

Q4

RomReal Limited
Fourth Quarter 2019 Report
28 February 2020



RomReal is a Company focusing on the Romanian Real Estate market. Established in 2005 it owns premium properties in the Black Sea Constanta region.

Highlights Fourth Quarter 2019

Net Asset Value (NAV)

- Net Asset value pre any tax was EUR 0.44 (NOK 4.42) per share, being 3.2% lower compared to the end of the third quarter 2019 mainly affected by the EUR 1.2m unrealized foreign exchange losses due to RON depreciation against the EUR affecting the intragroup EUR denominated loans.
- The year-end 2019 valuation was concluded by Knight Frank and resulted in a 5.4% like-for-like increase in the portfolio value compared to end 2018.

Operational highlights

- During November 2019, RomReal signed the sale of 4 plots of land, from the Lakeside plot, for a total consideration of EUR 565,500. This amount was fully cashed at the beginning of 2020.
- During the first quarter of 2020, the Company entered sale agreement for 4 more plots, for a total consideration of EUR 565,500.
- By year-end 2019, EUR 2.1 million was invested in infrastructure to improve the attractiveness of the land-bank.
- The Balada EUR 2.5 million (No. 6 on the list) sale agreed with latest payment 15th December 2019 did not materialise. The non-refundable down-payment of EUR 150,000 is in the Company's bank account. The project is again marketed for sale.
- Since the 3Q 2019 report, the legal processes have progressed in both the on-going EUR 1.7 million tax dispute and the expropriation claim of land on the Mamaia North plot by the Navodary City Hall; and important legal events are scheduled to take place during February and March 2020.

Financial Results

- Net Result for the quarter was EUR 814,000 loss compared to a EUR 779,000 loss in 4Q 2018. Operating cash flow for the quarter was a positive EUR 134,000 compared to minus EUR 310,000 in the same period last year.
- At the end of the quarter, the Company had a cash position of EUR 2.4 million plus a total of EUR 1.7 million in conditional instalment/payments related to binding sales agreements, totalling about EUR 4.1 million or about EUR 0.1 per share.

Macro and real estate market highlights

- The Romanian GDP expanded 4.3 percent year-on-year in the fourth quarter of 2019, following a 3.0 percent growth in the previous period. Considering 2019 full year, the economy expanded 4.1 percent compared with 4.4 percent growth in 2018. Romania GDP Annual Growth Rate was last updated on February 2020 from the National Statistics source.
- The residential prices in Romania witness a 9.5% increase compared with the same month last year reaching EUR 1,346 per meter square; whereas prices in Constanta witness a 10.7% increase compared with the same month last year reaching EUR 1,232 per meter square according to the largest online real estate platform www.imobiliare.ro

Key Financial Figures

EUR '000	Q4 2019	Q4 2018
Operating Revenue	427	37
Operating Expenses	(127)	(368)
Other operating income/ (expense), net	300	(467)
Net financial income/(cost)	(298)	(0)
Pre-tax result	(789)	(798)
Result for the period	(814)	(779)
Total assets	19,013	20,020
Total liabilities	513	417
Total equity	18,501	19,603
Equity %	97.3%	97.9%
NAV per share (EUR)	0.45	0.45
Cash position	2,371	2,371

Movement in Net Asset Value

The Net Asset Value (NAV) pre any tax decreased to EUR 18,501,000 at the end of Q4 2019 compared to EUR 19,117,000 at the end of Q3 2019.

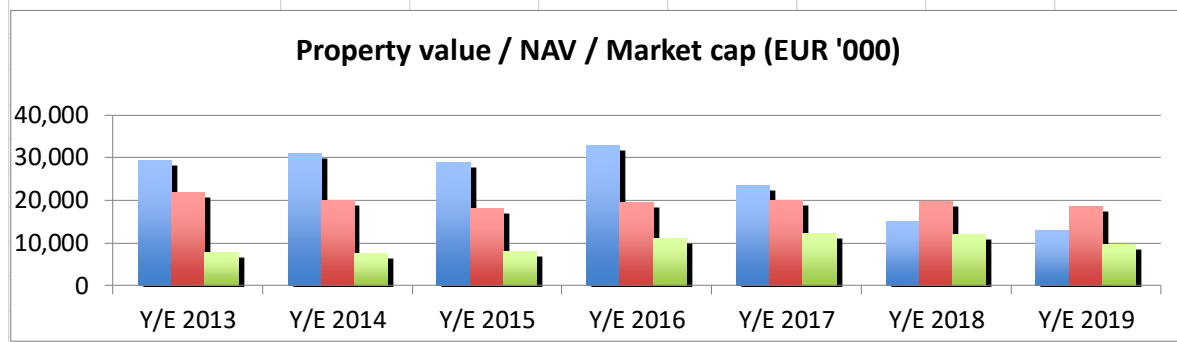
Asset base	Q4 2019			Q3 2019		
	EUR '000	EUR/ share	NOK/share	EUR '000	EUR/ share	NOK/share
Investment property	10,594	0.26	2.53	11,287	0.27	2.69
Assets held for sale	2,320	0.06	0.55	2,191	0.05	0.52
Inventories	2,521	0.06	0.60	2,492	0.06	0.59
Cash	2,371	0.06	0.57	2,490	0.06	0.59
Other assets/(liabilities)	695	0.02	0.17	658	0.02	0.16
Net asset value	18,501			19,117		
NAV/Share		0.45	4.42		0.46	4.55
Change in NAV	-3.2%			-0.7%		

The average number shares used in the NAV calculation above is 41,367,783 shares and unchanged from Q3 2019.

Valuation of Properties

The end of year 2019 independent valuation of the Company's property was executed by Knight Frank 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.

EUR '000	Y/E 2013	Y/E 2014	Y/E 2015	Y/E 2016	Y/E 2017	Y/E 2018	Y/E 2019
Property value	29,304	30,797	28,736	32,787	23,419	14,962	12,914
NAV	21,671	19,916	18,089	19,369	19,930	19,603	18,501
Market cap	7,623	7,541	7,933	11,052	12,100	11,848	9,635
Market cap/NAV	35%	38%	44%	57%	61%	60%	52%



Cash Flow

EUR '000	Q4 2019	Q4 2018
Net cash flow from operating activities	134	(308)
Net cash flow used in investing activities	(252)	93
Net cash flows from financing activities	-	-
Net cash change during period	(119)	(216)

Operating cash flow for Q4 2019 was positive EUR 134,000 compared to a negative EUR 308,000 in the same quarter last year. The net positive change is mainly driven by the inflow related to the VAT return. The net cash from investing activities includes the receipt of the monthly agreed payments related to the sale of certain plots partly offset by investments made to further improve the saleability of other investment properties in the portfolio.

Market Facts – Macro

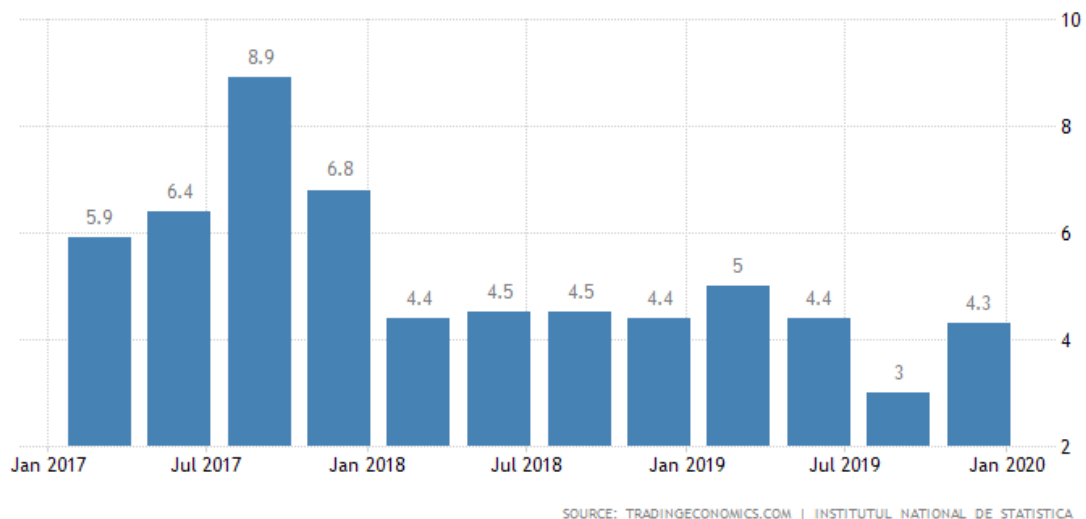
Sequential data indicates that the economy remained somewhat subdued in the final quarter of 2019, after growth eased to an over five-year low in the third quarter. Industrial output plunged again in November, contracting at the sharpest pace in over a decade. In turn, this weighed heavily on the external sector, as merchandise exports barely grew in October–November. On a brighter note, wage increases well above inflation through November and a tight labour market both likely lent support to private consumption, as reflected by the strong pick-up in retail sales in the quarter.

Most economists expect Romania's economic growth to slow down in 2020 while the local currency (RON) is expected to continue to weaken against the EUR. The economists of UniCredit Bank are the most pessimistic about the evolution of Romania's economy in 2020,

anticipating a growth rate of 2.6%, down from an estimated 4.2% in 2019. Banca Transilvania's analysts expect a growth rate of 3.5% while Raiffeisen Bank's economists expect 3% real economic growth.

Meanwhile, in politics, Parliament ousted the three-month old minority government of Prime Minister Ludovic Orban in a no-confidence motion passed on 5 February. The move raises the possibility for early elections, which can be triggered only if Parliament rejects two new government proposals within sixty days. It will also stall policymaking in the coming weeks.

The Romanian GDP expanded 4.3 percent year-on-year in the fourth quarter of 2019, following a 3.0 percent growth in the previous period and beating market expectations of 3.3 percent, a preliminary estimate showed. On a seasonally adjusted quarterly basis, the economy advanced 1.5 percent, the most since the third quarter of 2018. Considering 2019 full year, the economy expanded 4.1 percent, below 4.4 percent the year before. Romania GDP Annual Growth Rate - data, historical chart, and calendar of releases - was last updated on February of 2020 from the National Statistics source.



Real Estate market facts

The volume of real estate investments in Romania exceeded the EUR 1 billion threshold in 2019, reaching about EUR 1.06 billion after a 7% annual advance compared to 2018, real estate consultancy Company CBRE Romania estimates.

The performance reached in 2019 also marks a record of the last five years in terms of investment transactions on the Romanian real estate market. The office segment generated the largest volume of deals, accounting for almost 75% of the total transactions at national level.

The construction of homes and offices recorded a good year in 2019. With 62,000 new apartments delivered to the market, 2019 passed the previous record of 57,600 from 2018. There was also a record level of transactions in the office sector, with over 450,000 square meters changing owners.

In the big cities, 40,000 old apartments and 15,000 new ones were put up for sale. Prices went up by 7 percent in 2019 compared to 2018 for old housing and by 10 percent for new apartments, according to imobiliare.ro data. The price difference in Bucharest between

new apartments in the central area versus those the suburbs was EUR 40,000 (EUR 93,000 versus EUR 53,000), up from EUR 30,000 in 2018. For old apartments, the price difference was EUR 16,000 (EUR 77,000 versus EUR 61,000), up from EUR 15,000 in 2018.

The acquisition of land for new developments also reached high levels in 2019. According to data from real estate consultancy firm Cushman & Wakefield Echinox, a number of large real estate developers have secured the land they needed for new projects consisting of over 6,000 homes and 130,000 square meters of offices. The cumulative area of the purchased land amounts to 36 hectares, and the value of transactions is estimated at EUR 170 million, which is equivalent to an average price of EUR 470 per square meter.

In Bucharest, there were 24 major transactions with land intended for the development of residential, office or mixed-use projects, with some projects also potentially including a hotel. An interesting fact is that almost 90 percent of the traded area was located in sectors 1 and 2, as developers are focusing on the central area of the city through purchases made on Calea Victoriei, Dorobanti, Kiseleff or Doamnei, but also on the central-northern area, near the big office hotspots.

Land under former factories seen as good investment opportunity for real estate: Among the most important land transactions of 2019 were the purchase of a 2.6-hectare plot from the former Dacia Textile factory in the Bucurestii Noi neighbourhood (where Skanska will build an office project), the two hectares of the Frotierex factory in the Barbu Vacarescu area (where Turkish Caba Grup will develop a mixed-use project) or the 5,000-sqm plot on Doamnei street, in the heart of the Capital, purchased by S + B Gruppe. Developers with Romanian capital, such as One United, were the most active in 2019, having had a share of about 39 percent of the total transaction value.

Demand for small industrial spaces:

The demand for industrial and logistics spaces in Romania in 2019 reached a total of about 476,000 sqm, a value comparable to that of 2018, when transactions amounted to a total of 514,000 sqm. Bucharest attracted the largest demand of industrial and logistics spaces in the country, with nearly 76 percent of total purchases (approximately 360,000 sqm), followed by Slatina, with 13 percent of the demand (62,000 transacted sqm).

The largest transaction was carried out by JLL Romania, namely the lease of almost 72,000 sqm by Profi in CTP Bucharest West park. Other notable transactions in which JLL was involved in 2019 were the lease of 16,000 square meters to Urgent Cargus in the P3 Bucharest A1 Park and the lease of 8,400 square meters to Marevi Impex in the MLP Bucharest West Park.

Of all the spaces leased nation-wide over the last year, more than 150,000 square meters (approximately 32 percent) represented transactions concluded directly between owners and tenants.

Also noticeable was the increase in production and industrial spaces from companies operating in the automotive sector. However, these types of projects have longer implementation periods, extending by up to 18-24 months from when the first discussions take place. In the case of logistics projects, the implementation period usually lasts up to one year.

In 2019, the stock of modern industrial spaces exceeded 4.3 million square meters, which was double the volume recorded in 2015.

Operational Overview

The following are the operational highlights which took place during the quarter.

Lake Side (No.1 on the table) – Works for implementing the roads and utilities commenced in November 2018 and are advancing. The Company is in negotiations with the electricity Company the costs and conditions for the grid connection. Contract for supplying gas to the area has been signed, the Company is waiting City Hall building authorisation in order to start work in the area. Furthermore, the Company has several specific processes for selling plots in the area, a showroom house is going to be built on the plot in order to market the area. Additionally, during the first quarter of 2020, the Company entered sale agreement for 4 more plots, for a total consideration of EUR 565,500.

Oasis (No. 3 on the table) – The Company is still negotiating with the water, gas, road and electricity Company ENEL the costs and conditions for the grid connection of whole area, to be implemented in stages. The Company is going to re-authorise the works for finalising the blocks erected on site in order to give more value to the whole plot. Meanwhile, the Company expects more specific sales processes to develop when the pending regulation and utility issues are further advanced.

Industrial Park (No. 4 on the table) - RomReal has agreed a conditional sale of 1.5 hectares to a foreign investor for a total amount of EUR 630,000 to be paid in stages. The Company is presently following the due diligence authorisation procedures of the road and utilities in order to start building the roads and comply with the provisions of sale agreement, as well as attract other investors in the area.

Balada Market (No. 6 on the table) - The sale of whole plot and building have been agreed with a Bucharest investor for a total amount of EUR 2.5m and a down payment of EUR 150,000 is received did not materialise. The non-refundable down-payment of EUR 150,000 is in the Company's bank account and the Company is looking for a new buyer.

Badulescu plot (No. 2 on the table) – A New General urbanistic zone planning on this plot has been commenced by the City Hall. The new urbanistic plan has been finalised within end 2019, and the Company has already established promising leads with interested investors in the area.

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

According to the Order no. 1045 of 20.08.2012 issued by the Mayor of Navodari City, it was ordered that the 1,453 sqm surface of land located in Navodari, Constanta County to be expropriated for the cause of public utility necessary for the achievement of local objectives, namely "Black Sea shore layout in the seaside area of the Navodari town - Development of the public utility infrastructure".

It was also established that Terra del Sol (Romanian subsidiary) should receive an indemnity in the amount of 312,850.66 lei (about 67,155 Euro). Given that the local objective has not been and is not expected to be accomplished on the expropriated land, the Company have asked the Court for the restitution of this land. The first instance Court has dismissed our claim based on the higher Court jurisprudence in the sense that the law does not provide such a remedy in case the land is no longer of use to the authorities. The case is at the

RomReal Limited [third quarter 2019] Page 7 of 15 moment in the appeal phase of the proceedings. Following the satisfactory application by the Company, the Romanian parliament changed the subject restitution laws.

A new law in this respect has been published in August 2019, ordering local authorities to restore the lands having no plans for public buildings to be built on them. The Company has already served the necessary notifications to Navodari City Hall, and since the request of the Company has been rejected, we have commenced legal steps to recover the plot. The case is presently in process by the Constanta Court. Subject to a final solution with the municipality, and subject to solving litigation case, the piece of land is already agreed to be sold to the buyer of the Company's previous Mamaia North plot

Contestation against the Tax Authority Decision no. F-CT 344/29.05.2018

In mid-2018, during the latest routine tax audit performed at the level of RomReal Romanian subsidiary Westhouse Group, covering the period 1 January 2011 – 31 December 2016, the tax authorities reassessed the loans granted by RomReal to Westhouse Group as contribution to share capital instead of inter-Company loans. In this respect, the Company received the tax audit report ("Tax Report") and the corresponding tax assessment decision ("Tax Decision"), whereby the tax authorities imposed an extraordinary tax-bill on the Company, in excess of EUR 1.7 million (including penalties), as profit tax for the period covered by the tax audit.

Westhouse Group retained the services of E&Y Romania and will continue to pursue all available legal means for challenging the effects of such reassessment, in order to cancel the additional tax liabilities. In July 2018 the Company managed to obtain the suspension of the Tax Authority Decision, until a binding Court decision regarding the contestation is obtained. The Constanta Court of Appeal ordered that no attachments to the bank accounts and/or lands belonging to Westhouse Group should take place in the meantime.

During June 2019, the Company managed to obtain a second Court of Appeal decision confirming the fact that no attachments to the bank accounts and/or lands belonging to Westhouse Group, should take place until a final decision from the Romanian High Court of Justice is concluded in the future. This is the second time the Appeal Court has made an independent decision in favour of the Company.

On 5th of November 2019 High Court of Justice decided to admit the appeal of the Tax Authority against the suspension decision issued by Constanta Court of Appeal during 2018 Court proceedings. Fortunately, there is still in force the second order issued by Constanta Court of Appeal during 2019, and therefore no attachments to the bank accounts and/or lands belonging to Westhouse Group can take place. The High Court of Justice in Bucharest will hear the appeal pursued by Constanta Tax Authority on 24th March 2020. In case the appeal pursued by the Tax Authority will be admitted by High Court of Justice, decision will be final and executorial and the Company will need to pay the amount of around EUR 1.7million. The Management team and the advisors will be present in this Court meeting.

On 25th September 2019 Constanta Court of Appeal have fixed the first hearing date of the Court proceedings which was thereafter firstly moved to 13th November and subsequently to 11th December, 15th January 2020 and 11th March 2020. During the hearing on 13th November the Court decided, upon the request of Westhouse Group lawyers, that a Constanta judicial sworn specialised tax accountant should examine the whole grounds of the Tax Authority claim. He is going to be accompanied in his work by a specialised Professor tax expert chosen by the Company. The entire RomReal project team will be present in front of the sworn accountant for presenting evidences and discuss the whole matter on 27th February 2020.

In case the money will be paid to Tax Authority due to a decision issued by High Court on 24th March and thereafter Constanta Court of Appeal will issue a ruling in favour of the Company (to be confirmed by High Court again) , Constanta Tax Authority will need to pay back the money to the Company, as well as legal costs.

The Property Portfolio

The Company's land bank consists at the end of Q4 2019, of 6 plots with a total size of 275,835 sqm:

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	57,324
2 Badulescu plot	Constanta North/Ovidiu	50,000
3 Ovidiu (Oasis)	Constanta North/Ovidiu	24,651
4 Centrepont	Constanta North/Ovidiu	121,672
5 Gunaydin plot	Constanta North/Ovidiu	15,000
6 Balada Market	Central Constanta	7,188
Total		275,835

Shareholder Information

Please see below the list of the top 20 shareholders in RomReal as of 19 Feb 2020:

No	Holding	% Holding	Name
1	10,331,934	24.98%	SIX SIS AG
2	5,392,985	13.04%	THORKILDSEN, WENCHE SYNNØVE
3	4,332,717	10.50%	GRØNSKAG, KJETIL
4	3,262,976	7.89%	SAGA EIENDOM AS
5	2,108,500	5.10%	AUSTBØ, EDVIN
6	1,477,922	3.57%	Danske Bank A/S
7	1,236,948	2.99%	ENERGI INVEST AS
8	1,101,000	2.66%	ORAKEL AS
9	940,236	2.27%	SPAR KAPITAL INVESTOR AS
10	829,478	2.01%	THORKILDSEN INVEST AS
11	718,000	1.74%	PERSSON, ARILD
12	707,223	1.71%	GRØNLAND, STEINAR
13	689,557	1.67%	HOEN, ANDERS MYSSSEN

14	604,861	1.46%	Skandinaviska Enskilda Banken AB
15	558,306	1.35%	JONAS BJERG PENSION PLAN, NTS TRUSTEES LTD
16	481,480	1.16%	SILJAN INDUSTRIER AS
17	476,403	1.15%	MAGDAHL, AKSEL
18	437,967	1.06%	CLEARSTREAM BANKING S.A.
19	406,856	0.98%	BNP Paribas Securities Services
20	396,000	0.96%	FRENICO AS
TOP 20	36,333,377	87.83%	

(1) This is the Top 20 Shareholder list as per 19 Feb 2020

(2) The total issued number of shares issued at end Q4 2019 was 41,367,783.

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

(4) Chairman Kjetil Grønskog owns directly and indirectly 4,332,717 shares corresponding to 10.5%.

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

Outlook

RomReal is focusing on land value enhancing activities in order to improve the shareholder value and exit. This includes, among others, investments to improve the saleability of certain plots and increased sales & marketing efforts. The Company is involved in several on-going sales processes and expects steady progress ahead.

Since the 3Q 2019 report, the legal progress has moved on in both the on-going EUR 1.7m tax dispute and the expropriation claim of land on the Mamaia North plot by the Navodary City Hall and important legal events are scheduled to take place during March and February 2020.

INFORMATION ON FINANCIAL CONDITION AND OPERATING RESULTS

Accounting Principles

The condensed consolidated interim financial statements for the fourth quarter of 2019, 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 2018. The financial statements have been prepared on a going concern basis.

To information presented in the interim report for the fourth quarter of 2019 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 2019, and major related party transactions.

Comparative data for Q4 2019 and Q4 2018

The interpretations below refer to comparable financial information for Q4 2019 and Q4 2018. They are prepared for RomReal on a consolidated basis and use consistent accounting policies and treatments.

Operating Revenue

The operating revenue during Q4 2019 was EUR 427,000 compared to a total of EUR 37,000 reported in Q4 2018. This consists of the rent earned by the Company in respect of some of the plots as well as the disposal of some further assets in its land bank.

Operating Expenses

Total operating expenses amounted to a negative EUR 127,000 in Q4 2019 compared to a total negative EUR 368,000 in Q4 2018. The main cost element relates to the general and administrative expenses of EUR 91,000. Of the remaining operating expenses, the payroll costs were EUR 57,000, while the Management fees were EUR 24,000.

Other operating income/ (expense), net

The other operating income/ (expense) during the quarter were a loss of EUR 792,000, reflecting the cost of disposing the sold assets as well as movement in the EUR/RON exchange rate.

Profit/ (loss) from operations

During Q4 2019, RomReal generated an operating loss of EUR 492,000, compared to a loss of EUR 798,000 in Q4 2018.

Financial Income and expense

Foreign exchange result for Q4 2019 was a net loss of EUR 298,000 compared to a nil net foreign exchange loss in Q4 2018. During the quarter the RON lost 0.59% to the EUR.

The Company's policy is to hedge these effects by retaining most of its cash in Euros and also by denominating all receivables if possible, 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.

RomReal portfolio / sale transactions to be completed in 2020-2021

No	Plot name	Location	Plot size (sqm)	Agreed sale value (EUR)	Installments received@ 12/11/2019	Cash 2019 December	To cash 2020	To cash 2021
1	Alexandriei plot	Bucharest sector 5	13,263	1,850,000	1,700,000			150,000
2	Ovidiu Lakeside 7 plots	Ovidiu Constanta	6,899	1,174,250	145,522	7,663	868,079	
3	Ind Park 3 plots	Ovidiu Constanta	15,834	630,000	63,000		567,000	
4	Balada market	Constanta	7,188		150,000			
Total			43,184	3,554,250	2,058,522	7,663	1,435,079	150,000

Result before tax

The result before tax in Q4 2019 was a loss of EUR 789,000 compared to a loss before tax of EUR 798,000 in Q4 2018.

Cash and cash equivalents

The Company's cash and cash equivalents position at end of Q4 2019 was EUR 2,371,000 compared to EUR 2,490,000 as at end of Q3 2019. In addition, a total of EUR 1.7 million in outstanding payments related to binding sales agreements, totalling at about EUR 4.1 million.

Taxation

The Company is required to calculate its current income tax at a flat rate of 16%. Starting 2013, based on turnover thresholds, some companies in the Group are subject to a while some are subject to 1% tax calculated on total revenue. This is the case for 7 of the Group companies (1 pays 1% tax and 6 of them 3% tax) while 3 of them are subject to 16% 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.

Contingent liabilities

The Company is currently the subject of a tax dispute for a total amount of EUR 1.7 million. The Company assesses the possible obligation as contingent and has therefore not booked any provision in this respect.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

Figures in thousand EUR

	Q4 2019	Q4 2018	YTD 2019	YTD 2018
Rent revenue	39	41	161	175
Revenue from sale of assets	389	(4)	447	9,218
Operating revenue	427	37	608	9,393
Payroll expenses	(56,890)	(47)	(208)	(179)
Management fees	(24)	(27)	(100)	(102)
Inventory (write off)/reversal	45	(197)	94	(200)
General and administrative expenses	(91)	(97)	(476)	(557)
Operating expenses	(127)	(368)	(690)	(1,038)
Profit/ (loss) before other operating items	300	(331)	(82)	8,355
Other operating income/(expense), net	(792)	(467)	(568)	(8,642)
Profit from operations	(492)	(798)	(650)	(287)
Financial income	1	(5)	11	18
Financial costs	(4)	(3)	(14)	(12)
Foreign exchange, net	(295)	8	(1,201)	(48)
Result before tax	(789)	(798)	(1,854)	(329)
Tax expense	(24)	19	(36)	(10)
Result of the period	(814)	(779)	(1,890)	(339)

CONSOLIDATED BALANCE SHEET (UNAUDITED)

Figures in thousand EUR

ASSETS	December 31, 2019	December 31, 2018
Non-current assets		
Investment properties	10,594	10,222
Property, plant and equipment	105	85
Deferred tax asset	118	121
Total non current assets	10,818	10,428
Current assets		
Inventories	2,521	2,504
Other short term receivables	987	1,389
Prepayments	(3)	29
Cash and cash equivalents	2,371	3,469
Total current assets	5,876	7,391
Assets held for sale	2,320	2,200
TOTAL ASSETS	19,013	20,020
EQUITY AND LIABILITIES	December 31, 2019	December 31, 2018
Equity		
Share capital	103	103
Contributed surplus	87,117	87,117
Other reserves	160	160
Retained earnings	(69,810)	(69,450)
Result of current period	(1,890)	(360)
FX reserve	2,820	2,032
Total equity	18,501	19,603
Non current liabilities		
Deferred income tax	126	100
Total non current liabilities	126	100
Current Liabilities		
Other payables	112	124
Deferred income	274	193
Tax payable	0	0
Total current liabilities	387	317
TOTAL EQUITY AND LIABILITIES	19,013	20,020

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

Figures in thousand EUR

	December 31, 2019	December 31, 2018
Profit for the year	(1,890)	(339)
Other comprehensive income		
Exchange differences on translation of foreign operations	788	284
Other comprehensive income for the year, net of tax	788	284
Total comprehensive income for the year, net of tax	(1,102)	(55)

CASH FLOW STATEMENT (UNAUDITED)

Figures in thousand EUR

	December 31, 2019	December 31, 2018
Net cash flow from operating activities	(338)	(1,858)
Net cash flow from investing activities	(760)	1,822
Net cash flows from financing activities	-	-
Net cash change during period	(1,098)	(36)
Cash at beginning of period	3,469	3,505
Cash and cash equivalents at end of the period	2,371	3,469

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

Figures in thousand EUR

	December 31, 2019	December 31, 2018
Equity at the beginning of the period	19,603	19,930
Result for the period	(1,890)	(339)
Other changes	788	12
Equity at the end of the period	18,501	19,603

CONTACT INFORMATION

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