

# PRESENTATION OF THE RESULTS FOR THE FIRST QUARTER OF 2021



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# Basic economic and financial parameters – Q1 2021

Residential and  
commercial space  
developer

In Q1 2020 **8 projects** were under construction for **2 840 units**, with an area of over **142.000 m<sup>2</sup>**,

including:

- ❑ residential space of over **113,000 m<sup>2</sup>**,
- ❑ commercial space of almost **29,000 m<sup>2</sup>**.

We are currently **preparing 17 new investments** for a total of **4,616 units** with an area of almost **327,000 m<sup>2</sup>** (including warehouse and commercial space of over **120,000 m<sup>2</sup>**)

- ❑ **in Warsaw and its surrounding area - 1 618 units** with a useable area of over **168,000 m<sup>2</sup>** (including almost **100,000 m<sup>2</sup>** of warehouse and commercial space),
- ❑ **outside Warsaw – 2 998 units** with an area of almost **159,000 m<sup>2</sup>**
  - in Cracow, Skórzew near Poznan, Łodz, Szczecin and Chorzow (including almost **21,000 m<sup>2</sup>** of commercial space).

Real estate manager -  
including hotels and  
aparthotels

**Real-estate management:**

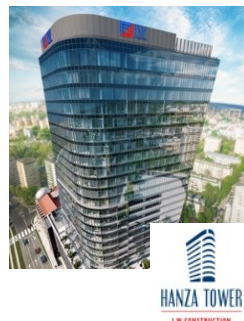
- ❑ **28 housing communities**
- ❑ **10,000 dwellings**
- ❑ **over 600,000 m<sup>2</sup> of commercial premises**

**Almost 20 years of experience on the hotel market**

- ❑ **managing 5 hotels and an aparthotel**
- ❑ **1 060 rooms and apartments**
- ❑ **2 404 beds**
- ❑ **3 060 conference seats**
- ❑ **1 639 restaurant seats**

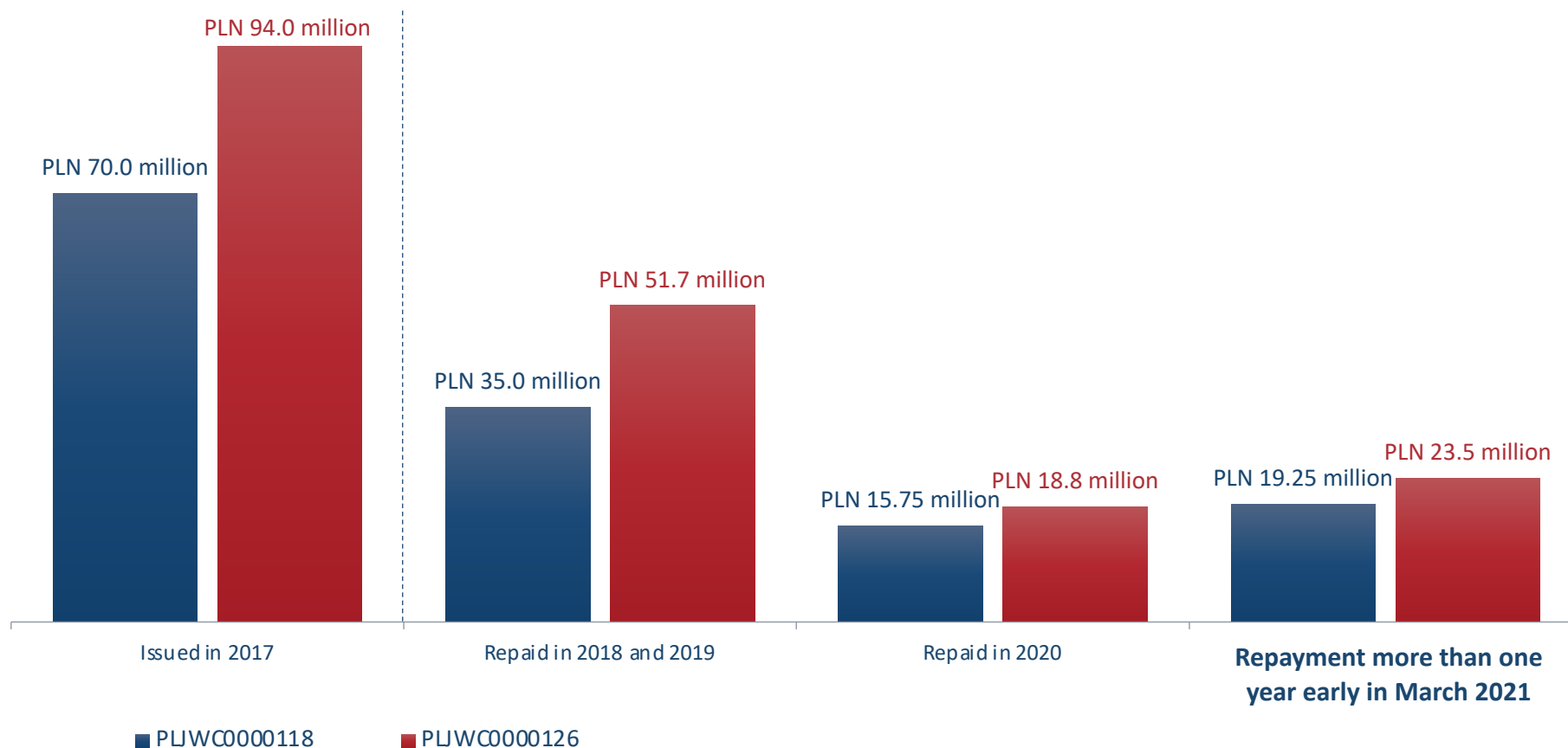
# Key events in Q1 2021

- ❑ In the first quarter of 2021, 2,840 units were under construction:
  - ❑ **Bliska Wola Tower** at Kasprzaka Street - (residential and commercial part) i. e. the last stage of the flagship Bliska Wola project (27 storeys above ground), comprising a total of 1,477 units with a total area of nearly 62,000 m<sup>2</sup>.
  - ❑ Other investments started in previous periods for a total of 727 units:
    - ❑ **Hanza Tower** in Szczecin at Wyzwolenia Avenue: **509 units**
    - ❑ **Willa Wiślana** on Tarchomin in Warsaw: **141 units**
    - ❑ **Alicja Houses rank F** near Ożarów Mazowiecki: **30 houses**
    - ❑ **Gaja Houses rank G** near Ożarów Mazowiecki: **24 houses**
    - ❑ **Wiktoria Houses rank H** near Ożarów Mazowiecki: **23 houses**
  - ❑ **Horizon investment in Gdańsk was launched** for a total of **636 units** with an area of almost **33,000 m<sup>2</sup>**



## Key events in Q1 2021 – debt repaid

- In March 2021, JWCH made an early full repayment of bonds in the amount of PLN 42.75 million from the bond series issued in 2017, the total amount of the issue was PLN 164 million.



# 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 March 2021** there were over 3,160 not transferred units, **including:**
  - ❑ **almost 2.160 units** sold and not transferred,
  - ❑ **over 1,000 units** for sale,
- ❑ The Group has the possibility to introduce almost **4,500 units** for sale depending on the economic situation. Together with the current offer it means over **5,550 units**, which means it has a guaranteed offer for **over 4 years**.
- ❑ Despite COVID-19, **majority of construction is proceeding according to schedule**.
- ❑ **The high level of advancement of investment sales** will allow the Group to recognize surpluses from the ongoing projects after the completion of the construction process, while the ongoing projects are nearing completion.
- ❑ High, sustained balance of cash on accounts at the end of first quarter of 2021 - over PLN 145 million
- ❑ Maintaining **good cooperation with the financing institutions**.

## Related to favourable external conditions:

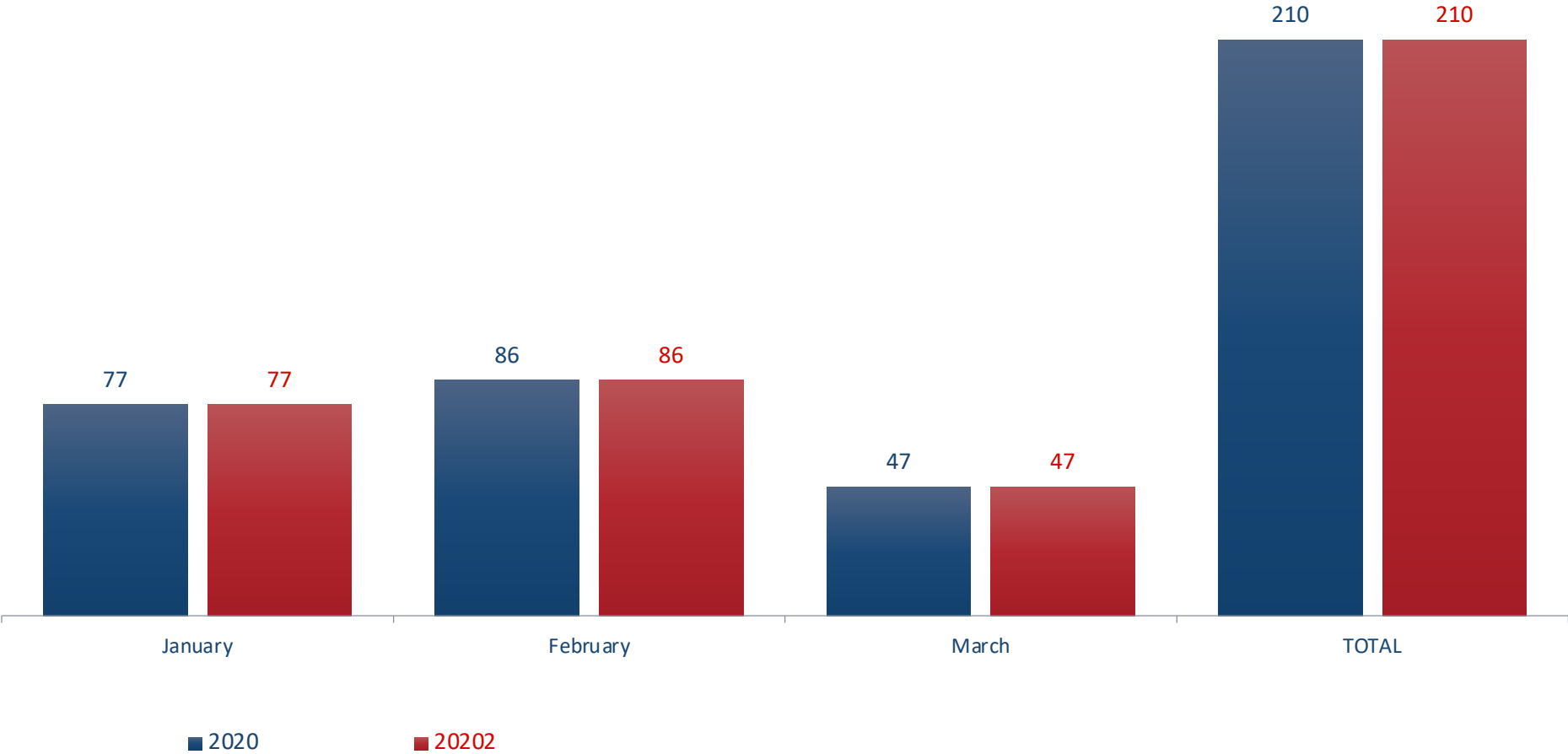
- ❑ **Changes in the labour and service market** - it is easier to find new employees as well as subcontractors.
- ❑ **Low interest rates** - favor the purchase of real estate as an alternative form of investment.
- ❑ **Relaxation of criteria for mortgage policy** - in the first quarter of 2021, banks granted more than **57,000** housing loans (up 6.4%).

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

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- ❑ Uncertainty on the market due to the spreading COVID-19 epidemic
  - ❑ Reluctance of banks to finance new investment projects
  - ❑ Risk of reduced investment demand and suspension of speculative demand
  - ❑ Potential customers' concerns regarding uncertainty of maintaining employment in the future and possibility of reduced wages.
  - ❑ Decrease in demand for residential housing as a result of, among other things, a deterioration in the economic situation of households
  - ❑ Uncertainty regarding the hotel business due to further restrictions on their operation
- ❑ Long-term process of obtaining necessary administrative decisions for current and planned projects. Due to COVID-19, the aforementioned processes may be further extended.
- ❑ Increase in prices of building materials and construction costs
- ❑ Legislative risk - currently proceeded amendment to the Act on the Protection of Rights of Buyers of Dwellings or Single-Family Houses, providing, inter alia, for the introduction of compulsory contributions to the Developer Guarantee Fund

# Sales of premises in Q1 2021



□ In Q1 2021 the Group sold 210 units.

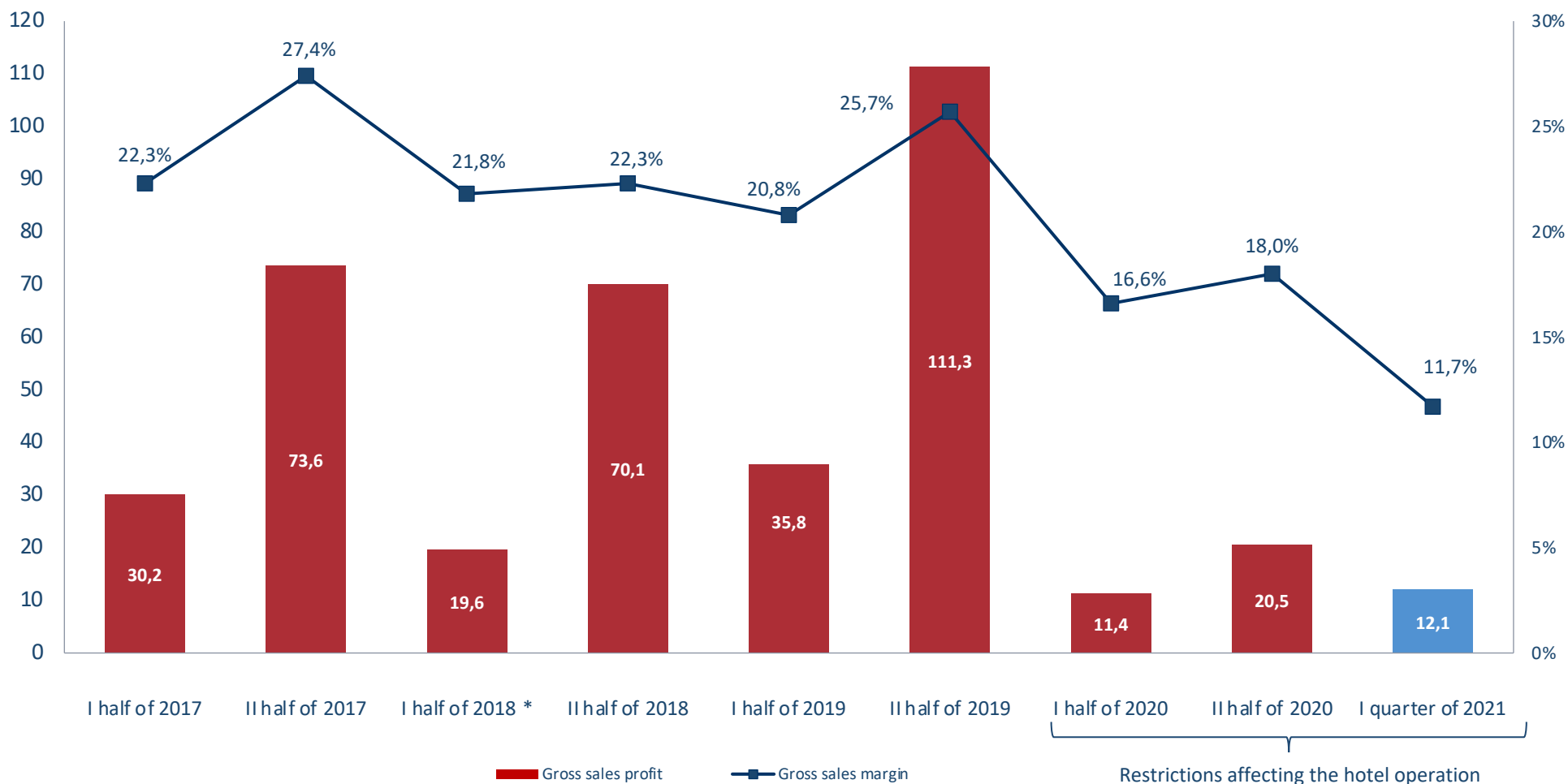


## Selected consolidated financial data for Q1 2021

Selected financial data	Q1 2021	Q1 2020	Change
Sales revenue	PLN 103.8 million	PLN 45.6 million	128 %
Gross profit from sales	PLN 14.6 million	PLN 11.6 million	26 %
Gross margin from sales	14,1 %	25,4 %	-11,3 p.p.
Profit on operations	PLN 2.2 million	PLN -3.1 million	171 %
Net profit	PLN 0.4 million	PLN -4.6 million	109 %
Cash and cash equivalents	PLN 145.3 million	PLN 100 million	

- ❑ A 128% increase in sales revenue in Q1 2021 compared to the same period last year.
- ❑ The Company's result was mainly impacted by the loss from the hotel segment; hotels were closed in the first quarter.
- ❑ The Company retains very good liquidity. Despite the early repayment of the bonds in March 2021 in the amount of PLN 42.75 million, the Company had over PLN 145 million of funds in its accounts as at 31.03.2021.

# Gross sales margin vs gross sales profit

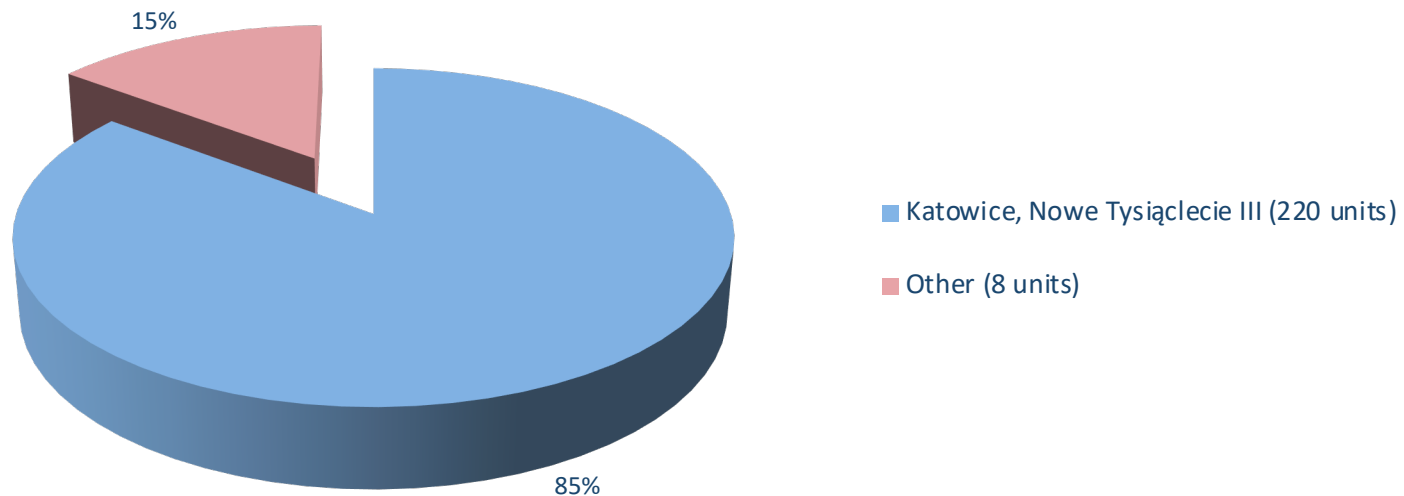


\*For the first half of 2018, the margin was presented without taking into account a one-off transaction of sale of a plot of land in Wrocław, as this transaction was not related to typical, current operations of the Company.

□ Gross margin on sales in the long term remains at the level of approx. 20-25%. Since 2020, the margin has been held at a lower level due to, among other things, restrictions on the operation of the hotel industry.

# Realisation of gross profit on sales for Q1 2021

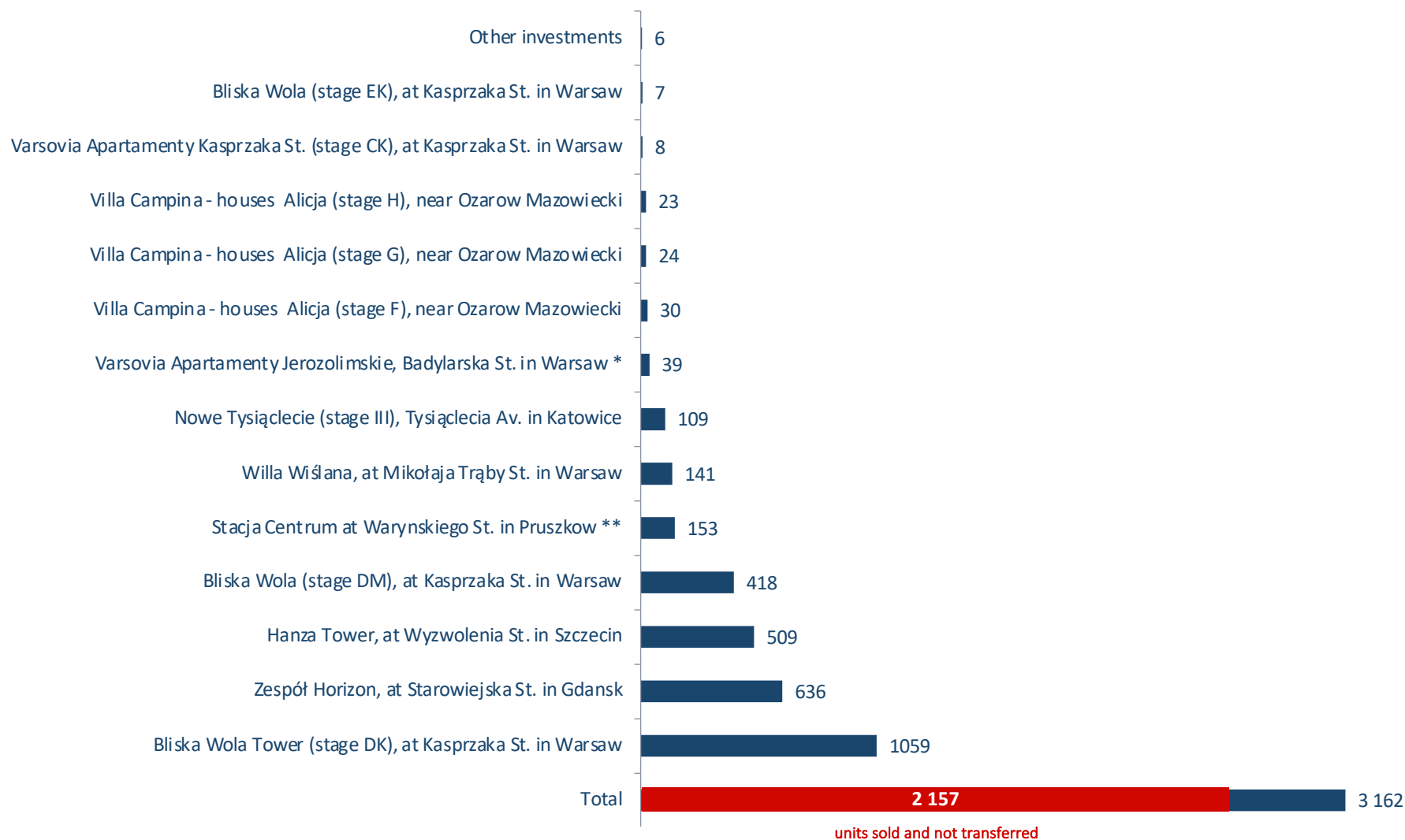
- The level of gross profit on sales for the first quarter of 2021 amounted to **PLN 14.6 million**.  
Percentage share of developer projects recognized in profit on sales:



- Units recognized in the result for **Q1 2020** vs **Q1 2021**



# Potential of units to be recognized in the next quarters



\* Investment partially introduced to sales, the investment has 116 units in total, 56 units were introduced to the sales offer

\*\* reservation sale, the investment has a total of 462 units, 153 units were introduced to the sales offer

# Ongoing investments in Q1 2021

□ In the first quarter of 2021, the Group was developing **8 investments for 2840 units** with a total useable area of **142,016 m<sup>2</sup>**

Investment	Number of units	useable area	Commercial area	% of units sold as at 31.03.2021	% advancement of construction works as at 31.03.2021
Bliska Wola - stage D (residential-commercial), Warsaw - J.W. Construction Holding S.A.	1 059	25 417	17 078	77%	60%
Bliska Wola - stage D (residential), Warsaw - J.W. Construction Holding S.A.	418	19 178		99%	57%
Zespół Horizon, Gdańsk - J.W. Construction Holding S.A. *	636	32 342	608	17%	0%
Hanza Tower, Szczecin - Hanza Invest S.A.	509	21 950	11 034	92% **	98%
Willa Wiślana, Warsaw - J.W. Construction Holding S.A.	141	5 872		96%	99%
Villa Campina Houses - Alicja (rank F), Ożarów - J.W. Construction Holding S.A.	30	2 857		100%	98%
Villa Campina Houses - Gaja (rank G), Ożarów - J.W. Construction Holding S.A.	24	2 605		46%	99%
Villa Campina Houses - Wiktoria (rank H), Ożarów - J.W. Construction Holding S.A.	23	3 075		9%	62%
<b>Total</b>	<b>2 840</b>	<b>113 296</b>	<b>28 720</b>		

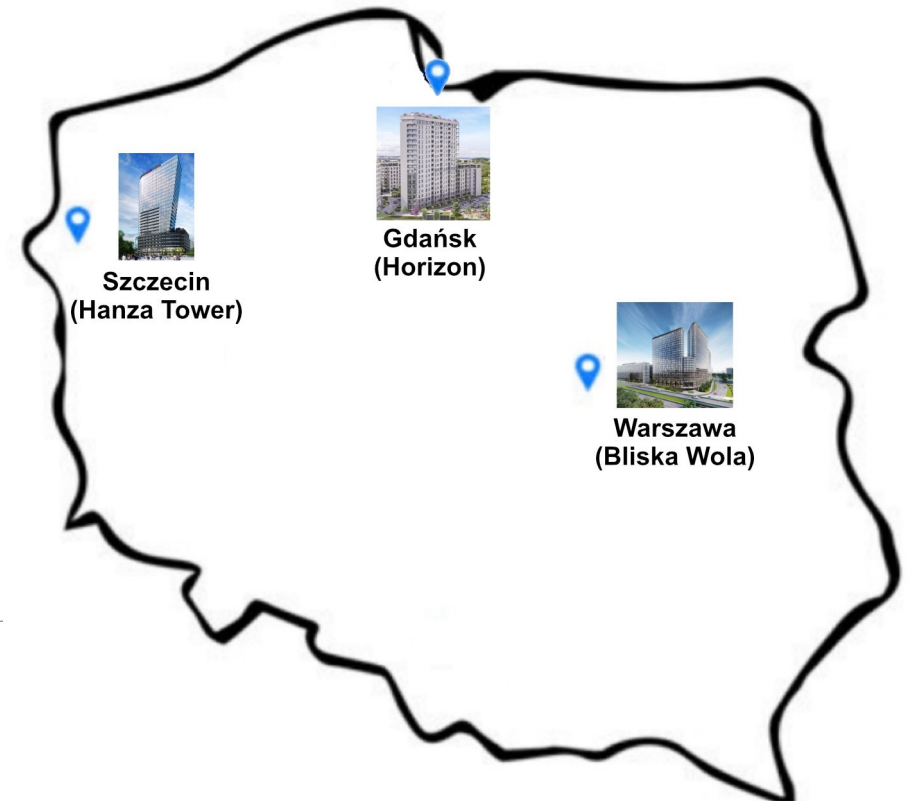
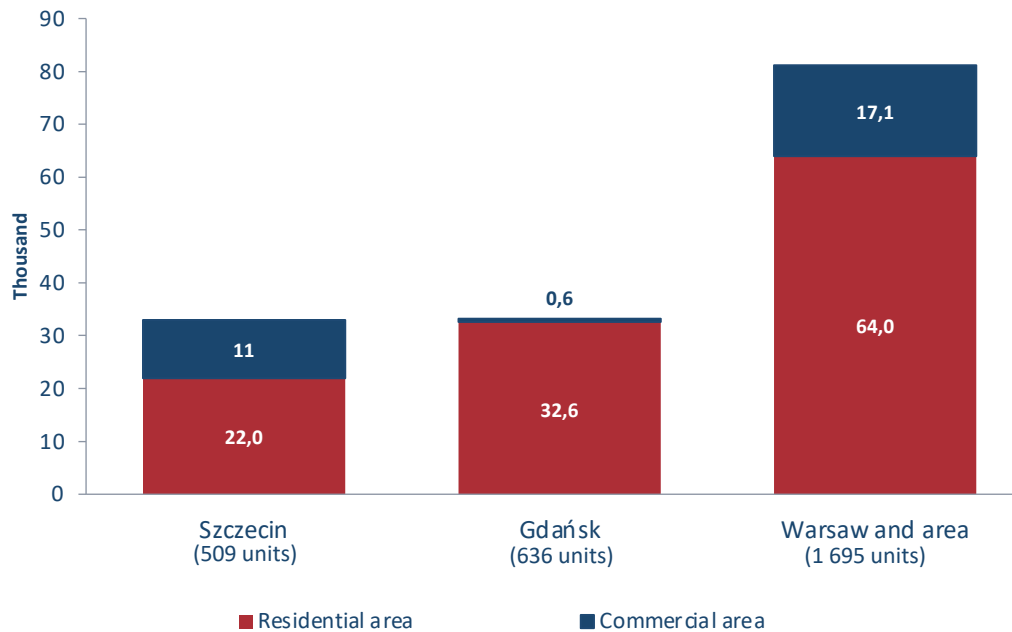
\*Investment commenced on 17.03.2021, in Q1 2021 only reservation sales were conducted

\*\*residential units

# Ongoing investments and their handover potential

▣ The current ongoing investments will have an impact mainly on the results for 2021 and 2022.

Residential Useable Area and Useable Area (thousand m<sup>2</sup>) of investments under construction



# Investments planned for launching as at 31.03.2021

- The Company plans, on the basis of its land bank, to launch the development of **17 residential buildings with an area of approximately 207,000 m<sup>2</sup>.**  
and the **warehouse and commercial space of approx. 120,000 m<sup>2</sup>, for the total area of almost 327,000 m<sup>2</sup>.**

Investment	Number of units	useable area	Commercial space	Total area
Waryńskiego St., Pruszków *	462	17 802	1 591	19 393
Celna St., Szczecin	799	30 422	9 167	39 589
Modlińska St., Warsaw	228	10 032		10 032
Kilińskiego St., Łódź	232	10 205	518	10 723
Zawada near Cracow	1 170	57 206		57 206
Pileckiego St., Warsaw	239		8 148	8 148
Poznańska St., Skórzewo near Poznania	258	14 619		14 619
Kościuszki St., Chorzów	264	11 824		11 824
Radosława St., Nowogard	275	13 961		13 961
Berensona St., Warsaw	263	11 815		11 815
Aluzyjna St., Warsaw	100	5 520		5 520
Wrzosowa Aleja III, stage I, Warsaw	40	1 631		1 631
Wrzosowa Aleja III stage II, Warsaw	146	4 709		4 709
Nowodworska St., Warsaw	13	1 180		1 180
Ożarów Mazowiecki Houses	127	15 600		15 600
Małopole (warehouses), near Warsaw **			90 000	90 000
Wielopole/Dietla St., Cracow			10 899	10 899
<b>TOTAL</b>	<b>4 616</b>	<b>206 525</b>	<b>120 323</b>	<b>326 848</b>

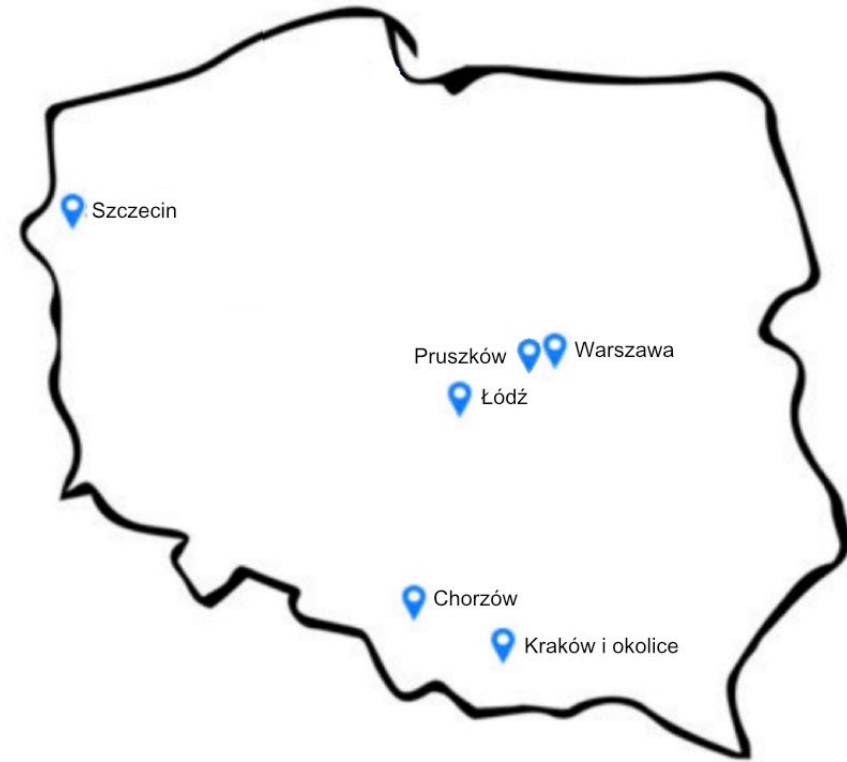
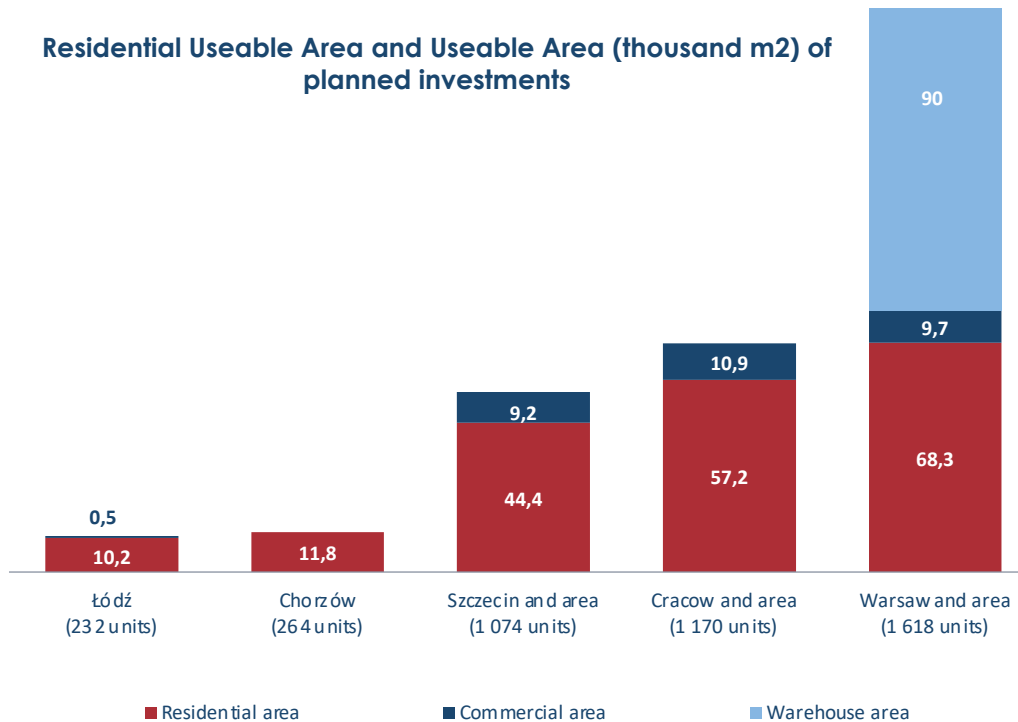
\* reservation sale

\*\* In April of this year, the last final property purchase agreements were signed

# Extensive and attractive land bank

- ❑ In the case of all planned development projects, JWCH Group is the owner or perpetual usufructuary of the land.
- ❑ **Geographic diversification - JWCH Group plans to geographically diversify its investments in well-known markets of Warsaw, Szczecin, Tri-City, Chorzow, Lodz, Krakow and its surrounding area**

Residential Useable Area and Useable Area (thousand m2) of planned investments





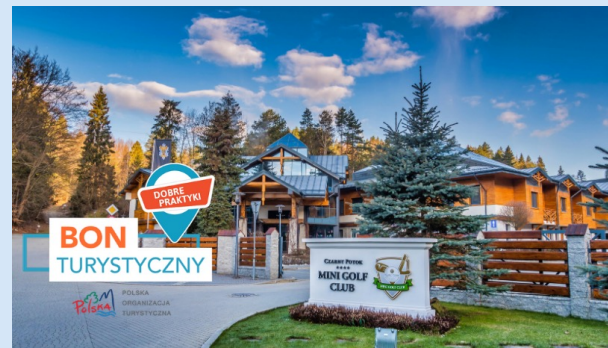
# Key events and marketing and sales policy in Q1 2021

- ❑ Conducting effective advertising activities in all effective communication channels. Directing the advertising message to potential customers of a wide range of products.
- ❑ Pre-sales launch of a new project Osiedle Horizon in Gdańsk - Letnica. Extensive advertising campaign aimed at people looking for a place to live and at potential investors.
- ❑ Preparing to market the Kosciuszko Estate [Osiedle Kościuszki] in Chorzow.
- ❑ Active promotion of eco-houses on the Villa Campina estate. The design concept is derived from modern eco-construction solutions based on the use of renewable energy sources, making living in an eco-house not only healthy for the resident but also significantly reduces maintenance costs.
- ❑ Monitoring the coronavirus pandemic situation and the restrictions introduced by the government. Tailoring advertising messages to the current capabilities and needs of potential customers.



## Prizes and awards:

**Czarny Potok Resort Spa & Conference Hotel**  
**Travellers 'Choice 2021** Award - TripAdvisor  
Certificate of Good Practice Tourist Voucher - Polish  
Tourist Organisation



# Attachments

# Investment launched in March 2021

## Zespół Horizon at Starowiejskiej St. in Gdańsk

Investment	Gdańsk, Horizon
Location	Gdańsk, Starowiejska St.
Number of units	636
Useable area (m <sup>2</sup> )	Residential Useable area: 32 342 m <sup>2</sup> Useable area: 608 m <sup>2</sup>



### 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 from the top floors



## Investments planned for launching in the next months: Osiedle Kościuszki, Chorzów

Investment	Chorzów, Osiedle Kościuszki
Location	Chorzów, Kościuszki St.
Number of units	264
Useable area (m <sup>2</sup> )	Residential useable area 11 824 m <sup>2</sup>



### Characteristics

- ❑ modern, intimate design
- ❑ glazing and interesting architectural details
- ❑ high standard
- ❑ productively designed flats
- ❑ playground
- ❑ ample greenery within the estate
- ❑ comfortable lifts
- ❑ garage and parking spaces



## Investments planned for launching in the next months: Apartamenty na Wzgórzach – Stage 1, Zawada near Cracow

Investment	Zawada, Apartamenty na Wzgórzach
Location	Zawada near Cracow
Number of units	162
Useable area (m <sup>2</sup> )	7029 m <sup>2</sup>



### Characteristics

Apartamenty na Wzgórzach project is modern, compact buildings with a clean shape and functional interior, in which a hybrid construction technology will be used: curtain walls and internal structural walls made of ceramic or lime-sand bricks, the remaining elements will be supported by a timber frame.

Residential multifamily projects built using the above technology are:

- ▣ ecological,
- ▣ energy-efficient,
- ▣ soundproof,
- ▣ multi-generational,
- ▣ healthy for the resident,
- ▣ environmentally friendly.



## Investments planned for launching in the next months: „Stacja Centrum” in Pruszkow at Waryńskiego St.

Investment	Pruszków, Stacja Centrum
Location	Pruszków, Waryńskiego St.
Number of units	462
Useable area (m <sup>2</sup> )	Residential useable area 17 802 m <sup>2</sup> Useable area 1 591 m <sup>2</sup>



### 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: Houses using "wooden prefabrication" technology - Villa Campina, Ożarów Mazowiecki near Warsaw

Investment	Ożarów Mazowiecki, Villa Campina
Location	Ożarów Mazowiecki near Warsaw
Number of houses using "wood prefabrication" technology	47 houses are currently under construction (Gaja and Wiktoria houses) Overall, we are planning to build 174 houses in this technology,
Useable area inside the house (m <sup>2</sup> )	108 – 109 m <sup>2</sup>



## Characteristics

**Wooden pre-fabricated house, modern technology:**

- ❑ Ecological
- ❑ Comfortable
- ❑ Energy efficient
- ❑ Multi-generational
- ❑ Sound-absorbing
- ❑ Quick to build
- ❑ Healthy for the user
- ❑ Environmentally friendly

**Location** – Osiedle Villa Campina. Quick access to the centre of Warsaw. Prospective location, only 10 minutes from the planned Metro Chrzanów station. Proximity to the agglomeration's facilities: schools, kindergartens, shopping centres.

**Ideal for families with children**





**Thank you for your attention**

**INVESTMENT RELATIONS**

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