



Warsaw, October 3, 2023

Dom Development S.A. Consolidated Group: Trading update Q3 2023

1. Sales

In Q3 2023, Dom Development Group ("the Group") sold 1 081 units net (compared to 703 in Q3 2022), including 402 units in Warsaw, 374 in the Tri-City area, 189 in Wrocław, and 116 in Cracow.

The highest sales volumes came from the following projects: Warsaw - Osiedle Wilno (101 units) and Urbino (55); Tri-City - Doki (74 units) and Osiedle Beauforta (55); Cracow - Górka Narodowa (63 units); Wrocław - Osiedle Międzyłeska (45 units).

Total 9M 2023 Group sales amounted to 2 926 units net, representing an increase of 29% on 9M 2022, when sales reached 2 262 units.

2. Deliveries

In Q3 2023, the Group delivered 535 units, including 136 units in Warsaw, 272 in the Tri-City area, 119 in Wrocław, and 8 in Cracow.

The financial results for Q3 2023 were mostly influenced by deliveries on the following projects: Tri-City - Osiedle Beauforta (167 units), Warsaw - Dom na Służewcu (103 units); Wrocław - Osiedle Komedy (79 units).

Total 9M 2023 Group deliveries amounted to 2 533 units as compared to 2 598 units in 9M 2022.

3. Market

The housing market in the third quarter of 2023 exhibited favourable conditions, leading to very good sales performance among those developers offering suitable properties. This surge in demand, which had been steadily increasing over several quarters, can be attributed, in part, to factors such as the UKNF's relaxation of mortgage affordability criteria and a consistent rise in income levels. Moreover, the introduction of the "2% Safe Credit" programme in the same quarter acted as a significant catalyst in further boosting demand. Another factor stimulating demand was the anticipation of interest rate cuts. These expectations were realized in September 2023 with the Monetary Policy Council decision to cut rates by 0.75 percentage points, a figure that exceeded all market expectations.

The surge in demand, coupled with inadequate supply, is, in turn, fuelling a substantial rise in house prices.

With highly creditable sales results (up 29% year-on-year in the third quarter of 2023), Dom Development Group is benefitting from the recent recovery in the housing market.

At Dom Development Group during the third quarter of this year, mortgage-backed transactions constituted 49% of total sales, while cash transactions accounted for 51% of sales. This data underscores the ongoing prevalence of investment-driven purchases in the market.

Having enjoyed a high level of sales during the holiday season, Dom Development Group continues to launch new projects, while replenishing its land bank.



Q3 2023 saw continued price stability in the construction materials market. However, persistently high inflation is exerting upward pressure on wages, which, in turn, may lead to increased construction costs. In this context, Dom Development Group holds a significant advantage in having in-house general contracting capabilities. This allows us to nurture long-term partnerships with subcontractors and mitigate construction risks.

The Management Board of Dom Development expects current trends to continue into the fourth quarter. As we move forward, the market situation will be largely determined by how developers adapt their offerings to increased demand and respond to current macroeconomic conditions. Dom Development Group has performed very well within this context - notably enhancing its leading position on the market while maintaining a strong balance sheet and liquidity.

Jarosław Szanajca – CEO

Leszek Stankiewicz – CFO