

PRESENTATION FOR INVESTORS

March 2021



With a view of the future...



Develia Group – Summary 2021

➤ Housing sector

- ✓ 1,921 premises sold in 2021 vs 1,361 in 2020
- ✓ 1,903 premises delivered in 2021 vs 1,153 in 2020
- ✓ 1,985 new premises on the 2021 offer vs 1,278 in 2020
- ✓ 173 reservation agreements as at the end of Q4 2021

➤ Commercial segment

- ✓ Sales and purchase agreement for the disposal of Sky Tower signed by Develia on 15 March 2022
- ✓ Letter of intent signed and negotiations over the disposal of the “Arkady Wrocławskie” building opened on 4 February 2022
- ✓ The “Wola Retro” building prepared for disposal, commercialisation level standing at 86%

➤ Develia Group – 2021 Performance

- ✓ Gross margins on sales in the development segment of **28,8%**
- ✓ Consolidated net profit of **PLN 153,9 m** vs net loss **PLN -138,8 m (2020)**
- ✓ Consolidated net profit adjusted for total revaluation settled through profit or loss **PLN 156,8 m** vs **PLN 99 m (2020)**



Agenda

1. Market situation
2. Housing sector
3. Commercial real property
4. Financial Data
5. Strategy implementation
6. Attachments



1.

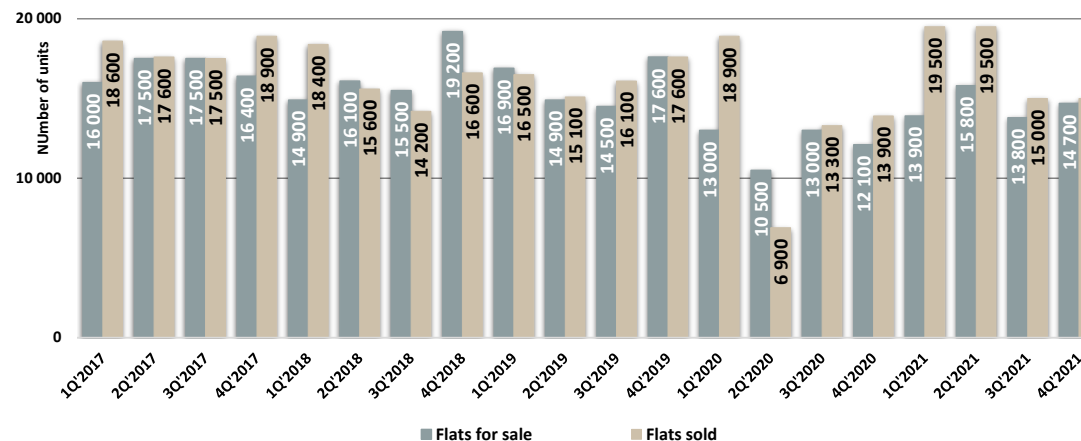
Market situation



- 2021 saw 58,100 flats made available for sale. In Q4 2021, 14,700 premises were made available for sale, meaning a 7% increase compared to the previous quarter and 21% more than in the preceding year.
- In aggregate, given the six largest domestic markets, 2021 observed the sale of 69,000 flats, by 30.2% more than in 2020
- Q4 2021 saw the sale of 15,000 flats – similarly to Q3 2021
- In Q4 2021, as well as over the entire year 2021, a rapid increase in flat prices could be observed, which were going up faster than rising inflation.
- Compared to the previous quarter, the largest increase in average prices of flats on the primary housing market was reported in Warsaw (6%) and Łódź (4%).
- Given yearly figures, i.e. compared to the levels recorded in Q4 2020, the biggest increase in flat prices was seen in Łódź (21%), Warsaw (17.9%), Wrocław (16%) and Poznań (16%)

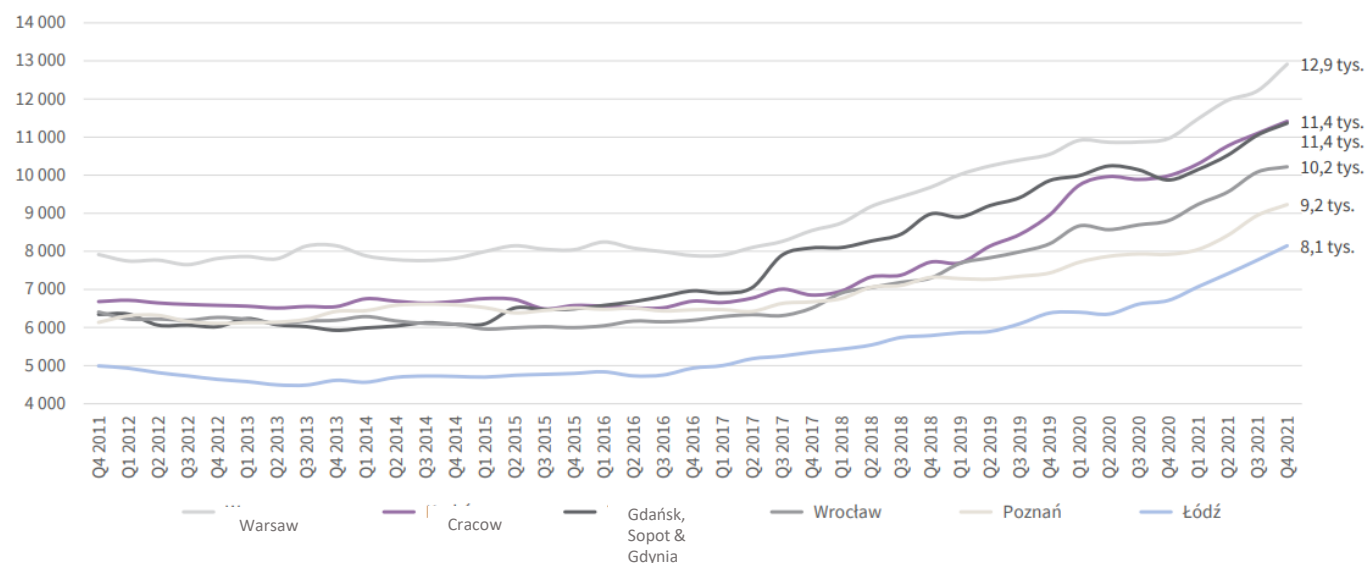
Housing market

Flats for sale and sold yearly compared with the offer



Average prices of flats on the primary housing market

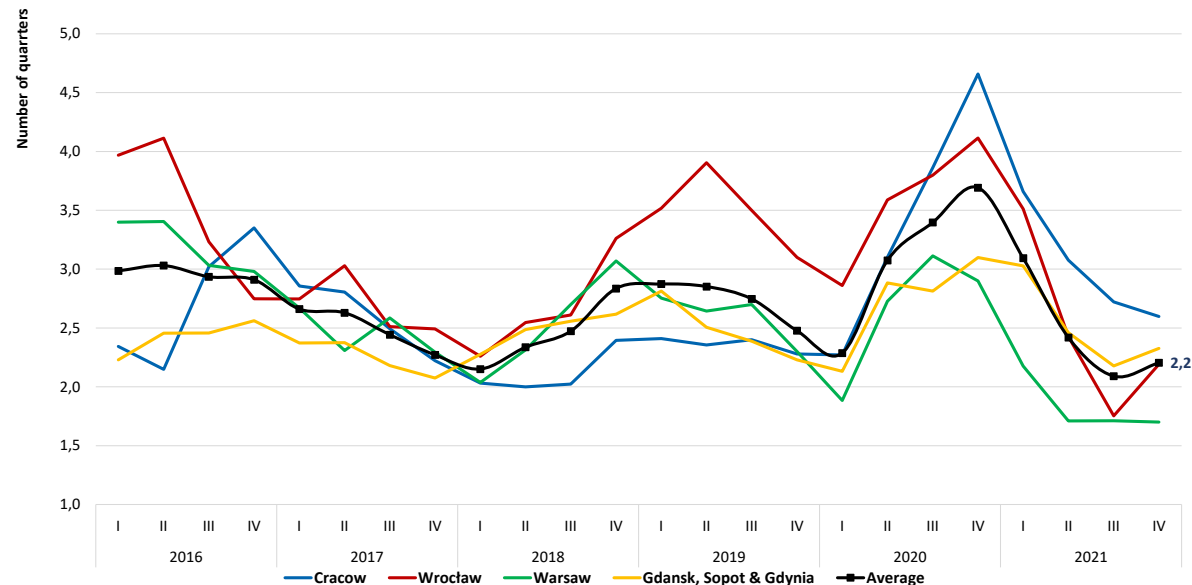
(in PLN per sq m, including VAT, coming with a builder's finish)



Source: JLL, aggregate for main biggest markets (Warsaw, Wrocław, Gdańsk, Sopot, Gdynia, Cracow, Poznań, Łódź)

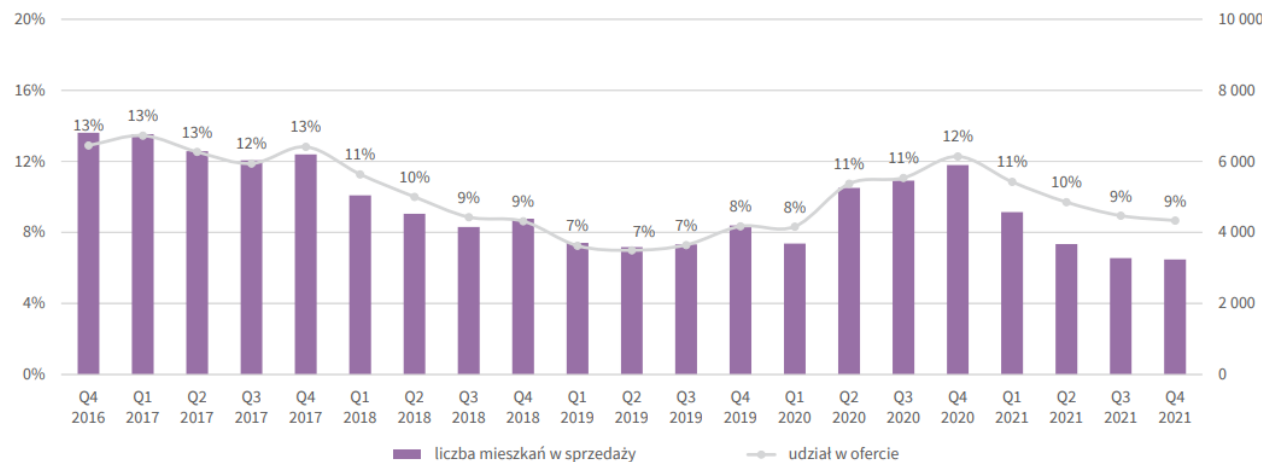
- As regards the time necessary in order for a flat to be sold, a negative trend has been continuing since Q4 2020 and it is now above 2 quarters. Such huge disparity between demand and supply has never been seen on the market.
- The difference between flats sold and those put on the market in 2021 totalled as much as 11,000, being the biggest disparity since 2013
- Delays caused by administrative processes and difficulties in obtaining building permits precluded property developers from taking a flexible approach to their offers which could not be expanded, consequently, resulting in inadequate market supply

Time of selling flats on the offer – a trend Q4 2021



Source: Emmerson

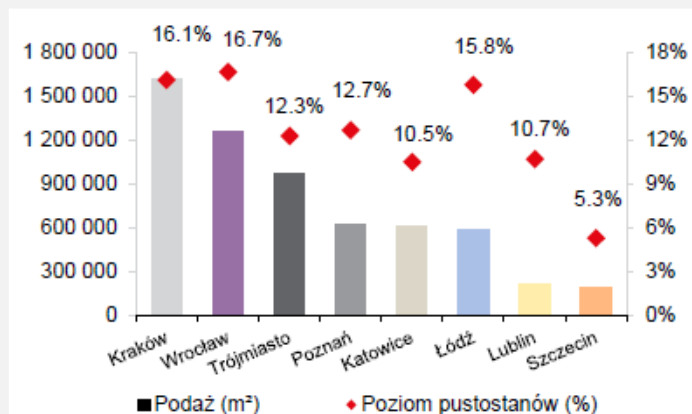
Completed units available for sale on the primary market



Source: JLL, aggregate for main biggest markets (Warsaw, Wroclaw, Gdańsk, Sopot, Gdynia, Cracow, Poznań, Łódź)

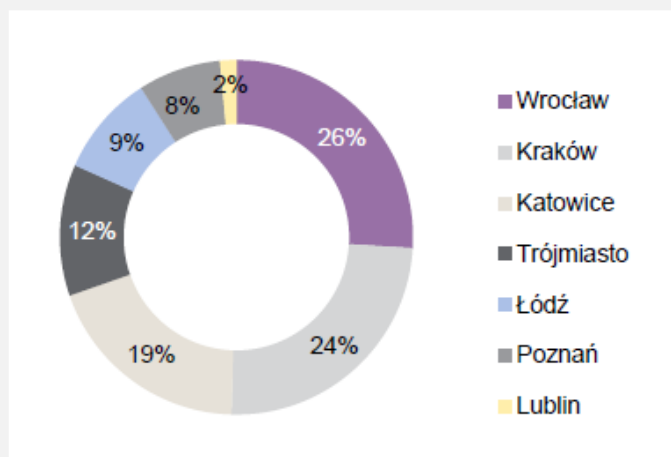
Commercial Real Property Market

Supply vs. vacancy rate (Poland's major markets, Q4 2021)



Source: JLL

Office area under construction (the biggest office markets outside Warsaw)



Source: JLL

- At the end of Q4 2021, the vacancy rate for eight major regional markets stood at 14.1%, i.e. by 1.4 percentage point higher the corresponding period of 2020. As from the beginning of 2021, an upward trend for vacancy levels continued, from 11.4% in Q1 2021, 12.5% in Q2 and Q3 2021, to 14.1% in Q4 2021
- Apart from traditional leasable area, **companies decide on a subletting option**, at the end of Q4 2021, there was more than 154,000 sq. m on offer, which means relative stability compared to Q3 2021
- The total volume of lease transactions concluded in 2021 was 1.24 million sq. m, meaning a 5% increase compared to 2020 and a 21% decrease compared to 2019
- There is still a significant share of renegotiations and extensions of existing contracts in the total volume of transactions 44% (an increase by 7 percentage points compared to 2020)
- Rent rates remain stable, especially for high-end real properties.** Given cost pressure, a rise in asking price rates is expected, however, large supply of new units in 2022, and consequently, higher vacancy levels, may slow down the rate of growth
- 2021 turnover on the Polish investment market has reached the level of EUR 6.3bn**, which means a 20% increase, following 2020 figures (EUR 5.3bn) Almost half of investments accounted for transactions in the warehouse sector. The value of transactions on the office market (EUR 1.7bn) declined by 14% compared to 2020. EUR 0.6bn was invested in PRS assets
- The Private Rented Sector is growing in importance** – Poles have grown fond of leasing flats from professional entities. The cost of loans and a record high increase in flat prices are regarded as an indication of a decline in purchases by individuals and are a reason why leasing residential floor space is becoming a more and more attractive alternative

2.

Housing sector



Biggest companies in the property developer business

	2021	2020	y/y
Murapol (**)	4,532	2,720	66.6%
Robyg (**)	4,308	2,738	57.3%
Atal	4,258	2,896	47.0%
Dom Development (*)	4,066	3,756	8.3%
DEVELIA	1,921	1,361	41.1%
Echo Investment	1,680	1,570	7.0%
Victoria Dom (*)(**)	1,607	1,522	5.6%
Archicom	1,275	971	31.3%
Ronson	877	918	-4.57%
Lokum Deweloper	744	463	60.73%
Inpro	728	635	14.6%
Marvipol	376	1,086	-65.4%
Wikana	324	160	102.5%
TOTAL	26,696	20,796	28.4%

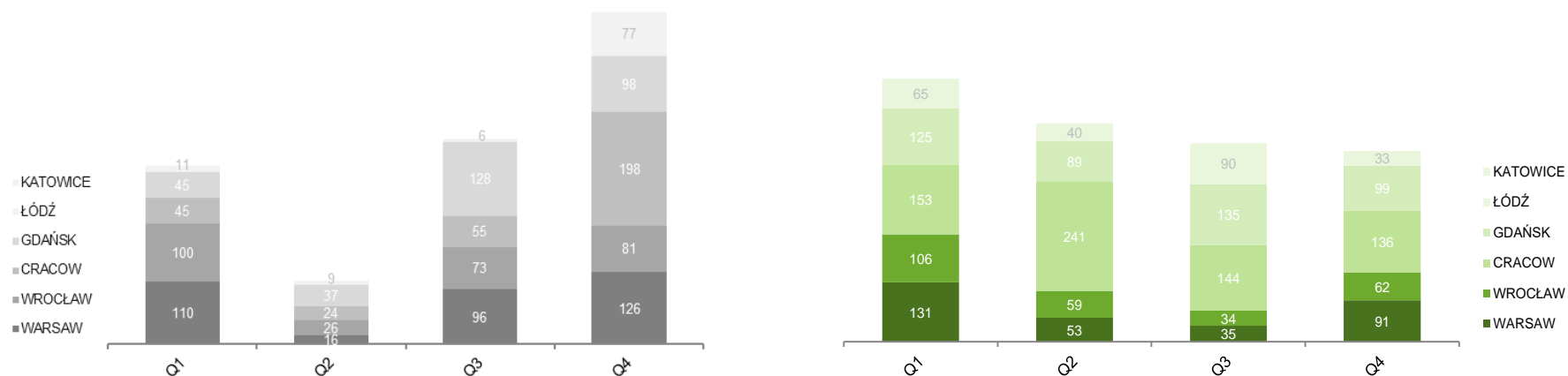
Source: <https://rynekpiwotny.pl/> 11-01-2022, actualisation 13-01-2022

(*) development agreements, preliminary sales agreements and non-refundable reservations in total

(**) a company listed on the Catalyst market

Premises sold

Housing segment as at 31/12/2021



MIASTO	Q1	Q2	Q3	Q4	2020
SPRZEDAŻ	311	112	358	580	1361
WARSAW	110	16	96	126	348
WROCLAW	100	26	73	81	280
CRACOW	45	24	55	198	322
GDAŃSK	45	37	128	98	308
ŁÓDŹ					
KATOWICE	11	9	6	77	103
cumulatively in the year	311	423	781	1361	

quarter cumulatively year to year

	Q1	Q2	Q3	Q4	2021
	580	482	438	421	1921
	131	53	35	91	310
	106	59	34	62	261
	153	241	144	136	674
	125	89	135	99	448
	65	40	90	33	228
	580	1062	1500	1921	
	+86%	+151%	+92%	+41%	

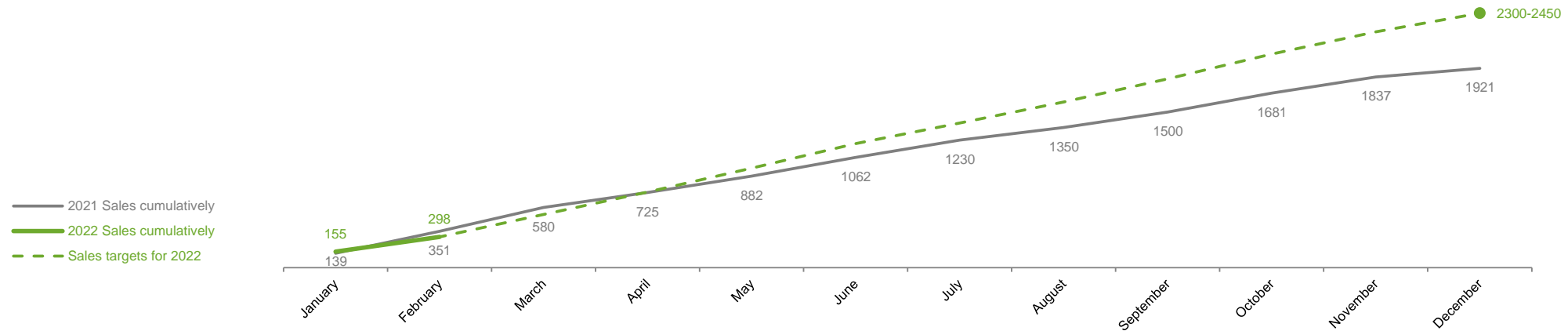
- 2,205 premises sold and not delivered, including 60 finished premises
- 1,985 new premises on the offer
- 173 reservation agreements



Premises sold – sales targets

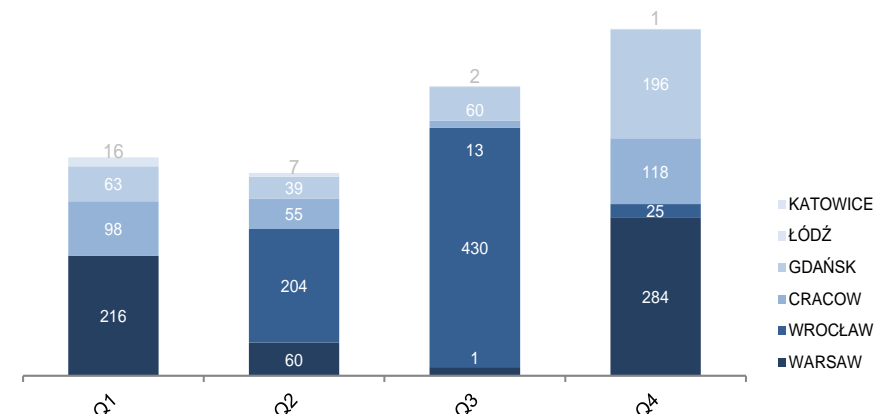
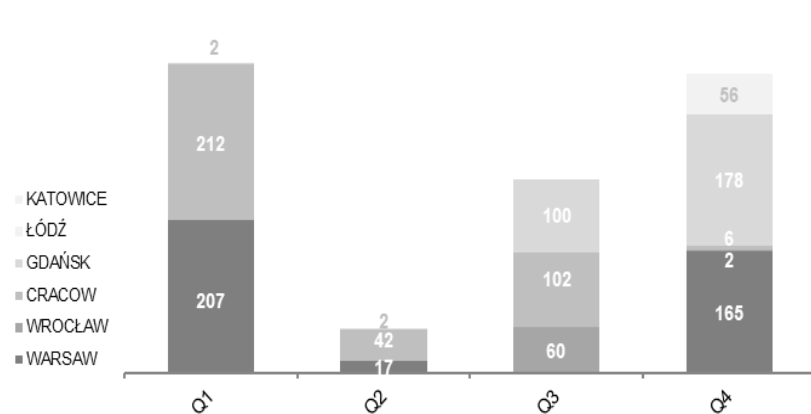
Housing segment as at 12/31/2021 / sales targets 2022

2021/ sales targets 2022



Premises delivered

Housing segment as at 12/31/2021



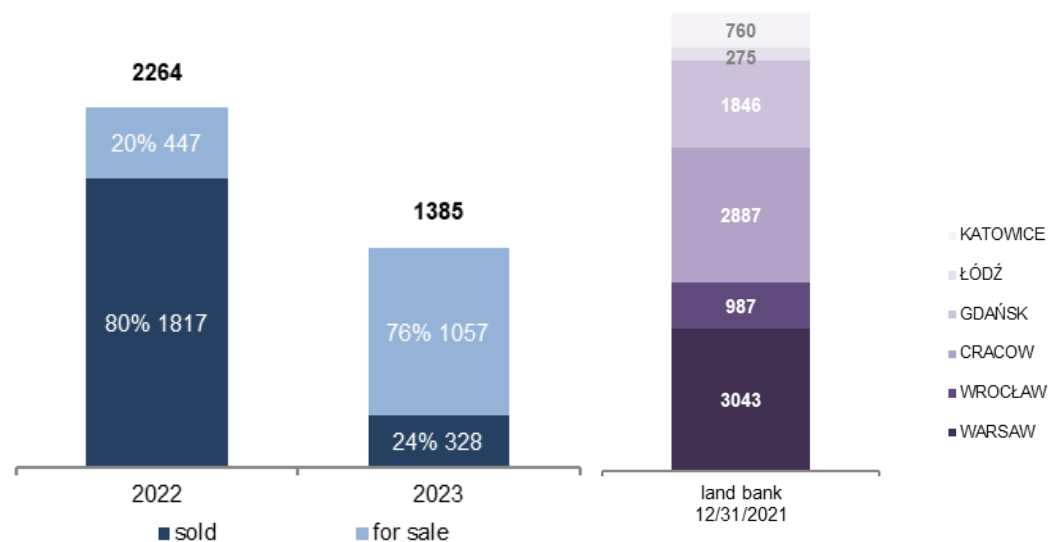
CITY	Q1	Q2	Q3	Q4	2020
DELIVERY	421	61	264	407	1153
WARSAW	207	17	2	165	391
WROCLAW			60	2	62
CRACOW	212	42	102	6	362
GDAŃSK	2	2	100	178	282
ŁÓDŹ					
KATOWICE				56	56
cumulatively in the year	421	482	746	1153	

quarter cumulatively year to year

CITY	Q1	Q2	Q3	Q4	2021
DELIVERY	393	365	521	624	1903
WARSAW	216	60	16	284	576
WROCLAW		204	430	25	659
CRACOW	98	55	13	118	284
GDAŃSK	63	39	60	196	358
ŁÓDŹ					
KATOWICE	16	7	2	1	26
cumulatively in the year	393	758	1279	1903	
quarter cumulatively year to year	-7%	+57%	+71%	+65%	

Delivery potential based on flats under construction

Housing segment as at 12/31/2021 / Sales progress acc. to commencement of deliveries

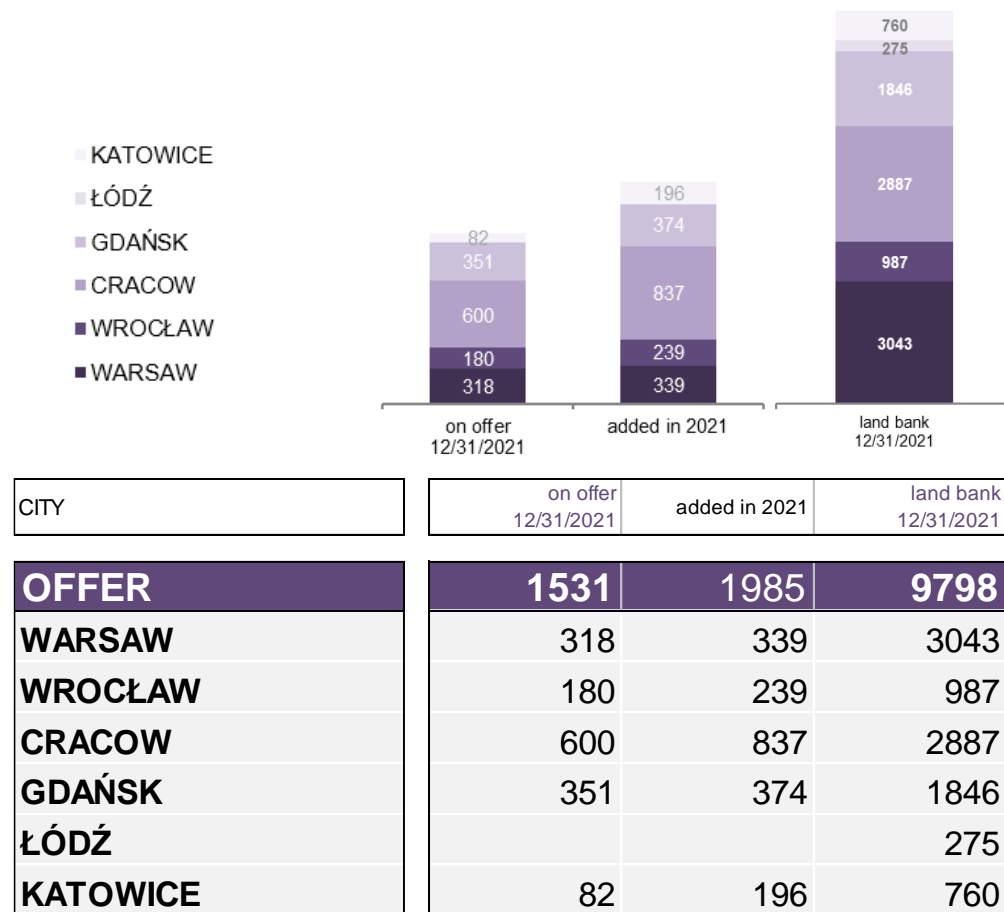


- The presented delivered premises include investments in progress only.

- **87** premises constructed and ready for delivery (included in projects completed in 2021)
- **The 2022 targets for delivery: 1,950-2,050 units**
- The peak of deliveries in Q4 2021 according to the schedule of ongoing construction works

Premises on the offer and land bank

Housing segment as at 30/09/2021



The 2021 targets for new premises on the offer exceeded – 1,500-1,700 units

- The 2022 targets for new premises on the offer – **2,450-2,650** units
- In 1-2 2022, 1,047 units were added to the offer (as at 28/02/2022, there were 2,280 units on offer)

Assets – housing estates (*)



Aleje Praskie
Warsaw, Praga-Południe
■ available for sale: 80
■ under preparation: 1,064



Ceglana Park
Katowice, Brynów
■ available for sale: 82
■ under preparation: 760



Centralna Park
Cracow, Czyżyny
■ available for sale: 210
■ under preparation: 2,399



Słoneczne Miasteczko
Cracow, Bieżanów-Prokocim
■ available for sale: 193
■ under preparation: 188



Via Flora
Gdańsk, Chełm
■ available for sale: 68
■ under preparation: 88



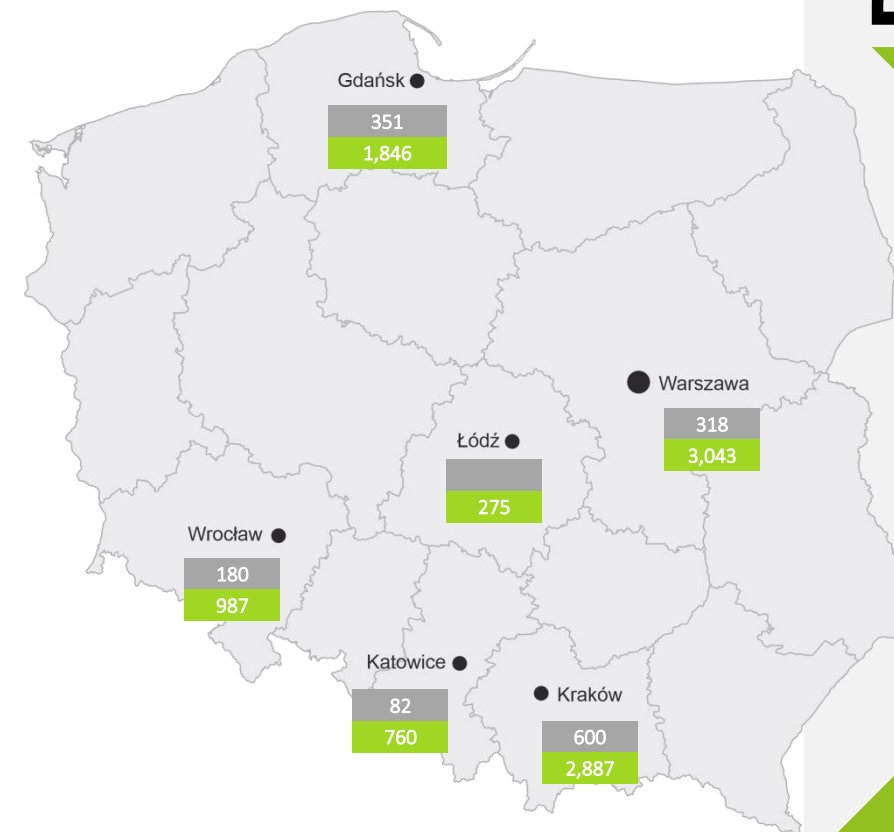
Osiedle Latarników
Gdańsk, Letnica
■ available for sale: 27
■ under preparation: 159



Mist House
Wrocław, Krzyki
■ available for sale: 15



other projects
in 6 cities
■ available for sale: 856
■ under preparation: 5,140



Premises on offer	1,531
Premises in land bank 12/31/2021	9,798 (*)

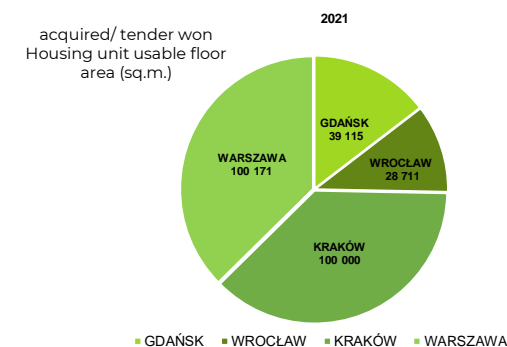
(*) Without JV Grupo Lar

LOCATION	2019		2020		2021	
	acquired/ tender won Housing unit usable floor area (sq.m.)	Estimated number of units	acquired/ tender won Housing unit usable floor area (sq.m.)	Estimated number of units	acquired/ tender won Housing unit usable floor area (sq.m.)	Estimated number of units
GDAŃSK	9,050	169	8,681	158	39,115	734
CRACOW	5,000	89	-	-	100,000	1,897
WROCLAW	12,440	235	28,979	525	28,711	278
WARSAW*	-	-	-	-	2,156	40
WARSAW	89,076	1,653 ⁽¹⁾	-	-	98,015	1,788
TOTAL	115,566	2,146	37,660	683	267,997	4,737

(1) quantitative parameters have not been considered for some parcels of land without a decision on conditions for construction and land development

(*) event after the balance sheet date

- Additionally, Develia entered into a JV agreement with Grupo Lar concerning three housing projects in Warsaw
- JV Agreement entered into force on 10/20/2021
- A total of 600 premises as part of projects secured by the partner in Ursynów, Saska Kępa and Białołęka;
- Develia's capital commitment in JV – PLN 100m, which accounts for 80% of capital;
- The projects will be carried out based on the experience of both partners, however, responsibility for operational management will rest with the Grupo Lar's team



3.

Commercial real property



Assets – commercial facilities

Wola Retro

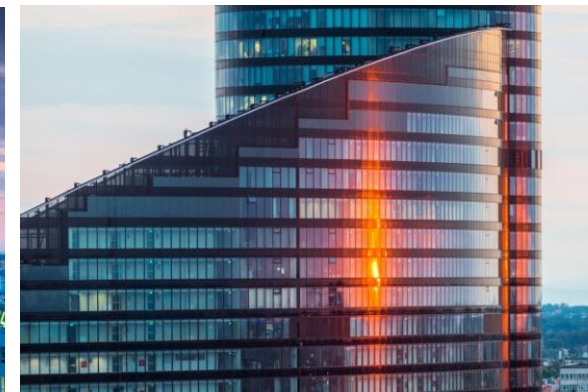
- Leasable area: 25,601 sq. m
- Occupancy rate: 86%
- Vacant space: 5,563 sq. m
- Asset falling within a top investment category
- Preparing for the sale of the building in 2022/2023
- GAV PLN 327,9m; NAV PLN 203,0m

Sky Tower

- Leasable area: 53,654 sq. m
- Occupancy rate: 86%
- Vacant space: 7,705 sq. m
- Entering into the final sale and purchase agreement in March 2022

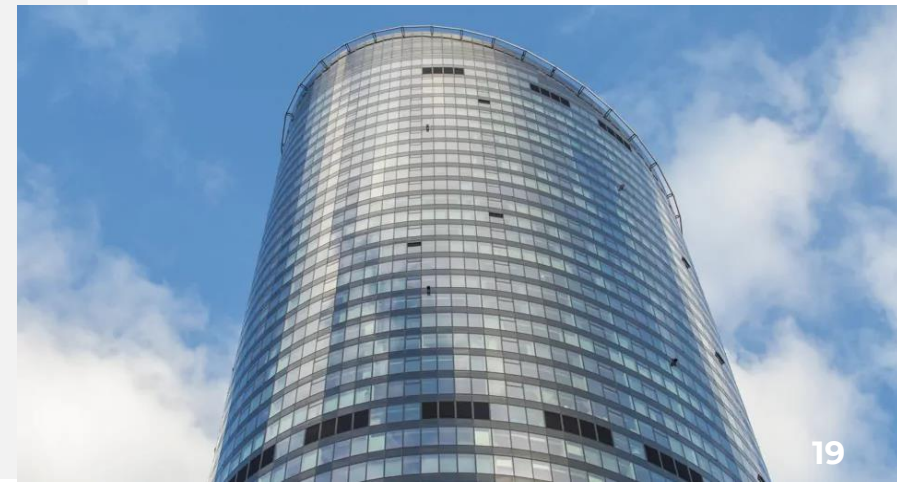
Arkady Wrocławskie

- Leasable area: 38,833 sq. m
- Occupancy rate: 95%
- Vacant space: 1,910 sq. m
- Making a letter of intent in February 2022, the making of the final sale and purchase agreement scheduled for September 2022
- GAV PLN 192,5m; NAV PLN 134,3m



■ Sky Tower – Disposal of Asset

- **15 March 2022** – the final sale and purchase agreement was made to dispose of a 79.55% share in the ownership right to developed land on which the “Sky Tower” building is erected. The remainder of the share in the ownership of Sky Tower, i.e. 20.45%, will remain in the possession of the owners of separated premises in the “Sky Tower” building
- The price for the Sky Tower Share was agreed on a debt-free and cash-free basis at **EUR 84,270k**
- Value Added Tax (VAT) was added to the said price, and furthermore, the value of incentives for tenants under agreements signed prior to the date of the preliminary sale and purchase agreement, which had not been paid as at the date of signing the final sale and purchase agreement, i.e. **EUR 1,878k**, was deducted from the price in question.
- The final selling price amounted to **EUR 82,392k**,
- The balance-sheet valuation, as stated in the latest published financial statements, i.e. as at 30 September 2021: **EUR 82,255k**,
- A provision for transaction costs was made in the 2021 financial statements in the amount of **PLN 17,209k**,
- The transaction price was designated for the full repayment of a **bank loan**, i.e. the total sum of **EUR 41,976k**, taken out under an agreement made by ST with a syndicate of banks comprised of Alior Bank S.A., based in Warsaw, and Getin Noble Bank S.A.
- Receipts from the transaction after the repayment of the loan amounted to above **PLN 170m**



Arkady Wrocławskie – Disposal of Asset

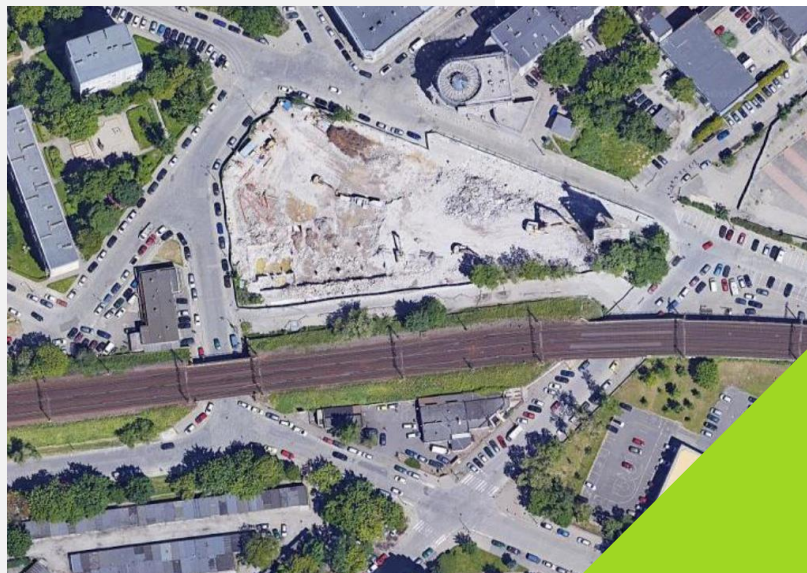
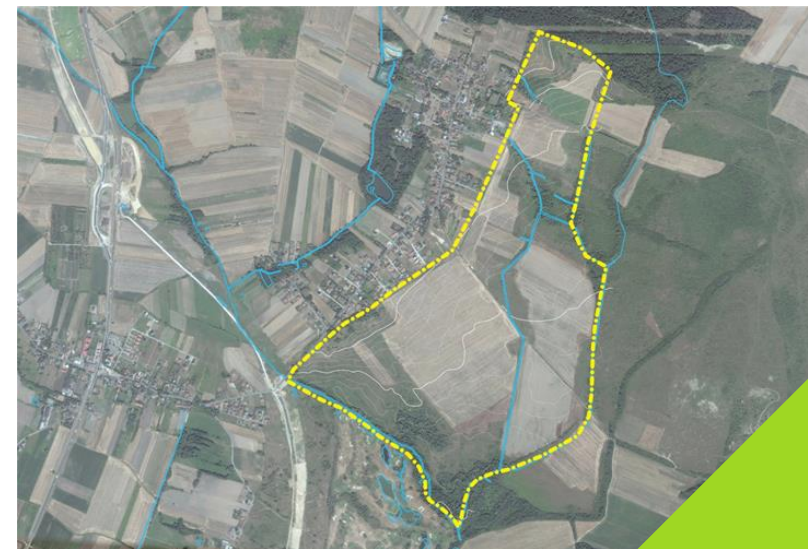
- **4 February 2022** – entering into a letter of intent concerning the possible disposal of perpetual usufruct and ownership right to developed land on which the “Arkady Wrocławskie” building and other facilities are erected,
- The Parties set in the letter of intent a total estimate price of sale of the Real Property at **PLN 210,000k**,
- The balance-sheet valuation as at 31/12/2021: **PLN 192,503k**,
- The valuation covers the adjacent parcel of land located at Komandorska Street in Wrocław, having the area of 0.2349 ha (purchased in 2021 for a net price of **PLN 19,500k**)
- It is envisaged that a legal audit will be completed after 12 weeks and a preliminary sale and purchase agreement will be made after 17 weeks from the start of the examination, and the final agreement will be signed by **30 September 2022** at the latest.
- The bank loan to finance Arkady Wrocławskie: **PLN 58,200k**



Malin

Land for new project developments

- Area of 169 ha
- In March 2022, a letter of intent was made for a joint venture project entailing the construction of a logistics park along with necessary technical and road infrastructure. An estimated revenue, if the project is completed as originally assumed, from the sale of the entire property is expected to be around EUR 34.7m. An estimated value of the disposal of Land is higher by 132% than the present property value recorded in subsidiary's books of account and amounting to EUR 14.9m. Develia's commitment under the JV agreement is 25%
- The conditional acquisition of land is contingent on amendments to the study and the local zoning plan (MPZP)
- The total projected value of the entire project will exceed PLN 1.5bn, and it is envisaged that it will be completed within six years after the purpose of the Real Property is changed.



Wrocław, ul. Kolejowa

Land for new project developments

- Area of 5,428 sq. m
- 23 November 2021 – entering into a letter of intent concerning the disposal of a portion of land along with a part of the project comprising the construction of two multifunctional buildings, along with a common underground car park and necessary infrastructure for the price of PLN 139,415,000.00 net (the estimated floor space of premises 14,170 sq. m), which will be subject to further verification, based, among other things, on arrangements made during a legal audit
- Conversion to a mixed-use project – PRS/flats with a commercial component
- Two independent buildings, both of which can be sold separately

Investment Portfolio

as at 12/31/2021



CITY	PROJECT	STATUS	Yield [%]	GAV [mPLN]	NAV [mPLN]	NOI [mPLN]	NOI [mEUR]	Usable Floor Area [sq.m.]	Office Usable Floor Area [sq.m.]	Retail Usable Floor Area [sq.m.]
WROCLAW	ARKADY WROCLAWSKIE center (**)	COMPLETED	8,75	192,5	134,3	13,4	2,93	38 833	9 668	29 165
WROCLAW	WOLA RETRO office building	COMPLETED (*)	6,00	327,9	203,0	11,6	2,54	25 601	24 750	850
WARSAW	SKY TOWER office building	COMPLETED	7,75	361,7	170,6	22,0	4,82	53 654	29 632	24 021
				882,2	507,8	47,0	10,3	118 087,1	64 050	54 037
WROCLAW	Investment land KOLEJOWA	IN PREPARATION	0,00	35,6	35,6	0,0	0,00	0		
WROCLAW	Investment land MALIN	IN PREPARATION	0,00	70,1	70,1	0,0	0,00	0		
				105,7	105,7			0		
IF RS 16			0,00	32,3	0,0	0,0	0,0	0		
TOTAL				1 020,2	613,5	47,0	10,3	118 087	64 050	54 037

(*) sale in 03/2022

(**) along with a parcel of land located at Komandorska Street in Wroclaw, having the area of 0.2349 ha

Without the "Sky Tower" building sold in 03/2022 **GAV is PLN 658.4m, debt PLN 183.2m**

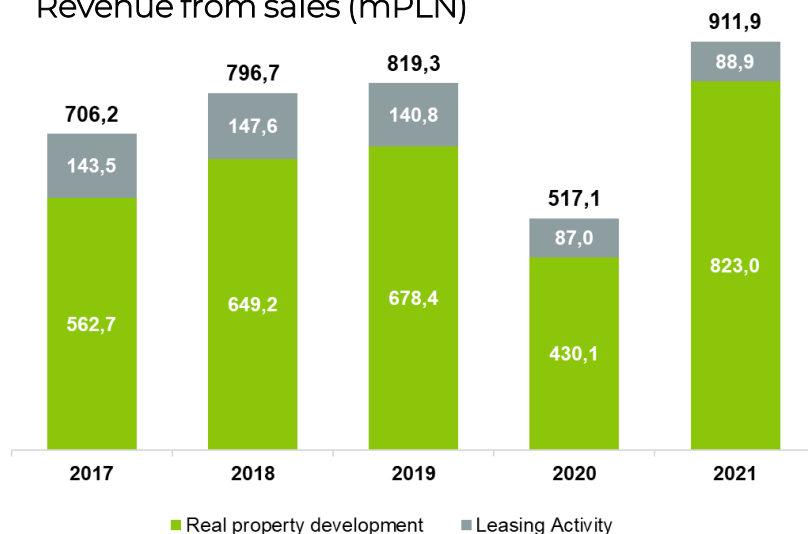
4.

Financial Data

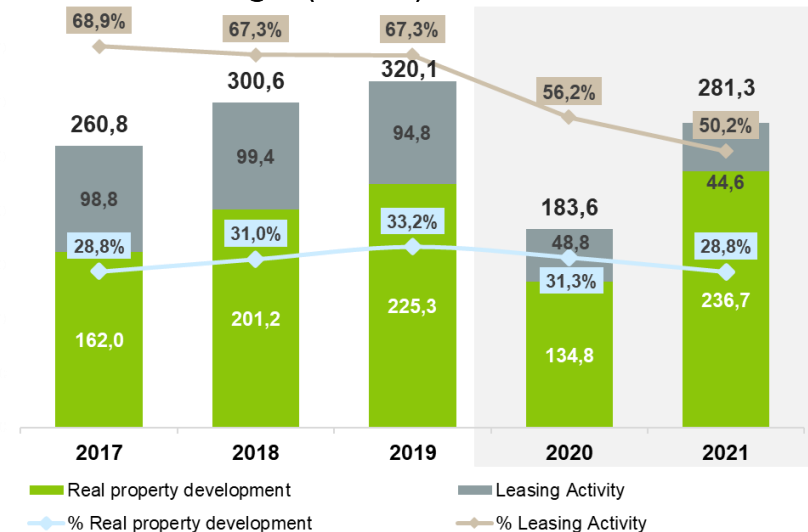


Financial Results

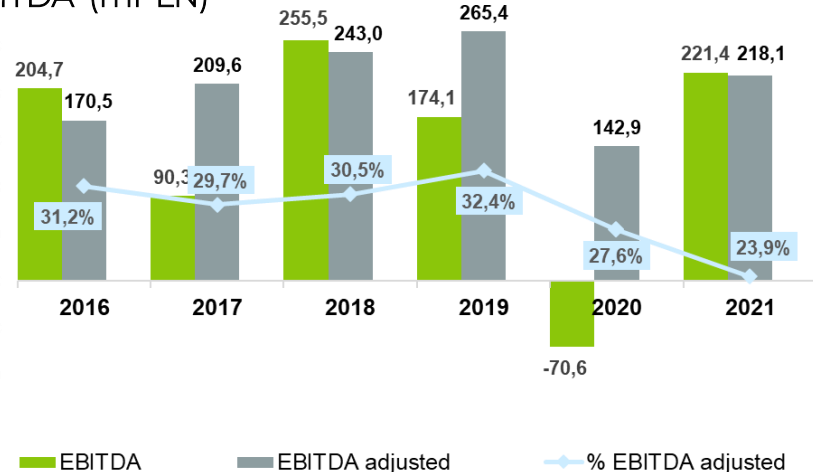
Revenue from sales (mPLN)



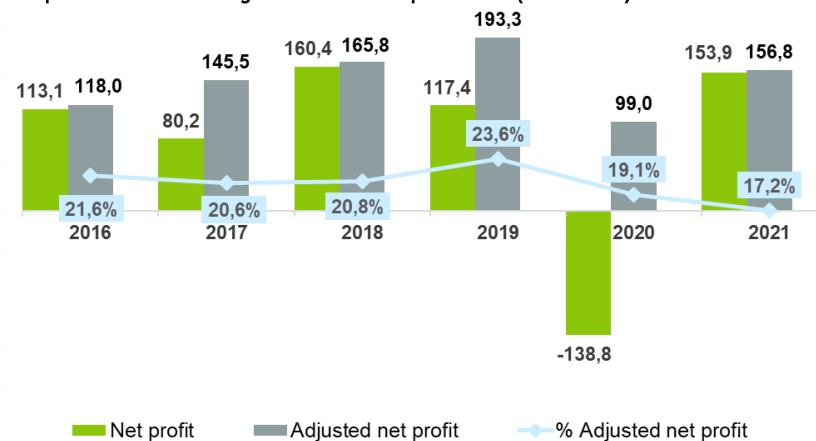
Gross sales margin (mPLN)



EBITDA¹ (mPLN)



Net profit and adjusted net profit² (mPLN)

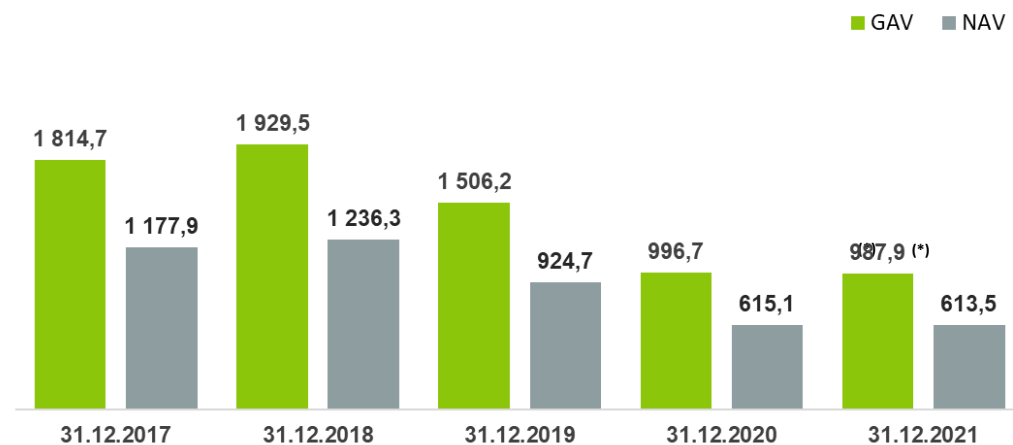


¹EBITDA adjusted for real property revaluation result,

²Net profit adjusted for real property and foreign currency loan revaluation results

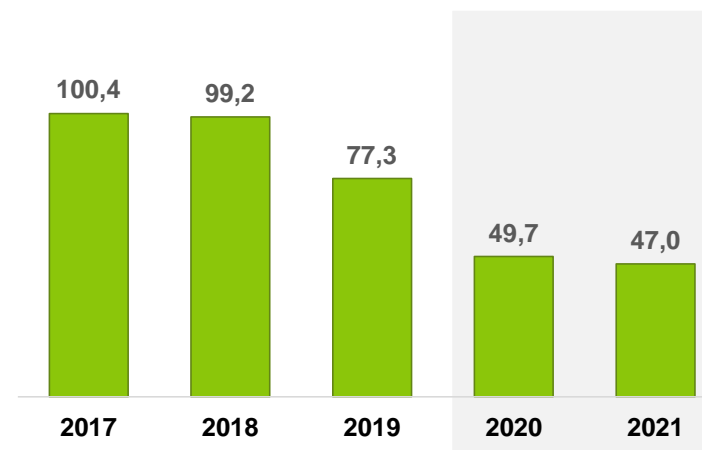
Assets

Investment property and assets held for sale (mPLN)

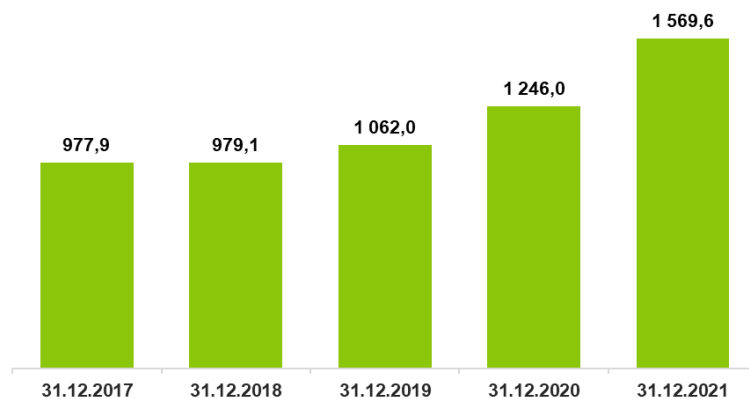


(*) GAV including the Kolejowa & Malin Projects and without adjustment resulting from IFRS 16 – a sum of PLN 32,3 m

NOI of investment property (mPLN)

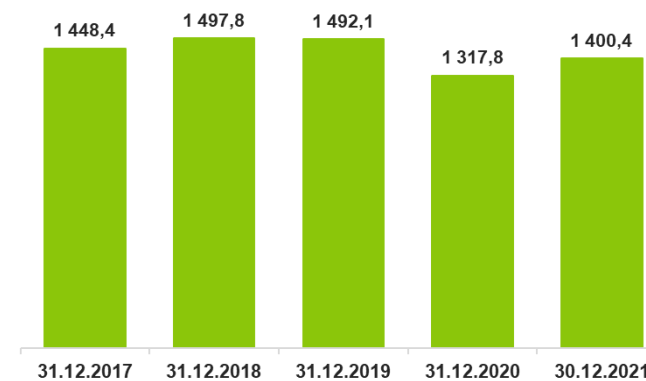


Inventory value (mPLN)



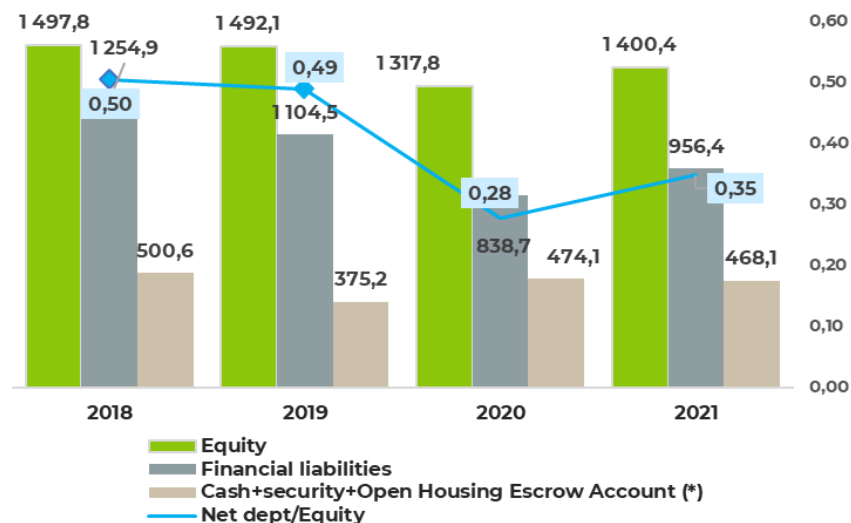
- inventory includes land, projects under construction and finished premises, but not sold yet

Equity (mPLN)



Financial Position

Indebtedness¹ - ratios

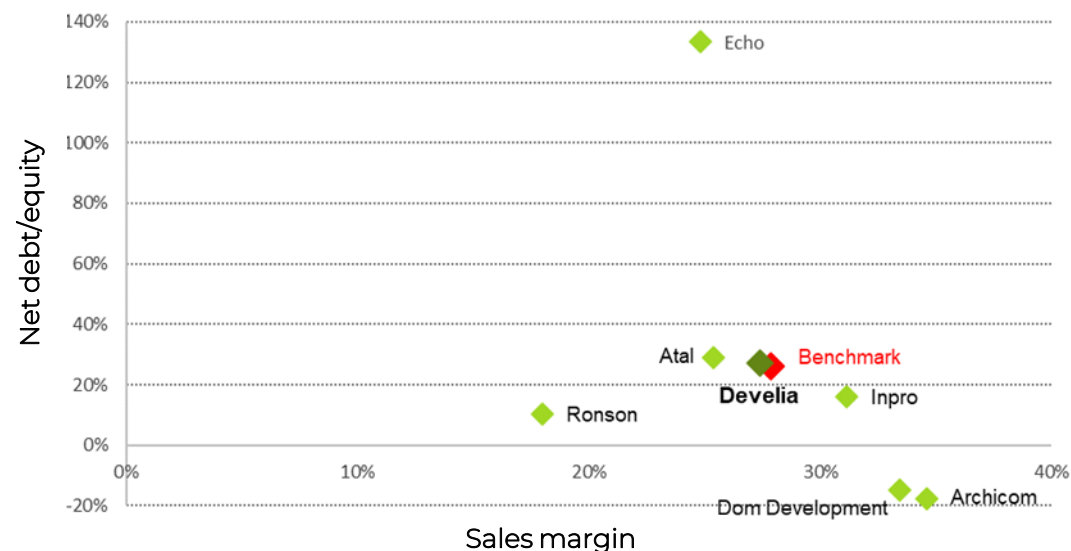


¹ Financial liabilities under bond issue conditions (i.e. along with liabilities arising from the purchase of Sky Tower and defined in IFRS 16 – charges for perpetual usufruct).

Bank loans commercial segment (mPLN)

No	Project	Total repayment date	Balance as of 12/31/2021	GAV	LTV
1	Arkady Wrocławskie	12/31/2022	58,2	192,5	30,3%
2	Sky Tower	12/20/2022	191,1	361,7	52,8%
3	Wola Retro	11/19/2027	125,0	327,9	38,1%
	IFRS 16			27,4	
TOTAL			374,4	909,6	41,2%

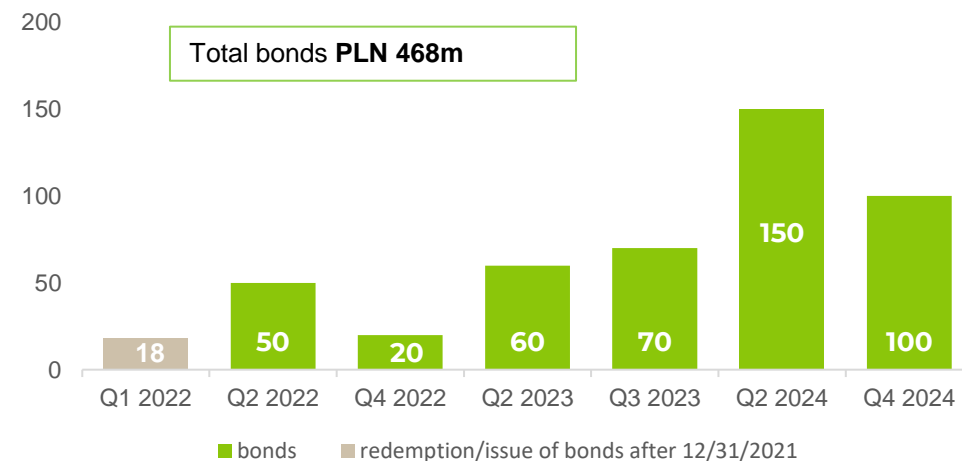
Net debt/equity vs Sales margin – ratios, figures for Q3 2021



Own elaboration – figures for Q3 2021

The Net dept/Equity ratio after the sale of the Sky Tower building would drop to the level off 0,09

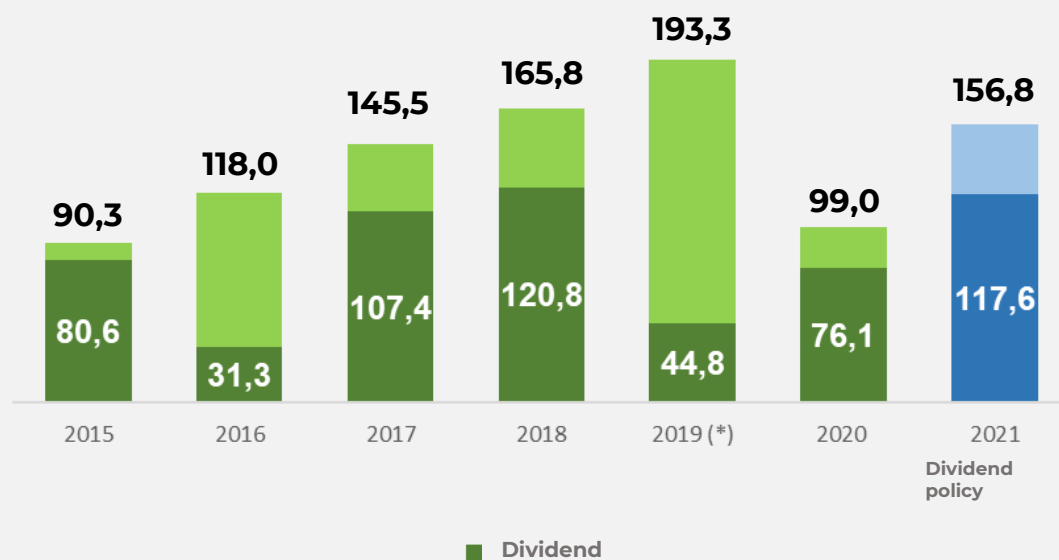
Bond maturity structure (mPLN)



Dividend Policy

Dividend paid out in consideration of adjusted consolidated net profit (mPLN)

Dividend rate	7,96%	3,50%	9,68%	10,04%	5,68%	5,02%	7,57%
Payout rate	89,3%	26,6%	73,8%	72,9%	23,2%	76,8%	75,0%
DPS (PLN)	0,18	0,07	0,24	0,27	0,10	0,17	0,26



(*) The dividend policy was suspended in 2019 under the resolution carried by the Company's Management Board in 23/07/2020 due to circumstances relating to the SARS-CoV-2 pandemic; PLN 100.2m was allocated to reserve funds for the payment of dividend and advances on dividends in the future.

➤ The 2021 dividend rate corresponding with the share price of 29/03/2022

5.

Strategy implementation





We have exceeded our targets for KPIs in 2021

- Sale of flats 01-12 2021: 1,921 vs Management Board targets: 1,750-1,850
- Units delivered 01-12 2021: 1,903 vs Management Board targets: 1,800-1,900
- New units on offer: 1,985 vs Management Board targets: 1,500-1,700
- Results have improved considerably for gross profit on sales, EBITDA, net profit and adjusted net profit



Disinvestment in the office and retail portfolio

- Disposal of Sky Tower building (the 2021 target included its preparation for disposal)
- The making of the Letter of Intent for the disposal of the “Arkady Wrocławskie” building
- Commercialisation level of the “Wola Retro” building increased (86%)

Strategy implementation

Return on equity (ROE)

- Substantial improvement in 2021 ROE 11.2% vs 7.5% (in 2020). The goal is to reach the level of 15% for ROE

Malin Project

- Entering into a letter of intent concerning the joint implementation of a warehouse project, conditional on amendments to the Study and MPZP
- The prospects of selling the land at a price 132% higher than the present market value
- Develia's commitment in JV 25%

Land bank expansion

- Acquisition of land in 2021 allowing to build 4,700 units for an average price of PLN 1,587 per flat usable floor space

Partnerships / JV

- Entering into a JV agreement concerning the joint implementation of property development projects with Grupo Lar
- 600 units in Warsaw (Saska Kępa, Ursynów and Białołęka)
- Develia's commitment in JV 80%



6.

Attachments



2022 Targets



The sale under development and preliminary sales agreements of
2,300 – 2,450 premises
i.e. approx. 24% growth compared to 2021.



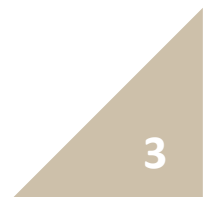
Sale of the building (2022/2023):
Wola Retro



The delivery
1,950 – 2,050 premises
i.e. approx. 5% growth compared to 2021.



Sale of the building (end of 2022)
Arkady Wrocławskie



Adding to the offer
2,450 – 2,650 premises
i.e. approx. 28% growth compared to 2021.



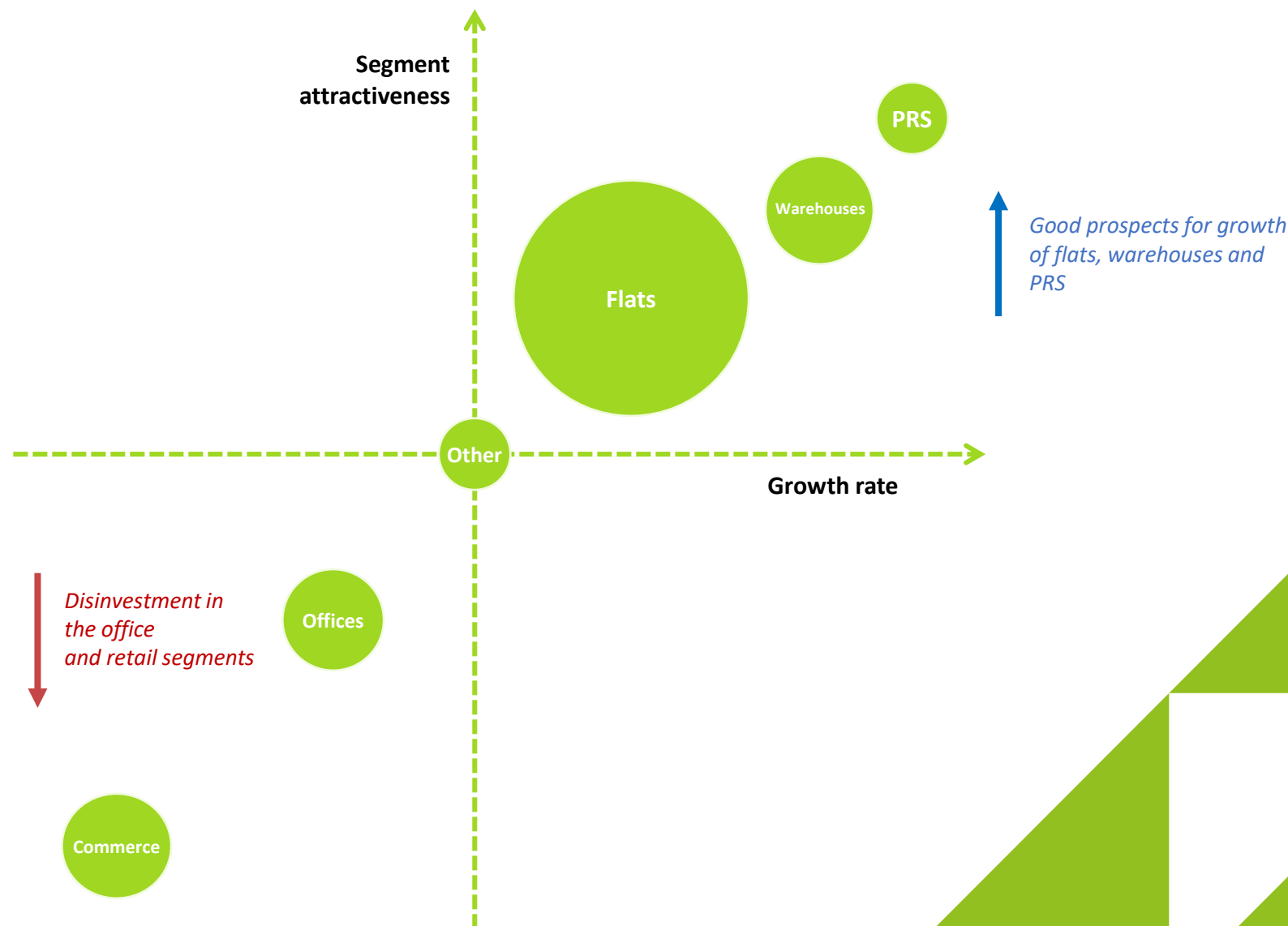
Entering into contracts for the construction of
600-800 lokali (PRS)

Revaluation of investment property

31 December 2021	Arkady Wrocławskie	Wola Center	Sky Tower	Silesia Star	Retro Office House	Wola Retro	Malin	TOTAL
Revenue from sales of real estate	-	-	-	-	-	-	1	1
Value of real estate sold	-	-	-	-	-	-	(8)	(8)
Changes in real estate value within the period PLN	-	-	-	-	-	-	-	-
Changes in real estate value within the period EUR	(3,220)	-	(2,796)	-	-	(15,074)	-	(21,090)
Changes in real estate valuation in respect of altered EUR to PLN exchange rate within the period	(590)	-	(1,278)	-	-	(1,115)	-	(2,983)
Changes in real estate valuation in respect of expenditures incurred within the period	(595)	-	(8,495)	-	-	-	(788)	(9,878)
Updating the value of provisions related to the sale of real estate	-	-	(17,209)	(153)	(1)	-	-	(17,363)
Adjustment for linearisation of revenues from lease	(611)	-	(210)	-	-	(1,416)	-	(2,237)
TOTAL	(5,016)	-	(29,988)	(153)	(1)	(17,605)	(795)	(53,558)

- **Housing segment** – demand exceeds supply (a housing gap of approx. 2.4m flats), good prospects for growth until 2028, low interest rate policy has a positive impact on flat prices and creditworthiness, transfer of capital from term deposits to the real property sector as thesaurisation (safe haven).
- **Warehouses** – the warehousing market is the fastest growing segment of the commercial market having good prospects for the further growth of demand for state-of-the-art warehouses, sorting hubs and parcel machines, which stems from the development of the logistics sector and the diversification of supply chains.
- **PRS** – the sector is at an early stage of development in Poland, but it has prospects for rapid growth, considerable interest of Western funds, opportunities for recurring income.
- **Commerce** – distribution channels continue to switch from traditional to online trade.
- **Offices** – a sudden slump caused by COVID, a greater role of remote work, looking for rental savings.

Growth rate and attractiveness of segments



Key KPIs – Summary

1

Increasing the scale of operations from nearly 1,400 to 3,100 (in 2025) in the housing segment (**CAGR 18% y/y**), increasing the share **up to 5%** in the markets on which the company operates

2

Relocating capitals from commercial activities to housing business – the share of flats from 50% (2020) to 85% (2025).

The remaining portion, including PRS and commercial activities max. 15%

3

Boosting effectiveness – **increase in ROE from 7% to 15%**

4

Average annual budget for land acquisition and M&A **PLN 350m**. Developing land bank for more than **10,000 premises** in 2025, ensuring further profitable growth of the company for years to come.

5

Dividend potential of over PLN 650m for payment in the period from 2021 to 2025

6

Carrying out repeatable **PRS projects – 300-400 premises per year**, providing support through the development of an operating platform for rental management, if necessary.

7

Maintaining secure financing structure at a level corresponding to industry benchmarks (net debt/equity 0.30-0.49)

8

The **Malin** Project – first **profits** to be made in **2024-2025**

The strategy put forward assumes maximising the company's value and at the same time providing foundations for DEVELIA's further growth.

Grupa Develia – P&L

	31 December 2021	31 December 2020
Operating activity		
Sales revenue	911,934	517,114
Revenue from sales of services	88,896	86,972
Revenue from sales of goods and products	823,038	430,142
Cost of sales	(630,666)	(333,496)
Pre-tax profit/(loss) on sales	281,268	183,618
Gain/(loss) on disposal of non-financial fixed assets	-	-
Revaluation of non-financial fixed assets	(53,558)	(213,478)
Write-downs of Inventories	56,841	-
Selling and distribution cost	(19,307)	(14,275)
General administrative expenses	(46,540)	(28,996)
Other operating income	7,171	5,174
Other operating expenses	(6,066)	(4,465)
Operating profit/(loss)	219,809	(72,422)
Financial income	1,656	2,320
Financial expenses	(18,699)	(64,371)
Share in profits (losses) of entities disclosed using the equity method	(1,069)	-
Pre-tax profit/(loss)	201,697	(134,473)
Income tax (tax expense)	(47,751)	(4,327)
Net profit/(loss)	153,946	(138,800)
Other comprehensive income subject to reclassification to profit(loss) in subsequent reporting periods		
Cash flow hedges	652	11,399
Income tax relating to other components of comprehensive income	(201)	(2,166)
Other comprehensive income (net)	451	9,233
		-
Total comprehensive income	154,397	(129,567)

Develia Group – Balance sheet/assets

	30 September 2021	31 December 2020
Assets		
A. Non-current assets	525,450	1,053,680
1. Intangible assets	433	404
2. Property, plant and equipment	5,098	4,513
3. Non-current receivables	2,576	9,013
4. Land classified as fixed assets	55,122	-
5. Investment property	451,660	1,016,745
6. Non-current prepayments and accrued income	509	1,072
7. Deferred tax assets	10,052	21,933
B. Current assets	2,155,860	1,762,561
1. Inventory	1,569,632	1,245,976
2. Trade and other receivables	97,286	23,180
3. Income tax receivables	4,791	5,205
4. Derivatives assets	49	-
5. Short-term securities	27,053	22,013
6. Other financial assets	118,539	86,005
7. Cash and other cash assets	332,754	377,036
8. Current prepayments and accrued income	5,756	3,146
C. Non-current assets classified as held for sale	568,530	-
Total assets	3,249,840	2,816,241

Develia Group – Balance sheet/liabilities

	30 September 2021	31 December 2020
Equity and liabilities		
A. Equity	1,400,409	1,317,788
I. Equity attributable to shareholders of the parent	1,400,409	1,317,788
1. Share capital	447,558	447,558
2. Other capital	798,905	1,009,030
3. Net profit/(loss)	153,946	(138,800)
II. Minority interest	-	-
B. Non-current liabilities	574,475	661,756
1. Non-current liabilities on account of loans and bonds	497,850	599,217
2. Non-current lease liabilities	-	1,081
3. Non-current liabilities on account of acquisition of subsidiary	17,618	18,898
4. Provisions	6,217	7,938
5. Accrued and Deferred income	4,856	-
6. Deferred tax liability	47,934	34,622
C. Current liabilities	1,260,673	836,697
1. Current liabilities on account of loans and bonds	350,759	168,072
2. Current lease liabilities	736	430
3. Current liabilities arising from derivatives	75,150	50,954
4. Current trade and other payables	245,829	96,916
5. Income tax payables	4,092	50,168
6. Provisions	6,007	6,206
7. Accruals and deferred income	578,100	463,951
D. Liabilities arising from non-current assets classified as held	14,283	-
Total equity and liabilities	3,249,840	2,816,241

	31 December 2021	31 December 2020
Operating income		
Revenue from sale of services, products and goods	447,947	45,362
Revenue from interest and discount	6,102	4,365
Revenue from dividend	122,669	235,559
Other financial income	7,364	7
Other operating income	1,161	530
Total operating income	585,243	285,823
Operating expenses		
Operating expenses, cost of sold products and goods	(405,107)	(60,781)
Costs of interest and discounts	(8,347)	(9,457)
Other financial expenses	(1,921)	(106,285)
Other operating expenses	(2,514)	(103)
Total operating expenses	(417,889)	(176,626)
Pre-tax profit/(loss)	167,354	109,197
Income tax (tax expense)	(9,511)	31,060
Net profit/(loss) on continued operations	157,843	140,257
Discontinued operations		
Profit (loss) on discontinued operations in the financial year	-	-
Net profit/(loss)	157,843	140,257
Other comprehensive income		
Other components of comprehensive income	-	-
Income tax relating to other components of comprehensive income	-	-
Other comprehensive income (net)	-	-
Total comprehensive income	157,843	140,257

Develia S.A. – Balance sheet/assets

	31 December 2021	31 December 2020
Assets		
A. Non-current assets	988,321	942,134
1. Intangible assets	315	305
2. Property, plant and equipment	6,006	7,153
3. Non-current loans and receivables	95,839	93,125
4. Non-current investments	879,233	827,535
5. Non-current prepayments and accrued income	465	410
6. Deferred tax assets	6,463	13,606
B. Current assets	1,384,957	993,752
1. Inventory	1,116,530	790,063
2. Trade and other receivables	75,072	14,498
3. Income tax receivables	-	455
4. Current financial assets	27,053	20,013
5. Other financial assets	89,960	95,070
6. Cash and other cash assets	73,792	71,808
7. Current prepayments and accrued income	2,550	1,845
C. Non-current assets classified as held for sale	-	-
Total assets	2,373,278	1,935,886

Develia S.A. – Balance sheet/liabilities

	31 December 2021	31 December 2020
Equity and liabilities		
A. Equity	1,129,605	1,043,538
1. Share capital	447,558	447,558
2. Called-up share capital not paid	-	-
3. Supplementary capital	417,696	353,524
4. Other reserve funds	100,205	100,205
5. Other capital	6,303	1,994
6. Retained profit/(Loss carried forward)	157,843	140,257
B. Non-current liabilities,	603,175	432,945
1. Non-current financial liabilities	599,954	428,663
2. Non-current lease liabilities	2,776	3,837
3. Provisions	445	445
4. Deferred tax liability	-	-
C. Current liabilities	640,498	459,403
1. Current financial liabilities	151,359	148,207
2. Current lease liabilities	40,642	17,236
3. Current trade and other payables	177,342	17,444
4. Income tax payables	671	-
5. Provisions	107	-
6. Accruals and deferred income	270,377	276,516
Total equity and liabilities	2,373,278	1,935,886

Residential projects under construction

Name of Project	City	District	Segment	Planned Construction Completion Date	Number of Apartments and Commercial Premises	Area (sq m)
Mała Praga (stage V)	Warsaw	Praga Południe	Apartments, services	1Q'2022	48	2,947 (**)
Prestovia House	Warsaw	Praga Północ	Flats	4Q'2022	162	8,363
Aleje Praskie (stage I)	Warsaw	Praga Południe	Apartments, services	2Q'2023	143	8,695
Toruńska Vita	Warsaw	Targówek	Flats	3Q'2023	196	10,218 (*)
Między Parkami (stage II)	Wrocław	Klecina	Flats	1Q'2022	202	13,006
Kaskady Różanki	Wrocław	Różanka	Apartments, services	4Q'2022	132	8,174
Reja	Wrocław	Ołbin	Apartments, services	4Q'2022	61	2,967
Mist House	Wrocław	Krzyki	Flats	1Q'2023	46	2,973
Słoneczne Miasteczko (stage XI - XIV)	Cracow	Bieżanów-Prokocim	Flats	1Q'2022	102	5,749 (**)
				4Q'2022	108	5,790
				4Q'2022	108	5,832
				4Q'2023	136	7,445 (*)
Przy Mogińskiej (stage II-III)	Cracow	Prądnik Czerwony	Flats	4Q'2023	137	6,505
				4Q'2023	136	6,184
Centralna Park (stage VI-VIII)	Cracow	Czyżyny	Apartments, services	4Q'2022	270	14,421
				4Q'2022	224	12,511
				4Q'2023	139	7,628 (*)
Grzegorzeczka 77 (stage V)	Cracow	Grzegórzki	Apartments, services	3Q'2022	94	5,505
Via Flora (stage I)	Gdańsk	Chelm	Flats	3Q'2023	68	4,114 (*)
Osiedle Latarników (stage II)	Gdańsk	Letnica	Apartments, services	4Q'2022	218	12,101
Balteia	Gdańsk	Przymorze	Apartments, services	4Q'2022	239	15,217
Szmaragdowy Park (stage I)	Gdańsk	Orunia Góma - Gdańsk Południe	Flats	4Q'2022	175	8,780
Przy Alejach (stage III)	Gdańsk	Zaspa	Flats	4Q'2022	48	2,912
Marinus	Gdańsk	Brzeźno	Apartments, services	2Q'2023	83	5,124
Ceglana Park (stage II-III)	Katowice	Brynów	Apartments, services	3Q'2022	178	10,395
				4Q'2022	196	11,477
Total (12/31/2021)					3,649	205,033

Premises added to the offer after the balance-sheet date

Aleje Praskie (stage II)	Warsaw	Praga Południe	Apartments, services	182	10,738
Krakowska Vita	Warsaw	Włochy	Apartments, services	322	16,717
Grzegorzeczka 77 (stage VI)	Cracow	Grzegórzki	Apartments, services	126	7,841
Osiedle Latarników (stage III)	Gdańsk	Letnica	Apartments, services	159	9,120
Via Flora (stage II)	Gdańsk	Chelm	Flats	88	4,701
Ceglana Park (stage IV)	Katowice	Brynów	Flats	170	9,572
Total (02/28/2022)				4,696	263,722

As at 31 December 2021, the Group had sold 2,145 premises which were under construction at that time.

(*) Toruńska Vita (196 units), Słoneczne Miasteczko XIV (136 units), Centralna Park VIII (139 units) and Via Flora I (68 units) added to the offer and commenced preparatory works in Q4 2021, commencement of construction works in Q1 2022

(**) Mała Praga V (48 units) and Słoneczne Miasteczko XI (102 units), construction works were finished after the balance-sheet date.

Management Board

Andrzej Oślizło, President



Andrzej Oślizło graduated from the Academy of Economics in Katowice (where he studied Economics) and the Silesian University of Technology in Gliwice (where he studied Information Technology). He completed the MBA programme at the European University in Montreux, Switzerland. For more than twenty years he has been in charge of business undertakings. His area of specialisation includes enterprise management, investments, mergers and take-overs, and specifically foreign expansion. Throughout his career, he has successfully served as president and member of management boards at companies operating in the following industries: ICT, transport, forwarding & logistics, finance and banking (Schenker, LOT, Aviva, Expander Advisors, Burietta - the Inelo Group, and many others). His professional experience also includes working with Private Equity funds.

Paweł Ruszczak, Vice President



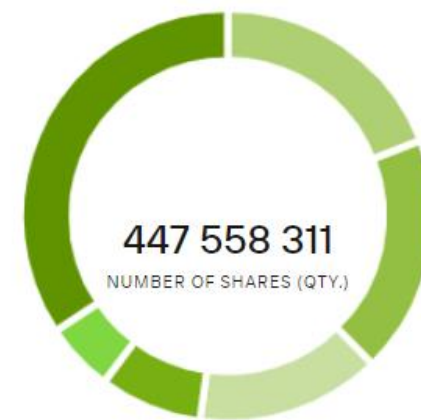
Paweł Ruszczak graduated from the Warsaw School of Economics (SGH). He specialises in corporate financial management. He has been involved in the development business for more than 15 years, serving, among other things, as Finance Director at Orco Poland, Polish company Orco Property Group and as Finance Director and Management Board Member at Archicom.



Mariusz Poławski, Vice President

Mariusz Poławski graduated from the University of Warsaw (the Faculty of Management). He also completed courses in project economics, management, psychology of leadership and corporate governance. He has almost 20-years' experience of working in managerial positions. From 2003, he was engaged in the Marvipol Group, acting in the capacity of Managing Director, Operations Director, Member and Vice President of the Management Board. Throughout the past seven years, he has been responsible mainly for the housing and warehousing sector, including the implementation and commercialisation of development projects.

Scheme of shares



NAME	NUMBER OF SHARES	
	%	pcs.
Otwarty Fundusz Emerytalny PZU „Złota Jesień”	19,06%	85,289,000
Nationale-Nederlanden Otworthy Fundusz Emerytalny	18,65%	83,470,921
Aviva OFE AVIVA Santander	14,44%	64,644,083
MetLife Otworthy Fundusz Emerytalny	8,04%	36,000,000
PKO BP BANKOWY Otworthy Fundusz Emerytalny	5,42%	24,242,509
Other shareholders	34,39%	153,911,798
Total shares:	100,00%	447,558,311



Shareholders having more than 5 % of the Company’s shares.

As at 5 Jan 2022 (to the best of the Issuer’s knowledge)

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