

---

# RomReal Limited

## Investor presentation

Fourth Quarter (Q4) 2021 results

Kjetil Gronskag

25 February 2022

---

# Contents

Q4 2021 highlights	3-4
NAV movement in Q4 2021	5
Financial highlights 4Q.21 – IFRS	6
RomReal Properties per 4Q 2021	7
Operational highlights	8-9
Romania Macro Developments	10
Romania Real Estate Update	11
Apartment Price Development	12
RomReal shareholders	13
Main focus areas going forward	14
Contact details	15



---

# Q4 2021 results – Highlights

## **Net Asset Value (NAV)**

- Net Asset value was EUR 0.41 (NOK 4.33, before any tax) per share, about 5.5% higher compared to the end of the third quarter 2021
- The year-end 2021 valuation was concluded by Colliers in January 2022 and reflects the updated market conditions and the respective valuations of the Group's land bank. Of note, the valuation report reflects the Group's efforts in enhancing the value of its assets, in particular the development of the Lakeside and Oasis plots.

## **Operational highlights**

- During the fourth quarter of 2021, the Company sold a further 14 plots from the Ovidiu Lake Side project for a total consideration of EUR 0.6m. Total infrastructure investments by end of 4<sup>th</sup> quarter 2021 was EUR 3.2m. This is well below record sales in third quarter 2021.
- Following the end of Q4 2021, the Company concluded 4 small sale transactions in total (3 on Lake Side) for a consideration of EUR 0.23m and binding agreements have been signed/paid.

---

# Q4 2021 results – Highlights

## Financial Results

- Net Result for the quarter was EUR 901,000, compared to a EUR 3.439,000 loss in 4Q 2020. Net change in cash flow for the quarter was a positive EUR 226,000 compared to negative of EUR 1,350,000 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 3.8 million plus a total of EUR 4.1m in unsettled receivables related to binding sales agreements, totalling EUR 7.9m, or about EUR 0.19 per share.

## Macro and real estate market highlights

- Romania's GDP expanded by 5.6% during 2021, according to flash data from the National Statistics Institute.
- The 12 month inflation rate up to January 2022 was 8,35%.
- Asking prices for apartments and houses in Romania continued to raise in the last quarter of 2021 compared the third quarter of 2021, up to EUR 1,593/m<sup>2</sup> at the end of Q4 and EUR 1,596/ m<sup>2</sup> at the end of January 2022. In Constanta, average prices increased by 3.5% during the fourth quarter of 2021 (EUR 1,408/m<sup>2</sup> at the end of December 2021, compared to EUR 1,360/sqm at the end of September 2021), according to [www.imobiliare.ro](http://www.imobiliare.ro) index.

## NAV movement in Q4 2021

Asset base	Q4 2021			Q3 2021		
	EUR '000	EUR/ share	NOK/share	EUR '000	EUR/ share	NOK/share
Investment property	4,997	0.12	1.29	2,768	0.07	0.71
Assets held for sale	2,480	0.06	0.64	2,254	0.05	0.58
Inventories	5,707	0.14	1.47	7,700	0.19	1.98
Cash	3,807	0.09	0.98	3,581	0.09	0.92
Other assets/(liabilities)	(173)	(0.00)	(0.04)	(356)	(0.01)	(0.09)
Net asset value	16,819			15,947		
NAV/Share		0.41	4.10		0.39	4.10
Change in NAV vs previous quarter	5.5%			6.1%		

The average number shares used in the NAV calculation above is 41,367,783 shares and unchanged from Q3 2021.

## Financial highlights 4Q.21- IFRS

EUR '000	Q4 2021	Q4 2020
Operating Revenue	1,079	446
Operating Expenses	995	(1,994)
Other operating income/ (expense), net	(1,127)	(1,909)
Net financial income/(cost)	(1)	5
Pre-tax result	946	(3,453)
Result for the period	893	(3,439)
Total assets	18,037	15,340
Total liabilities	1,219	305
Total equity	16,819	15,035
Equity %	93.2%	98.0%
NAV per share (EUR)	0.41	0.36
Cash position	3,807	1,207

---

# RomReal Properties Q4 2021

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	18.288
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
<b>Total</b>		<b>235.833</b>

For further information on the properties please visit [www.romreal.com](http://www.romreal.com)

---

# Operational highlights

Lake Side (No.1 on the table) – The Company has on-going processes for plot sales in the area and sold 14 plots during fourth quarter and another 3 plots hitherto 2022. Street and utilities have been delivered to the City Hall for public use according to agreement.

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 2022. The Company is close to finalising stage 1 of bringing gas to the project. In November 2021, the Board 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 engaged in a process with an international company to sell parts of the plot, but no binding agreement is signed.

Balada Market (No. 6 on the table) - The project 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 some progress has been made with the local authorities. About three quarters of 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. Regular meetings with local and road authorities are taking place.

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

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

---

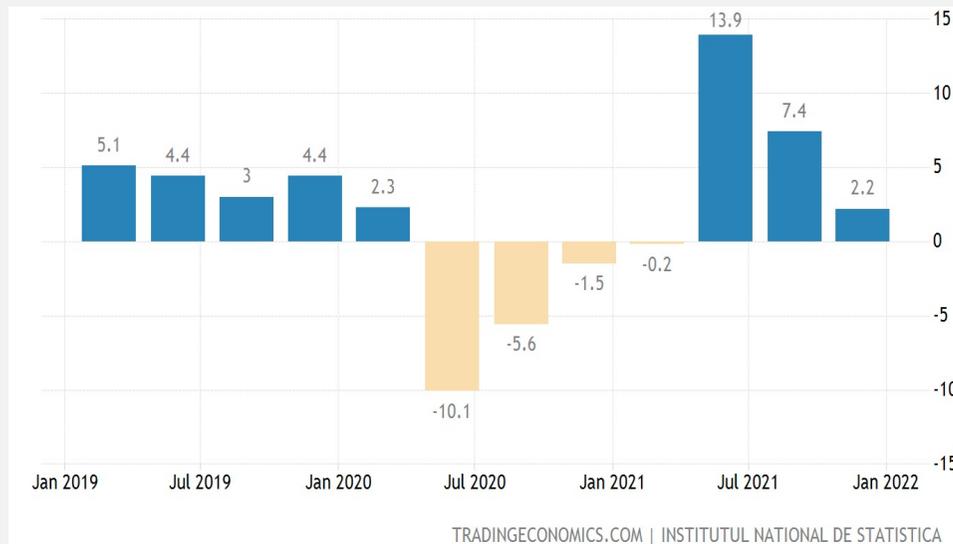
## Operational highlights 2

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

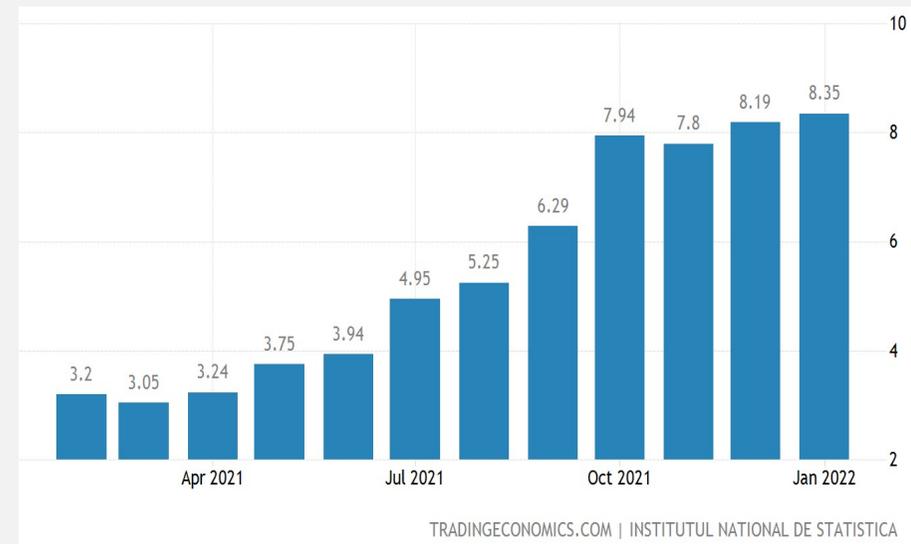
The piece of land is agreed sold to the buyer of the Company's previous Mamaia North plot and the agreed proceeds about EUR 390,000 is received in full 21 February 2022.

# Romanian Macro development

- The Romanian economy's recovery to pre-pandemic levels has been driven, amongst others, by consumption, which, in turn, was sustained by the resilient labour market.
- The slowdown in the fourth quarter of 2021 may be explained by the rising energy prices. Such a re-alignment process undergone by the energy prices will most likely have a detectable permanent impact on the economic activity.
- The Romanian GDP advanced by 2.2% year-on-year in the fourth quarter of 2021, easing sharply from a 7.4% growth in the previous period. For 2021 full year, the GDP grew by 5.6 percent, recovering sharply from a 3.7 percent drop in 2020.
- The 12 month inflation rate up to January 2022 was 8.35%.



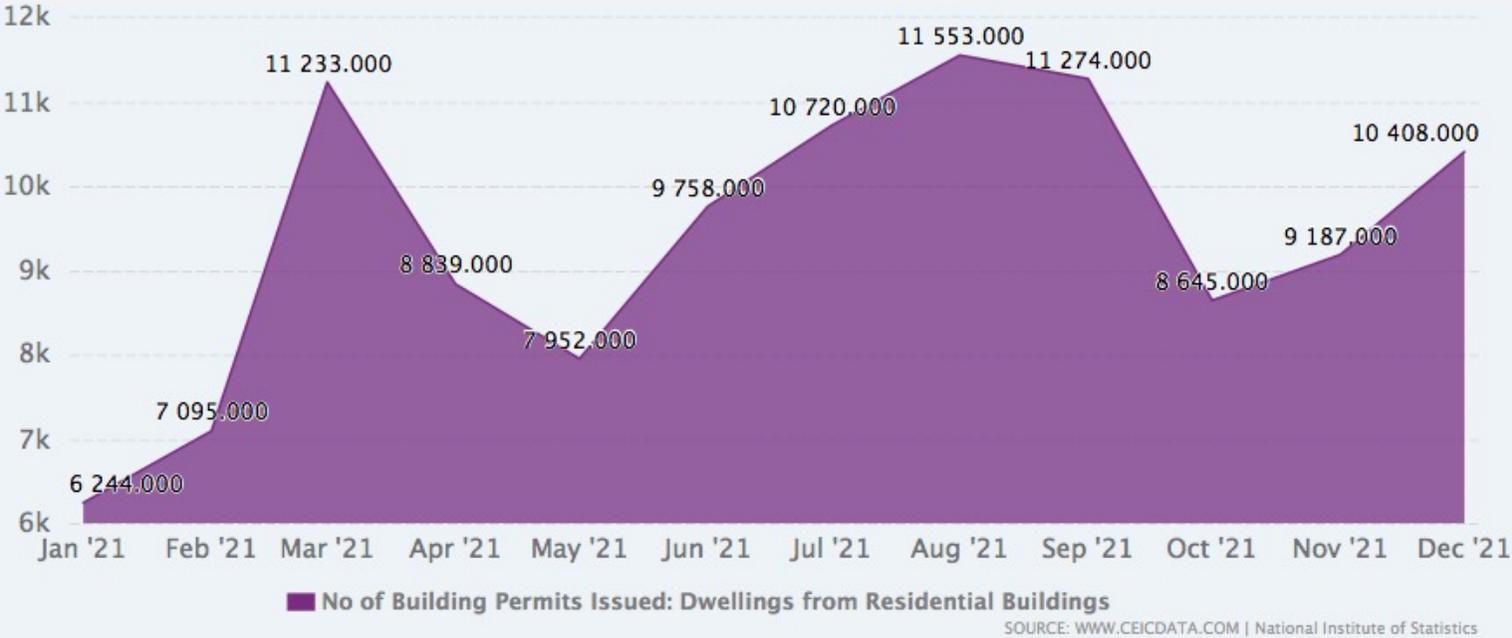
Romania quarterly GDP evolution (Data INS)



Romania Inflation Rate (Data INS)

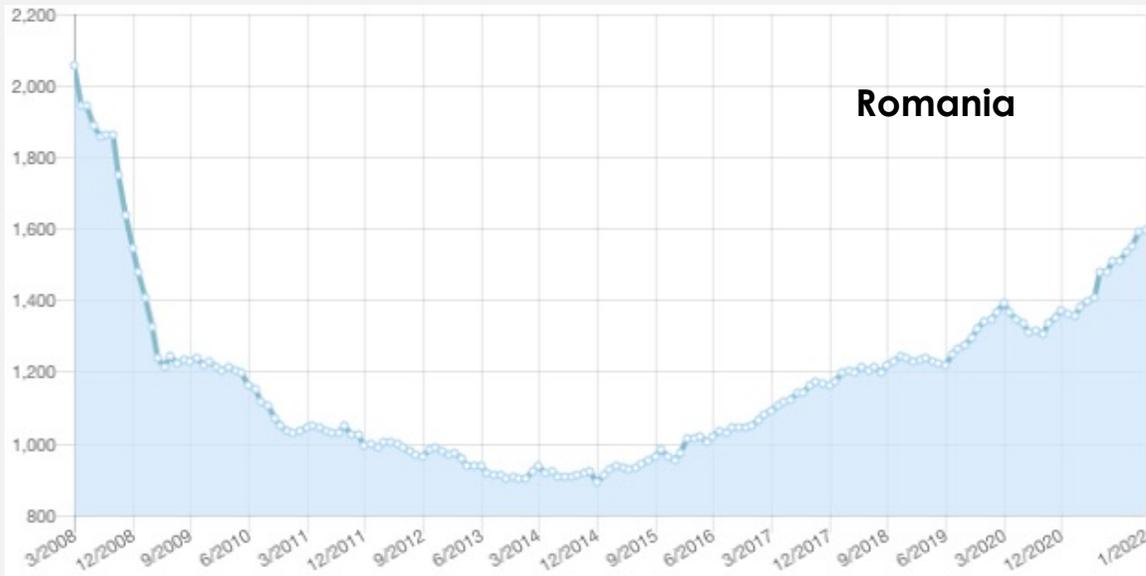
# Romania Real Estate Update

- No of Building Permits Issued: Dwellings from Residential Buildings data was reported at 10,408. Unit in Dec 2021. This records an increase from the previous number of 9,187. Unit for Nov 2021. No of Building Permits Issued: Dwellings from Residential Buildings data is updated monthly, averaging 5,729. Unit from Jan 2004 to Dec 2021, with 216 observations. The data reached an all-time high of 13,821. Unit in Mar 2008 and a record low of 1,080. Unit in Jan 2004. No of Building Permits Issued: Dwellings from Residential Buildings data remains active status in CEIC and is reported by National Institute of Statistics. The data is categorized under Global Database's Romania.

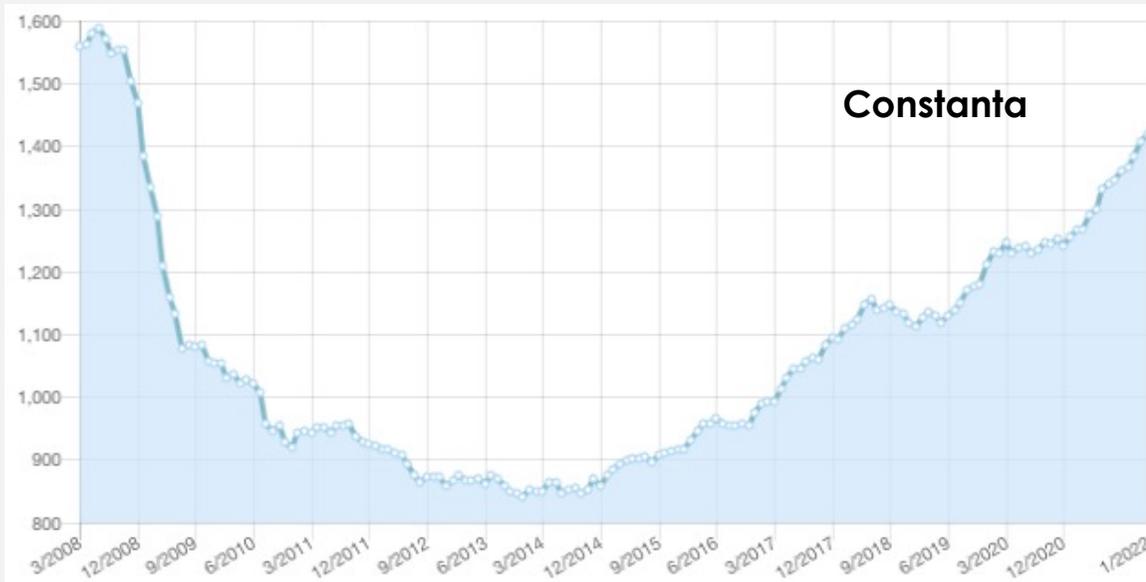


Romania Residential Building Permits December 21 (Data CEIC)

# Apartment Price Development (End December 21)



- Asking prices for apartments and houses in Romania gained 5.7% in the fourth quarter of 2021 compared third quarter of 2021. Q4 2021 average residential prices in Romania reached an average price of EUR 1,593/sqm and EUR 1,596/ m2 at the end of January 2022 compared to 1,507/sqm at the end of the previous quarter.



- In Constanta, average prices increased by 3.5% during the fourth quarter of 2021 (EUR 1,408/sqm at the end of December 2021, compared to EUR 1,360/sqm at the end of September 2021), according to [www.imobiliare.ro](http://www.imobiliare.ro) index.

## RomReal shareholders as at 21/02/2022

Rank	Name	Holding	Stake
1	SIX SIS AG	10,331,934	24.98%
2	GRØNSKAG, KJETIL	5,752,914	13.90%
3	THORKILDSEN, WENCHE	5,392,985	13.04%
4	SAGA EIENDOM AS	3,311,526	8.01%
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	GRØNLAND, STEINAR	1,002,522	2.42%
10	BNP Paribas Securities Services	991,717	2.40%
11	SPAR KAPITAL INVESTOR AS	940,236	2.27%
12	THORKILDSEN INVEST AS	829,478	2.01%
13	PERSSON, ARILD	718,000	1.74%
14	HOEN, ANDERS MYSSSEN	689,557	1.67%
15	KVAAL INVEST AS	576,000	1.39%
16	AKSEL MAGDAHL	457,403	1.11%
17	NORDNET LIVSFORSIKRING AS	443,629	1.07%
18	FRENICO AS	396,000	0.96%
19	CITIBANK	220,000	0.53%
20	NORDNET BANK AB	206,961	0.50%
	<b>TOP 20</b>	<b>39,231,897</b>	<b>92.42%</b>

•(1) This is the Top 20 Shareholder list as per 21 February 2022.

•(2) The total issued number of shares issued at end Q4 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 5,752,914 shares corresponding to 13.90%.

---

## 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

**Investor Relations**  
**Kjetil Gronskog**

+40 731 123037 | [investors@romreal.com](mailto:investors@romreal.com)  
16 Burnaby Street, Hamilton HM11, Bermuda

For further information on RomReal, including presentation material relating to this interim report and financial information, please visit [www.romreal.com](http://www.romreal.com)

## DISCLAIMER

The information included in this Report contains certain forward-looking statements that address activities, events or developments that RomReal Limited ("the Company") expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company, which are beyond its control and are subject to certain additional risks and uncertainties. The Company is subject to a large number of risk factors including but not limited to economic and market conditions in the geographic areas and markets in which RomReal is or will be operating, counterparty risk, interest rates, access to financing, fluctuations in currency exchange rates, and changes in governmental regulations. For a further description of other relevant risk factors we refer to RomReal's Annual Report for 2020. As a result of these and other risk factors, actual events and our actual results may differ materially from those indicated in or implied by such forward-looking statements. The reservation is also made that inaccuracies or mistakes may occur in the information given above about current status of the Company or its business. Any reliance on the information above is at the risk of the reader, and RomReal disclaims any and all liability in this respect.