IMPACT DEVELOPER & CONTRACTOR S.A.

INDEPENDENT ASSURANCE REPORT
AS OF JUNE 30, 2018

The Board of Directors,
IMPACT DEVELOPER & CONTRACTOR S.A.
Romania

INDEPENDENT ASSURANCE REPORT ISSUED PURSUANT TO THE REQUIREMENTS OF F.S.A. Regulation no. 5/2018

Purpose of report

Further to your request, we have performed procedures, enumerated below, with regard to the information included in the Current Report dated 30 July 2018 ("the Current Reports"), reported by IMPACT DEVELOPER & CONTRACTOR SA ("the Company") to the Financial Supervisory Authority ("F.S.A.") and the Bucharest Stock Exchange ("B.S.E.), in relation to the contracts concluded by the Company with administrators, employees, controlling shareholders, as well as affiliates, whose individual value accounts for at least the RON equivalent of EUR 50,000 (the "Contracts") as provided in art. 82 of Law no. 24/2017, on the capital market and F.S.A. Regulation no. 5/2018 on securities issuers and operations. The responsibility for the preparation of the Reports devolves upon the Company's management.

Our engagement was undertaken in accordance with the International Standard on Assurance Engagements (ISAE) 4400, Engagements to Perform Agreed Upon Procedures Regarding Financial Information. Under this standard we perform sufficient procedures, in order to obtain limited assurance with respect to the objectives of the specific procedures enumerated below. Because such limited procedures are not considered an audit or review of the financial statements or any parts thereof due to their inherent limitations and accordingly we do not provide any such assurance.

Our procedures were applied solely for the purpose of supporting you in assessing the validity of the information presented in the Reports and are summarized as follows:

1) Obtain Current Reports, detailing the list of transactions reported for the 1st semester of 2018 and agree the details of the contracts included the Current reports to the underlying contracts.
2) Obtain and review the contracts to verify that these have been authorized by the contracting parties and to ascertain whether they provide for: the contracting parties, the contract date and nature, the description of the purpose, the total value of the document, the mutual debts, guarantees, payment terms and deadlines.
3) Obtain an understanding, by discussing with Management, as to how the contractual relationship for the reported contracts was established.
4) Discuss with Management and comment on the company's internal policy with respect to transactions with its administrators, employees, shareholders that have control, as well as its related parties.

Our procedures have been applied only to the contracts included in the Reports filed in the time span January 1, 2018 – June 30, 2018, and having a cumulated value of at least the RON equivalent of EUR 50,000. The procedures have been conducted with the sole purpose of reporting according to art. 144, letter B, paragraph 4 of F.S.A. Regulation no. 5/2018.

We have not conducted additional procedures to verify whether the Reports mention all the contracts concluded with administrators, employees, controlling shareholders and affiliates thereof between January 1, 2018 and June 30, 2018 or whether the Reports include all the required information that must be reported, according to art. no. 82 of Law no. 24/2017.

Results of procedures

Our findings are presented below:

i. We obtained the Current Reports signed by Management and we agreed the details of the contracts pertaining to 1st semester reported in the Current Reports to the underlying contracts. No difference found. Our procedures have been applied only to the transactions/contracts that exceeded 50,000 EUR during the 1st semester of 2018. We have not performed any procedures to verify whether this list include all the transactions to be reported by the Company under the provisions of art. 225 of Law 297/2004 for the period 01 January 2018 – 30 June 2018.

ii. We obtained and reviewed the contracts and verified that these have been authorized by the contracting parties and verified whether they provided for the contracting parties, the contracts date and nature, the description of the purpose, the total value of the document, the mutual debts, guarantees, payment terms and deadlines. No difference found.

iii. With respect to item (3) above, Management informed us that the price agreed between the parties were established as stated in point iv below.

iv. With respect to item (4) above, based on our discussions with the management, we understand that the Company enforces the same internal policies in its contractual relations with affiliates as with other contractual partners with which it does not have special relations. We understand, based on our discussion with Management, that the Company has adopted the following pricing policies:

   a) With respect to the contract no 49/01.12.2014 addendum no 4/19.02.2016, SC ACTUAL INVEST HOUSE SRL renders services represented by any form of occasional intervention, repairs, replacement, maintenance necessary to keep the buildings in a state of normal use. The price for these services is calculated based on work statements received from subcontractors.

   b) With respect to the contract no 49/01.12.2014 addendum no 4/19.02.2016, SC ACTUAL INVEST HOUSE SRL renders maintenance services for the Company's buildings and other assets. The price of these services is fixed, in amount of RON 48,000. By Addendum no. 7 / 01.03.2018 for March 2018, the price decreases to 42,500 RON and starting with April 2018 the price of these services is 32,500 RON. The price has been negotiated between the two Companies and is calculated based on number of hours and price per hour for each type of activity rendered;

   c) With respect to the collaboration agreement concluded on 27.07.2018, Bergamot Development SRL provides consultancy and real estate brokerage services. The price was negotiated between the two parties and approved by the Board of Directors of the Company.

   d) With regard to the collaboration contract concluded on 27.07.2018, Bergamot Development SRL provides project management, design, planning and architectural design, procurement services and legal services. The price of these services is calculated on the basis of time sheets and activity reports.

e) As regards the loan agreement with Bergamot Developments Phase II SRL, the borrowed amount carries an interest rate of 6.5% / year

We mention that the transactions listed in the Current Reports will be eliminated in the consolidation process of the Company for the year ended December 31, 2018 and will not impact the consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2018.

Other aspects

Since the procedures herein above do not account for an audit or a review in accordance with International Standards on Auditing or International Standards on Review Engagements, we express no assurance on the Reports.

Should we have conducted additional procedures, an audit or a review of the Company's financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters that would have been reported to you would have probably drawn our attention.

The sole purpose of our report is that laid down in the first paragraph hereof, the report is prepared for your information only and must not be used for any other purposes or distributed to any other parties, except for the F.S.A. and the B.S.E. This report relates only to the elements mentioned hereinabove and does not extend to any of the financial statements of IMPACT DEVELOPER & CONTRACTOR SA taken as a whole.

For signature, please refer to the original Romanian version.

Deloitte Audit S.R.L.
Bucharest, Romania
July 30, 2018

Appendix 1