

INVESTOR PRESENTATION ADDRESSING YE 2020 RESULTS

11 MARCH 2021

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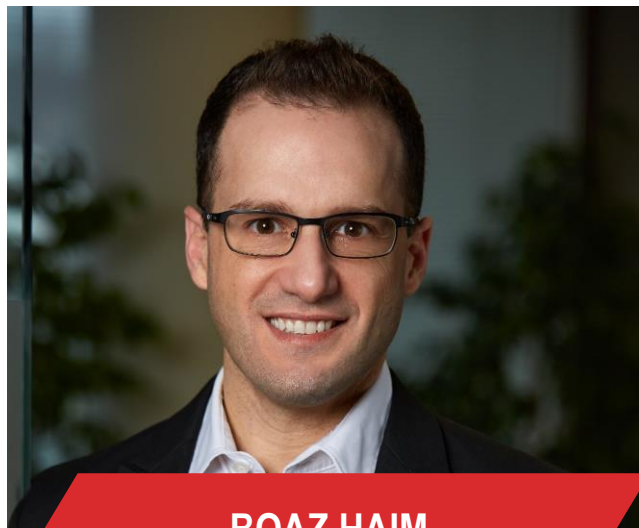
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ANDRZEJ GUTOWSKI

- 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



BOAZ HAIM

- CEO, since December 2019
- Management Board Member since 1 April 2019
- 2010 – 2019 – attorney / partner / managing partner in TIK, GILAD, KEYNAN Law Office (now Keynan, Haim & Co.)
- 2007 – 2010 – attorney in J.D. Shachor Law Firm



YARON SHAMA

- CFO, since February 2020
- 2011 – 2019 – CFO at Bellport Corp.
- 2001 – 2011 - various managerial functions in companies conducting real estate development activities in Poland

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:

7 projects
ongoing

and

7 completed
projects/Stages
offered for sale

(at 31 December 2020 Ronson offer 651 units)

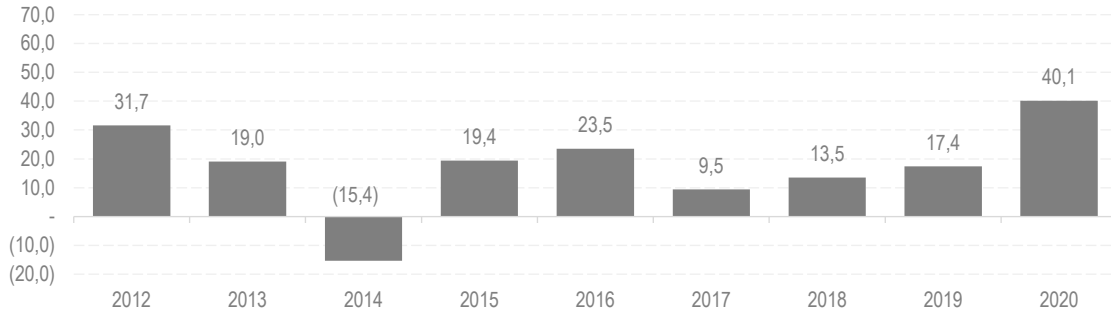
13 further
projects

in preparation for around 3,807 units

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

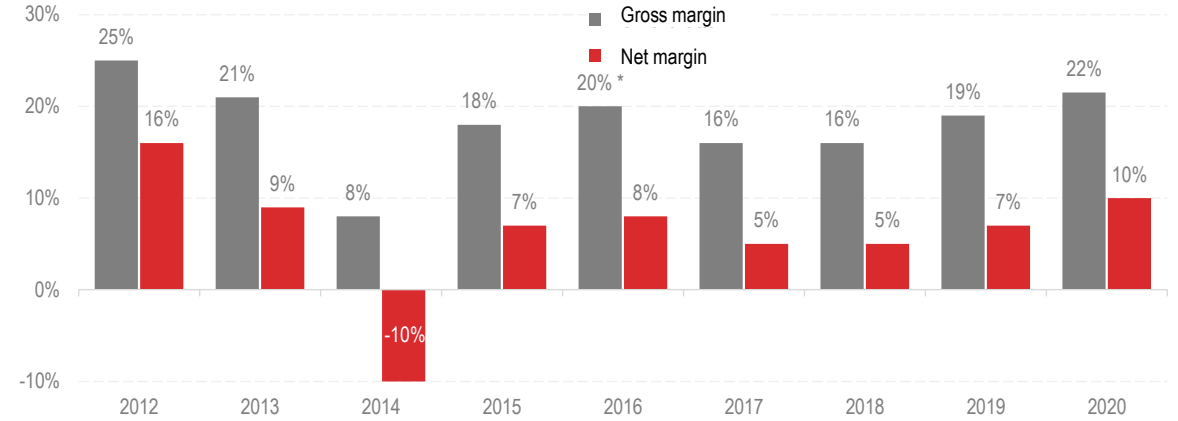


NET PROFIT (PLN MILLION)



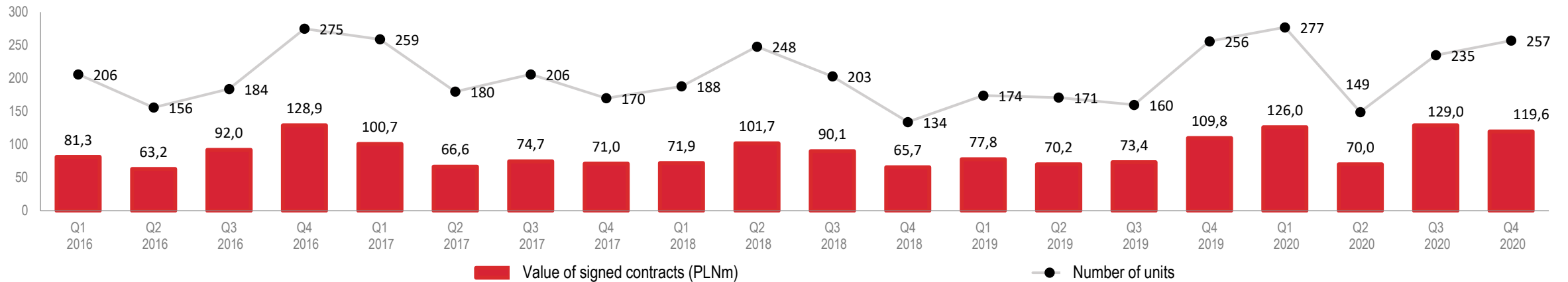
* Excluding one time event of selling Nova Krolikamia (net profit PLN 41 million)

MARGINS (%)



* Excluding one time event of selling Nova Krolikamia

918 UNITS SOLD DURING 2020



II.

BRIEF SUMMARY OF COMPANY'S ACHIEVEMENTS DURING YEAR 2020

THE COMPANY'S ACHIEVEMENTS DURING YEAR 2020 INCLUDE:

	FY 2020	FY 2019
Sales	↑ 918 units (444,7 mln PLN)	761 units(331,2 mln PLN)
Deliveries *	↑ 966 units(403,3 mln PLN)	658 units(313,3 mln PLN)
Commenced Projects	↓ 660 units	1,108 units
Completed Projects	↓ 597 units	1,123 units
Net Profit	↑ 40.1 mln PLN	17,4 mln PLN
Net debt to equity **	↑ 27.2%	30.7%

* Including delivery of 2 units PLN (2,0 m PLN) in City Link I & II (company share 50%);(2019: 191 units, 87,2 m PLN))

** not including money on escrow account.

THE COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 31 DECEMBER 2020 INCLUDE:

- **Sale of 918 units :**

• Ursus Centralny - 266 units	Vitalia – 37 units	Wilanów Tulip – 69 units	Grunwald2 – 58 units
• Miasto Moje – 198 units	Viva Jagodno – 56 units	Nova Królikarnia – 58 units	Nowe Warzymice – 29 units
• Panoramika – 108 units	Miasto Marina – 22 units	City Link III – 13 units	other (old projects) – 4 units

- **Delivery of 966 units** (for details see slide „P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN”)

- **Commencement of Projects Sale / Construction**

- | | |
|--|---|
| • Ursus Centralny IIa on March of 251 units with total area of 13,500 m2 . | Ursus Centralny Ib on September of 97 units with total area of 5,700 m2 |
| • Panoramika VI on June of 76 units with total area of 3,600 m2 . | Nowe Warzymice II on December of 66 units with total area of 3,500 m2 |
| • Miasto Moje V on September of 170 units with total area of 8,500 m2 | |

- **Completion of projects**

- | | |
|---|--|
| • Grunwald2 268 units with total area of 14,400 m2 . | Panoramika V 115 units with total area of 6,000 m2 . |
| • Nova Królikarnia 2c 18 houses with total area of 3,600 m2 . | Miasto Moje III 196 units with total area of 10,200 m2 . |

- **Projects Financing**

- loan contract for financing Nova Królikarnia 2c for the aggregated value of **PLN 20.7 m (March 2020)**
- loan contract for financing Wilanów Tulip for the aggregated value of **PLN 45.7 m. (May 2020)**

THE COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 31 DECEMBER 2020 INCLUDE:

- **Buyback** – as at 31 December 2020 the Company held **1,489,235 shares** (0.91% of total shares), in 2020 the Company purchased **814, 335** own shares.
- **Nova Królikarnia call option**
 - **First call option** – On October 2020 the Company paid **PLN 10 m** according to schedule.
 - **Second call option** - On February 2020 the Company paid **PLN 5 m** according to schedule.
 - **Second call option** – On April 2020 the Company paid **PLN 22 m** according to schedule
 - **Third (and last) call option** for the value of **PLN 9.9 m** (exercised and paid in April 2020) with 1 substage of Nova Królikarnia project with an aggregate floor space of **3,300 m²**

- **Purchase of land :**

Location	Type of agreement	Signed date	Agreement Net value (PLN m)	Paid net (PLN m)	Number of units	Potential PUM
Poznań, Grunwald	final	28 April 2020	3.0	3.0	72	3,300
Warsaw, Wola	preliminary	14 August 2020	up to 22.0	2.7	80	4,800
Warsaw, Mokotów	final	27 October 2020	11.3	10.5	80	4,800
Poznań, Świerzawska *	preliminary	6 November 2020	5.0	0.0	96	4,800
Warsaw, Epopei	preliminary	23 November 2020	20.0	6.4	432	20,700
Poznań, Grunwald	preliminary	3 December 2020	26.0	0.0	352	20,000
Warsaw, Wola (Stuzienna)	final & preliminary	18 December 2020	13.5	8.5	82	4,800
Total			100.8	31.2	1,194	63,200

**project which was not purchase due to negative Due diligence*

- **Dividend**- the ordinary General Meeting of Shareholders held of 30 June 2020 approved the proposal of the shareholders of the company to pay dividend according to the Company Policy for dividend payment (0.06 groszy per each share) total amount **PLN 9.78 Million**. Record date 5th of August 2020 to be paid on 24th of August 2020
- **Remuneration Policy** – on 30 June 2020 the Company adopted of the Remuneration Policy for the members of the Management Board and Supervisory Board of Ronson Development SE.

THE COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 31 DECEMBER 2020 INCLUDE:

• Bonds

Seria	Capital as at 31.12.2019	Movements during 2020		Capital as at 31.12.2020
		Repayments	Issuance	
M	10,000,000	10,000,000	25 February 2020	0
P	10,000,000	10,000,000	18 August 2020	0
Q	15,000,000	15,000,000	29 July 2020	0
R	50,000,000	2,141,000	5 October 2020	47,859,000
S	20,000,000	20,000,000	5 October 2020	0
T	50,000,000			50,000,000
U	32,317,000			32,317,000
V	0		100,000,000 2 October 2020	100,000,000
Total	187,317,000	57,141,000	100,000,000	230,176,000

• Agreements for construction works

- Ursus Centralny Ib – agreement with Danya Cabus Poland sp. z o.o. for **PLN 23.85 m**
- Ursus Centralny IIa – agreement with Karmar S.A. for **PLN 60.25 m** with option to deferred payment mechanism up to **PLN 12 m**.
- Panoramika VI – agreement with Mostostal Warszawa for **PLN 16.7 m**.
- Miasto Moje V – agreement with Danya Cebus Poland for **PLN 34.8 m**.
- Nowe Warzymice II – agreement with P.W. „EBUD” – Przemysłówka Sp. z o.o. for **PLN 12.28 m**.

THE COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 31 DECEMBER 2020 INCLUDE:

- **Occupancy permit**

- **Grunwald2** – occupancy permit received 28 April 2020
- **Panoramika V** – occupancy permit received 3 August 2020

- **Building permit**

- **Panoramika VI** – building permit received 6 July 2020

NK Wrocław 2016 - occupancy permit received 2 September 2020

Miasto Moje III – occupancy permit received 5 November 2020

Nowe Warzymice II&III - building permit received 3 September 2020

RECENT DEVELOPMENTS (AFTER 31 DECEMBER 2020) INCLUDE:

- **Buy-back of own shares**

From 31 December 2020 until 9 March 2021, the Company acquired 78,719 own shares for a total price of PLN 118.2 thousand. As at 9 March 2021, the Company held 1,567,954 own shares representing 0.96% of total shares issued by the Company.

- **Bond loans**

On 1 February 2021, the Company repaid 15% of outstanding series U bonds with value of PLN 4,8 millions. After this repayment, the nominal value was set as PLN 850 per bond and the total amount of outstanding series U bonds amounted to PLN 27,5 millions.

- **Acquisition of land in Warsaw, Ursus** – preliminary agreement signed on 27 January 2021 for the value not higher than **PLN 150.0 m** with an aggregate floor space of **100,000 m²**. The conclusion of the final agreement shall take place not later than 31 December 2027. The Company paid PLN 10.0 million deposit to the notary.

- **Acquisition of land in Warsaw, Ursynow** preliminary agreement signed on 3 March 2021 for the value not higher than **PLN 15.85 m** with an aggregate floor space of **5700 m²**. The conclusion of the final agreement shall take place not later 15 April 2020. The Company paid PLN 1.0 million deposit to the notary.

- **Acquisition of land in Poznań, Smardzewska** – final agreement signed on 11 February 2021 for the value of **PLN 26.0 m (paid)** with an aggregate floor space of **20,000 m²**

- **Nova Królikarnia 3b**– occupancy permit received 16 February 2021.

- **Vitalia III** – Occupancy permit received on 3 March 2021

- **Viva Jagodno Stage II** - construction agreement Karmar S.A. with the execution of stage IIa and IIb for **PLN 52.0 m**. Works will commence no later than 31 March 2021

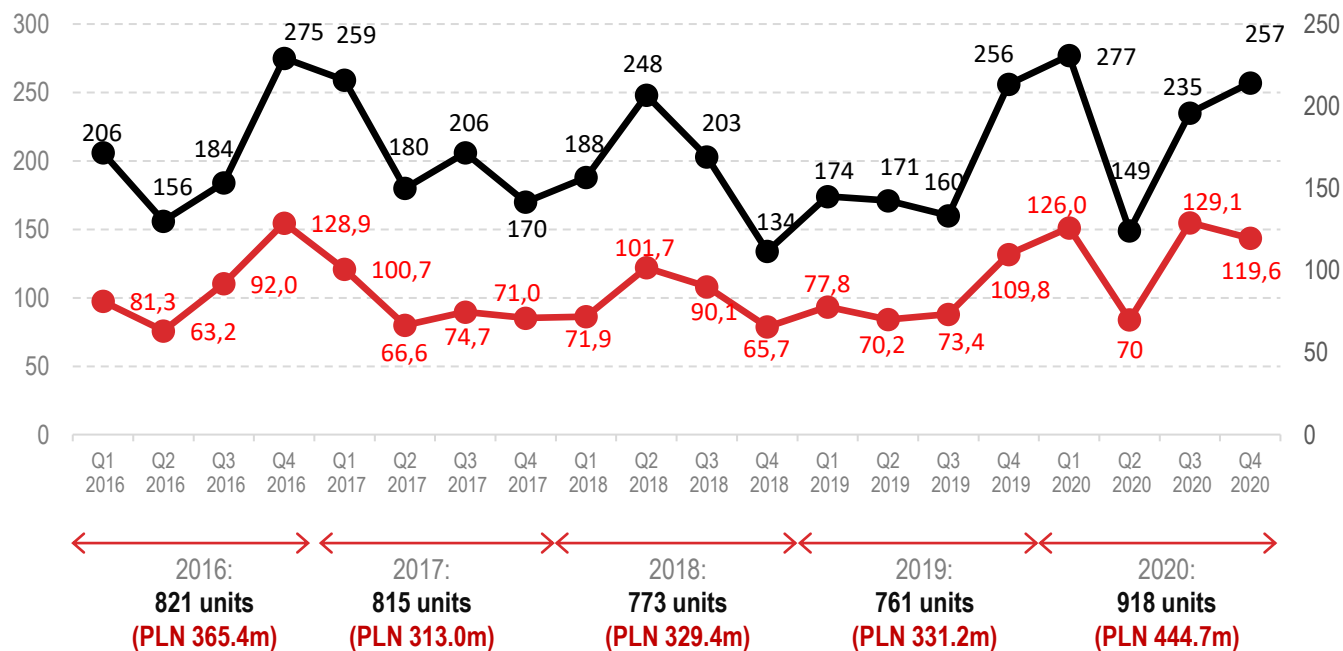
- **Ursus Centralny 2b and 2c** – Building permit received on 3 March 2021.

II.

BRIEF SUMMARY ON COMPANY'S SALES AND PROJECTS FOR YEAR 2020

918 UNITS SOLD DURING 2020

- **Total number of units sold** during the 4Q of 2020 amounted to **257**, as compared to 256 units sold during the 4Q of 2019.
- Best-selling projects were: Ursus Centralny and Miasto Moje in Warszaw, Panoramika in Szczecin.
- The average price of apartments sold during year 2020 amounted to PLN 484 thousand and was slightly higher than the average price of apartments sold during the year 2019 (435 thousand PLN).



Completed projects	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1-12/2020
City Link III	4	2	2	5	13
Miasto Marina	5	8	6	3	22
Panoramika IV, V	33	18	8	3	62
Grunwald2	17	11	15	15	58
Nova Królikarnia 1d, 2b&2c	-	-	9	3	12
Miasto Moje III	31	8	10	10	59
Other (old) projects	1	3	1	2	7
Completed projects total	91	50	51	41	233
Ongoing projects	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1-12/2020
Ursus Centralny Ia, IIa, Ib	99	52	64	51	266
Miasto Moje IV, V	33	7	27	69	136
Vitalia III	12	3	14	8	37
Wilanów Tulip	16	12	20	21	69
Nova Królikarnia 3a-3c	15	5	19	7	46
Viva Jagodno I	7	14	18	17	56
Nowe Warzymice I	4	6	8	11	29
Panoramika VI	-	-	14	32	46
Ongoing projects total	186	99	184	216	685
Total	277	149	235	257	918

● Number of units
● Value of signed contracts (PLNm)

1 457 UNITS UNDER CONSTRUCTION WITH 85 500 M2, OF WHICH 1 059 UNITS ARE IN WARSAW



MIASTO MOJE IV

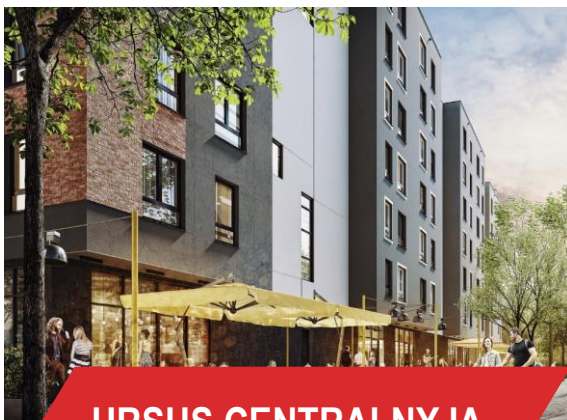
- Commenced 4Q 2019
- Expected completion 3Q 2021
- 176 apartments with aggregate area of 8,900 m²
- Location: Warsaw, Białołęka



MIASTO MOJE V

- Commenced: 4Q 2020
- Expected completion: 4Q 2022
- 170 apartments with aggregate area of 8,600 m²
- Location: Warsaw, Białołęka

1 457 UNITS UNDER CONSTRUCTION WITH 85 500 M2, OF WHICH 1 059 UNITS ARE IN WARSAW



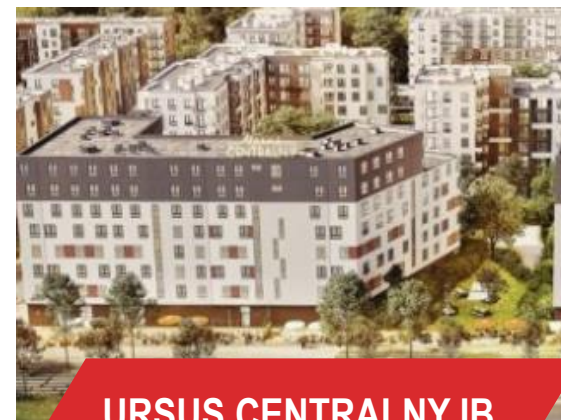
URSUS CENTRALNY IA

- Commenced 2Q 2019
- Expected completion 1Q 2021
- 129 apartments and 9 commercial units with aggregate area of 8,100 m2
- Location: Warsaw, Ursus



URSUS CENTRALNY IIA

- Commenced 2Q 2020
- Expected completion 4Q 2021
- 243 apartments and 8 commercial units with aggregate area of 13,500 m2
- Location: Warsaw, Ursus



URSUS CENTRALNY IB

- Commenced: 4Q 2020
- Expected completion: 4Q 2022
- 90 apartments and 7 commercial units with aggregate area of 5,700 m2
- Location: Warsaw, Ursus

1 457 UNITS UNDER CONSTRUCTION WITH 85 500 M2, OF WHICH 1 059 UNITS ARE IN WARSAW



**NOVA KRÓLIKARNIA
3A, 3B, 3C**

- Commenced 3Q 2019 (3B), 4Q 2019 (3A & 3C)
- Expected completion 1Q 2021 (3B), 1Q 2021 (3A), 2Q 2021 (3C)
- In total: 77 apartments with aggregate area of 7,800 m²
- Location: Warsaw, Mokotów



WILANÓW TULIP

- Commenced 1Q 2019
- Expected completion 2Q 2021
- 150 apartments with aggregate area of 9,600 m²
- Location: Warsaw, Wilanów
- The Company's share in this project is 50%

1 457 UNITS UNDER CONSTRUCTION WITH 85 500 M2, OF WHICH 398 ARE IN WROCLAW AND SZCZECIN



VITALIA III

- Commenced in 2Q 2019
- Expected completion 1Q 2021
- 81 apartments with aggregate area of 6,800 m2
- Location: Krzyki district in Wrocław



VIVA JAGODNO I

- Commenced in 4Q 2019
- Expected completion 2Q 2021
- 121 apartments with aggregate area of 6,200 m2
- Location: Wrocław, Buforowa Street

1 457 UNITS UNDER CONSTRUCTION WITH 85 500 M2, OF WHICH 398 ARE IN WROCLAW AND SZCZECIN



PANORAMIKA VI

- Commenced in 3Q 2020
- Expected completion 4Q 2021
- 76 apartments with aggregate area of 3,600 m2
- Location: Szczecin, Duńska Street



NOWE WARZYMICE I

- Commenced in 4Q 2019
- Expected completion 2Q 2021
- 54 apartments with aggregate area of 3,200 m2
- Location: Szczecin, Do Rajkowa Street



NOWE WARZYMICE II

- Commenced in 4Q 2020
- Expected completion 2Q 2022
- 66 apartments with aggregate area of 3,500 m2
- Location: Szczecin, Do Rajkowa Street

ONGOING PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2021 AND 2022

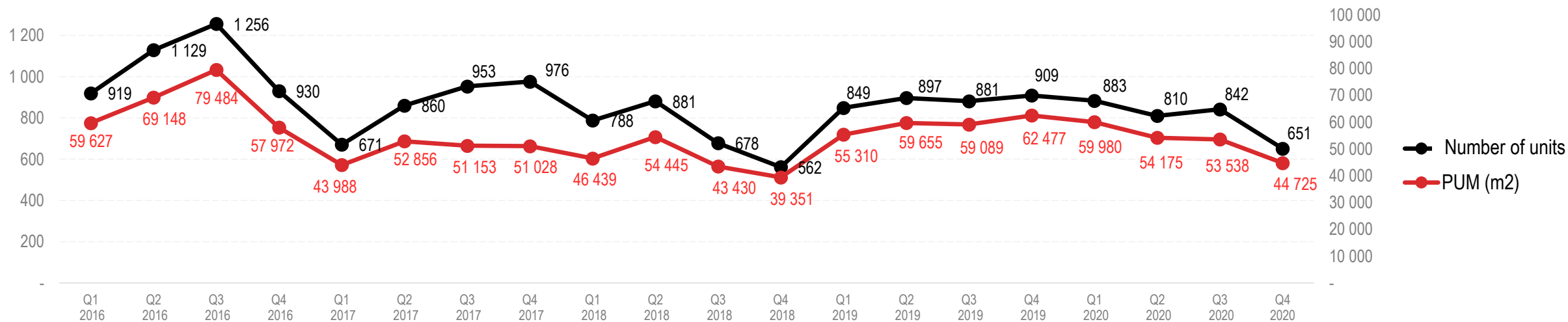
Name of project	Location	Commencement	Completion	Area	Units sold	Units for sale	Units in total
Expected to be completed during 2021							
1 Ursus Centralny Ia	Warsaw	2019 Q2	2021 Q1	8,100	136	2	138
2 Nova Królikarnia 3b	Warsaw	2019 Q3	2021 Q1	2,300	21	2	23
3 Nova Królikarnia 3a	Warsaw	2019 Q4	2021 Q1	3,200	22	9	31
4 Vitalia III	Wroclaw	2019 Q2	2021 Q1	6,800	69	12	81
5 Wilanow Tulip (under JV – 50%)	Warsaw	2019 Q1	2021 Q2	9,600	89	61	150
6 Viva Jagodno I	Wroclaw	2019 Q3	2021 Q2	6,200	64	57	121
7 Nowe Warzymice I	Szczecin	2019 Q4	2021 Q2	3,200	29	25	54
8 Nova Królikarnia 3c	Warsaw	2019 Q4	2021 Q2	2,300	17	6	23
9 Miasto Moje IV	Warsaw	2019 Q4	2021 Q4	8,900	118	58	176
10 Ursus Centralny IIa	Warsaw	2020 Q1	2021 Q4	13,500	194	57	251
11 Panoramika VI	Szczecin	2020 Q2	2021 Q4	3,600	46	30	76
Subtotal 2021				67,700	805	319	1,124
Expected to be completed during 2022							
1 Ursus Centralny Ib	Warsaw	2020 Q4	2022 Q4	5,700	34	63	97
2 Miasto Moje V	Warsaw	2020 Q4	2022 Q4	8,600	51	119	170
3 Nowe Warzymice II	Szczecin	2020 Q4	2022 Q4	3,500	0	66	66
Subtotal 2022				17,800	85	248	333
Total				85,500	890	567	1,457

UNITS OFFERED FOR SALE AS AT THE END OF QUARTERS

UNITS OFFERED FOR SALE (651 IN TOTAL)

- During year 2020 the Company commenced the sales of **251 units** in the **Ursus Centralny IIa** project, **76 units** in the **Panoramika VI** project, **170 units** in **Miasto Moje V** Project and **97 Units** in **Ursus Centralny Ib** project. **Total 594 units.**

Finished projects		Ongoing projects	
City Link III	5	Ursus Centralny IIa	57
Grunwald2	15	Ursus Centralny Ia	2
Miasto Marina	3	Miasto Moje IV	58
Panoramika IV	1	Vitalia III	12
Miasto Moje III	14	Viva Jagodno I	57
Panoramika V	16	Nova Królikarnia 3a	9
Nova Królikarnia 2c	3	Nova Królikarnia 3b	2
Miasto Moje I	3	Nova Królikarnia 3c	6
Nova Królikarnia 1d	1	Nowe Warzymice I	25
Inne (starsze) projekty	23	Panoramika VI	30
		Ursus Centralny Ib	63
		Miasto Moje V	119
		Wilanów Tulip	61
		Nowe Warzymice II	66
Total	84	Total	567



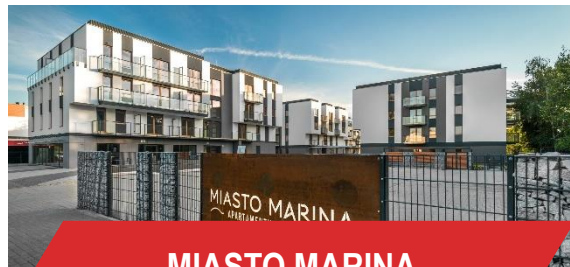
COMPLETED PROJECTS OFFERED FOR SALE

AS AT 31 DECEMBER 2020, 84 COMPLETED UNITS WITH 7 460 M² WERE OFFERED FOR SALE IN 8 PROJECTS



MIASTO MOJE I & II

- 4 units offered for sale
- In total 336 apartments and 17 commercial units
- Location: Warszawa , Marywilka Street



MIASTO MARINA

- 3 units offered for sale
- In total: 151 apartments
- Location: Na Grobli, Wrocław



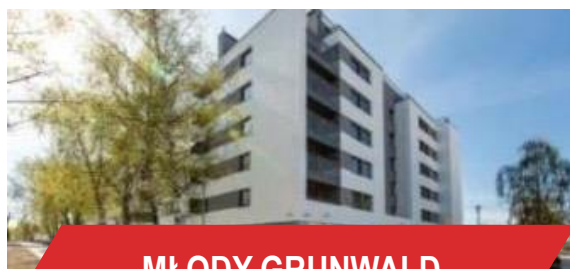
**NOVA KRÓLIKARNIA
2C**

- 3 units offered for sale
- In total 18 apartments
- Location: Warszawa, Mokotów



GRUNWALD²

- 15 units offered for sale
- 267 apartments and 1 commercial unit
- Location: Poznań, Świerzawska Street



MŁODY GRUNWALD

- 10 commercial units offered for sale
- In total 372 apartments and 21 commercial units
- Location: Poznań, Grunwald



PANORAMIKA IV-V

- 17 units offered for sale
- In total: 226 apartments
- Location: Szczecin, ul. Duńska



CITY LINK III

- 5 units offered for sale
- In total 364 apartments and 4 commercial units
- Location: Warsaw, Wola

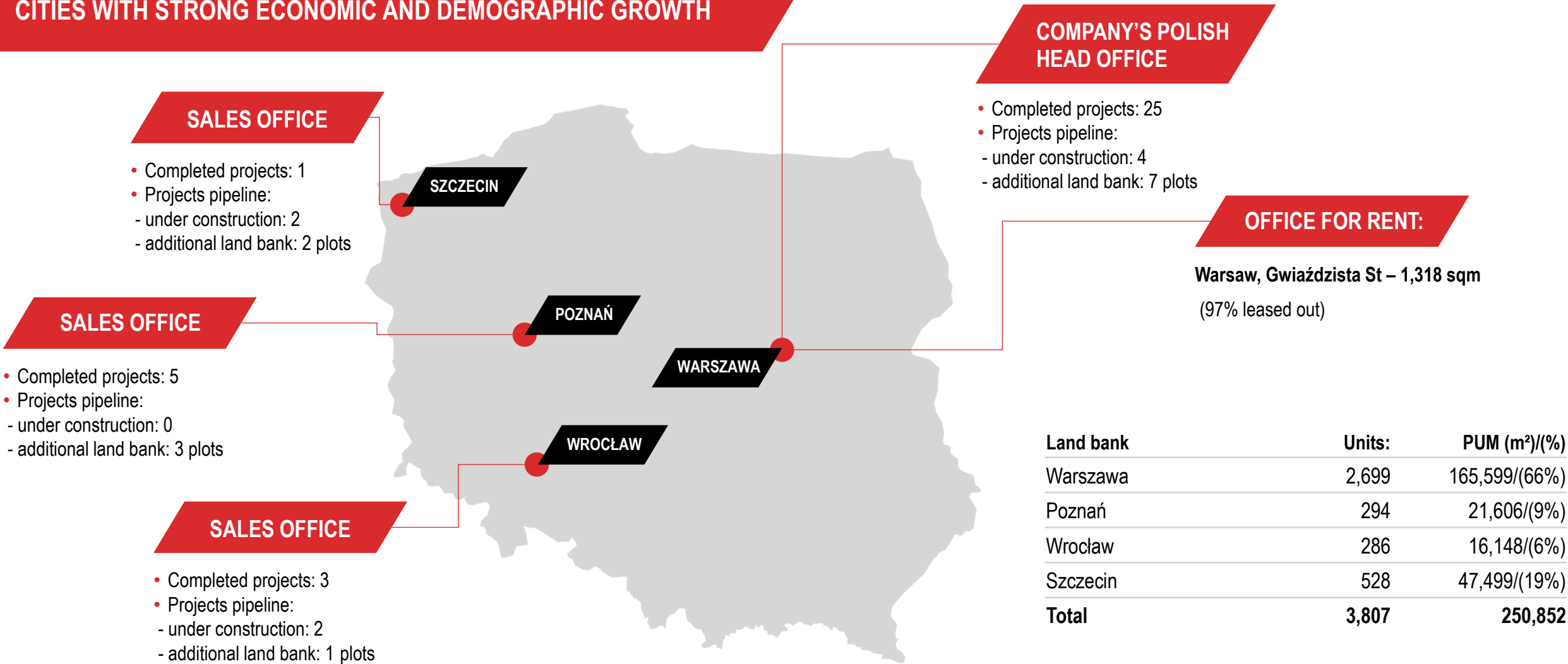


MIASTO MOJE III

- 14 units offered for sale
- In total 196 apartments
- Location: Warsaw, Marywilka Street

Moreover the Company's offer includes 13 completed units in the following projects: Verdis(6), Sakura (2), Espresso (1), Vitalia I - II (1), Panoramika (1) , Nova Królikarnia 1d (1) and Moko (1).

CITIES WITH STRONG ECONOMIC AND DEMOGRAPHIC GROWTH



RONSON LAND BANK

Project name	Location	Total no. Of		PUM (m ²)
Miasto Moje - stages VI-VIII	Warsaw	617		30,809
Ursus Centralny - stages in preparation	Warsaw	1,053		58,369
Nova Królikarnia 3d, 4a - 4c, 6	Warsaw	56		14,430
Viva Jagodno	Wrocław	286		16,148
Nowe Warzymice	Szczecin	303		29,499
Subtotal - remaining stages of the projects currently under construction/ on sale		2,315	60%	149,255
Chilli	Poznań	172		14,626
Naturalis	Warsaw	345		20,598
Subtotal - remaining stages of the projects that were under construction		517	14%	35,224
Falenty	Warsaw	268		21,394
Renaissance	Warsaw	278		15,200
Bełchatowska 28	Poznań	50		3,684
Vivaldi	Szczecin	225		18,000
Mała Grunwaldzka	Poznań	72		3,296
Stuzienna	Warsaw	82		4,799
Subtotal - remaining projects, still in preparation		975	26%	66,373
Total as at 31.12.2020		3,807	100%	250,852

III.

OUTLOOK FOR THE 2021 YEAR

NEXT STAGES OF ONGOING PROJECTS



<u>Project name</u>	<u>Location</u>	<u>Number of units</u>	<u>Area of units (m2)</u>
Ursus Centralny IIc	Warsaw	195	11,000
Ursus Centralny IIb	Warsaw	206	11,500
Nowe Warzymice III	Szczecin	64	4,200
Falenty I	Warsaw	40	3,300
Nova Królikarnia 3d	Warsaw	15	2,200
Nova Królikarnia 4b	Warsaw	23	5800
Grunwaldzka	Poznań	72	3,300
Miasto Moje VI	Warsaw	227	11,500
Viva Jagodno IIa	Wrocław	154	8,600
Viva Jagodno IIb	Wrocław	74	4,500
Renaissance Stage I	Warsaw	92	4,800
Total		1,162	70,700

**IN TOTAL:
 8 NEW STAGES 3 NEW
 PROJECTS COMPRISING
 1,162 UNITS**

IV.

FINANCIAL RESULTS REVIEW

FOR PERIOD ENDED 31 DECEMBER 2020

	1-12/2020	1-12/2019	y/y change	y/y difference
Revenue from residential projects and services	401.2	226.1	77%	175.1
Revenue from sale of land	0.0	6.5	-100%	-6.5
Total Revenue	401.2	232.6	72%	168.6
Cost of sales of residential projects	-315.0	-182.0	73%	-133.0
Cost of sales of land	0.0	-6.3	-100%	6.3
Gross profit	86.2	44.3	95%	41.9
Changes in the value of investment property	-0.3	0.8	-138%	-1.1
Selling and marketing expenses	-5.9	-5.8	2%	-0.1
Administrative expenses	-22.5	-20.2	12%	-2.3
Share of profit/(loss) from joint ventures	-0.8	9.1	-109%	-9.9
Net other income/(expense)	-1.5	-2.0	-26%	0.5
Operating profit	55.2	26.2	111%	29.0
Net finance expense	-4.6	-4.1	12%	-0.5
Profit before tax	50.5	22.1	129%	28.4
Income tax expense	-10.4	-4.7	121%	-5.7
Net profit	40.1	17.4	131%	22.7
Profit for the period attributable to equity holders of the parent	40.1	17.4	131%	22.7
Gross margin on sales and services of residential projects %	21.5%	19.5%	n.a.	n.a.
Gross margin %	21.5%	19.0%	n.a.	n.a.
Net Margin %	10.0%	7.5%	n.a.	n.a.
Net earning per share	0.246	0.106	n.a.	n.a.

P&L HIGHLIGHTS ON Y/Y BASIS DURING THE PERIOD ENDED 31 DECEMBER 2020

- **Revenue increased of 77%** - increased by **PLN 175,1 m**, which is primarily explained by an increase of **497** apartments delivered to the customers **in projects 100% owned by the company**.
- **Cost of sales increased 73%** - increased by **PLN 133,0 m**, which is primarily explained by an increase of **497 delivered** apartments to the customers **in projects 100% owned by the company**.
- **Gross profit on residential projects PLN 86.2 m increased of 95%** increased by PLN 41,9 m. **City link III contribute 66%** to the gross profit .
- **Gross margin on sales and services of residential projects** during 2020 year was **21.5%** which compares to **19.5%** during 2019 year. The main project effecting the gross margin variance is the **City link III with the margin of 38.4%**.
- **Administrative expenses** increased by **PLN 2.3m (12%)** from PLN 20.2 m in 2019 to PLN 22.5 m in 2020. The increase is primarily explained by higher personnel expenses as well as higher expenses due to changes in Management Board.
- **Finance expenses before capitalization** decreased by PLN 1.7 m, which is primarily explained by the lower average banking debt and bond loans during 2020 compared to the average amount of banking debts and bond during 2019 in addition to the lower interests rate during the year 2020.

P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN

PERIOD ENDED 31 DECEMBER 2020

UNITS DELIVERED / REVENUE / GROSS MARGIN

Project	Location	1Q2020		2Q2020		3Q2020		4Q2020		Year 2020		Gross margin / profit		Contribution		Average price per unit
		Units	PLN m	Units	PLN m	Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m	in revenues	in gross profit	PLN'000
City Link III	Warsaw	234	114.5	46	29.2	6	4.1	2	1.6	288	149.4	38.4%	57.4	37%	66%	519
Panoramika IV	Szczecin	84	22.5	7	2.5	6	2.6	3	1.2	100	28.9	0.9%	0.2	7%	0%	289
Panoramika V	Szczecin	0	0.0	0	0.0	63	17.3	32	10.4	95	27.8	2.6%	0.7	7%	1%	292
Miasto Marina	Wrocław	59	21.1	43	15.3	17	7.2	6	2.9	125	46.5	0.0%	0.0	12%	0%	372
Miasto Moje I & II	Warsaw	1	0.5	0	0.0	2	0.9	0	0.0	3	1.4	22.1%	0.3	0%	0%	482
Nova Królikarnia 1a - 1e	Warsaw	3	3.3	0	0.0	0	0.0	1	0.9	4	4.2	15.8%	0.7	1%	1%	1,052
Nova Królikarnia 2a & 2b	Warsaw	3	4.1	0	0.0	0	0.0	0	0.0	3	4.1	9.8%	0.4	1%	0%	1,358
Grunwald2	Poznań	0	0.0	119	38.1	101	35.4	16	7.4	236	80.9	23.0%	18.7	20%	21%	343
Miasto Moje III	Warsaw	0	0.0	0	0.0	0	0.0	98	33.4	98	33.4	17.5%	5.8	8%	7%	341
Nova Królikarnia 2c	Warsaw	0	0.0	0	0.0	0	0.0	7	18.6	7	18.6	9.6%	1.8	5%	2%	2,655
Other *		1	1.3	0	0.0	2	1.8	2	2.9	5	6.0	n.a.	1.5	1%	2%	1,208
Total excluding JV		385	167.4	215	85.4	197	69.2	167	79.3	964	401.2	21.8%	87.6	99%	101%	416
Write-off adjustment													-1.3		-2%	
Result		385	167.4	215	85.4	197	69.2	167	79.3	964	401.2	21.5%	86.3	99%	99%	416
City Link I & II	Warsaw	2	1.7	0	0.2	0	0.1	0	0.0	2	2.0	25.7%	0.5	1%	1%	1,020
Total including JV		387	169.1	215	85.6	197	69.3	167	79.3	966	403.3	21.5%	86.8	100%	100%	417

• Other revenues:

- Management services provided to joint ventures (City Link and Wilanów Tulip)
- Rental revenues.
- Sales old unit, parking places and storages in other projects that were completed in previous years.

- **Inventory - decreased by 52.2 m** is primarily explained by cost of sales recognized for a total amount of PLN 315.0 m. The decrease was partly offset by Group's investments associated with direct construction costs for a total amount of PLN 223 m and purchase of new plots in the amount of PLN 34 m.
- **Short-term and long-term loans and borrowings increased by 29.2 m.** The increase is primarily explained by **issued bonds** in amount of **PLN 98.4 m**, **repayment of bonds** for a total amount of **PLN 57.1 m** and net **repayment of bank loans** for a total amount of **PLN 13.1 m**.
- **Advances received - decreased by 30.7 m** is primarily explained by revenues recognized from the sale of residential units for a total amount of PLN 400.2 m. The decrease is offset in part by advances received from clients regarding sales of units for a total amount of PLN 365 m.
- **Other Liabilities** due to payments of obligation for NK transaction PLN 37 m.
- **Lease liabilities** related to perpetual usufruct of land and investment properties as the result of implementation of IFRS 16 is PLN 14.5 m as at 31 December 2020.

RATIOS AS AT THE END OF DECEMBER 2020

NET DEBT / EQUITY: 27.2%

NET DEBT / EQUITY: 23.5%(*)

*calculated in accordance to the bond covenants

BALANCE SHEET (PLN M)

	As at 31-Dec-20	As at 31-Dec-19	Change
Inventory and Residential landbank	710.2	762.4	-52.2
Cash and cash equivalents	135.1	95.6	39.5
Other assets	92.4	85.2	7.2
Total Assets	937.8	943.2	-5.4
Loans and borrowings	230.1	200.9	29.2
Advances received	224.3	255.0	-30.7
Interest bearing payables	8.5	2.3	6.2
Other liabilities	80.6	110.4	-29.8
Lease liabilities related to perpetual usufruct of land	14.5	24.1	-9.6
Total liabilities	558.0	592.7	-34.8
Equity attributable to the parent	379.8	350.5	29.3
Net Debt	103.5	107.6	-4.1
Net debt / Equity	27.2%	30.7%	n.a.
Net debt (including cash on MRP) / Equity	23.5%	24.4%	n.a.
Net debt / Total Assets	11.0%	11.4%	n.a.
Net assets per share (PLN)	2.32	2.14	n.a.

OVERVIEW OF CASH FLOW RESULTS

	During the period ended 31 December	
	2020	2019
	PLN (thousands)	
Cash flow from/(used in) operating activities	25 983	52 705
Cash flow from/(used in) investing activities	1 077	(1 338)
Cash flow from/(used in) financing activities	12 447	(56 604)

- **Operating CF was positive** and amounted to **PLN 26.0 m PLN** (31 December 2019: **52.7 m PLN**). The decrease was primarily explained by:
 - a cash out flow related to investment in projects under construction and purchases of land for the total amount of **PLN 259.1 m** during the year ended on 31 December 2020 comparing to cash out flow amounting to **PLN 190.8 m** during the year ended on 31 December 2019;
 - payment of advances for signed agreements for the purchase of land in the amount of **PLN 3.7 m**;
 - decrease of share of result from joint ventures from **PLN 9.0 m** gain during the year ended 31 December 2019 to **PLN 0.8 m** loss during the year ended 31 December 2020;
 - the amount was offset partly by a cash inflow from advances received from clients regarding sale of residential units amounting to **PLN 364.9 m** during the year ended on 31 December 2020 comparing to cash inflow amounting to **PLN 325.9 m** during the year ended during the year ended on 31 December 2019.
- **Investing CF was positive** and amounted to **1.0 m PLN** mainly related to net cash inflow of loans granted to joint ventures amounting to **2.0 m PLN** and acquisition of new entity in amount of **1.0 m PLN**
- **Financing CF was positive** and amounted to **12.5 m PLN**: mainly related to **received bonds** in amount of **96.2 m PLN**, **repayment of bonds** for the amount of **55.0 m PLN**, net **repayment of loans** for the amount of **13.1 m PLN** and paid dividend to shareholders in the amount of **9.7 m PLN**.

Type	Units	PLN m
Finished goods	216	107.9
Ongoing projects	1,307	302.7
Land bank*	3,807	285.5
Perpetual usufruct rights**	-	14.2
Total***	5,330	710.2

FINISHED PROJECTS

Comprising: **216 units**, of which 132 units are already sold.

ONGOING PROJECTS (75 870 PUM), OF WHICH:

14 projects / stages under construction and/or on sale total of 1,307 units , of which 801 are already sold :

Miasto Moje IV-V, Panoramika VI, Vitalia III, Nova Królikarnia 3a – 3c, Ursus Centralny Ia, Ursus Centralny Ila, Ursus Centralny Ib, Viva Jagondo I , and Nowe Warzymice I-II.

ATTRACTIVE BANK OF LANDS (3 807 UNITS, 250,852 PUM)

Categorised by city:

Warsaw	2,699 units;	165,599 PUM
Poznań	294 units;	21,606 PUM
Wrocław	286 units;	16,148 PUM
Szczecin	528 units;	47,499 PUM

Categorised by book value per PUM:

Below	PLN 1,000	206,545 PUM (82%)
Between	PLN 1,000–2,000	21,394 PUM (9%)
Over	PLN 2,000	22,913 PUM (9%)

* Including all costs capitalized, i.e. purchase price, transaction costs, land preparation costs, architect planning, financial costs and other. Including Land designated for development for the total amount of PLN 45.5 m presented as non-current assets

** Implementation of the IFRS 16

*** Excluding City Link I and II and Wilanów Tulip projects, that are not fully consolidated (Ronson share in this project - 50%).

COMPLETED PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2021

- As of end of December 2020, there were 132 units completed and sold that were not delivered to the customers, and 84 which are available for sale. Total value of pre-sold units amounted to **70.4 m PLN**. It shall be expected that majority of those units will be delivered to the customers during **1Q 2021**.

Name of project	Signed contracts		Units for sale	Units in total
	(PLN m)	Units (no.)	(no.)	(no.)
City Link III	5.9	9	5	14
Grunwald2	7.3	17	15	32
Miasto Marina	0.9	2	3	5
Panoramika IV	0.4	1	1	2
Panoramika V	1.5	4	16	20
Nova Królikarnia 2b	2.1	2	0	2
Miasto Moje I	0.1	0	3	3
Miasto Moje III	29.3	84	14	98
Nova Królikarnia 2c	19.0	8	3	11
Nova Królikarnia 1d	0.0	0	1	1
Other (old) projects	4.1	5	23	28
Total	70.4	132	84	216

DEBT POSITION AS AT 31 DECEMBER 2020

	PLN m	BOND DEBT						
		Serial	Catalyst Ref. No.	Nominal value (PLN)	Nominal interest	Coupon	Issue date	Maturity date
Bond loans	230.1	R*	RON 0521	47,859,000	WIBOR 6M + 2,85%	semi-annually	2017-05-24	2021-05-24
Bank loans	0.0	T	RON 0522	50,000,000	WIBOR 6M + 3,50%	semi-annually	2018-05-07	2022-05-09
Interest bearing trade payables*	8.5	U*	RON 0123	32,317,000	WIBOR 6M + 3,50%	semi-annually	2019-01-31	2023-01-31**
Total	238.6	V	RON 0424	100,000,000	WIBOR 6M + 4,30%	semi-annually	2020-10-02	2024-04-02***
		Total		230,176,000				

BANK LOANS

As at 31 December 2020 the Company did not have any bank loans.

* As part of the construction agreement for the development of Ursus Centralny Ia project signed in June 2019, the Company agreed with the General Contractor that part of the due payments from each invoice will be delayed up to the amount of PLN 12m max for 15 months. The delayed payment will bear fixed interest rate of 4.9%.

* The tranche R and U bonds are secured with the mortgage.

** 15% mandatory depreciation at the end of 4 th and 6 th interest period (on 31 January 2021 and 31 January 2022)

*** 40% mandatory depreciation at the end of 6 th interest period (on 2 October 2023)

Interest expense with respect to the bonds are capitalized into inventory, based on the requirements of IAS 23 as indirect borrowing expenses.

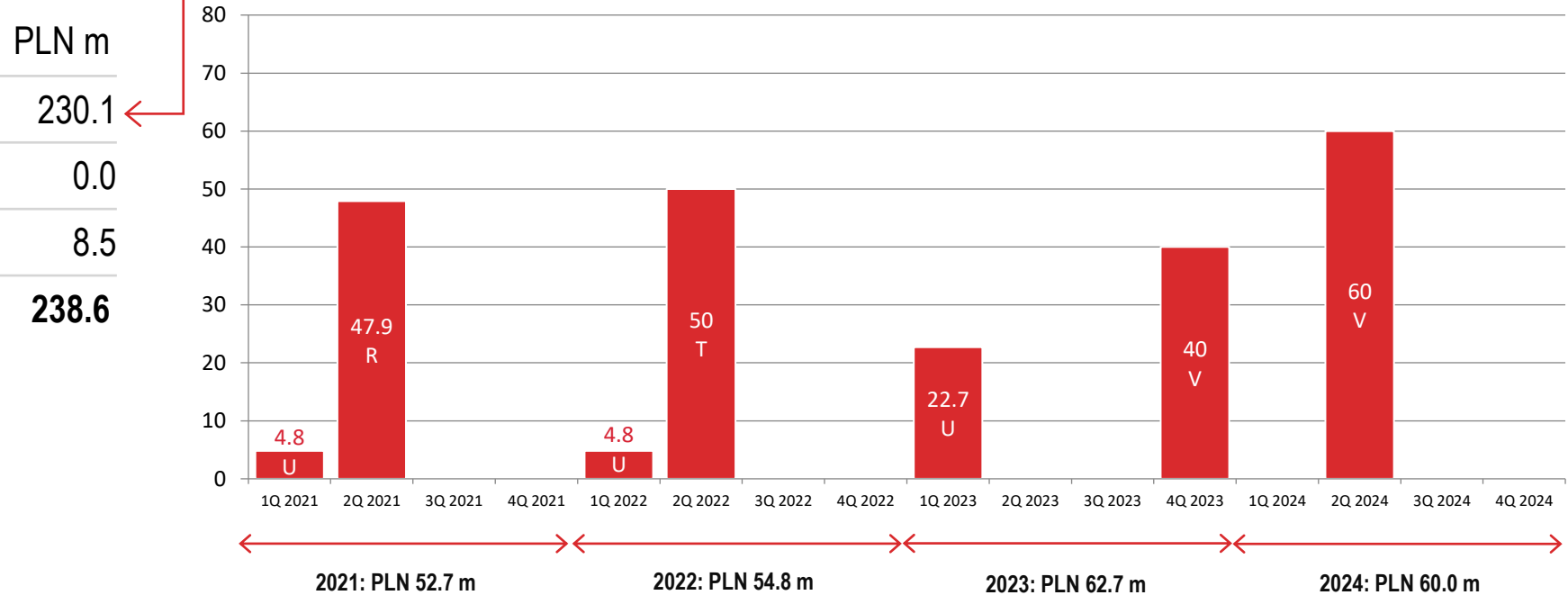
Bond loans as at 31 December 2020 amounted to PLN 230.1 m (as at 31 December 2019: PLN 188.0 m) comprising a bond loan principal amount of PLN 230.2 m plus accrued interest of PLN 2.1 m minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (2.2 mln PLN).

DEBT POSITION AS AT 31 DECEMBER 2020

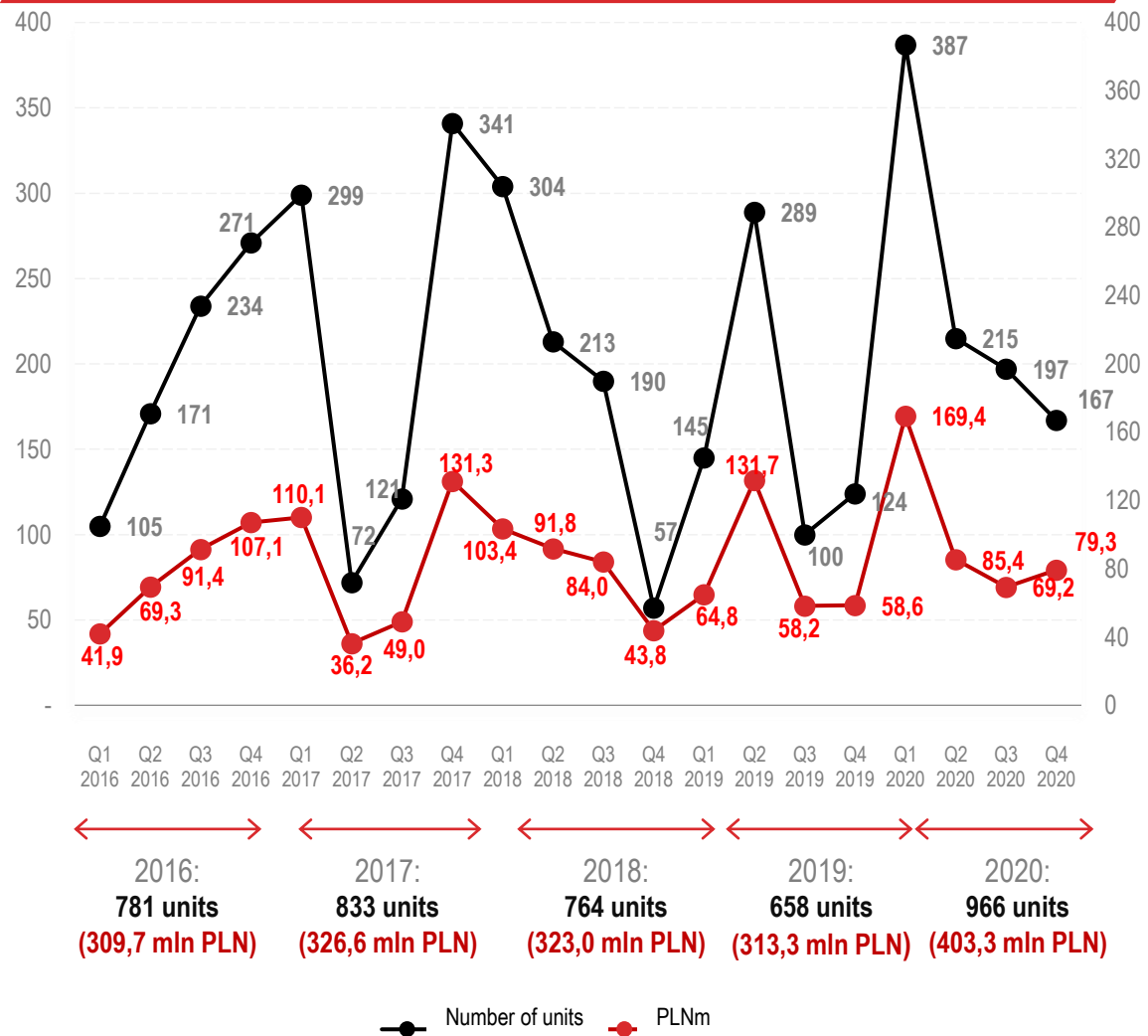
Bond loans	230.1
Bank loans	0.0
Interest bearing trade payables*	8.5
Total	238.6

BOND MATURITY (PLN M / QUARTERLY)

Bond debt maturity (PLN m)



* As part of the construction agreement for the development of Ursus Centralny Ia project signed in June 2019, the Company agreed with the General Contractor that part of the due payments from each invoice will be delayed up to the amount of PLN 12m max for 15 months. The delayed payment will bear fixed interest rate of 4.9%.

INCOME RECOGNISED DURING THE YEARS


The table below presents the value of the preliminary sales agreements (excluding VAT thousands of PLN) executed with the Company's clients in particular for units that have not been recognized in the Consolidated Statement of Comprehensive Income till 31.12.2020. It is worth mentioning that out of 1,022 units sold, 937 units with the value of PLN 443.2 million, represent the total amount of sold units which projects are scheduled to be finished during the year 2021.

**UNITS SOLD BUT NOT DELIVERED
(1 022 UNITS AND PLN 473.5 MILLION IN TOTAL)**

Finished projects	Units	mln PLN	Ongoing projects	Units	mln PLN
City Link III	9	5.9	Ursus Centralny IIa	194	78.7
Grunwald2	17	7.3	Ursus Centralny Ia	136	56.3
Miasto Marina	2	0.9	Miasto Moje IV	118	38.0
Panoramika IV	1	0.4	Vitalia III	69	37.6
Panoramika V	4	1.5	Viva Jagodno I	64	22.7
Nova Królikarnia 2b	2	2.1	Nova Królikarnia 3a	22	26.0
Miasto Moje I	0	0.1	Nova Królikarnia 3b	21	23.2
Miasto Moje III	84	29.3	Nova Królikarnia 3c	17	20.0
Nova Królikarnia 2c	8	19.0	Nowe Warzymice I	29	9.1
Other (old) projects	5	4.1	Panoramika VI	46	13.3
			Ursus Centralny Ib	34	14.8
			Miasto Moje V	51	15.5
			Wilanów Tulip	89	47.9
Total	132	70.4	Total	890	403.1

2

COVID - 19

FOR THE PERIOD ENDED 31 DECEMBER 2020

During 2020, the Company was facing a challenging period in which the COVID-19 pandemic outbreak was a risk in terms of operations of the Company as well as its effect on the business environment in which the Company is operating.

The current cash position of the company and its financial standing was stable and unaffected by the impact of Covid-19 pandemic. The Company maintain very good net debts to equity ratios which are very important factors to our investors and bond's holders.

The sale results during the pandemic period reached to **918** units (new record in the company history), outperform the Company expectations and projections for this year and significantly better than the results in year 2019. The Company delivered a record high number of units during 2020 reaching to **966** units comparing to 658 units in 2019.

The Company managed to issue bond in the amount of **PLN 100 m** which was exceeding initial requirements and show the trust of our investors and bondholders in the Company.

During 2020, the Company signed number of final purchase agreements and entered into numbers of preliminary purchase agreements securing a purchase of plots in order to secure its midterm and long term operations.

The Company managed to obtain on time, in most of its project, all the administrative permits including building permits and occupancy permits which are vital for its daily operations.

IMPACT OF COVID IN 2020 AND POTENTIAL RISKS FOR 2021

- potential decrease in Company's sales due to lower demand, as a result of tightening the accessibility to mortgages from banks or increase of unemployment;
- potential risk of delay in completing the Company's projects (on time or on budget), which could be caused by shortage of construction personal, shortage of raw materials or prolongation of administrative procedures and delays with obtaining building permits and occupancy permits;
- potential problems with obtaining bank financing for the Company or issuance of bonds for further development of the Company projects and land bank;
- all of the above could potentially affect the company cash standing and liquidity;
- potential effect on the covenants requirements to our bond's holders

COVID – 19 : SUBSEQUENT EVENTS

The Management Board is aware of the fact that although the good results presented by the Company in the year 2020, there is still uncertainty prevailing in Poland due to the COVID-19 pandemic. The Management Board will continue monitoring the situation on an on-going basis, and adopt further actions, if necessary, in order to reduce as much as it is possible the effect of the COVID-19 on the company operations and strategy.

Q&A SESSION

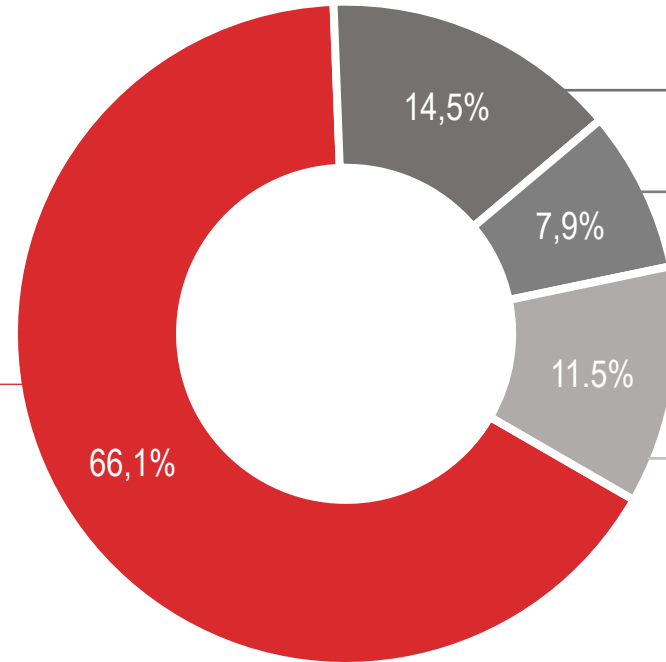
THANK YOU

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



NATIONALE NEDERLANDEN OFE**

METLIFE OFE**

OTHERS (INCLUDING AVIVA) & RONSON TREASURY SHARES (0.91%)

* Indirectly by ITR Dori BV

** Based on publicly available information