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RomReal Limited Annual Report 2023

19 April 2024

romreal

RomReal is a Company focused on the Romanian real estate market. Established in 2005 and owns a premium portfolio of properties in the Black Sea – Constanta region

2023 Highlights

Net Asset Value (NAV)

Net Asset value was EUR 0.41(NOK 4.60 before any tax vs NOK 4.15 by year-end 2022) per share, that being unchanged in EUR compared to the announced year-end 2022 level of EUR 0.40 per share. NOK/EUR was 11.24 by year-end 2023 versus 10.51 by year-end 2022 (norges-bank.no).

The year-end 2023 valuation was concluded by Colliers as per December 2023 and the values of the Group's investment property have been updated accordingly.

Operational highlights

During 2023, the Company sold a total of 41,727 sq. meters from the various projects totalling EUR 3.03 million. Hitherto, in 2024, the Company has sold 649 sq. meters for a total EUR 0.13 million.

By the end of 2023, a total of EUR 8.98 million (ex VAT) have been invested in infrastructure, primarily in Industrial Park and Lakeside.

Financial Results

Net Result for the year 2023 was EUR 0.059 million gain compared to a EUR 0.635 million loss in 2022.

By year-end 2023, the Company had a cash position of EUR 3.5 million plus a total of EUR 3.83 million in unsettled receivables related to binding sales agreements, totalling EUR 7.33 million, or about EUR 0.18 per share (2022: EUR 0.22 per share).

Macro and real estate market highlights

Romania's GDP expanded in 2023 by an estimated 1.8%, compared to a growth of 4.8% in 2022, according to data from the European Commission). European Commission's Romania 2024 GDP growth projection is 2.9%.

During 2023 the average residential prices in Romania reached an average price of EUR 1,500/sqm, and in Constanta the average prices at the end of December 2023 reached at EUR 1,555/sqm (xc), according to www.imobiliare.ro

Key Financials

EUR '000	2023	2022
Operating Revenue	3,542	4,853
Operating Expenses	1,478	1,721
Other operating income/ (expense), net	(1,895)	(3,627)
Net financial income/(cost)	281	37
Pre-tax result	449	(457)
Result for the period	59	(635)
Total assets	17,398	16,724
Total liabilities	466	494
Total equity	16,931	16,230
Equity %	97.3%	97.0%
NAV per share (EUR)	0.41	0.39
Cash position	3.50	4.10

For a more detailed analysis of the key financials please review the Financial Statements section of this report.

Property Portfolio

Total size of the Company's Property Portfolio ("Land Bank") was 178,000 sqm at the end of 2023. The Company owns prime location plots in the Black Sea region, County Constanta:

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	2,153
2 Ovidiu Residence	Constanta North/Ovidiu	9,946
3 Ovidiu (Oasis)	Constanta North/Ovidiu	22,041
4 Centrepoint	Constanta North/Ovidiu	121,672
5 Ovidiu Residence 2 and 3	Constanta North/Ovidiu	15,000
6 Balada Market	Central Constanta	7,188
Total		178,000

For further information on the Company's property portfolio, please visit www.RomReal.com

Romanian Macro development

According to the European Commission (last update 15th Feb 2024), the 2023 GDP growth is estimated to have decelerated to 1.8%, a downward revision from the autumn statement. After a weak 3rd quarter, short term indicators signal that the Romanian economy regained some speed in in the last months 2023. Main drivers were retail sales, service sector and robust construction activity.

The Romanian economy expanded 2.9% year-on-year in the fourth quarter of 2023, following a 1.1% rise in the previous three-month period, preliminary estimates showed.

The European Commission forecast a GDP growth of 2.9% in 2024 and 3.2% in 2025.

The annual Consumer Price Index in Romania by the end of December 2023 was 6.6% (16.4%). According to the latest release from the Romanian National Institute of Statistics, by the end of January the CPI accelerated to 7.4%, growing after months of deceleration. The Commission forecasts an inflation of 5.8% and 3.6% in 2024 and 2025 respectively.

RomReal Ethical Policy/Sustainability

Introduction
RomReal is only involved in minor construction or development projects, but aiming to maintain its principles with regards to Ethical Policy/Sustainability. These can be found below:

Energy
From initial site surveys, through to the specification of fixtures and fittings, the Company in cooperation with its suppliers aims to identify energy-efficient solutions. The Company is seeking more intelligent and sustainable approaches to design, construction and materials.

Water
All of the developments consider ways in which water usage can be reduced, both during construction and occupancy. Where possible, specifying ways of increasing the efficiency of water usage within the infrastructure of our developments, delivering responsibility and cost-efficiency.

Materials
The Company is aiming to select construction materials carefully. The aim is to protect natural resources and reduce carbon emissions, if possible, thereby contributing to a healthy environment for the residents in all developments.

Waste
RomReal is aware of the need to reduce and manage waste across our operations and is aiming to fulfil all legal requirements. It also supports and encourages residents in their own recycling efforts.

Community
From introducing improvements to the local infrastructure to including spaces for socialising and local amenities, the aim is to contribute to sustainable communities for everyone.

Healthy Living
RomReal recognizes our responsibility to support healthy lifestyles and meet the needs and aspirations of residents. RomReal seeks to maximize the natural benefits of sunlight, daylight and open space within each development.

Education and equality
RomReal seeks to deliver sustainable development through its ethical policy and working practices. The terms of reference include requirements for economic and social progress at a local level. The Company has supported educational initiatives, both those that spread best practice in sustainable development, and those that enhance the local educational infrastructure in general. RomReal has 12 employees in total in Romania and 9 are female and all are employed on similar terms for similar jobs, regardless gender. RomReal has a Board of Directors of four permanent members and half of these are female.

Shareholder Overview

Please see below the list of the top 20 shareholders in RomReal as of 11 April 2024:

Rank	Name	Holding	Stake
1	SIX SIS AG	10,331,934	24.98%
2	GRØNSKAG, KJETIL	5,963,006	14.41%
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	1,588,099	3.84%
7	GRØNLAND, STEINAR	1,301,097	3.15%
8	Energi Invest as	1,253,611	3.03%
9	Orakel AS	1,101,000	2.66%
10	BNP Paribas	991,717	2.40%
11	SPAR KAPITAL INVESTOR	940,236	2.27%
12	THORKILDSEN INVEST AS	829,478	2.01%
13	KVAAL INVEST AS	860,000	2.08%
14	Arild Persson	722,912	1.75%
15	Anders Hoen	689,557	1.67%
16	AKSEL MAGDAHL	448,066	1.08%
17	Frenico AS	396,000	0.96%
18	Citibank	220,000	0.53%
19	Jo Egil Aalerud	166,864	0.40%
20	Eurotrade AS	161,952	0.39%
	TOP 20	38,853,650	93.94%

On the 14.06.2023 RomReal Limited announced the termination of voluntary offer to purchase all RomReal shares from shareholders who own between 1 and inclusive 1,000 shares. After completion of this offer, Romreal owns 40,744 own shares.
The voluntary offer to all RomReal shareholders who own between 1 and to and with 1,000 shares was closed on 8 June 2023 at 1600 Norwegian time. 22 owners accepted offers to sell their total of 8,708 shares and after the transfer RomReal owns 40,744 shares.

Even though the official offer period has ended, RomReal will continue accept and buy the shares from all owners who have between 1 and even 1,000 stock. Any further purchases of additional shares will be informed the market via the Stock Exchange and the company's website.

Board of Directors

Mr. Grønskag holds a master of General Business (siviløkonom) from Handelshøyskolen BI and is a Certified Financial Analyst (CFA) from Norwegian School of Economics and Business Administration. He has also studied Law at University of Oslo. Mr. Grønskag has a long experience within international banking and Real Estate. Mr Grønskag has significant Directorship experience from both listed and private companies. He is a Norwegian citizen and resides in London, UK.

Kjetil Grønskag - Chairman of the Board and CEO

Ileana Lacramioara Isarescu is a corporate professional with over 15 years of international experience in business development in real estate, finance and IT. Having worked in Vienna and New York, Ileana is currently the Governmental Programs Executive for IBM South East Europe, and resides in Bucharest, Romania. Ileana holds a MBA degree from Harvard Business School and a MSc in International Economics from the Academy of Economic Studies Bucharest.

Lacramioara Isarescu – Board Member

Mr. Thorkildsen holds a Master of Science (MSc) in International Marketing and Strategy from the Norwegian School of Economics and Business Administration. Mr. Thorkildsen has more than 20 years with varied experience with particular focus on business development/sales (IT). During the last 10 years Mr. Thorkildsen also has held various Directorship including in the real-estate industry. He is a Norwegian citizen.

Bendt Thorkildsen – Board Member

Mrs Austbø is a State Authorised Public Accountant from Handelshøyskolen BI in Oslo. Mrs Austbø has 14 years' experience from both audit and Management with Norwegian and global equities, working for KPMG and long equity funds at Terra Fondsforvaltning and Arctic Fund Management. Mrs Austbø also has Directorship and CEO experience from privately held companies. She is a Norwegian citizen and resides in Oslo.

Heidi Sørensen Austbø – Board Member

Today, the Board of Directors and the Chief Executive Officer reviewed and approved the Board of Directors Report and the RomReal Ltd consolidated and annual financial statements as of 31 December 2023. To the best of our knowledge, we confirm that RomReal Ltd and RomReal Group's consolidated annual financial statements for 2023 have been prepared in accordance with IFRSs and IFRICs as adopted by the European Union (EU), IFRSs as issued by the International Accounting Standards Board (IASB).

The information presented in the financial statements gives a true and fair view of the Company's and the Group's assets, liabilities, financial position and results for the period viewed in their entirety.

DIRECTORS REPORT 2023

RomReal Directors

The Board of Directors of RomReal is responsible for the supervision and administration of the Company's affairs and for ensuring that the Company's operations are organized in a satisfactory manner.

The Directors are shown below together with their interest in the number of shares in the Company per 31 December 2023 and per 31 December 2022:

		31 December 2022	31 December 2023
Kjetil Grønskag	Appointed Nov 2006	**5,913,006**	5,913,006
Heidi Sørensen Austbø	Appointed April 2017	**Nil**	Nil
Bendt Thorkildsen	Appointed April 2016	**6,222,463**	6,222,463
Lacramioara Isarescu	Appointed April 2014	**Nil**	Nil
TOTAL		**12,135,469**	**12,135,469**

Kjetil Gronskag, Chairman and CEO of RomReal Ltd has 5 April 2024, purchased 50,000 shares at NOK 2.28 each in RomReal Ltd. Following this trade, Kjetil Gronskag controls privately and through holding companies 5,963,006 (14.41%) shares in RomReal Ltd.

SUSTAINABILITY REPORT

Introduction:
This sustainability report aims to provide an overview of the sustainability practices and initiatives undertaken by our Romanian companies, which specializes in residential developments on the shores of Siutghiol lake in Ovidiu, Constanta County, as well as developing an industrial area in Ovidiu. A different company owned by RomReal Ltd. Bermuda owns an agro-fruit and various non-food market in Constanta town. We recognize the importance of balancing economic growth with environmental protection and social responsibility, and this report highlights our commitment to sustainable development.

Taxonomy Regulation establishes the criteria according to which it is determined whether an economic activity qualifies as sustainable from the point of view of the environment in order to establish the degree of sustainability of an investment, from the same environmental perspective.

The sustainability of an economic activity presupposes the substantial contribution to one of the environmental objectives, as well as the fact that the environmental objectives are not significantly prejudiced in carrying out the investments corresponding to the group's projects.

1. Environmental Sustainability Objectives:
a) Sustainable use and protection of resources of water and marine ones

We prioritize the conservation of natural water and marine resources by implementing efficient water management systems, hydrocarbon separator system promoting water conservation practices, obtaining good condition of water sources, including surface and underground water sources, to prevent preventing the deterioration of water sources, substantial contribution to obtaining the good ecological status of marine waters or to preventing the deterioration of marine waters that are already in a good ecological status, and minimizing water usage in our residential projects.

b) Protection and restoration of biodiversity and an ecosystem
An economic activity qualifies as an activity which contribute substantially to protection and restoration.
biodiversity and ecosystems where the activity that contributes substantially to the protection, conserving or restoring biodiversity or obtaining it good ecological condition of ecosystems or protection
ecosystems that are already in good condition.

The Company strives to protect and enhance the biodiversity of the surrounding ecosystems.

c) Climate change mitigation

An economic activity qualifies as an activity which contribute substantially to mitigating the change
climate if that activity contributes substantially to the stabilization of gas concentrations with greenhouse effect in the atmosphere at a level that prevents dangerous anthropogenic interference with the climate system, consistent with the long-term objective regarding the temperature of the Paris Agreement by avoiding it reducing or increasing greenhouse gas emissions absorption of greenhouse gases, including through innovation in terms of processes or products.

The Company is committed to incorporating renewable energy sources into our residential developments. We actively explore options such as solar power, wind energy, and geothermal systems to reduce our reliance on fossil fuels and minimize greenhouse gas emissions.

d) Adaptation to climate change

An economic activity qualifies as an activity which contribute substantially to adaptation to change climate when the respective activity:
(a) includes adaptation solutions that either reduce the risk the negative effect of the current climate and the expected future on that economic activity, or substantially reduce the adverse effect
respectively, without increasing the risk of a negative effect on people, on nature or on assets; or
(b) provide adaptation solutions that, in addition to qualify as activities that contribute in the way
substantially to one or more of the objectives of the environment, contributes substantially to preventing or reducing the risk of the negative effect of the current and expected future climate
on people, on nature or on assets without increasing the risk of a negative effect
on other people, on nature or on assets.

The Company adopted sustainable construction practices, including the use of eco-friendly building materials, energy-efficient designs, and waste reduction strategies. We aim to minimize the environmental impact during the construction phase and ensure the long-term sustainability of our projects.

e) The transition to a circular economy

An economic activity qualifies as an activity which contribute substantially to the transition to an economy circular, including the prevention of waste generation, to their reuse and recycling, under the conditions provided by article 13 of Regulation 2020/852.
The Company contracted with authorized environmental partners for the neutralization of waste and its recycling.

f) Pollution prevention and control

An economic activity qualifies as an activity which contribute substantially to prevention and control
pollution if that activity contributes to substantially to the protection of the environment against pollution by preventing or reducing pollutants, improving of air, water or soil quality, prevention or reducing production, use or disposal chemicals or cleaning up stored waste improperly.
The Company adopts constructive solutions that generate minimal pollution and waste generation, in order to maintain a sustainable social and economic environment.

2. Social Sustainability:

a) Community Engagement: The Company actively engaged with the local community and stakeholders to understand their needs and concerns. We conduct regular consultations, public meetings, and surveys to ensure that our projects align with the community's aspirations and contribute positively to their well-being.

b) Affordable Housing: The Company recognized the importance of providing affordable housing options. Our company strives to incorporate affordable housing units within our residential developments, ensuring that people from diverse socio-economic backgrounds can access quality housing in a sustainable environment.

c) Health and Safety: The health and safety of our residents and construction workers are of utmost importance to us. The Company adhered to strict safety standards during construction and implement measures to enhance the well-being of our residents, such as providing green spaces, recreational facilities, and promoting an active lifestyle.

3. Economic Sustainability:

a) Long-Term Value: Our residential developments are designed to create long-term value for our customers, investors, and the local economy. We focus on delivering high-quality homes and, in cases where we sale land to end users or developers, we take all precautions to be sure that buyers and/or builders are fully respecting the environment. We are committed to deliver with our architects a zone area planning as well as delivering to each plot buyer the building authorization issued in accordance with zone area planning and make sure building authorization provisions are fully respected. Taking into consideration that the company owns large plots for residential use, we are committed and fully acknowledge the fact that we are fully responsible for economic and environment sustainability of such areas until the last plot is sold.

Our industrial and logistic warehouses developments are designed to create long-term value for our customers, investors, and the local economy. We focus on delivering high-quality industrial and logistic warehouses and, in cases where we sale land to end users or developers, we take all precautions to be sure that buyers and/or builders are fully respecting the environment. We are committed to deliver with our architects a zone area planning as well as delivering to each plot buyer the building authorization issued in accordance with zone area planning and make sure building authorization provisions are fully respected. Taking into consideration that the company owns large plots for industrial use, we are committed and fully acknowledge the fact that we are fully responsible for economic and environment sustainability of such areas until the last plot is sold.

We are committed to develop both areas, respectively residential and industrial areas and finalise the utilities network including water, sewage, gas, electricity and roads in order to increase the value of the plots, meantime respecting the European Union standards for the environment protection.

In what concerns the food market, since our company is only hiring different locations inside the market building to various end users who are selling agro-fruit and various non-food products, we are committed to supervise the observance of European Union standards for the environment protection, as well the economic sustainability of the area on long term.

We ensure that our projects contribute to the economic growth and prosperity of the region.

b) Job Creation: Our projects generate employment opportunities, both during the construction phase and afterward. We prioritize local hiring and collaborate with local businesses to stimulate economic growth and support the development of a sustainable local economy.

c) Ethical Business Practices: The Company uphold the highest standards of ethical business practices, ensuring transparency, accountability, and fair treatment of all stakeholders. We comply with all relevant laws and regulations and actively seek partnerships with suppliers and contractors who share our commitment to sustainability.

Conclusion: This sustainability report reflects our dedication to sustainable development in the residential, industrial and food market sector. We strive to create environmentally responsible, socially inclusive, and economically viable projects that contribute to the well-being of our residents, the local community, and the planet. We remain committed to continuous improvement and innovation in our sustainability practices, as we believe that sustainable development is the key to a better future.

Operations Update

Lake Side (No.1 on the table) – Following the end of Q4 2023, the Company concluded sale of one plot from the Ovidiu Lake Side project. Two houses on the plot are still for sale as well as one plot of land for EUR 0.06m. Street and utilities have been delivered to the City Hall for public use according to agreement. The City Hall delivered the utilities to the water company in February 2023. The final transfer of the agreed land (about 700m2) to the municipality of Ovidiu is planned to take place during 2nd quarter 2024.

Ovidiu Residence (former Badulescu plot (No. 2 on the table) – In October 2023 the Company signed a two year contract (with vendor financing) for 40,054 m2, for a large part of the Ovidiu Residence (50,000m2) for a total consideration of EUR 3m. Also in October 2023, the Company entered a pre-sale agreement for a different part of the Ovidiu Residence, for a total sellers-credit consideration of EUR 0.8m. This sellers-credit agreement has a maturity of 2 years and is serviced monthly.

Oasis (No. 3 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 as well as electrical works have commenced. The first apartment block is about 80% finished and costs hitherto is slightly below the budget. The target completion date of the first block is 1 September 2024.

Industrial Park (No. 4 on the table) – The project is still advertised for sale. The development activity in the neighbourhood is expanding including various NATO/Romanian defence RomReal Limited Fourth quarter 2023 In order to renew the building permit, an infrastructure investment for electricity connection on the development plot of about EUR 140,000 (to be paid in instalments) is required during 1st quarter 2024.

Ovidiu Residence 2 (No. 5 on the table) - The urbanistic regulation/PUZ of the plot has been approved by local authorities, during fourth quarter 2023. The Company has signed a pre-contract for sale of the plot with a local investor.

Ovidiu Residence 3 (No. 4 on the table) – The Company has commenced a process to regulate the plot located nearby the road between Ovidiu and Constanta for industrial and logistic use. It is expected to include infrastructure investments and the urbanistic regulation/PUZ of the plot to be approved by local authorities, now most likely during fourth quarter 2024.

Balada Market (No. 6 on the table) – The project is for sale. The installation of the parking system was completed in May 2023 and the parking income is picking up. This income is a mix of spot parking and monthly rental agreements.

The Company's land bank consists at the end of December 2023 of 6 plots with a total size of 178,000 m2:

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	2,153
2 Ovidiu residence	Constanta North/Ovidiu	9,946
3 Ovidiu (Oasis)	Constanta North/Ovidiu	22,041
4 Centrepoint	Constanta North/Ovidiu	121,672
5 Ovidiu Residence 2 and 3	Constanta North/Ovidiu	15,000
6 Balada Market	Central Constanta	7,188
Total		178,000

Key features of the real estate market

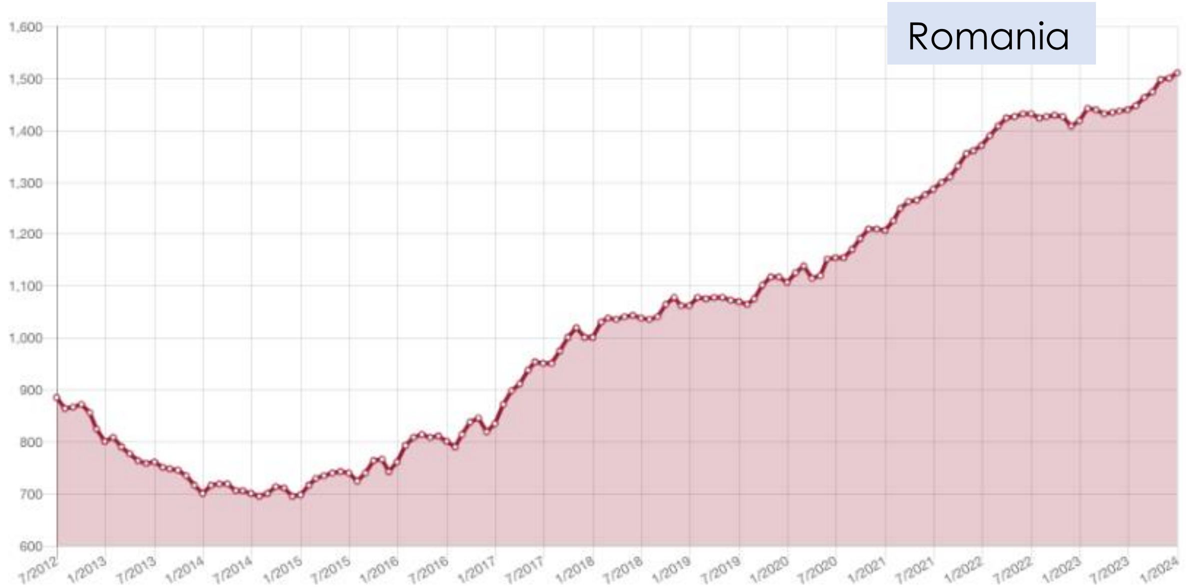
The transaction market: Based on data from Colliers 2023 summary the investment market in 2023 was EUR 476m, versus EUR 1,249m in 2022. The average over the last five years was EUR 921m. The biggest transaction in 2023 was the sale of Mitiska REIMs 25 retail assets to M Core for EUR 219m.

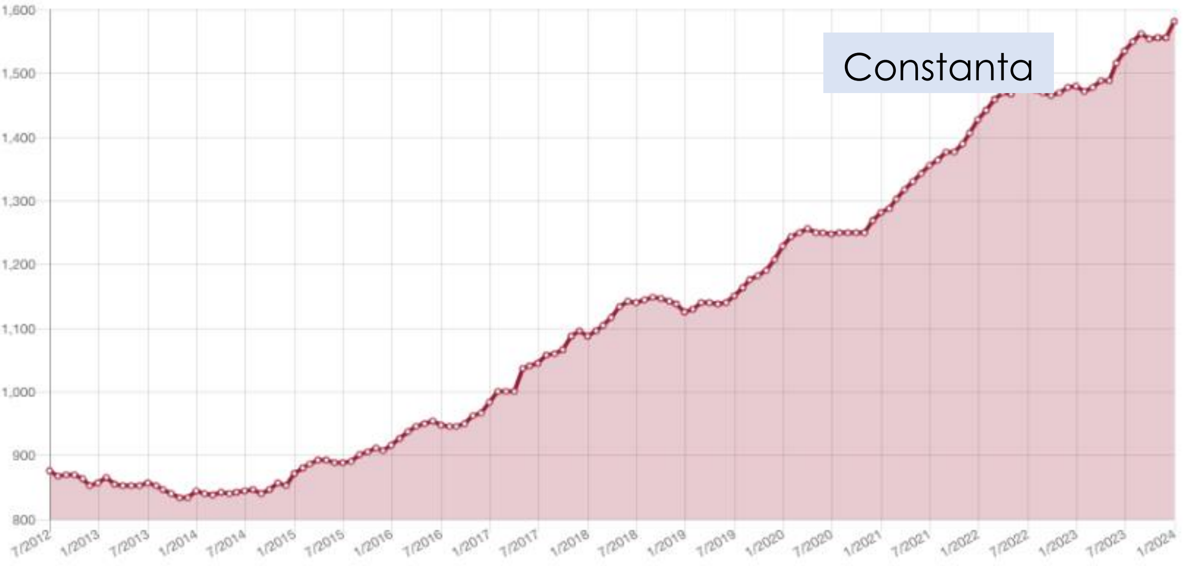
Retail market 2023: According to Colliers, 226,100 m2 was added in 2023 and the projected additions in 2024 is about 83,000 m2. 2023 started relatively gloomy for the consumer with double digit inflation and below inflation wage growth. During first half 2023 the real salary growth shifted back to positive territory, and this resulted in a gradual uptick in spending during the year.

Industrial and logistics market 2023: According to Colliers, the gross delivery was 768,000 m2 in 2023 (830,000 m2) bringing the total stock to about 7m m2. Around half of the new stock is in Bucharest, even though the capital's market share is gradually reduced. The growth in 2023 was somewhat above the average of 645,000 m2 per year in the period 2018-2022.

Residential: Started from January 2023, the calculation methodology of the Imobiliare.ro index has been improved following a major upgrade. Therefore, the value of the Imobiliare.ro index have been replaced by the data obtained by applying the new methodology for the period 2012-present. Asking prices for apartments and houses in Romania increased in the Fourth quarter of 2023 compared to third quarter of 2023 (EUR 1,437/m2) to EUR 1,500/m2 at the end of 4Q 2023 and EUR 1,510/ m2 at the end of January 2024. In Constanta, average prices increased by 0.58% during the Fourth quarter of 2023 (EUR 1,555/m2 at the end of December 2023 compared to EUR 1,546/m2 at the end of August 2023), according to www.imobiliare.ro index.

The following graphs indicate the apartment prices trend in Romania and Constanta by year-end 2023:





Accounts and financial position

RomReal has prepared the financial statements as of 31 December 2023, on the basis of going concern. While the industry has faced significant challenges in Romania, RomReal actively seeks to improve liquidity, capitalize on its strong assets base, and take advantage of the future developments of the country's economy.

Operating revenues

RomReal had consolidated operating revenues of EUR 3.542 million in 2023 compared to EUR 4.853 million in 2022. The main revenue streams were rental income from the Balada Market and sales of plots/houses.

Operating expenses

Total consolidated operating expenses were EUR 1.53 million in 2023 compared to EUR 1.72 million in 2022. RomReal (parent Company) operating expenses were EUR 0.33 million in 2023 compared to EUR 0.28 million in 2022.

Profit/Loss

Consolidated profit after tax in 2023 was of EUR 0.059 million compared to a loss after tax of EUR 0.635 million in 2022. RomReal (parent Company) gain after tax was EUR 0.70 million in 2023 compared to EUR 0.60 million loss in 2022.

The end of year 2023 independent land bank portfolio valuation has shown a net increase on a like for like basis compared to the end of year 2022 valuation.

Dividends

The Directors are not proposing any dividends for the period.

Balance sheet

RomReal had on a consolidated basis a total balance sheet of EUR 17.40 million at 31 December 2023 (2022: EUR 16.72 milion). RomReal (parent Company) had a total balance sheet of EUR 17.36 million (2022: EUR 16.29 million). Total consolidated equity at 31 December 2023 amounted to EUR 16.93 million (parent Company EUR 16.93 million) compared with EUR 16.23 million in 2022 (parent Company EUR 16.23 million). The Company has total current and non current liabilities of EUR 0.47 million at 31 December 2023 (parent Company EUR 0.43 million).

Net cash flow from consolidated operations was negative EUR 0.60 million at December 31 2023 compared to positive EUR 0.29 million in 2022 (parent Company negative EUR 0.16 million compared to positive EUR 0.25 million in 2022). Consolidated current assets were EUR 14.29 million at 31 December 2023 compared to EUR 12.22 million at 31 December 2022 (parent Company EUR 0.33 million in 2023 compared to EUR 0.29 million in 2022).

Financial risk

To the Director's best assessment, The Company does not have any current nor potential litigation, previous tax dispute was fully settled in November 2020.

Organization

RomReal Ltd operates in Romania through its fully owned subsidiary S.C. Westhouse Group SRL (WHG). WHG holds an office in Constanta, Romania, and a small team of five employees, legal operations of the subsidiary companies being supervised by Cristea & Partners Law office headed by Mr. Adrian Cristea. The employees mainly deal with managing the assets, accounting compliance and reporting as well as sales/ marketing and fulfilling Romanian laws regarding Environment and pollution.

Working Conditions, Equal Opportunities, Health and Environmental issues

RomReal works continuously on facilitating employee development, good health, enthusiasm and commitment among its employees. The Company also encourages employees to use public transport on travelling to reduce pollution. Women and men in comparable jobs receiving the same pay. Of 12 employees in Romania, 9 are female.

Climate risks and risk management

RomReal has a clear ambition to exit the Romanian real estate market by selling its projects (primarily land) in due course, and the remaining assets has a modest value and size. Consequently, the view of the Board of the Directors is it will not materially be affected from external climate risk or any known EU and/or Romanian regulations. Even though, the Romanian affiliated companies of the Group have on a best effort basis satisfied all known climate risk/environmental procedures assessment for all the remaining properties, and the required approvals has been issued in time by the Environment authorities for each project.

Corporate Governance

RomReal Ltd (RomReal) focuses on practicing good corporate governance, which will strengthen the standards/routines in the Group and thereby contribute to the best possible long-term value creation to the benefit of the shareholders, the employees and other stakeholders. The purpose of its principles for corporate governance is to regulate the division of roles between shareholders, the Board and the Executive Management more comprehensively than is required by legislation.

The Norwegian code of practice for corporate governance (the code) has been issued by the Norwegian Corporate Governance Board (NCGB). It builds on the principle of "comply or explain", whereby companies must either comply with the code or explain why they may have chosen an alternative approach. It also requires the Company's report on its corporate governance to address all 15 sections of the code. The Oslo Stock Exchange stipulates that listed companies must provide an overall presentation of their corporate governance principles in accordance with the applicable code, and that this must be included in their annual report. RomReal's principles for corporate governance are based on the recommendation of 14 October 2021, which can be found at www.nues.no.

1. Implementation and reporting on corporate governance

Confidence in its Management and business is important for RomReal. The Group practices transparent Management, and thereby builds trust both in-house and externally.

The Board of RomReal is responsible for implementing sound corporate governance principles in the Group according to Bermuda Corporate Governance standards. Bermuda does not have a formal general corporate governance code of conduct. The primary sources of law, regulation and practice in Bermuda are provided by specific legislation and common law. At the legislative level, all companies in Bermuda are subject to the Companies Act 1981, as amended (the Companies Act). RomReal's corporate governance does not deviate from the requirements of the code in a significant way which requires more detailed explanation. Relations between owners and the Group will be characterized by respect for the owners, good and timely information, and equal treatment of shareholders.

2. Business

RomReal owns a portfolio of prime location plots in the Black Sea region, more specifically Constanta and Ovidiu. The plots are well suited for residential and commercial developments. RomReal is involved in several construction or development projects for the time being. The ethical guidelines observed by RomReal reflect its values base; please see separate Ethical Policy Section.

The objective of the Company for 2024 is to:

- Focus on land value enhancing activities in order to improve the shareholder value and satisfy all legal minimum requirements.
- Key action points are increased & more professional sales & marketing efforts.
- Some infra-structure investments and, if necessary, engage more resources into regulation processes like what is planned on Oasis.
- Maintain a cost efficient and competent organisation.
- Conservative cash management and secure collection of vendor financing
- The Company is a public company with modest market value and limited resources, has an ambition to fulfil local ESG requirements.

3. Equity and dividends

RomReal aims to maintain a solid equity and good liquidity appropriate to its objectives, strategy, and risk profile.

Dividend

The Company is fully financed without any external debt, and when/if certain additional disposals are realized, tax cases concluded a potential re-distribution of cash to the shareholders will reappear on the Board of Directors agenda.

Under Bermuda law, a Company's Board of Directors may declare and pay dividends from time to time unless there are reasonable grounds for believing that the Company is, or would after the payment be, unable to pay its liabilities as they become due or that the realizable value of its assets would thereby be less than the aggregate of its liabilities and issued share capital and share premium accounts. Under the Company's Bye-Laws, each share is entitled to dividends if, as and when dividends are declared by the Board, subjects to any preferred divided right of the holders of any preference shares. There are no restrictions on the Company's ability to transfer funds (other than funds denominated in Bermuda dollars) in and out of Bermuda or to pay dividends to Norwegian residents who are holders of the Company's Shares.

4. Equal treatment of shareholders and transactions with close associates

Share Issues

Only the General Meeting considers Board mandates to increase the share capital for each purpose after assessing the requirements set by the Board.

Different Classes of Shares

RomReal has a single share class, and each share carries one vote. Shareholders will be treated equally unless qualified grounds exist for an alternative approach.

Efforts will be made to conduct possible transactions by the Company in its own shares through the stock exchange or in other ways at prevailing stock exchange prices.

Transactions with close associates

RomReal's routines specify that, in general, no transactions should be conducted between the Group and its shareholders, Directors, senior executives or their close associates. Should any of these have an interest in a transaction involving the Group, the Board must be informed and take up the matter for consideration if necessary. Unless the transaction is insignificant, the Board will secure third-party assessments of the transaction and otherwise assure itself that no form of unfair treatment of shareholders, elected officers, employees or others is involved. The related parties, including shareholders and close associates, are reported to the stock exchange via www.newspoint.no. During 2023, there was zero insider transaction its insiders.

5. Shares and negotiability

RomReal's articles of association place no restrictions on transferability, and its shares are freely negotiable. RomReal received a listing on the Oslo Stock Exchange's Oslo Axess list on 11 June 2007.

6. General Meetings

RomReal facilitates the participation of as many shareholders as possible at the General Meeting and ensures that it functions as much as possible as an effective meeting place for the shareholders and the Board so that the owners can exercise their rights. Notice of the Meeting and supporting documents are normally prepared no later than 21 days before the Meeting is to take place and posted on the Company's website and the Stock Exchange's distribution system. The notifications and proxies clearly specify the deadline for returning the proxies which provide the shareholders to return their vote depending on their accessibility more i.e., email.

The Meeting takes place on 26 April 2024, at our registered office in Bermuda and it is accessible to all Board members and shareholders. Shareholders unable to attend in person will be given an opportunity to vote by proxy. The Company provides information on the procedure for:

(a) Appointing a proxy

(b) appoint a person who can act as proxy for the shareholder

(c) allowing separate voting instructions for each matter but not for each one of the candidates nominated.

The Board will propose to vote for each individual Board Member as of Ordinary General Meeting scheduled for 26 April 2024.

Representatives of the Board always attend the Annual General Meeting, together with representatives of the Executive Management, and normally a representative from EY auditors either in person or via conference calling.

The Board determines the agenda for the General Meeting. The main items on the agenda comply with the requirements of the Public Limited Companies Act as well as the parent Company's articles of association. As recommended by the code, each General Meeting appoints a person to act as its independent Chair. Minutes of general meetings are published on www.RomReal.com and on the Oslo Stock Exchange website at www.newsweb.no.

For 2023, the Annual General Meeting of the Company will take place on the 26 April 2024, at the Company's registered office in Bermuda.

7. Nomination Committee

RomReal has chosen not to comply with the directive 7 for appointing a Nomination or Remuneration Committee. This is due to the current size, resources and activity of the Company, the Company considers that the cost of running a separate Remuneration or nomination committee should be avoided.

8. Board of Directors: composition and independence

RomReal's Board of Directors consisted at 31 December 2023 of four Directors:

Kjetil Grønskag

Bendt Thorkildsen

Lacramioara Isarescu

Heidi Sørensen Austbø

The Directors have long and varied experience in real estate, banking and finance which ensures that the Board can function effectively as a collegiate body. An overview of the Directors expertise, role and attendance can be found on the Company's website, www.RomReal.com.

The composition of the Board ensures that it serves the common interest and that it can operate as independently as possible of special interests. Chairman Kjetil Gronskag holds an executive position as Chief Executive of RomReal following Board approval on the 26 May 2016. The Board of Director's has four members including two female members.

The Chairman of the Board, as well as the Vice Chairman, Secretary, and assistant Secretary are elected by the Board of Directors during the first meeting of the newly elected Board. The term office for members of the Board is one year.

To be proposed as of Ordinary General Meeting on 26 April 2024, the General Meeting should elect the Chairman of the Board as the Company's highest governing body.

9. The work of the Board of Directors

The Board of Directors is the Company's highest body, and answerable only to the General Meeting. It has overall responsibility for planning and execution of the Group's strategy and activities, including its organization, remuneration policy and risk Management.

The Board also has overall responsibility for control and supervision. It produces an annual plan for its work with objectives, strategy and implementation. This is supported by a two-year forecast plan or budget, which is updated on a quarterly basis during Board meetings. During Board meetings decisions are taken and tasks are delegated to the Executive Management. The Board discusses all matters relating to the Group's activities which are of significant importance or of a special character.

The duties and responsibilities of the Board are dictated by applicable legislation, the parent Company's articles of association, and mandates and instructions adopted by the general meeting. The Board will exercise supervision to ensure that the Group meets its business goals and manages risk in a wise and satisfactory manner. The Board is responsible for appointing the Chief Executive.

The Chairman is responsible for ensuring that the work of the Board is conducted in an efficient and proper manner and in compliance with applicable legislation. During 2023 6 Board meetings were conducted. In addition to the Chairman, the Board has two independent chairs to lead the discussion on issues where the chair has a conflict of interest or is unable to attend. The Board carries out an annual assessment of its work.

The Board of Directors ensures that members of the board of Directors and executive personnel make the Company aware of any material interests that they may have in items to be considered by the board of Directors, prior to each Annual General Meeting.

The Board does not hold any Independent Committees due to the small size and limited activity of the Company. Four out of five Board members are independent therefore their direct judgement and decision-making during Board meetings, ensures that the Board is aligned to shareholders' value in decisions related to audit and remuneration of the executive personnel.

10. Risk Management and internal control

The Board and Executive Management of RomReal place great emphasis on establishing and maintaining routines for risk Management and internal control. An annual review of the most important risks affecting the business is conducted by the Board.

Economic conditions and Emerging markets risk

The financial market climate and especially the price of property/plots, interest level and general rental levels in Romania represents risk, as it will affect the Group's limited rental income and value of the properties. There is risk associated with the general development of lease levels of commercial property for various segments where the Group owns properties. The increasing interest level seen in 2023/22 has also resulted in higher financial expenses for existing and potential buyers of the Company's properties.

The risk of market slowdown due to the geo-political risk in the region is evaluated and monitored by the Management on a regular basis. Romania is a member of both NATO and EU.

Financial reporting

Quarterly operational and accounting reports are prepared for Board approval using International Financial Reporting Standards.

Counterparty risk

RomReal conducts a regular review of both clients and suppliers to identify counterparty risk. New clients are also subject to a thorough assessment to identify any risk they may present.

Climate risk

The Oasis project and Lakeside is located along a lake, a potential rise in the water level could impact the value and utilisation of the plot.

Financial risk

The Company has no external long-term debt. RomReal largest financial risk is the servicing of the various vendor financing schemes. RomReal has a solid experience with such structures, but no guarantees could be given for the future.

Foreign Exchange risk

The Company's main reporting currency is the EUR, which is used to facilitate loans to its subsidiaries. At the subsidiary level in Romania, the operational currency is RON. Due to its operational exposure in Romania, the financial reporting currency used to value the Company's assets is the RON. Due to the difference between reporting and operational currency the Company is exposed to foreign exchange risk. To manage this, the Company holds its deposits in a mix of RON and EUR.

Tax risk

Changes in laws and rules regarding tax and duties may involve new and changed parameters for investors and the Company. This may involve a reduction in the profitability of investing in property and the profit after tax for the Company. Tax implications of transactions and dispositions conducted by the Company are to a certain extent based on judgment of applicable tax laws and regulations. Even if the Company is of the opinion that it has assessed tax law in good faith, it could not be ruled out that the authorities are of a different opinion. A change in regulation status in parts or all of the property portfolio may also normally change the applicable tax.

The Company is required to calculate its current income tax at a flat rate of 16%. Started in 2013, the companies in the Group with turnover below a EUR 65,000 threshold are subject to a 1% tax calculated on total revenue. This is the case for 2 of the Group companies (2 pay 1% tax) while one company subject to 16% on taxable profits.

In order to simplify and optimize the Romanian sub-holding structure, a merger processes of the Romanian subsidiaries has taken place. Westhouse Group SRL absorbed Westhouse Lakeside SRL and Investate SRL.

The new fiscal code implemented 01 Jan 2016 has applied a land tax increase of 500% on idle plots that lack cleaning. The Board has allocated a budget for the Management to maintain all of the Company's idle plots in a clean condition.

11. Remuneration of the Board of Directors

The General Meeting determines Directors' fees. The remuneration is not linked to the Company's performance in any way.

During 2023, the Directors received the following remuneration:

Lacramioara Isarescu	**EUR 6,450**
Heidi Sørensen Austbø	**EUR 6,450**
Bendt Thorkildsen	**EUR 6,450**

During 2023, Chairman Kjetil Grønskag abstained from receiving any remuneration as a Board Member during the year. There are no outstanding share options. The Company does not grant share options to board members.

12. Remuneration of the Executive Management

The Board determines the Chief Executive's terms of employment. The main principle applied by RomReal for determining the pay of the Chief executive and other senior executives is that these persons will be offered competitive terms. In addition, RomReal will offer terms which encourage value creation for the Group and its shareholders, and which strengthen the loyalty of senior employees to the business.

The Executive Management of RomReal comprises three executives with good knowledge within their job functions and with senior Management experience from across the industry. The Executive Management of RomReal currently includes the following persons with the yearly outlined remuneration:

Name	Position	Yearly fees	Benefits/Bonuses
Kjetil Gronskag	CEO RomReal	€104,004	0.7% on asset sales
Adrian Cristea	Board member of Rom subsidiaries and legal advisor	€57,000	2% on asset sales *
Claudia Oprisan	Chief Accountant	€33,000	N/A

* The incentive lawyer fee is applied on the net proceeds received by RomReal or any of its subsidiary net of any transactions fees and vat to be added (net proceeds in Euro). These net proceeds have to be approved by the CEO of RomReal's subsidiaries Board of Directors and paid by RomReal's subsidiaries.

13. Information and communication

RomReal takes the view that objective, detailed and frequent information to the market is vital for a correct valuation of its share, and accordingly pursues a continuous dialogue with analysts and investors.

Information about important events in RomReal as well as its periodic reporting of results is published in accordance with the guidelines to which the Group became subject through its listing on Euronext Oslo. RomReal seeks continuously to publish all relevant information to the market in a timely, efficient and non-discriminatory manner. The Company constantly improves its Investor Relation material by upgrading its reporting format, content, and website.

All stock exchange announcements are made available on www.RomReal.com and the Euronext Oslo Exchange website www.newsweb.no. The Group will provide the same information to all shareholders at the same time. To the extent that analysts or shareholders ask for further details, RomReal and the Board will ensure that only information which has already been made public is provided.

The Group holds quarterly and interim presentations. These provide an overview of operational and financial developments in the previous quarter as well as an overview of market prospects and the outlook for the business. Interim reports, and presentation materials are made available on the Group's website for a period of at least 5 years.

The Board determines the Group's financial calendar, which specifies the dates for publication of interim reports, the annual general meeting and the payment of dividends. This calendar is published by the end of December via the Euronext Oslo's information system and on the RomReal website.

2024 Financial Calendar includes the following dates:

Q4 2023 Report	23/02/2024
AGM 2023	26/04/2024
Q1 2024 Report	30/05/2024
Q2 2024 Report	30/08/2024
Q3 2024 Report	29/11/2024

14. Takeovers

In the event of a bid for the parent Company's shares, the Board and the Executive Management will try to ensure that everyone gets access to sufficient information to be able to reach a decision on the offer. Unless otherwise instructed by the general meeting, the Board will not try to deploy defensive mechanisms to prevent the implementation of the bid.

The Board will provide shareholders with its view of the offer and, providing they have reached a decision on this, Directors are duty-bound to inform shareholders whether they personally intend to accept the bid. Should the Board find that it is unable to recommend whether the shareholders should accept the bid, it will explain the reasons why such a recommendation cannot be given. An explanation must be provided if the Board's decision is not unanimous. The Board will consider whether an assessment should be obtained from an independent expert.

15. Auditors and advisors

RomReal is audited by Ernst & Young AS. Ernst & Young AS, registration number 976 389 387, has been the Company's auditor since its incorporation in 2005. The registered business address of Ernst & Young AS is Thormøhlens gate 53 D, NO-5008 Bergen, Norway, and Ernst & Young AS is a member of the Norwegian Institute of Public Accountants (Nw. "Den Norske Revisorforeningen"). The Group will not use the auditor as a consultant unless this has been approved in advance by the Board or its Chair. A plan for their work is submitted annually by the external auditor to the Board, and this plan will specify planned services other than auditing.

The auditor attends Board meetings which deal with the annual accounts and is also present during the AGM. During these meetings, the auditor will review possible changes to the Company's auditing principles, assessments of significant accounting estimates and all cases where disagreement has arisen between the auditor and the Executive Management.

At least once a year, the auditor will conduct a review of the Company's internal control system and possible weaknesses. The auditor will also propose improvements. In addition, the Board and the auditor will offer the opportunity to at least one meeting a year without the chief executive or other executive personnel being present. A briefing on the audit work and an assessment of the Group's internal control will be provided by the auditor to the general meeting.

The Board of Director's Reports the auditor remuneration to the general meeting, including details of the fee paid for audit work and any fees paid for other specific assignments.

Prospects

Romania has an open and FID driven economy and should be mindful of the uncertain global backdrop. 2024 is also a mayor election year in Romania and that is always creating some extra political turbulence. The uptick in inflation in January 2024 would indicate the first expected cut in interest rates by the National Bank would more likely be pushed into second half 2024. With such a scenario in horizon, RomReal will continue its careful approach including cost focus, minimised risks, and no cash return to its shareholders. Assuming some interest reductions in second half 2024, this should hopefully lead to somewhat improved consumer confidence and also real estate market fundamentals. Consequently, the planned completion of the first Oasis apartmentblocks medio 2024 should be more attractive to prospective buyers.

Bermuda, 19.04.2024

The Board of Directors of RomReal

....

Kjetil Grønskag (Chairman & CEO) Bendt Thorkildsen (Director)

....

Heidi Sørensen Austbø (Director) Lacramioara Isarescu (Director)

FINANCIAL STATEMENTS 2023

Income Statement

Figures in EUR		Consolidated		Parent company	
	Notes	2023	2022	2023	2022
Rental income	**12**	**233,357**	**188,148**	**-**	**-**
Sales of properties	12	3,308,213	4,665,261		
Cost of sales - properties	12	(1,856,374)	(3,480,332)	-	-
Profit / (loss) on sales of property		**1,451,839**	**1,184,929**	**-**	**-**
Total income		**1,685,196**	**1,373,077**	**-**	**-**
Payroll and related expenses	13	(315,324)	(260,660)	(19,350)	(18,000)
Depreciation expense	3	(17,360)	(19,939)	-	-
Other operating expenses	15	4,961	3,662	-	-
Inventory (write off)/ reversal	5	(470,910)	(741,756)		
General and administrative expenses	14	(733,636)	(698,997)	(311,396)	(257,256)
Operating expenses		**(1,532,269)**	**(1,717,690)**	**(330,746)**	**(275,256)**
Net gain/(loss) from revaluation of investments	4, 15	15,416	(149,876)	1,061,541	(191,115)
Profit/(loss) from operations		**168,343**	**(494,489)**	**730,795**	**(466,371)**
Interest income	16	257,713	61,426	3,371	680
Interest expense	16	-	-	-	-
Foreign exchange, net	16	22,848	(24,429)	(780)	(10,756)
Profit/(loss) before taxes		**448,904**	**(457,492)**	**733,386**	**(476,447)**
Tax expense	17	(389,429)	(177,719)	(32,000)	(119,859)
Result of the period		**59,475**	**(635,211)**	**701,386**	**(596,305)**
Attributable to:					
-Equity holders of the parent		59,475	(635,211)	701,386	(596,305)
Basic earnings/(losses) per share from continuing operations	**21**	**0.0014**	**(0.0154)**	**0.0170**	**(0.0144)**
Basic earnings/(losses) per share from continuing - diluted	**21**	**0.0014**	**(0.0154)**	**0.0170**	**(0.0144)**

Statement Of Comprehensive Income

Figures in EUR	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Profit / (loss) for the year	**59,475**	**(635,211)**	**701,386**	**(596,305)**
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Exchange differences on translation of foreign operations	641,909	38,907	-	-
Other comprehensive income for the year, net of tax	**641,909**	**38,907**	**-**	**-**
Total comprehensive income for the year, net of tax	**701,384**	**(596,304)**	**701,386**	**(596,305)**
Attributable to equity holders of the parent:	701,384	(596,304)	701,386	(596,305)

Statement of Financial Position

Figures in EUR		Consolidated		Parent company	
ASSETS	**Notes**	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Noncurrent assets					
Property, plant & equipment	3	41,564	54,983	-	-
Investment properties	4	3,016,132	4,398,324	-	-
Deferred tax asset	17	54,876	55,178	-	-
Investments in subsidiaries	1	-	-	17,026,790	15,995,495
Total non current assets		**3,112,572**	**4,508,485**	**17,026,790**	**15,995,495**
Current assets					
Inventories	5	6,685,979	5,719,233	-	-
Receivables from group companies		-	-	192,123	-
Trade receivables and other assets	6	4,119,331	2,397,725	25,902	16,059
Cash	9	3,479,665	4,098,477	110,675	274,479
Total current assets		**14,284,975**	**12,215,435**	**328,700**	**290,538**
Assets held for sale	11	-	-	-	-
Total assets		**17,397,547**	**16,723,920**	**17,355,490**	**16,286,032**

Figures in EUR					
LIABILITIES AND EQUITY	**Notes**	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Equity					
Issued share capital	7	103,419	103,419	103,419	103,419
Contributed surplus	7	87,117,249	87,117,249	87,117,249	87,117,249
Retained earnings	8	(74,702,460)	(74,761,935)	(70,291,661)	(70,993,046)
Other Reserves		160,221	160,221	-	-
Translation reserve		4,252,980	3,611,071	-	-
Total equity		**16,931,409**	**16,230,025**	**16,929,007**	**16,227,622**
Non current liabilities					
Deferred tax liability	17	96,470	101,092	-	-
Total non current liabilities		**96,470**	**101,092**	**-**	**-**
Current liabilities					
Trade and other payables	10	368,860	365,747	64,606	58,410
Payables to group companies		-	-	361,877	-
Income tax payable	17	808	1,932	-	-
Contract liabilities		-	25,124	-	-
Total current liabilities		**369,668**	**392,803**	**426,483**	**58,410**
Total liabilities and equity		**17,397,547**	**16,723,920**	**17,355,490**	**16,286,032**

Signed on behalf of the Board of Directors

....

Kjetil Grønskag (Chairman & CEO)

....

Bendt Thorkildsen (Director)

....

Heidi Sørensen Austbø (Director)

....

Lacramioara Isarescu (Director)

Consolidated Statement Of Changes in Equity

Figures in EUR	Attributable to equity holders of the parent					
	Share Capital (Note 7)	Contributed Surplus (Note 7)	Retained Earnings (Note 8)	Translation Reserve	Other Reserves	Total
Balance as of 31 December 2021	**103,419**	**87,117,249**	**(74,126,724)**	**3,572,164**	**160,221**	**16,826,329**
Profit / (loss) for the period	-	-	(635,211)	-	-	(635,211)
Other comprehensive income	-	-	-	38,907	-	38,907
Total comprehensive income for the year	**-**	**-**	**(635,211)**	**38,907**	**-**	**(596,304)**
Balance as of 31 December 2022	**103,419**	**87,117,249**	**(74,761,935)**	**3,611,071**	**160,221**	**16,230,025**
Profit / (loss) for the period	-	-	59,475	-	-	59,475
Other comprehensive income	-	-	-	641,909	-	641,909
Total comprehensive income for the year	**-**	**-**	**59,475**	**641,909**	**-**	**701,384**
Balance as of 31 December 2023	**103,419**	**87,117,249**	**(74,702,460)**	**4,252,980**	**160,221**	**16,931,409**

Parent Company's Statement Of Changes in Equity

Figures in EUR

	Share Capital (Note 7)	Contributed Surplus (Note 7)	Retained Earnings (Note 8)	Total
Balance as of 01 January 2021	**103,419**	**87,117,249**	**(70,396,741)**	**16,823,927**
Profit for the period	-	-	(593,305)	**(596,305)**
Other comprehensive income	-	-	-	-
Total comprehensive income and expense for the year	**-**	**-**	**(596,305)**	**(596,305)**
Balance as of 31 December 2022	**103,419**	**87,117,249**	**(70,993,046)**	**16,227,622**
Profit for the period	-	-	701,386	**701,386**
Other comprehensive income	-	-	-	-
Total comprehensive income and expense for the year	**-**	**-**	**701,386**	**701,386**
Balance as of 31 December 2023	**103,419**	**87,117,249**	**(70,291,660)**	**16,929,007**

Statement Of Cash Flows

Figures in EUR		Consolidated		Parent company	
	Notes	**2023**	**2022**	**2023**	**2022**
CASH FLOW FROM OPERATING ACTIVITIES:					
Net profit/(loss)		**59,475**	**(635,211)**	**701,386**	**(596,305)**
Adjustments for:					
- Income tax expense/(profit)	17	389,429	177,719	32,000	119,859
-Net (gain)/loss from revaluation of investment properties	4,11	455,494	891,632	-	-
-Expenses/(gain) on disposal of investment property	4,11	(1,451,839)	(1,184,929)	-	-
- Depreciation and amortization	3	17,360	19,939	-	-
- Interest Income	16	(257,713)	(61,426)	(3,371)	(680)
- Interest expense	16	-	-	-	-
-Unrealised foreign exchange (gain) / loss	16	(22,784)	24,429	780	10,755
-Net (gain)/loss from revaluation of investment in subsidiaries	15	-	-	(1,061,541)	191,115
Decrease/(increase) in trade and other receivables		(1,721,605)	(1,517,708)	(201,967)	(333)
(Decrease)/increase in current payables		(22,011)	(597,585)	368,073	2,312
Decrease/(increase) in inventories		1,778,174	2,508,331	-	-
Cash generated from operations		(776,020)	(374,809)	(164,639)	(273,277)
Income tax paid		(453,010)	(292,960)	(32,000)	119,859
Net cash flow from operating activities		**(1,229,030)**	**(667,769)**	**(196,639)**	**(393,136)**
CASH FLOWS FROM INVESTING ACTIVITIES:					
Sales of investment property		2,263,160	2,698,465	-	-
Capital expenditure on investment property		(1,892,622)	(1,796,603)	-	-
Net cash flow used in investing activities		**370,538**	**901,862**	**-**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings		-	-	199,241	647,424
Repayment of borrowings		-	-	-	-
Payments (to)/from companies within the group, net		-	-	(169,754)	-
Interest paid	16	-	-	-	-
Interest received		257,713	57,120	3,371	680
Net cash from financing activities		**257,713**	**57,120**	**32,858**	**648,104**
Net change in cash		**(600,779)**	**291,213**	**(163,781)**	**254,968**
Cash, beginning of period		4,098,477	3,807,182	274,479	19,492
Foreign exchange gain/(losses) on cash		(18,033)	82	(23)	19
Cash, end of period		**3,479,665**	**4,098,477**	**110,675**	**274,479**

Notes To The Financial Statements

Note 1 INVESTMENTS IN SUBSIDIARIES

The consolidated financial statements of RomReal Limited and its subsidiaries (collectively the “Group” or the “Company”) for the year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on the 27 April 2024.

These financial statements cover RomReal Ltd. and its subsidiaries. RomReal Ltd. is incorporated in Bermuda whereas the subsidiaries Westhouse Group SRL, Balada Shopping Market SRL (former Concorde Group SRL), Westhouse Oasis Residences SRL (former Rofrench Connection SRL), are incorporated in Romania. RomReal Ltd and its subsidiaries (the Group) are principally engaged in property investments and development in Romania.

Also, for reference, single financial statements of the parent company, Romreal Ltd. have been prepared. As a general rule, all comments refer to the consolidated financial statements of the Group, unless specifically mentioned otherwise.

Both consolidated financial statements and those of the parent have been prepared on a going concern basis.

Entity	Country of business	Owner’s share	Number of shares
Westhouse Group SRL	Romania	100%	19,612,516
Balada Shopping Market SRL (former Concorde Group SRL)	Romania	100%	380,442
Westhouse Oasis Residences SRL (former Rofrench Connection SRL)	Romania	100%	350,136

The registered office address of RomReal Ltd is located at Burnaby Building, 16 Burnaby street, Hamilton HM11, Bermuda.

The investment in subsidiaries at the Parent Company are recognized at fair value, using level 3 valuation techniques that use parameters that significantly affect the valuation, but which are not observable (unobservable input variables). They are presented as assets minus liabilities, excluding the receivables and payables from/to companies within the group. The value of investments in subsidiaries is mainly driven by the fair value of properties, based on valuation by independent, external appraiser. The key assumptions used to determine the fair value of investment properties are further explained in Note 4.

During 2022 2 (two) shares in Westhouse Lakeside (former Terra del Sol) are transferred from RomReal to Westhouse Group, in exchange for 1 (one) share increase in number of shares of Westhouse Group.
During the period, there were no additions or disposal. The movement in investment in subsidiaries for the parent company during the period is due to the change in value between the periods and increase in share capital of Westhouse Oasis Residences by EUR 2m, equivalent of 197,706 shares (2021: 152,430 shares).
In March 2023 a merger process was completed, Westhouse Group SRL absorbed Westhouse Lakeside SRL and Investate SRL. Full patrimony – both assets and liabilities - of the 2 (two) absorbed entities was transferred to Westhouse Group SRL. The absorbed entities ceased to exist, lost their legal status, were dissolved without liquidation and removed from the Trade Register.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis for preparation

The consolidated financial statements of the RomReal Group and those of the parent company have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU. All IFRS standards adopted have effective date 1 January 2023 or earlier. The consolidated financial statements and those of the parent company are presented in euros.

The financial statements have been prepared on the basis of historical cost except for Investment Properties which is presented at fair value and Assets Held for sale which are measured at the lower of carrying amount before the reclassification and the fair value less cost to sell.

2.2 Consolidation

The consolidated financial statements comprise the financial statements of RomReal Ltd. and its subsidiaries as of 31 December 2023 and 31 December 2022; the Group was established in the autumn 2005. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full.

A subsidiary is a company which the Company controls. The control is typically evidenced if an only if the Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Classification of property

RomReal determines whether a property is classified as investment property, assets held for sale or inventory based on factors like the nature of the property and the intention to hold it.

-RomReal’s investment property comprises land and buildings which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. Investment properties are recognised at fair value in the balance sheet, based on valuation by independent, external appraiser. The valuations of the Group’s properties are inherently subjective, as they are based upon the appraiser’s assumptions and estimations that form part of the key unobservable inputs of the valuation. The key unobservable inputs, including market rents, required rate of return, exit yields, inflation, operating costs and CapEx, may prove to be inaccurate.

-Investment properties are classified as held for sale, if their carrying amount will be recovered through a sales transaction rather than through their continuing use. This condition is regarded as met if the sale is highly probable. The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification. Investment properties classified as held for sale are recognised at fair value in the balance sheet.

-The Group's inventory properties comprise residential projects under development and construction intended for sale in the ordinary course of business. Where the Group constructs the residential projects, the individual units are handed over to the purchaser before or when they are completed. Inventory properties may comprise properties under development and construction, and completed units which are not sold. Inventory properties are measured at the lower of cost and net realisable value.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Climate-related matters

Management assessed the impact of climate matters and related risks in applying significant estimates and assumptions, including impairment tests and decommissioning provision. The assessment includes both transitional risks, i.e. increased costs resulting from other regulatory requirements, and physical risks, such as critical weather events.

In estimating the valuation of the investments management considered climate risks. Due to our business model, this included mainly an assessment of change in weather (storms and floating) and requirements for properties and development of landfields in the future.

In estimating the decommissioning liability, management also considered the impact of climate matters without impact on estimated future costs. It is management's assessment that climate matters and related risks did not have a material impact on the Group's significant estimates and assumptions in these consolidated financial statements.

In addition, management assessed climate-related matters in relation the going concern assessment. The assessment includes both transitional risks in the form of increased costs incurred of transitioning toward a more sustainable economy, and physical risks due to specific weather events, such as storms or floating. It is management's assessment, that climate-related matters will not have a significant impact on the Group's going concern assessment, or in the long-term (next five years).

Estimate of fair value of investment properties

Fair values are determined based on an annual evaluation performed by an accredited external, independent valuer that is certified by the Romanian Institute of Valuers. Valuation has been made such, in accordance with the International Valuation Standards, to reflect market value of the properties, namely "The amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties, in an arm's length transaction". No account has been taken of any additional prospective purchaser with a special interest. No allowance has been made with regard to any expenses of realization, or for any taxation arising in case of disposal. The determined fair value of the investment properties is most sensitive to the degree to which comparable transactions are available, including the degree of judgement and adjustments necessary to make such market transactions comparable to the investment property being valued. The determination of the fair value of investment property may also require the use of estimates such as future cash flows from assets and discount rates applicable to those assets. In addition, development risks (such as construction and letting risks) are also taken into consideration when determining the fair value of investment properties under construction. These estimates are based on local market conditions existing at reporting date.

Taking into account the characteristics of the Group's properties, as well as the features of the local market, the market comparison approach was considered in these circumstances as the most suitable in estimating the market value of the properties. As described above scenarios of fair value of investments properties also take into account the climate change and relevant regulatory requirements which may have be affecting the company's property investments portfolio.

The management believes that the valuation assumptions used reflect the best estimate of the investment properties' fair value at the date of the balance sheet. The key assumptions used to determine the fair value of the investment properties are further explained in Note 4.

Estimation of net realisable value for inventory

Inventory is stated at the lower of cost and net realisable value (NRV). NRV for completed inventory property is assessed with reference to market conditions and prices existing at the reporting date. NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and less the estimated costs to make the sale.

NRV is determined by the Group based on an annual evaluation performed by an accredited external, independent valuer. However, given the limited liquidity of the market, there is a significant degree of uncertainty in estimating the NRV. The key assumptions used to determine the net realisable value of the inventory properties are further explained in Note 5.

Recognition of the deferred tax asset
When determining the deferred tax liabilities and deferred tax assets, the Group considers, at the balance sheet date, the manner in which it expects to recover or settle the carrying amount of its assets and liabilities. A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Where the group considered that it is not probable enough future taxable profits will be available within the legal time framework of seven years to utilise the tax losses against, the group has not recognised such deferred tax assets. The key assumptions used to determine the value of deferred tax assets are further explained in Note 17.

2.4 Property, plant and equipment

Plant and equipment is stated at cost net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met. Depreciation is calculated on a straight-line basis over the useful life of the assets. The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may be impaired.
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

IT equipment	Motor vehicles	Other fixtures and fittings
2-4 years	4 years	3-9 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.
The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

2.5 Investment properties
Investment properties include completed investment properties and investment properties under development. Investment properties are held with the aim of achieving a long-term return from rental income or increase in value, or both. Investment properties are recognised at fair value in the balance sheet.

Initial measurement takes into consideration the property’s cost price, which includes direct transaction costs such as document duty and other public duties, legal fees and due diligence costs.

Subsequent expenditure is added to the investment property's carrying amount if it is probable that future financial benefits associated with the expenditure will flow to the Group and the expense can be measured reliably.

Investment properties are valued at each reporting date. The values are estimated by an independent Appraiser. The valuations are based on each individual property’s assumed future cash flows, and property values are arrived at by discounting cash flows with an individual risk-adjusted required rate of return. Changes in fair value, including gains and losses on sale of investment properties, are recognised as “Changes in value of investment properties”.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. Property being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV).

If an item of property, plant and equipment becomes an investment property because its use has changed, any differences resulting between the carrying value and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under IAS 16. However, if it is a fair value gain, such is recognised in the income statement.

2.6 Financial assets

Financial assets are classified at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Group's rent and other trade receivables do not contain a significant financing component or for which the Group has applied the practical expedient, they are measured at the transaction price determined under IFRS 15. Refer to the accounting policies on revenues from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

2.7 Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less cost to complete development and selling expenses. The cost of inventory recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Costs are capitalised when future cash generation is expected. Such costs include the construction costs of the inventories.

2.8 Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group recognises an allowance for expected credit losses (ECLs) for all debt instrument except those held at fair value through profit or loss.

2.9 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for sale in its immediate condition. The sale should be expected within one year from the date of classification as held for sale.

Immediately before classification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter, the assets are recognised at the lower of their carrying amount and fair value less cost to sell. Non-current assets that ceases to be classified as held for sale are remeasured at the lower of their carrying amount before classification as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset or disposal group not been classified as held for sale, and its recoverable amount at the date of the subsequent decision to sell.

2.10 Provisions

Provisions are recognised when, and only when, the company has a valid liability (legal or constructive) as a result of past events and it can be proven probable (more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation, and that the size of the amount can be measured reliably. Provisions are reviewed on each balance sheet date and their level reflects the best estimate of the liability.

2.11 Equity

Transaction costs relating to equity transactions are recognised directly in equity.

Share Issues

Only the General Meeting considers Board mandates to increase the share capital for each purpose after assessing the requirements set by the Board.

Different Classes of Shares

RomReal has a single share class, and each share carries one vote. Shareholders will be treated equally unless qualified grounds exist for an alternative approach.

Efforts will be made to conduct possible transactions by the Company in its own shares through the stock exchange or in others ways at prevailing stock exchange prices.

2.12 Operating lease contracts – the Group as a lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements (such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property), that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.13 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue includes rental income, service charges and management charges from properties, and income from property trading.

Rental income: Rental income is recognised over the life of the rental period. Rental income related to rent yielding assets of the Group in respect of properties let to third parties.

Other income: Other income is recognised as it is earned.

Income from sales of investment property plots: Deposits cashed by the Group for the sale of plots are not recognised as revenue until the Group has transferred to the buyer the significant risks and rewards of ownership of the plots.

2.14 Foreign currency translation

The consolidated financial statements are presented in euros, which is the parent company's functional and presentation currency. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the income statement.

The functional currency of the Romanian operations is the Romanian New Leu. As at the reporting date, the assets and liabilities of these subsidiaries are translated into the presentation currency of RomReal Ltd. Group (the euro) at the rate of exchange ruling at the balance sheet date and, their income statements are translated at the average exchange rates for each month unless there have been significant fluctuations in the exchange rate over the applicable period, in which case the exchange rate at each transaction date is applied.

The exchange differences arising on the translation are recognised in other comprehensive income.

	December 31, 2023	December 31, 2022
Closing	4.9746	4.9474

2.15 Taxes

RomReal Ltd. is incorporated in the Islands of Bermuda so is not subject to any income, withholding or capital gains taxes under current Bermuda law. The subsidiaries are registered in Romania and are subject to Romanian taxation rules.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.16 Loans and Borrowings

Borrowing costs generally are expensed as incurred. Borrowing costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset.

Loan is accounted for at fair value, at the time of disbursement, reduced for any transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

2.17 Operating segments

For management purposes, the group is organised into a single business unit and consequently has only one operating segment which the management monitors in terms of performance assessment.

2.18 Changes in accounting policies and disclosures
The accounting policies adopted are consistent with those of the previous financial year.

New and amended standards adopted by the Group

The accounting policies adopted, and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below.

Amendments to IAS 1 Presentation of Financial Statements and IFRS

Practice Statement 2: Disclosure of Accounting Policies
The amendments require the disclosure of "material", rather than "significant", accounting policies. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

New standards and interpretations not yet adopted by the Group

None of the new accounting standards or interpretations that have not yet come into effect are expected to have a significant impact on the Group's consolidated financial statements.

Note 3 PROPERTY, PLANT AND EQUIPMENT

Figures in EUR - Consolidated

	IT equipment	Other fixtures and fittings	Motor vehicles	Total
Gross book value as at December 31, 2022	**53,120**	**288,151**	**54,181**	**395,452**
Additions in period	-	828	-	828
Disposals in period	-	-	-	-
Translation difference	(386)	(1,586)	(160)	(2,132)
Gross book value as at December 31, 2023	**52,734**	**287,393**	**54,021**	**394,148**
Accumulated Depreciation as at December 31, 2022	**(51,186)**	**(247,697)**	**(41,585)**	**(340,469)**
Charge for the period	-	(17,360)	-	(17,360)
Disposals in the period	-	-	-	-
Translation difference	350	4,558	338	5,246
Accumulated Depreciation as at December 31, 2023	**(50,836)**	**(260,499)**	**(41,247)**	**(352,583)**
Net book Value as at December 31, 2022	**1,934**	**40,454**	**12,596**	**54,983**
Net book Value as at December 31, 2023	**1,898**	**26,894**	**12,774**	**41,565**
Depreciation method	Linear	Linear	Linear	
Depreciation period (Years)	2-4	3-9	4	

There were no impairment charges in 2023 and 2022.

Note 4 INVESTMENTS PROPERTIES

Figures in EUR - Consolidated

	2023	2022
Opening balance as at January 1	4,398,324	2,032,724
Additions in period	147,809	32,370
Sales	(1,530,729)	-
Transfers from Assets Held for Sale (note 11)	-	2,128,000
Transfers to Inventories	-	-
Fair value adjustment during the period	15,416	205,603
Translation differences	(15,463)	(373)
Carrying amount as at December 31	**3,015,356**	**4,398,324**

Investment properties consist of land and buildings at various locations in Romania. The fair value of investment property as at 31 December 2023 is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification in Romania and who has recent experience in the location and categories of the investment property being valued. Additionally, for those properties where pre-sale agreements were in place, the sale value included in the respective sale agreements has been used for the purposes of the valuation.

Valuation has been made such, in accordance with the International Valuation Standards, to reflect market value of the properties, namely "The amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties, in an arm's length transaction". No account has been taken of any additional prospective purchaser with a special interest. No allowance has been made with regard to any expenses of realization, or for any taxation arising in case of disposal.

With regard to the valuation methodology, two approaches were used: (i) the direct market comparison approach and (ii) the residual approach. Both approaches were utilised, and the degree to which either, or both, are relevant depended upon the nature of the specific land plot and the availability of information. When data is available, the market comparison approach is the most direct and systematic approach as it recognizes that property prices are determined by the market. Valuation by comparison is essentially objective since it is based on an analysis of the price achieved or offered for sites with broadly similar development characteristics with the land being valued. The residual approach estimates the land value considering the value of the proposed project upon completion and the deduction of the development costs, including the developer's profit. This method requires the input of a large amount of data and involves a large number of assumptions. Even small changes in any of the inputs can cumulatively lead to a large change in the land value. Thus, the application of this method requires a high level of expertise, being mainly used as an alternative approach when there are no or limited comparables to apply the direct market comparison approach. In line with the market practice, the valuation of assets is determined and quoted in EUR. While the basis for preparation of accounting records is RON the EUR/RON exchange rate movements result into currency differences which are reflected as an adjustment to the carrying value of the investment property.

Taking into account the characteristics of the Group's properties, as well as the features of the local market, the market comparison approach was considered in these circumstances as the most suitable in estimating the market value of the properties. For each property, several comparables were selected and the following elements of comparison were considered: price, real property rights transferred, financing terms, conditions of sale, expenditures made immediately after the purchase, location, area, visibility and frontage, utilities, access, public transportation, existing buildings, existing potential building permitting and best use. Land price varies depending on the size of the plot. In case of development sites, the larger the plot, the lower the price per square meter. In terms of size, based on market evidence, land plots were grouped in several intervals, as follows: smaller than 1,000 sq m, between 1,000 and 5,000 sq m, between 5,000 and 10,000 sq m, between 10,000 and 50,000 sq m and larger than 50,000 sq m. If comparison was made with sites that are in different size intervals, a 5% adjustment was applied.

The properties have been inspected along with the surrounding neighbourhood and location from which comparable data was drawn where possible. The limited liquidity of the market has resulted in comparables being mainly based on the most recent asking prices. In such cases, several adjustments ranging on average between 10-30% were applied to the asking prices to adjust for reduced liquidity, difference in size, accessibility, permitting, etc.

Within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement the above-described valuation of investment properties is categorised as Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. In arriving at their estimates of market values the valuators used their market knowledge and professional judgement and did not rely solely on historical transactional comparable. In these circumstances, there was a greater degree of uncertainty than which exists in a more active market in estimating the market values of investment property. Furthermore, given the rapid change on the market, significant alterations of value can be encountered within short periods of time. Unforeseen macroeconomic or political crises can have a sudden and dramatic effect on markets. This could manifest itself by either panic buying or selling, or simply disinclination to trade until it is clear how prices in the market will be affected in the longer term. There have been no transfers between Levels in the hierarchy as compared to the previous reporting period.

Note 5 INVENTORIES

Figures in EUR - Consolidated

	2023	2022
Opening balance	**5,719,233**	**8,679,507**
Additions	1,790,931	1,237,743
Disposals	(325,645)	(3,480,332)
Transfers from Investment Properties	-	-
Change in provisions	(470,910)	(741,756)
F/X reserve	(27,630)	24,071
Balance as at December 31	**6,685,979**	**5,719,233**

Inventories consist of the development projects of the Group. These are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs to make the sale. At year-end 2023, inventories relate to the Oasis project (EUR 5.0 million) and Lakeside (EUR 1.7 million). The cost for the Oasis project is EUR 6.0 million. The net realisable value test in 2023 resulted in a reversal of provision.

Within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement the above-described estimate of net realisable value is categorised as Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. In arriving at their estimates of market values the valuators used their market knowledge and professional judgement. The net realisable value was assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and less the estimated costs to make the sale. There have been no transfers between Levels in the hierarchy as compared to the previous reporting period.

Note 6 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

Figures in EUR	**Consolidated**	
	2023	**2022**
Trade receivables	3,292,816	2,272,048
VAT receivable	67,969	102,809
Other prepayments	9,580	1,935
Other short-term receivables	748,966	20,933
Total	**4,119,331**	**2,397,725**

Trade receivables include mainly receivables related to the sales of plots for which an instalments payment schedule has been agreed by the Group and other receivables resulting in the ordinary course of business in respect of the lease agreements for some of the rent yielding investment properties and the rest in sundry debtors.

Parent company trade receivables refer to other short-term receivables. As of 31 December, the analysis of receivables that are past due is set out below:

	Total	Neither past due nor impaired	Past due but not impaired				
			<30 days	30-60 days	60-90 days	90-120 days	>120 days
2023	4,119,331	4,119,331	-	-	-	-	-
2022	2,397,725	2,335,226	-	-	-	-	62,499

Note 7 SHARE CAPITAL AND PAID-IN CAPITAL

Figures in EUR	**Number of shares**	**Share capital**	**Contributed Surplus**	**Paid in share capital**
Total share capital January 1, 2022	**41,367,783**	**103,419**	**87,117,249**	**87,220,668**
New issues in the period	-	-	-	-
Reduction in par value of shares	-	-	-	-
Total share capital December 31, 2022	**41,367,783**	**103,419**	**87,117,249**	**87,220,668**
New issues in the period	-	-	-	-
Reduction in par value of shares	-	-	-	-
Total share capital December 31, 2023	**41,367,783**	**103,419**	**87,117,249**	**87,220,668**

There were no changes to the share capital or the number of shares during 2023 and 2022.

Shareholders rights
There are no restrictions on voting rights or the transferability of shares in RomReal Ltd. The below summarised is the 20 largest shareholders as of 11 April 2024.

Rank	Name	Holding	Stake
1	**SIX SIS AG**	**10,331,934**	**24.98%**
2	**GRØNSKAG, KJETIL**	**5,963,006**	**14.41%**
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**	**1,588,099**	**3.84%**
7	**GRØNLAND, STEINAR**	**1,301,097**	**3.15%**
8	**Energi Invest as**	**1,253,611**	**3.03%**
9	**Orakel AS**	**1,101,000**	**2.66%**
10	**BNP Paribas**	**991,717**	**2.40%**
11	**SPAR KAPITAL INVESTOR**	**940,236**	**2.27%**
12	**THORKILDSEN INVEST AS**	**829,478**	**2.01%**
13	**KVAAL INVEST AS**	**860,000**	**2.08%**
14	**Arild Persson**	**722,912**	**1.75%**
15	**Anders Hoen**	**689,557**	**1.67%**
16	**AKSEL MAGDAHL**	**448,066**	**1.08%**
17	**Frenico AS**	**396,000**	**0.96%**
18	**Citibank**	**220,000**	**0.53%**
19	**Jo Egil Aalerud**	**166,864**	**0.40%**
20	**Eurotrade AS**	**161,952**	**0.39%**
	TOP 20	**38,853,650**	**93.94%**

(1) This is the Top 20 Shareholder list as per 11 April 2024
(2) The total issued number of shares issued at 11 April 2024 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 5,963,006 shares corresponding to 14.41%.
(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.

Note 8 RETAINED EARNINGS

Movements in retained earnings for the Group can be analysed as follows:

Figures in EUR	**Consolidated**
Retained earnings as of December 31, 2022	**(74,761,935)**
Net profit in the period	59,476
Retained earnings as of December 31, 2023	**(74,702,459)**

No dividends will be distributed by the Group in respect of 2023.

Note 9 CASH

Cash amounts to EUR 3,479,665 at 31 December 2023 (EUR 4,098,477 at 31 December 2022).
At parent company level, cash amounts to EUR 110,675 at 31 December 2022 (EUR 274,479 at 31 December 2022). There are no restrictions on the cash balances.

Note 10 TRADE AND OTHER PAYABLES

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Figures in EUR	**Consolidated**	
	2023	**2022**
Trade payables	41,199	51,601
Contract liabilities	249,930	243,903
Employee taxes	7,190	6,469
Other payables	70,541	63,774
Trade and other payables	**368,860**	**365,747**

At 31 December 2023, the balance of EUR 368,860 Other payables for the group as well as the balance of Other payables of EUR 426,482 for the parent company, include EUR 59,708 accrued expenses related to the 2023 audit fees.

Contract liabilities in amount of EUR 249,930 at 31 December 2023 (EUR 243,903 at 31 December 2022) mainly include the payments received in respect of pre-sales of plots.

Figures in EUR	**Parent company**	
	2023	**2022**
Payables to group companies	361,877	-
Employee taxes	-	-
Other payables	64,605	58,410
Trade payables	**426,482**	**58,410**

Note 11 ASSETS HELD FOR SALE

Figures in EUR - Consolidated		
	2023	**2022**
Opening balance as at January 1	-	2,480,010
Sales	-	-
Transfers to investment Properties (note 4)	-	(2,128,000)
Fair value adjustment during the period	-	(353,503)
Translation differences	-	1,493
Carrying amount as at December 31	**-**	**-**

The Group does not consider the completion of the transactions highly probable; the assets are not available for immediate sale in their present condition. Hence Piata Balada plot has been reclassified as investment property in 2022.

Note 12 REVENUE

Figures in EUR - Consolidated

		2023	2022
Rental income	6,18	233,357	188,148
Sales of properties	5	3,308,213	4,665,261
Cost of sales - properties	5	(1,856,374)	(3,480,332)
Total operating income		1,685,196	1,373,077

All rental revenue is generated from Balada market for both years. Future minimum rentals receivable under non-cancellable operating leases as at 31 December are, as follows:

Figures in EUR - Consolidated

	2023	2022
Within 1 year	233,357	188,148
After 1 year	-	-
Total operating income	233,357	188,148

The Sales of inventories during 2023 relate to the sale of several small plots of land, 2 (two) houses and 40,054 m2, part of the Ovidiu Residence (50,000m2) the Group owned in the town of Ovidiu.

Note 13 PAYROLL EXPENSES AND NUMBER OF EMPLOYEES

The key management (which includes the executive officer of the Group and its directors) received remuneration in amount of EUR 119,343 (2022: EUR 120,771). Mr Kjetil Grønskag's remuneration as CEO of the Group has been assimilated to the Management Support Agreement (see note 18).

The Directors are shown below together with their interest in the shares of the Company per 31 December 2023 and per 31 December 2022:

		31 December 2023	31 December 2022
Kjetil Grønskag	Appointed November 2006	**5,913,006**	5,913,006
Heidi Sørensen Austbø	Appointed April 2017	**Nil**	Nil
Bendt Thorkildsen	Appointed April 2016	**6,222,463**	6,222,463
Lacramioara Isarescu	Appointed April 2014	**Nil**	Nil
TOTAL		**12,135,469**	**12,135,469**

The average number of employees in Westhouse Group during 2023 was 12. Payroll expenses related to these employees amounted to EUR 315,324 during 2023 (2022: 260,660). All compensations offered by the Group are short term benefits. The Group does not offer a pension plan or other long term employee benefits to its employees as of December 31, 2023 nor are there any post-employment benefits.

Note 14 GENERAL AND ADMINISTRATIVE EXPENSES

Figures in EUR	Consolidated	
	2023	2022
Management fee	(104,004)	(97,200)
Legal expenses	(117,265)	(128,382)
Rent expenses	(5,665)	(6,137)
Travel expenses	(1,952)	(1,709)
Professional services	(90,990)	(63,708)
Land and other taxes	(52,784)	(67,895)
Other expenses	(360,976)	(333,966)
Total	**(733,636)**	**(698,997)**

Legal expenses include one off fees related to the legal services in connection with the sales of plots entered into during 2023. For the parent company, Professional Services include EUR 56,139 accrued expenses related to the 2023 audit fees.

Figures in EUR	Parent company	
	2023	2022
Management fee	(104,004)	(97,200)
Legal expenses	-	-
Rent expenses	-	-
Travel expenses	(1,952)	(1,709)
Professional services	(90,990)	(63,708)
Land and other taxes	-	-
Other expenses	(114,450)	(94,639)
Total	**(311,396)**	**(257,256)**

Note 15 OTHER OPERATING (LOSS) / GAINS

For RomReal (the parent company) “Other operating (loss)/gains” of EUR 1,061,542 gain in 2023 (2022: EUR 191,115 gain) relates mainly to change in the fair value of the investment in subsidiaries).

Note 16 FINANCIAL INCOME AND EXPENSE

Figures in EUR Consolidated	2023	2022
Interest income from subsidiaries	-	-
Interest income from banks	257,713	61,426

Total financial income	**257,713**	**61,426**
Interest expense and other bank fees	-	-
Foreign exchange gain	22,784	-
Foreign exchange loss		(24,429)
Total Financial gain and expense	**22,784**	**(36,997)**

Figures in EUR	**Parent company**	
	2023	**2022**
Interest income from subsidiaries	-	-
Interest income from banks	3,371	680
Total financial income	**3,371**	**680**
Interest expense and other bank fees	-	-
Foreign exchange gain		-
Foreign exchange loss	(780)	(10,756)
Total Financial Income and expense	**2,591**	**(10,076)**

During 2023 the RON has fluctuated against the EUR and at year end was 0.55% weaker against the EUR.

Note 17 TAXATION

RomReal Ltd. is registered in Bermuda and is consequently not subject to taxation. The subsidiaries are subject to taxation in Romania. The applicable tax rate in Romania is 16%. The applicable tax rate is the same whether any profits are paid out as dividends or retained in the company. There have not been any changes to the applicable tax rates in 2023.

Current income tax expense for 2023 was EUR 389,429 (2022: 177,719). The major components of the income tax expense for the periods ended December 31, 2023 and December 31, 2022 are:

Figures in EUR - Consolidated

	2023	**2022**
Current income tax charge	393,522	234,596
Deferred income tax movement in the period	(4,093)	(56,877)
Income tax expense/(income) in the consolidated income statement	**389,429**	**177,719**

The table below shows the composition of the deferred tax assets and deferred tax liability in the balance sheet:

Figures in EUR - Consolidated

	2023	**2022**
Losses carried forward resulting in deferred tax asset	54,876	55,178
Fair value adjustments of Investment property resulting in deferred tax liability	96,470	101,092

The following table shows the composition of the deferred tax asset per each company:

	2023	2022
Westhouse Group SRL	54,876	55,178
TOTAL	**54,876**	**55,178**

The deferred tax asset relates to the following:

	2023	2022
Carried forward fiscal losses	54,876	55,178
TOTAL	**54,876**	**55,178**

The following table shows the composition of the deferred tax liability per each company:

	2023	2022
Balada Shopping Market SRL	87,130	91,701
Westhouse Group SRL	9,340	9,391
TOTAL	**96,470**	**101,092**

The deferred tax liability relates to the following:

	2023	2022
Revaluation of investment properties to fair value	96,470	101,092
TOTAL	**96,470**	**101,092**

The Group measures the deferred tax liabilities and deferred tax assets in order to reflect the tax consequences that would follow from the manner in which the entity expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities. Consequently, where the group had transactions which are not expected to carry a deferred tax liability or the deferred tax asset, the group has not recognised such deferred tax. The Group used its judgement to determine whether there will be enough taxable income in the foreseeable future to offset the deferred tax asset against. Where there was not enough conclusive evidence to support that, such deferred tax asset was not recognised/written off.

The following shows a numerical reconciliation between the tax expense and the accounting profit.

	2023	2022
Accounting taxable profits/(loss)	448,904	(457,492)
Tax at applicable rate of 16%	(71,825)	73,199
Tax effect of (expenses)/income that are not (deductible)/taxable in determining taxable profit	(317,604))	(250,918)
Tax (expense)/income	**(389,429)**	**(177,719)**

The Company has not recognised a deferred tax assets in respect of the carried forward tax losses for which there was not enough evidence to support future taxable income to offset them against. The Group can carry forward the tax losses for a period of 7 years on a rolling basis.

Note 18 TRANSACTIONS WITH RELATED PARTIES

Transactions with subsidiary

As at 31 December 2023, RomReal Ltd. does not have any loan to its Romanian subsidiaries. Previous loans granted to Westhouse Group were converted into equity in 2020.

Transactions with other related parties

During 2023 the Company paid a direct remuneration of EUR 119,343 per year to Chairman and CEO Kjetil Grønskag. The Chairman and CEO agreement has a yearly remuneration of EUR 104,004 and a variable element of 0.7% of all realized sales.

The Group's Chairman Kjetil Gronskag, holds an executive position as Chief Executive of RomReal following Board approval on the 26 May 2016.

All transactions with related parties have been conducted following the principle of arm's length.

Note 19 FINANCIAL RISK, FAIR VALUES AND CAPITAL MANAGEMENT

The Group's principal financial liabilities comprise trade and other payables. Its financial assets comprise cash, as well as trade receivables.

Fair value
The fair value of the financial assets and liabilities are the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of borrowings is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities. The fair value approximates their carrying values gross of unamortised transaction costs.

The fair value of the Group's financial assets and liabilities is equal to the carrying amount.

Credit risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, from its financial investments and from its deposits with banks.
The carrying amounts of the Group's cash, other current assets and receivables represented the maximum exposure to credit risk in relation to financial assets. Cash is placed with reputable banks.

As of 31 December 2023, no trade and other receivables were impaired (see note 6).

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At 31 December 2023, the Group's had no exposure bearing the risk of changes in market interest rates

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The objective of the Group is to ensure that sufficient cash is maintained to cover the operating costs until the market recovers. Equally, the Group is actively looking to divest some of smaller plots in order to strengthen its cash position. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Year ended 31 December 2023	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Other payables	-	368,860	-	-	-	368,860
Deferred income	-	-	-	-	-	-
Tax payable	-	808	-	-	-	808
Total	-	**369,668**	**-**	**-**	-	**369,668**

Year ended 31 December 2022	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**> 5 years**	**Total**
Other payables	-	365,747	-	-	-	365,747
Deferred income	-	-	25,124	-	-	25,124
Tax payable	-	1,932	-	-	-	1,932
Total	-	**367,679**	**25,124**	**-**	-	**392,803**

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is subject to foreign exchange risk as the Romanian subsidiaries have business activities denominated in RON, which is different from the currency of the parent company, EUR. All investment properties are owned by the Romanian subsidiaries and thus denominated in RON. However, it is the market practice that investment properties are valued with reference to EUR denominated values, thus minimising the foreign exchange risk of the Group. From an operational point of view, the Group's policy is to mitigate these effects by retaining as much cash in EUR as possible and also by denominating receivables in EUR. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities of the subsidiaries before they get translated into the functional currency of the Group. The impact on the Group's equity is due to the translation reserves.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions.

The Group monitors capital primarily using a loan to value ratio, which is calculated as the amount of outstanding debt divided by the valuation of the investment property portfolio. The Group's policy is to keep a low average loan to value ratio of the Group and in any event not higher than 70%. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group complies with its target loan to value ratio and no changes were made in the objectives, policies or processes during the years ended 31 December 2023 and 31 December 2022 and had no financial debt.

Note 20 GUARANTEE OBLIGATIONS

The Group has not issued any guarantees on behalf of external parties.

The directors of the Parent Company have issued a support letter to its operating subsidiaries stating its intentions to continue to support the subsidiaries if issues regarding their viability subsequently arose.

Note 21 EARNINGS PER SHARE

Basis for calculation of earnings per share	Consolidated	
	2023	**2022**
The year's earnings from continuing operations	59,476	(635,211)
No. of shares at the balance sheet date	41,367,783	41,367,783
Average of no. of shares	41,367,783	41,367,783
Earnings per share	**0.0014**	**(0.0154)**
Diluted Earnings per share	**0.0014**	**(0.0154)**

Basis for calculation of earnings per share	Parent Company	
	2023	**2022**
The year's earnings from continuing operations	701,386	(596,305)
No. of shares at the balance sheet date	41,367,783	41,367,783
Average of no. of shares	41,367,783	41,367,783
Earnings per share	**0.0170**	**(0.0144)**
Diluted Earnings per share	**0.0170**	**(0.0144)**

Note 22 SUBSEQUENT EVENTS

No subsequent events.

Note 23 AUDITORS FEES

Figures in EUR

	2023	**2022**
Audit services	90,990	59,708
Tax advice	-	-
Other services not related to auditing	-	-
Other assurance services	-	-
Total auditors fees	**90,990**	**59,708**

Statement

pursuant to Section 5-5 of the Securities Trading Act

We hereby confirm that the annual accounts for the Group and the Company for 2023 to the best of our knowledge have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit t or loss of the Group and the
Company taken as a whole.

The Directors' report gives a true and fair view of the development and performance of the business and the position of the Group and the Company, as well as a description of the principal risks and uncertainties facing the Group.

Bermuda, 19.04.2024
The Board of Directors of RomReal Ltd

....
Kjetil Grønskag (Chairman)

....
Bendt Thorkildsen

....
Heidi Sorensen (Director)

....
Lacramioara Isarescu (Director)

Company Addresses

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RomReal Ltd	Burnaby Building, 16 Burnaby Street, Hamilton, HM11, Bermuda
Auditors	Ernst & Young SRL, Premium Plaza Building, 3rd Floor, 63-69 Dr. Iacob Felix Street, Sector 1, 011033, Bucharest, Romania
Auditors	Ernst & Young AS, Thormøhlens gate 53 D, PO Box 6163, Postterminalen, Bergen, N5892, Norway
Legal Advisors	Wakefield Quin Limited, Victoria Place, 31 Victoria Street, Hamilton, HM10, Bermuda
Bank in Norway	Nordea Bank Norge ASA, Olav Munkegaten 21gt. 39/4, 7005 Trondheim, Norway
Bank in Romania	Alpha Bank Constanta, 175 Mamaia Boulevard, 900540, Constanta, Romania

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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.

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. 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.