30 March 2020

**Reconstruction Capital II Limited ("RC2" or the "Company")**

**New Valuations of Private Equity Positions**

As part of the annual audit process, RC2’s auditors have requested from independent third-party valuers new valuations of the Company’s investments in Policolor S.A. and Mamaia Resort Hotels SRL as at 31 December 2019.

Because the change of Telecredit IFN SA’s business model from lending to individuals to financing small and medium sized companies is still in progress, RC2’s investment in Telecredit IFN SA (“Telecredit”) has not been valued by independent third-party valuers, but rather reflects RC2’s share of Telecredit’s net asset value audited under IFRS as at 31 December 2019.

The table below shows the new and prior valuations of the main private equity positions:

|  |  |  |
| --- | --- | --- |
|  | Prior valuations € | Revised valuations € |
| Policolor SA | 18,320,000 | 12,000,000 |
| Mamaia Resort Hotels | 4,228,219 | 3,371,233 |
| Telecredit IFN SA | 895,764 | 804,859 |
| **TOTAL** | **23,443,983** | **16,176,092** |

The above new valuations are based on assumptions applicable prior to the outbreak of the COVID-19 pandemic, and consequently do not reflect the negative impact of the pandemic.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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