

INVESTOR PRESENTATION ADDRESSING Q3 2018 RESULTS

7 NOVEMBER 2018

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ANDRZEJ GUTOWSKI

- Sales and Marketing Director
- 2003 – present – Ronson Development SE (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



NIR NETZER

- CEO, since 20 November 2017
- 2009 – 2017 - CEO of DEN Group
- 2008 – 2009 – CEO of G.H. Eastern Europe (real estate residential developer)
- 2003 – 2008 - CFO of Engel East Europe N.V. (EEE), (real estate residential developer)
- 1998 - 2003 – Auditor at PWC Israel



RAMI GERIS

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

I.

COMPANY OVERVIEW

EXPERIENCED RESIDENTIAL REAL ESTATE DEVELOPER WELL ESTABLISHED IN POLAND

- Present in Poland since 2000
- Active in 4 cities (Warsaw, Wrocław, Poznań and Szczecin)
- 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 September 2018 Ronson's offer includes 678 units)

14 further projects

In preparation for nearly 5,025 units + Nova Królikarnia project under call option agreements

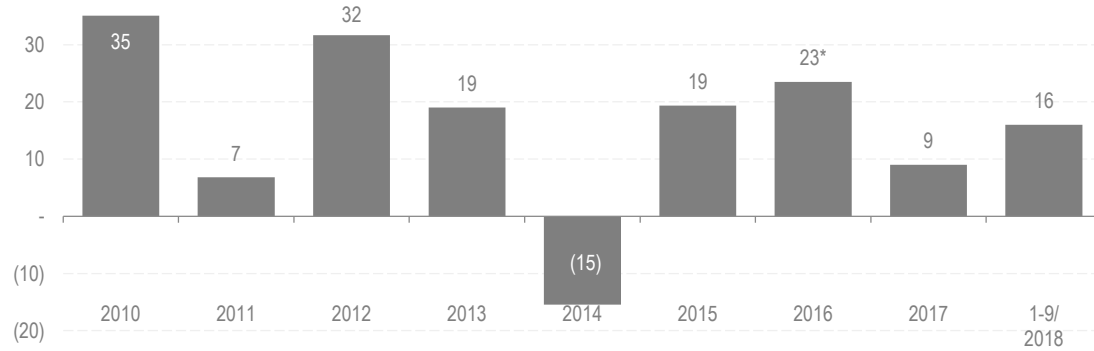
**ATTRACTIVE LAND BANK IS ONE OF RONSON'S ADVANTAGES
DECIDING ABOUT ITS GROWTH POTENTIAL.**



COMPANY HIGHLIGHTS IN CHARTS

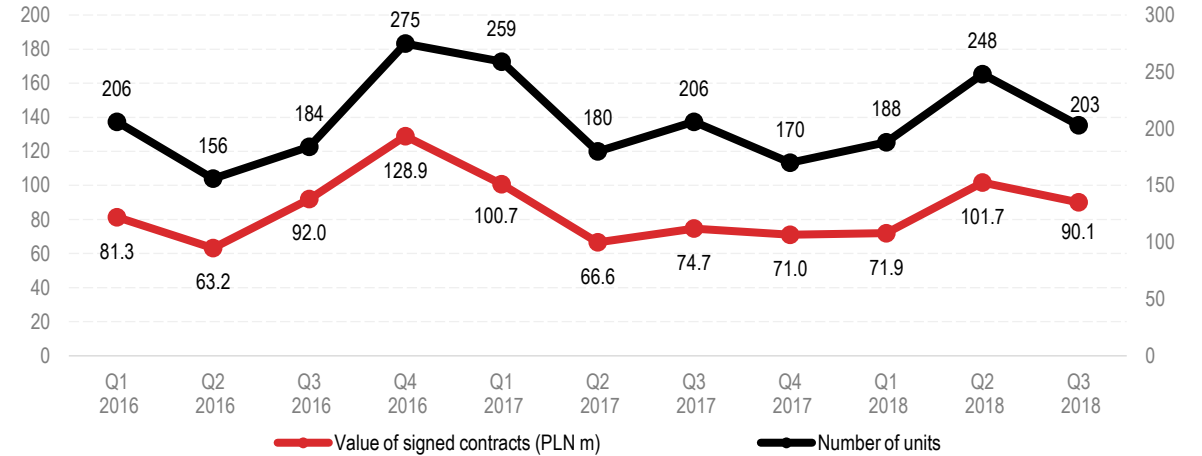
(BASED ON COMPANY'S FINANCIAL STATEMENTS)

NET PROFIT (PLN MILLION)

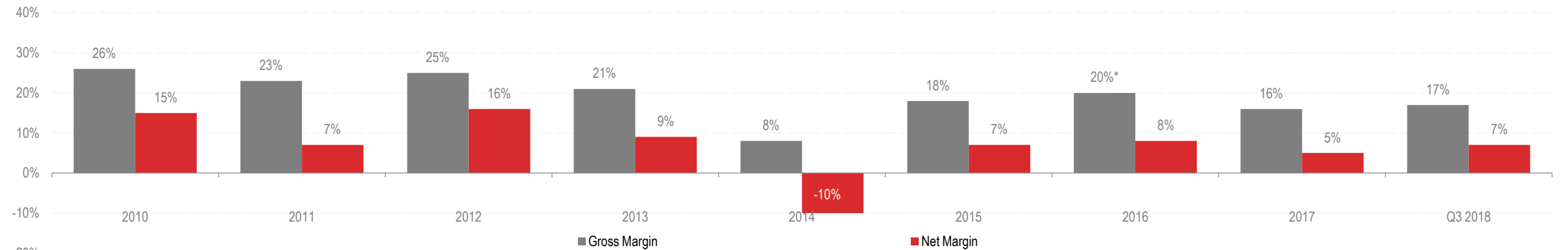


* Excluding one time event of selling Nova Krolikarnia (net profit PLN 41 million)

639 UNITS SOLD DURING 1-9/2018

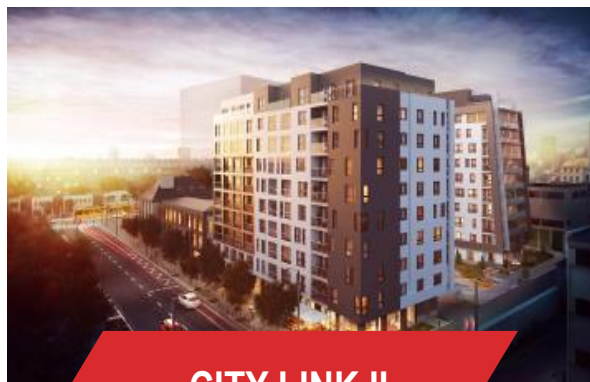


MARGINS (%)



* Excluding one time event of selling Nova Krolikarnia

1,391 UNITS UNDER PREPARATION WITH NEARLY 72,300 M², OF WHICH 778 UNITS ARE IN WARSAW



CITY LINK II

- Commenced Q2 2016
- Expected completion Q1 2019
- 184 apartments and 5 commercial units with aggregate area 8,800 m²
- Location: Warsaw, Wola
- The Company's share in this projects is 50%



CITY LINK III

- Commenced Q2 2017
- Expected completion Q4 2019
- 364 apartments and 4 commercial units with aggregate area 18,700 m²
- Location: Warsaw, Wola
- The Company's share in this project is 100%



MIASTO MOJE II

- Commenced Q3 2017
- Expected completion Q1 2019
- 145 apartments with an and 3 commercial units aggregate floor space of 8,100 m²
- Location: Warsaw, Białołęka



**NOVA KRÓLIKARNIA
(2 STAGES)**

- 2 stages with 73 apartments and aggregate area of 5,500 m² to be completed during 1H 2019
- Location: Warsaw, Mokotów

1,391 UNITS UNDER PREPARATION WITH NEARLY 72,300 M², OF WHICH 613 ARE IN WROCŁAW, SZCZECIN AND POZNAŃ



VITALIA II

- Commenced in 4Q 2017
- Expected completion 1Q 2019
- 83 apartments with aggregate area 4,700 m²
- Location: Krzyki district in Wrocław



MARINA MIASTO

- Commenced in 3Q 2017
- Expected completion 2Q 2019
- 151 units with aggregate area 6,200 m²
- Location: Wrocław, Na Grobli Street



PANORAMIKA IV

- Commenced in 4Q 2017
- Expected completion 4Q 2019
- 111 apartments with aggregate area 5,800 m²
- Location: Szczecin, Duńska Street

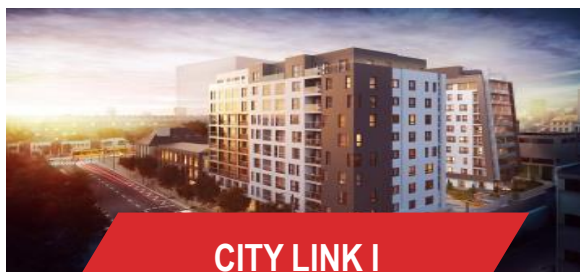


GRUNWALD2

- Commenced in 2Q 2018
- Expected completion 2Q 2020
- 267 apartments and 1 commercial unit with aggregate area 14,500 m²
- Location: Poznań, Świerzawska Street

COMPLETED PROJECTS OFFERED FOR SALE

AS AT 30 SEPTEMBER 95 COMPLETED UNITS WITH 9,200 M² WERE OFFERED FOR SALE IN 9 PROJECTS (4 CITIES)



CITY LINK I

- As at 30 September, 2 units offered for sale
- In total 301 apartments and 21 commercial units
- Location: Warsaw, Wola



MIASTO MOJE I

- As at 30 September, 9 units offered for sale
- In total 191 apartments and 14 commercial units
- Location: Warszawa, Marywilka Street



MOKO I-II

- As at 30 September, 10 units offered for sale
- In total 326 apartments and 19 commercial units
- Location: Warsaw, Mokotów



MŁODY GRUNWALD I - III

- As at 30 September, 17 units offered for sale
- In total 372 apartments and 21 commercial units
- Location: Poznań, Grunwald



PANORAMIKA II & III

- As at 30 September, 2 units offered for sale
- In total: 229 apartments
- Location: Szczecin, Duńska Street



NOVA KRÓLIKARNIA 1A – 1E

- As at 30 September, 12 units offered for sale
- In total 98 apartments and 8 commercial units
- Location: Warsaw, Mokotów

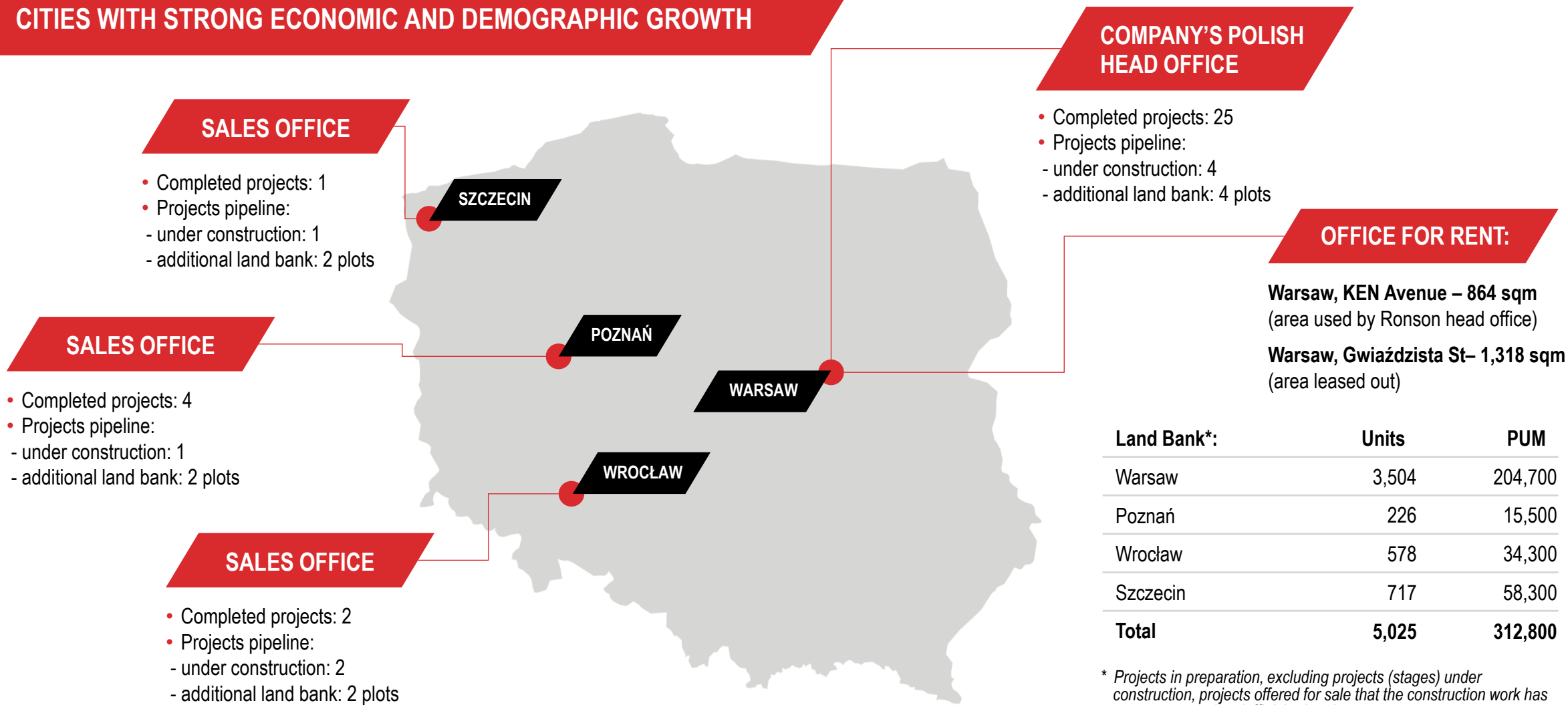


CHILL I

- As at 30 September, 21 units offered for sale
- In total: 45 apartments
- Location: Poznań, Tulce

Moreover the Company's offer includes 22 completed units in the following projects: Verdis(8), Sakura (3), Espresso II (4), Vitalia I (3), Kamienica Jeżyce I-II (2), Impressio I-II (1), Panoramika I (1).

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.

RONSON LAND BANK

Project name	Location	Total no. of units	PUM (m ²)
1 Panoramika - stages in preparation	Szczecin	175	8,800
2 Chilli - stages in preparation	Poznań	176	12,300
3 Vitalia - stages in preparation	Wrocław	81	6,800
4 Miasto Moje - stages in preparation	Warsaw	1,157	57,600
5 Nova Królikarnia 2c	Warsaw	18	3,400
Subtotal - remaining stages of the projects currently under construction/ on sale		1,607	88,900
1 Matisse I	Wrocław	397	21,500
2 Ursus	Warsaw	1,600	83,800
3 Chopin	Szczecin	467	38,300
4 Matisse II	Wrocław	100	6,000
5 Falenty	Warsaw	160	23,500
6 Renaissance	Warsaw	224	15,800
7 Bełchatowska 28	Poznań	50	3,200
8 Naturalis	Warsaw	345	20,600
9 Vivaldi	Szczecin	75	11,200
Subtotal - remaining projects, still in preparation		3,418	223,900
Total		5,025	312,800

* does not include Nova Królikarnia land (21,500m²) under call option agreements

II.

FINANCIAL RESULTS REVIEW

FOR 9 MONTHS ENDED 30 SEPTEMBER 2018

UNITS DELIVERED / REVENUES / GROSS MARGIN

Project	Location	1Q2018		2Q2018		3Q2018		Revenues		Gross margin / profit	
		Units	PLN m	Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m
Espresso II, III, IV	Warsaw	59	23.5	78	32.8	8	3.6	145	59.9	21.8%	13.0
Moko	Warsaw	10	9.3	7	6.5	5	4.6	22	20.4	29.9%	6.1
Vitalia I	Wrocław	17	5.6	4	1.7	3	1.7	24	9.1	21.8%	2.0
Młody Grunwald I - III	Poznań	43	14.6	15	6.2	8	4.4	66	25.2	0.0%	-
Panoramika II & III	Szczecin	100	21.5	19	4.7	6	2.1	125	28.3	0.2%	0.1
Chilli IV	Poznań	11	2.7	2	0.4	3	0.8	16	3.9	7.4%	0.3
Miasto Moje I	Warsaw	-	-	60	16.9	123	34.6	183	51.5	24.1%	12.4
Nova Królikarnia 1a - 1e	Warsaw	-	-	24	18.9	29	29.0	53	47.9	12.8%	6.1
Other		3	2.9	1	1.9	3	2.3	7	7.1	N.A	2.8
Write-down adjustment		-	-	-	-	-	-	-	-	N.A	(0.7)
Total excluding JV		243	80.2	210	90.0	188	83.1	641	253.3	16.6%	42.1
City Link I*	Warsaw	61	23.2	3	1.8	2	1.0	66	26.0	30.0%	7.8
Total including JV		304	103.4	213	91.8	190	84.0	707	279.2	17.9%	49.9

* Numbers presenting 100% of results of JV.

- Total number of units delivered during the 9 months ended 30 September 2018 amounted to 641 (707 including units delivered in City Link I project);
- The Company completed the construction of the Espresso IV, Miasto Moje I and Nova Królikarnia 1a -1e project during the 9 months ended 30 September 2018, and majority of units delivered to customers during period were from this projects and from projects completed in late 2017, i.e. from Panoramika III, City Link I, as well as from Młody Grunwald III;
- Average price of apartments delivered during the 9 months ended 30 September 2018 amounted to PLN 392 thousand (net of VAT) compare to PLN 384 thousand (net of VAT) during 2017, the increase is mainly explained by the delivered of units in NK projects with higher price per m2;
- Other revenues are mainly associated with fee income for management services provided to joint ventures and with rental revenues, as well as with sales of 7 units, parking places and storages in other projects that were completed in previous years.

FINANCIAL RESULTS

(PLN M) 9 MONTHS ENDED 30 SEPTEMBER 2018

	1-9 /2018	1-9 /2017	% change	3Q 2018	3Q 2017	% change	Y2017
Revenue from residential projects	251.5	175.9	43%	82.8	33.4	148%	225.9
Revenue from sale of services	1.8	6.3	-71%	0.3	2.6	-88%	5.8
Total Revenue	253.3	182.2	39%	83.1	36.0	131%	231.7
Cost of sales	(211.2)	(152.9)	38%	(68.6)	(31.4)	118%	(193.6)
Gross profit	42.1	29.3	44%	14.5	4.6	215%	38.1
Selling and marketing expenses	(3.8)	(3.7)	3%	(1.3)	(1.3)	0%	(5.7)
Administrative expenses	(14.3)	(14.4)	-1%	(4.7)	(4.4)	7%	(19.3)
Share of profit/(loss) from joint ventures	2.6	(0.4)	n.a.	-	0.1	n.a.	11.3
Net other income/(expense)	(1.6)	(3.1)	-48%	(0.6)	(0.7)	-14%	(3.6)
Operating profit/(loss)	25.0	7.7	225%	7.9	(1.7)	n.a.	20.8
Net finance expense	(3.8)	(5.2)	-27%	(1.0)	(1.4)	n.a.	(6.9)
Profit/(loss) before tax	21.3	2.5	752%	6.9	(3.1)	n.a.	13.9
Income tax benefit/(expenses)	(3.9)	(0.5)	n.a.	(1.3)	0.5	n.a.	(2.6)
Net profit/(loss)	17.4	2.0	770%	5.6	(2.6)	n.a.	11.3
Profit/(loss) for the period attributable to equity holders of the parent	15.8	0.1	n.a.	5.5	(2.5)	n.a.	9.5
Gross margin	16.6%	16.1%	n.a.	17.4%	12.8%	n.a.	16.4%
Net Margin	6.9%	1.1%	n.a.	6.7%	-7.2%	n.a.	4.9%

P&L HIGHLIGHTS 9 MONTHS ENDED 30 SEPTEMBER 2018

- Revenue from residential projects increased by PLN 75.6 million (43%) from PLN 175.9 million during the nine months ended 30 September 2017 to PLN 251.5 million during the nine months ended 30 September 2018, which is primarily explained by an increase in apartments delivered to the customers in terms of area size (in m²).
- The profit from JV that was allocated to the Company, amounted to PLN 2.6 million which compares to a loss amounting to PLN 0.4 million during the nine months ended 30 September 2017. The change in results from joint ventures is explained by revenue recognized from the City Link I project that was completed in September 2017.
- Net other expenses decreased by PLN 1.5 m. The decrease is primarily explained by a decrease in maintenance cost of unsold units.

ECONOMIC RESULTS

(PLN M) 9 MONTHS ENDED 30 SEPTEMBER 2018

	<u>1-9/ 2018</u>	<u>1-9/ 2017</u>	<u>% change</u>	<u>3Q 2018</u>	<u>3Q 2017</u>	<u>% change</u>	<u>YE 2017</u>
Revenue from residential projects	277.4	189.0	47%	83.7	46.6	80%	320.9
Revenue from sale of services and land	-	2.2	n.a.	-	1.6	n.a.	0.6
Total Revenue	277.4	191.2	45%	83.7	48.2	74%	321.5
Cost of sales	(229.3)	(162.0)	42%	(69.2)	(40.5)	71%	(259.9)
Gross profit	48.1	29.2	65%	14.5	7.7	`	61.5
Selling and marketing expenses	(3.8)	(3.9)	-3%	(1.4)	(1.3)	8%	(5.9)
Administrative expenses	(14.6)	(15.1)	-3%	(4.7)	(4.5)	4%	(20.0)
Net other income/(expense)	(2.0)	(3.2)	-38%	(0.5)	(0.7)	-29%	(3.6)
Cancellation of negative investment from joint ventures	-	0.1	n.a.	-	(1.4)	n.a.	-
Operating profit/(loss)	27.7	7.1	290%	7.9	(0.2)	-4050%	32.0
Net finance expense	(3.8)	(5.5)	-31%	(1.0)	(1.5)	-33%	(7.1)
Profit/(loss) before tax	23.9	1.6	1394%	6.9	(1.7)	-506%	24.9
Income tax benefit/(expenses)	(3.9)	(0.5)	n.a.	(1.3)	0.5	n.a.	(2.6)
Net profit/(loss)	20.0	1.1	n.a.	5.6	(1.2)	n.a.	22.3
Profit/(loss) for the period attributable to equity holders of the parent	15.8	0.1	n.a.	5.5	(2.5)	n.a.	9.5
Gross margin	17.3%	15.3%	n.a.	17.3%	16.0%	n.a.	19.1%

P&L HIGHLIGHTS 9 MONTHS ENDED 30 SEPTEMBER 2018

- The table presents the Company economic results during 9 months ended 30 September 2018, under the assumption that the results from joint ventures are presented on a fully consolidated basis (100%).

NET DEBT / EQUITY:
37% AS AT THE END OF SEPTEMBER 2018

BOND NET DEBT / EQUITY:
32% AS AT THE END OF SEPTEMBER 2018

BALANCE SHEET DATA (PLN M)

	As at 30-Sep-18	As at 31-Dec-17	As at 31-Dec-16
Equity	343.9	337.9	359.6
Banking debt	17.9	13.9	1.9
Floating rate bond	221.8	197.3	222.6
Loans from third parties (net)	-	-	1.6
Cash and cash equivalents	114.3	64.9	69.1
Inventory	643.7	512.1	574.1
Total Assets	818.3	705.8	743.4
Net Debt	125.4	146.3	157.0
Net debt / Equity	36.5%	43.3%	43.7%
Net debt / Total Assets	15.3%	20.7%	21.1%
Net assets per share (PLN)	2.10	2.06	2.19

OVERVIEW OF CASH FLOW RESULTS

	During 9 months ended 30 September	
	2018	2017
	(PLN thousands)	
Cash flow from / (used in) operating activities	58,073	11,603
Cash flow from / (used in) investing activities	(34,127)	13,637
Cash flow from / (used in) financing activities	25,515	(40,741)

- Operating CF was positive and amounted to PLN 58.1 m: mainly related to advances received from clients regarding sales of residential units amounting to PLN 201.2 m that was partly offset related to direct construction costs for development of ongoing projects amounting to PLN 107.7 m and interest paid PLN 7.3 m.
- Investing CF was negative and amounted to PLN 34.1 m: related to Acquisition of Nova Królikarnia project PLN 38.1 m;
- Financing CF was positive and amounted to PLN 25.5 m: mainly related to net proceeds from bond loans amounted to PLN 22.2 m and net proceeds from bank loans amounted to PLN 3.3 m.

INVENTORY AS AT 30 SEPTEMBER 2018

9 MONTHS ENDED 30 SEPTEMBER 2018

	PLN million
Finished goods	112.0
Ongoing projects	223.7
Land bank*	308.0
Total	643.7

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

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

FINISHED PROJECTS

Comprising: 170 units, from them 77 units are already sold.

ONGOING PROJECTS, OF WHICH:

Under construction and/or on sale:

Miasto Moje II, Marina Miasto, City Link III, Panoramika IV and Vitalia II, Grunwald2 and Nova Królikarnia 2a and 2b.

ATTRACTIVE BANK OF LANDS (5,025 UNITS, 312,800 PUM)

Categorised by city:

Warsaw	3,504 units;	204,700 PUM*
Poznań	226 units;	15,500 PUM
Wrocław	578 units;	34,300 PUM
Szczecin	717 units;	58,300 PUM

Categorised by book value per PUM:

Below	PLN 1,000	231,500 PUM (74%)*
Between	PLN 1,000–2,000	74,700 PUM (24%)
Over	PLN 2,000	6,600 PUM (2%)

* Does not include Nova Królikarnia land (21,500m²) under call option

DEBT POSITION AS AT 30 SEPTEMBER 2018

9 MONTHS ENDED 30 SEPTEMBER 2018

	PLN million
Bonds	221.8
Bank loans	17.9
Total	239.7

BOND DEBT

Seria	Catalyst Ref. No.	Nominal value (PLN)	Nominal interest	Coupon	Issue date	Maturity date
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
T	RON 0522	50,000,000	WIBOR 6M + 3,50%	Semi-annual	07/05/2018	09/05/2022
Total		220,000,000				

BANKING DEBT

Maturity of loans tailored to construction cycle of the projects.

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

The tranche R bonds is secured with the mortgage.

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 at 30 September 2018 amounted to PLN 221.8 m (as at 31 December 2017: PLN 197.3 m) comprising a bond loan principal amount of PLN 220.0 m plus accrued interest of PLN 3.4 m minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 1.6 m).

DEBT POSITION AS AT 30 SEPTEMBER 2018

9 MONTHS ENDED 30 SEPTEMBER 2018

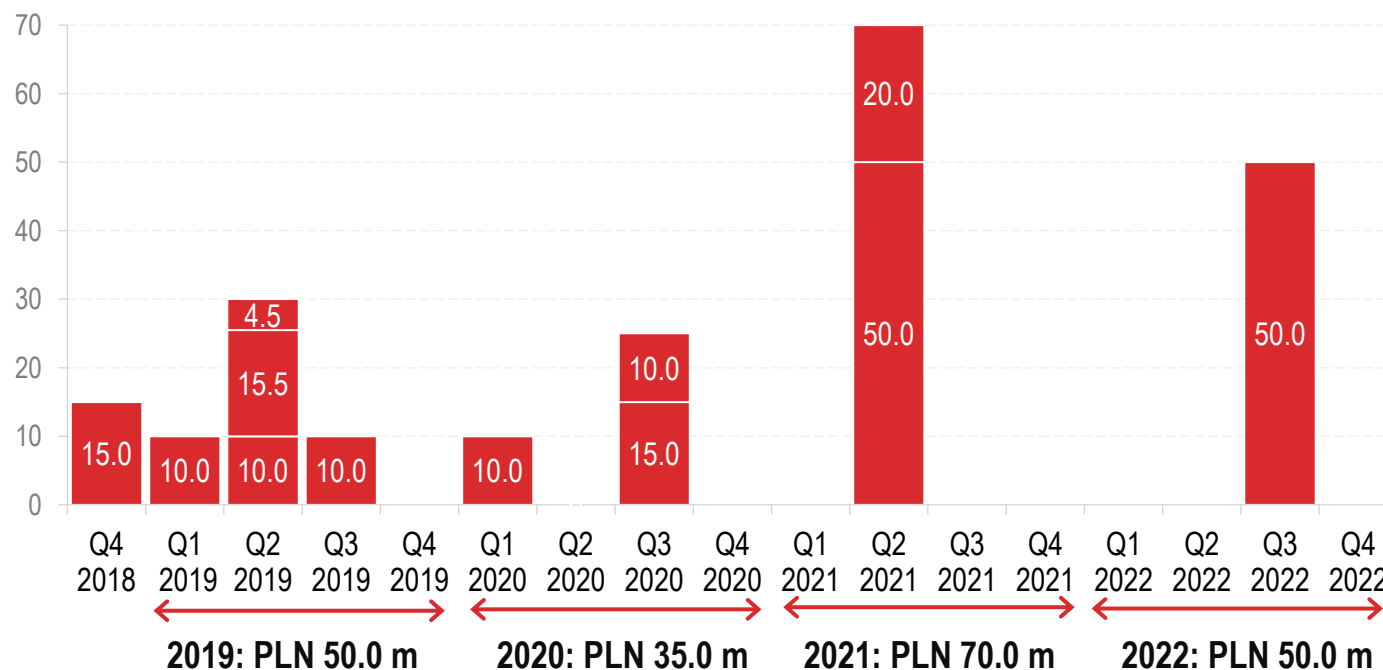
	PLN m
Bonds	221.8
Bank loans	17.9
Total	239.7

BANK LOANS

Maturity of loans tailored to construction cycle of the projects.

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

BOND MATURITY (PLN M / QUARTERLY)

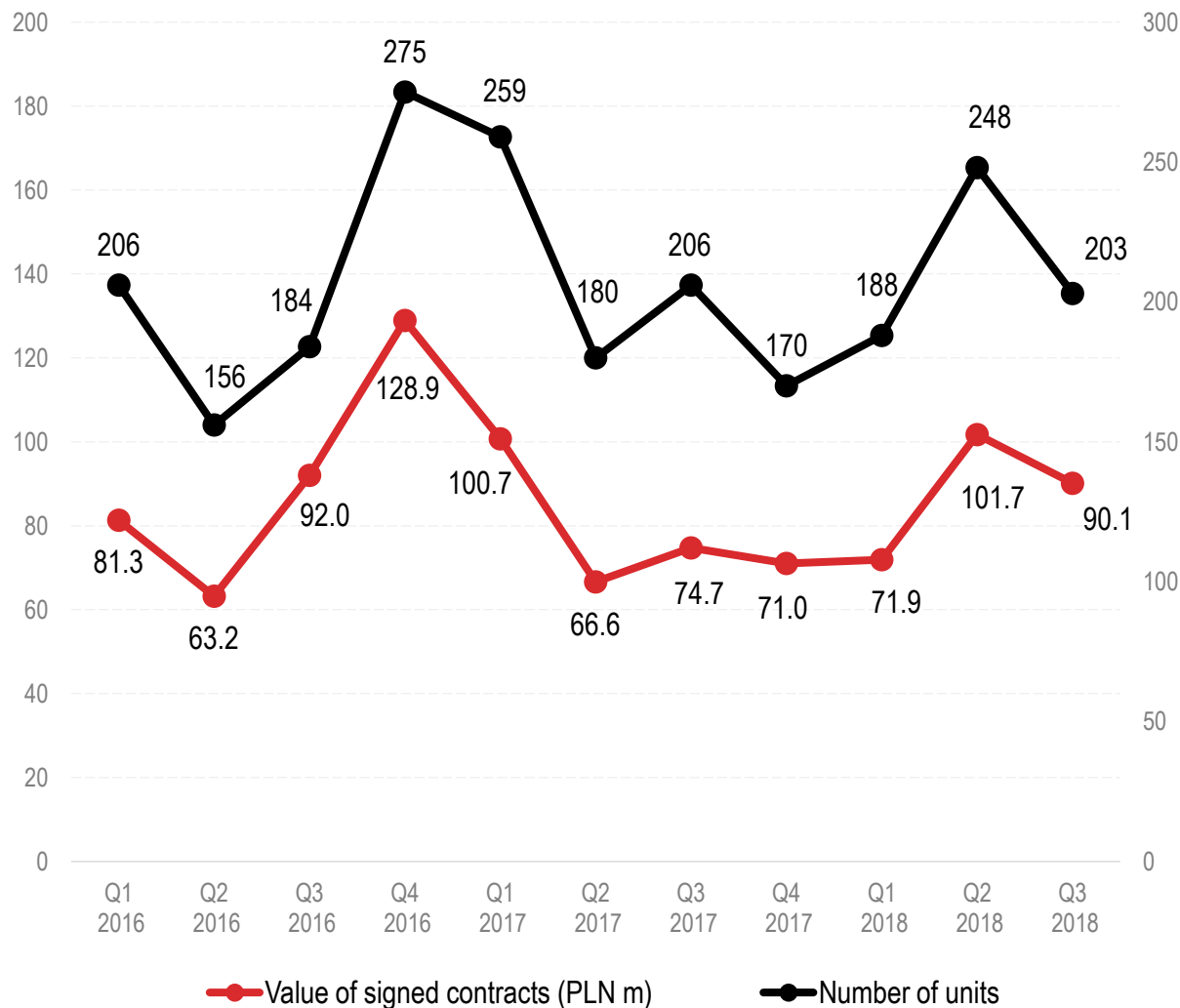


The amount of PLN 15.0 m to be paid till the end of 2018.

The tranche R bonds is secured with the mortgage.

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 at 30 September 2018 amounted to PLN 221.8 m (as at 31 December 2017: PLN 197.3 m) comprising a bond loan principal amount of PLN 220.0 m plus accrued interest of PLN 3.4 m minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 1.6 m).



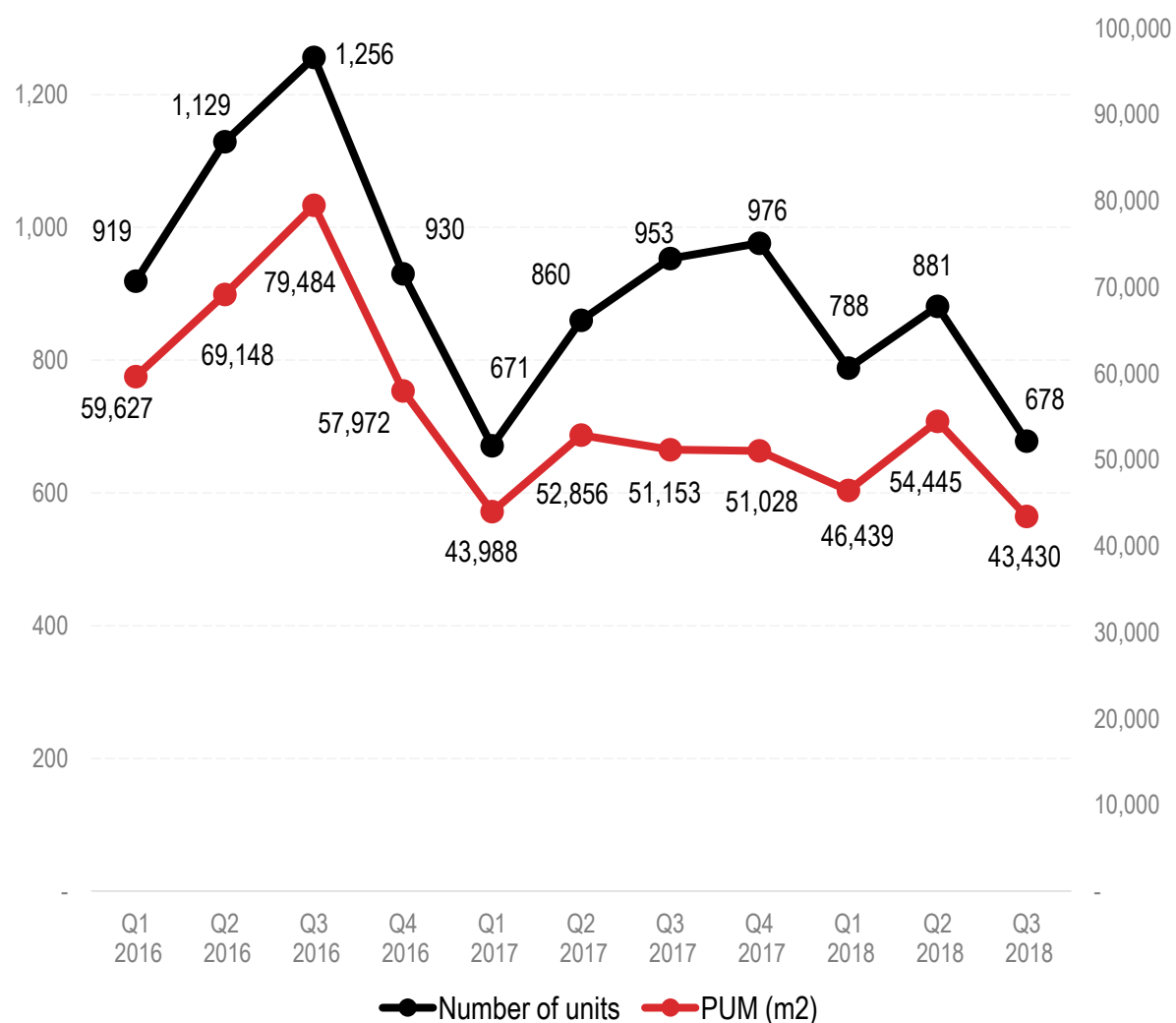
- Total sales during the 1-9/2018 amounted to 639 units, that was similar to the result during 1-9/2017 (645 units).
- Best selling projects were City Link and Miasto Moje in Warsaw, Vitalia in Wrocław as well as new launched project Grunwald2 in Poznań.
- Average price of apartments sold during 1-9/2018 amounts to PLN 413 thousand and is higher than average price recorded during 1-9/2017 (PLN 375 thousand).

NUMBER OF UNITS SOLD DURING 1-9/2018

Completed projects		Projects under construction	
Miasto Moje I	42	City Link III	153
Panoramika II & III	29	Miasto Moje II	102
Młody Grunwald I-III	28	Grunwald2	63
Moko	18	Vitalia II	56
Nova Królikarnia 1a - 1e	13	Marina Miasto	38
Vitalia I	8	Panoramika IV	31
Chilli IV	8	City Link II	11
City Link I	4	Nova Królikarnia 2a	19
Espresso II-IV	2	Nova Królikarnia 2b	10
Other (old) projects	4		
Total	156	Total	483

UNITS OFFERED FOR SALE AS AT THE END OF QUARTERS

9 MONTHS ENDED 30 SEPTEMBER 2018



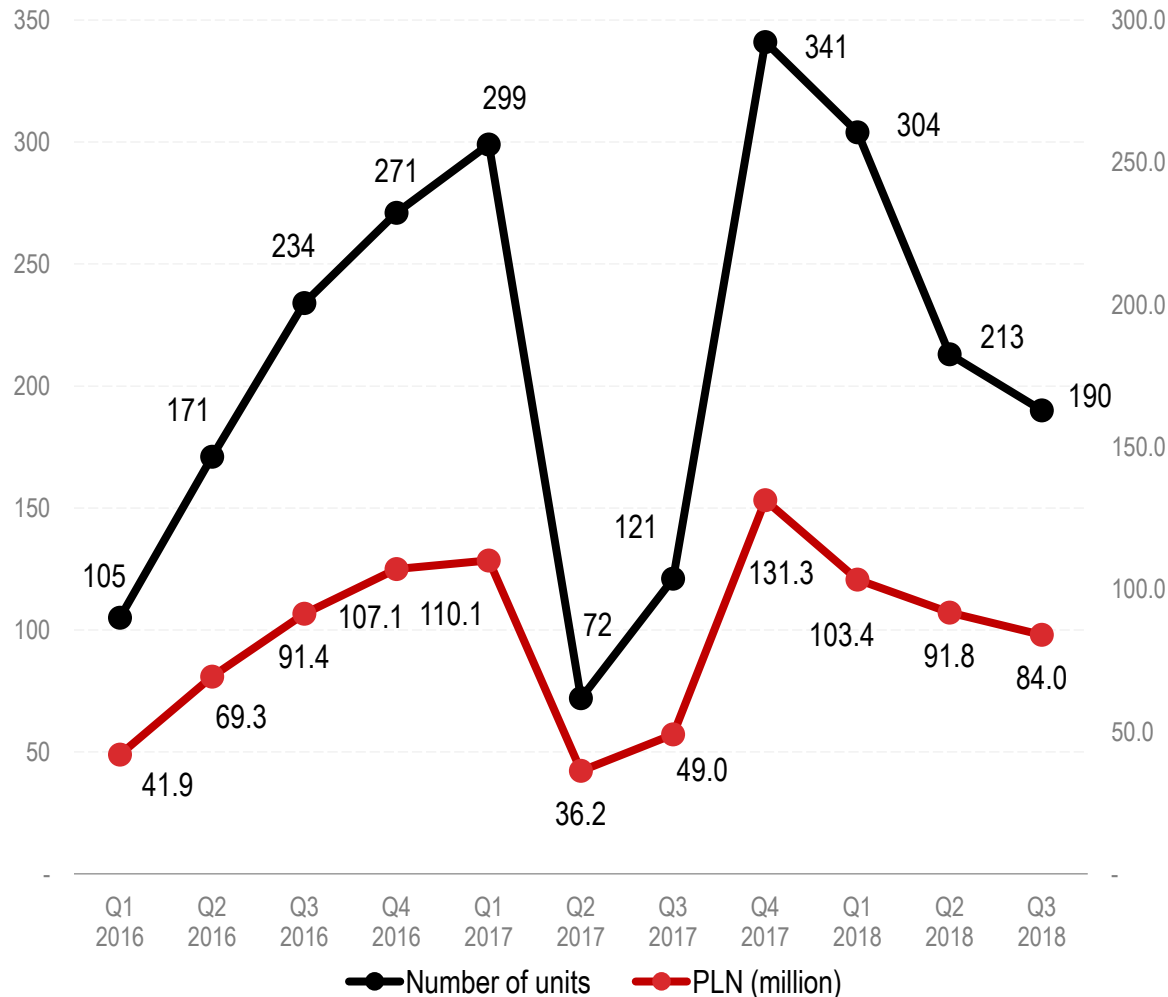
- The Company continued introducing new projects keeping between 700 to 1,200 units. Taking into account Nova Królikarnia project acquired on 10 April 2018 and Grunwald2 that was launched for sale in April 2018 and taking into account the strong sales results during Q3 2018 units offered for sale as at the end of quarter amounted to 678 .

UNITS OFFERED FOR SALE (678 IN TOTAL)

Completed projects		Projects under construction	
Chilli IV	21	Grunwald2	205
Młody Grunwald I - III	17	City Link III	124
Moko	10	Marina Miasto	98
Nova Królikarnia 1a - 1d	12	Panoramika IV	78
Miasto Moje I	9	Miasto Moje II	38
Panoramika III	2	Vitalia II	21
Espresso II	4	Nova Królikarnia 2a	11
Vitalia I	3	Nova Królikarnia 2b	8
City Link I	2		
Other (old) projects	15		
Total	95	Total	583

QUARTERLY DELIVERIES (REVENUES RECOGNIZED IN P&L)

9 MONTHS ENDED 30 SEPTEMBER 2018



- During 1-9/2018 majority of the Company's revenues came from Espresso IV, Miasto Moje I and Nova Królikarnia 1a – 1e projects that were completed during HY 2018 as well as Panoramika III and Młody Grunwald III completed during Q4 2017. Nova Królikarnia project acquired on 10 of April 2018 contibuted PLN 47.9 m to revenues of the company during 1-9/2018.
- Delivery of 641 units to the customers and recognition of consolidated revenues in the amount of PLN 251.5 m and economic revenues in the amount of PLN 279.2 m (707 units).

UNITS SOLD BUT NOT DELIVERED (890 UNITS AND PLN 390.6 MILLION IN TOTAL)

Completed projects	Units	PLN million	Projects under construction	Units	PLN million
Nova Królikarnia 1a - 1e	35	37.8	City Link III	244	108.3
Miasto moje I	13	6.4	City Link II	189	84.8
Młody Grunwald I - III	8	4.3	Miasto Moje II	110	33.1
City Link I	5	3.7	Vitalia II	62	20.0
Moko	5	4.6	Grunwald2	63	17.7
Panoramika II & III	4	1.1	Marina Miasto	53	14.4
Chilli IV	3	0.9	Panoramika IV	33	7.4
Espresso II, III & IV	2	1.1	Nova Królikarnia 2a	34	24.3
Vitalia I	1	0.6	Nova Królikarnia 2b	20	16.1
Other (old) projects	6	4.0			
Total	82	64.5	Total	808	326.1

III.

**BRIEF SUMMARY OF COMPANY'S
ACHIEVEMENTS DURING 1-9/2018
& OUTLOOK FOR REMAINDER OF 2018**

**THE COMPANY'S ACHIEVEMENTS
DURING THE 9 MONTHS ENDED 30 SEPTEMBER 2018 INCLUDE:**

- Pre-sales of 639 units;
- Delivery of 641 units to the customers and recognition of consolidated revenues in the amount of PLN 253.3 m and economic revenues in the amount of PLN 279.2 m (707 units);
- Total profit of PLN 17.4 m, from it profit attributable to the shareholders of the parent company PLN 15.8 m;
- Low net debt position 37% (including money on escrow account net debt to – 32%);
- Completion of the acquisition of Nova Królikarnia project for a price of PLN 83.8 m from Global City Holdings;
- Finalised the transaction of purchasing plot of land in Warsaw, Ursus district, for the amount of PLN 81.75 m, which allows for the development of multi-family housing project of approximately 1,600 units.
- Completion of 457 units with a total area of 29,600 m2, from it in, Espresso IV 146 units, Miasto moje I 205 units and Nova Królikarnia 1a – 1e - 106 units.
- Issuance of bonds T, PLN 50m with the maturity date May 2022 that bearing interest rate Wibor 6M + 3.5%.
- Signing 3 loans contact for financing Ronson projects for the aggregated value of PLN 75 m.
- Write-down adjustment on MG project amounted to PLN 0.7 m.
- Commencement of construction of Grunwald2 project comprising 268 units and a total area of 14,500 m2 and Nova Królikarnia 2b project comprising 28 units and a total area of 2,300 m2 .
- Updating dividend policy: 50% of the consolidated net profit but not less than PLN 9.9 m.

RECENT DEVELOPMENTS (AFTER 30 SEPTEMBER) INCLUDE:

- Payment of dividend PLN 9.9 m (represents PLN 0.06 per ordinary share) on 4th of October.
- Finalized the migration of the registered office from the Netherlands to Poland on 31st of October.
- Acquisition of Espresso shares (18%) from Non-controlling interest, for the total amount of PLN 3.8 m (book value 5.7m)
- Payment of PLN 30 m to GCH.

639 units
Pre-sales***707 units**
Deliveries****PLN 17.4 m**
Net profit***

* Including sales of 15 units in City Link I and II (company share 50%).

** Including delivery of 66 units in City Link I (company share 50%).

*** The net profit attributable to shareholders of the parent Company amounted to PLN 15.8 m.

THE COMPANY'S PLANS FOR 2018 INCLUDE:

Pre-sales at similar level as during 2017, i.e. over 800 units to be sold during 2018

Delivery of around 800 units to our customers

Preparation and commencement of sales and construction of over 700 units

Completion of construction works of 457 units in total

Extension of the land bank by acquisition of new lands mainly in Warsaw

Further strengthening of Ronson's brand name

PROJECT / NEW LOCATION



URSUS IN WARSAW

Total number of units: 1,600. First stage with 151 units to be commenced during remainder of 2018

NEXT STAGES OF CURRENTLY RUNNING PROJECTS

- Panoramika V, 115 units
- Miasto Moje III, 196 units
- Nova Królikarnia 2c, 18 units



**IN TOTAL:
4 NEW PROJECTS/STAGES
COMPRISING 480 UNITS**

PROJECTS THAT MAY CONTRIBUTE TO P&L DURING THE REMAINDER OF 2018 - COMPLETED PROJECTS

As of end of September 2018, there were 177 units completed that were not delivered to the customers, of which 82 were pre-sold and 95 were offered by the Company for sale.

Total value of pre-sold units amounted to PLN 64.5 m. It shall be expected that majority of those units will be delivered to the customers during remainder of 2018.

Name of project	Signed contracts		Units for sale	Units in total	Gross margin
	(PLN m)	Units (no.)	(no.)	(no.)	(%)
Miasto moje I	6.4	13	9	22	24.1%
Espresso II, III & IV	1.1	2	4	6	21.8%
Młody Grunwald I - III	4.3	8	17	25	0.0%
Nova Królikarnia 1a - 1e	37.8	35	12	47	12.8%
Moko	4.6	5	10	15	29.9%
Vitalia I	0.6	1	3	4	21.8%
Panoramika II & III	1.1	4	2	6	0.2%
Chilli IV	0.9	3	21	24	7.4%
Other (old) projects	4	6	15	21	N.A.
Total excluding JV	60.8	77	93	170	
City Link I	3.7	5	2	7	30.0%
Total including JV	64.5	82	95	177	

PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2019 AND 2020

Name of project	Commencement Date	Completion Date	Units sold (no.)	Units for sale (no.)	Units in total (no.)
Miasto Moje II	2017 Q3	2019 Q1	110	38	148
City Link II	2016 Q2	2019 Q1	189	-	189
Vitalia II	2017 Q4	2019 Q1	62	21	83
Nova Królikarnia 2a	2017 Q3	2019 Q1	34	11	45
Nova Królikarnia 2b	2018 Q1	2019 Q2	20	8	28
Miasto Marina	2017 Q3	2019 Q2	53	98	151
City Link III	2017 Q2	2019 Q4	244	124	368
Panoramika IV	2017 Q4	2019 Q4	33	78	111
Subtotal 2019			745	378	1,123
Grunwald2	2018 Q2	2020 Q2	63	205	268
Subtotal 2020			63	205	268
Total			808	583	1,391

Nova Królikarnia Transaction

(PLN thousand) As at 10 April 2018

Assets

Inventory	136,336
Cash and cash equivalents and cash in Escrow account	20,815
Other assets	3,588
Total assets	160,739

Liabilities

Advances received	62,180
Other liabilities	13,689
Total liabilities	75,869
Total net assets	84,870

(PLN thousand)	Payment date			Total	Allocation of breakup fee
	5-Apr-19	5-Oct-19	5-Apr-20		
Option number 1 (expiring 1/04/2019)	17,000	16,916	-	33,916	5,100
Option number 2 (expiring 1/10/2019)	-	13,084	22,022	35,106	5,300
Option number 3 (expiring 1/04/2020)	-	-	9,893	9,893	1,500
Total	17,000	30,000	31,915	78,915	11,900



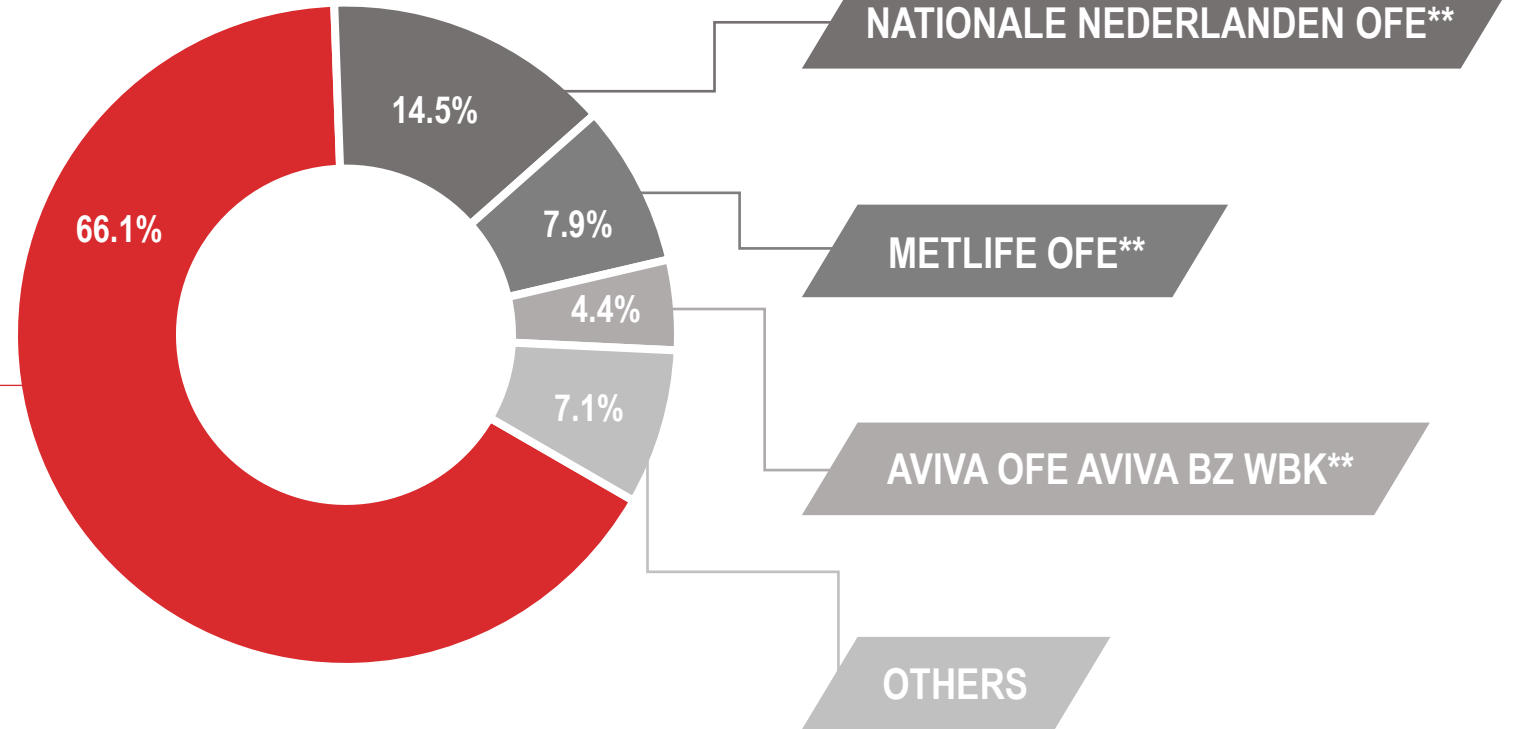
- On 10th April 2018 Ronson finalized a sale and purchase agreement with Global City Holdings B.V. regarding the acquisition of the first two phases of the Nova Królikarnia project (197 units with an aggregate floor space of 19,500 m²) for PLN 83.8 m;
- The amount of PLN 40.8 m has been paid by the Company to GCH until 30 of September 2018, whereas the amount of PLN 30 m was paid in October 2018 and amount of PLN 13 m should be paid in April 2019.
- Ronson also concluded a call option agreement for the purchase of the remaining phases of the Nova Królikarnia project (161 units with an aggregate floor space of 21,500 m²) for a total of PLN 78.9 m.

APPENDIX



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 publicly available information