

Murapol Group

Presentation of results for the 1st half of 2024

26 September 2024



Presenting today

Murapol Management Board



Nikodem Iskra

CEO



Przemysław Kromer

CFO



Iwona Sroka

Marketing, PR, IR & ESG

- 1 Sales: **1,438 units** (development contracts and preliminary contracts)—an **increase of 5.5%** despite uncertainty surrounding the “Credit to Start” scheme
- 2 Sales target for FY 2024: **increase of c. 10%** (development contracts and preliminary contracts) over the sales volume in FY 2023 (2,889 units)
- 3 Handovers: **1,295** units, **maintaining** the handover target for 2024
- 4 Most diversified product line on the market, including at the end of June **4,530** units: c. **63% of the units are offered in the 7 biggest urban areas in Poland**, 37% in regional cities
- 5 **Record** number of units under construction: **8,494**, including 7,131 in the R4S segment and 1,363 in the PRS segment
- 6 Skilfully maintaining and renewing one of the largest landbanks on the market, in over a dozen cities in Poland, with the capacity for construction of nearly **21,900** units
- 7 Planned distribution of a **minimum PLN 200 million in dividends in 2024**, under the conditions described in the dividend policy (on 8 May 2024 dividends of PLN 80.4 million were distributed)



Murapol
Matecznia

Kraków

About the Group

23 years

presence on the residential market

21 cities

with Murapol Group developments

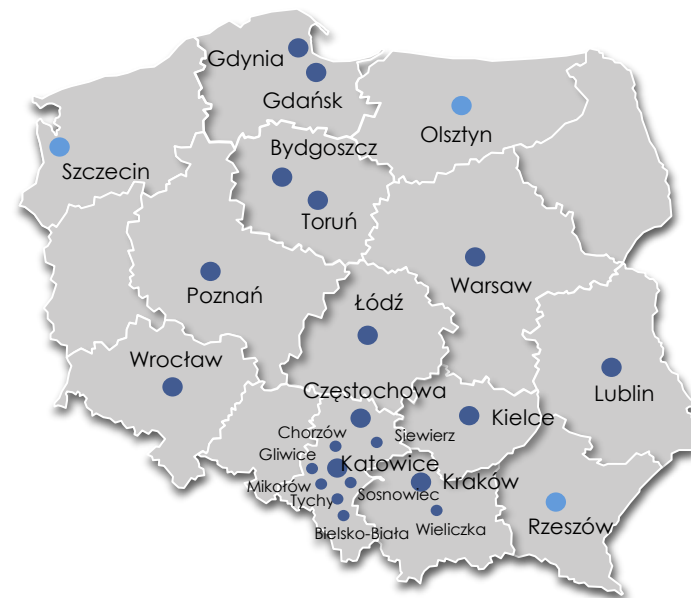
29,600

apartments built since the company's founding

21,900

units within the capacity of 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 active landbanks** in the industry
- **Complementary** business building units for institutional rental sector (PRS and PBSA) in the design & build formula

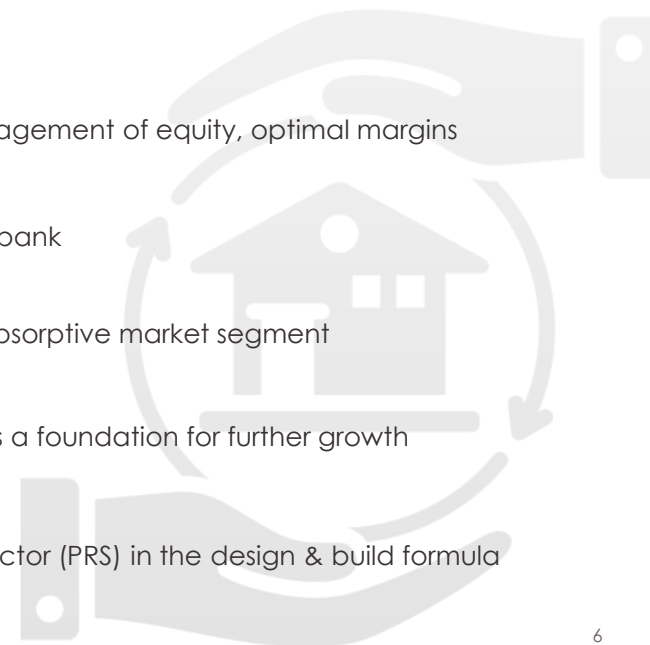


● Projects completed, under construction, and in the pipeline

● Potential new locations

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



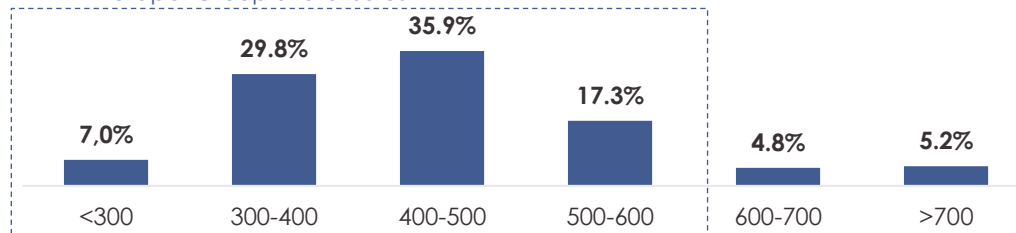
Product aimed at the broadest customer base

Apartments in the affordable and affordable premium segments



Sales structure by apartment price (PLN '000)

Apartments priced below PLN 600,000 accounted for nearly 90% of Murapol Group's total sales



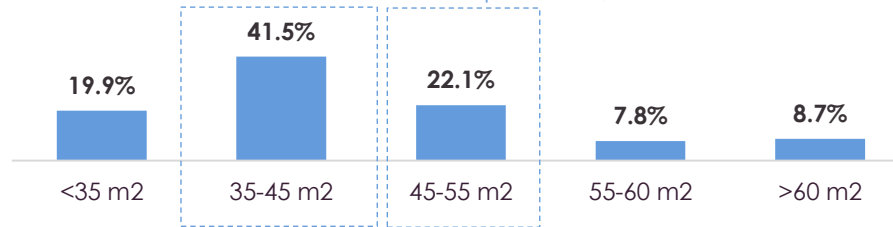
Sales structure by apartment size (m²)

Most popular 2-room apartments, 35–45 m²

Most popular 3-room apartments, 45–55 m²

c. **45 m²**

average area of apartments sold in 2022 – 1H 2024



Examples of projects by the group

Affordable and affordable premium segments



Murapol
Forum

Łódź



Murapol
Portovo

Gdańsk



Murapol
Helio

Toruń



Murapol
Trzy Lipki

Bielsko-Biała



Murapol
Rivo

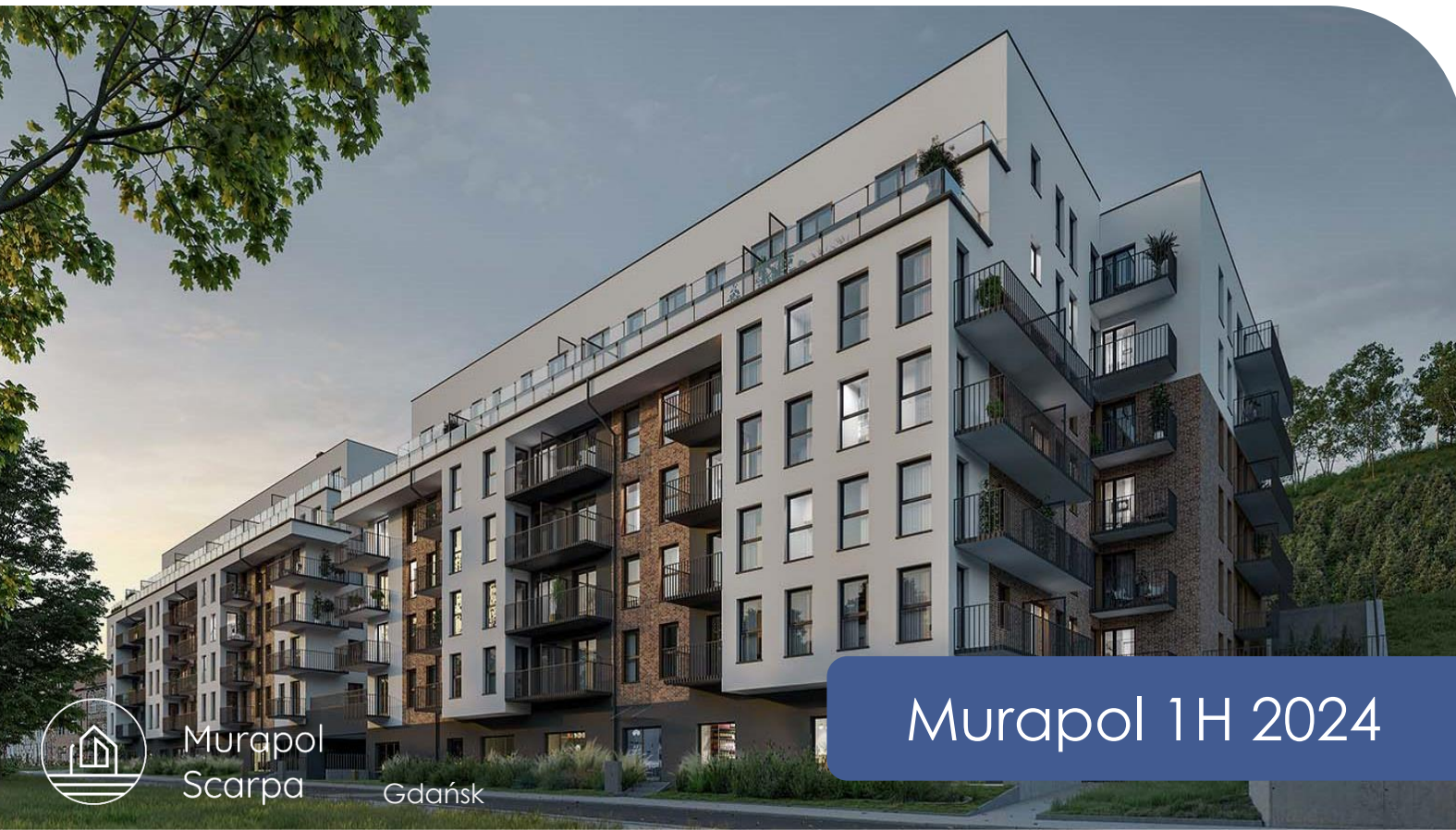
Bydgoszcz



Murapol
Osiedle Szafirove

Gliwice





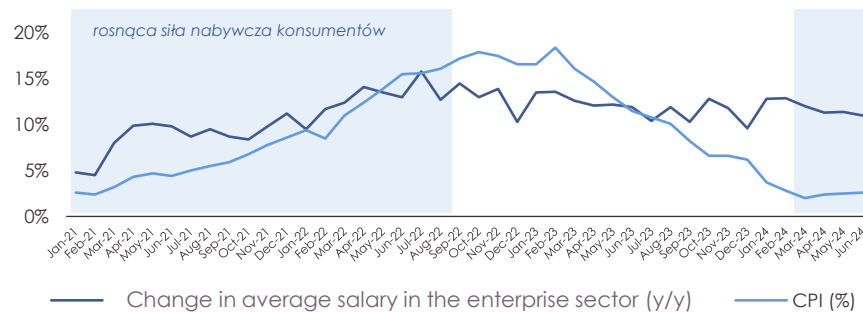
Murapol
Scarpa
Gdańsk

Murapol 1H 2024

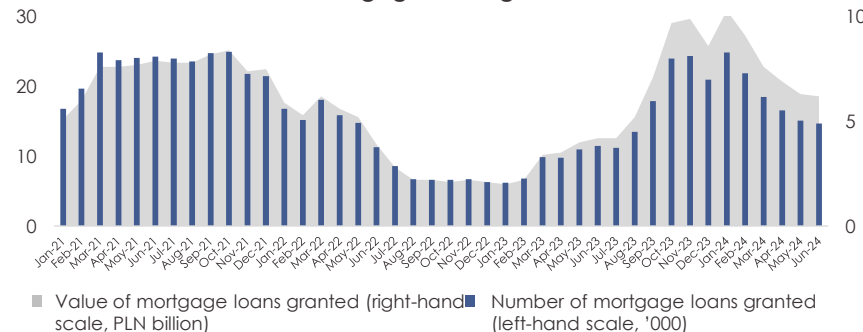
Market situation in the residential development sector in 1H 2024 MURAPOL

- **Customers postponing purchasing decisions** in connection with the public debate and uncertainty surrounding the conditions and schedule of launch of the government loan subsidiary scheme "Credit to Start"
- **Rebuilding developers' product line** on the largest markets
- **Stable** prices and availability of construction materials
- **Good prospects of the residential market** in the medium to long term, due to:
 - Structural housing shortage in Poland
 - Growth in real wages and rising purchasing power of consumers
 - Low unemployment
 - Relaxing of credit policy by banks and anticipated reductions of interest rates

Change in average monthly wages compared to inflation (CPI)



No. and value of mortgage loans granted in Poland



source: Eurostat

Key events in 1H 2024

Further growth in operating scale, and a strong product line

4,530 units

(+46.1% y/y)

on offer at the end
of June 2024



2,285 units

(+24.8% y/y)

added to offering
(R4S segment)



**Lublin, Kielce,
Częstochowa**

new markets



1H 2024 in numbers

Results in line with projections and project completion schedule

1,295 units handed over to retail customers
(-18.7% y/y)

1,438 development contracts and preliminary contracts (+ 83 paid reservation agreements)
(+5.5% y/y)

PLN 9,400 average net price per m² of units sold
(+17.3% y/y)

PLN 584.1m
sales revenue

PLN 148.6m
EBITDA

PLN 102.3m
net profit

30.1% return on equity

40.3% 1st margin (R4S segment)

18.5% net profit margin (R4S segment)



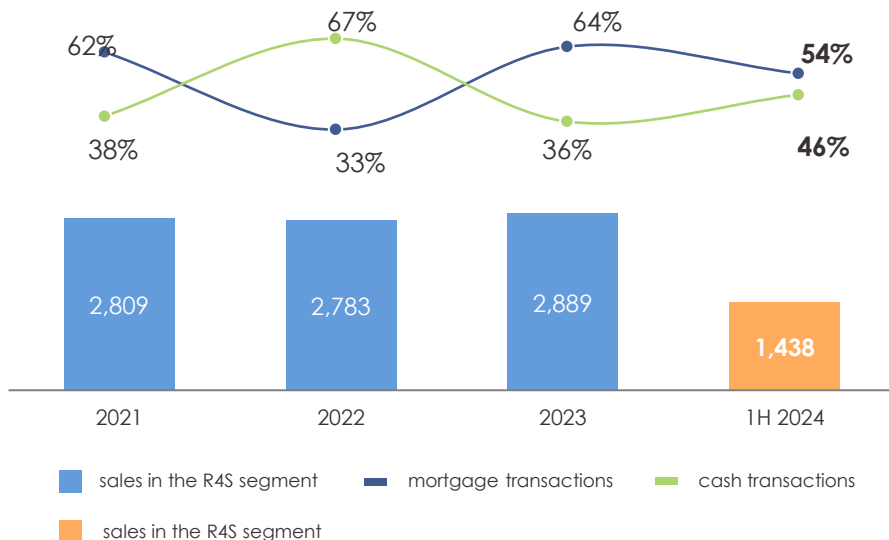
Product line resilient to macro changes

Similar, satisfactory margins in major urban areas and in regional cities

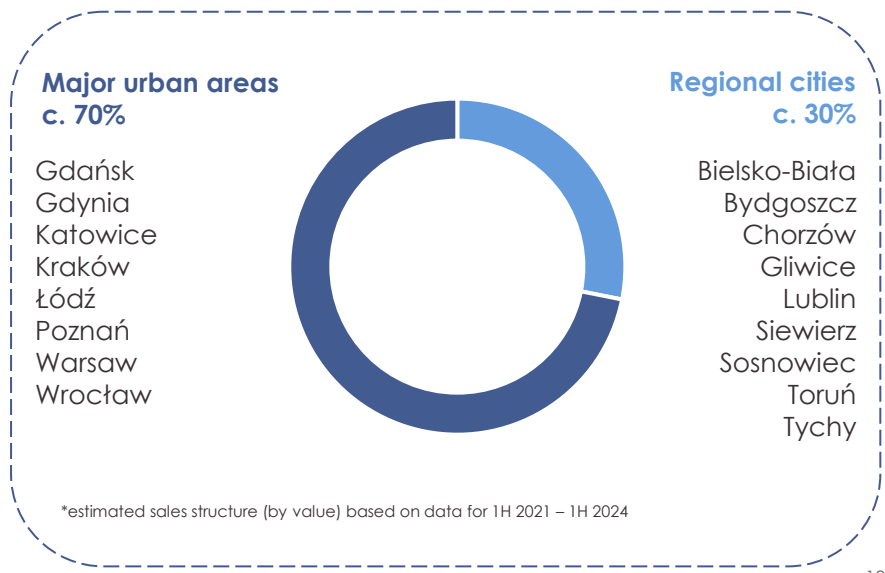
- Growth in the share of **cash customers** to 46%, vs. an average of 36% in FY 2023

- Similar percentage increase in average transaction prices in 2021–2024 in major urban areas (+31%) and regional cities (+30%)
- The aggregate margins on sales of units in big cities and regional cities in 2023 and 1H 2024 did not differ by more than 1pp

Split of mortgage vs. cash customers



Sales structure*

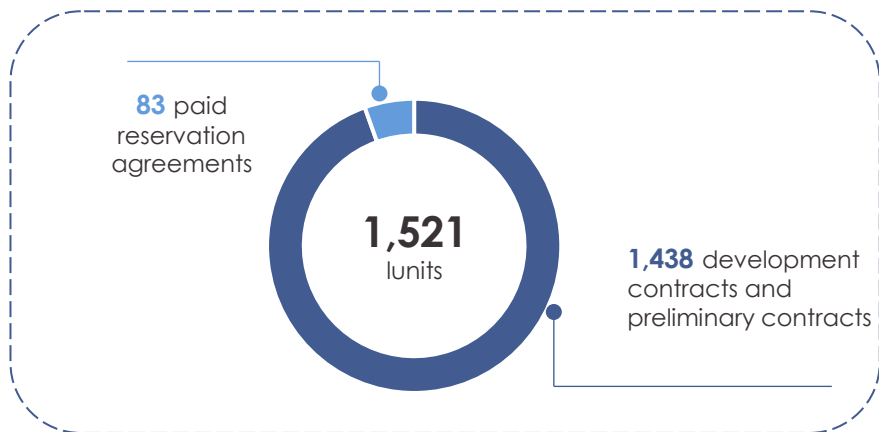


Sales of apartments in 1H 2024

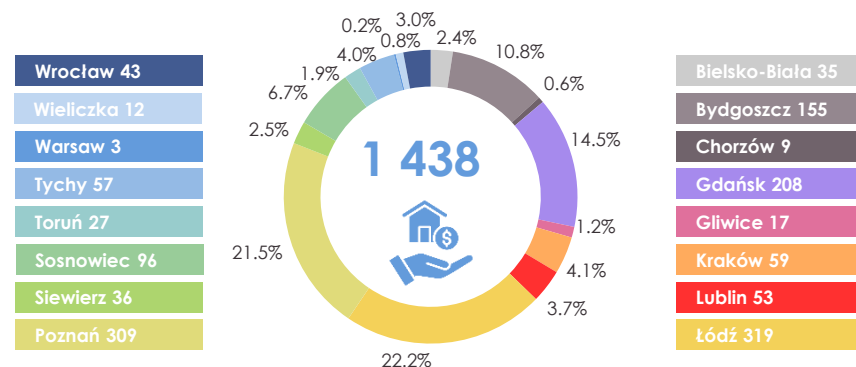
Comparable sales y/y despite uncertainty arising from the market environment

- **1,438 units (vs. 1,363, +5.5%)** were sold under development contracts and preliminary contracts, and an additional **83 units** included in sales are for paid reservation agreements
- The most apartments were sold in **Łódź** (319), **Poznań** (309) and **Gdańsk** (208)

Total net sales of the group



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



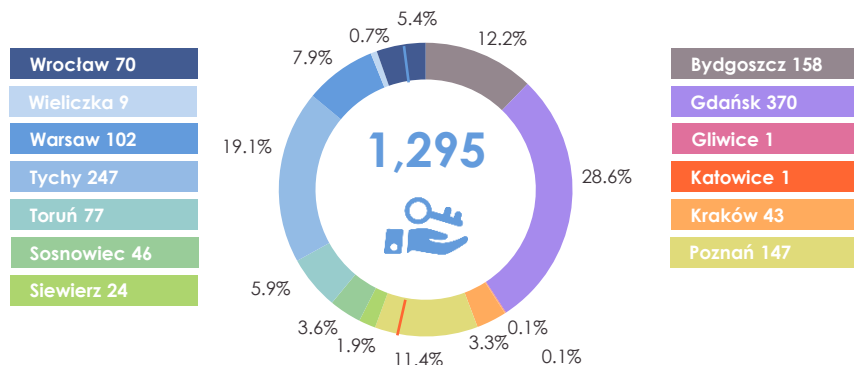
Handovers in 1H 2024

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

- **Increase** in average price of units handed over in 1H 2024 of **12.6%**
- The most units were handed over to customers in 1H 2024 in **Gdańsk** (370) and **Tychy** (247)
- Number of units sold but not handed over: **2,568**
- **Maintaining** handover target for 2024



Geographical structure of handovers of units to retail customers (development contracts and preliminary contracts)



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

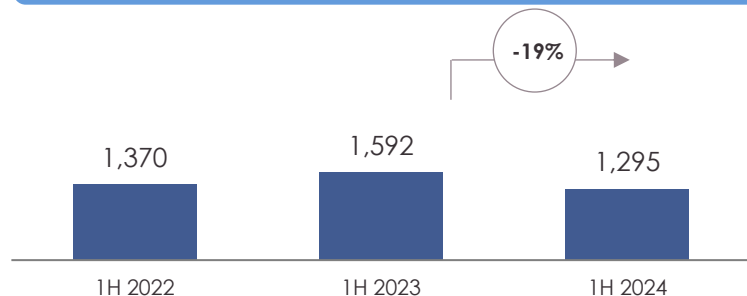


Key financial data for 1H 2024

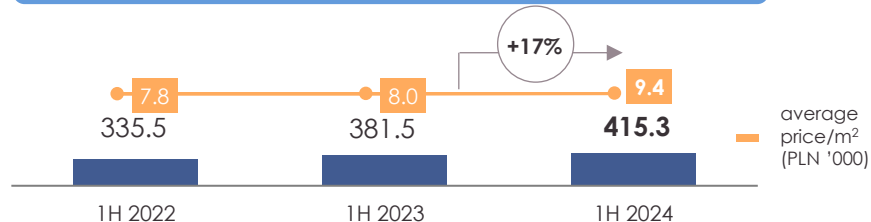
Decline in sales revenue due to lower level of handovers

- Growth in the average price of units handed over in 1H 2024 of **12.6%** (to **PLN 395,400** vs. PLN 351,100 in 1H 2023)
- Decline in revenue of **8.1%** in the retail segment connected with the lower number of handovers (based on the project timetables)

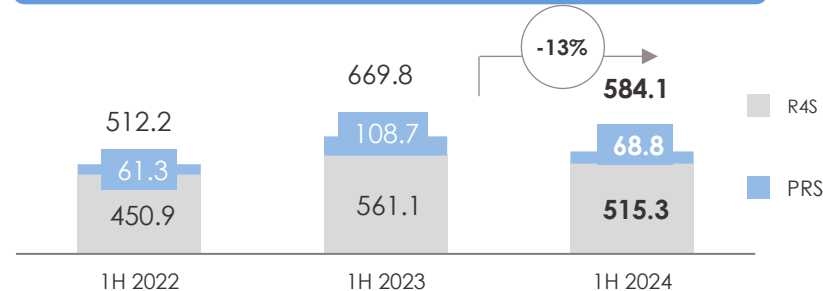
Apartments handed over (units)



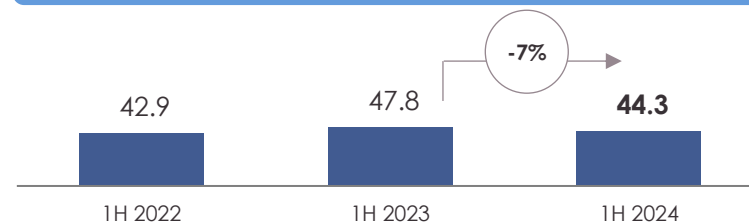
Average net price of units sold (PLN '000)



Sales revenue (PLNm)

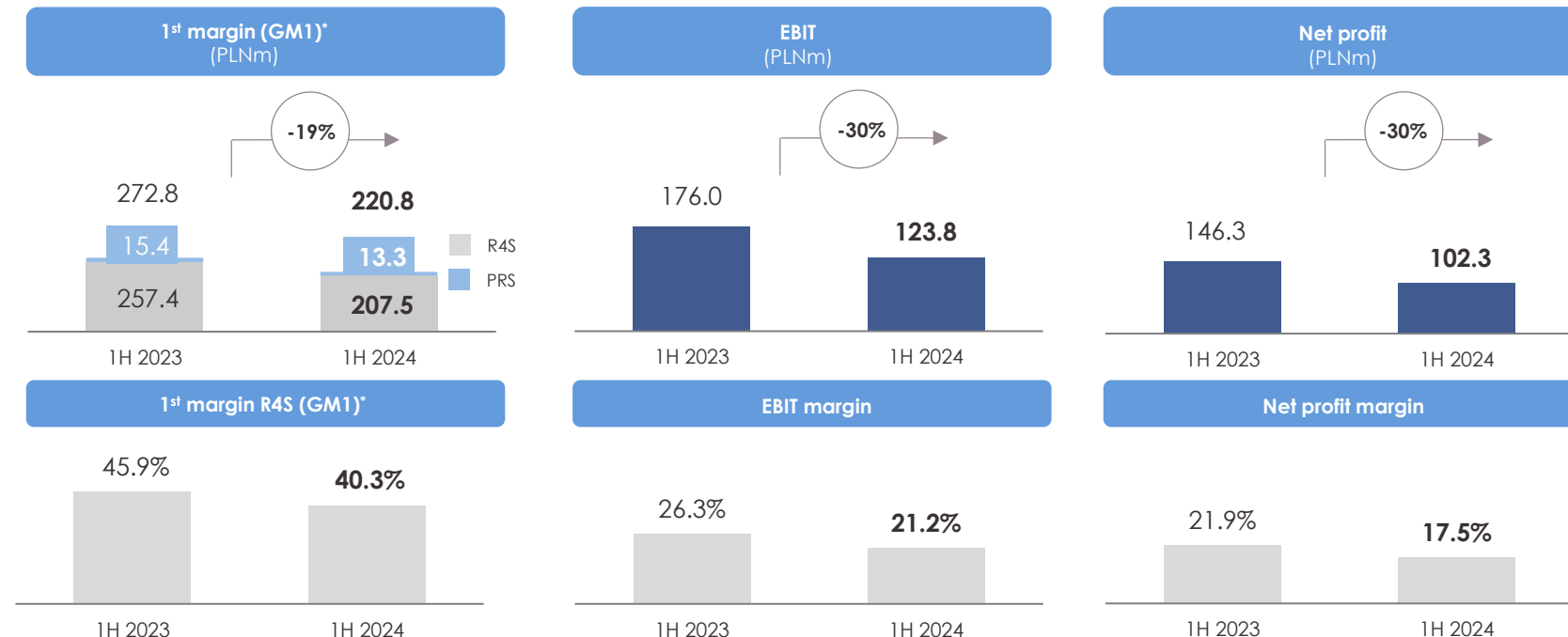


Average size of units sold (m²)



Key financial data for 1H 2024

Results y/y impacted by lower level of handovers in 1H 2024 vs. 1H 2023

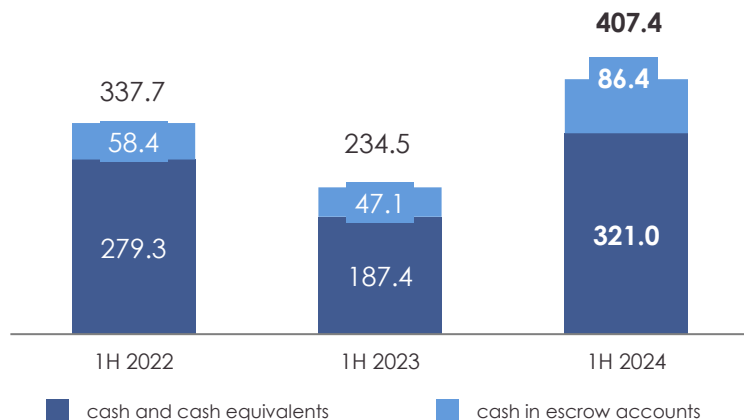


*1st margin: revenue from apartment sales contracts less costs for acquisition of land, direct materials, and direct labour (costs of subcontractors)

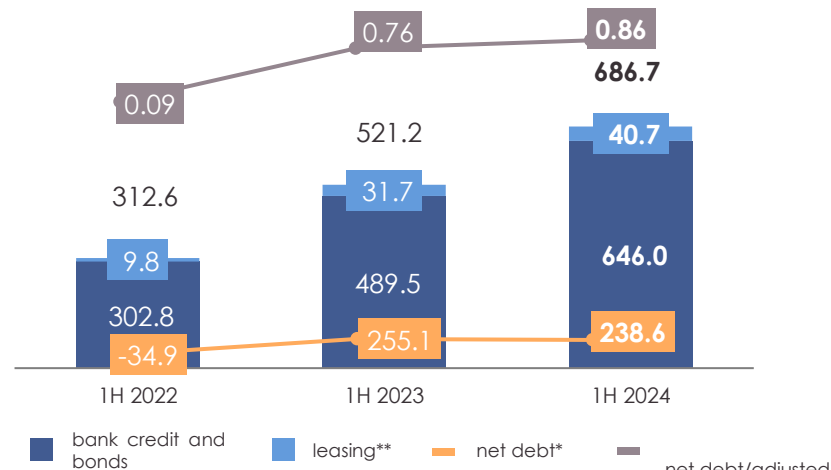
Group's current financing structure

- 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 (**0.86** at the end of 1H 2024)
- In April 2024 Murapol adopted a programme for issuance of bonds of up to **PLN 500m**, and then in May successfully issued the first series of bonds with a combined value of **PLN 150m**

Cash position
(PLNm)



Debt
(PLNm)



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

** leasing as of 30 June 2024 concerns mainly the accounting valuation of the lease for the office in Bielsko-Biala

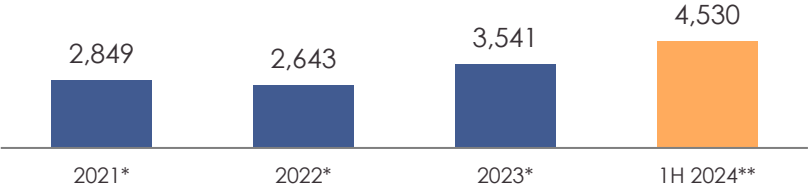
*** adjusted EBITDA LTM—operating profit for the last twelve months plus amortization, interest recognized in the cost of goods sold, and one-off or non-cash transactions

Record number of units offered, and a strong landbank

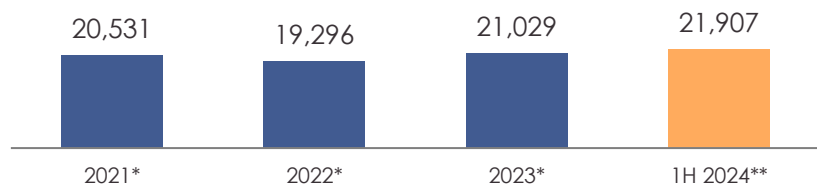


- At the end of 1H 2024, Murapol's offer included **4,530 units** in **16** cities
- **Record number of units under construction: 8,494** units at 29 projects in 14 cities
- Active landbank with a capacity for construction of **21,900 units** in 19 cities, with a total floor area of nearly **945,000 m²**

Units offered



Landbank



*total no. of units on 31 December of the given year
**total no. of units on 30 June 2024

Units added to the product line in 1H 2024

One of the biggest offers on the market: 4,530 units at the end of 1H 2024

- In 1H 2024 the Murapol Group added **2,285 residential units** to its offer **in 9 cities**, including a new operating market, **Lublin**
- The most units were added in **Łódź** (514), **Lublin** (332) and **Wrocław** (319)

1,831

units added in 1H 2023

2,285

units added in **1H 2024**

Selected projects put on offer in 1H 2024

Murapol Havelia

Poznań

Murapol Osiedle Szafirove

Gliwice

Murapol Forum

Łódź

Murapol Primo

Lublin

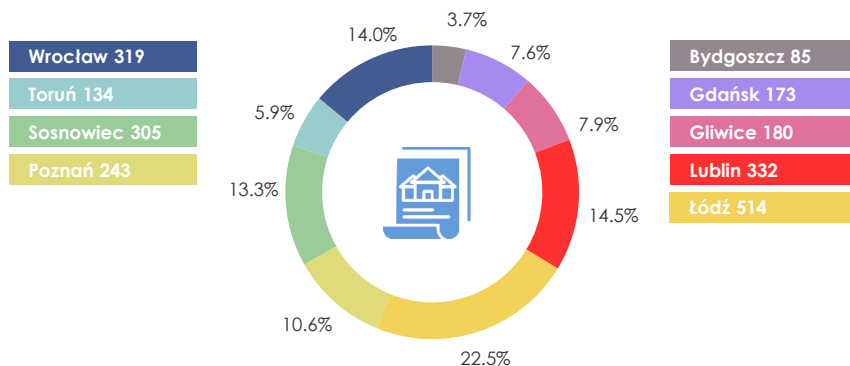
Murapol Osiedle Zen

Gdańsk

Murapol Helio

Toruń

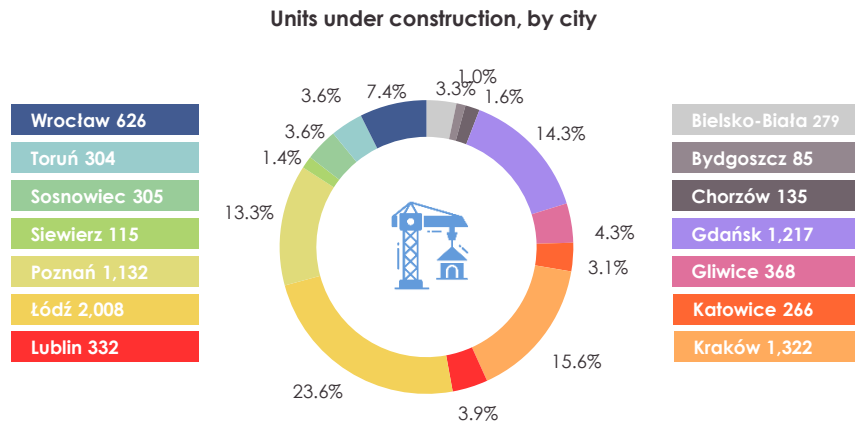
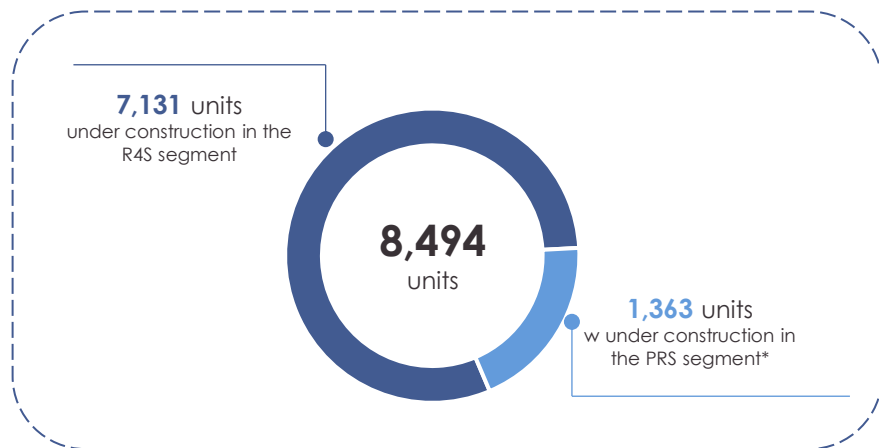
Structure of units put on offer



Projects under construction in 1H 2024

Record number of units being built

- A record number of units under construction: nearly **8,500** units with a combined area of c. **358,000 m²**, at **29** projects in **14** cities
- Additionally, as of the end of 1H 2024, projects under construction had obtained occupancy permits (**90** units, c. **5,700 m² UFA**), but handovers of apartments at these projects had not begun

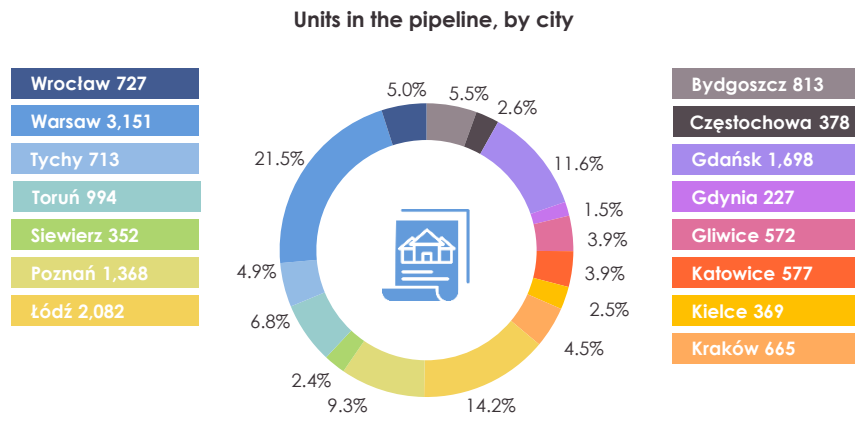
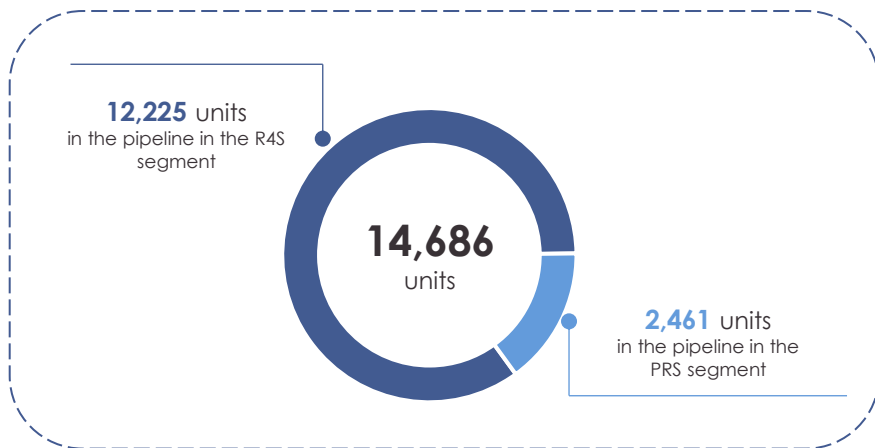


*Units under construction from the PRS segment are not counted in the Murapol Group landbank (the land was sold to LifeSpot, and the Murapol Group serves as general contractor for PRS projects).

Projects in the pipeline in 1H 2024

Attractive and well-diversified portfolio of projects in preparation

- **14,686** units in the pipeline, with a combined area of c. **622,000 m²**, at **37** projects in 15 cities
- **Strong landbank in Warsaw** (for 3,151 units), **Łódź** (2,082), **Gdańsk** (1,698) and **Poznań** (1,368)





Summary



Murapol
Agosto Łódź

- 1 Sales: **1,438** units (development contracts and preliminary contracts)—an **increase of 5.5%** despite uncertainty surrounding the “Credit to Start” scheme
- 2 Sales target for FY 2024: **growth of c. 10%** (development contracts and preliminary contracts) over the sales volume for FY 2023 (2,889 units)
- 3 Level of handovers: **1,295** units. **Maintaining** the target for handovers for 2024.
- 4 The most diversified offer on the market, including **4,530** units as of the end of June: about **63% of the offer is in 7 of the biggest urban areas of Poland**, 37% in regional cities
- 5 **Record** number of units under construction: **8,494**, including 7,131 in the R4S segment and 1,363 in the PRS segment
- 6 Skilfully maintaining and renewing one of the biggest landbanks on the market, in over a dozen cities in Poland, with a capacity for construction of nearly **21,900** units
- 7 Planned distribution of a **minimum PLN 200 million in dividends in 2024**, under the conditions described in the dividend policy (on 8 May 2024 dividends of PLN 80.4 million were distributed)

Thank you!

Investor Relations
contact:

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Murapol
Portovo

Gdańsk

Q&A



Appendices



Profit and loss statement

	1H 2024	1H 2023	Change
Sales revenue	584,092	669,782	-12.8%
<i>Revenue from contracts for sale of apartments to retail customers</i>	515,353	561,077	-8.1%
<i>Revenue from sales to PRS</i>	68,739	108,705	-37.1%
Gross profit on sales	177,868	227,393	-21.8%
Gross sales margin	30.5%	34.0%	-3.5pp
EBIT	123,830	176,014	-29.6%
EBIT margin	21.2%	26.3%	-5.1pp
Net profit	102,306	146,349	-30.1%
Net profit margin	17.5%	21.9%	-4.4pp

Balance sheet

Assets	30.06.2024	31.12.2023	Liabilities and shareholders' equity	30.06.2024	31.12.2023
Non-current assets	86,806	86,523	Equity attributable to shareholders of the parent company	582,059	557,960
Current assets	2,118,603	1,773,292	Non-controlling interest	-	1,425
Total assets	2,205,409	1,859,815	Total shareholders' equity	582,059	559,385
			Long-term liabilities	654,189	454,770
			Short-term liabilities	969,161	845,660
			Total liabilities	1,623,350	1,300,430
			Shareholders' equity and liabilities	2,205,409	1,859,815

Projects under construction

- As of the end of 1H 2024, the portfolio of projects under construction included **8,494** units with a combined usable floor area of **358,000 m²**, arising in **113** buildings erected within **29** project phases in **14** cities
- The most new apartments are under construction in Łódź (**2,008**) and Kraków (**1,322**)

Location	Project	No. of residential and commercial units	UFA (residential and commercial units, m ²)
Bielsko-Biała	Murapol Trzy Lipki (bldg 1, 4)	143	6,910
Bielsko-Biała	Murapol Trzy Lipki II (bldg 2, 3)	136	7,333
Bydgoszcz	Murapol Osiedle Akademickie IV (bldg 1)	85	3,694
Chorzów	Murapol Osiedle Wolka (bldg 1, 2, 3)	135	6,571
Gdańsk	Murapol Osiedle Zen II (bldg 1, 3, 5)	173	7,825
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

Projects under construction

Location	Project	No. of residential and commercial units	UFA (residential and commercial units, m ²)
Gliwice	Murapol Osiedle Szafirove (bldg 1, 2)	180	8,788
Gliwice	Murapol Osiedle Szafirove (bldg 6, 7)	188	9,941
Kraków	Czerwone Maki (bldg 1) [PRS]	404	12,115
Kraków	Murapol Mateczniq (bldg 1, 2, 3)	187	8,109
Kraków	Murapol Mateczniq II (bldg 4)	38	1,803
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
Lublin	Murapol Primo (bldg 1, 2)	332	15,091

Projects under construction

Location	Project	No. of residential and commercial units	UFA (residential and commercial units, m ²)
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 Nowa Przędzalnia IX (bldg 1)	43	2,044
Łódź	Murapol Forum (bldg 1, 2)	514	21,809
Łódź	Murapol Osiedle Filo (bldg 1)	143	6,376
Łódź	Murapol Osiedle Filo II (bldg 2)	188	8,508
Poznań	Murapol Havelia (bldg 1, 2)	326	14,409
Poznań	Murapol Osiedle Verde (bldg 1)	198	8,905
Poznań	Murapol Osiedle Verde II (bldg 2)	225	10,559
Poznań	Murapol Osiedle Verde III (bldg 3)	243	11,308
Poznań	Murapol Zielony Żurawiniec III (bldg 6, 7)	140	6,202

Projects under construction

Location	Project	No. of residential and commercial units	UFA (residential and commercial units, m ²)
Siewierz	Murapol Siewierz Jeziorna (bldg 15-18)	115	5,784
Sosnowiec	Murapol Apartamenty Na Wzgórzu IV (bldg 4, 5)	305	14,707
Toruń	Murapol Aviator (bldg 1)	170	5,650
Toruń	Murapol Helio (bldg 2, 3)	134	6,267
Wrocław	Murapol Osiedle Ferrovia (bldg 1-12)	24	2,244
Wrocław	Murapol Osiedle Ferrovia II (bldg 13-21)	18	1,622
Wrocław	Murapol Osiedle Ferrovia III (bldg 22-30)	18	1,622
Wrocław	Murapol Osiedle Ferrovia IV (bldg 31-42)	24	2,141
Wrocław	Murapol Osiedle Ferrovia V (bldg 43-48)	12	1,109
Wrocław	Murapol Motivo (bldg 1)	319	11,637
Wrocław	Murapol Jagodno Park II (bldg 4-7)	211	9,276
Total		8,494	357,570

Projects in the pipeline

- As of 30 June 2024, within the Murapol Group's landbank, there was a portfolio of projects in the pipeline comprising about **14,700** units with a combined usable floor area of **621,500 m²**, ensuring continuity of the group's business for the next several years

Location	Planned UFA (m ²)	Planned no. of units	Location	Planned UFA (m ²)	Planned no. of units
Bydgoszcz	36,771	813	Poznań	61,705	1,368
Częstochowa	17,438	378	Siewierz	17,165	352
Gdańsk	52,258	1,698	Toruń	42,702	994
Gdynia	10,221	227	Tychy	32,581	713
Gliwice	26,953	572	Warsaw	134,096	3,151
Katowice	22,366	577	Wrocław	24,624	727
Kielce	16,611	369	Total	621,536	14,686
Kraków	31,333	665			
Łódź	94,712	2,082			

- In 1H 2024 Murapol offered customers **2,285 new units**
- The units added to the sales line are arising in **9 cities**, in Poland's major residential markets, specifically Poznań, Łódź, Wrocław and Gdańsk, but also in smaller cities such as Bydgoszcz, Gliwice, Lublin, Sosnowiec and Toruń

Location	Units added to offer in 2024	Units added to offer in 2Q 2024	Total
Bydgoszcz	-	85	85
Gdańsk	-	173	173
Gliwice	180	-	180
Lublin	332	-	332
Łódź	514	-	514
Poznań	243	-	243
Sosnowiec	305	-	305
Toruń	-	134	134
Wrocław	319	-	319
Total	1,893	392	2,285

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 26 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

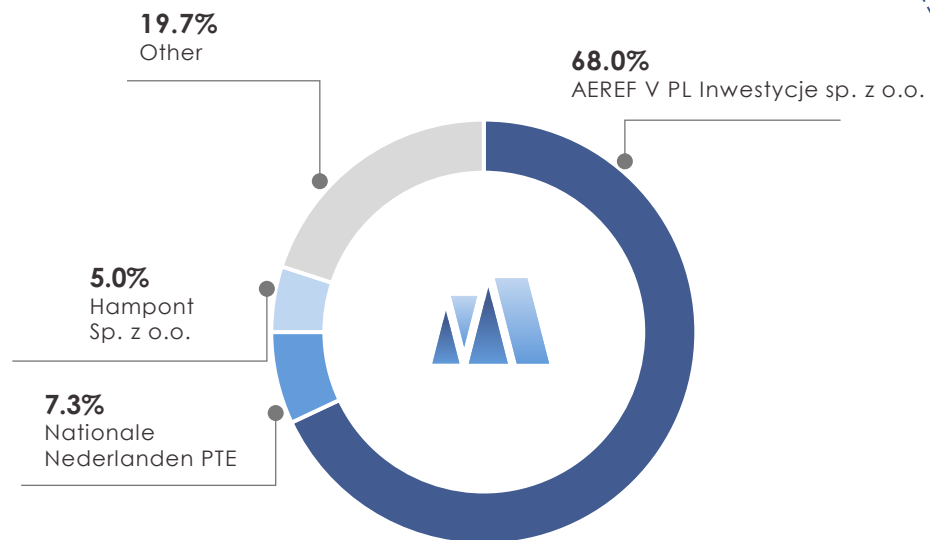


Framework agreement governing off-take of premises by LifeSpot – PRS platform belonging to funds managed by Ares



Ultra-low saturation of PRS market in Poland

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

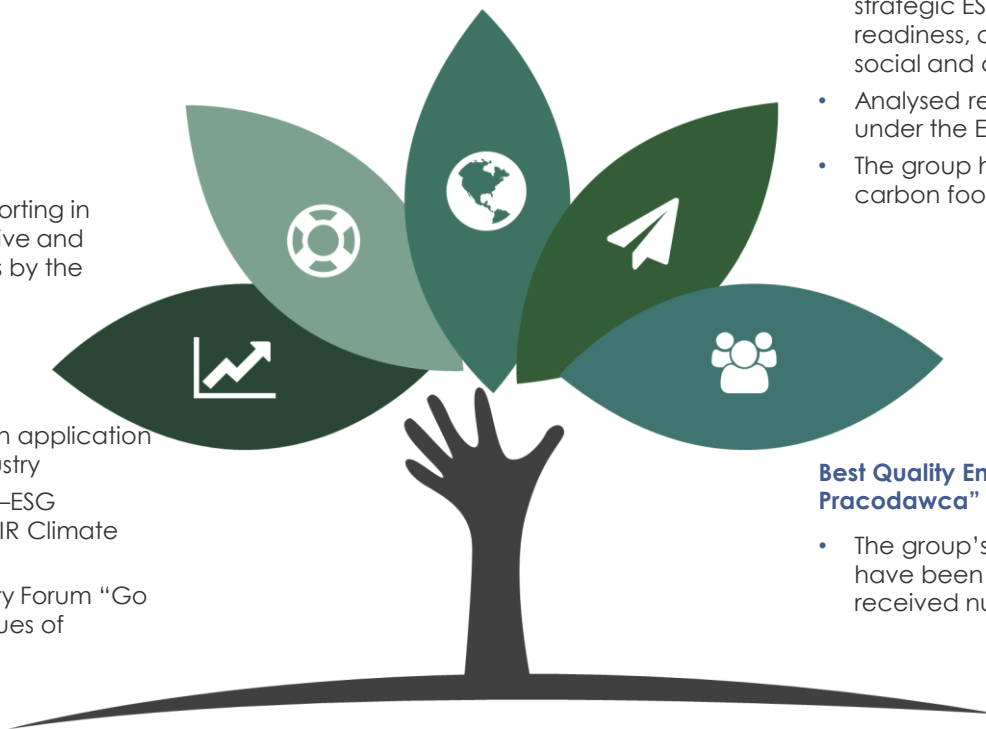
- Involvement in public discourse on application of ESG rules in the real estate industry
- Engagement in the Round Table—ESG Compass, supporting the TOGETAIR Climate Summit
- Participation in ESG & Sustainability Forum “Go to the Future” and debates on issues of sustainable building

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



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