

PRESENTATION OF THE RESULTS FOR 2018

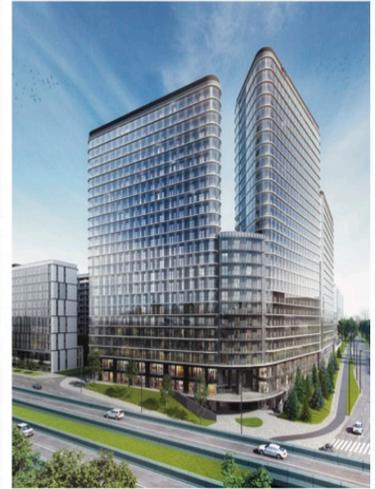
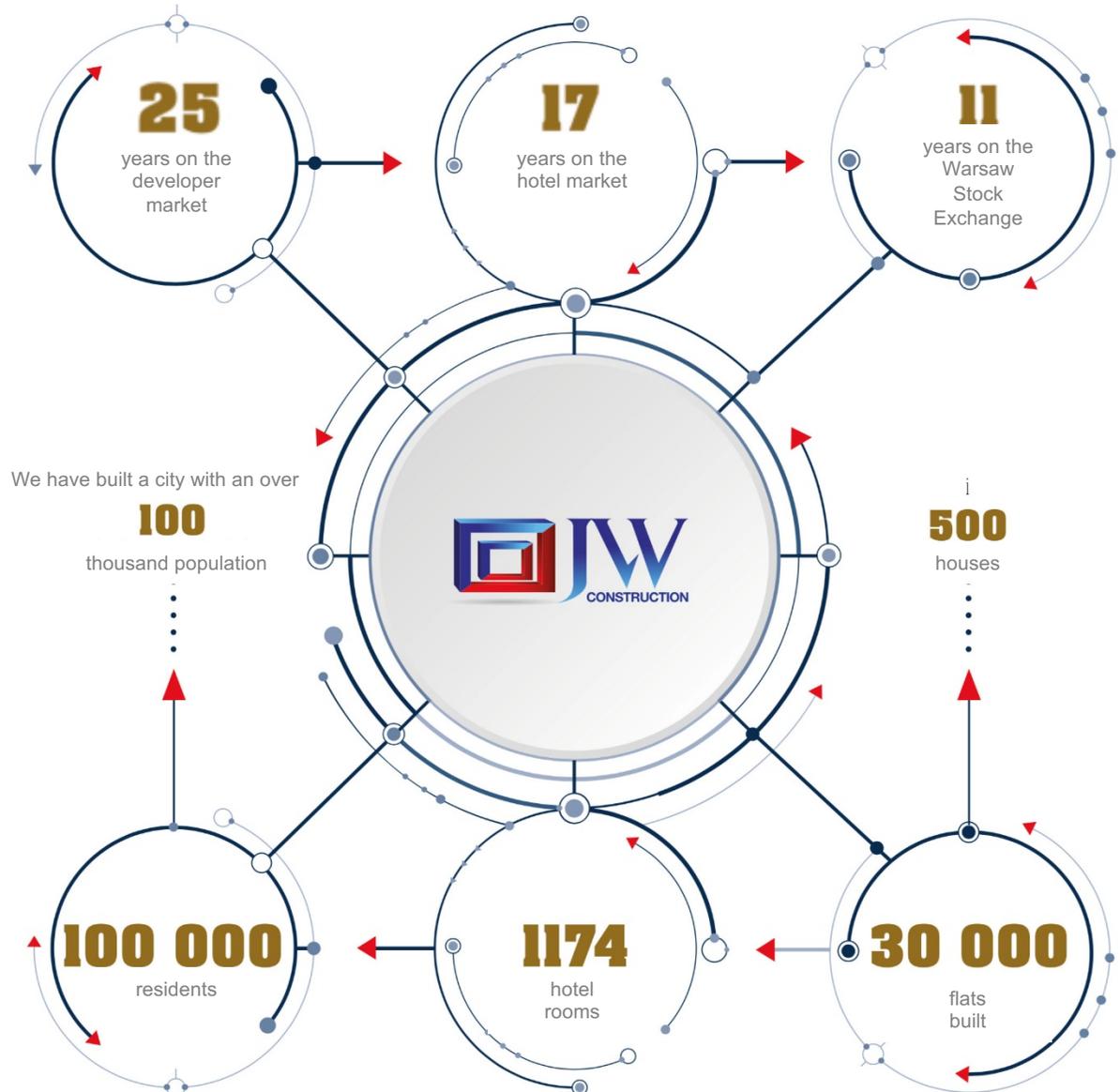


Table of contents

	page
❑ JW. Construction - 25th anniversary on the market	3
❑ Basic economic and financial parameters – 2018	4
❑ Key events in 2018	5-7
❑ Factors affecting company's activity now and in the near future	8-9
❑ Sales of premises in 2018	10
❑ Selected consolidated financial data for 2018	11
❑ Selected consolidated financial data for Q4 2018	12
❑ Gross sales margin vs gross sales profit	13
❑ Gross profit realisation in 2018	14
❑ Overhead vs employment	15
❑ Units from ongoing and completed investments to be recognized in next quarters	16
❑ Ongoing investments in 2018	17
❑ Investments planned for launching as at 31.12.2018	18
❑ We are building a comfort network	19-20
❑ Key events and marketing and sales policy in 2018.	21-22
❑ Attachments	23-29

JW. Construction - 25th anniversary on the market



Basic economic and financial parameters – 2018

Residential and commercial space developer

In 2018, construction of **15 investments** for a number of **4,959 units** with an area of over **226,000 m²** was carried out :

- ❑ **residential projects** with an area of approx. **158,000 m²,**
- ❑ **aparthotel-commercial projects** with an area of approx. **53,000 m²..**

20 investments for a number of **5.039 units** and an area of over **438.000 m²** (including warehouse and aparthotel-commercial area of over **186.000 m²**) were prepared for launch:

- ❑ **in Warsaw and the surrounding area** for a number of **1.653 units** with a usable area of almost **164,000 m²** (including **80.000 m²** of warehouse-aparthotel-commercial space),
- ❑ **outside of Warsaw** for a number of **3.886 units** with an area of over **274,000 m²**
 - in Cracow, Poznan, Łodz, Szczecin and Tri-City(including 106,000 m² of warehouse, hotel and commercial space).

17 years of experience in the hotel market

Hotels and aparthotels manager

- ❑ **7 hotels and aparthotels built**
- ❑ **1 174 rooms and apartments**
- ❑ **2 638 beds**
- ❑ **3 060 conference seats**
- ❑ **1 677 restaurant seats**
- ❑ **all hotels generate surplus cash flow**

In 2018, the Company sold 1,248 units, including 231 office and aparthotel units.

Key events in 2018

- ❑ Commencement of construction of the next, most lucrative stage of the flagship investment **Bliska Wola at Kasprzaka Street. Stage D, i.e. Bliska Wola Tower** (27 above-ground storeys), comprises of nearly **1,500 units** and aparthotel apartments with a total area of almost **62,000 m²**.
- ❑ Commencement of development of the **Wrzosowa Aleja** residential estate with **81 units** in the area of Kartograficzna and Lewandów Streets in the Białołęka district of Warsaw.
- ❑ Commencement of construction of the next stage of **terraced houses near Ożarów Mazowiecki**, the stage comprises of another **30 houses**.
- ❑ Obtaining a valid occupancy permit for residential buildings developed within the **Zielona Dolina II stage II** investment in the Białołęka district of Warsaw (**570 units**).
- ❑ Obtaining a valid occupancy permit for the **Varsovia aparthotel** at Kasprzaka/Ordona Street in Warsaw (**457 units**).
- ❑ Completion of construction and obtaining an occupancy permit for the **Zielona Dolina stage III** residential estate in Warsaw **54 units**.
- ❑ Obtaining a valid occupancy permit for residential buildings in the **Gdynia Bernardowo Park II** residential estate in Gdynia (**236 units**).



Key events in 2018

- ❑ Continuation of other investments for **2,054 units**:
 - ❑ **Bliska Wola - stage E** in Warsaw at Kasprzaka Street - residential part with **671 units**,
 - ❑ **Hanza Tower** in Szczecin at Wyzwolenia Avenue for **508 units**,
 - ❑ **Bliska Wola - stage E (commercial and residential part)** in Warsaw at Kasprzaka Street for **433 units**,
 - ❑ **Nowe Tysiąclecie stage III** in Katowice at Tysiąclecia Avenue for **346 units**,
 - ❑ **Osiedle Kamerata** in Gdynia at Sochaczewska Street for **55 units**,
 - ❑ **Alicja Houses rank D** near Ożarów Mazowiecki for **21 houses**,
 - ❑ **Alicja Houses rank E** near Ożarów Mazowiecki for **20 houses**.



Key events in 2018

- ❑ Further expansion of the land bank by the purchase of real estate - total value of about PLN 100 million:
 - ❑ **Zawady near Cracow for 1 223 units, Useable Area: 63 100 m²**
 - ❑ **At Celna Street in Szczecin* for 810 units, Useable Area: 48 800 m²**
 - ❑ **At Poznańska Street in Skórzewo near Poznan for 280 units, Useable Area: 14 000 m²**
 - ❑ **At Waryńskiego Street in Pruszkow for 475 units, Useable Area: 19 000 m²**
 - ❑ **At Starowiejska Street in Gdańsk for 638 units, Useable Area: 33 150 m²**
 - ❑ **At Kilińskiego Street in Łodz** for 160 units, Useable Area: 10 000 m²**



*part of the plot purchased in Q1 2019.

** final purchase agreement concluded in Q1 2019

Factors affecting company's activity now and in the near future

P
O
S
I
T
I
V
E

Related to utilising company's potential :

- ❑ The Group has the potential to transfer premises for the **next 3 years**– as at 31 December 2018 there were **4.100 not transferred units sold or on offer** :
 - ❑ **nearly 2.400 lokali** sold and not transferred,
 - ❑ **nearly 1.700 lokali** for sale.
- ❑ The Company plans to launch approximately **5,000 units** for sale in the coming periods. Together with the current offer, this means **6,700 units**, so the Group has a guaranteed offer for **more than 4 years**.
- ❑ **High balance of cash** on accounts (**over PLN 122 million**) and low net debt.

Related to favourable external conditions:

- ❑ An increase in average prices of flats sold in the fourth quarter by more than 11% compared to the same period last year*.
- ❑ Low interest rates, which are estimated to last at least until the end of 2019**, favour the purchase of real estate as an alternative form of investment..
- ❑ High inclination to consumption and investment: low unemployment rate and rising average wages.

*According to REAS data

**According to NBP

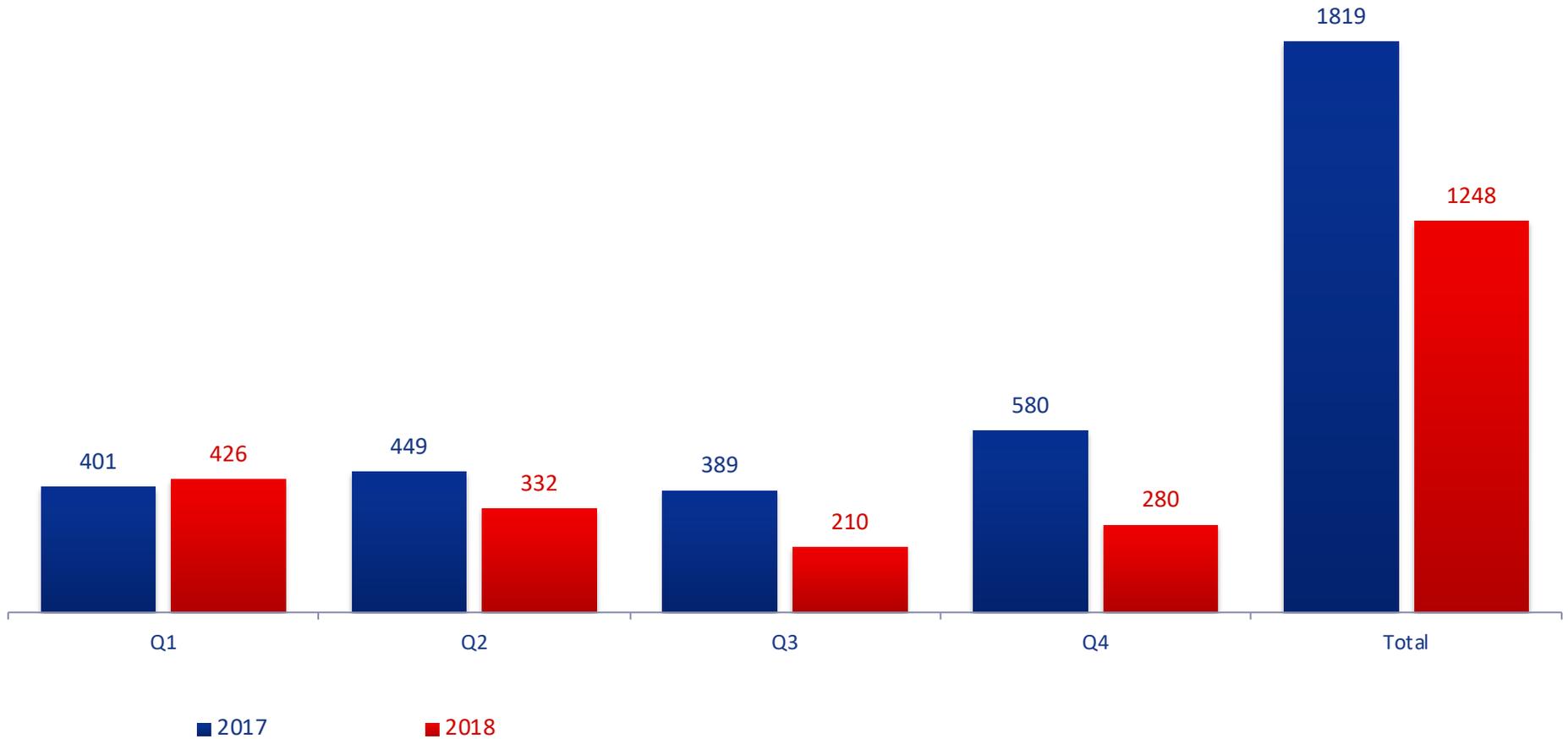
Factors affecting company's activity now and in the near future

N
E
G
A
T
I
V
E

- ❑ Uncertainty about legal changes related to the real estate market. Among other things, the planned amendment to the Act on the protection of rights of the purchaser of an apartment or a single-family house, providing, among other things, for the introduction of obligatory contributions to the Developer Guarantee Fund, constitutes a risk which may affect the Group's operations and financial results.
- ❑ Shrinking workforce in the construction industry and difficulties in recruiting contractors may result in investment commencement and completion dates.
- ❑ Higher costs of materials, construction and purchase of investment land.
- ❑ Decrease in the sales rate of flats in the largest urban agglomerations in 2018 by almost 11% compared to the same period last year.*.
- ❑ Long-lasting process of obtaining necessary administrative decisions for current and planned projects.

*According to REAS data

Sales in 2018



■ In 2018, the Group sold 1,248 units, including 231 office and aparthotel units.

Selected consolidated financial data for 2018

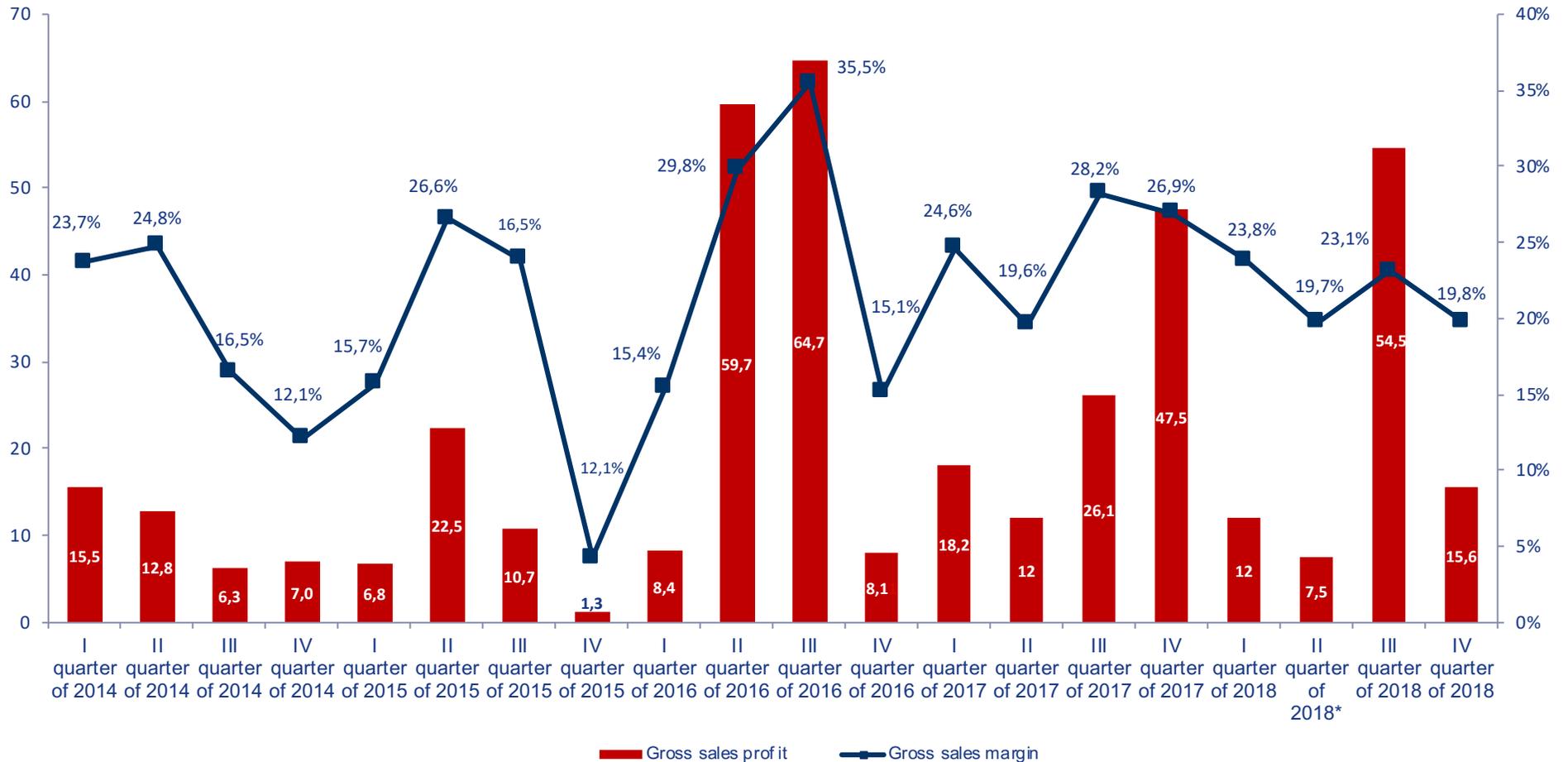
Selected financial data	2018	2017	Change
Sales revenue	PLN 404,1 m	PLN 404,2 m	0%
Gross sales profit	PLN 74,5 m	PLN 103,7 m	- 28%
Gross sales margin	18 %	26 %	- 8 p.p.
Profit on operations	PLN 18,8 m	PLN 48,1 m	- 61%
Net profit	PLN 16,5 m	PLN 25,9 m	- 36%

- ▣ The above result was adversely affected in the first half of the year by a one-off transaction related to the sale of real estate in Wrocław. The Company decided to dispose of the property, due to the lack of fulfilment of technical parameters of the property in question, promised in the original purchase agreement, which in its current form made it impossible to carry out a profitable investment. The sale of this property generated a loss of over PLN 15 million. It should be mentioned that in connection with the non-execution of the investment on the property in question, for reasons beyond the Company's control, the Company obtained a final court ruling awarding it the amount of PLN 10,980,000 from a natural person - the guarantor of the Company's contracting party.

Selected consolidated financial data for Q4 2018

Selected financial data	Q4 2018	Q4 2017	Change
Sales revenue	PLN 78,6 m	PLN 176,4 m	- 55%
Gross sales profit	PLN 15,6 m	PLN 47,5 m	- 67%
Gross sales margin	20%	27%	-7 p.p.
Profit on operations	PLN 4 m	PLN 33,8 m	- 88%
Net profit	PLN 1,3 m	PLN 22,9 m	- 94%

Gross sales margin vs gross sales profit

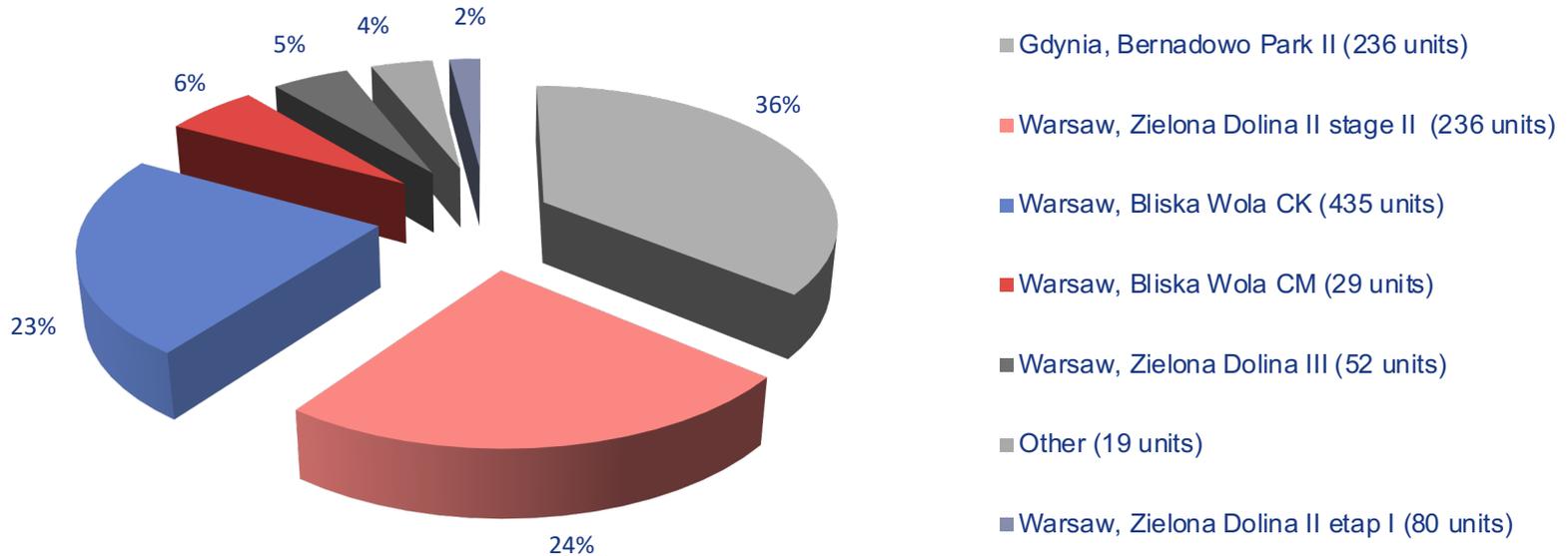


* For the second quarter of 2018, the margin was presented without taking into account the one-off transaction of sale of a plot of land in Wrocław, as the transaction is not related to the typical, current activity of the Company..

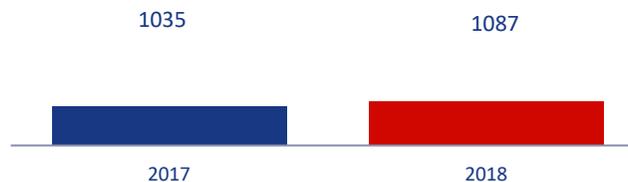
▣ Gross sales margin in the long term remains at the level of approx. **20-25%**

Gross profit realisation in 2018

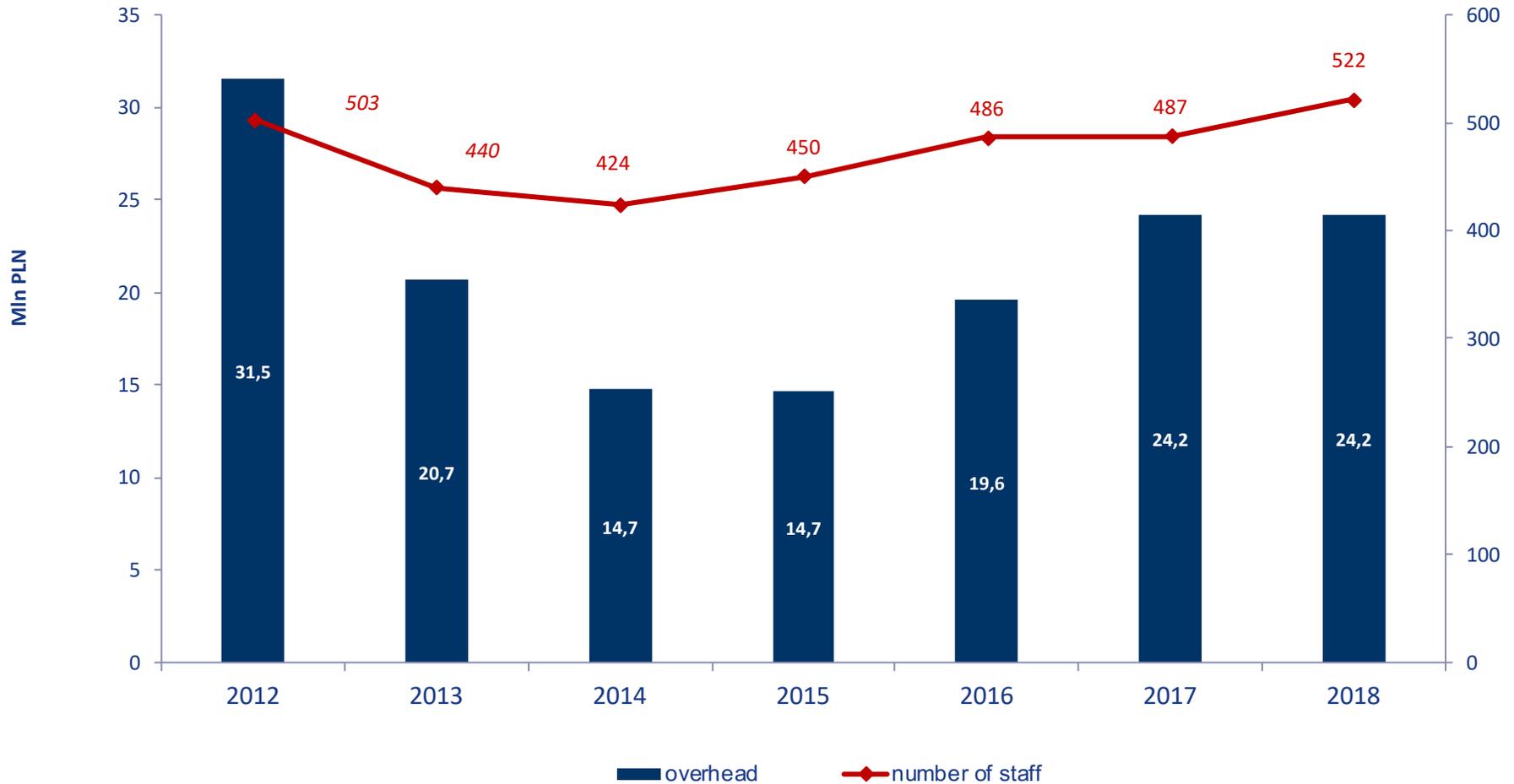
- The level of gross profit on sales in 2018 amounts to **PLN 74.5 million**.
 Percentage share of developer projects recognized in the sales profit:



- Units recognized in the financial result for **2017 vs. 2018**



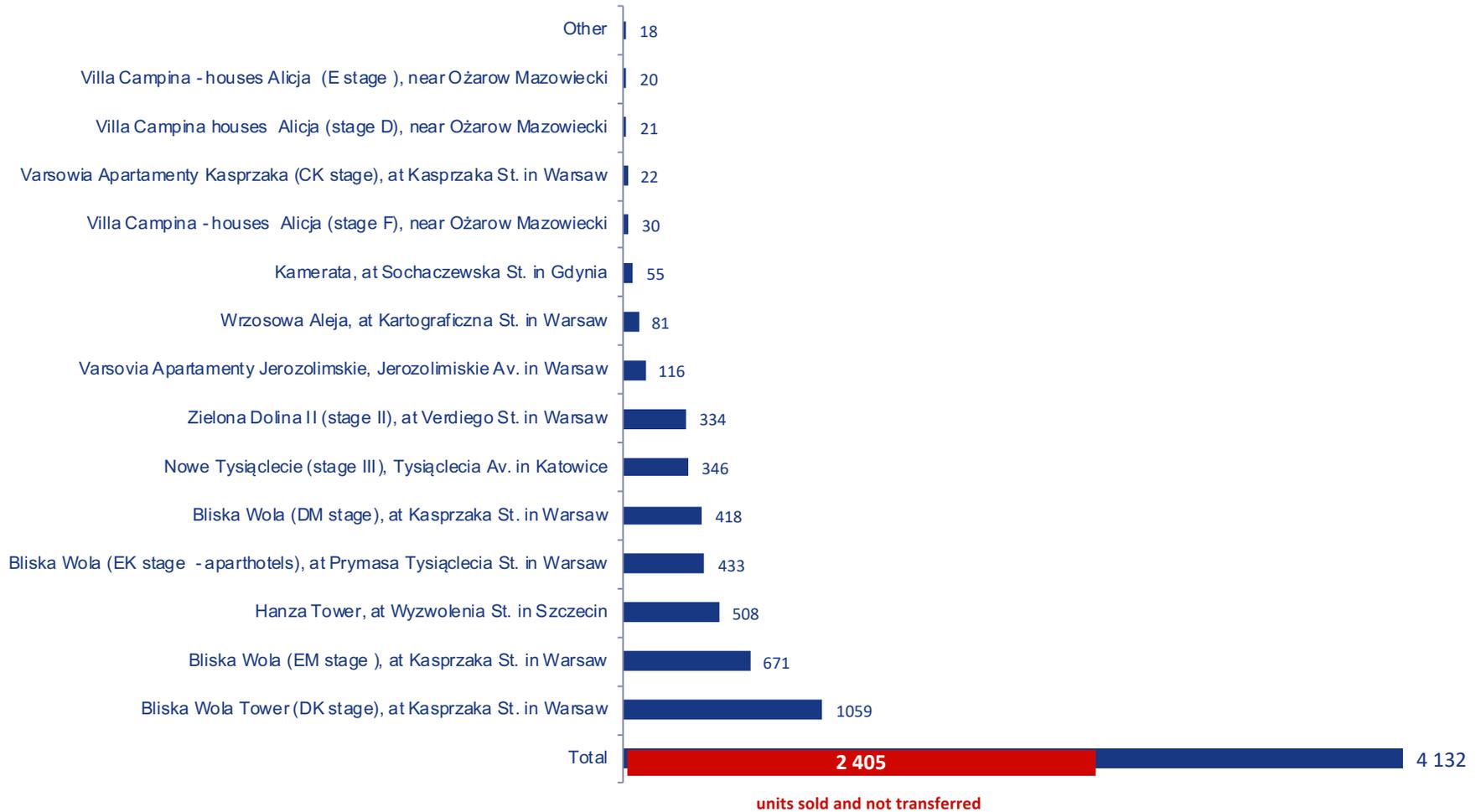
Overhead vs. employment*



*Including employment in hotels:

Year	2012	2013	2014	2015	2016	2017	2018
Number of staff	136	149	133	183	202	203	251

Units from ongoing and completed investments to be recognized in next quarters



Ongoing investments in 2018

□ In 2018, the Group was developing **15 investments** with a total usable area of over **226,000 m2**.

Investment	Units	Useable Area	Aparthotel and commercial area	% of units sold	% of construction completion
Bliska Wola stage D (residential-aparthotel-commercial), Warsaw, Kasprzaka St.	1 059	25 417	17 151	16%	3%
Bliska Wola - Stage E – residential part, Warsaw, Kasprzaka St.	671	30 454		98%	96%
Zielona Dolina II stage II, Warsaw, Verdiego St.	570	25 311		87%	98%
Hanza Tower, Szczecin, Wyzwolenia St.	508	21 957	10 841	53%	38%
Bliska Wola – Stage C – aparthotel part, Warsaw	457		14 501	98%	100%
Bliska Wola - Stage E – commercial-residential part, Warsaw, Kasprzaka St.	433	4 549	10 089	97%	97%
Bliska Wola stage D (residential), Warsaw, Kasprzaka St.	418	19 178		77%	5%
Nowe Tysiąclecie stage III, Katowice, Tysiąclecia St.	346	18 261		48%	26%
Bernardowo Park stage II, Gdynia, Spokojna St.	236	13 144		100%	100%
Wrzosowa Aleja, Warsaw, Kartograficzna St.	81	2 958		37%	33%
Kamerata, Gdynia, Sochaczewska St.	55	3 420		98%	93%
Zielona Dolina III, Warsaw, Verdiego St.	54	2 247		98%	100%
Houses Villa Campina - Alicja (rank F), Ożarów Mazowiecki	30	2 857		7%	11%
Houses Villa Campina - Alicja (rank D), Ożarów Mazowiecki	21	2 017		100%	94%
Houses Villa Campina - Alicja (rank E), Ożarów Mazowiecki	20	2 003		45%	37%
Total	4 959	173 773	52 582		

Inwestycje planowane do uruchomienia na dzień 31.12.2018

- The Company, on the basis of its land bank, plans to launch the construction of **5,039 units** as well as warehouse and commercial space with a total area of **438,436 m²**

Investment	Units	Useable Area	Aparthotel and commercial area
Myślenice near Cracow	1 223	63 120	
Celna St., Szczecin*	810	34 000	14 796
Starowiejska St., Gdańsk- Letnica	638	32 521	629
Waryńskiego St., Pruszków	475	19 000	
Poznańska St., Skórzewo near Poznan	280	14 000	
Radosława St., Nowogard	275	14 710	
Berensona St., Warsaw	264	11 855	
Antoniewska St., Warsaw	221	13 763	
Kilińskiego St., Łódź**	160	10 000	
Villa Campina, Houses stage VI and further, Ożarów Mazowiecki	150	15 675	
Wrzosowa Aleja, stage II, Kartograficzna St., Warsaw	146	4 709	
Willa Wiślana, Mikołaja Trąby St., Warsaw	140	5 847	
Odkryta St., stage II, Warsaw	104	4 581	
Aluzyjna St., stage II, Warsaw	68	3 670	
Wrzosowa Aleja III stage I, Kartograficzna St., Warsaw	40	1 631	
Aluzyjna St., stage I, Warsaw	32	1 850	
Nowodworska St., Warsaw	13	1 180	
Port (warehouses), Szczecin			80 000
Wielopole/ Dietla St., Cracow			10 899
Małopole (warehouses), near Warsaw***			80 000
Total	5 039	252 112	186 324

* part of the plots purchased in Q1 2019

**final purchase agreement concluded in Q1 2019

***Preliminary purchase agreement

We are building a comfort network



	2018	2017
Revenues from hotel operations	PLN 62,3 m	PLN 50,5 m
Consolidated revenues from sales JWCH Group	PLN 404,1 m	PLN 404,2 m
Percentage of revenues from hotel operations in total revenues	15%	13%

Change dynamics 2018/2017:

Hotel revenues increase: 123 %

EBITDA increase: 142 %



Hotels and Aparthotels of J.W. Construction Holding S.A



J.W. Construction Holding S.A. manages 5 hotels: in Tarnow Podgorny, Strykow, Zegrze, Krynica-Zdroj, Szczecin and Aparthotels in Warsaw

Ultimately, the group of clients of the hotel chain include both individual and institutional clients, i.e. companies and institutions that are looking for facilities suitable for the organization of large conferences or seminars. On the other hand, Aparthotel's clients are corporate and individual clients, including those for long-term stays.

UNIT	LOCATION	NUMBER OF ROOMS/APARTMENTS	NUMBER OF BEDS	NUMBER OF CONFERENCE SEATS	RESTAURANT SEATS
Hotel 500	Tarnowo Podgórne	170	338	600	150
Hotel 500	Stryków	115	230	340	130
Hotel 500	Zegrze	128	250	570	390
Hotel Dana	Szczecin	100	176	250	54
Hotel Czarny Potok Resort SPA & Conference	Krynica Zdrój	236	535	1300	790
Apartamenty Varsovia Jerozolimskie	Warszawa	114	234	0	38
Apartamenty Varsovia Kasprzaka*	Warszawa	311	875	0	125
TOTAL		1174	2638	3060	1677

*Unit managed solely by Varsovia Kasprzaka

Key events and marketing and sales policy in 2018

Conducting effective advertising activities in all effective communication channels. Directing the advertising message to potential customers of a wide range of Company's products:

- ❑ Introduction to sale and intensive advertising campaign of stage DK of the Bliska Wola (Tower) investment, a new stage of Houses in Ożarów Mazowiecki and Osiedle Nowe Tysiąclecie in Katowice with the use of all effective marketing communication channels.
- ❑ Opening of Aparthotel Varsovia Aparthotel Kasprzaka Apartments and First Floor Restaurant (opening gala - 20 September 2018)
- ❑ Directing the message to potential investors expecting an attractive rate of return on the purchased properties - both for Warsaw projects and investments in Szczecin and Katowice. Our offer for investors includes offices, service premises and investment apartments.
- ❑ Continuation of promotion of finished flats and flats under construction in projects in Warsaw, Gdynia and Katowice
- ❑ Conducting special actions combined with bonuses: voucher for stay in Czarny Potok Hotel for buyers of Villa Campina houses and flats in the Nowe Tysiąclecie estate, discount card for Leroy Merlin..
- ❑ Promotion of investments at local industry events: Real estate fairs in Warsaw and organization of Open Days and Investor's Days in retail offices and on investments.
- ❑ Preparation for the launch of new projects: in Warsaw (Willa Wiślana), Pruszków, Gdańsk, Poznań.



BLISKA WOLA TOWER

SPRAWDŹ

MINI APARTAMENTY OD 260 000 ZŁ!
ZAMIESZKAJ LUB ZAINWESTUJ





Villa Campina

SPRAWDŹ

NOWY ETAP DOMÓW! | **DZIEŃ OTWARTY 8 WRZEŚNIA**





ZIELONA DOLINA II

SPRAWDŹ

GOTOWE MIESZKANIA OD 800 ZŁ/MC!



Key events and marketing and sales policy in 2018

▣ Continuation of sponsorship cooperation with the Onico Warsaw volleyball club.

▣ **Bernadowo Park**

Nomination to the "Czas Gdyni" award of the President of the City Council of Gdynia for Bernadowo Park I and II residential estates in the category of investment, which is part of Gdynia's promotional strategy as a modern, young and open to innovation, as well as positioning the city as friendly to life and attracting new residents.

▣ **Czarny Potok**

- ▣ Traveller's Choice 2018 Award – TripAdvisor
- ▣ Quality Certificate 2018 – TripAdvisor
- ▣ The best SPA resort in Poland –Perfect SPA 2018 competition
- ▣ Travelist Quality Star 2018 – Travelist

▣ **H 500 Tarnowo Podgórne**

- ▣ Guest Review Award 2018 –Booking.com

▣ **Hotel Dana**

- ▣ Recommendation by Żółty Przewodnik Gault & Millau 2018/2019
- ▣ Quality Certificate 2018 –TripAdvisor
- ▣ LOVED BY GUESTS Award for perfect service in 2018 – hotels.com
- ▣ Poziomki 2018/2019 - "Gdzie najlepiej zjeść i wypaść się w Polsce" - Magda Gessler

▣ **H 500 Stryków**

- ▣ Guest Review Award 2018 – I Booking.com



Gramy razem!

SPONSOR DRUŻYNY SIATKARSKIEJ!

Attachments

Investments planned for launching in the next months : Warsaw at Mikołaja Trąby St.

Investment	Warsaw, Willa Wiślana
Location	Warsaw, Mikołaja Trąby St.
Number of units	140
Useable area (m ²)	5 847 m ²



Characteristics
<ul style="list-style-type: none"> ❑ Multi-family, 5-storey residential building ❑ Two and three room flats with an area of 28-51 m² ❑ Attractive room layouts, exceptional two-room flats with a compact size. ❑ Service premises in the building on the ground floor ❑ Location in Tarchomin, which combines green areas and rich infrastructure: proximity of schools, kindergartens, shopping malls.



Investments planned for launching in the next months: Pruszków at Waryńskiego St.

Investment	Pruszków, Stacja Centrum
Location	Pruszków, Waryńskiego St.
Number of units	475
Useable area (m ²)	19 000 m ²



Characteristics
<ul style="list-style-type: none"> ❑ Location in the centre of Pruszków, by the railway station ❑ Excellent design - room layouts and metric areas designed in response to the expectations of future purchasers ❑ Proximity to agglomeration facilities: schools, kindergartens, shopping centres ❑ Quick access to the centre of Warsaw ❑ Perfect for families with children



Investments planned for launching in the next months: Gdańsk at Starowiejska St.

Investment	Gdańsk, Horizon
Location	Gdańsk, Starowiejska St.
Number of units	638
Useable area (m ²)	32 521 m ²
Aparthotel and commercial area	629 m ²



Characteristics

- ❑ The key advantage is the excellent location in the revitalized part of Gdansk, a district with potential to attract investors and people who want to buy an apartment. The development of the district in addition to the construction of the Energa Gdańsk Stadium and additional infrastructure included the construction of a tunnel under the Martwa Wisła which connected Wisła Portowa with the western part of the city.
- ❑ A modern project, metric areas and areas desired on the market
- ❑ A magnificent view from the top floors



Investments planned for launching in the next months: Skórzewo near Poznan at Poznańska St.

Investment	Skórzewo near Poznania,
Location	Skórzewo near Poznan, Poznańska St.
Number of units	280
Useable area (m ²)	14 000 m ²



Characteristics
<ul style="list-style-type: none"> ❑ Very good location, considered to be one of the most attractive for people looking for flats near Poznań. ❑ Proximity to green areas - Marcelesiński Park ❑ Combination of nature with the urbanised part of the city, proximity to amenities: schools, kindergartens, shopping centres ❑ Modern project, attractive both visually and in terms of functionality of flats and common areas.



HOTEL CZARNY POTOK RESORT SPA & CONFERENCE



VARSOVIA APARTAMENTY JEROZOLIMSKIE



HOTEL DANA



VARSOVIA APARTAMENTY KASPRZAKA



HOTEL 500 ZEGRZE



HOTEL 500 STRYKÓW



HOTEL 500 ZEGRZE



HOTEL 500 TARNOWO PODGÓRNE





Thank you for your attention

INVESTMENT RELATIONS:

Małgorzata Szwarc-Sroka

Member of the Supervisory Board of J.W. Construction Holding S.A.

Monika Matejuk

Paweł Uściński

e-mail: relacje.inwestorskie@jwc.pl