

Murapol Group

Presentation of results for 2023

3 April 2024



Presenting today

Murapol Management Board



Nikodem Iskra

CEO



Przemysław Kromer

CFO



Iwona Sroka

Marketing, PR, IR & ESG



Murapol
Matecznia

Kraków

About the Group

23 years

presence on the residential market

19 cities

footprint*

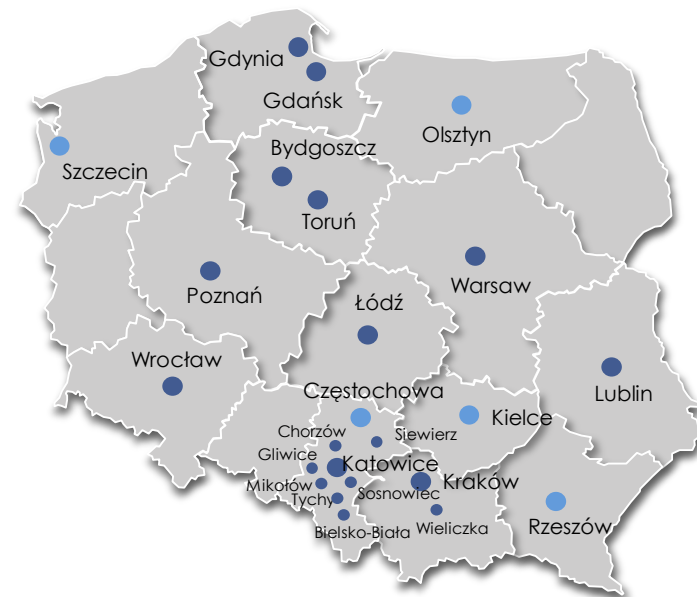
28.5k

apartments built since the founding of the group

21k

units within the active landbank

- One of the **largest and most experienced** residential developers in Poland, in business since 2001
- **The most geographically diversified** portfolio of development projects in Poland
- Product offering in **the broadest and most absorptive segment of the residential property market**, i.e. affordable and affordable premium
- One of the **biggest landbanks** in the industry
- **Complementary** business building residential units for institutional rental sector (PRS and PBSA) in the *design&build* formula



● Projects completed, under construction and in the pipeline

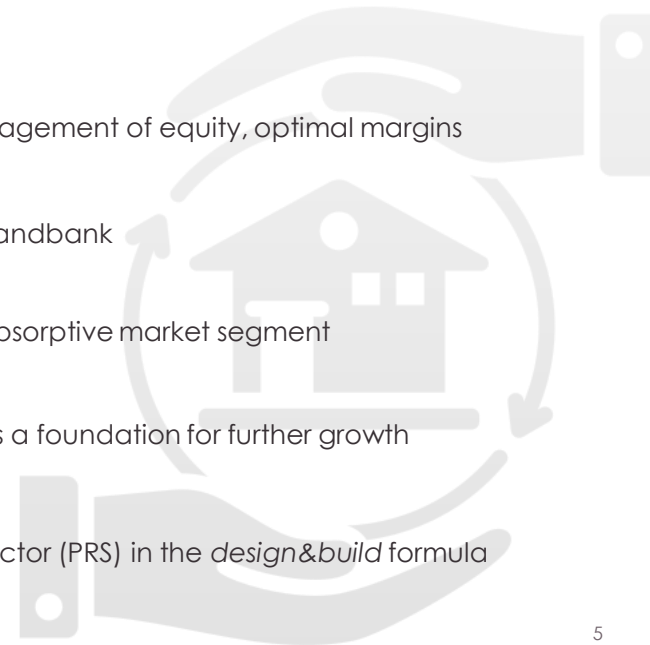
● Potential new locations

*projects completed, under construction, and in the pipeline

data as of 31 December 2023

What sets us apart?

- 1 Proven stable sales results** in the last 3 years despite challenging macroeconomic conditions
- 2 Leading market position** with highly supportive fundamentals
- 3 Unique** and vertically integrated **business model** – high cash flow, low engagement of equity, optimal margins
- 4 High level** of geographical diversification of investments and a large active landbank
- 5 Product offering** focused on the broadest group of customers, in the most absorptive market segment
- Proven ability to renew the **landbank** at a higher pace than presale levels, as a foundation for further growth
- 7 Cooperation** with a leading investor in the complementary private rented sector (PRS) in the *design&build* formula



Integrated business model

Land acquisition

- Effective land acquisition model
- Payment of a large portion of the price deferred until a building permit is obtained

Design & planning

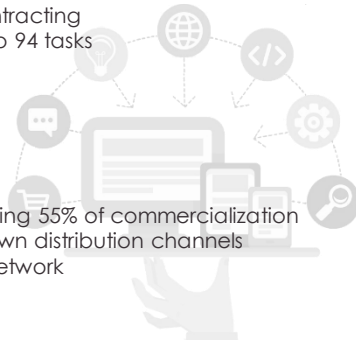
- In-house architectural and engineering studio
- Standardized buildings allow for lowering costs while maintaining optimal quality
- *Plug & Play* business model facilitates scaling: expansion in existing and new locations

Construction

- Team responsible for general contracting
- Standardized process divided into 94 tasks
- In-house budgeting team
- In-house materials supplier

Marketing & sales

- Network of 25 sales offices, enabling 55% of commercialization of projects through the group's own distribution channels
- Extensive, widespread external network



Building Information Modelling

BIM technology enables preparation of a **precise bill of quantities**, helping **prevent conceptual mistakes**, and defining the **precise scope of work and materials needed**

HVAC

Sanitary systems

Architecture

Electrical system

Unit 94



System of **94 standardized universal tasks** for every project, translating into **precise planning, efficient budgeting and selection of subcontractors**

Two complementary segments

PRS segment generating significant incremental cash in addition to core resi-for-sale business

Resi-for-sale



- Affordable product highly resilient to macroeconomic fluctuations
- Addressing the broadest spectrum of customers
- Proven product strategy



Affordable product



Attractive location in promising districts of cities



High value for price and location

PRS



- 100% complementary to resi-for-sale → no cannibalization
- Attractive risk-return profile → guaranteed off-take
- Regular cash inflows
- Limited equity requirement – construction costs forward-funded by PRS investor



Possibility of building on plots zoned for services



Framework agreement governing off-take of premises by LifeSpot – PRS platform belonging to funds managed by Ares



Ultra-low saturation of PRS market in Poland

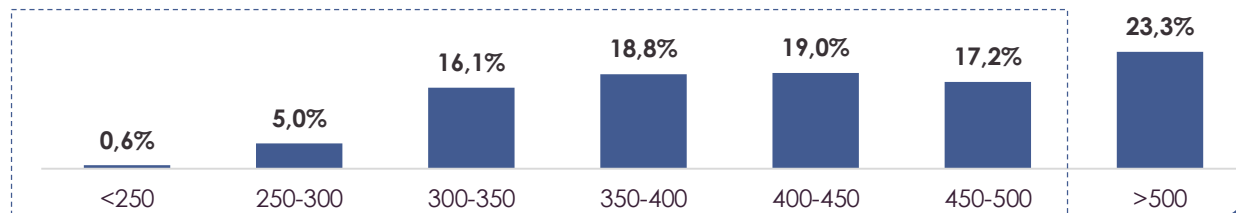
R4S offering caters to the broadest customer base

Units in the affordable and affordable premium segments



Sales structure by apartment price (PLN '000)

Apartments priced below PLN 500,000 accounted for almost 80% of Murapol's total sales

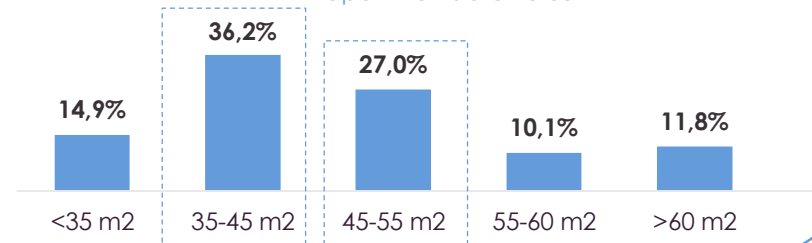


Sales structure by apartment size (m²)

Most popular 2-room apartments are 35-45 m²

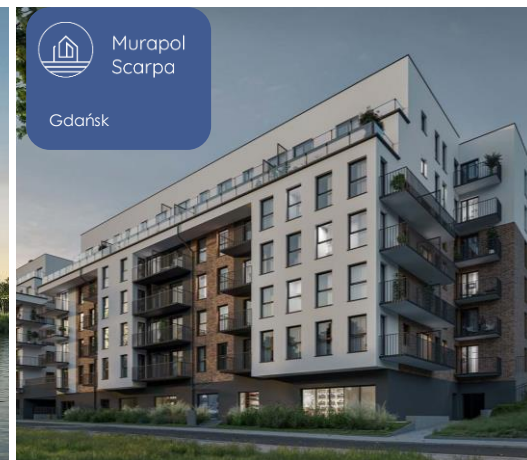
Most popular 3-room apartments are 45-55 m²

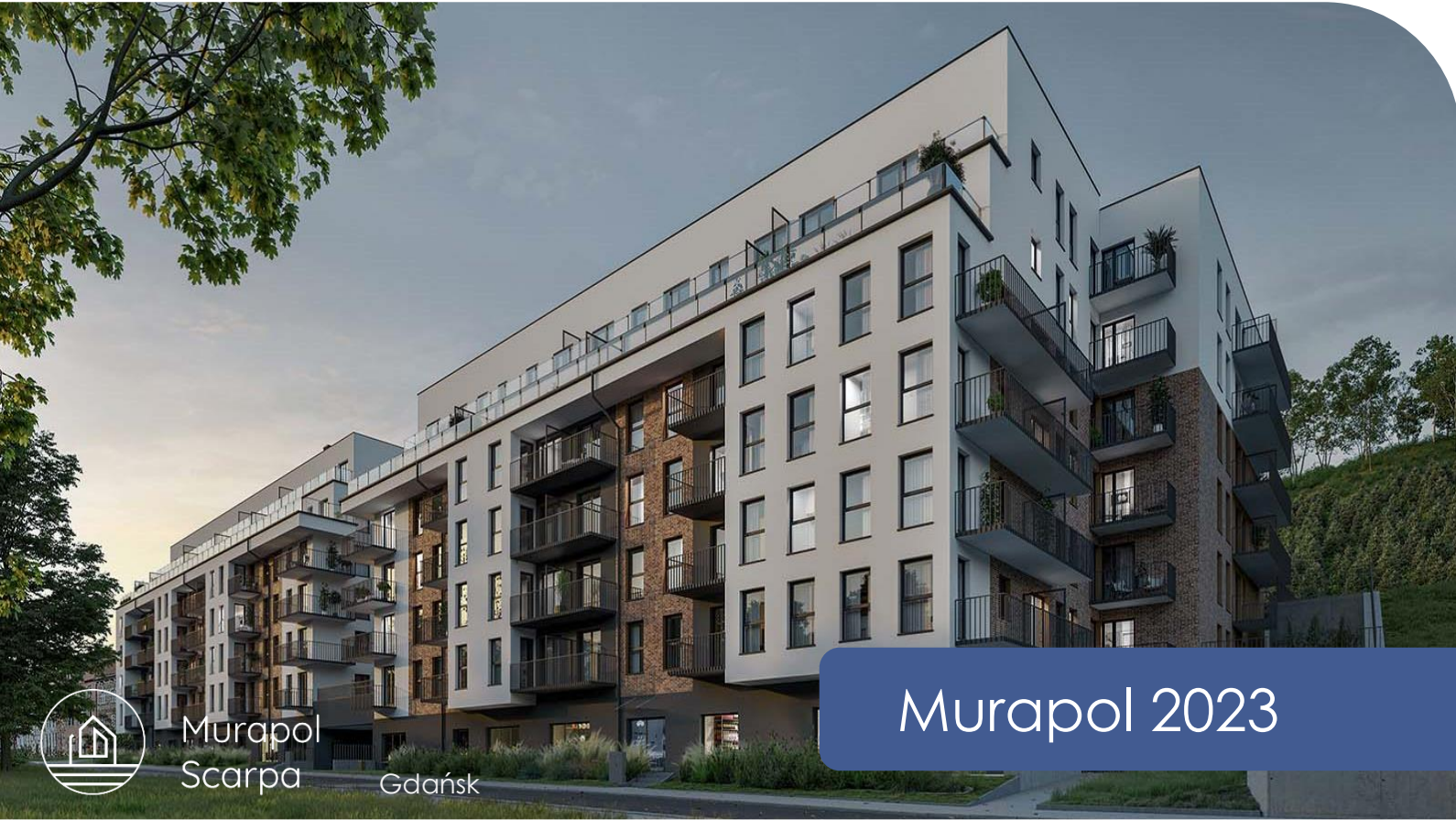
c. **45 m²**
Average area of apartments sold in 2021-2023



Examples of the group's developments

Affordable and affordable premium segments





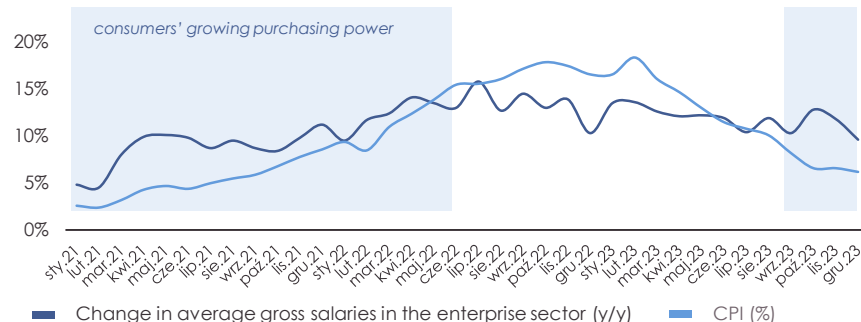
Murapol
Scarpa
Gdańsk

Murapol 2023

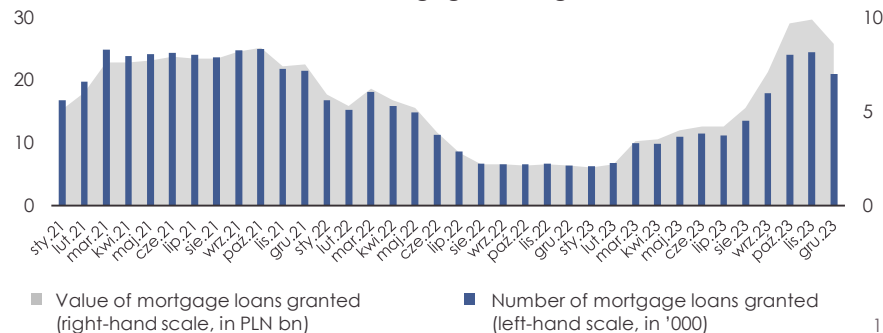
Revival of demand for apartments

- **Improvement in demand in 2023** resulting from loosening of monetary policy through gradual reduction of interest rates and easing of KNF's precautionary buffer
- **Growth in customers' credit capacity**
- **Demand supported by the "Safe Credit 2%"** scheme (2% fixed interest rate mortgage loans) and announced plans to continue government programmes
- **Imbalance between demand and supply** on the residential market, and resulting dynamic growth in home prices
- **Stabilization of construction costs**
- **Positive signals** in the economic policy of the new government, and funds from the National Recovery Plan (KPO)

Change in average salary vs. inflation (CPI)



Number and value of mortgage loans granted in Poland



Key events in 2023

Further growth in operating scale and debut on the main market of the Warsaw Stock Exchange

3,770 units

(+43.3%)

added to offering
(R4S segment)



3,724 units

(+2.0%)

sold, net



15 Dec.

listing on the main
market of the
Warsaw Stock
Exchange



2023 in numbers

Satisfying operating results in every business area

2,801
(+5.6%) units handed over

3,031
(+1.4%) units sold to retail customers*

693
(+4.4%) Units sold in the PRS segment in the *design&build* approach

PLN 1.2bn
(+20.9%) sales revenue

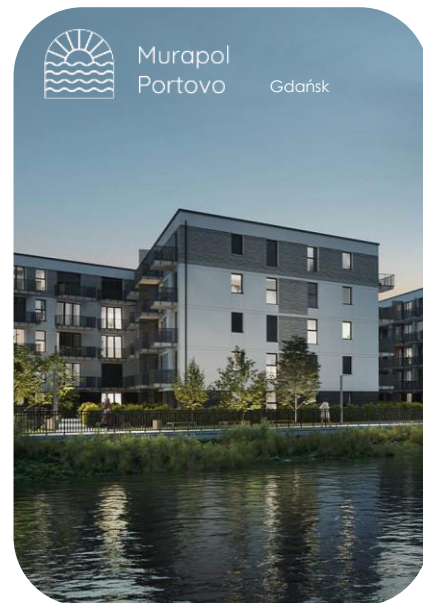
PLN 332m
(+17.4%) adjusted EBITDA

PLN 219m
(+2.9%) net profit

39.2% return on equity

43.0% 1st margin (R4S segment)

18.0% net profit margin



*Including development agreements/preliminary agreements and paid reservations

Growth in customers' credit capacity

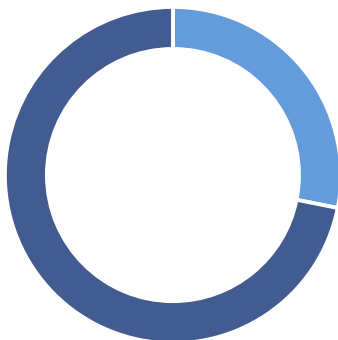
Demand supported by "Safe Credit 2%" and announced government programmes

- **97% of Murapol Group's** offerings met the criteria for the Safe Credit 2% program*

Sales structure**

Major urban areas
c. 70.0%

Gdańsk
Gdynia
Katowice
Kraków
Łódź
Poznań
Warsaw
Wrocław

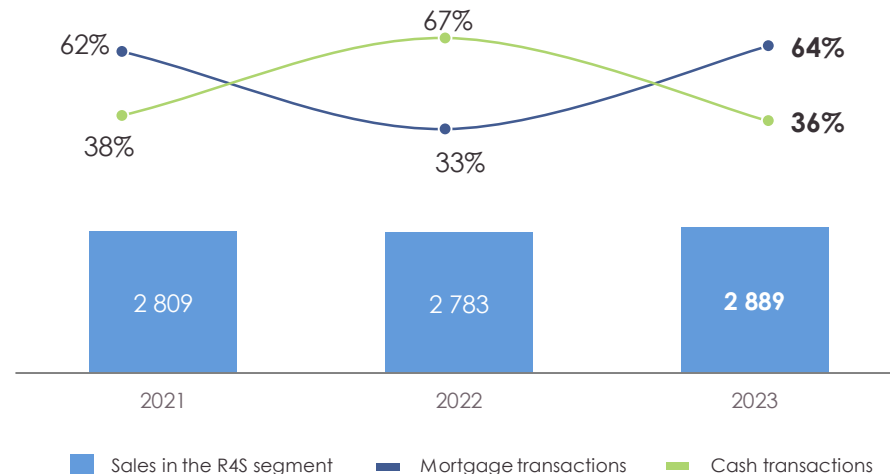


Regional cities
c. 30.0%

Bielsko-Biała
Bydgoszcz
Chorzów
Gliwice
Siewierz
Sosnowiec
Toruń
Tychy

** estimated sales structure (by value) based on data for 2022 and 2023

Split of mortgage vs cash customers



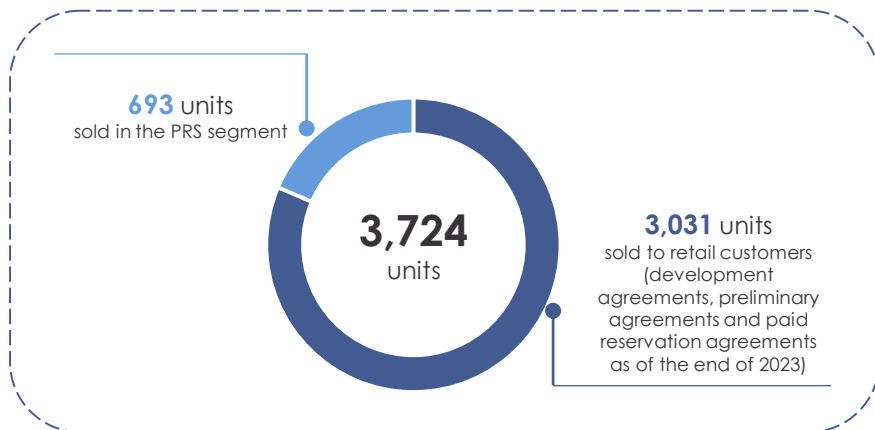
* concerns the resi-for-sale offering (excluding commercial units and investment apartments)

Sales of apartments in 2023

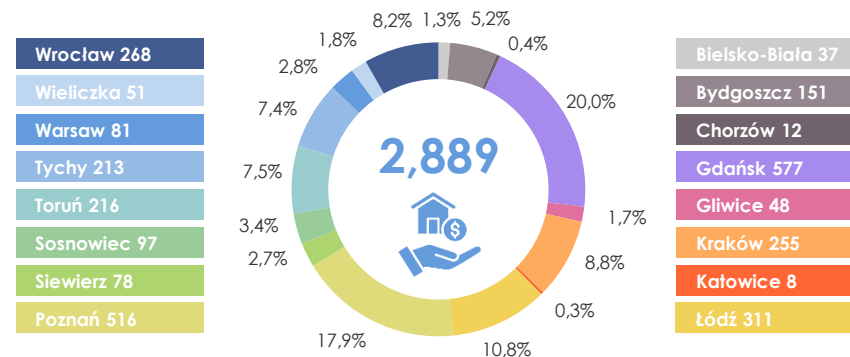
Growth in sales despite the high base from 2022

- Murapol generated total net sales in 2023 of **3,724 residential units (+2.0%)**
- **3,031 units (+1.4%)** were sold to retail customers and **693 units (+4.4%)** in the PRS segment
- **2,889 units** were sold under development agreements, and an additional **142 units** in paid reservation agreements
- The largest number of apartments were sold in **Gdańsk** (577), **Poznań** (516), **Łódź** (311) and **Kraków** (255)

Total Murapol sales



Geographical breakdown of sales of residential units to retail customers (development agreements and preliminary agreements)



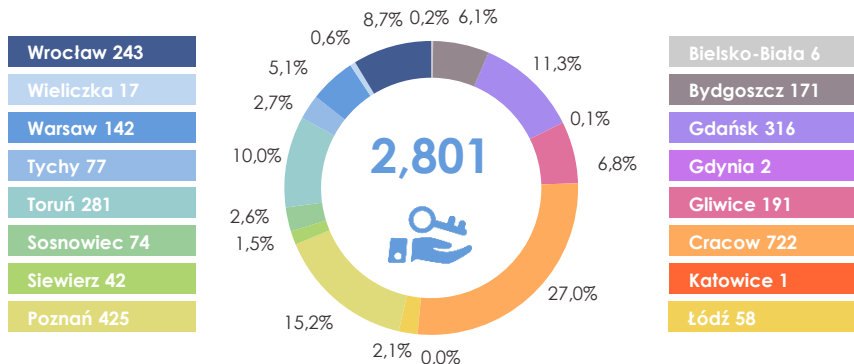
Handovers in 2023

Increase in the number of units handed over and the average value of units delivered in the retail segment

- Increase in the number of units handed over by **5.6%**
- The most units were delivered in 2023 to buyers in **Kraków** (755), **Poznań** (425) and **Gdańsk** (316)
- In 2023 the average price of units handed over was **PLN 365k**, vs **PLN 326k** in 2022



Geographical breakdown of handovers of units to retail customers



Selected projects in which units were handed over in 2023

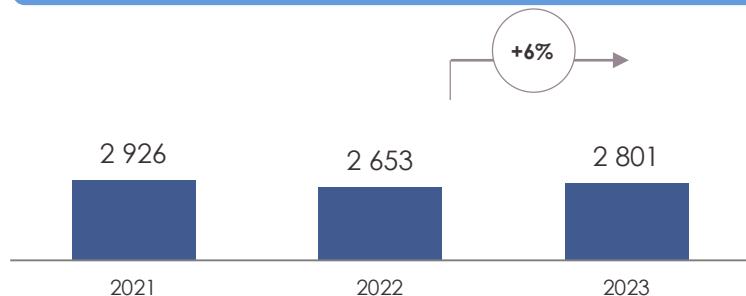


Key financial data for 2023

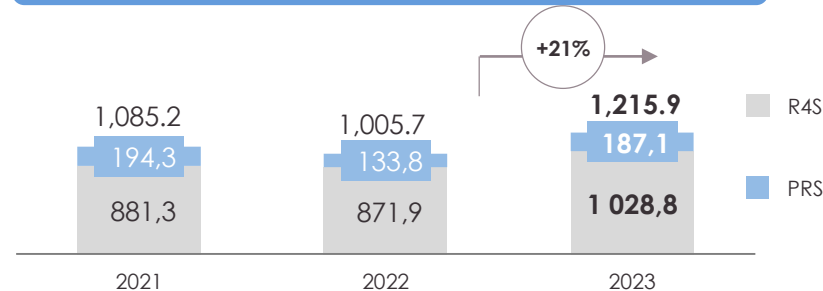
Higher sales revenue in both operating segments

- Revenue increase driven mainly by the larger volume of apartment sales and higher transaction prices in the Resi-for-Sale segment
- Growth in the average price of a unit handed over in 2023 to **PLN 365k** (vs **PLN 326k** in 2022)
- Revenue grew in the retail segment by **18.0%** and in the PRS segment by nearly **40.0%**

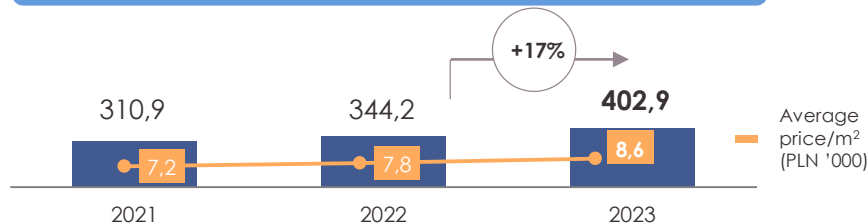
Apartments handed over
(units)



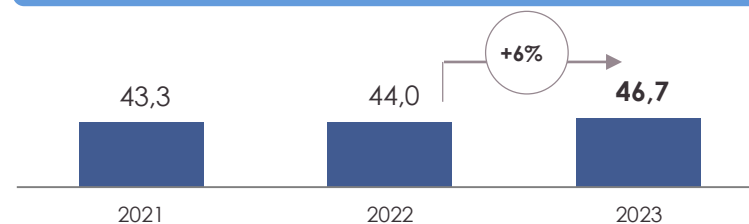
Sales revenue
(PLNm)



Average net price of units sold (PLN '000)



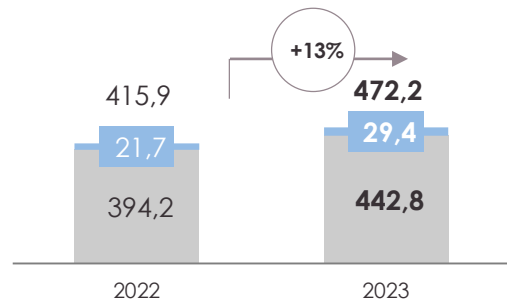
Average size of units sold (m²)



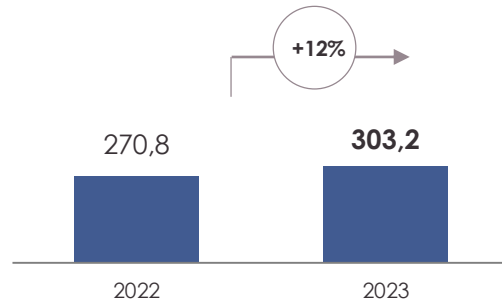
Key financial data for 2023

Improved financial results despite high base from 2022

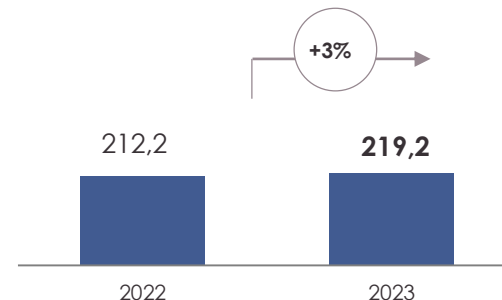
1st margin (GM1)*
(PLNm)



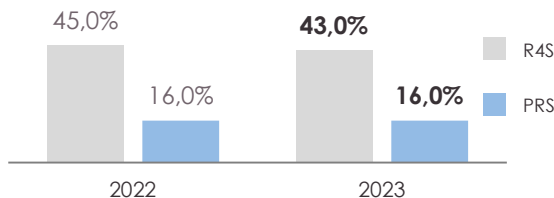
EBIT
(PLNm)



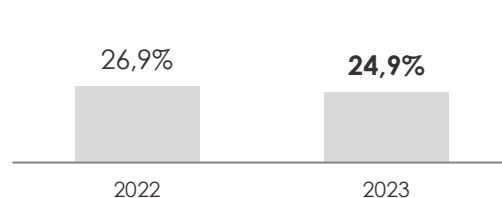
Net profit
(PLNm)



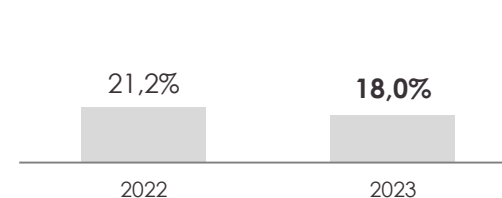
1st margin (GM1)*



EBIT margin



Net profit margin

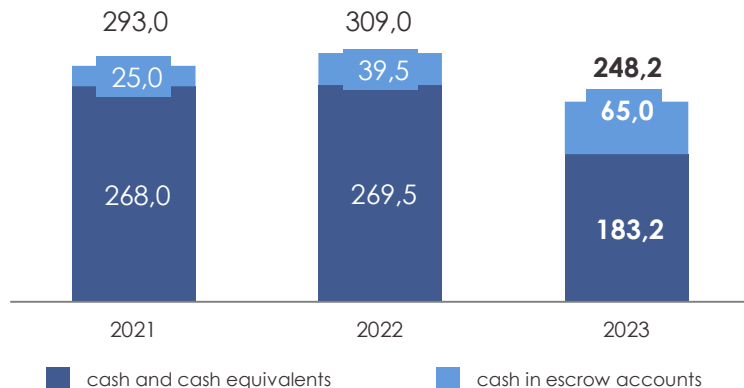


*1st margin: revenue from apartment sales contracts less costs for acquisition of land, direct materials and direct labour (costs of subcontractors)

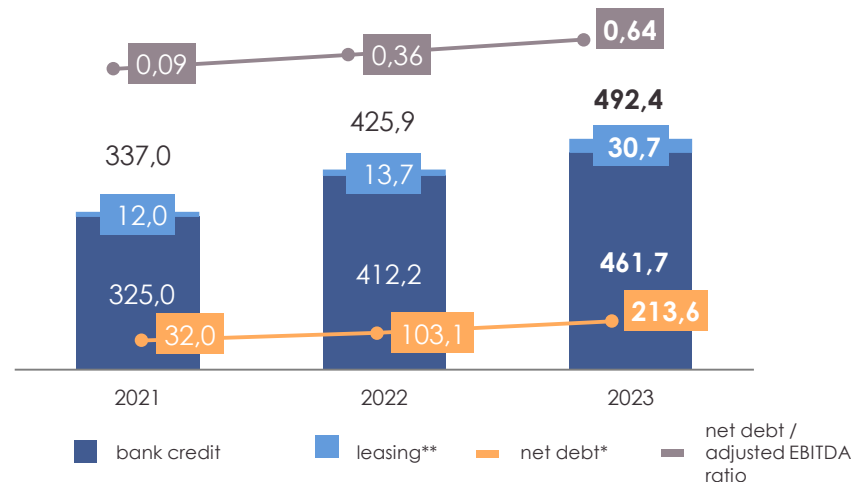
Group's current financing structure

- Signing in December 2023 of an annex to the credit agreement increasing the facility by about **PLN 70m**, to a total commitment by the banks of **PLN 550m** – in effect recovering the amortized portion of the credit (funds released in January 2024)
- **Safe** net debt / adjusted EBITDA ratio (**0.64** at the end of 2023)

Cash position
(PLNm)



Debt
(PLNm)



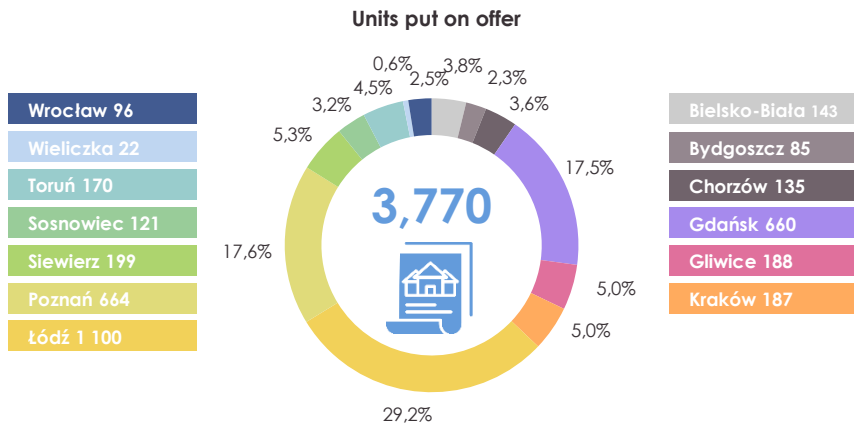
*net debt calculated as bank credit less cash (including escrow accounts)

** Leasing at the end of 2023 concerns mainly the accounting valuation of the lease for the office in Bielsko-Biala

Units added to the product line in 2023

Dynamic growth in the offering in 2023, continuing in 2024: **4,700 units offered** at the end of 1Q 2024

- In 2023 the Murapol Group added **3,770 residential units (+43.3% y/y)** to its offer in 13 cities, including **Poznań, Gdańsk, Kraków** and **cities in the Silesian agglomeration**
- Number of building permits obtained in 2023: **20** final building permits in **11** cities for a total of c. **6,970 units**
- One of the biggest offers on the market – **4,700 units** at the end of 1Q 2024



Selected projects put on offer in 2023

 <p>Murapol Agosto</p>	 <p>Murapol Osiedle Faktoria</p>
 <p>Murapol Scarpa</p>	 <p>Murapol Osiedle Szafirove</p>
 <p>Murapol Havelia</p>	 <p>Murapol Osiedle Ferrovia</p>

Large active landbank

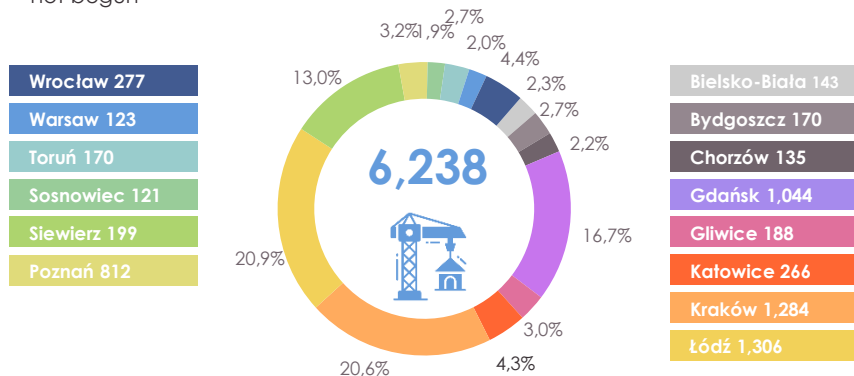
Landbank with the capacity for construction of over **21,000 residential units**

Under construction

6,238 units

256k m² UFA

- Projects under construction also include **1,363 units in the PRS segment**, where the land was sold to **LifeSpot** (and thus is no longer included in the group's landbank), in which case Murapol serves as the general contractor
- Additionally, at the end of 2023, 3 projects under construction had obtained occupancy permits (**504 units, c. 23,200 m² of UFA**), but handovers of units had not begun

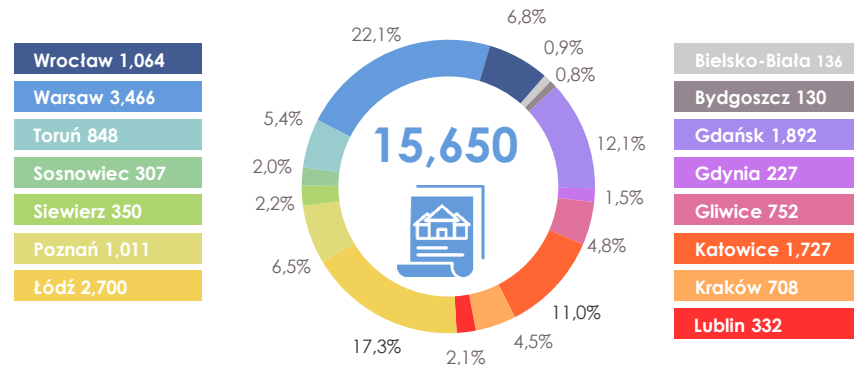


In the pipeline

15,650 units

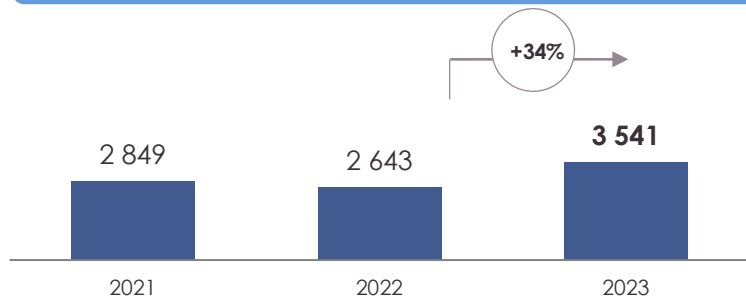
664k m² UFA

- Projects in the pipeline also include **1,928 units in the PRS segment**.
- Over **22%** of the landbank (**3,466 units**) in the pipeline constitutes projects in **Warsaw**

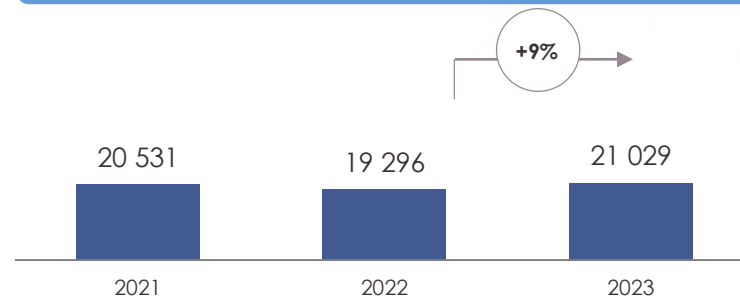


- Skilful launch of sales of new projects enables maintenance of an **attractive offer for customers**
- Efficient renewal of the **landbank** is a foundation for continued growth

Size of offer (total number of units on 31 December)



Landbank (total capacity for units on 31 December)





Summary



Murapol
Agosto Łódź

Summary of 2023

Effective exploitation of favourable market conditions

1

Revenue exceeding **PLN 1.2bn** (+21.0%)

2

Growth in handovers to **2,801** units (+5.6%)

3

Sales increased to **3,724** units (+2.0%)

4

Sales launched for **3,770** units

5

Offer included over **3,500** units at the end of the year

6

One of the biggest landbanks on the market, with a capacity for construction of over **21,000** units

Positive prospects for upcoming periods

Strong product line, effective business model, and auspicious market conditions

1

Market conditions favourable for business operations in 2024:

- Continuing high demand on the residential market, particularly in the affordable segment
- Growth in average salaries
- First reductions in interest rates introduced in 2023 after a long series of rate increases
- Work underway on the next government programme (in the case of the Safe Credit 2% program in 2023, 97% of Murapol's product line met the criteria for the program)

2

Very strong offer of Murapol Group including as of the end of 1Q 2024 c. **4,700 units**, with an average area of **c. 45 m²**

3

Since the start of 2024 **1,860 residential units** have been added to the offer—including units in a new operating market, **Lublin**

4

Good sales tempo in 1Q, no apparent impact on demand from the end of the Safe Credit 2% program

5

Most diversified product line and landbank on the market

6

Plans for paying **dividends in 2024**



Thank you!

Investor Relations
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ir@murapol.pl



Murapol
Portovo

Gdańsk

Q&A



Appendices



Murapol
Trzy Lipki

Bielsko-Biała

Profit and loss statement

Improved results despite high base from 2022

	2023	2022	Change
Sales revenue	1,215,944	1,005,660	+20.9%
<i>Revenue from contracts for sale of apartments to retail customers</i>	1,028,787	871,875	+18.0%
<i>Revenue from sales to PRS</i>	187,157	133,785	+39.9%
Gross profit on sales	383,393	355,272	+7.9%
Gross sales margin	31.5%	35.3%	-3.8 pp
EBIT	303,152	270,798	+11.9%
EBIT margin	24.9%	26.9%	-2.0 pp
Net profit	219,151	212,898	+2.9%
Net profit margin	18.0%	21.2%	-3.2 pp

Balance sheet

Assets	2023	2022	Liabilities and shareholders' equity	2023	2022
Non-current assets	86,523	72,941	Equity attributable to shareholders of the parent company	557,960	436,761
Current assets	1,773,292	1,656,662	Non-controlling interest	1,425	2,769
Total assets	1,859,815	1,729,603	Total shareholders' equity	559,385	439,530
			Long-term liabilities	454,770	411,181
			Short-term liabilities	845,660	878,892
			Total liabilities	1,300,430	1,290,073
			Shareholders' equity and liabilities	1,859,815	1,729,603

Projects under construction

- As of the end of 2023, the portfolio of projects under construction included **6,238** residential units with a combined usable floor area of **256,000 m²**, being erected in **54** buildings within **24** developments in **14** cities
- The most new apartments are being built in Łódź (**1,306** units) and Kraków (**1,284**)

Location	Project	No. of residential and commercial units	UFA	Project commencement date	Scheduled completion (occupancy permit)
Bielsko-Biała	Murapol Trzy Lipki (buildings 1 & 4)	143	6,910	May 2023	August 2024
Bydgoszcz	Murapol Osiedle Akademickie IV (building 1)	85	3,686	May 2023	September 2024
Bydgoszcz	Murapol Osiedle Akademickie V (building 8)	85	3,686	December 2022	March 2024
Chorzów	Murapol Osiedle Wolka (buildings 1, 2 & 3)	135	6,571	June 2023	November 2024
Gdańsk	Murapol Osiedle Zen (buildings 2, 4 & 6)	173	7,821	June 2023	August 2024
Gdańsk	Murapol Scarpa (buildings 1 & 2)	291	14,010	December 2023	October 2025
Gdańsk	Murapol Portovo (building 1)	384	11,929	December 2023	July 2025
Gdańsk	Murapol Portovo (building 2)	196	5,850	April 2023	September 2024
Gliwice	Murapol Osiedle Szafirove (buildings 6 & 7)	188	9,941	September 2023	July 2025

Projects under construction

Location	Project	No. of residential and commercial units	UFA	Project commencement date	Scheduled completion (occupancy permit)
Kraków	Czerwone Maki (building 1) [PRS]	404	12,115	September 2022	April 2025
Kraków	Murapol Mateczniq (buildings 1, 2 & 3)	187	8,109	April 2023	September 2024
Kraków	Lipska (buildings 1 & 2) [PRS]	249	7,185	September 2023	March 2026
Kraków	Okulickiego (building 1) [PRS]	444	13,283	November 2023	May 2026
Katowice	Sikorskiego (building 1) [PRS]	266	7,553	August 2022	January 2025
Łódź	Murapol Osiedle Faktoria (buildings 1 & 2)	269	9,868	March 2023	January 2025
Łódź	Murapol Agosto (buildings 1, 2 & 3)	442	20,306	September 2022	May 2025
Łódź	Murapol Argentum (building 1)	409	19,410	December 2022	November 2024
Łódź	Murapol Osiedle Filo (building 1)	143	6,376	November 2023	July 2025
Łódź	Murapol Nowa Przędzalnia IX (building 1)	43	2,044	February 2023	June 2024
Poznań	Murapol Osiedle Verde (building 1)	198	8,905	October 2022	October 2024
Poznań	Murapol Osiedle Verde II (building 2)	225	10,559	January 2023	October 2024
Poznań	Murapol Zielony Żurawiniec II (buildings 2 & 5)	249	13,635	May 2022	May 2024
Poznań	Murapol Zielony Żurawiniec III (buildings 6 & 7)	140	6,202	August 2023	January 2025

Projects under construction

Location	Project	No. of residential and commercial units	UFA	Project commencement date	Scheduled completion (occupancy permit)
Siewierz	Murapol Siewierz Jeziorna (buildings 13 & 14)	84	4,219	January 2023	March 2024
Siewierz	Murapol Siewierz Jeziorna (buildings 15–18)	115	5,784	September 2023	November 2024
Sosnowiec	Murapol Apartamenty Na Wzgórzu III (bldg 3)	121	5,763	January 2023	May 2024
Toruń	Murapol Aviator (building 1)	170	5,650	May 2023	January 2025
Warsaw	Murapol Osiedle Natura IV (buildings 8, 9 & 10)	123	6,502	June 2022	February 2024
Wrocław	Murapol Jagodno Park (building 1)	66	2,954	March 2022	February 2024
Wrocław	Murapol Jagodno Park II (buildings 4–7)	211	9,276	March 2022	April 2024
Total		6,238	256,103		

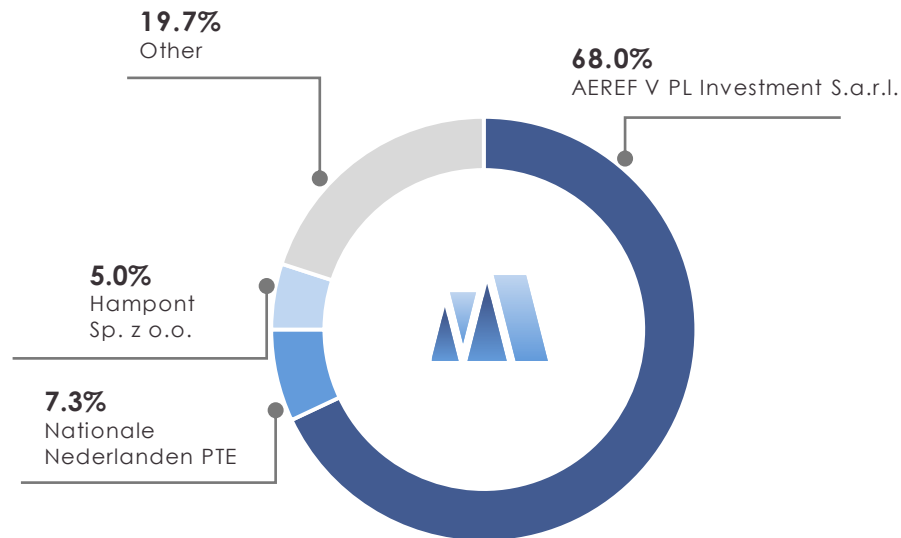
Projects in the pipeline

- As of 31 December 2023, the landbank of Murapol Group included a portfolio of projects in the pipeline covering about **15,650** residential units with a combined usable floor area of **664,150 m²**, securing the continuity of the group's business for the next several years to come

Location	Planned UFA (m ²)	Planned no. of units
Bielsko-Biała	7,315	136
Bydgoszcz	5,786	130
Gdańsk	60,683	1 892
Gdynia	10,221	227
Gliwice	35,849	752
Katowice	75,889	1,727
Kraków	33,515	708
Lublin	15,130	332
Łódź	119,224	2,700

Location	Planned UFA (m ²)	Planned no. of units
Poznań	45,283	1,011
Siewierz	16,649	350
Sosnowiec	14,620	307
Toruń	37,685	848
Warsaw	142,421	3,466
Wrocław	43,883	1,064
Total	664,153	15,650

Shareholder	No. of shares	Capital
AEREF V PL Investment S.a.r.l.	27,760,000	68.0%
Nationale Nederlanden PTE	2,960,000	7.3%
Hampont Sp. z o.o.	2,040,000	5.0%
Other	8,040,000	19.7%
Total	40,800,000	100.0%



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