


Grupa Murapol

Presentation of results for the 1st quarter of 2024

22 May 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

21 cities

footprint*

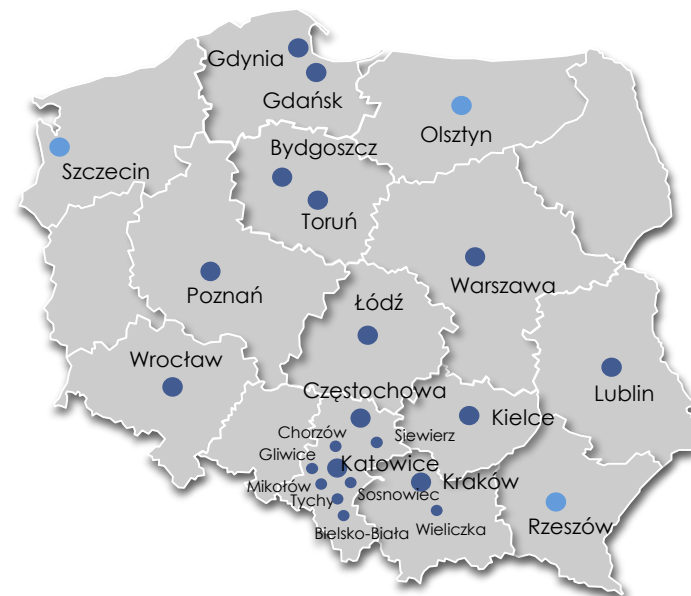
28.7k

apartments built since the founding of the group

20.4k

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

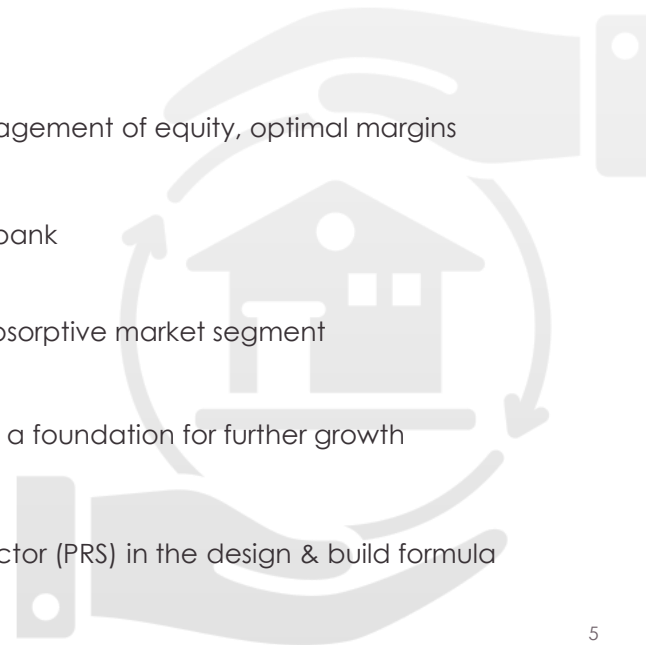
● Potential new locations

*as of 22 May 2024

Other 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 projects and a large active landbank
- 5 Product offering** focused on the broadest group of customers, in the most absorptive market segment
- 6** 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



Murapol
Portovo

Gdańsk

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

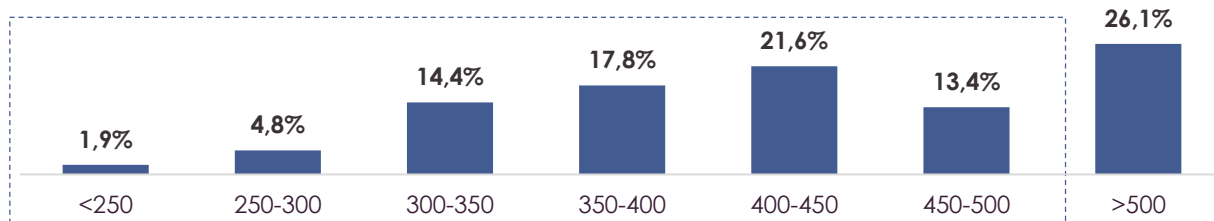
Product aimed at the broadest customer base

Apartments in the affordable and affordable premium segments



Sales structure by apartment price (PLN '000)

Apartments priced below PLN 500K accounted for almost 74% of Murapol Group's total sales



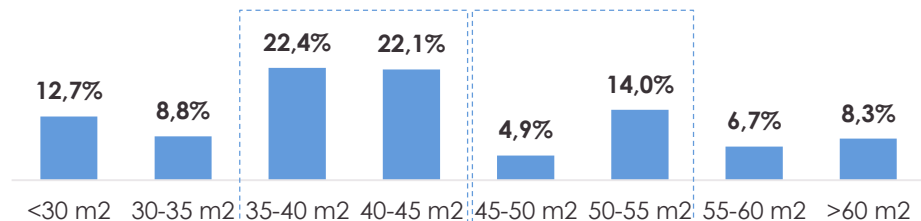
Sales structure by apartment size (m²)

Most popular 2-room apartments are 35–45 m²

Most popular 3-room apartments are 45–55 m²

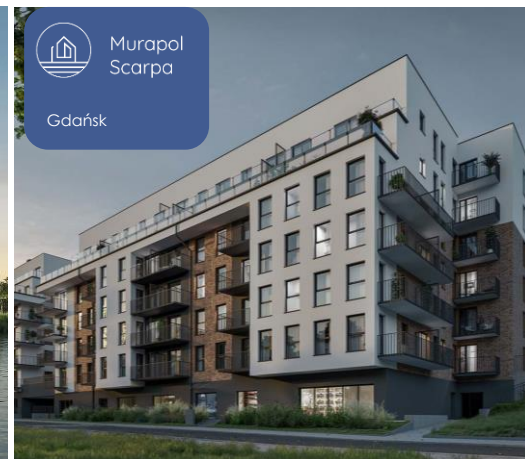
c. **45 m²**

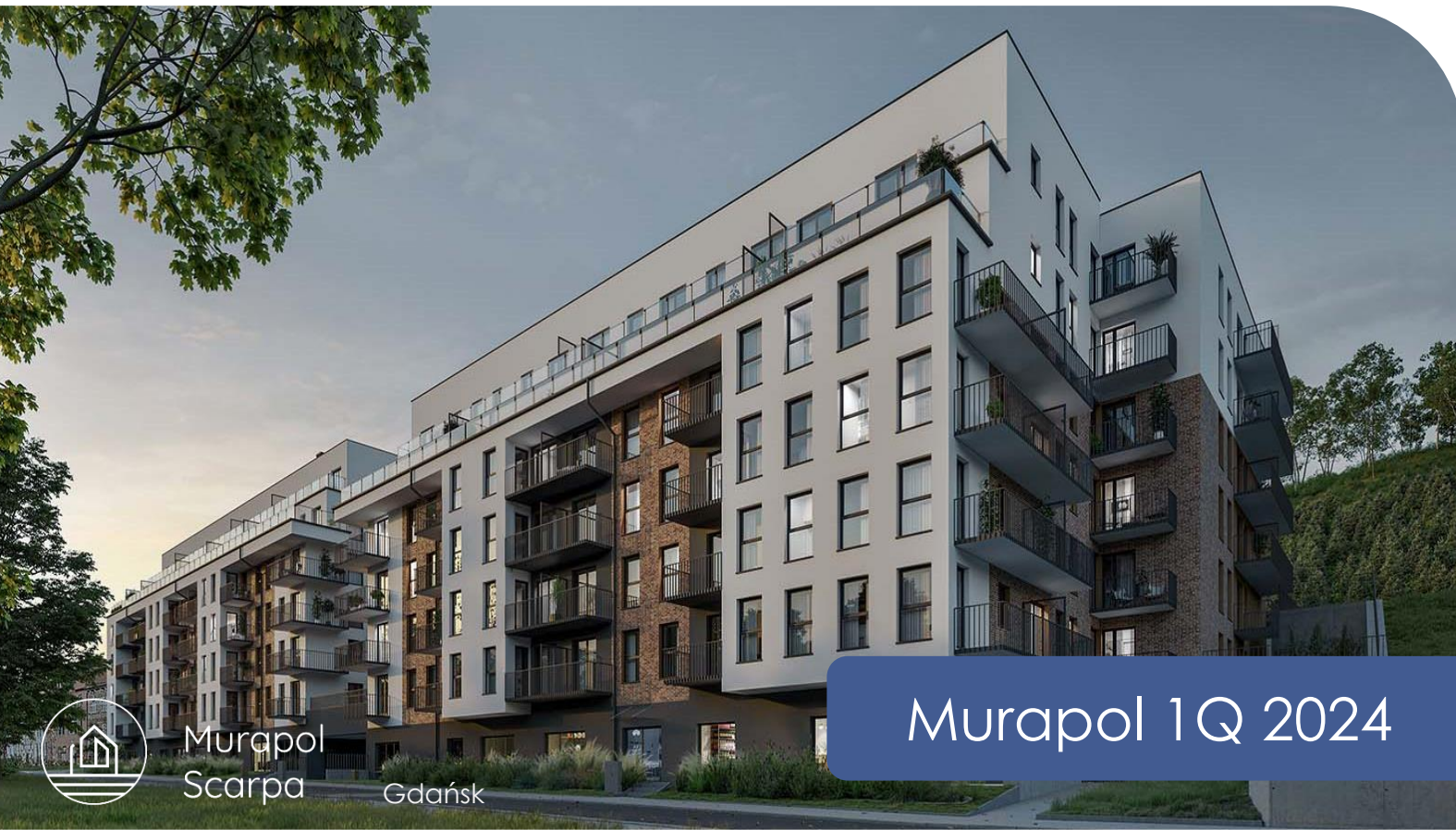
average area of apartments sold in 2021–2023



Examples of the group's developments

Affordable and affordable premium segments





Murapol
Scarpa
Gdańsk

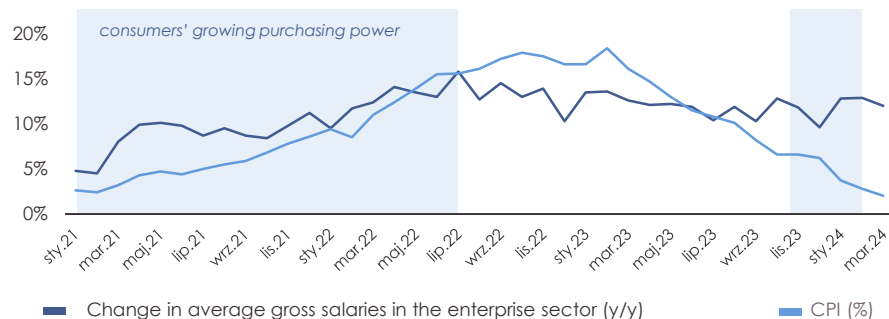
Murapol 1 Q 2024

Market situation in the residential development sector in 1Q 2024 MURAPOL

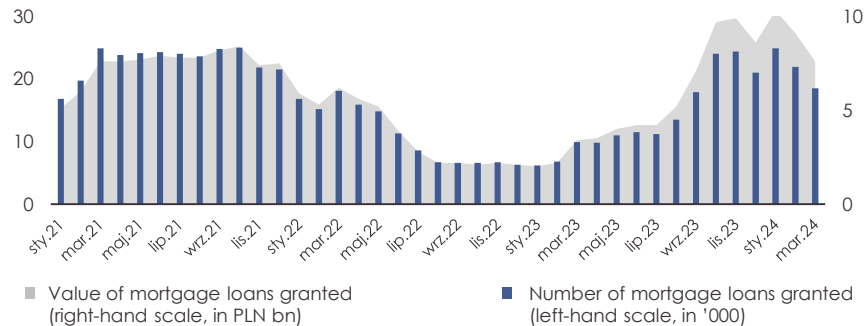
Continuing strong demand for apartments

- **Structural housing deficit** and encouraging macroeconomic conditions:
 - Real wage growth is the highest in 26 years: 12% y/y in March, on inflation of 2%
 - Low unemployment
 - Growing consumer purchasing power
- **Potential for further growth in demand** following planned launch of "Credit to Start" programme
- **Continuing imbalance between demand and supply** on the residential market
- **Stabilization** of prices and availability of construction materials

Change in average salary vs. inflation (CPI)



Number and value of mortgage loans granted in Poland



Source: Eurostat

Key events in 1Q 2024

Further growth in operating sale, and a strong product line

4,714 units

(+106.6% y/y)

on offer at the end
of March



1,893 units

(+433.2% y/y)

added to offering
(R4S segment)



Lublin

entry onto a new
market



1Q 2024 in numbers

Results in line with projections and implementation of projects

752
(-30.4% y/y)

units handed over to retail customers

912
(+5.8% y/y)

units sold to retail customers*

PLN 9,500
(+20.5% y/y)

average net price per m² of units sold

PLN 327.2m

sales revenue

PLN 86.7m

adjusted EBITDA

PLN 61.1m

net profit

39.4%

return on equity

41.0%

1st margin (R4S segment)

18.7%

net profit margin



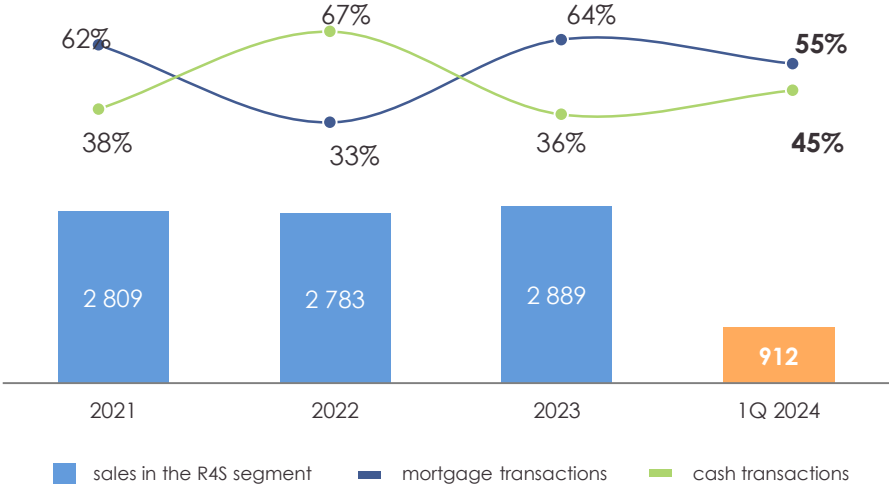
*including development agreements/preliminary agreements and paid reservations

Product line resilient to macro changes

Stable sales despite changes in the structure of customer financing

- Increased share of **cash customers** to 45%, vs. an average of 36% in FY 2023

Split of mortgage vs cash customers



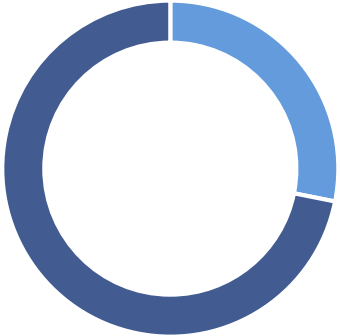
Sales structure*

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



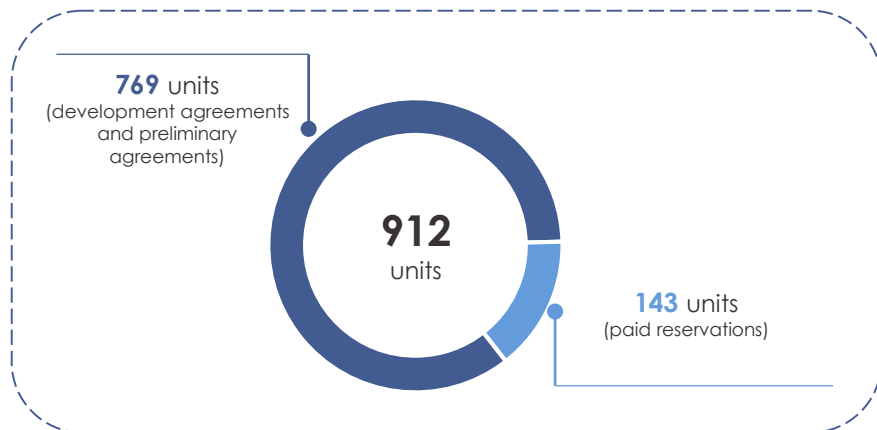
*estimated sales structure (by value) based on data for 2022 and 2023

Sales of apartments in 1Q 2024

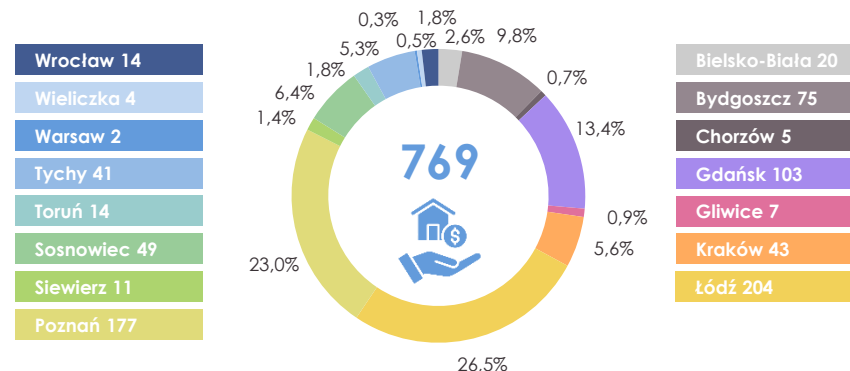
Growth in sales despite ending of the Safe Credit 2% programme

- The Group generated total sales in 1Q 2024 of **912 units (+5.8%)**
- **769 units** were sold under development and preliminary agreements, and another **143 units** pursuant to paid reservations, through the end of 1Q 2024
- **Increase** in average price of units sold in **of 10.5%**
- The most apartments were sold in **Łódź** (204), **Poznań** (177) and **Gdańsk** (103)

Total Group sales (development/preliminary agreements, paid reservations)



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



Handovers in 1Q 2024

Lower level of handovers in the retail segment linked with timetable of development projects

- Level of handovers **in line with expectations** and project timetables
- **Increase** in average price of unit handed over in 1Q 2024 of **13.0%**
- Largest number of units in 1Q 2024 handed over to customers in **Gdańsk** (282) and **Tychy** (189)

1,081

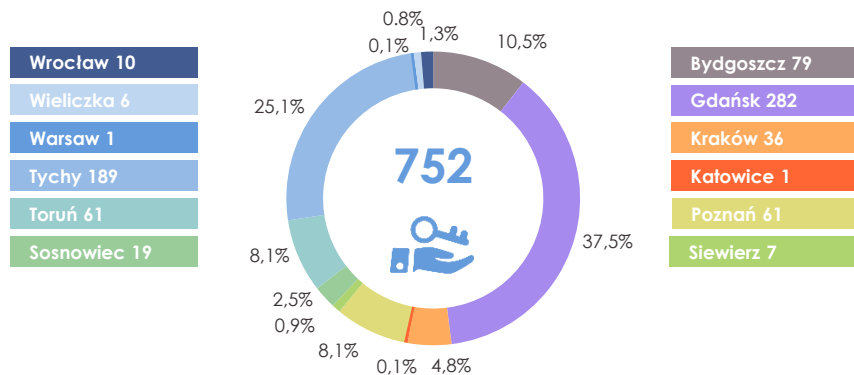
handovers in 1Q 2023

752

handovers in 1Q 2024

Selected projects in which units were handed over in 1Q 2024

Geographical breakdown of handovers of units to retail customers



Murapol Osiedle Novelo

Gdańsk

Murapol Osiedle Ambro

Gdańsk

Murapol Osiedle Akademickie

Bydgoszcz

Murapol Zielony Żurawiniec

Poznań

Murapol Osiedle Smart

Toruń

Murapol Osiedle Fit

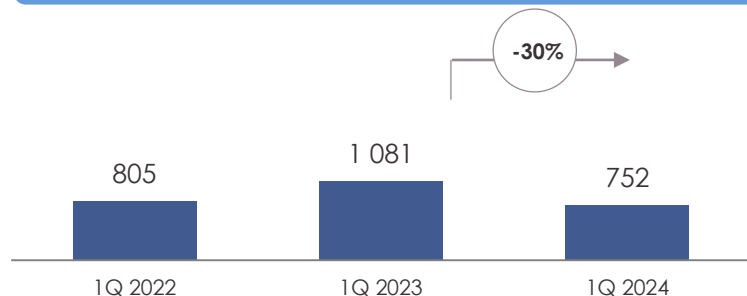
Tychy

Key financial data for 1Q 2024

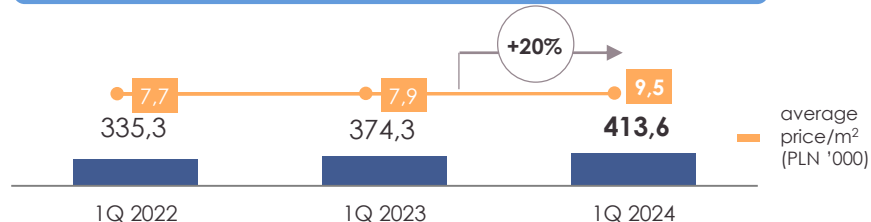
Decline in sales revenue due to lower level of handovers

- Growth in the average price of a unit handed over in 1Q 2024 to **PLN 391k** (vs **PLN 346k** in 1Q 2023)
- Decline of revenue by **21.3%** in the retail segment connected with the lower number of handovers (based on the project timetables)

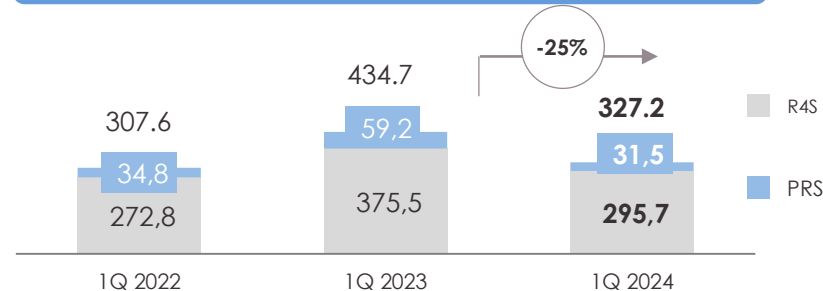
Apartments handed over (units)



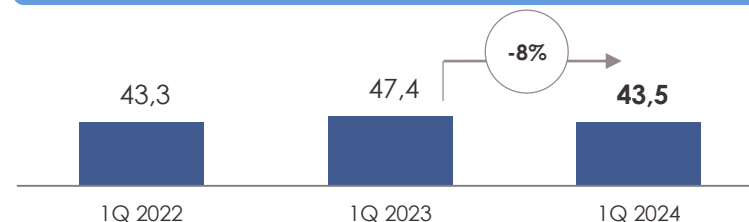
Average net price of units sold (PLN '000)



Sales revenue (PLNm)



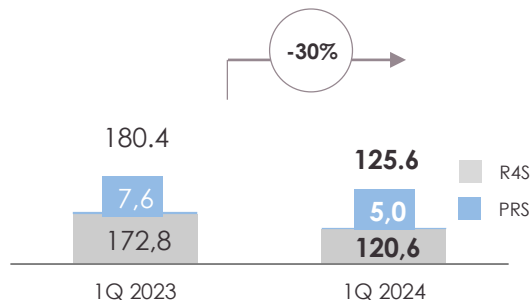
Average size of unit sold (m²)



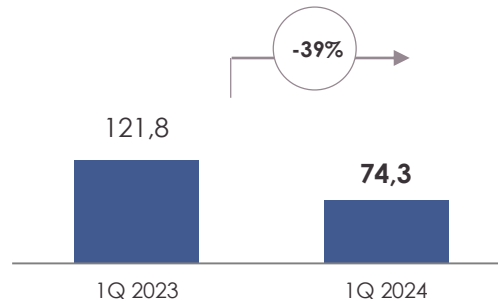
Key financial data for 1Q 2024

Results y/y impacted by lower level of handovers in 1Q2024 vs. 1Q2023

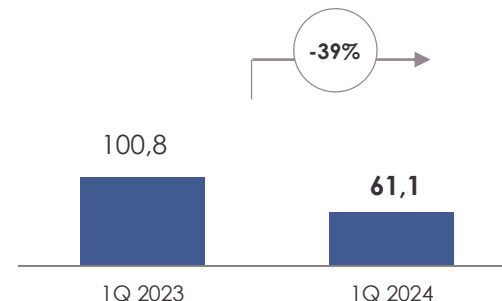
1st margin (GM1)*
(PLNm)



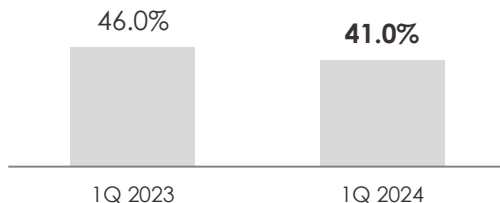
EBIT
(PLNm)



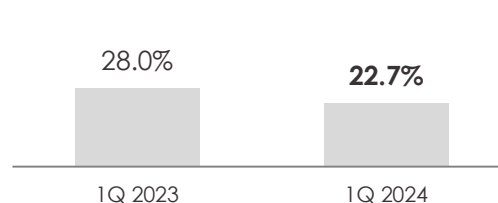
Net profit
(PLNm)



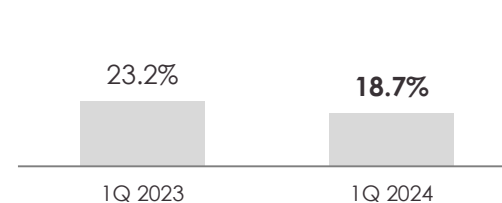
1st margin (GM1)*



EBIT margin



Net profit margin

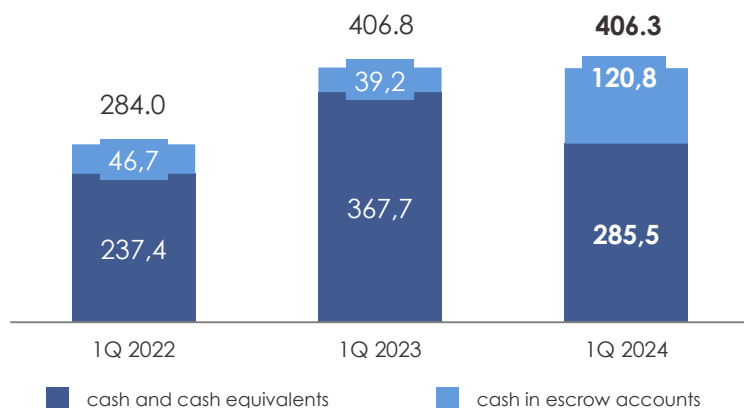


*1st margin: revenue from apartment sales contracts less costs for acquisition of land, direct materials, and direct labour (costs of subcontractors)

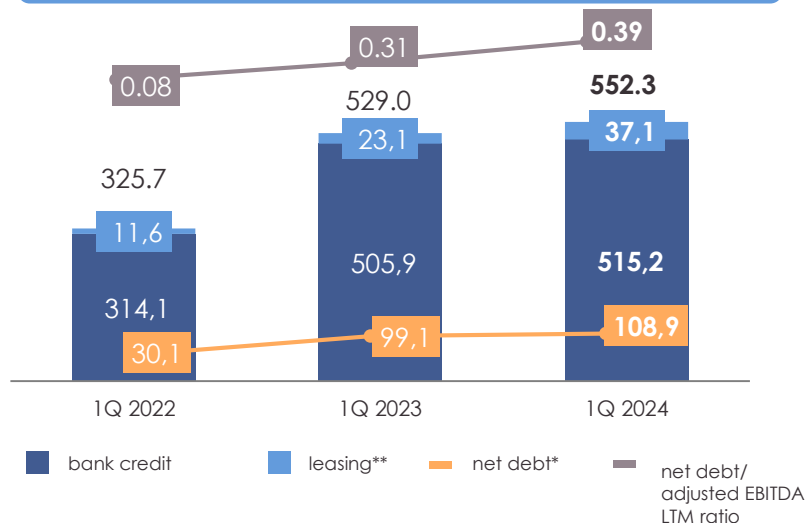
Group's current financing structure

- 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 LTM ratio (**0.39** at the end of 1Q 2024)
- **Bond issue programme** worth up to PLN 500m established in April 2024

Cash position (PLNm)



Debt (PLNm)



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

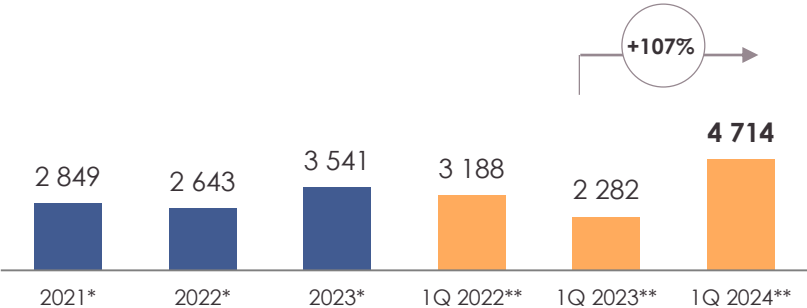
**Leasing at the end of 2023 concerns mainly the accounting valuation of the lease for the office in Bielsko-Biala

Record number of units offered, and a strong landbank

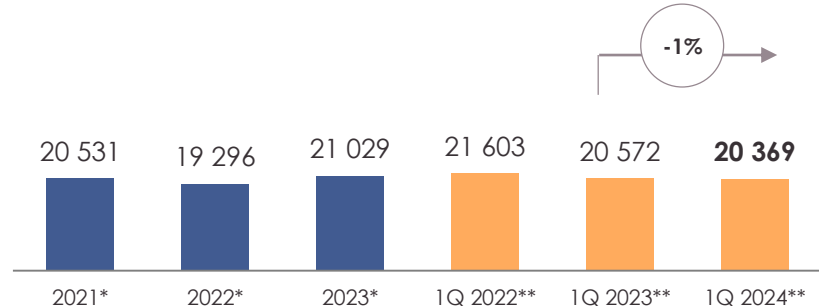


- Efficient sales launch of new projects enabling maintenance of **an attractive offer for customers**
- Effective renewal of the **landbank** as a foundation for further growth: active landbank with a capacity for construction of nearly **20,400 units** in 16 cities, with a combined area of nearly **885,000 m²**

Units offered



Landbank



*total no. of units on 31 December 2023
**total no. of units on 31 March 2024

Units added to the product line in 1Q 2024

One of the biggest offers on the market: 4,714 units at the end of 1Q 2024

- In 1Q 2024 the Murapol Group added **1,893 residential units (+433.2% y/y)** to its offer in 6 cities, including a new operating market, **Lublin**
- The most units in 1Q 2024 were added to the offer in **Łódź** (514), **Lublin** (332) and **Wrocław** (319)

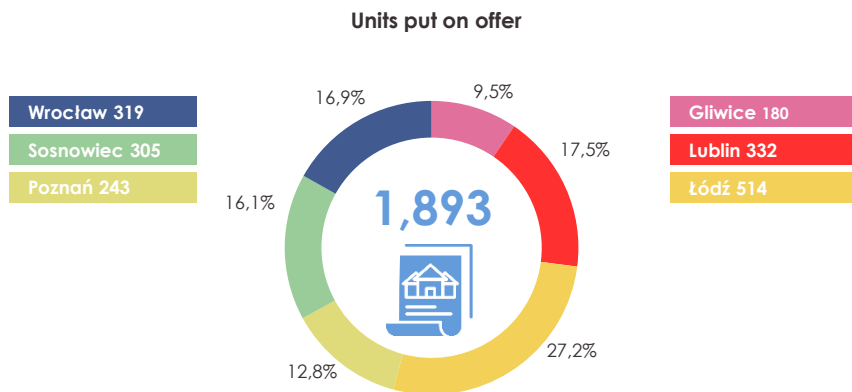
355

units added in 1Q 2023

1,893

units added in **1Q 2024**

Selected projects put on offer in 1Q 2024



Murapol Nowe Miasto

Poznań

Murapol Osiedle Szafirove

Gliwice

Murapol Agosto

Łódź

Murapol Primo

Lublin

Murapol Apartamenty

na Wzgórzu

Sosnowiec

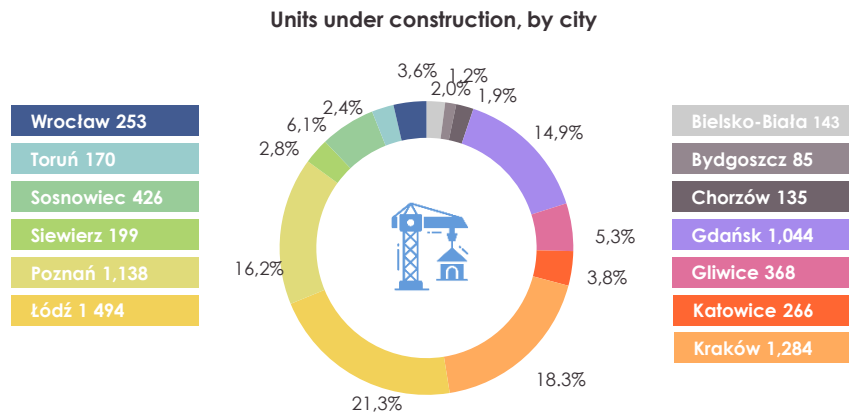
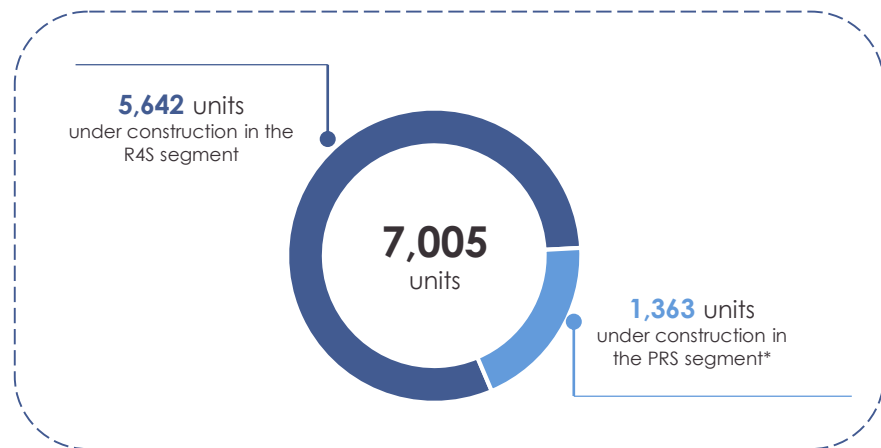
Murapol Forum

Łódź

Projects under construction

Record number of units being built

- A record number of units under construction: over **7,000** units with a combined area of c. **293,000 m²**, at 25 projects in 13 cities
- Additionally, as of the end of 1Q 2024, projects under construction had obtained occupancy permits (**274** units, **c. 13,200 m² UFA**), but handovers of apartments had not begun

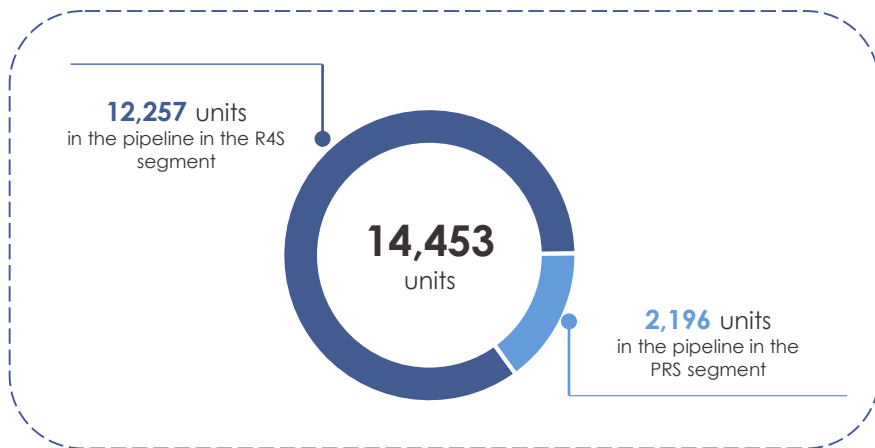


*Units under construction from the PRS segment are not counted in the Murapol Group landbank (the land was sold to LifeSpot, and the Murapol Group serves as general contractor for PRS projects).

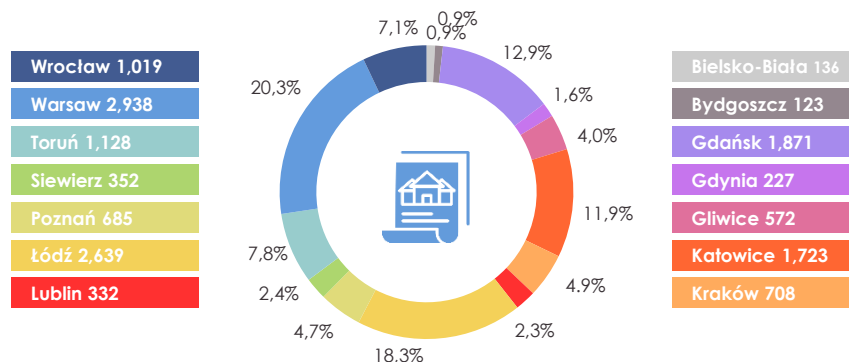
Projects in the pipeline

Attractive and well-diversified portfolio of projects in preparation

- **14,453** units in the pipeline, with a combined area of c. **618,000 m²**, at 41 projects in 14 cities
- **Strong landbank in Warsaw** (for 2,938 units), **Łódź** (2,639), **Gdańsk** (1,871) and **Katowice** (1,723)



Units in the pipeline, by city





Summary



Murapol
Agosto Łódź

1

Level of handovers: **752** units; growth in the average price of handed-over units of **13.0%**

2

Revenue exceeding **PLN 327m**

3

Growth in sales to **912** units; growth in average sale price of a unit of **10.5%**

4

Most diversified offer on the market, including **4,714** units as of the end of March

5

One of the biggest landbanks on the market, enabling construction of over **20,369** units

6

Intention to distribute **a minimum of PLN 200m in dividends in 2024** under the conditions described in the dividend policy (on 8 May 2024 dividends of PLN 80.4m were paid out)

7

Strong demand and **potential for further growth in demand** after launch of the "Credit to Start" programme

Thank you!

Investor Relations
contact:

ir@murapol.pl



Murapol
Portovo

Gdańsk

Q&A



Appendices



“Credit to Start” – key guidelines

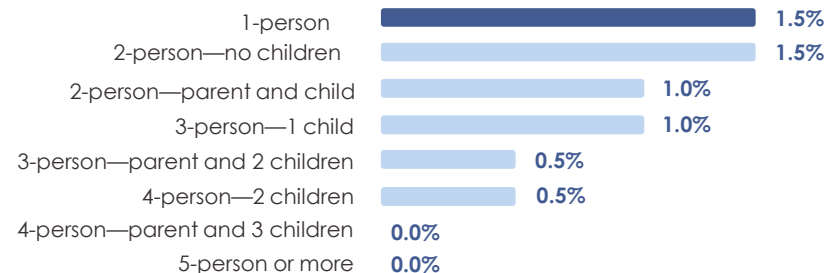
Potential for further growth in demand after launch of the programme

- **Support** targeted to people who can't afford credit in a high-interest-rate environment
- Anticipated availability: **from 3Q 2024 through the end of 2027**
- Estimated number of borrowers: **35,000 in 2024**, and **an average of 50,000 people** in later years (totalling 185,000)
- Cost for the state budget: **PLN 21.5bn** over 10 years
- **Limit on applications** that can be filed in one quarter: **15,000** (beyond which recruitment will be suspended and carried over to the next quarter)
- Parameters of “Credit to Start”: **loan in PLN, interest rate fixed** for 60 months
- **Programme** without limit on apartment size, but **with subsidy limit**, i.e. the state will subsidize loans for buyers up to:
 - Singles, PLN 200,000
 - 2-person household, PLN 400,000
 - 3-person household, PLN 450,000
 - 4-person household, PLN 500,000
 - 5-person household, PLN 600,000
- The regulations do not set a maximum amount for the mortgage loan taken out by borrowers participating in the “Credit to Start” scheme—but these limits apply to the amount of the mortgage loan covered by interest subsidies.
- Maximum interest rate depends on the number of children in the household—**from 1.5% (no children) down to 0% (3+ children)**
- In short, **the limits on subsidized mortgage loans suit the product line of apartments offered by the Murapol Group**

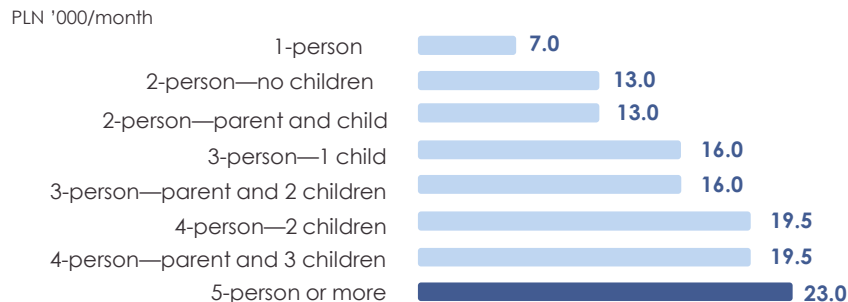
- The amount of the interest rate subsidies will depend on the number of children in the borrower's household, **from 1.5%** for households with no children, **to 0%** for households with three or more children
- And in the case of **families with 3+ children, the condition that the borrowers are buying their first apartment will not apply**
- Income limits are also a condition for receiving a subsidized mortgage loan. The limit is based on the first income-tax bracket, i.e. **gross annual income no higher than PLN 120,000**. In the scheme, the income limit is adjusted upward as the number of people in the household increases

Main rules and criteria for “Credit to Start” depending on household size

interest rate on mortgage loan



income criterion



Profit and loss statement

	1Q 2024	1Q 2023	Change
Sales revenue	327,233	434,750	-24.7%
<i>Revenue from contracts for sale of apartments to retail customers</i>	295,720	375,531	-21.3%
<i>Revenue from sales to PRS</i>	31,513	59,219	-46.8%
Gross profit on sales	102,057	148,427	-31.2%
Gross sales margin	31.19%	34.14%	-2.95 p.p.
EBIT	74,307	121,772	-39.0%
EBIT margin	22.71%	28.01%	-5.30 p.p.
Net profit	61,131	100,778	-39.3%
Net profit margin	18.68%	23.18%	-4.5 p.p.

Balance sheet

Assets	31.03.2024	31.12.2023	Liabilities and shareholders' equity	31.03.2024	31.12.2023
Non-current assets	85,629	86,253	Equity attributable to shareholders of the parent company	619,677	557,960
Current assets	1,969,110	1,773,292	Non-controlling interest	1,452	1,425
Total assets	2,054,739	1,859,815	Total shareholders' equity	621,129	559,385
			Long-term liabilities	525,276	454,770
			Short-term liabilities	908,334	845,660
			Total liabilities	1,433,610	1,300,430
			Shareholders' equity and liabilities	2,054,739	1,859,815

Projects under construction

- As of the end of 1Q 2024, the portfolio of projects under construction included **7,005** units with a combined usable floor area of over **293,000 m²**, arising in **77** buildings erected within **33** project phases in **13** cities
- The most new apartments are under construction in Łódź (**1,494**) and Kraków (**1,284**)

Location	Project	No. of residential and commercial units	UFA
Bielsko-Biała	Murapol Trzy Lipki (bldg 1, 4)	143	6,910
Bydgoszcz	Murapol Osiedle Akademickie IV (bldg 1)	85	3,686
Chorzów	Murapol Osiedle Wolka (bldg 1, 2, 3)	135	6,571
Gdańsk	Murapol Osiedle Zen (bldg 2, 4, 6)	173	7,821
Gdańsk	Murapol Scarpa (bldg 1, 2)	291	14,010
Gdańsk	Murapol Portovo (bldg 1)	384	11,929
Gdańsk	Murapol Portovo (bldg 2)	196	5,850
Gliwice	Murapol Osiedle Szafirove (bldg 1, 2)	180	8,806
Gliwice	Murapol Osiedle Szafirove (bldg 6, 7)	188	9,941

Projects under construction

Location	Project	No. of residential and commercial units	UFA
Kraków	Czerwone Maki (bldg 1) [PRS]	404	12,115
Kraków	Murapol Mateczniq (bldg 1, 2, 3)	187	8,109
Kraków	Lipska (bldg 1, 2) [PRS]	249	7,185
Kraków	Okulickiego (bldg 1) [PRS]	444	13,283
Katowice	Sikorskiego (bldg 1) [PRS]	266	7,553
Łódź	Murapol Osiedle Faktoria (bldg 1, 2)	269	9,868
Łódź	Murapol Agosto (bldg 1, 2, 3)	442	20,304
Łódź	Murapol Argentum (bldg 1)	409	19,410
Łódź	Murapol Osiedle Filo (bldg 1)	143	6,376
Łódź	Murapol Osiedle Filo II (bldg 2)	188	8,508
Łódź	Murapol Nowa Przędzalnia IX (bldg 1)	43	2,044
Poznań	Murapol Havelia (bldg 1, 2)	326	14,409
Poznań	Murapol Osiedle Verde II (bldg 2)	225	10,559
Poznań	Murapol Zielony Żurawiniec II (bldg 2, 5)	249	13,635
Poznań	Murapol Zielony Żurawiniec III (bldg 6, 7)	140	6,202
Poznań	Murapol Osiedle Verde (bldg 1)	198	8,905

data as of 31 March 2024

Projects under construction

Location	Project	No. of residential and commercial units	UFA
Siewierz	Murapol Siewierz Jeziorna (bldg 13, 14)	84	4,219
Siewierz	Murapol Siewierz Jeziorna (bldg 15–18)	115	5,784
Sosnowiec	Murapol Apartamenty Na Wzgórzu III (bldg 3)	121	5,763
Sosnowiec	Murapol Apartamenty Na Wzgórzu IV (bldg 4, 5)	305	14,707
Toruń	Murapol Aviator (bldg 1)	170	5,650
Wrocław	Murapol Osiedle Ferrovia (bldg 1–12)	24	2,244
Wrocław	Murapol Osiedle Ferrovia (bldg 13–21)	18	1,622
Wrocław	Murapol Jagodno Park II (bldg 4–7)	211	9,276
Total		7,005	293,253

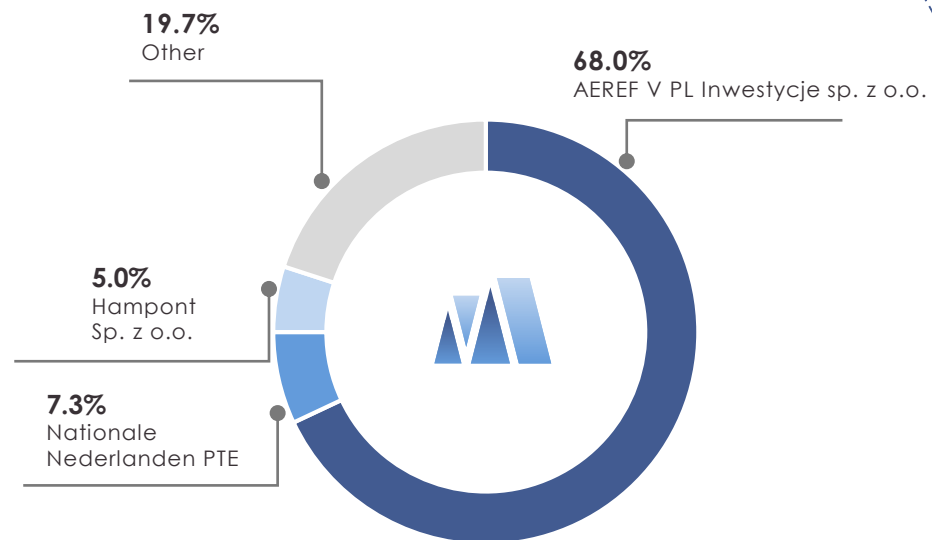
Projects in the pipeline

- As of 31 March 2024, within the Murapol Group's landbank, there was a portfolio of projects in the pipeline comprising about **14,500** units for a combined usable floor area of over **618,200 m²**, ensuring business continuity for the next several years

Location	Planned UFA	Planned no. of units
Bielsko-Biała	7,315	136
Bydgoszcz	5,426	123
Gdańsk	60,683	1 871
Gdynia	10,221	227
Gliwice	26,953	572
Katowice	75,993	1,723
Kraków	33,515	708
Lublin	15,091	332
Łódź	120,202	2,639

Location	Planned UFA	Planned no. of units
Poznań	31,368	685
Siewierz	17,165	352
Toruń	48,913	1,128
Warsaw	124,925	2,938
Wrocław	40,486	1,019
Total	618,255	14,453

Shareholder	No. of shares	Capital
AEREF V PL Inwestycje sp. z o.o.	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%



Organizational culture and corporate governance

Solid governance structure aimed at effective and sustainable growth in value

Supportive shareholders and independent decision-making

- Experienced stakeholders with competences required for achieving strategic goals

Knowledge, experience, unique know-how

- Integrated and motivated team of top-notch specialists in the industry
- Inclusive workplace

Compliance with Best Practice for WSE-listed Companies

Up-to-date Code of Conduct

- Internal policies addressing conflicts of interest
- Appointment of ethics czar



Experienced supervisory board

- Highly experienced Supervisory Board with independent members ensuring protection of the interests of minority investors
- Appointment of audit committee and investment committee
- Rules implemented for addressing potential conflicts of interest

Effective and sustainable management structure

- Experienced Management Board
- Broad competences in real estate, law, finance, transactions and the capital markets
- Women hold nearly 50% of management posts

Main operating principles

Transparency of operations

Quality communications with investors

Protection of shareholders' rights

Pillars of the ESG strategy

- Sustainable modern construction
- Responsible strategic partners
- Balanced working environment
- Responsible organization

Reporting standards

- Achievement of readiness for reporting in compliance with the CSRD directive and selected ESRS reporting standards by the regulatory deadlines

Active participant in ESG forums

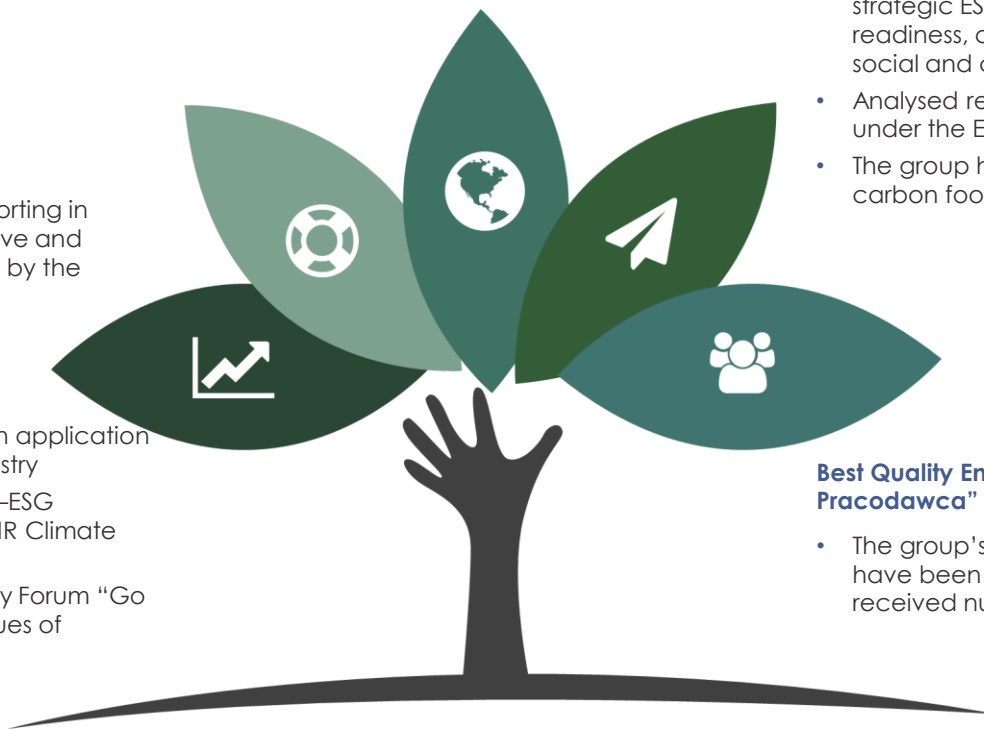
- Involvement in public discourse on application of ESG rules in the real estate industry
- Engagement in the Round Table—ESG Compass, supporting the TOGETAIR Climate Summit
- Participation in ESG & Sustainability Forum “Go to the Future” and debates on issues of sustainable building

Advanced preparations

- Murapol has already completed drafting of strategic ESG analyses, including regulatory readiness, climate threats and opportunities, social and corporate governance
- Analysed requirements and qualification under the ESG taxonomy
- The group has calculated its scope 1 and 2 carbon footprint

Best Quality Employer, “Dobry Pracodawca” awards

- The group's actions for employees have been recognized and have received numerous awards



Legal disclaimer

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