

INVESTOR PRESENTATION ADDRESSING HY 2021 RESULTS

11 AUGUST 2021

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MANAGEMENT BOARD



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



**KAROLINA
BRONSZEWSKA**

- Marketing and Innovation Director, since June 2021
- June 2007 - May 2021 - Marketing Manager
- 2004- 2006 - Ober-Haus Real Estate Advisor

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

6 completed projects offered for sale

14 further projects

in preparation for around 4,208 units

(at 30 June 2021 Ronson offer 476 units)

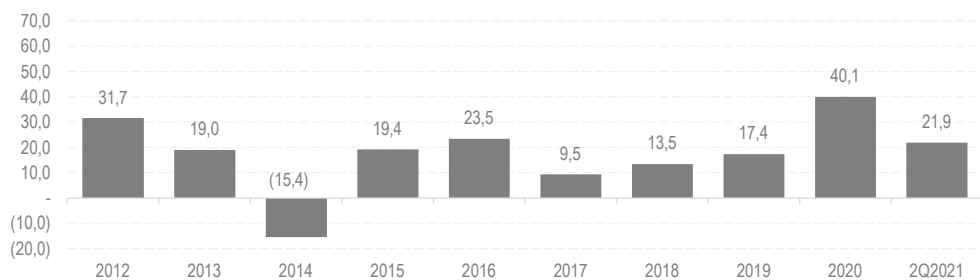
ATTRACTIVE LAND BANK IS ONE OF RONSON'S ADVANTAGES
DECIDING ABOUT ITS GROWTH POTENTIAL



COMPANY HIGHLIGHTS

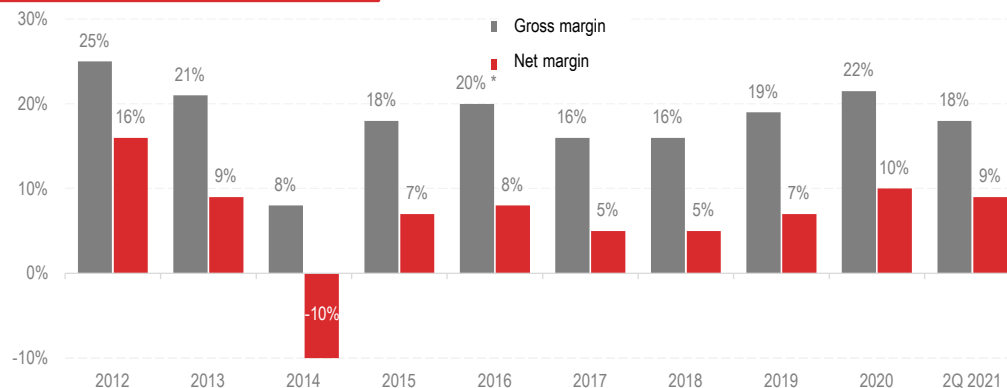
(BASED ON COMPANY'S FINANCIAL STATEMENTS)

NET PROFIT (PLN MILLION)



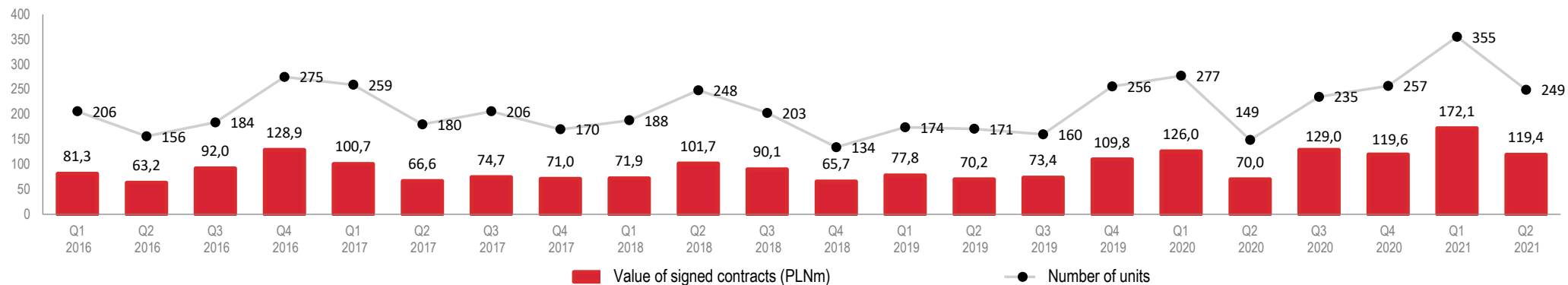
* Excluding one time event of selling Nova Krolikarnia (net profit PLN 41 million)

MARGINS (%)



* Excluding one time event of selling Nova Krolikarnia

249 UNITS SOLD DURING 2Q 2021









II.

BRIEF SUMMARY OF COMPANY'S ACHIEVEMENTS DURING HY 2021

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2021

THE COMPANY'S ACHIEVEMENTS DURING HY 2021 INCLUDE:

	1-6/2021	1-6/2020	FY 2020
Pre-sales	 604 units (291.5 mln PLN)	426 units (196.1 mln PLN)	918 units (444.7 mln PLN)
Deliveries *	 445 units (246.9 mln PLN)	602 units (254.5 mln PLN)	966 units (403.3 mln PLN)
Commenced Projects	 430 units	327 units	660 units
Completed Projects	 350 units	268 units	597 units
Net Profit	 21.9 mln PLN	40.6 mln PLN	40.1 mln PLN
Net debt to equity **	 24.4%	22.5%	27.2%

* U Including delivery of 2 units PLN (1,7 m PLN) in City Link I & II (company share 50%) in 2020

** not including money on escrow account

THE COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2021 INCLUDE:

- **Sale of 604 units :**

• Ursus Centralny - 178 units	Nowe Warzymice – 74 units	Nova Królikarnia – 17 units	Vitalia – 12 units
• Miasto Moje – 144 units	Panoramika – 45 units	Grunwaldzka - 16 units	City Link III – 5 units
• Viva Jagodno – 57 units	Wilanów Tulip - 32 units	Grunwald2 – 13 units	Other (old projects) – 11 units

- **Delivery of 445 units** (for details see slide „P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN”)

- **Commencement of 3 Projects Sale / Construction 430 units**

- Ursus Centralny IIb on March of **206 units** with total area of **11,800 m2**.
- Viva Jagodno IIa on March of **154 units** with total area of **8,600 m2**.
- Grunwaldzka on April of **70 units** with total area of **3,400 m2**.

- **Completion of 6 projects/ stages 350 units**

- | | |
|--|--|
| • Vitalia III 81 units with total area of 6,800 m2 . | Ursus 1a 138 units with total area of 7,500 m2 . |
| • Nova Królikarnia 3b 23 units with total area of 2,270 m2 . | Nova Królikarnia 3a 31 units with total area of 3,200 m2 |
| • Nova Królikarnia 3c 23 units with total area of 2,300 m2 . | Nowe Warzymice I 54 units with total area of 3,200 m2 |

- **Projects Financing**

- Credit Agreement for financing Ursus 1b for the aggregated value of **PLN 26.7 m (March 2021)**
- Credit Agreement for financing Miasto Moje V for the aggregated value of **PLN 35.3 m (March 2021)**

THE COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2021 INCLUDE:

- **Buyback** – as at 30 June 2021 the Company held **1,567,954 shares** (0.96% of total shares), in HY 2021 the Company purchased **78,719** own shares.

- **Purchase of land:**

Location	Type of agreement	Signed date	Agreement Net value (PLN m)	Paid net till 30.06.2021 (PLN m)	Number of units	Potential PUM
Poznań, Smardzewska	final	11-Feb-21	26.0	26.0	352	17,000
Warsaw, Epopei	preliminary	23-Nov-20	20.0	13.4	432	20,700
Warsaw, KEN	preliminary	3-Mar-21	16.0	9.0	94	5,700
Warsaw, Ursus	preliminary	27-Jan-21	150.0	0.0	1860	100,000
Warsaw, Studzienna	final	29-Jun-21 and 18-Dec-20	13.5	13.5	82	4,800
Warsaw, Stojowskiego	preliminary	2-Jun-21	13.2	3.0	184	11,000
Warsaw, Wysockiego	preliminary	2-Jun-21	14.0	4.0	125	9,500
Total			252.7	68.9	3,129	168,700

- **Bonds:**

On 1 February 2021 the Company repaid 15% of outstanding series U bonds with value of PLN 4,848 thousand. 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 27,469 thousand.

On 15 April 2021 the Company issued 100,000 series W non-secured bonds with a nominal value and issue price of PLN 1.0 thousand per bond and an aggregate nominal value and issue price of PLN 100.0 million. The bonds shall be redeemed through the payment in two installments: at the end of the 7th interest period, on 15 October 2024 (redeeming 40% of the nominal value) and the second on 15 April 2025 by redeeming the remaining part of the nominal value. Together with issuance of series W bonds the Company:

- purchased for redemption series R bonds with a nominal value of PLN 10,000,000 from the bondholders who purchased the bonds for at least the same amount. In addition the Company paid interest accrued on those bonds until the date of the transaction;
- purchased for redemption series U bonds with a nominal value of PLN 2,247,400 from the bondholders who purchased the bonds for at least the same amount. These transactions were settled without cash (by set-off), except for accrued interest on those bonds until the date of the transaction, which were paid by the Company.

On 24 May 2021, the Company repaid all outstanding 37,859 series R bonds with total nominal value of PLN 37,859 thousand. After this repayment, the total number of outstanding bonds series R amounted to nil.

THE COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2021 INCLUDE:

- **Agreements for construction works**

- **Viva Jagodno IIa and IIb** – agreement with Karmar S.A. for **PLN 52.0 m**
- **Ursus Centralny IIb and IIc** – agreement with Karmar S.A. for **PLN 48.0 m (stage IIb)**, for **PLN 45.8 m (stage IIc)** and for **PLN 2.4 m** for additional work for the two stages
- **Grunwaldzka** - agreement with Karmar S.A. for **PLN 18.0 m**
- **Nowe Warzymice III** – agreement with EBUD for **PLN 12.9 m**
- **Miasto Moje VI** – agreement with Hochtief Polska S.A. for **PLN 51.4 m**

- **Occupancy permit**

- **Nova Królikarnia 3b** – occupancy permit received 16 February 2021
- **Vitalia III** – occupancy permit received 2 March 2021
- **Nova Królikarnia 3c** – occupancy permit received 14 May 2021

- **Building permit**

- **Viva Jagodno II** - valid building permit received 5 January 2021
- **Grunwaldzka** – valid building permit received 1 March 2021
- **Miasto Moje VII** – valid building permit received 21 June 2021

Ursus Centralny Ia – occupancy permit received 23 March 2021

Nova Królikarnia 3a – occupancy permit received 27 April 2021

Nowe Warzymice I – occupancy permit received 21 May 2021

Viva Jagodno III - valid building permit received 5 February 2021

Ursus Centralny IIb and IIc – valid building permit received 2 March 2021

RECENT DEVELOPMENTS (AFTER 30 JUNE 2021) INCLUDE:

- **Bond loans**

On 31 July 2021 the Company performed the early redemption of series U bonds through the payment of the redemption amount equal to the nominal value of the Bonds plus accrued interest and an additional cash benefit in the form of a premium. The early redemption refers to all series U bonds with total value of PLN 25.2 million.

The Company executed its right to request the early redemption of series U bonds issued by the Company on 31 January 2019. The early redemption is carried out in connection with the Company's plans to carry out real estate development projects on certain mortgaged plots, which used as securities for Bonds series U. After this repayment, the total number of outstanding bonds series U amounted to nil.

- **Acquisition of land in Poznań, Wilda district** – on 27 July 2021, the Company (via its subsidiary) entered into preliminary agreement concerning the purchase of perpetual usufruct right a plot of land located in Poznań, Wilda district, with an area of c.a. 2.7 thousand m². The price of the Property was established at PLN 13,000,000 (thirteen million zlotys) net, increased by the VAT at the rate applicable on the date of concluding the final agreement. According to initial evaluation it shall be feasible to construct on the property a development project with the total PUM+PUU area of approx. 6,600 m². The conclusion of the final agreement will take place only upon fulfilment of conditions precedent, including conducting by the Company satisfactory due diligence process of the Property. The conclusion of the final agreement shall take place within 55 days of signing the preliminary purchase agreement of the Property. The Company paid PLN 2.0 million to the notary's deposit.
- **Acquisition of land in Warsaw, Ochota district** - on 10 August 2021, the Company (via its subsidiary) entered into preliminary agreement concerning the purchase of perpetual usufruct right a plot of land located in Warsaw, Ochota district, with an area of c.a. 2.484 thousand m². The price of the Property was established at PLN 10,000,000 (ten million zlotys) net, increased by the VAT at the rate applicable on the date of concluding the final agreement. According to initial evaluation it shall be feasible to construct on the property a development project with the total PUM area of approx. 3,700 m². The conclusion of the final agreement will take place only upon fulfilment of conditions precedent, including conducting by the Company satisfactory due diligence process of the Property. The conclusion of the final agreement shall take place until 3 September 2021. The Company paid PLN 2.0 million to the notary's deposit at the of signing the preliminary agreement.

- **Occupancy permit**

- **Viva Jagodno I** – occupancy permit received 21 July 2021

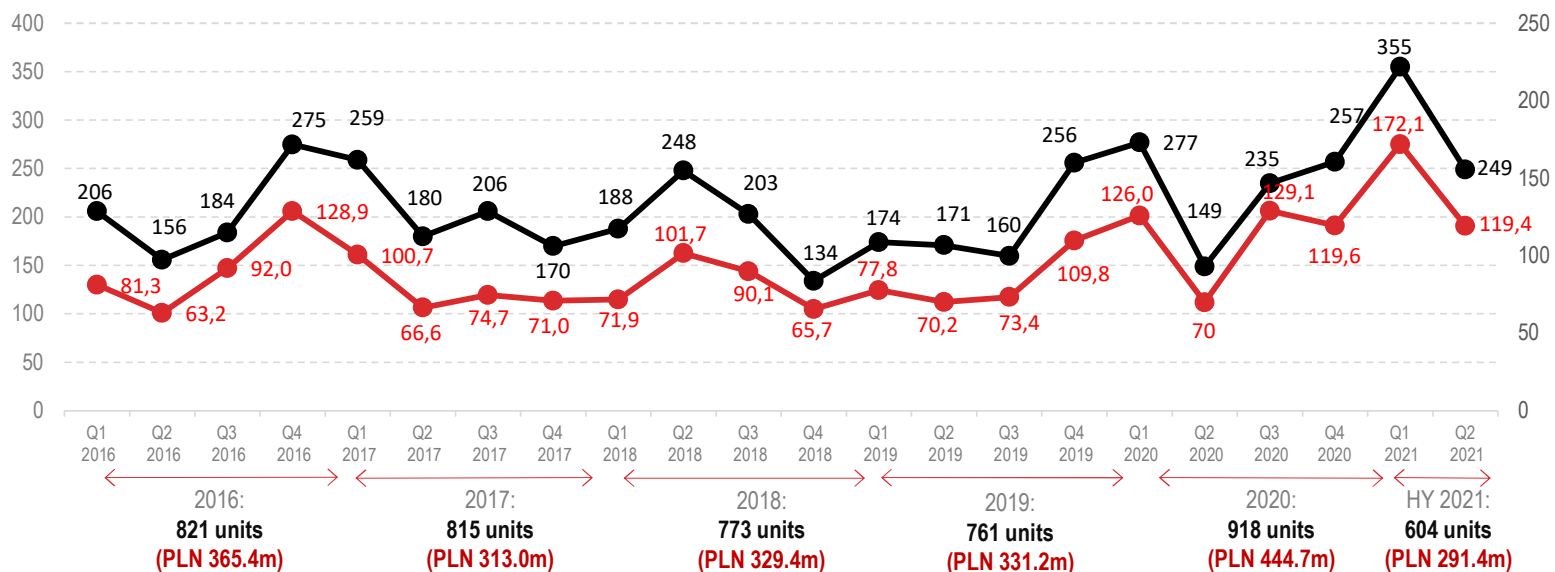
II.

**BRIEF SUMMARY ON COMPANY'S SALES
AND PROJECTS FOR HY 2021
& OUTLOOK FOR THE REMAINDER OF 2021**

QUARTERLY AND YEARLY SALES

604 UNITS SOLD DURING HY 2021

- **Total number of units sold** during the HY of 2021 amounted to **604**, as compared to 426 units sold during the HY of 2020.
- Best-selling projects were: Ursus Centralny (178 units) and Miasto Moje (144 units) in Warsaw, Nowe Warzymice in Szczecin (74 units) and Viva Jagodno in Wroclaw (57 units).
- The average price of apartments sold during HY 2021 amounted to PLN 483 thousand and was comparable to the average price of apartments sold during the year 2020 (460 thousand PLN).

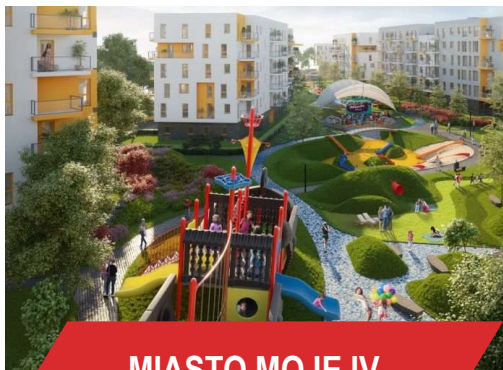


Completed projects	1Q 2021	2Q 2021	1-6/2021
Miasto Moje III	12	1	13
Vitalia III	12	-	12
Grunwald2	10	3	13
Panoramika V	6	9	15
Miasto Marina	3	-	3
Nova Królikarnia 2c	2	1	3
Panoramika IV	1	-	1
City Link III	4	1	5
Nova Królikarnia 3b	1	-	1
Nowe Warzymice I	13	3	16
Ursus Centralny Ia	1	-	1
Nova Królikarnia 3a	6	1	7
Nova Królikarnia 3c	2	4	6
Other	5	5	10
Completed projects total	78	28	106

Ongoing projects	1Q 2021	2Q 2021	1-6/2021
Wilanow Tulip (under JV – 50%)	26	6	32
Viva Jagodno I	39	15	54
Miasto Moje IV	31	8	39
Ursus Centralny IIa	43	13	56
Panoramika VI	26	3	29
Nowe Warzymice II	25	33	58
Ursus Centralny Ib	40	11	51
Miasto Moje V	46	44	90
Ursus Centralny IIb	1	69	70
Grunwaldzka	-	16	16
Viva Jagodno IIa	-	3	3
Ongoing projects total	277	221	498
Total	355	249	604

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

1 535 UNITS UNDER CONSTRUCTION WITH 83 500 M2, OF WHICH 1 049 UNITS ARE IN WARSAW



MIASTO MOJE IV

- Commenced 4Q 2019
- Expected completion 4Q 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



WILANÓW TULIP

- Commenced 1Q 2019
- Expected completion 3Q 2021
- 149 apartments with aggregate area of 9,600 m²
- Location: Warsaw, Wilanów
- The Company's share in this project is 50%

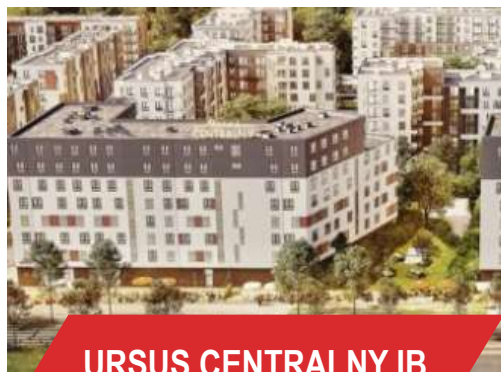
ONGOING PROJECTS (2/5)

1 535 UNITS UNDER CONSTRUCTION WITH 83 500 M2, OF WHICH 1 049 UNITS ARE IN WARSAW



URSUS CENTRALNY IIA

- Commenced 1Q 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: 3Q 2022
- 90 apartments and 7 commercial units with aggregate area of 5,700 m2
- Location: Warsaw, Ursus



URSUS CENTRALNY IIB

- Commenced 1Q 2021
- Expected completion 4Q 2022
- 201 apartments and 5 commercial units with aggregate area of 11,800 m2
- Location: Warsaw, Ursus

ONGOING PROJECTS (3/5)

1 535 UNITS UNDER CONSTRUCTION WITH 83 500 M2, OF WHICH 486 ARE IN WROCLAW, POZNAŃ AND SZCZECIN



VIVA JAGODNO I

- Commenced in 4Q 2019
- Expected completion 3Q 2021
- 121 apartments with aggregate area of 6,200 m2
- Location: Wrocław, Buforowa Street



VIVA JAGODNO IIA

- Commenced in 1Q 2021
- Expected completion 4Q 2022
- 154 apartments with aggregate area of 8,700 m2
- Location: Wrocław, Buforowa Street

ONGOING PROJECTS (4/5)

1 535 UNITS UNDER CONSTRUCTION WITH 83 500 M2, OF WHICH 486 ARE IN WROCLAW, POZNAŃ AND SZCZECIN



GRUNWALDZKA

- Commenced in 2Q 2021
- Expected completion 1Q 2023
- 68 apartments and 2 commercial units with aggregate area of 3,400 m2
- Location: Poznań, Grunwaldzka Street

1 535 UNITS UNDER CONSTRUCTION WITH 83 500 M2, OF WHICH 486 ARE IN WROCLAW, POZNAŃ AND SZCZECIN



PANORAMIKA VI

- Commenced in 2Q 2020
- Expected completion 4Q 2021
- 75 apartments with aggregate area of 3,600 m2
- Location: Szczecin, Duńska 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

ONGOING PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2021, 2022 AND 2023

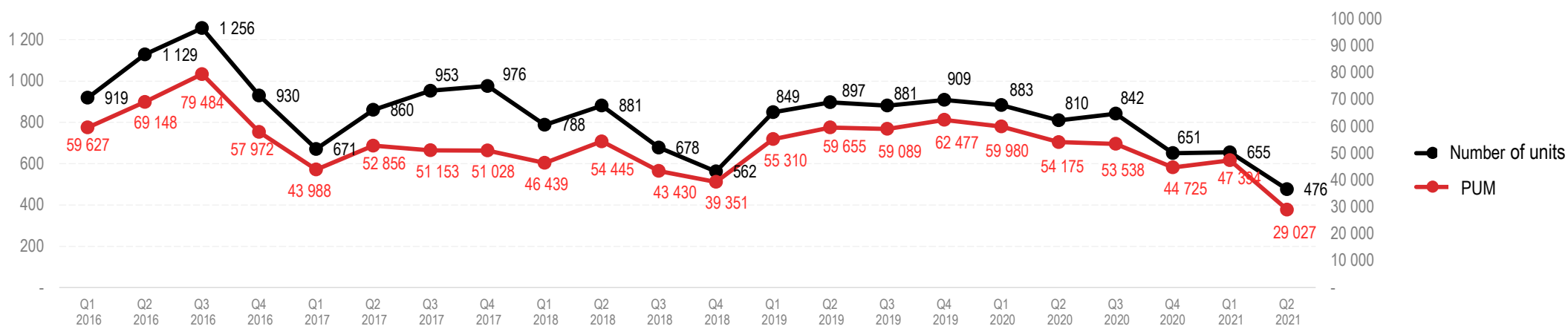
Name of project	Location	Commencement	Completion	Area	Units sold	Units for sale	Units in total
Expected to be completed during 2021							
1 Wilanow Tulip (under JV – 50%)	Warsaw	2019 Q1	2021 Q3	9,600	120	29	149
2 Viva Jagodno I	Wroclaw	2019 Q4	2021 Q3	6,200	118	3	121
3 Miasto Moje IV	Warsaw	2019 Q4	2021 Q4	8,900	157	19	176
4 Ursus Centralny IIa	Warsaw	2020 Q1	2021 Q4	13,500	250	1	251
5 Panoramika VI	Szczecin	2020 Q2	2021 Q4	3,600	75	0	75
Subtotal 2021				41,800	720	52	772
Expected to be completed during 2022 and 2023							
1 Nowe Warzymice II	Szczecin	2020 Q4	2022 Q2	3,500	58	8	66
2 Ursus Centralny Ib	Warsaw	2020 Q4	2022 Q3	5,700	85	12	97
3 Miasto Moje V	Warsaw	2020 Q4	2022 Q4	8,600	141	29	170
4 Ursus Centralny IIb	Warsaw	2021 Q1	2022 Q4	11,800	70	136	206
5 Viva Jagodno IIa	Wroclaw	2021 Q1	2022 Q4	8,700	3	151	154
6 Grunwaldzka	Poznań	2021 Q2	2023 Q1	3,400	16	54	70
Subtotal 2022-2023				41,700	373	390	763
Total				83,500	1093	442	1,535

UNITS OFFERED FOR SALE AS AT THE END OF QUARTERS

UNITS OFFERED FOR SALE (476 IN TOTAL)

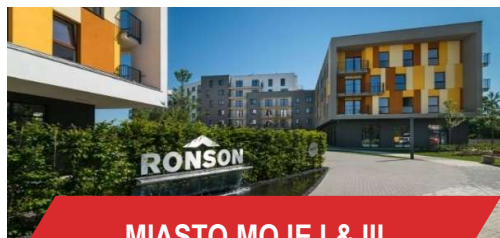
- During HY 2021 the Company commenced the sales of **206 units** in the **Ursus Centralny IIb** project, **154 units** in **Viva Jagodno IIa** and **70 units** in the **Grunwaldzka** project. In total **430 units** in HY 2021.

	Finished projects	Ongoing projects
Nova Królikarnia 3a	2	Ursus Centralny IIb 136
Panoramika V	1	Miasto Moje V 29
Grunwald2	2	Ursus Centralny IIa 1
Nowe Warzymice I	9	Ursus Centralny Ib 12
Miasto Moje III	1	Viva Jagodno I 3
Nova Królikarnia 3b	1	Nowe Warzymice II 8
Miasto Moje I	2	Miasto Moje IV 19
Verdis I-IV	4	Grunwaldzka 54
Ursus Centralny Ia	1	Viva Jagodno IIa 151
Młody Grunwald I-III	5	Wilanów tulip 29
Other	6	
Total	34 Total	442



COMPLETED PROJECTS OFFERED FOR SALE

AS AT 30 JUNE 2021, 34 COMPLETED UNITS WITH 2,900 M² WERE OFFERED FOR SALE IN 6 PROJECTS



MIASTO MOJE I & III

- 3 units offered for sale
- In total 387 apartments and 14 commercial units
- Location: Warszawa , Marywilska Street



PANORAMIKA V

- 1 units offered for sale
- In total: 115 apartments
- Location: Szczecin, ul. Duńska



**NOVA KRÓLIKARNIA
3A & 3B**

- 3 units offered for sale
- In total: 54 apartments
- Location: Warszawa, Mokotów



MŁODY GRUNWALD

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



NOWE WARZYMICE I

- 9 units offered for sale
- In total 54 apartments
- Location: Szczecin, Rajkowska Street



GRUNWALD²

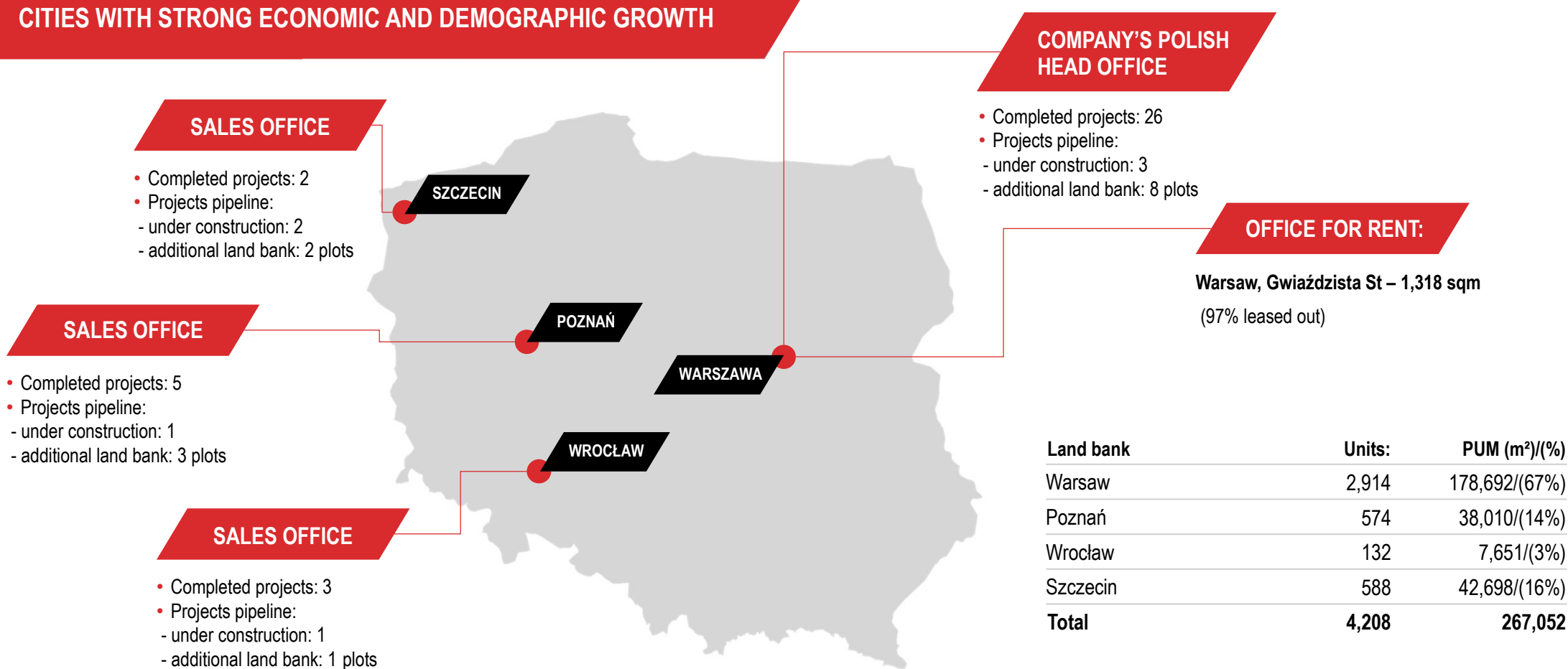
- 2 units offered for sale
- 267 apartments and 1 commercial unit
- Location: Poznań, Świerzawska Street

Moreover the Company's offer includes 11 completed units in the following projects: Verdis (4), Sakura (1), Espresso (1), Vitalia I (1), Panoramika I (1), Nova Królikarnia 1d (1), Moko (1), Ursus IA (1).

PROJECTS IN PREPARATION

SELECTIVE GEOGRAPHIC DIVERSIFICATION IN POLAND

CITIES WITH STRONG ECONOMIC AND DEMOGRAPHIC GROWTH



RONSON LAND BANK

Project name	Location	Total no. Of	PUM (m ²)
Miasto Moje - stages in preparation	Warsaw	617	31,017
Ursus Centralny - stages in preparation	Warsaw	836	50,554
Nova Królikarnia 3d, 4a - 4c, 6	Warsaw	56	14,430
Viva Jagodno	Wrocław	132	7,651
Nowe Warzymice	Szczecin	363	24,699
Subtotal - remaining stages of the projects currently under construction/ on sale		2,004	47% 128,351
Chilli	Poznań	172	14,626
Naturalis	Warsaw	345	20,598
Subtotal - remaining stages of the projects that were under construction		517	13% 35,224
Falenty	Warsaw	268	21,394
Renaissance	Warsaw	278	15,200
Bełchatowska 28	Poznań	50	3,684
Vivaldi	Szczecin	225	18,000
Stuzienna	Warsaw	82	4,799
Smardzewska I-III	Poznań	352	19,700
Epopci*	Warsaw	432	20,700
Subtotal - remaining projects, still in preparation		1,687	40% 103,477
Total as at 30.06.2021		4,208	100% 267,052

*not all land purchased in final agreement

PROJECTS PLANNED FOR COMMENCEMENT DURING THE REST OF YEAR 2021

NEXT STAGES OF ONGOING PROJECTS



<u>Project name</u>	<u>Location</u>	<u>Total units</u>	<u>Total area of units (m²)</u>
Nowe Warzymice III	Szczecin	63	3.500
Viva Jagodno IIb	Wrocław	74	4.500
Renaissance (Siekierki)	Warsaw	92	4.800
Falenty I	Warsaw	40	3.300
Miasto Moje VI	Warsaw	227	11.700
Ursus Centralny IIc	Warsaw	195	11.100
Nova Królikarnia 3d	Warsaw	15	2.200
Nova Królikarnia 4a	Warsaw	5	1.350
Nova Królikarnia 4b	Warsaw	23	5.800
Total		734	48.250

**IN TOTAL:
7 NEW STAGES AND 2 NEW
PROJECTS COMPRISING 734
UNITS**

IV.

FINANCIAL RESULTS REVIEW

FOR PERIOD ENDED 30 JUNE 2021

P&L HIGHLIGHTS

	1-6/2021	1-6/2020	y/y change	y/y difference
Revenue from residential projects and services	246,9	253,1	-2%	-6,2
Revenue from sale of land	0,0	0,0	n.a	0,0
Total Revenue	246,9	253,1	-2%	-6,2
Cost of sales of residential projects	-203,3	-186,3	9%	-17,0
Gross profit	43,6	66,8	-35%	-23,2
Selling and marketing expenses	-2,5	-2,9	-13%	0,4
Administrative expenses	-11,2	-12,6	-11%	1,4
Share of profit/(loss) from joint ventures	-0,2	-0,5	-66%	0,3
Net other income/(expense)	0,0	0,0	n.a	0,0
Operating profit/(loss)	29,7	50,7	-41%	-21,1
Net finance expense	-1,9	-2,2	-13%	0,3
Profit/(loss) before tax	27,8	48,5	-43%	-20,8
Income tax benefit/(expenses)	-5,8	-7,9	-26%	2,1
Net profit/(loss)	21,9	40,6	-46%	-18,7
Profit/(loss) for the period attributable to equity holders of the parent	21,9	40,6	-46%	-18,7
Gross margin	17,7%	26,4%	n.a.	n.a.
Net Margin	8,9%	16,1%	n.a.	n.a.

P&L HIGHLIGHTS ON Y/Y BASIS DURING THE PERIOD ENDED 30 JUNE 2021

- **Revenue decreased of 2%** - decreased by **PLN 6.2 m**, which is primarily explained by a **decrease of 155 apartments** delivered to the customers **in projects 100% owned by the company** (delivered 445 units compared to 600 units in HY 2020).
- **Cost of sales increased 9%** - increased by **PLN 17.0 m**, which is primarily explained by Delivered units in projects with lower profitability (average gross margin of 17.7% compared to 26.4% in HY 2020) **in projects 100% owned by the Company**.
- **Gross profit on residential projects PLN 43.6 m decreased of 35%** decreased by PLN 23,2 m. In HY 2021 the project **Ursus Ia contributed 21%**, **Vitalia III contributed 19%** and **Miasto Moje III contributed 12%** to the gross profit.
- **Gross margin** during HY 2021 was **17,7%** and decreased comparing to **26.3%** during HY 2020. The main projects effecting the gross margin are **Ursus Ia** and **Vitalia III with the margin of 18%**, while during the HY 2020 the most profitable project was **City Link III with the margin 38.3%**.
- **Administrative expenses** decreased by **PLN 1.4m (11%)** due to savings on personal expenses and consulting services.
- **Finance expenses** decreased by PLN 0.3 m, which is primarily explained by lower interest rates during the period ended on 30 June 2021 comparing to the period ended on 30 June 2020 and partially offset by higher bonds borrowing compared to the six months ended on 30 June 2020.

P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN

PERIOD ENDED 30 JUNE 2021

UNITS DELIVERED / REVENUE / GROSS MARGIN

Project	Location	1Q2021		2Q2021		Revenues		Gross margin / profit		Contribution		Average price per unit
		Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m	in revenues	in gross profit	
Ursus Centralny Ia	Warsaw	0	0,0	123	50,5	123	50,5	17,9%	9,1	20%	21%	0,410
Vitalia III	Wrocław	65	35,7	16	10,0	81	45,7	18,1%	8,3	19%	19%	0,564
Miasto Moje III	Warsaw	81	28,0	13	5,5	94	33,5	15,4%	5,2	14%	12%	0,357
Nova Królikarnia 3a	Warsaw	0	0,0	19	23,5	19	23,5	15,0%	3,5	10%	8%	1,239
Nova Królikarnia 3b	Warsaw	2	2,3	19	21,1	21	23,4	11,0%	2,6	9%	6%	1,112
Nova Królikarnia 2c	Warsaw	4	9,1	5	12,6	9	21,7	11,2%	2,4	9%	6%	2,408
Grunwald2	Poznań	15	7,4	12	6,3	27	13,7	23,2%	3,2	6%	7%	0,508
Nowe Warzymice I	Szczecin	0	0,0	38	12,7	38	12,7	18,0%	2,3	5%	5%	0,334
City Link III	Warsaw	2	2,1	5	6,0	7	8,1	40,4%	3,3	3%	7%	1,152
Panoramika V	Szczecin	5	1,8	8	3,9	13	5,7	5,8%	0,3	2%	1%	0,437
Other*		11	6,5	2	2,0	13	8,5	n.a.	1,3	3%	3%	0,652
Total excluding JV		185	92,8	260	154,1	445	246,9	16,8%	41,4	100%	95%	0,555
Write-off adjustment									2,2		5%	
Result		185	92,8	260	154,1	445	246,9	17,7%	43,6	100%	100%	0,555

* Other revenues:

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

BALANCE SHEET DATA

- **Inventory - decreased by PLN 63.4 m** is primarily explained by the recognized costs of sales in the total amount of PLN 203.6 million. The decrease is partly offset by purchases of land during the six months ended 30 June 2021 in the amount of PLN 35.9 million and investments in direct construction costs for a total amount of PLN 102.7 million.
- **Short-term and long-term loans and borrowings increased by PLN 45.1 m.** The increase in loans and borrowings is primarily explained by the effect of proceeds from issuing series W bonds in amount of PLN 100.0 million and repayment of the bonds series R & U in the total amount of PLN 55.0 million. Of the mentioned PLN 275.1 million, an amount of PLN 77.7 million comprises facilities maturing no later than 30 June 2022.
- **Advances received - decrease by PLN 8.8 m** is primarily explained by the revenues recognized from the sale of residential units for a total amount of PLN 246.4 million during the six months ended 30 June 2021, partially offset by advances received from clients regarding sales of units during the period ended 30 June 2021 for a total amount PLN 237.8 million.
- **Other assets - increase by PLN 58.9 m** is primarily explained by increase in advances for land in the amount of PLN 25.2 m and increase on cash on MRP account in amount of PLN 25.1 m.

RATIOS AS AT THE END OF JUNE 2021

NET DEBT / EQUITY: 24.4%

NET DEBT / EQUITY: 14.6%(*)

*calculated in accordance to the bond covenants

BALANCE SHEET (PLN M)

	As at 30-Jun-21	As at 31-Dec-20	Change
Inventory and Residential landbank	646.9	710.2	-63.4
Cash and cash equivalents	178.9	135.1	43.8
Other assets	151.3	92.4	58.9
Total Assets	977.2	937.8	39.4
Loans and borrowings	275.1	230.1	45.1
Advances received	215.4	224.3	-8.8
Interest bearing payables	1.7	8.5	-6.8
Other liabilities	70.9	80.6	-9.7
Lease liabilities related to perpetual usufruct of land	12.3	14.5	-2.2
Total liabilities	575.5	558.0	17.6
Equity attributable to the parent	401.6	379.8	21.8
Net Debt	97.9	103.5	-5.5
Net debt / Equity	24.4%	27.2%	n.a.
Net debt (including cash on MRP) / Equity	14.6%	23.5%	n.a.
Net debt / Total Assets	10.0%	11.0%	n.a.
Net assets per share (PLN)	2.45	2.32	n.a.

CASH FLOW DURING THE PERIOD ENDED 30 JUNE 2021

OVERVIEW OF CASH FLOW RESULTS

	During the period ended 30 June	
	2021	2020
	PLN (thousands)	
Cash flow from/(used in) operating activities	7,863	10,741
Cash flow from/(used in) investing activities	0	(1,173)
Cash flow from/(used in) financing activities	35,968	(25,359)

- **Operating CF was positive** and amounted to PLN 7.9 m PLN (30 June 2020: 10.7 m PLN). The decrease was primarily explained by:

- higher net cash outflow due to payments for purchase of landbank (including advances and notary deposits) in the total amount of PLN 64.5 million in the period ended 30 June 2021 in comparison to the period ended 30 June 2020 whereas the Company paid PLN 39.9 million (including payments for Nova Królikarnia project);

- higher payment of corporate income tax amount to PLN 13 million during the period ended 30 June 2021 in comparison to PLN 1.7 million for the period ended 30 June 2020;

- higher cash outflow due to decrease in trade accounts payable in the amount PLN 1.9 million in the period ended 30 June 2021 in comparison to cash inflow in amount PLN 8.0 million in the period ended 30 June 2020;

- increase in other current financial assets (money received in escrow account) from clients of PLN 25 million;

The above negative effect on the operational cash flow was partly offset by:

- increase in advance received from clients of PLN 237.7 during the period ended 30 June 2021 comparing to advances from clients in the amount of PLN 170.6 million received during the period ended.

- **Financing CF was positive** and amounted to 36.0 m PLN (30 June 2020: -25.4 m PLN). The increase was primary explained by:

- a net inflow of bond loans amounting to PLN 43.7 million during the six months ended 30 June 2021 compared to net repayment of bond loans amounting to PLN 10.0 million during the six months ended 30 June 2020;

- a net repayment of secured bank loans amounting to PLN 12.5 million during the six months ended 30 June 2020, while there was no repayments in the period ended 30 June 2021;

- a net repayment of loans from others amounting to PLN 6.6 million during the six months ended 30 June 2021 compared to repayment in amount of PLN 1.5 million during the six months ended 30 June 2020.

INVENTORY AS AT 30 JUNE 2021

PERIOD ENDED 30 JUNE 2021

Type	Units	PLN m
Finished goods	121	85.3
Ongoing projects	1,386	233.6
Land bank*	4,208	315.5
Perpetual usefruct rights**	-	12.6
Total***	5,715	646.9

* 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 46.9 m presented as non-current assets

** Implementation of the IFRS 16

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

FINISHED PROJECTS

Comprising: **121 units**, of which 87 units are already sold.

ONGOING PROJECTS (73,900 PUM), OF WHICH:

10 projects / stages under construction and/or on sale total of 1,386 units, of which 973 are already sold:

Miasto Moje IV-V, Panoramika VI, Ursus Centralny IIa, Ursus Centralny Ib, Ursus Centralny IIb, Viva Jagodno I-IIa, Grunwaldzka and Nowe Warzymice II.

ATTRACTIVE BANK OF LANDS (4 208 UNITS, 267,052 PUM)

Categorised by city:

Warsaw	2,914 units;	178,692 PUM
Poznań	574 units;	38,010 PUM
Wrocław	132 units;	7,651 PUM
Szczecin	588 units;	42,698 PUM

Categorised by book value per PUM:

Below	PLN 1,000	203,044 PUM (76%)
Between	PLN 1,000–2,000	41,094 PUM (15%)
Over	PLN 2,000	22,913 PUM (9%)

COMPLETED PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2021

- As of end of June 2021, there were 87 units completed and sold that were not delivered to the customers, and 34 which are available for sale. Total value of pre-sold units amounted to **PLN 77.3 m**. It shall be expected that majority of those units will be delivered to the customers during **2021**.

Name of project	Signed contracts		Units for sale	Units in total
	(PLN m)	Units (no.)	(no.)	(no.)
Grunwald2	1,5	3	2	5
Nova Królikarnia 2c	5,4	2	0	2
City Link III	7,7	7	0	7
Miasto Moje III	1,4	3	1	4
Panoramika V	2,9	6	1	7
Młody Grunwald I-III	2,1	3	5	8
Nova Królikarnia 3a	12,1	10	2	12
Nova Królikarnia 3b	1,5	1	1	2
Nova Królikarnia 3c	28,1	23	0	23
Ursus Centralny Ia	6,5	14	1	15
Nowe Warzymice I	2,7	7	9	16
Other (old) projects	5,2	8	12	20
Total	77,3	87	34	121

DEBT POSITION AS AT 30 JUNE 2021

	PLN m
Bond loans	275.1
Bank loans	0.0
Interest bearing trade payables*	1.7
Total	276.8

BANK LOANS

As at 30 June 2021 the Company did not use any bank loans lines.

* 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%.

BOND DEBT

Seria	Catalyst Ref. No.	Nominal value (PLN)	Nominal interest	Coupon	Issue date	Maturity date
T	RON 0522	50,000,000	WIBOR 6M + 3,50%	semi-annually	2018-05-07	2022-05-09
U*	RON 0123	25,222,050	WIBOR 6M + 3,50%	semi-annually	2019-01-31	2023-01-31**
V	RON 0424	100,000,000	WIBOR 6M + 4,30%	semi-annually	2020-10-02	2024-04-02***
W	RON 0425	100,000,000	WIBOR 6M + 4,00%	semi-annually	2021-04-15	2025-04-15****
Total		275,222,050				

* The tranche U bonds are secured with the mortgage.

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

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

**** 40% mandatory depreciation at the end of 7 th interest period (on 15 October 2024)

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 2021 amounted to PLN 275.1 m (as at 31 December 2020: PLN 230.1 m) comprising a bond loan principal amount of PLN 275.2 m plus accrued interest of PLN 2.7 m minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (2.8 mln PLN).

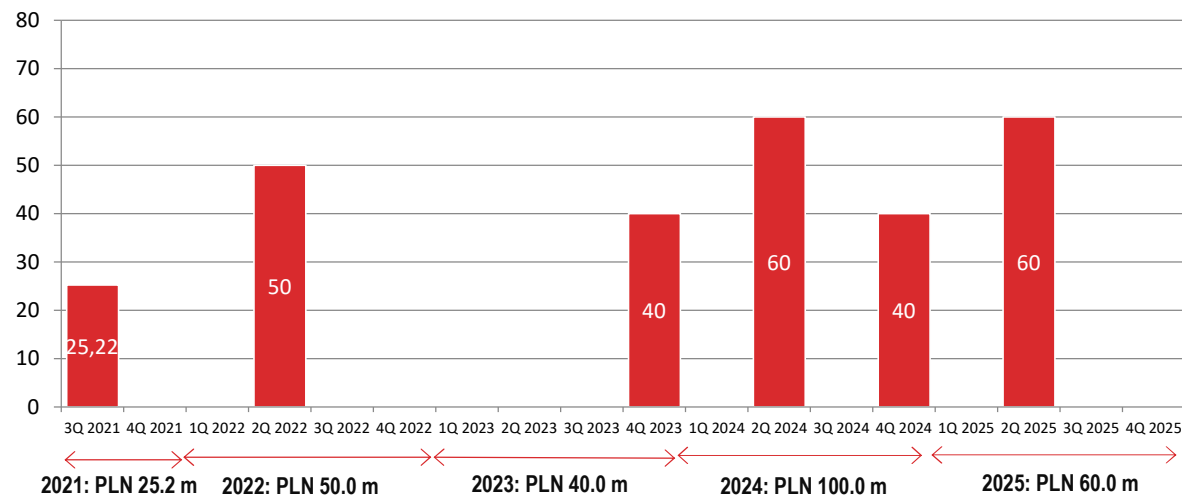
DEBT POSITION AS AT 30 JUNE 2021

BOND MATURITY (PLN M / QUARTERLY)

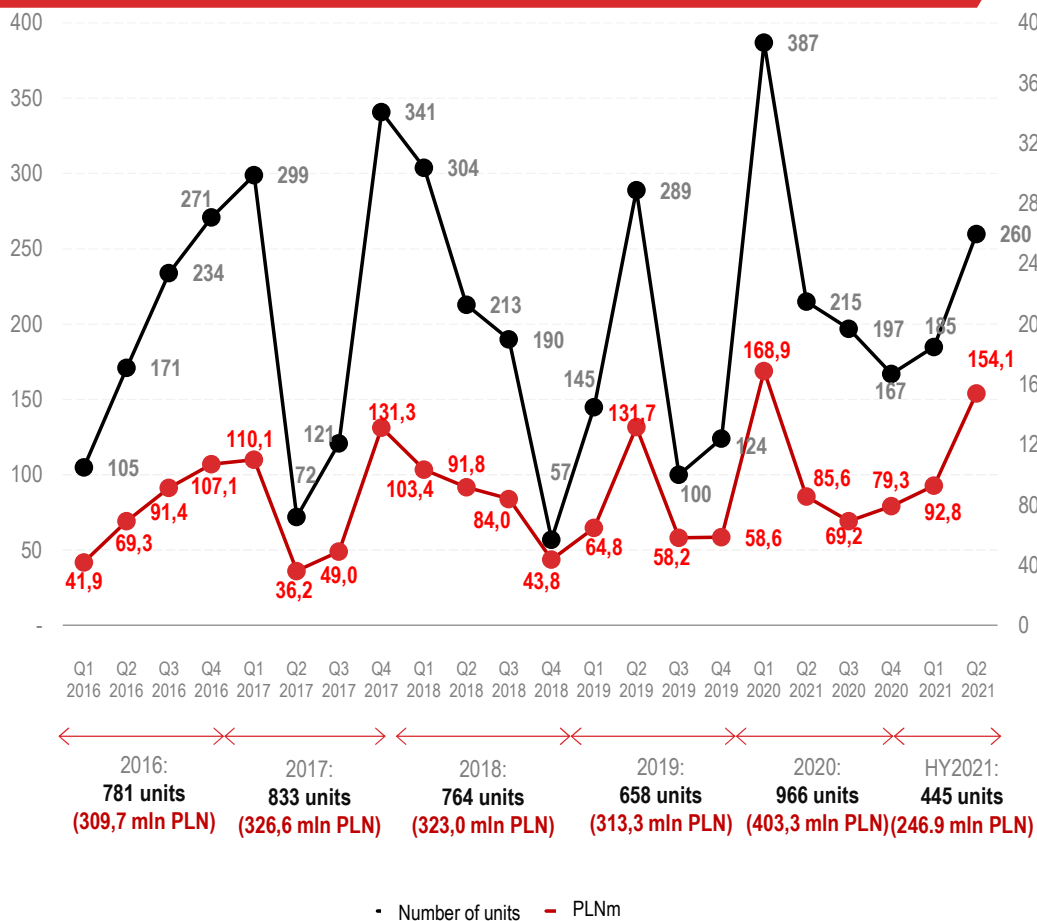
	PLN m
Bond loans	275.1
Bank loans	0.0
Interest bearing trade payables*	1.7
Total	276.8

* 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%.

Bond debt maturity (PLN m)



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 30.06.2021. It is worth mentioning that out of 1093 units sold in Ongoing projects, **720 units** with the value of **PLN 293.2 million**, represent the total amount of sold units which **projects are scheduled to be finished till the end of 2021**.

UNITS SOLD BUT NOT DELIVERED (1 180 UNITS AND PLN 522.4 MILLION IN TOTAL)

Finished projects	Units	mln PLN	Ongoing projects	Units	mln PLN
Grunwald2	3	1,5	Ursus Centralny IIa	250	104,99
Nova Królikarnia 2c	2	5,4	Viva Jagodno I	118	42,97
City Link III	7	7,7	Viva Jagodno IIa	3	0,98
Miasto Moje III	3	1,4	Miasto Moje IV	157	56,18
Panoramika V	6	2,9	Panoramika VI	75	23,14
Młody Grunwald I-III	3	2,1	Ursus Centralny Ib	85	40,57
Nova Królikarnia 3a	10	12,1	Miasto Moje V	141	50,86
Nova Królikarnia 3b	1	1,5	Nowe Warzymice II	58	18,67
Nova Królikarnia 3c	23	28,1	Ursus Centralny IIb	70	35,47
Ursus Centralny Ia	14	6,5	Grunwaldzka	16	5,36
Nowe Warzymice I	7	2,7	Wilanów Tulip	120	65,88
Other (old) projects	8	5,2			
Total	87	77,3	Total	1093	445,1

Q&A SESSION

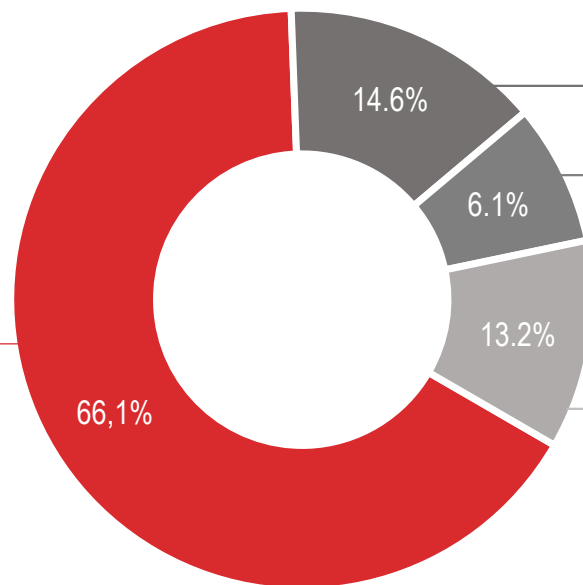
APPENDIX

SHAREHOLDER STRUCTURE AS AT 30 JUNE 2021



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
(0.96%)

* Indirectly by ITR Dori BV

** Based on publicly available information

THANK YOU