

Echo Investment

Q1 2024

results presentation

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Agenda

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- I. Highlights
 - II. Segments Outlook
 - III. Key Financial Data
 - IV. Living - Residential for Sale
 - V. Living - Resi4Rent
 - VI. Living - Student Housing
 - VII. Commercial - Office and Retail
 - VIII. ESG
 - IX. Financials
 - X. Q&A



ECHO
investment

I. Highlights



ECHO
investment

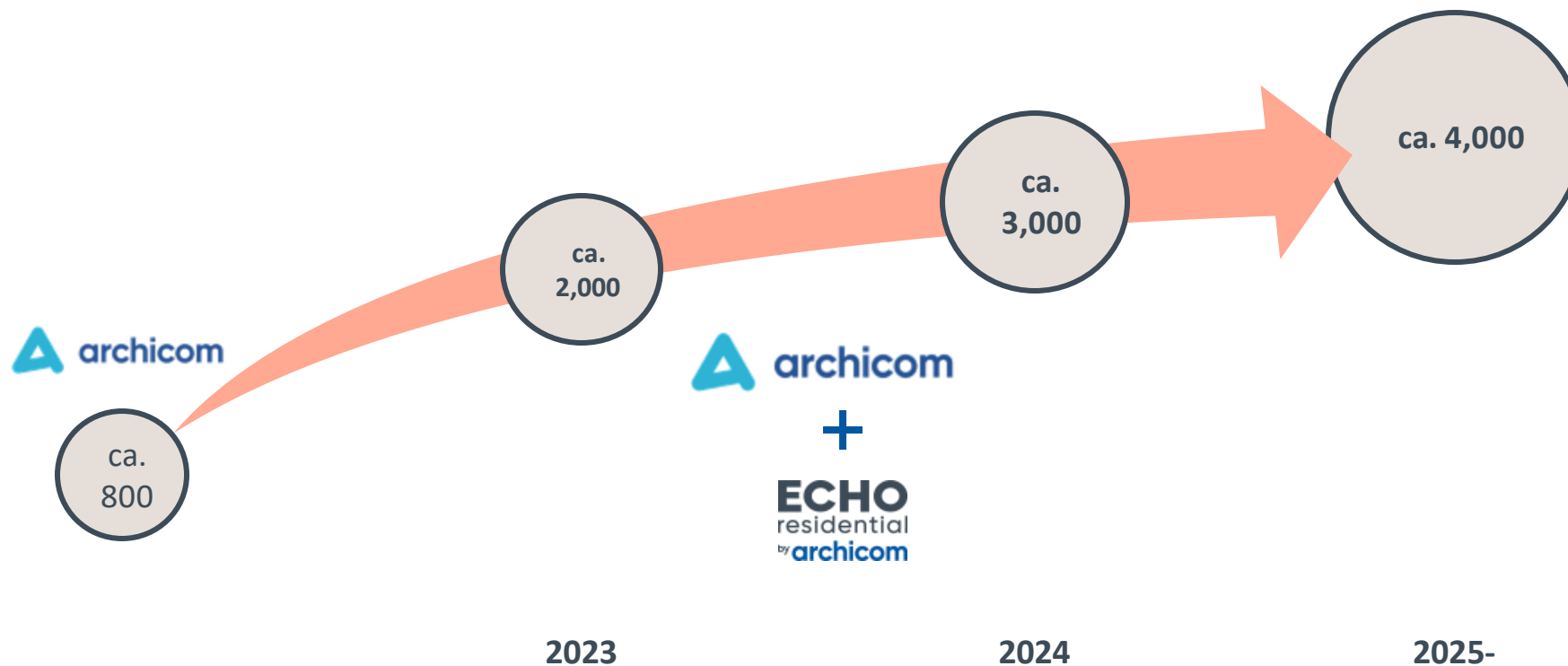
Residential market – strong market and accelerating sales

- Strong residential market; in Q1 2024 Archicom has started 1,873 apartments in 8 projects in Warsaw, Wroclaw, Krakow, Poznan and Lodz
- Secured landbank for 10,123 units including 4 new projects closed in Q1 for 1,350 units with advanced administrative permitting to start construction shortly
- Strong focus on reaching 4,000 units sold in 2025
- Sales are going well in all projects
- Archicom is growing in a profitable way with increasing sales and accelerating project starts with a big focus on Warsaw and Wroclaw
- Clear cost focus going through the whole organisation



Continued growth of the residential business

Sales of apartments (yearly)



Q1 2024 in Resi:

- 410 units sold with much higher expectations for Q2
- 4,2k units under construction
- Over 10k units in landbank 4k units to be sold in 2025
- 2024 acquisitions and secured plots will add to the landbank ca. 4,000 units
- More than 500 units net added to offer in Q1 2024
- 28 projects in Polish regional cities

Towarowa 22 M7 Apartamenty – start of construction and sale of a new Warsaw premium scheme

- First residential building of Towarowa 22 – Miedziana 7 (M7)
- M7 Apartments is the first building under the Archicom Collection brand addressed to premium segment customers
- M7 is 140 apartments in 2 standards (high and premium) located in the very heart of Polish capital city
- Part of bigger „destination project” with office and PRS functions owned by AFI Europe and Echo



Anti-monopoly approval of Student Housing Platform JV with Signal Capital Partners

- The student housing platform launched after **anti-monopoly approval**
- During the coming months the first projects will be started to be delivered in Autumn 2025
- First projects for almost 2,300 student beds to be started in Krakow and Warsaw on plots transferred from Echo Investment land bank
- Identified further opportunities in Krakow and Warsaw as well as other key academic centres such as Wroclaw
- The new joint venture is aiming to develop and operating portfolio of 5,000 purpose-built, modern, energy efficient student beds over the next three to five years.



Q1 2024 Highlights

Residential sales of 410 apartments by Echo Group in Q1 2024 (374 in Q1 2023)

415 apartments handed over in the same period (293 in Q1 2023)



Residential



Finance



Echo successfully issued in two tranches **PLN 140m** within PKO Prospectus program to individuals and **PLN 100m** to refinance bonds maturing in 2025

Archicom issued bond issue **PLN 168m** to institutions with mBank S.A.

Start of construction of the office building **Wita in Krakow**

First residential building of Wita in Krakow project sale and construction start



Commercial /Residential



Student Housing

The student housing platform launched by Signal Capital Partners, along with Griffin Capital Partners and Echo Investment S.A. as 30% partner received anti-monopoly clearance

Post Q I 2024 Highlights

First Echo project, where after **rezoning** from commercial purpose to **residential**, plot was transfer to Archicom to build new residential **project in Katowice** for 15,000sqm and **350 units**. Construction and sales start planned for Q3/Q4 2024. It will open Silesia residential market for the Group



Residential



**Finance/
Retail**



Refinancing of the Galeria Młociny shopping centre in Warsaw for EUR 145.2m along with EPP. The five-year financing classified as meeting the EU Taxonomy

Towarowa 22 Resi scheme – **start of construction** and sale of M7 – first project under high-end **Archicom Collection brand**



Residential



Finance



Echo issued highly oversubscribed **PLN 60m** bonds within PKO Prospectus program to individuals fulfilling the Program of PLN 300m set up in 2023 and rolled over **PLN 100m** of 2025 debt for 5Y

II. Segments outlook

Growing residential landbank and visible predictions of commercial investment recovery

RESI:

- **72,000sq m** of residential area bought in Q1 2024 in Wroclaw and Krakow
- **Reclassification** of Echo's land from **commercial to residential zoning** to increase residential landbank by around 2,200 units in Katowice, Warsaw and Lodz

COMMERCIAL:

- Strong leasing in all our ongoing **office sector** projects;
- Completed buildings in Lodz, Wroclaw and Krakow ready to be disposed in 2024/2025; interest of real estate investors for our yielding assets; expectations on the further actions of ECB that will affect the investor appetite in the coming 6-9 months
- Offices are getting more interest from investors as the gap between investors required returns and developers expectations narrows; benchmark transactions closed in May in Warsaw
- **Increasing rents (10%)** in shopping centres: Galeria Mlociny Warszawa and Libero Katowice; bigger interest in shopping centres from investors as performance is improving

Living – Residential for Sale

Current situation

- 11,000 units were sold in Q1 2024 in the 6 main Polish markets, 23% less comparing to Q4 2023 and 4% less comparing to Q1 2023
- As at the end of December 2023, it was no longer possible to apply for subsidised loans (Safe Credit 2% Program loans). Throughout the quarter, however, banks analysed previously submitted applications and granted loans, resulting in a significant number of developer agreements being signed
- The average prices of units on offer at the end of March 2024 compared to prices at the end of December increased the most in Lodz (7%) and the least in Warsaw and Wroclaw (0-1%). In other cities, price increases ranged between 3% and 4%.
- The residential market tends to consolidate smaller developers

Echo/Archicom actions

- Residential business of the Echo Group concentrated within Archicom starting from August 1, 2023
- Short-term annual sales target of 3,000 units and mid-term target of 4,000 units
- Buying plots with advanced permitting – mostly in Wroclaw and Warsaw, cities with the largest gap between supply vs demand
- Strong cash position and new perspectives allowing to look for opportunities arising on the market even for huge multipurpose plots
- Focus on maintaining high margins on projects
- Building permits received in Q1 for the Warsaw Towarowa 22 M7 (151 apartments), Lodz Zenit 4D (173), Warsaw Modern Mokotow 3 phase (255) and 4 phase (265)
- Starting many project in central Warsaw and Wroclaw where there is a huge shortage of apartments

Living – Resi4Rent

Current situation

- ▶ 16,150 apartments is the existing housing stock in the PRS sector in Poland in the Q1 2024
- ▶ 27,000 apartments under construction of which 19,000 being developed in Warsaw and 4,000 in Krakow
- ▶ Stabilisation of rents on the main markets
- ▶ The average rent price increase slowed down to one-digit number in Q1 comparing to Q4 23, the pressure on the rental market will weaken due to the return of Ukrainians to their country, as well as impact on the market of the Safe Credit 2% Program

Echo actions

- ▶ R4R is increasing the leadership in the Polish PRS market having 26% share as continues growth of the portfolio with a high occupancy
- ▶ More than 4,100 units already under operation at the end of Q1, more than 4,700 units under construction
- ▶ Resi4Rent is targeting to reach 11,000 units in 2026 with 10,700 already secured
- ▶ Active rent management increasing valuation of the entire portfolio
- ▶ Handover of over 2,100 units during 2024 bring the portfolio of working assets to more than 6,200 units

Living – Student Housing

Current situation

- Poland is the fifth largest student market in Continental Europe with a student population of c. 1.2m (including part time students)
- Provision rates in all Polish cities including capital city Warsaw (0.6%) are well below European cities such as Madrid (6.35%), Berlin (10.83%), Barcelona (7.45%) and Paris (15.60%)
- Less than 12,000 apartments is the existing private student housing stock in Poland at the end of 2023
- 3,000 apartments under construction of which approx. 1,000 being developed in Warsaw
- Polish SH market has seen spectacular rental growth in recent years
- Polish cities (Gdansk, Lodz, Krakow, Wroclaw) recorded the highest rental growth in the PBSA sector in 2023 among European cities

Echo actions

- Building a new PBSA platform with ultimate goal to become market leader within coming 5 years
- Approx. 5,000 beds to be developed in the coming 3-5 years
- Starting the first projects in coming months enable to deliver the first beds to the market in September 2025
- Search of plots for new projects for SH (focus on Warsaw, Krakow and Wroclaw) benefits from Echo's land bank and strong expertise in PRS sector

Commercial - Office

Current situation

- In Q1 2024 gross take-up amounted to 139,000 sqm in Warsaw and 140,000 sqm on regional markets
- Very limited number of new projects entering the Warsaw market (only 50,000 sqm in Q1 2024)
- Offices are getting interest from investors as the gap between investors' returns and developers' expectations of interest going down makes real estate investment more interesting
- The office sector, which underperformed in 2023, started the year with a total investment volume of 107 m EUR, which is roughly on a par with Q1 2023. As in the previous year, almost all office transactions were concluded in Warsaw
- Fewer new projects started with a strong leasing demand

Echo actions

- Leasing is strong in all our ongoing projects and all the completed projects are fully leased
- Focus on starts of new projects to meet shortage on market of new office space; T22 Warsaw, SPOT Wroclaw and WITA Krakow
- Lodz React 1, City 2 and Krakow Brain Park fully leased with well-known tenants
- Echo actively looking for buyers for these projects
- Active search of plots for new projects
- Echo signed in Q1 2024 12,000 sqm of leases

Commercial - Retail

Current situation

- The average footfall of shopping centres and retail parks in Q1 2024 increased 17.1% vs. 2023 and 5.5% vs. 2022
- March retail sales grew by +6.0%/+6.1% y/y in nominal/real terms comparing to market consensus of +6.6%/+6.5% y/y, respectively
- The first quarter of 2024 saw a good opening of the year due to the commissioning of 82,000 sq m GLA of modern retail space
- In Q1 2024 transactions were concluded in the retail sector with a volume of EUR 60m, mainly in the field of larger projects (over 5,000 sq m)

Echo actions

- Optimization of tenants mix with best-selling brands with particular emphasis on discount brands
- Tenants turnover in Libero in Q1 2024 is higher by 10% and footfall 14% (comparing to Q1 2023)
- Further improvement is observed in Galeria Mlociny in Warsaw with an increase in turnover in Q1 2024 by 9% in comparison to Q1 2023 Mlociny footfall in Q1 2024 was at a similar level that Q1 2023
- Echo set to stabilize both shopping malls (Mlociny and Libero) and achieve targeted NOI before disposal at a stronger investment market
- Constant marketing based on buy and get campaigns – promoting all retail destinations as the best choice to do shopping and get money back

Construction

Current situation

- Construction and assembly output decreased in first three months of the year -10.8%
- According to Polish GUS prices of construction and assembly production in the first quarter of 2024 compared to the fourth quarter of 2023 increased by 1.3%
- After a 33% increase in February, the cement market's output declined by 12% y-o-y in March. The annual growth rate of cement production for the 12-month rolling total was at -8% after March.
- Despite high inflation and increased cost of energy, construction costs are stable in last quarter

Echo actions

- Echo will focus on strong cost control using project packaging
- Standardized Echo procurement supports cost control and mitigates the impact of potential cost increases
- Construction cost budgets decreased by 10% in last 6 months and are expected to stabilise in coming months
- Echo is organizing tenders for construction of new projects to benefit from reduced costs
- Effects of scale will drive Echo's project's optimization

III. Key Financial Data

Q1 2024 Profit vs. PAP consensus

Actual results [PLN m]

PAP Consensus

	Q1 2024	Q1 2023
Revenue	358.9	210.1
Operating profit	43.4	25.3
Profit before tax and minority interest	34.6	20.8
Net profit attributable to equity holders of the parent entity	13.3	11.5

	Q1 2024 (average)	Q1 2024 (range)
Revenue	325.0	322.0 – 331.4
Operating profit	-	-
Profit before tax and minority interest	-	-
Net profit	7.1	1.9 – 12.0

OUR RESULTS IN Q1 2024

PLN 359m

Revenue in Q1 2024

PLN 35m

Profit before tax in Q1 2024

PLN 13.3m

Net profit in Q1 2024

Echo Investment & Archicom share price 2024 expansion

Echo Investment share price



Archicom share price



Share price

Share price growth curves indicate progress of successful implementation of a profitable growth strategy

Echo Investment Group book value vs. Archicom market value

	Residential for Sale incl. 74% of Archicom	Resi4Rent* 30% JV	Commercial** incl.T22 30% JV	Total
				
Book value [k PLN]	505,120	288,100	910,000	1,703,220
BV per share [PLN]	1.22	0.70	2.21	4.13
				
Combined value [k PLN]	1,667,700	288,100	910,000	2,635,350
CV per share [PLN]	4.04	0.70	2.21	6.94
Valuation method	Book value of Archicom net assets in Echo is replaced by a current market value of Archicom shares on GPW	Book value of Echo's share in JV Resi4Rent revalued at a regular basis as of 31 March, 2024	Book value of Echo's commercial segment revalued at a regular basis as of 31 March, 2024	

* Resi4Rent assets are revalued only close to the opening date when construction is substantially completed, **R4R in preparation or early stage construction projects were not revalued to market value**

** Student Housing platform, commercial landbank to be converted to residential segment and T22 commercial part except for the first office building were not revalued to market value

IV. Living - Residential for Sale

Highlights



Sales of 410 apartments by Echo Group in Q1 2024

4,238 apartments under construction and overall plan to start in whole 2024 more than 5,000 units

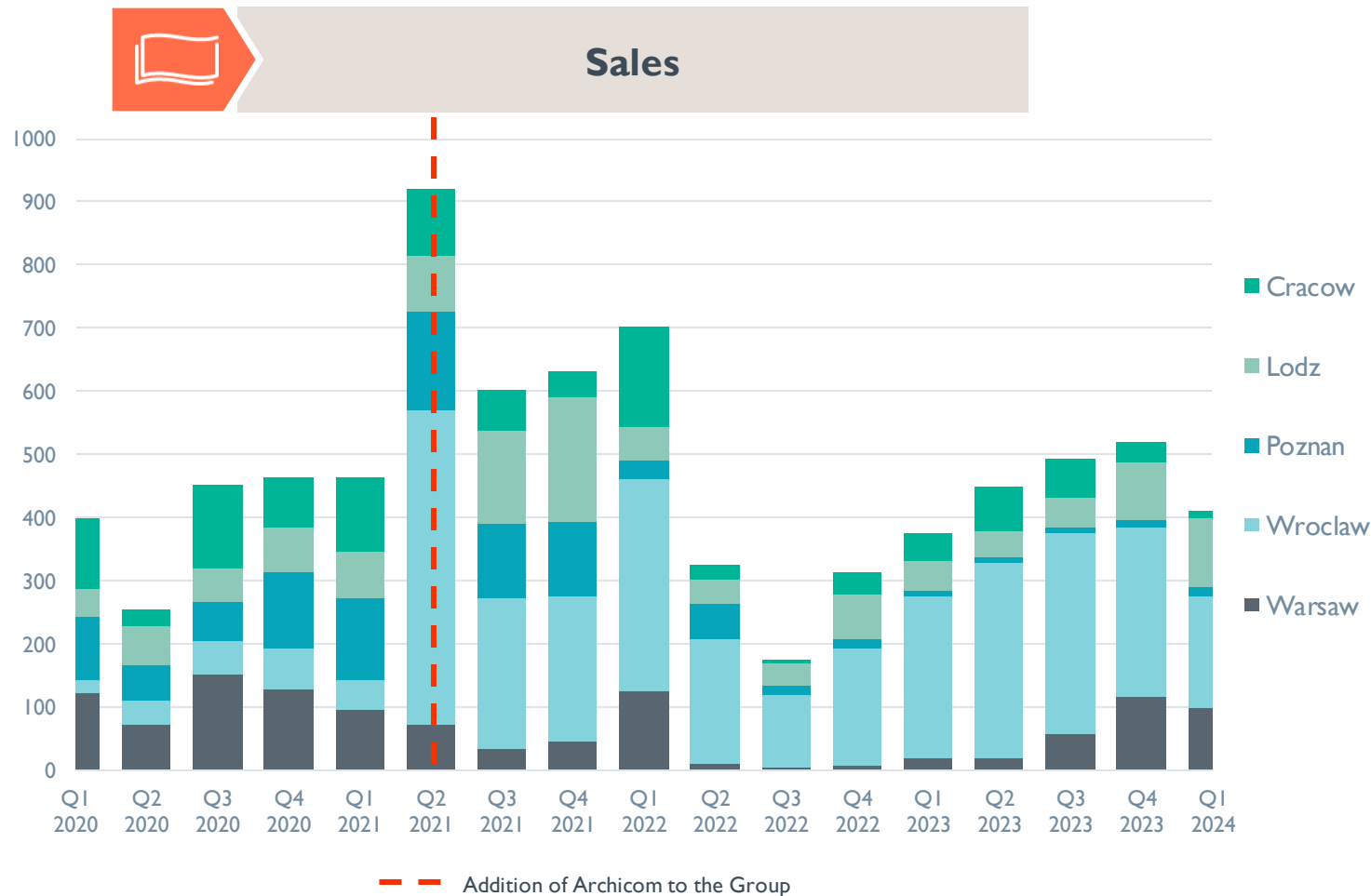


Current Echo's Group offer (2,127 units) reflects nearly 7 months of sales assuming sales level of 3,000 apartments per year

Echo-Archicom Group uses its cash resources and is actively looking for and buying new plots planning long term and stable introducing to the market



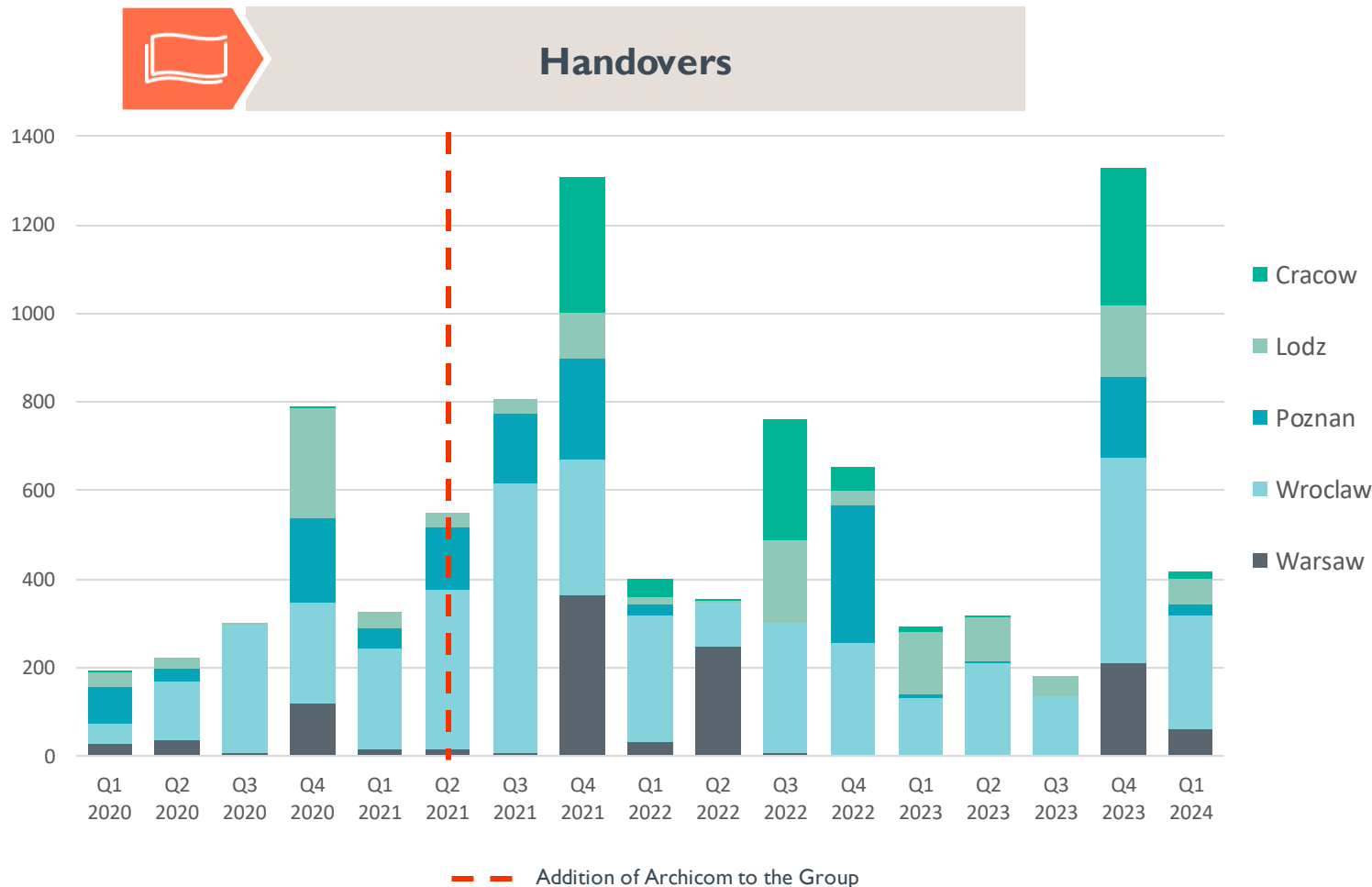
Apartment sales of Echo Group



Sale of apartments	Q1 2023	Q1 2024	Main projects in Q1 2024
Warsaw	18	98	Modern Mokotów I, Rytm
Wroclaw	258	177	Południk 17, Planty Raławickie, Awipolis, Sady nad Zielonką
Poznan	8	14	Wieża Jeżyce II
Lodz	47	109	Zenit I and II, Wodna, Flow
Krakow	43	12	Rydłówka II
Total Echo Group	374	410	

Echo maintains the strategy of profitable growth with average gross margin at 30%+

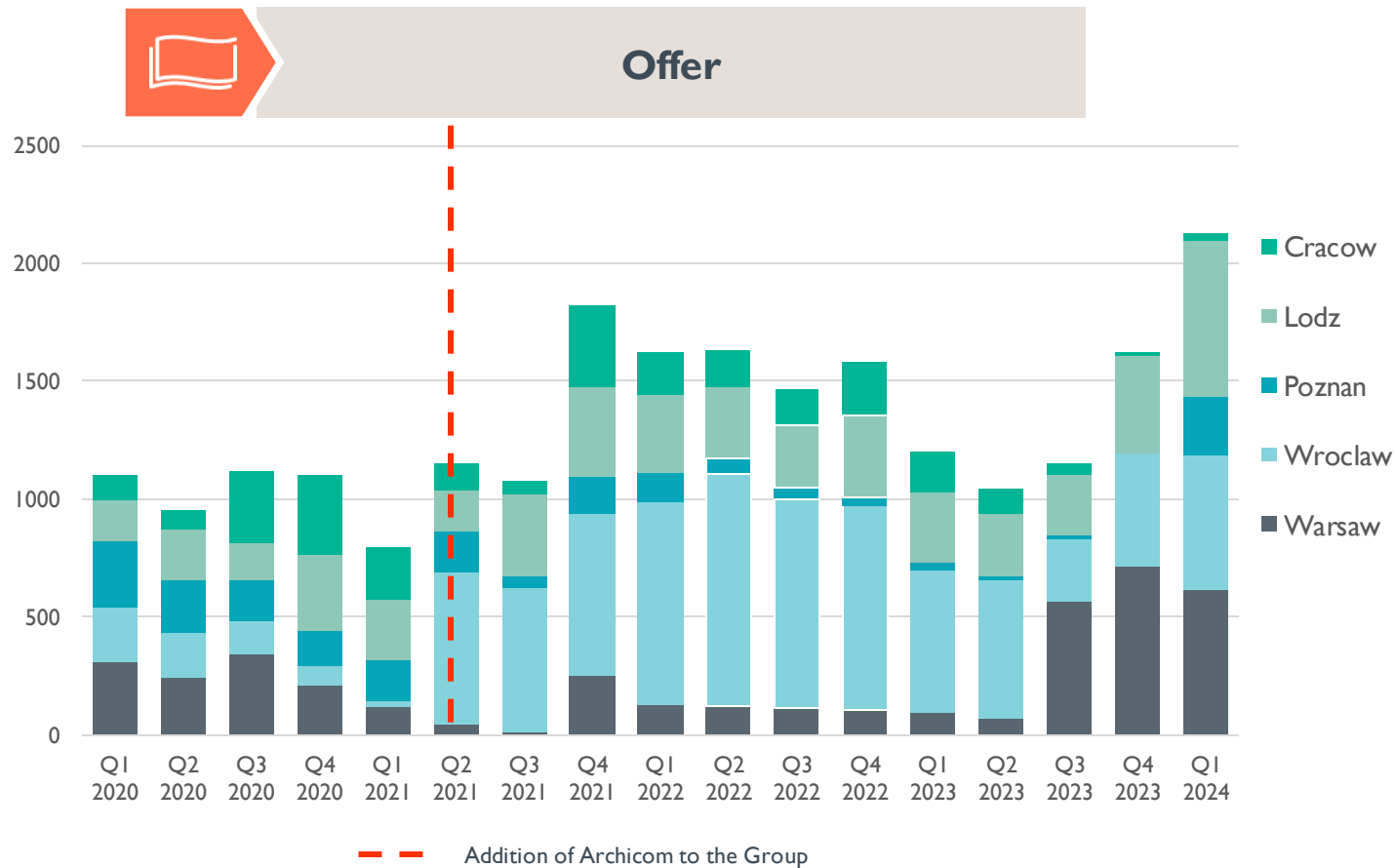
Apartment handovers of Echo Group



Handovers	Q1 2023	Q1 2024	Main projects in Q1 2024
Warsaw	0	60	Rytm
Wrocław	129	259	River Point, Browary Wrocławskie, Awipolis, Planty Raclawickie
Poznan	10	22	Wieża Jeżyce I
Łodz	143	59	Fuzja F, Wodna
Krakow	11	15	Bonarka Living 2C & 2D
Total Echo Group	293	415	

Echo Group Q1 handovers realized according to the plan

Current offer of Echo Group



Current offer	End of Q1 2024	Main projects
Warsaw	610	Modern Mokotów I and VI
Wrocław	572	Awipolis, Sady nad Zieloną, Planty Raławickie, Południk 17
Poznań	251	Wieża Jeżyce II
Łódź	662	Boho, Fuzja Lofty, Widzewska II and III, Flow I
Krakow	32	Dąbrowskiego D3
Total Echo Group	2,127	

Offer & Landbank as of Q1 2024 end

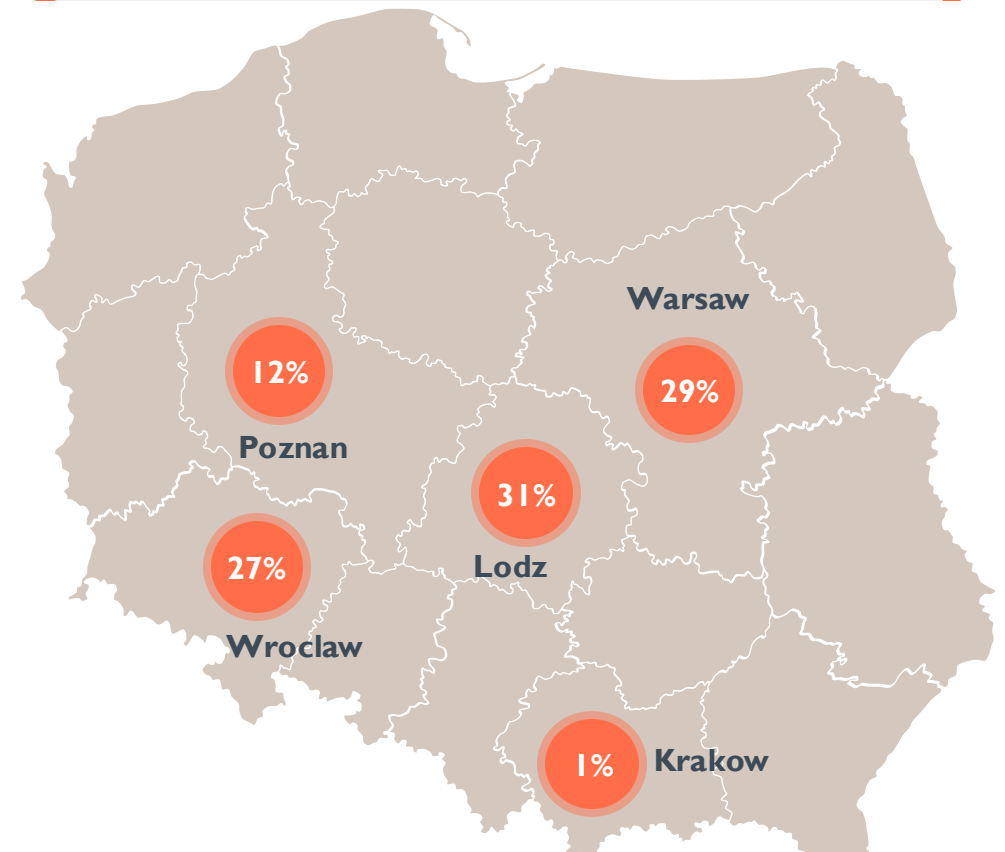
	Offer	Landbank	Total (as at 31.03.2024)
Archicom	1,422	9,939	11,361
Echo Investment	705	184	889



12,250 Total no. of apartments in landbank & in the offer (Echo & Archicom)

- Target to long term increase of pipeline to 20 thousands units to be able to sell approximately 4,000 units per year
- Already acquired plots and preliminary agreements to buy new ones give Archicom a competitive edge
- Group is actively searching for new residential project in main regional cities especially in Wroclaw, Warsaw and Krakow where the gap between supply and demand is the largest


Current offer % share in offer



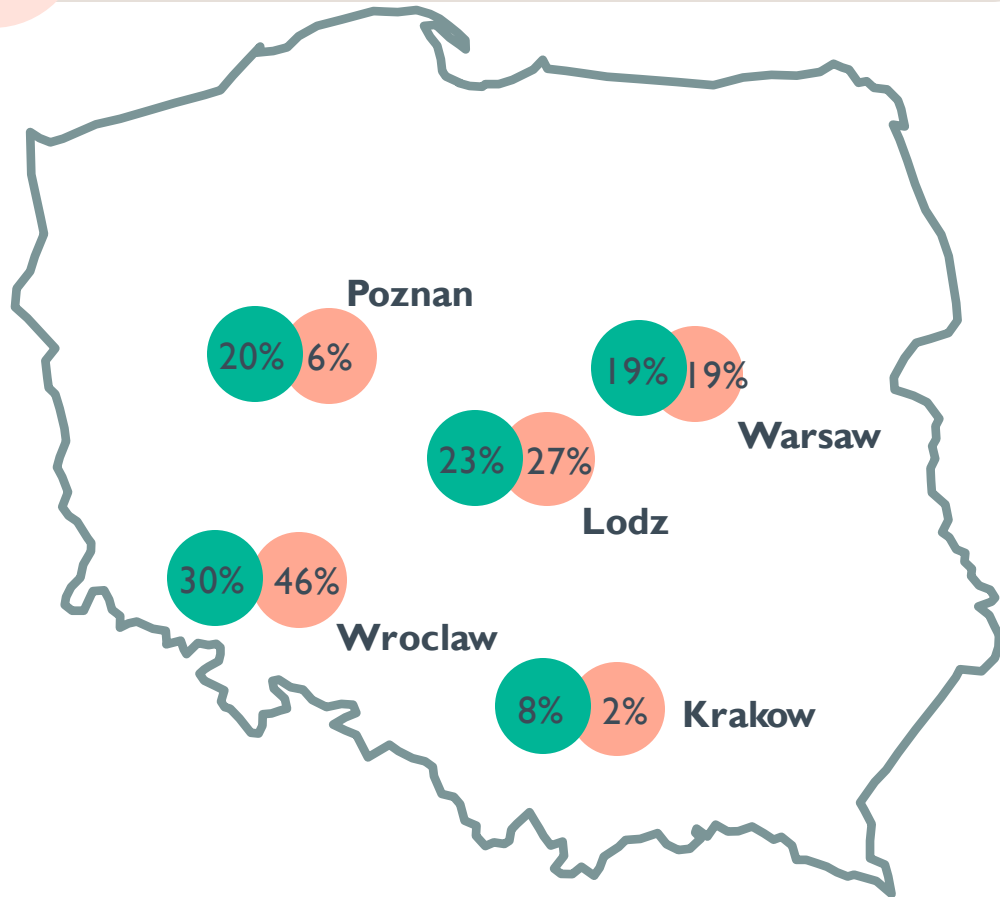
Advanced works on rezoning plots to add Katowice, Krakow, Wroclaw and Lodz projects to the resi landbank with approximately 2,200 units potential

Residential developer active on five markets

Portfolio of projects under construction and landbank as at 31.03.2024

 Projects under construction

 Total apartments in 74 projects:
under construction **4,238** and **10,123** in landbank



% - share of apartments under construction/ apartments in landbank

City	# of projects		# of apartments	
	Archicom	Echo	Archicom	Echo
Wroclaw	12		1,926	
Warsaw	1	1	261	554
Krakow	1		100	
Lodz	4	2	782	351
Poznan	1		264	
Total	19	3	3,333	905

 Land Bank

City	# of projects		# of apartments	
	Archicom	Echo	Archicom	Echo
Wroclaw	16		3,004	
Warsaw	9		1,922	
Krakow	6	1	587	184
Lodz	11		2,359	
Poznan	9		2,067	
Total	51	1	9,939	184

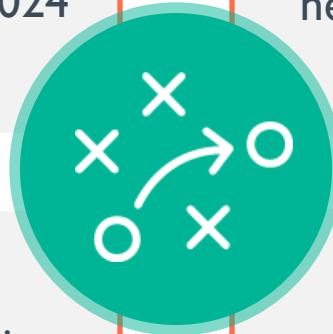
V. Living – Resi4Rent

Highlights



4,106 Resi4Rent units in completed projects and 4,731 units under construction at the end of Q1 2024

Strong landbank with more than 10,700 apartments already secured, new projects under due diligence



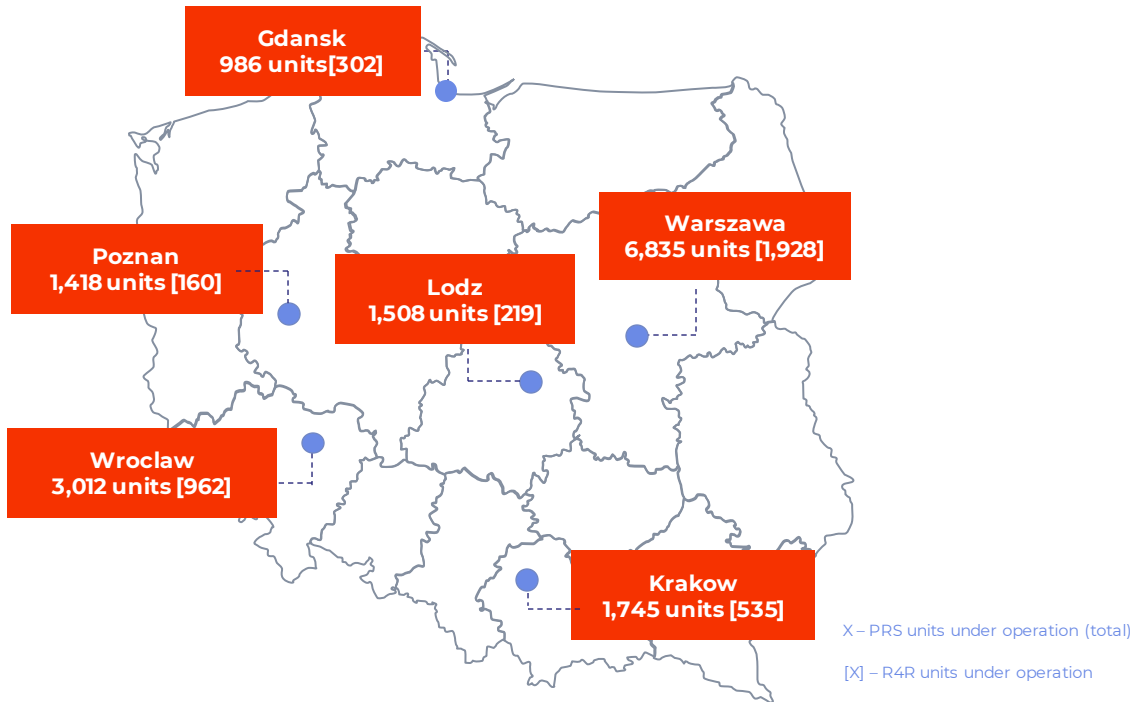
New 3 projects to be opened in 2024 in Wroclaw one project in each Warsaw, Krakow, Lodz and Poznan with total 2,100 units

Construction of new 1,346 apartments planned to start in 2024 and number of units in construction or operation will reach ca. 10,200



Institutional rental market in Poland

PRS investments in Poland



Institutional rental market in Poland

- With Poland being the largest CEE housing market, there is a significant rationale for this market to grow and mature
- Supply of the rental market in Poland is very limited and fragmented (average landlord owns 1.5 properties which leads to quality often being substandard)
- Higher accessibility to good quality and stable housing solutions will increase workforce mobility and have a positive effect on the general economic conditions of the country

R4R's share in institutional rental market in Poland

Institutional rental market in Poland

16,500
units under operation

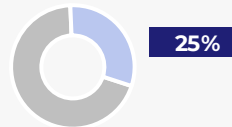
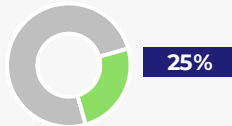
27,000
units under construction

Resi4Rent

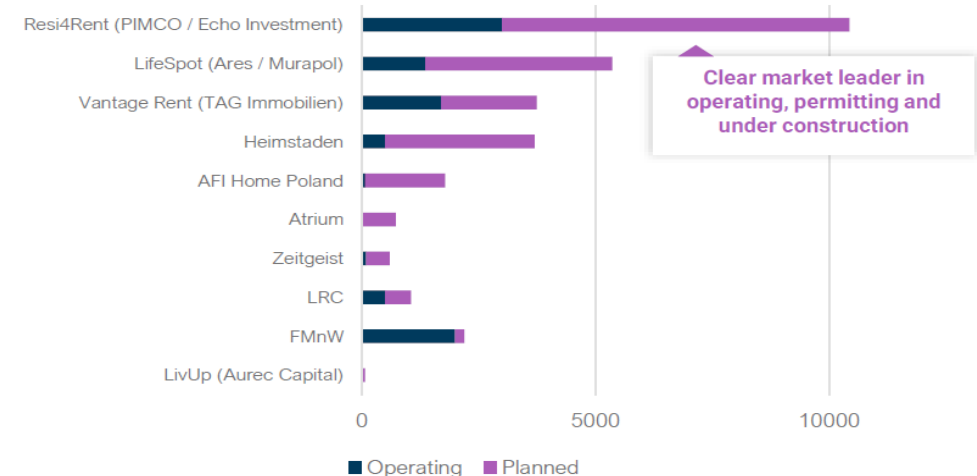
4,106
units completed

6,620
units under construction & projects approved

% market share



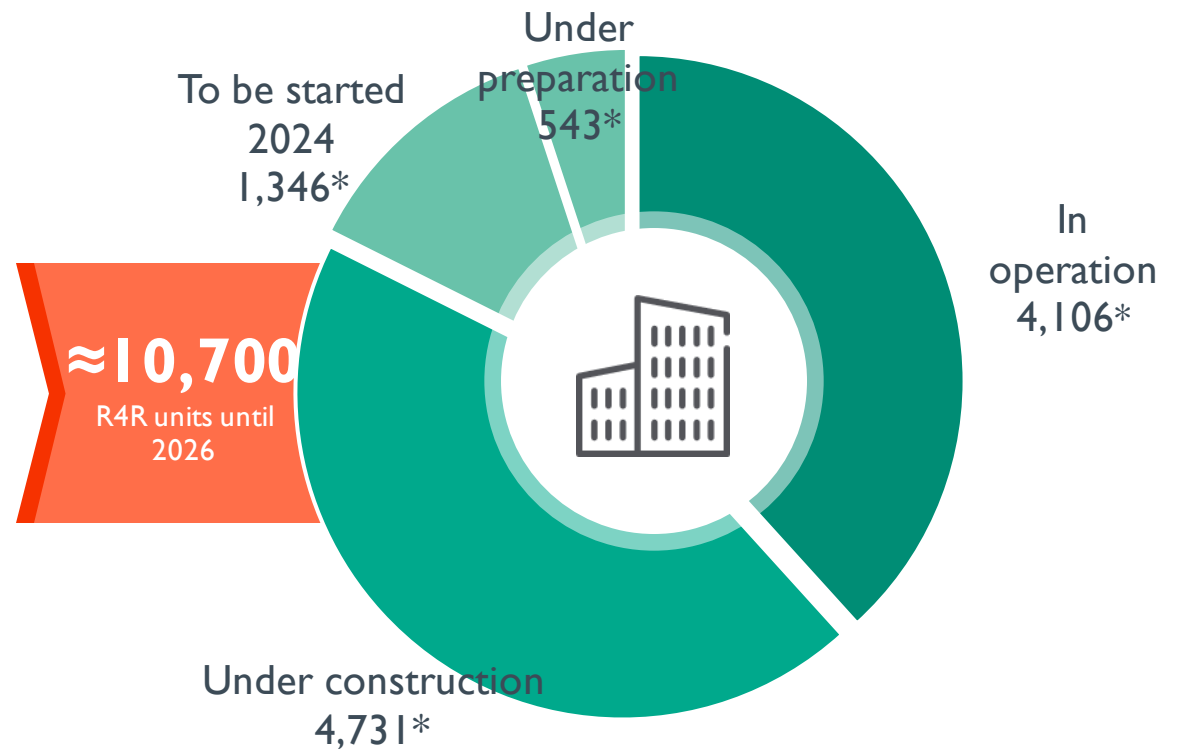
Largest landlords of multifamily assets (expected to be delivered by 2026)



Resi4Rent secured plots for over 10,700 units

- **4,106 units** are completed including **1,110 units** delivered in 2023
- Projects under construction will deliver approx. **4,731 new units** in coming years
- **2,133** ready units should be delivered to the working portfolio till the end of 2024
- Construction of **371 units** started in Q1 2024
- **1,889 units** are during intensive process of designing and permitting
- Over **10,700 units** completed and under construction planned at the end 2024 to become operational by 2026

Resi4Rent to develop and operate more than **10,700 units** until 2026:

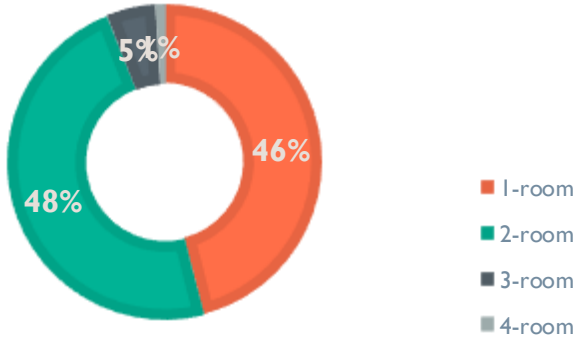


* as at Q1 2024 end

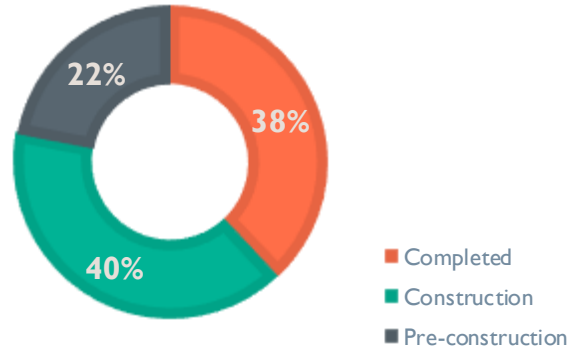
Portfolio breakdown

The existing portfolio has above **10,700 units across 29 projects**

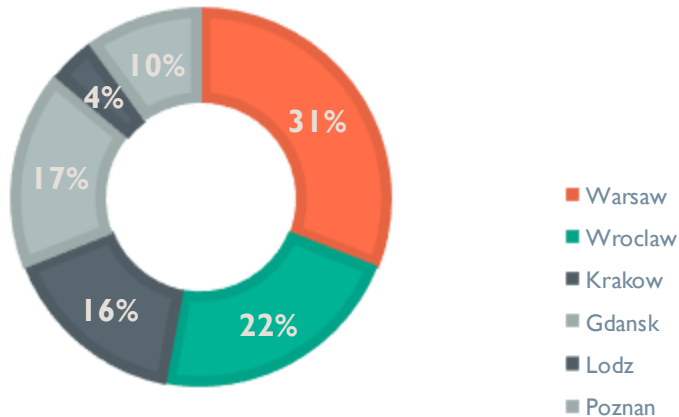
Actual portfolio breakdown
by types of flats



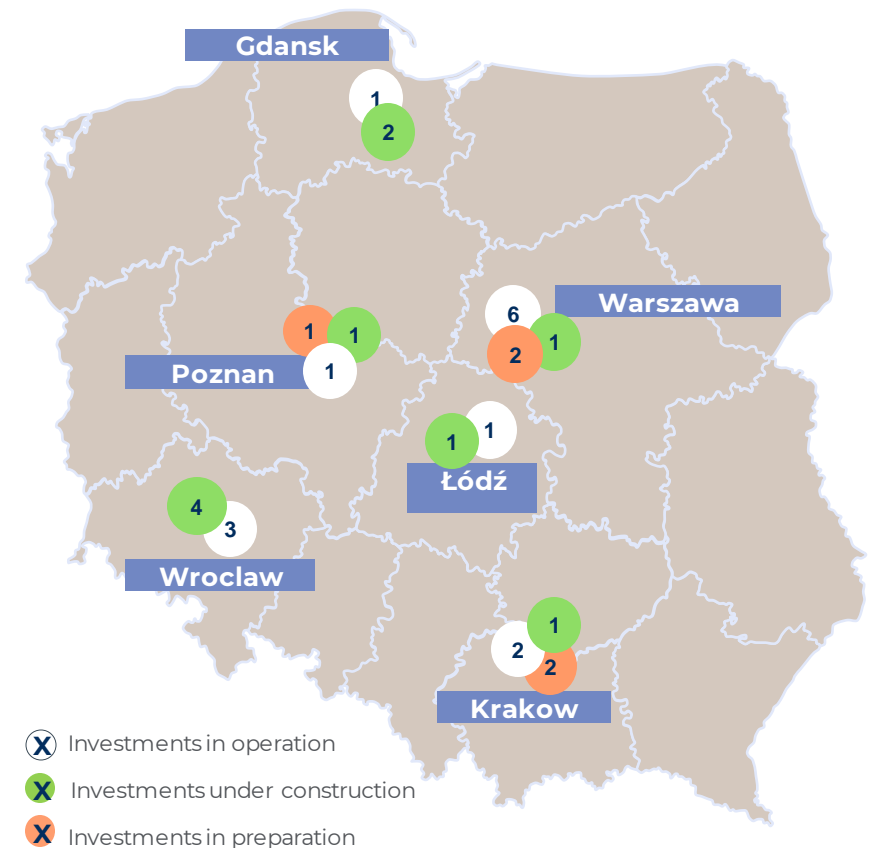
Actual portfolio breakdown
by construction stage (% units)



Actual portfolio breakdown
by location (% units)



Investment map



* as at the end of Q1 2023

Stable rents and fully leased projects

Units in operation (4,106 units)*

Under construction (4,731 units)*

To be started 2024 (1,346 units)*

In preparation (543 units)*/**

R4R Warsaw
6 projects (1,928 units)



R4R Krakow
2 projects (535 units)



R4R Warsaw
1 project (275 units)

R4R Krakow
1 project (873 units)

R4R Warsaw
1 project (382 units)

R4R Warsaw
1 project (285 units)

R4R Krakow
1 project (258 units)

R4R Wroclaw
3 projects (962 units)



R4R Poznan
1 project (160 units)



R4R Wroclaw
5 projects (1,580 units)

R4R Poznan
1 project (411 units)

R4R Poznan
1 project (671 units)

R4R Lodz
1 project (219 units)



R4R Gdansk
1 project (302 units)



R4R Lodz
1 project (287 units)

R4R Gdansk
2 projects (1,305 units)

R4R Krakow
1 project (293 units)

2,133 units to be completed and added to working assets portfolio in 2024

* as at Q1 2024 end

** plots under PSPA to be bought

VI. Living – Student Housing

Student Housing Platform launched with Signal Capital Partners

- **Signal Capital Partners**, a multi-euro-billion UK-based private asset management firm focusing on European corporate and real estate special situations investments, along with Griffin Capital Partners and Echo Investment S.A as 30% partner
- Plan to engage up to EUR 31.3 million in the implementation of the Platform
- Time horizon for the Project will be from 3 to 5 years
- Planned number of beds to be built as part of the Project will be at least 5,000
- Financing sources of the Project will be:
 - 40%-50% - financing from the funds of the parties
 - remaining 60%-50% - debt
- The Parties mutually agreed not to implement projects similar to the Project in cooperation with other partners



Student Housing Platform starting projects

- 5 locations secured and confirmed by partners in premium locations in Warsaw and Krakow
- 2,300 beds to be started Q2/Q3 2024 of which 1,100 should be delivered in Q3 2025
- Buildings constructed in ordinary manner as well as in prefabrication

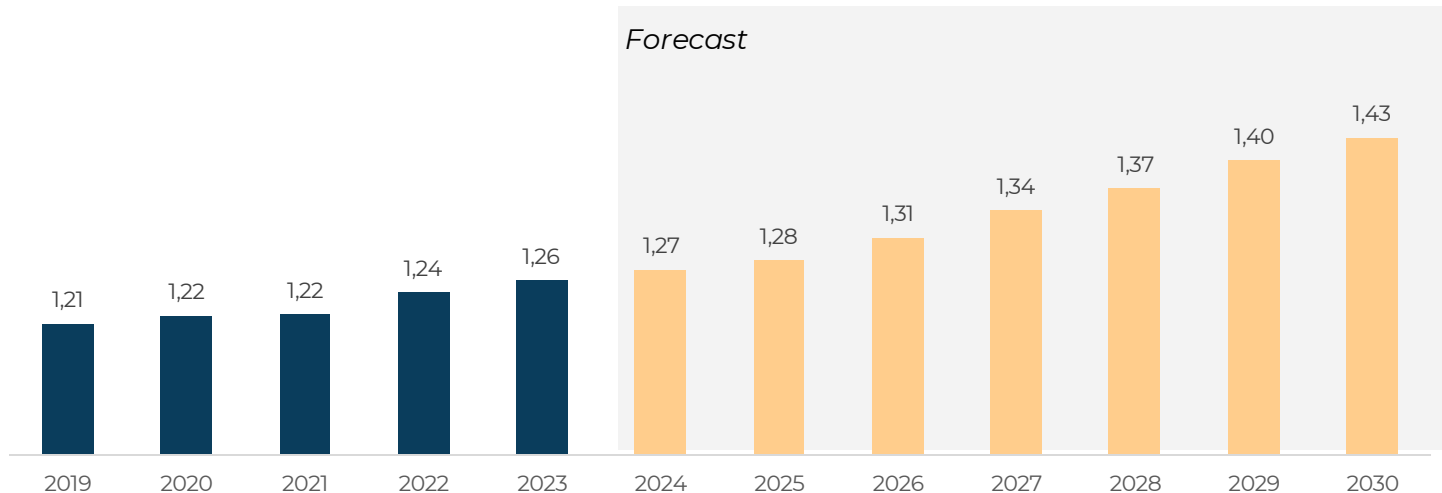


Polish PBSA Market Overview

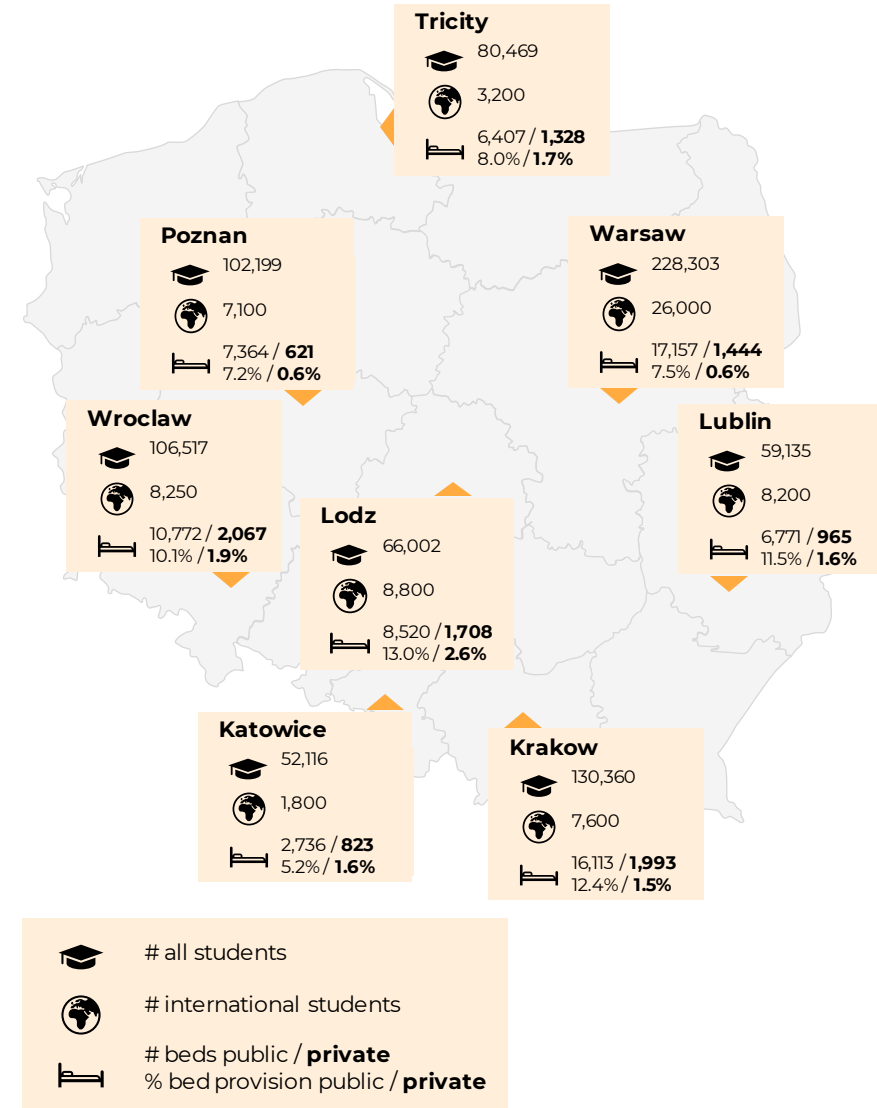
One of the Europe's largest student markets with one of the lowest city by city provision in student accommodation

- Poland is the 6th largest student market in Continental Europe with a student population of c. 1.2m
- Provision rates in all Polish cities including capital city Warsaw (0.6%) are well below European cities such as Madrid (6.35%), Berlin (10.83%), Barcelona (7.45%) and Paris (15.60%).
- Current public dormitories are poor quality, regulated by public entities and** only made available to students from low-income households. The overall public supply in major centres is c. 75.000 beds.
- In order for Poland to achieve a **5.5% private provision rate**¹, which equates to the European average, **33,000 new operational beds would be required**.

Total number of students (million)



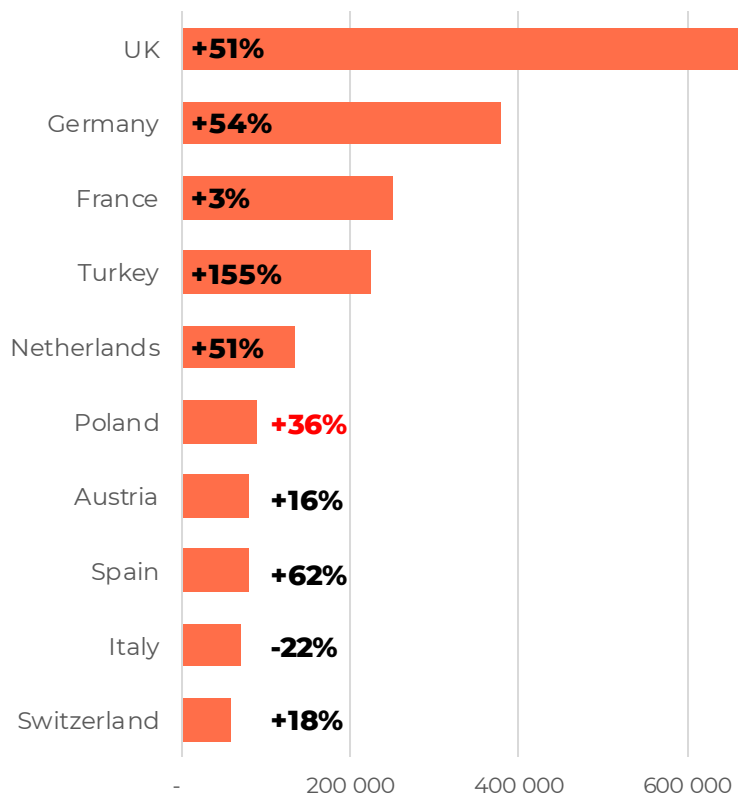
Polish PBSA – KPIs



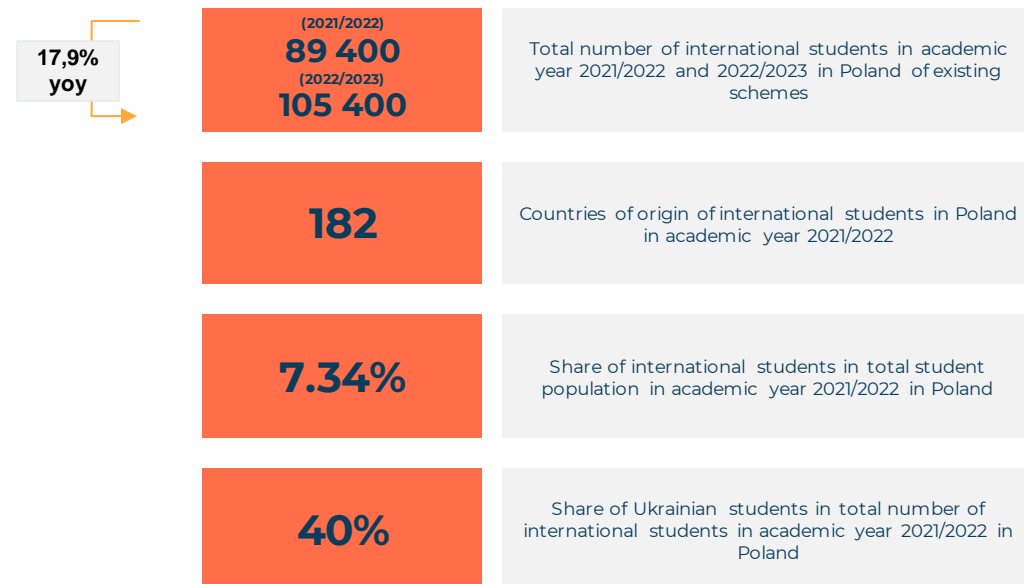
Source – Savills 2022, Bonard 2022
1) Private PBSA / FT Students

Market overview – International Students

International students and change between 2016 – 2021



Polish PBSA Market Overview

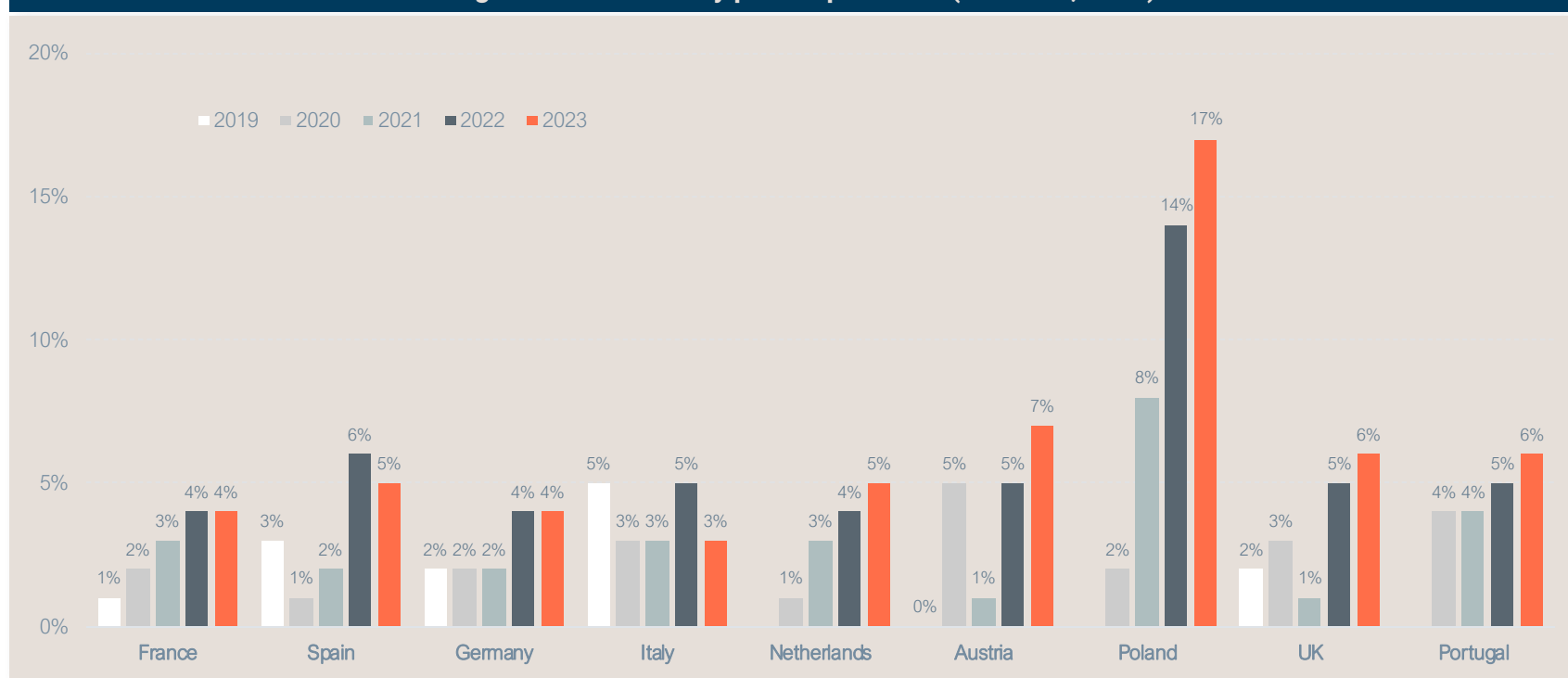


Source – Savills 2022, Bonard 2022, JLL 2023, GUS 2023

I) Private PBSA / FT Students

Market overview – Rents

Year-on-year PBSA Rent Increase
Single studio offered by private providers (BONARD, 2023)



- Compared to Western European markets, which have been characterized by steady growth, the Polish market has seen spectacular rental growth in recent years, significantly outperforming European benchmarks
- Strong component affecting the price development is market saturation and competition in specific micro-locations. In western Europe this is a noticeable market-creating factor, while in less developed markets, low market saturation results in low competitiveness of the sector.
- The PBSA market in Poland was driven primarily by structural and macroeconomic factors, which helped sustain high rental growth over several years. Polish cities (Gdansk, Lodz, Krakow, Wroclaw) recorded the highest rental growth in the PBSA sector in 2023 among European cities.

Source - Bonard 2023

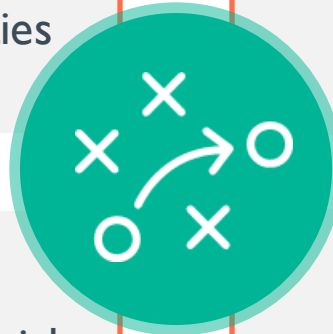
VII. Commercial - office and retail

Highlights



Developing T22 in Warsaw, SPOT in Wroclaw and WITA in Krakow
Echo focused only on city centre locations in 3 biggest Polish cities

Preparation of the completed project by extending leases and making the projects ready for exit in H2 2024



Active negotiations with potential tenants for newly started project WITA in Krakow

New buildings benefit from higher quality, design and ESG elements not available for existing stock



2024 – fewer project ongoing push rents up as tenants looking for ESG compliant offices

Warsaw

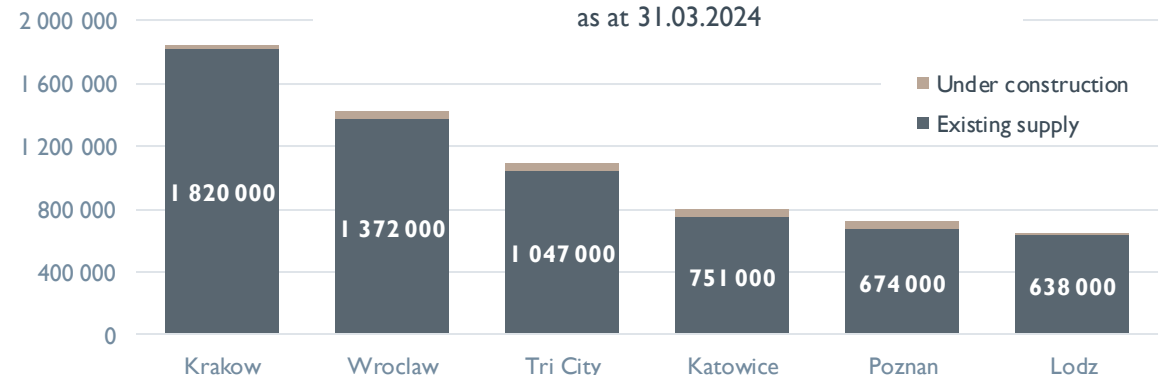
- **50,000 sqm** of new office space has been provided in Q1 2024, of which 15,000 sqm was generated by the renovation of an existing office building
- **6.24 m sqm** - total supply of modern office space
- In IQ 2024 gross take-up result: **139,000 sqm**
- **ca. 270,000 sqm** of office space under construction (nearly 90% of this space is located in the city center, mainly in the vicinity of the Daszyński Roundabout)
- **11.0%** – at the end of Q1 2024 average vacancy saw a slight uptick in the vacancy rate by 0.6 pp q/q,
- Selected last lease transactions on the Warsaw office market signed: Elavon (5,500 sqm), Johnson&Johnson (4,800 sqm), and Sii (4,700 sqm)

Regional markets

- **31,000 sqm** of new office space delivered to regional markets in IQ 2024
- **6.71 m sqm** - total supply of modern office space at the end of Q1 2024
- At the end of H1 2022, for the first time, the total supply of modern office space in 8 major regional markets exceeded the level of stock in the capital city
- In IQ 2024 gross take-up result: **140,000 sqm**
- **219,000 sqm** of office space remain under construction
- **17.8%** – average vacancy rate (0.3 p.p. higher q/q)

Low office development activity and strong leasing activity support Echo's actions to continue Towarowa 22 and start construction of SPOT Wrocław and WITA in Krakow

Supply and space under construction in regional cities
as at 31.03.2024



Towarowa 22 – AFI Europe/Echo/Archicom destination project



- Mixed use destination project in the heart of Warsaw
- Office building ca. 31,400 sqm is under advanced construction
- Construction of residential I phase with 140 premium apartments by Archicom started in Q2'24
- 2 hectares public park and historical landmark Dom Słowa Polskiego in the central part of the project planned to be opened till the end of 2025 for the citizens of the capital city
- Commercial part including rental apartments (PRS) and offices of around 150,000 sqm co-owned by AFI Europe 70%/Echo 30%

WITA Krakow - construction started in Q1 2024



Student House

Office Buildings

Student House

Resi for Sale

WITA Krakow - construction started in Q1 2024

- New and first destination project in Krakow City Centre
- Outstanding location on the crossroad of main transit paths of the city of Cracow, Old Town District
- 18,900 sqm of office area together with residential apartments (184 units) and student house (540 dormitories) surrounded by a wide range of services, culture and gastronomy
- The proximity of nature and greenery in the parks and gardens of the old town
- Up-to-date functionality of the project including electric vehicle charging stations, parking spaces and bicycle infrastructure, parking lot operated by phone application, air purification system



SPOT Wrocław - construction ongoing and strong leasing demand

- 1 phase of the project (16,000sqm GLA) under development
- Exceptional office project in premium quality, in the centre of Wrocław.
- Latest technologies and green certificates
- Flexible spaces – full freedom in arranging office
- Project comfortably surrounded by greenery, in close proximity to cafes and restaurants – unique Swobodna Spot patio
- In line with sustainable development and nature-friendly ESG solutions



Modern buildings in core locations with all ESG criteria in place



React I
100% leased, Lodz



City II
100% leased
Developed by Archicom, Wroclaw



Brain Park I
≈100% leased, Krakow



Brain Park II
≈100% leased, Krakow



Libero
≈100% leased, Katowice

**Assets targeted
to be sold in H2
2024 / H1 2025**

Office market perspectives for 2024/2025

Strong leasing market

- Slowdown in office investments because of the uncertain market situation
- In 2024 the return of employees to offices, the resumption of company relocation processes, strong tenant demand and requirement for ESG compliant buildings will lead to a supply gap in 2024 and 2025
- Currently, just over 230,000 sqm (12 projects) is being built in Warsaw, and 2024 will be another year with subdued new supply estimated at around 94,000 sqm
- In Warsaw 350,000 sqm of office space were withdrawn from the market last year; 30,000 sqm only in Q1 2024
- In the following quarters, the new supply of office space will decrease dramatically, it is expected that in 2024 and IH 2025 developers will deliver a total of only 200-250 thousand sqm to the Warsaw's office market
- Currently, only 37 office buildings are being built in Poland; for comparison - in 2018 there were 140



Investor interest is returning and we are positive that in the second half of the year there will be more investors on the market

CitySpace expanded its office in Katowice's Face2Face

12 (end of Q1 2024)
locations in Poland

4,000
workplaces



Galeria Libero - retail center with a stabilized market position in Katowice

- Libero shopping mall noted another quarter of great performance after reopening of retail activity
- Positive trend started in 2021 with further growth in demand for retail compared to previous periods
- **Turnover** in Q1 2024 was **10% higher** than in Q1 2023 and 40% higher than in Q1 2022
- Its **footfall** was respectively **14%** and **22%** higher
- Echo-owned shopping mall is an attractive destination for shoppers demonstrating **renewed post-covid popularity of in-person shopping** and a change in customer behaviour
- Growth is supported by the optimization of tenant mix and number of activities organized for customers

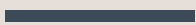


Galeria Mlociny strengthens its position in Warsaw

- EPP and Echo Investment obtained a new loan for the refinancing of Galeria Mlociny in the amount of EUR 145.2m; first retail transaction compliant with EU Taxonomy
- Great performance of the project confirmed by **97%** occupation rate
- Shopping Mall is becoming the **leading shopping destination and a popular meeting point in northern Warsaw**, thanks to its strong retail and entertainment offer
- Turnover in Q1 2024 was 9% higher than in Q1 2023 and 36% higher than in Q1 2022
- Mlociny footfall in Q1 2024 was at a similar level as in Q1 2023. In Q1 2024 was **21% higher** than in Q1 2022
- Long leases guarantee stable cash flow while indexation creates potential for future growth of NOI
- With the strong start of 2024, we observe **further increases in footfall year on year**, with the current number of visitors that is comparable with the Christmas period results in previous years



VIII. ESG

A series of five concentric, light gray circular lines that are partially visible on the right side of the page, creating a ripple effect.

ECHO
investment

ESG in Echo Group in 2024

- We are focused on **effectively implementing the ESG Strategy** of Echo Investment Group, that's why we define **individual tasks for all our employees** for 2024
- In 2024, we **started measuring emissions** of our reference office building and residential building to set **the target of reducing carbon footprint**
- To **strengthen the ESG Strategy of Echo Investment Group**, we started in **2024 the revision of our ESG targets, including the result of Double Materiality assessment.**
- A strategy based on material topics will provide us with greater transparency, contribute to better decision-making and ensure that we dedicate our time and resources to the most important issues for both the Echo Investment Group and our stakeholders, including the society.
- ESG Echo Investment Group report for 2023 available on our [Polish](#) or [English](#) web site



IX. Financials

Q1 2024 profit margin and fair value gain

Actual results [PLN m]

	Q1 2024	Q1 2023
Revenue	358.9	210.1
Operating profit	43.4	25.3
Profit before tax and minority interest	34.6	20.8
Net profit attributable to equity holders of the parent entity	13.3	11.5

PAP Consensus

	Q1 2024 (average)	Q1 2024 (range)
Revenue	325.0	322.0 – 331.4
Operating profit	-	-
Profit before tax and minority interest	-	-
Net profit attributable to equity holders of the parent entity	7.1	1.9 – 12.0

Revenues and margin in Q1 2024 (PLN m)

	Sales	Margin	Margin %	Main source of revenue
Residential	294.7	102.0	35%	Apartments sale
Commercial & other	64.3	23.3	36%	Rents, fit-out, sale to R4R
Total	358.9	125.3	35%	

* Incl. PPA impact

Fair value gain on investment properties (PLN m)

	Q1 2024	Accum.
Brain Park I	4.5	42.3
Citi 2 (Archicom)	-2.1	94.3
Brain Park II	-6.5	-5.4
Libero	-6.8	117.7
Lodz React	-8.9	4.3
Other	-14.4	-
Total	-34.2	

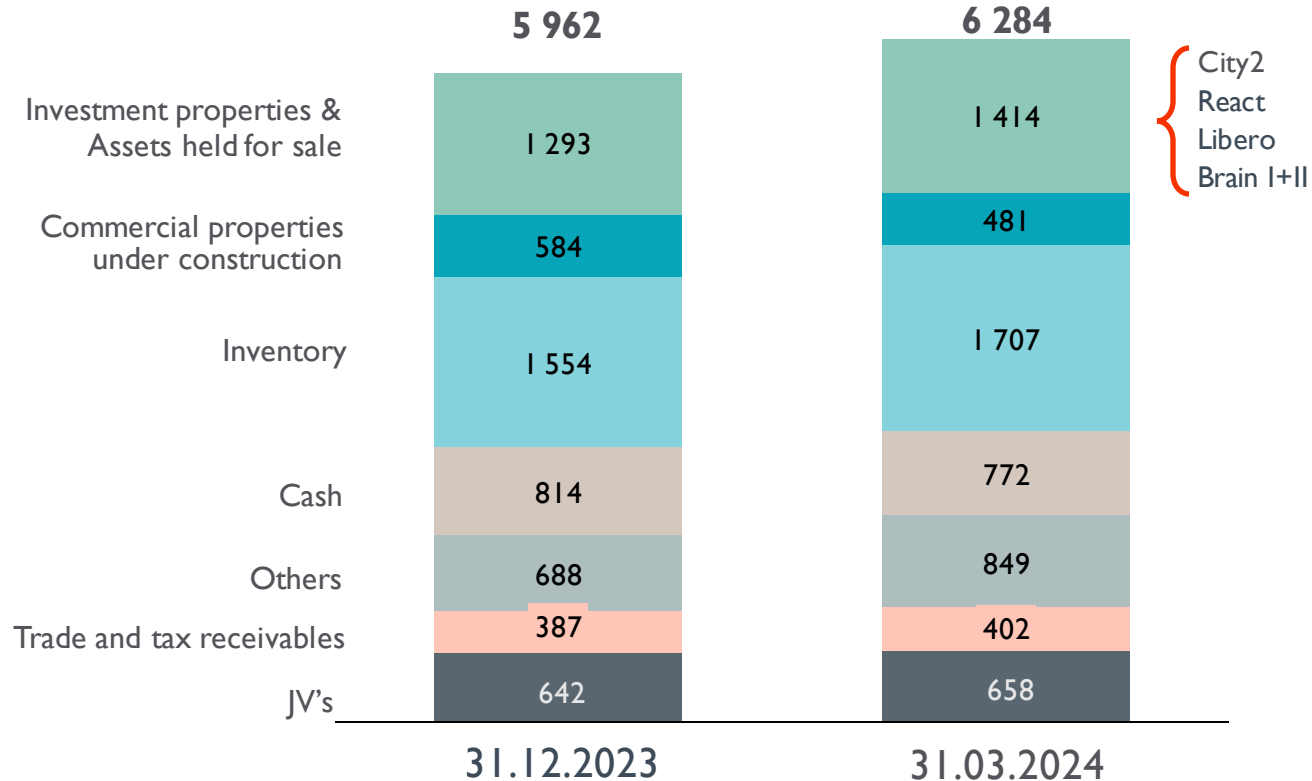
Negative impact of EUR FX – PLN -14m

Stable balance sheet with fully leased assets ready for disposal



Assets
[m PLN]

Assets targeted for disposal



PLN 6,284m

total assets value as at 31.03.2024
(5.4% increase compared to 31.12.2023)

PLN 1,707m

The total value of inventory as at 31.03.2024

PLN 1,414m

The total value of investment properties as at 31.03.2024

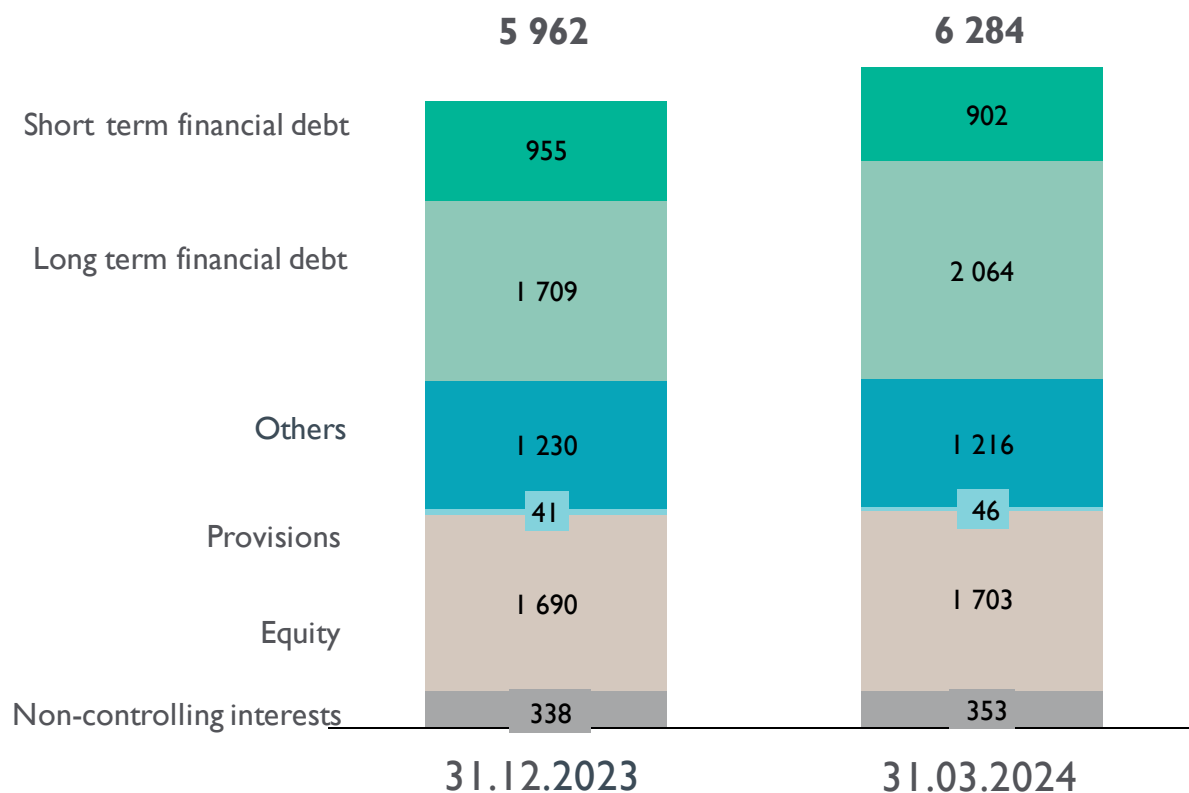
PLN 772m

cash as at 31.03.2024

Debt with extended maturity raised to cover future expiry



Equity and liabilities [m PLN]



PLN 2,966m

Total long and short-term debt as at 31.03.2024 with extended maturity raised to **cover 2024 and 2025 expiry and residential acquisitions**

Long-term debt increased by PLN 355m compared to 31.12.2023

Short-term debt decreased by PLN 53m compared to 31.12.2023

- Maturing bonds will be either repaid or refinanced to transfer the debt to long-term

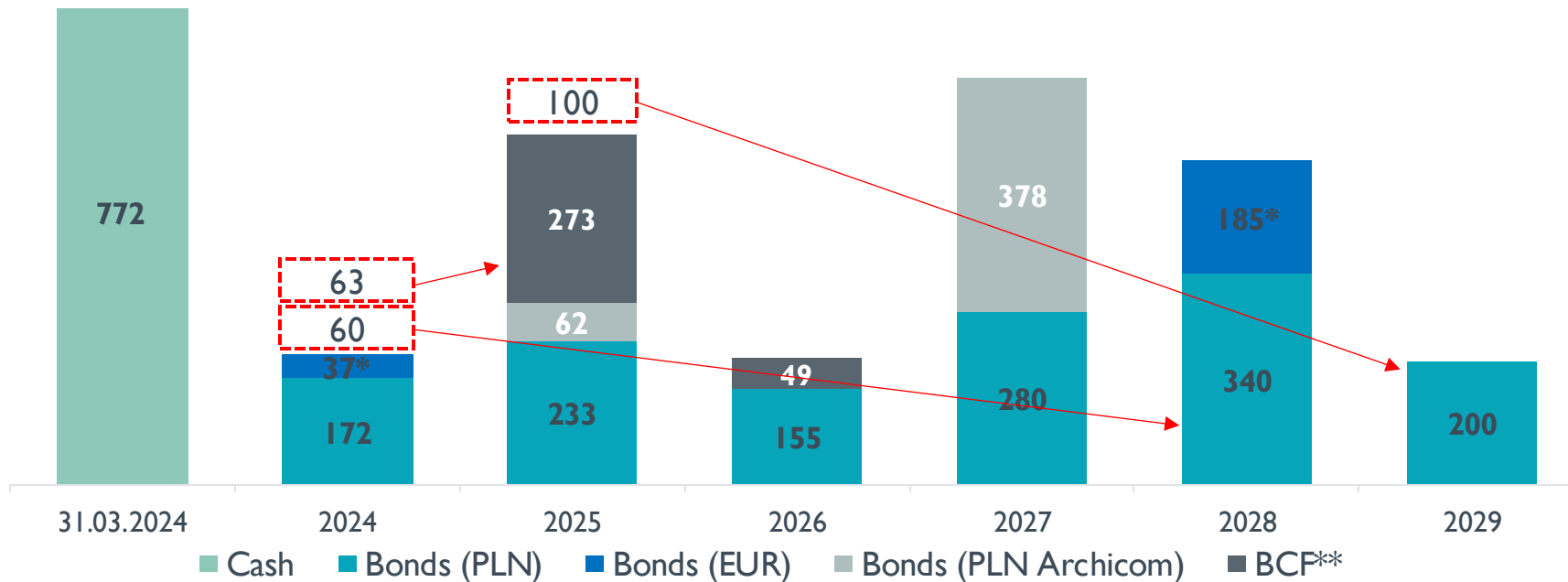
38,9% net debt ratio

(net debt) / (total assets less cash)
in line with target

Active debt roll over in Q1/Q2 2024

Bonds in Q1/Q2 2024

Cash vs. maturity of corporate debt
planned at 31.05.2024 vs. 31.03.2024 [m PLN]



- Q1 2024:
- Echo repaid **PLN -100m** in February
 - Archicom repaid **PLN -61.2m** in March
 - Echo issued two bond tranches **PLN +140m 4Y** to individual investors in January and February (PKO)
 - Echo issued one bond tranche **PLN +100m 5Y** to institutional investors in February (Ipopema)
 - Archicom issued one tranche of bonds for **PLN +168m** in February (mBank)

- Q2 2024:
- Echo repaid **PLN -100m** (next -70m planned still in May)
 - Echo issued one bond tranche **PLN +60m 4Y** to individual investors in May (PKO)
 - Echo issued one bond tranche **PLN +100m 5Y** to institutional investors in May (Ipopema)

* PLN equivalent of EUR bonds as at 31.03.2024

** BCF – Bank corporate financing

Dividend paid for 2023

**Total dividend amount
paid for 2023**

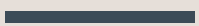


PLN 0.22*
per share

- On **November 2023**, Echo paid advanced dividend for **2023 year** in amount of 90.8 million i.e. **PLN 0.22** per share
- Echo recommends no payment in respect of **2023** profit other than done on November 2023

* Including dividend payment for 2023

X. Q & A

The background features a series of five concentric, light gray curved lines that sweep from the bottom left towards the top right, creating a sense of depth and movement.

ECHO
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