



## INTERIM STATEMENT Q3 2019

### **ROY Asset Holding SE: The third quarter results reflect the improved sales performance**

Hungen, 30 November 2019 – **During the first nine months of fiscal year 2019, ROY Asset Holding SE generated revenues in the area of real estate activities of EUR 2.1 million. In the ceramic division, sales of EUR 2.6 million were achieved through the purchase of Klingenberg Dekoramik GmbH.**

**The planned net loss of 11.5 million euros for the first nine months of 2019 reflected the planned depreciations for the machines and property and investments in ceramic (Klingenberg) and real estate, as well as exchange rate effects. Real estate sales in the first nine months are comparable to those in the same period of 2018. Sales of ceramics are attributable to the acquisition of Klingenberg Dekoramik GmbH.**

Due to the real estate activities, in particular from the rental activities of Kirby Interchange, ROY Asset Holding SE generated significant revenues in the first nine months of the 2019 financial year. In the field of ceramics, substantial sales were achieved in Q3 2019 with the purchase of Klingenberg Dekoramik GmbH.

### **Financial position**

The fixed assets of ROY Asset Holding SE amounted to EUR 104.7 million as at the end of the third quarter 2019 (31 December 2018: 102.7 million euros). The assets are predominantly made up of immovables and property, plant and equipment. The current assets to the value of EUR 13.8 million are attributed primarily to inventories and other receivables. The Group's equity amounts to EUR 96.8 million as at 30 September 2019 (31 December 2018: 98.3 million euros).



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### **Forecast**

The information contained in the forecast report contained in the Group management report in the 2018 Annual Report continues to apply to ROY Asset Holding SE. Deviating from this, ROY now expects consolidated sales of EUR 9 to 10 million for the full year 2019, compared to EUR 3 million in the previous forecast.

### **Ceramics**

The purchase of Klingenberg Dekoramik GmbH in July 2019 makes a significant contribution to the sales development in the Ceramics Division. The development and production of high-quality sanitary ceramics, together with an OEM partner in Eastern Europe, is developing well. It is still planned in the long term to manufacture and distribute sanitary ceramics under the brands of the ROY Group.

### **Real estate**

The real estate projects are developing well. The largest project in the group and their partners, the 3300 Main development project, is on schedule and budget. The planned improvements to the Kirby Interchange property have been completed and the project is expected to be commercialized in Q1 2020.

### **Post balance sheet date events**

Four properties were purchased for the newly created "House Renovation" division of the Real Estate division, and in the meantime, the first property was successfully sold in November. The business model is to buy, renovate and resell homes in Los Angeles that are in need of refurbishment. The target return for each project is an IRR of 15% pa.



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### **About ROY Asset Holding SE**

ROY Asset Holding SE is a US-focused project developer in the fast-growing Los Angeles / California and Houston / Texas regions. In the field of ceramics, ROY is active as a manufacturer of high-quality tiles “Made in Germany” for use in medium to high-priced premises and businesses. ROY Asset Holding SE also plans to become active again in the field of sanitary ceramics.

**For further information, please contact us at:**

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