

PRESENTATION OF THE RESULTS FOR 2019



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Basic economic and financial parameters– 2019

In 2019, construction of **13 investments** for a total of **3 807 units** with an area of almost **180,000 m²**, was carried out :

- ❑ **residential** space for over **142,000 m²**,
- ❑ **commercial** space for over **38,000 m²**.

Residential and
commercial space
developer

We are currently preparing 20 investments, for a total of 5 241 units and area of almost 413,000 m² (including warehouse and commercial space for almost **170,000 m²**):

- ❑ **in Warsaw and the surrounding area** for **1 593 units** and area of almost **159,000 m²**
(including over 90,000 m² of warehouse and commercial space),
- ❑ **outside Warsaw** for **3 648 units** and area of over **254,000 m²**
 - in Cracow, Skórzew near Poznan, Łódz, Szczecin, Gdańsk and Chorzow (including 79,000 . m² of warehouse, hotel and commercial space).

Real-estate management

- ❑ **30 housing communities**
- ❑ **10,000 dwellings**
- ❑ **approx. 1,000 commercial premises**

Real estate manager –
including hotels and
aparthotels

Almost 20 years of experience on the hotel market

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

Key events in 2019

In 2019, the Group was constructing **13 investments** for **3 807 units** with an area of almost 180,000 m².

- ❑ Obtained occupancy permit for **Bliska Wola - Stage EM (residential part)** estate in Warsaw, at Kasprzaka St. for **671 units**(almost 100% units sold).
- ❑ Obtained occupancy permit for **Bliska Wola - Stage EK (commercial-residential)** estate in Warsaw, at Kasprzaka St. for **433 units** (almost 100% units sold).
- ❑ Obtained occupancy permit for **Kamerata** estate in Gdynia at Sochaczewska St. for **55 units**.
- ❑ Obtained occupancy permit for **21 terraced houses Alicja rank D**.
- ❑ Commencement of **Willa Wiślana** investment in Warsaw at Mikołaja Trąby St. for **141 units**.
- ❑ Commencement of investment for **24 terraced houses Alicja rank G**, near Ożarów. So far the Group has constructed over **150 houses** and is constructing over **50 houses** in the area.



Key events in 2019

- ❑ Continuation of the construction of the final stage of the flagship project „Bliska Wola” at Kasprzaka St. **Stage D, i.e. Bliska Wola Tower** (27 storeys above ground level) – almost **1.500 residential units and apartments for rent** with a total area of almost **62,000 m²**.
- ❑ Continuation of other investments for **985 units**:
 - ❑ **Hanza Tower** in Szczecin at Wyzwolenia Av. for **509 units**
 - ❑ **Nowe Tysiąclecie stage III** in Katowice at Tysiąclecia Av. for **345 units**
 - ❑ **Wrzosowa Aleja** in Białołęka – Warsaw for **81 units**
 - ❑ **Alicja Houses rank E** near Ożarów Mazowiecki for **20 houses**
 - ❑ **Alicja Houses rank F** near Ożarów Mazowiecki for **30 houses**



Key events in 2019

Further expansion of the land bank by purchase of real estate– **PLN 43 million:**
(value of land purchased in the last 2 years – over PLN 200 million)

- ❑ At Celna St. in **Szczecin** for **810 units, Useable Area: 48 800 m²***
- ❑ At Krakowska/Kościuszk St. in **Chorzow** for **254 units, Useable Area 11 900 m²**
- ❑ At Kilinskiego St. in **Łodz** for **245 units, Useable Area: 10 300 m²**
- ❑ At Modlinska St. in **Warsaw** for **219 units, Useable Area: 10 600 m²**
- ❑ In **Jachranka near Warsaw** (investment in the deisgn phase)

* Number of units and Useable Area for plots purchased in December 2018 and January 2019

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

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Related to utilising Group's potential:

- ❑ The Group has the potential to transfer premises for the next **3 years** – as at 31.12.2019 there were over **3.100 not transferred units**, including:
 - ❑ **almost 1.850 units** sold and not transferred,
 - ❑ **over 1.250 units** for sale,
- ❑ The Company plans to launch over **5.240 units** for sale in the coming periods. Together with the current offer this means **6.900 units**, so the Group has a guaranteed offer for **over 4 years**.
- ❑ **High balance of cash** on accounts(**over PLN 141 million**) and low net debt.

Related to favourable external conditions:

- ❑ 2019 brought an increase of 0,8% in residential units sale compared to 2018. *
- ❑ 2019 was a record year in terms of sales of mortgage loans, banks granted housing loans for the amount of PLN 65 billion, which is almost 15% more than in 2018.
- ❑ Increase in prices of flats sold in the largest urban agglomerations sold in the fourth quarter of 2019 of almost 7.6% compared to the same period last year.*
- ❑ Low interest rates, which should not increase. Low interest rates favour property purchases as an alternative form of investment.
- ❑ High inclination towards consumption and investment: low unemployment rate and rising average wages.

*According to REAS JLL data

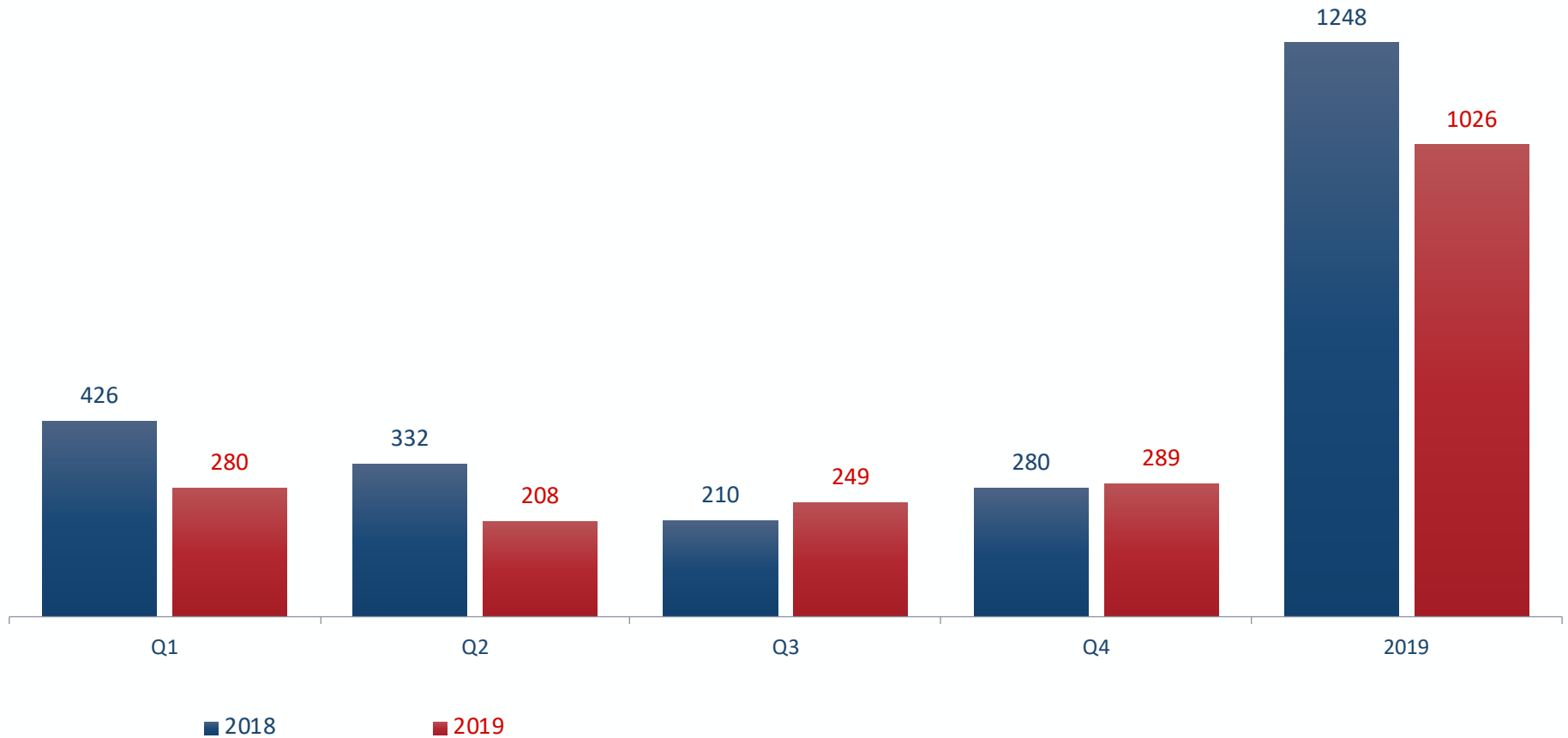
Factors affecting company's activity now and in the near future

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- ❑ Uncertainty on the market due to the spread of coronavirus (COVID-19)
- ❑ Uncertainty regarding legal changes related to the real estate market. Among other things, the planned amendment to the Act on the protection of the rights of the purchaser of an apartment or a single-family house, which provides for the introduction of obligatory contributions to the Developer Guarantee Fund, constitutes a risk that may affect the Group's operations and financial results.
- ❑ Shrinking workforce in the construction industry and difficulties in obtaining contractors for construction work may affect the dates of commencement and completion of the investments.
- ❑ Higher costs of materials, construction and purchase of investment land.
- ❑ Long-term process of obtaining necessary administrative decisions for current and planned projects.
- ❑ Lack of supply of land with clear legal situation and ready for development.

Sales of premises in 2019

■ In 2019 the Group sold **1026** units.



Selected consolidated financial data for 2019

| Selected financial data | 2019 | 2018 | Change: |
|-------------------------|-------------------|-------------------|---------|
| Sales revenue* | PLN 605,3 million | PLN 404,1 million | 50 % |
| Gross sales profit | PLN 147,1 million | PLN 74,5 million | 98 % |
| Gross sales margin | 24 % | 18 % | 6 p.p. |
| Profit on operations | PLN 87,8 million | PLN 18,8 million | 367 % |
| Net profit | PLN 63,4 million | PLN 16,5 million | 283 % |

- ▣ Increase in sales revenue in 2019 of 50% as compared to the corresponding period of previous year
- ▣ Almost fourfold increase in net profit in 2019 compared to the same period of the previous year

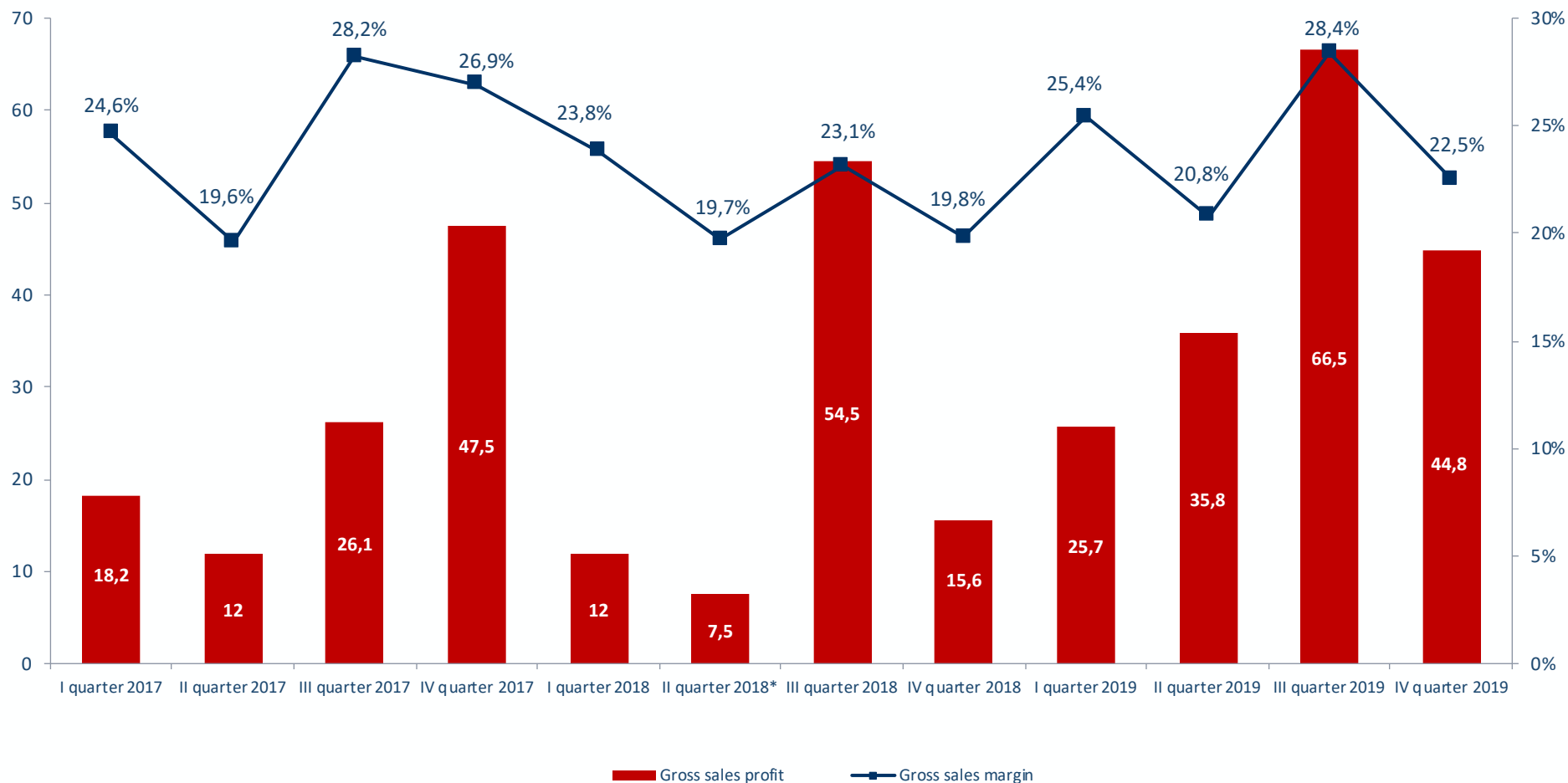
* Including revenues from operations of hotels, apart-hotels and catering in 2019 in the amount of PLN 78.5 million and in 2018. PLN 63.1 million. Increase by PLN 15.4 million year on year.

Selected consolidated financial data for Q4 2019

| Selected financial data | Q4 2019 | Q4 2018 | Change: |
|-------------------------|------------------|------------------|---------|
| Sales revenue | PLN 199 million | PLN 78,6 million | 153 % |
| Gross sales profit | PLN 44,8 million | PLN 15,6 million | 188 % |
| Gross sales margin | 23 % | 20 % | 3 p.p. |
| Profit on operations | PLN 37 million | PLN 4 million | 820 % |
| Net profit | PLN 25,8 million | PLN 1,3 million | 1 885 % |

- ▣ Sales revenues more than doubled
- ▣ Almost threefold increase in gross sales profit compared to the same period last year
- ▣ Increase in gross sales margin in Q4 2019 by 3 p.p. compared to the same period last year

Gross sales margin vs gross sales profit

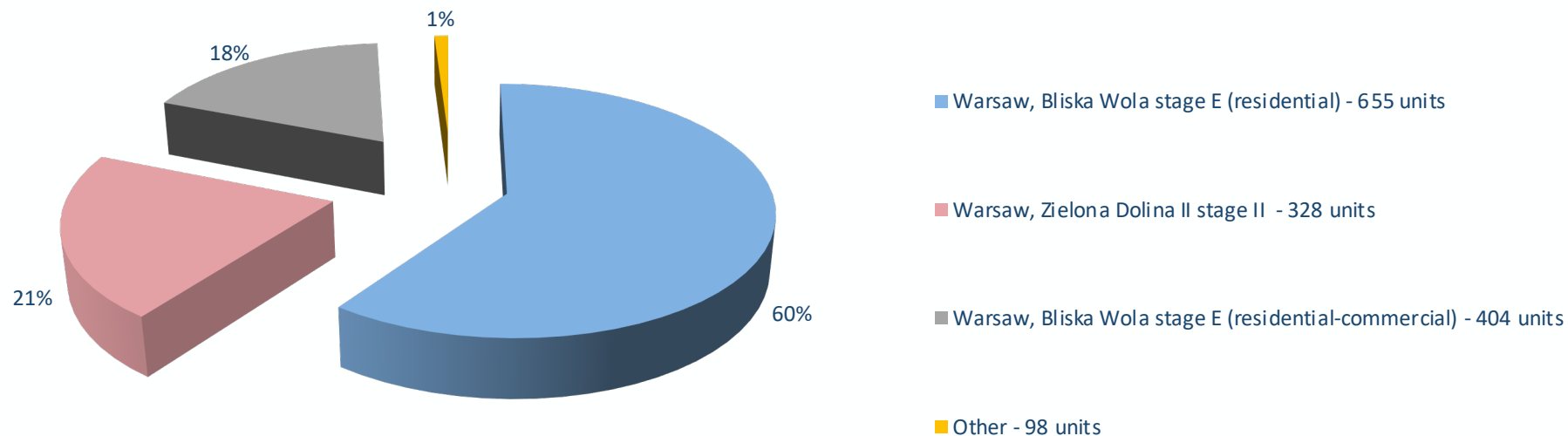


*For the second quarter of 2018, the margin was presented without taking into account the one-off transaction of sale of a plot of land in Wrocław, as the transaction is not related to the typical, current activity of the Company.

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

Gross profit realisation in 2019

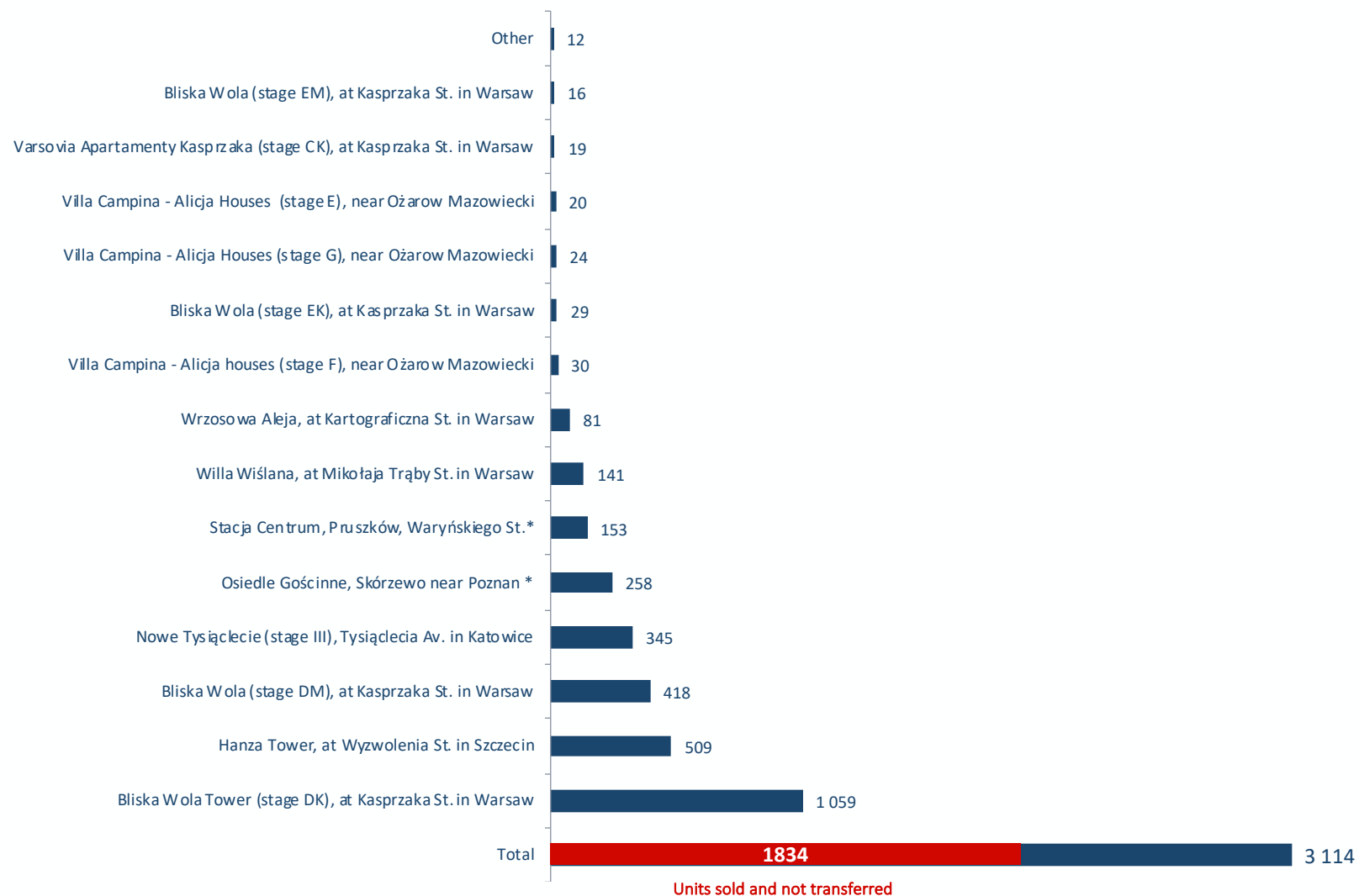
- The level of gross profit on sales for 2019 amounted to PLN **147,1 million**.
Percentage share of developer projects recognized in profit on sales:



- Units recognised in the result for **2018 vs. 2019**



Potential of units to be recognized in the next quarters



* Reservation sale, including Stacja Centrum at Waryńskiego St. in Pruszkow partially on sale

Investments in 2019

□ In 2019 the Group was developing **8 investments** with a total useable area of almost **180 000 m²**

| Investment | Units | PUM | Commercial space | % of units sold as at 30 December 2019 | % of construction completion as at 30 December 2019 |
|---|--------------|----------------|------------------|--|---|
| Bliska Wola - stage D (residential-commercial), Warsaw - J.W. Construction Holding S.A. | 1 059 | 25 417 | 17 078 | 48% | 23% |
| Bliska Wola - stage E (residential), Warsaw - J.W. Construction Holding S.A. | 671 | 30 452 | | 100% | 100% |
| Bliska Wola - stage E (residential-commercial), Warsaw - J.W. Construction Holding S.A. | 433 | 4 535 | 10 074 | 100% | 100% |
| Bliska Wola - stage D (residential), Warsaw - J.W. Construction Holding S.A. | 418 | 19 178 | | 99% | 13% |
| Hanza Tower, Szczecin - Hanza Invest S.A. | 509 | 21 950 | 11 034 | 76% * | 74% |
| Nowe Tysiąclecie - stage III, Katowice - J.W. Construction Holding S.A. | 345 | 18 261 | | 72% | 69% |
| Willa Wiślana, Warsaw - J.W. Construction Holding S.A. | 141 | 5 872 | | 62% | 42% |
| Wrzosowa Aleja, Warsaw - J.W. Construction Holding S.A. | 81 | 2 958 | | 100% | 80% |
| Kamerata, Gdynia - J.W. Construction Holding S.A. | 55 | 3 435 | | 100% | 100% |
| Villa Campina Houses - Alicja (rank F), Ożarów - J.W. Construction Holding S.A. | 30 | 2 857 | | 73% | 53% |
| Villa Campina Houses - Alicja (rank G), Ożarów - J.W. Construction Holding S.A. | 24 | 2 605 | | 0% | 29% |
| Villa Campina Houses - Alicja (rank D), Ożarów - J.W. Construction Holding S.A. | 21 | 2 017 | | 100% | 100% |
| Villa Campina Houses - Alicja (rank E), Ożarów - J.W. Construction Holding S.A. | 20 | 2 003 | | 95% | 99% |
| Total | 3 807 | 141 540 | 38 186 | | |

*residential units

Investments planned for launch as at 31.12.2019

- The Company, on the basis of its land bank, plans to launch the construction of **5.241 units** as well as warehouse and commercial space, with a total area of **412.797 m²**

| Investment | Units | PUM | Commercial space |
|--|--------------|----------------|------------------|
| Zawada near Cracow | 1 170 | 57 206 | |
| Celna St., Szczecin | 810 | 34 000 | 14 796 |
| Starowiejska St., Gdańsk- Letnica | 636 | 32 335 | 607 |
| Waryńskiego St., Pruszków * | 446 | 19 709 | 1 929 |
| Radosława St., Nowogard | 275 | 14 710 | |
| Berensona St., Warsaw | 264 | 11 855 | |
| Poznańska St., Skórzewo near Poznan ** | 258 | 14 516 | |
| Krakowska/Kościuszki St., Chorzów | 254 | 11 911 | |
| Kilińskiego St., Łódź | 245 | 10 300 | 100 |
| Pileckiego St., Warsaw | 239 | | 8 148 |
| Modlińska St., Warsaw | 219 | 10 569 | |
| Wrzosowa Aleja III stage II, Warsaw | 146 | 4 709 | |
| Houses stage VIII and further, Ożarów Mazowiecki | 126 | 13 167 | |
| Aluzyjna St., stage II, Warsaw | 68 | 3 670 | |
| Wrzosowa Aleja III stage I, Warsaw | 40 | 1 631 | |
| Aluzyjna St., stage I, Warsaw | 32 | 1 850 | |
| Nowodworska St., Warsaw | 13 | 1 180 | |
| Port (warehouses), Szczecin | | | 53 000 |
| Wielopole/Dietla St., Cracow | | | 10 899 |
| Małopole (warehouses), near Warsaw *** | | | 80 000 |
| TOTAL | 5 241 | 243 318 | 169 479 |

* Partially launched for sale in 2019, reservation sale

** Launched for sale in 2019, reservation sale

*** Preliminary purchase agreement

Key events and marketing and sales policy in 2019

- ❑ Conducting effective advertising activities in all effective communication channels. Directing the advertising message to potential customers of a wide range of products.
- ❑ Introduction to preliminary sales and promotion of new investments: Willa Wiślana in Warsaw, Osiedle Stacja Centrum in Pruszków and Osiedle Gościnne in Poznań.
- ❑ Promotion of investments at industry events: real estate fairs in Warsaw and Katowice and organization of Open Days in commercial offices.
- ❑ Conducting special actions combined with bonuses: "holidays in Czarny Potok Hotel Resort & SPA" for the Villa Campina project, discount card to Leroy Merlin for clients of Warsaw investments.
- ❑ Preparation for the launch of new projects.



Prizes and awards:

J.W. Construction Holding S.A.

Marka Dekady, Efektywna Firma

Dobra Marka 2019 - Jakość, Zaufanie, Renoma Brylant Polskiej Gospodarki,
Gepard Biznesu i Mocna Firma Godna Zaufania 2019

Hotel Czarny Potok

Najlepszy hotel SPA w górach - Perfect SPA w górach 2019

Certificate of Excellence 2019 and HALL OF FAME - Galeria Sław

Hotel Dana

Quality Certificate 2019 of TripAdvisor portal



Attachments

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

| Investment | Pruszków, Stacja Centrum |
|--------------------------------|---|
| Location | Pruszków, Waryńskiego St. |
| Number of units | 446 |
| Useable area (m ²) | Residential useable area 19 709 m ² Useable area 1 929 m ² |



| Characteristics |
|---|
| <ul style="list-style-type: none"> ❑ Location in the Pruszków Centre, next to the railway station ❑ Excellent design - room and metre layouts designed in response to the expectations of future buyers ❑ Proximity to the facilities of the agglomeration: schools, kindergartens, shopping centres ❑ Quick access to Warsaw city centre ❑ Ideal 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 | 636 |
| Useable area (m ²) | Residential useable area: 32 335 m ² Useable area: 607 m ² |



Characteristics

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



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

| Investment | Skórzewo k. Poznania, Osiedle Gościnne |
|--------------------------------|---|
| Location | Skórzewo near Poznan, Poznańska St. |
| Number of units | 258 |
| Useable area (m ²) | 14 516 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 in the vicinity of Poznan.Proximity of green areas - Marcelinski ParkCombination of nature with urbanised part of the city, proximity of facilities: schools, kindergartens, shopping centresModern design, attractive both visually and in terms of functionality of flats and common areas |



Investments planned for launching in the next months in Szczecin

| Investment | Park Logistyczny, Szczecin |
|--------------------|-------------------------------|
| Location | Szczecin |
| Total planned area | approx. 53 000 m ² |



Characteristics

- The advantage of the Park is its location. The investment is located within the city limits (the northern part of Szczecin, just 10 km from the city centre and 50 km from the airport in Goleniów) and at the same time in the vicinity of the Polish-German border, with good access to the A6 motorway leading to Berlin.





Thank you for your attention

INVESTMENT RELATIONS

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