
RomReal Limited

Investor presentation

Third Quarter (Q3) 2024 results

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Contents

Q3 2024 highlights	3-4
NAV movement in Q3 2024	5
Financial highlights 3Q.24 – IFRS	6
RomReal Properties per 3Q 2024	7
Operational highlights	8
Romania Macro Developments	9
Apartment Price Development	10
RomReal shareholders	11
Outlook	12
Contact details	13



Q3 2024 results – Highlights

Net Asset Value (NAV)

- Net Asset value was EUR 0.41 (NOK 4.77, before any tax) per share, down 1.2% from Q2 2024. EUR/NOK was 11.76 end of Q3 2024 versus 11.39 by the end of 2Q 2024.

Operational highlights

- During the Fourth quarter 2024, the Company sold the last of the four older houses on Oasis for a total consideration of EUR 0.125m. The buyer of this house was a Company associated person and has been approved by the BOD. In addition, one of the two houses on Lakeside was agreed sold.
- Total infrastructure investments by the end of third quarter 2024 was EUR 10.11m, of this EUR 4.28m represents finalised projects, mostly related to Ovidiu Lake Side.

Q3 2024 results – Highlights

Financial Results

- Net Result for the quarter was a loss of EUR 216,000, compared to a EUR 934,000 profit in 2Q 2023. Net change in cash flow for the quarter was a positive EUR 113,000 compared to negative of EUR 113,000 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 4.1 million plus a total of EUR 2.3m unsettled receivables related to binding sales agreements, totalling EUR 6.4m, or about EUR 0.16 per share. The outstanding vendor financing agreements are followed up with extra attention.

Macro and real estate market highlights

- On 8 November 2024, the National Bank decided to keep the monetary “Policy rate” similar to August at 6.5%. Other key interest rates and the minimum reserve requirements to the banking sector were kept unchanged. The National Bank kept this key rate unchanged from April 2023 to June 2024 at 7%.
- By the end of Q3.2024, the annual inflation rate declined to 4.60% from 4.90% at the end of 2Q 2024. The annual inflation rate edged up to 4.7% in October.
- According to the Institutul National de Statistica, the GDP showed a growth of 1.1% on a non-adjusted basis versus a 2.3% expansion by 3rd quarter 2023. The most recent GDP growth estimate from the European Commission of 15 November was 1.4% for 2024 and 2.5% for 2025. The Romanian economy expanded by 1.1% year-on-year in the third quarter 2024 in non-adjusted terms, versus 2.3% in the same period 2023.
- Asking prices for apartments and houses in Romania increased in the Third quarter of 2024 compared to Second quarter of 2024 (EUR 1,603/m²) to EUR 1,656/m² at the end of 3Q 2024 and EUR 1,681/m² at the end of October 2024. In Constanta, average prices increased by 2.04% during the Third quarter of 2024 (EUR 1,700/m² at the end of September 2024 compared to EUR 1,666/m² at the end of June 2024), according to www.imobiliare.ro index.

NAV movement in Q3 2024

Asset base	Q3 2024			Q2 2024		
	EUR '000	EUR/ share	NOK/share	EUR '000	EUR/ share	NOK/share
Investment property	2,377	0.06	0.68	2,377	0.06	0.65
Assets held for sale	0	0.00	0.00	0	0.00	0.00
Inventories	7,392	0.18	2.10	7,025	0.17	1.93
Cash	4,118	0.10	1.17	4,005	0.10	1.10
Other assets/(liabilities)	2,889	0.07	0.82	3,578	0.09	0.99
Net asset value	16,776			16,986		
NAV/Share		0.41	4.77		0.41	4.68
Change in NAV vs previous quarter	-1.2%			-1.1%		

The average number shares used in the NAV calculation above is 41,367,783 shares and unchanged from Q2 2024.

Financial highlights 3Q.24- IFRS

EUR '000	Q3 2024	Q3 2023
Operating Revenue	68	3,140
Operating Expenses	(277)	(254)
Other operating income/ (expense), net	(4)	(1,615)
Net financial income/(cost)	77	59
Pre-tax result	(136)	1,329
Result for the period	(216)	934
Total assets	17,172	17,384
Total liabilities	397	679
Total equity	16,776	16,705
Equity %	97.7%	96.1%
NAV per share (EUR)	0.41	0.40
Cash position	4,118	3,323

RomReal Properties Q3 2024

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	1,126
2 Ovidiu (Oasis)	Constanta North/Ovidiu	21,732
3 Centrepont	Constanta North/Ovidiu	121,672
4 Ovidiu Residence 3	Constanta North/Ovidiu	7,100
5 Balada Market	Central Constanta	7,188
Total		158,818

Operational highlights

Lake Side (No.1 on the table) –On house is still for sale. One of the two houses on Lakeside was agreed sold during fourth quarter. The final transfer of the agreed land (promenade area), about 700m², to the municipality of Ovidiu is planned to take place mid-2025.

Oasis (No. 2 on the table) –The Company has finalised the works for water and sewage on the plot as well as the gas connection for all plots on site. The construction of roads and parking area as well as electrical works have commenced and would be finalised during first quarter 2025. The first apartment block is for practical purposes finished and costs hitherto is slightly below the budget. The sales and marketing activities have commenced, but no apartment is sold yet. The final fourth house built in 2007 is agreed sold after the end of third quarter. On the second apartment structure, vital external works like windows and hydro isolation are progressing well. Interior works will not start before a satisfactory sales progress is realised in the first apartment block.

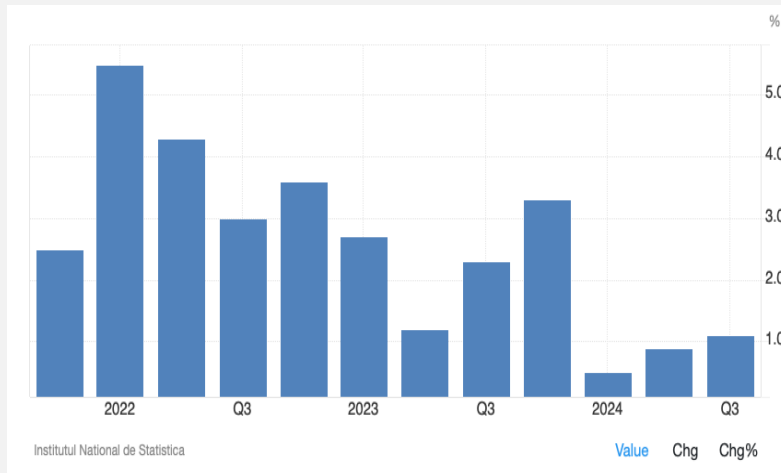
Industrial Park (No. 3 on the table) – The project is still advertised for sale. The development activity in the neighbourhood is expanding including various NATO/Romanian defence projects. The works to renew the infrastructure building permit before end of first quarter 2025. The Company will commence cleaning of the plot in order to fulfil new Environmental standards.

Balada Market (No. 5 on the table) – The project is for sale. The installation of the parking system was completed in May 2023 and the parking income is slowly growing but expected to increase when decided, but not implemented, parking enforcements by the local authorities. The Company has commenced works for a new PUZ application process.

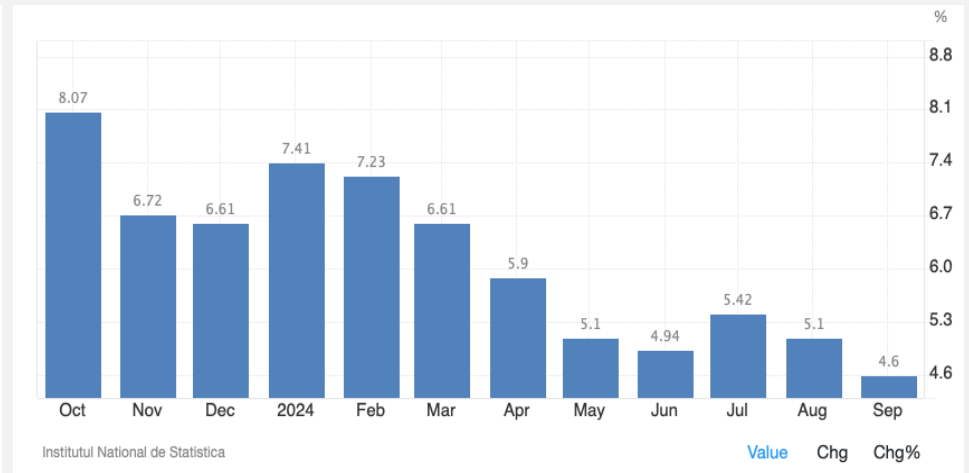
Ovidiu Residence 3 (No. 4 in the table, 7,100 sqm) –The project is for sale. The Company has commenced a process to regulate the plot located nearby the road between Ovidiu and Constanta for industrial and logistic use.

Romanian Macro development

- According to the Institutul National de Statistica, the GDP showed a growth of 1.1% on a non-adjusted basis versus a 2.3% expansion by 3rd quarter 2023. The most recent GDP growth estimate from the European Commission of 15 November was 1.4% for 2024 and 2.5% for 2025 and 2.9% for 2026. The Romanian economy expanded by 1.1% year-on-year in the third quarter 2024 in non-adjusted terms, versus 2.3% in the same period 2023.
- By the end of Q3.2024, the annual inflation rate declined to 4.60% from 4.90% at the end of 2Q 2024. The annual inflation rate edged up to 4.7% in October. The European Commission has an inflation estimate of 3.9% and 3.6% by the year-end 2025 and year but respectively.
- The increasing Romanian fiscal deficit with an estimate of 8% is clearly above the Government limit of 5% in 2024. The upcoming President (the 8th of December final round) and general elections on the 1st of December this year is taking place. From a positive note, the gross Public debt of GDP is estimated to be only 52% by the end of this year but expected to grow somewhat ahead.

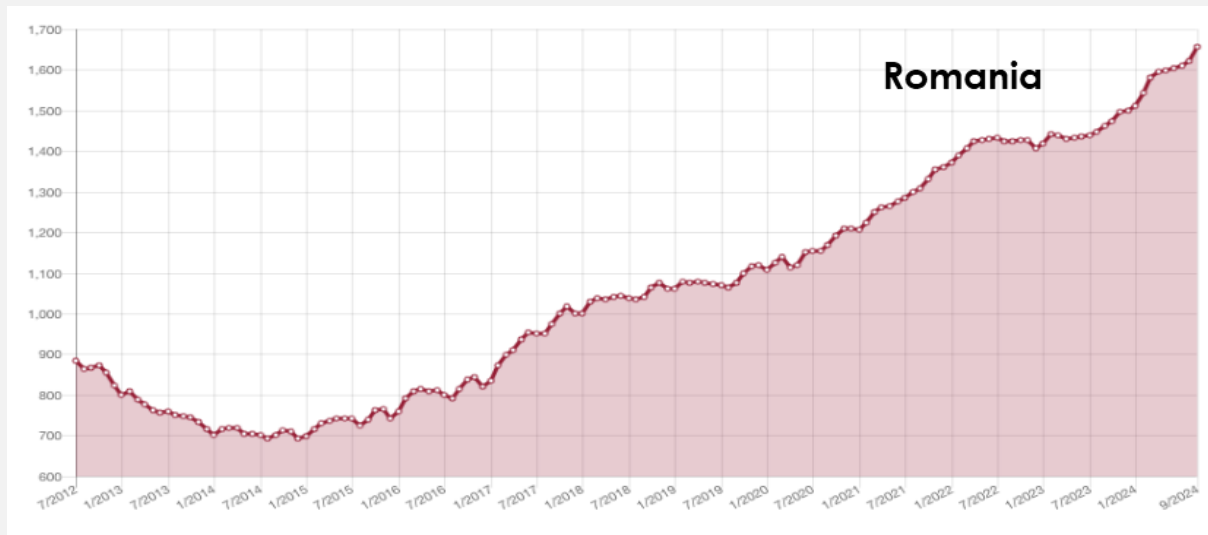


Romania quarterly GDP evolution (Data INS)

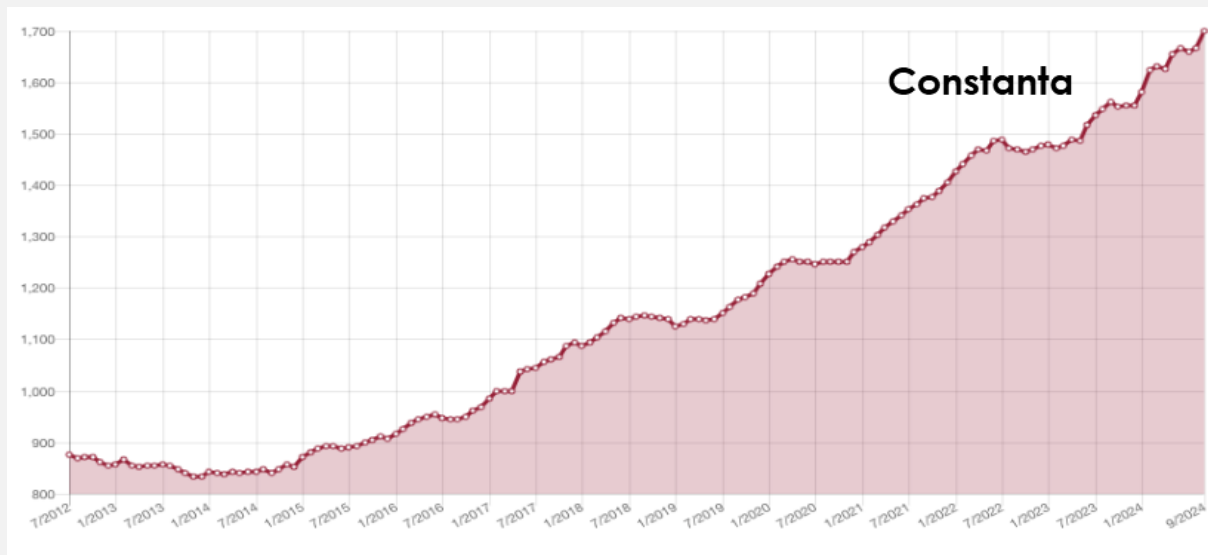


Romania Inflation Rate (Data INS)

Apartment Price Development (End September 24)



- Asking prices for apartments and houses in Romania increased in the Third quarter of 2024 compared to Second quarter of 2024 (EUR 1,603/m²) to EUR 1,656/m² at the end of 3Q 2024 and EUR 1,681/m² at the end of October 2024.



- In Constanta, average prices increased by 2.04% during the Third quarter of 2024 (EUR 1,700/m² at the end of September 2024 compared to EUR 1,666/m² at the end of June 2024), according to www.imobiliare.ro index.

RomReal shareholders as at 21/11/2024

Rank	Name	Holding	Ownership
1	SIX SIS AG	10,331,934	24.98%
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	1,633,616	3.95%
7	GRØNLAND, STEINAR	1,325,700	3.20%
8	Energi Invest as	1,253,211	3.03%
9	Orakel AS	1,101,000	2.66%
10	Brown Brothers	991,717	2.40%
11	SPAR KAPITAL INVESTOR	940,236	2.27%
12	KVAAL INVEST AS	935,000	2.26%
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	401,207	0.97%
17	Cifibank	220,000	0.53%
18	Jo Egil Aalerud	166,864	0.40%
19	Eurotrade AS	161,952	0.39%
20	Nordnet Liv	123,878	0.30%
	TOP 20	38,739,389	93.66%

•(1) This is the Top 20 Shareholder list as per 21 November 2024.

•(2) The total issued number of shares issued at end Q3 2024 was 41,367,783.

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

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

Outlook

- Romania has an open economy with a widening budget deficit. November/December 2024 is a mayor election year in Romania and that is creating some extra political uncertainty. Consequently, the Romanian National Bank has kept the “Policy rate” unchanged at 6.5%. With such near-term horizon, RomReal will continue its careful cost focus, modest risks, and no cash return to its shareholders. The catalyst for RomReal is a sizeable property sales increase.

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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