



Press release

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## **Stable financial situation, biggest sales offer in history, large land bank - 1H 2022 for RONSON Development**

- **213 units sold vs 604 in 1H2021 (-64.7% y/y),**
- **Revenue came at the level of PLN 151.7 million in H1 2022 driven by 360 units delivered in H1 2022 vs 445, 246.9 million in 1H2021**
- **Gross Margin at the level of 23% in H1 2022 with a contribution from diversified projects vs 17.7% in H1 2021**
- **Following gross margin operating profit came in at PLN 17.6 million in H1 2022 vs PLN 29.7 million y/y, net profit was PLN 9.8 million in H1 2022 vs PLN 21.9 million y/y**
- **1.581 units offered for sale, 20 further projects for around 4.756 units in preparation**
- **500 units sold in ongoing projects with the value of PLN 223 million and 16 units are sold in finished projects with the value of PLN 9.5 million that may contribute to P&L in 2022**
- **Company entered into 5 separate SAFE agreement ("SAFE") with an institutional Israeli investors raising a total of ILS 60 million (the "SAFE Amount") which for the date of transaction amounted to PLN 74.6 million**
- **RONSON's second pillar PRS – establishment of the LivinGo Brand**

RONSON Development, one of the leading and significant real estate developers in Poland, published H1 2022 financial results. Company's total revenue amounted to PLN 151.7 million in 1H 2022 vs PLN 246.9 million in H1 2021. The revenue is influenced by the rhythm of projects completion: in H1 2022 360 units were delivered vs 445 in H1 2021. Gross margin was 23% vs 17.7% in H1 2021. Operating profit in H1 2022 amounted to PLN 17,6 million vs PLN 29.7 million last year; net profit came at PLN 9.8 million vs PLN 21.9 million in H1 2021.

Majority of Company's revenues in H1 2022 came from projects: Ursus Centralny II a (54%) Miasto Moje (11%), and Nowe Warzymice in Szczecin (14%). In H1 2022 RONSON Development sold 213 units, which is 64.7% less y/y. The main sales drivers in this period were Ursus Centralny (66 units), Miasto Moje (60), Viva Jagodno (40) and Nowe Warzymice (22).

RONSON's current operations include 9 ongoing projects, and 4 completed projects offered to sale. At the end of June 2022 RONSON had in the offer 1.581 units for sale. There are 20 further projects for around 4.756 units in preparation.

*- Current market situation does not stop us. As planned for this year, we have introduced the largest sales offer in the company's history, that meets the needs of different groups of clients. We build in excellent locations, in the biggest cities in Poland. We are also working intensively on our land bank to be ready with new projects for the market to bounce back. They will come for sale the moment market situation improves.*

*Simultaneously, we intensively work on a second pillar of our enterprise - PRS. We have inaugurated the establishment of the LivinGo Brand. The new business will create a constant revenue flow to the company by renting apartments in attractive parts of the largest Polish cities. In our PRS projects it will be responsible for the entire process from A to Z – from the investment design stage, through the construction stage, to the development of the offer, launching it on the market and managing the rental itself. - says Boaz Haim, CEO of RONSON Development*

500 units sold in ongoing projects with the value of PLN 223 million and 16 units are sold in finished projects with the value of PLN 9.5 million that may contribute to P&L in 2022.

Company's stable financial position strengthens 5 separate SAFE agreement that company entered into with an institutional Israeli investors raising a total of ILS 60 million (the "SAFE Amount") which for the date of transaction amount to PLN 74.6 million

*- RONSON's financial position is sound – comments Yaron Shama, RONSON Development's Vice-President and CFO - the Company paid PLN 50 million on May 2022 redeeming series T bonds and continued with its land purchase expansion plan. Our net debt remains at a safe level of 45%, as well as the Company will continue to look for alternative funding channels. RONSON will return to issue Bonds as it used to do in the past, once market situation will improve and interest levels will be reasonable.*

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## **About RONSON Development**

RONSON Development is an experienced, dynamically expanding developer, conducting housing investments in the largest Polish cities, mainly in Warsaw, as well as in Poznań, Wrocław and Szczecin. From the beginning of its operation in 2000 RONSON gained the trust of thousands of customers, making it one of the leading development companies in Poland. RONSON creates spaces where you feel good and live comfortable. It is a pioneer of the ecological solutions that are introduced with climate protection and living cost reduction of the customers in mind. Currently, the company's offer includes tailoring flats to the needs of various customer groups - there are both apartments, as well as premises from the popular segment. RONSON Development is a member of the Polish Association Development Companies.

The evidence of customers' trust in the company are numerous awards and certificates including an award in the developer services category in the Orły Polskiego Budownictwa 2014 competition, and the Emblem of the Developer of the Year 2013, awarded by the Central National Certification Bureau. RONSON is also a winner of many prestigious awards granted by the group analysts and stock market investors. In 2013, the company reached first place in the Stock Exchange ranking Company of the Year in the "Investor Relations" category, organized by the Puls Biznesu daily. In turn, in 2017, the Company's website was awarded the title of the Issuer's Golden Website, in a competition organized by the Association of Stock Exchange Issuers. In 2020 The company was at the forefront of the National Ranking of the

Best Developers Housing 2020, organized by the Dziennik Gazeta Prawna's Economic Zone Magazine. In 2021, the Company was awarded the title of Business Superbrands 2021.

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