

Current report No. 5/2018

Date of report: 29 March 2018

Issuer abbreviated name: Ronson Europe N.V.

Subject: **The conclusion of an agreement concerning the acquisition of the Nova Królikarnia project**

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 29 March 2018, the Issuer concluded a share sale and purchase agreement (the “**Agreement**”) with Global City Holdings B.V. (“**GCH**”) under which the Issuer agreed to acquire certain shares in project companies owning properties constituting the Nova Królikarnia project located at ul. Jaśminowa in Warsaw and the loans granted by GCH to those project companies for the price of PLN 83.8 million. The project consists of few phases of residential development currently being in various stages of development - completed, under construction and lands to be developed. Part of the purchase price in the amount of PLN 23.8 will be paid by the Issuer to GCH upon the closing of the transaction, which shall occur on 10 April 2018 and the amount of PLN 60.0 million will remain outstanding and shall be paid in instalments within twelve months after the closing of the transaction.

The Issuer and GCH will conclude also another agreement, under which the Issuer will be granted with three call options with respect to the shares in the eight other project companies holding the remaining stages of Nova Królikarnia project to be executed within next two years (the “**Call Option Agreement**”). The total consideration for the acquisition of the shares in these project companies upon the exercise of the three call options will amount to PLN 78.9 million. The first call option may be exercised until April 2019 and the price therefor in the amount of PLN 33.9 million shall be paid in two instalments; the second call option may be exercised until October 2019 and the price therefor in the amount of PLN 35.1 million shall be paid in two instalments and the third call option may be exercised until April 2020 and the price therefor in the amount of PLN 9.9 million shall be paid by April 2020. Certain fees in the maximum amount of PLN 11.9 million will be due from the Company if the Company does not exercise of all three call options within certain deadline (however, it will be reduced proportionally to the exercised options).

A package of customary security, such as mortgages, share pledges and statement on submission to voluntary enforcement will be established for the benefit of GCH to secure the obligations of the Company under the Agreement and the Call Option Agreement.

Pursuant to the Agreement, after the closing of the transaction, the Company will continue to manage the Nova Królikarnia project in whole, including the part of the project which is related to the Call Option Agreement.

In total the Nova Królikarnia project envisages the development of the total residential usable space (PUM) 5.0 thousand sq m of completed units to be delivered during 2018, the total residential usable space (PUM) 5.7 thousand sq m under construction expected to be completed during the second quarter of 2018, the total residential usable space (PUM) 5.6 sq m thousand under construction expected to be completed during 2019 and land with the total residential usable space (PUM) 24.4 sq m thousand available for construction.

The Issuer delayed the disclosure of inside information regarding the advanced stage of the negotiations of the Agreement on 27 March 2018 in accordance with the provisions of Article 17 section 4 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.

*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.*