

PRESENTATION OF THE RESULTS FOR THE FIRST HALF OF 2020

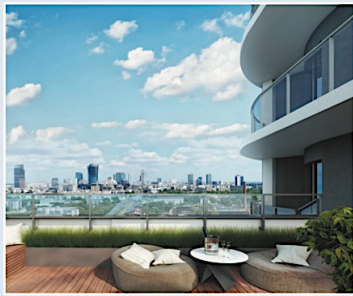


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Basic economic and financial parameters – H1 2020

In H1 2020 **9 projects were under construction for 2 627 units**, with an area of **129.000 m²**, including:

- ▣ **residential space of over 101.000 m²**,
- ▣ **commercial space of over 28.000 m²**.

Residential and
commercial space
developer

We are currently **preparing 18 new investments** for a total of **5,248 units** with an area of almost **362,000 m²** (including warehouse and commercial space of almost **117,000 m²**)

- ▣ **in Warsaw and its surrounding area - 1 627 units** with a useable area of almost **161.000 m²** (including over **90.000 m²** of warehouse and commercial space),
- ▣ **outside Warsaw - 3 621 units** with a useable area of over **200.000 m²**
 - in Cracow, Skórzew near Poznan, Łodz, Szczecin, Gdańsk and Chorzow (including almost **27.000 m²** of 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 H1 2020

- ❑ Continuation of the construction of the final stage of the flagship project „Bliska Wola” at Kasprzaka St. **Stage D** (residential and commercial part) **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**.
- ❑ **The implementation of previously commenced investments for 1 049 units:**
 - ❑ **Hanza Tower** in Szczecin at Wyzwolenia Avenue: **509 units**
 - ❑ **Nowe Tysiąclecie stage III** in Katowice at Tysiąclecia Avenue: **345 units**
 - ❑ **Willa Wiślana** in Warsaw - Tarchomin: **141 units**
 - ❑ **Alicja Houses rank F** near Ożarów Mazowiecki: **30 houses**
 - ❑ **Gaja Houses rank G** near Ożarów Mazowiecki: **24 houses**
- ❑ **Completion of investments for a total of 101 units:**
 - ❑ **Wrzosowa Aleja** in Warsaw - Białołęka: **81 units**
 - ❑ **Alicja Houses rank E** near Ożarów Mazowiecki: **20 houses**



Key events in H1 2020

Positive assessment of the prospects of J.W. Construction Holding S.A. Group by the financial sector

❑ **Obtaining new financing in the amount of over PLN 100 million:**

- ❑ Millennium Bank – investment loan for Bliska Wola stage D - PLN 49.9 million
- ❑ Alior Bank - working capital loan - PLN 33 million
- ❑ MBank S.A. - working capital loan - PLN 17.3 million

❑ **Repayment of investment credit**

- ❑ The company has made a total repayment of the investment credit in the amount of PLN 66.8 million to co-finance the realization of the Czarny Potok investment

❑ **Bond redemption**

- ❑ PLJWC0000118 - **PLN 11,9 million**

❑ **Change of bond redemption dates on bonds for PLN 65.4 million**

- ❑ PLJWC0000118 – **PLN 23,1 million**
- ❑ PLJWC0000126 – **PLN 42,3 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 30 June 2020 there were over **3.100 not transferred units**, including:
 - ❑ **almost 2.100 units** sold and not transferred,
 - ❑ **over 1.050 units** for sale,
- ❑ The Group has the possibility to introduce more than **5,250 units** for sale depending on the economic situation. Together with the current offer it means over **6,300 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 significantly advanced.
- ❑ Maintaining **good cooperation with the financing institutions**.

Related to favourable external conditions:

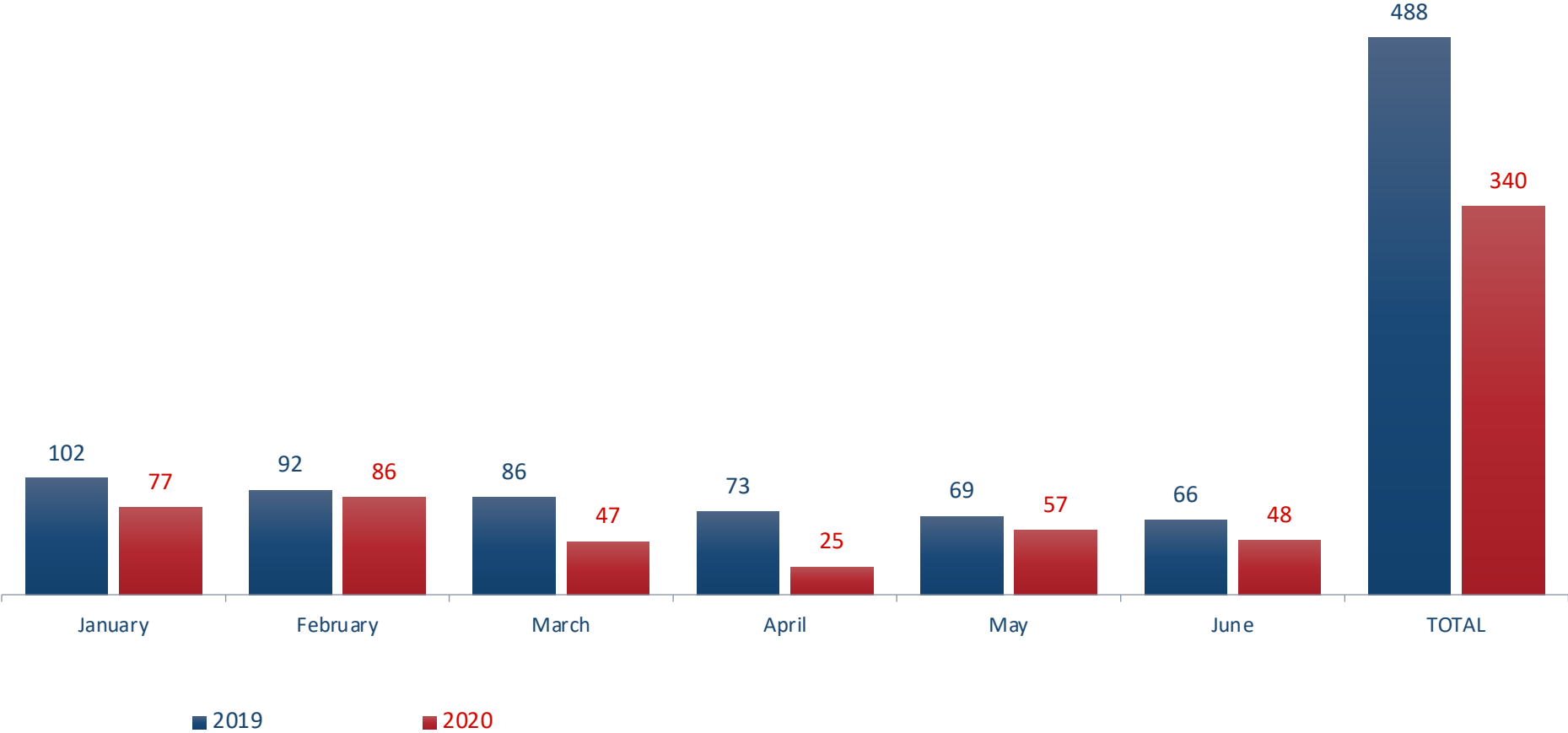
- ❑ **Changes in the labour and service market** - it is easier to find new employees as well as subcontractors.
- ❑ **Low interest rates** - favor the purchase of real estate as an alternative form of investment.
- ❑ **"Anti-Crisis Shield" ["Tarcza Antykryzysowa"]**- the company received funding to remunerate hotel employees

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
 - ❑ Increasing restrictions and requirements of banks - making it difficult for customers to obtain a mortgage loan (e.g. increase of own deposits up to 30%)
 - ❑ 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
- ❑ Long-term process of obtaining necessary administrative decisions for current and planned projects. Due to COVID-19, the aforementioned processes may be further extended.

Sales of premises in H1 2020



■ In H1 2020 the Group sold 340 units.

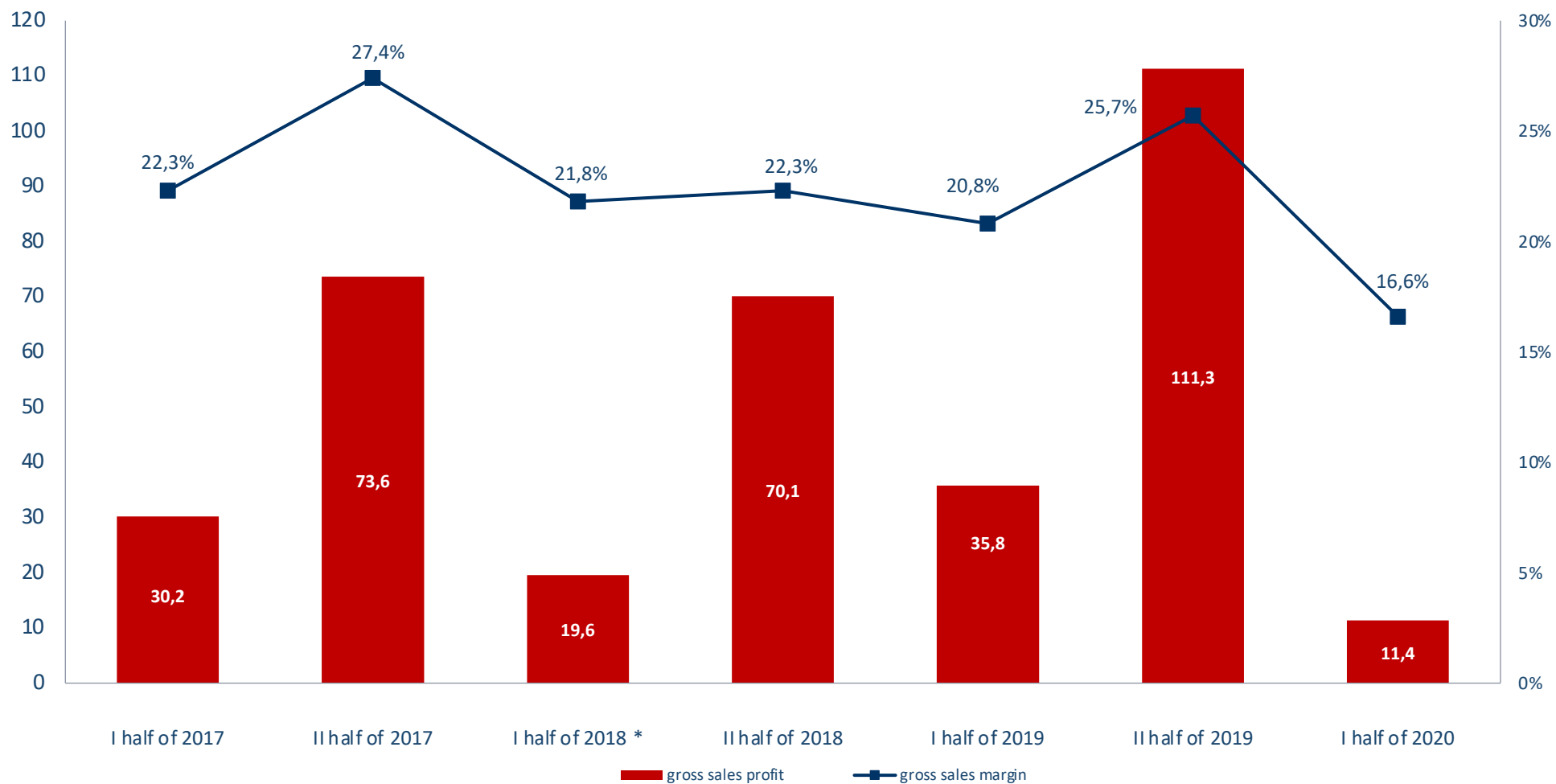
Selected consolidated financial data for H1 2020

Selected financial data	H1 2020	H1 2019	Change
Sales revenue *	PLN 68,4 million	PLN 172,1 million	- 60 %
Gross profit from sales	PLN 11,4 million	PLN 35,8 million	-68 %
Gross margin from sales	16,6 %	20,8 %	- 4,2 p.p.
Profit on operations	PLN -18,0 million	PLN 5,4 million	-
Net profit	PLN -15,4 million	PLN 1,4 million	-

- ▣ The above decrease in revenue and result in the first half of 2020 was influenced by the project implementation cycle, the group transferred only 51 units in comparison to 380 units a year earlier. The transfers result from the scheduling of investment completion dates and are not evenly distributed over the year. As at 30.06.2020, the Group is implementing investments for a total number of 2,627 units, which will be recognized in the result in future periods.

* Including revenues from the operation of hotels and apart-hotels PLN 20.1 million in the first half of 2020 and PLN 37.5 million in the first half of 2019. The decrease in operating revenues is caused by temporary shutdown of hotel operations.

Gross sales margin vs gross sales profit

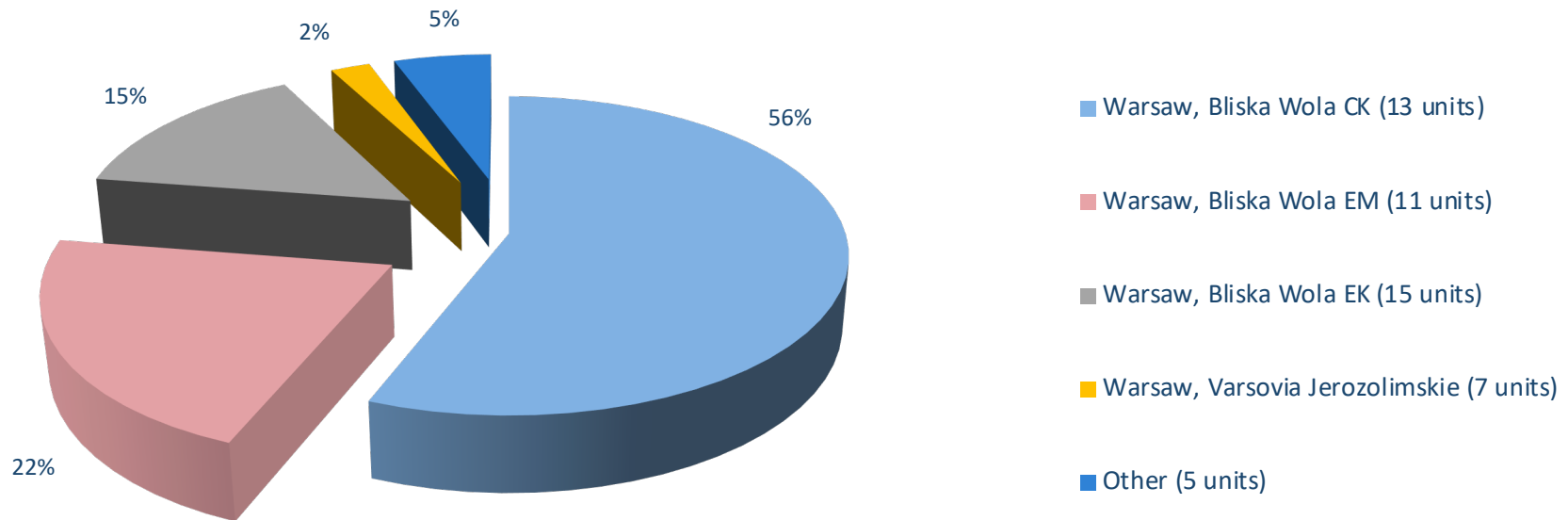


*For the first half of 2018, the margin was presented without taking into account a one-off transaction of sale of a plot of land in Wrocław, as this transaction was not related to typical, current operations of the Company.

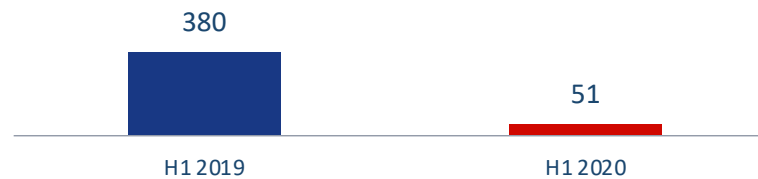
□ Gross margin on sales in the long term remains at the level of approx. **20-25%**

Realisation of gross profit on sales for H1 2020

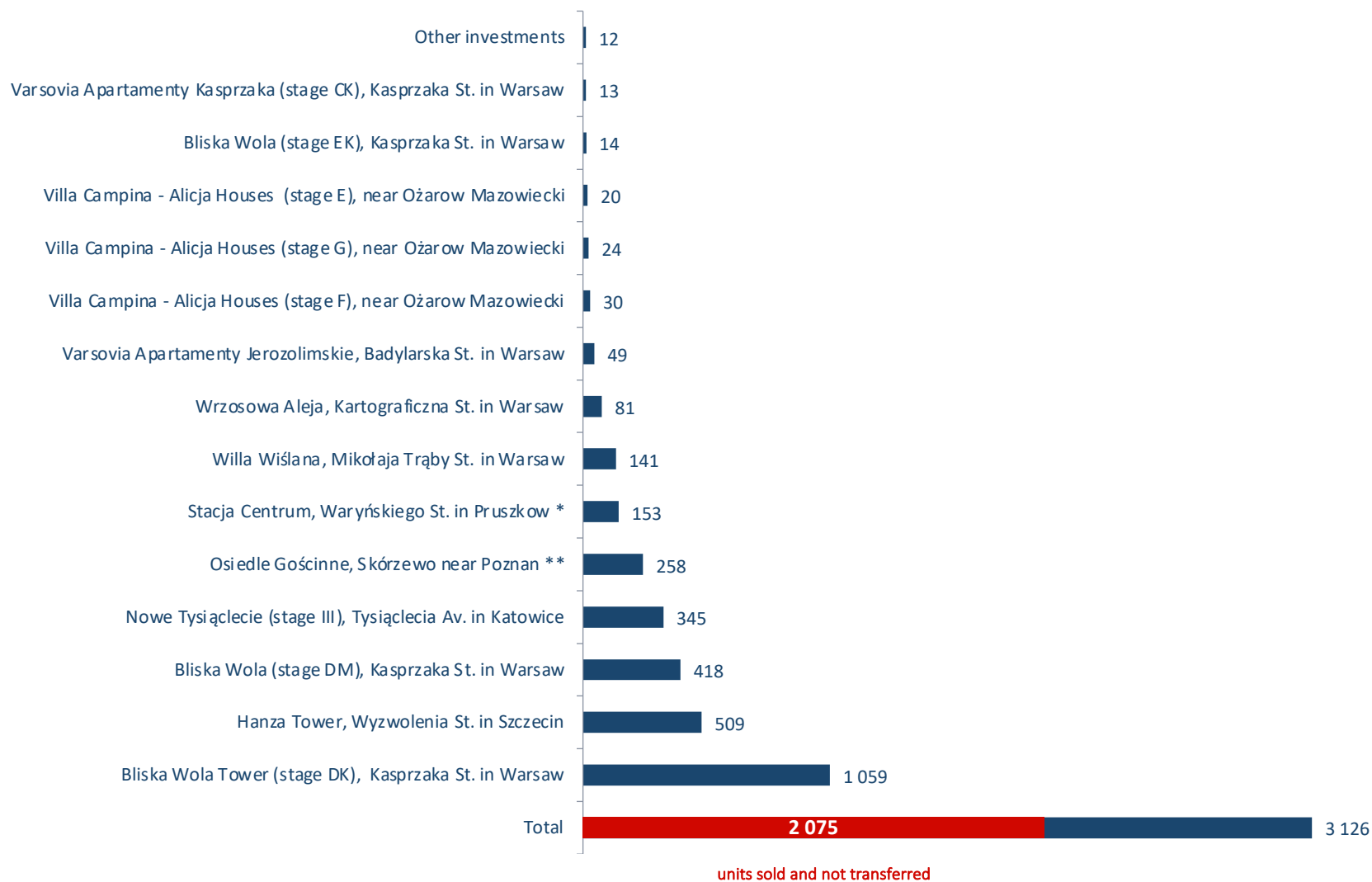
- The level of gross profit on sales for the first half of 2020 amounted to **PLN 11.4 million**.
Percentage share of developer projects recognized in profit on sales:



- Units recognized in the result for **H1 2019 vs H1 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 446 units, 153 units were introduced to the sales offer

Ongoing investments in H1 2020

□ In 2019 the Group was developing **9 investments** with a total useable area of **129 213 m²**

Investment	Number of units	useable area	Commercial area	% of units sold as at 30 June 2020	% advancement of construction works as at 30 June 2020
Bliska Wola - stage D (residential-commercial), Warsaw - J.W. Construction Holding S.A.	1 059	25 417	17 078	60%	41%
Bliska Wola - stage D (residential), Warsaw - J.W. Construction Holding S.A.	418	19 178		99%	31%
Hanza Tower, Szczecin - Hanza Invest S.A.	509	21 950	11 034	82% *	85%
Nowe Tysiąclecie - stage III, Katowice - J.W. Construction Holding S.A.	345	18 261		84%	93%
Willa Wiślana, Warsaw - J.W. Construction Holding S.A.	141	5 872		78%	75%
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%	73%
Villa Campina Houses - Alicja (rank G), Ożarów - J.W. Construction Holding S.A.	24	2 605		8%	77%
Villa Campina Houses - Alicja (rank E), Ożarów - J.W. Construction Holding S.A.	20	2 003		100%	100%
Total	2 627	101 101	28 112		

*residential units

Investments planned for launching as at 30.06.2020

- The Company plans, on the basis of its land bank, to launch the development of **residential buildings with an area of approximately 245,000 m²** and the **warehouse and commercial space of approx. 117,000 m²**, for the total area of almost 362,000 m².

Investment	Number of units	useable area	Commercial space
Starowiejska St., Gdańsk- Letnica	636	32 335	607
Waryńskiego St., Pruszków *	446	19 709	1 929
Celna St., Szczecin	810	34 000	14 796
Modlińska St., Warsaw	228	10 032	
Kilińskiego St., Łódź	216	9 909	552
Cracow, Myślenice Zawada	1 170	57 206	
Pileckiego St., Warsaw	239		8 148
Poznańska St., Skórzewo near Poznan*	258	14 619	
Kościuszki St., Chorzów	256	11 990	
Radość St., Nowogard	275	13 961	
Berensona St., Warsaw	264	11 855	
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	151	16 180	
Małopole (warehouses), near Warsaw ***			80 000
Wielopole/Dietla St., Cracow			10 899
TOTAL	5 248	244 836	116 931

* reservation sale

** On 30 July 2020 a preliminary property sales agreement was concluded

*** Preliminary property purchase agreement concluded

Key events and marketing and sales policy in H1 2020

- ❑ Conducting effective advertising activities in all effective communication channels. Directing the advertising message to potential customers of a wide range of products.
- ❑ Pre-sale of the Gaja investment - a new green house in the Villa Campina complex
- ❑ Conducting special actions combined with bonuses: a discount card to Leroy Merlin for clients of Warsaw investments and the Nowe Tysiąclecie in Katowice.
- ❑ Responding to the crisis situation related to the coronavirus pandemic and restrictions introduced by the government (since 16 March):
 - ❑ adjusting advertising messages to the situation
 - ❑ focusing on digital marketing activities
 - ❑ introducing additional security measures in sales offices

Prizes and awards:

Czarny Potok Resort & SPA Hotel
The best spa hotel in the mountains! Perfect SPA 2020 – Guest choice



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	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: 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	I stage implementation - 24 houses Overall, we are planning to build 175 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

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