

IMPACT DEVELOPER & CONTRACTOR SA

**SEPARATE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2023**

**PREPARED IN ACCORDANCE WITH
MINISTRY OF FINANCE ORDER NO 2844/2016 FOR THE APPROVAL OF ACCOUNTING REGULATIONS
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS**

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IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2023

IMPACT

(All amounts are expressed in thousand RON, unless stated otherwise)

	Note	31-Dec-23	31-Dec-22
ASSETS			
Non-current assets			
Tangible assets	8	36,102	21,545
Intangible assets		217	114
Noncurrent receivables	12	62,143	67,197
Right of use assets	8	1,061	1,485
Investment property	9	726,852	678,669
Investments in subsidiaries	11	36,216	36,216
Total non-current assets		862,591	805,226
Current assets			
Inventories	10	499,039	429,405
Trade and other receivables	12	24,579	33,892
Other current assets	12	6,721	14,854
Cash and cash equivalents	13	35,778	46,857
Total current assets		566,117	525,008
Total assets		1,428,708	1,330,234
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	14	598,884	598,884
Share premium	14	41,462	40,493
Revaluation reserve		-	3,001
Other reserves	14	39,642	38,318
Own shares	15	(268)	(268)
Retained earnings		203,955	160,755
Total equity		883,675	841,183
Non-current liabilities			
Loans and borrowings	16	337,546	232,860
Trade and other payables	17	6,203	12,260
Deferred tax liability	23	73,920	81,058
Total non-current liabilities		417,669	326,178

This is a free translation from the original Romanian version.

IMPACT DEVELOPER & CONTRACTOR SA
 SEPARATE STATEMENT OF FINANCIAL POSITION
 FOR THE YEAR ENDED 31 DECEMBER 2023
 (All amounts are expressed in thousand RON, unless stated otherwise)

IMPACT

	Note	31-Dec-23	31-Dec-22
Current liabilities			
Loans and borrowings	16	51,528	97,491
Trade and other payables	17	41,300	29,208
Income tax payable	17	(125)	(125)
Contract liabilities	17	34,374	35,946
Provisions for risks and charges	18	287	353
Total current liabilities		127,364	162,873
Total liabilities		545,033	489,051
Total equities and liabilities		1,428,708	1,330,234

The separate financial statements have been authorized for issue by the management on 29 March 2024 and signed on its behalf by:

Iuliana Mihaela Urdă
CA President

Constantin Sebeșanu
Chief Executive Officer

Claudiu Bistriceanu
Chief Financial Officer

This is a free translation from the original Romanian version.

IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 DECEMBER 2023
 (All amounts are expressed in thousand RON, unless stated otherwise)

IMPACT

	<u>Note</u>	<u>12 months period ended as at</u>	
		<u>31-Dec-2023</u>	<u>31-Dec-2022</u>
Revenue	19	61,535	75,027
Cost of sales	19	(44,901)	(50,566)
Gross profit		16,634	24,461
Net income from other activities	19	-	1,361
General and administrative expenses	20	(22,037)	(25,609)
Marketing expenses		(2,346)	(3,771)
Other operating income/(expenses)	21	7,043	(607)
Depreciation and amortization	8	(1,736)	(1,398)
Fair value gains on investment property	9	49,503	77,660
Operating profit		47,061	72,097
Financial income	22	16,644	13,751
Financial cost	22	(28,144)	(9,951)
Finance costs, net		(11,500)	3,800
Profit before tax		35,561	75,897
Income tax (expense)	23	6,931	(12,568)
Profit of the period		42,492	63,329

The separate financial statements have been authorized for issue by the management on 29 of March 2024 and signed on its behalf by:



Iuliana Mihaela Urdă
CA President



Constantin Sebeșanu
Chief Executive Officer



Claudiu Bistriceanu
Chief Financial Officer

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IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023
(All amounts are expressed in thousand RON, unless stated otherwise)

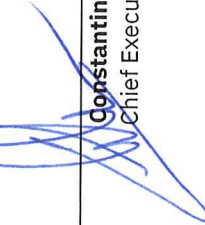
IMPACT

Note	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance as at 1 January 2023	598,884	40,493	3,001	38,318	(268)	160,755	841,183
Other comprehensive income	-	-	-	-	-	42,492	42,492
Profit for the period	-	-	-	-	-	42,492	42,492
Total other comprehensive income	-	-	-	-	-	42,492	42,492
Own shares acquired or cancelled during the year	-	969	-	-	-	(969)	-
Legal reserves	-	-	-	1,323	-	(1,323)	-
Revaluation reserves	-	-	(3,001)	-	-	3,001	-
Other changes in equity	-	-	-	1	-	(1)	-
Balance as at 31 December 2023	598,884	41,462	-	39,642	(268)	203,955	883,675

The separate financial statements have been authorized for issue by the management on 29 of March 2024 and signed on its behalf by:



Iuliana Mihaela Urdă
Chairman of the BoD



Constantin Sebeșanu
Chief Executive Officer



Claudiu Bistriceanu
Chief Financial Officer

IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023
(All amounts are expressed in thousand RON, unless stated otherwise)

IMPACT

	Note	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance as at 1 January 2022		401,214	(4,475)	3,001	12,389	(841)	289,279	700,567
Other comprehensive income		-	-	-	-	-	63,329	63,329
Profit for the period		-	-	-	-	-	63,329	63,329
Total other comprehensive income		-	-	-	-	-	63,329	63,329
Share Capital Increase	14	197,670	45,985	-	-	-	(165,923)	77,732
Own shares acquired	14	-	-	-	-	(442)	-	(442)
Share based payments	29	-	(1,017)	-	-	1,015	-	(2)
Legal reserves		-	-	-	25,929	-	(25,929)	-
Balance as at 31 December 2022		598,884	40,493	3,001	38,318	(268)	160,755	841,183

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Iuliana Mihaela Urdă
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Chief Executive Officer


Claudiu Bistriceanu
Chief Financial Officer

IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023
(All amounts are expressed in thousand RON, unless stated otherwise)

IMPACT

	Note	31-Dec-23	31-Dec-22
Profit net		42,492	63,329
Adjustments to reconcile profit for the period to net cash flows:		(40,438)	(67,482)
Valuation gains on investment property	9	(49,503)	(77,660)
(Gain)/ loss on sale PPE		2,023	(626)
Reversal of impairment loss PPE		(1,194)	251
Depreciation	8	1,736	1,398
Share based payments	29	-	1,015
Impairment of inventories	10	(1,341)	(142)
Impairment of receivables	12	(530)	(486)
Financial income	22	(16,644)	(13,751)
Finance cost	22	28,144	9,951
Other adjustments from non-cash transactions		3,803	-
Deferred tax expense	23	(6,931)	12,568
Working capital adjustments		(30,162)	(114,336)
Decrease/(increase) in trade receivables and other receivables	12	9,843	26,822
Decrease in prepayments	12	8,133	(976)
Decrease in inventory	10	(52,536)	(167,795)
(Decrease)/increase in trade, other payables, and contract liabilities	17	4,463	28,548
(Decrease)/increase in provisions	18	(66)	(935)
Net cash flows used in operating activities		(28,108)	(118,489)
Investing activities			
Loans granted to subsidiaries	27	(1,927)	(43,894)
Loan reimbursements collected from subsidiaries	27	2,810	30,874
Investments in subsidiaries	27	-	(14,695)
Return of the amounts invested in subsidiaries	27	1,513	31,154
Purchase of property, plant and equipment	8	(530)	(1,864)
Expenditure on investment property under development	9	(17,966)	(32,987)
Expenditure on PPE under development	8	(2,853)	(14,978)
Proceeds from property, plant and equipment	8	213	1,538
Dividends received	27	3,770	1,041
Interest received	27	2,590	3,640
Net cash flows from investing activities		(12,380)	(40,171)

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**IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

IMPACT

(All amounts are expressed in thousand RON, unless stated otherwise)

	Note	31-Dec-23	31-Dec-22
Cash flows from financing activities:			
Proceeds from borrowings	16	174,884	291,137
Repayment of principal of borrowings	16	(119,581)	(184,682)
Proceeds from issue of share capital	14	-	77,732
Acquisition of own shares	15	-	(1,459)
Dividends paid	14	-	(11)
Interest paid	16	(25,894)	(13,372)
Net cash from financing activities		<u>29,409</u>	<u>169,345</u>
Net increase / (decrease) of cash and equivalents		(11,079)	10,685
Cash and equivalents on 1st of January	13	<u>46,857</u>	<u>36,171</u>
Cash and equivalents on 31 of December	13	<u>35,778</u>	<u>46,857</u>

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Chairman of the BoD



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Chief Executive Officer



Claudiu Bistriceanu
Chief Financial Officer

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1. REPORTING ENTITY

Impact Developer & Contractor SA (“the Company”) is a Company registered in Romania whose activity is the development of real estate.

The Company controls several other entities and prepares consolidated financial statements. According to the provisions of Law no. 24/2017, such entities shall also prepare separate financial statements.

The Company and its subsidiaries (together referred to as the „Group”) are as follows:

	<u>Country of registration</u>	<u>Nature of activity</u>	<u>% Owned by the Company as at 31 December 2023</u>	<u>% Owned by the Company as at 31 December 2022</u>
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Spatzoo Management SRL	Romania	Property management	100%	100%
Bergamot Development Phase II SRL	Romania	Real estate development	100%	100%
Bergamot Development SRL	Romania	Real estate development	100%	100%
Impact Finance SRL	Romania	Administration	100%	100%
Greenfield Copou Residence SRL	Romania	Real Estate development	100%	100%
Greenfield Copou Residence Phase II SRL	Romania	Real estate development	100%	100%
Aria Verdi Development SRL	Romania	Real estate development	100%	100%
Greenfield Property Management SRL	Romania	Real estate development	100%	100%
Impact Alliance Architecture SRL	Romania	Architecture services	51%	51%
R.C.T.I. Company	Romania	Constructor	51.01%	51.01%
Impact Alliance Moldova SRL	Romania	Constructor	51%	-

The Company is one of the first companies active in real estate development sector in Romania, being constituted in 1991 through public subscription. In 1995, the Company introduced the **residential concept** on the Romanian market. Since 1996, the Company’ securities are publicly traded in Bucharest Stock Exchange (BVB).

During 2023 the Company’s activity revolved around the Greenfield Baneasa residential complex in Bucharest and Boreal Plus in Constanța.

2. THE BOARD OF ADMINISTRATION

The Board of Administration represents the decision-making body for all significant aspects of the Company due to the strategical, financial, or reputational implications. The Board delegates the management powers of the Company, under the conditions and limits provided by the law and by the Articles of Incorporation.

On 21st April 2021, in the General Shareholders' Meeting, the members of the Board of Directors of the Company were elected for a four-year term (28th April 2021 – 28 April 2025). Mr. Laviniu Dumitru Beze was replaced by Mr. Sorin Apostol as Administrator.

The Board of Administration consists of 5 members:

- Iuliana Mihaela Urda, Chairperson of the Board of Administration
- Intrepid Gem SRL, represented by Petru Văduva
- Ruxandra-Alina Scarlat, Administrator
- Daniel Pandeale, Administrator
- Sorin Apostol, Administrator

Executive Management of the Company

On 27th April 2021, the Board of Directors appointed Mr. Constantin Sebesanu as General Manager for a four-year term, starting with 28 April 2021. On the same date, Sorin Apostol took over the position of executive director (COO).

Starting from 1 of January 2022, Claudiu Bistriceanu was appointed as financial director (CFO) with a 4 (four) years mandate.

3. BASIS OF PREPARATION

a) Declaration of conformity

These separate financial statements have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, is in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union (EU), except for IAS 21 The effects of changes in foreign exchange rates regarding functional currency, except for the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, except for the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid. These exceptions do not affect the compliance of the financial statements of the Company, and the Company with IFRS adopted by the EU. The separate Financial Statements are available on the company and Bucharest Stock Exchange website once they are approved by the Board of Directors and General Shareholders Meeting.

The financial statements have been prepared on an ongoing concern basis and on the historical cost basis, except for the revaluation of certain properties and financial instruments that are measured at revalued amounts or fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods and service.

b) Going concern

The significant disruptions in the global markets driven by the Covid-19 pandemic then followed by war in Ukraine and Israel and current inflationary economic context had a broad effect on participants in a wide variety of industries, creating a widespread volatility. The Company has prepared forecasts based on the anticipated activity in the upcoming period, considering the pre-sales agreement in place, anticipated evolution of its real-estate projects as well as contractual and estimated cash outflows. Having considered these forecasts, the Directors remain of the view that the Company's financing arrangements and capital structure provide both the necessary facilities and covenant headroom to enable the Company to conduct its

business for at least the next 12 months. Consequently, the financial statements were prepared on a going concern basis.

The Company made an initial assessment of the risks and uncertainties.

Regarding sales, the Company expects an increase in the volume of transactions during the financial year 2024 due to existing inventory and the projects that the Group is currently running: Greenfield – Teilor District, Boreal Plus Constanța.

The separate financial statements have been prepared on a going concern principle.

In preparing the Separate Financial Statements, the management has considered the implications of climate change, and embedded such risks in the assumptions used for the determination of the fair value of the investment properties.

Furthermore, in order to tackle climate change risks the management has adopted an ESG strategy, to dictate its aim to value the environment and with each project developed, to create communities in harmony with it, putting the well-being and health of residents first. To achieve this goal, IMPACT uses sustainable technologies, renewable energy and extensive green spaces. Furthermore, IMPACT published for the second year in row, in 2023, a sustainability report, which summarizes the Company's efforts in regards to climate change risks. The report was developed following the GRI Standards (Global Reporting Initiative), the most well-known international sustainability reporting framework (GRI Referenced). At the same time, the report meets the national legal requirements set out in the Order of the Public Finance Minister No. 1,938/2016 and the Order of the Public Finance Minister No. 3,456/2018 on non-financial reporting.

Management is aware of potential climate change risks for its operations as well as for those of its partners and it regularly monitors and evaluates the impact of such risks in order to adopt appropriate measures, if the case.

4. FUNCTIONAL AND PRESENTATION CURRENCY

The Separate Financial Statements are presented in RON, this being also the functional currency of the Company. All financial information is presented in thousands of RON (thousand RON), unless otherwise stated.

5. MATERIAL ACCOUNTING POLICIES

The accounting policies used by the Company are compliant with the IFRS as endorsed by the EU.

The accounting policies described below have been constantly applied by all the Company's entities for all periods presented in these Separate Financial Statements.

Disclosed below is the summary of the material accounting policies.

(a) Inventories

Inventories are assets held for sale in the normal course of business, or which are in the process of production for such sale or are in the form of materials or supplies to be consumed in the production process or in the rendering of services.

The basis for the valuation of the inventories is the lower of cost and net realizable value.

Cost is defined as the sum of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes direct materials and, where applicable, direct labor and indirect manufacturing costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

As the production process is longer than one year, the borrowing costs incurred during the process are also capitalized in cost of inventories (IAS 23).

The cost of infrastructure works included in the real estate projects is reported as inventories and it is allocated to the cost of each apartment in the related project. The cost is transferred to the cost of goods sold as the apartments are sold.

The valuation of inventories upon entry into the company is done using the following techniques:

- ✓ Residential properties specific identification
- ✓ Land Specific identification
- ✓ Other first in-first out (FIFO)

(b) Property, plant, and equipment

Non-current non-financial assets are primarily operational in character (i.e. actively used in the business rather than being held as passive investments) and they may be classified into two basic types: tangible and intangible. Tangible assets have physical substances.

An item of property, plant and equipment is recognized only if two conditions are met:

- It is probable that future economic benefits associated with the item will flow to the entity.
- The cost of the item can be determined reliably.

Property, plant, and equipment are stated in the statement of financial position at their cost amounts less any accumulated depreciation and accumulated impairment losses.

The cost of the property, plant and equipment item include:

- The purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes.
- Any directly attributable costs incurred to bring the asset to the location and operating condition as expected by management, including site preparation, delivery and handling, installation, set-up and testing.
- Estimated costs of dismantling and removing the item and restoring the site.

The costs of property, plant and equipment are allocated through depreciation to the periods that will have benefited from the use of the asset. The depreciation method used is straight-line depreciation with no residual value.

The land is not depreciated.

The depreciation is charged to the statement of profit and loss.

The estimated useful lives, residual values and depreciation method are reviewed at the end of reporting. The Company assesses on each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value, less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An item of property, plant and equipment is derecognized at disposal or when no future economic benefits are expected from its use or disposal. In such cases, the asset is removed from the statement of financial position, both the asset and the related contra asset – accumulated depreciation. The difference between the net carrying amount and any proceeds received will be recognized through the statement of profit and loss.

(c) Borrowing costs.

Borrowing costs are represented by interest and other costs incurred by the Company in connection with the borrowing of the funds. Borrowing costs include interest expense calculated using the effective interest method, interest in respect of lease liabilities or exchange differences arising from foreign currency borrowings.

Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets is capitalized as part of the cost of the asset.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale (inventories, buildings).

The borrowing costs of general loans are added to the cost of the qualifying assets (in accordance with IAS 23). The applicable rate for capitalization is the weighted average interest rate of the loans obtained by the Company.

Capitalization of borrowing costs would cease when substantially all the activities to prepare the asset is completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(d) Investment property

Investment property, which are properties (land and/or buildings) held with the intention of earning rental income or for capital appreciation (or both), including Investment Property under construction for such purposes, are initially valued at cost, including transaction costs. After initial recognition, investment property is measured at fair value model, with changes in the fair value being recognized in profit or loss.

All the Company's property interests held to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains or losses resulting from changes in the fair value of investment property are included in profit or loss in the period in which they occur.

When the use of a property is changed, such that it is reclassified to property, plant and equipment or inventories, its fair value as of the date of reclassification becomes the cost of the property for subsequent accounting purposes.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising from the derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

The Company's management is assessing on a regular basis the best use of the land maintained in investments. The transfer from investment property to inventory is made close to construction start date, after all required permitting has been finalized, a detailed concept of the project is finalized, and significant steps have been done to identify construction companies and financing for the project.

(e) Shareholder's equity

Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserves. The treasury shares are subject of restriction as per Company law in Romania.

Any costs associated with equity transactions are to be accounted for as a reduction of equity.

Dividends

Dividends represent the pro-rata distribution of earnings to the owners of the entity. The approval date is the date when the shareholders vote to accept the dividends declared. This date governs the incurrence of a legal liability by the entity.

The Company does not declare dividends in excess of the amount of retained earnings.

(f) Current liabilities, provisions, contingencies, and events after the reporting period

Current liabilities are those that are payable within 12 months of the reporting date. Current liabilities include current portions of long-term debt and bank overdrafts, dividends declared, other obligations that are due on demand, trade credit, accrued expenses, deferred revenues, advances from customers.

The offsetting of the current assets against related current liabilities is not allowed.

Accounts payable on normal terms are not interest-bearing and are stated at their nominal value.

The carrying amount of trade and other payables that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Those liabilities for which amount, or timing of expenditure is uncertain are deemed to be provisions. A provision is recognized only if: the entity has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of

the amount of obligation.

Changes in provisions are considered at the end of each reporting period; provisions are adjusted to reflect the current best estimate. The amount of changes in estimate is accounted through profit or loss.

Contingent liabilities are not recognized in the statement of financial position. They are disclosed only in the notes.

Events occurring after the reporting date, which provide additional information about conditions prevailing at the reporting date (adjusting events) are reflected in the financial statements. Events occurring after the reporting date that provide information on events that occurred after the reporting date (non-adjusting events), when material, are disclosed in the notes to the financial statements. When the going concern, assumption is no longer appropriate at or after the reporting period, the financial statements are not prepared on a going concern basis.

(g) Revenue from Contracts with Customers

Revenue is recognized when the performance obligation is satisfied by transferring a promised good or service to a customer. Revenue is recognized when the customer acquires control over the goods or services rendered, at an amount which reflects the price at which the Company is expected to be entitled to receive in exchange of those goods or services. Revenue is recognized at the fair value of the services rendered or goods delivered, net of VAT, excises or other taxes related to the sale.

Revenue comprises the fair value of the consideration received or receivable, net of value added tax, after eliminating sales within the Company. Revenue and profit are recognized as follows:

(i) Revenue from sale of residential properties

Revenue from the sale of residential properties during the ordinary course of business is valued at fair value of the amount collected or to be collected on legal completion. The revenues are recognized when the significant risks and rewards of ownership have been transferred to the customer, this is deemed to be when title of the property passes to the customer on legal completion, the associated costs and possible return of goods can be estimated reliably. This is the point at which all performance obligations are satisfied in line with the provisions of IFRS 15 and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. If it is probable for certain rebates to be granted, and their value can be measured reliably, then these are recognized as a reduction of the revenues when the sale revenues are recognized. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the payment is almost always less than one year, the company has also instalments payments over a period more than one year but those are not significant.

(ii) Revenues from re-charging utilities

The revenues from recharging of utilities are recognized when they are realized, together with the utility's expenses invoiced by the suppliers. The Company recharges the utilities at mark-up in the form of administrative costs. These revenues refer to the rented properties and to the sales of properties fully paid, up to the moment when the buyer concludes contracts with the utility's suppliers in their own name.

(h) Leases

The Company analyses at the commencement of the contract the extent to which a contract is or contains a lease. Namely, the extent to which the contract confers the right to use an identifiable asset for a period in exchange for the consideration.

(All amounts are expressed in thousand RON, unless stated otherwise)

The Company applies a single recognition and measurement approach to all leases, except for short-term leases and low-value assets. The Company recognizes lease payables for lease payments and the right to use the assets representing the right to use the underlying asset. i) Right to use assets: The Company recognizes the right to use assets at the date of commencement of a lease (i.e. the date on which the underlying asset is available for use). The right to use the assets is measured at cost excluding accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability. The cost of the right to use the assets includes the amount of the recognized lease liability incurred at initial direct costs and lease payments made on or before the commencement date excluding any lease benefits received. The right to use the assets is amortized on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets.

If ownership of a leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a call option, depreciation is calculated using the asset's estimated useful life. The duration of the lease contract was considered the irrevocable period of the lease contract, without considering the option of extension. The right to use assets is also subject to impairment.

At the date of commencement of the lease, the Company recognizes the lease payables measured at the current value of the lease payments to be made throughout the lease. Lease payments include fixed payment, including fixed payments as a substance and exclude any lease benefits receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under the residual value guarantee. Lease payments also include the exercise price of a call option that is reasonably certain to be exercised by the Company and penalty payments for the termination of the lease, if the lease term reflects the Company's option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or conditions that determine the payments occur.

To calculate the current value of lease payments, the Company uses the incremental loan rate at the commencement date of the lease because the default interest rate of the lease is not readily determinable.

After the start date, the amount of the lease liability is increased to reflect the accretion of interest and decreased for the lease payments made. In addition, the carrying amount of the lease is re-measured if there is a change, a modification in the lease term, a change in lease payments (change in future payments resulting from a change in an index or instalment rate used to determine those lease payments) or a change in the valuation of an underlying asset purchase option. Lease liabilities are included in Note 14 - Trade and other payables.

(i) Foreign currency

The functional currency used by the Company is RON (Romanian lei).

Transactions in foreign currency are converted into the functional currency of the Company at the exchange rates of the transaction dates. Monetary assets and liabilities that at the reporting date denominated in foreign currency are converted into the functional currency at the exchange rate as of the reporting date. The gains and losses from exchange rate differences related to monetary items are computed as the difference between the amortized cost in functional currency at the beginning of the year, adjusted by the effective interest, payments, and collections during the year, on one side and the amortized cost in foreign currency translated using the exchange rate prevailing at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency using the exchange rate prevailing at the date of the determination of fair value.

The non-monetary elements denominated in a foreign currency that are carried at historical cost are

converted using the exchange rate prevailing at the date of transaction.

The exchange rate differences resulting from translation are recognized in the Statement of Profit or Loss and Other Comprehensive Income as financial expenses/revenues.

(j) Financial instruments

The financial assets whose business model is to hold to collect contractual cash flows are measured at amortized cost.

A financial asset or a financial liability is recognized in the statement of financial position when the Company becomes party to the contractual provision of the instrument.

For the financial instruments that are measured at amortized cost, transaction costs are subsequently included in the calculation of the amortized cost using the effective interest method and amortized through profit or loss over the life of the instrument.

The financial liabilities are classified as subsequently measured at amortized cost (trade payables, loan payables with standard interest rates, bank borrowings).

(k) Taxation

The tax charge represents the sum of the current tax and deferred tax.

Current income tax

The current income tax is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the profit and loss statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred income tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are also recognized for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is measured on a non-discounted basis using the tax rates and laws that have then been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is charged or credited to the profit and loss, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

(l) Segment reporting.

The Company operates only in Romania. The main operating segment is related to real estate development. There is no segment reporting inside the Company as the operating activity is not segregated by activity or locations.

6. MATERIAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 5, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Fair value measurements and valuation processes

The Company has obtained a report from an international valuation company, Colliers Valuation and Advisory SRL, setting out the estimated market values for the Company's investment property and property developed for sale in their current state as of 31 December 2022 and 31 December 2023. Colliers is an independent professionally qualified valuation specialist who holds a recognized relevant professional qualification and has recent experience in the locations and categories of valued properties. The valuation was based on the assumption as to the best use of each property by a third-party developer.

In the Romanian market actual transaction values for real estate deals are not publicly available and there is not a high volume of transactions in larger land plots. The sale price comparison method therefore has inherent limitations, and a significant degree of judgement is required in its application.

For investment property, land assets are mainly valued using the sales comparison approach. The main assumptions underlying the market value of the Company's land assets are:

- the selection of comparable land plots resulting in determining the "offer price" which is taken as the basis to form an indicative price.
- the quantum of adjustments to apply against the offer price to reflect deal prices, and differences in location and condition including the status of any legal dispute as described in Note 26.

The key inputs are summarized in Note 8. The valuation is highly sensitive to these variables and adjustments to these inputs would have a direct impact on the resulting valuation.

A sensitivity analysis of the three key assets is presented below:

Asset	Impact on the valuation included in the balance sheet on 31 December 2023 and gains on investment property registered to profit or loss of a 5% weakening/(strengthening) of the price per sqm	
Greenfield Baneasa Bucuresti land	+14,522 thousand RON	(14,522) thousand RON
Bd. Barbu Vacarescu land	+9,486 thousand RON	(9,486) thousand RON
Bd Ghencea land	+8,049 thousand RON	(8,049) thousand RON
Asset	Impact on the valuation included in the balance sheet on 31 December 2022 and gains on investment property registered to profit or loss of a 5% weakening/(strengthening) of the price per sqm	
Greenfield Baneasa București land	+14,076 thousand RON	(14,076) thousand RON
Bd. Barbu Vacarescu land	+8,804 thousand RON	(8,804) thousand RON
Bd Ghencea land	+8,005 thousand RON	(8,005) thousand RON

(ii) Transfer of assets both from and to investment property

IAS 40 (investment property) requires the transfers from and to investment property to be evidenced by a change in use. Conditions which are indications of a change in use are judgmental and the treatment can have a significant impact on the financial statements since investment property is recorded at fair value and inventory is recorded at cost.

- For the Ghencea and Barbu Vacarescu plots of land, Management has assessed the recognition and classification criteria under IAS40 and concluded that the respective plots of land should remain classified as investment property until a decision to change the use will be taken. Currently there are various initiatives undertaken in order to enhance the value of those assets, but as of 31 December 2023 and up to the approval date of the present financial statements no firm and formal decision had been taken by the Company as to the actual use of those lands; consequently, these assets are classified as investment properties as of 31 December 2023 (same at 31 December 2022) and continued to be recorded at fair value as at the balance sheet date.
- For a portion of the Greenfield land consisting in vacant plots of land Management has assessed the recognition and classification criteria under IAS40 and concluded that the respective plots of land should remain classified as investment property until a decision to change the use will be taken. Management has not planned any potential development in the following 3-4 years from the balance sheet date and there are multiple scenarios available. As such, considering that there is still an undetermined use and that the Company continues to hold the respective plots of land for future appreciation, in line with the provisions of IAS40 they continue to be accounted for at fair value within investment property.
- The Company has concluded lease agreements for certain apartments. Management has assessed the classification criteria under IAS40 and IAS2 and concluded that those apartments should continue to be classified as inventories, given that units are available for sale and the rental activity is carried out

in order to optimize cash-flows on the near-term.

Had different judgements been applied in determining a change in use, then the financial statements may have been significantly different because of the differing measurement approach of inventory and investment properties.

(iii) Legal issues

The management of the Company analyses regularly the status of all ongoing litigation and following a consultation with the Board of Administration, decides upon the necessity of recognizing provisions related to the amounts involved or their disclosure in the separate financial statements. Key legal matters are summarized in Note 26.

(iv) Cost allocation

To determine the profit that the Company should recognize on its developments in a specific period, the Company has to allocate site-wide development costs between units sold in the current year and to be sold in future years. Industry practice does vary in the methods used and in making these assessments there is a degree of inherent uncertainty. If there is a change in future development plans from those currently anticipated, then the result would be fluctuations in cost and profit recognition over different project phases.

7. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

- A) Amendments to accounting policies and to information to be disclosed.

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Company as of 1 January 2023:

IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (Amendments)

The Amendments are effective for annual periods beginning on or after January 1, 2023. The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. In particular, the amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Also, guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures. The Company evaluated its accounting policies and adapted the presentation of information according to the new requirements.

IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments). The amendments become effective for annual reporting periods beginning on or after January 1, 2023 with earlier application permitted and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments introduce a new definition of accounting estimates, defined as monetary amounts in financial statements that are subject to measurement uncertainty. Also, the amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors. Management has assessed that the amendments did not have any material impact on the financial statements of the Company.

IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments). The amendments are effective for annual periods beginning on or after January 1, 2023. The amendments narrow the scope of and provide further clarity on the initial recognition exception under IAS 12 and specify how companies should account for deferred tax related to assets and liabilities arising from a single transaction, such as leases and decommissioning obligations. Management has assessed that the amendments did not have any material impact on the financial statements of the Company.

IAS 12 Income taxes: International Tax Reform - Pillar Two Model Rules (Amendments)

The amendments are effective immediately upon issuance, but certain disclosure requirements are effective later. The Organization for Economic Co-operation and Development's (OECD) published the Pillar Two model rules in December 2021 to ensure that large multinational companies would be subject to a minimum 15% tax rate. On 23 May 2023, the IASB issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12. The amendments introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities on the potential exposure to Pillar Two income taxes. The Amendments require, for periods in which Pillar Two legislation is (substantively) enacted but not yet effective, disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period. The disclosure of the current tax expense related to Pillar Two income taxes and the disclosures in relation to periods before the legislation is effective are required for annual reporting periods beginning on or after 1 January 2023, but are not required for any interim period ending on or before 31 December 2023. The amendments do not have a material impact on the financial statements of the Company as the quantitative criteria for applicability of such standard are not met.

B) Standards issued but not yet effective and not adopted early.

B.1) The standards/amendments that are not yet effective, but they have been endorsed by the European Union

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. Management has assessed that the amendments will have no material impact on the financial statements of the Company.

- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Management has assessed that the amendments will have no material impact on the financial statements of the Company.

B.2) The standards/amendments that are not yet effective and they have not yet been endorsed by the European Union

- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments).** The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Management has assessed that the amendments will have no material impact on the financial statements of the Company.

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**
The amendments are effective for annual reporting periods beginning on or after January 1, 2025, with earlier application permitted. Management has assessed that the amendments will have no material impact on the financial statements of the Company.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**
Management has assessed that the amendments will have no impact on the financial statements of the Company.

8. PROPERTY, PLANT AND EQUIPMENT

Cost / valuation	Land and buildings	Machinery, equipment, and vehicles	Fixtures and fittings	Assets under construction	Total
Balance on January 1, 2023	32,469	4,072	1,312	1,785	39,638
Additions	16	-	370	2,853	3,239
Transfers	10,934	(15)	94	(1,096)	9,917
Value adjustments	-	-	-	(274)	(274)
Disposals	(2,963)	(1,480)	(88)	-	(4,531)
Balance at 31 December 2023	40,457	2,577	1,688	3,268	47,989

Accumulated depreciation and impairment losses

Balance at January 1, 2023	14,999	2,663	431	-	18,093
Charge for the period	717	100	237	-	1,054
Transfers	(2,023)	-	-	-	(2,023)
Impairment loss	(920)	-	-	-	(920)
Accumulated depreciation of disposals	(2,963)	(1,267)	(88)	-	(4,318)
Balance at 31 December 2023	9,810	1,496	580	-	11,886

Carrying amounts

On January 1, 2023	17,470	1,409	881	1,785	21,545
On 31 December 2023	30,646	1,081	1,108	3,268	36,102

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 The attached notes are part of these financial statements

IMPACT DEVELOPER & CONTRACTOR SA
NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
 (All amounts are expressed in thousand RON, unless stated otherwise)



	Land and buildings	Machinery, equipment, and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as of 1 January 2022	18,846	3,520	1,268	8,360	31,994
Additions	6,971	920	862	446	9,199
Transfers	7,561	-	-	(7,017)	544
Value adjustments	-	-	-	(4)	(4)
Disposals	(909)	(368)	(818)	-	(2,095)
Balance on 31 December 2022	32,469	4,072	1,312	1,785	39,638
Accumulated depreciation and impairment losses					
Balance as of 1 January 2022	14,128	2,571	1,133	-	17,832
Charge for the period	713	459	115	-	1,287
Transfers	-	-	-	-	-
Impairment loss	158	-	-	-	158
Accumulated depreciation of disposals	-	(366)	(817)	-	(1,183)
Balance at 31 December 2022	14,999	2,663	431	-	18,093
	-	213	-	-	
Carrying amounts					
On January 1, 2022	4,718	949	135	8,360	14,162
On 31 December 2022	17,470	1,409	881	1,785	21,545

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Lease contracts

	31-Dec-2023		31-Dec-2022	
	Contracts No	Fixed payments	Contracts No	Fixed payments
Vehicles	19	100%	19	100%
Total	19	100%	19	100%

Right of Use Assets

	2023	2022
	Vehicles	Vehicles
Opening Balance as at 1 January	1,485	-
Additions	-	1,699
Depreciation	(638)	(214)
FX movements	214	
Closing Balance as at 31 December	1,061	1,485

The right-of-use assets are depreciated on a straight-line basis over the lease term.

The right of use assets under leasing contracts is represented by electric cars used by Impact's sales agents and managers.

Land and buildings:

The changes in land and buildings mainly consist of the following:

- Disposal of infrastructure works which related to a residential project which had been finalized in the past years. The respective assets had a gross book value of RON 2,963 thousand and was fully depreciated.
- Amount of RON 1,096 thousand transferred from work in progress to finalized building during 2023
- Transfer in of a plot of land from Investment Property of RON 13,331 thousand as there was technical documentation finalized in 2023 which resulted in additional land being allocated to the Company's photovoltaic park located in Greenfield project.
- Transfer out of infrastructure works to inventories with a net book value of RON 1,853 thousand (Gross book value of RON 12,452 thousand and accumulated depreciation value of RON 10,599 thousand).

The depreciation method used was the straight-line method.

The Company recorded adjustments for the loss of value of the fixed assets owned (electrical networks, sewage networks, roads) because the estimates showed that their recoverable value is lower than the book value (cost - depreciation).

Assets under construction:

The transfers from assets under construction recorded in the period relate to commissioning of the billboards in Dragalina and Baicoi, and the photovoltaic park in Greenfield.

9. INVESTMENT PROPERTY

Reconciliation of carrying amount of property investments

	<u>2023</u>	<u>2022</u>
Balance on January 1	678,669	568,758
Additions	17,966	32,987
Transfers from/to PP&E and Inventories	(19,286)	(544)
Value adjustments	-	(191)
Changes in fair value during the year	49,503	77,660
Balance on December 31	726,852	678,669

Investment property comprises land and properties held with the purpose of capital appreciation or to be rented to third parties or for which the use has not been determined yet.

Main real estate investments in land

	<u>31-Dec-23</u>		<u>31-Dec-22</u>	
	sqm	thousand RON	sqm	thousand RON
Activ				
Greenfield Baneasa land (Bucharest)	211,631	290,441	217,852	281,511
Blvd. Barbu Vacarescu land (Bucharest)	25,424	189,711	25,424	176,078
Blvd. Ghencea land (Bucharest)	258,895	160,978	258,895	160,098
Total	495,950	641,130	502,171	617,687

Additions in investment property mainly consist of:

- the purchase of a 2,895 square meter plot of land in Greenfield worth RON 3,785 thousand.
- other ongoing investment works worth RON 1,590 thousand
- RON 12,466 thousand represent additional works done for Plaza and the land fence for the Ghencea land

Transfers into or from property, plant and equipment of RON 19,286 thousand comprises:

- Transfer of land from investment property to PP&E of RON 13,331 thousand (10,364 square meter) related to the photovoltaic park
- Transfer in amount of RON 518 thousand of two apartments from investment property to Inventories as the units were made available for sale during the current year.

The value of land registered as investment property increased at the end of 2023, by RON 49,503 thousand, following the revaluation carried out by the external evaluator, Colliers Valuation and Advisory S.R.L.

The Company's management analyzes annually, at the balance sheet date, the market conditions at those points in time to decide the best use of the land, namely if it will be used to build to sell or to build to rent.

Considering the above, the Company considers that in December 2023 there is sufficient evidence that the future use of the land is uncertain and thus the land should be classified as investment property and not as inventory, in accordance with IAS 40 provision regarding “land held for a currently undetermined future use”.

Details on the legal issues related to land are found in Note 26.

Valuation processes

The Company’s investment properties were valued at as at 31 of December 2023 by independent professionally Colliers Valuation and Advisory SRL, external, independent evaluators, authorized by ANEVAR, having experience regarding the location and nature of the properties evaluated.

For all investment properties, their current use equates to the highest and best use. Below there is description of the valuation technique used in determination of the fair value of investment property.

Fair value hierarchy

Based on the inputs to the valuation technique, the fair value measurement for investment property has been categorized as Level 3 fair value at December 31, 2023. This assessment is deemed appropriate considering the adjustments of the date for comparable lands and of the construction assessments. These adjustments are based on location and condition and are not directly observable. There were no transfers from level 2 to level 3 during the year.

Valuation techniques

The following table presents the valuation techniques used in the determination of the fair value of buildings and lands:

Asset	Main parameters on 31st of December 2023	Main parameters on 31st of December 2022
Greenfield Băneasa land	<ul style="list-style-type: none"> • Price offer per square meter for land used as comparable: from 250 EUR / sqm to 500 EUR / sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: from -36% discount to +27% Premium 	<ul style="list-style-type: none"> • Price offer per square meter for land used as comparable: from 250 EUR / sqm to 450 EUR / sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: from -26% discount to +37% Premium
Barbu Văcărescu land	<ul style="list-style-type: none"> • Price offer per square meter for land used as comparable: from 1,000 EUR/mp to 2,537 EUR/sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: discount from -35% to +60% Premium 	<ul style="list-style-type: none"> • Price offer per square meter for land used as comparable: from 1,254 EUR/mp to 2,537 EUR/sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: discount from -40% to +20% Premium
Bldv. Ghencea land	<ul style="list-style-type: none"> • Price offer per square meter for land used as comparable: from 179 EUR/sqm to 254 EUR/sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: discount of -48% 	<ul style="list-style-type: none"> • Price offer per square meter for land used as comparable: from 80 EUR/sqm to 165 EUR/sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: discount of -5% to +75%

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(All amounts are expressed in thousand RON, unless stated otherwise)

The carrying value as at 31 December 2023 of the land plots pledged is RON 251,812 thousands (31 December 2022: RON 235,353 thousands).

10. INVENTORIES

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Finished goods and other goods for sale	80,812	101,029
Ongoing residential developments:		
Land for development	86,468	88,926
Development and construction costs	331,759	239,450
	<u>499,039</u>	<u>429,405</u>

Inventories are represented by:

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Residential project Greenfield	399,414	311,201
Land and development expenses Constanta	89,887	107,927
Other inventories	9,738	10,277
	<u>499,039</u>	<u>429,405</u>

Lands with a carrying amount of RON 86,468 thousand as at 31 December 2023 (31 December 2022: RON 88,926 thousand) consist of lands held by the Company for development of new residential properties and infrastructure, mainly in Bucharest, as well as lands through which the Company intends to realize value through direct sale.

Completed residential properties with a carrying value of RON 80,812 thousand as at 31 December 2023 (31 December 2022: RON 101,029 thousand) refer entirely to apartments held for sale by the Company. Cost of goods sold recognized during the period is 37,181 RON thousand (2022: RON 50,566 thousand).

The carrying value as at 31 December 2023 of the finished goods inventories pledged is of RON 234,437 thousand (RON 189,387 thousand as at 31 December 2022). Further details are set out in Note 16.

The Boreal Plus project in Constanta is financed by CEC Bank; therefore, the loan interest was capitalized in the construction value of the stock. The value of the capitalized interest during the 2022 is RON 1,020 thousand. During 2023 the project was commissioned and available for sale, therefore no interest was capitalized.

Part of the Greenfield project (construction of the Teilor complex) is financed by OTP Bank. The capitalized interest during 2022 in the value of the projects is RON 1,230 thousand. The capitalized interest during 2023 in the value of the projects is RON 9,664 thousand.

According to the provision of IAS23 – Borrowing costs, the costs related to general loans were capitalized in the value of eligible assets using a weighted average rate.

Further details on the Company's loans are set out in Note 16.

(All amounts are expressed in thousand RON, unless stated otherwise)

11. INVESTMENTS IN SUBSIDIARIES

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Investments in subsidiaries	44,239	44,239
Impairment of investments in subsidiaries	(8,023)	(8,023)
	<u>36,216</u>	<u>36,216</u>

The Company holds interests in the following subsidiaries:

			<u>31-Dec-23</u>	
	<u>Percentage</u>	<u>Gross value</u>	<u>Impairment</u>	<u>Book value</u>
Spatzioo Management	6,23%	110	-	110
Clearline Development and Management	100%	22,420	(8,023)	14,397
Bergamot Developments	100%	6,770	-	6,770
Bergamot Developments Phase II	100%	49	-	49
Impact Finance	100%	1	-	1
Greenfield Copou Residence	100%	49	-	49
Greenfield Copou Residence Phase II	100%	48	-	48
Aria Verdi Development	100%	48	-	48
Greenfield Property Management	100%	49	-	49
RCTI	51,01%	14,440	-	14,440
Impact Alliance Moldova	51%	-	-	-
Impact Alliance Arhitecture	51%	255	-	255
Total subsidiaries		44,239	(8,023)	36,216

			<u>31-Dec-22</u>	
	<u>Percentage</u>	<u>Gross value</u>	<u>Impairment</u>	<u>Book value</u>
Spatzioo Management	6,23%	110	-	110
Clearline Development and Management	100%	22,420	(8,023)	14,397
Bergamot Developments	100%	6,770	-	6,770
Bergamot Developments Phase II	100%	49	-	49
Impact Finance	100%	1	-	1
Greenfield Copou Residence	100%	49	-	49
Greenfield Copou Residence Phase II	100%	48	-	48
Aria Verdi Development	100%	48	-	48
Greenfield Property Management	100%	49	-	49
RCTI	51,01%	14,440	-	14,440
Impact Alliance Arhitecture	51%	255	-	255
Total subsidiaries		44,239	(8,023)	36,216

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Clearline Development and Management SRL holds 93,77% in Spatzioo Management SRL (former Actual Invest House SRL)

- a) Spatzioo Management SRL, a company that provides management services for new residential developments.
- b) Clearline Development and Management S.R.L. (former Lomb SA) is the project company through which IMPACT was to develop a residential project in Cluj-Napoca, in partnership with the local authority. For investments made by Clearline Development & Management SRL in the realization of the Lomb project in Cluj, the project company has a litigation (see Note 26).
- c) Bergamot Developments S.R.L., company within the Company with main object of activity real estate development, which starting with 2018 developed a residential ensemble of approx. 51,382 square meters, 500 apartments, on a land of approximately 17,213 sqm, respectively the first phase of the residential complex Luxuria Domenii Residence.
- d) Bergamot Developments Phase II S.R.L., a company within the Company having as main object of activity the real estate development, which is to develop the Phase II (130 apartments) of the residential complex Luxuria Domenii Residence, consisting of 13,618 square meters built on a plot of 5,769 sqm.
- e) Impact Finance & Developments S.R.L. has a role in diversifying the range of services related to home sales. Impact Finance & Developments collaborates with financial institutions in Romania in order to offer advantageous lending solutions for clients who purchase dwellings.
- f) Greenfield Copou Residence S.R.L., a company within the Company having as main object of activity the lease and sublease of its own or of rented property has been incorporated in December 2019. Its object is to develop the Greenfield Copou project in Iasi.
- g) Greenfield Copou Residence Phase II SRL, a company within the Company, having as main object of activity the real estate development, has been incorporated in 2021.
- h) Greenfield Property Management SRL, a company within the Company, having as main object of activity the real estate development, has been incorporated in 2021.
- i) Aria Verdi Property SRL, a company within the Company, having as main object of activity the real estate development, has been incorporated in 2021.
- j) Impact Alliance Arhitecture SRL, a company within the Company having as main object of activity architecture services, has been incorporated in 2022
- k) RCTI Company, a company within the Company having as main object of activity the real estate constructions, has been acquired by the Company in 2022 (refer to Note 28).
- l) Impact Alliance Moldova c company having as main activity construction services. The company was set-up in 2023 but no share capital was paid in yet.

12. TRADE AND OTHER RECEIVABLES

	Short term		Long term	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Trade receivables	1,335	3,932	-	-
Receivables from related parties	20,280	12,058	62,143	67,197
Sundry debtors	2,857	8,433	-	-
Receivables from authorities	106	9,469	-	-
	24,579	33,892	62,143	67,197

An allowance has been made for expected credit losses on trade receivables of 2,806 thousand RON (31 December 2022: 2,276 thousand RON).

Reconciliation of the provision for expected credit losses:	2023	2022
Balance as at 1 st of January	2,276	1,790
Provision reversal	(535)	(491)
Establish new provision	1,065	977
Balance as at 31 of December	2,806	2,276

Long-term receivables represent the balance of loans and their related interest granted by the Company to its subsidiaries. Details about the breakdown of the amount is included in note 27 - regarding transactions with related parties.

As at 31 of December 2023, did not have any pledge receivables, except for the rental income which is mortgaged in favor of First Bank

Other current assets	31-Dec-23	31-Dec-22
Prepaid expenses	5,656	5,512
Advances to suppliers	1,065	9,342
	6,721	14,854

Prepayments include advance payments to IT software suppliers, taxes on land and buildings as well as advance payments for construction services.

13. CASH AND CASH EQUIVALENTS

	31-Dec-23	31-Dec-22
Current accounts	35,726	46,797
Petty Cash	6	9
Cash advances	46	51
	35,778	46,857

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Current accounts are held with Romanian commercial banks. Out of the total balance of cash, 9 thousand RON (31 December 2022: 102 thousand RON) is restricted cash. The restricted cash is subject to commercial or legal restrictions (cash collateral for letters of guarantee, cash collateral for the payment of uncollected dividends, etc.)

14. SHARE CAPITAL

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Share capital paid in	591,420	591,420
Adjustments of the share capital (hyperinflation)	7,464	7,464
	<u>598,884</u>	<u>598,884</u>
Number of shares in issue at period end	<u>2,365,679,951</u>	<u>2,365,679,951</u>

The shareholding structure at the end of each reported period was as follows:

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
	%	%
Gheorghe Iaciu	57.76%	57.76%
Andrici Adrian	11.83%	12.72%
Legal persons	19.96%	19.70%
Other shareholders	10.45%	9.82%
	<u>100.00%</u>	<u>100.00%</u>

All shares are ordinary and have equal ranking related to the Company's residual assets. The nominal value of one share is 0.25 RON. The holders of ordinary shares have the right to receive dividends, as these are declared at certain moments in time, and have the right to one vote per 1 share during the meetings of the Company.

On 01.02.2022, the share capital increase was registered, through the issuance of new shares, through private placement. As a result of the increase, 84,231,295 new shares were issued and the share capital was increased with the value of 21,057,823.75 RON. Following the increase of the share capital through private placement, the share capital of the Company increased from 393,750,000 RON to 414,807,823.75 RON, the new total number of shares being 1,659,231,295. This share capital increase generated a share premium in amount of RON 37,904,170.

On 30.06.2022, the Company's share capital was increased by the amount of 165,923,129.50 RON, through the partial incorporation of the undistributed carried forward result in the previous financial years. The capital increase was achieved by issuing a number of 663,692,518 new shares. Each shareholder registered in the Register of Shareholders of the Company on the registration date 21.07.2022 was allocated 2 (two) free shares for 5 (five) shares held. Following the increase of the share capital, the total value represents 580,730,953.25 RON, being divided into 2,322,923,813 shares, each having a nominal value of 0.25 RON.

On 19.08.2022, the subscription stage in private placement approved by the Decision of the Board of Directors of 17.08.2022 ended. Under the Private Placement 42,756,138 shares were subscribed, and the subscription price was 0.439 RON per new share (the "Subscription Price"). This share capital increase generated a share premium in amount of RON 8,080,910.

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The Other reserves constituted for the Company are detailed below:

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Legal reserves	44,513	43,190
Statutory reserves	(4,871)	(4,871)
Other reserves	-	(1)
	<u>39,642</u>	<u>38,318</u>

The legal reserve is set in accordance with the provisions of the Romanian Company Law, which requires that at least 5% of the annual accounting profit before tax is transferred to “legal reserve” until the balance of this reserve reaches 20% of the share capital of the Company.

Dividends

No dividends were distributed during the year ending 31 December 2023.

No dividends were distributed during the year ending 31 December 2022.

Capital management.

For the purpose of the Company’s capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company’s capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a debt to assets ratio, which is loans and borrowings less cash and cash equivalents, divided to total assets. The Company’s policy is to keep the debt to assets ratio to less than 40%.

In order to achieve this overall objective, the Company’s capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. In case of breaches in meeting the financial covenants the banks allow for remedy periods. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies, or processes for managing capital during the years ended 31 December 2023 and 2022. Debt to assets ratio as of 31 December 2023 and 31 December 2022 are disclosed below:

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Debt to assets ratio		
Loans and borrowings	389,074	330,351
Less: cash and cash equivalents	(35,778)	(46,857)
Net debt	<u>353,296</u>	<u>283,494</u>
Total assets	1,428,708	1,330,234
Net debt to assets	<u>25%</u>	<u>21%</u>

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15. OWN SHARES

	<u>2023</u>	<u>31-Dec-22</u>
Balance on January 1	268	841
Own shares acquired	-	442
Own shares acquired and cancelled during the year	-	-
Share based payments	-	(1,015)
Balance on December 31	268	268

	<u>2023 (no. of shares)</u>	<u>2022 (no. of shares)</u>
Balance at 1 January	738,541	1,370,920
Purchase of own shares	-	1,632,621
Own shares cancelled during the year	-	-
Share-based payments	-	(2,265,000)
Balance at 31 December	738,541	738,541

The reserve of own shares represents the cost of shares of the Parent Company purchased on the market, to satisfy the options and conditional quotas granted under the Company's share-based payment schemes.

On December 31, 2023, the Company has own shares with an accounting value of RON 268 thousand (December 2022: 268 thousand lei).

The Company granted shares to employees and members of the Board of Directors according to the decision to implement the "Stock Option Plan" program (the "Plan"), with the objective of granting option rights for the acquisition of shares free of charge by employees and members of the Company's management, respectively the members of the Board of Directors and the directors of the Company, in order to maintain and motivate them as well as to reward them for the activity carried out within the Company.

The total number of shares that may be granted to Eligible Persons under this Plan is a maximum of 3,060,000 registered shares ("Reserved Shares").

In 2022, the Company granted a number of 2,265 thousand shares to employees and members of the Board of Directors evaluated and recorded in the profit and loss account on the date of grant in the amount of 969 thousand lei (0.427 lei/share). The average cost borne by the parent company with the purchase of these shares was 1,015 thousand lei (0.367 lei/share).

No shares were granted to employees in 2023.

16. LOANS AND BORROWINGS

This note discloses information related to the contractual terms of the interest-bearing loans and borrowings of the Company, valued at amortized cost. Information related to the Company's exposure to interest rate risk, foreign currency risk and liquidity risk is included in Note 24.

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Non-current liabilities		
Secured bank loans	264,485	200,299
Issued bonds	72,537	32,561
Leasing	524	908
Total non-current liabilities	<u>337,546</u>	<u>233,768</u>
Current liabilities		
Secured bank loans	51,103	97,446
Short-term borrowings	46	45
Leasing	379	342
Total current liabilities	<u>51,528</u>	<u>97,833</u>

Starting with 2023 the Company presents leasing liabilities as part of Loans and borrowings, whereas in 2022 these were presented within trade and other liabilities.

Terms and repayment schedules of loans and borrowings in balance are as follows:

<u>Lender</u>	<u>Currency</u>	<u>Maturity</u>	<u>Amount of the facility, in original currency</u>	<u>Balance at 31-Dec-23</u>	<u>Balance at 31-Dec-22</u>
Loans and borrowings					
Private placement bonds	EUR	24-Dec-26	6,581	32,740	32,561
Credit Value Investments	EUR	02-Oct-27	8,000	39,423	-
Total bonds				72,163	32,561
CEC Bank	EUR	27-Nov-23	9,880	-	48,622
Garanti BBVA	EUR	15-Jun-24	4,250	3,210	5,936
Garanti BBVA	EUR	30-Jun-24	4,500	6,396	18,978
Libra Internet Bank	EUR	05-Oct-24	4,000	1,813	7,363
Libra Internet Bank	EUR	05-Dec-25	1,900	7,287	9,400
OTP Bank	EUR	31-Mar-25	21,161	105,268	51,444
OTP Bank	EUR	30-Jun-24	4,000	4,708	5,100
OTP Bank	EUR	31-Mar-25	13,279	65,239	44,388
OTP Bank	EUR	30-Jun-24	2,000	1,514	4,358
TechVentures Bank	EUR	06-Jan-25	2,000	3,592	6,871
Alpha Bank	EUR	08-Jun-29	20,000	81,068	95,283
First Bank	EUR	29-Mar-29	3,500	16,695	-
Libra Internet Bank	RON	15-Jun-26	14,000	1,778	-
Garanti BBVA	RON	31-Dec-26	17,395	17,394	-
Total bank loans				315,962	297,743
Leasing					
Leasing	RON			903	1,250
Total Leasing				903	1,250
Interest				46	46
Total				389,074	331,601

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	Bonds	Loans and borrowings	Leasing	Total
Balance at January 1, 2023	32,606	297,744	1,250	331,600
Draws	39,346	135,538		174,884
Payments	-	(119,213)	(368)	(119,581)
Interest paid	(3,324)	(22,534)	(51)	(25,909)
Interest paid	3,318	22,534	51	25,903
FX differences	262	1,894	21	2,177
Balance at 31 December 2023	72,209	315,963	903	389,074

In December 2020, the Company conducted a new issuance of Private Placement bonds worth EUR 6,580 thousand at a fixed interest rate of 6.4% p.a., due twice a year. The bonds were issued by the parent dated 24 December 2020, have a maturity of 6 years and were listed on the BSE regulated market in May 2021.

In May 2021, the Company contracted two loans denominated in EUR and RON from CEC Bank SA., In order to develop the Boreal Plus project in Constanța. The first credit facility is worth 9,880 thousand EURO and represents an investment loan with a maturity of 30 months from the granting, and the second facility in the amount of RON 3,500 thousand represents VAT financing with a maturity of 20 months from the granting time.

In November 2021, the company contracted a loan denominated in EUR from Garanti Bank for the general financing of projects (working capital). The approved value of the loan is EUR 4,250 thousand, maturing within 30 months of granting.

In January 2022, the company contracted a loan denominated in EUR from Techventures Bank for the general financing of projects (working capital). The approved value of the loan is EUR 2,000 thousand, maturing within 36 months of granting.

In June 2022, the company contracted a 2nd loan denominated in EUR from Garanti Bank for the general financing of projects (working capital). The approved value of the loan is EUR 4,500 thousand, maturing within 25 months of granting.

In June 2022, the company contracted a loan denominated in EUR from Alpha Bank for the general financing of projects (working capital). The approved value of the loan is EUR 20,000 thousand, maturing within 84 months of granting.

In September 2022, the Company contracted 4 loans denominated in EUR from OTP Bank for the financing of phases F1-F3 of the UTR3 project in Greenfield Băneasa. The cumulative value of the credits is EUR 40,440 thousand, of which two in the amount of EUR 34,440 thousand are intended to finance the project, with a maturity of 3 years from the granting, and two others in a total amount of EUR 6,000 thousand to cover VAT expenses, with maturity of 2 years from granting.

In December 2022, the Company contracted a loan denominated in EUR from Libra for the general financing of projects (working capital). The amount of the loan is 1,900 thousand EUR, with a maturity of 3 years from the granting.

In May 2023, the Company contracted a loan denominated in EUR from First Bank for the refinancing of the Community centre Greenfield Plaza. The value of the credit is EUR 3,500 thousand, with a maturity of 70 months from the granting.

(All amounts are expressed in thousand RON, unless stated otherwise)

In June 2023, the Company contracted a loan denominated in EUR from Libra Internet Bank for the general financing of projects (working capital). The value of the loan is RON 14,000 thousand, with a maturity of 3 years from the granting. Credit facility drawings started in July 2023.

In October 2023 the Company offered for subscription 80 Series IMP27E bearer bonds (the "Bonds"), each with a nominal value of EUR 100,000 and an aggregate nominal value of EUR 8,000,000 (eight million euros). The Bonds were allotted to institutional investors – consortium of several investment funds, of which assets are managed by CVI Dom Maklerski sp. z o.o. The Polish company under business name CVI Trust sp. z o.o., with its registered seat in Warsaw, Poland, is acting as a security administrator. Final maturity is 48 months from the issuance date.

In November 2023 the Company contracted a loan denominated in RON from Garanti Bank for the general financing of projects (working capital). The value of the loan is RON 17,395 thousand, with a maturity of 3 years from the granting. Credit facility drawings started in December 2023.

All the financial indicators provided for in the long-term bank loan contracts were met as at 31 December 2022 and as at 31 December 2023.

Lease liabilities

	Vehicles	Total
Balance as at 1 January 2022	-	-
Additions	1,699	1,699
Interest expense	148	148
Lease payments	(885)	(885)
Foreign exchange movements	288	288
Balance as at 31 December 2022	1,250	1,250

	Vehicles	Total
Balance as at 1 January 2023	1,250	1,250
Additions	-	-
Interest expense	51	51
Lease payments	(437)	(437)
Foreign exchange movements	39	39
Balance as at 31 December 2023	903	903

The market value of the liabilities related to leasing contracts approximates their book value.

In August 2021, the Company signed a framework leasing contract with Porsche Leasing Romania IFN SA for the delivery of 19 electric cars. In May 2022, the cars were delivered, and individual leasing contracts were concluded for each car.

No new leasing contracts were signed in 2023.

The interest rate is fixed. Fixed instalments are paid throughout the duration of the contract.

17. TRADE AND OTHER PAYABLES

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Non-current liabilities		
Guarantees	6,203	11,352
	<u>6,203</u>	<u>11,352</u>
Current liabilities		
Trade payables	9,019	7,437
Tax debts	3,285	292
Employees payables	560	716
Related parties payables	28,435	20,057
Dividends payable	-	177
Other payables	1	62
	<u>41,300</u>	<u>29,083</u>
TOTAL	<u>47,378</u>	<u>40,435</u>
Advances from clients	34,374	35,946
Profit tax payable	(125)	(125)

Detailed information about Advances from clients are presented in Note 19.

Starting with 2023 current income tax liability is presented separately on the face of the statement of financial position, while up to 2022 this was presented within trade and other payables.

Information related to the Company's exposure to exchange rate risk and liquidity risk related to trade and other liabilities is included in Note 24.

18. PROVISIONS FOR RISKS AND CHARGES

	<u>Provisions for litigation</u>	<u>Other provisions</u>	<u>Total</u>
Balance as at 1 January 2022	271	1,017	1,288
Provisions established during the period	-	-	-
Provisions written back during the period	-	(935)	(935)
Balance at 31 December 2022	271	82	353
	<u>Provisions for litigation</u>	<u>Other provisions</u>	<u>Total</u>
Balance at January 1, 2023	271	82	353
Provisions established during the period	-	-	-
Provisions written back during the period	-	(66)	(66)
Balance at 31 December 2023	271	16	287

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The provisions amounting to 287 thousand RON are represented by:

- 271 thousand RON for a litigation in connection with one of the houses sold in the Boreal district of Constanta.
- 16 thousand RON for untaken holidays.

19. REVENUES

Revenues of the Company:

	<u>31-Dec-2023</u>	<u>31-Dec-2022</u>
Revenue from sale of residential properties and land	52,348	75,191
Revenue from services	5,134	4,205
Rental income	4,053	1,361
	<u>61,534</u>	<u>80,757</u>
	<u>31-Dec-2023</u>	<u>31-Dec-2022</u>
Cost of goods sold	37,181	50,566
Services cost	5,943	4,369
Costs related to rental services	1,207	658
	<u>44,901</u>	<u>55,593</u>

As at 31 December 2023, the Company had a stock of 340 pre-sale agreements, in total value of RON 188,694 thousand. Of these, 94% refer to projects under development (320 dwellings, RON 177,856 thousand package value) and 6% refer to completed projects (20 dwellings, RON 11,972 thousand package value).

These pre-sales are expected to be translated into revenues within next period.

For these pre-sale agreements clients paid deposits in amount of RON 34,374 thousand which are shown under Contract liabilities in the statement of financial position.

The company recorded a total of 419 pre-sales on as at 31 December 2022 with a package value of EUR 43.7 million (RON 215 million), which will be recognized as revenue as the apartments are completed in the next period. For these pre-sale agreements clients paid deposits in amount of RON 35,946 thousand which are shown under Contract liabilities in the statement of financial position.

Sales breakdown by projects:

	<u>31-Dec-2023</u>	<u>31-Dec-2022</u>
Greenfield Baneasa	17,172	71,471
Boreal Plus Constanta	35,176	3,720
	<u>52,348</u>	<u>75,191</u>

In 2023 Impact sold 89 units, represented by 27 dwellings in GREENFIELD Baneasa, 54 dwellings, 1 commercial space as well as 7 villas in BOREAL Plus Constanta (7,243 sqm built saleable area plus related parking spots, storage and court yards). The 89 units sold throughout 2023 generated corresponding revenues of RON 52,348 thousand.

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During 2023 the Company started leasing part of its apartments for cash-flow purposes. The apartments remain available for sale, however given that this activity is expected to be recurring, the rental income generated is presented as part of Revenue starting with 2023, whereas in 2022 it was presented under 'Net income from other activities' line.

Revenue from rental is obtained from renting the commercial spaces within Greenfield Plaza community centre (RON 3,427 thousand) as well as from renting the apartments (RON 626 thousand). The rented apartments are not held as investment property but sold. In 2022 the income revenue form rental was in amount of RON 1,361 thousand (RON 815 form commercial spaces and RON 546 thousand from apartments) and were disclosed within the "Net revenue from other activities" category.

20. GENERAL AND ADMINISTRATIVE EXPENSES

	<u>31-Dec-2023</u>	<u>31-Dec-2022</u>
Consumables	681	381
Services provided by third parties	8,462	12,052
Staff costs	12,894	13,176
	<u>22,037</u>	<u>25,609</u>

21. OTHER OPERATING (EXPENSES)/INCOME

	<u>31-Dec-2023</u>	<u>31-Dec-2022</u>
Other operating income	4,573	2,522
Other operating expenses	(153)	(1,482)
Other tax expenses	(1,913)	(1,210)
Gain / (Loss) on disposal of PPE	(2,023)	(626)
Fines and penalties income/(expenses)	3,520	1,169
Value adjustment for PPE	1,194	(181)
Value adjustment for inventories	1,341	(142)
Value adjustment of receivables	530	(486)
Sponsorships	(26)	(171)
	<u>7,043</u>	<u>(607)</u>

22. FINANCE (COST)/INCOME

	<u>31-Dec-2023</u>	<u>31-Dec-2022</u>
Interest expense	(18,609)	(1,083)
Foreign exchange loss	(8,294)	(8,028)
Other financial expenses	(1,241)	(840)
Total financial expenses	(28,144)	(9,951)
Interest income	4,260	6,362
Foreign exchange gains	8,614	8,091
Other financial income	3,770	(702)
Total financial income	16,644	13,751
Financial result, net	(11,500)	3,800

Compared with 2022, in 2023 the interest expense has increased by RON 17,256 thousand. This is due to increase of loans balance as at 31 December 2023 with RON 57,473 thousand, corroborated with interest rate increases, as well as due to the fact that interest of loans previously capitalized was charged to expenses during 2023. As regards to foreign exchange results, 2023 the Group has registered net gains from foreign exchange of RON 320 thousand due to increase in value of RON against EUR (2022: foreign exchange net gain of RON 63 thousand).

23. INCOME TAX

(i) Taxes recognized in the profit and loss account

	<u>2023</u>	<u>2022</u>
Deferred income tax (expense)	6,931	(12,568)
Income tax (credit) / expense	-	-
Income tax expenses	<u>6,931</u>	<u>(12,568)</u>

(ii) Effective tax rate reconciliation

	<u>2023</u>		<u>2022</u>	
Profit before tax	<u>35,561</u>		<u>75,897</u>	
Income tax calculated using the entity's local tax rate (16%)	16%	(5,690)	16%	(12,144)
Non-deductible expenses and adjustments	16%	5,057	16%	405
Non-taxable income	16%	(9,804)	16%	(829)
Deferred tax differences	-	17,368	-	-
	28%	<u>6,931</u>	(16%)	<u>(12,568)</u>

(iii) Cumulative temporary differences that generate deferred tax

	<u>31-Dec-23</u>		<u>31-Dec-22</u>	
	Taxable base	Tax amount	Taxable base	Tax amount
	Taxable base	Tax amount	Taxable base	Tax amount
Tangible assets	(7,691)	(1,231)	(1,394)	(223)
Real estate investments	495,456	79,273	530,266	84,843
Inventories	-	-	(13,756)	(2,201)
Trade receivables and other receivables	(1,665)	(266)	(8,506)	(1,361)
	486,100	77,776	506,610	81,058
Tax losses that generated deferred tax	(24,103)	(3,856)	-	-
	<u>461,997</u>	<u>73,920</u>	<u>506,610</u>	<u>81,058</u>

24. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

Financial risk management

The Company is exposed to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk
- financing risk

General risk management framework

The Company does not have any formal commitments to overcome the financial risks. Despite the inexistence of formal commitments, the financial risks are monitored by the Company's top management, emphasizing its needs to efficiently compensate opportunities and threats.

The Company's policies regarding the risk management are defined so as to ensure identification and analysis of the risks the Company is dealing with, setting limits and adequate controls, as well as risk monitoring and compliance with the set limits. The policies and system meant to manage risks are regularly reviewed to reflect the changes occurred in the market conditions and Company's operations. The Company, through its standards and procedures for coaching and managing, aims to develop an orderly and constructive control environment, where all and each employee understand his/her role and duties.

(a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises mainly from the Company's trade receivables and financial assets.

The net carrying value of the financial assets represent the maximum exposure to credit risk, the maximum exposure to the credit risk at reporting date was:

	<u>Note</u>	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Trade receivables and other receivables	12	81,334	90,446
Cash and cash equivalents	13	35,778	46,857
		<u>117,112</u>	<u>137,303</u>

Trade receivables and other receivables

The Company's exposure to credit risk is mainly influenced by the individual characteristics of each customer. All these considered, the management takes into account the demographic characteristics of the customer database, including the collection risk specific to the sector and to the country in which the customer activates, bearing in mind that all these factors influence the credit risk.

In order to monitor customer credit risk, the Company monitors monthly payment delays and takes the steps deemed necessary on a case-by-case basis.

(All amounts are expressed in thousand RON, unless stated otherwise)

The maximum exposure to credit risk related to trade and other receivables as at reporting date based on geographical region was:

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Romania	81,334	90,446
Impairment losses	<u>81,334</u>	<u>90,446</u>

The debt aging situation at the reporting date was:

	<u>31-Dec-23</u>			<u>31-Dec-22</u>		
	Gross amount	Adjustment for impairment	Net amount	Gross amount	Adjustment for impairment	Net amount
Did not reach the maturity date	72,514	-	72,514	75,342	-	75,342
Remaining between 1-30 days	2,504	-	2,5804	6,737	-	6,737
Remaining between 31-90 days	2,252	-	2,252	4,789	-	4,789
Remaining between 91-120 days	2,661	-	2,661	3,578	-	3,578
Remaining between 121-365 days	1,403	-	1,403	1,221	(1,221)	-
Arrears of more than one year	2,806	(2,806)	-	2,106	(2,106)	-
	<u>84,140</u>	<u>(2,806)</u>	<u>81,334</u>	<u>93,773</u>	<u>(3,327)</u>	<u>90,446</u>

Impairment losses as of 31 December 2023 relate to a number of customers who have indicated that they do not anticipate having the ability to pay the amounts owed primarily due to economic conditions.

The Company believes that amounts for which provisions have not been established and which are overdue by more than 30 days will be collected, based on historical payment behavior and a thorough analysis of the credit rating of the customers in question.

Cash and cash equivalents

At 31 December 2023, the Company held cash and cash equivalents in amount of RON 35,778 thousand (31 December 2022: RON 46,857 thousand), representing the maximum exposure to credit risk arising from these assets. The cash and cash equivalents are held at banks and financial institutions in Romania.

(b) Liquidity risk

31-Dec-22	Accounting value	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans	330,351	330,351	97,492	35,093	190,437	7,329
Leasing	1,250	1,250	342	908		
Trade debts and other debts	40,435	40,435	28,741	11,352	-	-
	371,694	371,694	126,575	47,353	190,437	7,329
Estimates of future interest	28,258	28,258	14,351	9,178	4,592	137
Total	399,952	399,952	140,926	56,531	195,029	7,466

31-Dec-23	Accounting value	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans and borrowings	388,125	388,125	51,102	194,223	141,790	1,009
Trade debts and other debts	47,378	47,378	41,175	6,203	-	-
Leasing	903	903	379	524	-	-
	436,406	436,406	92,656	200,950	141,790	1,009
Estimates of future interest	62,573	62,573	29,776	17,083	15,714	-
	499,988	499,988	122,432	218,033	157,505	1,009

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, The Company's approach to manage liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's obligations.

The following table illustrates the remaining contractual maturities of financial liabilities at the end of the reporting period, including estimated interest payments and excluding any impact of netting agreements:

(c) Market risk

The Company's activities expose it to the financial risks of changes in both foreign currency exchange rates and interest rates. The Company aims to manage the exposure to these risks using a mix of fixed and variable rate borrowings, foreign currency borrowings.

Currency risk

The Company is exposed to currency risk to the extent that sales, purchases and borrowings are denominated in different currencies than the Company's functional currency (Romanian Leu), foremost Euro.

(All amounts are expressed in thousand RON, unless stated otherwise)

The summary of quantitative data regarding the Company's exposure to currency risk reported to the Company's management based on the risk management policy is as follows:

	<u>31-Dec-23</u>	<u>31-Dec-22</u>
Monetary assets		
Trade receivables and other receivables	-	-
Cash and cash equivalents	13,463	18,913
	<u>13,463</u>	<u>18,913</u>
Monetary debts		
Loans and borrowings	368,953	330,305
Trade debts and other debts	406	1,250
	<u>369,359</u>	<u>331,555</u>
Net exposure	<u>(355,896)</u>	<u>(312,642)</u>

The Company has not entered into hedging contracts with respect to foreign currency obligations or exposure to interest rate risk.

The main exchange rates used during the year were:

	<u>31-Dec-23</u>	<u>12M 2023</u>	<u>31-Dec-22</u>	<u>12M 2022</u>
EUR	4.9746	4.9464	4.9474	4.9313

Sensitivity analysis

A 10% appreciation / depreciation of the Romanian leu against the following foreign currencies as at 31 of December 2023 and as at 31 of December 2022 would have increased the profit by the amounts indicated below. This analysis is based on changes in exchange rates that the Company considers reasonably possible at the end of the reporting period. This analysis assumes all other variables, especially interest rates, to remain constant and ignores any impact of expected sales and purchases.

	<u>31-Dec-23</u>			<u>31-Dec-22</u>		
	<u>Book value</u>	<u>Effect of depreciation</u>	<u>Effect of appreciation</u>	<u>Book value</u>	<u>Effect of depreciation</u>	<u>Effect of appreciation</u>
Monetary assets and liabilities	(355,896)	(35,590)	35,590	(312,642)	(31,264)	31,264

Interest rate risk

	31-Dec-23				31-Dec-22			
	Book value	Variable rate	Fixed rate	Non-interest bearing	Book value	Variable rate	Fixed rate	Non-interest bearing
Monetary assets								
Trade receivables and other receivables	81,334	-	55,796	25,538	90,446	-	56,681	33,765
Cash and cash equivalents	35,778	-	35,778	-	46,857	-	46,857	-
	117,112	-	91,574	25,538	137,303	-	103,538	33,765
Monetary debts								
Loans and borrowings	388,171	355,385	32,740	-	330,351	297,790	32,561	-
Leasing	903	-	903	-	1,250	-	1,250	-
Trade debts and other debts	47,378	-	-	47,378	41,343	-	-	41,343
	436,406	355,385	33,643	47,378	372,898	297,790	33,811	41,343

At the reporting date, the interest rate risk exposure profile related to interest-bearing financial instruments reported to the Company's management was as follows:

	31-Dec-23	31-Dec-22
Fixed rate instruments		
Assets	91,574	103,538
Debts	(33,643)	(33,811)
	57,931	69,727
Variable rate instruments		
Debts	(355,385)	(265,229)
	(355,385)	(265,229)

Fair value sensitivity analysis for fixed interest rate instruments

The company does not register financial assets or financial liabilities with a fixed rate at fair value through the profit and loss account, and does not designate derivatives (interest rate swaps) as hedging instruments within a hedging accounting model at value. Therefore, a change in interest rates at the reporting date would not affect the result.

Cash flow sensitivity analysis for variable rate instruments

A possible change of 100 basis points at the reporting date would have increased or decreased equity and profit or loss by 3,554 (2022: 2,652). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain unchanged.

31 December 2023	<i>Profit / (Loss)</i>	
	100 bp increase	100 bp decrease
Variable rate instruments	3,554	(3,554)

31 December 2022	<i>Profit / (Loss)</i>	
	100 bp increase	100 bp decrease
Variable rate instruments	2,652	(2,652)

25. CAPITAL COMMITMENTS

As at 31 December 2023 respectively 31 December 2022, the Company has no capital commitments contracted.

However, the Company is engaged in contractual commitments through the pre-sale agreements it concludes with its clients for the sale of developed dwellings (please see Note 19 – Revenues, for more details on pre-sale agreements).

26. CONTINGENCIES

Litigations

As of the date of these financial statements, the Company was involved in several ongoing lawsuits, both as plaintiff and defendant.

The management of the Company regularly assesses the status of all ongoing litigation and, following a consultation with the Board of Administration, decides upon the necessity of recognizing provisions related to the amounts involved or their disclosure in the financial statements.

Considering the information available, the management of the Company considers that there are no significant ongoing litigation, except the ones detailed below:

a) Litigation initiated by IMPACT regarding the Lomb residential project in Cluj-Napoca

The company Impact Developer & Constructor SA and one of its subsidiaries, namely Clearline Development and Management SRL ("Project Company") are parties in two files in conflict with the Cluj Local Council ("CLC"). The disputes stemmed from a contractual relationship carried out in 2007, at which time the Company concluded an investment contract with CLC, a contract by which CLC and the Company were to develop a residential project, and CLC was to contribute the land - "The Lomb Project" . The Company and

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the Project Company request the reimbursement of the sums derived from the investments made for the Lomb project where CLC did not respect its contractual obligations, i.e. did not contribute with land, thus the Company being in a situation where the project and the revenues that could be acquired by after that, they can no longer be realized.

File 79/1285/2012 was registered before the Cluj Commercial Court, in which the Company requests the termination of framework contract no. 55423/04.07.2007 concluded between CLC and the Company. In addition, the Company requests that CLC be obliged to pay compensation in the amount of RON 4,630,914.13 and related interest, calculated from the date of the damage until the actual payment of the amounts.

In this case, on December 23, 2020, the Cluj Court rejected as unfounded the specified request made by the Company.

The company filed an appeal which is being judged by the Cluj Court of Appeal, at this moment the company cannot estimate the duration of the process until a final decision is obtained. The next deadline granted in the appeal phase is 16 of April 2024, to analyse the findings.

File no. was registered on the Argeş Commercial Court. 1032/1259/2012 in which the Project Company (Clearline Development and Management SRL) requests the obligation of CLC to pay compensation provisionally estimated at the amount of RON 17,053,000.

On 08.06.2022, the Argeş Commercial Court issued Decision no. 277, as follows:

Admits the request, as amended, formulated by Clearline Development and Management SRL, in opposition to the defendants, the Local Council of the Municipality of Cluj-Napoca and the Municipality of Cluj-Napoca - through the Mayor. The defendants, the Local Council of the Municipality of Cluj-Napoca and the Municipality of Cluj-Napoca, jointly and severally, are ordered to pay the plaintiff the sum of RON 24,532,741.65 as damages and the sum of RON 13,862,967.16 representing penal interest calculated for the period covered between the date of the payments made by the plaintiff (established according to the report of the forensic accounting expertise carried out in the case) and until 01.04.2021.

The Local Council of the Municipality of Cluj-Napoca and the Municipality of Cluj-Napoca declared an appeal.

On 15.03.2023, the Pitesti Court of Appeal issued Decision no. 94, as follows:

"Rejects the appeal filed against the conclusions of the meeting. Accept the appeal against the sentence. Changes the sentence in part, in the sense that it rejects the request, as amended, formulated by the plaintiff. Remove the reference to obliging the defendants to pay court costs to the plaintiff. Maintains the rest of the sentence, with the possibility of filling an appeal within 15 days from communication".

Clearline Development and Management S.R.L. filled an appeal against the decision issued by the Piteşti Court of Appeal. The file is currently in regularization procedure. On the 21 of March 2024 the Court admitted the appeal and ordered a retrial.

b) Litigation initiated by "EcoCivic Association"

File no. 4122/3/2022 was registered on the roll of the Bucharest Court, Administrative and Fiscal Litigation Section, in which Impact is the Defendant, the Claimants being the Eco Civic Association and three natural persons from outside the Greenfield Băneasa neighborhood.

The object of the file is the suspension and annulment of the administrative act HCGMB 705/18.12.2019 approving the Zonal Urban Plan Aleea Teișani - Drumul Pădurea Neagra no. 56-64, the suspension and cancellation of Building Authorizations no. 434/35/P/2020 and no. 435/36/P/2020, canceling some preliminary approvals, canceling works.

Furthermore, the management considers that all the legal proceedings for the promotion and admission of the Zonal Urban Plan have been fulfilled. The arguments of the management are based on the fact that part of the buildings already constructed based on the building permit of which annulment is requested, have already been commissioned by the nominated local authorities – Bucharest City Council, and respectively Bucharest Building Inspectorate. Therefor no provision has been registered in respect of the litigation, as at 31 of December 2023.

The next court date was set for 10 of May 2025.

c) Litigation regarding access to Vadul Moldovei street, file 1820/3/2023

On January 19, 2023, Impact registered on the role of the Bucharest Court, Section II Administrative and Fiscal Litigation, against the City Hall of the City of Bucharest, the City Hall of Sector 1 Bucharest and the National Management of Romsilva Forests, the action in order to determine the mentioned institutions to comply with the obligations assumed by the decisions of the General Council of the Municipality of Bucharest, those of the Local Council of Sector 1 and those of the act of acceptance of the donation concluded with IMPACT and to definitively open public access between Alley Privighetorilor and Drumul Pădurea Pustnicu.

The next term is set for the 1 of April 2024.

27. TRANSACTIONS WITH RELATED PARTIES

a) Subsidiaries

The Company's subsidiaries and the nature of their activity are as follows:

	Registration country	Scope of activity
Clearline Development and Management SRL	Romania	Real estate development
Spatzoo Management SRL	Romania	Property management
Bergamot Developments SRL	Romania	Real estate development
Bergamot Developments Phase II SRL	Romania	Real estate development
Impact Finance Developments SRL	Romania	Ancillary activities to financial intermediations
Greenfield Copou Residence SRL	Romania	Real estate development
Greenfield Copou Residence Phase II SRL	Romania	Real estate development
Aria Verdi Development SRL	Romania	Real estate development
Greenfield Property Management SRL	Romania	Real estate development
Impact Alliance Architecture SRL	Romania	Architecture services
Impact Alliance Moldova SRL	Romania	Constructions
R.C.T.I Company	Romania	Constructions

Transactions and balances with related parties during and for the year ended 31 December 2023, and year ended 31 of December 2022.

Impact is part of a VAT Group together with its subsidiaries.

The financing agreement signed between Libra Bank, Impact and its subsidiaries Bergamot Developments and Bergamot Developments Phase II generated receivables and liabilities intercompany because of the guarantee mechanism of the loan. The amount is RON 27,261 thousand as of 31 December 2023 and RON 3,885 thousand as of 31 December 2022.

Centralized balances	31-Dec-23	31-Dec-22
Trade receivables	1,342	397
Interest related to loans	12,188	-
Share capital decrease (Bergamot Developments)	-	7,860
VAT – fiscal group	6,750	3,801
Receivables - current	20,280	12,058
Trade liabilities	(1,174)	(16,172)
Other debts	(27,261)	(3,885)
Trade liabilities - current	(28,435)	(20,057)
Loans granted to subsidiaries	55,796	56,681
Interest related to loans	-	10,489
Share capital decrease (Bergamot Developments)	6,348	-
Receivables – long term	62,144	67,170
	53,989	59,171

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Centralized transactions	2023	2022
Revenues from dividend	3,770	-
Revenues from services	2,553	303
Revenues from interest	4,209	5,185
Acquisition of goods and services	(90,074)	(70,574)
	79,542	(65,086)

Sales of goods and services	Transactions for the 12 months period ended 31 December		Balance as at 31 December	
	2023	2022	2023	2023
Subsidiaries				
Spatzio Management S,R,L,	2,505	63	1,340	-
Clearline Development and Management	6	6	-	-
Bergamot Developments	6	6	-	3
Bergamot Developments Phase II	6	6	-	2
Impact Finance Developments	6	6	-	9
Greenfield Copou Residence	6	4	1	343
Greenfield Copou Residence Phase II	6	6	-	14
Greenfield Property Management	6	6	-	12
Aria Verdi Development	6	6	1	14
Impact Alliance&Arhitecture	-	-	-	-
R.C.T.I. Company	-	194	-	-
	2,553	303	1,342	397

Acquisition of goods and services	Value of the transaction in the		Balance as at 31 December	
	12M 2023	12M 2022	2023	2022
Subsidiaries				
Spatzio Management SRL	1,024	1,192	1,010	547
R.C.T.I. Company	90,074	69,382	164	15,625
	91,098	70,574	1,174	16,172

Granted loans	Balance as at 31 December	
	31-Dec-23	31-Dec-22
Subsidiaries		
Clearline Development and Management	462	185

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Bergamot Developments Phase II	7,299	9,409
Greenfield Copou Residence	48,035	47,087
	<u>55,796</u>	<u>56,681</u>

In addition to the above the Company has a receivable of RON 6,348 thousand (2022:RON 7,860 thousand) at 31 December 2023 from Bergamot Developments subsidiary related to share capital reduction which was made by returning cash to shareholders.

The loans granted to subsidiaries are not secured. The interest rate is between 5%-7%. The loan agreements are concluded for periods between one year and three years for financing projects of the subsidiaries.

Interest receivables	Balance as at 31 December	
	31-Dec-23	31-Dec-22
Clearline Development and Management	40	17
Bergamot Developments Phase II	2,590	4,520
Greenfield Copou Residence	9,558	5,952
	<u>12,188</u>	<u>10,489</u>

Interest income	Value of the transaction in the period ended	
	31-Dec-23	31-Dec-22
Subsidiaries		
Clearline Development and Management	24	4
Bergamot Developments Phase II	579	2,615
Greenfield Copou Residence	3,606	2,566
	<u>4,209</u>	<u>5,185</u>

b) Transactions with key management personnel

Remuneration of key management personnel comprises salaries and related contributions (social and medical contributions, unemployment contributions and other similar contributions) and share based payments. The Company's management is employed on a contractual basis.

Remuneration of Company's management in 2023 was RON 2,612,493 (2022: RON 2,614,483). For more details please see Remuneration report which is part of the Company's annual report.

28. ACQUISITION OF A SUBSIDIARY

In July 2022, the Company signed a sale-purchase agreement for the shares of R.C.T.I. Company SRL. Through this contract, a package of 13,500 shares is transferred to the Company for a price of RON 5,130,000. Simultaneously with the signing of the sale-purchase agreement, the parties signed an agreement that includes the assumed commitments, including the increase in the share capital of R.C.T.I. Company through the subscription by the Company of 24,500 newly issued shares in exchange for a cash contribution of RON 9,310,000.

The reference date of the transaction is August 31, 2022.

The total price paid by the Company is 14,440 thousand lei, and its ownership in R.C.T.I. Company SRL after the completion of the transaction is 51.01% of the shares.

29. SHARES BASED PAYMENTS

In August 2022, the Board of Directors decided to implement the Stock Option Plan for 2021-2022, in order to reward, maintain and motivate the employees and members of the Company's management, respectively the members of the Board of Directors and the Company's directors.

The total number of shares that may be granted to Eligible Persons under this Plan is a maximum of 3,060 thousand registered shares ("Reserved Shares").

No share based payment was granted to employees in 2023.

30. Auditor of the Group

Ernst & Young S.R.L. was appointed by the decision of the General Meeting of Shareholders dated 27 April 2023, to audit the financial statements for 2023, prepared under the responsibility of IMPACT D&C's management according to the international standards – IFRS (including the consolidated financial statements). The auditors' liability towards IMPACT D&C and the General Meeting of Shareholders shall be determined and limited according to the law and the agreement concluded with them.

In 2023 the statutory auditor Ernst & Young Assurance Services SRL had a contractual statutory audit fee of EUR 126,200 (2022: EUR 114,000) (for the statutory audit of the consolidated and standalone annual financial statements of the Company and of its Romanian subsidiaries, as well as for the financial statements in ESEF digital format). Other services, related to inter-company transactions review, were contracted in 2023. Those services were valued at EUR 5,500. In 2022 other services in total value of EUR 5,000 were contracted with the auditor, representing the other assurance services in relation to certain reports issued by the Company that are not prohibited by article 5(1) of Regulation (EU) no. 537/2014 of the European Parliament and of the Council.

31. SUBSEQUENT EVENTS

Issuing of Bonds in total value of EUR 3,000,000

On 12 of February 2024, IMPACT Developer & Contractor launched a public offering for the subscription of 30,000 bonds, at a nominal value of 100 EUR/ bond. The offering period was from 12 of February to 23 of February 2024. The offer was brokered by SSIF Tradeville SA. The issued bonds were registered, dematerialized, unconditional, non-guaranteed and nonconvertible bonds, having a nominal value of up to 3,000,000 EUR. The offering was fully subscribed, IMPACT being able to raise 3,000,0000 EUR in bonds, with a fixed interest rate of 9%, payable on a half-yearly basis. The issued bonds are to be admitted to trading on the regulated market administered by BVB.


The separate financial statements have been authorized for issue by the management on 29 of March 2024 and signed on its behalf by:



Iuliana Mihaela Urdă
Chairman of the BoD



Constantin Sebesanu
Chief Executive Officer



Claudiu Bistriceanu
Chief Financial Officer

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