



Press release

Warsaw, 30 March 2018

## **Nova Królikarnia to return to Ronson Development's portfolio**

**Ronson Development plans to purchase back from Global City Holdings the first two phases of the Nova Królikarnia residential project, together with associated infrastructure, for PLN 83.8 million. Ronson will also hold options for the purchase of the remaining phases of this prestigious investment, which is being developed in Warsaw's Mokotów district, for a total of PLN 78.9 million. Nova Królikarnia will contribute to Ronson Group's revenues and profits already in the second quarter of 2018 and during the following years.**

Nova Królikarnia is a prestigious residential estate with a unique location at ul. Jaśminowa in Warsaw's Old Mokotów district, in the vicinity of the historic park Królikarnia. This project was sold by Ronson Development at the end of 2016 for over PLN 175 million to Global City Holdings (GCH) – back then the Company's shareholder – in a transaction that involved GCH exiting Ronson's shareholding structure. The transaction generated more than PLN 57 million in gross profit for Ronson Group in 2016. Ronson continues to act as the project's manager, being in charge of development and unit sales.

Pursuant to agreements executed with GCH on 29 March 2018, the Nova Królikarnia project will return to Ronson's portfolio. *"Global City Holdings intends to focus on its core cinema business, including the recently completed acquisition – through Cineworld – a cinema operator in the U.S. in the USD 5.8 billion transaction, as well as on developing the Park of Poland, the first large scale entertainment park in Poland. So we used this great opportunity to expand our land bank and once again include Nova Królikarnia, a unique investment that we know very well, into our portfolio at the attractive price. Taking into account its excellent location right at the heart of the Old Mokotów district, its scale and its prestigious nature, it would be difficult to find an equally attractive alternative in Warsaw on equally favourable terms,"* said **Nir Netzer, CEO of Ronson Development.**

*"Nova Królikarnia will contribute to Ronson's revenues and profits already in the second quarter of 2018 and during the following years. The payments for the Nova Królikarnia project will be in instalments, majority of which will be paid from the free cash flows that will be generated from the Nova Królikarnia project,"* said **Rami Geris, CFO of Ronson Development.**

In accordance with the agreements, Ronson will purchase from GCH the investment's first two phases, together with associated infrastructure, for a total of PLN 83.8 million. A portion of this price, PLN 23.8 million, will be paid by the Company upon transaction closing, i.e. around 10 April 2018. The remaining part will be paid in instalments within 12 months.

Ronson will continue to act as manager for the entire Nova Królikarnia project and will have options to purchase the investment's remaining phases for a total of PLN 78.9 million. Ronson will be able to exercise these options as follows:



- PLN 33.9 million by April 2019, payable in two instalments,
- PLN 35.1 million by October 2019, payable in two instalments,
- PLN 9.9 million by April 2020.

In total, the Nova Królikarnia project comprises:

- completed units with an aggregate usable floor area of 5,000 m<sup>2</sup> to be delivered during 2018,
- units under construction with an aggregate usable floor area of 5,700 m<sup>2</sup> to be completed during the second quarter of 2018,
- units under construction with an aggregate usable floor area of 5,600 m<sup>2</sup> to be completed during 2019, and
- the land with an aggregate usable floor area of 24,400 m<sup>2</sup> available for construction.

For more information on Nova Królikarnia project, please visit: <http://ronson.pl/novakrolikarnia/>

### **About Ronson Development**

Ronson Development is an experienced, well established, dynamically expanding real estate developer with residential investments in major Polish cities, mainly in Warsaw, but also in Poznań, Wrocław and Szczecin.

Since its foundation in 2000, Ronson has gained the trust of thousands of clients, making it one of the leading real estate developers in Poland. The company has been listed on the Warsaw Stock Exchange since 2007.

Ronson creates spaces for good and convenient living. The company's portfolio currently includes units tailored to the needs of various client groups – including both apartments and popular flats.

Ronson Development is a member of the Polish Association of Real Estate Developers. Numerous awards and certificates confirm clients' trust in the company. These include an award in the development services category of the Polish Construction Eagles 2014 competition as well as the Developer of the Year 2013 award from the Central Office for National Certification.

Ronson is also the recipient of numerous prestigious awards from stock market analysts and investors. In 2013, the company placed 1<sup>st</sup> in the "Investor Relations" category of the Listed Company of the Year ranking hosted by daily Puls Biznesu. In 2017, the Company's website received the Issuer's Golden Website award in a competition organized by the Polish Association of Listed Companies.

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