

MLP GROUP

Q1 2022 Results



May 2022



AGENDA AND TEAM

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Radosław T. Krochta
Chief Executive Officer



Monika Dobosz
Chief Financial Officer



Agnieszka Gózdź
Chief Development Officer

MLP GROUP AT A GLANCE

Leading Integrated European Logistics Property Platform



PREMIUM CLASS-A ASSET BASE

1

MLP Group is powerful vertically-integrated business model with full range of in-house capabilities, from property development to management.

2

Offers class-A warehouses, with strong commitment to sustainability, will be BREEAM certified as Excellent or Very Good, or as DGNB Gold or Platinum (in Germany and Austria).

3

Very experienced team – each senior team member with +15 years of industrial experience. Extensive development expertise across warehouse space, logistics centers and business parks.

MLP PRUSZKÓW I (168 280 SQM) - POLAND



MLP PRUSZKÓW II (359 048 SQM) - POLAND



MLP GROUP STRATEGY OF OWN DEVELOPMENTS

Vertical integration



Location Search

MLPG provides an overview of potential locations that match the size and use requirements of the client – **always in the core markets in Europe.**

Design & Permit

MLPG applies and obtains all required permits - environmental and building permit on speculative basis in all locations across Europe, immediately.

MLPG's design and engineering team works closely with the tenants to agree detailed building specifications. A floorplan is agreed, and construction schedules are put in place.

Construction

Each time before the commencement of the project, a general contractor is selected through a tender.

Fit-out

After construction of the building shell is finished, MLPG assists with tenants to install specialized manufacturing machinery, technology and other details such as employee break out rooms, IT network and furnishings.

Own property management

After move-in, MLPG park and facility managers keep in close contact with the tenants to ensure all systems operate efficiently and they are comfortable in their new premises.

MLPG agrees with its tenants on a yearly service contract, freeing the client to concentrate on his core business, to ensure safety and maintenance norms, outdoor cleaning, snow blowing, grounds-keeping and general building maintenance.

MLPG Energy

MLPG is energy wholesaler providing energy and gas to its tenants benefiting from economy of scale and professional energy management.

This is also energy producer from PV Panels.

OUR PORTFOLIO

Two property types



BIG BOX (i.e. large-scale) warehouses, primarily addressing e-commerce growth and increased demand from light industry customers, driven by such factors as relocation of production from Asia to Europe.

City Logistics/MLP Business Parks are operating as MLP Business Parks and offering small warehouse units (ranging from 700 to 2.5 ths sqm). MLP Business Parks are urban logistics projects with a high potential for growth, which address the retail evolution (e-commerce) and are located within or close to city boundaries with easy access to labour and public transportation.

BIG BOX



CITY LOGISTICS/BUSINESS PARK



OUR PORTFOLIO

Premium CLASS-A Asset Base

Clear height of warehouse space: 10 m or 11.5 m



OUR PORTFOLIO

Premium CLASS-A Asset Base

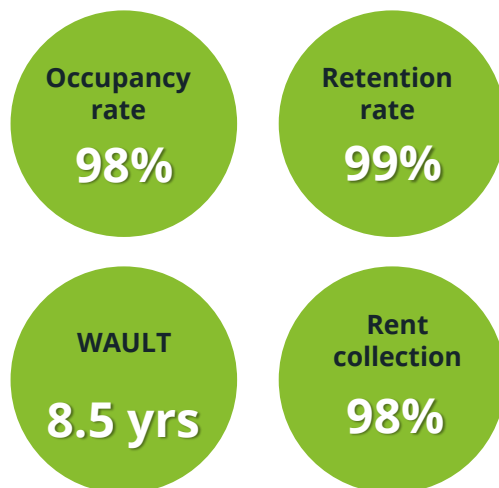


OUR CLIENTS

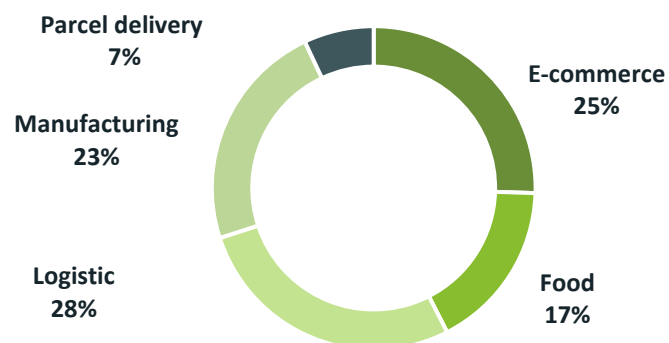
Partnership that deliver robust & growing income streams



STRONG OPERATING METRICS



OUR TENANTS BY SECTOR



TOP TEN CLIENTS BY GLA

| TENANT | GLA THS SQM |
|-----------------------|-------------|
| L-ShopTeam (DE) | 56 500 |
| Electrolux (PL) | 41 250 |
| SPAR (PL) | 37 605 |
| Auto Partner (PL) | 27 692 |
| Bega Gruppe (PL) | 26 250 |
| InPost (PL) | 25 960 |
| Żabka (PL) | 24 945 |
| Uniq Logistic (PL) | 23 654 |
| Stokrotka (PL) | 23 522 |
| Lear Corporation (PL) | 19 674 |

- Top 10 clients provide 30% of annual rental income
- 56% of new leases in 2021 with existing clients

DEMAND FOR LOGISTIC SPACE

High demand in Europe for Logistic space – uncertainty in supply chains and ecommerce among the main drivers behind the demand increase in Q1 2022

- Poland -> take up 1.4 mn sqm
- Germany -> take up 2.4 mn sqm
- Austria -> take up 170k sqm
- Romania -> take up 200k sqm
- New markets
 - Hungary -> take up 100k sqm
 - Netherlands -> take up 750k sqm

VALUATION

- ERV's increase due to high demand for logistic space
- Continuous massive demand for industrial assets drives down the yields (even with potential interest rate increase by FED, ECB)

CONSTRUCTION COST

Construction costs – average increase 10-15%

RENTS

- Increase in new rentals (newly signed contracts) across the MLPG markets at app 15-20%
- RENTS - existing lease contracts +2,6% (HICP for YE2021)

LIMITED EXPOSURE TO FX DUE TO NATURAL HEDGE

- All rents are either in EUR or denominated to EUR
- All contracts with general contractors are in EUR
- All financing debts are in EUR
- Maintenance costs being incurred in local currencies (costs referring to the properties) are fully recovered thanks to open-book service charges

INFLATION DRIVES UP THE REPLACEMENT COSTS OF BUILDINGS

EXECUTIVE SUMMARY

MLP Group Q1 2022 vs. Q1 2021



LEASED AREA

+15%

NET PROFIT

+84%

NAV

+3%

RENTAL
REVENUES

+30%

VACANCY RATE

-2 p.p.

UNDER
CONSTRUCTION

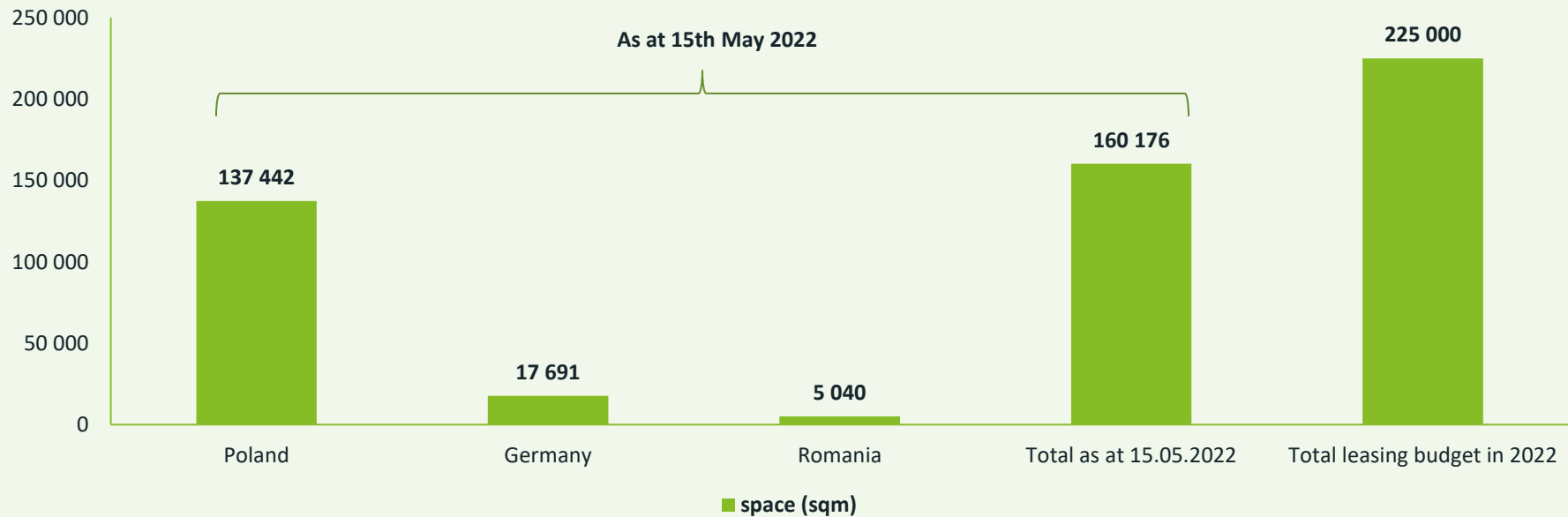
+237%

LEASING RESULTS

New agreements in 2022



CURRENT STATUS AND PLANNED YEAR-END LEASING BUDGET



STRONG EXPANSION and new markets



Space
potential
**1.6 mn
sqm**

Space
completed
**0.8 mn
sqm**

Under
construction
**0.2 mn
sqm**

Reserved
plots
224 ha

New plots
acquisition
59.3 ha

Benelux

Poland

New plots acquired in 2021:

- Vienna
- Schalke (Gelsenkirchen)
- Zgorzelec
- Wrocław
- Idstein (Frankfurt)
- Pruszków
- Poznań
- Łódź

Germany

Austria

Hungary

Romania

Bucharest

STRONG EXPANSION and new plots reservation

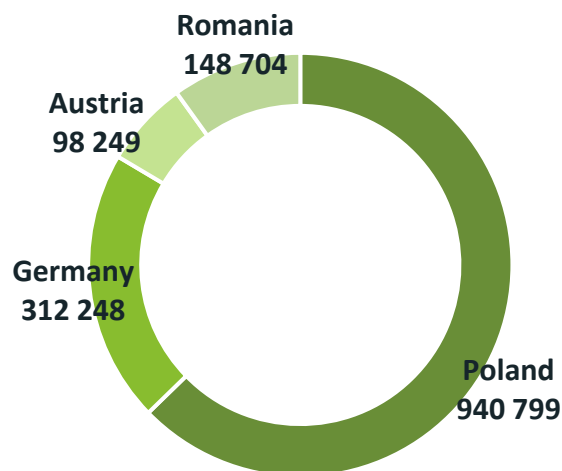


ACCELERATED LANDBANK ACQUISITIONS

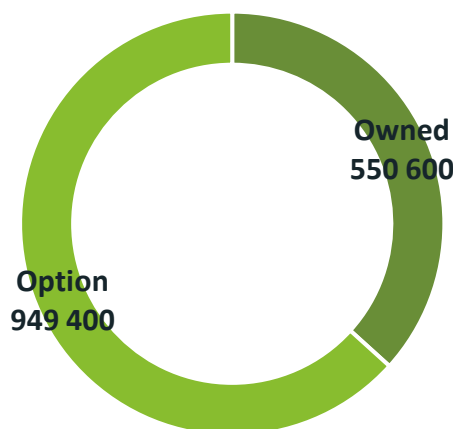
Replenishing & growing development capacity



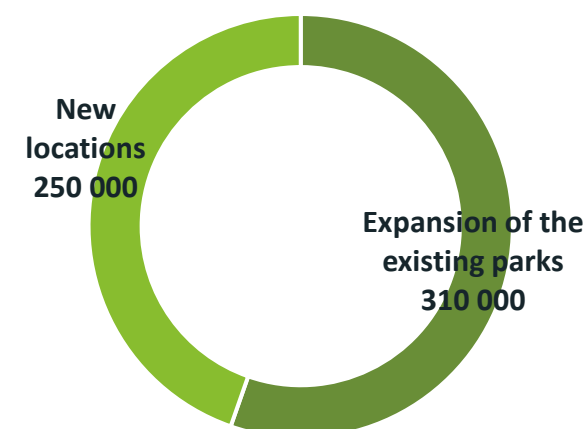
LAND BANK BY COUNTRY



LANDBANK IN SQM



ACQUIRED LAND BANK LOCATION



PROJECTS UNDER CONSTRUCTION

Poland & Germany



MLP POZNAŃ WEST II
E – 51 000 sqm



MLP POZNAŃ WEST II
A1.2 – 5 130 sqm



MLP BUSINESS PARK POZNAŃ
7 000 sqm



MLP CZELADŹ
B – 19 100 sqm



MLP ŁÓDŹ
B – 27 000 sqm



MLP PRUSZKÓW II
C3, C4 – 30 700 sqm



MLP LOGISTIC PARK UNNA
(UNNA) - 56 900 sqm



MLP BUSINESS PARK BERLIN I
5 900 sqm

PROJECTS PLANNED IN 2022

Poland & Germany & Austria & Romania



MLP POZNAŃ
B – 20 790 sqm



MLP WROCŁAW
B2.1, B2, C1.1 – 19 170 sqm



MLP BUSINESS PARK
NIEDERRHEIN
30 000 sqm



MLP BUCHAREST WEST
20 000 sqm



MLP GORZÓW
B – 21 100 sqm



MLP PRUSZKÓW II
D – 30 000 sqm



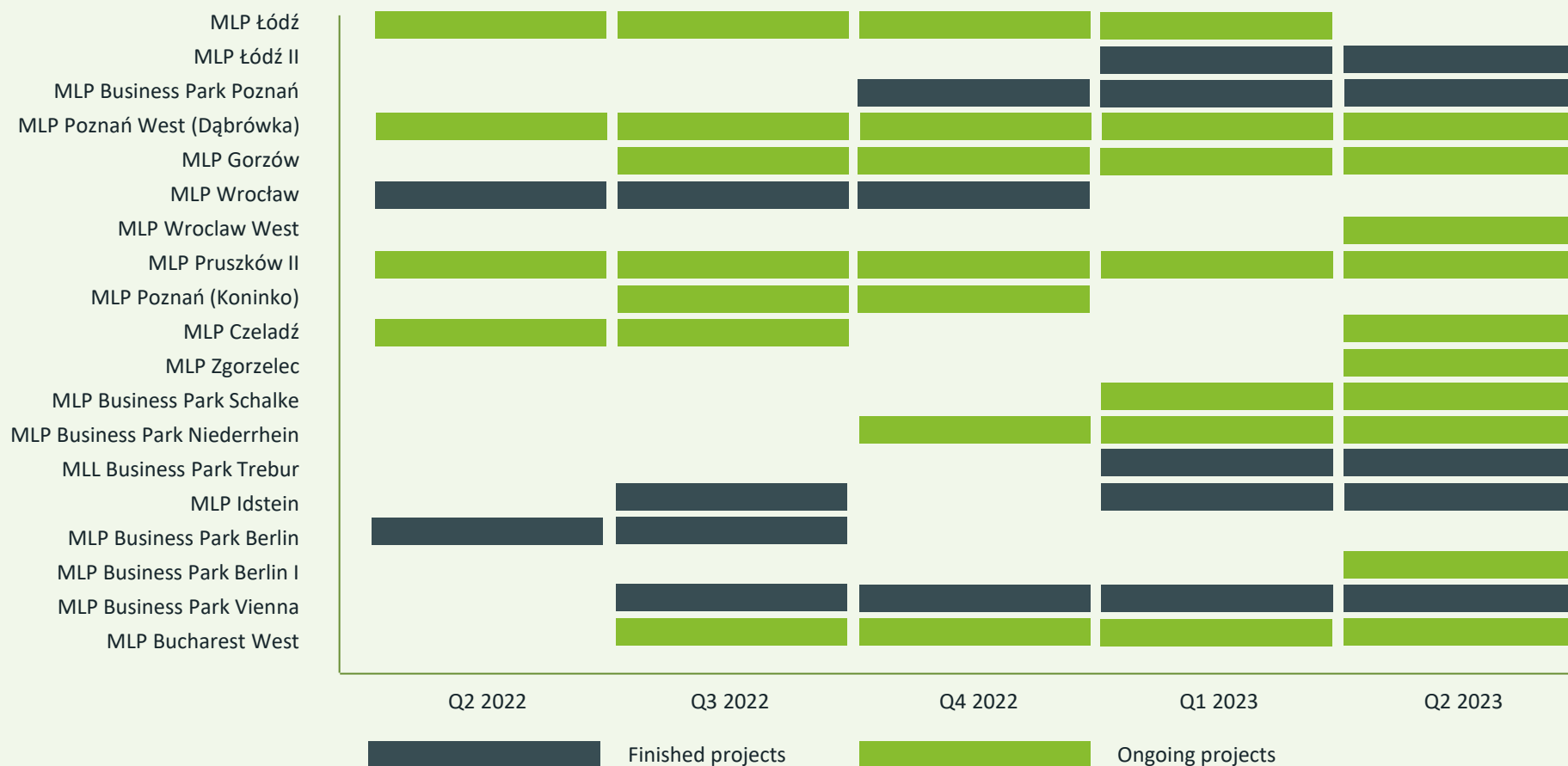
MLP BUSINESS PARK VIENNA

KEY POINTS FOR 2022

Phasing projects in Poland, Germany, Romania & Austria



Start of the Projects



FINANCIAL DATA

Key points in Q1 2022 - Financial position



| | 1Q 2022 (IN PLN MN) | 1Q 2021 (IN PLN MN) | CHANGE | | 1Q 2022 (IN PLN MN) | 1Q 2021 (IN PLN MN) | CHANGE (p.p.) | | 1Q 2022 (IN PLN MN) | YE 2021 (IN PLN MN) | CHANGE |
|--|---------------------------|---------------------------|--------|--|---------------------------|---------------------------|------------------|---|---------------------------|---------------------------|--------|
| REVENUES | 62.6 | 49.9 | 25% | GROSS MARGIN ¹⁾ | 64.8 | 61.3 | 3 p.p. | INVESTMENT PROPERTY | 3 574.6 | 3 394.5 | 5% |
| OPERATING PROFIT | 58.4 | 36.7 | 59% | OPERATING MARGIN BEFORE REVALUATIONS ²⁾ | 48.1 | 46.3 | 2 p.p. | Cash and cash equivalents | 197.9 | 177.2 | 12% |
| PROFIT BEFORE TAX | 37.5 | 21.5 | 74% | OPERATING MARGIN ³⁾ | 93.3 | 73.4 | 20 p.p. | Other assets * | 227.6 | 193.2 | 18% |
| NET PROFIT | 29.7 | 16.1 | 84% | ROE ⁴⁾ | 1.9 | 1.4 | 0.5 p.p. | TOTAL ASSETS | 4 000.1 | 3 764.9 | 6% |
| EPRA EARNINGS | 16.1 | 12.0 | 35% | EBITDA BEFORE REVALUATION GROWTH ⁵⁾ | 30.1 | 13.7 | 16 p.p. | NAV | 1 878.9 | 1 824.5 | 3% |
| EBITDA ¹⁾ | 58.5 | 36.8 | 59% | EBITDA GROWTH ⁶⁾ | 59.4 | -80.9 | 140 p.p. | Financial liabilities - bank loans and IRS | 1 164.5 | 1 036.1 | 12% |
| EBITDA BEFORE REVALUATION ²⁾ | 30.2 | 23.3 | 30% | | | | | Financial liabilities - bonds | 444.6 | 348.5 | 28% |
| | | | | | | | | Other financial liabilities | 42.8 | 42.9 | 0% |
| | | | | | | | | Other liabilities | 469.3 | 512.9 | -9% |
| | | | | | | | | TOTAL EQUITY AND LIABILITIES | 4 000.1 | 3 764.9 | 6% |

¹⁾ EBITDA = EBIT - Depreciation

²⁾ EBITDA before revaluation = EBIT - Depreciation - Revaluation

¹⁾ Gross Margin = (Revenues - Cost of sales) / Revenues

²⁾ Operating Margin before revaluations = (Operating profit - Revaluation) / Revenues

³⁾ Operating Margin = Operating profit / Revenues

⁴⁾ ROE = Net income / Average Shareholder's Equity

⁵⁾ EBITDA before revaluation growth = $[\Delta_{y-y} (\text{Operating profit} - \text{Revaluation})] / (\text{Operating profit}_{y-y} - \text{Revaluation}_{y-y})$

⁶⁾ EBITDA growth = $[\Delta_{y-y} \text{Operating profit}] / \text{Operating profit}_{y-y}$

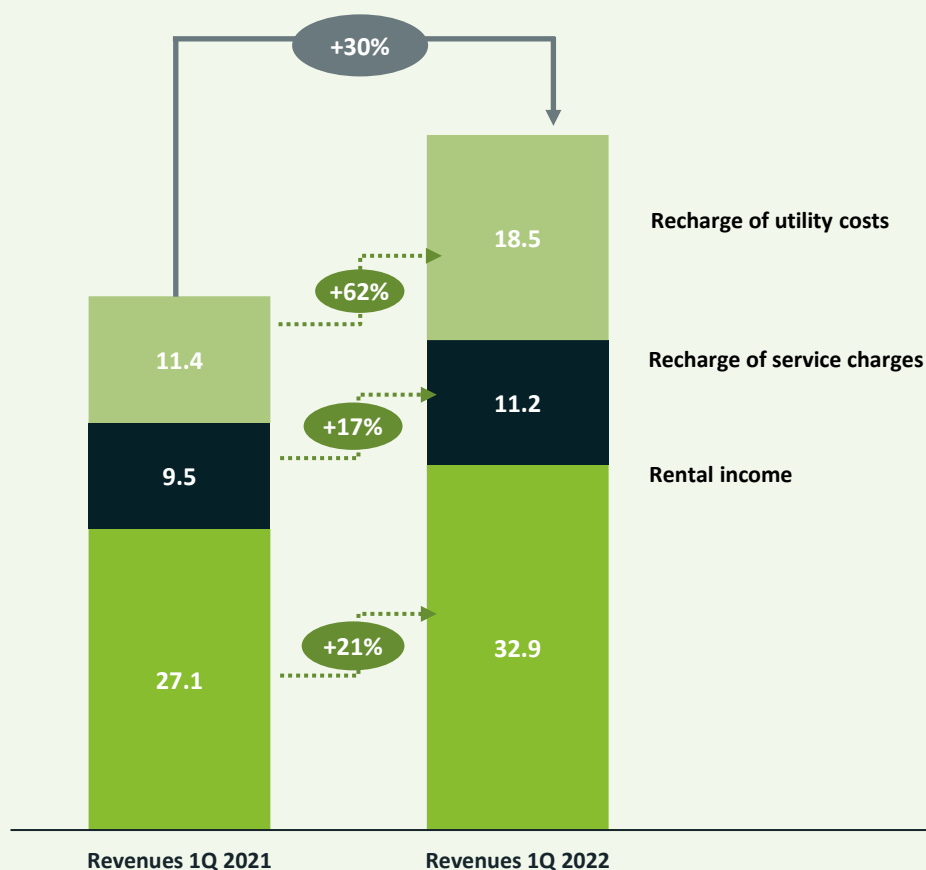
* Net presentation of granted and received intercompany loans.

FINANCIAL DATA

Key points in Q1 2022 - Financial position



REVENUES IN PLN MN



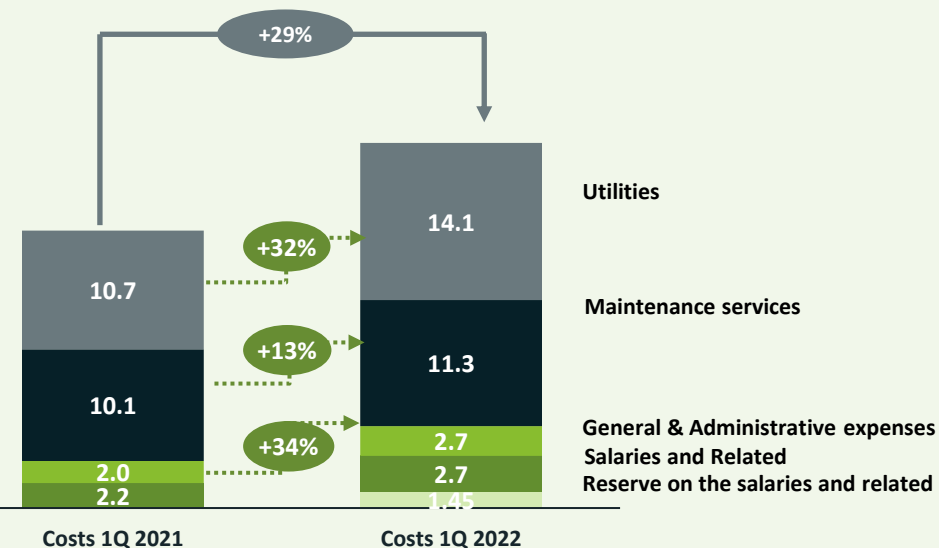
COSTS IN PLN MN

Developed space
as at 31.03.2021:

715 812 sqm

Developed space
as at 31.03.2022:

791 624 sqm



*The chart above does not include Revenues and Costs related to Development Agreement

FINANCIAL DATA

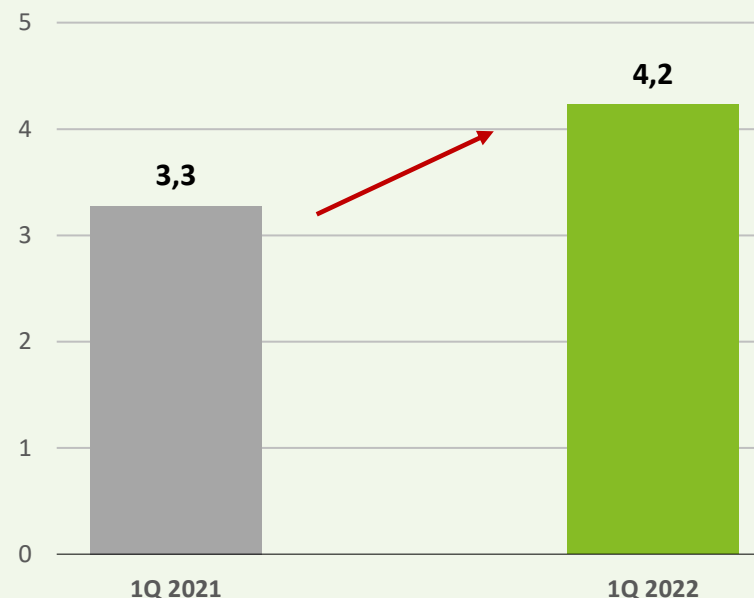
Key points in Q1 2022 - Financial position



As at 31 March 2022:

| | |
|--|-------|
| ➤ LTV ¹⁾ | 37.4% |
| ➤ ICR ²⁾ | 3.9x |
| ➤ NAV in PLN mn | 1 879 |
| ➤ Financial debts in EUR mn (all-in) | 340 |
| among which: | |
| – Bank loans (secured on MLP's assets) in EUR mn | 245 |
| – Bonds (unsecured on MLP's assets) in EUR mn | 95 |
| ➤ Weighted Average Interest Rate on financial liabilities (all-in) | 2.1% |
| among which: | |
| – Weighted average interest rate on bank facilities | 2.0% |
| – Weighted average interest rate on bonds | 2.3% |
| ➤ Weighted Average Unexpired Financial Debt Term (in years) | 4.8 |

FFO (in EUR mn)



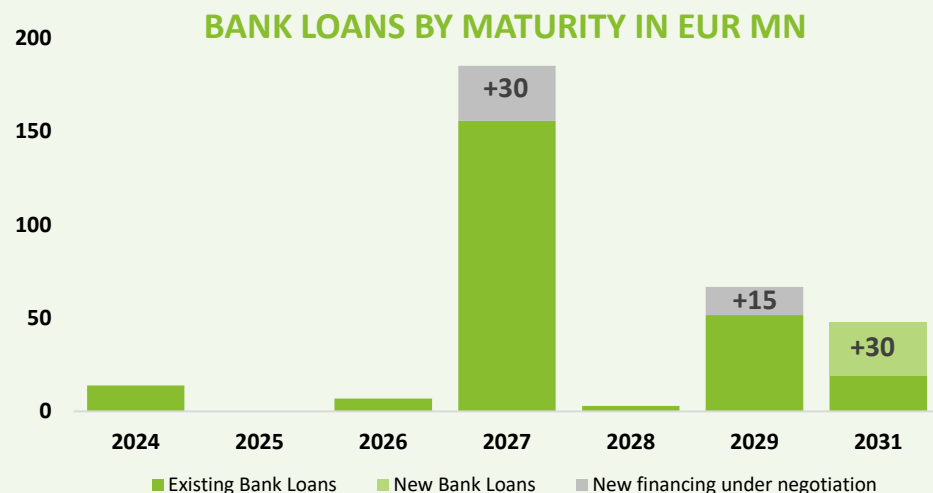
FFO does not include revenues and costs related to Development Agreements.

1) LTV % = (financial debt - cash & equivalents)/investment property

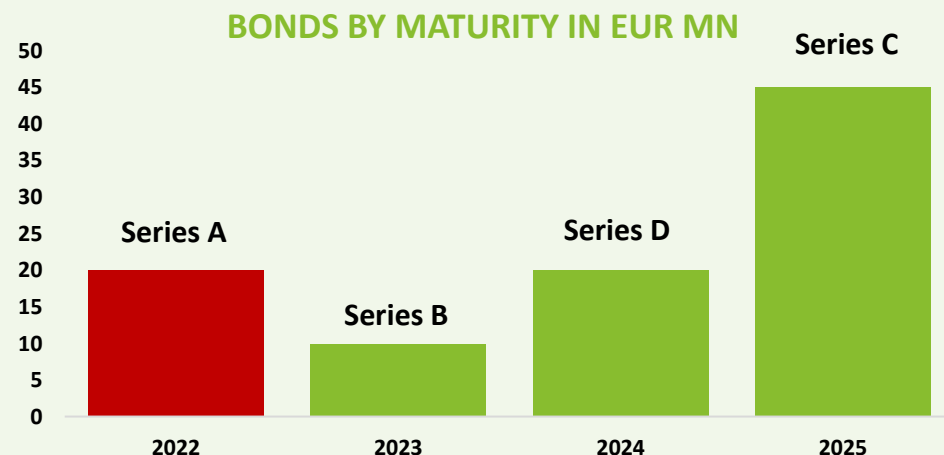
2) ICR excludes one - off financial expenses related to closing of the IRS transaction in connection to new portfolio agreements. If ICR includes one off transaction the value amounts to 3.0x

FINANCIAL DATA

Loans and bonds



- MLPG is a reliable financing partner, with a solid financial position.
- By the end of April MLPG has signed new bank loan facilities with German and Polish banks, having secured financing for the total amount of EUR 30mn.
- Currently MLPG is closing new bank loan agreements for another EUR 45 mn.



- On 11th of May 2022 MLP Group redeemed bonds of serie A in the total amount of EUR 20 mn at their maturity date.
- MLPG is considering Schuldschein's issuing in Q3, final decision may depend on market conditions.
- SPO of 2.6 mn shares is being planned in Q3/Q4 – depending on the market conditions.

GREEN INDUSTRIAL DEVELOPER

Sustainability and innovation

- Implementing a strategic project to build solar PV farms on the roofs of its existing and new logistics parks.
- Generate ~ 9 to GWh of green energy in 2024
- The green energy will be used primarily for internal consumption.
- 80% of the project portfolio to be BREEAM certified as Excellent or Very Good, or as DGNB Gold or Platinum (in Germany and Austria).
- Net zero carbon footprint to be achieved within two to three years.



GREEN INDUSTRIAL DEVELOPER

PV Power Plants Programme



POLAND:

2022

- Until end of 2022 installation of approximately **6,3 MWp** of total power in **11 MLP Parks**, **100k sq m** of roofs.
- **Expected income of approx. 910 k EUR**

2023

- Installation of **8 MWp** of total power in existing and new parks at **150k sq m** of roofs
- **Expected income of approx. 1,700k EUR**

2024

- Expected installation in new parks in Poland – **3MWp**
- **Expected income of approx. 430k EUR**
- **Expected income of approx. 2,605k EUR yearly**

GERMANY & AUSTRIA:

- MLP Business Park Berlin **750 kWp**
- **Expected income 60k EUR**
- MLP Unna **530 kWp**
- MLP Business Park Wien **700 kWp**
- **Expected income of approx. 92 k EUR**

- Expected installation in new parks in Germany – **2MWp**
- Expected income – **130k EUR**
- **Expected income of approx. 2,605k EUR yearly**



GREEN INDUSTRIAL DEVELOPER

PV Power Plants Programme in Poland



WE ALREADY BUILT PV INSTALLATIONS:

- **MLP Poznań West II build. A**
PV power ~ 500 kWp
- **MLP Pruszków II build. C4**
PV power 50 kWp
- **MLP Gliwice build. A**
PV power ~ 50 kWp
- **MLP Czeladź**
PV power ~ 50 kWp
- **MLP Łódź build. A –**
PV power ~ 50 kWp
- **MLP Teresin build. C**
PV power ~ 50 kWp

Till today, we have built installations in Poland with a total capacity of **750 kWp**.

WE ARE BUILDING NOW:

- **MLP Poznań build. A**
PV power ~ 50 kWp
- **MLP Wrocław West build. A**
PV power ~ 50 kWp
- **MLP Lublin build. C**
PV power ~ 50 kWp
- **MLP Wrocław, build. C**
PV power ~ 50 kWp

In the end of May 2022 we will have PV power **~950 kWp**

IN NEXT STEP WE WILL DEVELOP:

- **MLP Pruszków I build. D1-D2**
PV power ~ 950 kWp
- **MLP Pruszków II build. C4**
PV power ~ 950 kWp
- **MLP Gliwice build. A**
PV power ~ 640 kWp
- **MLP Czeladź**
PV power ~ 200 kWp
- **MLP Łódź build. A**
PV power ~ 950 kWp
- **MLP Wrocław build. C**
PV power ~ 500 kWp
- **MLP Poznań build. A**
PV power ~ 600 kWp,
- **MLP Lublin build. C**
PV power ~ 950 kWp
- **MLP Teresin build. C**
PV power ~ 150 kWp,
- **MLP Poznań West II build. E**
PV power ~ 1000 kWp,

Reaching approx. **7.84 MWp**
total power of PV in logistic parks in Poland

GREEN INDUSTRIAL DEVELOPER

PV Power Plants Programme in Germany



WE ALREADY BUILT PV INSTALLATIONS:

- **MLP Business Park Berlin**
PV power ~ 500 kWp

In this year we will develop next:

- **MLP Business Park Berlin**
PV power ~ 250 kWp
- **MLP Unna**
PV power ~ 530 kWp

Total power of PV in MLP logistic parks in Poland and Germany will be **~1,28 MWp**





Thank you!

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