

Current report No. 32/2016

Date of report: 10 November 2016

Issuer abbreviated name: Ronson Europe N.V.

Subject: **The conclusion of an agreement concerning the acquisition of treasury shares and the sale of the Nova Królikarnia project**

Legal basis: Article 17 section 1 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

Contents of the report:

The management board of Ronson Europe N.V., a company listed on the Warsaw Stock Exchange (the “**Issuer**”, the “**Company**”) hereby announces that on 9 November 2016, the Issuer concluded an agreement (the “**Agreement**”) with one of its principal shareholders, I.T.R 2012 B.V. (“**ITR 2012**”), under which the Issuer agreed to acquire and subsequently redeem 108,349,187 of its shares held by ITR 2012, which constitute 39.78% of the share capital and carry the right to exercise a corresponding percentage of the votes at the Company’s general shareholders’ meeting, for PLN 1.30 per share and the total price of PLN 140,853,943.10. In return, the Company will sell to ITR 2012 certain shares in project companies and properties constituting the Nova Królikarnia project for the price of approximately PLN 161,800,000. The abovementioned transaction (the “**Transaction**”) will involve the Company receiving a surplus payment in cash representing a part of the costs incurred in connection with the execution of the Nova Królikarnia project that should amount to approximately PLN 21,000,000.

The Nova Królikarnia project is located at ul. Jaśminowa in Warsaw. The first stage of the project consists of up to 98 apartments and eight units of retail premises with a total area of 10.6 thousand m². The construction of the Nova Królikarnia project was commenced in June 2016, the completion of the first stage is planned for the fourth quarter of 2017, and the entire project is scheduled to be completed in 2022.

The completion of the Transaction is conditional on the adoption by the Company’s general shareholders of the resolutions to authorise the Company to buy back the shares held by ITR 2012 and to waive the obligation of Luzon Group to make a public takeover bid as a result of the Transaction. Furthermore, the Transaction is also subject to a consent from the bank financing the Nova Królikarnia project in relation to the Transaction, certain security existing in relation to the Nova Królikarnia project being released and a share restructuring being completed before completion of the Transaction to procure that ITR 2012 will hold the shares in the Company directly instead of through a jointly controlled partnership.

Pursuant to the Agreement, after the closing of the Transaction the Company will continue to manage the Nova Królikarnia project (the further construction and sale of apartments) on the market terms. The Company will also be granted an option by Global City Holdings B.V. (ITR 2012’s dominant entity) to co-invest in potential residential real estate development projects effected by Global City Holdings B.V. in Poland other than the Nova Królikarnia project.