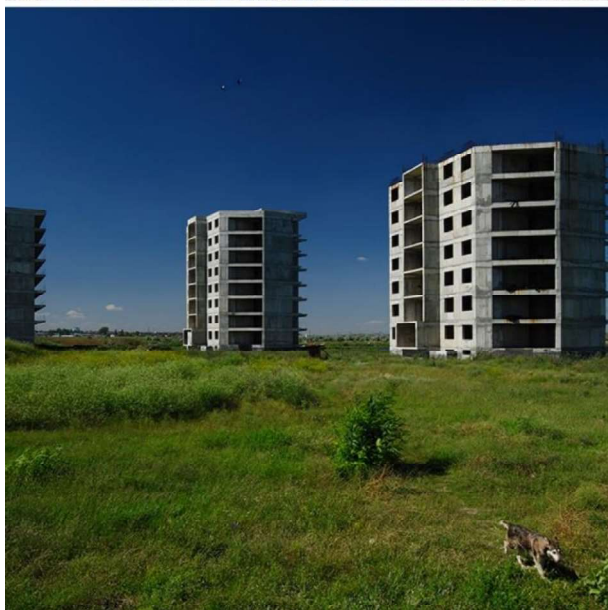
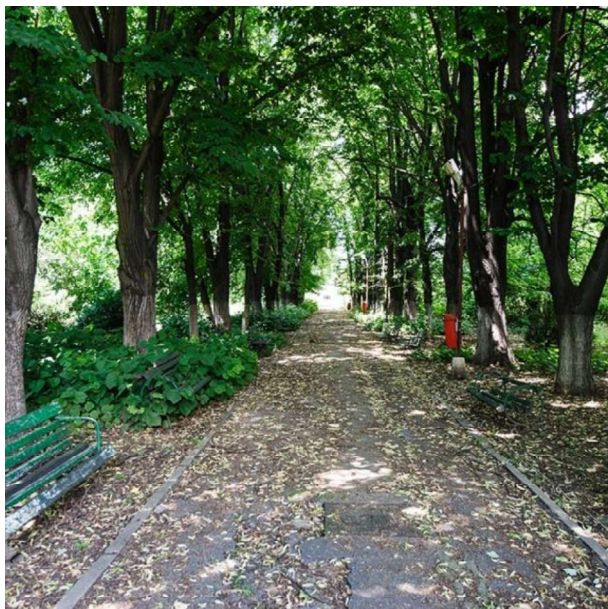


RomReal Limited Annual 2016 Report

11 April 2017



RomReal is a Company focused on the Romanian real estate market. Established in 2005 it owns a premium portfolio of properties in Constanta and Bucharest

2016 Highlights

Net Asset Value (NAV)

- Net Asset value was EUR 0.47 (NOK 4.26) per share, 11.7% up compared to the end of Q3 2016. The increase in NAV is mainly explained by the new year end valuation by Knight Frank Romania. The new valuation gave a 15.5% increase in the property value on a comparable plot basis compared to the end of 2015.
- Net Asset Value was EUR 0.5 (NOK 4.59) if the values from all Q1 2017 sales transactions are applied to the sold properties.

Operational highlights

- In the end of Q1 2017, the Company finalized two conditional sales transactions representing 51% of its investment portfolio. The transactions include the Mamaia North plots and the Morii Lake plot in Bucharest. The transactions amounted to EUR 17.75 million, excluding VAT. The selling price for Mamaia North is set to increase by another EUR 0.4 million, if a RomReal subsidiary is to win an on-going legal dispute with the local municipality regarding 1,453 sqm part of the plot.
- Following this sale, RomReal's total external debt EUR 11.6 million in Alpha Bank was fully repaid.
- In addition, EUR 1.75 million (VAT excluded) in cash is to be received and RomReal has provided the buyer with a secured vendor financing totaling EUR 1.75 million. This has to be paid monthly with equal installments plus interest within a year.

Financial Results

- Net Result for the year was EUR 1.22 million compared to an EUR 2.17 million loss in 2015. Operating cash flow for the year was a minus EUR 0.52 million compared to minus EUR 0.36 million in 2015.

Key Financials

EUR '000	YTD 2016	YTD 2015
Operating Revenue	500	1,488
Operating Expenses	(515)	(775)
Other operating income/ (expense), net	3,936	(1,986)
Net financial income/(cost)	(632)	(932)
Pre-tax result	3,290	(2,181)
Result for the period	1,215	(2,169)
Total assets	33,832	29,920
Total liabilities	14,463	11,876
Total equity	19,369	18,044
Equity %	57.2%	60.3%
NAV per share (EUR)	0.47	0.44
Cash position	707	541

Property Portfolio

Total size of the Company's Property Portfolio ("Land Bank") totalled 1,243,812 sqm at the end of 2016. Following the two sales transactions at end of March 2017, the Company's Land Bank is currently at 1,176,978 sqm. The Company owns prime location plots in Bucharest, and Constanta:

Plot name	Location	Size (m2)
1 Ovidiu Lakeside	Constanta North/Ovidiu	61,029
2 Badulescu plot	Constanta North/Ovidiu	50,000
3 Ovidiu Town	Constanta North/Ovidiu	4,641
4 Ovidiu (Oasis)	Constanta North/Ovidiu	24,651
5 Centrepont	Constanta North/Ovidiu	121,672
6 Gunaydin plot	Constanta North/Ovidiu	15,000
7 Balada Market	Central Constanta	7,188
8 Carrefour plot	Constanta	15,000
9 Morii Lake	Bucharest Sector 6	SOLD
10 Hospital plot	Bucharest Sector 5	13,263
11 Un-zoned land	Constanta	864,534
12 Mamaia North plot	Navedari/Mamaia	SOLD
Total		1,176,978

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

Romanian Macro development

Romania's economic development has remained strong and on an upward trend. Overall GDP growth is strong, and the trend is set to continue; growth end of 2016 came in at 4.8%, and economic analysts foresee strong growth also in 2017.

For the whole of 2016, the National Bank interest rate was kept at a low 1.75%, positively affecting an undeveloped real estate market, overall industrial activity and private consumption. The real estate market has a stable upwards trend illustrated by higher transaction volume and higher prices. Unemployment which has oscillated around 7% in the period 2010 – 2016, has fallen from 6.5% at the beginning of 2016 to 5.5% in December.

Private consumption continues to rise, driven by 1) low inflation – below zero as a result of a cut in the VAT, 2) increasing consumer credit – a 50% increase since December 2014, and low interest rate. Especially durable goods consumption grow rapidly, illustrated by car registrations. Car registrations in third quarter 2016 have grown over 50% since third quarter 2014. Industrial production slowed considerably in 2014 and 2015, but is now clearly rising. The last three months up to November have all seen annual growth rates between 4 and 5%.

Shareholder Overview

Please see below the list of the top 20 shareholders in RomReal as of 01 April 2017
4,288,179

Name	Holding	Percentage
SIX SIS AG 25PCT ACCOUNT	10,336,254	24.99
THORKILDSEN DØDSBO KAY TØNNES	5,415,756	13.09
GRØNSKAG KJETIL	4,038,449	9.76
SAGA EIENDOM AS	2,692,093	6.51
AUSTBØ EDVIN	2,108,500	5.10
E. LARRE HOLDING AS	1,614,444	3.90
Danske Bank A/S 3887 OPERATIONS SEC.	1,361,816	3.29
ORAKEL AS	1,101,000	2.66
SPAR KAPITAL INVESTO	940,236	2.27
ENERGI INVEST A/S	891,879	2.16
THORKILDSEN INVEST A	829,478	2.01
PERSOON ARILD	718,000	1.74
HOEN ANDERS MYSSSEN	689,557	1.67
Skandinaviska Enskil	628,832	1.52
SILJAN INDUSTRIER AS	611,100	1.48
JONAS BJERG PENSION NTS TRUSTEES LTD	558,306	1.35
Nordea Bank AB NORDEA BA. SWE. AB (504,784	1.22
CLEARSTREAM BANKING	438,383	1.06
BNP Paribas Securit S/A SPEARPOINT LTD	406,856	0.98
FRENICO AS	396,000	0.96
TOTAL TOP 20	36,281,723	88

(1) This is the Top 20 Shareholder list as per 01 April 2017.

(2) The total issued number of shares issued at 01 April 2017 was 41,367,783.

(3) Chairman Kjetil Grønskag owns directly and indirectly 4,288,179 shares corresponding to 10.4%.

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

(5) RomReal Director Arne Reinemo controls directly or indirectly SILJAN INDUSTRIER AS.

(6) 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.

RomReal Ethical Policy

Introduction

RomReal is presently not involved in any construction or development projects but maintains its principles with regards to Ethical Policy since its listing to the Oslo Stock Exchange. These can be found below:

Energy

From initial site surveys, through to the specification of fixtures and fittings, the Company aims to identify the most energy-efficient solutions. The Company is seeking more intelligent and sustainable approaches to building 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 selecting all construction materials carefully. The aim is to protect natural resources and reduce carbon emissions, 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. 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 build sustainable communities for everyone.

Healthy Living

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

Education

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. The Company aims to evolve as an enduring partner for the region, and wants to create lasting improvements that raise standards of living and employment for the next generation.

Board of Directors



Kjetil Grønskag - Chairman of the Board and CEO

Mr. Grønskag holds a master of General Business (siviløkonom) from Handelshøyskolen BI and is a Certified Financial Analyst (CFA) from the Norwegian School of Economics and Business Administration. 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.



Arve Nilsson - Board member

Arve Nilsson is an independent investor with extensive international experience in equity capital markets currently service as CIO of Danish Family Office Følsgaard Invest. Arve has over 30 years' experience in equity sales, fund Management and real estate investment. Previous employers include Carnegie both in Copenhagen and in London and Danske Bank in Copenhagen. Arve holds a master of General Business and Administration from Copenhagen Business School. He is a Norwegian citizen and resident in Copenhagen, Denmark.



Lacramioara Isarescu - Board member

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.