

PRESENTATION OF THE RESULTS FOR 2020



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Basic economic and financial parameters in 2020

Residential and
commercial space
developer

In 2020 **10 projects** were under construction for **2 650 units**, with an area of over **132.000 m²**, including:

- ❑ residential space of over **104.000 m²**,
- ❑ commercial space of over **28.000 m²**.

We are currently **preparing 18 new investments** for a total of **5,233 units** with an area of almost **360,000 m²** (including warehouse and commercial space of almost **121,000 m²**)

- ❑ **in Warsaw and its surrounding area - 1 618 units** with a useable area of over **168.000 m²** (including almost **100.000 m²** of warehouse and commercial space),
- ❑ **outside Warsaw - 3 615 units** with a useable area of almost **192.000 m²**
 - in Cracow, Skórzew near Poznan, Łodz, Szczecin, Gdańsk and Chorzow (including over **21.000 m²** of commercial space).

Real estate manager -
including hotels and
aparthotels

Real-estate management:

- ❑ **28 housing communities**
- ❑ **10,000 dwellings**
- ❑ **over 600.000 m² 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**

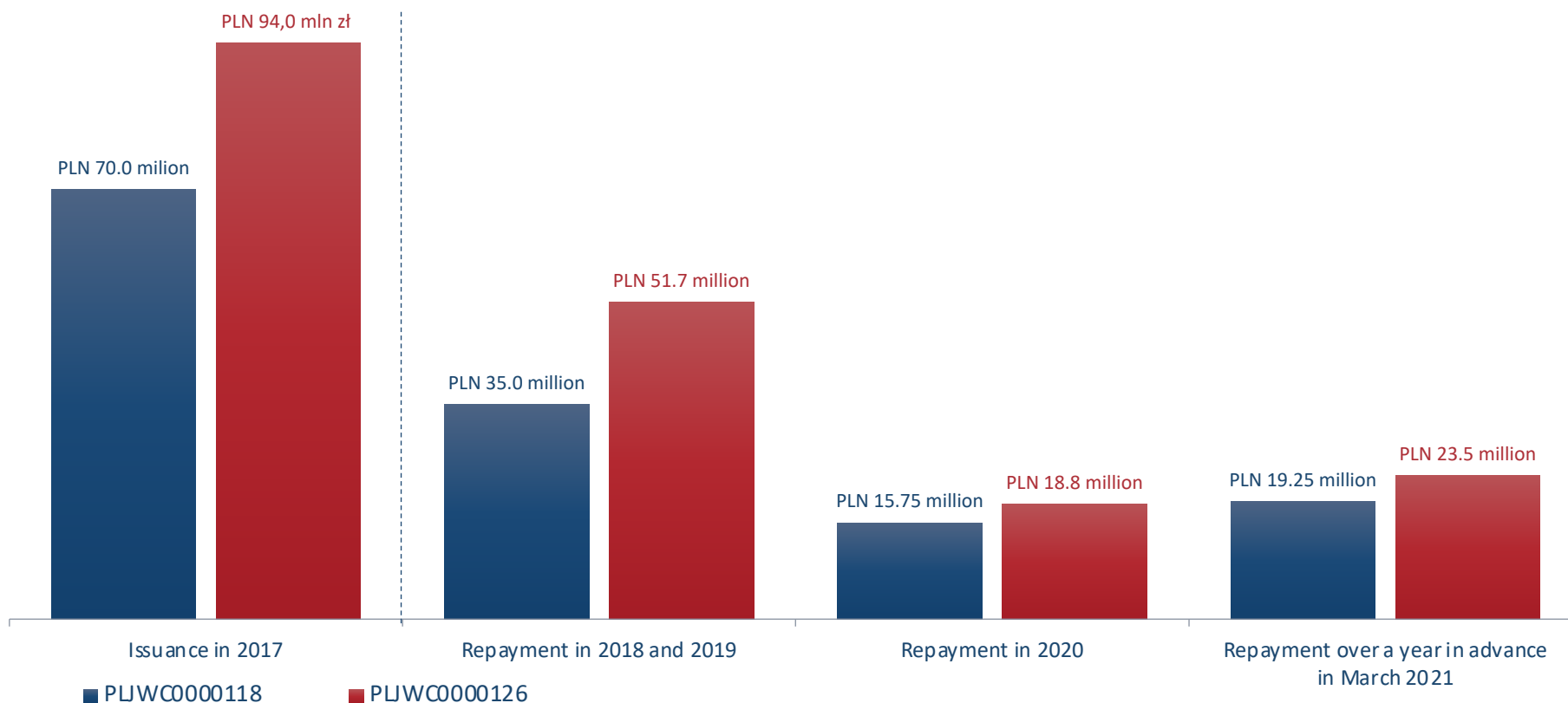
Key events in 2020

- ❑ At the end of 2020, 2,063 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 m².
 - ❑ Other investments for a total of **586 units**:
 - ❑ **Hanza Tower** in Szczecin at Wyzwolenia Avenue: **509 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**
- ❑ In 2020, construction of projects for a total of 587 units was carried out and completed
 - ❑ **Nowe Tysiąclecie stage III** in Katowice at Tysiąclecia Avenue: **345 units**
 - ❑ **Willa Wiślana** in Warsaw - Tarchomin: **141 units**
 - ❑ **Wrzosowa Aleja** in Warsaw - Białołęka: **81 units**
 - ❑ **Alicja Houses rank E** near Ożarów Mazowiecki: **20 houses**



Key events in 2020 - debt repayment

- On 30 June 2020, JWCH repaid in full the investment loan incurred for the development of the Czarny Potok Hotel in the amount of PLN 66.8 million.
- Of the bonds issued for a total of PLN 164 million in 2020, JWCH repaid PLN 34.55 million. As at 31.12.2020, an amount of PLN 42.75 million remained to be repaid (the bonds were fully redeemed early in March 2021).



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 December 2020** there were over 2.750 not transferred units, **including:**
 - ❑ **almost 2.200 units** sold and not transferred,
 - ❑ **over 550 units** for sale,
- ❑ The Group has the possibility to introduce more than **5,100 units** for sale depending on the economic situation. Together with the current offer it means almost **5,650 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 2020 - PLN 210 million
- ❑ Maintaining **good cooperation with the financing institutions**.

Related to favourable external conditions:

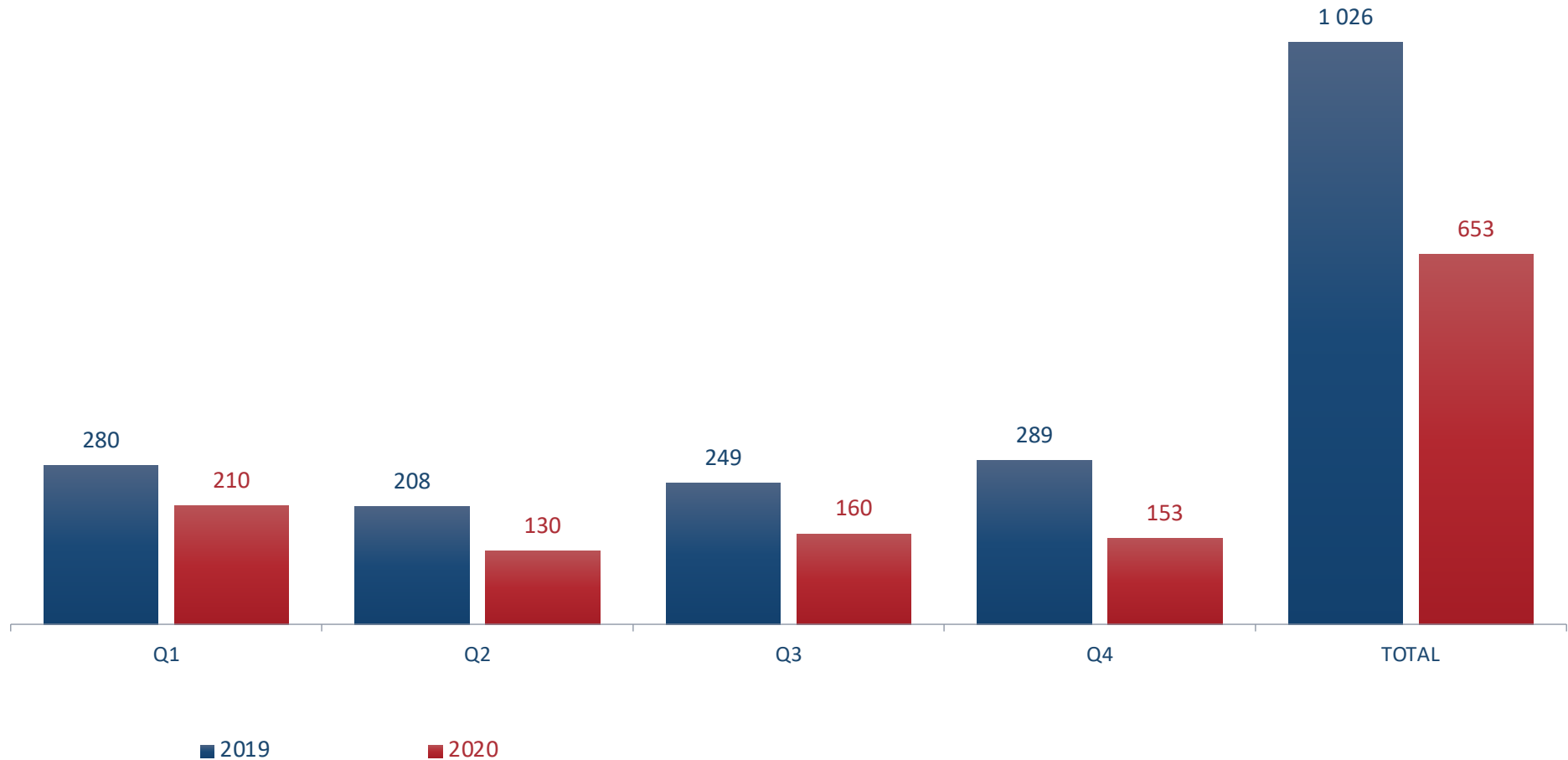
- ❑ **Changes in the labour and service market** - it is easier to find new employees as well as subcontractors.
- ❑ **The growth of prices for construction materials has slowed down**
- ❑ **Low interest rates** - favor the purchase of real estate as an alternative form of investment.
- ❑ **Credit lending recovered after a slowdown in Q2 and Q3 2020** - **Q4 2020** saw a gradual increase in the number and volume of mortgage loans granted

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.
- ❑ Legislative risk - the planned 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 units in 2020



■ In 2020, the Group sold 653 units.

Selected consolidated financial data for 2020

Selected financial data	2020	2019	Change
Sales revenue	PLN 182,2 million	PLN 605,3 million	- 70 %
Gross profit from sales	PLN 31,9 million	PLN 147,1 million	- 78 %
Gross margin from sales	17,5 %	24,3 %	-6,8 p.p.
Profit on operations	PLN -3,6 million	PLN 87,8 million	-
Net profit	PLN -12,1 million	PLN 63,4 million	-
Cash and cash equivalents	PLN 210,4 million	PLN 108,5 million	94 %

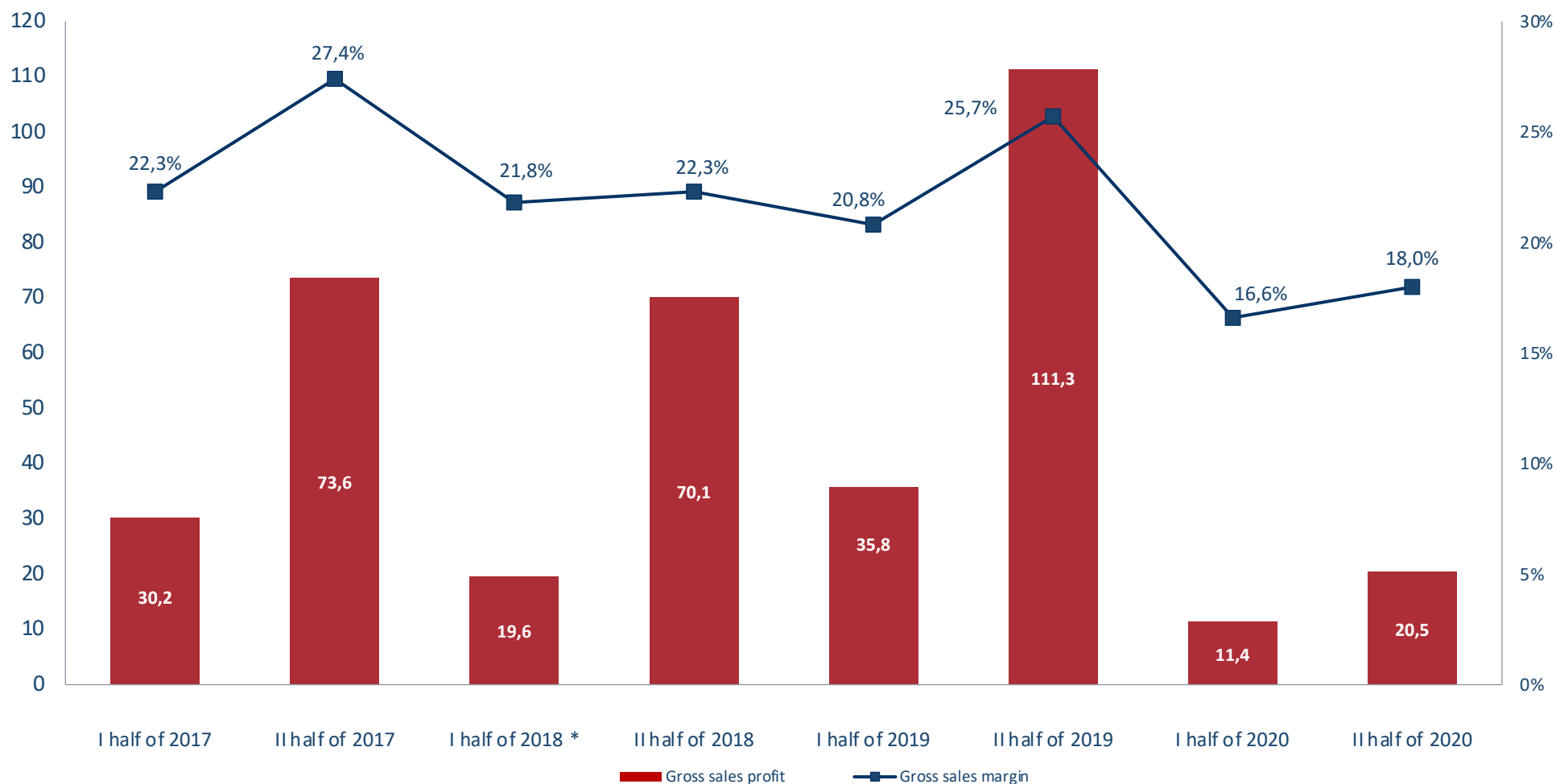
- The above decrease in revenue and result in 2020 was influenced by the project implementation cycle, the group transferred only 191 units in comparison to 1 485 units a year earlier. The transfers result from the scheduling of investment completion dates and are not evenly distributed over the next years.
- Despite reporting a loss for 2020, the Company has very good liquidity, as evidenced by the early redemption of bonds in March 2021 for PLN 42.75 million.

Selected consolidated financial data for Q4 2020

Selected financial data	Q4 2020	Q4 2019	Change
Sales revenue	PLN 58,7 million	PLN 199,0 million	- 70 %
Gross profit from sales	PLN 12,5 million	PLN 44,8 million	- 72 %
Gross margin from sales	21,2 %	22,5 %	- 1,3 p.p.
Profit on operations	PLN 22,1 million	PLN 37,0 million	- 48 %
Net profit	PLN 12,8 million	PLN 25,8 million	- 50 %

- ▣ Presented results stem from a small number of units ready to be transferred, which is closely related to the investment realization cycle. Development industry is cyclical in nature and the reported result is always correlated with the number of transferred units on completed investments.
- ▣ As at 31.12.2020, the company has cash and cash equivalents of PLN 210.4 million.

Gross sales margin vs gross sales profit

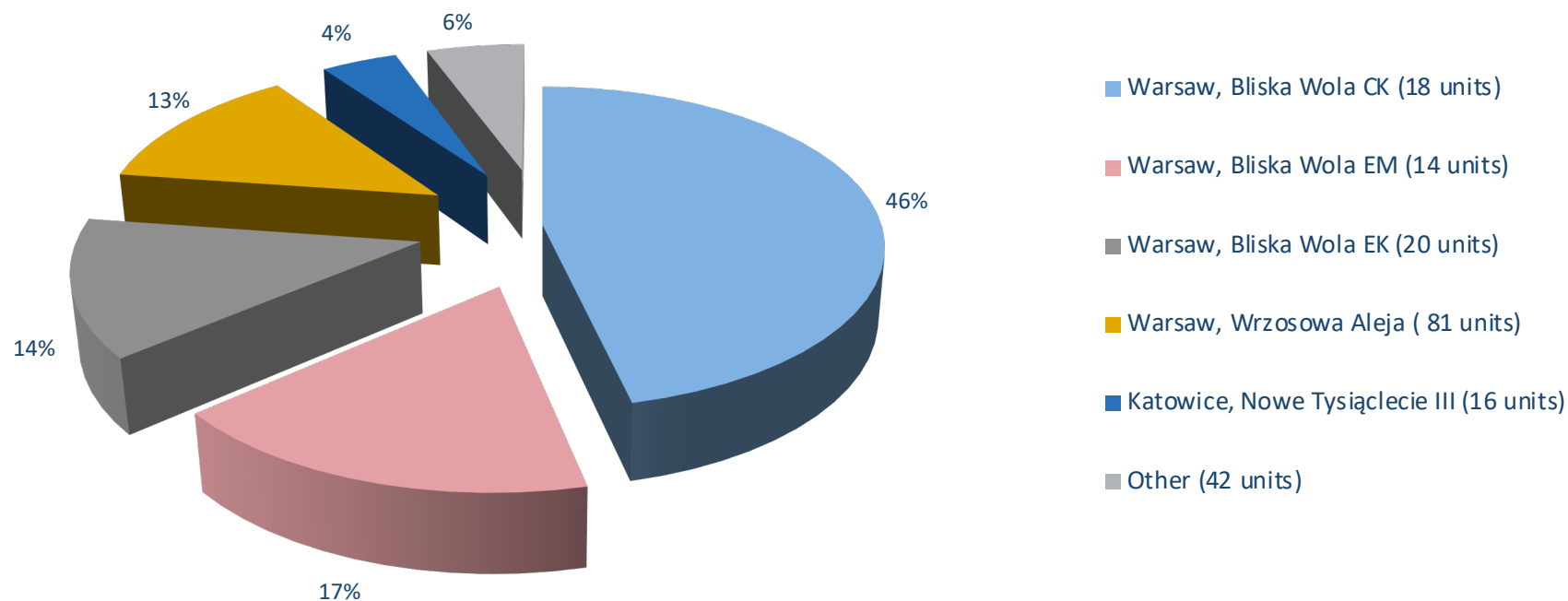


*For the first half of 2018, the margin was presented without taking into account a one-off transaction of sale of a plot of land in Wrocław, as this transaction was not related to typical, current operations of the Company.

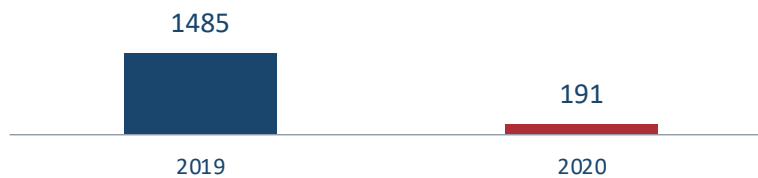
□ Gross margin on sales in the long term remains at the level of approx. **20-25%**

Realisation of gross profit on sales for 2020

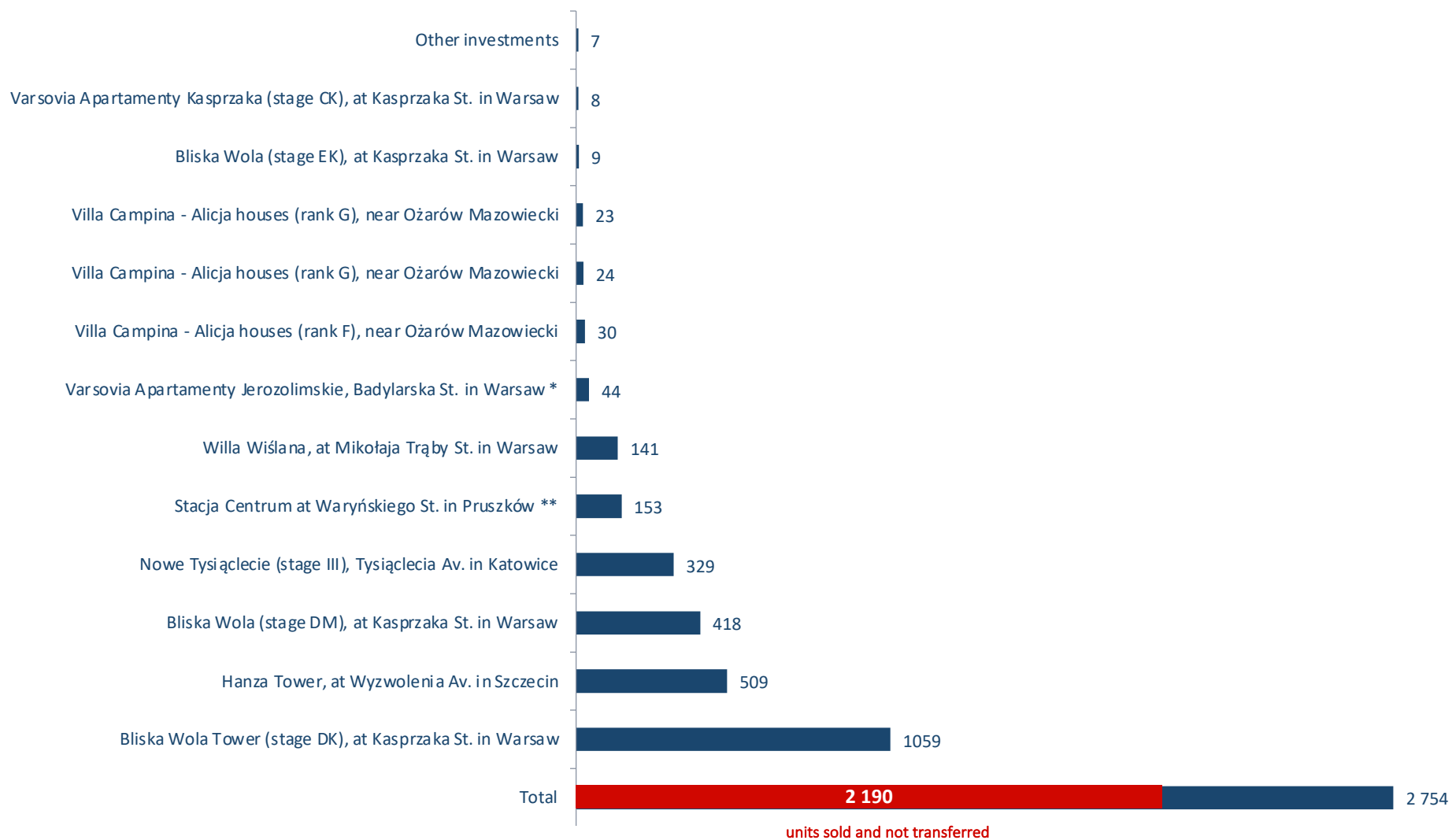
- The level of gross profit on sales for 2020 amounted to **PLN 31.9 million**.
Percentage share of developer projects recognized in profit on sales:



- Units recognized in the result for **2019 vs 2020**



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 2020

□ In 2020, the Group was developing **10 investments for 2650 units** with a total useable area of **132 288m²**

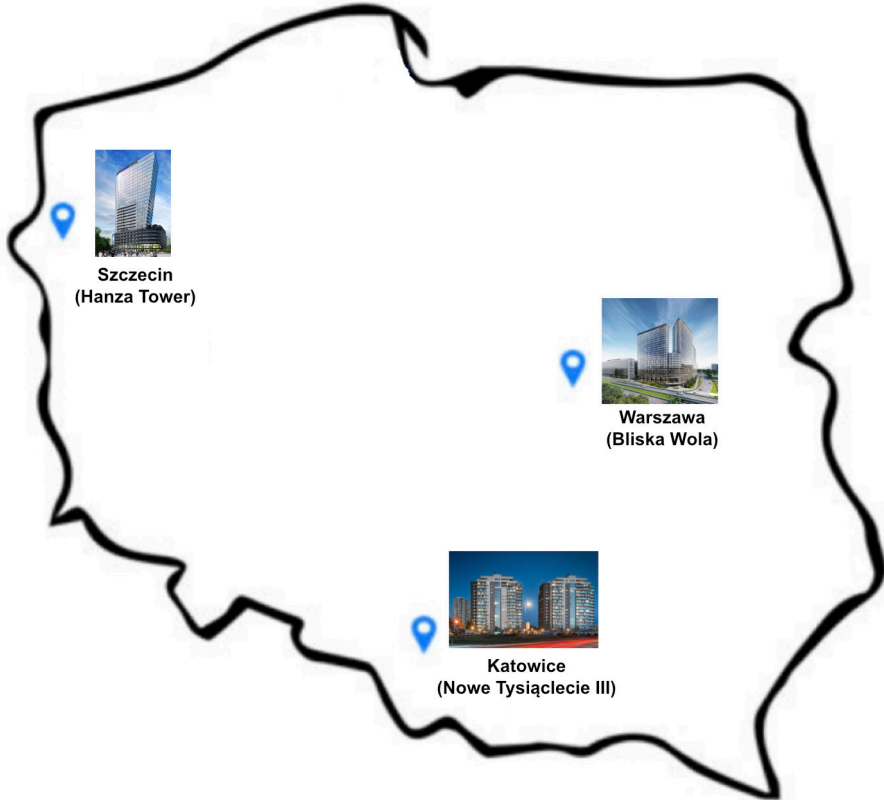
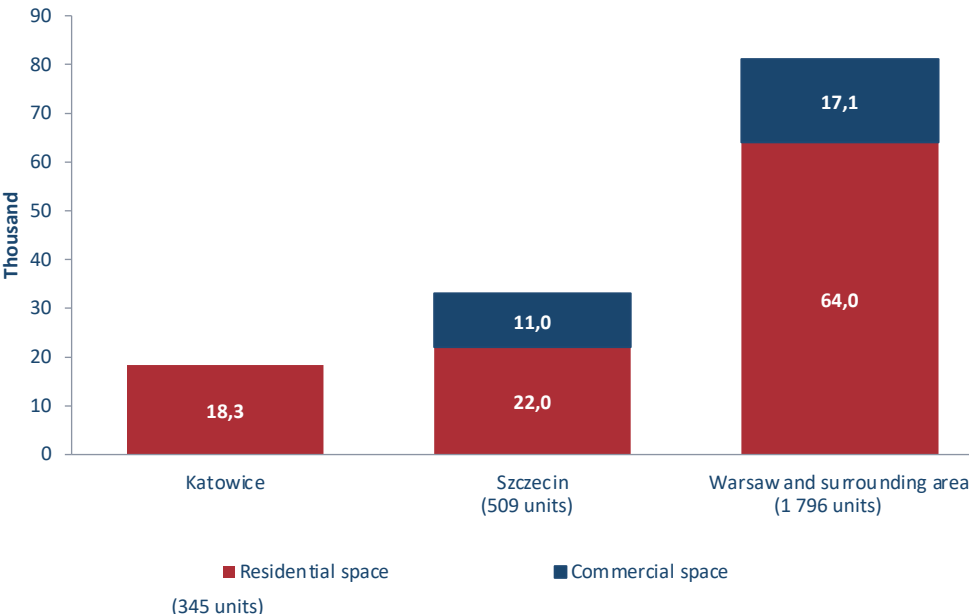
Investment	Number of units	useable area	Commercial area	% of units sold as as at 31.12.2020	% advancement of construction works as as at 31.12.2020
Bliska Wola - stage D (residential-commericla), Warsaw - J.W. Construction Holding S.A.	1 059	25 417	17 078	71%	52%
Bliska Wola - stage D (residential), Warsaw - J.W. Construction Holding S.A.	418	19 178		99%	51%
Hanza Tower, Szczecin - Hanza Invest S.A.	509	21 950	11 034	89% *	97%
Nowe Tysiąclecie - stage III, Katowice - J.W. Construction Holding S.A.	345	18 261		95%	100%
Willa Wiślana, Warsaw - J.W. Construction Holding S.A.	141	5 872		96%	99%
Wrzosowa Aleja, Warsaw- J.W. Construction Holding S.A.	81	2 958		100%	100%
Villa Campina Houses - Alicja (rank F), Ożarów - J.W. Construction Holding S.A.	30	2 857		100%	94%
Villa Campina Houses - Gaja (rank G), Ożarów - J.W. Construction Holding S.A.	24	2 605		33%	94%
Villa Campina Houses – Wiktoria (rank H), Ożarów - J.W. Construction Holding S.A.	23	3 075		0%	42%
Villa Campina Houses - Alicja (rank E), Ożarów - J.W. Construction Holding S.A.	20	2 003		100%	100%
Total	2 650	104 176	28 112		

*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 Usable Area and Usable Area (thousand of m²) of ongoing investments *



* In 2020, 117 units were recognised in the result from the projects under construction during the period.

Investments planned for launching as at 31.12.2020

- The Company plans, on the basis of its land bank, to launch the development of **18 residential buildings with an area of approximately 239,000 m².**
and the **warehouse and commercial space of approx. 121.000 m², for the total area of almost 360.000 m².**

Investment	Number of units	useable area	Commercial space
Starowiejska St., Gdańsk- Letnica	636	32 335	607
Waryńskiego St., Pruszków *	462	17 802	1 591
Celna St., Szczecin	780	30 450	9 150
Modlińska St., Warsaw	228	10 032	
Kilińskiego St., Łódź	232	10 205	518
Zawada near Cracow	1 170	57 206	
Pileckiego St., Warsaw	239		8 148
Poznańska St., Skórczewo near Poznan	258	14 619	
Kościuszki St., Chorzów	264	11 824	
Radosława St., Nowogard	275	13 961	
Berensona St., Warsaw	263	11 815	
Aluzyjna St., Warsaw	100	5 520	
Wrzosowa Aleja III, stage I, Warsaw	40	1 631	
Wrzosowa Aleja III stage II, Warsaw	146	4 709	
Nowodworska St., Warsaw	13	1 180	
Ożarów Mazowiecki Houses	127	15 600	
Małopole (warehouses), near Warsaw **			90 000
Wielopole/Dietla St., Cracow			10 899
TOTAL	5 233	238 888	120 913

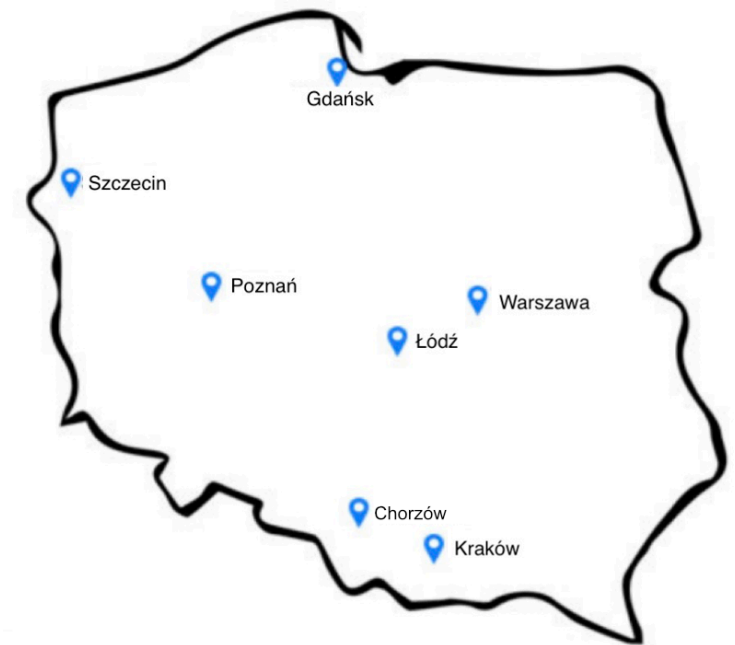
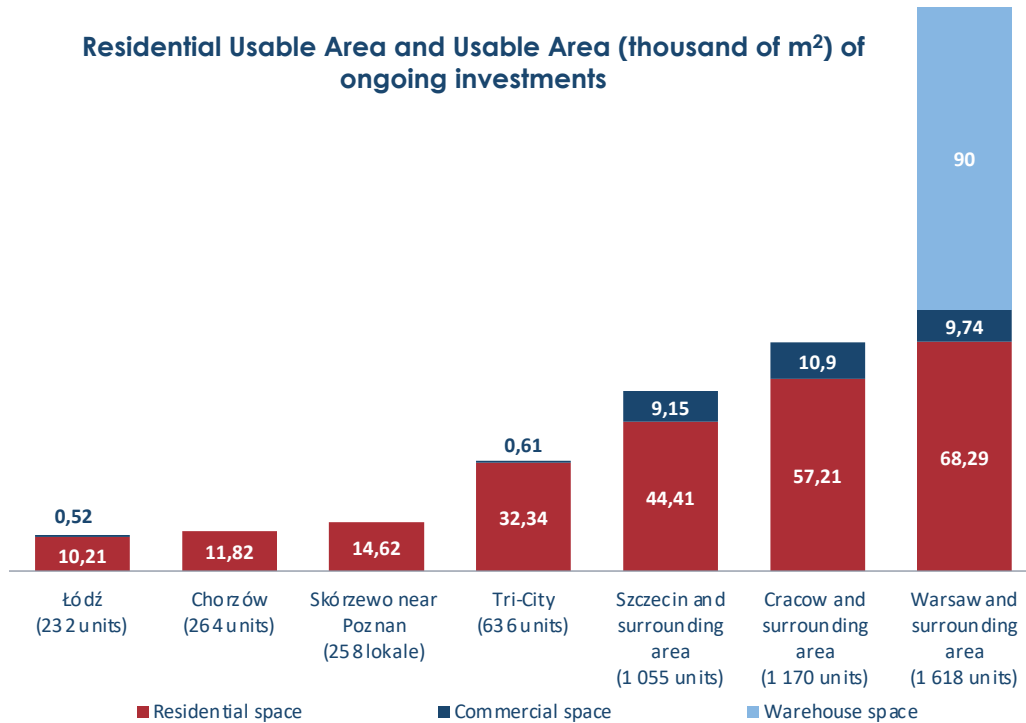
* reservation sale

** Preliminary property purchase agreement concluded

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, Cracow and Poznan**

Residential Usable Area and Usable Area (thousand of m²) of ongoing investments



Key events and marketing and sales policy in 2020

- ❑ Conducting effective advertising activities in all effective communication channels. Directing the advertising message to potential customers of a wide range of products.
- ❑ Responding to the crisis situation related to the coronavirus pandemic and restrictions introduced by the government: Constant monitoring of the market and the behaviour of customers and competitors.
 - ❑ adjusting advertising messages to the situation
 - ❑ focusing on digital marketing activities
 - ❑ introducing additional security measures in sales offices
- ❑ Launch of 2 new eco-house projects in Villa Campina estate. The concept of Gaja and Wiktoria houses was 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.



Major prizes and awards:

J.W. Construction Holding S.A.

Top Brand 2020 in the "Developers" category awarded by the Chapter of the Customer Laurel Programme

Czarny Potok Resort & SPA Hotel

Tripadvisor Travellers 'Choice 2020 Best of the Best Award

Varsovia Apartamenty Kasprzaka

Award of Hotels.com Loved by Guest 2020



Best of the Best

Attachments

Investments planned for launching in the next months

Gdańsk at Starowiejska Street

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 from the top floors



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

Investment	Pruszków, Stacja Centrum
Location	Pruszków, Waryńskiego St.
Number of units	462
Useable area (m ²)	Residential useable area 17 802 m ² Useable area 1 591 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: 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 ²)	108 – 109 m ²



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

e-mail: relacje.inwestorskie@jwc.pl