

PRESENTATION OF THE RESULTS FOR THE THIRD QUARTER OF 2019

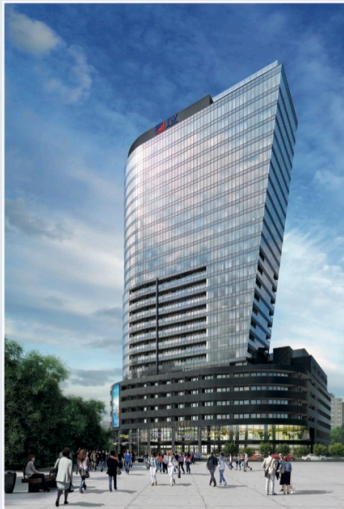


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Basic economic and financial parameters – Q3 2019

Residential and
commercial space
developer

In Q3 2019, **8 projects** were under construction for **2,602 units** with an area of almost **127,000 m2.**, including:

- ▣ residential space of over **98,000 m2**,
- ▣ commercial space of over **28,000 m2**.

We are currently preparing 20 new investments for a total of 5,392 units with an area of more than 426,000 m2 (including **warehouse and commercial space** of over **161,000 m2**):

- ▣ **in Warsaw and its surrounding area** for **1,678 units** with a usable area of over **166,000 m2** (including over 82,000 m2 of warehouse and commercial space),
- ▣ **outside Warsaw - 3,714 units** with an area of over **260,000 m2** in Cracow, Poznań, Łódź, Szczecin, Gdańsk and Chorzów (including 79,000 m2 of warehouse, hotel and commercial space).

Real estate manager
– including hotels
and aparthotels

Real-estate management

- ▣ **30 housing communities**
- ▣ **11,000 dwellings**

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 Q3 2019

- ❑ The occupancy permit was obtained for the **Bliska Wola residential estate - Stage EM (residential part)** in Warsaw, Kasprzaka Street, for **671 units** (almost 100% of units sold).
- ❑ The occupancy permit was obtained for the **Bliska Wola residential estate - Stage EK (commercial and residential part)** in Warsaw, Kasprzaka Street, for **433 units** (almost 100% of the units were sold).
- ❑ The occupancy permit for **20 terraced houses Alicja rank D** near Ozarów was obtained (**4 houses** in the second quarter of this year, **16 houses** in the third quarter of this year). To date, the Group has built and is building a total of **183 houses** in the area.
- ❑ The final building permit was obtained for the construction of a complex of 5 multi-family buildings for **40 units** forming part of the Wrzosowa Aleja residential estate.
- ❑ The land bank was expanded to include the purchase of real estate in **Chorzów**, on which the company plans to launch the investment for **265 units**.



Key events in Q3 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) - **1,500 flats and apartments** with a total area of almost **62,000 m²**.
- ❑ Continuation of other investments for **1.125 units**:
 - ❑ **Hanza Tower** in Szczecin at Wyzwolenia Av. for **509 units**,
 - ❑ **Nowe Tysiąclecie stage III** in Katowice at Tysiaclecia Av. for **345 units**,
 - ❑ **Willa Wiślana** in Warsaw at Mikołaja Trąby St. for **140 units**
 - ❑ **Wrzosowa Aleja** in Białołęka – Warsaw for **81 units**
 - ❑ **Domy Alicja szereg E** near Ożarów Mazowiecki for **20 houses**.
 - ❑ **Domy Alicja szereg F** near Ożarów Mazowiecki for **30 houses**.



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 30 September 2019 there were **3.600 not transferred units**, including:
 - ❑ **almost 2.100 units** sold and not transferred,
 - ❑ **almost 1.500 units** ready and under construction,
- ❑ The Company plans to launch approximately 5,400 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 **more than 4 years**.
- ❑ **High balance of cash** on accounts (**over PLN 141 m.**) and low net debt.

Related to favourable external conditions:

- ❑ Increase in the prices of flats sold in the largest urban agglomerations in the third quarter of 2019 by almost 10% compared to the same period of the previous year.*
- ❑ Low interest rates, which are estimated to last until the end of 2021, and even according to the announcement of the President of the National Bank of Poland, there is room for interest rate cuts in Poland. Low interest rates favour real estate purchases as an alternative form of investment. **
- ❑ High inclination towards consumption and investment: low unemployment rate and rising average wages.
- ❑ According to a survey conducted by the National Bank of Poland in the third quarter of 2019, banks observed an increase in demand for housing loans.

*According to REAS JLL data.

**According to the announcement of the President of the NBP

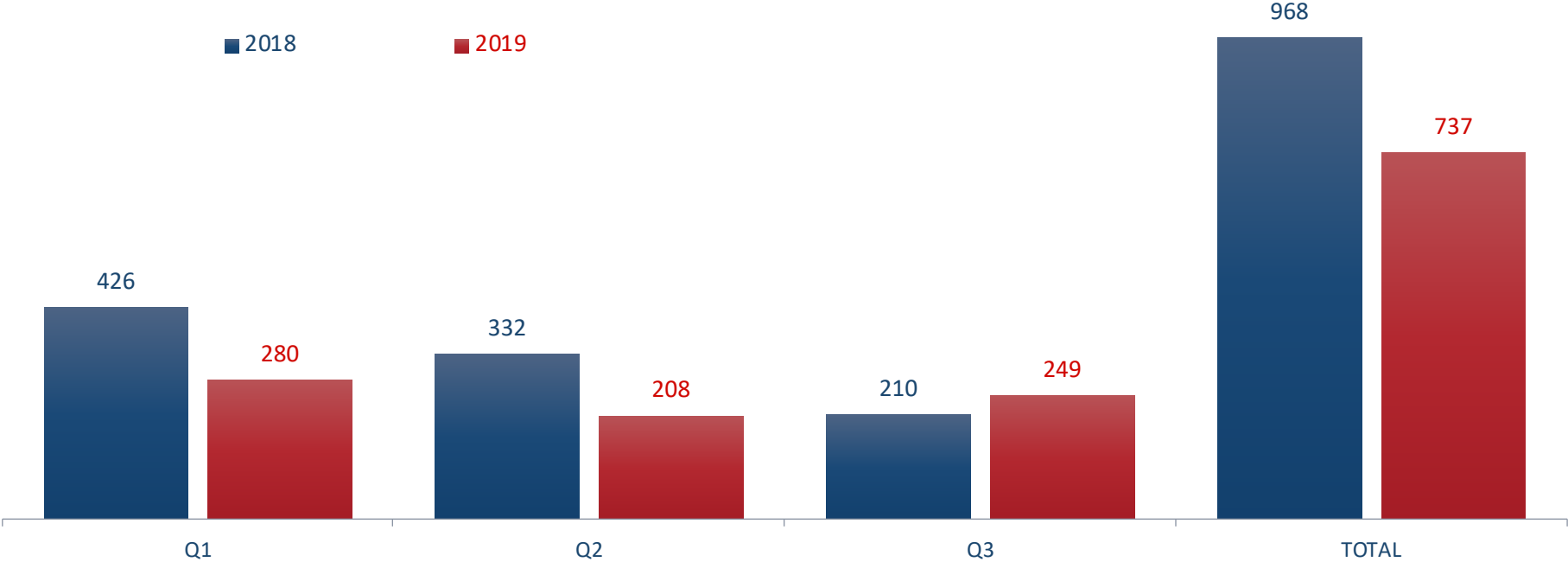
Factors affecting company's activity now and in the near future

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- ❑ 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.
- ❑ Decrease in the sales rate of flats in the largest urban agglomerations in the last 4 quarters by 4.5% compared to the same period of the previous year *
- ❑ 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.

* According to REAS JLL data.

Sales of premises in three quarters of 2019



■ In three quarters of 2019 the Group sold **737** units.

Selected consolidated financial data for three quarters of 2019

Selected financial data	III quarters of 2019	III quarters of 2018 *	Change
Sales revenue	PLN 406,3 m**	PLN 325,4 m	25 %
Gross sales profit	PLN 102,3 m	PLN 58,9 m	74 %
Gross sales margin	25,2 %	18,1 %	7,1 p.p.
Profit on operations	PLN 50,8 m	PLN 14,8 m	243 %
Net profit	PLN 37,6 m	PLN 15,2 m	148 %

- ▣ Increase in sales revenues in III quarters of 2019 by 25% as compared to the corresponding period of the previous year
- ▣ Over 2-fold increase in net profit in III quarters of 2019 as compared to the same period of the previous year

* The result for the first three quarters of 2018 was adversely affected by a one-off transaction related to the sale of real estate in Wrocław. The sale of this property generated a loss of over PLN 15 million.

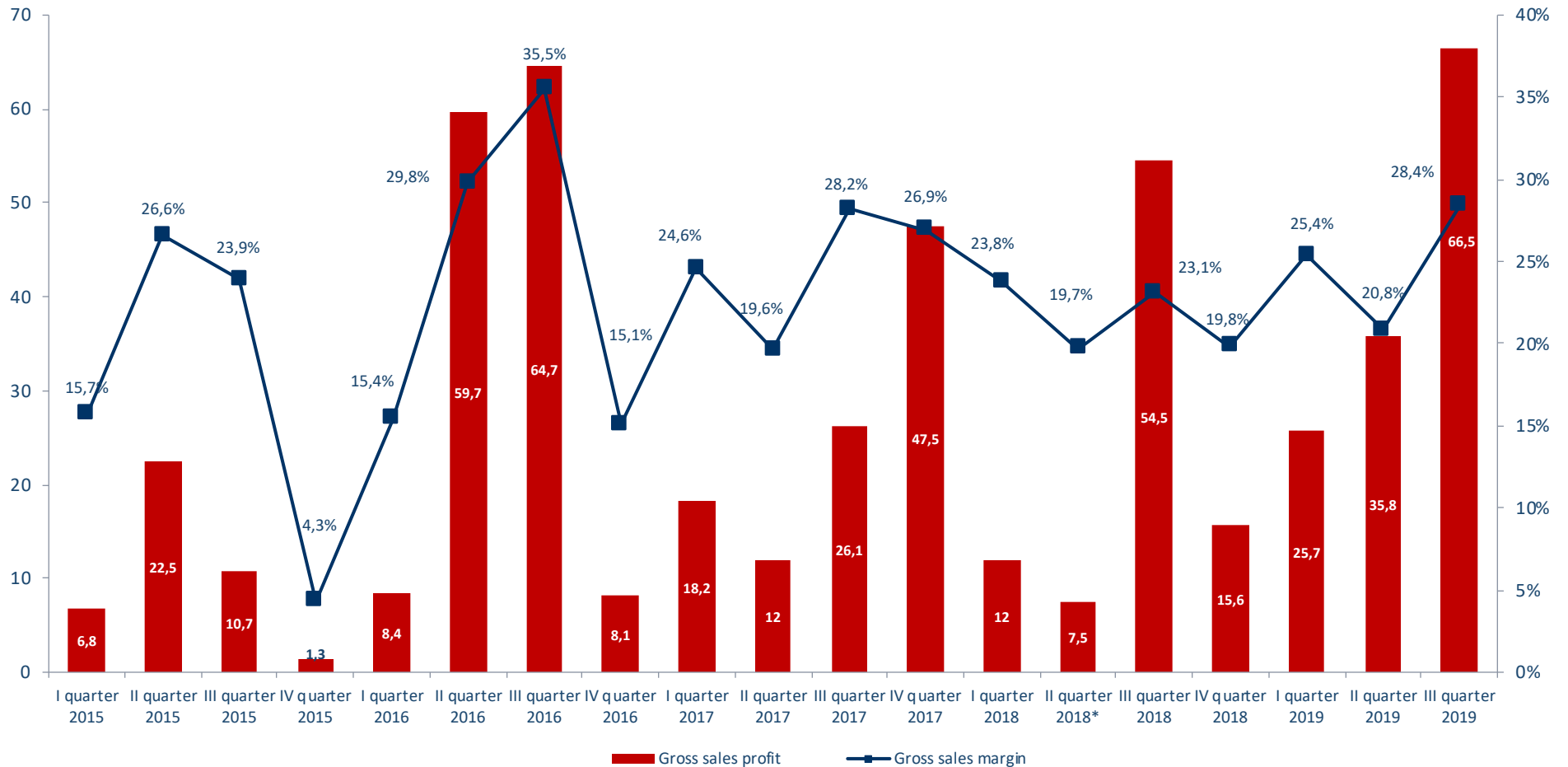
** Including revenues from the operation of hotels and apart-hotels PLN 59 million

Selected consolidated financial data for Q3 2019

Selected financial data	Q3 2019	Q3 2018	Change
Sales revenue	PLN 234,2 m	PLN 235,7 m	- 1 %
Gross sales profit	PLN 66,5 m	PLN 54,5 m	22 %
Gross sales margin	28,4 %	23,1 %	5,3 p.p.
Profit on operations	PLN 45,4 m	PLN 39,5 m	15 %
Net profit	PLN 36,2 m	PLN 36,6 m	-1 %

- ❑ Sales revenues and net profit at a similar level as in the corresponding period of the previous year
- ❑ Increase in gross sales profit by nearly 22% as compared to the corresponding period of the previous year
- ❑ Increase in gross margin in Q3 2019 on sales by 5.3 percentage points compared to the corresponding period of the previous year

Gross sales margin vs gross sales profit

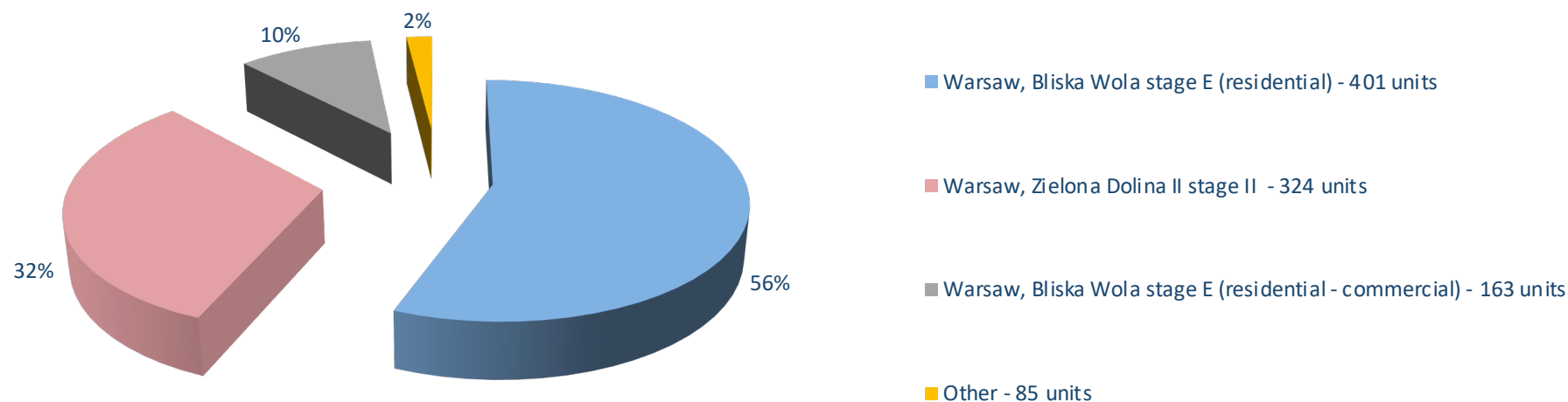


*For the second quarter of 2018 the margin was presented without taking into account the transaction of one-off sale of the plot in Wrocław, because the transaction is not related to the typical, current activity of the Company.

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

Realisation of gross profit on sales for 3 quarters of 2019

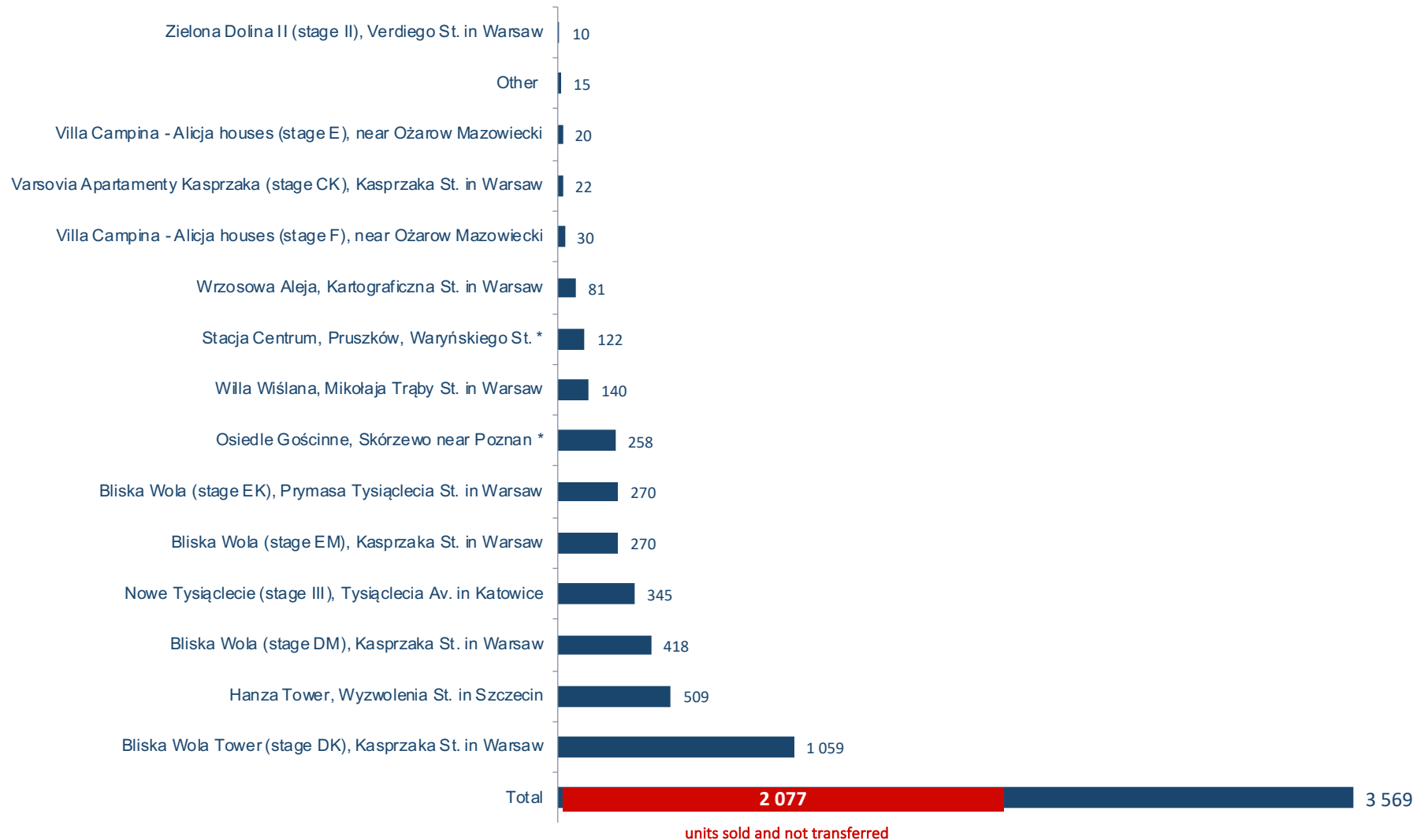
- The level of gross profit on sales for three quarters of 2019 amounted to PLN **102.3 million**.
Percentage share of developer projects recognized in profit on sales:



- Units recognized in the result for **three quarters of 2018 vs. three quarters of 2019**.



Potential of units to be recognized in the next quarters



* reservation sale, including Stacja Centrum at Waryńskiego Street in Pruszków partially introduced to sale

Ongoing investments in Q3 2019

□ In Q3 2019 the Group was developing **8 investments** with a total usable area of almost **127 000 m2**

Investment	Units	Useable area	commercial space	% of units sold as at 30 September 2019	% of construction completion as at 30 September 2019
Bliska Wola - stage D (residential-commercial), Warsaw - J.W. Construction Holding S.A.	1 059	25 417	17 078	35%	19%
Bliska Wola - stage D (residential), Warsaw - J.W. Construction Holding S.A.	418	19 178		97%	6%
Hanza Tower, Szczecin - Hanza Invest S.A.	509	21 950	11 034	70%*	65%
Nowe Tysiąclecie - stage III, Katowice - J.W. Construction Holding S.A.	345	18 261		62%	58%
Willa Wiślana, Warsaw - J.W. Construction Holding S.A.	140	5 847		34%	34%
Wrzosowa Aleja, Warsaw - J.W. Construction Holding S.A.	81	2 958		100%	80%
Villa Campina Houses - Alicja (rank F), Ożarów - J.W. Construction Holding S.A.	30	2 857		50%	40%
Villa Campina Houses - Alicja (rank E), Ożarów - J.W. Construction Holding S.A.	20	2 003		90%	85%
Total:	2 602	98 471	28 112		

*residential units

Investments planned for launching as at 30.09.2019

- The Company, on the basis of its land bank, plans to launch the construction of **5.392 units** as well as warehouse and commercial space with a total area of **426.470 m²**

Investment	Units	Useable area	Commercial space
Zawada St. near Cracow	1 223	63 120	
Celna St., Szczecin	810	34 000	14 796
Starowiejska St., Gdańsk- Letnica	638	32 302	556
Waryńskiego St., Pruszków*	446	19 709	1 929
Modlińska St., Warszawa	298	10 200	
Radosława St., Nowogard	275	14 710	
Krakowska St. / Kościuszki St., Chorzów	265	12 000	
Berensona St, Warszawa	264	11 855	
Poznańska St., Skórzewo near Poznan**	258	14 516	
Kilińskiego St., Łódź	245	10 300	100
Antoniewska St., Warsaw	221	13 763	
Houses stage VI and further, Ożarów Mazowiecki	150	15 675	
Wrzosowa Aleja III stage II, Warsaw	146	4 709	
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/Dietła St., Cracow			10 899
Małopole (warehouses), near Warsaw			80 000
Total:	5 392	265 190	161 280

* Partially launched for sale in Q3 2012, reservation sale.

** launched for sale in Q3 2012, reservation sale

Key events and marketing and sales policy in Q3 2019

- ❑ Pre-sales of projects of Osiedle Stacja Centrum in Pruszków and Osiedle Gościnne in Poznań. Introduction to sale and promotion of the new Willa Wiślana project located at Mikołaja Trąby Street in Warsaw.
- ❑ Conducting efficient advertising activities in all effective communication channels. Directing the advertising message to potential customers of a wide range of the Company's products. Investment promotion at the autumn edition of industry events: Real estate fairs in Warsaw and the organization of Open Days in retail offices and on investments.
- ❑ Conducting special actions combined with bonuses: "holidays at the Czarny Potok Resort & SPA Hotel" for the Villa Campina project, discount card for Leroy Merlin for clients of Warsaw projects.
- ❑ Preparation for the introduction of new projects to the market.



PROMOCJA DLA SINGLA

SPRAWDŹ



Prizes and awards:

Czarny Potok Hotel

For the 5th time awarded with "Certificate of Excellence 2019" and "HALL OF FAME - Galeria Sław".

Dana Hotel

Quality Certificate 2019 of TripAdvisor portal



Attachments

Investments planned for launching in the next months: Waryńskiego Street, Pruszków

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

- ❑ 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 : Starowiejska Street, Gdańsk

Investment	Gdańsk, Horizon
Location	Gdańsk, Starowiejska St.
Number of units	638
Useable area (m ²)	residential useable area: 32 302 m ² useable area: 556 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 :

Poznanska Street, Skórzewo near Poznan

Investment	Skórzewo near Poznan, 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 Park ❑ Combination of nature with urbanised part of the city, proximity of facilities: schools, kindergartens, shopping centres ❑ Modern 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.





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 h 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



HOTEL 500 ZEGRZE



HOTEL 500 STRYKÓW



HOTEL 500 ZEGRZE



HOTEL 500 TARNOWO PODGÓRNE





Thank you for your attention

INVESTMENT RELATIONS

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