



**Presentation - HY 2022 results**

11 AUGUST 2022

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# MANAGEMENT



**BOAZ HAIM - CEO**

Serves as CEO of the Company since November 2019 and as a board member of the Company since April 2019. Prior to that, he was a partner in the law firm of Keinan, Haim & Co.



**YARON SHAMA - CFO**

Serves as the Company's CFO as of February 2020, Prior to that, he served as CFO of Bellport Corp. Has experience in various managerial positions in real estate companies in Poland.



**KAROLINA BRONSZEWSKA - MARKETING AND INOVATION DIRECTOR**

In Ronson from 2007 working as Marketing Manager Since 2021 she was appointed Marketing and Innovation Director of the company. Prior to that, a real estate consultant at Ober-Haus Real Estate.



**ANDRZEJ GUTOWSKI - SALES DIRECTOR**

In Ronson since 2003, appointed as director of marketing and sales for the Company, before that he served as marketing director and board member of the Emerson consulting agency.



As of March 2022, Ronson is fully owned by the Luzon Group - which is led by the owner, CEO and director Amos Luzon.



# COMPANY OVERVIEW



## COMPANY SUMMARY

### 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:

**9** projects  
ongoing

and

**4** completed projects  
offered for sale

(at 30 June 2022 Ronson offer 1,581 units)

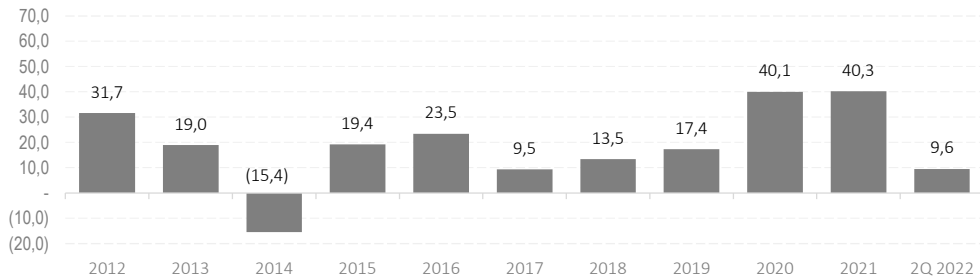
**20** further  
projects

in preparation for around 4,756 units

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

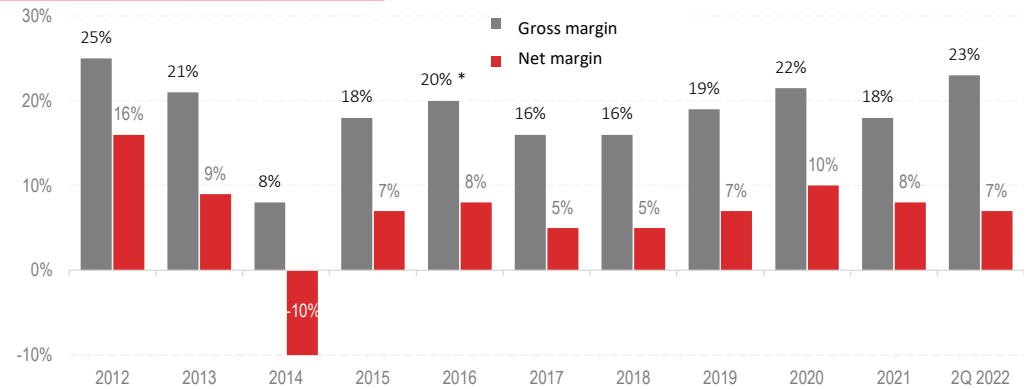
# COMPANY HIGHLIGHTS (BASED ON COMPANY'S FINANCIAL STATEMENTS)

## NET PROFIT (PLN MILLION)



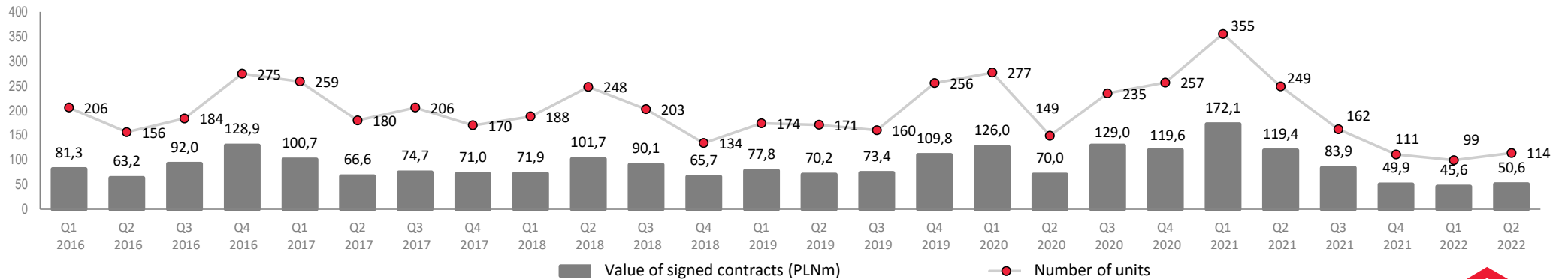
\* Excluding one time event of selling Nova Krolikarnia (net profit PLN 41 million)

## MARGINS (%)



\* Excluding one time event of selling Nova Krolikarnia

## 213 UNITS SOLD DURING HY 2022





# **BRIEF SUMMARY OF COMPANY'S ACHIEVEMENTS DURING HY 2022**



# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

	1-6/2022	1-6/2021	FY 2021
Pre-sales	↓ <b>213</b> units (PLN 96.1 m)	<b>604</b> units (PLN 291.5 m)	<b>877</b> units (PLN 425.3 m)
Deliveries *	↓ <b>360</b> units (PLN 151.7 m)	<b>445</b> units (PLN 246.9 m)	<b>1,007</b> units (PLN 526.0 m)
Commenced Projects	↑ <b>1,009</b> units	<b>430</b> units	<b>1,012</b> units
Completed Projects	↓ <b>66</b> units	<b>350</b> units	<b>1,122</b> units
Net Profit	↓ <b>9.8</b> m PLN	<b>21.9</b> m PLN	<b>40.3</b> m PLN
Net debt to equity **	↑ <b>45.8%</b>	<b>24.4%</b>	<b>27.9%</b>

\* Including delivery of 21 units (14.0 m PLN) in HY 2022 and delivery of 122 units (67.6 m PLN) in YE 2021 in Wilanów Tulip (company share 50%)

\*\* not including money on escrow account



# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

- **Sale of 213 units :**

Ursus Centralny – 66 units

Miasto Moje – 60 units

Viva Jagodno – 40 units

Nowe Warzymice – 22 units

Wilanów Tulip – 9 units

Nowa Północ – 5 units

Grunwaldzka – 4 units

Other projects – 7 units

- **Delivery of 360 units** (for details see slide „P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN”)

- **Commencement of 8 Projects Sale / Construction 1,009 units**

- **Start of Sales and Construction**

- **Nowe Warzymice IV** on February of **75** units with total area of **3,818 m<sup>2</sup>**

- **Eko Falenty I** on March of **42** units with total area of **4,304 m<sup>2</sup>**

- **Nowa Północ Ia** on June of **110** units with total area of **5,230 m<sup>2</sup>**

- **Osiedle Vola** on June of **84** units with total area of **4,851 m<sup>2</sup>**

- **Start of sales**

- **Miasto Moje VII** on June of **243** units with total area of **11,740 m<sup>2</sup>**

- **Między Drzewami** on June of **117** units with total area of **5,803 m<sup>2</sup>**

- **Viva Jagodno III** on June of **58** with total area of **3,140 m<sup>2</sup>**

- **Ursus Centralny IIe** on June of **280** units with total area of **16,246 m<sup>2</sup>**

- **Completion of Nowe Warzymice II project – 66 units** with total area **3,492 m<sup>2</sup>**



# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

## • Projects Financing

- Credit Agreement for financing Miasto Moje VI for the aggregated value of **PLN 59.6 m (January 2022)**
- Credit Agreement for financing Ursus Centralny IIc for the aggregated value of **PLN 61.9 m (April 2022)**

## • Agreements for construction works

- **Nowe Warzymice IV** – agreement with EBUD for **PLN 16.8 m**
- **Eko Falenty I** – agreement with Techbau for **PLN 19.15 m**
- **Osiedle Vola** – agreement with Leancon for **PLN 32.5 m**

## • Building permit

- **Nowe Warzymice IV** – valid building permit received 22 January 2022
- **Między Drzewami** – valid building permit received 15 March 2022
- **Osiedle Vola** – valid building permit received 15 April 2022
- **Nowa Północ I** – valid building permit received 21 April 2022
- **Nova Królikarnia 4b1** – valid building permit received 2 May 2022

## • Occupancy Permit

- **Nowe Warzymice II** - occupancy permit received 5 April 2022.

# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

- **Repayment of Bonds**

- On 9 May 2022 the Company fully repaid Bonds T with a total amount of **PLN 51.13 Million** (including accrued interest).

- **SAFE Agreements**

- On 30 January 2022 and 22 February 2022, the Company entered into 5 separate SAFE agreement ("SAFE") with an institutional Israeli investors ("The Investors") raising a total of **ILS 60 million** (the "SAFE Amount") which for the date of transaction amount to **PLN 74.6 million**. One of the condition in which the Investors will transfer the SAFE amounts to the Company is that the Company Luzon Group completed the purchase of all Ronson Shares and applying for delisting Ronson shares from Warsaw stock exchange. Until 30 June 2022 all conditions has been fulfilled and the full amount has been transferred to Company's account.

- **Withdrawal of the Company's shares from trading on the regulated market**

- On 9 March 2022, the Company submitted an application to the Polish Financial Supervision Authority for authorization to withdraw the Company's shares from trading on the regulated market. On 14 April 2022 the Polish Financial Supervision Authority issued a consent to the withdrawal of the Company's shares from trading on the market regulated by the Warsaw Stock Exchange S.A. ("WSE") as of 28 April 2022. The respective resolution was also adopted by the Management Board of WSE on 25 April 2022.

# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

## Purchase of land:

### Preliminary agreements signed until 30 June 2022

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 30 June 2022 (PLN million)	Number of units	Potential PUM
Warsaw, Białołęka <sup>(1)</sup>	preliminary	23 Nov 2020	20.0	13.4	432	20,700
Warsaw, Ursus	preliminary	17 Jan 2021	140.0	10.0	1,860	100,000
Warsaw, Targówek	preliminary	2 June 2021	14.0	4.0	125	6,875
Warsaw, Ochota	preliminary	10 Aug 2021	7.1	7.1	67	3,700
Warsaw, Bemowo	preliminary	16 Oct 2021	19.4	5.0	119	6,400
Warsaw, Wola <sup>(2)/(3)</sup>	preliminary	23 Dec 2021, 15 Jun 2022	23.4	-	570	18,790
Warsaw, Włochy	preliminary	30 Dec 2021	16.0	2.0	142	8,400
Warsaw, Bielany <sup>(3)</sup>	preliminary	21 Mar 2022	11.0	1.1	242	4,559
<b>Total</b>			<b>250.9</b>	<b>42.6</b>	<b>3,557</b>	<b>169,424</b>

(1) part of the paid price in the amount of PLN 5.9 million is related to final purchase agreements signed regarding plots related to this project, on 2 August 2022 the Company signed an agreement increasing the purchase price for the land up to PLN 24.7 mio

(2) The agreement value is EURO 5.0 million converted to PLN as at 30 June 2022

(3) The land designated for PRS activity

### Final agreements signed during the period ended 30 June 2022

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 30 June 2022 (PLN million)	Number of units	Potential PUM
Warsaw, Stojowskiego	final	11 Aug 2021, 11 Jan 2022	16.9	16.9	191	11,000
Warsaw, Białołęka	final	28 Oct 2021, 13 Jan 2022	51.4	51.4	897	42,700
Warsaw, Bemowo	final	22 Feb 2022	25.9	25.9	148	8,100
Warsaw, KEN	final	29 Mar 2022	11.9	11.9	94	5,700
Warsaw, Marynin <sup>(1)</sup>	final	15 Jun 2022	9.0	9.0	101	12,500
<b>Total</b>			<b>115.1</b>	<b>115.1</b>	<b>1,431</b>	<b>80,000</b>

(1) The land designated for PRS activity

# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

## RECENT DEVELOPMENTS (AFTER 30 JUNE 2022)

- **Occupancy permit**
  - **Ursus Centralny Ib**- occupancy permit received 5<sup>th</sup> July 2022.
- **Acquisition of land :**
  - On 2<sup>nd</sup> Augusts 2022 the Company (via its subsidiary) signed a preliminary agreement concerning the purchase of the ownership rights of a plot of land located in Wroclaw, with an area of c.a. 0.1 ha. Net price was preliminary established in amount of PLN 9 million.
  - On 2<sup>nd</sup> August 2022 the Company (via its subsidiary) signed a preliminary agreement concerning the purchase of the ownership rights of a plot of land located in Warsaw, Białołęka district, with an area of c.a. 1.2 ha. Net price was preliminary established in amount of PLN 9 million as part of it purchases which the Company started in 23 November 2021.
- **Financing of the projects**
  - On 15 July 2022 the Company (via its subsidiaries) signed agreements for bank loans for Nowe Warzymice IV project in amount up to PLN 20.0 million and for Viva Jagodno IIb in amount up to PLN 38.9 million.
- **Agreements for construction works**
  - On 28 July 2022 the Company (via its subsidiary) signed an agreement with EBUD (General contractor) for construction works for Nowa Północ IA consisting of residential building (110 residential units) together with underground parking, land development and technical infrastructure. The fee for the General contractor under this agreement will amount to PLN 26.0 million.



**BRIEF SUMMARY ON COMPANY'S SALES  
AND PROJECTS FOR HY 2022  
& OUTLOOK FOR THE REMAINDER OF 2022**

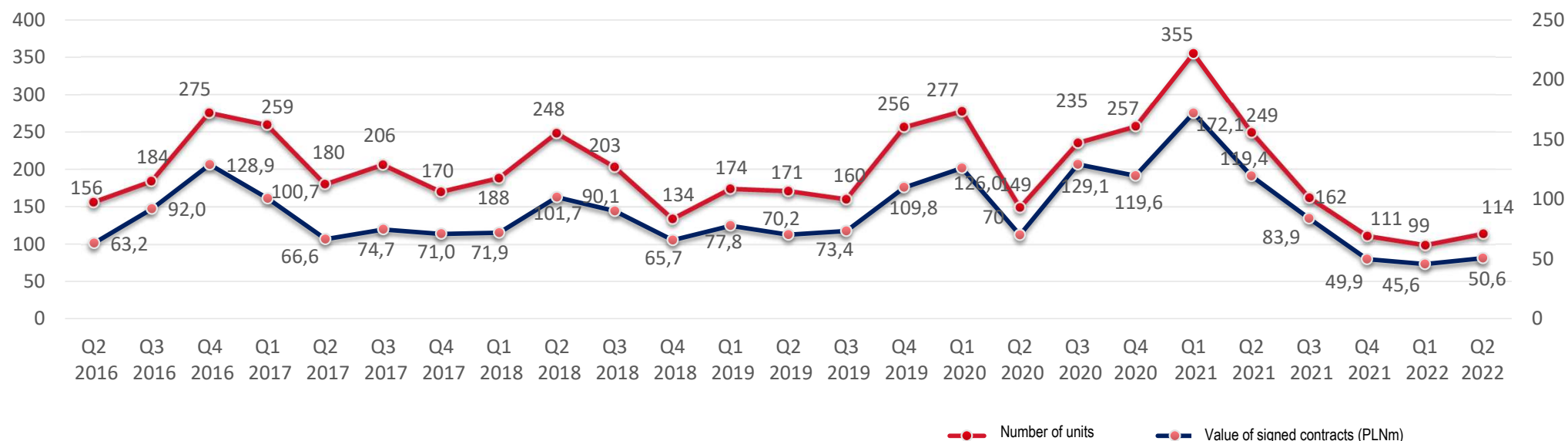


# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

## QUARTERLY AND YEARLY SALES

### 213 UNITS SOLD DURING HY 2022

- **Total number of units sold** during the 2Q of 2022 amounted to **213**, as compared to **604** units sold during the 2Q of 2021.
- Best-selling projects were: **Ursus Centralny** (66 units) and **Miasto Moje** (60 units), **Viva Jagodno** in Wroclaw (40 units) and **Nowe Warzymice** in Szczecin (22 units).
- **The average price** of apartments sold during 2Q 2022 amounted to **PLN 451 thousand**, which was lower than the average price of apartments sold during the 2Q 2021 (PLN 483 thousand). The decrease of the average price was due to the fact that in 2021 the Company sold units in Nova Królikarnia project with high selling price per unit.



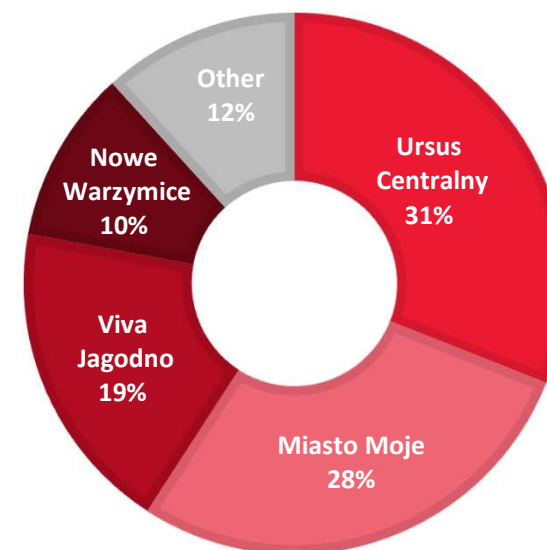
# COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2022

## QUARTERLY AND YEARLY SALES

**213 UNITS SOLD DURING HY 2022**

Completed projects	Completion date	1Q 2022	2Q 2022	1-6/2022
Miasto Moje IV	Q4 2021	-	5	5
Nowe Warzymice I	Q2 2021	2	2	4
Wilanow Tulip (under JV – 50%)	Q3 2021	8	1	9
Other	before 2021	1	3	4
<b>Completed projects total</b>		<b>11</b>	<b>11</b>	<b>22</b>
Ongoing projects		1Q 2022	2Q 2022	1-6/2022
Miasto Moje V		2	1	3
Miasto Moje VI		19	31	50
Ursus Centralny III (Ib)		2	6	8
Ursus Centralny IV (2b)		9	5	14
Ursus Centralny V (2c)		32	6	38
Viva Jagodno IIa		5	3	8
Viva Jagodno IIb		9	20	29
Nowe Warzymice III		4	2	6
Nowe Warzymice IV		6	6	12
Grunwaldzka		-	4	4
Eko Falenty I		-	1	1
Osiedle Vola		-	2	2
Viva Jagodno III		-	3	3
Miasto Moje VII		-	2	2
Ursus Centralny VI (2e)		-	5	5
Nowa Północ Ia		-	5	5
Między Drzewami		-	1	1
<b>Ongoing projects total</b>		<b>88</b>	<b>103</b>	<b>191</b>
<b>Total</b>		<b>99</b>	<b>114</b>	<b>213</b>

**SALES HY 2022**





## (1/4) ONGOING PROJECTS

2,288 UNITS UNDER CONSTRUCTION WITH 124,127 M<sup>2</sup>, OF WHICH 1,568 UNITS ARE IN WARSAW



Project Name	URSUS CENRTALNY IB	URSUS CENRTALNY IIB	URSUS CENRTALNY IIC	URSUS CENRTALNY IIE
Location	Warsaw, Ursus	Warsaw, Ursus	Warsaw, Ursus	Warsaw, Ursus
Start date	Q4 2020	Q1 2021	Q4 2021	Q1 2023*
End date	Q3 2022	Q4 2022	Q2 2023	Q2 2025*
Area	5,740 m <sup>2</sup>	11,758 m <sup>2</sup>	11,124 m <sup>2</sup>	16,246 m <sup>2</sup>
Units	97	206	219**	280

\* Project which the Company started the sales but did not start the construction

\*\* 105 units are designated for PRS activity of the Company of an aggregate floor space of 4,935 m<sup>2</sup>.

## ONGOING PROJECTS (2/4)

2,288 UNITS UNDER CONSTRUCTION WITH 124,127 M<sup>2</sup>, OF WHICH 1,568 UNITS ARE IN WARSAW



Project Name	MIASTO MOJE V	MIASTO MOJE VI	MIASTO MOJE VII	EKO FALENTY I	OSIEDLE VOLA
Location	Warsaw, Białołęka	Warsaw, Białołęka	Warsaw, Białołęka	Falenty Nowe	Warsaw, Wola
Start date	Q4 2020	Q3 2021	Q1 2023*	Q1 2022	Q2 2022
End date	Q3 2022	Q2 2023	Q1 2025*	Q3 2023	Q4 2023
Area	8,600 m <sup>2</sup>	11,722 m <sup>2</sup>	11,740 m <sup>2</sup>	4,303 m <sup>2</sup>	4,851 m <sup>2</sup>
Units	170	227	243**	42	84

\* Project which the Company started the sales but did not start the construction

\*\*160 units are designated for PRS activity of the Company of an aggregate floor space of 7,349 m<sup>2</sup>

## ONGOING PROJECTS (3/4)

2,288 UNITS UNDER CONSTRUCTION WITH 124,127 M<sup>2</sup>, OF WHICH 473 UNITS ARE IN WROCŁAW AND POZNAŃ



Project Name	VIVA JAGODNO IIA	VIVA JAGODNO IIB	VIVA JAGODNO III	GRUNWALDZKA	MIĘDZY DRZEWAMI
Location	Wrocław	Wrocław	Wrocław	Poznań	Poznań
Start date	Q2 2021	Q4 2021	Q1 2023*	Q2 2021	Q4 2022*
End date	Q4 2022	Q3 2023	Q4 2024*	Q1 2023	Q1 2024*
Area	4,329 m <sup>2</sup>	8,876 m <sup>2</sup>	3,140 m <sup>2</sup>	3,351 m <sup>2</sup>	5,803 m <sup>2</sup>
Units	76	152	58	70	117

\* Project which the Company started the sales but did not start the construction

## ONGOING PROJECTS (4/4)

2,288 UNITS UNDER CONSTRUCTION WITH 124,127 M<sup>2</sup>, OF WHICH 247 UNITS ARE IN SZCZECIN



Project Name	NOWE WARZYMICE III	NOWE WARZYMICE IV	NOWA PÓŁNOC IA
Location	Szczecin	Szczecin	Szczecin
Start date	Q2 2021	Q1 2022	Q3 2022
End date	Q4 2022	Q3 2023	Q4 2023
Area	3,537 m <sup>2</sup>	3,818 m <sup>2</sup>	5,230 m <sup>2</sup>
Units	62	75	110

# ONGOING PROJECTS

## ONGOING PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2022-2025

Name of project	Location	Commencement	Completion	Area	Units sold	Units for sale	Units in total
<b>Expected to be completed during 2022</b>							
Ursus Centralny Ib	Warsaw	2020 Q4	2022 Q3	5,740	95	2	97
Ursus Centralny IIb	Warsaw	2021 Q1	2022 Q4	11,758	138	68	206
Miasto Moje V	Warsaw	2020 Q4	2022 Q4	8,559	157	13	170
Nowe Warzymice III	Szczecin	2021 Q3	2022 Q4	3,537	52	10	62
Viva Jagodno IIa	Wrocław	2021 Q2	2022 Q4	4,329	58	18	76
<b>Subtotal 2022</b>				<b>33,923</b>	<b>500</b>	<b>111</b>	<b>611</b>
<b>Expected to be completed during 2023</b>							
Grunwaldzka	Poznań	2021 Q2	2023 Q1	3,351	38	32	70
Miasto Moje VI	Warsaw	2021 Q3	2023 Q2	11,722	89	138	227
Ursus Centralny IIc*	Warsaw	2021 Q4	2023 Q2	11,124	41	178	219
Viva Jagodno IIb	Wrocław	2021 Q4	2023 Q3	8,876	29	123	152
Nowe Warzymice IV	Szczecin	2022 Q1	2023 Q3	3,818	12	63	75
Eko Falenty I	Warsaw	2022 Q1	2023 Q3	4,303	1	41	42
Osiedle Vola	Warsaw	2022 Q2	2023 Q4	4,851	2	82	84
Nowa Północ Ia	Szczecin	2022 Q3	2023 Q4	5,230	5	105	110
<b>Subtotal 2023</b>				<b>53,275</b>	<b>217</b>	<b>762</b>	<b>979</b>
<b>Projects where sales started, but the construction not yet</b>							
Między Drzewami	Poznań	2022 Q4***	2024 Q1***	5,803	1	116	117
Viva Jagodno III	Wrocław	2023 Q1***	2024 Q4***	3,140	3	55	58
Miasto Moje VII**	Warsaw	2023 Q1***	2025 Q1***	11,740	2	241	243
Ursus Centralny IIe	Warsaw	2023 Q1***	2025 Q2***	16,246	5	275	280
<b>Subtotal after 2023</b>				<b>36,929</b>	<b>11</b>	<b>687</b>	<b>698</b>
<b>Total</b>				<b>124,127</b>	<b>728</b>	<b>1,560</b>	<b>2,288</b>

\*105 units are designated for PRS activity of the Company of an aggregate floor space of 4,935 m<sup>2</sup>.

\*\*160 units are designated for PRS activity of the Company of an aggregate floor space of 7,349 m<sup>2</sup>

\*\*\*The sales on the projects started, the construction start and completion date are expected dates based on current Management estimations.

# UNITS OFFERED FOR SALE AS AT THE END OF HY 2022 (1/2)

## UNITS OFFERED FOR SALE (1,581 IN TOTAL)

During HY 2022 the Company commenced the sales of:

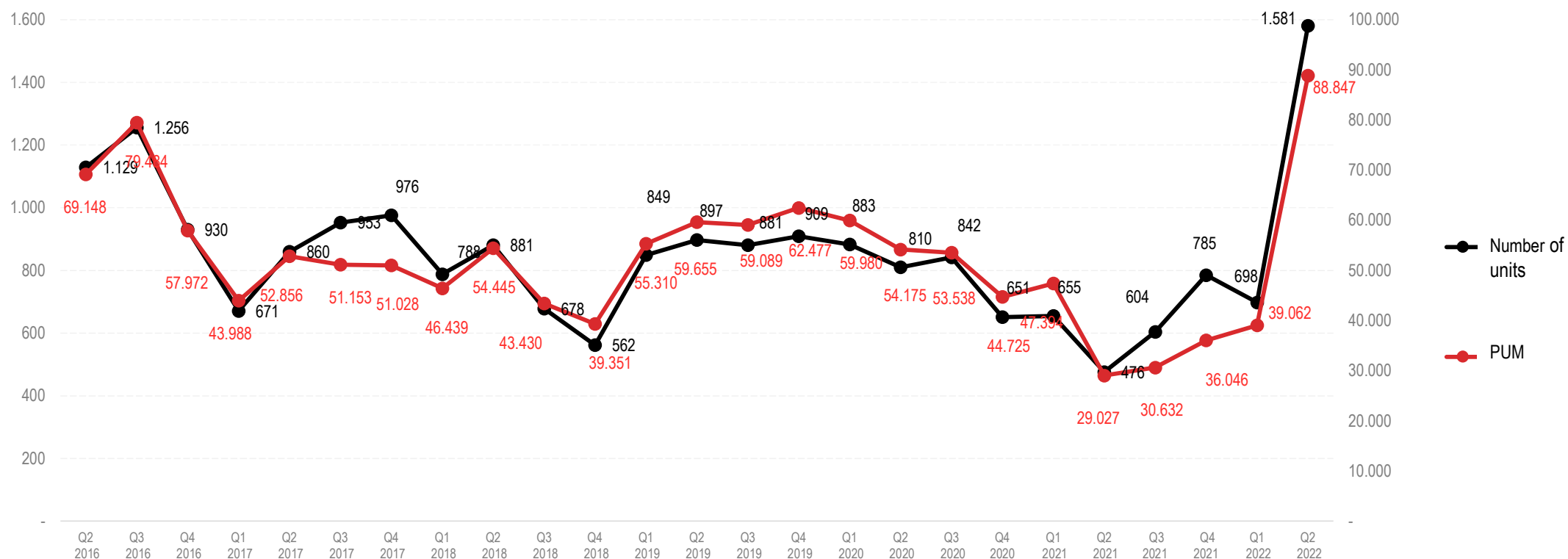
- **75 units** in the **Nowe Warzymice IV** project,
- **42 units** in **Eko Falenty I** project,
- **110 units** in **Nowa Północ Ia** project,
- **84 units** in **Osiedle Vola** project,
- **117 units** in **Między Drzewami** project and
- **58 units** in **Viva Jagodno III** project.
- **280 units** in **Ursus Centralny IIc** project,
- **243 units** in **Miasto Moje VII** project,

In total **1,009 units** in Q2 2022 were commenced to the market.

Finished projects		Ongoing projects	
Miasto Moje IV	4	Nowe Warzymice III	10
Wilanów Tulip (JV)	4	Nowe Warzymice IV	63
Nowe Warzymice I	3	Grunwaldzka	32
Nowe Warzymice II	3	Eko Falenty I	41
Viva Jagodno I	1	Miasto Moje V	13
Other (old) projects	6	Miasto Moje VI	138
		Miasto Moje VII	241
		Ursus Centralny Ib	2
		Ursus Centralny IIb	68
		Ursus Centralny IIc	178
		Ursus Centralny IIe	275
		Viva Jagodno IIb	123
		Viva Jagodno IIa	18
		Viva Jagodno III	55
		Nowa Północ Ia	105
		Osiedle Vola	82
		Między Drzewami	116
<b>Total</b>	<b>21</b>	<b>Total</b>	<b>1,560</b>

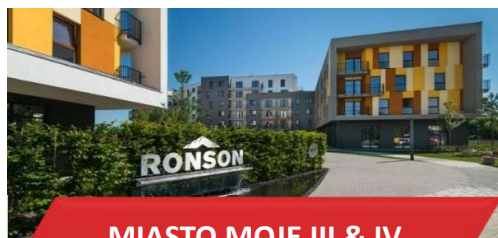
# UNITS OFFERED FOR SALE AS AT THE END OF HY 2022 (2/2)

## UNITS OFFERED FOR SALE (1,581 IN TOTAL)



# COMPLETED PROJECTS OFFERED FOR SALE

AS AT 30 JUNE 2022, 21 COMPLETED UNITS WITH 1,737 M2 WERE OFFERED FOR SALE IN 5 PROJECTS



**MIASTO MOJE III & IV**

- 5 units offered for sale
- In total 372 apartments
- Location: Warszawa, Marywilska Street



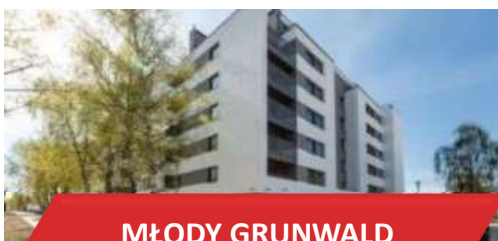
**VIVA JAGODNO I**

- 1 units offered for sale
- In total: 121 apartments
- Location: Wrocław, ul. Buforowa Street



**WILANÓW TULIP**

- 4 units offered for sale
- In total: 149 apartments
- Location: Warszawa, Wilanów Tulip
- The Company's share in this project is 50%.



**MŁODY GRUNWALD**

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



**NOWE WARZYMICE I & II**

- 6 units offered for sale
- In total 120 apartments
- Location: Szczecin, Rajkowska Street

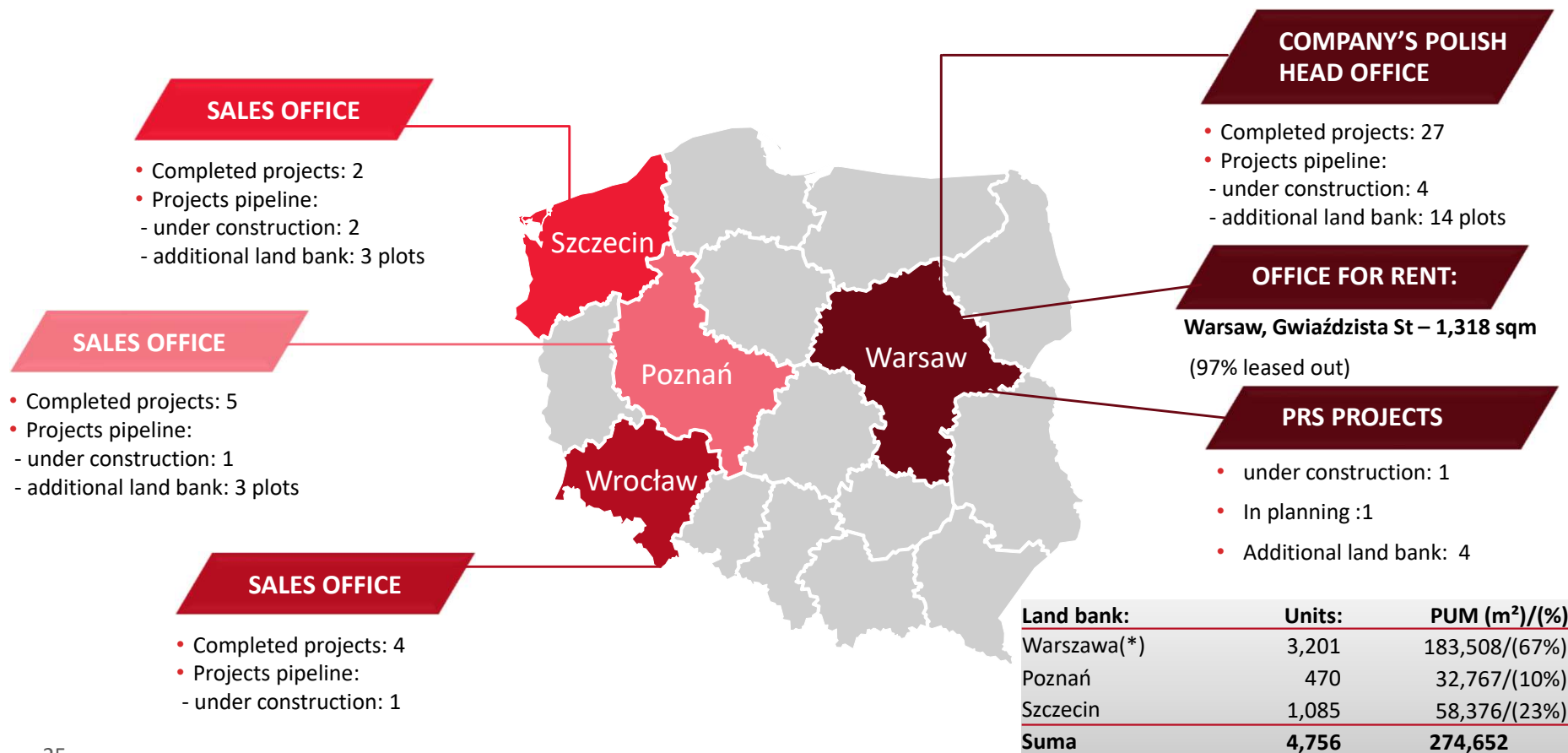
Moreover the Company's offer includes 4 completed units in the following projects:  
Sakura (1), Panoramika I (1),  
Nova Królikarnia 1d (1), Moko (1)



# PROJECTS IN PREPARATION

## SELECTIVE GEOGRAPHIC DIVERSIFICATION IN POLAND

### CITIES WITH STRONG ECONOMIC AND DEMOGRAPHIC GROWTH



\* Including 701 units for PRS projects with total area of 29,255 m<sup>2</sup>

# Ronson Apartments For Rent

Livingo



Attractive land bank



Creating a constant flow to the company



Focus on major cities



Creating a leading brand in the field of residential rental in Poland



Utilizing the significant increase in demand for rental apartments

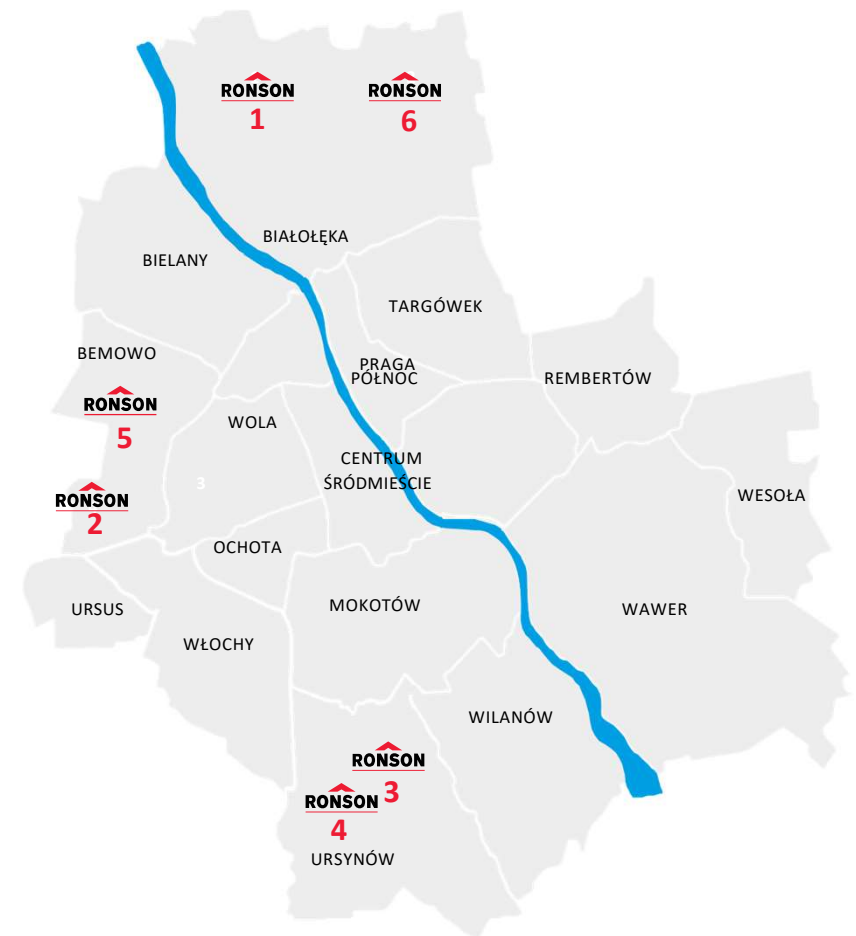


## Ronson Leasing Total 966 units on plots owned by the Company

Projects owned and dedicated for **Livingo**:

1. Miasto Moje VII (160 units)
2. Ursus Centralny IIc (105 units)
3. Poleczki (86 units)
4. Galopu (95 units)
5. Marynin (100 units)
6. Dudka (420 units, in development proces for leasing)

Another over **800 units** are in the pipeline under preliminary purchase agreements.



# LAND BANK

## RONSON LAND BANK

Project name	Location	Total no. of units		PUM (m <sup>2</sup> )
Miasto Moje VIII	Warsaw	147		7,680
Ursus Centralny VII (IId)	Warsaw	361		19,099
Nova Królikarnia 3d, 4a - 4c, 6	Warsaw	55		15,327
Nowe Warzymice V-VIII	Szczecin	251		17,193
Falenty II-III	Warsaw	228		21,256
Nowa Północ Ib-III	Szczecin	440		22,153
<b>Subtotal - remaining stages of the projects currently under construction/ on sale</b>		<b>1,482</b>	<b>31%</b>	<b>102,708</b>
Chilli	Poznań	172		14,617
<b>Subtotal - remaining stages of the projects that were under construction</b>		<b>172</b>	<b>4%</b>	<b>14,617</b>
Renaissance	Warsaw	278		15,450
Bęchatowska 28	Poznań	50		3,900
Vivaldi	Szczecin	394		19,030
Babimojska	Poznań	248		14,250
Epopei*	Warsaw	432		20,700
Stojowskiego	Warsaw	191		11,081
Dudka**	Warsaw	897		42,720
Semela	Warsaw	84		4,800
Ken Orange	Warsaw	94		5,700
Marynin	Warsaw	148		8,100
<b>Subtotal - remaining projects, still in preparation</b>		<b>2,816</b>	<b>59%</b>	<b>145,731</b>
Galopu	Warsaw	100		3,914
Poleczki	Warsaw	85		3,501
Auchan	Warsaw	101		4,181
<b>Subtotal - PRS projects</b>		<b>286</b>	<b>6%</b>	<b>11,596</b>
<b>Total as at 30.06.2022</b>		<b>4,756</b>	<b>100%</b>	<b>274,652</b>

\*not all land purchased in final agreement

27 \*\*approximately 420 units and 17,600 m<sup>2</sup> Related to PRS project

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## PROJECTS PLANNED FOR COMMENCEMENT DURING 2022

<b>Project Name</b>	<b>Location</b>	<b>Total units</b>	<b>Total area of units (m2)</b>
Nova Królikarnia 4b1	Warsaw	11	2,870
<b>Total</b>		<b>11</b>	<b>2,870</b>



# FINANCIAL RESULTS REVIEW

FOR PERIOD ENDED 30 JUNE 2022

# P&L HIGHLIGHTS

## P&L HIGHLIGHTS ON Y/Y BASIS DURING THE PERIOD ENDED 30 JUNE 2022

	1-6/2022	1-6/2021	y/y change	y/y difference
Revenue from residential projects and services	137.7	246.9	(44%)	(109.2)
<b>Total Revenue</b>	<b>137.7</b>	<b>246.9</b>	<b>(44%)</b>	<b>(109.2)</b>
<b>Cost of sales of residential projects</b>	<b>(106.1)</b>	<b>(203.3)</b>	<b>(48%)</b>	<b>97.2</b>
<b>Gross profit</b>	<b>31.6</b>	<b>43.6</b>	<b>(27%)</b>	<b>(12.0)</b>
Changes in the value of investment property	0.0	0.0	n.a	0.0
Selling and marketing expenses	(1.7)	(2.5)	(33%)	0.8
Administrative expenses	(12.9)	(11.2)	15%	(1.7)
Share of profit/(loss) from joint ventures	1.1	(0.2)	(720%)	1.2
Net other income/(expense)	(0.4)	0.0	(1,617%)	(0.4)
<b>Operating profit/(loss)</b>	<b>17.6</b>	<b>29.7</b>	<b>(41%)</b>	<b>(12.1)</b>
Net finance expense	(4.5)	(1.9)	134%	(2.6)
<b>Profit/(loss) before tax</b>	<b>13.1</b>	<b>27.8</b>	<b>(53%)</b>	<b>(14.7)</b>
Income tax benefit/(expenses)	(3.3)	(5.8)	(44%)	2.5
<b>Net profit/(loss)</b>	<b>9.8</b>	<b>21.9</b>	<b>(55%)</b>	<b>(12.1)</b>
<b>Profit/(loss) for the period attributable to equity holders of the parent</b>	<b>9.8</b>	<b>21.9</b>	<b>(55%)</b>	<b>(12.1)</b>
<b>Gross margin</b>	<b>23.0%</b>	<b>17.7%</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Net Margin</b>	<b>7.1%</b>	<b>8.9%</b>	<b>n.a.</b>	<b>n.a.</b>

- **Revenue decreased by 44%** - decrease by PLN 109.2 m, which is primarily explained by lower number of units delivered - 339 units delivered to the customers during the six months ended 30 June 2022, comparing to the 445 units delivered during the six months ended 30 June 2021 (in terms of fully owned projects).
- **Cost of sales decreased 48%** - decrease by PLN 97.2 m, which is primarily explained by lower amount of delivered units in fully owned projects from 445 units during the six months ended 30 June 2021 compared to 339 units delivered to customers during the six months ended 30 June 2022 (in terms of fully owned projects).
- **Gross profit on residential projects PLN 31.6 m decreased of 27%** by PLN 12.0 m. In 2022 the project Ursus Centralny IIa contributed 57%, Nowe Warzymice II contributed 16% and Miasto Moje IV contributed 12% the gross profit.
- **Gross margin** during HY 2022 amounted **23.0%** and increased comparing to 17.7% in HY 2021. The main projects affecting the gross margin are **Nowe Warzymice II** with the gross margin **27.9%**, **Miasto Moje IV** with the margin **24.4%** and **Ursus Centralny IIa** with the margin **24.2%**. During the HY 2021 the main projects effecting the gross margin are **Ursus Ia** and **Vitalia III** with the margin of **18%**.
- **Selling and marketing expenses** decreased by **PLN 0.8 m** (33%) due to the lower number of units sold during the reporting period (213 units sold during the period ended 30 June 2022 comparing to 604 units sold during the period ended 30 June 2021) as well as continued effective marketing strategy started during COVID-19 pandemic.
- **Finance expenses after capitalization** increased by PLN 2.5 m, which is primarily explained by the generated loss in fair value of financial instrument at fair value through profit and loss in amount of PLN 3.0 million, partially compensated by gain on foreign exchange revaluation in the amount of PLN 1.2 million, as well as higher interest rates during the six months ended on 30 June 2022 compared to the six months ended on 30 June 2021.

# P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN

## PERIOD ENDED 30 JUNE 2022

### UNITS DELIVERED / REVENUE / GROSS MARGIN

Project	Location	1Q2022		2Q 2022		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 IIa	Warsaw	190	79.5	4	2.0	194	81.5	24.2%	19.8	54%	57%	0.420
Nowe Warzymice II	Szczecin	0	0.0	60	19.4	60	19.4	27.9%	5.4	13%	16%	0.324
Miasto Moje IV	Warsaw	44	15.5	2	1.3	46	16.9	24.4%	4.1	11%	12%	0.367
Panoramika VI	Szczecin	23	7.2	1	0.3	24	7.5	7.0%	0.5	5%	1%	0.311
Nova Królikarnia 3a	Warsaw	2	3.3	-	-	2	3.3	15.4%	0.5	2%	1%	1.662
Nova Królikarnia 3c	Warsaw	1	1.4	-	-	1	1.4	18.2%	0.3	1%	1%	1.401
Nowe Warzymice I	Szczecin	2	1.2	-	0.1	2	1.3	18.4%	0.2	1%	1%	0.627
Panoramika V	Szczecin	2	1.1	-	-	2	1.1	11.7%	0.1	1%	0%	0.552
Other*		4	3.2	4	2.1	8	5.3	n.a.	1.3	4%	4%	0.666
<b>Total excluding JV</b>		<b>268</b>	<b>112.4</b>	<b>71</b>	<b>25.3</b>	<b>339</b>	<b>137.7</b>	<b>23.4%</b>	<b>32.2</b>	<b>91%</b>	<b>92%</b>	<b>0.406</b>
Write-off adjustment									(0.5)			
<b>Result</b>		<b>268</b>	<b>112.4</b>	<b>71</b>	<b>25.3</b>	<b>339</b>	<b>137.7</b>	<b>23.1%</b>	<b>31.7</b>	<b>91%</b>	<b>91%</b>	<b>0.406</b>
Wilanów Tulip	Warsaw	15	9.7	6	4.3	21	14.0	22.3%	3.1	9%	9%	0.667
<b>Total including JV</b>		<b>283</b>	<b>122.0</b>	<b>77</b>	<b>29.6</b>	<b>360</b>	<b>151.7</b>	<b>23.0%</b>	<b>34.8</b>	<b>100%</b>	<b>100%</b>	<b>0.421</b>

\* Other revenues:

- Rental revenues
- Sales old unit, parking places and storages in other projects that were completed in previous years

# BALANCE SHEET DATA

## BALANCE SHEET DATA (PLN M)

- **Inventory** - increase by **PLN 61.6 m** is primarily explained by the purchases of lands during the year ended 30 June 2022 in the amount of PLN 56.1 m and investments in direct construction costs and capitalized finance costs for a total amount of PLN 108.8 m, which is partly offset by the recognized costs of sales in the total amount of PLN 106.1 m.
- **Loans and Borrowings** decreased by **PLN 41.5 m**. The decrease in loans and borrowings is primarily explained by the effect of net repayment of bond loans in total amount of PLN 50.0 m, compensated by net proceeds from secured bank loans in the amount of PLN 7.5 m (mainly credit loan for Miasto Moje VI with balance PLN 6.0 m).
- **Advances received** - decreased by **PLN 17.7 m** is explained by the revenues recognized from the sale of residential units for a total amount of PLN 137.7 m during the six months ended 30 June 2022, which was offset by advances received from clients regarding sales of units during the period ended 30 June 2022 for a total amount PLN 120.1 m.
- **Financial liability measured at fair value through profit and loss** - increase by **PLN 77.6 m** is primarily explained by signing new investors agreement („SAFE”). By 30 June 2022 all conditions set in the agreement has been filled and the Company has received the full amount of the agreement.
- **Other assets** - increased by **PLN 4.9 m**. mainly due to decrease in advances for lands (drop by PLN 12.8 m. compared to year-end 2021) and lower notary's deposit paid in HY 2022 by PLN 8.6 m, which is partly offset by higher VAT receivables by PLN 10.3m and purchase of investment property for PRS activity in the amount of PLN 9.2 m.

As at	30 June 2022	31 December 2021	Change
Inventory and Residential landbank	727.2	665.6	<b>61.6</b>
Cash and cash equivalents	90.5	133.4	(43.0)
Other assets	172.5	167.6	<b>4.9</b>
<b>Total Assets</b>	<b>990.2</b>	<b>966.6</b>	<b>23.6</b>
Loans and borrowings	209.3	250.8	<b>(41.5)</b>
Advances received	180.5	198.2	<b>(17.7)</b>
Financial liability measured at fair value through profit and loss	77.6	0.0	<b>77.6</b>
Other liabilities	74.3	79.4	(5.1)
Lease liabilities related to perpetual usufruct of land	18.5	18.1	0.4
<b>Total liabilities</b>	<b>560.3</b>	<b>546.6</b>	<b>13.7</b>
Equity attributable to the parent	429.9	420.0	9.8
Net Debt	196.9	117.4	79.5
Net debt / Equity	45.8%	27.9%	n.a.
Net debt ( including cash on MRP) / Equity	43.5%	25.8%	n.a.
Net debt / Total Assets	19.9%	12.1%	n.a.
Net assets per share (PLN)	2.62	2.56	n.a.

### RATIOS AS AT THE END OF 30 JUNE 2022

NET DEBT / EQUITY: 45.8%

NET DEBT / EQUITY: 43.5%(\*)

\*calculated in accordance to the bond covenants



# CASH FLOW DURING THE PERIOD ENDED 30 JUNE 2022

## OVERVIEW OF CASH FLOW RESULTS

	For the year ended 30 June	
	2022	2021
	PLN (thousands)	PLN (thousands)
Cash flows from/(used in) operating activities	<u>(62,669)</u>	<u>7,863</u>
Cash flow from/(used in) investing activities	<u>(9,612)</u>	<u>-</u>
Cash flow (used in)/from financing activities	<u>27,922</u>	<u>35,968</u>

- **Operating CF** net cash outflow from operating activities for the year ended 30 June 2022 amounted to PLN 62.7 m comparing to a net cash outflow from operating activities during the year ended 30 June 2021 amounted to PLN 7.9 m. The decrease by PLN 70.5 m is primarily explained by:
  - Decrease in advances received from clients PLN 117.6 million from 237.7 million in the six months ended on 30 June 2021 comparing to PLN 120.1 million received during the six month ended on 30 June 2022;

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

  - the decrease of PLN 7.1 million in amounts paid for lands purchase in a total of PLN 28.8 million in the six months ended on 30 June 2022 comparing to PLN 35.9 million purchased for the six months ended on 30 June 2021;
  - decrease in the amount paid for taxes of PLN 7.0 m, resulting from the payment of taxes in the amount of PLN 6.0 m in the period ended 30 June 2022 comparing to payment of taxes in amount of PLN 13.0 m in the period ended 30 June 2021;
  - decrease in cash held in escrow account from PLN 39.3 million on 30 June 2021 to PLN 10 million on 30 June 2022 which result in net cash inflow of PLN 29.3 million.
- **Investing activity CF** amounted to **PLN 9.6 m** (30 June 2021: none). The decrease is primarily explained by net cash outflow due to acquisition of investment properties land for the PRS activity in the total amount of PLN 9.6 m.
- **Finance activity CF** amounted to **PLN 27.9 m** (30 June 2021: **PLN 36.0 m**). The decrease is primarily explained by:
  - net inflow from proceeds received from the SAFE agreement in the amount of PLN 74.6 m;
  - non payment of loans from others during the period of six months ended 30 June 2022 compared to PLN 6.7 m during analogical period ended on 30 June 2021;
  - net outflow of bond loans in the amount of PLN 50 m during the period of six months ended 30 June 2022 compared to net inflow in the amount of PLN 43.7 m during analogical period ended on 30 June 2021;
  - net inflow from secured bank loans in the amount of PLN 4.3 m during six months ended on 30 June 2022 comparing to lack of such movements during the period of six months ended 30 June 2021.

# INVENTORY AND INVESTMENT PROPERTIES AS AT 30 JUNE 2022

Type	Units	PLN m
Finished goods	31	17.5
Ongoing projects	2,288	294.3
Land bank*	4,470	397.1
Perpetual usufruct rights**	-	18.4
<b>Total inventory***</b>	<b>6,789</b>	<b>727.2</b>
Investment property PRS	286	29.7
Investment property office lease	-	8.8
<b>Total investment property</b>	<b>286</b>	<b>38.5</b>
<b>Total Ronson investment</b>	<b>7,075</b>	<b>766</b>

\* 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 8.8 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: **31 units**, of which 14 units are already sold.

## ONGOING PROJECTS (124,127 PUM), OF WHICH:

**9 projects / stages under construction and/or on sale total of 2,288 units, of which 728 are already sold:**

Miasto Moje V-VII, Ursus Centralny Ib, IIb, IIc and IIe, Viva Jagodno II-III, Grunwaldzka, Nowe Warzymice III-IV, Eko Falenty I, Osiedle Vola, Nowa Północ Ia, Między Drzewami

## ATTRACTIVE BANK OF LANDS (4,756 UNITS; 274,652 PUM)

### Categorised by city:

Warsaw*	3,201 units	183,508 PUM
Poznań	470 units	32,767 PUM
Szczecin	1,085 units	58,377 PUM

### Categorised by book value per PUM:

Below	PLN 1,000	141,727 PUM
Between	PLN 1,000–2,000	87,416 PUM
Over	PLN 2,000	45,509 PUM

\* Including 701 units for PRS projects with total area of 29,255 m<sup>2</sup>

# FINISHED GOODS

## COMPLETED PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2022

Name of project	Signed contracts		Units for sale	Units in total
	(PLN m)	Units (no.)	(no.)	(no.)
Miasto Moje IV	2.0	3	4	7
Nowe Warzymice II	1.5	3	3	6
Nowe Warzymice I	1.2	2	3	5
Other (old) projects	3.4	6	7	13
Wilanów Tulip	1.4	2	4	6
<b>Total</b>	<b>9.5</b>	<b>16</b>	<b>21</b>	<b>37</b>

- As of HY 2022, there were 16 units completed and sold that were not delivered to the customers, and 21 which are available for sale. Total value of pre-sold units amounted to PLN 9.5 m. It shall be expected that majority of those units will be delivered to the customers during 2022.

# DEBT POSITION AS AT 30 JUNE 2022

	PLN m
Bond loans	201.8
Bank loans	7.5
<b>Total</b>	<b>209.3</b>

## BANK LOANS

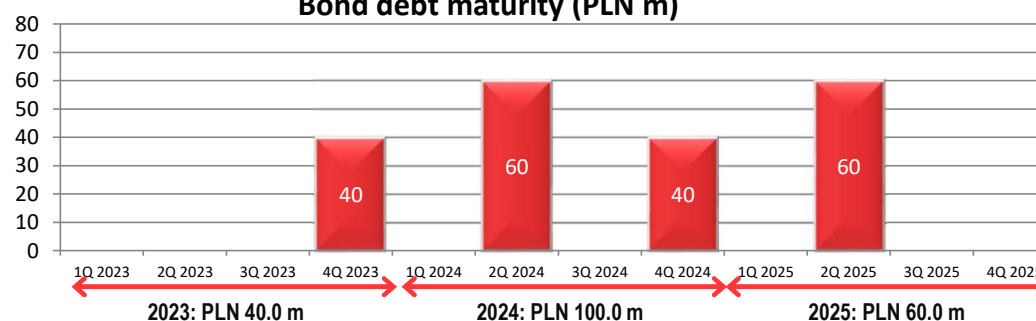
As at 30 June 2022 the Company did use bank loans lines on the following projects:

- **Miasto Moje VI** in the amount **PLN 5,966** thousand
- **Ursus Centraný Ib** in the amount **PLN 1,372** thousand
- **Grunwaldzka** in the amount **PLN 152** thousand

As at 30 June 2022 all Bank Credit lines were presented as short-term.

## BOND DEBT

Bond debt maturity (PLN m)



Seria	Catalyst Ref. No.	Nominal value (PLN)	Nominal interest	Coupon	Issue date	Maturity date
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**
<b>Total</b>		<b>200,000,000</b>				

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

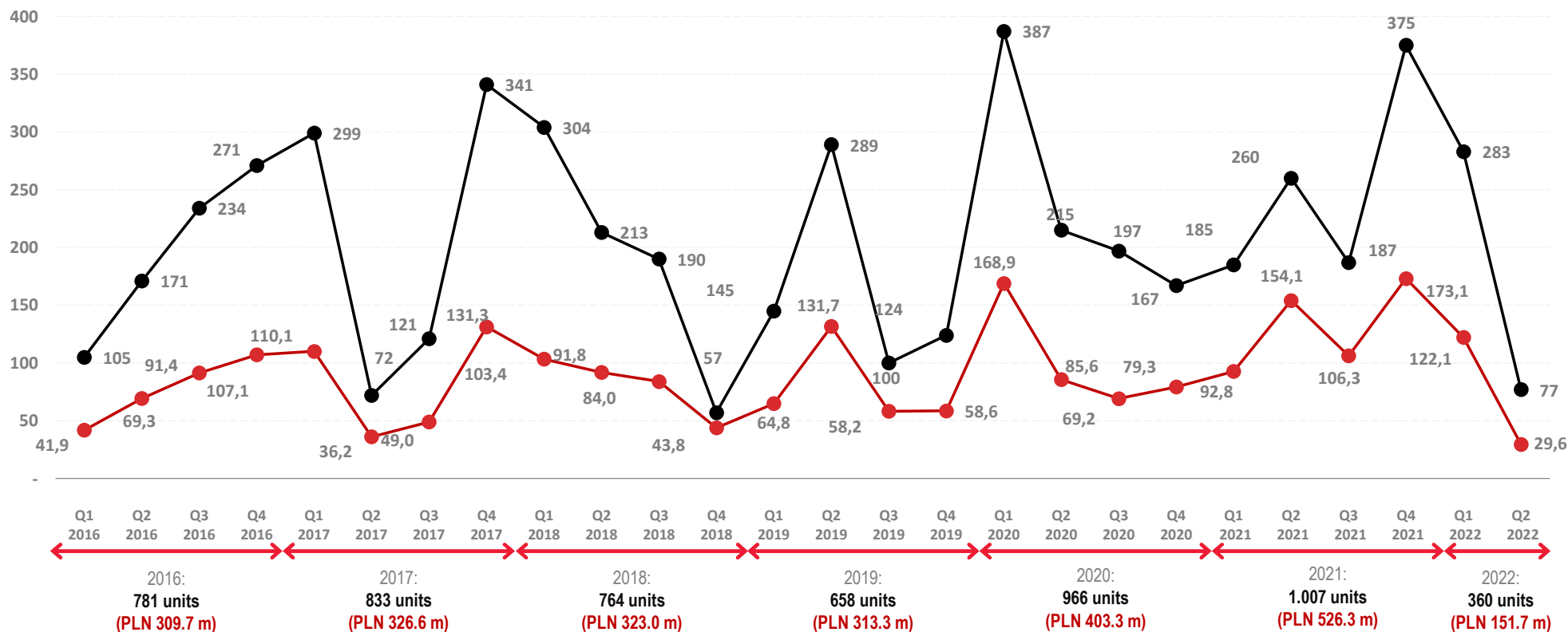
\*\* 40% mandatory depreciation at the end of 7 th interest period (on 15 October 2024)

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 2022 amounted to PLN 201.8 m (as at 30 June 2021: PLN 275.1 m) - principal amount of PLN 200.0 million plus accrued interest of PLN 4.3 million minus one-time costs directly attributed to the bond issuances which are amortized based on the effective interest method (PLN 2.5 million).

# OUTLOOK FOR 2022 (1/2)

## INCOME RECOGNISED DURING THE QUATERS



● Number of units

● PLNm

## OUTLOOK FOR 2022 (2/2)

### UNITS SOLD BUT NOT DELIVERED (744 UNITS AND PLN 322.8 MILLION IN TOTAL)

Finished projects	Units	mIn PLN	Ongoing projects	Units	mIn PLN
Miasto Moje IV	3	2.0	Ursus Centralny IIb	138	73.0
Nowe Warzymice II	3	1.5	Miasto Moje V	157	59.8
Nowe Warzymice I	2	1.2	Ursus Centralny Ib	95	46.3
Other (old) projects	6	3.4	Viva Jagodno IIa	58	22.0
Wilanów Tulip*	2	1.4	Nowe Warzymice III	52	21.6
			Miasto Moje VI	89	34.2
			Ursus Centralny IIc	41	18.2
			Grunwaldzka	38	14.2
			Viva Jagodno IIb	29	12.0
			Nowe Warzymice IV	12	4.7
			Nowa Północ Ia	5	1.5
			Osiedle Vola	2	1.4
			Eko Falenty I	1	1.0
			Viva Jagodno III	3	0.9
			Między Drzewami	1	0.4
			Ursus Centralny IIe	5	1.5
			Miasto Moje VII	2	0.6
<b>Total</b>	<b>16</b>	<b>9.5</b>	<b>Total</b>	<b>728</b>	<b>313.3</b>

\*JV project, which the company hold 50%.

The table 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 30.06.2022.

Out of 728 units sold in Ongoing projects, **500 units** with the total value of **PLN 222.7 million signed agreements**, represent the total amount of sold units which **projects are scheduled to be finished during the year 2022.**





# Q&A SESSION





**THANK YOU**

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