

Current Report No. 12/ 2020

Report Date: 29 April 2020

Abbreviated name of the issuer: Ronson Development SE

Subject: Information on the impact of the COVID-19 outbreak on the operations of the Ronson Development Capital Group

The Management Board of Ronson Development SE (the "**Issuer**") hereby provides information on the impact of the COVID-19 outbreak on the operations of the Issuer and the Issuer's Capital Group (the "**Group**").

After a very good sales performance in the first quarter of 2020 (278 units covered by preliminary sales agreements and development agreements, a 60% increase compared to the first quarter of 2019), the Issuer sees a significant decrease in the number of newly concluded sales contracts in April 2020 compared to the preceding months of this year and compared to April 2019.

In the Issuer's opinion, this decline is directly related to the COVID-19 outbreak. In particular, it may result from the movement restrictions introduced statewide, the temporarily weaker demand for apartments due to uncertainty about the impact of the COVID-19 outbreak on the financial situation of potential customers and the tightening of the conditions for granting mortgage loans by banks, as communicated by customers and the media.

On the basis of preliminary analyzes of the impact of the COVID-19 outbreak on the Polish economy and in particular on the residential sector, and taking under consideration that it may also continue in the following months, the Issuer estimates that it may have a significant negative impact on apartment sales performance in the entire second quarter of 2020, and even on the whole 2020 results.

The Issuer has taken a number of measures to ensure the safety of its employees and customers, inter alia, by allowing employees to work remotely or rotate and by concentrating sales activities in online channels.

The Issuer has been monitoring the progress on the construction sites on an ongoing basis. As of the date of publication of this current report, all projects are being executed according to schedule. The Group usually cooperates with large, proven general contractors who have introduced appropriate safety measures and taken appropriate steps to ensure continuity of works.

The Issuer has also been preparing for the launch of new investments, with the final dates of commencement of construction and sales of new stages being adjusted to current market conditions.

As of the date of this current report, the Issuer does not predict any delays in the process of delivering units to customers in already completed projects and in projects that are planned to be completed this year. However, it cannot be ruled out that a protracted state of the epidemic and related restrictions may potentially have a negative impact on the speed of obtaining administrative decisions, including building or occupancy permits, which in turn may delay

the commencement of new investments or the delivery of units to customers in projects currently under construction.

The Issuer points out that due to dynamically changing circumstances and the uncertainty of the period that administrative restrictions will last, the Issuer is not able to reliably estimate the extent of the impact of the outbreak on the financial situation of the Group. Nevertheless, in the Issuer's best opinion, based on the analyses carried out, the Group's liquidity position remains at a safe level, as well as the Group's debt position.

Detailed information on the current financial situation of the Group will be provided together with the publication of a quarterly report for the first quarter of 2020, which is scheduled for 14 May 2020.

Legal basis: Article 17 section 1 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the 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.