



Summary Presentation addressing Financial Results of 3Q 2023

9th November 2023

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MANAGEMENT BOARD



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 Sales for the Company, before that he served as marketing director and board member of the Emerson consulting agency.



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.

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:

8 projects
ongoing
and

5 completed projects
offered for sale
(at 30 September 2023 Ronson
offer 590 units)

16 Further residential
projects
in preparation for around 4 306 units

5 PRS projects
in preparation for around 1 204 units

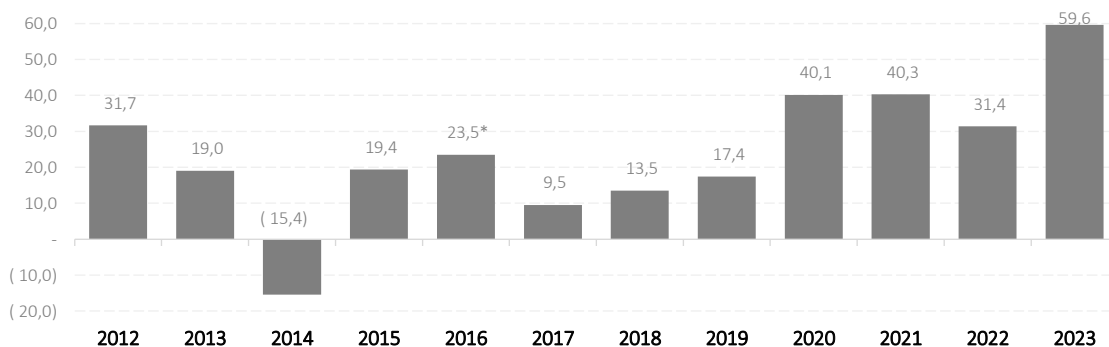
**ATTRACTIVE LAND BANK IS ONE OF RONSON'S ADVANTAGES
DECIDING ABOUT ITS GROWTH POTENTIAL**



COMPANY HIGHLIGHTS

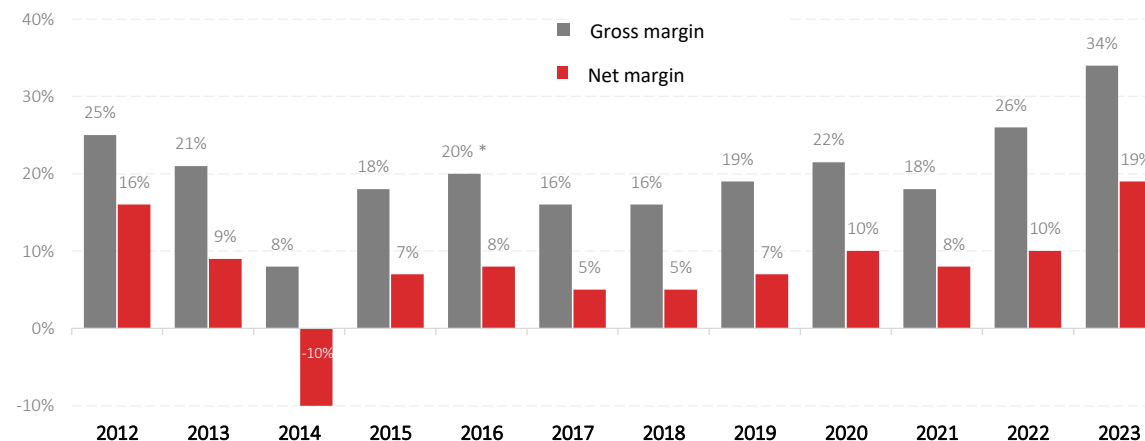
(BASED ON: COMPANY'S FINANCIAL STATEMENTS)

NET PROFIT (PLN MILLION)



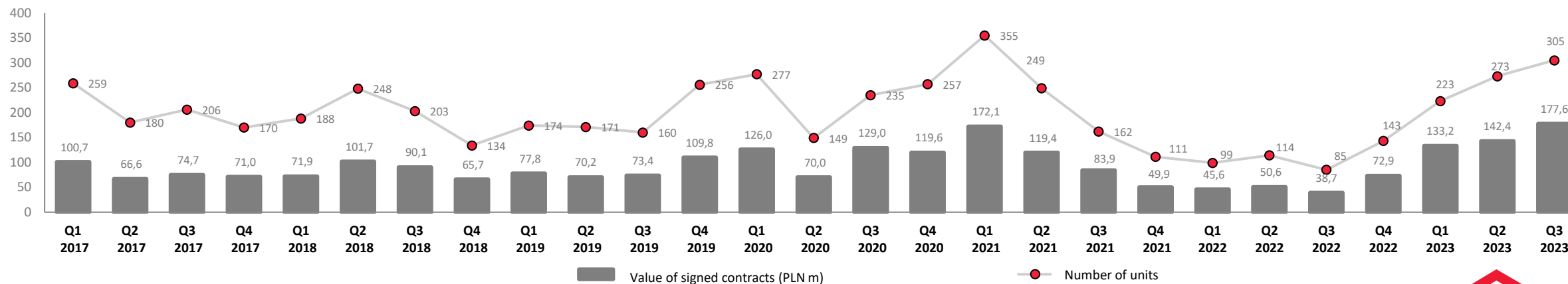
* Excluding one time event of selling Nova Krolikarnia (net profit PLN 41 million)

MARGINS (%)



* Excluding one time event of selling Nova Krolikarnia

801 UNITS SOLD DURING 3Q 2023











**BRIEF SUMMARY OF COMPANY'S
ACHIEVEMENTS DURING
1Q-3Q 2023**

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED

30 SEPTEMBER 2023

	1Q-3Q 2023	1Q-3Q 2022	FY 2022
Pre-sales	 801 units (PLN 453.2 m)	298 units (PLN 134.9 m)	441 units (PLN 207.8 m)
Deliveries*	 667 units (PLN 319.5 m)	489 units (PLN 215 m)	745 units (PLN 317.1 m)
Commenced Projects	 11 units	1 009 units	1 020 units
Completed Projects	 953 units	333 Units	471 units
Net Profit	 PLN 59.6 m	PLN 12.1 m	PLN 31.4 m
Net debt to equity **	 20%	49.5%	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 SEPTEMBER 2023

- **Sale of 801 units:**

Ursus Centralny - 263 units	Osiedle Vola – 61 units	Nowa Północ – 46 units	Nova Królikarnia 4b1 – 1 unit
Miasto Moje – 199 units	Między Drzewami – 60 units	Eko Falenty – 18 units	Wilanów Tulip – 1 unit
Viva Jagodno – 88 units	Nowe Warzymice – 51 units	Grunwaldzka – 12 units	Other projects – 1 unit

- **Delivery of 667 units** (for details see slide „P&L HIGHLIGHTS, REVENUE AND GROSS MARGIN”)

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

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

- **Completion of 6 Projects**

- **Ursus Centralny IV (2B)** project – **206** units with total area **11 758 m²**
- **Ursus Centralny IV (2C)** project – **223** units with total area **11 124 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 SEPTEMBER 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
 - **Ursus Centralny 2C** - occupancy permit received 17 August 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** - Agreement for Bank financing Loan in the total amount of PLN 40.5 million signed on 23 June 2023
 - **Nova Krolikarnia 4B1** - 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 SEPTEMBER 2023

Purchase of land:

Final agreements signed until 30 September 2023

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 30 September 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 September 2023

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 30 September 2023 (PLN million)	Number of units	Potential PUM
Warsaw, Białołęka ⁽¹⁾	preliminary	23 Nov 2020	1.5	1.5	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 SEPTEMBER 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.

COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED

30 SEPTEMBER 2023

RECENT DEVELOPMENTS (AFTER 30 SEPTEMBER 2023)

Occupancy permit

Project Name	Location	Occupancy permit date	Number of units	PUM (m ²)
Eko Falenty I	Warsaw	16 October 2023	42	4 304
Total			42	4 304

Building permit

Project Name	Location	Building permit date	Number of units	PUM (m ²)
Zielono Mi I- II	Warsaw	18 October 2023	198	10 650
Total			198	10 650

Land purchase

On 17 October 2023 the Company signed final agreement for purchase of plot in Warsaw Bemowo in total agreement value of PLN 16.0 m and potential PUM 4 100 sqm

Location	Type of agreement	Signed date	Agreement net value (PLN million)	Paid net till 17 October 2023 (PLN million)	Number of units	Potential PUM
Warsaw, Bemowo	final	17 October 2023	16.0	16.0	86	4 100
Total			16.0	16.0	86	4 100

Repayment of Bonds

On 2 October 2023 the Company partially repaid Bonds series V with an amount of PLN 40.0 m

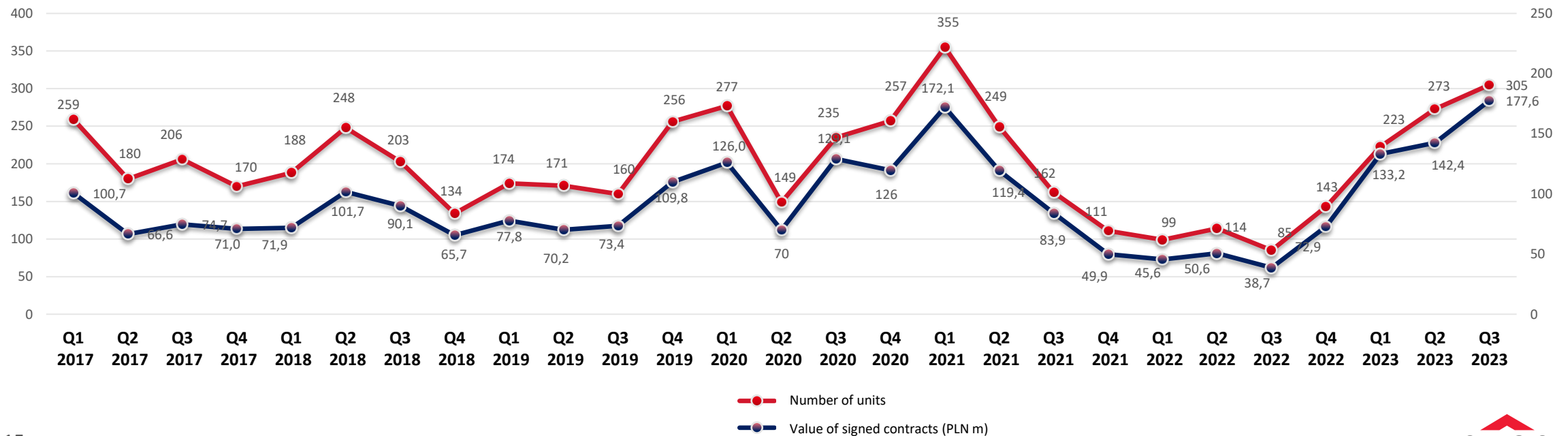


**BRIEF SUMMARY OF COMPANY'S
SALES AND PROJECTS
1Q-3Q 2023**

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

801 UNITS SOLD DURING 1Q-3Q 2023

- **Total number of units sold** during 1Q-3Q 2023 amounted to **801**, compared to **298** units sold during the 1Q-3Q 2022.
- Best-selling projects were: **Ursus Centralny** (263 units), **Miasto Moje** (199 units) and **Osiedle Vola** (61 units) in Warsaw, **Viva Jagodno** in Wroclaw (88 units) and **Między Drzewami** in Poznań (60 units).
- **The average price** of apartments sold during 1Q-3Q 2023 amounted to **PLN 565,8 thousand**, which was higher than the average price of apartments sold during the 1Q-3Q 2022 (PLN 455 thousand). The increase of the average price was in general due to change of market trend (higher sale prices) and high demand.



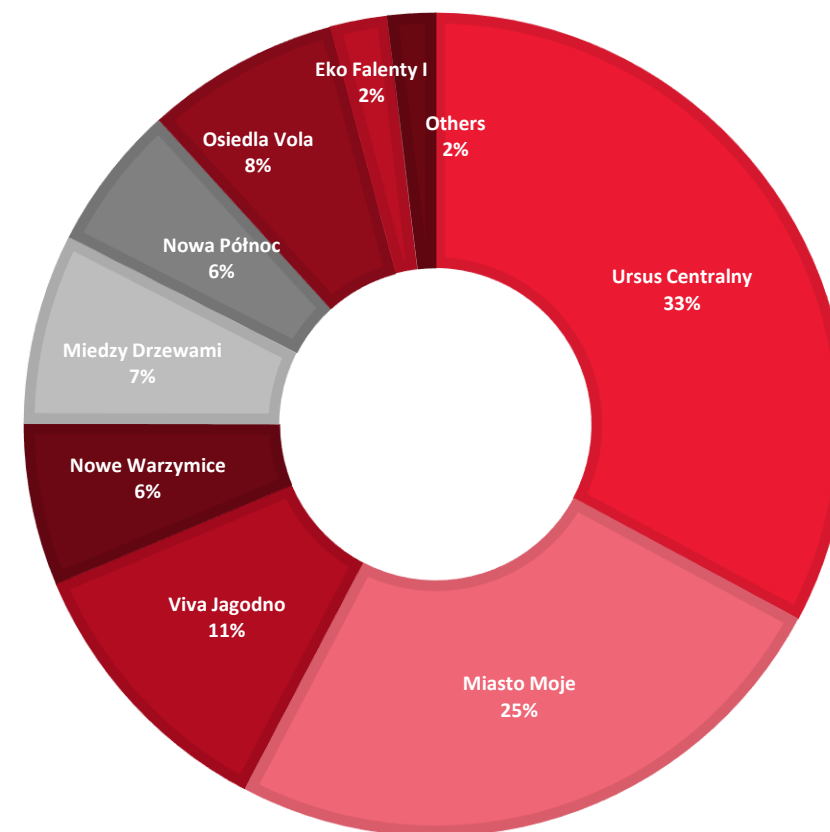
COMPANY'S ACHIEVEMENTS DURING THE PERIOD ENDED 30 SEPTEMBER 2023

QUARTERLY AND YEARLY SALES

801 UNITS SOLD DURING 1Q-3Q 2023

Completed projects	Completion date	1Q 2023	2Q 2023	3Q 2023	1-9/2023	
Ursus Centralny V (2c)	Q3 2023	22	11	80	113	
Miasto Moje VI	Q1 2023	26	49	18	93	
Viva Jagodno IIb	Q2 2023	46	22	9	77	
Ursus Centralny IV (2b)	Q1 2023	40	11	-	51	
Nowe Warzymice IV	Q2 2023	11	24	8	43	
Grunwaldzka	Q2 2023	3	3	6	12	
Viva Jagodno IIa	Q4 2022	2	-	8	10	
Miasto Moje V	Q3 2022	10	-	-	1	9
Nowe Warzymice III	Q4 2022	3	-	1	4	
Nowe Warzymice I	Q2 2021	1	1	-	2	
Nowe Warzymice II	Q2 2022	-	-	2	2	
Wilanow Tulip (under JV – 50%)	Q3 2021	1	-	-	1	
Viva Jagodno I	Q3 2021	-	1	-	1	
others	before 2021	1	-	-	1	
Completed projects total		166	122	131	419	
Ongoing projects		1Q 2023	2Q 2023	3Q 2023	1-9/2023	
Ursus Centralny VI (2e)		-	45	54	99	
Miasto Moje VII		-	48	49	97	
Osiedle Vola		30	15	16	61	
Między Drzewami		17	31	12	60	
Nowa Północ Ia		8	7	31	46	
Eko Falenty I		1	5	12	18	
Nova Królikarnia 4b1		1	-	-	1	
Viva Jagodno III		-	-	-	-	
Ongoing projects total		57	151	174	382	
Total		223	273	305	801	

SALES 1Q-3Q 2023



ONGOING PROJECTS (1/2)

968 UNITS UNDER CONSTRUCTION/SALE WITH 53 247 M², OF WHICH 683 UNITS ARE IN **WARSAW**



**URSUS
CENTRALNY V (IIE)**



**NOVA
KRÓLIKARNIA 4B1**



**OSIEDLE
WOLA**



**MIASTO
MOJE VII**



EKO FALENTY I

Project Name

Location

Start date

End date

Area

Units

Warsaw, Ursus

Q1 2023

Q4 2024

15 628 m²

291

Warsaw, Mokotow

Q1 2023

Q2 2025

2 556 m²

11

Warsaw, Wola

Q2 2022

Q1 2024

4 851 m²

84

Warsaw, Białołęka

Q1 2023

Q4 2024

11 725 m²

255

Falenty Nowe

Q1 2022

Q4 2023

4 304 m²

42

ONGOING PROJECTS (2/2)

968 UNITS UNDER CONSTRUCTION/SALE WITH 53 247 M², OF WHICH 285 UNITS ARE IN POZNAŃ, SZCZECIN AND WROCŁAW



**MIĘDZY
DRZEWAMI**



**NOWA
PÓŁNOC IA**



**VIVA JAGODNO
III**

Project Name

Location

Start date

End date

Area

Units

Poznań

Q4 2022

Q3 2024

5 803 m²

117

Szczecin

Q3 2022

Q1 2024

5 230 m²

110

Wrocław

Q3 2023*

Q2 2025*

3 140 m²

58

**Projects where sales started, but the construction not yet*

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	Eko Falenty I	Warsaw	Q1 2022	Q4 2023	4 304	22	20	42
Subtotal 2023					4 304	22	20	42
Projects under construction, with an expected completion date in 2024								
2	Osiedle Vola	Warsaw	Q2 2022	Q1 2024	4 851	75	9	84
3	Nowa Północ Ia	Szczecin	Q3 2022	Q1 2024	5 230	60	50	110
4	Między Drzewami	Poznań	Q4 2022	Q3 2024	5 803	84	33	117
5	Miasto Moje VII	Warsaw	Q1 2023	Q4 2024	11 725	99	156	255
6	Ursus Centralny IIe	Warsaw	Q1 2023	Q4 2024	15 628	104	187	291
Subtotal 2024					43 237	422	435	857
Projects with an expected completion date in 2025								
7	Viva Jagodno III	Wrocław	Q1 2024	Q2 2025	3 140	3	55	58
8	Nova Królikarnia 4b1	Warsaw	Q1 2023	Q2 2025	2 566	1	10	11
Subtotal 2025					5 706	4	65	69
Total					53 247	448	520	968

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

UNITS OFFERED FOR SALE (590 IN TOTAL)

During 1Q-3Q 2023 the Company commenced the sales of:

- **11 units** in **Nova Królikarnia 4b1** project

In total **11 units** in 1Q-3Q 2023 were commenced to the market.

Finished projects		Ongoing projects	
Ursus Centralny IIc	36	Ursus Centralny IIe	187
Viva Jagodno IIb	11	Miasto Moje VII	156
Miasto Moje VI	7	Viva Jagodno III	55
Grunwaldzka	6	Nowa Północ Ia	50
Viva Jagodno IIa	3	Między Drzewami	33
Ursus Centralny IIB	1	Eko Falenty I	20
Miasto Moje V	1	Nova Królikarnia 4b1	10
Nowe Warzymice IV	1	Osiedle Vola	9
Nowe Warzymice I	1		
Other (old) projects	3		
Total	70	Total	520

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

UNITS OFFERED FOR SALE (590 IN TOTAL)



COMPLETED PROJECTS OFFERED FOR SALE

AS AT 30 SEPTEMBER 2023, 70 COMPLETED UNITS WITH 4 867 M2 IN 12 PROJECTS WERE OFFERED FOR SALE



MIASTO MOJE V-VI

- 8 units offered for sale
- In total: 397 units
- Location: Warszawa, Marywilska Street



VIVA JAGODNO IIA-IIB

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



URSUS CENTRALNY IV (IIB- IIC)

- 37 unit offered for sale
- In total: 429 units
- Location: Warszawa, Gierdziejewskiego Street



GRUNWALDZKA

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



NOWE WARZYMICE I, IV

- 2 units offered for sale
- In total: 129 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

SALES OFFICE

- Completed: **2** (*Panoramika 1-6; NW I-IV*)
- Projects pipeline:
 - under construction: **1** (*NP1a*)
 - land bank: **3 plots** (*NWV-VIII; NP. 1b-III; Vivaldi*)

SALES OFFICE

- Completed: **5** (*Kamienice Jeżyce I-II; Młody Grunwald, Grunwald2; Galileo, Grunwaldzka*)
- Projects pipeline:
 - under construction: **1** (*Między Drzewami*)
 - additional land bank: **3 plots** (*Chilli; Babimojska I-III; Skyline*)

SALES OFFICE

- Completed: **5** (*Vitalia I-III; VJI; VJIIa-IIb; Miasto Marina; Impressio I-III*)
- Projects pipeline:
 - started sales but not construction: **1** (*VJIII*)



COMPANY'S POLISH HEAD OFFICE

- Completed: **22*** (**54 stages**)
 **Gemini I-II; Tamka; Moko I-III; Verdis I-IV; Sakura I-IV; Espresso I-IV; NK – 11 stages; City Link I, II, IV; MM I-VI; Ursus I-V; WT and 11 others*
- Projects pipeline:
 - under construction: **5** (*Ursus 2e; MMVII; Osiedle Vola, Falenty I; NK4b1*)
 - additional land bank: **10 plots** (*Ursus 2d; NK – 4 new stages; Falenty II-III; Zielono Mi I-III; Epopei; Stojowskiego; Dudka; Marynin I-III; Ken; Dobosza*)

OFFICE FOR RENT:

Warsaw, Gwiaździsta St – **1 318 sqm** (97% leased out)

PRS PROJECTS

Warsaw – 46 672 m² in 5 projects pipeline with total number of 1 204 units

Land bank:	Units:	PUM (m ²)
Warsaw	3 918	202 013
Poznań	508	32 726
Szczecin	1 085	58 820
Total	5 511	293 559

RONSON APARTMENTS FOR RENT

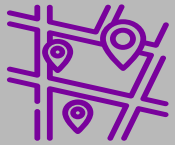
LivingGO



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

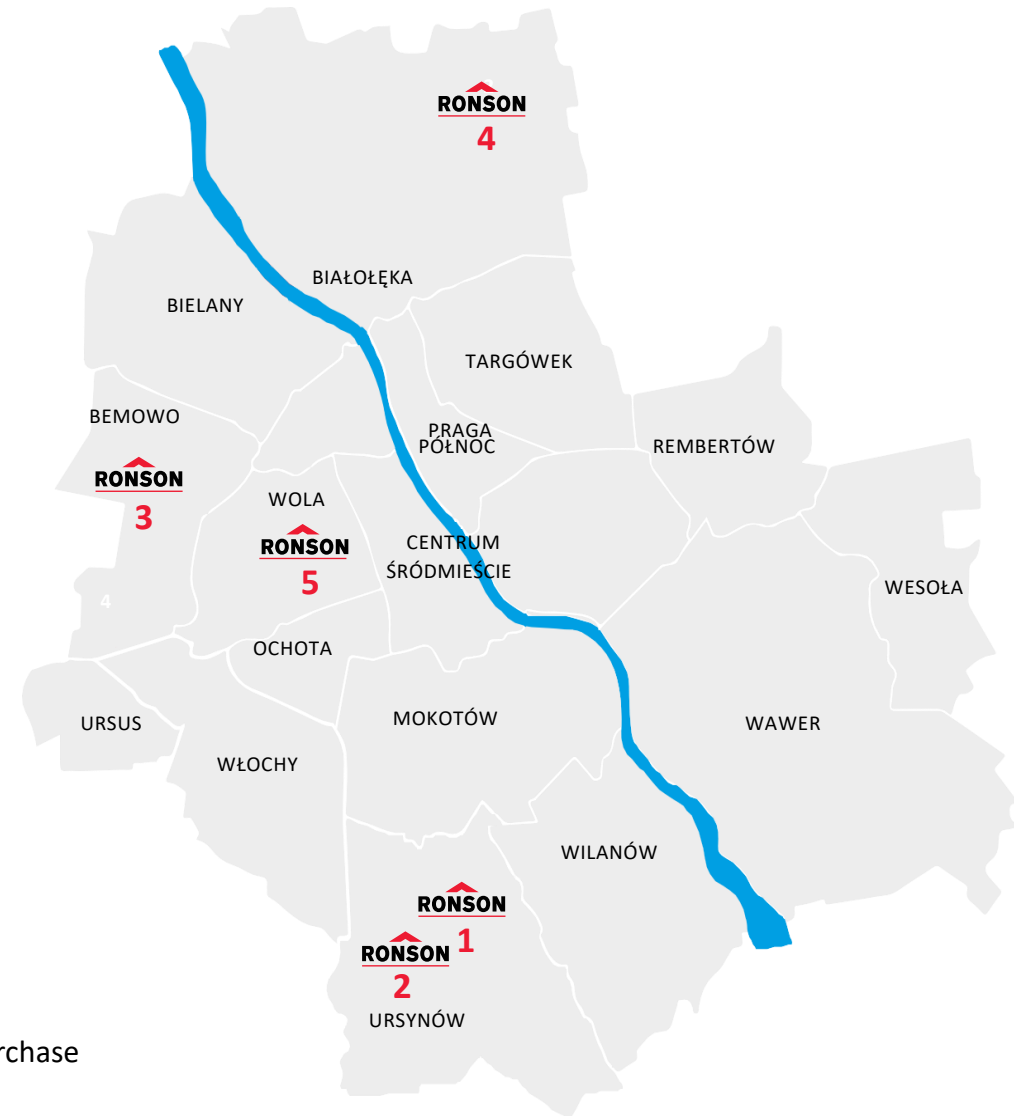
RONSON Leasing

Total 1 204 units owned by the Company
(45 672 m²)

Projects owned and dedicated for LivingGO

1. Poleczki (85 units)
2. Galopu (100 units)
3. Auchan (101 units)
4. Dudka (527 units)
5. Wolska (391 units)

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





	Project name	Location	Units	PUM (m ²)
1	Ursus Centralny VI (IId)	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
6	Miasto Moje VIII	Warsaw	147	7 687
	Subtotal - remaining stages of the projects currently under construction/ on sale		1 483 27%	99 473
7	Chilli	Poznań	172	14 617
	Subtotal - remaining stages of the projects that were under construction		172 3%	14 617
8	Zielono Mi	Warsaw	278	15 450
9	Bełchatowska 28	Poznań	44	4 096
10	Vivaldi	Szczecin	394	19 030
11	Babimojska	Poznań	292	14 013
12	Epopci	Warsaw	360	16 670
13	Stojowskiego	Warsaw	234	11 358
14	Dudka*	Warsaw	1 095	45 480
15	Marynin	Warsaw	321	18 701
16	Ken Orange	Warsaw	94	5 700
17	Dobosza	Warsaw	67	3 700
	Subtotal - remaining projects, still in preparation		3 179 58%	154 198
18	Galopu	Warsaw	100	3 919
19	Poleczki	Warsaw	85	3 500
20	Auchan	Warsaw	101	4 183
21	Wolska	Warsaw	391	13 670
	Subtotal - PRS projects		677 12%	25 272
	Total as at 30.09.2023		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	12	925
Zielono Mi I	Warsaw	92	5 524
Total		104	6 449



FINANCIAL RESULTS REVIEW

FOR PERIOD ENDED 30 SEPTEMBER 2023

P&L HIGHLIGHTS

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

	30 September 2023 PLN m	30 September 2022 PLN m	y/y change	y/y difference
Revenue from residential projects and services	318.9	199.4	60%	119.5
Revenue from sale of land	-	-	n.a	-
Total Revenue	318.9	199.4	60%	119.5
Cost of sales of residential projects	(210.3)	(150.6)	40%	(59.7)
Cost of sales of land	-	-	n.a	-
Gross profit	108.6	48.8	122%	59.8
Changes in the value of investment property	(0.8)	(0.4)	104%	(0.4)
Selling and marketing expenses	(4.2)	(2.9)	47%	(1.3)
Administrative expenses	(19.2)	(18.9)	2%	(0.4)
Share of profit/(loss) from joint ventures	(0.7)	1.2	-160%	(2.0)
Net other income/(expense)	(4.9)	0.1	-4337%	(5.0)
Operating profit/(loss)	78.8	28.0	181%	50.7
Net finance expense	(3.4)	(9.5)	-64%	6.1
Profit/(loss) before tax	75.3	18.5	306%	56.8
Income tax benefit/(expenses)	(15.7)	(6.5)	143%	(9.2)
Net profit/(loss)	59.6	12.1	394%	47.6
Profit/(loss) for the period attributable to equity holders of the parent	59.6	12.1	394%	47.6
Gross margin	34.1%	24.5%	39%	0.1
Net Margin	18.7%	6.1%	209%	0.1

The revenue from sales in residential units increased by PLN 119.5 million (60%) from PLN 199.4 million during the nine months ended 30 September 2022 to PLN 318.9 million during the nine months ended 30 September 2023, which is explained by higher amount of units delivered – 665 units delivered to the customers during the nine months ended 30 September 2023, comparing to the 466 units delivered during the nine months ended 30 September 2022 (in terms of project 100% owned by the Group), as well as increase in sale prices over the period.

Cost of sales of residential units increased by PLN 59.7 million (40%) from PLN 150.6 million during the nine months ended 30 September 2022 to PLN 210.3 million during the nine months ended 30 September 2023. The increase relates to a higher amount of delivered units in projects fully owned by the Group from 466 units during the nine months ended 30 September 2022 compared to 665 units delivered to customers during the nine months ended 30 September 2023.

Gross profit PLN 108.6 m increased by 122% by PLN 59.8 m. The increase relates to higher number of units delivered during 1-3Q 2023 and with higher average gross margin. The main contributors for the gross profit in 3Q 2023 were Ursus Centralny IIb, Miasto Moje VI, Viva Jagodno IIb (contributed respectively PLN 39.1 million, PLN 31.6 million and PLN 20.1 million to the gross profit). During 1Q-3Q 2022 the projects that significantly impacted the profitability of the Group were Ursus Centralny IIa, Ursus Centralny Ib and Nowe Warzymice II (contributed respectively PLN 19.8 million, PLN 12.7 million and PLN 5.8 million to the gross profit).

The gross margin from sales of residential units 1Q-3Q 2023 was 34.1% which increased comparing to 24.5% during 1Q-3Q 2022. In 1Q-3Q 2023 the projects that significantly impacted profitability of the Group were Ursus Centralny IIb, Miasto Moje VI, Viva Jagodno IIb (contributed respectively gross margin of 36.5%, 35.6% and 39.6%). In 1Q-3Q 2022 the projects that significantly impacted the gross margin were Ursus Centralny IIa, Ursus Centralny Ib and Nowe Warzymice II (contributed respectively 24.2%, 27.0% and 27.2%).

Selling and marketing expenses increased by PLN 1.3 million (47%) from PLN 2.9 million during the 1Q-3Q 2022 to PLN 4.2 million in 1Q-3Q 2023, it 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 169% (801 units sold during 1Q-3Q 2023 comparing to 298 units sold during 1Q-3Q 2022).

Finance income and expenses - In the nine first months of 2023, the Group recorded a net expense on financial operations of PLN 3.4 million compared to a net expense of PLN 9.5 million in the corresponding period 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 3.9 million, compared to a loss of 5.7 million on this account in the corresponding period of 2022.

P&L HIGHLIGHTS. REVENUE AND GROSS MARGIN

PERIOD ENDED 30 SEPTEMBER 2023

UNITS DELIVERED / REVENUE / GROSS MARGIN

Project	Location	1Q2023		2Q2023		3Q2023		Revenues		Gross margin/ Profit		Contribution		Unit Average price PLN thousand
		Units	PLN m	Units	PLN m	Units	PLN m	Units	PLN m	%	PLN m	in revenues	in gross profit	
Ursus Centralny IIb	Warsaw	0	0.0	115	60.2	83	47.2	198	107.4	36.5%	39.2	34%	37%	542.4
Miasto Moje VI	Warsaw	23	10.3	126	52.7	45	25.9	194	88.9	35.6%	31.6	28%	30%	458.2
Viva Jagodno IIb	Wrocław	0	0.0	45	18.1	74	32.7	119	50.8	39.6%	20.1	16%	19%	427.3
Grunwaldzka	Poznań	0	0.0	12	4.7	49	21.6	61	26.3	20.1%	5.3	8%	5%	430.5
Nowe Warzymice IV	Szczecin	0	0.0	34	13.0	20	8.6	54	21.6	28.9%	6.2	7%	6%	399.8
Miasto Moje V	Warsaw	13	7.4	1	0.7	0	0.0	14	8.1	21.0%	1.7	3%	2%	576.4
Viva Jagodno IIa	Wrocław	3	0.0	2	0.0	3	5.0	8	5.0	25.2%	1.3	2%	1%	620.0
Ursus Centralny IIc	Warsaw	0	0.0	0	0.0	6	3.0	6	3.0	37.9%	1.1	1%	1%	502.0
Nowe Warzymice III	Szczecin	1	0.0	2	0.0	0	1.7	3	1.7	29.9%	0.5	1%	0%	560.7
Other		2	2.0	4	2.3	2	1.9	8	6.2	26.1%	1.6	2%	2%	774.5
Total excluding JV		42	19.7	341	151.7	282	147.5	665	318.9	34.1%	108.6	100%	101%	479.6
Write-off adjustment		-	-	-	-	-	-	-	-	-	-	-	0%	-
Result		42	19.7	341	151.7	282	147.5	665	318.9	33.8%	107.9	100%	101%	479.5
Wilanów Tulip	Warsaw	2	1.4	0	0.0	0	0.0	2	1.5	n/a	-1.6	0%	-1%	736.6
Total including JV		44	21.1	341	151.7	282	147.5	667	320.4	33.2%	106.3	100%	100%	480.3

* Other revenues:

- Rental revenues
- Sales of old units

BALANCE SHEET DATA

OVERVIEW OF BALANCE SHEET (PLN M)

- **Inventory** - The value of inventories and residential landbank at 30 September 2023 amounted to PLN 783.1 million compared to PLN 768.3 million at 31 December 2022. The increase is mainly due to direct construction costs occurred in the total amount of PLN 200.7 million, transfer of land from land designed for development PLN 9.4 million. This increase was partly offset by recognized costs of sales in the total amount of PLN 204.8 million.
- **Other assets** - decrease in PLN 28.7 million is driven mostly by VAT returns on previously purchased lands, in amount of PLN 21.1 million.
- **Loans and Borrowings** – The increase can be primarily explained by issuance of bonds series X in amount of PLN 60.0 million and accrued interest on bonds of PLN 11.7 million in comparison to interest repayment of PLN 5.3 million as at 31 December 2022. Debt under bonds as at September 30, 2023 amounted to PLN 269.8 million, of which PLN 111.7 million included liabilities due no later than September 30, 2024.
- **Advances received** - The balance of advances received is PLN 154.4 million as at 30 September 2023 compared to PLN 139.9 million as at 31 December 2022. The increase is explained by advances received from clients regarding sales of units during the period ended 30 September 2023 for a total amount PLN 330.6 million which was offset by the revenues recognized from the sale of residential units for a total amount of PLN 318.1 million during the nine months ended 30 September 2023.
- **Financial liability measured at amortised cost** - 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 5.0 million.
- **Other liabilities** - an increase of PLN 34.1 million results mainly from the introduction of 2 new large stages in the ongoing projects Miasto Moje VII and Ursus Ile and related construction works, as well as accruals related to investments in these projects.

As at	30.09.2023 PLN m	31.12.2022 PLN m	Change
Inventory and Residential landbank	783.1	768.4	14.7
Cash and cash equivalents	225.2	51.2	174.0
Other assets	153.8	182.5	-28.7
Total Assets	1 162.1	1 002.1	160.0
Loans and borrowings	286.1	219.7	66.4
Advances received	154.4	139.9	14.5
Financial liability measured at fair value	0.0	70.5	-28.9
Other liabilities	136.7	102.6	34.1
Lease liabilities related to perpetual usufruct of land	31.0	18.0	13.0
Liability to shareholders measured at amortised costs	41.6	0.0	41.6
Total liabilities	649.8	550.7	99.1
Equity attributable to the parent	512.2	451.4	60.8
Net Debt	103.1	239.3	-136.5
Net debt / Equity	20%	53%	n.a.
Net debt (including cash on MRP) / Equity	18%	51%	n.a.
Net debt / Total Assets	8.9%	23.9%	n.a.
Net assets per share (PLN)	3.12	2.75	n.a.

RATIOS AS AT THE END OF 30 SEPTEMBER 2023

NET DEBT / EQUITY: 20%

NET DEBT / EQUITY: 18%(*)

*calculated in accordance to the bond covenants

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 nine months ended 30 September 2023 amounted to PLN 140.9 million compared to negative net cash flows from these activities in the corresponding period ended 30 September 2022 of PLN 75.2 million. The increase of PLN 216.1 million is primarily explained by:

- an increase in cash inflow of PLN 146.4 million due to an increase in advances received from customers in the total amount of PLN 330.6 million for the 9 months ended 30 September 2023 comparing to PLN 184.2 million for the 9 months ended 30 September 2022;
- increase in cash inflow of PLN 15.7 million due to amounts received for VAT return during in the net total amount of 21.1 million during the 9 months ended 30 Jun 2023 comparing to VAT return of 6.0 million during the 9 month ended 30 September 2022;
- decrease in cash outflow related to land purchase and advances for land purchase of PLN 43.4 million during the 9 months ended on 30 September 2022, comparing to no purchase of land during the 9 months of 30 September 2023;
- decrease in cash outflow related to corporate income tax payment in the amount of PLN 1.7 million from PLN 7.1 million for the 9 months ended on 30 September 2022 to PLN 5.4 million during the nine months ended on 30 September 2023;
- increase in interest received PLN 1.2 million from PLN 1.3 million in the 9 months ended on 30 September 2022 to PLN 2.5 million in the 9 months ended on 30 September 2023.

The Company's net cash inflow used in investing activities amounted to PLN 0.4 million during the nine months ended 30 September 2023 compared to net outflow from investing activities in comparative period in the amount of PLN 10.3 million. The increase of PLN 10.7 million is primarily explained by cash inflow due to dividends received from joint ventures in the total amount of PLN 1.1 million and purchase of investment property in the total amount of PLN 10.2 million during the 9 months ended on 30 September 2022 comparing to PLN 0.6 million in 9 months ended of 30 September 2023.

The Company's net cash inflow from financing activities amounted to PLN 32.7 million during the nine months ended 30 September 2023 compared to a net cash inflow from financing activities amounted to PLN 28 million during the nine months ended 30 September 2022.

The change of PLN 4.7 million is primarily explained by:

- Proceeds from SAFE agreement in the total amount of PLN 74.6 million 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 9 months ended 30 September 2023 in the total amount of PLN 83.4 million compared to PLN 46.4 million net inflow during 9 months ended on 30 September 2022;
- Cash out flow in the amount of PLN 50.0 million related to repayment of Bonds during the 9 months ended on 30 September 2022 comparing to proceeds from bonds (series X) in the amount of PLN 59.1 million during the 9 months ended on 30 September 2023.

	For the year ended 30 September	
	2023	2022
	PLN (thousands)	
Cash flows from/(used in) operating activities	140 924	(75 187)
Cash flow from/(used in) investing activities	381	(10 298)
Cash flow (used in)/from financing activities	32 741	28 011

INVENTORY AND INVESTMENT PROPERTIES

AS AT 30 SEPTEMBER 2023

	Units	PLN m
Finished goods	343	123.3
Ongoing projects	968	224.4
Land bank*	4 834	401.2
Perpetual usufruct rights**	-	34.5
Total inventory***	6 145	783.4
Investment property PRS	677	54.9
Investment property office lease	-	8.0
Total investment property	677	62.9
	6 822	846.3

* 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: **343 units**, 273 of which units are already sold.

ONGOING PROJECTS (53 247 PUM) OF WHICH:

8 projects / stages under construction and/or on sale total of 968 units, of which 448 are already sold:

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

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	121 480 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 IIc	100.6	181	36	217
Miasto Moje VI	17.0	26	7	33
Viva Jagodno IIb	13.4	22	11	33
Nowe Warzymice IV	8.9	20	1	21
Ursus Centralny IIb	4.6	7	1	8
Grunwaldzka	1.8	3	6	9
Other (old) projects	8.8	14	8	22
Total	155.2	273	70	343

As of 3Q 2023, there were **343 units** completed and sold that were not delivered to the customers, and 70 which are available for sale. Total value of pre-sold units amounted to PLN 155.2 m. It shall be expected that majority of those units will be delivered to the customers during 4Q 2023 and in 1Q 2024.

DEBT POSITION AS AT 30 SEPTEMBER 2023

	PLN m
Bond loans	269.8
Bank loans	16.2
Financial liability to Shareholder	41.6
Total	327.6

BANK LOANS

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

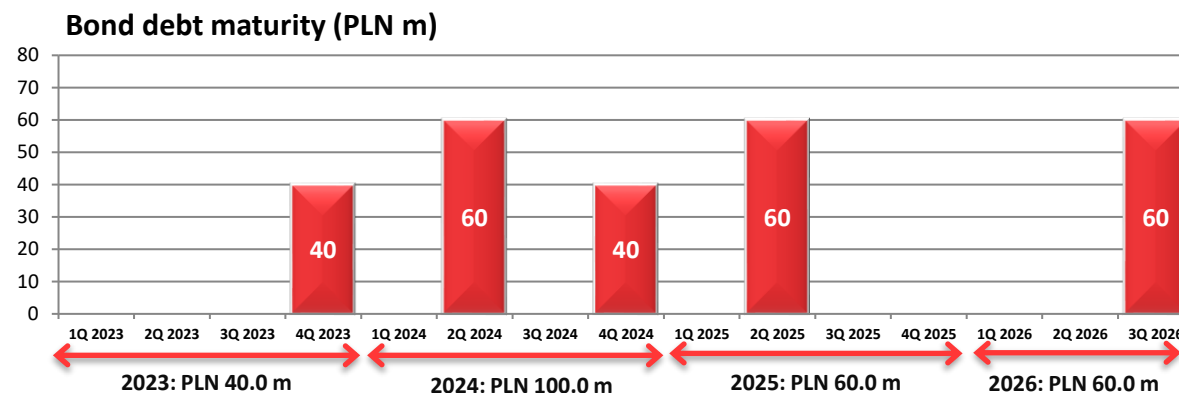
- **Między Drzewami** in the amount **PLN 7.2 million**
- **Osiedle Vola** in the amount **PLN 9.0 million**

As at 30 September 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 41.6 million**

BOND DEBT



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**
X	RON 0726	60 000 000	WIBOR 6M + 4,20%	semi-annually	2023-07-03	2026-07-03***
Total		260 000 000				

* 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)

*** bonds secured by a mortgage established on selected Ronson group properties

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 September 2023 amounted to **PLN 269.9 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 260.0 m, accrued interest in the amount of PLN 11.7 m minus one-time costs directly attributable to the issuance of bonds, which are recognized at amortized cost including the effective interest rate (PLN 1.8 m).

DEBT POSITION AS AT 30 SEPTEMBER 2023

BOND COVENANTS

Net debt to equity ratio:

Series V, W and X:

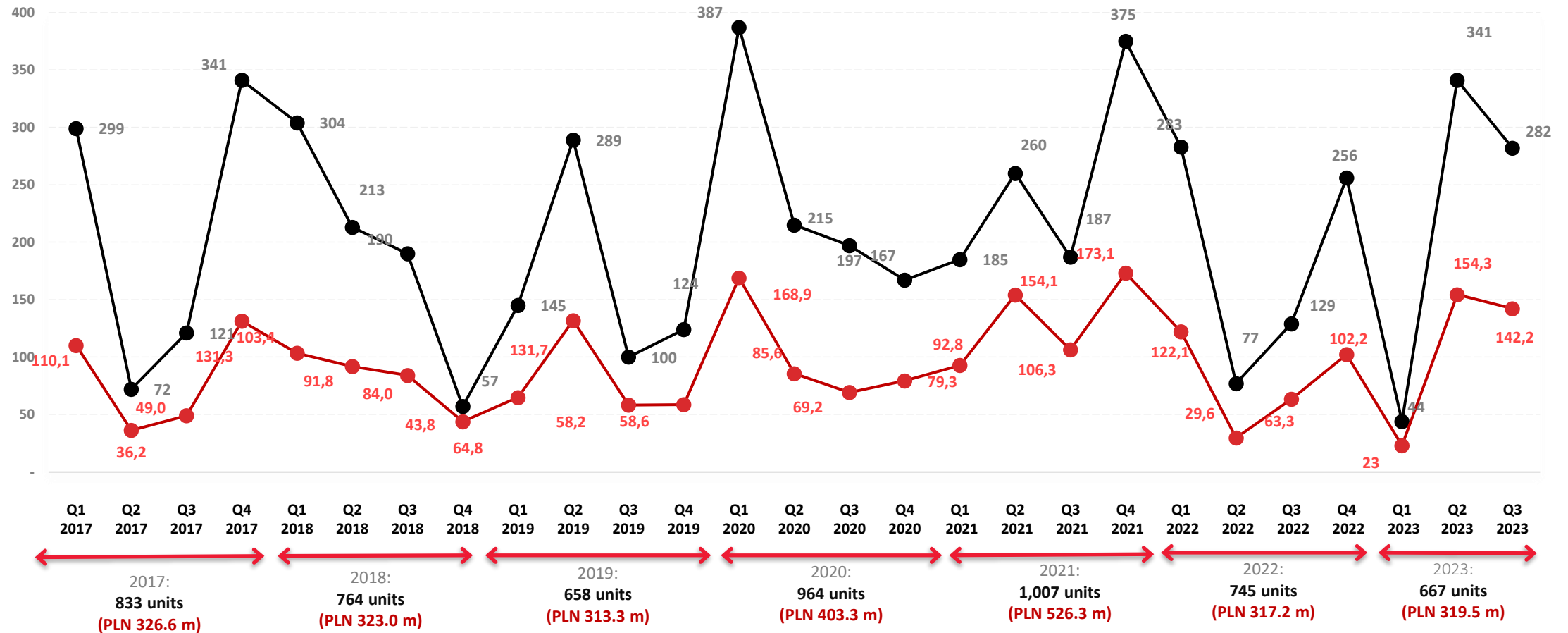
Net debt	92.5
Equity to the parent	512.3
Net debt to equity ratio	18%

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%** on the Check Date.



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	mIn PLN	Ongoing projects	Units	mIn PLN
Ursus Centralny IIc	181	100.6	Ursus Centralny IIe	104	41.1
Miasto Moje VI	26	17.0	Miasto Moje VII	99	60.2
Viva Jagodno IIb	22	13.4	Między Drzewami	84	57.7
Nowe Warzymice IV	20	8.9	Osiedle Vola	75	45.3
Ursus Centralny IIb	7	4.6	Nowa Północ Ia	60	21.5
Grunwaldzka	3	1.8	Eko Falenty I	22	16.8
Other (old) projects	14	9	Viva Jagodno III	3	0.9
			Nova Królikarnia 4b1	1	4.8
Total	273	155.2	Total	448	248.3

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 30.09.2023.

Out of 448 units sold in Ongoing projects, **22 units** with the total value of **PLN 16.8 m signed agreements**, represent the total amount of sold units which **projects are scheduled to be finished during the year 2023**.






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