

# Q1

**RomReal Limited**  
**First Quarter 2025 Report**  
**30 May 2025**



RomReal is a Company focusing on the Romanian Real Estate market. The Company owns premium properties in the Constanta region.

## Highlights First Quarter 2025

### Net Asset Value (NAV)

- Net Asset value was EUR 0.36 (NOK 4.09, before any tax) per share, down 1.8% from Q4 2024. EUR/NOK was 11.41 end of Q1 2025 versus 11.79 by the end of 4Q 2024.

### Operational highlights

- The first apartment on Oasis was sold late 2024 and the second apartment was sold during February 2025.
- Total infrastructure investments during 2025 were EUR 0.14m, mainly related to Oasis.

### Financial Results

- Net Result for the quarter was a loss of EUR 259,000, compared to a gain of EUR 231,000 in 1Q 2024. Net change in cash flow for the quarter was a positive EUR 25,000 compared to positive of EUR 427,000 in the same period last year. This was mainly due to sale of plots and capitalized expenses related to infrastructure.
- At the end of the quarter, the Company had a cash position of EUR 3.3 million plus EUR 0.8m short term bank deposits and a total of EUR 1.4m unsettled receivables related to binding sales agreements, totalling EUR 5.5m, or about EUR 0.14 per share. The outstanding seller financing agreements are followed up with extra attention.
- In May RomReal sold the first plot on Industrial Park. The size was 11,500m<sup>2</sup> and the price was well above the current IFRS valuation.

### Macro and real estate market highlights

- The National Bank of Romania policymakers decided to keep the key rate at 6.50% on 16 May. The NBR's decision took into account inflationary pressures, political risk and the ongoing fiscal policy uncertainty.
- The annual inflation rate was for practical purposes unchanged from March 2025 4.86 percent compared to 4.85 ultimo April this year. The National Bank increased its inflation forecast to 4.6 percent for 2025 and 3.4 percent in 2026.
- The protracted electoral period and the rising political tensions reversed capital flows on the local financial market. Lately, capital outflows have increased significantly, in various forms. These shifts have had some impact on liquidity and on money market rates, as well as on the demand-and-supply ratio in the forex market, Romania's foreign exchange reserves and the leu's exchange rate.
- Romania's GDP expanded by 0.2 percent in 1Q.25 versus 0.5 percent in 4Q 2024.
- The centrist Nicusor Dan was elected as the new Romanian president (pro EU and NATO) with 54% of the votes in a record-high turnout. Mr Dan was sworn in by the Parliament 26 May 2025.
- Asking prices for apartments and houses in Romania increased in the First quarter of 2025 compared to Fourth quarter of 2024 (EUR 1,710/m<sup>2</sup>) to EUR 1,818/m<sup>2</sup> at the end of 1Q 2025 and EUR 1,842/m<sup>2</sup> at the end of April 2025. In Constanta, average prices increased by 3.85% during the First quarter of 2025 (EUR 1,834/m<sup>2</sup> at the end of March 2025 compared to EUR 1,766/m<sup>2</sup> at the end of December 2024), according to [www.imobiliare.ro](http://www.imobiliare.ro) index.

## Key Financial Figures

EUR '000	Q1 2025	Q1 2024
Operating Revenue	64	1,500
Operating Expenses	(307)	(291)
Other operating income/ (expense), net	2	(923)
Net financial income/(cost)	60	89
Pre-tax result	(182)	374
Result for the period	(259)	231
Total assets	15,149	17,532
Total liabilities	721	351
Total equity	14,427	17,180
Equity %	95.2%	98.0%
NAV per share (EUR)	0.36	0.42
Cash position	3,280	3,906

## Movement in Net Asset Value

The Net Asset Value (NAV) decreased to EUR 14,427,000 at the end of Q1 2025 compared to EUR 14,692,000 at the end of Q4 2024.

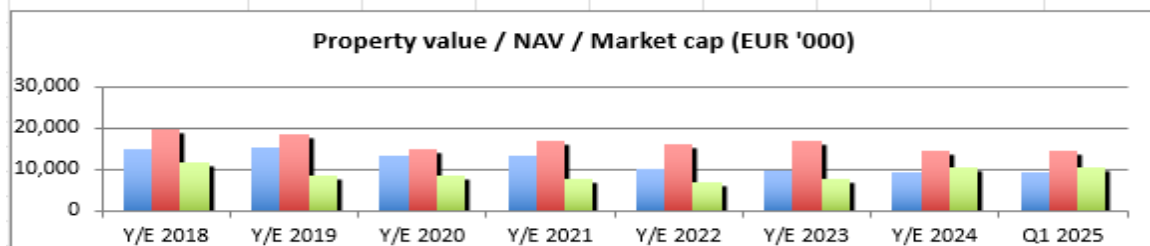
Asset base	Q1 2025			Q4 2024		
	EUR '000	EUR/ share	NOK/share	EUR '000	EUR/ share	NOK/share
Investment property	2,607	0.06	0.74	2,607	0.06	0.76
Assets held for sale	0	0.00	0.00	0	0.00	0.00
Inventories	6,880	0.17	1.95	6,701	0.17	1.96
Cash	3,280	0.08	0.93	3,255	0.08	0.95
Other assets/(liabilities)	1,661	0.04	0.47	2,128	0.05	0.62
Net asset value	14,427			14,692		
NAV/Share		0.36	4.09		0.36	4.30
Change in NAV vs previous quarter	-1.8%			-8.2%		

The average number shares used in the NAV calculation above is 40,335,322, shares and unchanged from Q4 2024 (deducted for own shares).

## Valuation of Properties

The end of year 2024 independent valuation of the Company's property was executed by Colliers Romania. The property portfolio was evaluated in accordance with the ANEVAR Valuation Standards 2013, which include the International Valuation Standards, issued by the IVSC in 2011. The valuation also complies with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB); and it is performed in accordance with the RICS Valuation Standards, 8th edition. A new external valuation is scheduled to take place during December 2025.

EUR '000	Y/E 2018	Y/E 2019	Y/E 2020	Y/E 2021	Y/E 2022	Y/E 2023	Y/E 2024	Q1 2025
Property value	14,962	15,435	13,420	13,192	10,118	9,702	9,309	9,487
NAV	19,603	18,501	15,035	16,826	16,230	16,931	14,692	14,427
Market cap	11,848	8,476	8,687	7,860	6,826	7,570	10,326	10,568
Market cap/NAV	60%	46%	58%	47%	42%	45%	70%	73%



## Cash Flow

EUR '000	Q1 2025	Q1 2024
Net cash flow from operating activities	(284)	(650)
Net cash flow used in investing activities	309	1,077
Net cash flows from financing activities	-	-
<b>Net cash change during period</b>	<b>25</b>	<b>427</b>

Operating cash flow for Q1 2025 was positive EUR 25,000 compared to a positive EUR 427,000 in the same quarter last year. The net positive change is mainly explained by the cash collected from sale of plots and capitalized expenses made during the quarter. The net cash from investing activities includes the collections made in respect of the sold plots.

## Market Facts – Macro-Politics

The National Bank of Romania policymakers decided to keep the key rate at 6.50% on 16 May. The NBR's decision took into account inflationary pressures, political risk and the ongoing fiscal policy uncertainty.

The annual inflation rate was for practical purposes unchanged from March 2025 4.86 percent compared to 4.85 ultimo April this year. The National Bank increased its inflation forecast to 4.6 percent for 2025 and 3.4 percent in 2026.

Romania's GDP expanded by 0.2 percent in 1q.25 versus 0.5 percent in 4q 2024. Romania's economic output is projected to rise by 1.6% in 2025, the European Bank for Reconstruction and Development said in its May 2025 Regional Economic Prospects report. This reduced growth prognosis is in line with most peer countries due to rising global protection and higher political uncertainty etc.

The European Union's finance ministers have welcomed and approved Romania's move to reduce its fiscal deficit below 3% of national output by 2030. Authorities in Bucharest hope the plan will ease investor concerns about the country's economic outlook and steady bond yields that have been rising. Romania has been subject to the EU's excessive deficit procedure since 2020, which requires it to submit a multi-year plan showing the European Commission how it intends to reduce its deficit and comply with the bloc's ceiling of 3% of gross domestic product (GDP).

Fiscal consolidation will ensure that Romania continues to receive the billions of EU recovery and development euros (70 billion-plus by 2027) vital to underpinning the country's infrastructure investment and ensuring its economic growth.

The centrist Nicusor Dan was elected as the new Romanian president (pro EU and NATO) with 54% of the votes in a record-high turnout. Mr Dan was sworn in by the Parliament 26 May 2025.

## ***Real Estate market facts***

According to Colliers, the investment volumes in Q1.2025 increased by 143 percent to EUR 2.8 billion in the CEE region. Due to the high political uncertainty in particular, the only exception among the CEE countries was Romania where investment volumes declined by 8 percent y-o-y. It was a clear wait and see attitude in Romania due to the pending President election.

CEE cities continued to gain international recognition. In fDi's European Cities of the Future 2025 ranking, Warsaw was placed third and Bucharest ranked ninth.

A more comprehensive coverage of the Romanian real estate markets and its main segments is planned in the RomReal second quarter report scheduled to be issued 29 August 2025.

## ***Operational Overview***

Lake Side (No.1 on the table) – the 2 houses are still for sale. The final transfer of the agreed land (promenade area), about 700m<sup>2</sup>, to the municipality of Ovidiu is planned to take place mid-2025.

Oasis (No. 2 on the table) – The asphaltting of roads and parking area will be completed end June 2025. Electrical works have been finalised during first quarter 2025. Some gardening improvements have also commenced. The first apartment block (36 apartments) is completed, and costs hitherto is slightly below the budget. The sales and marketing activities have commenced, and the first apartment was sold in December, and another apartment was sold in February 2025 and both buyers have moved in. On the second apartment structure, vital external works like windows and hydro isolation is close to be finished. Interior works will not start before a satisfactory sales progress is realised in the first apartment block.

Industrial Park (No. 3 on the table) – The project is still advertised for sale. The development activity in the neighbourhood is expanding including various NATO/Romanian defence projects. The works to renew the infrastructure building permit before end of first quarter

2025. The Company has commenced cleaning of the plot in order to fulfil new Environmental standards. The Company has recently experienced an uptick in the number of enquires by potential buyers of plots on the land and sold 11,500 sqm to an international company for an amount well above the current IFRS valuation.

Balada Market (No. 5 on the table) – The project is for sale. The Company has completed the works for a new PUZ application, and the documents have been sent to the local building authorities in the municipality of Constanta. The initial feedback from the relevant authorities is received, and the architects are complying with the initial response.

Ovidiu Residence 3 (No. 4 in the table, 7,100 sqm) – The project is for sale. The Company has terminated the process to regulate the plot (a new PUZ for industrial use) to minimise costs.

## The Property Portfolio

The Company's land bank consists at the end of March 2025 of 5 plots with a total size of 158,504 m2:

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	1,126
2 Ovidiu (Oasis)	Constanta North/Ovidiu	21,418
3 Centrepont	Constanta North/Ovidiu	121,672
4 Ovidiu Residence 3	Constanta North/Ovidiu	7,100
5 Balada Market	Central Constanta	7,188
Total		158,504

## Shareholder Information

Updated list from 22 May 2025

Rank	Name	Holding	Ownership
1	SIX SIS AG	10,328,200	24.97%
2	GRØNSKAG, KJETIL	6,023,006	14.56%
3	THORKILDSEN, WENCHE	5,392,985	13.04%
4	SAGA EIENDOM AS	3,386,636	8.19%
5	AUSTBØ, EDVIN	2,108,500	5.10%
6	Danske Bank A/S	1,694,646	4.10%
7	GRØNLAND, STEINAR	1,346,542	3.25%
8	Kvaal Invest	1,280,055	3.09%
9	Energi Invest as	1,253,008	3.03%
10	Orakel as	1,101,000	2.66%
11	RomReal Ltd	1,032,461	2.50%
12	Spar Kapital Investor as	940,236	2.27%
13	THORKILDSEN INVEST AS	829,478	2.01%
14	Arild Persson	722,912	1.75%
15	Anders Hoen	689,557	1.67%
16	AKSEL MAGDAHL	379,573	0.97%
17	Citibank	220,000	0.53%
18	Jo Egil Aalerud	166,864	0.40%
19	Eurotrade AS	161,952	0.39%
20	Nordnet Bank	124,310	0.30%
	TOP 20	39,181,921	94.78%

The total issued number of shares at the end Q1 2025 was 41,367,783 .

(13) Thorkildsen Invest AS is a Company controlled by the Kay Thorkildsen family.

(2) Chairman Kjetil Grønskag owns directly and indirectly 6,023,006 shares corresponding to 14.56%.

The above list is the 20 largest shareholders according to the Euronext VPS print out; please note that shareholders might use different accounts and account names, adding to their total holding.

(11) RomReal owns 2.50% of its own shares.

## Outlook

The Parliament sworn in the newly elected President Mr. Nicusor Dan on Monday 26 May. The president election should reduce the political volatility, but the parliamentary stability of the coalition Government is still a questionmark. The National Bank of Romania decided to keep the key rate at 6.50% and ruled out any key rate reduction in first half this year. With such near-term outlook, RomReal will continue its careful cost focus, modest risks, and no cash return to its shareholders in 2025. Even though the plot 11,500 m2 sale at prices well above IFRS valuation on the Industrial Park was a positive indicator. The Board would hope improved consumer confidence and a gradual key rate/inflation reduction will materialise ahead. This should result in an uptick in the demand for residential housing.

## **INFORMATION ON FINANCIAL CONDITION AND OPERATING RESULTS**

### **Accounting Principles**

The condensed consolidated interim financial statements for the First quarter of 2025, which have been prepared in accordance with IFRS as adopted by EU and IAS 34 Interim Financial Reporting, give a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations. The accounting policies applied in the preparation of the quarterly result are consistent with the principles applied in the financial statements for the year to 31 December 2024. The financial statements have been prepared on a going concern basis.

To information presented in the interim report for the First quarter of 2025 includes a fair review of important events that have occurred during the period and their impact on the condensed financial statements, the principal risks and uncertainties for the remaining of 2025, and major related party transactions.

### **Comparative data for Q1 2025 and Q1 2024**

The interpretations below refer to comparable financial information for Q1 2025 and Q1 2024. They are prepared for RomReal on a consolidated basis and use consistent accounting policies and treatments.

### **Operating Revenue**

The operating revenue during Q1 2025 was EUR 64,000 compared to a total of EUR 1,500,000 reported in Q1 2024. This consists of the revenue resulting mainly from the disposals made during the quarter as well as the rent earned by the Company in respect of some of the plots.

### **Operating Expenses**

Total operating expenses amounted to a negative EUR 307,000 in Q1 2025 compared to a total negative EUR 291,000 in Q1 2024. The main elements of cost relate to the administrative expenses (EUR 196,000) and the payroll costs (EUR 86,000). The unrealised gain in respect of the inventories portfolio was EUR 4,000.

### **Other operating income/ (expense), net**

The other operating income/ (expense) during the quarter was a gain of EUR 2,000, compared to a loss of EUR 923,000 during the same period of the previous year. The vast part of the total amount is represented by the cost of the disposed assets.

### **Profit/ (loss) from operations**

During Q1 2025, RomReal generated an operating loss of EUR 242,000, compared to a gain of EUR 285,000 in Q1 2024.



## Financial Income and expense

Financial result for Q1 2025 was a net gain of EUR 60,000 compared to a net financial gain of EUR 89,000 in Q1 2024. During the quarter the RON remained stable compared to EUR.

The Company's policy is to hedge these effects by retaining most of its cash in Lei, receiving negotiated interest from the bank and by denominating all receivables in Euros. Although not reflected from an accounting perspective, practice in real-estate is that transactions are denominated in EUR and payments made at the exchange rate ruling at the date of payment, hence reducing the risk of cash losses due to exchange rate movements.

## Result before tax

The result before tax in Q1 2025 was a loss of EUR 182,000 compared to a gain before tax of EUR 374,000 in Q1 2024.

## Cash and cash equivalents

The Company's cash and cash equivalents position at end of Q1 2025 was EUR 3,280,000 plus EUR 804,000 short term bank deposits, compared to EUR 3,906,000 as at end of Q1 2024.

RomReal portfolio / sale transactions to be completed in 2025 - 2026.

Romreal portfolio / sale transactions to be completed in 2025-2026						
No	Plot name	Location	Agreed sale value (EUR)	Installments received@ 21.05.2025	To cash 2025	To cash 2026
1	Ovidiu 7.900 sqm plot	Ovidiu Constanta	474,000	464,520	9,480	
2	Ovidiu 5 ha plot 40.054 sqm	Ovidiu Constanta	2,958,480	2,228,964	729,516	
3	Ovidiu 5 ha plot 9.946 sqm	Ovidiu Constanta	795,680	663,068	132,612	
4	Ovidiu Oasis plot Cocorilor 2	Ovidiu Constanta	125,000	125,000		
5	Ovidiu Oasis plot Cocorilor 4	Ovidiu Constanta	125,000	10,000		115,000
6	Ovidiu Ind park 15.534 sqm Promissory	Ovidiu Constanta	554,190	294,413	121,229	138,548
7	Ovidius Oasis block J ap.3 Promissory	Ovidiu Constanta	114,496	54,027	25,910	34,559
8	Ovidius Oasis block J ap.26 Promissory	Ovidiu Constanta	99,500	27,523	27,523	44,454
Total			5.246.346	3.867.516	1.046.270	332.561

## Taxation

The Company is required to calculate its current income tax at a flat rate of 16%. Starting 2024 all Group companies are subject to 16% tax on taxable profits.

The Company accounts for deferred tax on all movements in the fair values of its investment properties at a flat rate of 16%. Any change in the deferred tax liability or change in the deferred tax asset is reflected as an element of income tax in the profit and loss statement. The Company recognises deferred tax asset for the amount of carried forward unused tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

## CONSOLIDATED INCOME STATEMENT (UNAUDITED)

Figures in thousand EUR		
	YTD 2025	YTD 2024
Rent revenue	64	61
Revenue from sale of assets	0	1,439
<b>Operating revenue</b>	<b>64</b>	<b>1,500</b>
Payroll expenses	(86)	(87)
Management fees	(29)	(31)
Inventory (write off)/reversal	4	(7)
General and administrative expenses	(196)	(167)
<b>Operating expenses</b>	<b>(307)</b>	<b>(291)</b>
<b>Profit/ (loss) before other operating items</b>	<b>(243)</b>	<b>1,209</b>
Other operating income/(expense), net	2	(923)
<b>Profit from operations</b>	<b>(242)</b>	<b>285</b>
Financial income	57	80
Financial costs	0	0
Foreign exchange, net	3	9
<b>Result before tax</b>	<b>(182)</b>	<b>374</b>
Tax expense	(77)	(143)
<b>Result of the period</b>	<b>(259)</b>	<b>231</b>

## CONSOLIDATED BALANCE SHEET



Figures in thousand EUR

ASSETS	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024
<b>Non-current assets</b>			
Investment properties	2,607	2,377	2,607
Property, plant and equipment	49	34	44
Non-current trade receivables	160	-	200
Deferred tax asset	-	55	0
<b>Total non current assets</b>	<b>2,816</b>	<b>2,466</b>	<b>2,852</b>
<b>Current assets</b>			
Inventories	6,880	6,692	6,701
Short term investments	804	-	603
Other short term receivables	1,370	4,467	1,805
Cash and cash equivalents	3,280	3,906	3,255
<b>Total current assets</b>	<b>12,333</b>	<b>15,065</b>	<b>12,365</b>
Assets held for sale	-	-	0
<b>TOTAL ASSETS</b>	<b>15,149</b>	<b>17,532</b>	<b>15,216</b>
<b>EQUITY AND LIABILITIES</b>	<b>Mar 31, 2025</b>	<b>Mar 31, 2024</b>	<b>Dec 31, 2024</b>
<b>Equity</b>			
Share capital	103	103	103
Contributed surplus	87,117	87,117	87,117
Treasury shares	(186)	-	(186)
Other reserves	160	160	160
Retained earnings	(75,961)	(69,223)	(74,268)
Result of current period	(259)	231	(1,694)
FX reserve	3,452	(1,209)	3,458
<b>Total equity</b>	<b>14,427</b>	<b>17,180</b>	<b>14,692</b>
<b>Non current liabilities</b>			
Deferred income tax	122	96	122
<b>Total non current liabilities</b>	<b>122</b>	<b>96</b>	<b>122</b>
<b>Current Liabilities</b>			
Other payables	600	115	403
Contract liabilities	-	-	0
Tax payable	0	140	0
<b>Total current liabilities</b>	<b>600</b>	<b>255</b>	<b>403</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,149</b>	<b>17,532</b>	<b>15,216</b>

## STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

Figures in thousand EUR			
	Mar 31, 2025	Dec 31, 2024	Mar 31, 2024
Profit for the year	(259)	(1,694)	231
Other comprehensive income			
Exchange differences on translation of foreign operations	4,662	-795	(4,817)
Other comprehensive income for the year, net of tax	4,662	(795)	(4,817)
Total comprehensive income for the year, net of tax	4,403	(2,489)	(4,586)

## CASH FLOW STATEMENT (UNAUDITED)

Figures in thousand EUR			
	Mar 31, 2025	Dec 31, 2024	Mar 31, 2024
Net cash flow from operating activities	(284)	(1,804)	(181)
Net cash flow from investing activities	309	1,579	607
Net cash flows from financing activities	-	-	-
Net cash change during period	25	(225)	427
Cash at beginning of period	3,255	3,480	3,480
Cash and cash equivalents at end of the period	3,280	3,255	3,906

## STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

Figures in thousand EUR			
	Mar 31, 2025	Dec 31, 2024	Mar 31, 2024
Equity at the beginning of the period	14,692	16,931	16,931
Result for the period	(259)	(1,694)	231
Other changes	(6)	(546)	17
Equity at the end of the period	14,427	14,692	17,180

## Responsibility Statement

We confirm that, to the best of our knowledge, the condensed consolidated interim financial statements for the first quarter of 2025, which have been prepared in accordance with IFRS as adopted by EU and IAS 34 Interim Financial Reporting, give a true and fair view of the Company's consolidated assets, liabilities, financial position, and results of operations. To the best of our knowledge, the interim report for the First quarter of 2025 includes a fair review of important events that have occurred during the period and their impact on the condensed financial statements, the principal risks and uncertainties for the remaining period of 2025, and major related party transactions.

30 May 2025

The Board of Directors RomReal Limited Hamilton, Bermuda:

Kjetil Grønskag (Chairman & CEO), Bendt Thorkildsen (Director) and Heidi Sørensen Austbø (Director).

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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](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 2024. 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.