )
by stage of the projects		
Projects under construction <sup>1)</sup>	5,176	231,138
Projects under preparation	15,355	680,028
by ownership right		
Ownership/right of perpetual usufruct	9,142	420,001
Preliminary agreements	11,389	491,165
<b>TOTAL</b>	<b>20,531</b>	<b>911,166</b>

1) not counting units built for the PRS



Wrocław | Murapol Słoneczne Jagodno

## Efficient, vertically integrated business model

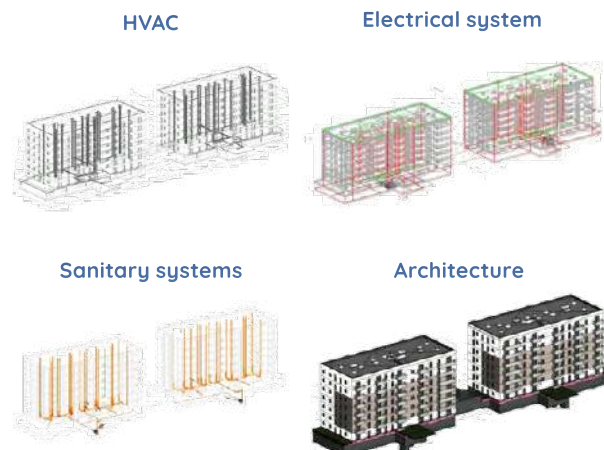
The Murapol Group stands out among its peers for its unique, vertically integrated business model. This model **focuses within the Group all competencies required to complete development projects**, starting from acquisition of land, through architectural and engineering design, determining budgets for projects, procuring building materials, general contracting, marketing and sales.

The business model developed by the Group ensures high efficiency and cost control, allowing it to maintain high margins.



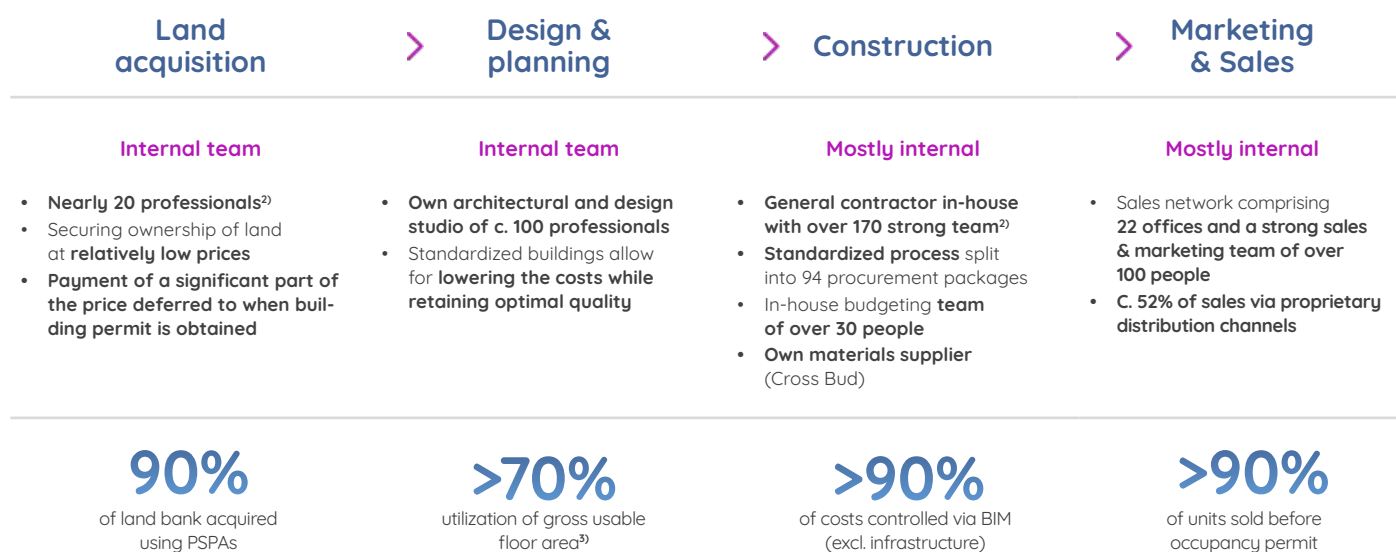
Toruń | Murapol Osiedle Smart

In the design process, Murapol uses the Building Information Modelling (BIM) technology, enabling precise cost estimates and creation of optimal project budgets.



MAD – architectural and design studio of the Murapol Group

## VERTICALLY INTEGRATED BUSINESS MODEL OF THE MURAPOL GROUP<sup>1)</sup>



1) data as at 31.12.2021 2) employment contracts and B2B 3) data as at 30.09.2021



## A promising new operating segment

In 2021 Murapol took a strategic decision to enter the **rapidly growing private rented sector (PRS)**, which will enable further growth in the sales of units. Murapol has entered into cooperation with the Ares Group, which includes the Company's majority shareholder and which has a wealth of experience and knowledge in PRS.

Under the framework agreement with Ares, it is intended that, **by mid-2026, the Murapol Group will contract on 10,000 units for a PRS platform managed by Ares.** This will be made up of units completed and handed over by this point, as well as units either under construction or in the form of secured rights to land.



Łódź | Murapol Nowa Przędzalnia

## Strategy aimed at sustainable growth

The objective of the Murapol Group is sustainable growth and maintaining a strong position in the real estate development industry in Poland. The management board anticipates that **the scale of the Group's operations will grow in the coming years**, among other things thanks to its attractive land bank, strong brand, experience, and integrated processes enabling the Group to effectively complete successive projects on the real estate market and scale its business.

In the management board's assessment, the adopted business strategy will enable the Group **to hand over about 3,200–4,200 units to customers annually** (not counting units built for the PRS), starting from 2022.

Alongside the growing sales to retail customers, the Murapol Group plans **to benefit from the growth opportunities in the rapidly developing PRS market.**

Murapol intends **to continue the strategy of geographical diversification of its operations in Poland.** To this end, it is constantly supplementing and enlarging its land bank, and also plans to acquire new development sites in locations beyond those where it currently operates. It is considering other regional markets, such as Lublin, Szczecin, Olsztyn and Rzeszów.



Poznań | Murapol Zielony Żurawiniec



Toruń | Murapol Osiedle Smart



Kraków | Murapol Parki Krakowa



Gliwice | Murapol Osiedle Parkowe



## Concern for the environment and the community

While implementing its strategy of sustainable growth, Murapol includes in its operations initiatives related to issues of environmental, social and corporate governance (ESG).

In its concern for **the environment**, the Group:

- optimizes the consumption of resources and reduces production of waste,
- minimizes negative impact of projects on the environment and protects neighbouring flora and fauna,
- reduces carbon footprint by using new technologies and energy-saving solutions such as LED lighting, photovoltaic systems, electric vehicle charging stations,
- implements Home Management System (HMS) enabling 30% energy savings annually,
- offers anti-smog package as the standard in its apartments,
- manages stormwater runoff by creating 'rain gardens,'
- applies its know-how in recultivating post-industrial areas,
- provides continuous training of engineers in ESG related fields.

Murapol also strives to **support its community responsibly**, it:

- builds roads and pavements, creates green spaces that serve local communities,
- engages in various forms of charitable activities, including initiated by the employees,
- supports initiatives promoting both professional sport and physical fitness among children and young people (e.g. junior football tournaments, building of mountain bike Enduro Trails in the Beskid mountains, expeditions of sky mountaineer Andrzej Bargiel, the Group's Ambassador and the first person to ski down from the peak of K2),
- engages in continued dialogue with employees aimed at increased satisfaction and motivation,
- ensures employee benefits.

In the area of **corporate governance**, Murapol:

- has a transparent organizational structure, clearly defined career paths and internal promotion possibilities,
- strives to increase the share of women in management positions, valuing competencies and experience regardless of gender (at end of December 2021 45% of senior managers and 55% of middle managers were women).



Murapol – official sponsor of Widzew Łódź football club



International football tournament Murapol Cup



Polish Association of Developers' challenge: assembling the largest insect house on the planet



Andrzej Bargiel, The Murapol Group's Brand Ambassador since 2019



Enduro Trails in the Beskid mountains



Andrzej Bargiel's KARAKORAM SKI EXPEDITION

## Experienced management team, and support from the shareholder

A key factor for the success of the Murapol Group is the **competencies and experience of the management team, as well as the knowledge and commitment of the employees.**

Murapol has succeeded in building a team of over 500 top-notch professionals with knowledge, skills and experience in carrying out all stages of development projects.

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 managed by Ares Management Corporation, a leading global alternative investment manager specializing in debt financing, private equity and real estate, advised by Griffin Capital Partners, one of the largest and fastest-growing private equity investors in Central & Eastern Europe.

### MANAGEMENT BOARD OF MURAPOL S.A.



**Nikodem Iskra, President of the Management Board, CEO**

Nikodem Iskra began his cooperation with the Company in 2007. In the first years of his work, he headed the legal department, then being a legal counsel he served as independent proxy. From 2013 to 2017, he held the position of Vice-President of the Management Board. Since January 2018, he has held the position of President of the Management Board responsible for matters of strategic management of the Murapol Group and overseeing its development. He also actively participates in the processes of land acquisition, obtaining building permits, designing, building and selling residential investments. He has extensive and diverse experience in legal consultancy, the day-to-day management of the Company and representing it.

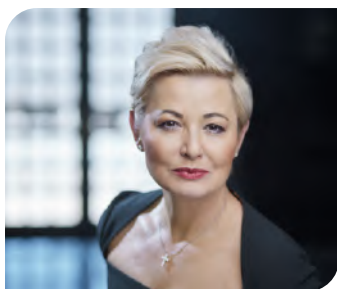
Nikodem Iskra graduated from the Faculty of Law and Administration at the University of Silesia in Katowice with a master's degree in law (1997-2002). In the years 2005 to 2009, he completed his legal advisor training at the Regional Chamber of Attorneys-at-Law in Katowice, qualifying as a legal advisor in 2009.



**Przemysław Kromer, Management Board member**

Przemysław Kromer began working with the Murapol Group in April 2020 as a member of the Management Board and Chief Financial Officer of the Company. He supervises the economic and financial area and is responsible among other things for financial management, liquidity and obtaining financing for the Murapol Group. He has extensive and diverse experience in financial planning and management, organising budgeting processes, preparing financial documentation, and working with private equity funds.

Przemysław Kromer obtained his master's degree at the Warsaw School of Economics, where he studied finance and banking as well as management and marketing (1998-2003). In 2007, he became a full member of the ACCA (the Association of Chartered Certified Accountants). In 2017, he completed a postgraduate programme for members of international boards of directors organised by INSEAD Executive Education.



**Iwona Sroka, Management Board member**

Iwona Sroka started her cooperation with the Murapol Group in 2017, and since January 2018 she has held the position of management board member responsible for marketing, PR&IR communication and ESG strategy. Iwona Sroka has extensive and diverse business experience in management, marketing communications, capital and financial markets, as well as academic experience.

Iwona Sroka graduated from the Warsaw School of Economics (1989-1994) with a master's degree. In 1999, Ms Sroka was awarded a doctoral degree in economics. In the years 1994 to 2009, she held the position of assistant professor at the Warsaw School of Economics, and since 2009 she has been an assistant professor at the Faculty of Management of the University of Warsaw.



## SELECTED AWARDS AND CERTIFICATES GRANTED TO MURAPOL GROUP

### Green certification:

- The first Polish residential developer with 'green certification' **BREEAM**, 2017
- Leading Green Building Development and Developer, **CIJ Award 2017**

### Industry awards and prizes:

- **Housemarket Silesia Awards 2019**, "Family-Friendly Housing Estate" category
- **Highest Quality International 2019**, "QI Product" category
- **Housemarket Silesia Awards 2020**, "Residential Real Estate" category
- 1 place in the **Polish Ranking of the Best Developers for 2020**
- 1 place in the **Polish Ranking of the Best Developers for 2021**
- **Highest Quality International 2021**, "QI Product" category
- Top 3 in numerous quarterly rankings of the most popular investments by the **RynekPierwotny.pl** on local markets
- **Friendly developer 2021** by Gazeta Finansowa and Home&Market

### Other awards:

- **Responsible Business Awards 2017** by the Executive Club, "Patron of Sport" category

