

Bielsko-Biała, Poland, 20 November 2024

MURAPOL IN THE FIRST THREE QUARTERS OF 2024: SOLID SALES RESULTS AND RECORD UNITS UNDER CONSTRUCTION

The Murapol Group, one of the largest and most experienced residential developers in Poland, delivered 1,720 units to retail customers in the first three quarters of 2024, compared to 2,234 handovers in the same period of 2023 (-23.0% y/y), in line with the project completion timetables. The group generated sales revenue of PLN 786.3 million (-18.7% y/y), and earned a net profit of PLN 131.8 million (-30.6% y/y).

Despite the market uncertainty observed during the period, through the first three quarters of 2024 the group signed 2,084 development contracts and preliminary contracts with customers (+0.4% y/y). The total net sales to retail customers in the period (development contracts, preliminary contracts, and paid reservation agreements, excluding cancellations) were 2,234 units (vs. 2,229 in 1-3Q 2023). The most apartments were sold in Łódź (479), Poznań (419) and Gdańsk (320). Units priced below PLN 600,000, enjoying the most demand, accounted for nearly 90% of the group's total sales.

In the first nine months of 2024 Murapol introduced 3,194 units to its offer (+22.1% y/y) in 11 cities, including the new operating market of Lublin. At the end of 3Q 2024 Murapol had 4,736 units on offer (+48.8% y/y), one of the biggest portfolios on the Polish market, with an active land bank with a capacity for construction of nearly 22,000 units in 19 cities.

"Our unique, vertically integrated business model and offer tailored to the needs of a broad group of customers enabled us to maintain a high market position," said **Nikodem Iskra, CEO of Murapol S.A.** "The Murapol Group's competitive advantages include operations in two complementary segments: our principal business of developing residential units for retail sale, and the private rented sector (PRS), which supplements the company's business. In the residential-for-sale segment, we have one of the biggest and most diverse offers on the market, including at the end of September a total of 4,736 units in 14 cities, representing huge sales potential for our 28 sales offices. In 2024 alone we have introduced new projects in 11 cities around Poland, and plan to add a further two to three projects in the 4th quarter. The attractive, well-diversified offer, suited to the pace of sales, allows us to look optimistically at the prospects for the years to come. With respect to PRS, I should add that in November we signed contracts to implement two projects in the design & build approach in Gdańsk for a total of 948 units. Our long experience, our land acquisition model, and the knowhow we have developed allow us to effectively renew our land bank in step with the progress in sales. Currently the group has an active land bank for construction of nearly 22,000 apartments."



At the end of the 3rd quarter of 2024 there were 8,684 units under construction, a record in the group's history. Projects with a combined area of about 363,000 m² were underway at 114 buildings in 15 Polish cities—the largest number in Łódź (23.1% of all projects), Gdańsk (17.9%) and Kraków (17.8%). Of this total, the R4S segment accounted for 7,321 units, while PRS, which the group has pursued since 2021, accounted for 1,363 units.

Financial results and dividend

At the end of the 3rd quarter of 2024 the Murapol Group had cash on hand (including escrow accounts) of PLN 366.5 million, as compared to PLN 235.5 million a year earlier. Net debt stood at PLN 265.7 million. The Murapol Group's dividend this year will be PLN 200.3 million, of which nearly PLN 120 million was paid out on 12 November as an advance against the dividend for 2024, after distributing PLN 80.4 million to shareholders on 8 May 2024.

According to **Przemysław Kromer, CFO of Murapol S.A.**, "Through the first three quarters of 2024, the Murapol Group maintained a sound balance sheet and a stable financial condition, backed by solid sales revenue and net profit, which we are consistently building toward the levels anticipated by the market for FY 2024. We maintained satisfactory and very similar margins in large urban centres and regional cities. The average price of a delivered unit rose 10.7%, to PLN 396,200. We also maintained a balanced financing structure, in which 51% of apartment purchases were financed by mortgage credit and the other 49% were cash purchases. Our business model is grounded in healthy fundamentals and has potential for further growth, even in the fickle macroeconomic environment, ensuring steadily rising results, high cashflows, and low engagement of equity while preserving optimal margins."

Key financial data

PLN '000	1-3Q 2024	1-3Q 2023	Change
Sales revenue	786,323	966,892	-18.7%
<i>Revenue from sales to retail customers</i>	685,904	803,795	-14.7%
<i>Revenue from sales to PRS</i>	100,419	163,097	-38.4%
Gross profit on sales	235,451	310,204	-24.1%
<i>Gross margin on sales</i>	29.9%	32.1%	-2.2pp
EBIT	159,551	228,999	-30.3%
<i>EBIT margin</i>	20.3%	23.7%	-3.4pp
Net profit	131,789	189,945	-30.6%
<i>Net profit margin</i>	16.8%	21.9%	-2.8pp

Prospects for further growth

The Murapol Group has an attractive and well-diversified portfolio of projects in the pipeline. At the end of the 3rd quarter of 2024 the pipeline included 14,158 units with a combined area of about 600,000 m² in 16 cities.



Press release |

A strong suit of the Murapol Group is the broad distribution of its offer across various regions of the country, backed by strategic management of one of the biggest land banks on the market, with a capacity for construction of about 22,000 units with a total area of nearly 946,000 m² in 19 Polish cities.

The group's further growth is supported by the long-term external factors impacting the industry. Although stabilization of demand has been observed in 2024, due to anticipation of new government schemes promoting the accessibility of apartments, the national market is still struggling with a serious housing shortage. Additionally, consumers' growing purchasing power, low unemployment, and in the future the prospect for cuts in interest rates, create favourable conditions for potential purchases of apartments.

Contact:

Małgorzata Gaborek | PR & IR, ESG and Marketing Director

E: malgorzata.gaborek@murapol.pl | M: +48 510 896 877

The **Murapol Group** is one of the most experienced residential developers in Poland, and one of the largest in the number of apartments sold and handed over to customers. From its start in 2001 through 30 September 2024, the Murapol Group has carried out 85 multi-phase real estate projects, in which 441 buildings have been erected, with over 29,900 apartments inhabited by some 89,700 people. To date, the Murapol Group has achieved a presence in 21 cities in Poland, including the largest residential markets such as Warsaw, Kraków, Wrocław, the Tri-City and the Upper Silesia urban area, as well as regional cities like Bydgoszcz and Toruń.

Murapol's leading investor is AEREF V PL Inwestycje sp. z o.o., a company owned by funds managed by Ares Management UK Limited (a subsidiary of Ares Management Corporation), a global alternative investment manager specializing in debt financing, private equity and real estate, which is advised by Griffin Capital Partners.

In 2021, the Murapol Group launched a new business line consisting of constructing premises for the private rented sector (PRS), carried out in cooperation with AEREF V PL PRS S.à r.l. and its subsidiaries (PRS project companies, LifeSpot), owned by funds managed by Ares Management UK Limited (a subsidiary of Ares Management Corporation).

The Murapol Group has an integrated business model based on concentration within the organization of all the competences necessary to carry out real estate projects—from land acquisition, through architectural and engineering design, construction project budgeting, purchases of building materials and general contracting, to marketing and sales.

Murapol pursues a sustainable growth strategy, and includes environmental, social and corporate governance (ESG) initiatives in its operations.

Murapol S.A.'s shares have been listed on the Main Market of the Warsaw Stock Exchange since 15 December 2023.