
RomReal Limited

Investor presentation

Third Quarter (Q3) 2021 results

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Q3 2021 results – Highlights

Net Asset Value (NAV)

- Net Asset value was EUR 0.39 (NOK 4.10 before any tax) per share, that being about 6% higher compared to the end of the second quarter 2021.
- The year-end 2020 valuation was concluded by Knight Frank in February 2021 therefore no further adjustments were made to the value of the investment properties during the quarter.

Operational highlights

- During the third quarter of 2021, the Company sold a further 24 plots from the Ovidiu Lake side project for a total consideration of EUR 2m. Additionally, the Company entered several other pre-sale transactions for a total consideration of EUR 4m. Total infrastructure investments by end of 3rd quarter 2021 was EUR 3.0m.
- Following the end of Q3 2021, the Company entered 8 other sale transactions for a consideration of EUR 0.6m for sales for which binding sales agreements have been signed.

Q3 2021 results – Highlights

Financial Results

- Net Result for the quarter was EUR 903,000, compared to a EUR 13,000 loss in 3Q 2020. Net change in cash flow for the quarter was a positive EUR 2,374,000 compared to surplus of EUR 183,000 in the same period last year. This was mainly due to the ongoing sales realised during the quarter.
- At the end of the quarter, the Company had a cash position of EUR 3.58 million plus a total of EUR 4.2 million in unsettled receivables related to binding sales agreements, totalling EUR 7.78 million, or about EUR 0.16 per share.

Macro and real estate market highlights

- Romania's GDP is estimated to grow by 7% this year, according to IMF, thus revising upwards its forecast for 6% growth made in April. In 2022, the IMF expects Romania's economy to grow by 4.8%. Inflation is seen accelerating to 4.3% in 2021, from 2.6% in 2020. Flash data from the National Statistics Institute indicate a GDP growth of 8% in 3 Q 2021, compared to the same period last year, the highest in the EU.
- Asking prices for apartments and houses in Romania continued to raise in the third quarter 2021 compared the second quarter of 2021, up to EUR 1,507/m² at the end of Q3 and EUR 1,536/ m² at the end of October 2021. In Constanta, average prices increased by 2.1% during the third quarter of 2021 (EUR 1,360/m² at the end of September 2021, compared to EUR 1,332/m² at the end of June 2021), according to www.imobiliare.ro index.

NAV movement in Q3 2021

Asset base	Q3 2021			Q2 2021		
	EUR '000	EUR/ share	NOK/share	EUR '000	EUR/ share	NOK/share
Investment property	2,768	0.07	0.71	4,149	0.10	1.07
Assets held for sale	2,254	0.05	0.58	2,247	0.05	0.58
Inventories	7,700	0.19	1.98	7,014	0.17	1.80
Cash	3,581	0.09	0.92	1,257	0.03	0.32
Other assets/(liabilities)	(356)	(0.01)	(0.09)	363	0.01	0.09
Net asset value	15,947			15,029		
NAV/Share		0.39	4.10		0.36	3.87
Change in NAV vs previous quarter	6.1%			-0.2%		

The average number shares used in the NAV calculation above is 41,367,783 shares and unchanged from Q2 2021.

Financial highlights 3Q.21- IFRS

EUR '000		
	Q3 2021	Q3 2020
Operating Revenue	2,043	32
Operating Expenses	366	(186)
Other operating income/ (expense), net	(1,413)	135
Net financial income/(cost)	(92)	9
Pre-tax result	904	(10)
Result for the period	903	(13)
Total assets	16,744	19,020
Total liabilities	798	639
Total equity	15,947	18,381
Equity %	95.2%	96.6%
NAV per share (EUR)	0.39	0.44
Cash position	3,581	2,554

RomReal Properties Q3 2021

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	23,530
2 Badulescu plot	Constanta North/Ovidiu	50,000
3 Ovidiu (Oasis)	Constanta North/Ovidiu	23,685
4 Centrepoint	Constanta North/Ovidiu	121,672
5 Gunaydin plot	Constanta North/Ovidiu	15,000
6 Balada Market	Central Constanta	7,188
Total		241,075

For further information on the properties please visit www.romreal.com

Operational highlights

Lake Side (No.1 on the table) – The Company has on-going processes for plot sales in the area. Grid connection of the land has been finalised in October 2021.

Oasis (No. 3 on the table) – The Company has commenced the process to re-authorise the works to finalise the blocks erected on site. This in order to add value to the plot and authorise the works for constructing the utilities in the area, with required permits hopefully granted during first half next year. Based on the infrastructure investments strategy implemented on Lake Side, a similar approach is recently decided on Oasis. Furthermore, the Board has made a principal decision to finalise the two block structures and upgrade the four houses on the plot. This to hopefully improve profits and speed up exit.

Industrial Park (No. 4 on the table) – The Company is again in an early negotiating process with an international company to sell parts of the plot, but no binding agreement is signed yet.

Balada Market (No. 6 on the table) - The plot and building is for sale. In order to its increase income, a regulation process to utilise a larger part of the plot for parking has commenced and is now expected approved during Q1 2022. Presently, the pedestrian walk on the property is upgraded.

Ovidiu Residence (former Badulescu plot (No. 2 on the table) – Based on the Lakeside plot experience, the Company has commenced a process to regulate this plot located nearby Lakeside for residential and commercial use. This is set to include infrastructure investments to make the project more attractive.

Ovidiu Residence 2 (former 7,900 sqm)- The Company will commence a process to regulate the plot located nearby Lakeside for residential and commercial use. This will include infrastructure investments.

Ovidiu Residence 3 (former 7,100 sqm)- The Company will commence a process to regulate the plot located nearby the road between Ovidiu and Constanta for residential and commercial use. It is expected to include infrastructure investments.

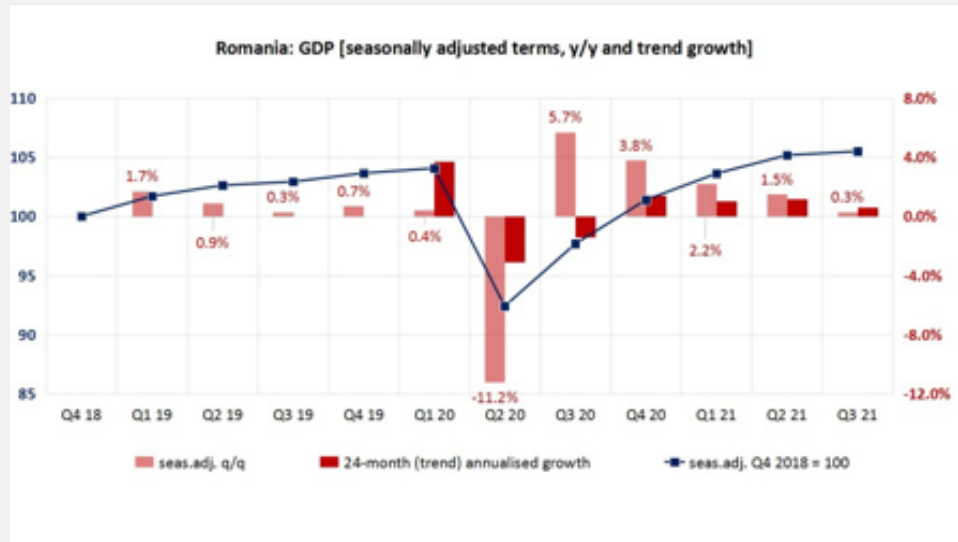
Operational highlights 2

Restitution claim, plot of 1,453 sqm, Constanta Court case no. 2567/118/2016

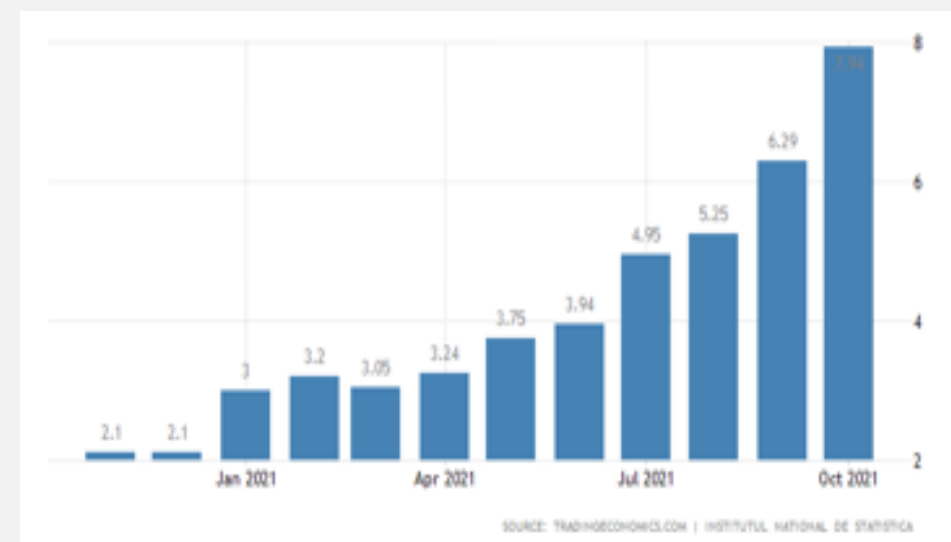
The piece of land is agreed to be sold to the buyer of the Company's previous Mamaia North plots, as soon as the administrative procedures for the transfer of the plot to the Company is finalised, with a targeted closing before year-end 2021. The agreed gross price is about EUR 390,000.

Romanian Macro development

- Romania's economy continued its robust post-pandemic recovery in the third quarter after already returning to pre-pandemic level in the second quarter.
- Flash data from the National Statistics Institute indicate a GDP growth of 8% in 3 Q 2021, compared to the same period last year, the highest in the EU.
- There have been about 1,800,000 confirmed cases of coronavirus in Romania to date and about 55,000 fatalities. On the positive side, Romania's key Covid stats have improved significantly over the last couple of weeks, due to strict measures and solid progress in the vaccination ratio as a member of the EU.



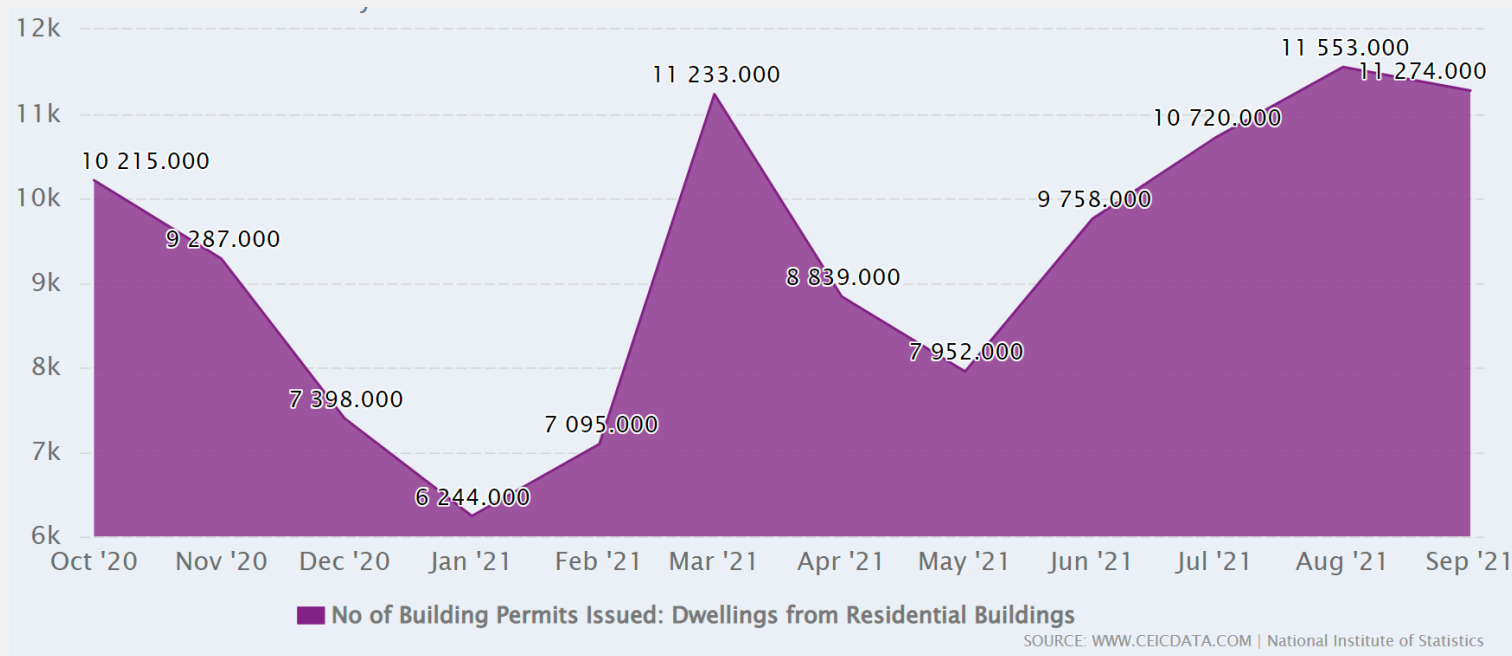
Romania quarterly GDP evolution (Data INS)



Romania Inflation Rate (Data INS)

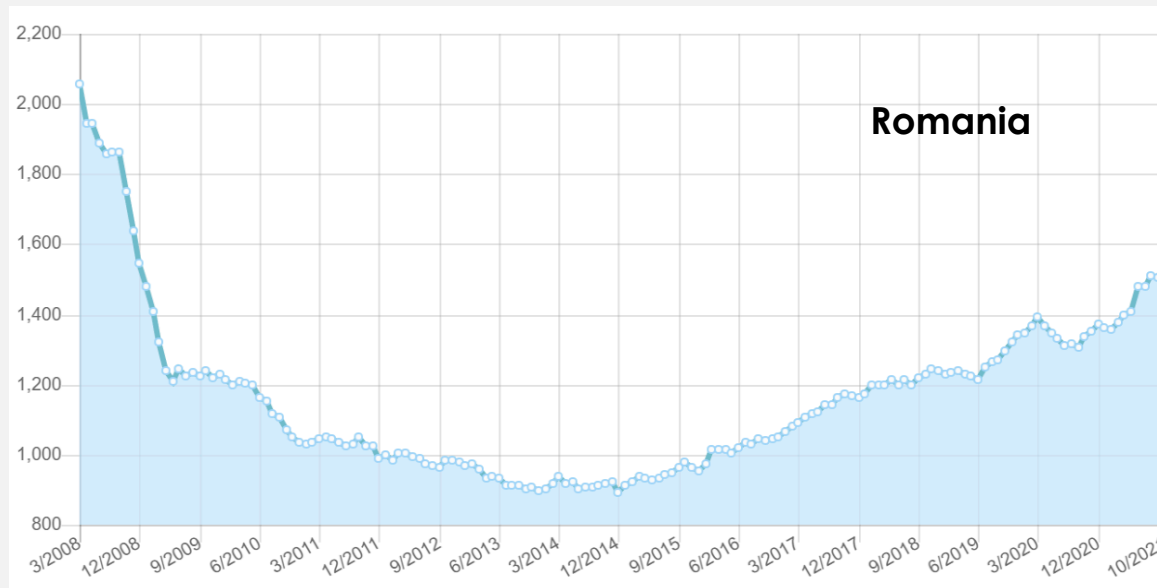
Romania Real Estate Update

- Compared to the 1.I-30.IX.2020 period, in the 1.I-30.IX.2021 period, the volume of construction works increased, as gross series, by 0.4% and rose, as adjusted series according to the number of working days and to seasonality, by 0.3%.
- By construction objects, the volume of construction works decreased for non-residential buildings (-29.5%) and engineering works (-20.8%). The residential buildings rose by 25.2%.
- The combination of low interest rates, accumulation of reserves in households' accounts, and rising demand for housing units (broadly neglected before the lockdown) resulted in a booming housing market not only in Romania but globally.

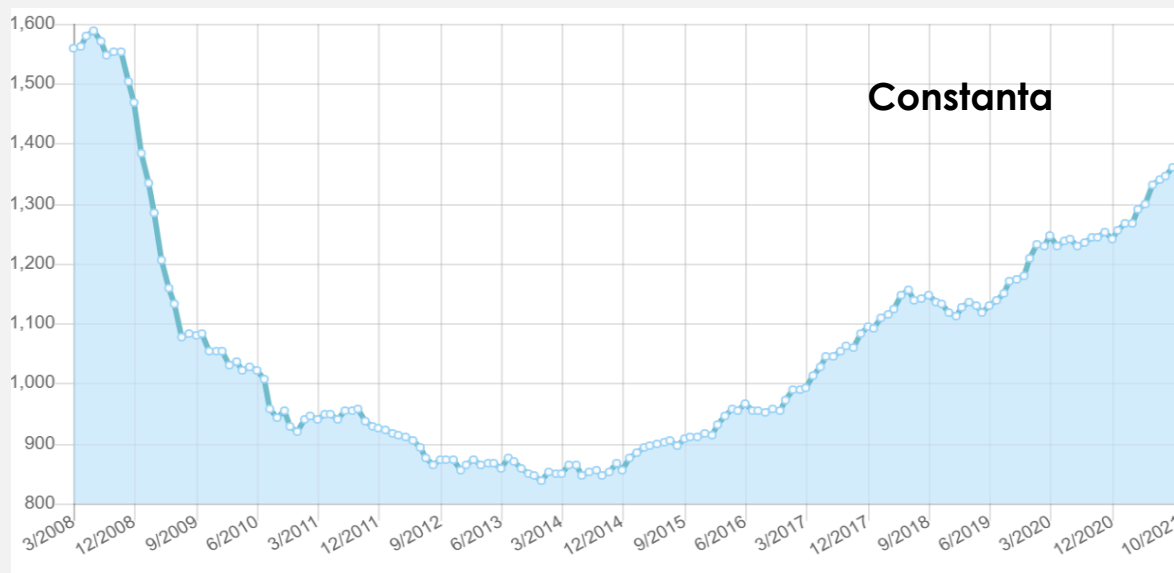


Romania Residential Building Permits September 21 (Data CEIC)

Apartment Price Development (End September 21)



- Asking prices for apartments and houses in Romania gained 2% in the third quarter of 2021 compared second quarter of 2021. Q3 2021 average residential prices in Romania reached an average price of EUR 1,507/sqm compared to 1,480/sqm at the end of the previous quarter.



- In Constanta, average prices increased by 2.1% during the third quarter of 2021 (EUR 1,360/sqm at the end of September 2021, compared to EUR 1,332/sqm at the end of June 2021), according to www.imobiliare.ro index.

RomReal shareholders as at 18/11/2021

Rank	Name	Holding	Stake
1	SIX SIS AG	10,331,934	24.98%
2	THORKILDSEN, WENCHE SYNNOVE	5,392,985	13.04%
3	GRØNSKAG, KJETIL	4,746,127	11.47%
4	SAGA EIENDOM AS	3,316,638	8.02%
5	AUSTBØ, EDVIN	2,108,500	5.10%
6	Danske Bank A/S	1,507,924	3.65%
7	ENERGI INVEST AS	1,253,611	2.66%
8	ORAKEL AS	1,101,000	2.66%
9	BNP Paribas Securities Services	991,717	2.40%
10	SPAR KAPITAL INVESTOR AS	940,236	2.27%
11	THORKILDSEN INVEST AS	829,478	2.01%
12	GRØNLAND, STEINAR	778,680	1.88%
13	PERSSON, ARILD	718,000	1.74%
14	HOEN, ANDERS MYSSSEN	689,557	1.67%
15	KVAAL INVEST AS	565,000	1.37%
16	SILJAN INDUSTRIER AS	481,480	1.16%
17	AKSEL MAGDAHL	476,403	1.15%
18	NORDNET LIVSFORSIKRING AS	476,403	1.11%
19	FRENICO AS	396,000	0.96%
20	CITIBANK	220,000	0.53%
	TOP 20	37,321,673	89.83%

•(1) This is the Top 20 Shareholder list as per 18 November 2021.

•(2) The total issued number of shares issued at end Q3 2021 was 41,367,783.

•(3) Thorkildsen Invest AS is a Company controlled by RomReal Kay Thorkildsen family.

•(4) Chairman Kjetil Grønskag owns directly and indirectly 4,746,127 shares corresponding to 11.47%.

Main focus areas going forward

- RomReal, according to the strategy, is focusing on land value enhancing activities
- In order to speed up an exit and target a higher profitability on the attractive located Oasis project, the Board of Directors have decided to provide the financial resources to complete the two apartment structures and upgrade the four houses on the property. This in addition to the infrastructure required on the Oasis project.
- An improved but uncertain sales progress combined with vendor financing, further infrastructure investments to improve marketability, indicate a complete sale of the entire portfolio could easily drag out for another 2-3 years.

Thank you

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For further information on RomReal, including presentation material relating to this interim report and financial information, please visit www.romreal.com

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