



REPORT

Board of Directors

2018

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2018 HIGHLIGHTS



Operational

- 232 dwellings sold (21,988 sqm)
- 197 pre-sale agreements and reservations on December 31, 2018 estimated as sales in 2019 and 2020
- Delivery of 276 apartments (28,000 sqm) for Greenfield Baneasa Residence (“Greenfield”)
- Further development of 192 apartments built in the Greenfield project, to be delivered during the second half of 2019
- Starting works for the Luxuria Domenii Residence project (“Luxuria”)
- Initiation of the procedure for obtaining the new Zonal Urban Plan (PUZ) for Greenfield IV, which includes Greenfield Plaza (a commercial and leisure centre)
- Initiation of the procedure for obtaining the Zonal Urban Plan (PUZ) for the residential projects to be developed in Constanta
- Further actions for updating the technical documentation related to the residential project to be developed in Timisoara Blvd. – Prelungirea Ghencea (Bucharest)
- Active and sustained involvement in sport events and Corporate Social Responsibility (“CSR”) actions
- Identifying locations/plots of land in Bucharest and other cities throughout the country for future developments
- Participation in the public tender initiated by the Bucharest City Hall with the view of acquiring apartments. The public tender was won by Impact early 2019 (70 apartments in Greenfield).

Financial

IFRS NAV

446.8 mLEI

+ 19.3 mLEI (2017: 427.5 mLEI)

EPRA NAV

720 mLEI

+ 120 mLEI (2017: 600 mLEI)

Sales

101.5 mLEI

- 10.2 mLEI (2017: 111.7 mLEI)

Pre-sales and reservations as at 31 December 2018

96.1 mLEI

+ 90.2 mLEI (2017: 5.9 mLEI)

IMPACT, OVERVIEW

- 27 years of leadership, innovation and excellence in real estate
- Since its establishment in 1991, Impact ranked on the Romanian real estate market as an innovative company.
- Impact is the first real estate developer after the communist era, established with 100% Romanian capital.
- In 1996 the company was listed on the Bucharest Stock Exchange (“BSE”), whereby Impact has become the first representative of the real estate development and construction sector listed on the Stock Exchange.
- In 2006 the shares of the company were promoted to Category I of the Stock Exchange and in 2015 to the Premium category.



- Over 10,000 inhabitants
- Over 4,000 dwellings built
- Investments exceeding EUR 400 m
- Over 450,000 sqm built
- 16 residential compounds developed
- Expansion at national level
- Over 100 distinctions obtained

IMPACT ON THE CAPITAL MARKET

Impact Developer & Contractor is listed on the Bucharest Stock Exchange since 1996. As of 2006, its shares, currently amounting to 277,866,574, are listed in the 1st category of the Bucharest Stock Exchange, and since January 2015, Impact's shares are traded in the Premium category, according to the new segmentation of the Bucharest Stock Exchange. There are no restrictions for the security transfer, there are no restrictions for the voting rights, and there are no holders of securities with special control rights.

Shares held by the members of the Board of Directors on December 31, 2018

- Mr. Beze Laviniu-Dumitru holds 0.82% of Impact's shares (0.25% as natural person and 0.57% through Beze Business Consulting), specifically a total number of 2,287,972 shares;
- Mr. Pandele Daniel holds 1.27% of Impact's shares (0.01% as natural person and 1.26% through Danielis Star Company), specifically a total number of 3,507,104 shares;
- Mrs. Scarlat Ruxandra-Alina holds c. 0.01% of Impact's shares, specifically a number of 28,500 shares;
- Mr. Gabriel Vasile holds c. 0.01% of Impact's shares, specifically a number of 35,500 shares;
- Mrs. Urda Iuliana-Mihaela holds c. 0.01% of Impact's shares, specifically a number of 28,500 shares.

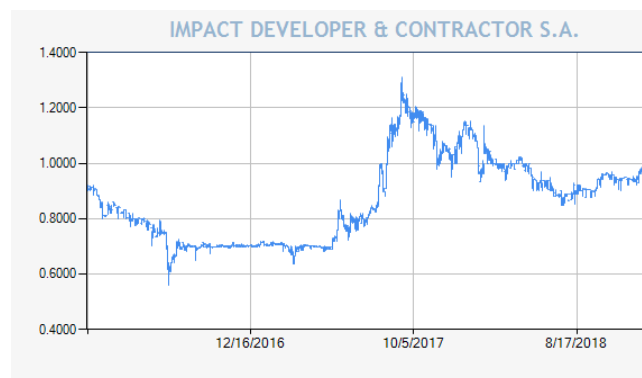
Status of shares redeemed as at December 31, 2018

- Shares redemption program: maximum 7,000,000 shares according to the Decision of the General Meeting of Shareholders No. 3 dated June 15, 2017
- Total redeemed shares: 3,391,007 shares
- Shares redeemed in 2018: 2,697,090 shares
- Shares left to be redeemed on December 31, 2018: 3,608,993 shares
- Shares redeemed until December 31, 2018 shall be cancelled and therefore, the share capital of Impact Developer & Contractor shall be reduced.

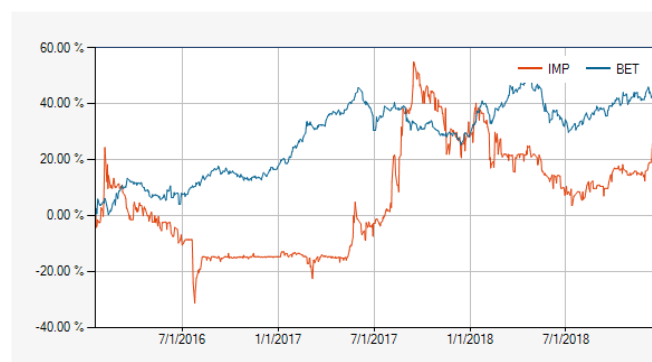
Dividends granted in the past 3 years

In 2017 the granting of dividends for 2016 was decided, at 0.0404 LEI / share, amounting to a total of 11.23 mLEI (according to the Decision of the General Meeting of Shareholders dated April 28, 2017)

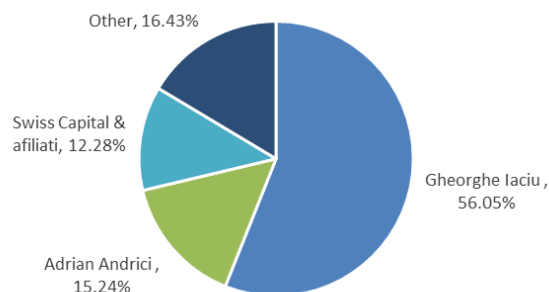
Evolution of Impact share price ("IMP")
 2016 – 2018



Relative evolution of IMP vs. BET Index
 2016 – 2018



Shareholders' structure - Impact Developer & Contractor
 as at 31 Dec 2018



As per the information provided by the Central Repository, on December 31, 2018, 84.24% of the shares were held by natural persons and 15.76% of the shares were held by legal entities

IMPACT ON THE CAPITAL MARKET

METRICS	31-Dec-17	31-Dec-18
Price per share (RON)	1.05	0.99
Number of shares (Impact Developer & Contractor)	277,866,574	277,866,574
Market capitalization (RON)	291,759,903	275,087,908
IFRS (consolidated)		
Net profit (LEI)	51,098,000	20,828,000
Net asset value ("NAV")	427,450,000	446,808,000
Profit per share (LEI)	0.18	0.07
NAV/Share (LEI)	1.54	1.61
EPRA* (consolidated)		
Net asset value ("NAV")	599,972,909	720,021,945
NAV/Share (LEI)	2.16	2.59

*European Public Real Estate Association

The reconciliation between the Net Asset Value according to the IFRS consolidated financial statements and the EPRA standard is as follows:

LEI	31-Dec-17	31-Dec-18
NAV per the IFRS financial statements	427,450,000	446,808,000
Include:		
i) Revaluation of property developed for sale	77,743,519	32,208,675
ii) Revaluation of land held as inventory	68,574,389	203,296,632
iii) Revaluation of land held as fixed assets	-	7,760,639
Exclude:		
iv) Deferred tax	26,205,000	29,948,000
EPRA NAV	599,972,909	720,021,945

i) Revaluation of property developed for sale

The inventories/finished goods (apartments) were revaluated at market value on December 31, 2017 and December 31, 2018 by Colliers Valuation and Advisory. The increase / difference between the market value resulted after the revaluation and the book value (the lowest value between the cost and the net realisable value) has been included in the Net Asset Value according to EPRA.

ii) & iii) Revaluation of land held as inventory and as fixed assets

The land (included in investment properties, inventories and fixed assets) was revaluated on December 31, 2017 and December 31, 2018 by Colliers Valuation and Advisory. The adjustment was done to reflect the market value of the lands included in inventories and fixed assets. Land included in inventory were valuated in the IFRS financial statements at the lowest value between the cost and the net realisable value. Land included in fixed assets is valued in the IFRS financial statements at cost. The revaluation of the lands included as investment properties is reflected in the IFRS financial statements at the market value.

iv) **The deferred tax** recorded in the IFRS financial statements resulted from the difference between the book value and the tax value of the investment properties (lands).



PROJECTS PORTFOLIO

Ongoing projects

RESIDENTIAL COMPOUND GREENFIELD BANEASA

Unique location

District 1, framed on two sides by 900 ha of woodland: Baneasa Forest and Tunari Forest

Easy access

The National Road DN1 and the Ring Road are just a few minutes away. The underground stations Washington and Paris on Line 6 that will connect the current network to the Otopeni Airport shall be located near GREENFIELD

Facilities

Current: public transport, private school, parks and playgrounds, restaurant, medical centre and supermarket

Future: State school, kindergarten, buses, Greenfield Plaza community center including SPA, pool, sports courts, restaurant, supermarket, bank.

Development in stages

3 Completed: Greenfield I, Greenfield II (Salcamilor Assembly), Greenfield III (Platanilor Assembly)

2 Future: Greenfield IV, Greenfield V



Greenfield I

Development	2007 - 2010
No. of Ap. & houses	680
No. of parking spots	680
Gross area (sqm)	59,602
% Sold	100%

Greenfield II (Salcamilor Assembly)

Development	2014 - 2016
No. of apartments	924
No. of parking spots	1,044
Gross area (sqm)	85,076
% Sold*	99.7%

* Including 5 pre-sale contracts and reservations as on December 31, 2018

PROJECTS PORTFOLIO

Ongoing projects (continued)

RESIDENTIAL COMPOUND GREENFIELD BANEASA

Greenfield III (Platanilor Assembly)

Development	2016 - 2019
No. of apartments*	944
No. of parking spots	1,162
Gross area (sqm)	89,950
% Sold**	44.7%

* Last 192 apartments will be completed in the second half of 2019

** Including 74 pre-sale agreements and reservations as at December 31, 2018, of which 52 for the 192 apartments that will be completed in 2019



Greenfield IV & Greenfield V

Development	2019 - 2026
No. of apartments	4,399
No. of parking spots	5,275
Gross area (sqm)	401,146
Value (mEUR)	495.3

2,548
 completed
 dwellings

*Including the 192 apartments
 that are to be completed in 2019*

*Greenfield
 first 3 phased
 completed*

2,023
 sold
 dwellings

*Including the 78 pre-sale
 agreements and reservations as at
 December 31, 2018*

PROJECTS PORTFOLIO

Ongoing projects (continued)

RESIDENTIAL COMPOUND LUXURIA DOMENII



Easy access

5 minutes away from 1 Mai underground station

2 minutes to multiple public transport options

Direct access to DN1 Ploiesti DN3/ Piata Victoriei/
 Pod Grand - DN2/ Ring Road – Mogosoia

Area reputation

The future pole of office buildings, after the Floreasca area.

Operating – Unicredit, OCPI, Ubisoft, Tiriac Holding, World Trade Center, City Gate, CNC.
 Under development – Portland, GTC offices, the new headquarters of ING Bank, SAB Romania, Skanska Romania

Development in phases

Luxuria Domenii Residence is a new development concept of Impact and is addressed to the premium segment of the residential market.

The Luxuria Domenii Residence project was started in 2018, shall be developed on an area of approximately 2.25 ha and shall bring on the market 630 apartments, estimated to be delivered as follows: 232 apartments during the first half of 2020, 268 apartments during the second half of 2020 and 130 apartments during the second half of 2021.

Top-rated location

District 1, the Northern area of Bucharest

Macro-layout - between Kiseleff Boulevard and Ion Mihalache Boulevard

Direct layout - between Expozitiei Boulevard and Aviator Popisteanu Street

Technological solutions

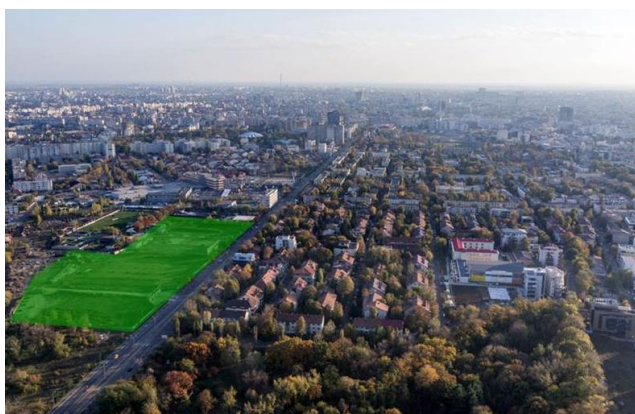
Since 2018, Impact is more and more preoccupied with State-of-the-Art technological solutions designed to add value to the built residences. Thus, Impact has initiated endeavours to implement solutions such as Smart Home and Smart City in Luxuria Domenii Residence.

Luxuria Domenii Residence (3 phases)

Development	2018 - 2021
No. of apartments	630
No. of parking spots	720
Gross area (sqm)	66,499
% Sold in the first phase (232 ap.) at Dec 31, 18	48%

PROJECTS PORTFOLIO

**Future developments 2019 – 2028
 (other than Greenfield Baneasa and Luxuria Domenii Residence)**



Barbu Vacarescu (Bucharest)

Development	2020 - 2026
Project type	Residential
No. of apartments	898
No. of parking spots	1,257
Gross area (sqm)	96,330
Value (mEUR)	170.7



Constanta (Constanta)

Development	2019 - 2024
Project type	Residential
No. of apartments	660
No. of parking spots	640
Gross area (sqm)	58,554
Value (mEUR)	56.5



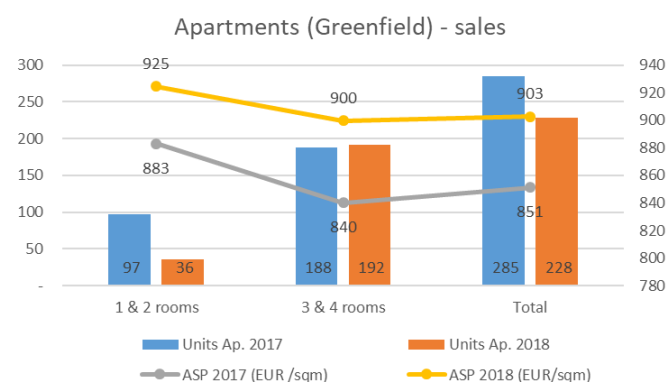
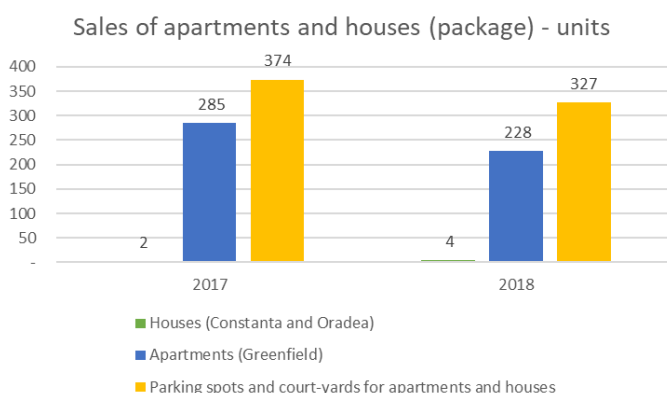
Ghencea (Bucharest)

Development	2020 - 2028
Project type	Residential
No. of apartments	1,437
No. of parking spots	1,722
Gross area (sqm)	138,020
Value (mEUR)	114.6

ACTIVITY OF IMPACT IN 2018

Sale of dwellings

In 2018, sales have reached a number of 232 residences (apartments and houses, plus ancillary parking places), 9 parking places and 2 plots of land (one in Constanta - 410 sq. m. and one in Voluntari – 71 sq. m.). The residences sold in 2018 totaled an area of 21,988 sq. m., 14.6% less than the area of the residences sold in 2017 (287 residences, 25,741 sq. m.).



From the total number of residences sold in 2018, 46 apartments (4,843 sq. m.) were sold in Salcamilor Assembly (Greenfield Baneasa) and 181 apartments (16,259 sq. m.) in Platanilor Assembly (Greenfield Baneasa). In 2017, from the total number of residences sold, 115 apartments (10,803 sq. m.) were sold in Salcamilor Assembly and 165 apartments (14,173 sq. m.) were sold in Platanilor Assembly.

The evolution of sales in 2018 compared to 2017 was influenced by the mix of property inventories available for sale (completed), specifically mainly 3 and 4-room apartments in Salcamilor and Platanilor Assemblies.

This is also reflected in the sales structure, whereas 3 and 4-room apartments represented 83% of the total number of units sold in 2018 (66% in 2017). The inventory of 1 and 2-room apartments shall be completed in quarter III of 2019, when the apartments due in phase 7.1 of Greenfield shall be delivered.

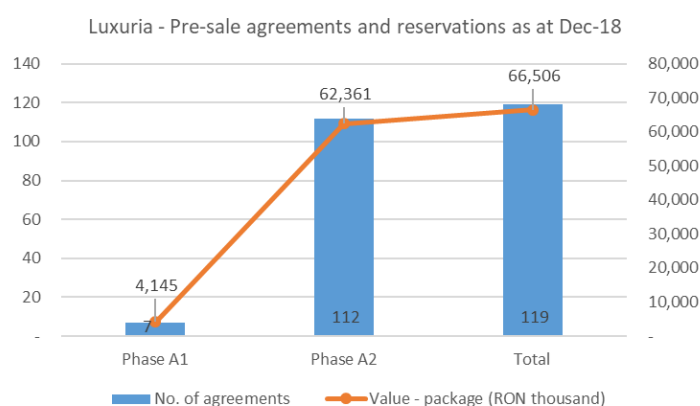
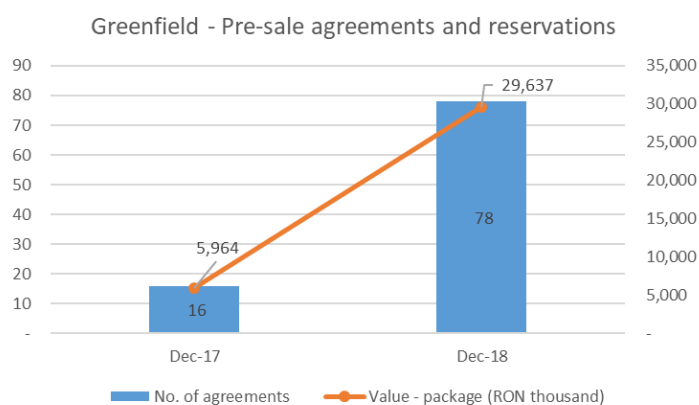
The average value of a transaction has increased by app. 12%, from app. 83.787 EUR in 2017, to 93.609 EUR in 2018, while the sales volume has dropped 19%, from 287 units in 2017, to 232 units in 2018.

The drop in the sale of residences was caused also by the closure of one of the access roads to the compound and intense unfavourable media coverage. Anticipating the situation, the Company has identified in 2016 other 3 alternative access solutions, related to which it has completed the procedures for the acquisition of the plots of land, while the permitting and approvals are still pending.

The access road was reopened in November 2018. In order to reopen the road, Impact has donated a plot of land of 6,000 sq. m. to the Bucharest Municipality to be granted as compensation to Romsilva S.A.

ACTIVITY OF IMPACT IN 2018

Sale of dwellings (continued)



In addition to the sale agreements, whose value is reflected in the income, on December 31, 2018 pre-sale contracts and reservations for 197 apartments in Greenfield and Luxuria were signed, with a value of app. 96 mLEI, estimated as income in 2019 and 2020.

52 of the 197 pre-sale contracts and reservations were for the 192 apartments of the Platanilor Assembly to be delivered during the second half of 2019.

Dwellings rental and sale of lands

The rental of apartments was not deemed a priority for the Company during the last years. Most of the residences with tenancies expired in 2015 were sold, so that at the end of 2018 only one residence was still rented out.

Impact offers for sale plots of land to natural persons and legal entities for the development of houses or small trading premises. The sale of lands is influenced by the customer's low appetite for this product cumulated with the lack of financial products designed for land acquisition.

Land bank as at 31 December 2018

Location	City	Surface (ha)	IFRS book value (mRON)	IFRS book value (mEUR)	EPRA value (mRON)	EPRA value (mEUR)	Investment value (mRON)	Investment value (mEUR)
Greenfield Baneasa	Bucharest	38.2	211.8	45.4	253.2	54.3	295.9	63.5
Luxuria Domenii	Bucharest (Expozitiei Blvd.)	2.4	51.0	10.9	133.8	28.7	133.8	28.7
Ghencea	Bucharest	25.9	71.3	15.3	86.9	18.6	86.9	18.6
Barbu Vacarescu	Bucharest	2.6	42.4	9.1	95.8	20.5	95.8	20.5
Zenit, Neptun, Boreal	Constanta	10.9	18.5	4.0	36.3	7.8	36.3	7.8
Other	Bucharest, Oradea	8.4	11.7	2.5	11.7	2.5	11.7	2.5
Total		88.4	406.8	87.2	617.7	132.4	660.4	141.6

The EPRA value represents the market value on December 31, 2018 according to the revaluations performed by Colliers Valuation and Advisory.

The investment value differs from EPRA value only for Greenfield, where the land value was determined by using the residual technique of the income approach for the land related to 6 Phases of Greenfield already started or that are to be started in 2019/2020. Both investment and market value were estimated by Colliers (i.e. 166 EUR/sqm for the investment value vs. 142 EUR/sqm for the market value considered for EPRA).

ACTIVITY OF IMPACT IN 2018

Apartments delivery

Impact's activity in 2018 was dominated by the development of two residential projects in Bucharest, specifically Greenfield Residence Baneasa and Luxuria Domenii Residence.

Greenfield: In 2018, the works for 12 buildings of the Platanilor Assembly were completed, specifically 276 apartments (~28,000 sq. m. built). Platanilor Assembly shall be completed during the second half of 2019, when the 6 buildings that are under construction shall be delivered (192 apartments with 1, 2 and 3 rooms, app. 14,500 sq. m. built).

Luxuria: In 2018 the construction for the first two stages of the project was started, estimating the delivery of the apartments as follows: 232 apartments during the first half of 2020, 268 apartments during the second half of 2020.

Other development-related aspects

Preparation of the documentation and initiation of the procedures for obtaining the Zonal Urban Planning (PUZ) for the fourth phase of the Greenfield project (Greenfield IV), including for the Greenfield Plaza community centre.

Further actions for updating the technical documentation related to the residential project to be developed on the land with an area of approximately 26 ha owned by the Company and located in Bucharest, in the area Timisoara Blvd. – Prelungirea Ghencea.

Initiation of the process required for obtaining the Zonal Urban Planning (PUZ) for the residential projects to be developed in Constanta (apartments).

Financing sources

- Self-financing from the sale and pre-sale of residences;
- Bank financing and from bonds issues;
- In 2018, Impact has obtained, by its branch Bergamot Development, crediting of approximately 16mEUR from UniCredit Bank for financing the first phase of the Luxuria Domenii Residence project (the first 232 apartments of the project).

CSR and sport events

In 2018 Impact, acting as partner, sponsor or organizer, was actively and constantly involved in sports events and CSR actions. Thus, we have attended, supported or organized:

- 4 running events acting as sponsor: Baneasa Forest Run (2 editions), Baneasa Race (1 edition), Bucharest Half Maraton (1 edition);
- A cleaning action of Baneasa Forest: Big Cleaning II, an event organized by the Greenfield residents community, with Impact's support;
- 2 tree planting events acting as organizer: in Spring we have planted over 300 trees, shrubs and ornamental plants, and in December 1,000 oak saplings in Baneasa Forest. We have planted during the last 5 years a total number of over 2,500 trees and shrubs;
- 1 "Houses for Birds" event in Baneasa Forest. We have built 100 bird houses and we have provided the logistics required for their placement in the forest by the residents of the Greenfield neighbourhood.



New technologies

Since 2018, the Company is more and more preoccupied with State-of-the-Art technological solutions adding value to the built residences. Thus, the Company has initiated actions for the implementation of solutions such as Smart Home and Smart City in Luxuria Domenii Residence.



ACTIVITY OF IMPACT IN 2018

Legal matters

Impact was and still is involved in several lawsuits, one of them settled in 2018.

Litigation with Brooklyn Property Management SRL

In 2018, the Company has signed a transaction whereby it has agreed, upon mutual concessions, to settle finally and irrevocably the disputes with Brooklyn Property Management, in which it was involved both as defendant and plaintiff.

In exchange of the agreed mutual concessions, Impact has paid to Brooklyn the RON equivalent of 880 thousand EUR.

The object of the lawsuits was the performance of and payment for the construction works for one of the developed projects developed by Impact in 2007 (Topaz). Brooklyn Property Management was the general contractor in the project, and Impact was the beneficiary.

Litigation with the Local Council of Cluj

Impact Developer & Contractor and Clearline Development & Management (one of its branches) have filed a lawsuit, as plaintiffs, against the Local Council of Cluj.

Impact Developer & Contractor and the Local Council of Cluj were supposed to develop a residential neighbourhood in Cluj (by the project company Clearline Development & Management, where Impact Developer & Contractor had to bear the development costs and the Local Council of Cluj had to bring a contribution in kind, specifically the land on which the residential project was to be developed.

While Impact Developer & Contractor has fulfilled its contractual obligations, the Local Council of Cluj has failed to fulfil its project-related obligation, namely to bring the contribution in kind, specifically the land on which the residential project was to be developed. Therefore, Impact Developer & Contractor and Clearline Development & Management have requested the courts to terminate the agreement concluded with the Local Council of Cluj and a material indemnity for the investments made in the project development.

Thus, on December 31, 2018, two lawsuits v. Cluj Local Council were pending as follows:

- At the Cluj Commercial Court case 79/1285/2012 was filed, whereby Impact requests the termination of the master agreement No. 55423/04.07.2007 concluded between Cluj Local Council and Impact. Moreover, the Company requests an indemnity, temporarily evaluated at 4,008,222 lei plus related interest, calculated since the occurrence of the damages, until the actual payment of the due amounts. The next hearing is set for March 27, 2019.
- At the Arges Commercial Court case 1032/1259/2012 was filed, whereby the Company's branch, Clearline Development and Management SRL, requests the Local Council of Cluj the payment of an indemnity, temporarily estimated at 17,053,000 lei plus related interest, calculated since the occurrence of the damages, until filing the lawsuit, with an estimated amount of 500,000 lei. The next hearing is set for April 18, 2019.

Litigation related to the land located in Barbu Vacarescu

Impact has filed a lawsuit against Cefin Real Estate Dezvoltare BV ("Cefin") for the separation and identification in the land book of the land owned by Impact in Barbu Vacarescu (2.6 ha). Impact and Cefin are the co-owners of a land of app. 10.5 ha, whereof 2.6 ha are owned by Impact and the rest by Cefin. In the file, the Court has approved only the evidence by topographic expert's report, as requested by Cefin. The next hearing is set for April 4, 2019.

Litigation related to the land located in Prelungirea Ghencea

The object of Case No. 5737/3/2018 filed with the Bucharest Court is a declaratory judgment, against the Romanian State and the Bucharest Council, in order to declare the existence of the ownership right over the land with an area of 258,925.36 sq. m. located in Bucharest, 402-412 Prelungirea Ghencea, district 6. The first hearing in the case is set for April 24, 2019.

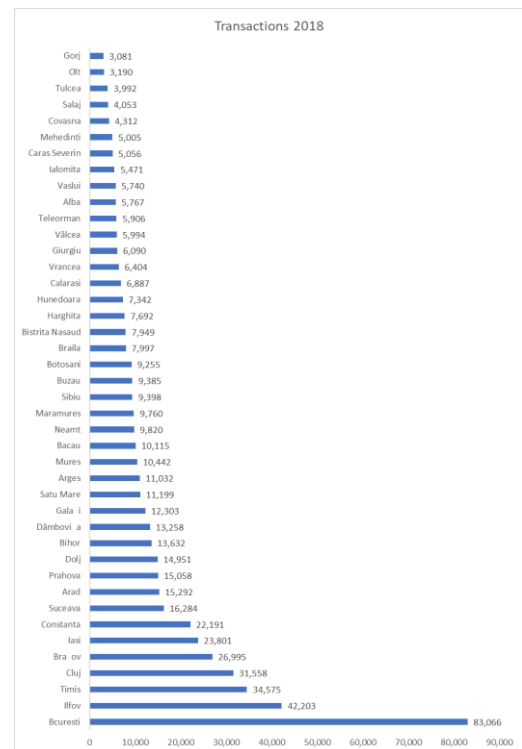
RESIDENTIAL REAL ESTATE MARKET

According to the data published by the National Agency for Cadastral Survey and Real Estate Publicity (ANCPI), last year, a number of 563,501 real estate sales were concluded at national level, which shows a decrease of 10.2% compared to the previous year, when 627,802 transactions were recorded. This decrease trend of the transactions number occurred only in the second part of 2018, when a decline of 23.7% took place. Thus, the first half was marked by an increase of 6.2%. In 2018, most sale agreements were concluded in Bucharest (83,066 transactions), while the following positions were occupied by the counties Ilfov (with 42,203 contracts), Timis (34,575), Cluj (31,558 acquisitions), Brasov (26,995), Iasi (23,801) and Constanta (22,191).

According to the market report published by Analize Imobiliare, during the fourth quarter of last year, residential properties in Romania have grown 1.6% compared to the previous three months. Thus, the quarterly Index of demanded prices has reached the value of 133.9, a level similar to the one valid during the third quarter of 2009 (calculation basis, i.e. 100, being applicable for 2015).

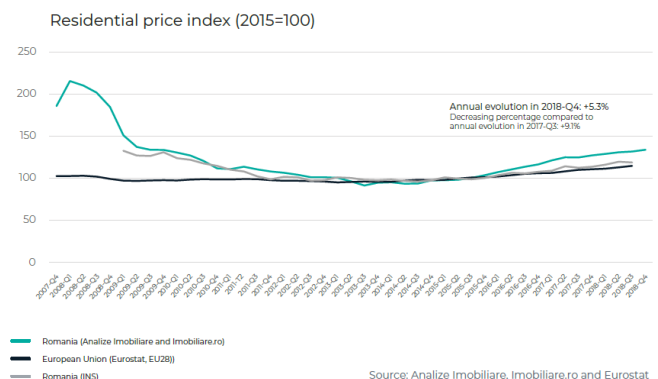
As an overall, the prices demanded for residential properties in Romania have grown 5.3% last year. This figure shows that the increase mitigation trend on the residential market has obviously increased last year, considering that prices have grown 9.1% in 2017 and 12.4% in 2016.

Despite the reduced increased pace recorded during the last year, the price difference at ten years continued to decrease. Thus, during the last quarter of 2018, the prices demanded at national level for residential properties (houses and apartments) were 27.6% below the level achieved during the similar period in 2008. As a comparison, in Q4 2017 the price difference at ten years (versus Q4 2007) was 31.5%.



Source: Q4 2018 Residential Market Report – Analize Imobiliare, Imobiliare.ro

Residential market

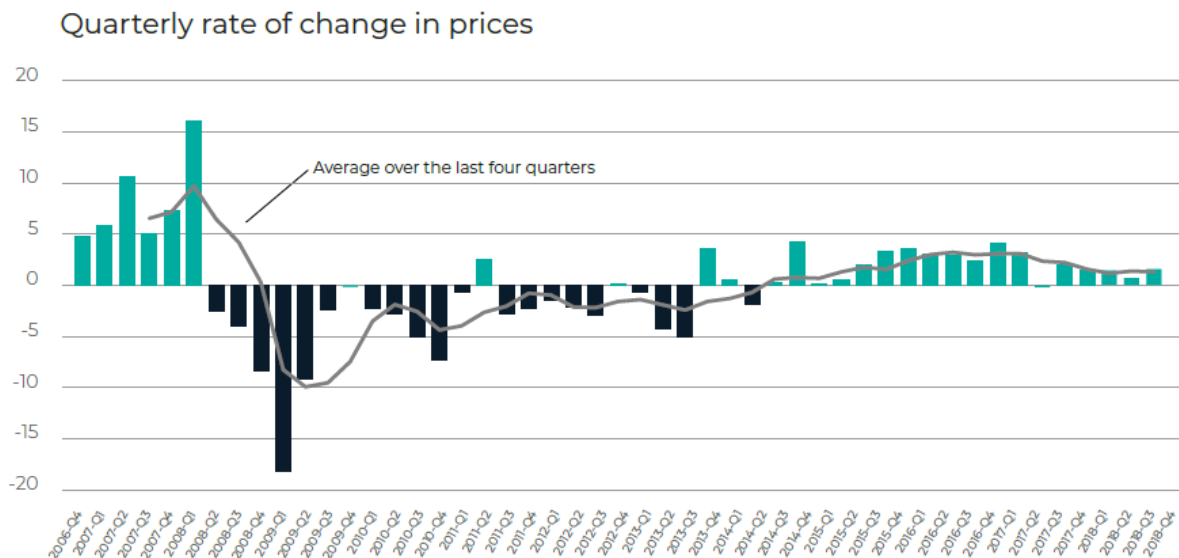


According to the data published by the National Statistics Institute and Eurostat for the third quarter of last year, the sale prices of residences at national level have shown an increase of 5.7% compared to the similar period of 2017, considerably higher compared to the increase of 4.3% recorded in the European Union.

“The quarterly average of price variations for the residential segment was, according to the data provided by Analize Imobiliare, 1.2% in 2018, dropping from 2.2% in 2017 and respectively 2.9% in 2016.” (Source: Analize Imobiliare)

RESIDENTIAL REAL ESTATE MARKET

Price evolution compared to the previous quarter



Source: Analize Imobiliare and Imobiliare.ro

During the last quarter of last year, in Bucharest, the price of apartments has grown 1.1%, while the yearly growth was 5.8%, according to the analysis performed based on the advertisements published on the imobiliare.ro portal by Analize Imobiliare.

In Q4 2018, the most important increase in the price of apartments located in Bucharest was noticed in the semi-central area and in the Northern part of the city. As a percentage, variations were a bit higher than the ones recorded during the previous three months, in a range between 3.6% and 7.6%. The first position in the ranking of price increases is occupied by the Herastrau-Nordului area, with a plus of 7.6%, being followed by Grivitei-Gara de Nord (+4.9%), Pipera (+4.6%), Stefan cel Mare (+3.9%), and also Ferdinand (+3.6%).

The top of the most exclusive areas of the Capital consists of the following areas:

1. Herastrau- Nordului with 2,550 EUR per net sqm
2. Kiseleff – Aviatorilor with 2,100 EUR per net sqm
3. Dorobanti – Floreasca with 2,000 EUR per net sqm
4. Aviatiei with 1,910 EUR per net sqm
5. Unirii with 1,700 EUR per net sqm



STRATEGY HIGHLIGHTS

- The development of Greenfield Baneasa Residence and Luxuria Domenii Residence
 - The development of new residential projects in Bucharest (Barbu Vacarescu, Ghencea) and Constanta
 - Minimization of production and sales cycles for the erected buildings in order to maximize the profitability of the invested capital and to minimize the investment payback period
 - Enhancement of the urban planning concepts for the offered products and continuous adjustment to the market requirements
 - Analysing and identifying new investment opportunities matching the models established by Impact
 - Identification of plots of land located in Bucharest and in cities with a population of over 250,000 inhabitants for developing projects of 700 – 2,000 apartments.
 - Attracting funds from banking institutions and/or by bonds issues to finance future developments
- 
- Involvement in activities and events promoting sports in open air, in corporate social responsibility actions designed to protect nature and the environment
 - Implementing Smart Home and Smart City solutions
 - Standardizing products by using State-of-the-Art materials and technologies
 - Optimization of operational and management costs for the Greenfield residential compound
 - Value maximization and clearance of the portfolio of lands located in Oradea and Constanta for which no future developments are planned

Strategic objectives	Progress 2018	Plan 2019
Development Greenfield	<ul style="list-style-type: none"> • 267 apartments delivered • Initiation of the process for obtaining the permits for Greenfield IV 	<ul style="list-style-type: none"> • 192 apartments to be delivered • Obtaining permits for Greenfield IV • Starting construction works for Greenfield IV • Starting construction works for Greenfield Plaza
Development Luxuria	<ul style="list-style-type: none"> • Starting the construction works for the first two phases (out of three) of the project 	<ul style="list-style-type: none"> • Continuing construction works for the first two phases • Starting construction works for the third phase of the project
Attracting financing for developments	<ul style="list-style-type: none"> • Obtaining financing for the first phase of Luxuria project • Analyzing the options for financing Greenfield IV 	<ul style="list-style-type: none"> • Obtaining financing for phases 2 and 3 of Luxuria project • Obtaining financing for the phases to be started in Greenfield IV
Identifying new locations for developments	<ul style="list-style-type: none"> • Market research for lands located in Bucharest and throughout the country 	<ul style="list-style-type: none"> • Land acquisition for developments in Bucharest and in new cities throughout the country

FINANCIAL PERFORMANCE

Financial performance

LEI thousands	2017	2018	Variatie %
Revenue from real estate inventories	111,708	101,534	(9.1%)
Costs of real estate inventories	(66,109)	(61,484)	(7.0%)
Gross profit	45,599	40,050	(16.1%)
Operating expenses/income, net	(29,833)	(22,316)	(25.2%)
Depreciation and amortization	(801)	(895)	11.7%
Gains on investment property	56,763	23,394	(58.8%)
Adjusted operating profit before exceptional items and impairment of other long term assets	71,728	40,233	(88.4%)
Impairment of other long term assets	(5,404)	(2,207)	(59.2%)
Other gains and losses (exceptional)	-	(3,676)	n.a.
Operating profit	66,324	34,350	(147.5%)
Finance costs, net	(5,419)	(5,943)	9.7%
Profit before income tax	60,905	28,407	(137.8%)
Income tax credit/(charge)	(9,807)	(7,579)	(22.7%)
Profit for the period	51,098	20,828	(160.6%)

Source: Audited IFRS financial statements as at 31 December 2018

In 2018 the apartments sales structure has changed in favour of 3 and 4-room apartments, while in 2017 the sales of 1 and 2-room apartments have had a higher share of the total sales. The inventory of 1 and 2-room apartments shall be supplemented in quarter III of 2019 when the apartments from the last phase of Platanilor Assembly (Greenfield) shall be delivered.

On December 31, 2018, in addition to the signed sale agreements, other pre-sale agreements and reservations were concluded, whose value is not reflected in the income of 2018, amounting to 96 mLEI.

The net results of 2018 are influenced by recurring costs, e.g. amicable settlement of the dispute between Impact and Brooklyn Property Management (net loss of 3.4 mLEI).

In 2018, Impact had donated a 6,000 sqm plot of land to the Bucharest Municipality in order to compensate Romsilva, with the possibility of opening the public access between Aleea Privighetorilor and Pusnicu Padurea Road.

The financing costs include interest expenses, which have increased due to the attraction of funds by bonds issue for future developments of residential projects and the use of bank loans for financing / building the last three stages of Platanilor Assembly and the first phase of the Luxuria Domenii Residence project.

Revenues have dropped app. 9% in 2018 compared to 2017 as a result of the decrease of the number of sold apartments, while the sale price has had a positive contribution.

FINANCIAL PERFORMANCE

Financial position

LEI thousands	31-Dec-17	31-Dec-18	Variatie %
Non-current assets, of which	208,637	225,241	8.0%
Investment property	193,343	217,113	12.3%
Property, plant and equipment	8,917	6,855	(23.1%)
Current assets, of which	418,340	422,310	0.9%
Inventories	363,623	365,753	0.6%
Cash and cash equivalents	47,476	30,740	(35.3%)
Total assets	626,977	647,551	3.3%
Liabilities, of which	199,527	200,745	0.6%
Loans and borrowings	163,553	148,994	(8.9%)
Equity	427,450	446,808	4.5%
Total equity and liabilities	626,977	647,553	3.3%

Source: Audited IFRS financial statements as at 31 December 2018

Investment properties have grown app. 12% on December 31, 2018 compared to December 31, 2017, as a result of the increase of the lands' market value. The lands were revaluated by Colliers Valuation and Advisory SRL both on December 31, 2018 and on December 31, 2017. These lands represent app. 99% of the Investment Properties (429,185 sqm) and are located in Bucharest (367,163 sqm) and throughout the country (Constanta, Oradea).

Property, plant and equipment dropped by app. 23% due to impairment provisions recorded in relation to long term assets.

Variations of inventories of app. 1% on December 31, 2018 compared to December 31, 2017 is the mixed result between the reduction of inventories further to the sale of apartments from Greenfield and the increase due to the capitalization for the Greenfield and Luxuria projects.

The Company's liabilities have decreased by 8.9% on December 31, 2018 compared to December 31, 2017, mainly due to the repayment of the loans taken for developing the Greenfield Baneasa Residence project.

Cash flow

LEI thousands	2017	2018	Variatie %
Cash and cash equivalents as at 1 Jan 2018	17,632	47,476	169.3%
Net cash from operations	(60,365)	(879)	(98.5%)
Net cash from investing activities	(3,659)	(1,082)	(70.4%)
Net cash from financing activities	93,868	(14,773)	(115.7%)
Cash and cash equivalents as at 31 Dec 2018	47,476	30,742	(35.2%)

Source: Audited IFRS financial statements as at 31 December 2018

In 2018, the Company has had an intensive cash flow. On one hand, significant entries were recorded from the sale of residences from Greenfield, the payment of outstanding interest related to the bonds issue, loan repayments and payments related to the investments for the completion of Platanilor Assembly from Greenfield.

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Board of Directors

The Board of Directors represents the decision-making body with regard to all matters that are significant for the Company in its entirety, due to their strategic, financial or reputational consequences. The Board of Directors shall delegate the Company management competences under the terms and to the extent provided for by law and by the Articles of Association.

The Board of Directors shall perform all acts that are necessary and useful in order to achieve the Company's business object, except for the ones provided for by law in the competence area of the General Meeting of Shareholders and the ones delegated to the chief executive officer.

The Board of Directors is structured in such manner as to allow its duties to be fulfilled with due diligence. The Board of Directors shall meet on a regular basis in order to ensure the fulfilment of its duties in an efficient manner. There is a clear distribution of responsibilities between the Board of Directors and the executive management.

The Board of Directors has 5 members:

- **Gabriel Vasile, Director;**
- **Laviniu-Dumitru Beze, Director;**
- **Daniel Pandele, Director;**
- **Ruxandra-Alina Scarlat, Director;**
- **Iuliana-Mihaela Urda, Director, Chairmen of the Board of Directors.**

Mr. Gabriel Vasile presented to the Board of Directors, on January 4, 2019, his resignation from the position of company Director.

The agenda of the Ordinary General Meeting summoned for April 24/25, 2019 includes an issue related to the election of a member of the Board of Directors, further to the resignation of Mr. Gabriel Vasile, for a mandate until 27.04.2021.

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Executive Management

The Board of Directors has decided that Mr. Bartosz Puzdrowski, Chief Executive Officer, and Mr. Gabriel Vasile, Director, are empowered to represent the Company according to the provisions of art. 143 index 2 paragraph 5 of the Company Law No. 31/1990, as of January 9, 2017.

On January 19, 2018, Impact's Board of Directors decided to appoint Mr. Bogdan Oslobeanu as Chief Executive Officer of the Company, for a four-year mandate, starting March 1, 2018 until February 28, 2022. He replaced Mr. Bartosz Puzdrowski, who asked the Company to terminate his mandate for personal reasons, starting March 1, 2018. Mr. Bartosz Puzdrowski has occupied the position of chief executive officer of the Company from September 1, 2016 to February 28, 2018.

Mr. Bogdan Oslobeanu has 19 years of experience in the financial field, in the management of industrial projects and development projects, working previously at Ernst & Young and KazMunayGas. He is a graduate of the Polytechnic University of Bucharest.

Mr. Bogdan Oslobeanu will continue the Company's development strategy at the level of existing projects, as well as the initiation of new projects to strengthen the top position Impact currently holds in the residential market.

In the summer of 2018, Impact has recruited Mr. Giani Kacic for the position of Chief Financial Officer, with expertise of over 21 years in the financial and accounting sector, gained in multinational companies, in order to lead the financial department of the company, who shall fulfil his duties jointly with the Chief Executive Officer.

The Board of Directors has decided to replace the person empowered to represent the Company according to the art. 1432 paragraph 5 of the Company Law No. 31/1990. Mr. Gabriel Vasile, the empowered person that has acted jointly with the Chief Executive Officer, was replaced on 14.11.2018, and the Board of Directors has appointed Mr. Kacic Giani-Iulian, Chief Financial Officer, as empowered person, according to the art. 1432 paragraph 5 of the Company Law No. 31/1990, who shall fulfil his duties jointly with the Chief Executive Officer.

MAIN RISKS AND UNCERTAINTIES

Risk

Market conditions

Management

- The global and local economic instability might have a negative effect upon the Company's cash holdings. This issue is closely monitored and necessary actions are taken to ensure the Company's stability.
- The slowdown of the economic growth and consumption in Romania might have a negative effect upon the Company's activity. The company takes necessary actions to make sure that its products remain attractive and are adjusted to the market requirements.

Legal environment

- The legal changes, the amendments to the permit obtaining procedure might have negative effects upon the Company's activity. Such changes and the effects upon the Company's activity are constantly monitored by the Company.

Credit risks

- As a real estate developer, the Company relies on funding obtained from third parties for the projects development. The limitation of access to financing might have negative effects upon the Company's capacity to develop new project. The Company management constantly monitors this issue and strives to diversify the Company's financing sources.
- A significant share of the Company's clients resort to bank loans for the acquisition of residences. Any strengthening of the conditions for the bank loans might have negative effects upon the apartment sales. This is also the case occurred at the end of 2018, when the maximum indebtedness ratio was reduced by the National Bank of Romania down to 40% of the net income for bank loans in RON and 20% for bank loans in foreign currency. The Company takes all necessary measures to mitigate the negative effects of such regulatory changes upon its activity.

Currency risks

- A significant increase of the foreign exchange rate for EUR might result in higher payments for loans, bonds and acquisitions made in relation to the construction works expressed in EUR. The main liabilities expressed in EUR are the CVI and BVB bonds, the loan obtained for financing the first phase of the Luxuria project and the construction agreements with the general contractor.

Geographic risks

- The Company's activity is concentrated in Bucharest and proximity. Although this issue represents a certain risk, the Company trusts that it will benefit from its experience in order to mitigate it.

CORPORATE GOVERNANCE

Corporate governance complies with the Romanian legislation in force, aiming to ensure both accuracy and transparency in terms of company's outcomes, and equal access of all shareholders to relevant information on the company.

Impact is managed under unitary system, its management being provided by the Chief Executive Officer, Bogdan Ionut Oslobeanu, along with the Chief Financial Officer, Mr. Giani Iulian Kacic under surveillance of the Board of Directors.

Corporate governance elements are implemented within the Company, pursuant to the Code of Corporate Governance adopted by the Board of the Stock Exchange in December 2016.

Impact has made and shall make all professional, legal and administrative endeavours required in order to ensure alignment with the provisions of the Code of Corporate Governance and the transparent presentation of such results.

Impact publishes in a dedicated section of its website details on the sessions of the General Meeting of Shareholders, specifically summons, materials/documents on the agenda, special power-of-attorney forms, correspondence voting forms, decision drafts.

Moreover, the company informs all shareholders immediately after a session of the General Meeting of Shareholders, via its website dedicated section, about the decisions adopted in the General Meeting of Shareholders and the detailed result of the voting. The Company also makes available for the shareholders / investors current reports, releases, the financial schedule, annual, half-yearly, quarterly reports. Direct relation with the investors is ensured by an appointed person, dedicated to informing the shareholders depending on their questions addressed in writing or by telephone.

Information on corporate governance are reported from time to time in the corporative governance statement included in the annual report and permanently updated by current reports and the website.

Along the years, the company complied with the provisions of Corporate Governance Code and currently carries out arrangements to comply with the provisions of the New Corporate Governance Code as well.

The Board of Directors met 35 times in 2018.

Independent members of the Board of Directors

- Alina Scarlat
- Laviniu Beze
- Pandeale Daniel

Nomination Committee

- Laviniu Beze
- Pandeale Daniel
- Gabriel Vasile (pana spre finalul anului 2018)

Codes and policies - since 2014, Impact has adopted the following documents on which corporate governance is based:

- Anticorruption Code
- Code of Conduct
- Company's ethical values
- Health and Safety Policy
- Reporting Policy

The Company's internal control is performed:

- Via the Procurement Department: the agreements shall be signed by the Legal Department, Procurement Manager, Chief Financial Officer and Chief Executive Officer;
- by the verification of the sale agreements by the Legal and Finance Departments; the agreements shall be signed by the Chief Executive Officer and the Chief Financial Officer;
- by preventive financial control, whereby the agreements' compliance is checked;
- by following up the payments to be checked by Preventive Financial Control and approved by the Chief Financial Officer and the Chief Executive Officer;
- by the implementation of the codes of conduct and ethics that are required in business, specific procedures are enforced, applicable to all directors, managers, administrators, persons having control or management roles, employees, auditors, business partners, collaborators. Thus, Impact applies the Anticorruption Policy, the Code of Conduct, the Essential Ethic Values Policy, the Health and Safety Policy, the Labour Law, the Environment Protection, the Reporting Policy.

Auditor of Impact

Deloitte Audit S.R.L. was appointed by the decision of the General Meeting of Shareholders dated April 26, 2018, to audit the financial statements for 2018, drafted under the responsibility of the Company management according to the international standards – IFRS (including the consolidated financial statements). The auditors' liability towards the Company and the General Meeting of Shareholders shall be determined and limited according to the law and the agreement concluded with them.

ANNEX 1

Implementation stage of the Corporate Governance Code

The state of implementation of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange on 31 Dec 2018	Implementation YES / NO / Under implementation /Partial	Reason for non-compliance and expected compliance measures
Section A – Responsibilities		
A.1. All companies must have an internal Council regulation that includes the terms of reference / responsibilities of the Council and the key management functions of the company and which applies, inter alia, the General Principles of Section A.	YES	
A.2. The internal regulation of the Board of Directors should contain provisions on conflict of interest for individuals holding management / management functions.	YES	
A.3. The Board of Directors should have at least 5 members.	YES	
A.4. Most members of the Board of Directors should not have executive functions. Not less than two non-executive members of the Board of Directors must be independent. Each independent member of the Board of Directors shall make a declaration at the time of his nomination for election or re-election, and when any change of his status occurs, indicating the elements on the basis of which he is deemed to be independent in character and his judgment.	YES	
A.5. Other relatively permanent occupational duties and obligations of a Board member, including executive and non-executive positions in the Board of Companies and Non-Profit Institutions, must be disclosed to potential shareholders and investors prior to and during the term of the mandate.	YES	
A.6. Any member of the Council should report to the Council on any report with a shareholder holding directly or indirectly shares representing more than 5% of all voting rights. This obligation refers to any report that may affect the member's position on matters decided by the Council.	YES	
A.7. The company must designate a Council Secretary responsible for supporting the work of the Council.	NO	The Board of Directors manages the documents / activities with the support of the secretariat and the legal department, which provides logistical support for the organization and conduct of the Board meetings

ANNEX 1

Implementation stage of the Corporate Governance Code (continued)

The state of implementation of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange on 31 Dec 2018	Implementation YES / NO / Under implementation /Partial	Reason for non-compliance and expected compliance measures
<p>A.8. The Corporate Governance Statement will inform whether an evaluation of the Board has taken place under the chairmanship of the Chairperson or the nomination committee and, if so, summarize the key measures and the resulting changes. The company must have a policy / guidance on the Council's assessment of the purpose, criteria and frequency of the evaluation process.</p>	Partially compliant	<p>Members of the Board of Directors are assessed annually in accordance with performance indicators defined in their internal policies and mandate contracts. The Board will re-examine the A8 requirements in 2019, mainly with regard to the Board of Directors's assessment policy.</p>
<p>A.9. The corporate governance statement should contain information on the number of meetings of the Council and committees over the past year, the participation of the directors (in person and in the absence) and a report of the Council and committees on their activities.</p>	YES	
<p>A.10. The Corporate Governance Statement should include information on the exact number of independent members of the Board of Directors or the Supervisory Board.</p>	YES	
<p>A.11. The Board of Companies in Premium category must set up a nomination committee made up of non-executive members, who will direct the nomination of new members to the Council and make recommendations to the Council. Most members of the nomination committee must be independent.</p>	YES	
Section B - Risk management and internal control system		
<p>B.1. The Board should set up an audit committee in which at least one member should be an independent non-executive. In the case of Premium Category companies, the audit committee must consist of at least three members and the majority of audit committee members must be independent.</p>	YES	
<p>B.2. The chairman of the audit committee shall be an independent non-executive member.</p>	YES	
<p>B.3. Within its responsibilities, the audit committee must carry out an annual assessment of the internal control system.</p>	Partially compliant	<p>The evaluation of the internal control system for 2018 is ongoing. Not later than the end on the second half of 2019, the evaluation committee will present the conclusion, recommendations and the related action plan (if the case).</p>

ANNEX 1

Implementation stage of the Corporate Governance Code (continued)

The state of implementation of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange on 31 Dec 2018	Implementation YES / NO / Under implementation /Partial	Reason for non-compliance and expected compliance measures
<p>B.4. The assessment should take into account the effectiveness and coverage of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Council's audit committee, the promptness and effectiveness with which executive management addresses the deficiencies or weaknesses identified in the internal audit reports and the submission of relevant reports to the Council.</p>	YES	
<p>B.5. The Audit Committee should assess conflicts of interest in relation to the transactions of the company and its subsidiaries with affiliated parties.</p>	YES	
<p>B.6. The audit committee must assess the effectiveness of the internal control system and risk management system.</p>	YES	
<p>B.7. The Audit Committee is required to monitor the application of generally accepted standards and legal standards. The Audit Committee should receive and evaluate internal audit team reports.</p>	YES	
<p>B.8. Whenever the Code mentions reports or analyses initiated by the Audit Committee, they should be followed by regular reports (at least annually) or ad hoc reports to be further submitted to the Board.</p>	YES	
<p>B.9. No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements entered into by the company with shareholders and their affiliates.</p>	YES	
<p>B.10. The Board should adopt a policy to ensure that any company transaction with any of the companies with which it has close relationships with a value equal to or greater than 5% of the net assets of the company (according to the latest financial report) is approved by the Board following a binding opinion of the Board's audit committee.</p>	YES	
<p>B.11. Internal audits should be performed by a separate structural division (internal audit department) within the company or by hiring an independent third party.</p>	YES	

ANNEX 1

Implementation stage of the Corporate Governance Code (continued)

The state of implementation of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange on 31 Dec 2018	Implementation YES / NO / Under implementation /Partial	Reason for non-compliance and expected compliance measures
B.12. In order to ensure the main functions of the internal audit department, it must report functionally to the Board through the audit committee. For administrative purposes and within the management's responsibility to monitor and mitigate risks, it must report directly to the General Director.	YES	
Section C- Fair reward and motivation		
C.1. The company must publish its remuneration policy on its website and include in the annual report a statement on the implementation of the remuneration policy during the annual period under review. Any major change in remuneration policy should be published in time on the company's website.	YES	
Section D- Adding Value through Investor Relations		
D.1. The company must organize an Investor Relations Service- indicating to the general public the responsible person (s) or organizational unit. In addition to the information required by law, the company must include on its website a section dedicated to Investor Relations, in Romanian and English, with all relevant information of interest to investors, including:	YES	
D.1.1. Main corporate regulations: Articles of Incorporation, procedures for general shareholders' meetings;	YES	
D.1.2. Professional CVs of members of the governing bodies of the company;	YES	
D.1.3. Current reports and periodical reports (quarterly, half year and annual);	YES	
D.1.4. Information on general shareholders' meetings;	YES	
D.1.5. Corporate Events Information;	YES	
D.1.6. Name and contact details of a person who will be able to provide relevant information upon request;	YES	

ANNEX 1

Implementation stage of the Corporate Governance Code (continued)

The state of implementation of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange on 31 Dec 2018	Implementation YES / NO / Under implementation /Partial	Reason for non-compliance and expected compliance measures
D.1.7. Presentations of the company (e.g. presentations to investors, presentations on quarterly outcomes) financial statements (quarterly, annually) audit reports and annual reports.	YES	
D.2. The company will have a policy on the annual distribution of dividends or other benefits to shareholders. The principles of annual distribution policy to shareholders will be published on the company's website.	YES	
D.3. The company will adopt a policy regarding the forecasts, whether they are made public or not. The principles of annual distribution policy to shareholders will be published on the company's website.	YES	
D.4. The rules of general shareholders' meetings should not limit the participation of shareholders in general meetings and the exercise of their rights. Changes to the rules will take effect at the earliest, starting with the next shareholders' meeting.	YES	
D.8. The quarterly and half-yearly financial reports will include both Romanian and English information on key factors that affect changes in sales, operating profit, net profit and other relevant financial ratios from quarter to quarter, as well as from one year to another.	YES	

ANNEX 2

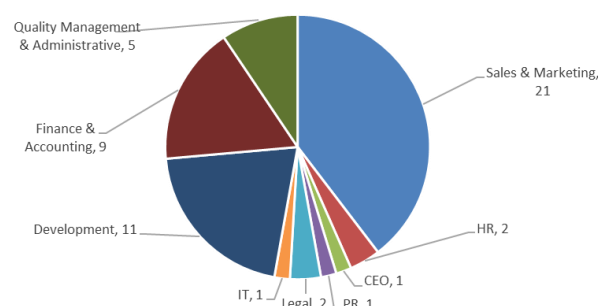
Other information Employees structure

At the end of 2018, the Company had 53 employees. The structure of the personnel in each department is presented in the graphic image on the right side.

At the same time, Actual Invest House and Impact Finance had at the end of 2018 8, and respectively 2 employees. The other companies of the group did not have any employees.

The Company has not established any trade union. The relationship between the management and the employees are regulated under the Individual Employment Agreement and the job descriptions.

Employees structure as at 31 Dec 2018
(Impact Developer & Contractor)



Note: 5 employees were on maternity leave (1 person from the Sales and Marketing department, 2 persons from the Finance-Accounting department and 2 persons from the Development department).

Financial ratios (consolidated)

LEI in thousands		31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18
Net profit	A	(4,732)	29,612	51,098	20,828
Inventories	B	190,759	295,688	363,623	365,753
Current assets	C	233,741	328,374	418,340	422,310
Current liabilities	D	78,044	49,829	156,458	141,074
Total assets	E	465,866	482,610	626,977	647,551
Total liabilities	F	107,931	95,027	199,527	200,745
Equity	G	357,935	387,583	427,450	446,808
Loans and borrowings	H	45,789	49,626	163,553	148,994
Loans and borrowings, short term	I	32,561	21,107	30,152	34,894
Loans and borrowings, long term	J	13,228	28,519	133,401	114,100
Cash and cash equivalents	K	17,267	17,632	47,476	30,740
Net debt	L (G-K)	28,522	31,994	116,077	118,254
EBITDA	M	(7,721)	37,010	15,766	17,734
Interest paid	N	1,348	1,386	2,195	5,494
Ratios					
Loans and borrowings / EBITDA	H/M	n.a.	1.34	10.37	8.40
Net debt / EBITDA	L/M	n.a.	0.86	7.36	6.67
EBITDA / Interest paid	M/N	n.a.	26.70	7.18	3.23
Return on Assets	A/E	(1.02%)	6.14%	8.15%	3.22%
Return on Equity	A/G	(1.32%)	7.64%	11.95%	4.66%
Gearing ratio	H/G	12.79%	12.80%	38.26%	33.35%
Current ratio	C/D	3.00	6.59	2.67	2.99
Quick ratio	(C-B)/D	0.55	0.66	0.35	0.40

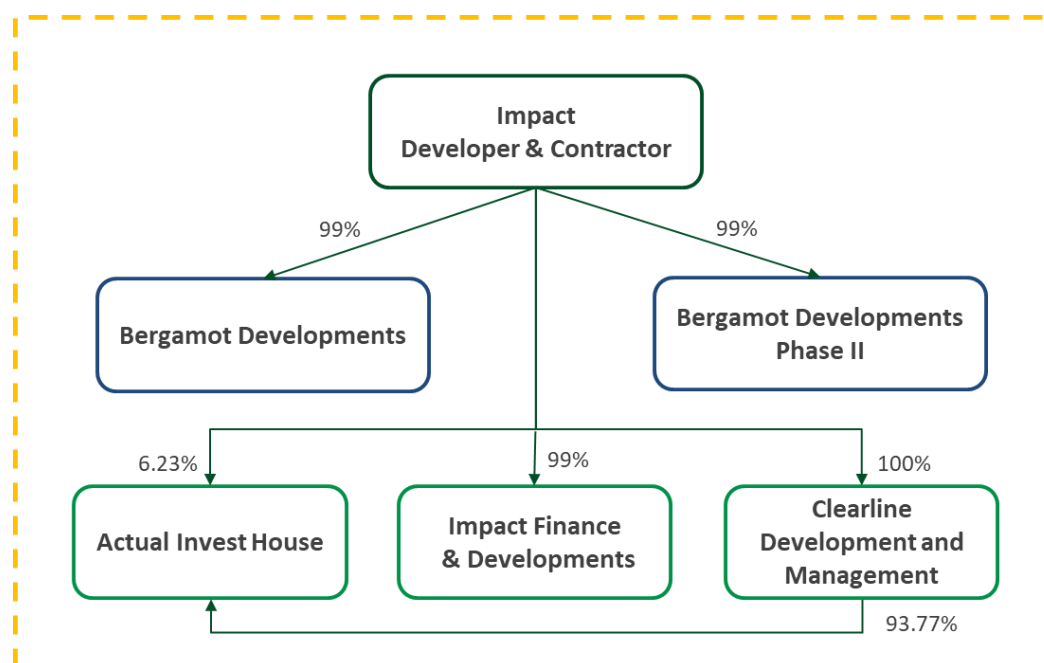
Stock exchange metrics – Impact Developer & Contractor

Metrics	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18
Price per share	0.94	0.70	1.05	0.99
No. of shares	277,866,574	277,866,574	277,866,574	277,866,574
Market capitalization (LEI)	261,194,580	194,506,602	291,759,903	275,087,908
Exchange rate (LEI/EUR)	4.5245	4.5411	4.6597	4.6639
Market capitalization (EUR)	57,728,938	42,832,486	62,613,452	58,982,377
Net assets (LEI, book value)	357,934,861	387,583,000	427,450,000	446,808,000
Net assets (EUR, book value)	79,110,368	85,350,025	91,733,373	95,801,368
Net profit (LEI)	(4,732,000)	29,611,815	51,098,000	20,828,000
Net profit (EUR)	(1,045,861)	6,520,846	10,965,942	4,465,790
Earnings per share (LEI)	(0.017)	0.107	0.184	0.075
Earnings per share (EUR)	(0.004)	0.023	0.039	0.016
NAV/Share (LEI)	1.288	1.395	1.538	1.608
NAV/Share (EUR)	0.285	0.307	0.330	0.345

ANNEX 3

Impact Group

Impact Group structure as at 31 December 2018



Impact Developer & Contractor SA - one of the first companies acting in the real estate development sector in Romania, being established in 1991 by public subscription.

During the past 28 years, Impact has completed 17 small and medium-sized projects, comprising over 4,000 residences and over 13,000 square meters of office and trade premises.

As at December 31, 2018, the Company has ongoing residential developments in four cities throughout the country, whereas the main project is Greenfield Residence Baneasa located in Bucharest.

Bergamot Developments SRL and Bergamot Developments Phase II SRL

The companies' business object is real estate development and is developing the Luxuria Domenii Residence project since 2017.

Actual Invest House SRL - offers management services for residential developments of Impact Group.

Impact Finance & Developments SRL plays a significant role in the diversification of the service range related to the sale of residences. Impact Finance & Developments collaborates with the most important Romanian financial institutions in order to provide favourable crediting solutions to the clients that acquire residences.

Clearline Development and Management (formerly Lomb SA) is the project company whereby Impact was about to develop a residential project in Cluj-Napoca, in partnership with the local authorities.