

# INVESTOR PRESENTATION ADDRESSING Q3 2017 RESULTS

7 NOVEMBER 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

**11** completed projects offered for sale

(as at 30 September Ronson's offer includes 953 units)

**13** further projects

(Warsaw, Poznań, Wrocław and Szczecin) in preparation for nearly 3,850 units

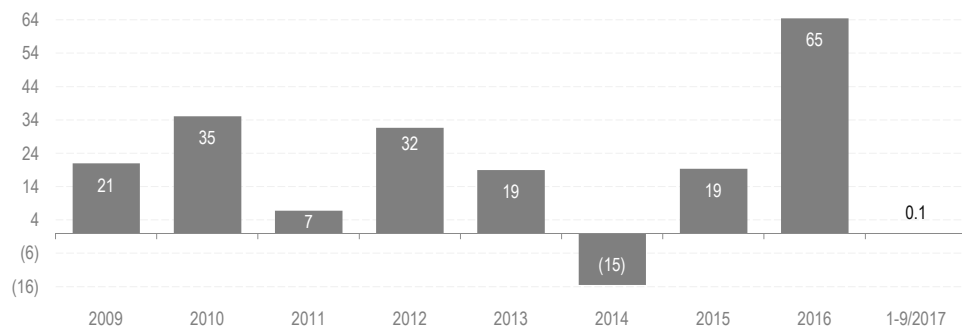
**ATTRACTIVE LAND BANK IS ONE OF RONSON'S ADVANTAGES DECIDING ABOUT ITS GROWTH POTENTIAL.**



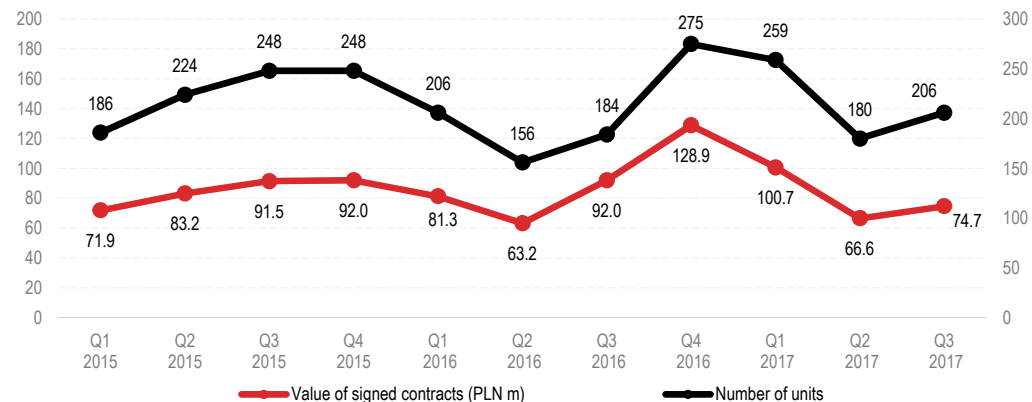
# COMPANY HIGHLIGHTS IN CHARTS

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

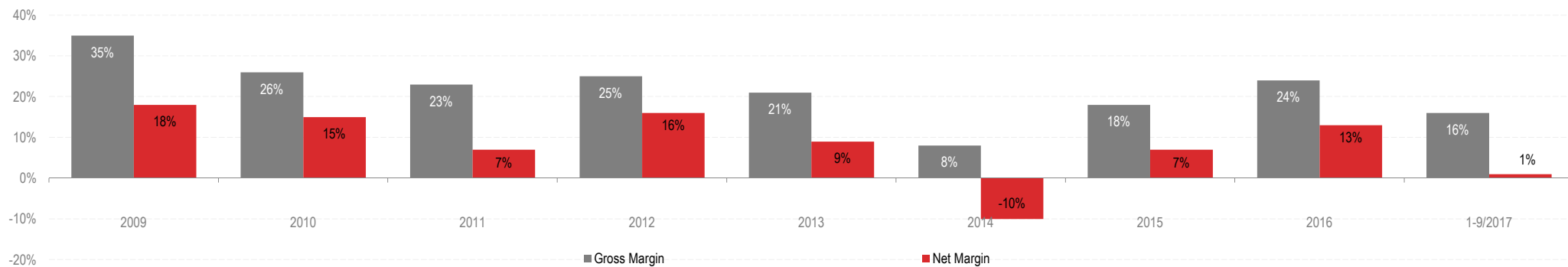
## NET PROFIT (PLN MILLION)



## 645 UNITS SOLD DURING 1-9/2017



## STRONG MARGINS RECORD (%)





1,482 UNITS UNDER PREPARATION WITH NEARLY 76,500 M<sup>2</sup>, OF WHICH 1,056 UNITS ARE IN WARSAW



**CITY LINK II**

- Commenced Q2 2016
- Expected completion Q4 2018
- 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 & II**

- Commenced Q2 2016 and Q2 2017
- Expected completion Q1 2018 and Q4 2018
- Miasto Moje I: 191 apartments and 14 commercial units with aggregate area 10,900 m<sup>2</sup>
- Miasto Moje II: 148 apartments with an aggregate floor space of 8,100 m<sup>2</sup>
- Location: Warsaw, Białoleka



**ESPRESSO IV**

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

1,482 UNITS UNDER PREPARATION WITH NEARLY 76,500 M<sup>2</sup>, OF WHICH 426 ARE IN POZNAŃ, WROCLAW AND SZCZECIN



**CHILLI IV**

- Commenced in 2Q 2016
- Expected completion 4Q 2017
- 45 apartments with aggregate area 2,900 m<sup>2</sup>
- Location: Tulce near Poznań



**MARINA MIASTO**

- Commenced in 3Q 2017
- Expected completion 1Q 2019
- 151 units with aggregate area 6,200 m<sup>2</sup>
- Location: Wrocław, Na Grobli 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

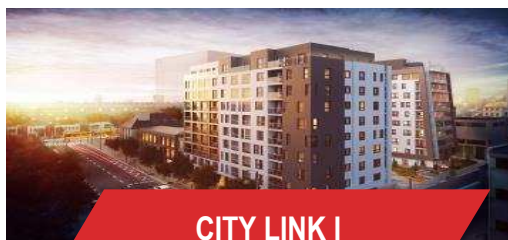


**MŁODY GRUNWALD III**

- 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 SEPTEMBER 141 COMPLETED UNITS WITH 12,300 M<sup>2</sup> WERE OFFERED FOR SALE IN 11 PROJECTS (4 CITIES)



**CITY LINK I**

- As at 30 September, 10 units offered for sale
- In total 301 apartments and 21 commercial units
- Location: Warsaw, Wola



**VITALIA I**

- As at 30 September, 32 units offered for sale
- In total 139 apartments
- Location: Wrocław , Jutrzenki Street



**MOKO I - II**

- As at 30 September, 43 units offered for sale
- In total 326 apartments and 19 commercial units
- Location: Warsaw, Mokotów



**SAKURA I - IV**

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



**MŁODY GRUNWALD I - II**

- As at 30 September, 21 units offered for sale
- In total 268 apartments and 17 commercial units
- Location: Poznań, Grunwald



**PANORAMIKA II**

- As at 30 September, 8 units offered for sale
- In total: 107 apartments
- Location: Szczecin, Duńska Street



**VERDIS I - IV**

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



**ESPRESSO I - III**

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

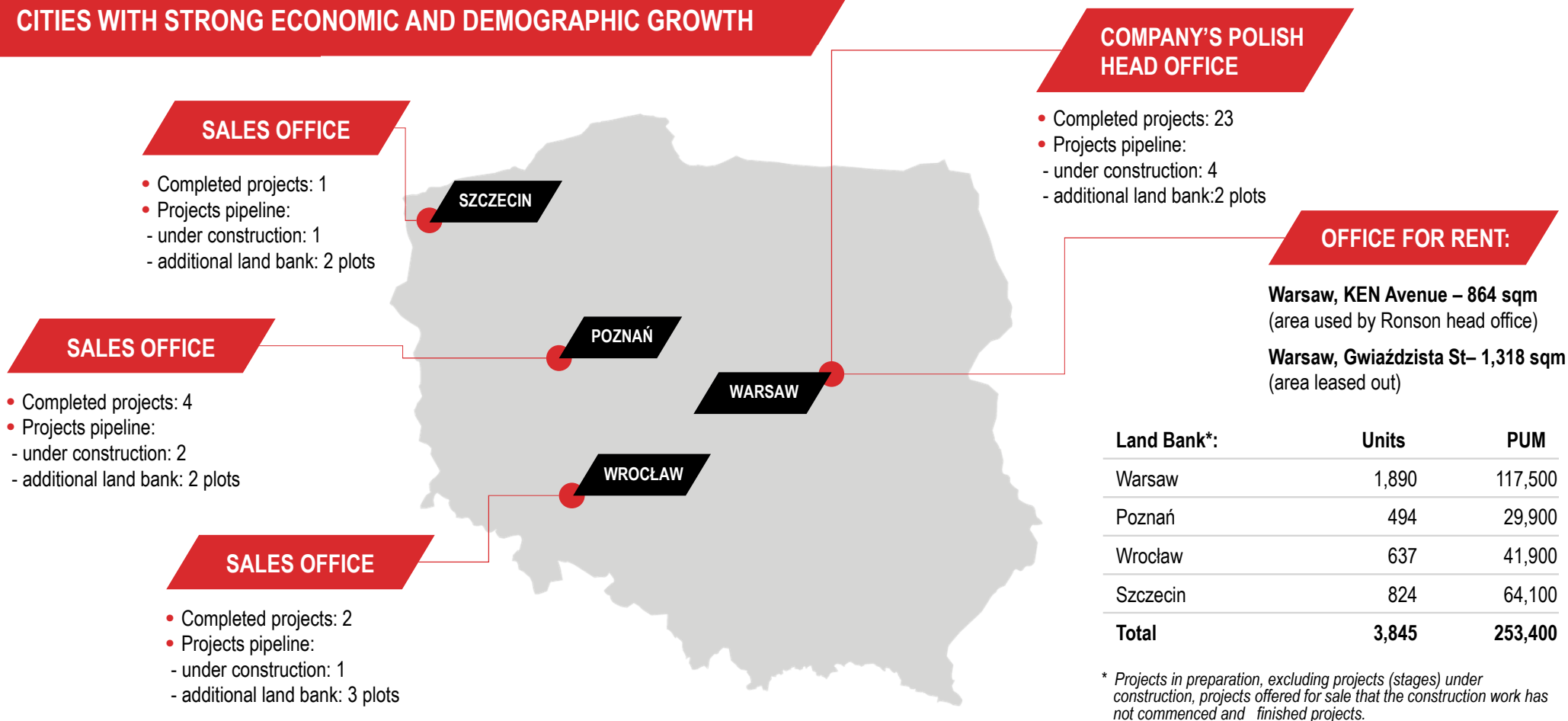
Moreover the Company's offer includes 6 completed units in the following projects: Kamienica Jeżyce I-II (2), Impresio I-II (1), Naturalis I-III (1), Chilli I (1), Panoramika I (1).



## PROJECTS IN PREPARATION

SELECTIVE GEOGRAPHIC DIVERSIFICATION IN POLAND

### CITIES WITH STRONG ECONOMIC AND DEMOGRAPHIC GROWTH



## PROJECTS IN PREPARATION, 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	282	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	1,161	57,600
<b>Subtotal - remaining stages of the projects currently under construction / on sale</b>		<b>2,128</b>	<b>116,600</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 Renaissance	Warsaw	224	15,800
6 Bulgarska	Poznań	268	14,400
7 Vivaldi	Szczecin	75	11,200
8 Bełchatowska 28	Poznań	50	3,200
<b>Subtotal - remaining projects, still in preparation</b>		<b>1,717</b>	<b>136,800</b>
<b>Total*</b>		<b>3,845</b>	<b>253,400</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 9 MONTHS ENDED 30 SEPTEMBER 2017

## P&L HIGHLIGHTS, REVENUES AND GROSS MARGIN

9 MONTHS ENDED 30 SEPTEMBER 2017

### UNITS DELIVERED / REVENUES / GROSS MARGIN

Project	1Q2017		2Q2017		3Q2017		Revenues		Gross margin / profit	
	Units	PLN m	Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m
Espresso II & III	120	43.5	24	12.1	3	1.6	147	57.2	17.4%	10.0
Kamienica Jeżyce	138	39.2	23	8.8	8	3.2	169	51.2	6.7%	3.4
Moko	20	14.5	8	6.0	9	7.1	37	27.6	31.5%	8.7
Vitalia I	-	-	-	-	52	13.5	52	13.5	21.2%	2.8
Młody Grunwald I & II	1	0.4	2	1.0	6	3.2	9	4.6	-0.7%	-
Panoramika II	6	1.8	3	1.1	2	0.8	11	3.7	1.5%	0.1
Impressio	4	1.8	2	0.7	1	0.4	7	2.9	-3.9%	(0.1)
Sakura	2	1.3	9	4.4	2	1.0	13	6.7	6.8%	0.5
Tamka	2	2.6	-	-	1	1.6	3	4.2	30.1%	1.3
Verdis	2	0.8	1	0.6	1	0.5	4	1.9	20.8%	0.4
Naturalis I, II & III	4	1.6	-	-	-	-	4	1.6	9.0%	0.1
Sales of land	-	-	-	-	-	1.6	-	1.6	23.6%	0.4
Other*	-	2.6	-	1.5	-	1.4	-	5.5	N.A	5.1
Write-down adjustment	-	-	-	-	-	-	-	-	N.A	(3.3)
<b>Total excluding JV</b>	<b>299</b>	<b>110.1</b>	<b>72</b>	<b>36.2</b>	<b>85</b>	<b>35.9</b>	<b>456</b>	<b>182.2</b>	<b>16.1%</b>	<b>29.4</b>
City Link I**	-	-	-	-	36	13.1	36	13.1	30.2%	4.0
<b>Total including JV</b>	<b>299</b>	<b>110.1</b>	<b>72</b>	<b>36.2</b>	<b>121</b>	<b>49.0</b>	<b>492</b>	<b>195.3</b>	<b>17.0%</b>	<b>33.4</b>

- Total number of units delivered during 1-9/2017 amounted to 492.
- The Company completed the construction of the Vitalia I project and City Link I project during 3Q2017, however vast majority of units that were delivered to customers in this period came from two projects completed in late 2016, i.e. from Espresso and Kamienica Jeżyce.
- Average (net) price of apartments delivered during 1-9/2017 amounted to PLN 384 thousand (net of VAT) compared to PLN 394 thousand during 2016.
- Write-down adjustments amounting in total to PLN 3.3m (of which PLN 2.8m was attributed to Panoramika).

\*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.

\*\* Numbers presenting 100% of results of JV.



## FINANCIAL RESULTS

(PLN M) 9 MONTHS ENDED 30 SEPTEMBER 2017

	1-9/2017	1-9/2016	% change	3Q2017	3Q2016	% change	Y2016	Y2015	% change
Revenue from residential projects	175.9	201.2	-13%	33.4	90.9	-63%	308.0	280.9	10%
Revenue from sale of services	4.8	1.3	269%	1.0	0.4	150%	1.7	0.5	240%
Revenue from sale of land	1.6	-		1.6	-		175.1	-	
<b>Total Revenue</b>	<b>182.3</b>	<b>202.5</b>	<b>-10%</b>	<b>36.0</b>	<b>91.3</b>	<b>-61%</b>	<b>484.8</b>	<b>281.4</b>	<b>72%</b>
Cost of sales residential projects	(151.7)	(161.5)	-6%	(30.2)	(70.2)	-57%	(248.2)	(230.1)	8%
Cost of sales of land	(1.2)	-		(1.2)	-		(117.9)	-	
<b>Cost of sales</b>	<b>(152.9)</b>	<b>(161.5)</b>	<b>-5%</b>	<b>(31.4)</b>	<b>(70.2)</b>	<b>-55%</b>	<b>(366.1)</b>	<b>(230.1)</b>	<b>59%</b>
Gross profit from residential projects	29.0	41.0	-29%	4.2	21.1	-80%	61.5	51.3	20%
Gross profit from sale of land	0.4	-		0.4	-		57.2	-	
<b>Gross profit</b>	<b>29.4</b>	<b>41.0</b>	<b>-28%</b>	<b>4.6</b>	<b>21.1</b>	<b>-78%</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	(3.7)	(5.8)	-36%	(1.3)	(1.7)	-24%	(8.1)	(6.5)	25%
Administrative expenses	(14.4)	(14.3)	1%	(4.4)	(4.7)	-6%	(22.2)	(18.8)	18%
Share of profit/(loss) from joint ventures	(0.4)	(0.9)	-	0.1	(0.3)	-	(1.4)	(0.7)	-
Net other income/(expense)	(3.1)	(1.6)	94%	(0.7)	(0.4)	75%	(2.4)	1.6	-250%
<b>Operating profit/(loss)</b>	<b>7.8</b>	<b>18.4</b>	<b>-58%</b>	<b>(1.7)</b>	<b>14.0</b>	<b>-112%</b>	<b>84.6</b>	<b>26.4</b>	<b>220%</b>
Net finance expense	(5.3)	(5.1)	4%	(1.5)	(1.9)	-21%	(7.0)	(6.1)	15%
Profit/(loss) before tax	2.5	13.3	-81%	(3.2)	12.1	-126%	77.6	20.3	282%
Income tax benefit/(expenses)	(0.5)	(1.9)	-	0.6	(1.8)	-	(12.5)	(1.4)	-
<b>Net profit/(loss)</b>	<b>2.0</b>	<b>11.4</b>	<b>-82%</b>	<b>(2.6)</b>	<b>10.3</b>	<b>-125%</b>	<b>65.1</b>	<b>18.9</b>	<b>244%</b>
Gross margin from residential projects	16.0%	20.2%	-	12.2%	23.1%	-	19.9%	18.2%	-
Gross margin from sale of land	25.0%	n.a,	-	25.0%	n.a,	-	32.7%	n.a,	-
Gross margin	16.1%	20.2%	-	12.8%	23.1%	-	24.5%	18.2%	-
Net Margin	1.1%	5.6%	-	-7.2%	11.3%	-	13.4%	6.7%	-
EPS (PLN)	0.001	0.04	-	-0.016	0.037	-	0.239	0.071	-

### P&L HIGHLIGHTS

9 MONTHS ENDED 30 SEPTEMBER 2017

- Revenues decreased by 10% to PLN 182.3 m (number of units delivered decreased by 11%, i.e. 456 vs 510 during 1-9/2016).
- Selling and marketing expenses decreased during 1-9/2017. The decrease is primarily explained by decrease in fees for real-estate agencies as well as decrease in total marketing expenses which is related to the fact that during 1-9/2017 the Company commenced the construction of 3 project/stages with 667 units compared to 7 projects with 921 units that were commenced during 1-9/2016.
- Administrative expenses increased by PLN 0.1 m. The increase is primarily explained by increase in the costs of consulting services related to various restructuring initiatives of the Group as well as to the consulting services related to A. Luzon Group; the increase was offset in part by decrease in personnel expenses.
- Net other expenses increased by PLN 1.5 m. The increase is primarily explained by increase in maintenance expenses for unsold units.
- Finance expenses before capitalization decreased by PLN 0.5 m. The decrease is primarily explained by the decrease in the average margins on bonds issued.

Operating CF during 1-9/2017 was positive (PLN 11 million).  
 The positive CF from JV (City Link) amounting to PLN 13 million is presented in the CF from investment activity.

**NET DEBT / EQUITY:  
 50% AS END OF SEPTEMBER 2017.**

**BALANCE SHEET DATA (PLN M)**

	As of 30-Sep-17	As of 31-Dec-16	As of 31-Dec-15
Equity	328.6	359.6	457.7
Banking debt	20.9	1.9	56.9
Floating rate bond	198.3	222.6	190.3
Loans from third parties (net)	-	1.6	2.9
Cash and cash equivalents	53.6	69.1	99.5
Inventory	511.9	574.1	701.3
<b>Total Assets</b>	<b>678.5</b>	<b>743.4</b>	<b>874.8</b>
Net Debt	165.6	157.0	150.6
Net debt / Equity	50.4%	43.7%	32.9%
Net debt / Total Assets	24.4%	21.1%	17.2%
Net assets per share (PLN)	2.00	2.19	1.68

## INVENTORY AS OF 30 SEPTEMBER 2017

9 MONTHS ENDED 30 SEPTEMBER 2017

	PLN million
Finished goods	99.1
Ongoing projects	197.4
Land bank*	215.4
<b>Total</b>	<b>511.9</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: 214 units

### ONGOING PROJECTS, OF WHICH:

Under construction and/or on sale:

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

### ATTRACTIVE BANK OF LANDS (3,845 UNITS, 253,400 PUM)

Categorised by city:

Warsaw	1,890 units;	117,500 PUM
Poznań	494 units;	29,900 PUM
Wrocław	637 units;	41,900 PUM
Szczecin	824 units;	64,100 PUM

Categorised by book value per PUM:

Below	PLN 1,000	169,700 PUM (67%)
Between	PLN 1,000–2,000	80,500 PUM (32%)
Over	PLN 2,000	3,200 PUM (1%)

## DEBT POSITION AS OF 30 SEPTEMBER 2017

9 MONTHS ENDED 30 SEPTEMBER 2017

	PLN million
Loans from third parties	-
Bond loans	198.3
Banking debt	20.9
<b>Total</b>	<b>219.2</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>				

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 September 2017 amounted to PLN 198.3 m comprising a loan principal amount of PLN 197.2 m plus accrued interest of PLN 2.9 m minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 1.8 m).



# DEBT POSITION AS OF 30 SEPTEMBER 2017

9 MONTHS ENDED 30 SEPTEMBER 2017

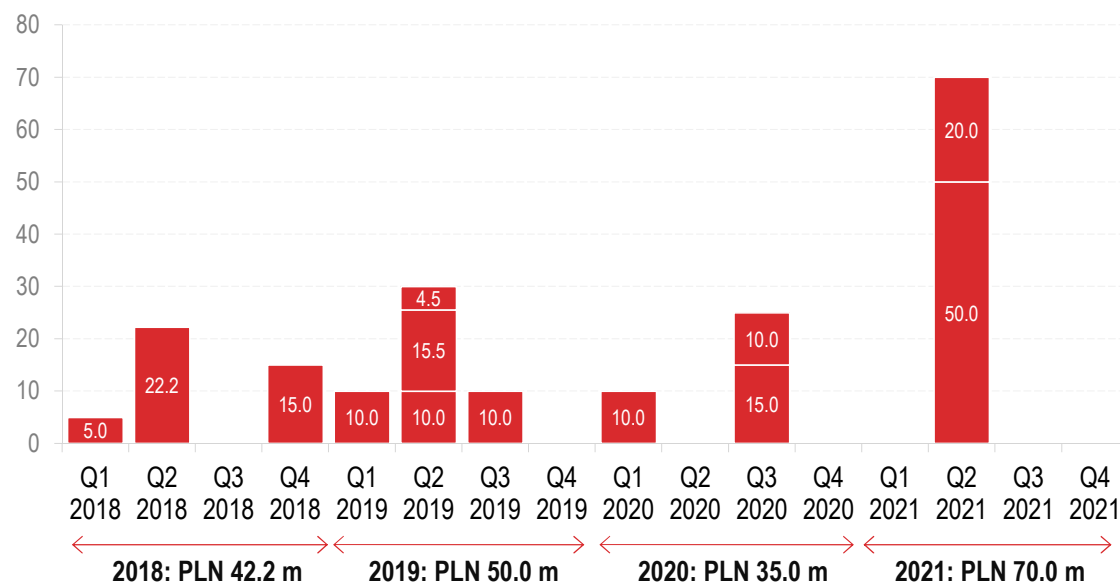
	PLN million
Loans from third parties	-
Bond loans	198.3
Banking debt	20.9
<b>Total</b>	<b>219.2</b>

## 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)



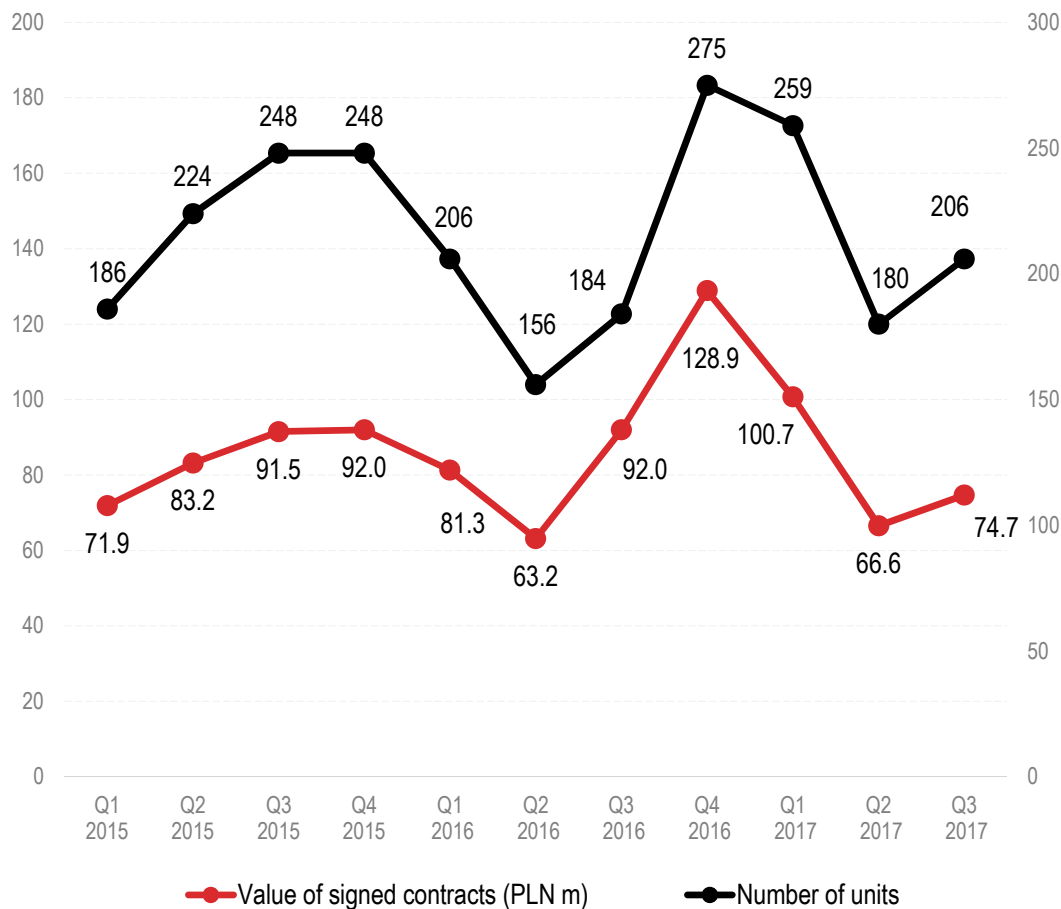
The tranche F and R are secured.

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# 645 UNITS SOLD DURING 1-9/2017

9 MONTHS ENDED 30 SEPTEMBER 2017



Total sales during 1-9/2017 amounted to 645 units, which was by 18% better result than during 1-9/2016.

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 1-9/2017 amounts to PLN 375 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 1-9/2017 (645 IN TOTAL)

### Completed projects

Impressio	2
Młody Grunwald I-II	13
Sakura	12
Tamka	1
Moko	26
Vitalia I	78
Espresso II-III	17
Panoramika II	9
Kamienica Jeżyce	19
Verdis	2
City Link I	48
Other (old) projects	(1)
<b>Total</b>	<b>226</b>

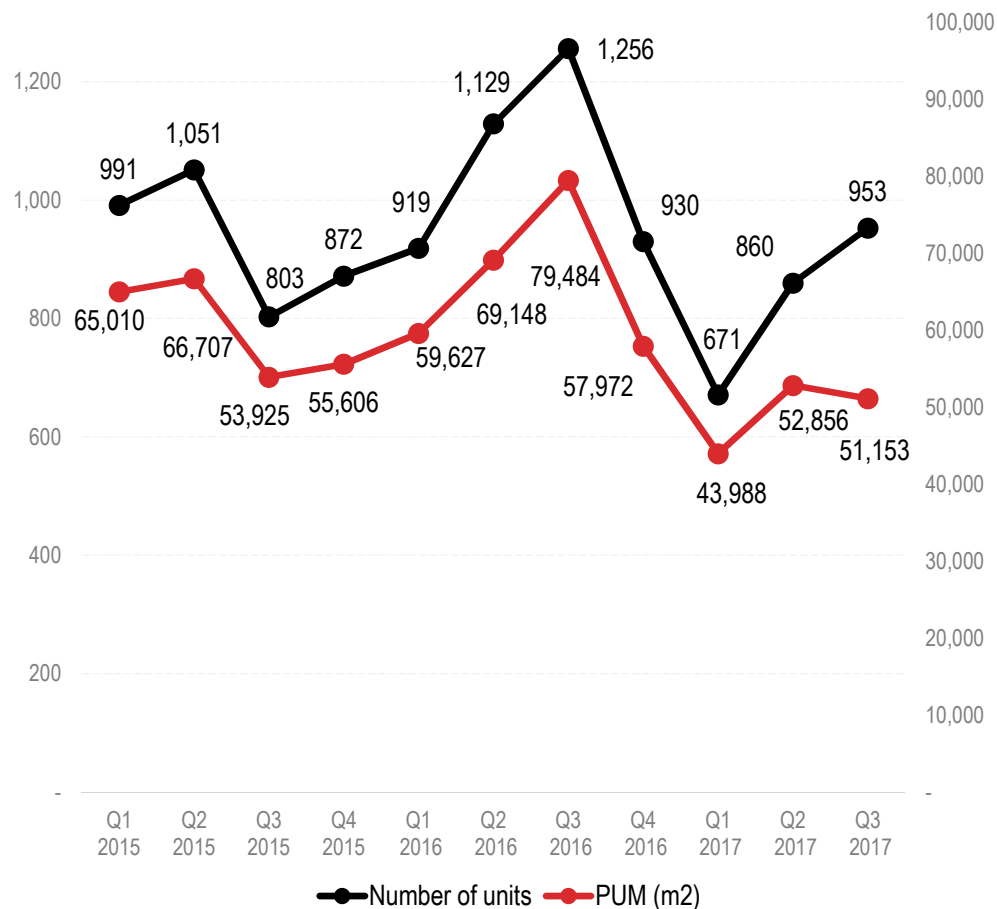
### Projects under construction

City Link II	69
Espresso IV	70
Młody Grunwald III	38
Panoramika III	66
Chilli IV	2
Miasto Moje I	82
City Link III	63
Marina Miasto	29

<b>Total</b>	<b>226</b>	<b>Total</b>	<b>419</b>
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## UNITS OFFERED FOR SALE AS END OF QUARTER

9 MONTHS ENDED 30 SEPTEMBER 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 low offer as end of March 2017 reflected very good sales results in the previous quarters as well as sale of project Nova Królikarnia and contributed to weaker sales result during 2Q 2017.

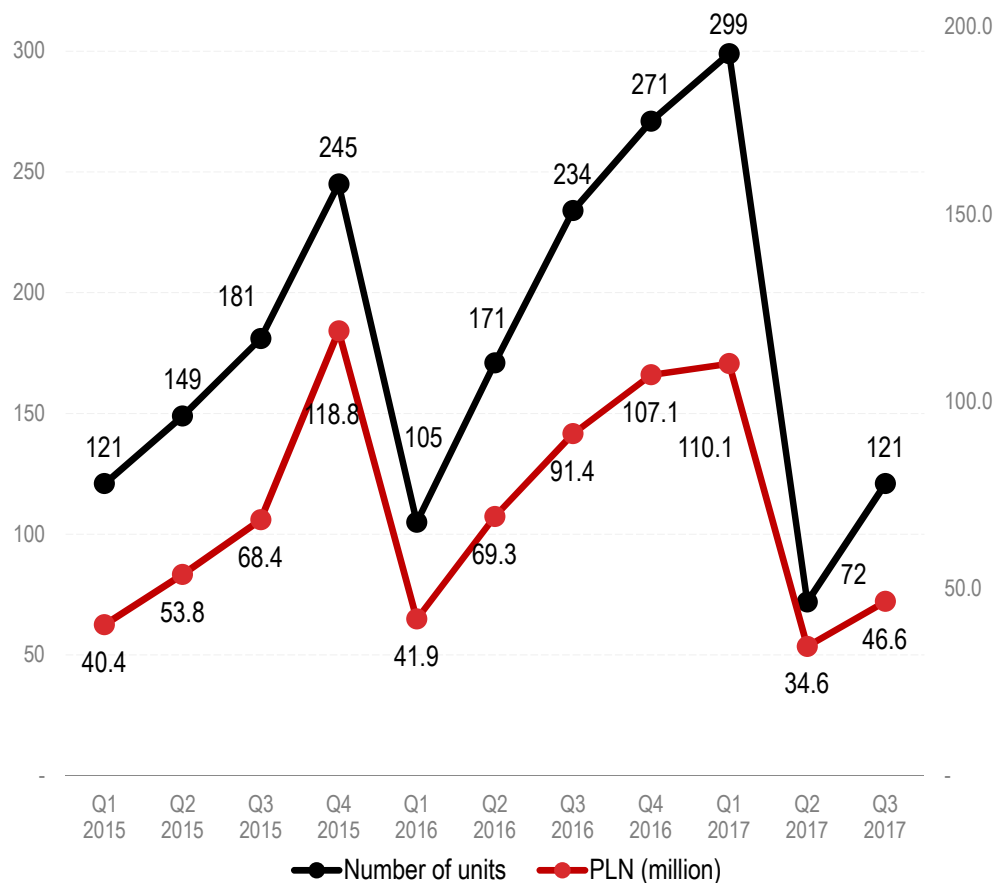
Improving offer by adding City Link III added in September (Marina Miasto and Miasto Moje II in July and August) translated into improving sales results during 3Q.

### UNITS OFFERED FOR SALE (953 IN TOTAL)

Completed projects		Projects under construction	
Espresso II & III	5	Chilli IV	37
Kamienica Jeżyce	2	Panoramika III	42
Moko	43	Młody Grunwald III	37
Vitalia I	32	City Link II	25
Młody Grunwald I & II	21	Espresso IV	12
Panoramika II	8	Miasto Moje I	84
Naturalis I,II & III	1	Miasto Moje II	148
Sakura	5	City Link III	305
Verdis	9	Marina Miasto	122
Impressio	1		
City Link I	10		
Old projects	4		
<b>Total</b>	<b>141</b>	<b>Total</b>	<b>812</b>

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

9 MONTHS ENDED 30 SEPTEMBER 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. Completions of City Link I and Vitalia I in September 2017 allowed for improvement of results during 3Q, however the main contribution from these projects is expected during 4Q 2017 (as well as MG III and Panoramika III, to be completed during 4Q).

### UNITS SOLD BUT NOT DELIVERED (1,029 UNITS AND PLN 371.9 MILLION IN TOTAL)

Completed projects	Units	PLN million	Projects under construction	Units	PLN million
Espresso II & III	1	0.6	Chilli IV	8	2.0
Moko	9	8.1	Panoramika III	80	16.2
Vitalia I	55	12.7	Młody Grunwald III	71	23.2
Panoramika II	3	0.9	City Link II	164	70.0
Kamienica Jezyce	1	0.4	Espresso IV	134	53.9
Młody Grunwald I & II	5	2.3	Miasto Moje I	121	34.7
Naturalis I,II & III	1	0.6	City Link III	63	25.7
Sakura	2	1.2	Marina Miasto	29	9.3
Verdis	3	1.5			
City Link I	276	105.9			
Impressio	2	1.7			
Other (old) projects	1	1.0			
<b>Total</b>	<b>359</b>	<b>136.9</b>	<b>Total</b>	<b>670</b>	<b>235.0</b>



III.

**BRIEF SUMMARY OF COMPANY'S  
ACHIEVEMENTS DURING 1-9/2017  
& OUTLOOK FOR THE REMAINDER  
OF 2017**

## COMPANY'S ACHIEVEMENTS DURING 1-9/2017 AND THE MOST RECENT DEVELOPMENTS

### THE COMPANY'S ACHIEVEMENTS DURING 9 MONTHS ENDED 30 SEPTEMBER 2017 INCLUDE:

- Pre-sales of 645 units, i.e. 18 % better result than during 1-9/2016 (higher by 2.4 % by value of sold apartments);
- Delivery of 492 units to the customers and recognition of consolidated revenues in the amount of PLN 182.2m and economic revenues (i.e. including 100% of revenues recognized by JV) in the amount of PLN 195.4 m;
- Net profit attributable to the shareholders of the parent company in the amount of PLN 0.1m;
- Write-down adjustment on 2 projects MG PLN 0.5m and Panoramika PLN 2.8m;
- Positive operating CF amounting to over PLN 11.6 m (advances received from clients regarding sales of residential units amounting to PLN 158.6 m offset in part by investments associated with inventory amounting to PLN 90.6 m as well as advances for land PLN 30.5 m); additionally positive investment CF (from JV) of PLN 13.0m;
- Low net debt position;
- Commencement of sales and construction City Link III (368 units), Miasto Moje II (148 units) and Marina Miasto (151 units);
- Completion of Vitalia I (139 units) and City Link I (322 units) projects.

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

- Commencement of sales of Panoramika IV (111 units);
- Commencement of sales of Vitalia II (83 units);
- Completion of Młody Grunwald III project (108 units).

**645 units**  
Pre-sales

**492 units**  
Deliveries\*

**PLN 2.0 m**  
Net profit\*\*

\* Including delivery of 36 units in City Link I (company share 50%).

\*\* The net profit attributable to shareholders of the parent Company amounted to PLN 0.1 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 around 900 units to our customers

Preparation and commencement of sales and construction of 5 new projects comprising 861 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

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

As of end of September 2017, there were 500 units completed that were not delivered to the customers, of which 359 were pre-sold and 141 were offered by the Company for sale.

Total value of pre-sold units amounted to PLN 136.9 m. It shall be expected that majority of those units will be delivered to the customers during 4Q 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	0.6	1	5	6	17.4%
Moko	8.1	9	43	52	31.5%
Vitalia I	12.7	55	32	87	21.2%
Panoramika II	0.9	3	8	11	1.5%
Kamienica Jeżyce	0.4	1	2	3	6.7%
Młody Grunwald I & II	2.3	5	21	26	-0.7%
Naturalis I,II & III	0.6	1	1	2	9.0%
Sakura	1.2	2	5	7	6.8%
Verdis	1.5	3	9	12	20.8%
Impressio	1.7	2	1	3	-3.9%
Other (old) projects	1.0	1	4	5	N.A
<b>Total excluding JV</b>	<b>31.0</b>	<b>83</b>	<b>131</b>	<b>214</b>	
City Link I	105.9	276	10	286	30.2%
<b>Total including JV</b>	<b>136.9</b>	<b>359</b>	<b>141</b>	<b>500</b>	

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

Current project pipeline of (as end of September 2017) assumes completion of 275 units during 2017, 688 during 2018 and 519 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.)
Chilli IV	2016 Q2	2017 Q4	8	37	45
Młody Grunwald III	2016 Q1	2017 Q4	71	37	108
Panoramika III	2016 Q2	2017 Q4	80	42	122
<b>Subtotal 2017</b>			<b>159</b>	<b>116</b>	<b>275</b>
Espresso IV	2016 Q1	2018 Q1	134	12	146
Miasto Moje I	2016 Q2	2018 Q1	121	84	205
City Link II	2016 Q2	2018 Q4	164	25	189
Miasto Moje II	2017 Q3	2018 Q4	-	148	148
<b>Subtotal 2018</b>			<b>419</b>	<b>269</b>	<b>688</b>
Marina Miasto	2017 Q3	2019 Q1	29	122	151
City Link III	2017 Q2	2019 Q3	63	305	368
<b>Subtotal 2019</b>			<b>92</b>	<b>427</b>	<b>519</b>
<b>Total</b>			<b>670</b>	<b>812</b>	<b>1,482</b>

Moreover the Company is about to commence construction fourth stage of Panoramika (111 units) and the second stage of Vitalia (83 units), which 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

## NIR NETZER, CANDIDATE TO THE POSITION OF RONSON CEO



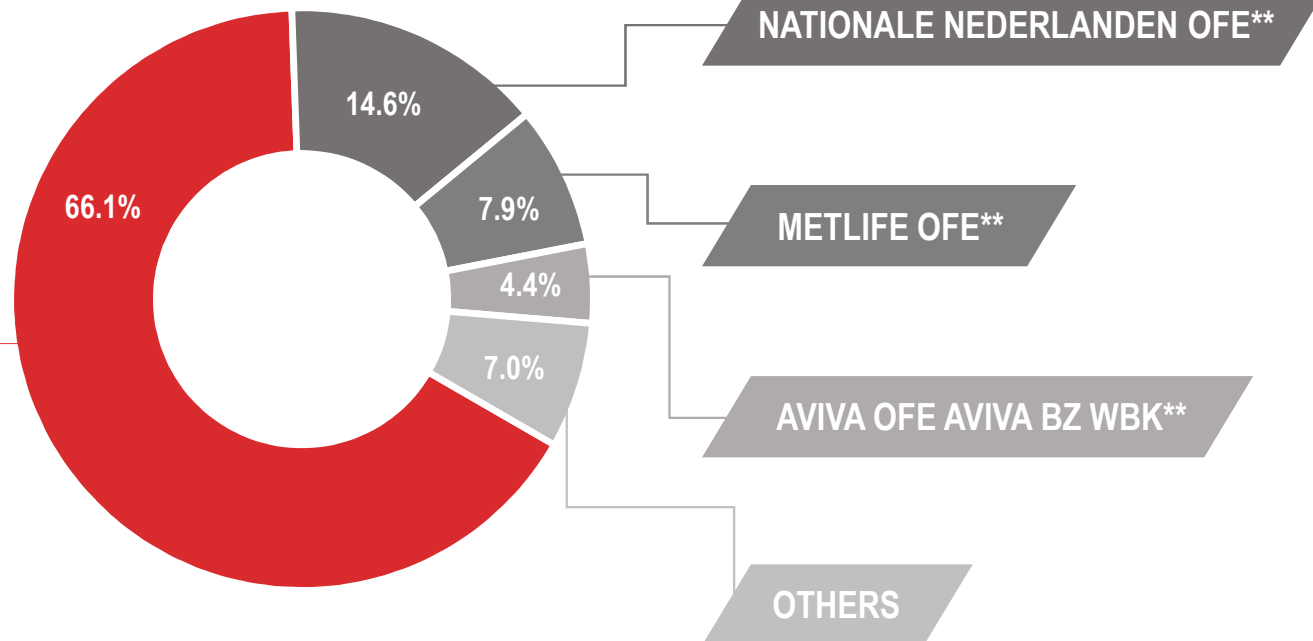
**NIR NETZER**

- Proposed candidate as CEO and member of Management Board (managing director A) subject to the approval of the Extraordinary General Meeting of Shareholders
- Senior positions in residential real estate developers from 2003
- Experience in Poland, Czech Rep., Hungary, Romania, Bulgaria and Serbia
- Fund raising - AIM (LSE), private equity funds, banks
- Commencement and establishment of offices in new countries and cities.
- CPA (Isr.)
- Non executive Director and chairman in various companies listed in LSE and TASE



### 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

**THANK YOU**