

INVESTOR PRESENTATION ADDRESSING HY 2018 RESULTS

8 AUGUST 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

12 completed projects
offered for sale

(as at 30 June 2018 Ronson's
offer includes 881 units)

14 further
projects

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

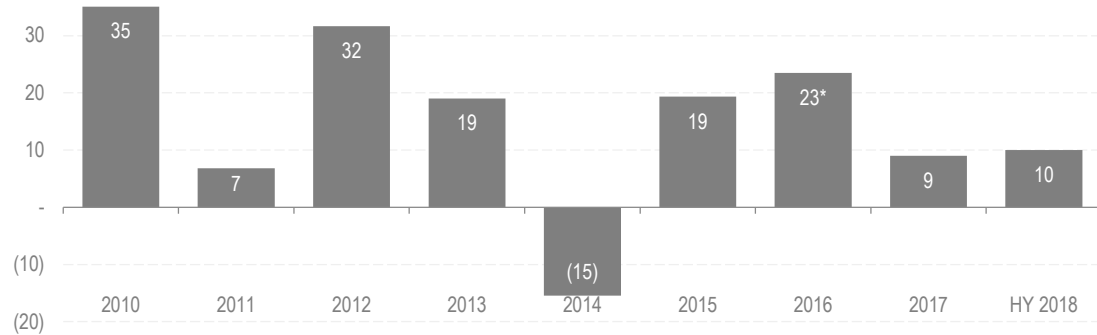
**ATTRACTIVE LAND BANK IS ONE OF RONSON'S ADVANTAGES
DECIDING ABOUT ITS GROWTH POTENTIAL.**



COMPANY HIGHLIGHTS IN CHARTS

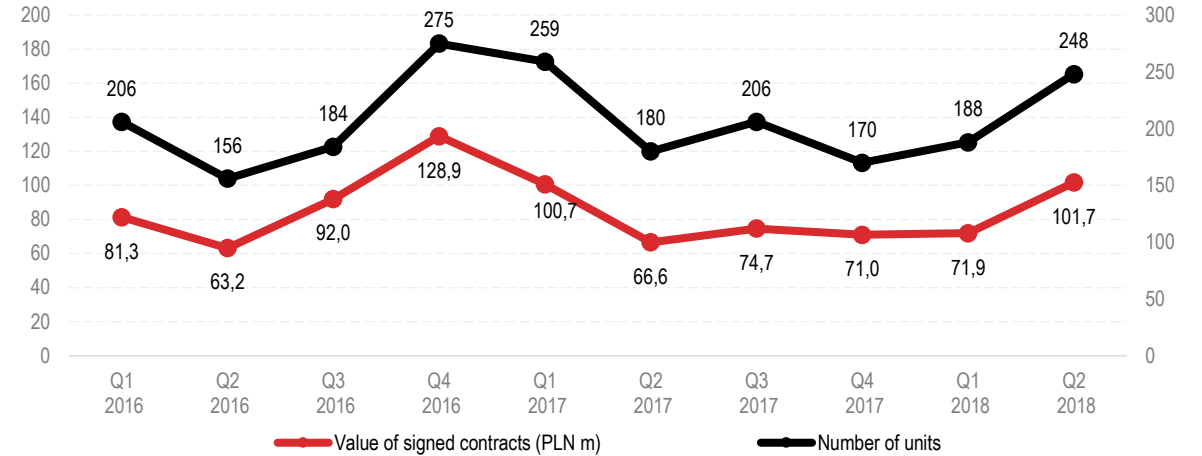
(BASED ON COMPANY'S FINANCIAL STATEMENTS)

NET PROFIT (PLN MILLION)

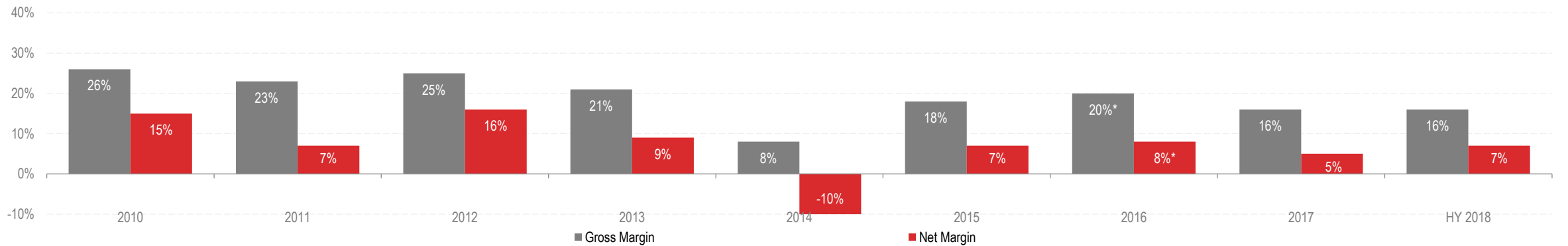


* Excluding one time event of selling Nova Krolikarnia (net profit PLN 41 million)

436 UNITS SOLD DURING HY 2018



MARGINS (%)



* Excluding one time event of selling Nova Krolikarnia

1,444 UNITS UNDER CONSTRUCTION WITH NEARLY 77,950 M², OF WHICH 831 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 Q4 2018
- 145 apartments with an and 3 commercial units aggregate floor space of 8,100 m²
- Location: Warsaw, Białołęka



**NOVA KRÓLIKARNIA
(5 STAGES)**

- 3 stages with 53 apartments and aggregate area of 5,650 m² completed during Q3 2018
- 2 stages with 73 apartments and aggregate area of 5,500 m² to be completed during 1H 2019
- In total 5 stages under construction: 126 apartments with aggregate area of 11,150 m²
- Location: Warsaw, Mokotów

1,444 UNITS UNDER CONSTRUCTION WITH NEARLY 77,950 M², OF WHICH 613 ARE IN WROCLAW, 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**

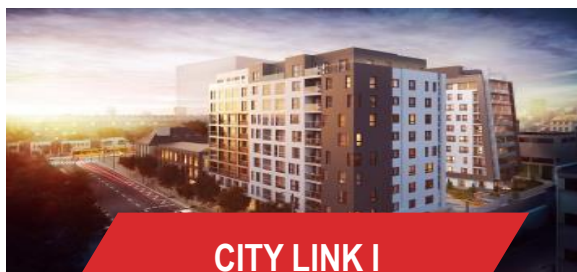
- Commenced in 4Q 2017
- Expected completion 4Q 2019
- 111 apartments with aggregate area 5,800 m²
- Location: Szczecin, Duńska Street

**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 JUNE 125 COMPLETED UNITS WITH 11,700 M² WERE OFFERED FOR SALE IN 12 PROJECTS (4 CITIES)



CITY LINK I

- As at 30 June, 3 units offered for sale
- In total 301 apartments and 21 commercial units
- Location: Warsaw, Wola



MIASTO MOJE I

- As at 30 June, 11 units offered for sale
- In total 191 apartments and 14 commercial units
- Location: Warszawa , Marywilka Street



MOKO I-II

- As at 30 June, 16 units offered for sale
- In total 326 apartments and 19 commercial units
- Location: Warsaw, Mokotów



MŁODY GRUNWALD I - III

- As at 30 June, 24 units offered for sale
- In total 372 apartments and 21 commercial units
- Location: Poznań, Grunwald



PANORAMIKA II & III

- As at 30 June, 8 units offered for sale
- In total: 229 apartments
- Location: Szczecin, Duńska Street



NOVA KRÓLIKARNIA 1A & 1D

- As at 30 June, 14 units offered for sale
- In total 45 apartments and 8 commercial units
- Location: Warsaw, Mokotów



VERDIS I - IV

- As at 30 June, 8 units offered for sale
- In total 418 apartments and 23 commercial units
- Location: Warsaw, Wola

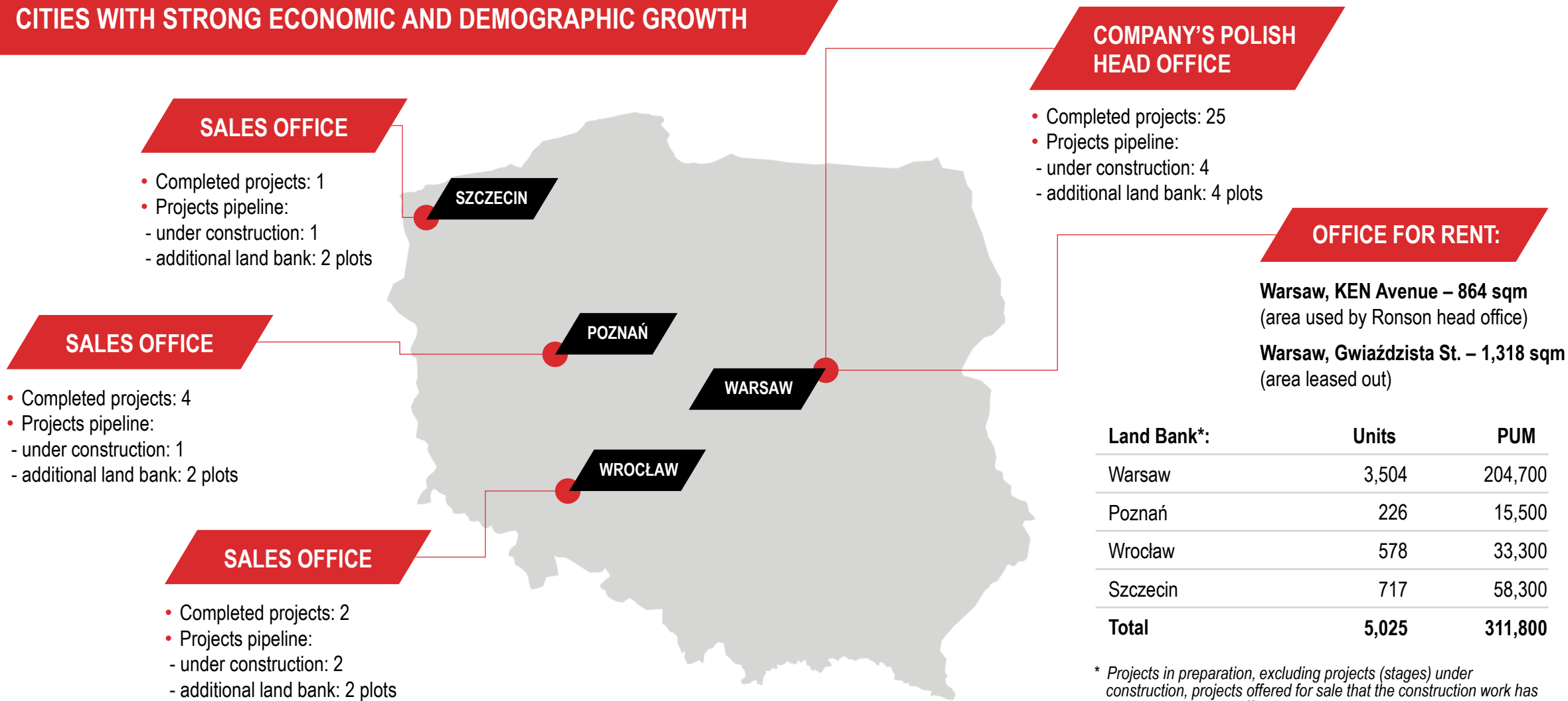


CHILLI IV

- As at 30 June, 24 units offered for sale
- In total: 45 apartments
- Location: Poznań, Tulce

Moreover the Company's offer includes 17 completed units in the following projects: Sakura (5), Espresso I-IV (4), Vitalia I (3), Kamienica Jeżyce I-II (2), Impressio I-II (2), 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	20,500
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	222,900
Total*		5,025	311,800

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

II.

FINANCIAL RESULTS REVIEW

FOR 6 MONTHS ENDED 30 JUNE 2018

UNITS DELIVERED / REVENUES / GROSS MARGIN

Project	Location	1Q2018		2Q2018		Revenues		Gross margin / profit	
		Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m
Espresso II, III, IV	Warsaw	59	23.5	78	32.8	137	56.3	21.8%	12.2
Moko	Warsaw	10	9.3	7	6.5	17	15.8	30.0%	4.8
Vitalia I	Wrocław	17	5.6	4	1.7	21	7.4	21.8%	1.6
Młody Grunwald I - III	Poznań	43	14.6	15	6.2	58	20.8	0.0%	-
Panoramika II & III	Szczecin	2	0.6	117	25.6	119	26.2	0.3%	0.1
Chilli IV	Poznań	11	2.7	2	0.4	13	3.1	7.5%	0.2
Miasto Moje I	Warsaw	-	-	60	16.9	60	16.9	24.6%	4.2
Sakura	Warsaw	1	0.6	1	0.7	2	1.3	7.7%	0.1
Nova Królikarnia 1a & 1d	Warsaw	-	-	24	18.9	24	18.9	12.2%	2.3
Other		2	2.3	-	1.2	2	3.5	N.A	2.2
Total excluding JV		145	59.3	308	110.9	453	170.2	16.2%	27.6
City Link I *	Warsaw	61	23.2	3	1.8	64	25.0	30.0%	7.5
Total including JV		206	82.5	311	112.7	517	195.2	18.0%	35.1

- Total number of units delivered during the 6 months ended 30 June 2018 amounted to 453 (517 including units delivered in City Link I project);
- The Company completed the construction of the Espresso IV, Miasto Moje I and Nova Królikarnia 1a and 1d project during the 6 months ended 30 June 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 6 months ended 30 June 2018 amounted to PLN 372 thousand (net of VAT) compare to PLN 384 thousand (net of VAT) during 2017, the decrease is mainly explained by the increase in number of units delivered outside Warsaw;
- 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 parking places and storages in other projects that were completed in previous years, and 2 units delivered in old project.

* Numbers presenting 100% of results of JV.

FINANCIAL RESULTS

(PLN M) 6 MONTHS ENDED 30 JUNE 2018

	<u>HY</u> <u>2018</u>	<u>HY</u> <u>2017</u>	<u>%</u> <u>change</u>	<u>2Q</u> <u>2018</u>	<u>2Q</u> <u>2017</u>	<u>%</u> <u>change</u>	<u>Y2017</u>
Revenue from residential projects	168.7	142.4	18%	89.4	34.7	158%	225.9
Revenue from sale of services	1.5	3.8	-59%	0.6	1.4	-54%	5.8
Total Revenue	170.2	146.2	16%	90.0	36.1	149%	231.7
Cost of sales	(142.6)	(121.5)	17%	(73.0)	(30.0)	143%	(193.6)
Gross profit	27.6	24.7	12%	17.0	6.1	179%	38.1
Selling and marketing expenses	(2.4)	(2.4)	0%	(1.3)	(1.2)	8%	(5.7)
Administrative expenses	(9.6)	(10.0)	-4%	(5.0)	(5.2)	-4%	(19.3)
Share of profit/(loss) from joint ventures	2.7	(0.5)	n.a.	(0.1)	0.1	n.a.	11.3
Net other income/(expense)	(1.1)	(2.4)	-54%	(0.5)	(1.1)	-55%	(3.6)
Operating profit/(loss)	17.2	9.4	83%	10.1	(1.3)	n.a.	20.8
Net finance expense	(2.7)	(3.8)	n.a.	(1.3)	(1.9)	n.a.	(6.9)
Profit/(loss) before tax	14.5	5.6	159%	8.8	(3.2)	n.a.	13.9
Income tax benefit/(expenses)	(2.7)	(1.0)	n.a.	(1.5)	0.4	n.a.	(2.6)
Net profit/(loss)	11.8	4.6	157%	7.3	(2.8)	n.a.	11.3
Profit/(loss) for the period attributable to equity holders of the parent	10.3	2.7	281%	6.4	(3.2)	n.a.	9.5
Gross margin	16.2%	16.9%	n.a.	18.9%	16.9%	n.a.	16.4%
Net Margin	6.9%	3.1%	n.a.	8.2%	-7.8%	n.a.	4.9%
EPS (PLN)	0.063	0.016	n.a.	0.039	-0.019	n.a.	0.058

P&L HIGHLIGHTS 6 MONTHS ENDED 30 JUNE 2018

- Revenue from residential projects increased by PLN 26.3 million (18.5%) from PLN 142.4 million during the six months ended 30 June 2017 to PLN 168.7 million during the six months ended 30 June 2018, which is primarily explained by an increase in apartments delivered to the customers in terms of area size (in m²).
- Administrative expenses decreased by PLN 0.4 million (4.0%) from PLN 10.0 million for the six months ended 30 June 2017 to PLN 9.6 million for the six months ended 30 June 2018. The decrease is mainly related to a decrease in consulting services costs.
- The profit from JV that was allocated to the Company, amounted to PLN 2.7 million which compares to a loss amounting to PLN 0.5 million during the six months ended 30 June 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 1.3 m. The decrease is primarily explained by a decrease in maintenance cost of unsold units.

ECONOMIC RESULTS

(PLN M) 6 MONTHS ENDED 30 JUNE 2018

	<u>HY</u> <u>2018</u>	<u>HY</u> <u>2017</u>	<u>%</u> <u>change</u>	<u>2Q</u> <u>2018</u>	<u>2Q</u> <u>2017</u>	<u>%</u> <u>change</u>	<u>YE 2017</u>
Revenue from residential projects	193.7	142.4	36%	91.2	34.7	163%	320.9
Revenue from sale of services	-	0.6	n.a.	-	0.2	n.a.	0.6
Total Revenue	193.7	143.0	35%	91.2	34.9	161%	321.5
Cost of sales	(160.1)	(121.5)	32%	(74.2)	(30.0)	147%	(259.9)
Gross profit	33.6	21.5	56%	17.0	4.9	245%	61.5
Selling and marketing expenses	(2.4)	(2.6)	-7%	(1.3)	(1.3)	2%	(5.9)
Administrative expenses	(9.9)	(10.6)	-6%	(5.0)	(5.4)	-7%	(20.0)
Net other income/(expense)	(1.5)	(2.5)	-41%	(0.6)	(1.2)	-52%	(3.6)
Cancellation of negative investment from joint ventures	-	1.5	n.a.	-	0.8	n.a.	-
Operating profit/(loss)	19.8	7.4	168%	10.1	(2.1)	n.a.	32.0
Net finance expense	(2.8)	(4.0)	-30%	(1.3)	(2.0)	n.a.	(7.1)
Profit/(loss) before tax	17.0	3.4	402%	8.8	(4.1)	n.a.	24.9
Income tax benefit/(expenses)	(2.6)	(1.0)	n.a.	(1.5)	0.5	n.a.	(2.6)
Net profit/(loss)	14.4	2.4	511%	7.3	(3.6)	n.a.	22.3
Profit/(loss) for the period attributable to equity holders of the parent	10.3	2.7	284%	6.4	(3.1)	n.a.	9.5
Gross margin	17.3%	15.0%	n.a.	18.6%	14.1%	n.a.	19.1%

P&L HIGHLIGHTS

6 MONTHS ENDED 30 JUNE 2018

- The table presents the Company economic results during 6 months ended 30 June 2018, under the assumption that the results from joint ventures are presented on a fully consolidated basis (100%).

NET DEBT / EQUITY:
 38% AS AT THE END OF JUNE 2018

BOND NET DEBT / EQUITY:
 33% AS AT THE END OF JUNE 2018

BALANCE SHEET DATA (PLN M)

	As at 30-Jun-18	As at 31-Dec-17	As at 31-Dec-16
Equity	348.2	337.9	359.6
Banking debt	-	13.9	1.9
Floating rate bond	220.1	197.3	222.6
Loans from third parties (net)	-	-	1.6
Cash and cash equivalents	87.3	64.9	69.1
Inventory	664.3	512.1	574.1
Total Assets	813.8	705.8	743.4
Net Debt	132.8	146.3	157.0
Net debt / Equity	38.1%	43.3%	43.7%
Net debt / Total Assets	16.3%	20.7%	21.1%
Net assets per share (PLN)	2.12	2.06	2.19

OVERVIEW OF CASH FLOW RESULTS

	During 6 months ended 30 June	
	2018	2017
	(PLN thousands)	
Cash flow from / (used in) operating activities	49,066	(13,055)
Cash flow from / (used in) investing activities	(33,814)	7,511
Cash flow from / (used in) financing activities	7,150	(24,691)

- Operating CF was positive and amounted to PLN 49.1 m: mainly related to advances received from clients regarding sales of residential units amounting to PLN 133.4 m and partly offset related to direct construction costs for development of ongoing projects amounting to PLN 65.6 m and interest paid PLN 5.6 m.
- Investing CF was negative and amounted to PLN 33.8 m related to Acquisition of Nova Królikarnia project PLN 38.1 m;
- Financing CF was positive and amounted to PLN 7.2 m: mainly related to net proceeds from bond loans amounted to PLN 22.2 m and net repayment of bank loans amounted to PLN 15.0 m.

	PLN million
Finished goods	129.5
Ongoing projects	230.8
Land bank*	304.0
Total	664.3

* 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: 305 units, from them 183 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 1b, 1c, 1e, 2a and 2b.

ATTRACTIVE BANK OF LANDS (5,025 UNITS, 311,800 PUM)

Categorised by city:

Warsaw	3,504 units;	204,700 PUM*
Poznań	226 units;	15,500 PUM
Wrocław	578 units;	33,300 PUM
Szczecin	717 units;	58,300 PUM

Categorised by book value per PUM:

Below	PLN 1,000	230,500 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

	PLN million
Bonds	220.1
Bank loans	-
Total	220.1

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 June 2018 amounted to PLN 220.1 million (as at 31 December 2017: PLN 197.3 million) comprising a bond loan principal amount of PLN 220 million plus accrued interest of PLN 1.9 million minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 1.8 million).

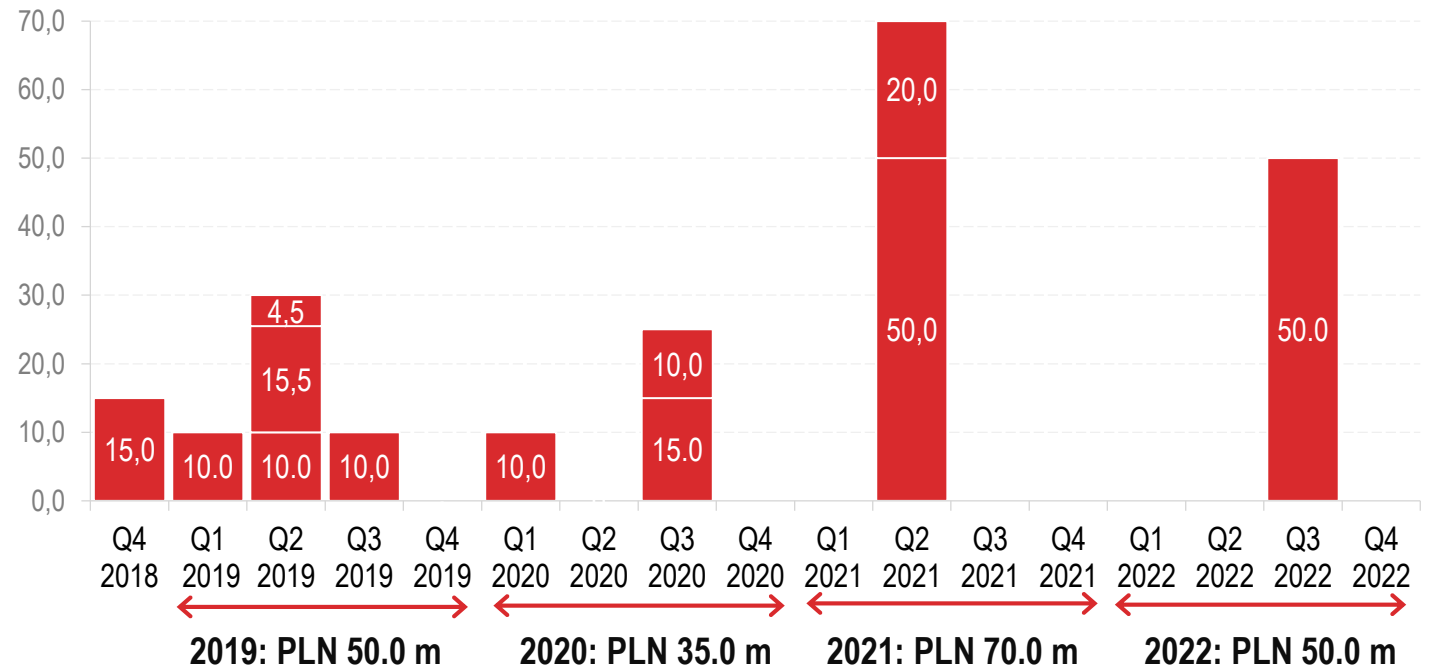
	PLN million
Bonds	220.1
Bank loans	-
Total	220.1

BANK LOANS

Maturity of loans tailored to construction cycle of the projects.

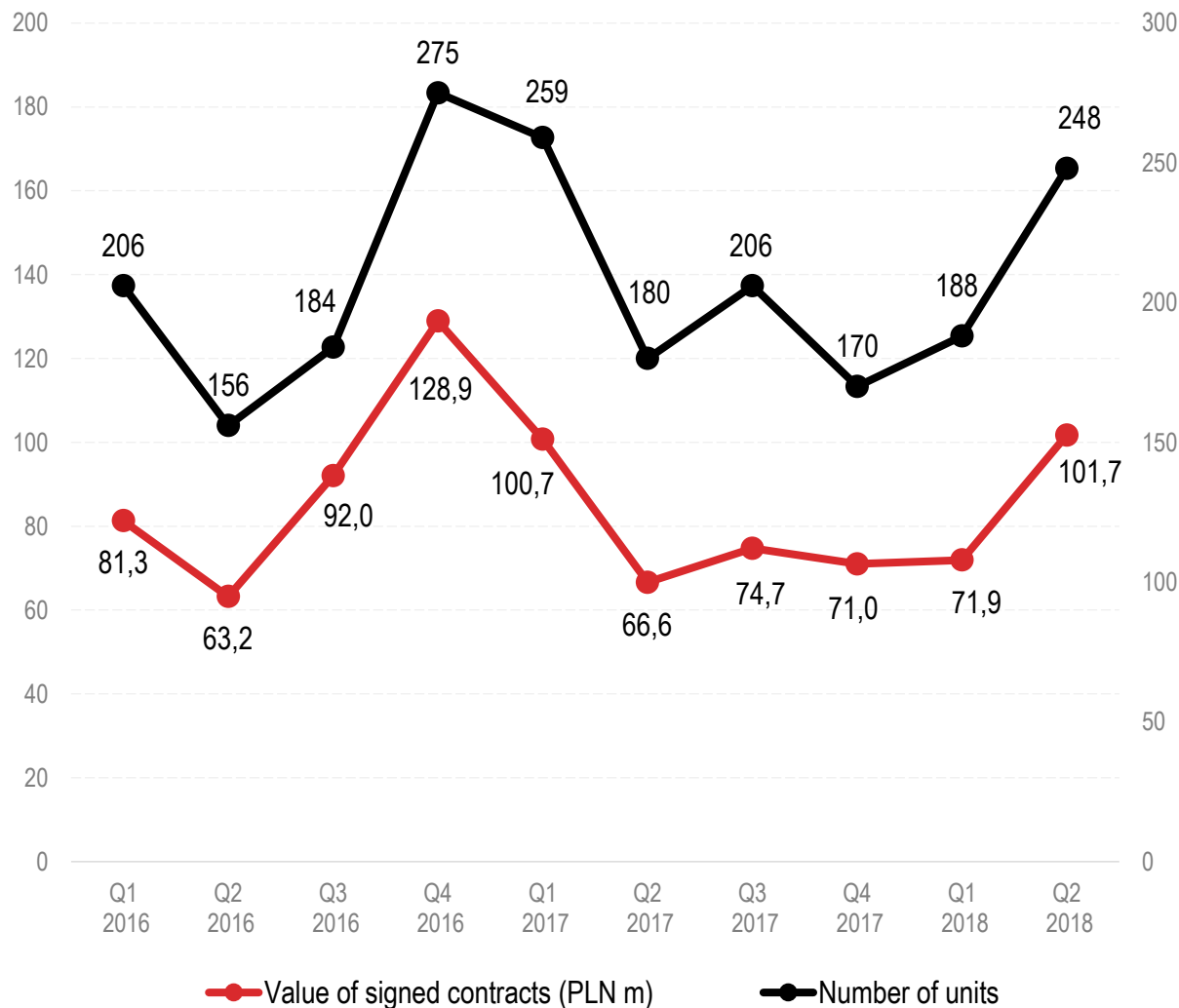
Interest expense with respect to projects under construction are capitalized into inventory.

BOND MATURITY (PLN M / QUARTERLY)



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

Bond loans as at 30 June 2018 amounted to PLN 220.1 million (as at 31 December 2017: PLN 197.3 million) comprising a bond loan principal amount of PLN 220 million plus accrued interest of PLN 1.9 million minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 1.8 million).



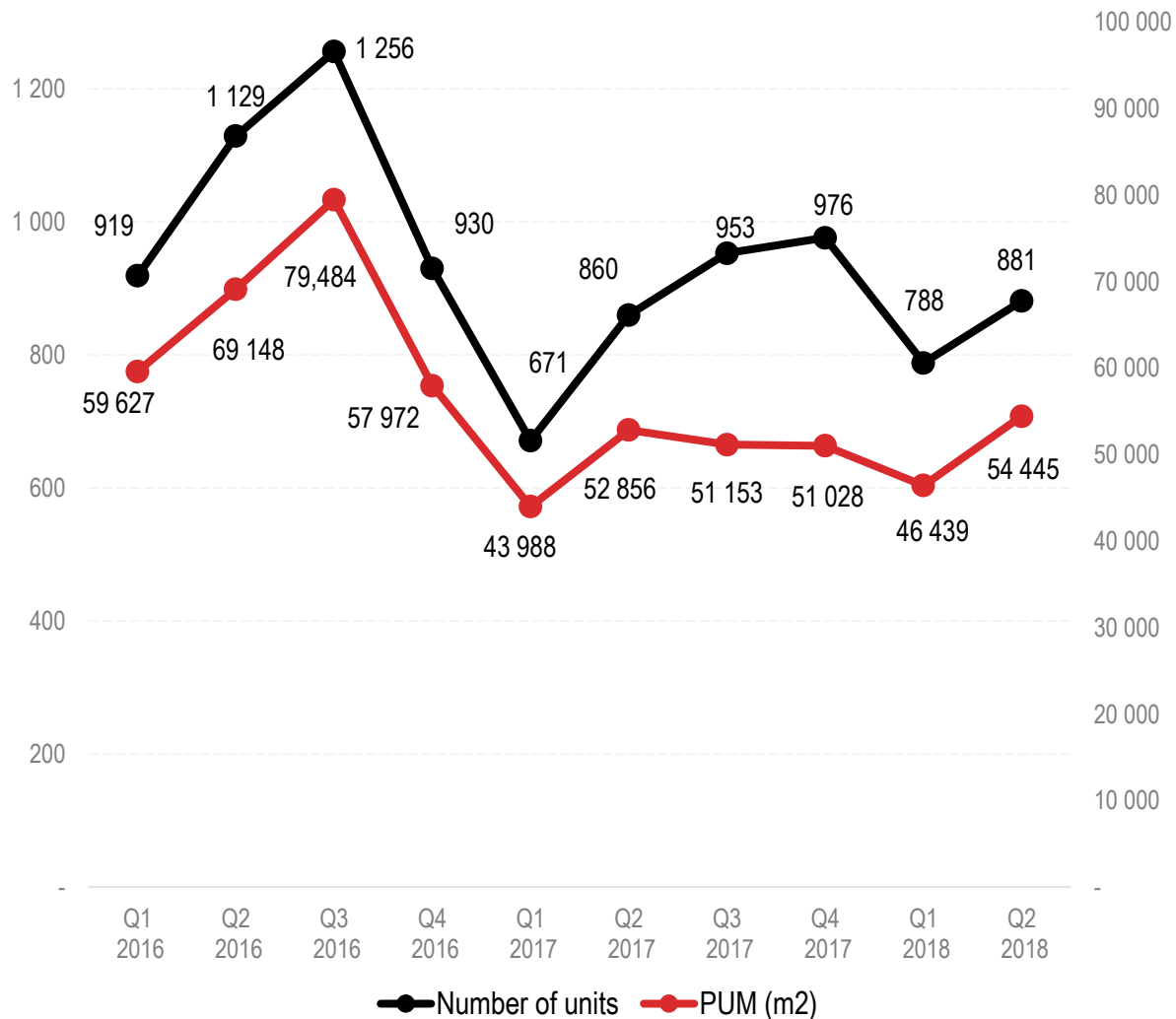
- Total sales during the HY 2018 amounted to 436 units, that was similar to the result during HY 2017.
- Best selling projects were City Link and Miasto Moje in Warsaw, Vitalia in Wrocław as well as new launched project Grunwald2 in Poznań.
- Average price of apartments sold during HY 2018 amounts to PLN 398 thousand and is higher than average price recorded during HY 2017 (PLN 381 thousand).

NUMBER OF UNITS SOLD DURING HY 2018

<u>Completed projects</u>		<u>Projects under construction</u>	
Miasto Moje I	40	City Link III	89
Panoramika II & III	23	Miasto Moje II	68
Młody Grunwald I-III	21	Grunwald2	44
Moko	12	Vitalia II	42
Vitalia I	8	Marina Miasto	21
Chilli IV	5	Panoramika IV	14
City Link I	3	City Link II	11
Nova Królikarnia 1a & 1d	3	Nova Królikarnia 2a	17
Espresso II-IV	2	Nova Królikarnia 2b	9
Verdis	1	Nova Królikarnia 1c	2
Impressio	(1)	Nova Królikarnia 1b	1
Other (old) projects	1		
Total	118	Total	318

UNITS OFFERED FOR SALE AS AT THE END OF QUARTERS

6 MONTHS ENDED 30 JUNE 2018



- The Company continued introducing new projects keeping between 800 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, Ronson offer increased in Q2 2018.

UNITS OFFERED FOR SALE (881 IN TOTAL)

Completed projects

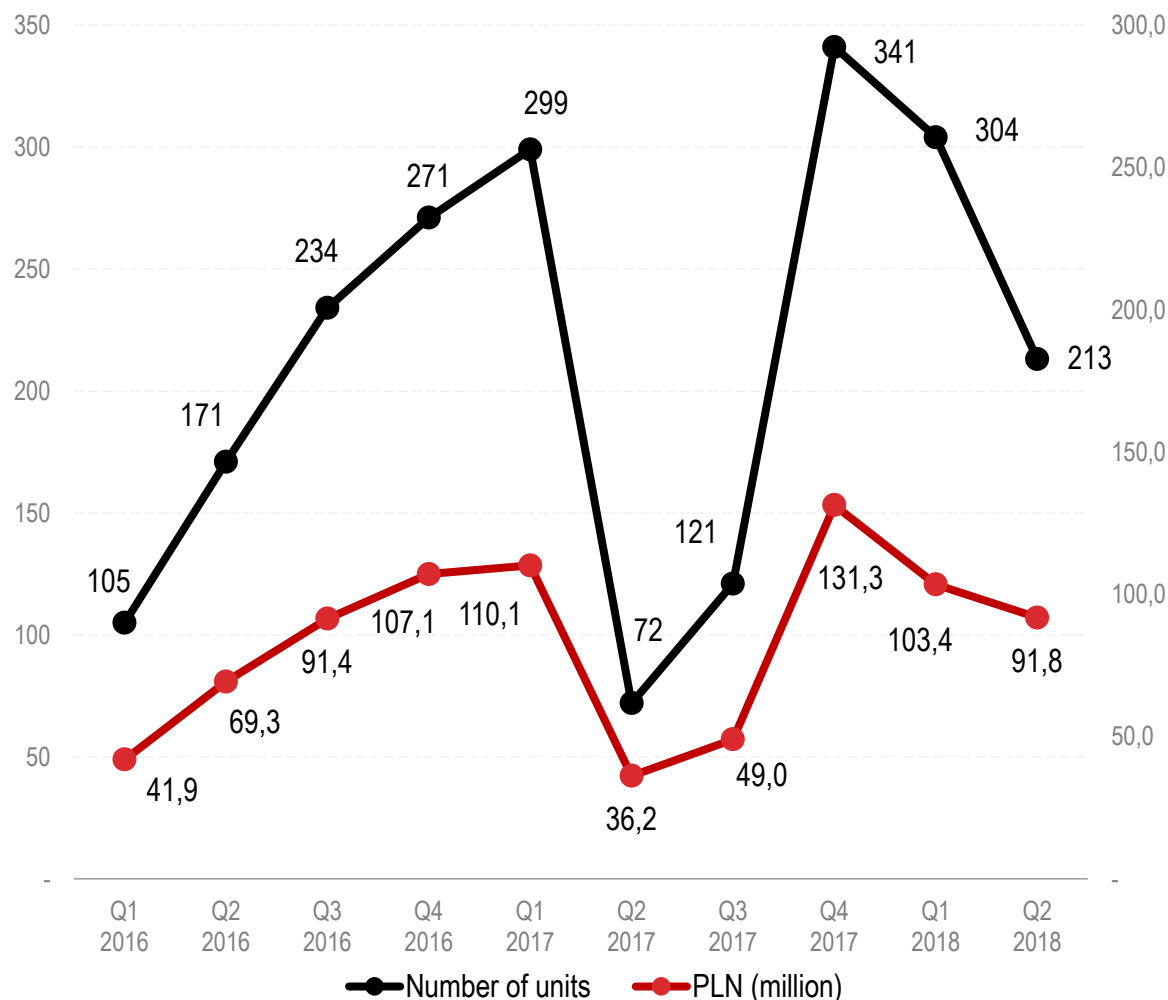
Młody Grunwald I - III	24
Chilli IV	24
Moko	16
Nova Królikarnia 1a & 1d	14
Miasto Moje I	11
Panoramika II & III	8
Verdis	8
Sakura	5
Espresso II, III & IV	4
Vitalia I	3
City Link I	3
Impressio	2
Other (old) projects	3
Total	125

Projects under construction

Grunwald2	224
City Link III	188
Marina Miasto	115
Panoramika IV	95
Miasto Moje II	72
Vitalia II	35
Nova Królikarnia 2a	13
Nova Królikarnia 2b	9
Nova Królikarnia 1b	4
Nova Królikarnia 1c	1
Total	756

QUARTERLY DELIVERIES (REVENUES RECOGNIZED IN P&L)

6 MONTHS ENDED 30 JUNE 2018



- During HY 2018 majority of the Company's revenues came from Espresso IV and Miasto Moje I project that were completed during HY 2018 as well as Panoramika III and Młody Grunwald III completed during Q4 2017. Moreover Nova Królikarnia project acquired on 10 of April 2018 contributed PLN 18.9 m to revenues of the company during Q2 2018.
- Delivery of 453 units to the customers and recognition of consolidated revenues in the amount of PLN 168.7 m and economic revenues in the amount of PLN 193.7 m (517 units).

UNITS SOLD BUT NOT DELIVERED (877 UNITS AND PLN 384 MILLION IN TOTAL)

<u>Completed projects</u>	<u>Units</u>	<u>PLN million</u>	<u>Projects under construction</u>	<u>Units</u>	<u>PLN million</u>
Miasto Moje I	134	40.1	City Link II	189	84.7
Espresso II, III & IV	10	4.7	City Link III	180	76.0
Młody Grunwald I - III	9	4.8	Miasto Moje II	76	22.5
Nova Królikarnia 1a & 1d	9	7.6	Vitalia II	48	15.2
City Link I	6	3.4	Grunwald2	44	12.2
Moko	4	3.5	Marina Miasto	36	9.3
Vitalia I	4	2.3	Panoramika IV	16	3.7
Panoramika II & III	4	1.3	Nova Królikarnia 2a	32	22.6
Verdis	4	1.9	Nova Królikarnia 1e	26	15.2
Chilli IV	3	0.8	Nova Królikarnia 2b	19	14.8
Impressio	1	0.9	Nova Królikarnia 1c	13	22.3
Sakura	-	0.1	Nova Królikarnia 1b	9	13.6
Other (old) projects	1	0.5			
Total	189	71.9	Total	688	312.1

III.

**BRIEF SUMMARY OF COMPANY'S
ACHIEVEMENTS DURING HY 2018
& OUTLOOK FOR REMAINDER OF 2018**

COMPANY'S ACHIEVEMENTS DURING 6 MONTHS ENDED 30 JUNE 2018 AND THE MOST RECENT DEVELOPMENTS

THE COMPANY'S ACHIEVEMENTS DURING 6 MONTHS ENDED 30 JUNE 2018:

- Pre-sales of 436 units;
- Delivery of 453 units to the customers and recognition of consolidated revenues in the amount of PLN 168.7 m and economic revenues in the amount of PLN 193.7 m (517 units);
- Total profit of PLN 11.8 m, from it profit attributable to the shareholders of the parent company PLN 10.3 m;
- Low net debt position 38%;
- 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 404 units with a total area of 23,950 m², from it in, Espresso IV 146 units, Miasto moje I 205 units and Nova Królikarnia 1a and 1d 53 units.
- Issuance of bonds T, PLN 50m with the maturity date May 2022 that bearing interest rate WIBOR 6M + 3.5%.
- 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.

RECENT DEVELOPMENTS (AFTER 30 JUNE 2018)

- Completion of construction of the 53 units with 5,650 m² within 3 stages of Nova Królikarnia project (1b, 1c, and 1e).
- Proposal for distribution of dividend PLN 9.9 m (represents PLN 0.06 per ordinary share), to be approved by the EGM on the 14th of September with payment date 4th of October.
- Updating dividend policy: 50% of the consolidated net profit but not less than PLN 9.9 m.

436 units
Pre-sales*

517 units
Deliveries**

PLN 11.8 m
Net profit***

* Including sales of 14 units in City Link I and II (company share 50%).

** Including delivery of 64 units in City Link I (company share 50%).

*** The net profit attributable to shareholders of the parent Company amounted to PLN 10.3 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 918 units

Completion of construction works of 605 units in total

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

Further strengthening of Ronson's brand name

Finalise the transformation of RE NV from Dutch to European entity (SE) and moving seat to Poland

TWO PROJECTS / NEW LOCATIONS



URSUS IN WARSAW

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

MATISSE IN WROCLAW

Total number of units: 397. First stage with 127 units to be commenced during remainder of 2018

NEXT STAGES OF CURRENTLY RUNNING PROJECTS

- Vitalia III, 81 units
- Miasto Moje III, 196 units

NEXT STAGES OF NOVA KRÓLIKARNIA PROJECT

- Nova Królikarnia 2c, 18 units
- Nova Królikarnia 3a, 28 units
- Nova Królikarnia 3b, 21 units

**IN TOTAL:
7 NEW PROJECTS/STAGES
COMPRISING 622 UNITS**

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

As of end of June 2018, there were 314 units completed that were not delivered to the customers, of which 189 were pre-sold and 125 were offered by the Company for sale.

Total value of pre-sold units amounted to PLN 71.9 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	40.1	134	4	138	24.6%
Espresso II, III & IV	4.7	10	16	26	21.8%
Młody Grunwald I - III	4.8	9	3	12	0.0%
Nova Królikarnia 1a & 1d	7.6	9	24	33	12.2%
Moko	3.5	4	24	28	30.0%
Vitalia I	2.3	4	5	9	21.8%
Panoramika II & III	1.3	4	8	12	0.3%
Verdis	1.9	4	2	6	20.6%
Chilli IV	0.8	3	11	14	7.5%
Impressio	0.9	1	14	15	0.0%
Sakura	0.1	0	3	3	7.7%
Other (old) projects	0.5	1	8	9	n.a.
Total excluding JV	68.5	183	122	305	
City Link I	3.4	6	3	9	30.0%
Total including JV	71.9	189	125	314	

PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2018, 2019 AND 2020

Name of project	Commencement Date	Completion Date	Units sold (no.)	Units for sale (no.)	Units in total (no.)
Nova Królikarnia 1b	2016 Q3	2018 Q3	9	4	13
Nova Królikarnia 1c	2016 Q3	2018 Q3	13	1	14
Nova Królikarnia 1e	2016 Q4	2018 Q3	26	-	26
Miasto Moje II	2017 Q3	2018 Q4	76	72	148
Subtotal 2018			124	77	201
City Link II	2016 Q2	2019 Q1	189	-	189
Vitalia II	2017 Q4	2019 Q1	48	35	83
Nova Królikarnia 2a	2017 Q3	2019 Q1	32	13	45
Nova Królikarnia 2b	2018 Q1	2019 Q2	19	9	28
Miasto Marina	2017 Q3	2019 Q2	36	115	151
City Link III	2017 Q2	2019 Q4	180	188	368
Panoramika IV	2017 Q4	2019 Q4	16	95	111
Subtotal 2019			520	455	975
Grunwald2	2018 Q2	2020 Q2	44	224	268
Subtotal 2020			44	224	268
Total			688	756	1,444

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



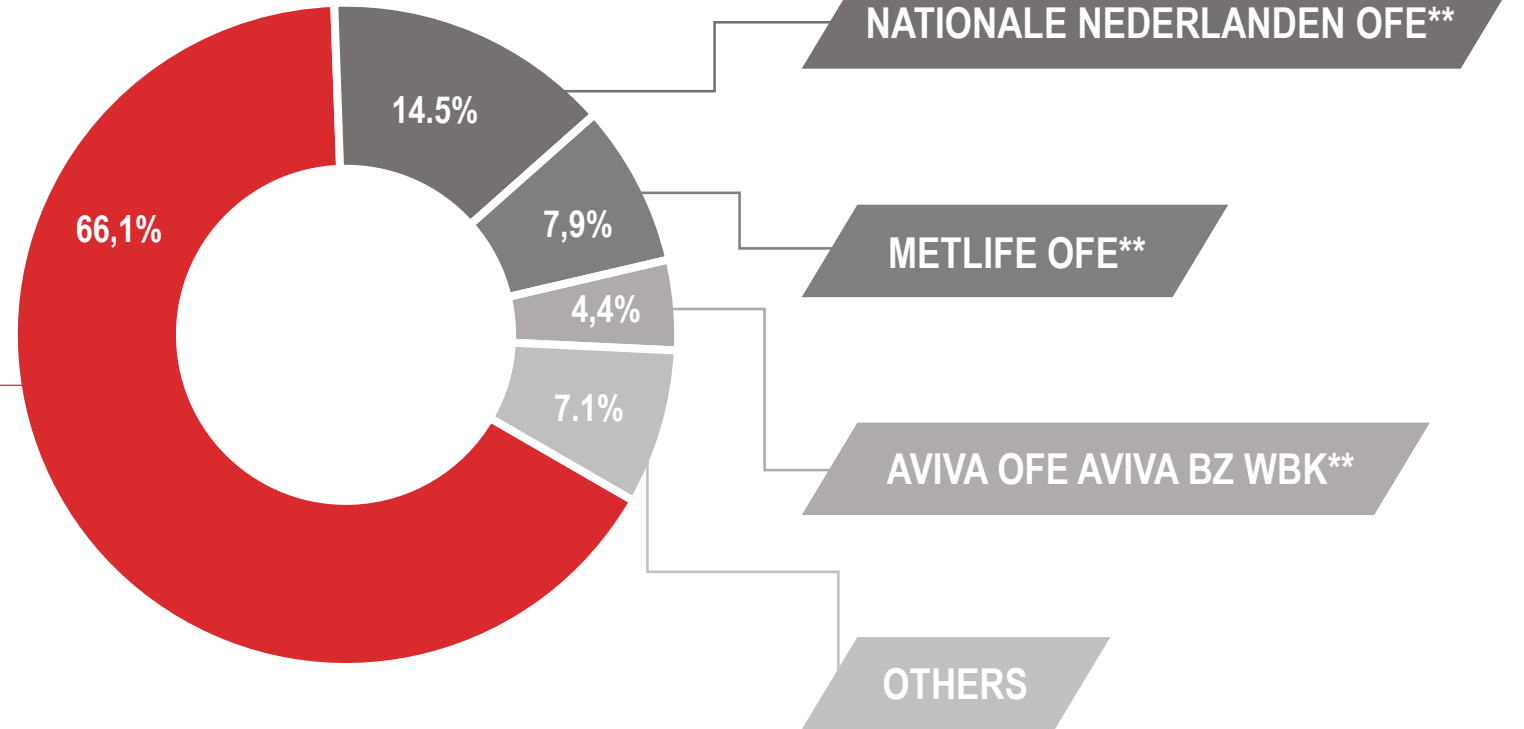
- On 10th April 2018 Ronson finalized a sale and purchase agreement with Global City Holdings B.V. regarding the acquisition of the first two phases of the Nova Królikarnia project (197 units with an aggregate floor space of 19,500 m²) for PLN 83.8 m;
- The amount of PLN 40.8 m has been paid by the Company to GCH until 30 of June 2018, whereas the amount of PLN 43.0 m shall be paid installments, PLN 30 m in October 2018 and PLN 13 m 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