



**MLP**  
GROUP

# STRATEGIC GOALS

## MLP GROUP S.A.

### 2021-2024

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The strategic goals presentation assumes FX rate in the range of 1EUR = PLN 4.50 – PLN 4.60

The information and opinions contained in this presentation are prepared as for the date of this presentation and are subject to changes, which will not be communicated by the Company.

Dividend distribution is not taken into account in this assumption. Any dividend distribution will require an increase in the issue amounts or a reduction in investments.

Consequences of the contemplated changes in the Polish tax law by the Polish government under the title "Polish New Deal" (Polish: *Polski Nowy Ład*) are not taken into account since these changes are, at the moment, still subject to further discussions and changes and as such are difficult to predict.

MLP also assumes that Poland will remain in the European Union, that no economic sanctions will be imposed on Poland and Poland will remain part of the Schengen Area.





### THE KEY BASIC STRATEGIC GOALS OF MLP ARE:

- 1) double NAV value from 2021 by year 2024 and consequently exceed **EUR 800 million** at the end of 2024.
- 2) triple the amount of EBITDA excluding revaluation, reaching app **EUR 67 million** in 2024.
- 3) organic growth approx. **35%** yearly

To meet those strategic goals MLPG will need to invest yearly CAPEX of app EUR 150 million – EUR 250 million into land acquisitions and new buildings constructions .

The CAPEX will be financed by banking loans, corporate debt, and issue of app 2,600,000 new shares (planned to be issued in 2022).

**MLPG will keep LTV below 50%.**

MLPG will continue its current “build and hold” strategy while keeping LTV below 50%.



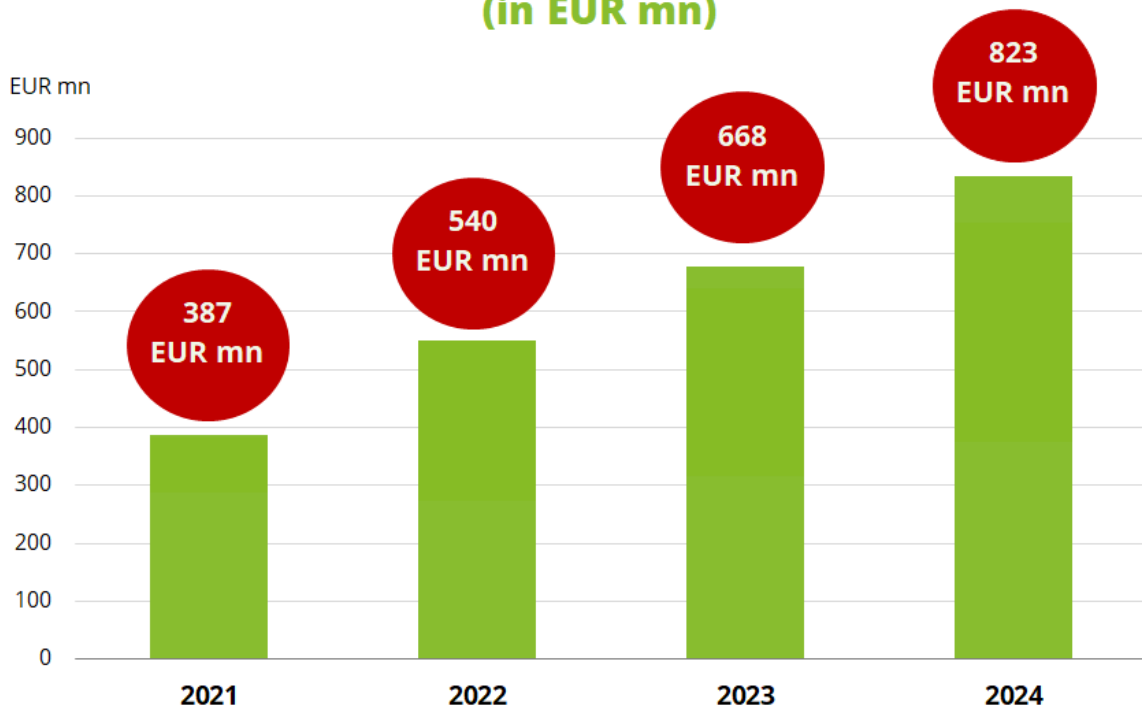
## SUPPLEMENTARY GOALS:

- 1) Building economic scale in the existing strategic markets - Poland, Germany, Austria, and Romania through developing of urban logistic and big-box projects
- 2) Analysing and investing in new potential markets addressing the tenants' needs and ecommerce development
- 3) Maintaining stable occupancy rate averaging ~ 95% of total existing portfolio with speculative development component of up to 20ksqm per project.
- 4) Increasing annual leasing take-up from 125k sqm to 250k sqm annually
- 5) Securing new plots for future development in existing and new markets.
- 6) Continuing the development of big-box projects primary addressing ecommerce development and light industry requirements following the increase demands as from moving manufacturing from Asia to Europe.
- 7) Focusing on urban logistic as a high growth potential product – addressing the retail evolution (e-commerce) with: smaller units, less than 5000 sqm, located within or close to city boundaries with easy access to labour and public transportation
  - diverse range of uses: last mile delivery, light assembling lines, data centres, distribution points for retailers (online and traditional), parcel delivery companies, small business units and wholesalers
  - expectation for an increase demand because of growth of digital economy
  - lower price competition and better yields
  - smaller units are better accepted by municipalities in comparison to Big-Box as it is served with less heavy trucks and provide more employments opportunities for white and blue collar personnel.
  - **speculative construction is a must**
- 8) rental growth from existing lease renewals
- 9) creating value through re-development of brown plots (e.g. UNNA, Schwaltmal, Gelsenkirchen, Idstein, Poznań)
- 10) disposal of BTS projects, a source of additional equity
- 11) developing of class-A asset quality, with strong commitment to sustainability: 80% to be certified BREEAM Excellent or Very Good / DGNB Gold or Platinum (DE and AT) and Zero CO2 emission in 2 – 3 years

## FINANCIAL GOALS FOR YEARS: 2021 - 2024



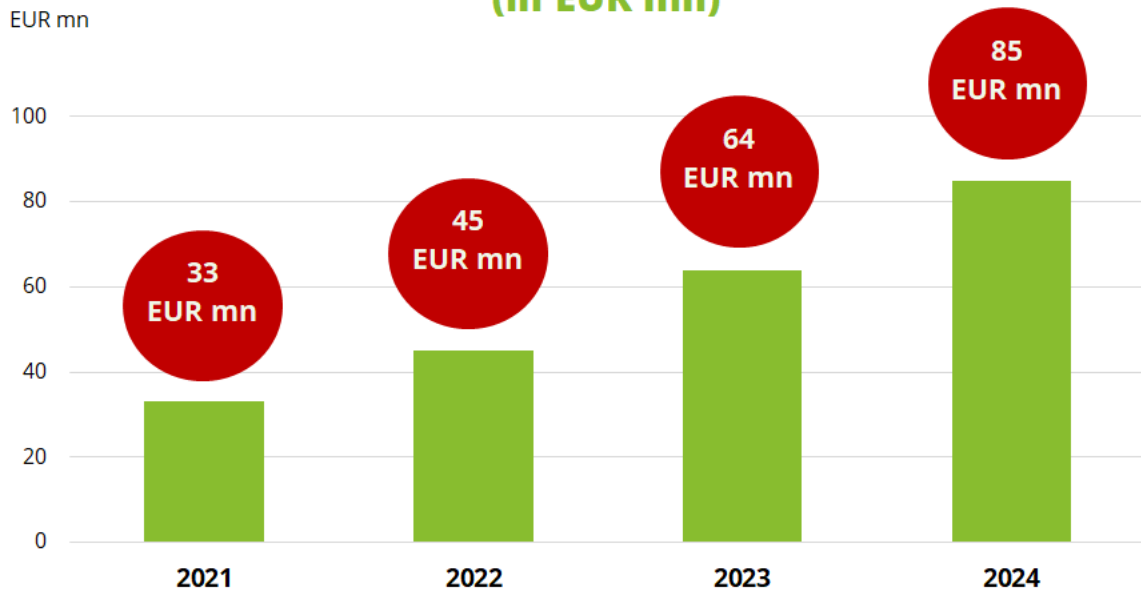
## MLPG NAV (in EUR mn)



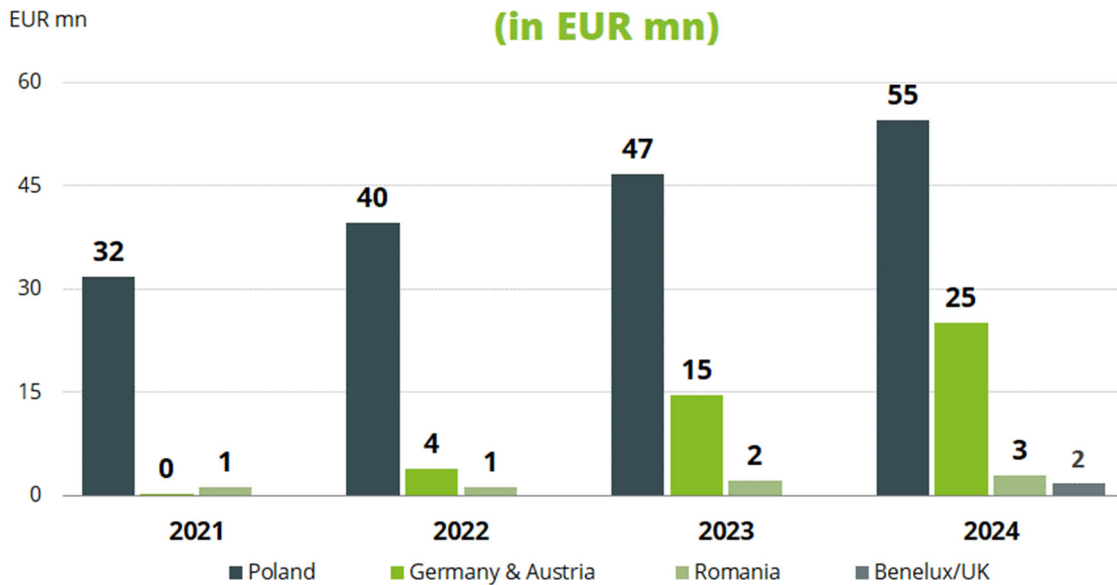
- Significant growth in 2022 Germany/Austria NAV results from development of projects secured in 2019/2020



## MLPG TOTAL RENTAL INCOMES (in EUR mn)

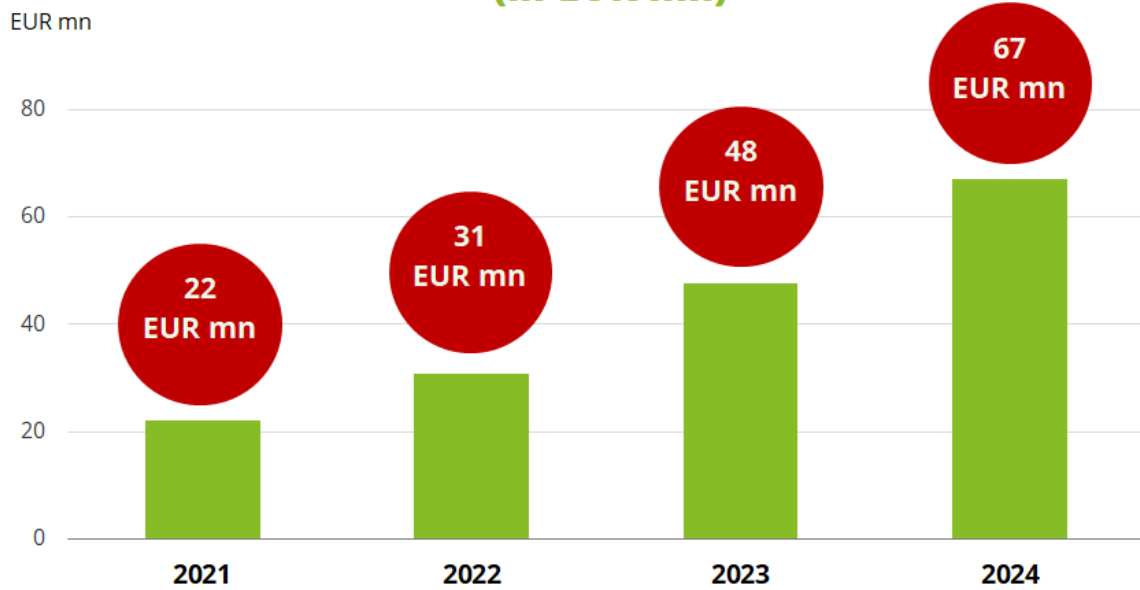


## MLPG RENTAL INCOMES (in EUR mn)

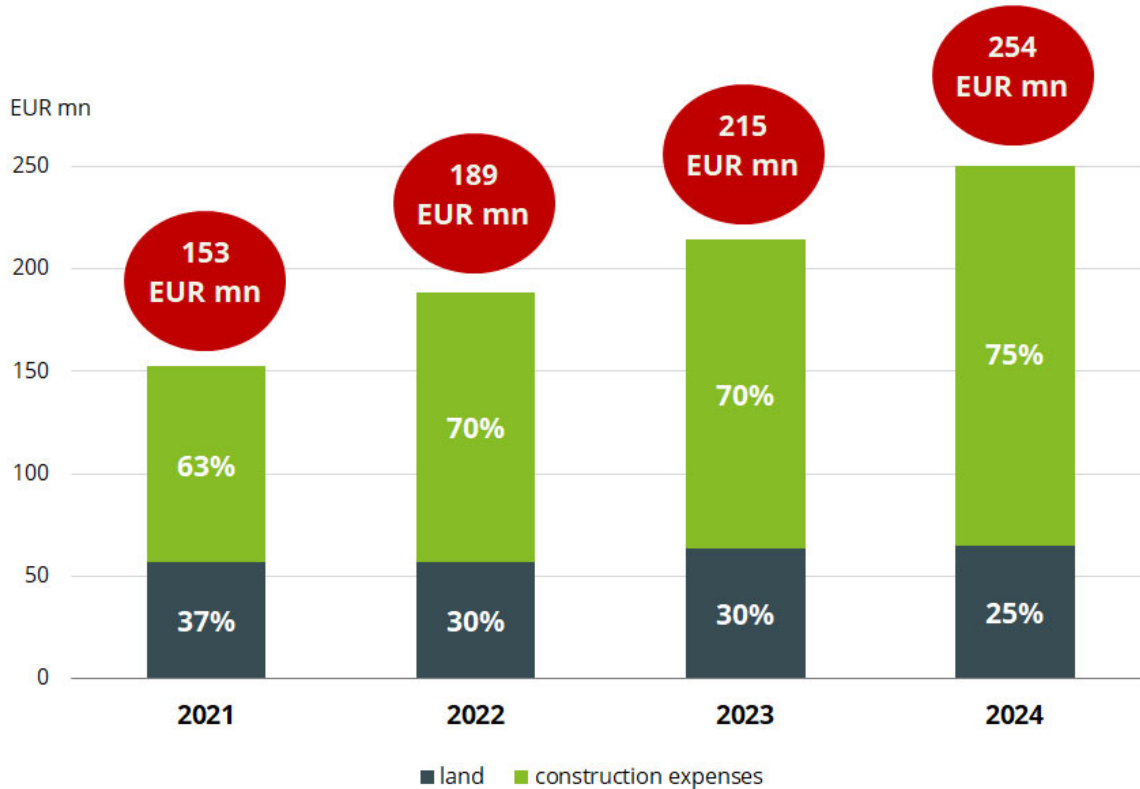


- Growth in rental income results from new rentals, increase of rent in renewals of current lease agreements and maintaining 99% retention rate.

## MLPG EBITDA WITHOUT REVALUATION (in EUR mn)

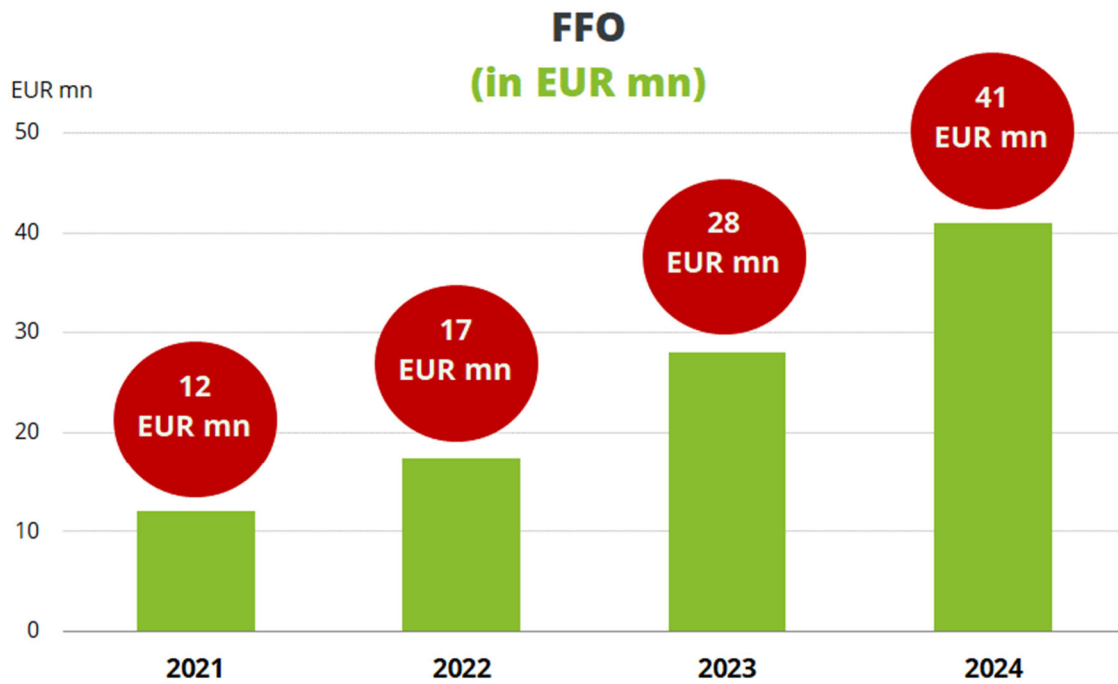


## CAPEX (in %)



- Increase in unit construction costs is reflected in rentals growth.





- FFO growth is related to growth in the portfolio and continuous decrease in financial costs due to portfolio refinancing.



## THE KEY BASIC GOALS OF MLP PV PLANTS

### 2022

#### Poland:

- Until end of 2022 installation of approximately **6,3 MWp** of total power in **11 MLP Parks** (14 thousand units), **100k sq m** of roofs.
- **Expected income of approx. 910k EUR**

#### Germany & Austria:

- MLP Business Park Berlin **750 kWp**
- **Expected income 60k EUR**
- MLP Unna **650 kWp**
- MLP Business Park Wien **700 kWp**
- **Expected income of approx. 100k 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 installation in new parks In Germany – **2MWp**
- Expected income – **130k EUR**
- **Expected income of approx. 2,605k EUR yearly**

