

Record year 2021 for RONSON Development in terms of deliveries and financial results

- **Record number of 1.007 units delivered in 2021 (+4% yoy), 877 units sold vs 918 in 2020**
- **Revenues from residential projects and services at the level of PLN 458.4 million in 2021, +14% yoy, gross margin from residential projects at the level of 19.4% in 2021 with contribution from diversified projects vs 21.8% in 2020 steamed by high-profitable City Link III project**
- **Operating profit at the level of PLN 59.2 million (+7% yoy; with contribution of profits from joint ventures), net profit at the level of PLN 40.3 million in 2021, +1% yoy**
- **Sound cash position at the end of 2021 (PLN 133.4 million, comparable yoy) and safe level of net debt/equity ratio (25.8 calculated in accordance with bank covenants)**
- **Expansion of land bank with 16 new plots in 2021 (final and preliminary agreements) – secured land bank for 5.142 units as of the end of the year (incl. 181 units in the PRS segment)**
- **8 new stages and 5 new projects comprising 1.123 units planned for commencement in 2022**
- **Introduction of a new business segment - PRS**

RONSON Development, one of the leading and significant real estate developers in Poland, published FY 2021 financial report. Company's revenue from residential projects and services amounted to PLN 458.4 million, +14% yoy (a record number of 1.007 units were delivered, +4% yoy). Gross margin from residential projects was 19.4% vs 21.8% 2020. It should be noted that gross margin in 2020 was influenced by high-profitable City Link III project (38.3% margin), which has further effect on operating profit and net profit dynamics yoy. On the other hand, in 2021 profits from joint venture projects in the amount of PLN 5.8 million were recognized. As a result of the abovementioned operating profit in 2021 amounted to PLN 59.2 million (+7% yoy) and net profit came at PLN 40.3 million (+1% yoy).

Majority of Company's revenues in 2021 came from Nova Krolikarnia 4 stages 22% , Ursus Centralny Ia project (11%), Vitalia III (9%), Miasto Moje IV (9%) and Viva Jagodno I (8%). Contrary to 2020 in 2021 contribution of gross profit came from several projects with highest share of Nova Krolikarnia 4 stages 15%, Miasto Moje III (14%), Viva Jagodno I (11%) Ursus Centralny 1a (10%) and Vitalia III (8%).

In 2021 RONSON Development sold 877 units (vs 918 in 2020). The main sales drivers in this period were Ursus Centralny (238) Miasto Moje (208), Nowe Warzymice (127), Viva Jagodno (106), Wilanów Tulip (48) and Panoramika (46).

2021 was another successful year for RONSON. We sold a solid number of almost 900 units, which was in line with our budget assumptions and close to the number reported for 2020, record in our history. Our goal for 2021 was not to break another sales record, but to adjust the pace of sales to changing market conditions, especially in terms of costs. On the other hand, when it comes to deliveries - we delivered over one thousand units, which was the largest number in RONSON's history. As a result, we can boast of very good financial results for 2021. The past year was very busy for the entire industry and RONSON was no exception - we commenced 7 projects (including new projects and new stages of ongoing projects) comprising 1.012 units and completed 11 projects comprising 1.122 units. We continue the high pace of development, while analyzing the changing market environment on an ongoing basis. We purchased (final and preliminary agreements) 16 new plots to secure our future operations – two of them are dedicated to our new pillar of business, which is PRS. In our opinion, the macroeconomic and demographic situation in Poland will support the development of this segment of the market in the coming years and we are happy to be a part of this trend - says Boaz Haim, CEO of RONSON Development.

As of the end of 2021 RONSON had 785 units offered for sale.

With the strong demand we dealt with for most of the last year, the challenge was to properly manage the sales offer so that it was vast and attractive, but at the same time corresponded to the changes taking place in the cost environment. Thanks to RONSON's experience and flexibility, we are able to successfully operate in a dynamic business environment - we maintained a high pace of sales, rebuilding the shrinking offer and intensively increasing the land bank at the same time. As of the end of 2021 we had a secured land bank for approx. 5.142 apartments. This year we intend to commence 5 new projects and 8 new stages of ongoing projects, comprising 1.123 units – says Andrzej Gutowski, Vice-President and Sales Director at RONSON Development.

As of the end of 2021 the Company had 891 units sold but not delivered - 600 units in ongoing projects (out of which 524 are scheduled to be finished in 2022) and 291 in finished projects.

As a result of the record number of deliveries in 2021, we achieved a 14% increase in revenues from residential projects and services yoy. Our gross margin generated by our core operations was 19.4% in 2021 - what is worth mentioning, it comes from a mix of several projects, while in 2020 the main trigger of the margin was City Link III, therefore the comparison of gross margin yoy remains under pressure of high base effect. Operating profit for 2021 came at PLN 59.2 million, which is +7% yoy, with a positive effect of recognition of our joint venture project Wilanów Tulip and net profit for the year was PLN 40.3 million (+1%). Thanks to very good financial results and a strong cash position, we are able to carry out a large number of projects simultaneously and conclude numerous land purchase transactions, while maintaining a safe level of net debt to equity ratio – comments Yaron Shama, RONSON Development's Vice-President and CFO.

About RONSON Development

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

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

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

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

RONSON is also the recipient of numerous prestigious awards from stock market analysts and investors. In 2013, the company placed 1st in the "Investor Relations" category of the Listed Company of the Year ranking hosted by daily Puls Biznesu. In 2017, the Company's website received the Issuer's Golden Website award in a competition organized by the Polish Association of Listed Companies. In 2020, the Company was at the forefront of the National Ranking of the Best Housing Developers 2020, organized by the Strefa Gospodarki magazine of Dziennik Gazeta Prawna. In 2021, the Company was awarded the title of Business Superbrands 2021.

Follow RONSON Development on [Facebook](#), [Instagram](#), [Twitter](#) and [LinkedIn](#).

Additional information:

Katarzyna Sadowska

cc group

+48 697 613 020

katarzyna.sadowska@ccgroup.pl