



Investors Presentation addressing 1HY 2023 Results

11th August 2023

DISCLAIMER

This presentation does not constitute or form any part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Ronson Development SE (the “Company”), nor shall it or any part thereof or the fact of its distribution form the basis of, or be relied on in connection with, any contract therefore.

The information in this presentation is subject to change without notice, its accuracy is not guaranteed and it does not contain all material information concerning the Company. Any forward-looking statements contained in this presentation are, by necessity, based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, operational, economic and competitive uncertainties and contingencies, many of which are beyond the Company’s control, and also upon assumptions with respect to future business decisions that are subject to change. Actual results may differ materially from those projected. Certain numerical information and other amounts and percentages set forth in this presentation may not sum due to rounding. In addition, certain figures herein have been rounded to the nearest whole number.

It is prohibited to make any use of this presentation without the prior written consent of the company. Also It is prohibited to record the meeting that this presentation was reviewed at.

This presentation may not be directly or indirectly distributed to or within the United States of America, Australia, Canada or Japan.

MANAGEMENT



קבוצת עמוס לוזון יזמות ואנרגיה בע"מ

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



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 INNOVATION 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.

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 stages ongoing

and

5 Completed projects offered for sale

(at 30 June 2023 Ronson offer 897 units)

16 Further residential projects

in preparation for around 4 160 units

6 PRS projects

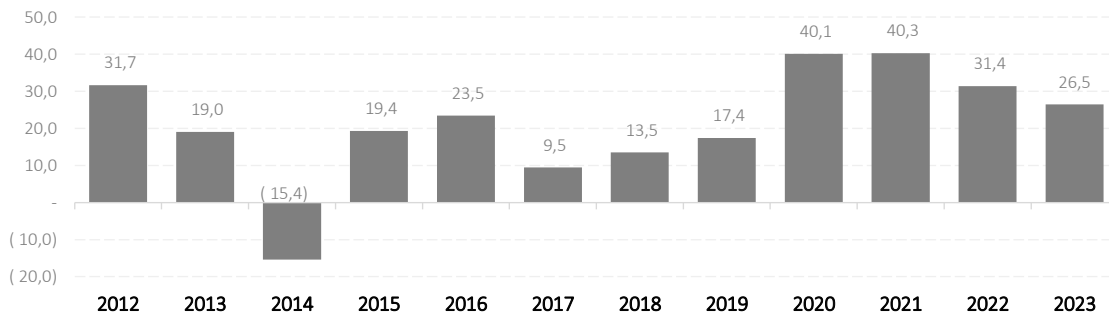
in preparation for around 1 351 units

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

COMPANY HIGHLIGHTS

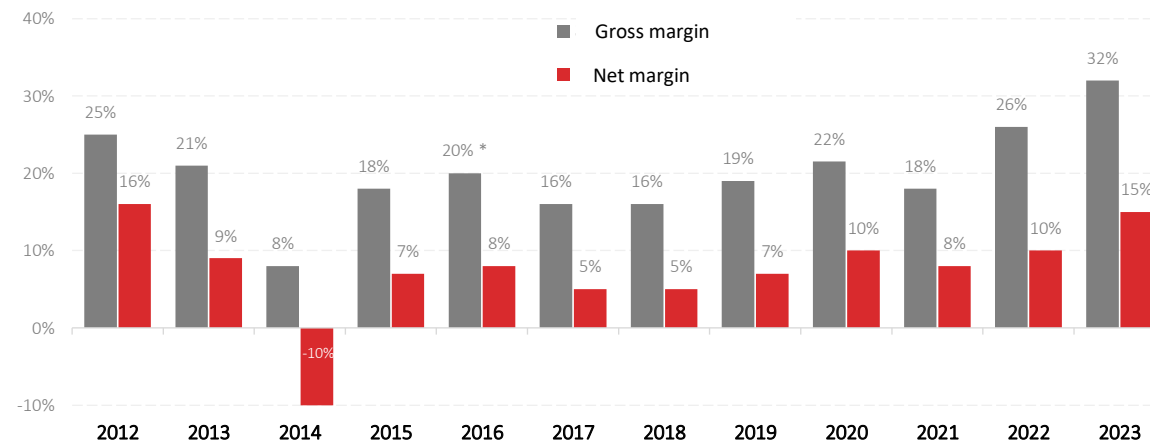
(BASED ON: COMPANY'S FINANCIAL STATEMENTS)

NET PROFIT (PLN MILLION)



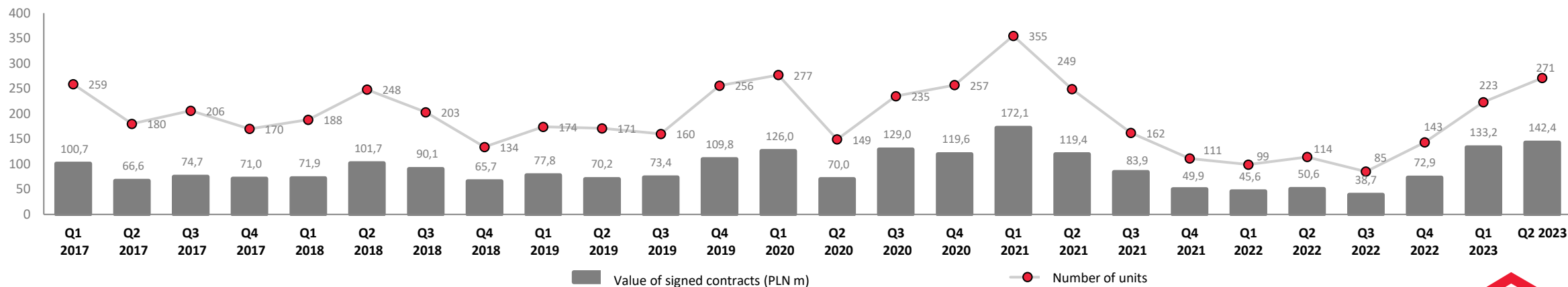
* Excluding one time event of selling Nova Krolikarnia (net profit PLN 41 million)

MARGINS (%)



* Excluding one time event of selling Nova Krolikarnia

494 UNITS SOLD DURING 1HY 2023





BRIEF SUMMARY OF COMPANY'S ACHIEVEMENTS DURING 1HY 2023

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED

30 JUNE 2023

	HY 2023	HY 2022	FY 2022
Pre-sales	↑ 494 units (PLN 275.6 m)	213 units (PLN 96.1 m)	441 units (PLN 207.8 m)
Deliveries*	↑ 385 units (PLN 177.3 m)	360 units (PLN 151.7 m)	745 units (PLN 317.1 m)
Commenced Projects	↓ 11 units	430 units	1 020 units
Completed Projects	↑ 730 units	66 Units	471 units
Net Profit	↑ PLN 26.5 m	PLN 9.8 m	PLN 31.4 m
Net debt to equity **	↓ 29.4%	45.8%	53.0%

* Including delivery of 2 units (PLN 1.5 m) in 2023 and delivery of 147 units (PLN 84.4 m) in YE 2022 in Wilanów Tulip (company share 50%)

** not including money on escrow account

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2023

- **Sale of 494 units:**

Ursus Centralny - 129 units	Nowe Warzymice – 39 units	Nowa Północ – 15 units	Nova Królikarnia 4b1 – 1 unit
Miasto Moje – 133 units	Między Drzewami – 48 units	Osiedle Vola – 45 units	Eko Falenty – 6 units
Viva Jagodno – 71 units	Grunwaldzka – 5 units	Wilanów Tulip – 1 unit	Other projects – 1 unit

- **Delivery of 385 units** (for details see slide „P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN”)

- **Commencement of 1 Projects Sale / Construction 11 units**

Start of Sales and Construction:

- **Nova Królikarnia 4b1** in February of **11** units with total area of **2,566 m²**

- **Completion of 5 Projects**

- **Ursus Centralny IV (2B)** project – **206** units with total area **11,758 m²**
- **Miasto Moje VI** – **227** units with total area **11,722 m²**
- **Nowe Warzymice IV** – **75** units with total area **3,818 m²**
- **Viva Jagodno 2b** – **152** units with total area **8,876 m²**
- **Grunwaldzka** – **70** units with total area **3,351 m²**



COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2023

- **Agreements for construction works**
 - **Miasto Moje VII** - agreement with Hochtief Polska S.A. for **PLN 70.4 m** signed on 01.03.2023
 - **Ursus Centralny VI (2E)** - agreement with Techbau Budownictwo Sp. z o. o. for **PLN 96.9 m** signed on 10.03.2023
 - **Nova Królikarnia 4b1** - agreement with TOTALBUD S.A. for **PLN 17.4 m** signed on 10.03.2023
- **Building permit**
 - **Miasto Moje VIII** – valid building permit received 20 January 2023
- **Occupancy Permit**
 - **Ursus Centralny 2B** - occupancy permit received 30 March 2023
 - **Miasto Moje VI** – occupancy permit received 7 February 2023
 - **Nowe Warzymice IV** – occupancy permit received 28 April 2023
 - **Viva Jagodno 2b** – occupancy permit received 11 May 2023
 - **Grunwaldzka** – occupancy permit received 19 May 2023
- **Bank Loans**
 - **Osiedla Vola** - Agreement for Bank financing Loan in the total amount of PLN 44.8 million signed on 12 April 2023
 - **Miedzy Drzewami I** - Agreement for Bank financing Loan in the total amount of PLN 40.5 million signed on 23 June 2023
 - **Nova Krolikarnia 4BI** - Agreement for Bank financing Loan in the total amount of PLN 29.0 million signed on 23 June 2023.

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2023

Purchase of land:

Final agreements signed until 30 June 2023

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 30 June 2023 (PLN million)	Number of units	Potential PUM
Warsaw, Ochota	Final	11 Aug 2022, 2 March 2023	7.1	7.1	67	3,700
Total			7.1	7.1	67	3,700

Preliminary agreements signed until 30 June 2023

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 30 June 2023 (PLN million)	Number of units	Potential PUM
Warsaw, Białołęka ⁽¹⁾	preliminary	23 Nov 2020	1.5	1.45	n/a	n/a
Warsaw, Ursus	preliminary	17 Jan 2022	140.0	10.0	1 860	85,000
Warsaw, Włochy	preliminary	29 Dec 2021	16.0	2.0	142	8,400
Warsaw, Bielany ⁽²⁾	preliminary	21 Mar 2022	11.0	1.0	242	4,559
Total			168.5	14.5	2 244	97,959

(1) The remaining plot to be purchased in Epopei project.

(2) The land designated for PRS activity

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED

30 JUNE 2023

RECENT DEVELOPMENTS (AFTER 30 JUNE 2023)

Bonds issuance

On 3 July, 2023, the Company issued 60,000 series X secured bonds with a total value of PLN 60,000 thousand. The nominal value of one bond is PLN 1,000 and is equal to its issue value. The redemption date of series X bonds is 3 July, 2026. The interest rate on series X bonds consists of 6-month WIBOR plus a margin of 4.2%. Interest is payable semi-annually, in January and July, until the maturity date.

Approval of Base prospectus for Bonds issuance

On July 25, 2023, the Polish Financial Supervision Authority approved the base prospectus of the Company's Public Bond Issue Program prepared in connection with the public offering of bearer bonds with a total nominal value not exceeding PLN 175,000,000 (in words: one hundred and seventy-five million zlotys). Until the date of publication of financial statements, Ronson SE has not issued bonds under this program.

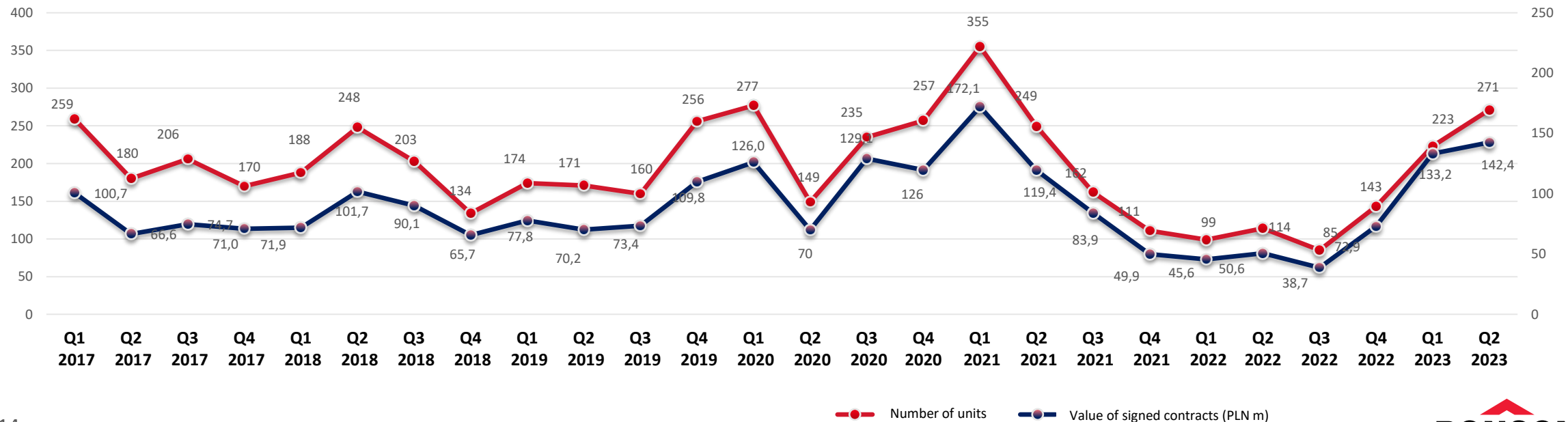


BRIEF SUMMARY OF COMPANY'S SALES AND PROJECTS FOR 1HY 2023

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2023 QUARTERLY AND YEARLY SALES

494 UNITS SOLD DURING 1HY 2023

- **Total number of units sold** during the 1HY 2023 amounted to **494**, compared to **213** units sold during the 1HY 2022.
- Best-selling projects were: **Ursus Centralny** (129 units), **Miasto Moje** (133 units) and **Osiedle Vola** (45 units) in Warsaw, **Viva Jagodno** in Wroclaw (71 units) and **Grunwald Między Drzewami** in Poznań (48 units).
- **The average price** of apartments sold during 1HY 2023 amounted to **PLN 558 thousand**, which was higher than the average price of apartments sold during the 1HY 2022 (PLN 451 thousand). The increase of the average price was in general due to change of market trend (higher sale prices) and high demand as well it was impacted by starting the sales of Osiedle Vola project with high selling price per unit.

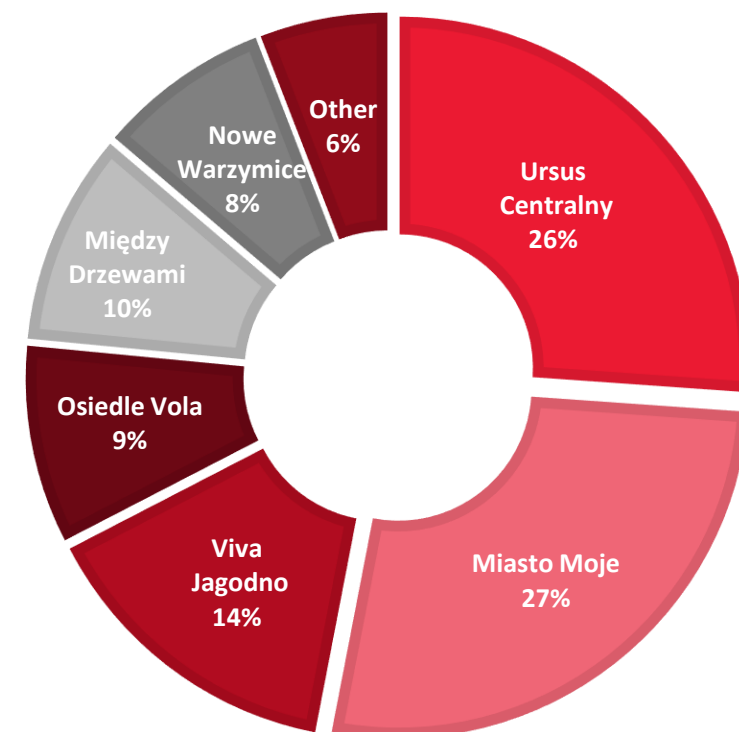


COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 JUNE 2023 QUARTERLY AND YEARLY SALES

494 UNITS SOLD DURING 1HY 2023

Completed projects	Completion date	1Q 2023	2Q 2023	1-6/2023
Nowe Warzymice I	Q2 2021	1	1	2
Nowe Warzymice IV	Q2 2023	11	23	34
Miasto Moje V	Q3 2022	10	-	10
Nowe Warzymice III	Q4 2022	3	-	3
Viva Jagodno Iia	Q4 2022	2	-	2
Miasto Moje VI	Q1 2023	26	49	75
Ursus Centralny IV (2b)	Q1 2023	40	11	51
Wilanow Tulip (under JV – 50%)	Q3 2021	1	-	1
Grunwaldzka	Q2 2023	3	2	5
Viva Jagodno I	Q3 2021	-	1	1
Viva Jagodno IIb	Q2 2023	46	22	68
Nowe Warzymice II	Q2 2022	-	-	-
Other	before 2021	1	-	1
Completed projects total		144	109	253
Ongoing projects		1Q 2023	2Q 2023	1-6/2023
Ursus Centralny V (2c)		22	11	33
Eko Falenty I		1	5	6
Osiedle Vola (Stuzienna)		30	15	45
Viva Jagodno III		-	-	-
Miasto Moje VII		-	48	48
Ursus Centralny VI (2e)		-	45	45
Nowa Północ Ia		8	7	15
Między Drzewami		17	31	48
Nova Królikarnia 4b1 (Thame)		1	-	1
Ongoing projects total		79	162	241
Total		223	271	494

SALES 1HY 2023



ONGOING PROJECTS (1/3)

1 191 UNITS UNDER CONSTRUCTION/SALE WITH 64,371 M², OF WHICH 906 UNITS ARE IN WARSAW



**URSUS
CENTRALNY IV
(IIC)**



**URSUS
CENTRALNY V
(IIE)**



**NOVA
KRÓLIKARNIA 4B1
(THAME)**



**OSIEDLE
VOLA**

Project Name

Location

Start date

End date

Area

Units

Warsaw, Ursus

Warsaw, Ursus

Warsaw, Mokotow

Warsaw, Wola

Q4 2021

Q1 2023

Q1 2023

Q2 2022

Q3 2023

Q2 2025

Q2 2024

Q4 2023

11,124 m²

15,628 m²

2,556 m²

4,851 m²

223

291

11

84

ONGOING PROJECTS (2/3)

1 191 UNITS UNDER CONSTRUCTION/SALE WITH 64,371 M², OF WHICH 906 UNITS ARE IN WARSAW



**MIASTO
MOJE VII**

Warsaw, Białołęka

Q1 2023

Q4 2024

11,725 m²

255



EKO FALENTY I

Falenty Nowe

Q1 2022

Q3 2023

4,304 m²

42

Project Name

Location

Start date

End date

Area

Units

ONGOING PROJECTS (3/3)

1 191 UNITS UNDER CONSTRUCTION/SALE WITH 64,371 M², OF WHICH 285 UNITS ARE IN POZNAŃ, SZCZECIN AND WROCŁAW



Project Name

**MIĘDZY
DRZEWAMI**

**NOWA
PÓŁNOC IA**

**VIVA JAGODNO
III**

Location

Poznań

Szczecin

Wrocław

Start date

Q4 2022

Q3 2022

Q3 2023 *

End date

Q3 2024

Q4 2023

Q2 2025 *

Area

5,803 m²

5,230 m²

3,140 m²

Units

117

110

58

ONGOING PROJECTS

ONGOING PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2023-2025

	Name of project	Location	Commencement	Completion	Area [m2]	Units sold	Units for sale	Units in total
Expected to be completed during 2023								
1	Ursus Centralny IV (IIc)	Warsaw	Q4 2021	Q3 2023	11,124	107	116	223
2	Eko Falenty I	Warsaw	Q1 2022	Q3 2023	4,304	10	32	42
3	Nowa Północ Ia	Szczecin	Q3 2022	Q4 2023	5,230	29	81	110
4	Osiedle Vola	Warsaw	Q2 2022	Q4 2023	4,851	59	25	84
Subtotal 2023					25,509	205	254	459
Projects under construction expected to be completed after 2023								
1	Nova Królikarnia 4b1 (Thame)	Warsaw	Q1 2023	Q2 2024	2,566	1	10	11
2	Między Drzewami	Poznań	Q2 2022	Q3 2024	5,803	72	45	117
3	Miasto Moje VII	Warsaw	Q2 2022	Q4 2024	11,725	50	205	255
4	Ursus Centralny IIe	Warsaw	Q2 2022	Q4 2024	15,628	50	241	291
Subtotal after 2023					35,722	173	501	674
Projects where sales started, but the construction not yet								
1	Viva Jagodno III	Wrocław	Q3 2023	Q2 2025	3,140	3	55	58
Subtotal					3,140	3	55	58
Total					64,371	381	810	1 191

UNITS OFFERED FOR SALE AS AT 30 JUNE 2023 (1/2)

UNITS OFFERED FOR SALE (897 IN TOTAL)

During 1HY 2023 the Company commenced the sales of:

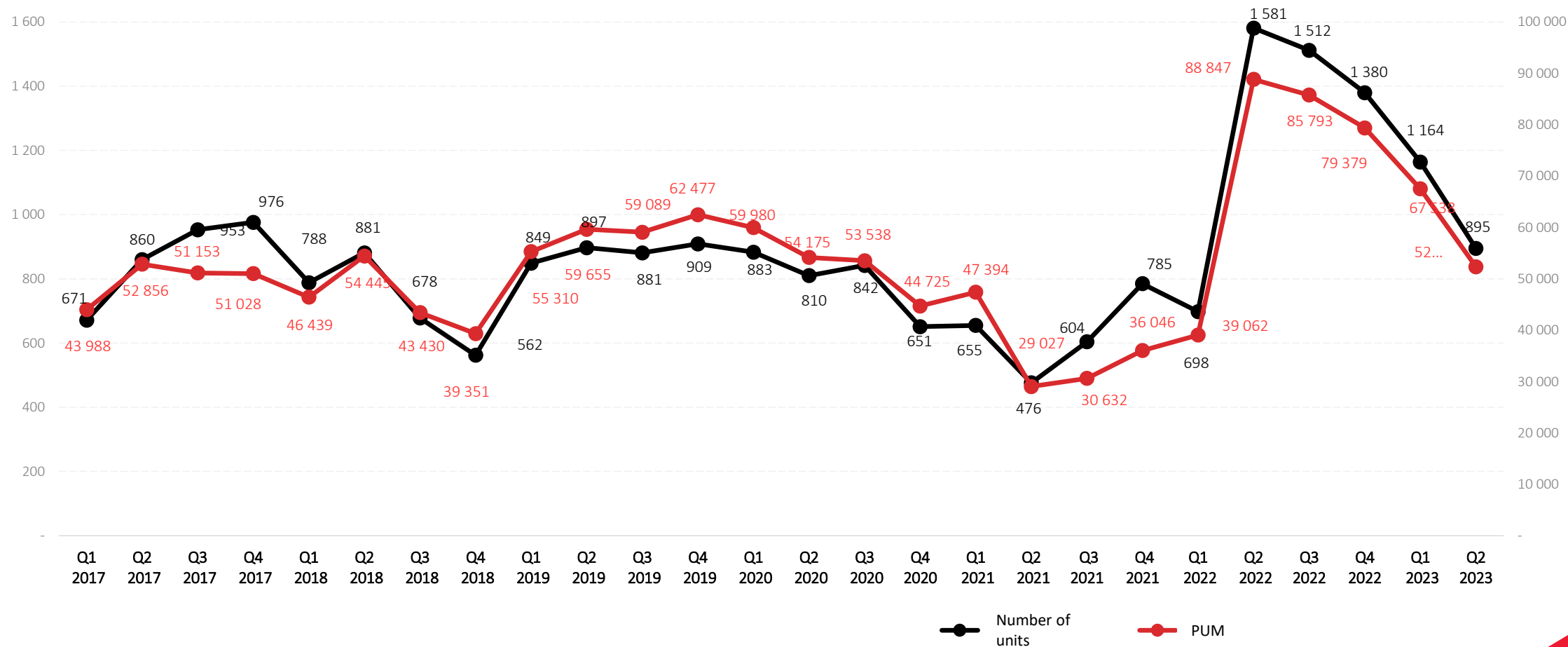
- **11 units** in **Nova Królikarnia 4b1 (Thame)** project

In total **11 units** in 1HY 2023 were commenced to the market.

Finished projects		Ongoing projects	
Miasto Moje VI	25	Ursus Centralny IIe	241
Ursus Centralny IIB	1	Miasto Moje VII	205
Viva Jagodno IIa	11	Ursus Centralny IIc	116
Viva Jagodno IIb	20	Nowa Północ Ia	81
Nowe Warzymice I	1	Viva Jagodno III	55
Nowe Warzymice II	2	Między Drzewami	45
Nowe Warzymice III	1	Eko Falenty I	32
Nowe Warzymice IV	10	Osiedle Vola	25
Grunwaldzka	13	Nova Królikarnia 4b1 (Thame)	10
Other (old) projects	3		
Total	87	Total	810

UNITS OFFERED FOR SALE AS AT 30 JUNE 2023 (2/2)

UNITS OFFERED FOR SALE (897 IN TOTAL)



COMPLETED PROJECTS OFFERED FOR SALE

AS AT 30 JUNE 2023, 87 COMPLETED UNITS WITH 6,758 M2 WERE OFFERED FOR SALE IN 12 PROJECTS



MIASTO MOJE VI

- 25 units offered for sale
- In total: 227 units
- Location: Warszawa, Marywilska Street



VIVA JAGODNO IIA-IIB

- 31 units offered for sale
- In total: 228 units
- Location: Wrocław, Buforowa Street



URSUS CENTRALNY IV (IIB)

- 1 unit offered for sale
- In total: 206 units
- Location: Warszawa, Gierdziewskiego Street



GRUNWALDZKA

- 12 units offered for sale
- In total: 70 units
- Location: Poznań, Grunwaldzka Street



NOWE WARZYMICE I-IV

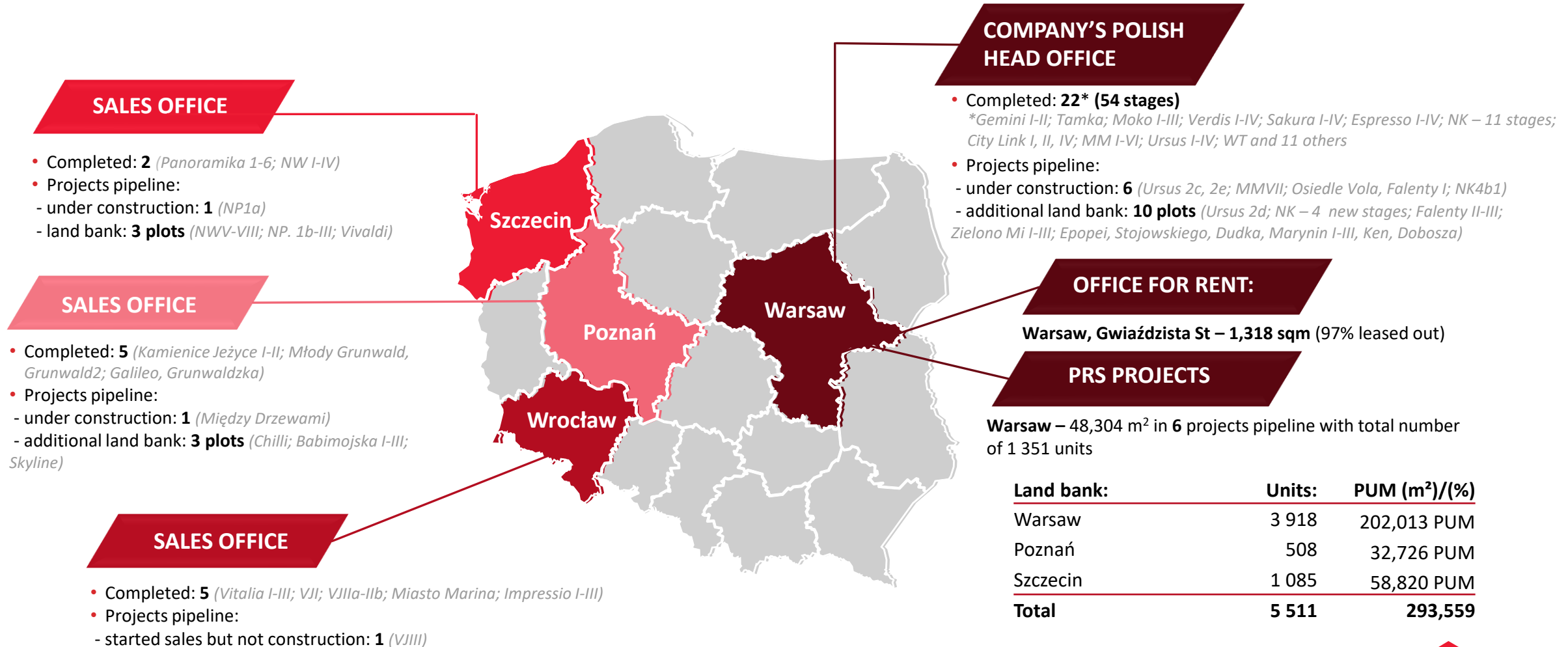
- 13 units offered for sale
- In total: 257 units
- Location: Szczecin, Rajkowa Street

Moreover the Company's offer includes 3 completed units in the following projects:
Sakura (1),
Nova Królikarnia 1d (1), Młody
Grunwald III (1)

PROJECTS IN PREPARATION

SELECTIVE GEOGRAPHIC DIVERSIFICATION IN POLAND

CITIES WITH STRONG ECONOMIC AND DEMOGRAPHIC GROWTH



RONSON APARTMENTS FOR RENT

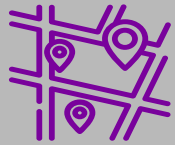
LivingGO



Creating a constant flow to the company



Focus on major cities



Attractive land bank



Utilizing the significant increase in demand for rental apartments



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

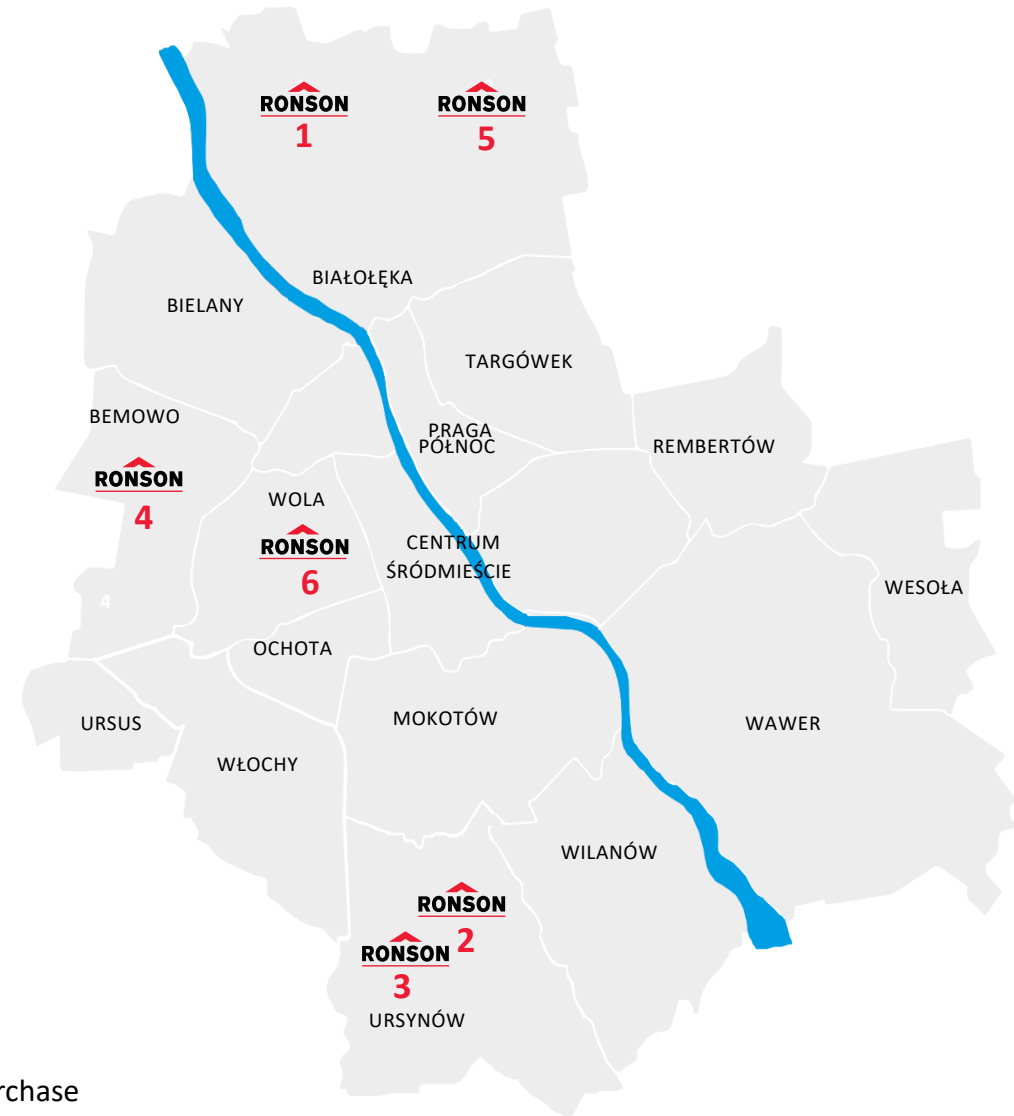
RONSON Leasing

Total 1,351 units owned by the Company
(48,304 m²)

Projects owned and dedicated for **LivingGO**

1. Miasto Moje VIII (147 units)
2. Poleczki (85 units)
3. Galopu (100 units)
4. Auchan (101 units)
5. Dudka (527 units)
6. Wolska (391 units)

Another over **241** units are in the pipeline under preliminary purchase agreements (Biograficzna).





	Project name	Location	Total no. of units	PUM (m ²)
1	Ursus Centralny VI (II d)	Warsaw	361	19,099
2	Nova Królikarnia 3d, 4a, 4b2, 4c, 6	Warsaw	44	11,640
3	Nowe Warzymice V-VIII	Szczecin	251	17,638
4	Falenty II-III	Warsaw	240	21,256
5	Nowa Północ Ib-III	Szczecin	440	22,153
	Subtotal - remaining stages of the projects currently under construction/ on sale		1 336	24%
				91,786
6	Chilli	Poznań	172	14,617
	Subtotal - remaining stages of the projects that were under construction		172	3%
				14,617
7	Zielono Mi	Warsaw	278	15,450
8	Bełchatowska 28	Poznań	44	4,096
9	Vivaldi	Szczecin	394	19,030
10	Babimojska	Poznań	292	14,013
11	Epopci	Warsaw	360	16,670
12	Stojowskiego	Warsaw	234	11,358
13	Dudka*	Warsaw	1 095	45,480
14	Marynin	Warsaw	321	18,701
15	Ken Orange	Warsaw	94	5,700
16	Dobosza	Warsaw	67	3,700
	Subtotal - remaining projects, still in preparation		3 179	58%
				154,198
17	Galopu	Warsaw	100	3,919
18	Poleczki	Warsaw	85	3,500
19	Auchan	Warsaw	101	4,183
20	Wolska	Warsaw	391	13,670
21	Miasto Moje VIII	Warsaw	147	7,687
	Subtotal - PRS projects		824	15%
				32,959
	Total as at 30.06.2023		5 511	100%
				293,559

* Part of the project 527 units with total area of approximately 20,400 m² is planned to be designated for PRS activity in the future

PROJECTS PLANNED FOR COMMENCEMENT DURING 2023

Project Name	Location	Total units	Total area of units (m2)
Nowe Warzymice V	Szczecin	60	4,563
Zielono Mi I	Warsaw	92	5,524
Total		152	10,087



FINANCIAL RESULTS REVIEW

FOR PERIOD ENDED 30 JUNE 2023

P&L HIGHLIGHTS

P&L HIGHLIGHTS ON Y/Y BASIS DURING THE PERIOD ENDED 30 JUNE 2023

	2023 PLN m	2022 PLN m	y/y change	y/y difference
Revenue from residential projects and services	176.4	137.7	28%	38.7
Revenue from sale of land	-	-	n.a	-
Total Revenue	176.4	137.7	28%	38.7
Cost of sales of residential projects	(120.3)	(106.1)	13%	(14.2)
Cost of sales of land	-	-	n.a	-
Gross profit	56.2	31.6	78%	24.6
Changes in the value of investment property	(0.8)	(0.0)	1730%	(0.8)
Selling and marketing expenses	(3.0)	(1.7)	77%	(1.3)
Administrative expenses	(13.3)	(12.9)	3%	(0.4)
Share of profit/(loss) from joint ventures	(0.7)	1.1	-168%	(1.8)
Net other income/(expense)	(3.8)	(0.4)	908%	(3.5)
Operating profit/(loss)	34.4	17.6	96%	16.8
Net finance expense	0.6	(4.5)	-114%	5.1
Profit/(loss) before tax	35.1	13.1	168%	22.0
Income tax benefit/(expenses)	(8.6)	(3.3)	163%	(5.3)
Net profit/(loss)	26.5	9.8	169%	16.6
Profit/(loss) for the period attributable to equity holders of the parent	26.5	9.8	169%	16.6
Gross margin	31.8%	23.0%	39%	0.1
Net Margin	15.0%	7.1%	110%	0.1

The revenue from sales in residential units increased by PLN 38.7 million (28%) from PLN 137.7 million during 1HY 2022 to PLN 176.4 million during the 1HY 2023, which is explained by higher number of units delivered – 383 units delivered to the customers during the 1HY 2023, comparing to the 339 units delivered during 1HY 2022 – in 100% owned projects.

Cost of sales of residential units increased by PLN 14.2 million (13%) from PLN 106.1 million 1HY 2022 to PLN 120.3 million during 1HY 2023. The increase relates to a higher amount of delivered units in projects fully owned by the Group from 339 units during the six months ended 30 June 2022 compared to 383 units delivered to customers during the six months ended 30 June 2023.

Gross profit PLN 56.2 m increased by 78% by PLN 24.6 m. The increase relates to higher number of units delivered during 1HY 2023 and with higher average gross margin. The main contributors for the gross profit in 1HY 2023 were Miasto Moje VI, Ursus Centralny IIb and Viva Jagodno IIb (contributed respectively PLN 21.1 million, PLN 21.8 million and PLN 7.0 million). During 1HY 2022 the projects that significantly impacted the profitability of the Group were Ursus Centralny IIa, Nowe Warzymice II and Miasto Moje IV (contributed respectively PLN 19.8 million, PLN 5.4 million and PLN 4.1 million to the gross profit).

The gross margin from sales of residential units 1HY 2023 was 31.8% which increased comparing to 23.0% during 1HY 2022. In 1HY 2023 the projects that significantly impacted the gross margin of the Group were Miasto Moje VI, Ursus Centralny IIb and Viva Jagodno IIb with a gross margin of (contributed respectively 33.5%, 36.2% and 38.6%). In 1HY 2022 the projects that significantly impacted the gross margin are Ursus Centralny IIa, Nowe Warzymice II and Miasto Moje IV (contributed respectively 24.2%, 27.9% and 24.4%).

Selling and marketing expenses increased by PLN 1.3 million (77%) from PLN 1.7 million during the 1HY 2022 to PLN 3 million on 1HY 2023, is reflecting the higher invested marketing resources in the company running projects and opening new stages in ongoing projects. As a result higher number of units sold during the reporting period, increase of 132% (494 units sold during 1HY 2023 comparing to 213 units sold during 1HY 2022).

Finance income and expenses - In the first half of 2023, the Group recorded a net income on financial operations of PLN 0.6 million compared to a net expenses of PLN 4.5 million in the first half of 2022. This variation is mainly due to a net profit on fair value measurement of a financial instrument generated as well as a gain on foreign exchange rates totaling to 6.4 million, compared to a loss of 3.0 million on this account in the corresponding period of 2022.

P&L HIGHLIGHTS. REVENUE AND GROSS MARGIN

PERIOD ENDED 30 JUNE 2023

UNITS DELIVERED / REVENUE / GROSS MARGIN

Project	Location	1Q2023		2Q 2023		Revenues		Gross margin / profit		Contribution		Unit Average price (PLN thousand)
		Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m	in revenues	in gross profit	
Miasto Moje VI	Warsaw	23	10.3	126	52.7	149	62.9	33.5%	21.1	35%	39%	422,4
Ursus Centralny IIb	Warsaw	0	0.0	115	60.2	115	60.2	36.2%	21.8	34%	40%	523,9
Viva Jagodno IIb	Wrocław	0	0.0	45	18.1	45	18.1	38.6%	7.0	10%	13%	403,3
Nowe Warzymice IV	Warsaw	0	0.0	34	13.0	34	13.0	28.6%	3.7	7%	7%	381,0
Miasto Moje V	Szczecin	13	7.4	1	0.7	14	8.0	12.4%	1.0	5%	2%	574,4
Grunwaldzka	Poznań	0	0.0	12	4.7	12	4.7	19.8%	0.9	3%	2%	393,8
Other*		6	4.2	8	5.2	14	9.4	n/a	0.6	5%	1%	
Total excluding JV		42	21.8	341	154.6	383	176.4	31.8%	56.2	99%	103%	460,7
Write-off adjustment											0%	
Result		42	22	341	154.6	383	176.4	31.8%	56.2	99%	103%	460,7
Wilanów Tulip	Warsaw	2	1.5	0	0.0	2	1.5	n/a	-1.6	1%	-3%	736,6
Total including JV		44	23.3	341	154.6	385	177.9	30.7%	54.6	100%	100%	462,2

* Other revenues:

- Rental revenues
- Sales of old units

BALANCE SHEET DATA

BALANCE SHEET DATA (PLN M)

- **Inventory** - The value of inventories and residential landbank at 30 June 2023 amounted to PLN 807.8 million compared to PLN 768.4 million at 31 December 2022. The increase is mainly due to direct construction costs occurred in the total amount of PLN 132.6 million, transfer of land from land design for development PLN 9.2 million. This increase was partly offset by recognized costs of sales in the total amount of PLN 113.2 million.
- **Other assets** - decrease in PLN 28 million is driven mostly by VAT returns on previously purchased lands, in amount of PLN 21.1 million.
- **Loans and Borrowings** - The decrease in loans and bonds is primarily explained by decrease in bank loans balance of PLN 14.5 million (loans received and the use of credit lines in the amount of PLN 44.7 million with a simultaneous bank loans repayments of PLN 59.5 million).
- **Advances received** - The balance of advances received is PLN 181.6 million as at 30 June 2023 compared to PLN 139.9 millions as of 31 December 2022. The increase is explained by advances received from clients regarding sales of units during the period ended 30 June 2023 for a total amount PLN 213.6 million which was offset by the revenues recognized from the sale of residential units for a total amount of PLN 176.4 million during the three months ended 30 June 2023.
- **Financial liability measured at fair value through profit and loss** - Following the signing of the SAFE settlement agreement a partial repayment of the liability in the amount of PLN 25 million was made along with new valuation of the remaining amount which increased the value of the liability by PLN 2.6 million.
- **Other Liabilities** - increase by PLN 27.4 million is driven mostly by introducing 2 new big stages in ongoing projects Miasto Moje VII and Ursus IIE related to Construction works as well as investment accruals for this projects.

RATIOS AS AT THE END OF 30 JUNE 2023

NET DEBT / EQUITY: 29.4%

NET DEBT / EQUITY: 26.8%(*)

*calculated in accordance to the bond covenants

As at	30.06.2023 PLN m	31.12.2022 PLN m	Change PLN m
Inventory and Residential landbank	807.8	768.4	39.4
Cash and cash equivalents	103.9	51.2	52.7
Other assets	154.5	182.5	-28.0
Total Assets	1 066.2	1 002.1	64.1
Loans and borrowings	205.1	219.7	-14.5
Advances received	181.6	139.9	41.7
Financial liability measured at amortized cost / fair value through profit and loss	39.3	70.5	-31.2
Other liabilities	130.1	102.6	27.4
Lease liabilities related to perpetual usufruct of land	31.4	18.0	13.4
Total liabilities	587.5	550.7	36.7
Equity attributable to the parent	478.74	451.4	27.3
Net Debt	140.9	239.3	-98.5
Net debt / Equity	29.4%	53.0%	n.a.
Net debt (including cash on MRP) / Equity	26.8%	50.5%	n.a.
Net debt / Total Assets	13.2%	23.9%	n.a.
Net assets per share (PLN)	2.92	2.75	n.a.

CASH FLOW DURING THE PERIOD ENDED 30 JUNE 2023

OVERVIEW OF CASH FLOW RESULTS

The Company's positive net cash flow from operating activities for the six months ended 30 June 2023 amounted to PLN 93.3 million compared to negative net cash flows from these activities in the corresponding period ended 30 June 2022 of PLN 62.7 million. The increase of PLN 156 million is primarily explained by:

- an increase in cash inflow of PLN 93.4 million due to an increase in advances received from customers from having a receivable of PLN 120.1 million in the 6 months ended 30 June 2022 to balance of PLN 213.6 million received in the 6 months ended 30 June 2023;
- increase in cash inflow of PLN 15 million due to amounts received for VAT return during in the net total amount of 21.1 million during the 6 months ended 30 Jun 2023 comparing to VAT return of 6.0 million during the 6 months ended 30 June 2022;
- decrease in cash outflow related to land purchase and advances for land purchase of PLN 28.9 million during the 6 months ended on 30 Jun 2022 , comparing to no purchase of land during the 6 months of 30 June 2023;
- decrease in cash outflow related to corporate income tax payment in the amount of PLN 0.7 million from PLN 6.1 million for the 6 months ended on 30 June 2022 to PLN 5.7 million during the six months ended on 30 June 2023.

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

- increase of cash outflow in the amount of PLN 6.1 million related to interest payments in the amount of PLN 12.2 million in the 6 months ended on 30 June 2023 comparing to interest payment of PLN 6.1 million during the 6 months ended on 30 June 2022.

The Company's net cash inflow used in investing activities amounted to PLN 0.539 million during the six months ended 30 June 2023 compared to net inflow from investing activities in comparative period in the amount of PLN 9.6 million. The increase of PLN 10.1 million is primarily explained by cash inflow due to dividends received from joint ventures in the total amount of PLN 1.1 million. Purchase of investment property in the total amount of PLM 9.6 million during the 6 months ended on 30 June 2022 comparing to no purchase of land during the 6 months ended of 30 June 2023.

The Company's net cash outflow from financing activities amounted to PLN 41.1 million during the six months ended 30 June 2023 compared to a net cash inflow from financing activities amounted to PLN 27.9 million during the six months ended 30 June 2022.

The change of PLN 69 million is primarily explained by:

- Proceeds from SAFE agreement in the total amount of PLN 74.6 milion compared to cash outflow advance paid in the amount of PLN 25.0 million on the account of SAFE settlement agreement;
- net cash outflow related to repayments of bank loans during the period of 6 months ended 30 June 2023 in the total amount of PLN 14.8 million compared to PLN 4.5 million net inflow during 6 months ended on 30 June 2022;
- Cash out flow in the amount of PLN 50 million related to repayment of Bonds during the 6 months ended on 30 June 2022 comparing to no bonds repayments during the 6 months ended on 30 June 2023.

	For the year ended 30 June	
	2023	2022
	PLN (thousands)	
Cash flows from/(used in) operating activities	93,291	(62,669)
Cash flow from/(used in) investing activities	539	(9,612)
Cash flow (used in)/from financing activities	(41,133)	27,922

INVENTORY AND INVESTMENT PROPERTIES

AS AT 30 JUNE 2023

	Units	PLN m
Finished goods	402	147.0
Ongoing projects	1 191	243.2
Land bank*	4 834	387.1
Perpetual usufruct rights**	-	30.4
Total inventory***	6 427	807.6
Investment property PRS	677	54.8
Investment property office lease	-	8.1
Total investment property	677	62.9
	7 104	870.5

* Including all costs capitalized, i.e. purchase price, transaction costs, land preparation costs, architect planning, financial costs and other.

** Implementation of the IFRS 16

FINISHED PROJECTS

Comprising: **402 units**, 315 of which units are already sold.

ONGOING PROJECTS (64,371 PUM) OF WHICH:

9 projects / stages under construction and/or on sale total of 1 191 units, of which 381 are already sold:

Miasto Moje VII, Ursus Centralny IIc, IIe, Viva Jagodno III, Eko Falenty I, Osiedle Vola, Nowa Północ Ia, Między Drzewami, Nova Królikarnia 4b1 (Thame)

ATTRACTIVE BANK OF LANDS (5 511 UNITS; 293,559 PUM)

Categorised by city:


Warsaw	3 918 units;	202,013 PUM
Poznań	508 units;	32,726 PUM
Szczecin	1 085 units;	58,821 PUM

Categorised by book value per PUM:

Below	PLN 1,000	121,479 PUM
Between	PLN 1,000–2,000	128,356 PUM
Over	PLN 2,000	43,724 PUM

FINISHED GOODS

COMPLETED PROJECTS THAT MAY CONTRIBUTE TO P&L DURING 2023



Name of project	Signed contracts		Units for sale	Units in total
	(PLN m)	Units (no.)	(no.)	(no.)
Ursus Centralny IIb	51.7	90	1	91
Viva Jagodno IIb	39.8	87	20	107
Miasto Moje VI	31.4	53	25	78
Grunwaldzka	19.7	45	13	58
Nowe Warzymice IV	13.5	31	10	41
Miasto Moje V	1.2	1	0	1
Other (old) projects	4.9	8	18	26
Total	162.2	315	87	402

As of 1HY 2023, there were **315 units** completed and sold that were not delivered to the customers, and 87 which are available for sale. Total value of pre-sold units amounted to PLN 162.2 m. It shall be expected that majority of those units will be delivered to the customers during 2023.

DEBT POSITION AS AT 30 JUNE 2023

	PLN m
Bond loans	203.66
Bank loans	1.45
Financial liability to Shareholder	39.3
Total	244.41

BANK LOANS

As at 30 June 2023 the Company did use bank loans lines on the following projects:

- **Ursus Centralny IIC** in the amount **PLN 1,454 thousand**

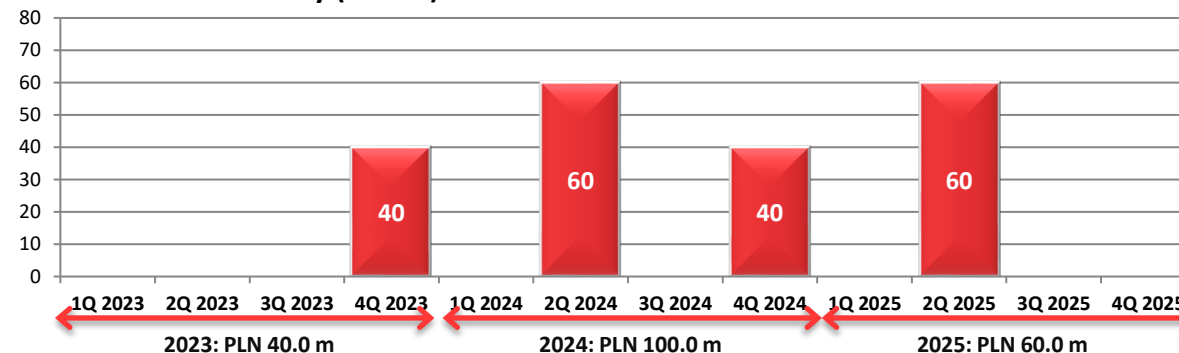
As at 30 June 2023 all bank credit line were presented as short-term.

FINANCIAL LIABILITY TO SHAREHOLDER

Financial liability measured at amortized cost to sole Shareholder in amount of **PLN 39.3 million**

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**
Total		200,000,000				

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

** 40% mandatory depreciation at the end of 7th 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 2023 amounted to **PLN 203.7 m** (as at 31 December 2022: PLN 203.4 m). The balance of liabilities on bonds issued consists of: the face value of bonds in the amount of PLN 200.0 m, accrued interest in the amount of PLN 5.0 m minus one-time costs directly attributable to the issuance of bonds, which are recognized at amortized cost including the effective interest rate (PLN 1.3 m).

DEBT POSITION AS AT 30 JUNE 2023

BOND COVENANTS

Net debt to equity ratio:

Series V and W:

Net debt 128.5

Equity to the parent 478.7

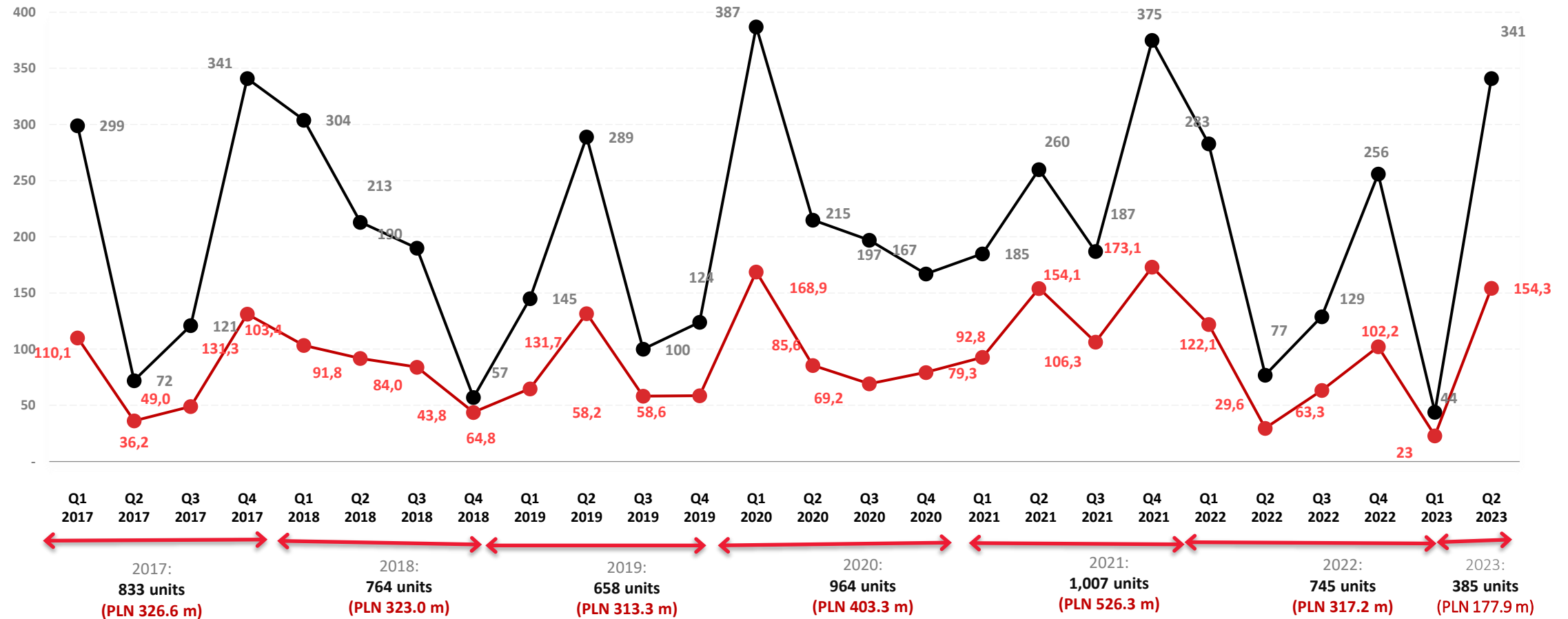
Net debt to equity ratio 26.8%

Based on the conditions of **all bonds series** in each reporting period the Company shall test the ratio of **Net debt to Equity** (including Other current financial assets). The Ratio shall not exceed **80%**.



OUTLOOK FOR 2023 (1/2)

INCOME RECOGNISED DURING THE QUARTERS



OUTLOOK FOR 2023 (2/2)

UNITS SOLD BUT NOT DELIVERED (696 UNITS AND PLN 368 M IN TOTAL)

Finished projects	Units	mln PLN	Ongoing projects	Units	mln PLN
Ursus Centralny IIb	90	51.7	Ursus Centralny IIc	107	59.6
Miasto Moje VI	53	31.4	Między Drzewami	72	34.8
Viva Jagodno IIb	87	39.8	Osiedle Vola	59	44.5
Grunwaldzka	45	19.7	Ursus Centralny IIe	50	23.7
Nowe Warzymice IV	31	13.5	Miasto Moje VII	50	19.5
Other (old) projects	9	6	Nowa Północ Ia	29	9.4
			Eko Falenty I	10	8.6
			Viva Jagodno III	3	0.9
			Nova Królikarnia 4b1 (Thame)	1	4.8
Total	315	162.2	Total	381	205.8

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 30.06.2023.

Out of 381 units sold in Ongoing projects, **205 units** with the total value of **PLN 122.2 m signed agreements**, represent the total amount of sold units which **projects are scheduled to be finished during the year 2023.**






RONSON
DEVELOPMENT

Q&A SESSION






RONSON
DEVELOPMENT

THANK YOU

ronson.pl

