

# INVESTOR PRESENTATION ADDRESSING Q2 2017 RESULTS

4 AUGUST 2017

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I.

# COMPANY OVERVIEW

### EXPERIENCED RESIDENTIAL REAL ESTATE DEVELOPER WELL ESTABLISHED IN POLAND

- Present in Poland since 2000
- Focused on mid-class residential projects
- Adequate project mix and size enabling accelerated Company growth
- Shareholders with sector knowledge

#### Current operations include:

**8** projects ongoing

and

**9** completed projects offered for sale

(as at 30 June Ronson's offer includes 860 units)

**14** further projects

(Warsaw, Poznań, Wrocław and Szczecin) in preparation for nearly 4,100 units

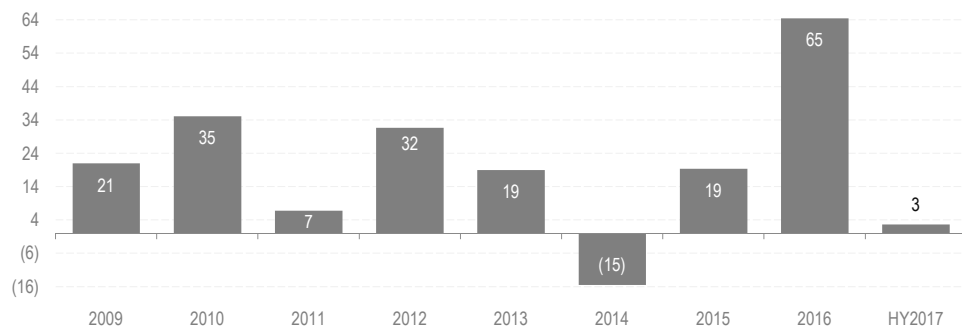
**ATTRACTIVE LAND BANK IS ONE OF RONSON'S ADVANTAGES DECIDING ABOUT ITS GROWTH POTENTIAL.**



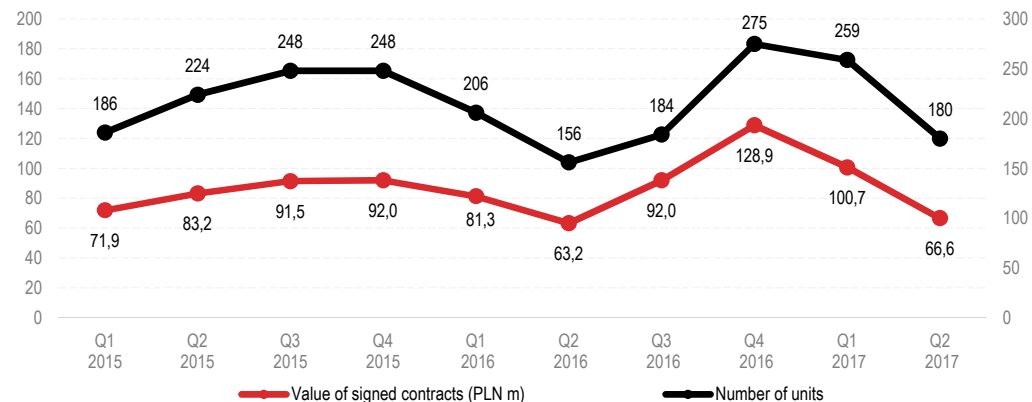
# COMPANY HIGHLIGHTS IN CHARTS

(BASED ON COMPANY'S FINANCIALS AS AT 30 JUNE 2017)

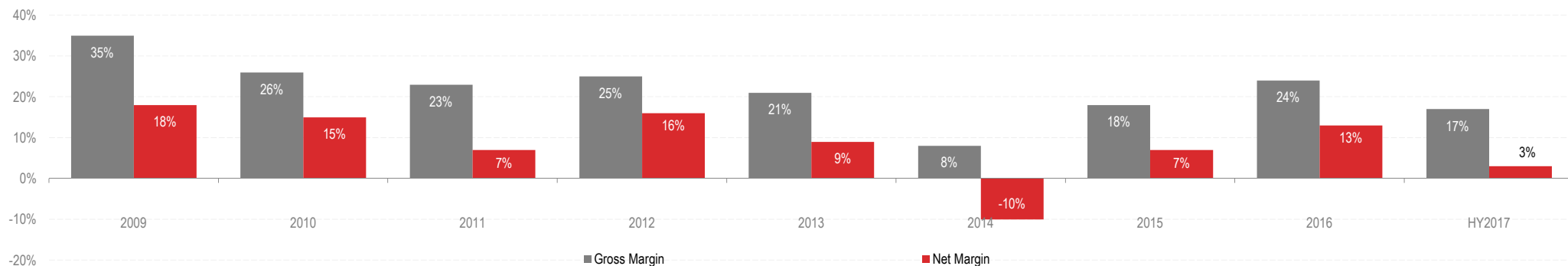
## NET PROFIT (PLN MILLION)



## 439 UNITS SOLD DURING HY2017



## STRONG MARGINS RECORD (%)



1,644 UNITS UNDER PREPARATION WITH NEARLY 84,200 M<sup>2</sup>, OF WHICH 1,230 UNITS ARE IN WARSAW



**CITY LINK I AND II**

- Commenced Q2 2015 and Q2 2016
- Expected completion Q3 2017 and Q4 2018
- City Link I: 301 apartments and 21 commercial units with aggregate area 14,700 m<sup>2</sup>
- City Link II: 184 apartments and 5 commercial units with aggregate area 8,800 m<sup>2</sup>
- Location: Warsaw, Wola
- The Company's share in this projects is 50%



**CITY LINK III**

- Commenced Q2 2017
- Expected completion Q3 2019
- 364 apartments and 4 commercial units with aggregate area 18,700 m<sup>2</sup>
- Location: Warsaw, Wola
- The Company's share in this project is 100%



**MIASTO MOJE I**

- Commenced Q2 2016
- Expected completion Q1 2018
- 191 apartments and 14 commercial units with aggregate area 10,900 m<sup>2</sup>
- Location: Warsaw, Białołęka



**ESPRESSO IV**

- Commenced Q1 2016
- Expected completion Q4 2017 / Q1 2018
- 135 apartments and 11 commercial units with aggregate area 8,100 m<sup>2</sup>
- Location: Warsaw, Wola

1,644 UNITS UNDER PREPARATION WITH NEARLY 84,200 M<sup>2</sup>, OF WHICH 414 ARE IN POZNAŃ, WROCLAW AND SZCZECIN



**CHILLI IV**

- Commenced in 2Q 2016
- Expected completion 3Q 2017
- 45 apartments with aggregate area 2,900 m<sup>2</sup>
- Location: Tulce near Poznań



**VITALIA I**

- Commenced in 4Q 2015
- Expected completion 3Q 2017
- 139 apartments with aggregate area 7,200 m<sup>2</sup>
- Location: Wrocław, Jutrzenki Street



**PANORAMIKA III**

- Commenced in 2Q 2016
- Expected completion 4Q 2017
- 122 apartments with aggregate area 5,800 m<sup>2</sup>
- Location: Szczecin, Duńska Street



**MŁODY GRUNWALD III**

- Commenced in 1Q 2016
- Expected completion 4Q 2017
- 104 apartments and 4 commercial units with aggregate area 7,100 m<sup>2</sup>
- Location: Poznań, Grunwald

## COMPLETED PROJECTS OFFERED FOR SALE

AS OF 30 JUNE 117 COMPLETED UNITS WITH 11,200 M<sup>2</sup> WERE OFFERED FOR SALE IN 9 PROJECTS (4 CITIES)



**MOKO I-II**

- As at 30 June, 53 units offered for sale
- In total 326 apartments and 19 commercial units
- Location: Warsaw, Mokotów



**VERDIS I - IV**

- As at 30 June, 9 units offered for sale
- In total 418 apartments and 23 commercial units
- Location: Warsaw, Wola



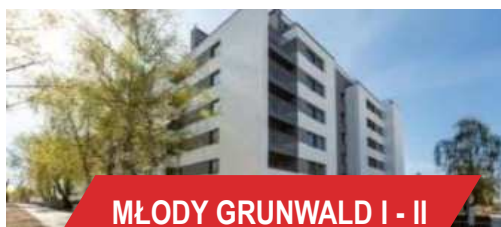
**SAKURA I - IV**

- As at 30 June, 5 units offered for sale
- In total 488 apartments and 27 commercial units
- Location: Warsaw, Mokotów



**ESPRESSO I - III**

- As at 30 June, 7 units offered for sale
- In total: 288 apartments and 18 commercial units
- Location: Warsaw, Wola



**MŁODY GRUNWALD I - II**

- As at 30 June, 28 units offered for sale
- In total 268 apartments and 17 commercial units
- Location: Poznań, Grunwald



**PANORAMIKA II**

- As at 30 June, 10 units offered for sale
- In total: 107 apartments
- Location: Szczecin, Duńska Street



**KAMIENICA JEŻYCE I - II**

- As at 30 June, 1 units offered for sale
- In total: 290 apartments and 5 commercial units
- Location: Poznań, Kościelna Street

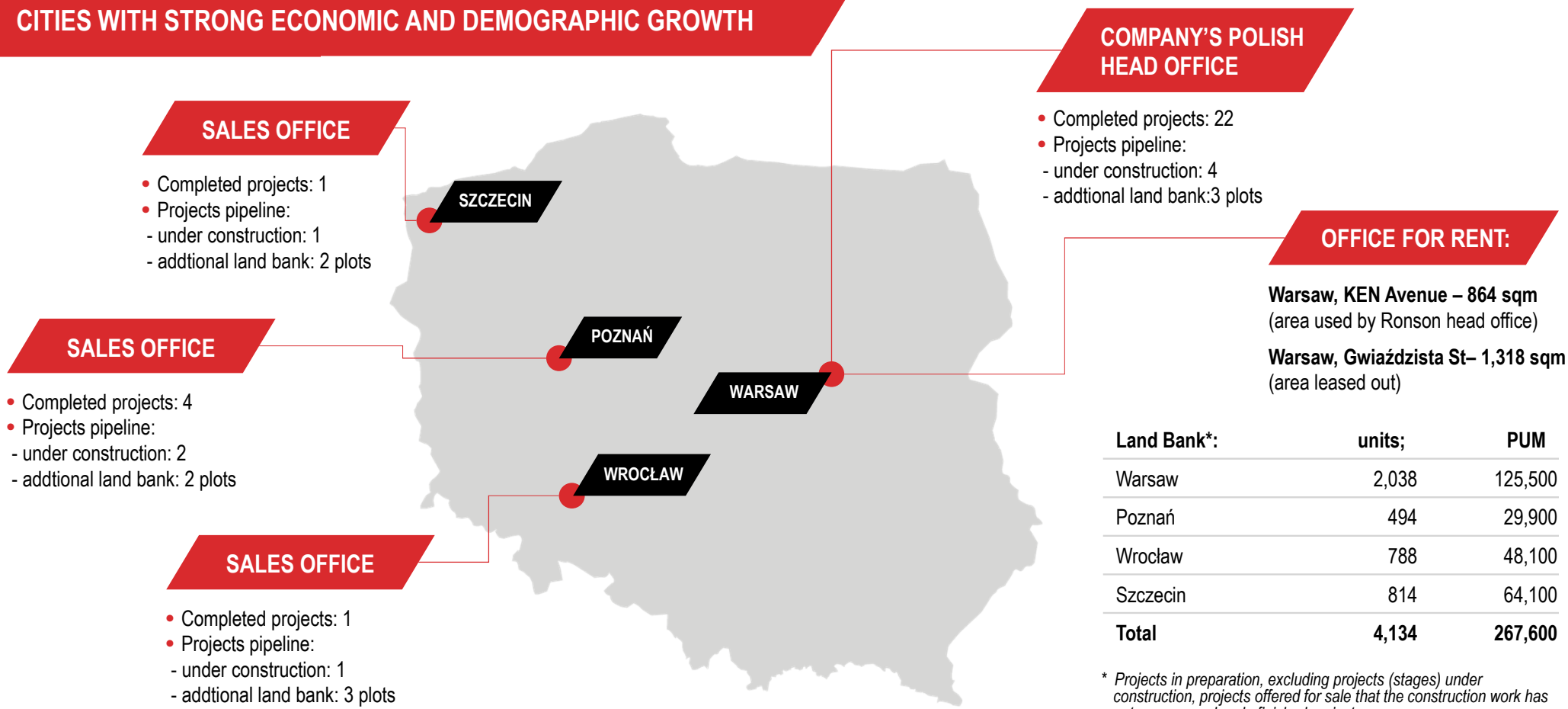
Moreover the Company's offer includes 6 completed units in the following projects: Impressio I-II (1), Naturalis I-III (1), Chilli I (1), Panoramika I (1).



## PROJECTS IN PREPARATION

SELECTIVE GEOGRAPHIC DIVERSIFICATION IN POLAND

### CITIES WITH STRONG ECONOMIC AND DEMOGRAPHIC GROWTH



\* Projects in preparation, excluding projects (stages) under construction, projects offered for sale that the construction work has not commenced and finished projects.

## PROJECTS IN PREPARATION, cont.

### RONSON LAND BANK

Project name	Location	Total no. of units	PUM (m <sup>2</sup> )
1 Naturalis - stages in preparation	Warsaw	345	20,600
2 Panoramika - stages in preparation	Szczecin	272	14,600
3 Chilli - stages in preparation	Poznań	176	12,300
4 Vitalia - stages in preparation	Wrocław	164	11,500
5 Miasto Moje - stages in preparation	Warsaw	1,309	65,600
<b>Subtotal - remaining stages of the projects currently under construction/ on sale</b>		<b>2,266</b>	<b>124,600</b>
1 Chopin	Szczecin	467	38,300
2 Matisse I	Wrocław	373	24,400
3 Matisse II	Wrocław	100	6,000
4 Falenty	Warsaw	160	23,500
5 Marina Miasto	Wrocław	151	6,200
6 Renaissance	Warsaw	224	15,800
7 Bulgarska	Poznań	268	14,400
8 Vivaldi	Szczecin	75	11,200
9 Belchatowska 28	Poznań	50	3,200
<b>Subtotal - remaining projects, still in preparation</b>		<b>1,868</b>	<b>143,000</b>
<b>Total</b>		<b>4,134</b>	<b>267,600</b>

\* does not include project in Ursus in Warsaw dedicated for c.a.1,600 units (acquisition not completed yet)

II.

# FINANCIAL RESULTS REVIEW

FOR THE 6 MONTHS ENDED 30 JUNE 2017

## P&L HIGHLIGHTS, REVENUES AND GROSS MARGIN

6 MONTHS ENDED 30 JUNE 2017

### UNITS DELIVERED / REVENUES / GROSS MARGIN

Project	1Q2017		2Q2017		Total IH 2017		Gross margin / profit	
	Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m
Espresso II & III	120	43.5	24	12.1	144	55.6	17.6%	9.8
Kamienica Jeżyce	138	39.2	23	8.8	161	48.0	6.9%	3.3
Moko	20	14.5	8	6.0	28	20.5	32.0%	6.6
Młody Grunwald I & II	1	0.4	2	1.0	3	1.4	0.9%	-
Panoramika II	6	1.8	3	1.1	9	2.9	1.3%	-
Impressio	4	1.8	2	0.7	6	2.5	-3.6%	(0.1)
Sakura	2	1.3	9	4.4	11	5.7	6.4%	0.4
Tamka	2	2.6	-	-	2	2.6	30.7%	0.8
Verdis	2	0.8	1	0.6	3	1.4	21.2%	0.3
Naturalis I, II & III	4	1.6	-	-	4	1.6	9.3%	0.1
Other	-	2.6	-	1.5	-	4.2	N.A	4.0
<b>Total</b>	<b>299</b>	<b>110.1</b>	<b>72</b>	<b>36.2</b>	<b>371</b>	<b>146.2</b>	<b>17.2%</b>	<b>25.2</b>

- Total number of units delivered in HY amounted to 371.
- The Company has not completed construction of any new project during HY 2017 and vast majority of units that were delivered to customers in this period came from two projects completed in late 2016, i.e. from Espresso III and Kamienica Jeżyce (I & II). Another project that substantially contributed to the Company's profits was Moko completed in 3Q 2016.
- Average (net) price of apartments delivered during HY 2017 amounted to PLN 382 thousand (net of VAT) compared to PLN 394 thousand during 2016.

\*Other revenues are mainly associated with rental revenues and fee income for management services provided to joint ventures and Nova Krolikarnia project, as well as sales of parking places and storages in other projects that were completed in previous years.

## FINANCIAL RESULTS

(PLN M) 6 MONTHS ENDED 30 JUNE 2017

	HY2017	HY2016	% change	2Q2017	2Q2016	% change	Y2016	Y2015	% change
Revenue from residential projects	142.4	110.3	29%	34.7	68.9	-50%	308.0	280.9	10%
Revenue from Nova Królikarnia project	-	-	-	-	-	-	175.1	-	-
Revenue from sale of services	3.8	0.9	322%	1.4	0.5	1.8	1.7	0.5	240%
<b>Total Revenue</b>	<b>146.2</b>	<b>111.2</b>	<b>31%</b>	<b>36.1</b>	<b>69.4</b>	<b>-48%</b>	<b>484.8</b>	<b>281.4</b>	<b>72%</b>
Cost of sales residential projects	(121.5)	(91.3)	33%	(30.0)	(53.5)	-44%	(248.2)	(230.1)	8%
Cost of sales Nova Królikarnia project	-	-	-	-	-	-	(117.9)	-	-
<b>Cost of sales</b>	<b>(121.5)</b>	<b>(91.3)</b>	<b>33%</b>	<b>(30.0)</b>	<b>(53.5)</b>	<b>-44%</b>	<b>(366.1)</b>	<b>(230.1)</b>	<b>59%</b>
Gross profit from residential projects	24.7	19.9	24%	6.1	15.9	-62%	61.5	51.3	20%
Gross profit from Nova Królikarnia project	-	-	-	-	-	-	57.2	-	-
<b>Gross profit</b>	<b>24.7</b>	<b>19.9</b>	<b>24%</b>	<b>6.1</b>	<b>15.9</b>	<b>-62%</b>	<b>118.7</b>	<b>51.3</b>	<b>131%</b>
Changes in the value of investment property	-	-	-	-	-	-	-	(0.5)	-
Selling and marketing expenses	(2.4)	(4.1)	-41%	(1.2)	(2.4)	-50%	(8.1)	(6.5)	25%
Administrative expenses	(10.0)	(9.5)	5%	(5.2)	(4.3)	21%	(22.2)	(18.8)	18%
Share of profit/(loss) from joint ventures	(0.5)	(0.6)	-	0.1	(0.4)	-	(1.4)	(0.7)	-
Net other income/(expense)	(2.4)	(1.4)	-	(1.1)	(0.5)	-	(2.4)	1.6	-
<b>Operating profit/(loss)</b>	<b>9.4</b>	<b>4.3</b>	<b>119%</b>	<b>(1.3)</b>	<b>8.3</b>	<b>-116%</b>	<b>84.6</b>	<b>26.4</b>	<b>220%</b>
Net finance expense	(3.8)	(3.1)	23%	(1.9)	(1.6)	19%	(7.0)	(6.1)	15%
Profit/(loss) before tax	5.6	1.2	367%	(3.2)	6.7	-148%	77.6	20.3	282%
Income tax benefit/(expenses)	(1.0)	(0.1)	-	0.4	(1.2)	-	(12.5)	(1.4)	-
<b>Net profit/(loss)</b>	<b>4.6</b>	<b>1.1</b>	<b>318%</b>	<b>(2.8)</b>	<b>5.5</b>	<b>-151%</b>	<b>65.1</b>	<b>18.9</b>	<b>244%</b>
Gross margin from residential projects	16.9%	17.9%	-	16.9%	22.9%	-	19.9%	18.2%	-
Gross margin from Nova Królikarnia project	n.a.	n.a.	-	n.a.	n.a.	-	32.7%	n.a.	-
Gross margin	16.9%	17.9%	-	16.9%	22.9%	-	24.5%	18.2%	-
Net Margin	3.1%	1.0%	-	-7.8%	7.9%	-	13.4%	6.7%	-
EPS (PLN)	0.016	0.003	-	-0.019	0.018	-	0.239	0.071	-

### P&L HIGHLIGHTS

6 MONTHS ENDED 30 JUNE 2016

- Revenues up by 29% to PLN 142.4m (number of units delivered up by 34%, i.e. 371 vs 276 during HY 2016);
- Selling and marketing expenses decreased in HY 2017 – primarily due to much lower number of new projects commenced in this period. Company commenced during IH 2017 1 project with 368 units compared to 7 projects with 921 units that were commenced during HY 2016.
- Administrative expenses increased by PLN 0.5m. The increase is primarily explained by increase in the costs of consulting services related to various restructuring initiatives of the Group.
- Net other expenses increased by PLN 1.0m. The increase is primarily explained by increase in maintenance expenses for unsold units.
- Finance expenses before capitalization decreased by PLN 0.4m. The decrease is primarily explained by the decrease in the average margins on bonds issued.

**BALANCE SHEET DATA (PLN M)**

Operating CF during HY2017 was negative (PLN 13 million). Advance for land paid during the period amounted to PLN 30 million. The positive CF from JV (City Link) amounting to PLN 7 million is presented in the CF from investment activity.

**NET DEBT / EQUITY:  
54% AS END OF JUNE 2017.**

	As of 30-Jun-17	As of 31-Dec-16	As of 31-Dec-15
Equity*	331.1	359.6	457.7
Banking debt	20.0	1.9	56.9
Floating rate bond	196.8	222.6	190.3
Loans from third parties (net)	0.2	1.6	2.9
Cash and cash equivalents	38.8	69.1	99.5
Inventory	509.4	574.1	701.3
Total Assets	676.2	743.4	874.8
Net Debt	178.2	157.0	150.6
Net debt / Equity*	53.8%	43.7%	32.9%
Net debt / Total Assets*	26.4%	21.1%	17.2%
Net assets per share* (PLN)	2.02	2.19	1.68

\* Equity and Net debt / Equity / Total Assets ratio as well as Net assets per share include already decrease of equity due to approved dividend payment (PLN 16.4 million).

## INVENTORY AS OF 30 JUNE 2017

6 MONTHS ENDED 30 JUNE 2017

	PLN million
Finished goods	93.8
Ongoing projects	175.6
Land bank*	240.0
<b>Total</b>	<b>509.4</b>

\* Including all costs capitalized, i.e. purchase price, transaction costs, land preparation costs, architect planning, financial costs and other.

Not including City Link I and II projects, which is not consolidated (Ronson share in this project amounts to 50%).

### FINISHED PROJECTS

Comprising: 160 units

### ONGOING PROJECTS, OF WHICH:

Under construction and/or on sale:

Espresso IV, Panoramika III, Młody Grunwald III, Vitalia I, Chilli IV, Miasto Moje I and City Link III.

### ATTRACTIVE BANK OF LANDS (4,134 UNITS, 267,600 PUM)

Categorised by city:

Warsaw	2,038 units;	125,500 PUM
Poznań	494 units;	29,900 PUM
Wrocław	788 units;	48,100 PUM
Szczecin	814 units;	64,100 PUM

Categorised by book value per PUM:

Below	PLN 1,000	177,700 PUM (66%)
Between	PLN 1,000–2,000	80,500 PUM (30%)
Over	PLN 2,000	9,400 PUM (4%)

## DEBT POSITION AS OF 30 JUNE 2017

6 MONTHS ENDED 30 JUNE 2017

	PLN million
Loans from third parties	0.2
Bond loans	196.8
Banking debt	20.0
<b>Total</b>	<b>217.0</b>

### BANKING DEBT

Maturity of loans tailored to construction cycle of the projects.

Interest expense with respect to projects under construction are capitalized into inventory.

### BOND DEBT

\* bonds secured by mortgage

Seria	Catalyst Ref. No.	Nominal value (PLN)	Nominal interest	Coupon	Issue date	Maturity date
F*	RON 0518	22,160,000	WIBOR 6M + 3,50%	Semi-annual	20/05/2014	20/05/2018
H	RON 0218	5,000,000	WIBOR 6M + 4,25%	Semi-annual	23/05/2014	23/02/2018
I	RON 0119	10,000,000	WIBOR 6M + 4,00%	Semi-annual	26/01/2015	25/01/2019
J	RON 0419	15,500,000	WIBOR 6M + 3,60%	Semi-annual	21/04/2015	19/04/2019
K	RON 0619	4,500,000	WIBOR 6M + 3,60%	Semi-annual	18/06/2015	18/06/2019
L	RON 1218	15,000,000	WIBOR 6M + 3,50%	Semi-annual	29/12/2015	28/12/2018
M	RON 0220	10,000,000	WIBOR 6M + 3,65%	Semi-annual	25/02/2016	25/02/2020
N	RON 0919	10,000,000	WIBOR 6M + 3,60%	Semi-annual	17/03/2016	14/09/2019
O	ROE 0419	10,000,000	WIBOR 6M + 3,50%	Semi-annual	08/04/2016	08/04/2019
P	RON 0820	10,000,000	5,25% (fixed)	Quarterly	18/08/2016	18/08/2020
Q	RON 0720	15,000,000	WIBOR 6M + 3,50%	Semi-annual	29/07/2016	29/07/2020
R*	RON 0521	50,000,000	WIBOR 6M + 2,85%	Semi-annual	24/05/2017	24/05/2021
S	(not listed)	20,000,000	WIBOR 6M + 3,40%	Semi-annual	19/06/2017	19/06/2021
<b>Total</b>		<b>197,160,000</b>				

The tranche F bonds are secured with the mortgage, the tranche R shall be secured with the mortgage by November 2017.

Interest expense with respect to the bonds are capitalized into inventory, based on the requirements of IAS 23 as indirect borrowing expenses.

Bond loans as 30 June 2017 amounted to PLN 196.8m comprising a loan principal amount of PLN 197.2m plus accrued interest of PLN 1.7m minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 2.1m).



## DEBT POSITION AS OF 30 JUNE 2017

6 MONTHS ENDED 30 JUNE 2017

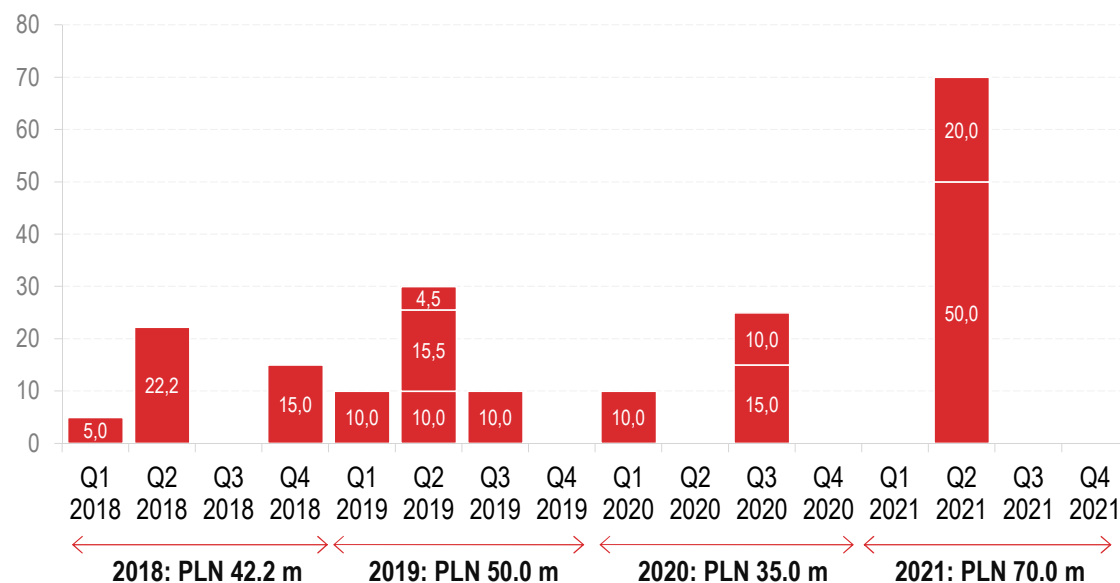
	PLN million
Loans from third parties	0.2
Bond loans	196.8
Banking debt	20.0
<b>Total</b>	<b>217.0</b>

### BANKING DEBT

Maturity of loans tailored to construction cycle of the projects.

Interest expense with respect to projects under construction are capitalized into inventory.

### BOND DEBT MATURITY (PLN M / QUARTERLY)



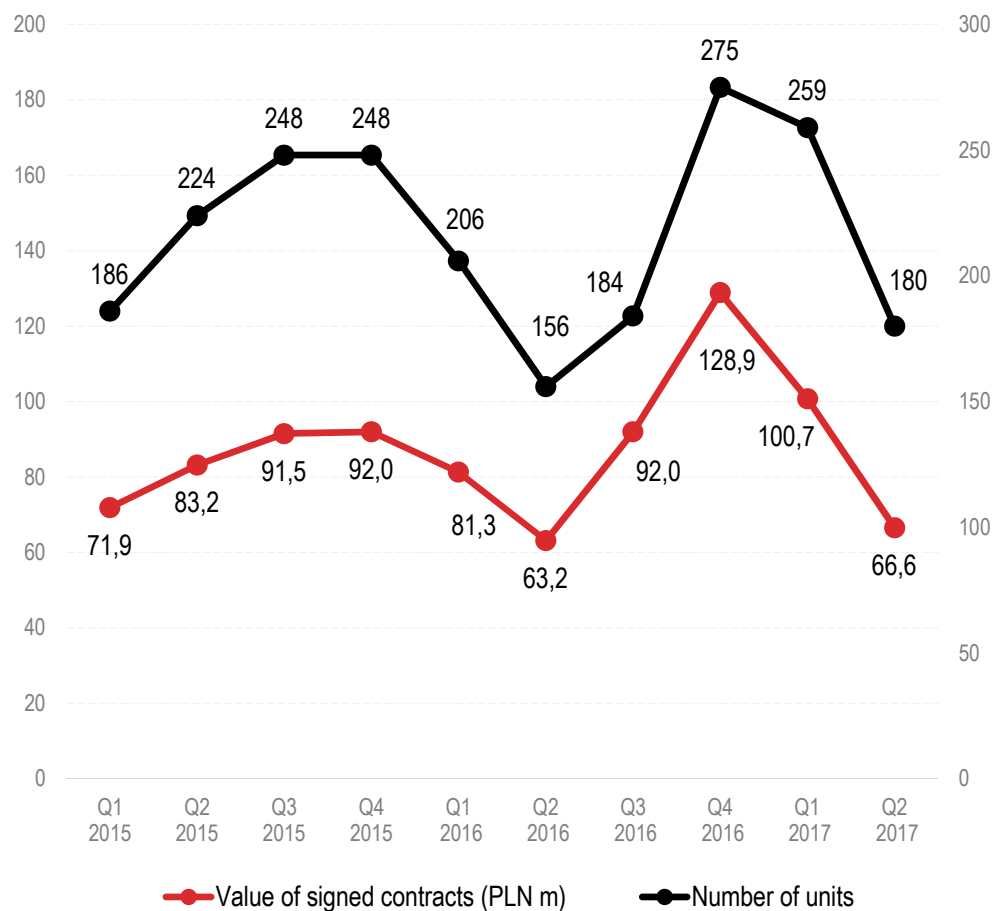
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## 439 UNITS SOLD DURING HY2017

6 MONTHS ENDED 30 JUNE 2017



Total sales during HY2017 amounted to 439 units, which was by 21% better result than in HY 2016.

Best selling projects were City Link, Miasto Moje and Espresso in Warsaw as well as Panoramika in Szczecin and Vitalia in Wrocław.

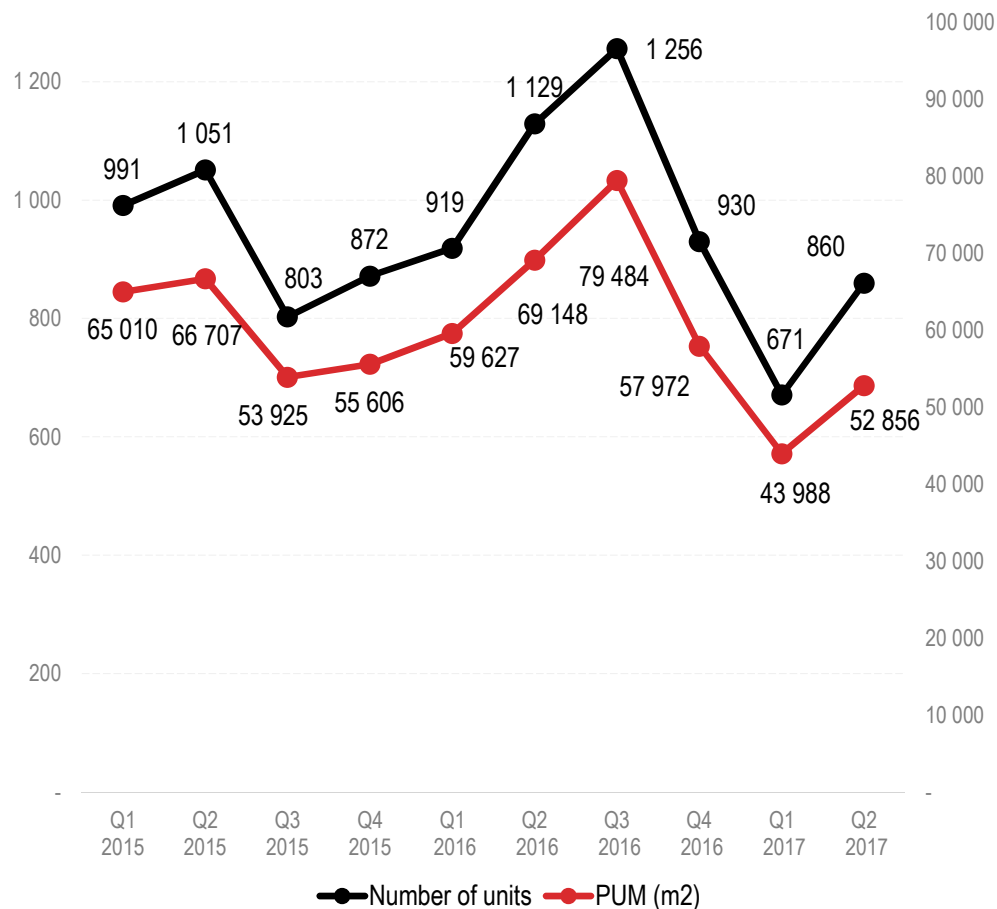
Average price of apartments sold during HY 2017 amounts to PLN 381 thousand and is lower than the average price recorded during 2016 (PLN 445 thousand), which included many units in Nova Królikarnia and in Tamka projects.

### NUMBER OF UNITS SOLD DURING HY2017 (439 IN TOTAL)

Completed projects		Projects under construction	
Impressio	2	City Link I	44
Młody Grunwald I-II	6	City Link II	62
Sakura	12	Espresso IV	58
Tamka	1	Młody Grunwald III	25
Moko	16	Vitalia I	46
Espresso II-III	17	Panoramika III	51
Panoramika II	7	Chilli IV	1
Kamienica Jeżyce	20	Miasto Moje I	53
Verdis	2	City Link III	17
Other (old) projects	(1)		
<b>Total</b>	<b>82</b>	<b>Total</b>	<b>357</b>

## UNITS OFFERED FOR SALE AS END OF QUARTER

6 MONTHS ENDED 30 JUNE 2017



Since the offer was enlarged in 2013, the Company continued introducing new projects keeping between 800 to 1,200 units in its offer and reaching 1,256 units as end of September 2016.

Very good sales results during 1Q 2017 in combination with sale of Nova Królikarnia project made the Company's offer very low as end of March 2017 and translated into lower sales results during 2Q 2017.

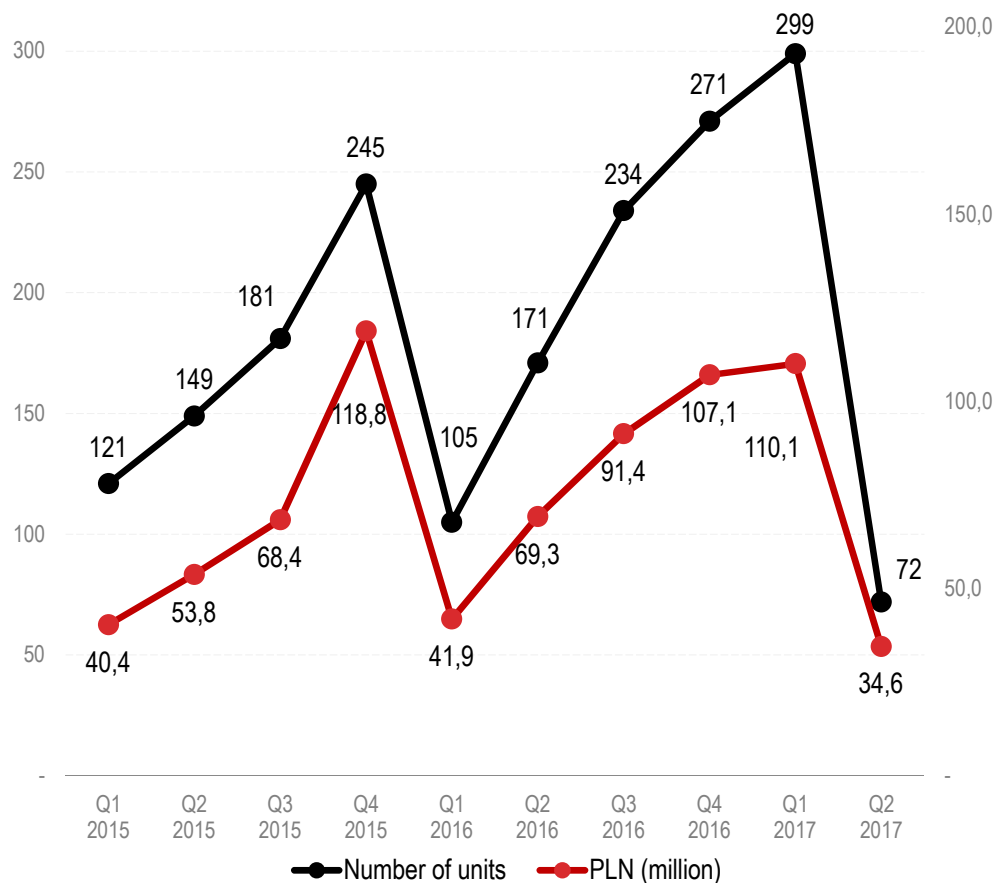
**Improving offer by City Link III added in June (368 units) and by other projects including Marina Miasto (with 151 units added in July) shall translate into improving sales results during 3Q.**

### UNITS OFFERED FOR SALE (860 IN TOTAL)

Completed projects		Projects under construction	
Espresso II & III	5	Chilli IV	38
Kamienica Jezyce	1	Vitalia I	64
Moko	53	Panoramika III	57
Młody Grunwald I & II	28	Młody Grunwald III	50
Panoramika II	10	City Link I	14
Naturalis I,II & III	1	City Link II	32
Sakura	5	Espresso IV	24
Verdis	9	Miasto Moje I	113
Tamka	-	City Link III	351
Impressio	1		
Old projects	4		
<b>Total</b>	<b>117</b>	<b>Total</b>	<b>743</b>

## QUARTERLY DELIVERIES (REVENUES RECOGNIZED IN P&L)

6 MONTHS ENDED 30 JUNE 2017



Majority of the Company's revenues during 1Q 2017 came from deliveries of apartments in Espresso and Kamienica Jezyce projects which were completed in December 2016. As the Company has not finished any new project during HY 2017 the number of units delivered to the customers during 2Q 2017 was record low.

As of end of June 2017 there are over 900 units sold by the Company but not delivered yet to the customers, of which 43 are already completed and 901 are still under construction.

### UNITS SOLD BUT NOT DELIVERED (944 UNITS AND PLN 346.5 MILLION IN TOTAL)

Completed projects	Units	PLN million	Projects under construction	Units	PLN million
Espresso II & III	4	2.2	Chilli IV	7	1.8
Moko	8	7.0	Vitalia I	75	21.0
Panoramika II	3	1.0	Panoramika III	65	12.7
Kamienica Jezyce	10	3.9	Młody Grunwald III	58	18.8
Młody Grunwald I & II	4	2.4	City Link I	308	117.0
Naturalis I,II & III	1	0.6	City Link II	157	66.6
Sakura	4	2.3	Espresso IV	122	48.2
Verdis	4	2.0	Miasto Moje I	92	26.6
Tamka	1	1.6	City Link III*	17	7.6
Impressio	3	2.1			
Other (old) projects	1	1.1			
<b>Total</b>	<b>43</b>	<b>26.2</b>	<b>Total</b>	<b>901</b>	<b>320.3</b>

III.

**BRIEF SUMMARY OF COMPANY'S  
ACHIEVEMENTS DURING HY2017  
& OUTLOOK FOR THE REMAINDER  
OF 2017**

## COMPANY'S ACHIEVEMENTS DURING HY2017 AND THE MOST RECENT DEVELOPMENTS

### THE COMPANY'S ACHIEVEMENTS DURING 6 MONTHS ENDED 30 JUNE 2017 INCLUDE:

- Pre-sales of 439 units, i.e. 21% better result than during HY 2016 (higher by 16% by value of sold apartments);
- Delivery of 371 units to the customers and recognition of revenues in the amount of PLN 142.4 million;
- Net profit attributable to the shareholders of the parent company in the amount of PLN 2.7 million;
- Negative operating CF amounting to PLN 13 m (advances for land amounted to PLN 30 million); The positive CF from JV (City Link) amounting to PLN 7 million presented in the CF from investment activity;
- Bond issues for total PLN 70m (secured R = PLN 50m and unsecured S = PLN 20m) – at acceptable margins;
- Low net debt position;
- Commencement of sales and construction of City Link III (368 units);
- Final building permit for Marina Miasto in Wrocław (comprising 151 units);
- All completions of new projects scheduled for 2017 are planned for second half of the year.

### RECENT DEVELOPMENTS (AFTER 30 JUNE) INCLUDE:

- Commencement of sales and construction of Marina Miasto (151 units);
- Commencement of construction of Miasto Moje II (148 units).

**439 units**  
Pre-sales

**371 units**  
Deliveries

**PLN 4.6 m**  
Net profit\*

\* The net profit attributable to shareholders of the parent Company amounted to PLN 2.7 m.

### THE COMPANY'S PLANS FOR 2017 INCLUDE:

Pre-sales at similar level as during 2016, i.e. over 800 units to be sold during 2017

Delivery of nearly 1000 units to our customers

Preparation and commencement of sales and construction of 7 new projects comprising 1,160 units

Completion of construction works in 5 projects comprising 736 units in total

Extension of the land bank by acquisition of new lands in Warsaw and in Poznań

Further strengthening of Ronson's brand name

## PROJECTS PLANNED FOR COMMENCEMENT DURING REMAINDER 2017

### TWO PROJECTS / NEW LOCATIONS



#### MARINA MIASTO (NA GROBLI, WROCŁAW)

Total no. of units: 151 (the project will be developed as one stage)  
*(the project commenced already in July)*

#### BUŁGARSKA / ŚWIERZAWSKA IN POZNAŃ\*

Total no. of units: 268; Entire project to be commenced during 2017  
*(the project may be commenced in late 4Q)*

### NEXT STAGES OF CURRENTLY RUN PROJECTS

- Chilli City V, 32 units *(to be commenced in late 4Q)*
- Panoramika IV, 107 units *(to be commenced in September)*
- Vitalia II, 83 units *(to be commenced still in August)*
- Miasto Moje II, 148 units *(already commenced in August)*

**IN TOTAL:  
6 NEW PROJECTS  
COMPRISING 789 UNITS**



## FINANCIAL RESULTS REVIEW – OUTLOOK FOR THE REMAINDER OF 2017

As of end of June 2017, there were 160 units completed that were not delivered to the customers, of which 43 were pre-sold and 117 were offered by the Company for sale.

Total value of pre-sold units amounted to PLN 26.2 m. It shall be expected that majority of those units will be delivered to the customers during 3Q 2017.

### PROJECTS THAT MAY CONTRIBUTE TO P&L DURING THE REMAINDER OF 2017 - COMPLETED PROJECTS

Name of project	Signed contracts		Units for sale	Units in total	Gross margin
	(PLN m)	Units (no.)	(no.)	(no.)	( % )
Espresso II & III	2.2	4	5	9	17.6%
Moko	7.0	8	53	61	32.0%
Panoramika II	1.0	3	10	13	1.3%
Kamienica Jeżyce	3.9	10	1	11	6.9%
Młody Grunwald I & II	2.4	4	28	32	0.9%
Naturalis I,II & III	0.6	1	1	2	9.3%
Sakura	2.3	4	5	9	6.4%
Verdis	2.0	4	9	13	21.2%
Tamka	1.6	1	0	1	30.7%
Impressio	2.1	3	1	4	-3.6%
Other (old) projects	1.1	1	4	5	N.A
<b>Total</b>	<b>26.2</b>	<b>43</b>	<b>117</b>	<b>160</b>	

## FINANCIAL RESULTS REVIEW – OUTLOOK FOR THE REMAINDER OF 2017, CONT.

Current project pipeline of (as end of June 2017) assumes completion of 736 units during 2017, 540 during 2018 and 368 during 2019.

### PROJECTS THAT MAY CONTRIBUTE TO P&L DURING THE REMAINDER OF 2017, 2018 AND 2019

Name of project	Commencement Date	Completion Date	Units sold (no.)	Units for sale (no.)	Units in total (no.)
City Link I	2015 Q2	2017 Q3	308	14	322
Vitalia I	2015 Q4	2017 Q3	75	64	139
Chilli IV	2016 Q2	2017 Q3	7	38	45
Młody Grunwald III	2016 Q1	2017 Q4	58	50	108
Panoramika III	2016 Q2	2017 Q4	65	57	122
<b>Subtotal 2017</b>			<b>513</b>	<b>223</b>	<b>736</b>
Espresso IV	2016 Q1	2018 Q1	122	24	146
Miasto Moje I	2016 Q2	2018 Q1	92	113	205
City Link II	2016 Q2	2018 Q4	157	32	189
<b>Subtotal 2018</b>			<b>371</b>	<b>169</b>	<b>540</b>
City Link III	2017 Q2	2019 Q3	17	351	368
<b>Subtotal 2019</b>			<b>17</b>	<b>351</b>	<b>368</b>
<b>Total</b>			<b>901</b>	<b>743</b>	<b>1,644</b>

Moreover the Company already commenced second stage of Miasto Moje (148 units) and plans to commence also still in August second stage of Vitalia (83 units) which shall be completed in 4Q 2018. Marina Miasto which was already commenced in July (151 units) will be completed during 2019.

The next projects that will be added on the Company's offer will be completed in 2019 and 2020.

# APPENDIX

## MANAGEMENT BOARD, DIRECTORS A



**TOMASZ ŁAPIŃSKI**

- CEO, since April 2017
- Chief Financial Officer; since 2008
- 2000 – 2008 – investment banking division of UniCredit Group (formerly CA IB)
- 1998 – 2000 – Central Europe Trust (consulting)



**ANDRZEJ GUTOWSKI**

- Sales and Marketing Director
- 2003 – present – Ronson Europe N.V. (Sales and Marketing Manager)
- 1994 – 2003 – Emmerson Sp. z o.o. (leading real estate agency & advisory company in the Polish market); Director of Primary Markets; member of the management board



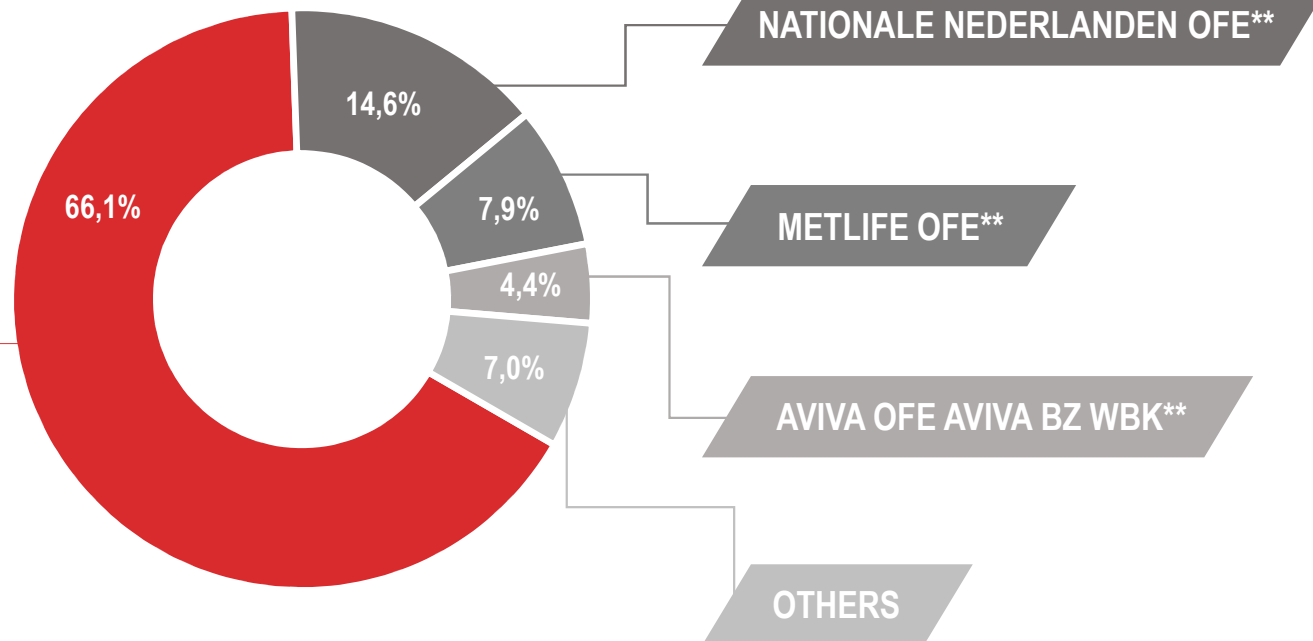
**RAMI GERIS**

- CFO, since April 2017
- Financial Controller; since 2007
- 2006 - 2007 – Auditor at EY Israel
- 2004 – 2006 – Auditor at Zev Salomon & Co.- accountants Israel



### A. LUZON DEVELOPMENT AND ENERGY GROUP LTD.\*

- Established in 1961, a public company listed for trading on the Tel Aviv Stock Exchange
- One of the leading developers and construction companies in Israel



\* Indirectly by ITR Dori BV and RN Residential BV

\*\* Based on the notifications submitted by the shareholders to AFM following redemption of own shares by the Company on 1st of March 2017