

25 September 2019

## **Reconstruction Capital II Limited**

### **Disposal of last plot of Policolor S.A. site**

Reconstruction Capital II Limited ("RC2" or the "Company") announces that its 40%-owned investee company Policolor S.A. ("Policolor") has today sold the last plot of land on its main Theodor Pallady Bulevard Bucharest site, comprising 3.2 hectares, for a total price of €5.2 million, of which an advance of €1 million had already been received over 2017 and 2018. Originally, Policolor was due to receive the remaining balance of €4.2 million in the summer of 2019. However, pursuant to negotiations with the buyers, €3.4 million was received today, a further €0.1 million is due to be received in November 2019, and €0.7 million represents a "holdback" amount in respect of certain warranties and indemnities provided by Policolor, to be released, if applicable, in September 2020. Policolor's bankers have agreed to Policolor paying out a dividend of up to €2 million out of the land proceeds, subject to certain conditions being met, of which RC2's share would be €0.8 million. Policolor intends to make dividend payments to the extent permitted by its bankers over 2019-2020, subject to its cashflow allowing it to make such distributions.

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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.