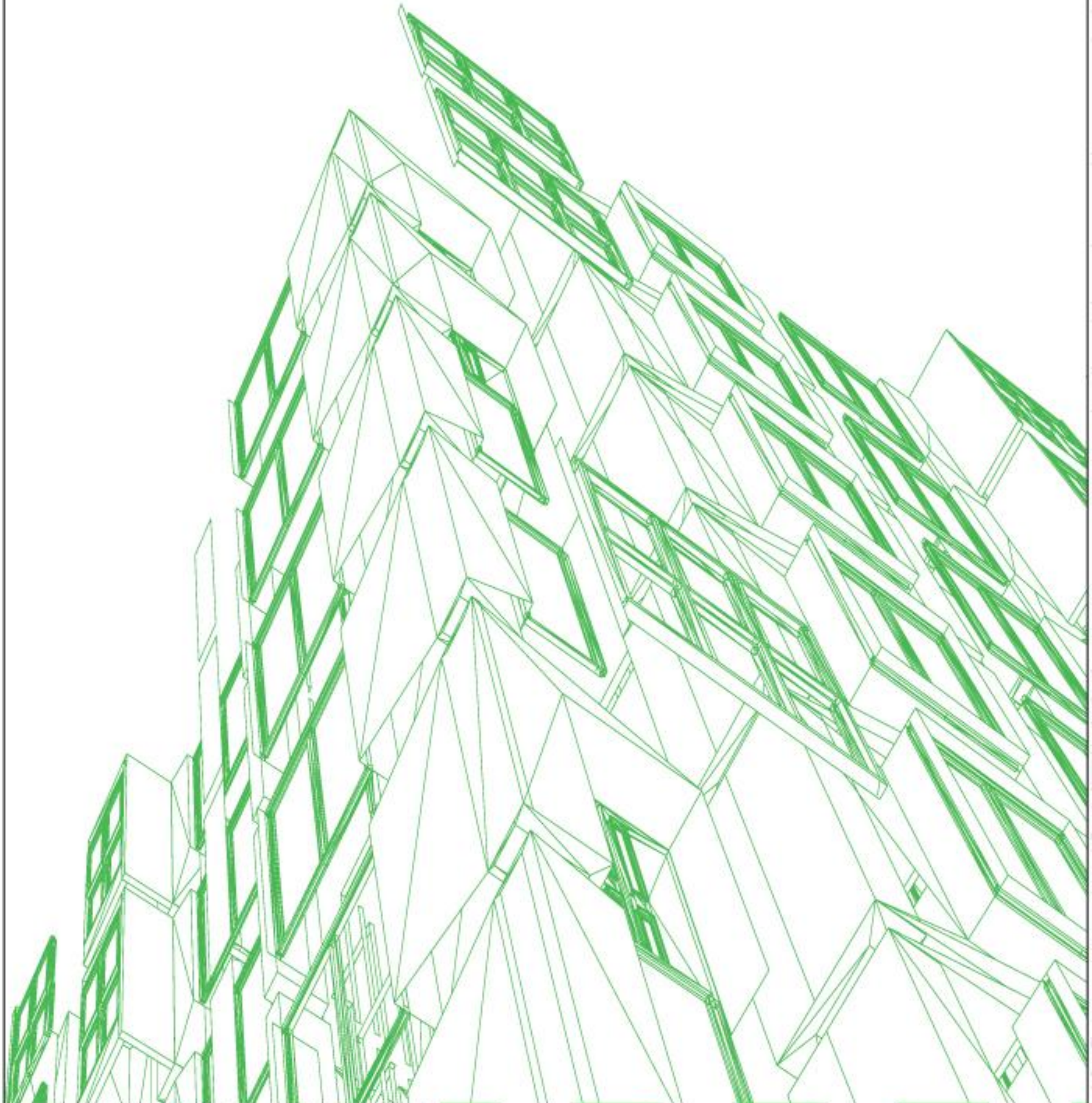
IMPACT



ANNUAL REPORT 2024

IMPACT DEVELOPER & CONTRACTOR

www.impactsa.ro

SUMMARY

ANNUAL REPORT 2024

CHAPTER 1

Dear shareholders and partners of the company,

You already know what IMPACT represents: the longest-running and most experienced developer in the Romanian real estate landscape, promoter of the concept of residential compound and developer of sustainable communities. Our 34 years of experience, in which we have gone through several economic and production cycles, has helped us navigate through difficult times and evolve. And 2024 was one of the reference years in demonstrating our capacity for adaptation and resilience.

We invite you to continue to join us on the journey to success. Why? Because we have the experience, the know-how, the team, the tools and the motivation to grow the company. Because our vision is a long-term one, and innovation and sustainability are in our DNA.

In 2024, in an economic context marked by volatility and legislative changes, through our ability to adjust our strategies and optimize operational processes to ensure sustainable growth and the efforts of a team of professionals, we managed to achieve high-performance results. Our company ended 2024 with an individual net profit of RON 88.2 million, double compared to the previous year. (2023: RON 42.5 million). Also at the group level, the consolidated net profit tripled in 2024, to RON 60.5 million (2023: RON 18.6 million), and the consolidated turnover increased by 80% compared to 2023 to RON 308.2 million (2023: RON 171.2 million).

We significantly reduced the degree of indebtedness, from 28% in 2023 to 22% in 2024, and the value of bank loans decreased by RON 96.5 million, from RON 413,634 thousand to RON 317,118 thousand the group's solvency improving significantly. At the same time, liquidity increased by RON 21 million, reaching RON 72 million at the end of the year, from RON 51 million in 2023, which reflects efficient financial management and a solid position for the future.

The results are due, among other things, to the 108% increase in home sales. In 2024 we sold 329 dwellings.

Together with the parking spaces, gardens and related storage rooms, they generated revenues of 220.1 million lei. To these are added 130 pre-sold and reserved homes, with a package value of RON 77.1 million, which will be transformed into income during 2025.

A key achievement of 2024 is the commissioning of 732 dwellings in GREENFIELD Baneasa, which are in the fourth phase of development of the neighbourhood. This new phase marks the evolution to new standards of quality and sustainability within the neighbourhood, being designed according to BREEAM Excellent criteria. At the end of 2024, 44% of these new dwellings were contracted, confirming an increased interest in the neighbourhood embraced by the forest.

LUXURIA Residence, our first upper-midscale residential compound and also a benchmark project on the national residential market from the point of view of sustainability, was 95% contracted at the end of last year. Also, BOREAL Plus, the residential compound in the north of Constanta, in the first phase of development, experienced increased interest throughout 2024, reaching a selling rate of 61%.

Another important step in the company's growth strategy, respectively portfolio diversification, is the 97% lease of the mixed-use GREENFIELD Plaza project, which includes shopping malls, fitness & wellness centre and offices. This demonstrates both our ability to diversify our portfolio, as well as our ability to manage and rent, services offered by Spatzioo, part of the IMPACT group.

In addition to financial performance, 2024 was a year in which we reaffirmed our commitment to the community. Through the infrastructure projects carried out in GREENFIELD Baneasa, supporting the development of a state school and kindergarten in GREENFIELD Baneasa and supporting sports, we have strengthened our role as a responsible developer, oriented towards the creation of sustainable and harmonious communities.

In 2024, we continued our commitment to implement best practices, processes and procedures to internationally recognized standards, with benefits for all our shareholders. We have maintained the dialogue with local and international investors, by participating in local and international conferences with investors and by organizing teleconferences to present the company's financial results. As a result of these processes, we received for the fifth consecutive time the maximum score for communication with investors, according to the VEKTOR indicator for the regulated market.

Looking to the future, we are determined to continue the development of IMPACT in a sustainable way, by expanding our portfolio of projects and maintaining a balance between economic performance and social responsibility.

Our plans include the further development of the GREENFIELD Baneasa neighbourhood, the full lease of GREENFIELD Plaza, the sale of the last units in LUXURIA Residence and BOREAL Plus, as well as the start of the premium mixed-use ARIA Verdi project in Bucharest, Barbu Vacarescu area.

The entire IMPACT management team thanks all employees for their dedication, partners for collaboration and investors for their trust and we invite you to continue to join us. Together, we continue to build a better quality of living for the generations of today and tomorrow.

Sincerely,

Dan Sebastian Campeanu
CEO,
IMPACT Developer & Contractor

TABLE OF CONTENTS

IMPACT'S PURPOSE

WHO WE ARE

The longest running developer of residential real estate, with **34 years of activity on the Romanian market**. We have distinguished ourselves throughout our history as **an innovative company, trendsetter in real estate, promoter of the concept of residential compound** and **the first real estate company listed on the Bucharest Stock Exchange** 29 years ago.

CREATOR OF SUSTAINABLE COMMUNITIES

All our work is focused around a very specific goal: **to have a positive impact on people's lives, developing communities with a focus on sustainability, efficiency and well-being**. Thus, we generate added value for all parties involved through sound investments.

With the experience of over 17 residential compounds, we aim to become the most important residential real estate developer in the region by developing sustainable residential projects on a large scale.

OUR VALUES best reflect the company's DNA:

ROMANIA BEST MANAGED COMPANIES

INTEGRITY. We are honest and promise to always follow and respect the law, take the best decisions and do the right thing for our team, our clients, our company and business partners, so achieving mutual success.

TRANSPARENCY. We observe openness and transparency, equal treatment of all our investors and ethical business conduct.

INNOVATE AND LEAD. We seek to be in the upfront of industry innovation, to motivate and thus inspiring all others.

RESPECT THE ENVIRONMENT AND BUILD SUSTAINABLY. We have a Commitment to Green. We apply and implement principles and technologies in order to achieve nZEB and BREEAM Excellent standards in our developments.

RESPONSIBILITY. We build the future for our clients. We are committed to always provide the most valuable propositions to our customers, since we are keen on finding a way to meet their needs and exceed their expectations.

MOTIVATION. We continuously strive to improve ourselves, to be beloved by our customers, trustworthy for our investors and respected by our competition.

2024 HIGHLIGHTS

OPERATIONAL AND FINANCIAL

Operational

- Vertically integrated Group
  - Design and permitting: Impact Alliance Architecture SRL
  - Development: Impact Developer & Contractor SA
  - General contractor: R.C.T.I. Company SRL
  - Property management: Spatzioo Management SRL

Financial

- Residential: 329 sold units in 2024 with total sales value of 220.1 mRON
- Construction: 76,7 mRON
- Rent: 5,8 mRON

Equity

965 mRON

+ 58 mRON (2023: 907 mRON)

Equity adjusted to fair value*

1,306 mRON

+ 13 mRON (2023: 1,292 mRON)

Sales

308 mRON

+ 137 mRON (2023: 171 mRON)

Gross Profit

84 mRON

+ 29 mRON (2023: 55 mRON)

**The adjustments made are in relation to revaluation of the dwellings available for sale, revaluation of non-current properties such as the Wellness Club and Impact Office buildings and revaluation of land held in inventory. The revalued values were based on the revaluation performed by the external appraisal Colliers Valuation and Advisory, as at 31 December 2024.*

2024 FINANCIAL AND OPERATIONAL PERFORMANCE

FINANCIAL AND OPERATIONAL

- The Group sold 329 dwellings during 2024, in total value of approximately **EUR 44 million**. Also, other revenue including construction services, property management and wellness subscriptions in total value of **EUR 17.8 millions** were recorded by the group companies.
- The gross margin of the group was maintained constant, at 27% during 2024, while the gross profit registered at consolidated level was of EUR 16.9 million.
- Net assets value adjusted to market value as at 31 December 2024 was **EUR 262.6 millions**, while the estimated market value of the **pre-sold units and available for sale** was **EUR 100 millions**, which will be translated into revenues within the next periods.
- The leverage ratio decreased from 28% as at 31 December 2023 to 22% as at 31 December 2024, corresponding to a decrease in loans balance of **EUR 19 million** which improved significantly the solvency ratio of the Group.
- **IMPACT** holds a total land bank of 84.1 ha, part of which could be used for the development of 10.000 units, within 5 distinct projects: GREENFIELD Baneasa (new phases), BOREAL Plus (new phases), GREENFIELD Copou Iasi, ARIA VERDI and GREENFIELD West. As at reporting date, IMPACT has building permit for 1,961 units, with a market value estimated by management to EUR 284 million.

OTHER ASPECTS

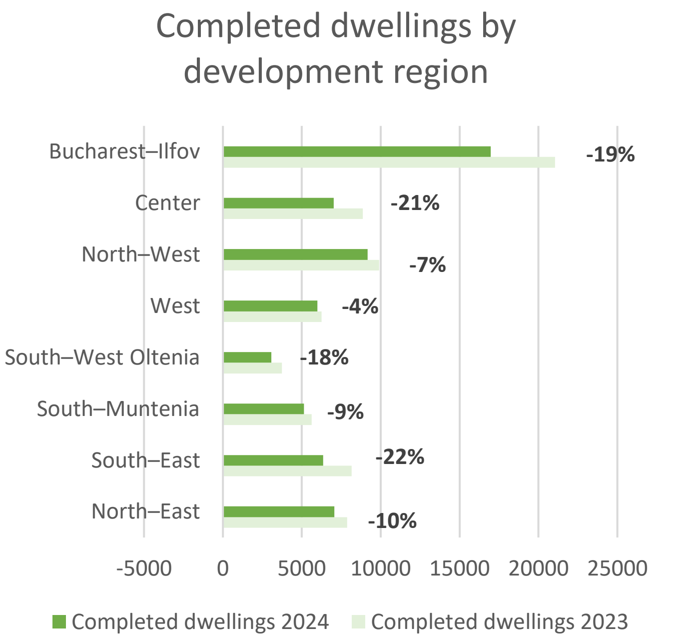
In 2024, **IMPACT** published its Sustainability Report. The report was developed following the GRI (Global Reporting Initiative) Standards, the most recognized international sustainability reporting framework (GRI Referenced) and was based on an internal analysis through which the material themes were identified, those themes where, through its activity, the IMPACT group contributes significantly to the environment, society and economy. The company also has an ESG risk score of 18.7 (low risk), provided by Sustainailitycs, following an ESG rating and analysis report.

RESIDENTIAL MARKET

2024 was a year of recovery, with a drop in inflation and borrowing costs, which led to an increase in demand while supply declined.

SUPPLY

2024 brought a pronounced decrease in the supply of new homes. Nationwide, 60,787 homes were completed in 2024, 15% less compared to 2023, when the number of completed dwellings reached 71,454. All regions in the country recorded a decrease in the number of new homes during the mentioned period.



Source: INS, centralized and processed by IMPACT

According to data provided by the INS, the most pronounced decreases in the number of homes completed in 2024 compared to 2023 were in the South-East (-22%), Center (-21%), and Bucharest-Ilfov (-19%).

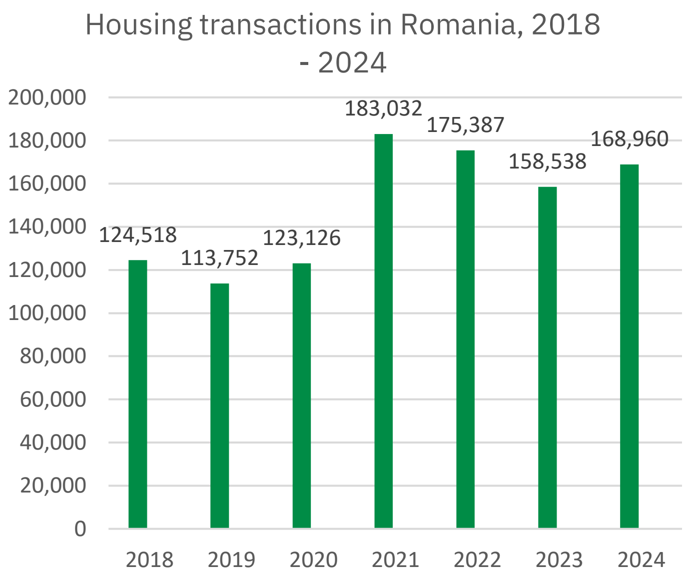
Although it is on a downward trend, the Bucharest-Ilfov area concentrates 28% of the total homes delivered in 2024.

DEMAND

In 2024, rising wages and falling interest rates have led to improved affordability of mortgages and home ownership. Thus, at national level, the volume of housing transactions increased by 6.6% compared to the previous year. According to data provided by the National Agency for Cadastre and Real Estate Advertising (ANCPI), 168,960 homes were traded.

Housing transactions increased quarter-over-quarter, culminating in the last quarter with 48,872 transactions. The advance in the volume of transactions in the second half compared to the first half of the year is significant, of 19%.

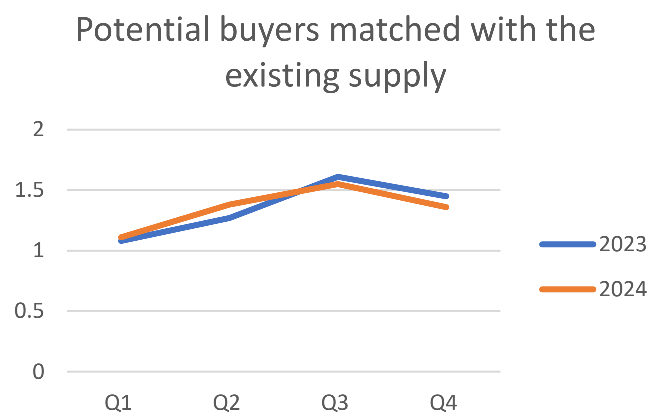
The same upward trend was seen in Bucharest, with 50,884 apartments and houses sold in 2024, an increase of 5% compared to 2023.



Source: ANCPI, centralized and processed by IMPACT

RESIDENTIAL MARKET

SALES (national)



Source: Imobiliare.ro, centralized and processed by IMPACT

Source: Imobiliare.ro, centralized and processed by IMPACT

According to Imobiliare.ro's residential market reports in 2024, in the first half of 2024 the demand (potential buyers correlated with the existing supply) was higher compared to the first half of 2023, while the second semester of the past year brought a slight decrease in demand. 2024 also brought a decrease in the supply of residential properties listed for sale (-8%) and a significant advance in prices.

New loans for housing reached the level of 12.5 billion lei in Q4 2024, an advance of 39.3% compared to the same period in 2023, according to BNR data.

	Q4 2023	Q4 2024
New loans granted to households for housing (source: BNR)	RON 10.2 billion	RON 14.9 billion
Average value of new loans granted (source: Imobiliare.ro Finance)	65,462 €	74,804 €
Average monthly installment of new loans granted (source: Imobiliare.ro Finance)	444 €	433 €
Reference index for consumers loans (IRCC, source: BNR)	5.96%	5.99%
Minimum fixed interest rate in the mortgage market (source: Imobiliare.ro Finance)	5.75%	4.79%

Source: Imobiliare.ro, Q4 Residential Market Report

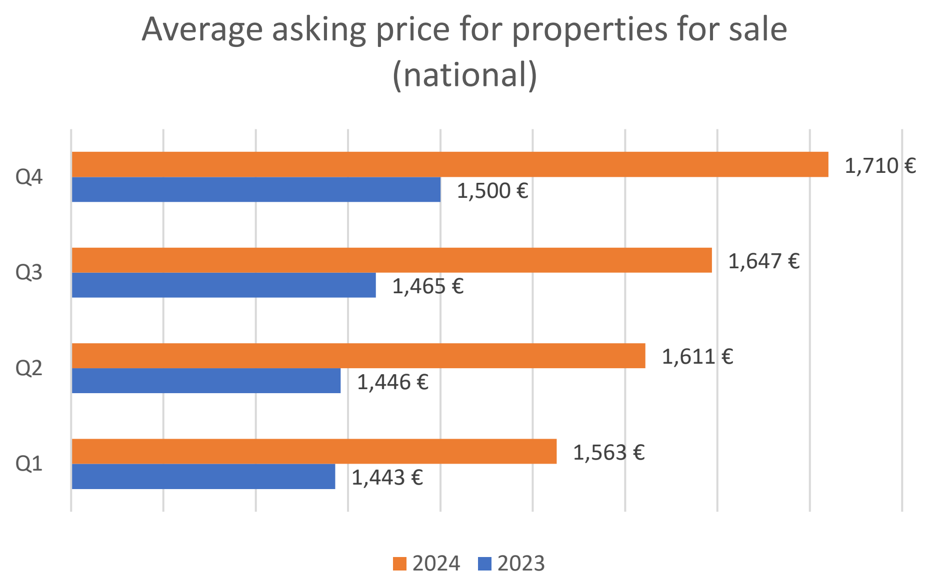
Although the residential market had a slow start in 2024, with high interest rates and tax changes, such as the change in VAT from 5% to 9% for new apartments, the stabilization of inflation and the reduction of interest rates to more affordable levels boosted demand throughout the year.

On the rental market, the upward trend was maintained – the demand was 8% higher in the last quarter of the year compared to the same period in 2023 and the rental prices have risen. At the end of 2023, the average rental price per unit was 500 euro/month, while in the last quarter of 2024 the average rental price has grown to 550 euro/month. In large university towns, rents have risen and residential investment has become attractive especially for rental purposes, increasing the potential of the "build to rent" concept.

RESIDENTIAL MARKET

EVOLUTION OF ASKING PRICES IN 2024 IN MAJOR CITIES

Against the backdrop of the reduction in the number of homes on the market by about 9% in one year, in 2024 there was fierce competition among buyers, and prices continued to appreciate. At the end of 2024, a national average of 1,710 euro/ usable sqm was reached, 14% higher than that recorded in the same period last year, according to imobiliare.ro data.



Source: Imobiliare.ro, centralized and processed by IMPACT

All major cities of the country recorded increases in the average asking prices at the end of 2024 compared to the end of 2023. The biggest price advance was recorded in Brașov: 19%, the average asking price being 1,981 euro/ usable sqm at the end of 2024. On the 2nd place is Iasi, were the average asking price for housing units rose by 17%, at 1,657 euro/usable sqm. However, housing in Iasi is still the most affordable for buyers in big cities.

In the most expensive city in the country regarding housing units, Cluj-Napoca, the average asking price for apartments put up for sale has increased by 14% in the last 12 months and reached the level of 2,900 euro/usable sqm.

Bucharest recorded a 12% price increase, the average price/usable sqm being 1,725 euro at the end of 2024. Thus, the Capital city has one of the most affordable residential markets for buyers.

Timisoara and Constanta recorded an 11%, respectively 12% advance in the average asking prices. The average asking prices for apartaments in Timisoara are similar to those in Iasi: 1,666 euro/usable sqm. The average asking price for apartments in the city by the sea are similar to those in Bucharest: 1,714 euro/usable sqm.

The year 2024 brought a recovery in the real estate market, especially in the second half of the year, stimulated by the reduction in interest rates that generated an increase in solvent demand, visible in the high volume of transactions. As a result of the difficulties in obtaining permits, the supply has decreased considerably in large cities, especially in Bucharest. The decrease in supply put pressure on prices, which experienced a significant advance. The upward trend in prices is expected to continue in 2025 as a result of declining supply.

IMPACT GROUP

IMPACT

IMPACT IN NUMBERS

33
Years of existence

28
Years of BVB listing

+ 50
Awards received

5
Cities covered

19
Residential compounds

500k+
Sqm built surface

+12,000
inhabitants

EUR 1.9 mld
Value of all projects

4,500+
Housing units built

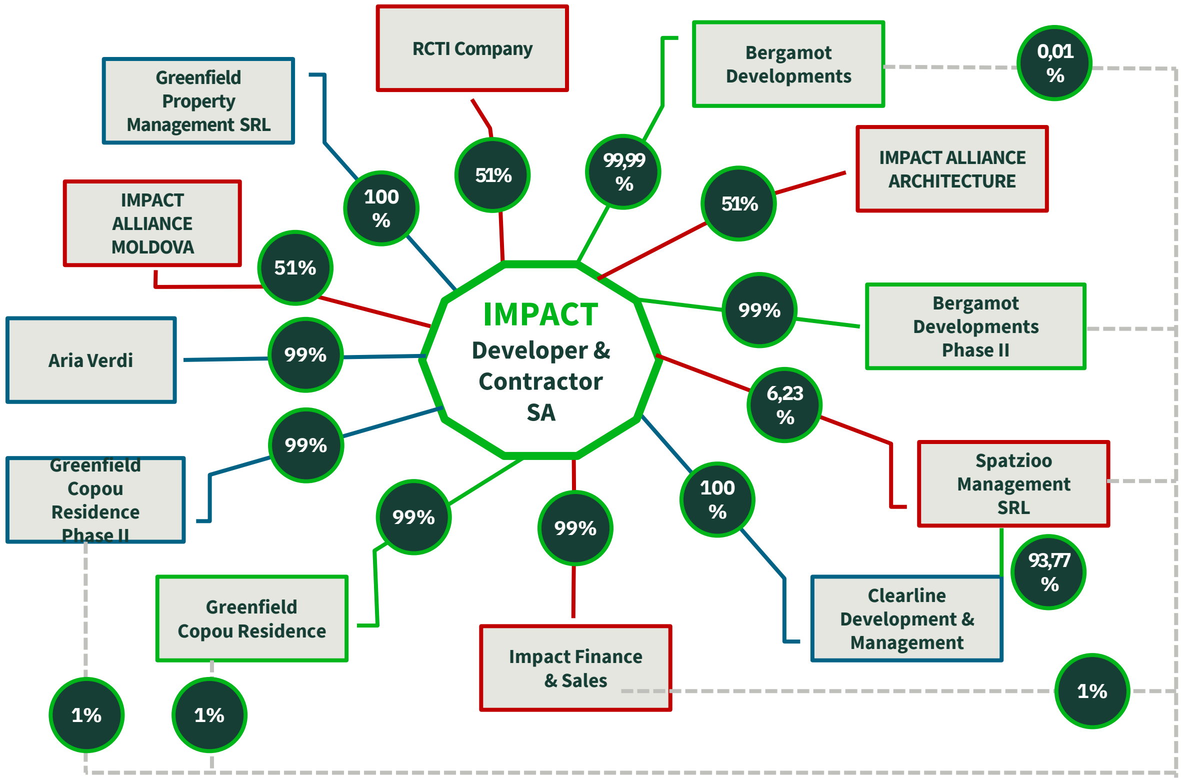
84.1 ha
Land in portfolio

2
BREEAM Excellent certified projects

EUR 650+ Mn
Value of built projects

IMPACT GROUP OVERVIEW

IMPACT GROUP



- **IMPACT Developer & Contractor**, parent company, which develops the following projects: GREENFIELD BANEASA RESIDENCE, BOREAL PLUS, ARIA VERDI and GREENFIELD WEST
- **Bergamot Developments SRL** and **Bergamot Developments Phase II SRL** with real estate development as main object of activity; they have developed the LUXURIA EXPOZITIEI project
- **Greenfield Copou Residence SRL** with real estate development as main object of activity, was established in December 2019 and develops the GREENFIELD COPOU RESIDENCE project
- **Greenfield Copou Residence Phase II SRL** with real estate development as main object of activity; established in February 2021. Without activity in 2023.
- **Aria Verdi Development SRL** with real estate development as main object of activity; established in February 2021. Without activity in 2023.
- **Spatzioo Management SRL (former Actual Invest House SRL)**, the company that provides management services for new residential, retail and commercial developments
- **Impact Finance & Sales SRL** has a role in diversifying the range of services related to residential sales. Impact Finance & Developments collaborates with financial institutions in Romania in order to offer advantageous lending solutions for clients who purchase dwellings
- **Greenfield Property Management SRL** with the real estate development as main object of activity; established in May 2021. Without activity in 2023.
- **Clearline Development and Management SRL**, a project company through which **IMPACT** was about to develop a residential project in Cluj-Napoca, in partnership with the local authority.
- **RCTI Company SRL**, 51.01% owned subsidiary, real estate construction company involved in the construction IMPACT projects in particular GREENFIELD BĂNEASA RESIDENCE. The company joined IMPACT Group in 2022
- **Impact Alliance Arhitecture SRL**, 51% owned subsidiary, set-up in 2022, that has as core activity providing arhitecture services
- **IMPACT Alliance Moldova.** 51% owned subsidiary, set-up in 2023, having as activity the construction services

SUSTAINABILITY, THE DRIVING FORCE OF IMPACT DEVELOPMENTS

We value the environment and with each project developed, we create communities in harmony with it, putting the well-being and health of residents first. To achieve this goal, we use **sustainable technologies, renewable energy** and include **extensive green spaces**.

SUSTAINABILITY INITIATIVES

- We developed **the first residential compound in the country certified BREEAM Excellent**: LUXURIA RESIDENCE.

Internationally recognized, the BREEAM standard has a wider coverage than nZEB, recognizing project value throughout the lifecycle, starting from the design and construction phase. It is a very complex process that evaluates the energy performance of buildings, to what extent they provide a healthy environment for residents, innovation, land use, quality of materials used, construction management, pollution (reducing carbon emissions), transport, water and waste management. Therefore, BREEAM means buildings built with sustainable materials, which offer residents a high degree of comfort inside and outside, which resist well over time and climate change (a challenge of our time) and at the same time protect the environment and biodiversity from the construction phase.

- We are **the first developer in the country to set up an ESG department**, in 2021.

The main task of the department is to draw up and implement **environmental, social and corporate governance principles and objectives**, in line with the values assumed by the company in its real estate development activity – integrity, transparency, innovation and guidance, respect for the environment and sustainable building, responsibility and motivation.

The ESG department manages the implementation of the **Green Bond Framework** developed by the company, under which IMPACT intends to issue green bonds to finance and refinance existing projects, built using green, sustainable technologies and contributing to the environmental objective of climate change mitigation and the achievement of the United Nations Sustainable Development Goals. The framework defines eligibility criteria in four areas: green buildings, sustainable water and wastewater management, renewable energy and clean transport.

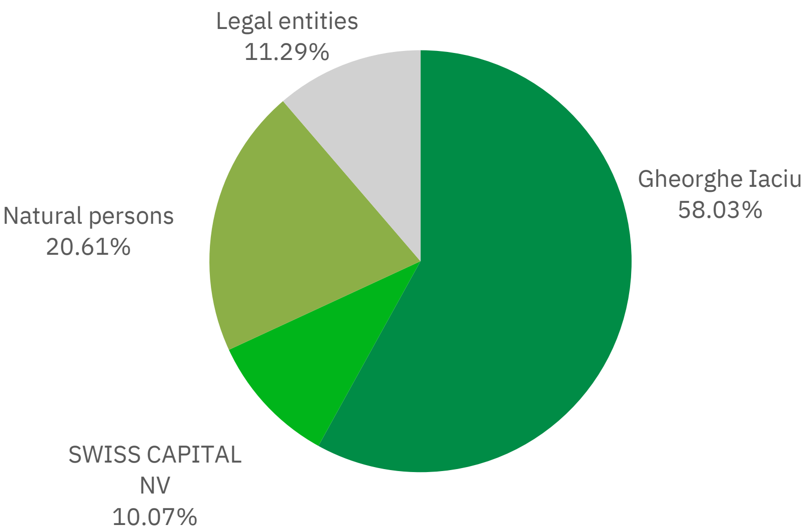
- We aim for **80% of the projects developed from 2021 onwards to be BREEAM certified**. Thus, the GREENFIELD COPOU and ARIA VERDI projects are designed to this standard, in addition to the nZEB standard.

- We have invested in **renewable energy solutions** in our completed projects as well as those under development:
  - **Solar panels in BOREAL PLUS and GREENFIELD PLAZA**
  - **Photovoltaic panels** in GREENFIELD PLAZA
  - **Photovoltaic park** with a capacity of 700 kWp in GREENFIELD BĂNEASA
  - **Photovoltaic and solar panels** in GREENFIELD COPOU

- **We have reduced and continue to reduce CO2 emissions by:**
  - **Central heating systems in residential compounds** – we have resorted to this solution since 2018, when it was not mandatory;
  - Replacing the company's traditional vehicle fleet with one consisting of **electric vehicles;**
  - Inclusion of **micro-mobility solutions** (bicycles, scooters and electric scooters) and charging stations for electric vehicles in GREENFIELD BĂNEASA, GREENFIELD COPOU and ARIA VERDI.

IMPACT ON THE CAPITAL MARKET

IMPACT shareholders' structure as of 31 Dec 2024



IMPACT is listed on the Bucharest Stock Exchange since 1996.

As of 2006, its shares, currently accounting to 2,364,941,410, are listed in the 1st category of the Bucharest Stock Exchange, and since January 2015, **IMPACT** shares are traded in the Premium category, according to the new segmentation of the Bucharest Stock Exchange.

There are no restrictions for the security transfer, there are no restrictions for the voting rights, and there are no holders of securities with special control rights.

As per the information provided by the Central Repository, on 31 Dec 2024, 78.64% of the shares were held by natural persons and 21.36% of the shares were held by legal entities.

IMPACT ON THE CAPITAL MARKET

DIVIDEND GRANTED IN THE LAST 3 YEARS

- In 2022, free shares were granted in a 2:5 ratio following the changes in the share capital
- In 2023 no dividends or free shares were granted
- In 2024 no dividends or free shares were granted

SHARES HELD BY THE MEMBERS OF THE BOARD OF DIRECTORS ON 31 DECEMBER 2024

Name	Percent (%)	No. of shares
Dna. Iuliana-Mihaela Urda	0.06	1,327,033
Intrepid Gem SRL	0.06	1,343,200
Dl. Dan Voiculescu	0.001	31,130
Dl. Daniel Pandele	2.14	50,550,000
Dl. Sorin Apostol	3.11	73,593,336

CORPORATE GOVERNANCE

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

IMPACT is managed under unitary system, its management being provided by the Chief Executive Officer, Mr. Dan Sebastian Campeanu, along with the Chief Financial Officer, Mr. Claudiu Bistriceanu.

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

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

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

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

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

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

The Board of Directors met 25 times in 2024.
The Audit Committee and Remuneration Committee met 1 time in 2024. The Risk Committee had no meetings in 2024.

Independent members of the Board of Directors

- Intrepid Gem SRL, through Petru Văduva

CORPORATE GOVERNANCE

CODES AND POLICIES

IMPACT has adopted the following documents on which corporate governance is based since 2014:

- Anticorruption code
- Code of conduct
- **IMPACT 's** ethical values
- Health and safety policy
- Reporting policy

IMPACT'S INTERNAL CONTROL IS PERFORMED:

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

AUDITOR OF IMPACT

KPMG Audit SRL was appointed by the decision of the General Meeting of Shareholders dated 29 April 2024, to audit the financial statements for 2024, prepared under the responsibility of **IMPACT's** management according to the international standards – IFRS (including the consolidated financial statements). The auditors' liability towards **IMPACT** and the General Meeting of Shareholders shall be determined and limited according to the law and the agreement concluded with them.

In 2024 the statutory auditor KPMG Audit SRL had a contractual statutory audit fee of EUR 140,400 (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 2024. Those services were valued at EUR 5,000 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.

Iuliana Mihaela Urdă
Chairman of the Board of Directors

COMMUNITY INVOLVEMENT

Our mission to have a positive impact on people's lives is complemented by social responsibility initiatives. We are with each community created, we listen and respect their needs and, through various actions, we try to build a better world.

OUR INVOLVEMENT IN THE PAST 10 YEARS

DONATIONS

- to the Bucharest City Hall, the land and the project necessary for the construction of **a state school and kindergarten in the GREENFIELD BANEASA neighbourhood**. The value of the donation is 1.75 million euro.
- a plot of land with an area of 1,400 sqm on which we built **the STB terminal** in the GREENFIELD BANEASA neighbourhood. The value of the donation and of the entire project carried out by the company amounts to 750,000 euro.
- a plot of 1,864 sqm to the Archdiocese of Bucharest for **the construction of a church** in the GREENFIELD Baneasa neighbourhood, which in 2023 obtained the urbanism certificate. The value of the donation amounts to 500,000 euro.
- 6,000 sqm to Bucharest City Hall, worth 1.8 million euro, **in compensation for the forest fund**, for Vadul Moldovei Street to return to the status of public road.

INFRASTRUCTURE AND FACILITIES

- We have completed all the utilities infrastructure and **built over 15 km of roads** in the GREENFIELD Baneasa neighbourhood.
- We have submitted **three proposals for new access roads** in the Baneasa GREENFIELD neighbourhood, pending authorization.
- we obtained from Constanta City Hall the urbanism certificate for **the construction of a kindergarten** within the BOREAL PLUS compound. The investment is 690,000 euro.
- **we built a roundabout in Constanta,** the beneficiary of this public infrastructure work being the National Company for Road Infrastructure Management (CNAIR) through the Regional Directorate for Roads and Bridges Constanta. The total investment in this public infrastructure project amounts to over 450,000 euro.
- We developed **GREENFIELD Plaza, which covers retail, wellness and office functions**. The shopping center offers both over 6,500 residents of the GREENFIELD neighborhood and nearby residents a new shopping and relaxation experience.

CSR

- **We planted over 3,500 trees** in Baneasa Forest and in the communities we formed.
- **Over 500 kg of waste collected** during the largest plogging event in Romania - "Clean&Run" and other greening events held in Baneasa Forest.

EVENTS

- We encourage outdoor movement, we support a healthy and active lifestyle and we proudly participated in sports competitions such as **Baneasa Forest Run, Baneasa Race, Bucharest Half Marathon**, in which GREENFIELD had a dedicated race, **Greenfield Relay** and **GREENFIELD DUO CHALLENGE**, a duathlon sports competition made together with Road Grand Tour. In 2022- 2024, we supported 6 editions of the **Sports Festival**, sports event taking place in Iasi and Bucharest, in GREENFIELD Baneasa.
- From the desire to carry on Romanian customs, in a constantly changing society, we periodically organize activities to preserve and promote traditions, especially among young people. The most appreciated **events dedicated to communities are those during the winter holidays**, organized in GREENFIELD Baneasa and Luxuria Residence.

SATISFACTION SURVEYS

- We conduct studies among the created communities to find out **the degree of satisfaction of residents** and what we can improve.

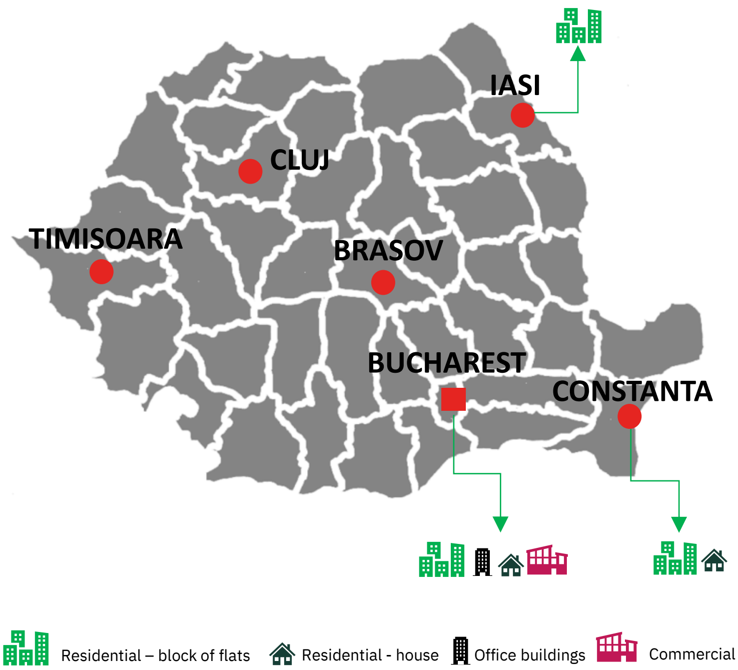
PROJECT PORTFOLIO

STRONG PRESENCE IN KEY CITIES

IMPACT is committed to develop sustainable communities, with a focus on medium affordable housing projects. We value the environment and want to give our communities a green future. That's why we're committed to developing a minimum of 80% of our future projects to BREEAM and nZEB sustainability standards. These include the use of renewable, low-emission energy sources, electric mobility, extensive green areas, parks and playgrounds.

IMPACT has a strong landbank supporting current and future projects in attractive locations in Bucharest, Iasi and Constanta. Also, **IMPACT's** strategy is to expand its nationwide presence in big cities like Timișoara, Cluj, Brașov and is actively looking for land plots that are suitable for developing sustainable communities.

CURRENT AND PIPELINE PROJECTS



PROJECTS UNDER DEVELOPMENT

- **GREENFIELD BĂNEASA RESIDENCE** in Bucharest
- **GREENFIELD COPOU RESIDENCE** in Iași
- **BOREAL PLUS** in Constanța

PROJECT PORTFOLIO

GREENFIELD BANEASA - BUCHAREST

+6,600 units

COMPLETED UNITS	3,418
SOLD UNITS AT 31.12.2024	**2,887**
UNDER CONSTRUCTION UNITS	435
PIPELINE UNITS	2,796
GBA³ under construction and pipeline (sqm)	359,939

Under construction units refer to projects with building permit. **Pipeline units** include 2,796 units estimated based on the last project concepts with zoning permits but without building permit.

GBA represents the Gross Built Area of the Project Above Ground, excluding parking and underground built area.

The concepts for projects for which the building permits have not been obtained, and thus also related GBA and number of units are regularly reviewed in order to secure the best use of the land.

GREENFIELD Baneasa is a large residential project, with over 6,600 homes and over 17,000 inhabitants at its completion in 2031, located in District 1 of the Capital, built sustainably for a better urban future. The project is in the fourth phase of development out of six planned. Since 2007, the starting year of the works for the first phase of development, until now, **GREENFIELD Baneasa** has experienced a sustainable development, bringing to the community new infrastructure and new facilities: two private parks, numerous green spaces, playgrounds, convenience stores, **GREENFIELD PLAZA** shopping center and **WELLNESS CLUB by Greenfield** sports center, public transportation. As the project progresses and approaches maturity, other new facilities such as state school and kindergarten, church, nursery, infrastructure and new access roads are added.

Developed to the highest standard on the affordable housing segment and located in District 1 of Bucharest, in the vicinity of Baneasa Forest, **GREENFIELD Baneasa** brings a unique combination of modern minimalist architecture, exceptional lifestyle and spectacular natural landscape. Its unique location, together with the quiet environment and good air quality, are features that make **GREENFIELD Baneasa** the ideal place for families with children, nature lovers or people looking for a healthy lifestyle.

PROJECT PORTFOLIO

GREENFIELD BANEASA - BUCHAREST

UNIQUE LOCATION

Located in District 1, in Baneasa, probably in the most beautiful location in the northern area and embraced by 900 hectares of forest, **GREENFIELD Baneasa** offers residents a lot of facilities both inside the complex and in its immediate vicinity. Residents enjoy all the advantages of a secluded, unique location, but also the advantages of an urban life offered by a European capital.

FACILITIES

Over 8,700 sqm fitness and wellness spaces;
Over 5,000 sqm commercial spaces;
180,000 sqm green spaces:

- Private parks
- Promenade alleys
- Recreational spaces
- Playgrounds for children
- Pet playgrounds

Over 8,000 parking places in exterior and interior, above-ground and underground;

Public school and kindergarten under construction;

Secure access: security 24/7;

STB terminal for line 203, which connects to Piata Victoriei metro station**;**

In the future**, church, nursery, medical clinic and other community functions** will be added.

PERMITS

Zonal Urban Plan (PUZ) for more than 3,900 units related to the construction or development phases, of which

- 1,167 dwellings with building permit, out of which 732 completed in 2024
- 598 dwellings in the last stage of obtaining the building permit.

PHASED DEVELOPMENT

The first 3 phases, including Panoramic, totalling 2,686 homes, have been completed by 2022. The remaining units are to be developed in stages by 2031. At the end of 2024, of the 1,167 units with building permit, 732 were completed, 250 were under construction and the remaining are planned to be started during 2025.

ESG

”The 15-minute city”

The urban concept "15-minute city" is based on the need to have all basic facilities and services within 15 minutes walk or bike from home. **GREENFIELD Baneasa** is designed to meet the requirements of this urban trend, offering residents the services they need in proximity.

Dwellings designed to BREEAM Excellent and nZEB standards

The buildings in phase 4 of development are built according to the green certification criteria, BREEAM Excellent. The new buildings authorized after 2021 will have an almost zero energy consumption, complying with the new standard in housing construction, nZEB, which involves sustainable design, energy-saving techniques and the use of renewable energy.

Renewable energy

- Photovoltaic park
- Solar panels

Green mobility

- EV charging stations
- Bicycle racks
- Micro-mobility solutions including bicycles, scooters and electric scooters

PROJECT PORTFOLIO

GREENFIELD BANEASA - BUCHAREST

Awards

- ***2021 –*** *GREENFIELD Baneasa, designated The Residential Project of the Years at SEE Property Forum*
- ***2019 –*** *GREENFIELD Baneasa ”Best Smart Green Project” at Smart Real Estate and Residential Category, awarded during Smart City Industry Awards*
- ***2016*** *–“The best residential compound that uses sustainable architecture and design” awarded at Smart City Industry Awards Gala*

PROJECT PORTFOLIO

GREENFIELD PLAZA BANEASA – BUCHAREST

GREENFIELD PLAZA, **the first shopping center developed by IMPACT**, completes the set of community facilities needed for a neighborhood of the magnitude of **GREENFIELD Baneasa**, with over 6,500 inhabitants at present. With **a value estimated by management to 25 million euro**, the mixed-use project has an area of **14,001 sqm**, covering retail, wellness and office functions, occupied in a proportion of 97%.

Commercial gallery
- Supermarket
- Pharmacy
- Beauty salon
- Coffee shops
- Restaurants
- Laundry for clothes
- Playgrounds
- Grocery shop
- Pet shop

Wellness Club by Greenfield
- Semy-Olimpic pool
- Children's indoor pool
- Outdoor pool
- Fitness center
- Spinning room
- Massage rooms
- Squash
- Wet sauna, infrared sauna, dry sauna, emotional showers
- Coffee shop, restaurant

Other functions
- Office building
- Car wash
- 264 parking places
- 4 EV charging stations
- Bicycle racks

ESG

BREEAM Excellent certification – we used responsible practices, durable materials, sustainable and intelligent systems and equipment, which translate into *pollution reduction, protecting the natural resources and reduced maintenance costs.*

Renewable energy: The roof of the wellness club is equipped with **solar panels**, which cover about 70% of the energy needed to heat domestic water and swimming pools, while 25% of the electricity needed for the commercial gallery is provided by **photovoltaic panels.**

PROJECT PORTFOLIO

LUXURIA RESIDENCE – BUCHAREST

630 units

COMPLETED UNITS	**630**
SOLD UNITS at 31.12.2024	**591**
GBA (sqm)	**66,400**
CONSTRUCTION START **CONSTRUCTION DELIVERY (final phase)**	**2018** **2021**

GBA stands for the estimated Above Ground Built Area of the project, excluding car parks and underground built area.

Located in Expozitiei area, Bucharest's newest development hub, **LUXURIA Residence** offers a mix of quality housing, contemporary facilities and sustainable environment, promoting an urban lifestyle. Built to international standards of quality and sustainability, the residential compound is **the first in Romania with BREEAM Excellent certification**. The compound harmoniously combines buildings with modern architecture with ample green spaces and complex facilities to ensure the well-being of residents. These include two parks with urban furniture, a children's playground, gardens, secure access, video surveillance, 24/7 reception, underground parking, lounge for socializing and fitness center.

95% contracted as at 31st of December 2024, **LUXURIA Residence** brings together the first modern urban community in the Expozitiei area.

AWARDS

- ***2022:*** *"The Most Sustainable Residential Project - LUXURIA RESIDENCE" awarded during Realty Forum 2022, organized by Business Review*
- ***2020:*** *Architecture Multiple Residence, awarded by International Property Award*
- ***2020:*** *"Best Upscale Residential Project" awarded by THE TIMES – Investing in Property*
- ***2018:*** *"Architecture Multiple Residence" - awarded by International Property Award*

PROJECT PORTFOLIO

LUXURIA RESIDENCE – BUCHAREST

LOCATION

The Expozitiei - Domenii area (Bucharest, District 1) is among the best rated, combining a residential neighborhood full of history with a new business area. Expozitiei is Bucharest's new development pole, attracting office, hotel and commercial developments.

Located between Herastrau, Kiseleff and Bazilescu parks, **LUXURIA Residence** is a park between parks.

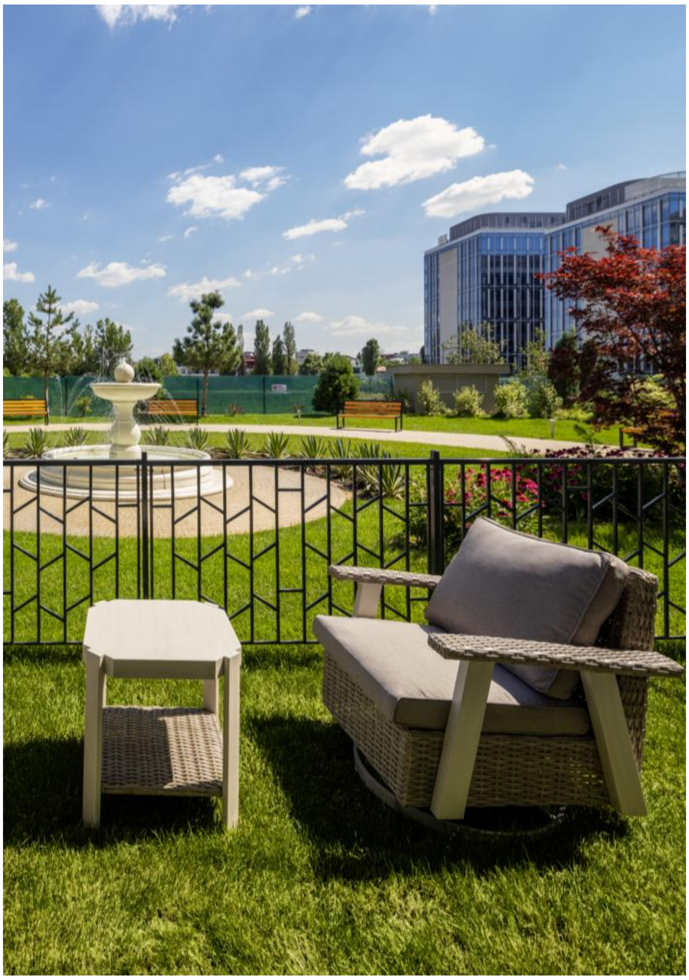
FACILITIES

LUXURIA Residence brings together a mix of facilities difficult to find in the city, both taken together and separately, which offer a harmonious lifestyle: secure access, 24/7 security and video surveillance, lounge area for socializing and relaxation, open 24/7, fitness center with modern Technogym equipment, 9,650 sqm of green spaces, private parks, playground for children, exclusively underground parking for residents, reception available 24/7.

ESG

LUXURIA is the first residential complex in the country with BREEAM Excellent certificate, which certifies the quality and sustainability of buildings, as well as the reduced impact on the environment. With a focus on reducing pollution, increasing residents' well-being and minimizing energy consumption, **LUXURIA Residence** sets a new standard for modern housing requirements.

- Sustainable design
- Construction management for reduced environmental impact
- Large glazed spaces, according to sunshine studies
- Superior thermal and acoustic insulation
- Building central heating systems
- Paints and materials with a low level of pollutants
- High-performance ventilation systems
- Ventilated facades
- Eco-friendly electrical and lighting appliances
- Smart automation
- Underground parking without car traffic inside the compound
- Ample green spaces
- Separate waste collection



PROJECT PORTFOLIO

BOREAL PLUS - CONSTANȚA

691 units

COMPLETED UNITS	**227**
SOLD UNITS at 31.12.2024	**141**
UNITS IN PIPELINE (AUTHORIZED TO BE DEVELOPED)	**464**
Under construction and in pipeline GBA (sqm)	**36,294**

GBA represents the Gross Built Area of the project, excluding parking spots and underground coonstruction

In the north of Constanta, away from the hustle and bustle of the city, Boreal was completed in 2010, the first residential complex in Constanta, where 150 families started a new life. In the immediate vicinity, **BOREAL Plus** is now under development.

Every family needs a place to grow, dream and call HOME. This is exactly what Boreal Plus has to offer: a wonderful environment for families to develop, in perfect harmony with nature.

LOCATION

Located in the north of the city, **BOREAL Plus** offers a balanced urban lifestyle, being in a quiet and airy area, overlooking Lake Siutghiol, but at the same time close to all city facilities. The compound has direct access to Tomis Boulevard, being 15 minutes from the city center and Mamaia beach.

PERMITS

- 359 units (341 apartments and 18 houses) were authorized for construction in 2020.
- The building permit for the remaining 332 units was obtained in 2022.
- Of the 691 units with a building permit, the 18 houses were completed in 2021 and 209 apartments were completed in Decembre 2022.

PROJECT PORTFOLIO

BOREAL PLUS - CONSTANȚA

FACILITIES

With panoramic views of the Black Sea and Lake Siutghiol, the dwellings in BOREAL PLUS are defined by the safety and durability of the construction, but also by the comfort they offer. The complex is located in the immediate vicinity of a Kaufland hypermarket and will benefit from parks, kindergarten and convenience stores.

12,000 sqm of green spaces

- Private park
- Promenade alleys
- Recreational places
- Playground for children
- Landscape

417 sqm of commercial spaces, which can accommodate a wide range of services, from convenience stores to medical offices.

826 parking spaces located above-ground outside and above-ground in interior.

Planned private kindergarten with an area of 1,990 sqm, the building can accommodate up to 150 children in 7 classes.

Sports field planned in the next stages of development.

ESG

Renewable energy: solar panels.

Protection of resources and the environment:

- Building central heating systems
- Superior thermal and acoustic insulation
- Smart automation

AWARDS

- 2020 - Residential Development, awarded by International Property Award.

PROJECT PORTFOLIO

GREENFIELD COPOU - IAȘI

In full harmony with the unique natural environment in which it will be built, **GREENFIELD Copou** will replicate the Greenfield housing model, becoming one of the largest green residential building projects in Iasi, built to nZEB standards and BREEAM Excellent certified.

The dwellings will benefit from premium finishes and will offer spectacular views over the city and the Botanical Garden, in low-height buildings, separated by generous green spaces. Excellent facilities and very good connectivity with the city's points of interest complete the mix of attributes that will make **GREENFIELD Copou** the new landmark of residential developments in Iasi.

EXCELLENT LOCATION

GREENFIELD Copou is located on Copou Hill, offering a panoramic view of the Botanical Garden and the city. Called "the green lung of Iasi", the Copou area offers an ideal natural setting, which attracts through tranquillity and fresh air. At the same time, it is an area full of history and a famous university district. The compound will integrate harmoniously, through blocks with low height regime and by including ample green spaces.

PERMITS

- The building permit was obtained in 2023.

PROJECT PORTFOLIO

GREENFIELD COPOU - IAȘI

FACILITIES

15,000 sqm green spaces:
- Private parks
- Promenade alleys
- Recreational spaces
- Playground for children
- Landscape

1,473 sqm commercial gallery

1,190 sqm sports and wellness club
- Fitness
- Pool
- Spa
- Restaurant

1,161 parking places

Private kindergarten – 945 sqm

Gated community:
- Barriers at every entrance to the neighborhood
- Access is based on card
- Security 24h/7
- Video surveillance

ESG

"15-minute city"
The urban concept "15-minute city" is based on the need to have all basic facilities and services within 15 minutes walk or bike from home. GREENFIELD COPOU is designed to meet the requirements of this urban trend, offering residents the services they need in proximity.

Dwellings designed to BREEAM Excellent and nZEB standards
- All buildings are built following the green certification criteria, BREEAM Excellent;
- The new buildings with permits after 2021 will have an almost zero energy consumption, complying with the new standard in housing construction, nZEB, which involves sustainable design, energy saving techniques and the use of renewable energy.

Renewable energy
- Photovoltaic panels
- Solar panels

Green mobility
- EV charging stations
- Micro-mobility solutions including bicycles, scooters and electric scooters
- Cycle paths

PROJECT PORTFOLIO

ARIA VERDI – BUCHAREST

Located in Barbu Vacarescu, one of the most beautiful and desirable areas of the capital, **ARIA VERDI** will offer a spectacular view of the city, surrounded by parks and lakes. The ensemble aims to raise the standard of living quality on the premium segment, including a series of modern facilities: luxury commercial galleries, wellness area (swimming pool, spa, fitness), restaurant and ample green spaces.

The new residential compound encourages a harmonious lifestyle and provides a healthy environment for residents, being designed with care for the environment and including sustainability and well-being solutions at BREEAM Excellent and nZEB standards.

PREMIUM LOCATION

ARIA VERDI is located on Barbu Vacarescu Boulevard, near the central and business area of Bucharest, one of the main areas where real estate projects have been developed in recent years.

PERMITS

The project is in the process of obtaining the building permit, receiving the urbanism certificate in April 2023.

PROJECT PORTFOLIO

ARIA VERDI – BUCHAREST

FACILITIES

Over 7,000 sqm of green spaces:
- Private parks
- Promenade alleys
- Recreational spaces
- Landscape

Playground

Over 5,000 sqm luxury commercial gallery at every resident's disposal.

Over 2,700 sports and wellness club
- Pool
- Fitness center
- Restaurant

Underground parking places

Gated community

ESG

Dwellings designed to BREEAM Excellent and nZEB standards
- All buildings are built following the green certification criteria, BREEAM Excellent;
- The new buildings with permits after 2021 will have an almost zero energy consumption, complying with the new standard in housing construction, nZEB, which involves sustainable design, energy saving techniques and the use of renewable energy.

Renewable energy
- Photovoltaic panels

Green mobility
- EV charging stations

PROJECT PORTFOLIO

GREENFIELD WEST & PLAZA - BUCHAREST

Located in District 6 of Bucharest, **GREENFIELD West** is a mixed project – residential and commercial – that enjoys credibility from the perspective of the brand's history. Similar to the project in Baneasa area, **GREENFIELD West** approaches a modern, minimalist architecture and offers the highest standard of construction for the medium segment. The future project will integrate the two concepts already implemented in Baneasa, home wellbeing and the 15-minute city.

EXCELLENT LOCATION

GREENFIELD West will be developed in a booming area of the capital, where many office buildings are currently being built. The new complex developed by IMPACT comes to complete the area's offer on the residential segment, being the largest residential project developed in western Bucharest.

TRUSTED BRAND

GREENFIELD is the most famous residential brand in Bucharest, which enjoys credibility on the market, increasing the confidence of new buyers, regardless of the construction stage of the **GREENFIELD West** project. Continuing the brand message, the new neighborhood will create an environmentally responsible community, interested in a healthy life and social responsibility actions.

PERMITS

Existing Detailed Urban Plan (PUD), improvement in progress. The process for obtaining the building permit has begun. Based on the latest concept available, it is estimated that over 4,200 units will have building permit, with a GBA(Gross Built Area excluding parking and underground) of over 368,000 sqm including a community center of over 14,000 sqm.

PROJECT PORTFOLIO

GREENFIELD WEST & PLAZA - BUCHAREST

FACILITIES

Over 36,000 sqm of green spaces:

- Private parks
- Promenade alleys
- Recreational spaces

Playground for children

Pet playground

Outdoor fitness spaces

Multifunctional sports field

Over 4,000 sqm commercial spaces

Over 5,300 parking places - above-ground (outdoor and indoor) and underground

Over 2,550 sqm sports and wellness club

- Semy-Olimpic pool
- Children's indoor pool
- Outdoor pool
- Fitness center
- Spinning room
- Massage rooms
- Squash
- Coffee shop, restaurant

Education – over 9,600 sqm:

- Educational centres
- Nursery

Gated community:

- Barriers at every entrance to the neighborhood
- Accss based on card
- Security 24h/24h, 7 days out of 7

ESG

"15-minute city"

GREENFIELD WEST is designed to meet the requirements of this urban trend that is defined by the need to have all basic facilities and services within 15 minutes walk or bike from home.

Dwellings designed to BREEAM Excellent and nZEB standards

- All buildings are built following the green certification criteria, BREEAM Excellent;
- The new buildings with permits after 2021 will have an almost zero energy consumption, complying with the new standard in housing construction, nZEB, which involves sustainable design, energy saving techniques and the use of renewable energy.

Renewable energy

- Photovoltaic panels

Green mobility

- EV charging stations
- Bicycle racks
- Micro-mobility solutions including bicycles, scooters and electric scooters

STRATEGY HIGHLIGHTS

DEVELOPING SUSTAINABLE COMMUNITIES

SUSTAINABILITY FOCUS

- At the forefront of sustainable practices and building GREEN communities through ecological solutions, quality of construction and efficiency of consumption
- Excellent nZEB construction standards applicable to all new buildings
- Projects designed and built with international certification BREEAM
- Use of renewable energy sources, low emission energy sources, electric mobility and man powered mobility, extended green areas, parks and playgrounds, community centres and convenience services
- Reduced mobility (inside and outside the community) and impact on the environment

GEOGRAPHIC EXPANSION & PORTFOLIO DIVERSIFICATION

- Focus on affordable residential developed in large communities on large land plots of 10-50 ha
- Geographic expansion in main regional cities
- Diversified portfolio with office, retail, hospitality
- Complement with premium projects
- Quality Property and Facility management services after completion inclusive of automatization & digitalization for increased efficiency

INNOVATION AND VERTICAL INTEGRATION

- Vertical integration (construction companies, architecture firm) to streamline group activities, to improve quality and control over productions (timeline & costs) and optimizes project development process
- Launch of SPATZIOO, the property & facility management company, that supports the rental and facility management of completed units
- Impact Finance services to customers as financing intermediary meets their needs of obtaining bank loans
- Research and development of innovative solutions for construction with prefabricated elements for standardized buildings with faster development and economy of scale. Standardization translated in optimized set of buildings witch embedded element of prefabricates as bath-pods, stairs, elevator shafts and others

STRATEGY HIGHLIGHTS

SUSTAINABILITY FOCUS - GEOGRAPHIC EXPANSION & PORTFOLIO DIVERSIFICATION- INNOVATION AND VERTICAL INTEGRATION

OBJECTIVES	PROGRESS 2024	PLAN 2025
GREENFIELD BANEASA RESIDENCE	▪ Sales started for 732 units in **GREENFIELD Baneasa**. ▪ Operating of, and revenue generation from **GREENFIELD PLAZA** continued in 2024, the community centre reaching as at 31 December 2024 an occupancy rate of 97%.	▪ Completion of the construction works for the 250 units part of UTR3 project.
LUXURIA Residence	▪ Sales continued throughout the year.	▪ Closing sales of the remaining 34 units in **LUXURIA Residence.**
BOREAL PLUS	▪ Sales for the remaining inventory of dwellings continued.	▪ Closing sales for the remaining apartments as well as villas. ▪ Continuing construction for 132 units, which represent phase 2.
GREENFIELD COPOU RESIDENCE	▪ Optimization and reconfiguration of the project.	▪ Submit for a new building permit

STRATEGY HIGHLIGHTS

SUSTAINABILITY FOCUS- GEOGRAPHIC EXPANSION & PORTFOLIO DIVERSIFICATION- INNOVATION AND VERTICAL INTEGRATION

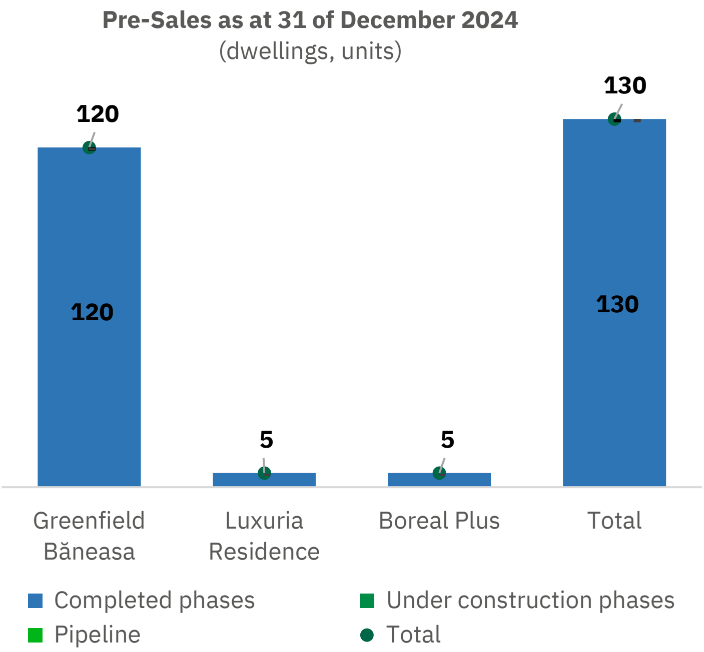
OBJECTIVES	PROGRESS 2024	PLAN 2025
GREENFIELD WEST	▪ Improvement of existing PUD ▪ Development concepts and design finalized ▪ Continuing the authorization process	▪ Continuing the authorization process
ARIA VERDI	▪ Improvement of existing PUD ▪ Finalizing the development concepts and design ▪ Preparation to start the authorization process	▪ Finalizing the authorization process

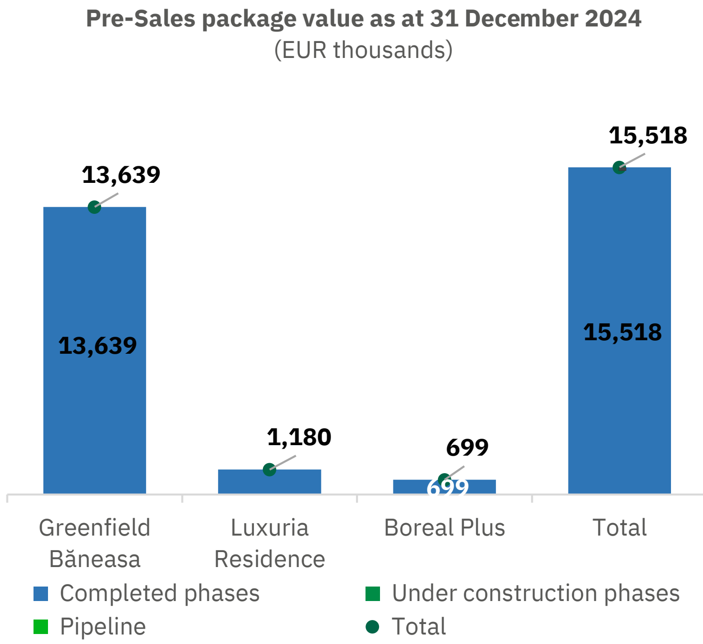
IMPACT's activity in 2024

IMPACT

ACTIVITY OF IMPACT IN 2024

PRE-SALES AS AT 31 DECEMBER 2024



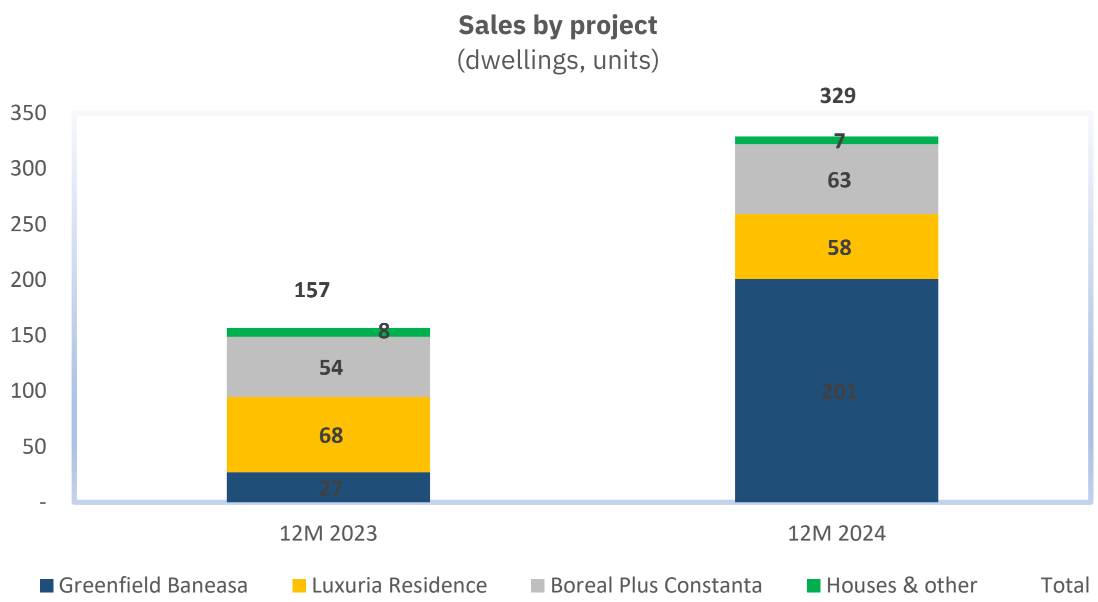


As at 31 December 2024, IMPACT had 130 dwellings pre-sold and reserved with a package value of EUR 15.52 million, referring to completed projects. Out of the total of 130 dwellings pre-sold, 120 have been commissioned in September 2024 (Greenfield Baneasa) and as at 31 December 2024 are in progress to be sold, while the remaining 10 dwellings refer to projects finalized in prior years (Luxuria Residence; Boreal Plus) which are under sales process.

Under construction units refer to projects with building permit, as well as Pipeline units refer to units estimated based on the last project concepts with zoning permits but without building permit.

ACTIVITY OF IMPACT IN 2024

2024 SALES vs 2023 SALES



Dwellings sales increased by 110% compared to 2023, from 157 units to 329 units traded. Together with the parking spaces, gardens and related storage units, they generated revenues of 220.1 million lei in 2024 (2023: 120.6 million lei). A significant impact on these results was the start of the procedure for signing the sale-purchase contracts and delivery of the dwellings in the new phase of development of the GREENFIELD Baneasa neighborhood. In the last quarter of 2024, 201 units of this new phase were sold and handed over to the new owners.

2024: 329 units, represented by 201 dwellings in **GREENFIELD Baneasa**, 58 dwellings in **LUXURIA Residence** and **63** dwellings, 1 commercial space as well as 6 villas in **BOREAL Plus** totaling 27,634 sqm built saleable area plus related parking spots, storage and court yards.

2023: 157 units, represented by 27 dwellings in **GREENFIELD Baneasa**, 69 dwellings in **LUXURIA Residence** and 54 dwellings, 1 commercial space as well as 7 villas in **BOREAL Plus** totaling 13,733 sqm built saleable area plus related parking spots, storage and court yards.

ACTIVITY OF IMPACT IN 2024

2024 SALES

CONTRACTED DWELLINGS AS OF 31 DECEMBER 2024

Project	Total Dwellings	Sales & Pre-Sales		Available for sale
	units	units	%	units
Luxuria Residence	630	596	95%	34
Boreal Plus	209	128	61%	81
Boreal Plus Villas	18	15	83%	3
Greenfield Baneasa	732	321	44%	411
Total	**1,589**	**1,060**	**67%**	**529**

As at **31 December 2024**, approximately **67%** of completed units were contracted (considering both sales and pre-sales).

UNDER CONSTRUCTION AT 31 DECEMBER 2024

Project	Total Apartments	Pre-Sales		Available for sale
	units	units	%	units
Construction started	250	-	0%	250
Construction planned	185	-	0%	185
Greenfield Băneasa	**435**	**-**	**0%**	**435**
Construction started	132	-	0%	132
Construction planned	332	-	0%	332
Boreal Plus	**464**	**-**	**0%**	**464**
Total construction started	-	-	0%	-
Total construction planned	1,062	-	0%	1,062
Copou Iasi	**1,062**	**-**	**0%**	**1,062**
Total construction started	382	-	0%	382
Total construction planned	1,579	-	0%	1,579
Total	**1,961**	**-**	**0%**	**1,961**

As at 31 December **2024 IMPACT** had building permits for 1,961 units, out of which **382** were under construction and 1,579 units are expected to begin construction in 2025.

ACTIVITY OF IMPACT IN 2024

LAND OWNED AS AT 31 DECEMBER 2024

Location	City	Project	Surface (ha)	IFRS book value (RONm)	IFRS book value (EURm)	Market value (RONm)	Market value (EURm)
Băneasa	Bucharest	Greenfield Băneasa	35.6	334.2	67.2	383.8	82.5
Blvd. Timișoara - Ghencea	Bucharest	Greenfield West	25.9	180.3	36.2	180.3	36.2
Barbu Văcarescu	Bucharest	Aria Verdi	2.5	189.7	38.1	189.7	38.1
Palazu Mare	Constanta	Boreal Plus	3.3	7.3	1.7	36.9	7.4
Copou	Iași	Greenfield Copou	5.0	37.6	7.6	63.8	12.8
Oradea	Oradea	Lotus	2.8	3.9	0.8	3.9	0.8
Other	Neptun, Voluntari	n.a.	8.9	4.1	0.8	4.1	0.8
Total			**84.1**	**757.2**	**152.5**	**862.5**	**178.7**

Note 1: The market value was considered based on the revaluations performed by Colliers Valuation and Advisory as at 31 December 2024

Note 2: The FX rate used - 4.9741 RON/EUR

Note 3: The land above represents the entire landbank of the Group which is stated as investment property, PPE, as well as inventory within the financial statements.

As at 31.12.2024, **IMPACT** owned **84.1** ha of land with a book value of **RON 757.2 million**, land mainly intended for the development of new projects and related infrastructure.

NET ASSET VALUE

	RON thousands	*RON thousands*	*RON thousands*
	31-Dec-24	**31-Dec-23**	**31-Dec-22**
IFRS net assets	965,036	917,590	889,620
Include*:			
i) Revaluation of other non-current assets	20,085	19,271	35,884
ii) Revaluation of inventory	321,123	356,034	216,310
Net assets adjusted at fair value	**1,306,244**	**1,292,894**	**1,141,813**

The net asset value as at 31 December 2024 was RON 965.5 million, while the value adjusted to fair value was RON 1.306 million.The value not reflected within the IFRS financial statements is in total amount of RON 341 milion. The value comes from: revaluation of the dwellings available for sale; revaluation of non-current properties such as the Wellness Club and Impact Office buildings and revaluation of land held in inventory. The revalued values were based on the revaluation performed by the external appraisal Colliers Valuation and Advisory, as at 31 December 2024.

ACTIVITY OF IMPACT IN 2024

THE DEVELOPMENT ACTIVITY

In 2024, **IMPACT's** activity was focused on developing the projects that are currently under construction as well as on the process for obtaining the necessary permits for developments for which the construction is planned to start in 2025-2026, projects developed on the landbank already owned.

At the beginning of October 2024, IMPACT started the signing of sale-purchase agreements for the first 732 units of the fourth development phase in **GREENFIELD Baneasa** while for additional 250 dwellings the construction was in progress.

The permitting process was started for future phases of **GREENFIELD Baneasa**, **ARIA VERDI** and **GREENFIELD WEST**.

The projects are planned and developed in several phases and stages that can span from 3 to 10 years (including permitting, construction start), depending on the size of the project.

ACTIVITY OF IMPACT IN 2024

LEGAL ASPECTS

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 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.

On April 23, 2024, the Cluj Court of Appeal issued Decision 198, as follows:

"Admits the appeal declared by the appellant, the plaintiff Impact Developer & Contractor S.A. contrary to the respondents Cluj-Napoca Municipality and the Local Council of Cluj-Napoca Municipality, against civil sentence no. 2013/23.12.2020 and civil sentence no. 381/24.02.2021, both pronounced by the Cluj Specialized Court in file no. 79/1285/2012, which it changes in everything, in the sense that: Admits the request for summons, as stated, formulated by the appellant plaintiff Impact Developer & Contractor S.A. in contradiction with the defendants Cluj-Napoca Municipality and the Local Council of Cluj-Napoca Municipality and, consequently: Orders the termination of framework contract no. 55423/04.07.2007 concluded between the Local Council of the Municipality of Cluj-Napoca and the company Impact Developer & Contractor S.A. Obliges defendants to pay to the company Impact Developer & Contractor S.A. of the amount of 4,597,447.38 lei as compensation, as well as the payment of the related legal interest in the amount of 5,454,461.52 lei calculated for the period 01.09.2010-13.09.2022, with the related legal interest to be calculated further until the effective payment of the main debt."

It obliges the defendants to pay to the Company the amount of 291,675.57 lei as legal expenses incurred on the merits. It obliges the defendants to pay to the Company the sum of 58,089.79 lei as court costs on appeal.

The Decision is final and enforceable.

The Municipality of Cluj-Napoca and the Local Council of the Municipality of Cluj-Napoca filed an appeal against the Decision.

File no. 79/1285/2012 pending before the ÎCCJ had a first deadline of 19.09.2024 for judging the appeal.

ACTIVITY OF IMPACT IN 2024

LEGAL ASPECTS

At the deadline 31.10.2024, the High Court of Cassation and Justice issued Decision 1966, as follows:

"Rejects the appeal declared by the appellants-defendants Local Council Of Cluj-Napoca Municipality And Cluj-Napoca Municipality against civil decision no. 198/2024 of April 23, 2024, pronounced by the Cluj Court of Appeal – Civil Section II, as unfounded. Rejects the appeal declared by the appellant-plaintiff Impact Developer & Contractor S.A. against the same decision, as inadmissible. Order the appellants-defendants Local Council Of The Cluj-Napoca Municipality And The Cluj-Napoca Municipality to pay the sum of 22,195.58 lei, as court costs, to the appellant-plaintiff Impact Developer & Contractor S.A. "

The decision is irrevocable.

File no. was registered on the Argeș 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 17,053,000 lei.

On 25.09.2024, the Pitesti Court of Appeal issued Decision 317/2024 as follows:

"Reject the appeal as unfounded. It obliges the appellants, jointly and severally, to pay 160,000 lei in court costs to the respondent. With appeal within 15 days of communication."

The Local Council of the Municipality of Cluj - Napoca, the Municipality of Cluj - Napoca through the mayor filed an appeal.

On December 16, 2024, the High Court of Cassation and Justice pronounced the following solution:

Admits the appeal filed by the appellants-defendants LOCAL COUNCIL OF THE MUNICIPALITY OF CLUJ-NAPOCA and MUNICIPALITY OF CLUJ-NAPOCA, through the mayor, against decision no. 317/A-C of September 25, 2024, pronounced by the Piteşti Court of Appeal – Second Civil Section, Administrative and Fiscal Disputes. Amends, in part, the contested decision in the sense that it admits the appeal filed by the defendants LOCAL COUNCIL OF THE MUNICIPALITY OF CLUJ-NAPOCA and MUNICIPALITY OF CLUJ-NAPOCA, through the mayor, against civil sentence no. 277 of June 08, 2022, pronounced by the Argeş Specialized Court in file no. 1032/1259/2012. Maintains the provisions regarding the solution of rejection, as unfounded, of the appeal directed against all unfavorable decisions by which the requests for evidence, objections and other requests of the appellants-defendants were rejected, including the hearing decision of 10.11.2021, by which the objections and requests of the appellants-defendants regarding the judicial accounting expertise report redone as a result of the admission of the initial objections were resolved. Changes, in part, civil sentence no. 277 of June 08, 2022, pronounced by the Argeş Specialized Court in file no. 1032/1259/2012, in the sense that it obliges the defendants LOCAL COUNCIL OF THE MUNICIPALITY OF CLUJ-NAPOCA and MUNICIPALITY OF CLUJ-NAPOCA, through the mayor, and to pay the legal penalty interest, calculated from 11.11.2011, the date of filing the lawsuit, until 01.04.2021. Upholds the remaining provisions of the sentence. Rejects the request of the respondent CLEARLINE MANAGEMENT & DEVELOPMENT S.A. regarding the award of court costs in the appeal. The decision is irrevocable.

ACTIVITY OF IMPACT IN 2024

LEGAL ASPECTS

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, cancelling some preliminary approvals, canceling works.

Currently, the challenged acts are valid, they produce full effects, no decision has been made regarding their suspension or cancellation. 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 11 April 2025.

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 2025.

A SUSTAINABLE IMPACT (ESG)

In 2024, we have been actively involved in several social responsibility projects, in various domains:

SOCIAL

In June, CNAIR and the Bucharest Streets Administration **reconfigured the intersection between Teișani Alley, DN1 interjection leg and Bucharest Ring Road**, in order to streamline traffic in the area, especially for the residents of GREENFIELD Baneasa. This traffic solution came about a year ago, **at the proposal of the representatives of the GREENFIELD community and supported by IMPACT Developer & Contractor**, at which time the developer submitted an address to CNAIR through which it submitted for analysis a plan for a new traffic regulation in the area of the intersection of the DN1 ramps with Teișani Alley and with the Ring Road in front of the Otopeni Bridge.

In November, **we opened the Platanilor Boulevard Extension road**, which connects the Pustnicu Forest Road and Platanilor Boulevard in the GREENFIELD Baneasa neighbourhood. With an area of 3,000 sqm, it has sidewalks and two lanes in each direction, separated by a median green space. The new road, **an investment of about 1 million euro**, has the role of **facilitating access for all residents of GREENFIELD** and streamlining traffic in the neighbourhood.

EDUCATION

In April 2024, the works for the **construction of a state educational complex in the GREENFIELD Baneasa neighbourhood** were started. The land and the project for the construction of the school and kindergarten, worth **1.75 million euro**, were donated by IMPACT to the Bucharest City Hall.

COMMUNITY

IMPACT strengthened its commitment to community and social responsibility in 2024 by supporting the two editions of the Sports Festival. The event took place between June 1-2 in Iași and September 14-15 in Bucharest, Baneasa forest and GREENFIELD BĂNEASA neighborhood.

In 2024, **the Sports Festival gathered a record number of participants**, who enjoyed sports events carried out individually or as a family. These consisted of trail running (5, 11 and 21 km), sports orienteering, obstacle race, children's race and mountain biking.

In October, **MediHelp, in collaboration with IMPACT, the Red Cross and the GREENFIELD Băneasa community organized an event dedicated to health in the neighbourhood**, during which the Red Cross held first aid courses, and MediHelp donated **a defibrillator** to the GREENFIELD Baneasa community.

CARING FOR THE ENVIRONMENT AND INCREASING THE QUALITY OF LIFE

Out of concern for the environment, in April 2024, IMPACT employees and the GREENFIELD Baneasa community participated in a garbage collection event in the Baneasa Forest. This is one of the many events of this type in which IMPACT and the GREENFIELD community have been involved over time.

As part of our ESG policy, in 2024 we published our third sustainability report. The report is aligned with GRI standards and we have received an ESG risk rating of 18.7 (low risk).

2024 financial results

IMPACT

FINANCIAL RESULTS

Consolidated

RON thousand	12m 2024	12m 2023	12m 2022	Var % 24/23	Var % 23/22
Revenues	308,254	171,217	219,199	80%	(22%)
Gross profit	84,459	54,792	70,691	54%	(22%)
Gross margin %	***27%***	***32%***	***32%***		
Other (expenses)/revenue net	18,227	(13,067)	38,379	(239%)	(134%)
% of revenues	*6%*	*(8%)*	*18%*		
EBITDA	106,585	56,224	111,393	90%	(50%)
EBITDA margin %	*35%*	*33%*	*51%*		
EBIT	102,686	41,725	109,070	146%	(62%)
EBIT margin %	*33%*	*24%*	*50%*		
Net result	**60,596**	**18,611**	**84,767**	**226%**	(78%)
Net result margin %	***20%***	***11%***	***39%***		

Source: Audited IFRS consolidated financial statements as at 31 December 2024 and 31 December 2023

Separate

RON thousand	12m 2024	12m 2023	12m 2022	Var % 24/23	Var % 23/22
Revenues	162,938	61,535	75,027	165%	(18%)
Gross profit	51,601	15,933	24,461	238%	(35%)
Gross margin %	***32%***	***26%***	***33%***		
Other (expenses)/revenue net	*23,464*	*31,128*	*47,636*	(32%)	(35%)
% of revenues	*14%*	*51%*	*63%*		
EBITDA	77,328	48,797	73,495	54%	(34%)
EBITDA margin %	*46%*	*79%*	*98%*		
EBIT	75,065	47,061	72,097	60%	(35%)
EBIT margin %	*46%*	*76%*	*96%*		
Net result	**88,240**	**42,492**	**63,329**	**108%**	**(33%)**
Net result margin %	***54%***	***69%***	***84%***		

Source: Audited IFRS standalone financial statements as at 31 December 2024 and 31 December 2023

- Compared with the same period of prior year, the Group recorded an increase in revenues by 80%, and on the same track an increase in gross profit of 54%, or RON 29.73 millions.
- The increase in revenues is mainly due to the Greenfield Baneasa sales of more than RON 111 million, as well as due to the sale of more expensive residential units of our portfolio (Luxuria Residence) and to the extension of the activity of the Group companies.
- The gross margin of the IMPACT group was maintained stable during 2024, to 27%, compared with 32% in the same period of prior year.
- The net consolidated result for 2024 is RON 60.5 million, reflecting the significant increase in sales as well as the gains from the revaluation of investment property.
- EBITDA increased in 2024 from 33% to 36%, reflecting the optimization of the general and administrative expenses of the Group.
- At standalone level, the net profit of Impact SA is of RON 88.2 million, due to sales in Greenfield Baneasa, as well as due to financial revenue of RON 43 million which are mainly represented by dividends granted by the companies within the group.

FINANCIAL RESULTS
Statement of financial position

Consolidated

RON thousand	31-Dec-2024	31-Dec-2023	31-Dec-2022	Var % 24/23	Var % 23/22
Non-current assets, of which	**882,983**	**853,916**	**727,767**	***3%***	***17%***
Investment property	704,167	679,046	653,725	*4%*	*4%*
Property, plant and equipment	94,175	86,121	65,648	*9%*	*31%*
Goodwill	3,543	3,543	3,543	*n.a*	*n.a*
Current assets, of which	**529,469**	**613,908**	**715,595**	***(14%)***	***(14%)***
Inventories	408,324	541,335	617,698	*(25%)*	*(12%)*
Trade and other receivables	44,242	14,212	25,561	*211%*	*(44%)*
Cash and cash equivalents	71,974	51,293	55,108	*40%*	*(7%)*
Total assets	**1,412,452**	**1,467,824**	**1,443,362**	***(4%)***	***2%***
Liabilities, of which	**447,416**	**560,729**	**553,742**	***(20%)***	***1%***
Loans and borrowings	317,119	413,634	391,126	*(23%)*	*6%*
Trade and other payables	45,666	67,710	79,320	*(33%)*	*(15%)*
Equity	**965,036**	**907,096**	**889,620**	***6%***	***2%***
Total equity and liabilities	**1,412,452**	**1,467,824**	**1,443,362**	***(4%)***	***2%***

Source: Audited IFRS consolidated financial statements as at 31 December 2024 and 31 December 2023

Separate

RON thousand	31-Dec-2024	31-Dec-2023	31-Dec-2022	Var % 24/23	Var % 23/22
Non-current assets, of which	**952,273**	**896,672**	**805,226**	***6%***	***11%***
Investment property	754,571	726,852	678,669	*4%*	*7%*
Property, plant and equipment	47,144	36,102	21,545	*31%*	*68%*
Goodwill	-	-	-	*n.a*	*n.a*
Current assets, of which	**433,333**	**532,036**	**525,008**	***(19%)***	***1%***
Inventories	371,159	464,958	429,405	*(20%)*	*8%*
Trade and other receivables	19,775	24,579	33,892	*(20%)*	*(27%)*
Cash and cash equivalents	37,644	35,778	46,857	*5%*	*(24%)*
Total assets	**1,385,605**	**1,428,708**	**1,330,234**	***(3%)***	***7%***
Liabilities, of which	**413,690**	**545,033**	**489,051**	***(24%)***	***11%***
Loans and borrowings	299,183	389,074	330,351	*(23%)*	*18%*
Trade and other payables	21,235	47,503	77,414	*(55%)*	*(39%)*
Equity	**971,916**	**883,675**	**841,183**	***10%***	***5%***
Total equity and liabilities	**1,385,605**	**1,428,708**	**1,330,234**	***(3%)***	***7%***

Source: Audited IFRS standalone financial statements as at 31 December 2024 and 31 December 2023

ASSETS

Investment property has increased as at 31.12.2024 compared with 31.12.2023 by 4%, or RON 25 million, mainly due to gains from revaluation.
Property, plant and equipment has increased as at 31.12.2024 compared with 31.12.2023 by 9%, mainly due to transfers from inventory of the Greenfield Thermal Power Plant and other plant, as a result of the commissioning of the Greenfield Phase 4.

The cash and the trade receivables balance have increased by 40%, and respectively 212%, compared with 31.12.2023, due to the acceleration in the collection of advances from clients for the 4th phase of development of GREENFIELD Baneasa project, of which sales have started October 2024. The trade receivables balance increase also due to the recognition of a receivable against the Municipality of Cluj in amount of RON 17 million following the winning of the Lomb project case against the Municipality. For more details, please see the litigations section.

LIABILITIES

The leverage ratio as at 31 December 2024 decreased to 22%, from 28% compared to 31 December 2023, corresponding to a decrease in loans balance of **RON 96.5 million** which improved significantly the solvency ratio of the Group.

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

BOARD OF DIRECTORS

The Board of Directors represents the decision-making body with regard to all matters that are significant for **IMPACT Developer & Contractor** in its entirety. The Board of Directors shall delegate **IMPACT Developer & Contractor** management competences under the terms and to the extent provided for by law and by the Articles of Association.

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

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

The Board of Directors has 5 members as at 31st December 2024:

- **Iuliana-Mihaela Urdă,** Director, Chairmen of the Board of Directors
- **Intrepid Gem SRL** through Petru Văduva, Director
- **Dan Octavian Voiculescu**, Director
- **Sorin Apostol**, Director
- **Daniel Pandele**, Director

Nomination and remuneration committee

The Nomination and Remuneration Committee is a body subordinate to the Board of Directors constituted to issue qualified and independent opinions on nomination and remuneration policies and practices, to perform the attributions assigned by the Board of Directors in this sector of activity. Members: INTREPID GEM SRL (independent); Iuliana-Mihaela Urdă; Daniel Pandele (Independent); Sorin Apostol.

Audit committee

The Audit Committee has an advisory role being set up with the purpose of assisting the Board of Directors in carrying out its duties related to financial reporting, external audit, and internal control. Members: INTREPID GEM SRL; Sorin Apostol; Daniel Pandele.

Risk committee

The Risk Committee has an advisory role being set up with the purpose of assisting the Board of Directors in carrying out its duties related to risk management policies and practices, capital adequacy to risks, risk appetite of the company. Members: Iuliana-Mihaela Urda; INTREPRID GEM SRL; Sorin Apostol; Daniel Pandele.

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

BOARD OF DIRECTORS

The members of the Board of Directors as of December 31, 2024 are presented below.

IULIANA MIHAELA URDA
President of the BoD

Born in: 1968;
•27+ years of experience in management, asset/facility management, category management, reporting in real estate and retail;
•2013 – present: President of the Board of Directors since April 2013, member of the Board of Directors since April 2013, appointed until 2025, member of Nomination and Remuneration Committee, member of Risk Committee;
•Shares held on 31 December 2024: 1,327,033.

PETRU VADUVA
Independent,
Non - Executive Director

Born in: 1960;
•Over 20 years strategic experience in the Eastern European and Central Asian energy sector with proven market and financing experience in the sector, such as the Rosneft IPO and the winning of the largest development grant in the sector in Europe;
•Member of the Board of Directors since April 2019, appointed until 2025. President of Nomination and Remuneration Committee, President of Audit Committee;
•Shares held on 31 December 2024: 1,343,200 through Intrepid Gem SRL.

DANIEL PANDELE
Non - Executive Director

Born in: 1964;
•With over 29 years of experience in management, he has strong skills in business, being a founder member of: Expo Cupa SRL, Cupa International SRL, Danielis Star Company and Doraly Mall.
•He graduated Ovidius University from Constanța, The Faculty of Industrial and Maritime Mechanical Engineering, as a diplomat engineer in the field of industrial engineering;
•Member of the Board of Directors since April 2017, appointed until 2025. Member of Audit Committee, member of Risk Committee, member of Nomination and Remuneration Committee
•Shares held on 31 December 2024: 50,550,000

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

BOARD OF DIRECTORS

DAN OCTAVIAN VOICULESCU
Non - Executive Director

Born in: 1980;
•Bachelor's degree in architecture, with extensive experience in the field, coordinated and drafted complex urbanism and architecture projects, namely residential complexes, masterplans, urban and zonal developments, UTR modifications and modernizations of old industrial areas, tactical concepts and proposals for the rehabilitation of disadvantaged areas in the modernization of the city;
•Founder and CEO Modern City Development S.R.L., architecture and engineering company with 19 years of activity on the Romanian market;
•Member of the Board of Director since April 2024, appointed until April 2025;
•Shares held on 31 December 2024: 31,130.

SORIN APOSTOL
Non - Executive Director

Born in: 1975;
•Sorin's knowledge in the financial and capital market field and the experience as a businessman are great assets for our company
•Between 01.02.2018 - 27.04.2021 was General Director of IMPACT and between 28.04.2021 - 31.05.2024 he occupied the position of Executive Director at IMPACT;
•Member of the Board of Directors since April 2021, appointed until 2025. Member of Audit Committee, member of Risk; Committee, member of Nomination and Remuneration Committee
•47% shareholder at Swiss Capital, one of the major brokers on the Romanian capital market;
•Shares held on 31 December 2024: 73,593,336.

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

EXECUTIVE MANAGEMENT

On 31 of May 2024, the mandate of Mr. Constantin Sebesanu as General Manager ended, as well as the mandate of Mr. Sorin Apostol as executive director (COO) which ended on the same date. Starting with 1st of June 2024, Mr. Richard Dan-Sebastian Campeanu took over the position of Interim General Manager until 19 of June 2025.

Mr. Richard Dan-Sebastian Campeanu leads the company with a team consisting of:

- Mr. Claudiu Bistriceanu - Chief Financial Officer;
- Mr. Gabriel Vasile – Sales Director;
- Mrs. Gina Patrinoiu - Head of Legal;
- Mrs. Loredana Rosu - Head Of Marketing.

The Group's management is employed on a permanent contract basis, except Mr. Bistriceanu with a mandate, which expires at the end of 2025.

MAIN RISKS AND UNCERTAINTIES THAT MAY AFFECT IMPACT's ACTIVITY

Risk	Management
Market risk	The global and local economic instability might have a negative effect upon **IMPACT**'s cash holdings. This issue is closely monitored and necessary actions are taken to ensure **IMPACT**'s stability. The slowdown of the economic growth and consumption in Romania might have a negative effect upon **IMPACT**'s activity. **IMPACT** takes necessary actions to make sure that its products remain attractive and are adjusted to the market requirements.
Legal environment	The legal changes, the amendments to the permit obtaining procedure might have negative effects upon **IMPACT**'s activity. Such changes and the effects upon **IMPACT**'s activity are constantly monitored by **IMPACT**.
Credit risk	As a real estate developer, **IMPACT** relies on equity and funding obtained from third parties for the project's development. The limitation of access to financing might have negative effects upon **IMPACT**'s capacity to develop new project. The management of **IMPACT** constantly monitors this issue and strives to diversify **IMPACT** 's financing sources. A significant share of **IMPACT**'s clients resort to bank loans for the acquisition of residences. Any strengthening of the conditions for the bank loans might have negative effects upon the dwellings sales. **IMPACT** takes all necessary measures to mitigate the negative effects of such regulatory changes upon its activity.
Currency risk	A significant increase of the foreign exchange rate for EUR might result in higher payments for loans, bonds and acquisitions made in relation to the construction works expressed in EUR. The main liabilities expressed in EUR are the bonds, the loan obtained for project financing and the construction agreements with the general contractor.
Geographic risk	**IMPACT**'s activity is concentrated in Bucharest. The geographical risk will be mitigated by expanding developments in Constanta, Iasi and other important cities in the country.

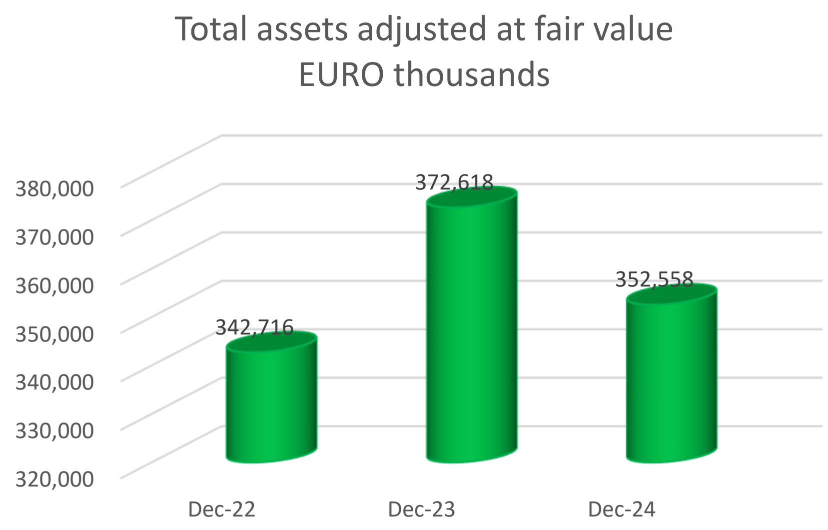
NET ASSET VALUE

The Net Asset Value as per the IFRS consolidated financial statements

METRICS	31-Dec-2022	31-Dec-2023	31-Dec-2024
Price per share (RON)	0.3600	0.2340	0.1900
Number of shares (IMPACT D&C)	2,365,679,951	2,365,679,951	2,364,941,410
Market capitalization (RON thousand)	851,645	553,569	449,339
IFRS (consolidated)			
Net profit (RON thousand)	84,767	16,317	58,675
Net asset value ("NAV", RON thousand)	889,620	907,095	965,036
Profit per share (RON)	0.0364	0.0069	0.0248
NAV/Share (RON)	0.3761	0.3834	0.4081

The fair value as at 31 December 2022-2024 was determined based on the valuations performed by Colliers Valuation and Advisory.

KEY PERFORMANCE INDICATORS



Reconciliation IFRS total assets vs total assets adjusted to fair value

	RON thousands 31-Dec-24	*RON thousands* 31-Dec-23	*RON thousands* 31-Dec-22
IFRS net assets	965,036	917,590	889,620
Include*:			
ii) Revaluation of other non-current assets	20,085	19,271	35,884
ii) Revaluation of inventory	321,123	356,034	216,310
Net assets adjusted at fair value	**1,306,244**	**1,292,895**	**1,141,813**
Total assets adjusted at fair value	**1,753,657**	**1,853,624**	**1,695,555**

Total value of assets adjusted to fair value increased to EUR 352,558 thousands as at 31 December 2024 (2023: EUR 372,618), or by 7% compared with 31 December 2023.

The net asset value as at 31 December 2024 was RON 965 million, while the value adjusted to market value was RON 1,306 million. The value not reflected within the IFRS financial statements is in total amount of RON 341 milion. The value comes from: revaluation of the dwellings available for sale as well as those units are in final stages of completion; revaluation of non-current properties such as the Wellness Club and Impact Office buildings and revaluation of land held in inventory. The revalued values were based on the revaluation performed by the external appraisal Colliers Valuation and Advisory, as at 31 December 2024.

Annexes

APPENDIX 1

STAGE OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE

The status of implementation of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange on 31 December 2024	Implementation YES / m / Under implementation /Partial	Reason for non-compliance and expected compliance measures
Section A – Responsibilities		
A.1. All companies should have internal regulation of the Board which includes terms of reference/responsibilities for Board and key management functions of the company, applying, among others, the General Principles of Section A.	YES	
A.2. Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	YES	
A.3. The Board of Directors or the Supervisory Board should have at least five members.	YES	
A.4. The majority of the members of the Board of Directors should be non-executive. At least one member of the Board of Directors or Supervisory Board should be independent, in the case of Standard Tier companies. Not less than two non-executive members of the Board of Directors or Supervisory Board should be independent, in the case of Premium Tier Companies. Each member of the Board of Directors or Supervisory Board, as the case may be, should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered independent in character and judgement in practice and according to the following criteria:	PARTIAL	The majority of the Board of Directors' members are non-executive, with one director being independent. The number of independent directors is to be observed in accordance with the relevant criteria, effective from April 2025
A.4.1. Not to be the CEO/executive officer of the company or of a company controlled by it and not have been in such position for the previous five years;	YES	
A.4.2. Not to be an employee of the company or of a company controlled by it and not have been in such position for the previous five (5) years;	YES	
A.4.3. Not to receive and not have received additional remuneration or other advantages from the company or from a company controlled by it, apart from those corresponding to the quality of non-executive director;	YES	

APPENDIX 1

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Section A – Responsibilities		
A.4.4. Is not or has not been an employee of, or has not or had not any contractual relationship, during the previous year, with a significant shareholder of the company, controlling more than 10% of voting rights or with a company controlled by it;	YES	
A.4.5. Not to have and not have had during the previous year a business or professional relationship with the company or with a company controlled by it, either directly or as a customer, partner, shareholder, member of the Board/ Director, CEO/executive officer or employee of a company having such a relationship if, by its substantial character, this relationship could affect his/her objectivity;	YES	
A.4.6. Not to be and not have been in the last three years the external or internal auditor or a partner or salaried associate of the current external financial or internal auditor of the company or a company controlled by it;	YES	
A.4.7. Not to be a CEO/executive officer in another company where another CEO/executive officer of the company is a non-executive director;	YES	
A.4.8. Not to have been a non-executive director of the company for more than twelve years;	YES	
A.4.9. Not to have family ties with a person in the situations referred to at points A.4.1. and A.4.4.	YES	
A.5. A Board member's other relatively permanent professional commitments and engagements, including executive and non-executive Board positions in companies and not-for-profit institutions, should be disclosed to shareholders and to potential investors before appointment and during his/her mandate.	NO	The disclosure was not formalised. This issue will be addressed in April 2025.
A.6. Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly, shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	NO	The disclosure was not formalised. This issue will be addressed in April 2025.

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STAGE OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE

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A.7. The company should appoint a Board secretary responsible for supporting the work of the Board.	PARTIAL	Until Sep 2024, the Board managed the documents and activities with support from secretariat and legal department. From Sep 2024, these responsibilities were transferred to an external lawyer.
A.8. The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.	NO	No assessment of the Board was conducted in 2024. Members of the Board are assessed periodically in accordance with performance indicators defined in their internal policies and mandate agreements. The Board will re-examine the A8 requirements in 2025, with a particular focus on the Board's assessment policy.
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.	PARTIAL	In 2024, the members of the Board convened 25 meetings at the company's registered office or via electronic means. In 2025, we will be implementing additional measures regarding the separate recording and monitoring of risk and remuneration committee meetings.
A.10. The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors or of the Supervisory Board.	PARTIAL	The Board had one independent director. Such situation shall be addressed in April 2025.
A.11. The Board of Premium Tier companies should set up a nomination committee formed of non-executives, which will lead the process for Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.	PARTIAL	The majority of the members of the Nomination Committee are non-executive directors.
Section B – Risk management and internal control system		
B.1. The Board should set up an audit committee, and at least one member should be an independent non-executive. The majority of members, including the chairman, should have proven an adequate qualification relevant to the functions and responsibilities of the committee. At least one member of the audit committee should have proven and adequate auditing or accounting experience. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee should be independent.	Under implementation	This issue will be addressed in April 2025.

APPENDIX 1

STAGE OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE

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B.2. The audit committee should be chaired by an independent non-executive member.	YES	
B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.	Under implementation	In 2025, the evaluation committee will present the conclusion, recommendations and the related action plan (if the case).
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and their submission of relevant reports to the Board.	YES	
B.5. The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties.	YES	
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.	YES	
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	YES	
B.8. Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by cyclical (at least annual), or ad-hoc reports to be submitted to the Board afterwards.	YES	
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	PARTIAL	The process is ongoing.
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Board's audit committee, and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.	YES	
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity.	YES	

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B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report directly to the chief executive officer.	YES	
Section C – Fair rewords and motivation		
C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review. The remuneration policy should be formulated in such a way that allows stakeholders to understand the principles and rationale behind the remuneration of the members of the Board and the CEO, as well as of the members of the Management Board in two-tier board systems. It should describe the remuneration governance and decision-making process, detail the components of executive remuneration (i.e. salaries, annual bonus, long term stock-linked incentives, benefits in kind, pensions, and others) and describe each component's purpose, principles and assumptions (including the general performance criteria related to any form of variable remuneration). In addition, the remuneration policy should disclose the duration of the executive's contract and their notice period and eventual compensation for revocation without cause. The remuneration report should present the implementation of the remuneration policy vis-à-vis the persons identified in the remuneration policy during the annual period under review. Any essential change of the remuneration policy should be published on the corporate website in a timely fashion.	YES, at www.impactsa.ro/pictures/documents/3139-2845-REMUNERATIONPOLICY.pdf	
Section D – Building value through investors' relations		
D.1. The company should have an Investor Relations function - indicated, by person (s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:	YES	
D.1.1. Principal corporate regulations: the articles of association, general shareholders' meeting procedures;	YES	

APPENDIX 1

STAGE OF IMPLEMENTATION OF THE CORPORATE GOVERNANCE CODE

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D.1.2. Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions;	PARTIAL	Ful resumes will be uploaded on corporate website.
D.1.3. Current reports and periodic reports (quarterly, semi-annual and annual reports) – at least as provided at item D.8 – including current reports with detailed information related to non-compliance with the present Code;	YES	
D.1.4. Information related to general meetings of shareholders: the agenda and supporting materials; the procedure approved for the election of Board members; the rationale for the proposal of candidates for the election to the Board, together with their professional CVs; shareholders' questions related to the agenda and the company's answers, including the decisions taken;	YES	
D.1.5. Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions;	YES	
D.1.6. The name and contact data of a person who should be able to provide knowledgeable information on request;	PARTIAL	The contact data will be updated on corporate website English version , also.
D.1.7. Corporate presentations (e.g. IR presentations, quarterly results presentations, etc.), financial statements (quarterly, semi-annual, annual), auditor reports and annual reports.	YES	
D.2. A company should have an annual cash distribution or dividend policy, proposed by the CEO or the Management Board and adopted by the Board, as a set of directions the company intends to follow regarding the distribution of net profit. The annual cash distribution or dividend policy principles should be published on the corporate website.	YES	

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D.3. A company should have adopted a policy with respect to forecasts, whether they are distributed or not. Forecasts means the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions): by nature such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. The policy should provide for the frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should be published on the corporate website.	YES	
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	YES	
D.5. The external auditors should attend the shareholders' meetings when their reports are presented there.	Under implementation	This assessment will be addressed in April 2025.
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.	Under implementation	This assessment will be addressed in April 2025.
D.7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairman of the Board. Accredited journalists may also participate in the general meeting of shareholders, unless the Chairman of the Board decides otherwise.	Under implementation	This assessment will be addressed in April 2025.
D.8. The quarterly and semi-annual financial reports should include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.	YES	
D.9. A company should organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the company website at the time of the meetings/conference calls.	YES	
D.10. If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area.	Partial	IMPACT supports and organizes various sport and environmental protection activities, both physically and educationally. These activities are presented on IMPACT Developer & Contractor website and IMPACT Developer & Contractor works to develop a related policy.

APPENDIX 2
OTHER INFORMATION
IMPACT's EMPLOYEES

At the end of 2024, **IMPACT Developer & Contractor** had a number of 38 employees. Additionally, **IMPACT Developer & Contractor** has a 5-member Board of Directors.

At the same time, Spatzioo has a number of 25 employees and 1 administrators and Impact Finance had 2 employees and 1 Administrator.

RCTI Company, had a total of 122 employees as at 31 December 2024 and 2 Administrators.

There is no trade union in **IMPACT**. There is 1 employer representative and 2 employee representatives.

Labor relations are regulated by:

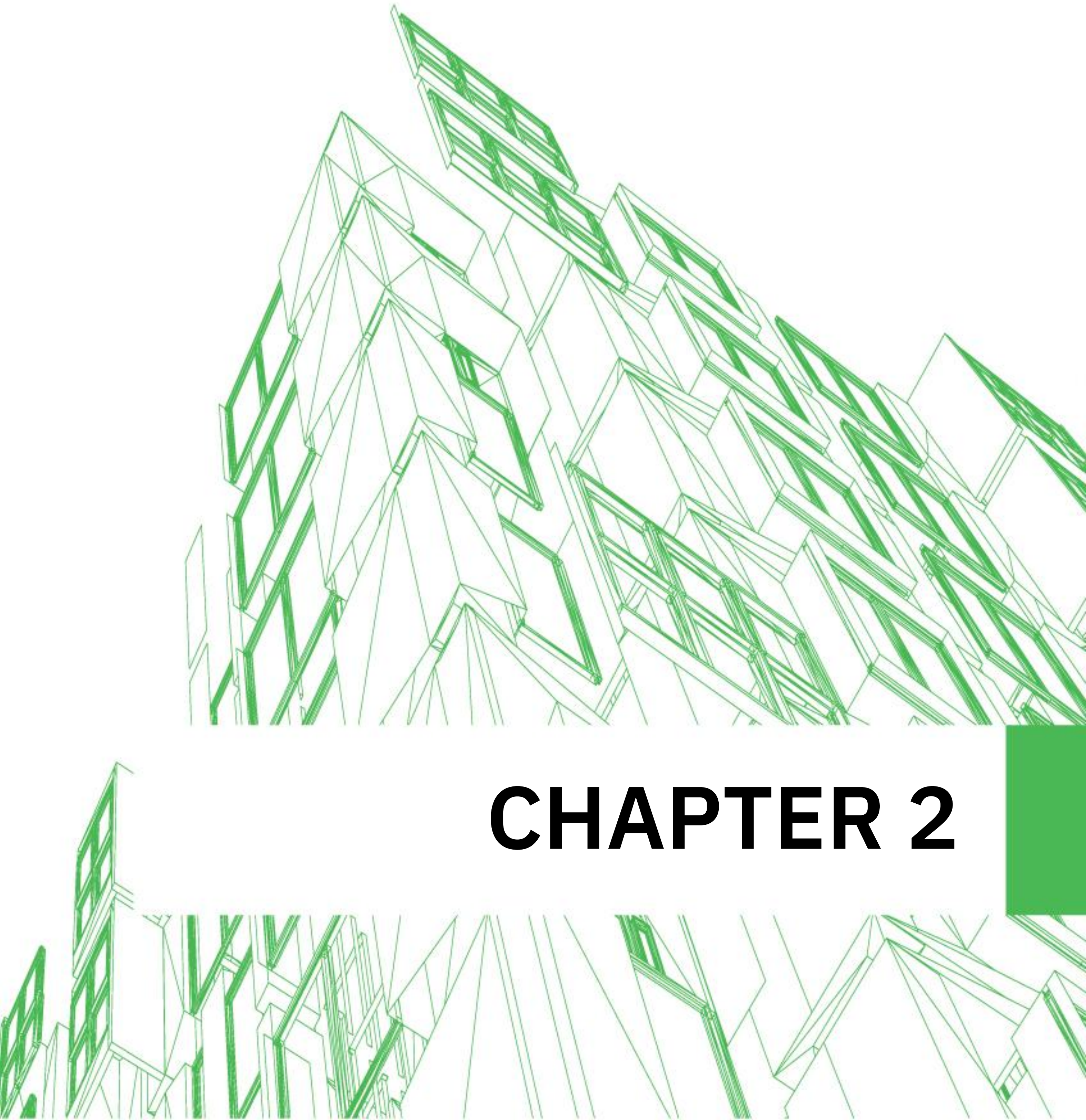
- labor contract
- job description
- the company's internal regulations
- the code of conduct within the company
- the essential ethical values within society

Remuneration of Company's management in 2024 was RON 2,317,272 (2023: RON 2,841,177). For more details please see Remuneration report, published on company's website.

FINANCIAL RATIOS (CONSOLIDATED, IFRS)

RON thousands		31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23	31-Dec-24
Inventories	A	434,741	538,922	617,698	541,335	408,324
Current assets	B	520,337	617,094	634,321	613,908	529,469
Current liabilities	C	122,395	262,033	195,353	131,212	180,302
Total assets	D	987,889	1,204,412	1,443,362	1,467,824	1,412,452
Total liabilities	E	347,061	487,558	553,742	560,729	447,416
Equity	F	640,828	716,854	889,620	907,095	965,036
Loans and borrowings	G	255,836	337,033	387,765	413,634	317,119
Loans and borrowings, short term	*H*	*88,379*	*186,912*	*118,910*	*66,976*	*135,961*
Loans and borrowings, long term	*I*	*167,457*	*150,121*	*268,855*	*346,658*	*181,158*
Cash and cash equivalents	J	59,022	42,037	55,108	51,293	71,974
Net debt	K (G-J)	196,814	294,996	332,657	362,341	245,145
Turnover	L	204,397	137,585	171,217	171,217	308,254
Net profit	M	74,856	78,800	84,767	18,611	60,596
EBITDA	N	34,279	99,907	111,393	56,224	106,585
Interest paid	O	6,134	6,617	13,631	29,329	30,552
Ratios						
Loans and borrowings / EBITDA	G/N	7.46	3.37	3.48	7.36	2.98
Net debt / EBITDA	K/N	5.74	2.95	2.99	6.44	2.30
EBITDA / Interest paid	N/O	5.59	15.10	8.17	1.92	3.49
Return on Assets	M/D	7.58%	6.54%	5.87%	1.27%	4.29%
Return on Equity	M/F	11.68%	10.99%	9.53%	2.05%	6.28%
Gearing ratio	G/F	39.92%	47.02%	43.59%	45.60%	32.86%
Current ratio	B/C	4.2513	2.3550	3.2471	4.6787	2.9366
Quick ratio	(B-A)/C	0.6993	0.2983	0.0851	0.5531	0.6719

ANNUAL REPORT 2024



CHAPTER 2

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Independent Auditors' Report

To the Shareholders of Impact Developer & Contractor SA

Padurea Mogosoaia Road 31-41, Bucharest, Romania
Unique Registration Code: 1553483

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the consolidated financial statements of Impact Developer & Contractor SA ("the Company") and its subsidiaries (together referred as "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

2. The consolidated financial statements as at and for the year ended 31 December 2024 are identified as follows:

   - Net assets/Total equity: RON 965,036 thousand
   - Net profit for the year: RON 60,596 thousand

   The consolidated financial statements have been signed with a qualified electronic signature by name Iuliana Mihaela Urda in her capacity of President of the Board of Directors of the Company on 2025.03.29, hour: 14 min 43 sec: 26, by Dan Sebastian Campeanu as General Manager on 2025.03.29, ora 14 min: 29 sec: 38 and by Claudiu Bistriceanu in his capacity of Financial Director on 2025.0329 ora:14 min 25 sec 15.

3. In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards as endorsed by the European Union ("IFRS as endorsed by EU").

Basis for Opinion

4. We conducted our audit in accordance with International Standards on Auditing ("ISAs"), Regulation (EU) no. 537/2014 of the European Parliament and of the Council and related amendments ("the Regulation") and Law no. 162/2017 and related amendments ("the Law"). Our responsibilities under those standards and regulations are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with *International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code")* together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Romania, including the Regulation and the Law and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe

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that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Investment Property

Investment property RON 704,167 thousand as at 31 December 2024 (RON 679,046 thousand as at 31 December 2023, restated).

Gains from revaluation of investment property RON 27,602 thousand in the year ended 31 December 2024 (RON 32,643 thousand in the year ended 31 December 2023, restated)

See Notes 4 f) Material accounting policies, “Investment property”, Note 5 (i) “Critical accounting judgements and key sources of estimation uncertainty, Fair value measurement and valuation process” and Note 9 “Investment property” to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
Investment property held by the Group amounts to RON 704,167 thousand as at 31 December 2024, representing approximately half of the Group’s total assets as at that date. Investment property primarily represents land plots and rented commercial areas. The Group applies the fair value model after the initial recognition, with any changes in fair value recognized in the profit or loss. Fair values of its investment properties were assessed by management based on valuations carried out by a third party qualified and independent valuer, at the reporting date, using the market comparison method, which implies inherent limitations, and a significant degree of judgement in the selection and application of assumptions, including, among others, the property-specific information discount rates and comparable market transactions, applying price adjustments to the data for comparable land and building valuations, based on location and condition, which are not directly observable. In the light of the above factors, coupled with the fact that only a small percentage difference in individual property valuations, when aggregated, could result in a material	Our audit procedures included, among others, the following: - We assessed the appropriateness of the initial classification and of the current period transfers from other categories of assets to investment property, of the Group’s properties, by understanding the business model and inquiring management of its plans and judgements used, corroborating with our understanding of specific characteristics of each of the properties owned by the Group; - We evaluated the competence and independence of the external valuer by assessing its professional qualifications, experience and objectivity; - With the assistance of our own valuation specialists, we have assessed the methodology used by the independent valuer and the appropriateness of the key assumptions used, based on our knowledge of the property market; - We performed a sensitivity analysis by comparing the fair values based on valuation reports to market prices of similar assets, applying various price adjustments; - We assessed the accuracy, completeness, and relevance of the

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effect to the consolidated financial statements, we considered the valuation of investment property to be associated with a significant risk of material misstatement in the consolidated financial statements. Therefore, the area required our increased attention in the audit and as such was determined to be a key audit matter.	consolidated financial statements disclosures related to valuation of investment property, for compliance with the applicable requirements of the financial reporting standards.

Other matter – Corresponding figures

6. The consolidated financial statements of the Group as at and for the year ended 31 December 2023, excluding the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior year errors" to the consolidated financial statements, were audited by another auditor who expressed an unmodified opinion on those statements on 29 March 2024.

   As part of our audit of the consolidated financial statements as at and for the year ended 31 December 2024, we audited the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior year errors" that were applied to restate the comparative information presented as at and for the year ended 31 December 2023. We were not engaged to audit, review, or apply any procedures to the consolidated financial statements for the year ended 31 December 2023, other than with respect to the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior year errors" to the consolidated financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective consolidated financial statements taken as a whole. However, in our opinion, the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior year errors" are appropriate and have been properly applied

Other information

7. Management is responsible for the preparation and presentation of other information. The other information comprises the Remuneration Report for 2024 ("Remuneration Report") and the Annual Report, including the Board of Directors' Report, but does not include the consolidated financial statements and our auditors' report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

   Other Reporting Responsibilities Related to Other Information – Board of Directors Report

   With respect to the Board of Directors Report we read and, based solely on the work required to be undertaken in the course of the audit of the consolidated financial statements, we report, as required by the Order of Minister of Public Finance No. 2844/2016 for approval of accounting regulations in accordance with International Financial Reporting Standards ("OMPF no. 2844/2016"), that, in our opinion:

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a) The information given in the Board of Directors Report for the financial year for which the consolidated financial statements are prepared is consistent, in all material respects, with the consolidated financial statements;

b) The Board of Directors' Report has been prepared, in all material respects, in accordance with OMPF no. 2844/2016, articles 26 - 28 of the accounting regulations in accordance with International Financial Reporting Standards.

In addition, in light of the knowledge and understanding of the Group and its environment obtained in the course of our audit we are required to report if we have identified material misstatements in the Board of Directors Report. We have nothing to report in this regard.

Other Reporting Responsibilities Related to Other Information – Remuneration Report

With respect to Remuneration Report, we read the Remuneration Report in order to determine whether it presents, in all material respects, the information required by article 107, paragraph (1) and (2) of the Law no. 24/2017 regarding the issuers of financial instruments and market operations and related amendments. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS as endorsed by EU and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

12. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

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expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements - Report on Compliance with the ESEF Regulation

16. In accordance with Law no. 162/2017 on statutory audits of annual financial statements and consolidated financial statements and amendment of certain regulations, we are required to express an opinion on compliance of the consolidated financial statements, as included in the Annual report and approved by the Board of Directors, with the requirements of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format and related amendments (the "RTS on ESEF").

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KPMG

Responsibilities of Management

17. Management is responsible for the preparation of the consolidated financial statements in a digital format, presented in Romanian language, that complies with the RTS on ESEF. This responsibility includes:

- the preparation of the consolidated financial statements in the applicable xHTML format;
- the selection and application of appropriate iXBRL tags, using judgment where necessary;
- ensuring consistency between digitised information in the machine- and human-readable formats and the signed consolidated financial statements; and
- the design, implementation and maintenance of internal controls relevant to the application of the RTS on ESEF.

Auditors' Responsibilities

18. Our responsibility is to express an opinion on whether the consolidated financial statements included in the Annual report and authorized by the Board of Directors, comply, in all material respects, with the RTS on ESEF, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with the RTS on ESEF. The nature, timing and extent of procedures selected depend on the auditor's judgment, including the assessment of the risks of material departures from the requirements set out in the RTS on ESEF, whether due to fraud or error. Our procedures included, among other things:

- obtaining an understanding of the tagging process;
- evaluating the design and implementation of relevant controls over the tagging process;
- tracing the tagged data to the consolidated financial statements of the Group presented in human-readable digital format and to the signed and audited consolidated financial statements;
- evaluating the completeness of the Group's tagging of the consolidated financial statements;
- evaluating the appropriateness of the Group's use of iXBRL elements selected from the ESEF taxonomy and creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- evaluating the use of anchoring in relation to the extension elements;
- evaluating the appropriateness of the digital format of the consolidated financial statements; and
- assessing consistency between the digitised information in the machine- and human-readable formats and the signed and audited consolidated financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Opinion

19. In our opinion, the consolidated financial statements of the Group, as included in the electronic file “315700KVJ0DVH5IBI827-2024-12-31-0-en “ (identified with the key “XjZRSEVGkIsuadY=”) and authorized by the Board of Directors, as at and for the year ended 31 December 2024 have been prepared, in all material respects, in accordance with the requirements of the RTS on ESEF.

Report on Other Legal and Regulatory Requirements - Public Interest Entities

20. We were appointed by the General Shareholders' Meeting on 20 August 2024 to audit the consolidated financial statements of Impact Developer & Contractor SA for the year ended 31 December 2024. Our total uninterrupted period of engagement is 1 year, covering the period ended 31 December 2024.

21. We confirm that:

    - our audit opinion is consistent with the additional report presented to the Audit Committee of the Group, which we issued on 28 March 2025. We also remained independent of the audited entity in conducting the audit.
    - we have not provided to the Group the prohibited non-audit services (NASs) referred to in Article 5(1) of EU Regulation (EU) No 537/2014.

The engagement partner on the audit resulting in this independent auditors’ report is VLAD-BALANESCU RADUCU-BOGDAN.

For and on behalf of KPMG Audit S.R.L.:

Vlad Balanescu Raducu Bogdan

KPMG Audit SRL

VLAD-BALANESCU RADUCU-BOGDAN	**KPMG Audit SRL**
registered in the electronic public register of financial auditors and audit firms under no AF2373	registered in the electronic public register of financial auditors and audit firms under no FA9

Bucharest, 29 March 2025

Autoritatea pentru Supravegherea Publică a Activităţii de Audit Statutar (ASPAAS)
Auditor financiar: VLAD-BALANESCU RADUCU BOGDAN
Registrul Public Electronic: AF2373

Autoritatea pentru Supravegherea Publică a Activităţii de Audit Statutar (ASPAAS)
Firma de audit: KPMG AUDIT S.R.L.
Registrul Public Electronic: FA9

IMPACT DEVELOPER & CONTRACTOR S.A.

CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2024

PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS ENDORSED BY THE EUROPEAN UNION

This is a free translation from the original Romanian version.

CONTENTS:	**PAGE:**

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

	Note	31-Dec-2024	31-Dec-2023 *restated	1-Jan-2023 *restated
ASSETS				
Non-current assets				
Property, plant, and equipment	**8**	94,175	86,121	65,648
Intangible assets		1,012	632	534
Goodwill		3,543	3,543	3,543
Right of use assets	**8**	1,571	3,300	4,317
Investment property	**9**	704,167	679,046	653,725
Pipeline projects	**10**	78,515	81,274	81,274
Total non-current assets		**882,983**	**853,916**	**809,041**
Current assets				
Inventories	**11**	408,324	541,335	536,424
Trade and other receivables	**12**	44,242	14,212	25,561
Prepayments and other current assets	**12**	4,929	7,068	17,228
Cash and cash equivalents	**13**	71,974	51,293	55,108
Total current assets		**529,469**	**613,908**	**634,321**
Total assets		**1,412,452**	**1,467,824**	**1,443,362**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	**14**	598,699	598,884	598,884
Share premium		41,379	41,462	40,493
Revaluation reserves		-	-	3,001
Other reserves	**14**	47,214	41,590	40,266
Own shares	**15**	-	(268)	(268)
Retained earnings		269,760	216,709	197,390
Equity attributable to equity holders of the parent		**957,052**	**898,377**	**879,766**
Non-controlling Interest		7,984	8,718	9,854
Total equity		**965,036**	**907,095**	**889,620**
Non-current liabilities				
Loans and borrowings	**16**	181,158	346,658	271,207
Trade and other payables	**17**	5,834	5,995	6,124
Deferred tax liability		80,122	76,864	81,058
Total non-current liabilities		**267,114**	**429,517**	**358,389**

* The comparative information has been restated please see note 7.

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

	Note	31-Dec-2024	31-Dec-2023 *restated	1-Jan-2023 *restated
Current liabilities				
Loans and borrowings	**16**	135,961	66,976	119,919
Trade and other payables	**17**	24,512	22,821	33,726
Income Tax Payables		4,377	2,234	1,885
Contract liabilities	**17**	15,320	38,894	39,470
Provisions for risk and charges	**18**	132	287	353
Total current liabilities		**180,302**	**131,212**	**195,353**
Total liabilities		**447,416**	**560,729**	**553,742**
Total shareholders' equity and liabilities		**1,412,452**	**1,467,824**	**1,443,362**

* The comparative information has been restated please see note 7.

The consolidated financial statements have been authorized for issue by the management on 29 of March 2025 and signed on its behalf by:

Iuliana Mihaela Urda	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

	Note	12 months period ended as at 31-Dec-2024	31-Dec-2023 *restated
Revenue	**19**	308,254	171,217
Cost of sales	**19**	(223,795)	(116,425)
Gross profit		**84,459**	**54,792**
General and administrative expenses	**20**	(32,301)	(36,932)
Marketing expenses		(2,702)	(3,702)
Other operating income	**21**	37,112	21,931
Other operating expenses	**21**	(11,484)	(27,007)
Gains from revaluation of investment property	**9**	27,602	32,643
Operating profit		**102,686**	**41,725**
Finance income	**22**	1,911	10,979
Finance cost	**22**	(34,935)	(34,321)
Finance result net (loss)		**(33,024)**	**(23,342)**
Profit before income tax		**69,662**	**18,383**
Income tax credit/(charge)	**23**	(9,066)	228
Profit for the period		**60,596**	**18,611**
Non-controlling interest (NCI)		1,921	2,294
Equity holders of the parent		58,675	16,317
Basic earnings per share (EPS)	**28**	**0.0248**	**0.0069**
Diluted earnings per share	**28**	**0.0248**	**0.0069**
Other comprehensive income		-	-
Total comprehensive income for the period		**60,596**	**18,611**
Comprehensive income attributable to:			
Non-controlling interest (NCI)		*1,921*	2,294
Equity holders of the parent		*58,675*	16,317

* The comparative information has been restated please see note 7.

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Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

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

	Note	Share capital	Share premium	Revaluation reserves	Other reserves	Own shares	Retained earnings	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance as at 01 of January 2024 *restated		**598,884**	**41,462**	**-**	**41,590**	**(268)**	**216,709**	**898,377**	**8,718**	**907,095**
Other comprehensive income										
Profit for the period		-	-	-	-	-	58,675	58,675	1,921	60,596
Total other comprehensive income		**-**	**-**	**-**	**-**	**-**	**58,675**	**58,675**	**1,921**	**60,596**
Own shares acquired and cancelled during the year		(185)	(83)	-	-	268	-	-	-	-
Dividends granted to shareholders		-	-	-	-	-	-	-	(2,655)	(2,655)
Legal reserves		-	-	-	5,624	-	(5,624)	-	-	-
Other changes in equity		-	-	-	-	-	-	-	-	-
Balance as of 31 December 2024		**598,699**	**41,379**	**-**	**47,214**	**-**	**269,760**	**957,052**	**7,984**	**965,036**

* The comparative information has been restated please see note 7.

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Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

	Note	Share capital	Share premium	Revaluation reserves	Other reserves	Own shares	Retained earnings	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance as at 01 of January 2023		**598,884**	**40,493**	**3,001**	**40,266**	**(268)**	**197,390**	**879,766**	**9,854**	**889,620**
Other comprehensive income										
Profit for the period *restated		-	-	-	-	-	16,317	16,317	2,294	18,611
Total other comprehensive income		**-**	**-**	**-**	**-**	**-**	**16,317**	**16,317**	**2,294**	**18,611**
Own shares		-	969	-	-	-	(969)	-	-	-
Dividends granted to shareholders		-	-	-	-	-	-	-	(3,430)	(3,430)
Legal reserves		-	-	-	1,323	-	(1,323)	-	-	-
Other changes in equity		-	-	(3,001)	1	-	5,294	2,294	-	2,294
Balance as of 31 December 2023 * restated		**598,884**	**41,462**	**-**	**41,590**	**(268)**	**216,709**	**898,377**	**8,718**	**907,095**

* The comparative information has been restated please see note 7.

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Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

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

	Note	12 months period ended as at 31-Dec-2024	31-Dec-2023 *restated
Net profit		**60,596**	**18,611**
Adjustments to reconcile profit for the period to net cash flows:		**(151)**	**3,138**
Loss (Gain) from revaluation of Investment property	**9**	(27,602)	(32,643)
Gain/(loss) on disposal of property, plant and equipment	8	-	2,002
Reversal of impairment of PPE	8	(2,097)	(5,037)
Depreciation and amortization	8	3,875	4,005
Inventory write-off/ (reversal of write off)	21	(1,688)	13,408
Impairment of receivables	21	2,308	(1,711)
Finance income	22	(1,911)	(10,979)
Finance costs	22	34,935	34,321
Non cash gain from compensation not yet received		(17.038)	-
Income tax	23	9,066	(228)
Working capital adjustments		**90,755**	**8,633**
Decrease/(increase) in trade receivables and other receivables	12	(15,300)	13,061
Decrease in prepayments	12	2,139	10,160
Increase in inventory	11	131,754	2,245
(Decrease)/increase in trade, other payables, and contract liabilities	17	(24,017)	(13,150)
(Decrease)/increase in provisions	18	(156)	(66)
Income tax paid		(3,666)	(3,617)
Net cash flows from operating activities		**151,199**	**30,382**
Investing activities			
Purchase of property, plant and equipment	8	(1,831)	(23,694)
Proceeds (expenditure) from Investment property	9	1,041	65
Expenditure on investment property under development	9	(1,794)	-
Proceeds from sale of PPE	8	2,295	-
Net cash flows from investing activities		**(289)**	**(23,629)**
Cash flows from financing activities:			
Proceeds from borrowings	16	102,544	225,098
Repayment of principal of borrowings	16	(199,566)	(202,906)
Dividends paid	14	(2,655)	(3,430)
Interest paid	16	(30,552)	(29,329)
Net cash used in financing activities		**(130,229)**	**(10,568)**
Net increase / (decrease) of cash and equivalents		**20,681**	**(3,815)**
Opening balance of Cash and equivalents	**13**	**51,293**	**55,108**
Closing balance of Cash and equivalents	**13**	**71,974**	**51,293**

* The comparative information has been restated please see note 7.

The consolidated financial statements have been authorized for issue by the management on 29 of March 2025 and signed on its behalf by:

Iuliana Mihaela Urda	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

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

1. REPORTING ENTITY

Impact Developer & Contractor S. A's ("the Company" or "the Parent") is a company domiciled in Romania having as object of activity real estate development and sale and construction services. The Company has fiscal code 1553483 and is registered with the Trade Registry under no. J40/7728/2018. The registered office of the Company is in Bucharest, District 1, Road Padurea Mogosoaia 31-41.

The shareholders structure as at 31 December 2024, and 31 December 2023 is disclosed within Note 14.

The Consolidated Financial Statements for the period ended 31 of December 2024 include the Company and its subsidiaries financial information (together referred to as the „Group") as follows:

Company	Country of registration	Nature of activity	% Controlled by the Group as at 31 December 2024	% Controlled by the Group as at 31 December 2023
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Spatzioo 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 & Sales 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%
R.C.T.I. Company SRL	Romania	Construction works	51.01%	51.01%
Impact Alliance Architecture	Romania	Architecture services	51%	51%
IMPACT Alliance Moldova SRL	Romania	Construction works	51%	51%

The Company is one of the first active companies in the field of real estate development in Romania, being founded in 1991 through public subscription. In 1995, the Company introduced the concept of residential complex on the Romanian market. Starting from 1996, the Company is traded on the Bucharest Stock Exchange (BVB).

During 2024, the activity of the Group was the development of the residential projects in Greenfield Baneasa as well as the selling of the finalized projects in Greenfield Baneasa and Luxuria Residence from Bucharest, and Boreal Plus from Constanta.

2. BASIS OF PREPARATION

The Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union ("EU IFRS").

The financial statements have been prepared on a going concern basis and under the historical cost basis, except for investment properties, that are presented at fair value, as explained in the accounting policies below.

In preparing the Consolidated 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.

IMPACT published for the third year in row, in 2024, a sustainability report, which summarizes the Group's efforts in regards to climate change risks. The sustainability reporting is not part of these financial statements or part of the Annual report and is not audited. 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 was published to meet 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. This report in not part of the financial statements or part of the Annual report.

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. For more details regarding climate change matters impacting the Group activities, please see the Annual Sustainability report published on Company's website. This report in not part of the financial statements or part of the Annual report.

(a) Basis of Consolidation

The consolidated financial statements include the financial statements of the company and the entities controlled by the Company (its subsidiaries) by the end of the reporting period (31 December 2024). The Group controls an entity when the following conditions are met:

a) Power over the Investee: The Group has existing rights that give it the current ability to direct the relevant activities of the investee
b) Exposure or Rights to Variable Returns: The Group must have the ability to obtain returns from its involvement with the investee
c) The Ability to Use Power to Influence Returns: The Group must have the practical ability to use its power to influence the amount of returns obtained

The Group reassess whether it controls an investee if facts and circumstances indicate that there are changes in one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control of the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the profit or loss account from the date the Company acquires control until the date the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income is attributable to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in a deficit balance for the non-controlling interests.

When necessary, adjustments are made to the financial statements of the subsidiaries to bring the applied accounting policies in line with the Group's accounting policies. All assets and liabilities, equity, income, expenses and cash flows related to transactions between members of the Group are eliminated on consolidation.

(b) Going concern

The consolidated financial statements have been prepared on a going concern basis, as management is satisfied that the Group has adequate resources to continue as a going concern for the foreseeable future.

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 and supply chain disruptions. The Group 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.

The Group expects an increase in development activity during 2025, as it intends to finalize Phase 5 of Greenfield Baneasa- Teilor project, launch the development of Phase 4 of the same project and obtain further building permits for future projects (Greenfield Baneasa UTR4 and Aria Verdi).

The Group has obtained the building permit for Greenfield Copou Iași, and currently it is in process of securing financing with banking institutions as well as, in negotiation process with the general entrepreneurs and architects for the optimization of costs and timing of the construction.

Having considered these forecasts, the Directors remain of the view that the Group’s financing arrangements and capital structure provide both the necessary facilities and covenant headroom to enable the Group to conduct its business for at least the next 12 months. Consequently, the financial statements were prepared on a going concern basis.

3. FUNCTIONAL AND PRESENTATION CURRENCY

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

4. MATERIAL ACCOUNTING POLICIES

The accounting policies used by the Group are prepared in accordance with the IFRS Accounting Standards as endorsed by the EU.

The accounting policies described below have been constantly applied by all the Group’s entities (a) for all periods presented in these Consolidated Financial Statements.

Disclosed below is the summary of the material accounting policies.

(a) Cash and cash equivalents

Cash and cash equivalents include cash balances, cash deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Trade receivables

Trade receivables are amounts due from customers for rental and service charge income from tenants and construction services in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value, generally at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables are also subject to the impairment requirements of IFRS 9. The Group applies the IFRS 9 simplified approach to measuring expected credit losses.
Trade receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

(c) 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. Estimated selling price is based on revaluation reports provided by Colliers for each individual unit in inventory.

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 amount of inventories recognised as an expense during the period, referred to as cost of sales, consists of those costs previously included in the measurement of inventory that has now been sold, as well as unallocated production overheads (i.e. commissions of sales agents).

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 cost of goods sold as the apartments are sold.

The cost of inventories is measured using the following techniques:

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

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle for the development of the residential projects to be at 4 years. As such all of its inventory which is to be translated into revenue within less that 4 years from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects, within non-current assets. For more details on pipeline projects please see Note 10.

(d) 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 of property, plant and equipment for current and comparative periods are as follows:

- Buildings: 40 years
- Plant and equipment: 3-12 years
- Fixtures and fittings: 5-10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of reporting.

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. The difference between the net carrying amount and any proceeds received will be recognized through the statement of profit and loss.

(e) Borrowing costs

Borrowing costs are represented by interest and other costs incurred by the Group 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 Group.

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.

(f) Investment property

Investment property is property (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. Investment property also includes land with undetermined future use. Usually, the Group acquires major plots of land, as its business model is to build large projects (around 1,000 units per project), therefore the timing of obtaining the necessary building permits might be uncertain, time during which initial conditions for project estimates might change (construction prices increase, management strategy of development, changes in legislation, etc.). As such, given the reasonable probability for the plots of land not to be used as intended due to uncertainties not under Group's control, the management initially recognizes certain plot of lands as investment property until the construction authorization is obtained, a detailed concept of the project is finalized, and significant steps have been done to identify construction companies and financing for the project.

After initial recognition, investment property is measured at fair value model, with changes in the fair value being recognized in profit or loss.

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.

Although, 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 only when there is an actual change in use rather than on changes in an entity's intentions.

The Group transfers land classified as investment property to inventories at the point when there is sufficient evidence that uncertainties previously preventing development have been resolved or significantly reduced. Such evidence typically includes (but is not limited to):

- Obtaining valid building permits or regulatory authorizations.
- Finalization and approval of detailed development plans and project specifications by management.
- Management's commitment to commence the project, supported by formal decisions or resolutions.
- Initiation of substantive activities demonstrating intent to sell (e.g., identification of construction companies, entering into contracts, obtaining project-specific financing arrangements).

(g) Impairment of non-financial assets

An impairment exists when the recoverable amount (the higher of fair value less costs to sell and value in use) is less than the carrying amount. The assessment is to be made on an asset-specific basis or on the smallest group of assets for which the entity has identifiable cash-flows (the cash-generating unit).

The Group assesses at the end of each reporting period whether there is any indication that a non-financial asset (other than inventory and deferred tax assets) might be impaired. The carrying amount of the asset is compared with the recoverable amount. If the recoverable amount is lower than the carrying amount, an impairment loss is recognized for the difference in profit or loss.

(h) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is more than the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the CGU when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(i) 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.

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 Group do not declare dividends in excess of the amount of retained earnings.

(j) 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 Group derecognizes financial liabilities when, and only when, the Group'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 consolidated 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 consolidated 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.

(k) 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 the amount which reflects the price at which the Group 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 Group. Revenue and profit are recognized as follows:

(i) Revenue from sale of residential properties
Revenue from 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 control of the asset have been transferred to the customer, this is usually when title of the property passes to the customer on legal completion 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 collection 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.

Payment is done in tranches, a fixed EUR 2,000 (net of VAT) at the signing of the initial reservation of the residential unit, 15% of total contract price at the signing of the pre-sale agreement and the remaining amount at the signing of the sale-purchase agreement, when the control passes to the client. In addition, according to standard contractual clauses, the client has no right to exist the contract, or to a corresponding reimbursement of advance paid. In specific and isolated cases, the Company may agree to terminate the pre-sale agreement and reimburse the advance to the client. Furthermore, once the final sale-purchase agreement is signed there is no refund option, however the client is entitled to 2 years warranties for the quality of the residential unit delivered. The warranties are on a back to back basis, meaning that these are provided by the seller (Impact SA. Bergamot Developments I or Bergamot Developments II) to the client, but the seller passes the responsibility to the general contractor (RCTI Company SRL) which in turn reaches out to the sub-contractor responsible for the work and the corresponding repair.

(ii) Revenues from water and sewage system
The Group owns within Greenfield Baneasa project the water and sewage system. The revenues from charging of water are recognized when they are realized, together with the water expenses invoiced by the suppliers. The Group recharges the utilities at mark-up which is calculated as administrative costs of maintaining the water sewage plus a profit. The price invoiced by the Group is approved by the National

Authority for Reglementation of the Energy Sector (ANRE).

(iii) Revenue from construction services
For construction services, revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue to recognise is assessed based on surveys of work performed and approved by the client. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the Group sells the services in separate transactions.

(l) Leases

The Group 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.

Group as lessee

The Group applies a single recognition and measurement approach to all leases, except for short-term leases and low-value assets. The Group recognizes lease payables for lease payments and the right of use assets representing the right to use the underlying asset. i) Right of use assets: The Group recognizes the right of 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 of 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 of use assets are 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 Group 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, considering the extension option also.

At the date of commencement of the lease, the Group recognizes the lease payables measured at the current value of the lease payments to be made throughout the lease. Lease payments include fixed payments.
(including fixed payments as a substance) excluding 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 Group and penalty payments for the termination of the lease, if the lease term reflects the group'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 Group 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 16 – Loans.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

(m) Foreign currency

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

Transactions in foreign currency are converted into the functional currencies of the Group entities 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 Consolidated Statement of Profit or Loss and Other Comprehensive Income as financial expenses/revenues.

(n) Financial instruments

The financial assets with cash flows are solely payments of principal and interest 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 Group 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).

(o) Taxation

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

Current income tax

The income tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the profit and loss 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 Group'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 tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

a) Temporary differences on the initial recognition of assets and liabilities in a transaction that:
- is not a business combination; and
- at the time of the transaction affects neither the accounting nor the taxable profit or loss(ii) does not give rise to equal taxable and deductible temporary differences;

b) Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

c) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses , unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(p) Segment reporting

The Group generates revenue primarily from the sale of residential properties. In addition, to sustain its core business, the Group has expanded to construction, rental and property management services.

The Group has two reportable segments, as described below, which are the Group's strategic business units:
Development of residential properties: the Group is involved in the development and sale of residential properties
Construction services: the Group uses a Group Company for the construction of its properties for sale. In addition, the construction company obtains revenue from services of construction from third parties.
Other revenue includes revenue from rental of investment property or residential properties and revenue, revenue from facility management, wellness and fitness services, and utilities.

Information regarding the results of each reportable segment is set out in Note 19. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CEO and CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

q) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

The corresponding fair value of the amount payable to employees in respect of SARs, which are settled in cash is recognized as an expense with corresponding increase in liabilities over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognized in profit or loss.

r) Related party

Parties are considered related when one party, either through ownership, contractual rights, family relationship or otherwise, has the ability to directly or indirectly control or significantly influence the other party. Related parties include individuals that are principal owners, key management personnel of Group's subsidiaries and members of the Board of Directors and members of their families, and any company that is related party to Group's entities.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, 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 Group has obtained a report from an international valuation company, Colliers Valuation and Advisory SRL, as at 31 December 2024 setting out the estimated market values for the Group's investment property and property developed for sale in their current state. 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.

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

For investment property, land assets are mainly valued using the sales comparison approach. The main assumptions underlying the market value of the groups 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 27 Contingencies.

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:

Land in investment property

Impact on the valuation included in the balance sheet on 31 December 2024, as well as at 31 December 2023 and gains on investment property registered to profit or loss of a 5% (weakening)/strengthening of the price per sqm. The table below includes the key prices used in the determination of the sensitivity analysis results:

2024

Land	RON/SQM	+5% RON/SQM	-5% RON/SQM	+5% Total value	-5% Total value	Effect of increase	Effect of decrease
Greenfield Băneasa land (Bucharest)	1,377	1,446	1,308	279,521	252,900	13,311	13,311
Barbu Vacarescu land (Bucharest)	7,536	7,913	7,160	201,187	182,027	9,580	9,580
Blvd. Ghencea – Timișoara land (Bucharest)	697	732	662	189,464	171,420	9,022	9,022
Other (Neptun,Oradea)	180	189	171	11,750	10,631	560	560

2023

Land	RON/SQM	+5% RON/SQM	-5% RON/SQM	+5% Total value	-5% Total value	Effect of increase	Effect of decrease
Greenfield Băneasa land (Bucharest)	1,342	1,409	1,275	272,321	246,386	12,968	12,968
Barbu Vacarescu land (Bucharest)	7,482	7,856	7,108	199,729	180,707	9,511	9,511
Blvd. Ghencea – Timișoara land (Bucharest)	634	665	602	172,211	155,810	8,201	8,201
Other (Neptun,Oradea)	188	197	178	12,309	11,136	586	586

Property

A sensitivity analysis on the Plaza property, based on +/- 0.5% change in yield and +/- 1 EUR rent/sqm, is disclosed below:

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

2024

	Yield	-0.50%	0.00%	0.50%
	Rent/sqm	7.00%	**7.50%**	8.00%
-5.00%	24.2	11,150,749	10,405,130	9,753,333
0.00%	**25.47**	11,442,799	**10,672,420**	9,999,087
5.00%	26.75	11,734,848	10,939,710	10,244,841

2023

	Yield	-0.50%	0.00%	0.50%
	Rent/sqm	7.00%	**7.50%**	8.00%
-5.00%	26.21	11,272,202	10,525,068	9,871,741
0.00%	**27.58**	11,577,485	**10,803,240**	10,126,378
5.00%	28.96	11,882,768	11,081,412	10,381,015

(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 (including project concepts and initiatives to obtain building permits, which are affected by political uncertainties), but as of 31 of December 2024 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 of December 2024 (same at 31 December 2023) 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 Group analyses regularly the status of all ongoing litigation and following a consultation with the legal advisors and with the Board of Directors, decides upon the necessity of recognizing provisions related to the amounts involved or their disclosure in the financial statements. Key legal matters are summarized in Note 27.

(iv) Cost allocation

To determine the profit that the Group should recognize on its developments in a specific period, the Group 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. The future projects to which costs are allocated are only those of which development is certain – i.e. the land is already included in inventory. 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.

(v) Operating cycle

The Group's operating cycle is determined based on the nature of its business activities. Management has exercised significant judgement in defining the operating cycle, which impacts the classification of assets as current or non-current.

Judgement: The operating cycle is considered to be the period between the acquisition of assets for processing and their realization in cash or cash equivalents. For the Group, this period is estimated to be 4 years.

Estimation Uncertainty: The determination of the operating cycle involves assumptions about the duration of production processes, inventory turnover rates, and the timing of receivables collection. Changes in these assumptions could significantly affect the classification of assets.

Impact: If the operating cycle were to be reassessed to be longer/shorter than 4 years, certain assets would be reclassified as current/non-current, which could affect liquidity ratios and other financial metrics.

If operating cycle of 12 months was used current inventories expected to be realized in 12 months would be RON 408,324 thousand and RON 541,335 would be reclassified to non-current pipeline inventories.

6. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

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

• 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 Group.

- 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 Group.

- 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 Group.

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

- Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments: Settlement of liabilities through electronic payment systems.*

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system. The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised. Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

Classification of financial assets with ESG-linked features

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

Contractually linked instruments (CLIs) and non-recourse features

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the ‘look through’ test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The Group plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity*

The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements. The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.

Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow. Currently the Group does not use any renewable power source but it plans to do it in the future, therefore it plans to assess the impact of the amendments on the financial statements and apply the new standard, if the case, starting from 1 January 2026.

- IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined ‘operating profit’ and ‘profit or loss before financing and income tax’ subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the ‘most useful structured summary’ of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management’s view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

The Group plans to apply the new standard from 1 January 2027.

- IFRS 19 Subsidiaries without Public Accountability Disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.
A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under

IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.
Management has assessed that the amendments will have no material impact on the financial statements of the Group.

- Annual Improvements to IFRS Standards – Volume 11

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards. The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. The Group plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture

The Amendments clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business, such that:
a full gain or loss is recognised when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets which constitute a business (whether it is housed in a subsidiary or not), while a partial gain or loss is recognised when a transaction between an investor and its associate or

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joint venture involves assets that do not constitute a business, even if these assets are housed in a subsidiary. Management has assessed that the amendments will have no material impact on the financial statements of the Group.

7. RESTATEMENT FOR COMPARISON PURPOSES AND CORRECTION OF PRIOR PERIOD ERRORS

During 2024, the Group discovered a series of errors in its past year's consolidated financial statements, disclosed below. The errors have been corrected by restating each of the affected consolidated financial statements line items for prior periods, where applicable.

a. The Group identified an error in the consolidated results of the year ended 31 December 2023 due to an erroneous consolidation accounting entry related to the transfer of a plot of land owned by a subsidiary from Investment property to Property plant and equipment.
The erroneous accounting entry was recorded as an increase to Property, plant and equipment of RON 13,243 thousand, Decrease in Investment property of RON 2,749 thousand and increase in fair value gain of RON 10,494 thousand. The accounting entry should have not been recorded and the Company corrected the opening balance by reversing this adjustment.

b. During 2024, the Group retrospectively analysed and estimated the applicable operating cycle to be used in the presentation of its assets and liabilities and concluded that the operating cycle to be used for the classification of current/non-current assets related to residential projects is 4 years. Therefore, inventories related to projects which will be realized in a period higher than 4 years, in amount of Ron 81,274 thousand, were reclassified as non-current also as of 31 December 2023 and 1 January 2023.

c. During 2024, the Group retrospectively analysed and reclassified other operating income/expenses,net into two different line items, as other operating income and other operating expenses. Furthermore, the Group eliminated the Depreciation and amortisation line item, and reclassified depreciation within General and Administrative expenses, as well as Cost of Sale.

The following tables summarize the impact of the correction of the errors described in this chapter on the Group's consolidated financial statements.

	Note	31-Dec-2023 As previously reported	Adjustment	31-Dec-2023 As restated

		KRON	KRON	KRON
Non-current assets				
Property, plant and equipment	**8**	99,365	(13,244)	86,121
Intangible assets		632		632
Godwill		3,543		3,543
Right of use assets		3,300		3,300
Investment property	**9**	676,297	2,749	679,046
Pipeline projects	**10**	-	81,274	81,274
Total non-current assets		**783,137**	**70,779**	**853,916**
Current assets				
Inventories	**11**	622,609	(81,274)	541,335
Trade and other receivables		14,212		14,212
Prepayments and other current assets		7,068		7,068
Cash and cash equivalents		51,293		51,293
Total current assets		**695,182**	**(81,274)**	**613,908**
Total assets		**1,478,319**	**(10,495)**	**1,467,824**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Share capital		598,884		598,884
Share premium		41,462		41,462
Revaluation reserves		-		-
Other reserves		41,590		41,590
Own shares		(268)		(268)
Retained earnings		227,204	(10,495)	216,709
Minority interest		8,718		8,718
Total equity		**917,590**	**(10,495)**	**907,095**
				-
Non-current liabilities				-
Loans and borrowings		346,658		346,658
Trade and other payables		5,995		5,995
Deferred tax liability		76,864		76,864
Total non-current liabilities		**429,517**	**-**	**429,517**
Current liabilities				
Loans and borrowings		66,976		66,976
Trade and other payables		22,821		22,821
Profit Tax Liability		2,234		2,234
Contract liabilities		38,894		38,894
Provisions for risk and charges		287		287
Total current liabilities		**131,212**	**-**	**131,212**
Total liabilities		**560,729**	**-**	**560,729**
Total shareholders' equity and liabilities		**1,478,319**	**(10,495)**	**1,467,824**

	Note	1-Jan-2023 As previously reported	Adjustment	1-Jan-2023 As restated
		KRON	KRON	KRON

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

Non-current assets				
Property, plant and equipment		65,648		65,648
Intangible assets		534		534
Godwill		3,543		3,543
Right of use assets		4,317		4,317
Investment property		653,725		653,725
Pipeline projects	**10**	-	81,274	81,274
Total non-current assets		**727,767**	**81,274**	**809,041**
Current assets				
Inventories	**11**	617,698	(81,274)	536,424
Trade and other receivables		25,561		25,561
Prepayments and other current assets		17,228		17,228
Cash and cash equivalents		55,108		55,108
Total current assets		**715,595**	**(81,274)**	**634,321**
Total assets		**1,443,362**	**-**	**1,443,362**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Share capital		598,884		598,884
Share premium		40,493		40,493
Revaluation reserves		3,001		3,001
Other reserves		40,266		40,266
Own shares		(268)		(268)
Retained earnings		197,390		197,390
Minority interest		9,854		9,854
Total equity		**889,620**	**-**	**889,620**
Non-current liabilities				
Loans and borrowings		271,207		271,207
Trade and other payables		6,124		6,124
Deferred tax liability		81,058		81,058
Total non-current liabilities		**358,389**	**-**	**358,389**
Current liabilities				
Loans and borrowings		119,919		119,919
Trade and other payables		33,726		33,726
Profit Tax Liability		1,885		1,885
Contract liabilities		39,470		39,470
Provisions for risk and charges		353		353
Total current liabilities		**195,353**	**-**	**195,353**
Total liabilities		**553,742**	**-**	**553,742**
Total shareholders' equity and liabilities		**1,443,362**	**-**	**1,443,362**

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

	Note	31-Dec-2023 As previously reported	Adjustment	31-Dec-2023 As restated
Revenue		171,217	-	171,217
Cost of sales	**19**	(114,043)	(2,382)	(116,425)
Gross profit		***57,174***	***(2,382)***	***54,792***
General and administrative expenses	**21**	(35,309)	(1,623)	(36,932)
Marketing expenses		(3,702)	-	(3,702)
Other operating income/(expenses), net	**22**	(5,076)	5,076	-
Other operating income	**22**	-	21,931	21,931
Other operating expenses	**22**	-	(27,007)	(27,007)
Depreciation	**19**	(4,005)	4,005	-
Gains from revaluation of investment property	**9**	43,137	(10,494)	32,643
Operating profit		***52,219***	***(10,494)***	***41,725***
Finance income		10,979	-	10,979
Finance cost		(34,321)	-	(34,321)
Finance result net (loss)		**(23,342)**	**-**	**(23,342)**
Profit before income tax		***28,877***	***(10,494)***	***18,383***
Income tax credit/(charge)		228	-	228
Profit attributable to:				
Net profit		**29,105**	**(10,494)**	**18,611**
Non-controlling interest (NCI)		2,294	-	2,294
Equity holders of the parent		***26,811***	***(10,494)***	***16,317***
Earnings per share		*0.00113*	-	*0.0069*

	Note	31-Dec-2023 As previously reported	Adjustment	31-Dec-2023 As restated

		KRON	KRON	KRON
Net profit		**29,105**	**(10,494)**	**18,611**
Adjustments to reconcile profit for the period to net cash flows:		**(7,357)**	**10,494**	**3,138**
Loss (Gain) from revaluation of Investment property	9	(43,137)	10,494	(32,643)
Gain/(loss) on disposal of property, plant and equipment		2,002		2,002
Reversal of impairment of PPE		(5,037)		(5,037)
Depreciation and amortization		4,005		4,005
Inventory write-off/ (reversal of write off)		13,408		13,408
Impairment of receivables		(1,712)		(1,711)
Finance income		(10,979)		(10,979)
Finance costs		34,321		34,321
Income tax		(228)		(228)
Working capital adjustments		**8,633**	**-**	**8,633**
Decrease/(increase) in trade receivables and other receivables		13,061		13,061
Decrease in prepayments		10,160		10,160
Increase in inventory		2,245		2,245
(Decrease)/increase in trade, other payables, and contract liabilities		(13,150)		(13,150)
(Decrease)/increase in provisions		(66)		(66)
Income tax paid		(3,617)		(3,617)
Net cash flows from operating activities		**30,382**	**-**	**30,382**
Investing activities	**8**			
Purchase of property, plant and equipment		(978)	(22,716)	(23,694)
Proceeds (expenditure) from Investment property		65	-	65
Expenditure on investment property under development		-	-	-
Expenditure on PPE under development	8	(17,842)	17,842	-
Proceeds from sale of PPE	8	(4,874)	4,874	-
Net cash flows from investing activities		**(23,629)**	**-**	**(23,629)**
Cash flows from financing activities:				
Proceeds from borrowings		225,098		225,098
Repayment of principal of borrowings		(202,906)		(202,906)
Dividends paid		(3,430)		(3,430)
Interest paid		(29,329)		(29,329)
Net cash used in financing activities		**(10,568)**	**-**	**(10,568)**
Net increase / (decrease) of cash and equivalents		**(3,815)**	**-**	**(3,815)**
Opening balance of Cash and equivalents		**55,108**	**-**	**55,108**
Closing balance of Cash and equivalents		**51,293**	**-**	**51,293**

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

8. PROPERTY, PLAND AND EQUIPMENT

	Land and buildings	Machinery, equipment and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 of January 2024*restated	**88,407**	**4,934**	**3,121**	**3,296**	**99,758**
Additions	-	945	506	-	1,451
Transfers from inventories/(to inventories)	1,270	9,225	-	(388)	10,107
Disposals	(2,088)	(207)	-	-	(2,295)
Balance as at 31 December 2024	**87,589**	**14,897**	**3,627**	**2,908**	**109,021**
Accumulated depreciation and impairment losses					
Balance as at 1 of January 2024*restated	**8,528**	**3,781**	**1,328**	**-**	**13,637**
Charge for the period	1,358	1,282	438	-	3,078
Transfers from inventories/(to inventories)	723	(495)	-	-	228
Accumulated depreciation of disposals	(1,987)	(110)	-	-	(2,097)
Balance as at 31 December 2024	**8,622**	**4,458**	**1,766**	**-**	**14,846**
Carrying amounts					
On 1st of January 2024*restated	79,879	1,153	1,793	3,296	86,121
On 31 December 2024	**78,969**	**10,439**	**1,861**	**2,908**	**94,175**

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

Reconciliation of carrying amount

	Land and buildings	Machinery, equipment and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 of January 2023	**83,906**	**4,523**	**2,363**	**1,922**	**92,714**
Additions	-	209	412	4,873	5,494
Transfers	12,086	1,819	524	(3,504)	10,925
Disposals	(7,585)	(1,617)	(178)	5	(9,375)
Balance as at 31 of December 2023 *restated	88,407	4,934	3,121	3,296	99,758
Accumulated depreciation and impairment losses					
Balance as at 1 of January 2023	**23,288**	**2,749**	**1,029**	**-**	**27,066**
Charge for the period	1,830	254	417	-	2,501
Transfers	(11,530)	1,896	59	-	(9,575)
(Reversal of)/Impairment losses	2,514	-	-	-	2,514
Accumulated depreciation of disposals	(7,574)	(1,118)	(177)	-	(8,869)
Balance as at 31 of December 2023*restated	**8,528**	**3,781**	**1,328**	**-**	**13,638**
Carrying amounts					
On 1st of January 2023	**60,618**	**1,774**	**1,334**	**1,922**	**65,648**
On 31th of December 2023 *restated	**79,879**	**1,153**	**1,793**	**3,296**	**86,121**

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

Lease contracts

	31-Dec-2024		31-Dec-2023	
	Contracts No	**Fixed payments**	**Contracts No**	**Fixed payments**
Vehicles	5	100%	26	100%
Machinery	5	100%	5	100%
Total	**10**	**100%**	**31**	**100%**

Right of Use Assets

	31-Dec-2024	31-Dec-2023
	Vehicles &Machinery	**Vehicles &Machinery**
Opening Balance as of 1 January	**3,300**	**4,317**
Additions	-	-
Business combinations	-	-
Depreciation	(569)	(1,245)
Contractual payments	(1,167)	-
FX movements	7	228
Closing Balance as of 31 December	**1,571**	**3,300**

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 and Spatzioo employees and by machinery for construction site used by RCTI. During June 2024 the leasing contracts of Spatzioo, for 2 cars, representing right of use assets having a carrying amount of RON 99 thousand were closed. In addition, the leasing for 19 cars, in Impact SA, representing right of use assets with a carrying amount of RON 1,160 thousand Impact were closed.

Lands and buildings:

The transfers of land and buildings are mainly represented by the followings:

- the transfer from work in progress of the land related to the IMPACT Office building in amount of RON 1,132 thousand
- the transfer from work in progress of the retention pool located in Greenfield Baneasa, in amount of RON 3,686 thousand as well as the technical rooms related to the thermal power plant serving the Greenfield Baneasa project in the amount of RON 2,602 thousand, following the commissioning of the UTR3 project
- the transfer to inventory of plots of land in total value of RON 7,673 thousand, in line with the Group policy of holding in inventory the land related to infrastructure, which benefits the Greenfield Baneasa project. Such infrastructure land is expensed to cost of sales – for more details within Note 4 – Material accounting policy – Inventories

The depreciation method used was the straight-line method.

Machines, equipment and means of transport:

During 2024 the thermal power plant serving the Baneasa Teilor Greenfield project was commissioned at a value of RON 8,673 thousand. Also, 7 cars were purchased by RCTI, worth RON 944 thousand, and electric cars of Impact and Spatzioo, at a carrying amount of RON 535 were transferred from right of use assets to PPE, following the closing of the leasing contracts.

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

Assets under construction:

Transfers of assets under construction are represented by the workings on the accounting software Charisma, in total amount of RON 388, which were transferred to intangible assets.

Pledged assets:

As at 31 December 2024 PPE in total of RON 70,914 thousand were pledged as securities for bank loans, representing land and buildings (31 December 2023: RON 68,971 thousand).

9. INVESTMENT PROPERTY

	31-Dec-24	31-Dec-23 *restated
Balance at 1 of January	**679,046**	**653,725**
Additions	1,793	17,842
Transfers from/to PPE/Inventories	(3,552)	(25,098)
Value adjustments	319	(65)
Disposals	(1,041)	-
Changes in fair value during the year	27,602	32,642
Balance at 31 of December	**704,167**	**679,046**

* Comparative information has been restated, see note 7

Investment property comprises primarily land plots held with the purpose of capital appreciation or land with undetermined future use.
Additions are mainly referring to architectural services performed for investment property under development.
Transfers from inventory:
- RON 4,292 thousand are represented by the write off costs for the architectural works performed for the previous concept of the project to be located on the Ghencea land, the write-off was previously classified as inventory although the land was classified as investment property; the write-off costs decrease the overall value of investment property
- land related to auto wash station in amount of RON 741 thousand was transferred from inventories to Investment property, following the commissioning of the Greenfield Baneasa Teilor project.

Disposal in amount of RON 1,041 thousand represents the sale of a commercial property within Greenfield Baneasa.

Overall, the fair value of land presented as investment property, as well as buildings increased at the end of 2024, by RON 27,602 thousand, following the revaluation carried out by the external evaluator, Colliers Valuation and Advisory S.R.L.

Below you can find a breakdown of total properties included within investment property:

	31-Dec-24		31-Dec-23	
	SQM	**RON thousand**	**SQM**	**RON thousand**
Greenfield Băneasa land (Bucharest)	193,311	266,210	193,311	259,352
Barbu Vacarescu land (Bucharest)	25,424	191,607	25,424	190,218
Blvd. Ghencea – Timișoara land (Bucharest)	258,895	180,442	258,895	164,011
Other (Neptun,Oradea)	62,022	11,190	62,472	11,723
Greenfield Plaza commercial property (land included)	11,111	54,718	10,230	53,742
Total	**550,763**	**704,167**	**550,332**	**679,046**

Compared with prior year, as at 31 December 2024 the breakdown of investment property has been reorganized in order to include all land and properties in investment property, as well as write downs, or investment property in progress, which relates to concept works done for potential future projects. During 2024 the breakdown included only the gross book value of the main land in investment property.

For the year 2024, the Group obtained rental income from investment property (Greenfield Plaza) in total value of RON 2,390 thousand. The operating expenses arising from the investment property that generated rental income are recovered through service charge from the tenants. No operating expenses were recorded for investment property that did not generate rental income.

Considering the classification criteria under IAS40 and as detailed in Note 6 – Critical accounting judgements (transfer of assets both from and to investment property), the Group concluded that as at 31 of December 2024 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 matters related to land are presented in Note 27.

Valuation processes

The Group’s investment properties were valued at 31 December 2024 and 31 December 2023 by independent professionals 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 input data used in the valuation technique, the fair value of real estate investments was classified at level 3 of the fair value hierarchy as at 31 of December 2024 and 31 of December 2023. The valuation is considered appropriate given the adjustments applied to the data observed for comparable land and building valuations. These adjustments are based on location and condition and are not directly observable. There were no transfers from levels 1 and 2 to level 3 during the year.

Valuation techniques

Fair values for the plots of land are determined applying the comparison method. The evaluation model is based on a price per square meter of land, obtained from observable data of existing price offers on the market.

The table below presents a summary of the most significant assets and key assumptions used:

Asset	Main parameters as at 31 of December 2024	Main parameters as at 31 of December 2023
Greenfield Băneasa land	• Price offer per square meter for land used as comparable: from 149 EUR / sqm to 500 EUR / sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: from -59% discount to +90% Premium	• 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
Barbu Văcarescu land	• 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 -55% to +80% Premium	• 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
Blvd. Ghencea land	• Price offer per square meter for land used as comparable: from 170 EUR/sqm to 254 EUR/sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: discount of -82% to value	• 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%

The Greenfield Plaza property has been revalued by Colliers, using the Discounted Cash Flow method. The main assumptions used are disclosed below:

	31-Dec-24	31-Dec-23
Discount rate	9.25%	9.25%
Vacancy rate	between 2% and 20%	between 2% and 20%
Rent (EUR/sqm)	between 1 and 150 EUR/sqm/month	between 1 and 55 EUR/sqm/month
Yield	7.50%	7.50%

The carrying value as at 31 of December 2024 of the investment property (land and buildings) pledged is 326,856 RON thousands (31 December 2023: RON 303,767 thousands).

The investment property land held by the Group is located in Bucharest. The SQM prices differ depending on location, and size of the land. In particular, the land located in Barbu Vacarescu has significantly higher price compared with the rest of the land plots given its strategic location, within the most exclusive neighbourhood of the city.

10. PIPELINE PROJECTS

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle of its activity to be at 4 years. As such all of its inventory which is to be translated into revenue within less that 4 years from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects. The classification of pipeline projects has been made in 2024 therefore the 2023 figures have been restated in order to present comparable amounts. Pipeline projects are comprised of land for development of future projects. Compared with 31 December 2023, in 2024 the land held for the development of Boreal Constanta Phase 2, has been transferred to inventories, as most of the corresponding inventory will be translated into revenue within less than 4 years.

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

	31-Dec -24	31-Dec-23	1-Jan-23
Greenfield Baneasa	31,294	27,147	27,147
Boreal Plus Constanta	-	6,934	6,934
Greenfield Copou Iasi	47,221	47,193	47,193
	78,515	**81,274**	**81,274**

11. INVENTORIES

	31-Dec -24	31-Dec-23 *restated	1-Jan-23 *restated
Finished properties and other goods for sale	283,046	160,739	227,707
Work in progress residential developments:			
Land for development	35,381	52,387	52,887
Development and construction costs	89,897	328,209	255,830
	408,324	**541,335**	536,424

Inventories are represented by:

	31-Dec -24	31-Dec-23 *restated	1-Jan-23 *restated
Greenfield residential project	310,845	372,267	286,186
Luxuria residential project	37,140	79,989	123,519
Constanta land and project	53,517	82,953	100,993
Others inventory	6,822	6,126	25,726
	408,324	**541,335**	**536,424**

* The comparative information has been restated please see note 7.

Management estimates of inventories to be realized within less than 12 months, as well more than 12 months from the reporting date (31 December 2024) is disclosed below:

	To be realized within 12 months	To be realized within more than 12 months
Greenfield residential project	310,845	372,267
Luxuria residential project	37,140	79,989
Constanta land and project	53,517	82,953
Others inventory	6,822	6,126
	408,324	**541,335**

Out of the total of RON 310,845 thousand in Greenfield Baneasa, a total of RON 104.501 is to be realized within 12 months, based on management estimates of the residential units to be sold. Luxuria project is to be realised fully within 12 months, as the management has the intention to sale all the 39 residential units in inventory and corresponding parking spaces during 2025. As regards to Constanta project, RON 29,181 thousand represents the value of inventory estimated to be realized within the next 12 months.

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

Lands with a carrying amount of RON 35,381 thousand as of 31 of December 2024 (31 of December 2023: RON 52,387 thousand) consist mainly of land owned by the Group for the development of new residential properties and infrastructure, in Bucharest, Constanta or Iasi.

Completed real estate with an accounting value of RON 283,045 thousand on 31 of December 2024 (31 December 2023: RON 160,739 thousand) refers entirely to apartments held for sale by the Group.

Following the commissioning of the Greenfield Teilor project, which includes 732 apartments, 988 parking spaces, infrastructure and a thermal power plant, as at 31 December 2024, the project worth RON 265,393 thousand was transferred from work in progress to finished products.

Cost of residential units recognized during 2024 is RON 147,670 thousand (2023: RON 84,643 thousand).

The book value as of 31 December 2024 of the pledged finished stocks is RON 365,636 thousand (31 December 2023: RON 234,437 thousand) (see Note 11). The significant increase is due to the reception of Greenfield Baneasa Teilor Project, which in prior year was under development.

Part of the Greenfield project (construction of the Teilor complex) is financed by OTP Bank. The capitalized interest during 2023 in the value of the projects is RON 9,664 thousand. The project was finalized and commissioned in 2024, therefore no interest was capitalized during the year.

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.*

12. TRADE RECEIVABLES AND OTHER RECEIVABLES

	Short term	
	31-Dec-24	**31-Dec-23**
Trade receivables	24,904	11,605
Other receivables	18,821	2,210
Receivables from authorities	517	397
	44,242	**14,212**

Prepayments and other current assets	**31-Dec-24**	**31-Dec-23**
Prepaid expenses	4,790	6,219
Advance payments to services suppliers	139	849
	4,929	**7,068**

Other receivables include receivable from the Municipality of Cluj-Napoca, in amount of RON 17.037 thousand as a result of the favorable Court decision dated 16 December 2024, in relation to the litigation of the subsidiary Clearline with the Municipality (for more details on the litigation please see Note 27 – Contingencies).

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

Prepayments include advance payments to IT software suppliers, taxes on land and buildings.

An allowance has been made for expected credit losses from trade receivables of RON 3,173 thousand (31 December 2023: 4,078 thousand RON).

Reconciliation of the provision for expected credit losses:

	31-Dec-24	31-Dec-23
Balance as at 1st of January	4,078	5,790
Net change in allowance for receivables	1.931	(1,712)
Balance as at 31 of December	**6,009**	**4,078**

As at 31 of December 2024, the Company did not have any pledged receivables, except for the rental income which is pledged in favour of First Bank. The average monthly value of the rent receivable is RON 260 thousand.

Information about the group's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 24.

13. CASH AND CASH EQUIVALENTS

	31-Dec-24	31-Dec-23
Current accounts	71,952	51,196
Petty cash	14	51
Cash advances	8	46
	71,974	**51,293**

Current accounts are held with Romanian commercial banks. Out of the total balance of cash, RON 9 thousand (31 December 2023: 9 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.).

The cash balance increased by 20.682 thousand lei, or 40% as at 31 December 2024, compared with 31 December 2023. This increase is largely due to the drawing of a RON 17,000 thousand credit facility taken by RCTI from Vista Bank, for working capital purpose, as well as due to cash ins from RCTI clients.

14. SHARE CAPITAL

	31-Dec-24	31-Dec-23
Paid Share capital	591,235	591,420
Adjustments of the share capital (hyperinflation)	7,464	7,464
	598,699	**598,884**
Number of shares in issue at period end	**2,364,941,410**	**2,365,679,951**

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

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

	31-Dec-24	31-Dec-23
	%	%
Gheorghe Iaciu	58.03%	57.76%
Other	10.07%	11.83%
Companies	20.61%	19.96%
Other shareholders	11.29%	10.45%
	100.00%	**100.00%**

All shares are ordinary and have equal ranking related to the Group'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 Group.

During 2024 a total of 738,541 own shares have been cancelled, at nominal value of RON 184 thousand.

The Other reserves constituted for the Group are detailed below:

	31-Dec-24	31-Dec-23
Legal Reserves	52,007	46,383
Statutory reserves	(4,871)	(4,871)
Other reserves	78	78
Balance as at 31 December	**47,214**	**41,590**

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 granted to the shareholders of the Group during 2024, nor in 2023. However, dividends in total amount of RON 2,981 thousand were granted to non-controlling interest shareholders of RCTI Company, of which RON 2,656 thousand were already paid in 2024. Also, RCTI Company granted and paid dividends in the amount of RON 3,430 thousand to its non-controlling interest shareholders in 2023.

Capital management.

For the Group'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 Group's capital management is to maximise the shareholder value. The Group manages its capital structure and adjusts in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a debt to assets ratio, which is loans and borrowings less cash and cash equivalents, divided to total assets The Group's policy is to keep the debt to assets ratio to less than 40%.

To achieve this overall objective, the Group'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 as at 31 of December 2024 and as at 31 of December 2023. Debt to assets ratio as of 31 of December 2024 and 31 December 2023 are disclosed below:

Debt to assets ratio	**31-Dec-24**	**31-Dec-23 *restated**
Loans and borrowings	317,119	413,634
Less: cash and cash equivalents	(71,974)	(51,293)
Net debt	**245,145**	**362,341**
Total assets	1,412,452	1,467,824
Net debt to assets	**17%**	**25%**

15. OWN SHARES

Value – RON thousand	**31-Dec-24**	**31-Dec-23**
Balance as at 1 of January	**268**	**268**
Purchase of own shares	-	-
Own shares cancelled during the year	(268)	-
Share-based payments	-	-
Balance as at 31 of December	**-**	**268**

	31-Dec-24 (no. of shares)	**31-Dec-23 (no. of shares)**
Balance as at 1 of January	**738,541**	**738,541**
Purchase of own shares	-	-
Own shares cancelled during the year	738,541	-
Share-based payments	-	-
Balance as at 31 of December	**-**	**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 Group's share-based payment schemes.
As at 31 of December 2024, the Group has no own shares (December 2023: RON 268 thousand accounting value).

The Group may grant 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.

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

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 order for the shares to be granted, the Group must meet its overall budget plan for the year and the employees must be employed within the Group since more than 1 year. In 2024 and in 2023 the budget of the Group has not been met, therefore the Group is not liable for any share based payment. As such, no shares were granted to employees during 2023 or 2024.

16. LOANS AND BORROWINGS

This note shows information related to the contractual terms of the interest-bearing loans and borrowings of the Group, valued at amortized cost.

	31-Dec-24	31-Dec-23
Non-current liabilities		
Secured bank loans	93,695	273,191
Issued bonds	87,178	72,163
Leasing	284	1,304
Total non-current liabilities	**181,158**	**346,658**
Current liabilities		
Short-term borrowings	135,512	65,879
Issued bonds	-	46
Leasing	449	1,051
Total current liabilities	**135,961**	**66,976**

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

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

Lender	Currency	Maturity	Amount of the facility, in original currency	Balance at 31-Dec -24 (thous. RON)	Balance at 31-Dec-23 (thous. RON)
Bonds					
Private placement bonds	EUR	24-Dec-26	6,581	32,737	32,740
Credit Value Investments	EUR	02-Oct-27	8,000	39,793	39,423
Private placement bonds	EUR	12-Feb-27	3,000	14,649	-
Total bonds				**87,178**	**72,163**
Loans					
Garanti BBVA	EUR	15-Jun-24	4,250	-	3,210
Garanti BBVA	EUR	30-Jun-24	4,500	-	6,396
Libra Internet Bank	EUR	26-Jul-24	12,562	-	5,786
Libra Internet Bank	EUR	22-Sep-24	8,676	-	5,201
Libra Internet Bank	EUR	05-Oct-24	4,000	-	1,813
Libra Internet Bank	EUR	05-Dec-25	1,900	-	7,287
Libra Internet Bank	EUR	05-Dec-25	5,250	-	12,121
OTP Bank	EUR	31-Mar-25	21,161	54,281	105,268
OTP Bank	EUR	30-Jun-24	4,000	-	4,708
OTP Bank	EUR	31-Mar-25	13,279	32,279	65,239
OTP Bank	EUR	30-Jun-24	2,000	-	1,514
TechVentures Bank	EUR	06-Jan-25	2,000	-	3,592
Alpha Bank	EUR	08-Jun-29	20,000	66,321	81,068
First Bank	EUR	29-Mar-29	3,500	13,234	16,695
First Bank	EUR	19-Arp-27	4,000	13,200	-
Libra Internet Bank	RON	15-Jun-26	14,000	-	1,778
Garanti BBVA	RON	31-Dec-26	17,395	6,627	17,394
Garanti BBVA	EUR	31-Dec-27	6,910	25,569	-
Vista	RON	31-Jul-26	19,500	17,200	-
Total bank loans				**228,711**	**339,070**
Leasing	EUR			**734**	2,355
Total leasing				**734**	**2,355**
Interest				**496**	**46**
Total				**317,119**	**413,634**

	Bonds	Loans	Leasing	Total
Balance as at 1 of January 2024	**72,209**	**339,070**	**2,355**	**413,634**
Drawings	14,910	87,634	-	102,544
Repayments	-	(197,938)	(1,628)	(199,566)
Interest paid	(8,300)	(22,225)	(27)	(30,552)
Interest charge	8,196	22,225	27	30,448
Withholding tax expense	552	-	-	552
Foreign exchange differences	107	(55)	7	59
Balance as at 30 December 2024	**87,674**	**228,711**	**734**	**317,119**

	Bonds	Loans	Leasing	Total
Balance as at 1 of January 2023	**72,209**	**339,070**	**2,355**	**413,634**
Drawings	39,346	185,752		225,098
Repayments	-	(201,870)	(1,036)	(202,906)
Interest paid	(3,324)	(25,954)	(51)	(29,329)
Interest charge	3,318	25,954	51	29,323
Foreign exchange differences	262	31	30	323
Balance as at 30 December 2023	**72,209**	**339,070**	**2,355**	**413,634**

In December 2020, the Parent Company carried out a new issue of Private Placement bonds in the amount of EUR 6,580 thousand with a fixed interest rate of 6.4% p.a., payable semi-annually. The bonds were issued by the Parent Company on 24 December 2020, they have a maturity of 6 years and were listed in May 2021 on the regulated market of BVB.

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, IMPACT SA 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 in 36 months from granting.

In June 2022, IMPACT SA 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, with maturity in 7 years from the granting.

In May 2022, IMPACT SA contracted a loan denominated in EUR from Garanti for the general financing of projects (working capital). The value of the credit is EUR 4,500 thousand, with a maturity of 2 years from the granting.

In September 2022, IMPACT SA contracted 4 loans denominated in EUR from OTP Bank to finance 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 a total amount of EUR 34,440 thousand are intended to finance the project, with a maturity of 3 years from the granting, and two in a total amount of EUR 6,000 thousand to cover VAT payments, with maturity of 2 years from granting.

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

In December 2022, Bergamot Developments Phase II SRL contracted another loan denominated in EUR from Libra for the general financing of projects (working capital). The value of the loan is EUR 5,250 thousand, with a maturity of 3 years from the granting. The loan was fully repaid at the current report.

In May 2023, the IMPACT SA 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.

In June 2023, IMPACT SA 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 IMPACT SA offered for subscription 80 Series IMP27 bearer bonds (the “Bonds”), each with a nominal value of EUR 100,000.00 (one hundred thousand euros) and an aggregate nominal value of EUR 8,000,000.00 (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. The coupon value is variable and the interest is 1 month EURIBOR+ 8.75%. The maturity date is 2 October 2027.

In November 2023 IMPACT SA 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.

In February 2024, the following liabilities were contracted by the Group:

- IMPACT SA contracted a loan denominated in RON from First Bank for the general financing of projects (working capital). The value of the loan is EUR 4 million, with a maturity of 3 years from the granting. Credit facility drawings started in April 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 bonds are traded on the regulated market administered by BVB.

- RCTI Company obtained a loan facility in total amount of RON 19,500, thousand from Vista Bank. The loan is to be used for working capital financing and for issuing of bank guarantee letters. The maturity period is 18 months from the signing date.

In June 2024 IMPACT SA contracted a loan denominated in EUR from Garanti Bank for the general financing of projects (working capital). The value of the loan is EUR 6.9 million, with a maturity of 3 years from the granting. Credit facility drawings started in July 2024.

In December 2024 IMPACT SA contracted a loan denominated in EUR from Libra Bank for the general financing of projects (working capital). The value of the loan is EUR 7 million, with a maturity of 3 years from the granting. No drawings occurred as at 31 December 2024.

The bank loans of the Group are subject to financial covenants, such as Debt Service Coverage Ratio (DSCR), Loan to Value (LTV), Net Debt to Total Assets, Net debt to Equity. In case of breaching the financial covenants, the contracts include remedy period, margin increase or renegotiation of loan terms.

All the financial indicators were met as of 31 December 2024 and as of 31 December 2023.

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. Spatzioo Management leased an electric car in October 2021 and a van in April 2022.
Following the acquisition of the RCTI Company, starting with September 2022 the lease liabilities also include the lease liabilities contracted by RCTI Company.

No new leasing contracts were signed in 2023. During 2024 Spatzioo closed its leasing contract and sold the respective cars. Furthermore, Impact SA closed all its leasing contracts and sold part of the cars.

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

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

17. TRADE AND OTHER PAYABLES

	31-Dec-24	31-Dec-23
Non-current liabilities		
Retentions owed to third party	5,834	5,995
	5,834	**5,995**
Current liabilities		
Trade payables	16,907	15,532
Tax debts	5,510	4,097
Other payables	121	-
Employees payables	1,648	1,530
Dividends payable	326	-
Other payables	-	1,662
	24,512	**22,821**
TOTAL	**30,346**	**28,816**

Contract liabilities (Advances from customers)	14,094	38,894
Deferred income	1,226	-
TOTAL	**15,320**	**38,894**

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

The contract liabilities balance has decreased by RON 24,800 mostly due to the fact that in October the sales of the Greenfield Baneasa Teilor project were started, therefore, the advances were reversed and revenues from the sales were recorded. Detailed information about Advances from clients are presented in Note 19.

Please see Note 19 for details regarding Contract liabilities.

18. PROVISIONS FOR RISKS AND CHARGES

	Provisions for litigation	Other provisions	Total
Balance as at 1 of January 2024	**271**	**16**	**287**
Provisions made during the year	-	-	-
Provisions used during the year	(155)	-	(155)
Balance as at 31 of December 2024	**116**	**16**	**132**

	Provisions for litigation	Other provisions	Total
Balance as at 1 of January 2023	**271**	**82**	**353**

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

Provisions made during the year	-	-	-
Provisions used during the year	-	(66)	(66)
Balance as at 31 of December 2023	**271**	**16**	**287**

The provision amounting to RON 131 thousand as at 31 of December 2024 is represented by provision for untaken holidays.

19. REVENUES AND OTHER INFORMATION FOR OPERATING SEGMENTS

The Group generates revenue primarily from the sale of residential properties. In addition, to sustain its core business, the Group has expanded to construction, rental and property management services.
The Group has two reportable segments, as described below, which are the Group's strategic business units:
Development of residential properties: the Group is involved in the development and sale of residential properties
Construction services: the Group uses a Group Company for the construction of its properties for sale. In addition, the construction company obtains revenue form services of construction from third parties.
Other revenue includes revenue from rental of investment property or residential properties and revenue, revenue from facility management, wellness and fitness services, and utilities.

Information regarding the results of each reportable segment is set out below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CEO and CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

	Sale of residential properties		Construction services		Total reportable segments	
	2024	2023	2024	2023	2024	2023
Total revenue from segments	220,114	120,675	76,666	128,025	296,780	248,700
Cost of Sale for segments	147,670	84,643	67,109	86,918	214,779	171,561
Profit before tax from segments	112,819	14,753	4,179	8,298	116,998	23,051
Assets for segments	1,404,848	1,488,271	67,408	39,232	1,472,256	1,527,503
Liabilities for segments	487,345	639,652	39,074	11,539	526,419	651,191

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

Reconciliation with financial statements items

	2024	2023
Total revenue from segments	296,780	248,700
Revenue from non-reportable segments	22,924	8,371
Elimination of inter-segment revenue	(11,450)	(85,854)
Total consolidated revenue	**308,254**	**171,217**
Profit before tax from segments	116,997	23,051
Profit before tax from non-reportable segments	10,954	2,115
Elimination of inter-segment profits	(58,289)	(6,783)
Consolidated profit before tax	**69,662**	**18,383**
Total assets for segments	1,472,256	1,527,503
Assets for non-reportable segments	61,376	59,433
Elimination of inter-segment assets balances	(121,179)	(119,112)
Total consolidated assets balances	**1,412,452**	**1,467,824**
Total liabilities for segments	526,419	651,191
Liabilities for non-reportable segments	-	-
Elimination of inter-segment liabilities balances	(79,003)	(90,462)
Total consolidated liabilities balances	**447,416**	**560,729**

As at 31 of December 2024 inter-segment asset balances include elimination of receivables against payables of RON 79,003 thousand, while the remaining RON 33,034 thousand represents elimination of investments in subsidiaries, RON 5,800 thousand unrealized profits on inventory, and RON 3,342 thousand other eliminations against equity. Revenue from non-reportable segments is disclosed within the note below.

As at 31 December 2024, elimination of inter-segment profits include dividends income in amount of RON 50,0445 thousand, as well as elimination of gains from compensation received in relation to investment in subsidiary set up for project development, in amount of RON 8,022 thousand, as well as other profit adjustments in amount of RON (179) thousand.

As at 31 of December 2024, IMPACT had 130 dwellings pre-sold and reserved with a package value of RON 77,190 thousand. All of those refer to finalized projects. The 21 pre-sale agreements on pipeline projects were cancelled during the year and the advances paid (contract liabilities) were or are in progress to be reimbursed to the clients (total amount: RON 1,222 thousand). These pre-sale agreements were related to Copou Iasi project which is currently under cost optimization process. The construction will be started and new pre-sales agreements will be signed once the cost optimization process and the financing are secured.

For these pre-sale agreements clients paid deposits in amount of RON 14,089 thousand which are shown under Contract liabilities in the statement of financial position.

As at 31 of December 2023, the Group had a stock of 377 pre-sale agreements, in total value of RON 216,315 thousand. Of these, 85% refer to projects under development (320 dwellings, RON 177,856 thousand package value), 9% refer to completed projects (36 dwellings, RON 28,780 thousand package value), while the remaining 6% refer to projects in pipeline (21 dwellings, RON 10,167 thousand). For these pre-sale agreements clients paid deposits in amount of RON 38,894 thousand which are shown under Contract liabilities in the statement of financial position.

The pre-sale stock has significantly decrease in 2024 compared with 2023, due to the fact that the Greenfield Baneasa Teilor project, was commissioned in September 2024 and most of pre-sale agreements have been converted into sale agreements (a total of 201 dwellings in Greenfield Baneasa project were sold in 2024).

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

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.

Split of Group revenue:

	12M 2024	12M 2023
Revenue from residential properties	220,114	120,675
Revenue form services	82,338	47,598
Rental income	5,802	2,944
	308,254	**171,217**

Cost of sales is composed of the followings

	12M 2024	12M 2023
Cost of goods sold	147,670	84,643
Services cost	72,786	30,914
Costs related to rental services	3,339	868
	223,795	**116,425**

Sales per project analysis:

	12M 2024	12M 2023
Greenfield Baneasa	112,494	17,172
Boreal Plus	36,639	35,176
Luxuria Residence	69,320	68,327
Others	1,661	-
	220,114	**120,675**

During 2024, the Group sold 329 units, out of which 201 dwellings in GREENFIELD Baneasa, 58 dwellings in LUXURIA Residence, 63 dwellings as well as 4 villas in BOREAL Plus and other commercial spaces (27,634 sqm built saleable area plus related parking spots, storage and court yards). The 329 units sold throughout 2024 generated corresponding revenues of approximately RON 202,115 thousand.

In 2023 Impact sold 157 units, represented by 27 dwellings in GREENFIELD Baneasa, 68 dwellings in LUXURIA Residence and 54 dwellings, 1 commercial space as well as 7 villas in BOREAL Plus (13,733 sqm built saleable area plus related parking spots, storage, and court yards). The 157 units sold throughout 2023 generated corresponding revenues of RON 120,675 thousand.

The revenue from construction services represent the income from construction services performed by RCTI (RON 72,272 thousand in 2024 and RON 37,597 thousand in 2023). In 2024 there was a significant volume of inter-segment transactions given the intense development activity required for the completion of the project Greenfield Baneasa Teilor. In 2024 the first three phases of the project were commissioned and construction services were mostly provided to third parties.

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

Revenue from rental is obtained from renting the commercial spaces within Greenfield Plaza community centre (RON 2,390 thousand in 2024 and RON 2,318 thousand in 2023) as well as from renting the apartments and other commercial spaces (RON 3,077 thousand and RON 626 thousand in 2023). The rented apartments are not held as investment property but held for sale in the ordinary course of business , given that the business model is make available to clients for sale all of the apartments. Furthermore the Group recorded revenue from sale of wellness and fitness services within Wellness Club by Greenfield (RON 4,929 thousand in 2024 and RON 4,889 thousand in 2023). Additional income is generated, utility sales, furniture sales, property management performed by the group companies (RON 5,437 thousand in 2024 and RON 5,112 thousand in 2023).

20. EXPENSES BY NATURE

	31-Dec-24	31-Dec-23
Changes in inventories of finished goods and work in progress	201,561	101,866
Employee expenses	16,419	17,701
Consultancy	11,502	13,626
Infrastructure costs	10,583	21,580
Raw materials and consumables	9,021	10,267
Taxes	4,749	2,914
Depreciation and amortisation	4,308	2,628
Maintenance	2,845	1,228
Advertising	2,702	3,795
Disposal of assets	2,013	5,629
Rent expense	402	442
Other	4,177	2,390
Total	**270,282**	**184,066**

21. GENERAL AND ADMINISTRATIVE EXPENSES

	12M 2024	12M 2023
Consumables	3,167	2,625
Third party expenses	11,732	15,441
Staff costs	13,662	15,534
Amortization	3,740	3,332
	32,301	**36,932**

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

22. OTHER OPERATING INCOME/EXPENSE

Other operating income:

	12M 2024	12M 2023
Other operating income	4,918	3,291
Net gain on disposal of PPE	1,021	3,635
Reversal of impairment of PPE	30	9,837
Compensation of write down of inventories	29,455	-
Reversal of Impairment /(Impairments) of inventory	1,688	(1,423)
Other compensations	-	3650
	37,112	**21,931**

During 2024 the Group recorded RON 29,455 as compensation of write-down of inventories following the decision issued by the Court during the year on the Lomb project (for more details on the two litigations please see *Note 27 – Contingencies*). Below you can find a breakdown of the amount registered by the Group:

- RON 17.038 thousand registered by Clearline as write back of inventory
- RON 7,219 thousand registered by Impact SA as interest and other compensations
- RON 5,198 thousand registered by Impact SA as compensation for the inventories written down

Following the winning of the second case with Cluj Municipality, the Group company Clearline disclosed a contingent asset, please see *Note 27 – Contingencies* for more details.

Other operating expenses:

	12M 2024	12M 2023
Other operating expenses	2,079	253
Other tax expenses	4,749	2,914
Loss on disposal of PPE	2,035	5,637
Fine and penalties	313	113
Impairment of receivables	2,308	(1,423)
Impairment allowance for PPE	-	4,800
Impairment allowance for inventory	-	12,897
Sponsorship	-	76
	11,484	**27,007**

23. FINANCE (COST)/INCOME

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

	12M 2024	12M 2023
Interest expense	(30,448)	(22,032)
Foreign exchange loss	(1,689)	(10,662)
Other financial expenses	(2,798)	(1,627)
Total financial expenses	**(34,935)**	**(34,321)**
Interest income	475	275
Foreign exchange gains	1,436	10,676
Other financial income	-	28
Total financial income	**1,911**	**10,979**
Financial result, net	**(33,024)**	**(23,342)**

Compared with 2023, in 2024 the interest expense has increased by RON 8,417 thousand. This is due to the fact that interest of loans previously capitalized was charged to expenses during 2024 (there were no projects eligible for capitalization). As regards to foreign exchange results, in 2024 the Group has registered net loss from foreign exchange of RON 253 thousand due to decrease in value of RON currency against EUR (2023: net foreign exchange gain of RON 14 thousand).

24. TAXES

(q) Taxes recognized in the profit and loss account

	31-Dec-2024	31-Dec-2023
Deferred income tax expense (benefit)	3,258	(4,494)
Current profit tax	5,805	3,962
Current income tax (small enterprises)	3	4
Total tax expense (benefit)	**9,066**	**(232)**

(r) Effective tax rate reconciliation

	31-Dec-2024		31-Dec-2023	
Profit before tax		**69,660**		**18,383**
Income tax calculated using the entity's local tax rate	16%	(11,146)	16%	(4,620)
Non-deductible expenses and adjustments	16%	(1,805)	16%	3,070
Tax exempt income	16%	5,419	16%	(2,690)
Tax incentives	16%	1,247		-
Current year temporary difference for which no DT was recognized	16%	(3,653)		4.468
Changes in estimates related to prior years	16%	873	16%	-
Total profit tax expense	**(13%)**	**(9,066)**	**(1%)**	**228**

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

(s) Cumulative temporary differences that generate deferred tax

	31-Dec-24		31-Dec-23	
	Taxable base	Tax amount	Taxable base	Tax amount
Property, plant and equipment	-	-	(7,691)	(1,231)
Goodwill	(3,543)	(567)	(3,543)	(567)
Real estate investments	(515,528)	(82,485)	(497,346)	(79,574)
Inventories	-	-	-	-
Trade receivables and other receivables	5,822	932	4,078	652
Reserves	-	-	-	-
	(513,249)	**(82,120)**	**(504,502)**	**(80,720)**
Tax losses that generated deferred tax	12,487	1,998	24,103	3,856
	(500,762)	**(80,122)**	**(480,399)**	**(76,864)**

The Group recorded a deferred tax asset for tax losses generated by the group companies Impact SA and Spatzioo Management SRL. Management is confident that the implementation of the 2025 business plan will generate a profit for Spatzioo, while Impact SA was already profitable in 2024 and in 2023. The Group recognized a deferred tax assets in 2024 and in 2023 as it had taxable profits against which the deductible tax difference have been utilized.

(t) Movements in deferred tax balances

	Balance at 01.01.2024	Recognized in the current result	Recognized in other elements of comprehensive income	Balance as at 31 December 2024		
				Net	Assets	Liability
2024						
Property, plant and equipment	1,231	(1,231)	-	-	-	-
Godwill	567	-	-	567	-	567
Investment property	79,574	2,911	-	82,485	-	82,485
Trade receivables and other receivables	(652)	(280)	-	(932)	(932)	-
Inventories	-	-	-	-	-	-
The effect of tax losses that generated deferred tax	(3,856)	1,858	-	(1,998)	(1,998)	-
(Receivables)/ net tax liabilities	**76,864**	**3,258**	**-**	**80,122**	**(2,930)**	**83,052**

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

	Balance at 01.01.2023	Recognized in the current result	Recognized in other elements of comprehensive income	Net	Assets	Liability
2023						
Tangible assets	(223)	1,454	-	1,231	-	1.231
Godwill	-	567		567		567
Investment property	84,843	(5,475)	-	79,575	-	79,575
Trade receivables and other receivables	(1,361)	709	-	(652)	(652)	-
Inventories	(2,201)	2,201	-	-	-	-
The effect of tax losses that generated deferred tax	-	(3,649)	-	(3,856)	(3,856)	-
(Receivables)/ net tax liabilities	**81,058**	**(4,194)**	**-**	**76,864**	**(4,509)**	**81.373**

25. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Financial risk management

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

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

Risk management framework

The Group's policies regarding risk management are defined to ensure identification and analysis of the risks the Group 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 Group's operations. The Group, through its standards and procedures for coaching and management, aims to develop an orderly and constructive control environment, where all employees understand his/her role and duties.

(a) Credit Risk

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

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

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

	Note	31-Dec-24	31-Dec-23
Trade and other receivables	12	43,725	13,815
Cash and cash equivalents	13	71,974	51,293
		115,699	**65,108**

Reconciliation of trade receivables disclosed above with balance sheet trade receivables:

	31-Dec-24	31-Dec-23
Trade receivables disclosed for credit risk	43,725	13.815
Receivables from tax authorities	517	397
Total trade receivables and other receivables	**44,242**	**14,212**

The Group is not exposed to any concentration of credit risk.

Trade receivables and other receivables

Expected credit loss on trade receivables are measured by applying the simplified model according to IFRS 9. The Group uses a provision matrix by applying segmentation to capture the significantly different historical credit loss experience for different customer segments. The provision matrix is based on historical loss experience but is also adjusted to reflect information about current conditions and reasonable and supportable forecasts of future economic conditions. Furthermore, the Company's exposure to credit risk is mainly influenced by the individual characteristics of each customer. However, management also considers the demographic characteristics of the Company's customer base, including the non-payment risk characteristic of the field of activity and that of the country in which the customer operates, given that all these factors influence credit risk.

To monitor the credit risk related to customers, the Group monitors payment delays monthly and takes measures deemed necessary, on a case-by-case basis.
The Group establishes an allowance for impairment which represents its estimates of losses on trade receivables and other receivables (see Note 12).

The maximum credit risk exposure related to trade receivables and other receivables at the reporting date by geographic region was:

	31-Dec-24	31-Dec-23
România	43,725	13.815
	43,725	**13.815**

Impairment losses

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

The debt aging situation at the reporting date was:

	31-Dec-24			31-Dec-23		
	Gross amount	Adjustment for impairment	Net amount	Gross amount	Adjustment for impairment	Net amount
Did not reach the maturity date	32,668	-	32,668	2,206	-	2,206
Remaining between 1-30 days	6,947	-	6,947	2,436	-	2,436
Remaining between 31–90 days	1,102	-	1,102	1,948	-	1,948
Remaining between 91–120 days	135	-	135	2,495	-	2,495
Remaining between 121–365 days	2,222	(405)	1,817	4,730	-	4,730
Arrears of more than one year	2,958	(1,902)	1,056	4,078	(4,078)	-
	49,742	**(2,307)**	**43,725**	**17,893**	**(4,078)**	**13,815**

Impairment losses as at 31 December 2024, 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 Group 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.

As at 31 of December 2024, the Group held cash and cash equivalents in the amount of RON 71,974 thousand (31 December 2023: RON 51,293 thousand), representing the maximum exposure to credit risk related to these assets. Cash and cash equivalents are maintained with banks and financial institutions in Romania.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with financial debts that are settled in cash or through the transfer of another financial asset. The Group's approach to liquidity risk is to ensure, to the extent possible, that it holds sufficient liquidity at all times to meet liabilities as they fall due, both under normal and stressed conditions, without incur unacceptable losses or jeopardize the Group's reputation.

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

31-Dec-24	Carrying value	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans	316,623	316,623	145,412	50,781	120,430	-
Trade debts and other debts	40,156	40,156	34,322	5,834	-	-
	356,779	**356,779**	**179,734**	**56,615**	**120,430**	**-**
Estimates of future interest	42,818	42,818	17,412	13,489	11,917	

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

Total	**399,597**	**399,597**	**197,146**	**70,104**	**132,347**	**-**

31-Dec-23	Carrying value	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans	413,634	413,634	66,932	204,233	141,460	1,009
Trade debts and other debts	63,613	63,613	57,618	5,995	-	-
	477,247	**477,247**	**124,550**	**210,228**	**141,460**	**1,009**
Estimates of future interest	64,413	64,413	31,152	17,534	15,714	13
Total	**541,660**	**541,660**	**155,702**	**227,762**	**157,174**	**1,022**

Reconciliation of trade payables disclosed above with balance sheet trade payables:

	31-Dec-24	31-Dec-23
Trade payables exposed to liquidity risk	40,156	63,613
Payables to state authorities	5,510	4,097
	45,666	**67,710**

(c) Market risk

The Group's activities expose it to the financial risk of changes in currency exchange rates and interest rates. The Group aims to manage its exposure to these risks using a mix of fixed or floating rate loans and, foreign currency loans.

(d) Currency risk

The Group is exposed to currency risk due to sales, purchases and other loans that are denominated in a currency other than the functional currency of the Group's entities (the Romanian leu), primarily the euro.

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

	31-Dec-24	31-Dec-23
Financial assets		
Trade receivables and other receivables	1,145	6,600
Cash and cash equivalents	14,514	14,393
	15,659	**20,993**
Financial liabilities		
Loans	292,062	394,462
Trade debts and other debts	-	407
	292,062	**394,869**
Net exposure	**(276,403)**	**(373,876)**

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

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

The main exchange rates used during the year were:

	31 December 2024	Medium for 2024	31 December 2023	Medium for 2023
EUR	4.9741	4.9746	4.9746	4.9464

Sensitivity analysis

A 10% appreciation / depreciation of the leu against the EUR as at 31 of December 2024 and 31 of December 2023 would have change e profit before tax by the amounts indicated below. This analysis is based on the variations in exchange rates that the Company considers reasonably possible at the end of the reporting period. This analysis assumes that all other variables, especially interest rates, remain constant and ignores any impact of expected sales and purchases.

			31-Dec-24			31-Dec-23
	Accounting value	Effect of depreciation	Effect of appreciation	Accounting value	Effect of depreciation	Effect of appreciation
Monetary assets and liabilities	(276,403)	(27,640)	27,640	(373,876)	(37,388)	37,388

Interest rate risk

				31-Dec-24				31-Dec-23
	Accounting value	Variable rate	Fixed rate	Non-interest bearing	Accounting value	Variable rate	Fixed rate	Non-interest bearing
Financial assets assets								
Trade receivables and other receivables	44,242	-	-	44,242	14,212	-	-	14,212
Cash and cash equivalents	71,974	-	-	71,974	51,293	-	-	51,293
	116,216	**-**	**-**	**116,216**	**65,505**	**-**	**-**	**65,505**
Financial liabilities								
Loans	292,062	244,677	47,385	-	394,462	361,901	32,561	-
Trade debts and other debts	40,156	-	-	40,156	407	-	-	407
	332,218	**244,677**	**47,385**	**40,156**	**394,869**	**361,901**	**32,561**	**407**

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

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

	Accounting value	
Fixed rate instruments	**31-Dec-24**	**31-Dec-23**
Financial assets	-	-
Financial debts	47,385	32,607
Closing balance fixed rate instruments	**(47,385)**	**(32,607)**
Variable rate instruments		
Financial debts	244,677	361,901
Closing balance variable rate instruments	**(244,677)**	**361,901**
Total balance	**(292,062)**	**(394,508)**

The Group does not record financial assets or fixed-rate financial liabilities at fair value through profit and loss and does not use derivatives (interest rate swaps) as hedging instruments within a hedge 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 2,447 (2023: 3,619). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain unchanged.

	Profit / (Loss)	
31 December 2024	**100 bp increase**	**100 bp decrease**
Variable rate instruments	(2,447)	2,447

	Profit / (Loss)	
31 December 2023	**100 bp increase**	**100 bp decrease**
Variable rate instruments	(3,619)	3,619

Compared with 2023, the exposure to changes in interest rate in 2024 decreased by RON 1,172 thousand. This is due to the decrease of the balance of debt with variable rate instrument by RON 102,578 thousand.

26. CAPITAL COMMITMENTS

As at 31 of December 2024, the Group had no capital commitments. However, the Group 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).

27. CONTINGENCIES

At the date of these consolidated financial statements, the Group is involved in ongoing litigation, both as plaintiff and defendant.

The Group's management regularly analyzes the status of all ongoing litigation and, following a consultation with the Board of Directors and with legal advisors, decides on the need to recognize provisions related to committed amounts and to include them in the financial statements.

Considering the existing information, the Group's management believes that the significant disputes are the following:

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

The company Impact Developer & Contractor 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 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.

On April 23, 2024, the Cluj Court of Appeal issued Decision 198, as follows:

"*Admits the appeal declared by the appellant, the plaintiff Impact Developer & Contractor S.A. contrary to the respondents Cluj-Napoca Municipality and the Local Council of Cluj-Napoca Municipality, against civil sentence no. 2013/23.12.2020 and civil sentence no. 381/24.02.2021, both pronounced by the Cluj Specialized Court in file no. 79/1285/2012, which it changes in everything, in the sense that: Admits the request for summons, as stated, formulated by the appellant plaintiff Impact Developer & Contractor S.A. in contradiction with the defendants Cluj-Napoca Municipality and the Local Council of Cluj-Napoca Municipality and, consequently: Orders the termination of framework contract no. 55423/04.07.2007 concluded between the Local Council of the Municipality of Cluj-Napoca and the company Impact Developer & Contractor S.A. Obliges defendants to pay to the company Impact Developer & Contractor S.A. of the amount of RON 4,597,447.38 as compensation, as well as the payment of the related legal interest in the amount of RON 5,454,461.52 calculated for the period 01.09.2010-13.09.2022, with the related legal interest to be calculated further until the effective payment of the main debt. It obliges the defendants to pay to the Company the amount of RON 291,675.57 as legal expenses incurred on the merits. It obliges the defendants to pay to the Company the sum of RON 58,089.79 as court costs on appeal.*"

The decision is final and enforceable.

The Municipality of Cluj-Napoca and the Local Council of the Municipality of Cluj-Napoca filed an appeal against the Decision.

At the deadline of October 31, 2024, the High Court of Cassation and Justice issued Decision 1966, as follows:

“Rejects the appeal declared by the appellants-defendants Local Council Of Cluj-Napoca Municipality And Cluj-Napoca Municipality against civil decision no. 198/2024 of April 23, 2024, pronounced by the Cluj Court of Appeal – Civil Section II, as unfounded. Rejects the appeal declared by the appellant-plaintiff Impact Developer & Contractor S.A. against the same decision, as inadmissible. Order the appellants-defendants Local Council of the Cluj-Napoca Municipality and the Cluj-Napoca Municipality to pay the sum of 22,195.58 lei, as court costs, to the appellant-plaintiff Impact Developer & Contractor S.A. “

The decision is irrevocable. As a result of the decision, the defendant paid to Impact SA a total amount of RON 11,945,625 which is represented by RON 4,597,116 damages and RON 6,976,548 interest expense. Following the above mentioned transaction, the Group has recorded the amounts received within other operating income.

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

On 08.06.2022, the Argeș 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 24,532,741.65 lei in the form of damages and the sum of 13,862,967.16 lei 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.”

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

"Rejects the appeal against the meeting's conclusions. Allow the appeal against the sentence. Changes the sentence in part, in the sense that it rejects the claim, as amended, formulated by the plaintiff. Removes the reference to obliging the defendants to pay court costs to the plaintiff. Maintain the rest of the sentence. With appeal within 15 days from communication".

A loss of of 17,037 thousand lei was recorded by the Group in 2023, in respect of for the development and construction works relating to a project in Cluj. Based on the legal opinion, the chances of winning are rather probable, but no reliable estimate of outcome can be derived therefore the related inventory was written down to nil.

Clearline Development and Management S.R.L. filed an appeal against the decision issued by the Pitesti Court of Appeal. On April 21, 2024, the court admitted the appeal and ordered a retrial. File 1032/1259/2012* was registered at the Pitesti Court of Appeal and the appeal filed by the defendants Cluj - Napoca Municipality and the Cluj Napoca Local Council against Sentence no. 277/2022 of 06/08/2022, pronounced by the Argeș Specialized Court, the next term being set for 09/10/2024.

On 25.09.2024, the Pitesti Court of Appeal issued Decision 317/2024 as follows:

"*Reject the appeal as unfounded. It obliges the appellants, jointly and severally, to pay 160,000 lei in court costs to the respondent. With appeal within 15 days of communication."*

The Local Council of the Municipality of Cluj - Napoca, the Municipality of Cluj - Napoca through the mayor filed an appeal.

On December 16, 2024, the High Court of Cassation and Justice pronounced the following solution:

Admits the appeal filed by the appellants-defendants LOCAL COUNCIL OF THE MUNICIPALITY OF CLUJ-NAPOCA and MUNICIPALITY OF CLUJ-NAPOCA, through the mayor, against decision no. 317/A-C of September 25, 2024, pronounced by the Piteşti Court of Appeal – Second Civil Section, Administrative and Fiscal Disputes. Amends, in part, the contested decision in the sense that it admits the appeal filed by the defendants LOCAL COUNCIL OF THE MUNICIPALITY OF CLUJ-NAPOCA and MUNICIPALITY OF CLUJ-NAPOCA, through the mayor, against civil sentence no. 277 of June 08, 2022, pronounced by the Argeş Specialized Court in file no. 1032/1259/2012. Maintains the provisions regarding the solution of rejection, as unfounded, of the appeal directed against all unfavorable decisions by which the requests for evidence, objections and other requests of the appellants-defendants were rejected, including the hearing decision of 10.11.2021, by which the objections and requests of the appellants-defendants regarding the judicial accounting expertise report redone as a result of the admission of the initial objections were resolved. Changes, in part, civil sentence no. 277 of June 08, 2022, pronounced by the Argeş Specialized Court in file no. 1032/1259/2012, in the sense that it obliges the defendants LOCAL COUNCIL OF THE MUNICIPALITY OF CLUJ-NAPOCA and MUNICIPALITY OF CLUJ-NAPOCA, through the mayor, and to pay the legal penalty interest, calculated from 11.11.2011, the date of filing the lawsuit, until 01.04.2021. Upholds the remaining provisions of the sentence. Rejects the request of the respondent CLEARLINE MANAGEMENT&DEVELOPMENT S.A. regarding the award of court costs in the appeal. The decision is irrevocable.

As a result of the decision above the Cluj Municipality must pay to Clearline a total of RON 37,562,068 composed of the following amounts RON 24.532.741 representing the damages and RON 13,029,068 representing interest expenses and court costs. Following the above decision, as at 31 December 2024, the Management has reversed the provision of RON 17,037,000 thousand on the inventory, and recognized a receivable for the amount specified. In addition the Management recognizes a contingent assets in total value RON 20,525,068, representing the difference between the receivable registered and the total amount ordered to be paid by the defendant.

b) Litigation initiated by EcoCivica Foundation

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, cancelling some preliminary approvals, cancelling works.

At the trial from 31 of May 2024, the court remained in judgment on the exceptions invoked by Impact.

On 14 August 2024, the Court ruled on a number of exceptions (defences in a civil action) raised by the Company and the defendants in the case.

The Court ruled that the claims filed by EcoCivica Foundation for the suspension and annulment of the Construction Permits were time-barred and were dismissed as time-barred, while the claims filed by the other plaintiffs for the suspension of the Construction Permits were dismissed as lacking object. Environmental Permit 01/16.05.20 remains valid and has full legal effects.

The Court set a date of 11 April 2025.

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 and registered in the Land Registry. Therefore no provision has been registered in respect of the litigation, as at 31 December 2024.

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 in 2018 and to definitively open public access between Alley Privighetorilor and Drumul Pădurea Pustnicu. The specified road is used by the community of Grenfield Baneasa to facilitate the access within neighbourhood.

The next term is set for the 01 April 2025.

28. THE RESULT PER SHARE (EPS)

	2024	**2023**
Profit attributable to ordinary equity holders of the parent	58,675	16,317
Average number of ordinary shares during the year (thousands)	2,365,506	2,365,506
Basic result per share (lei/share)	**0.0248**	**0.0069**

Considering the changes during 2024 in the number of shares, according to the provisions of IAS33, the Company also restated the comparative values of the result per share for 2023, as the weighted average number of shares in 2023 had to also consider these operations recorded in 2024.

The calculation of basic EPS has been based on the following profit attributable to the ordinary shareholders and weighted number of shares outstanding:

	31-Dec-24	**31-Dec-23**
Profit (loss) for the year attributable to the owners of the Group	58,675	16,317
Dividends on non-redeemable preference shares	-	-
Profit (loss) attributable to ordinary shareholders	**58,675**	**16,317**

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

Weighted-average number of ordinary shares (basic)	31-Dec-24	31-Dec-23
Issued ordinary shares on 1 January	2,365,680	2,365,680
Effect of treasury shares held	-	(739)
Effect of share options exercised	-	-
Effect of shares issued related to a business combination	-	-
Effect of shares cancelled in 7 October 2024	(174)	565
Weighted-average number of ordinary shares (basic) at 31 December	**2,365,506**	**2,365,506**

The calculation of diluted EPS has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Diluted earnings per share

	31-Dec-24	31-Dec-23
Profit (loss) attributable to ordinary shareholders	58,675	16,317
Interest expense on convertible notes, net of tax	-	-
Profit (loss) attributable to ordinary shareholders (diluted)	**58,675**	**16,317**

	31-Dec-24	31-Dec-23
Weighted-average number of ordinary shares (basic) at 31 December	2,365,506	2,365,506
Effect of convertible notes/share option issue	-	-
Weighted-average number of ordinary shares (diluted) at 31 December	**2,365,506**	**2,365,506**

29. AUDITOR'S EXPENSE

KPMG Audit SRL was appointed by the decision of the General Meeting of Shareholders dated 29 April 2024, to audit the financial statements for 2024, 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 2024 the statutory auditor KPMG Audit SRL had a contractual statutory audit fee of EUR 140,400 (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 2024. Those services were valued at EUR 5,000 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.

In 2023 the statutory auditor was Ernst & Young Assurance Services SRL, which had a contractual statutory audit fee of EUR 126,200 (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, 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.

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

30. RELATED PARTIES

Transactions with Key Management Members

Remuneration of key management personnel comprises salaries and related benefits, including share based payments, social and medical contributions, unemployment, and other similar contributions. The Group's management is employed on a contract basis.

The remuneration of the administrators, for the period ending as at 31 December 2024, is approved by the General Meeting of Shareholders.

Remuneration of Company's management in 2024 was as follows:

	31-Dec-24 RON	31-Dec-23 RON
Short-term employee benefits	2,317,272	2,841,177
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total	**2,317,272**	**2,841,177**

Bergamot Developments Phase II sold to Constantin Sebesanu an apartment and two parking lots at a value of EUR 236.283 and as a result the Company recorded a receivable of RON 583 thousand as of 31 December 2024 due to be collected in April 2025. Starting with June 2024 Mr. Constantin Sebesanu has resigned from its position within the Company.

Impact SA sold in 2024 to Sorin Apostol an apartment and a parking spot in Greenfield Baneasa Teilor project in 2024 for EUR 78,857. The units were fully paid at the signing of the sale purchase agreement.

Transactions with shareholders

In 2024, the Group did not declare or pay dividends to its shareholders. RCTI, one of the companies within the Group, has distributed and paid dividends to its shareholders with non-controlling interest, in total value of RON 2,656 thousand. (2023: RON 3,429 thousand).

Please see Note 14 – Share capital for details regarding the ultimate controlling party.

The following transactions were concluded in 2024 with the majority shareholder or related parties of the Group:

- RON 10,302 thousand transaction with Stegar Investment SRL (company controlled by Gheorghe Iaciu), for the sale of 19 residential units and corresponding parking spots in Boreal Plus Constanta
- RON 2,850 thousand transaction with Iaciu Daniel (family member of Gheorghe Iaciu), for the sale of one duplex, 3 related parking spots and 1 storage in Luxuria Residence project

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

- RON 2,149 thousand transaction with Doraly Property Management SRL (company controlled by Gheorghe Iaciu), for the acquisition of 1 duplex and 2 related parking spots in Luxuria Residence project
- RON 2,626 thousand transaction with RAND Autonomy SRL (company controlled by one of the key shareholder of RCTY) for the acquisition of equipment and materials for installing of air conditioner and ventilation systems
- RON 1,417 thousand transaction of RCTY with Expo Market Doraly (company controlled by Gheorghe Iaciu) for construction and repairs services.

31. SUBSEQUENT EVENTS

a) Closing of the OTB Bank loan facility

On 28 February 2025, IMPACT SA has closed the OTP Bank project loan contracted for the development of the Greenfield Baneasa Teilor project. As at 31 December the bank loan balance was of RON 86,560 thousand. The loan was fully reimbursed one month in advance of its maturity date.

b) Utilisation of the Libra Bank loan

The Libra Bank credit facility of EUR 7,000 thousand, which was signed in December 2024 by Impact SA, has been fully utilised on 28 February 2025, for in order to complete the necessary amount for the closing of the OTP Bank credit facility.

c) Loan facility from the majority shareholder

A loan facility in amount of RON 15,000 thousand has been provided by Gheorghe Iaciu, the majority shareholder of Impact SA in February 2025. The facility has a 1 year maturity and a fixed interest rate of 6.95%. An amount of RON 8,000 thousand has been used up to date, for working capital needs.

The consolidated financial statements have been authorized for issue by the management on 29 of March 2025 and signed on its behalf by:

Iuliana Mihaela Urda	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

Translation from Romanian

STATEMENT

pursuant to provisions under art.31 in Accounting Law no.82/1991

the annual financial statements had been drafted on 31/12/2024 for:

Entity: IMPACT DEVELOPER&CONTRACTOR SA

County: 40--BUCHAREST

Address: Drumul Padurea Mogosoaia,31-41,Bucharest, 1st District, phone no. 0212307570

Trade Registry order number: J40/7228/2018

Ownership: 34—Stock company

Main activity (NACE code and class denomination): 4110—Real Estate Development(promotion)

Sole Registration Code: 1553483

The undersigned, Mihaela Iuliana Urda,

pursuant to art.10 par.(1)in Accounting Law no.82/1991, holding the position of President of the Board of Directors of SC Impact Developer & Contractor hereby take responsibility for the preparation of the annual consolidated financial statements as of 31/12/2024 and hereby confirm the following:

a) The accounting policies used in the preparation of the annual financial statements are compliant with the applicable accounting regulations.

b) The annual financial statements provide an accurate overview on the financial position, financial performance and the other information relating to the carried out activity.

c) The legal entity carries out its activity under continuity conditions.

Signature

CHAPTER 3

KPMG Audit SRL
DN1, Bucharest - Ploiești Road no. 89A
Sector 1, Bucharest
013685, P.O.Box 18 - 191
Tel: +40 372 377 800
Fax: +40 372 377 700
www.kpmg.ro

Independent Auditors' Report

To the Shareholders of Impact Developer & Contractor SA

Padurea Mogosoaia Road, 31- 41, Bucharest, Romania
Unique Registration Code: 1553483

Report on the Audit of the Separate Financial Statements

Opinion

1. We have audited the separate financial statements of Impact Developer & Contractor SA ("the Company"), which comprise the separate statement of financial position as at 31 December 2024, the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

2. The separate financial statements as at and for the year ended 31 December 2024 are identified as follows:

   - Net assets/Total equity: RON 971,916 thousand
   - Net profit for the year: RON 88,240 thousand

   The separate financial statements have been signed with a qualified electronic signature by Iuliana Mihaela Urda in her capacity of President of the Board of Directors of the Company on 2025.03.29, hour: 14 min: 45 sec: 07, by Dan Sebastian Campeanu as General Manager on 2025.03.29, ora: 14 min: 30 sec: 36 and by Claudiu Bistriceanu in his capacity of Financial Director on 2025.03.29 ora: 14 min: 24 sec: 44.

3. In our opinion, the accompanying separate financial statements give a true and fair view of the unconsolidated financial position of the Company as at 31 December 2024, and of its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with the Order of Minister of Public Finance No. 2844/2016 for approval of accounting regulations in accordance with International Financial Reporting Standards and related amendments ("OMPF no. 2844/2016").

Basis for Opinion

4. We conducted our audit in accordance with International Standards on Auditing ("ISAs"), Regulation (EU) no. 537/2014 of the European Parliament and of the Council and related amendments ("the Regulation") and Law no. 162/2017 and related amendments ("the Law"). Our responsibilities under those standards and regulations are further described in the *Auditors' Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Company in accordance with *International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code")* together with the ethical requirements that are relevant to

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Fiscal registration code RO12997279
Trade Registry no.J40/4439/2000
Share Capital 2,000 RON

KPMG

our audit of the separate financial statements in Romania, including the Regulation and the Law and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Investment Property

Investment property RON 754,571 thousand as at 31 December 2024 (RON 726,852 thousand as at 31 December 2023).

Gains from revaluation of investment property RON 29,545 thousand in the year ended 31 December 2024 (RON 49,503 thousand in the year ended 31 December 2023)

See Notes 4 f) Material accounting policies, "Investment property", Note 5 (i) "Critical accounting judgements and key sources of estimation uncertainty, Fair value measurement and valuation process" and Note 9 "Investment property" to the separate financial statements.

The key audit matter	**How the matter was addressed in our audit**
Investment property held by the Company amounts to RON 754,571 thousand as at 31 December 2024, representing approximately half of the Company's total assets as at that date. Investment property primarily represents land plots and rented commercial areas. The Company applies the fair value model after the initial recognition, with any changes in fair value recognized in the profit or loss. Fair values of its investment properties were assessed by management based on valuations carried out by a third party qualified and independent valuer, at the reporting date, using the market comparison method, which implies inherent limitations, and a significant degree of judgement in the selection and application of assumptions, including, among others, the property-specific information, the discount rates and comparable market transactions, applying price adjustments to the data for comparable land and building valuations, based on location and condition, which are not directly observable. In the light of the above factors, coupled with	Our audit procedures included, among others, the following: - We assessed the appropriateness of the initial classification and of the current period transfers from other categories of assets to investment property, of the Company's properties, by understanding the business model and inquiring management of its plans and judgements used, corroborating with our understanding of specific characteristics of each of the properties owned by the Company; - We evaluated the competence and independence of the external valuer by assessing its professional qualifications, experience and objectivity; - With the assistance of our own valuation specialists, we have assessed the methodology used by the independent valuer and the appropriateness of the key assumptions used, based on our

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the fact that only a small percentage difference in individual property valuations, when aggregated, could result in a material effect to the separate financial statements, we considered the valuation of investment property to be associated with a significant risk of material misstatement in the separate financial statements. Therefore, the area required our increased attention in the audit and as such was determined to be a key audit matter.	knowledge of the property market; - We performed a sensitivity analysis by comparing the fair values based on valuation reports to market prices of similar assets, applying various price adjustments; - We assessed the accuracy, completeness, and relevance of the separate financial statements disclosures related to valuation of investment property, for compliance with the applicable requirements of the financial reporting standards.

Other matter – Corresponding figures

6. The separate financial statements of the Company as at and for the year ended 31 December 2023 excluding the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior periods errors" to the separate financial statements were audited by another auditor who expressed an unmodified opinion on those statements on 29 March 2024.

   As part of our audit of the separate financial statements as at and for the year ended 31 December 2024, we audited the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior periods errors" that were applied to restate the comparative information presented as at and for the year ended 31 December 2023. We were not engaged to audit, review, or apply any procedures to the separate financial statements for the year ended 31 December 2023, other than with respect to the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior periods errors" to the separate financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in Note 7 "Restatement for comparison purposes and correction of prior periods errors" are appropriate and have been properly applied.

Other information

7. Management is responsible for the preparation and presentation of other information. The other information comprises the Remuneration Report for 2024 ("Remuneration Report") and the Annual report, including the Board of Directors Report, but does not include the separate financial statements and our auditors' report thereon.

   Our opinion on the separate financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

   In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Other Reporting Responsibilities Related to Other Information – Board of Directors Report

With respect to the Board of Directors Report we read and, based solely on the work required to be undertaken in the course of the audit of the separate financial statements, we report, as required by OMPF no. 2844/2016, that, in our opinion:

a) The information given in the Board of Directors Report for the financial year for which the separate financial statements are prepared is consistent, in all material respects, with the separate financial statements;

b) The Board of Directors Report has been prepared, in all material respects, in accordance with OMPF no. 2844/2016, articles 15 – 19 of the accounting regulations in accordance with International Financial Reporting Standards.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of our audit we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this regard.

Other Reporting Responsibilities Related to Other Information – Remuneration Report

With respect to Remuneration Report, we read the Remuneration Report in order to determine whether it presents, in all material respects, the information required by article 107, alin (1) and (2) of the Law no. 24/2017 regarding the issuers of financial instruments and market operations and related amendments. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

8. Management is responsible for the preparation of separate financial statements that give a true and fair view in accordance with OMPF no. 2844/2016 and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Separate Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

12. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial

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statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements - Report on Compliance with the ESEF Regulation

16. In accordance with Law no. 162/2017 on statutory audits of annual financial statements and consolidated financial statements and amendment of certain regulations, we are required to express an opinion on compliance of the separate financial statements, as included in the Annual Report and approved by the Board of Directors with the requirements of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format and related amendments (the “RTS on ESEF”). In this section we do not express an audit opinion, review conclusion of any other assurance conclusion on the separate financial statements.

Responsibilities of Management

17. Management is responsible for the preparation of the separate financial statements in a digital format that complies with the RTS on ESEF. This responsibility includes the preparation of the separate financial statements in the applicable xHTML format, including ensuring consistency between the digital format and the signed separate financial statements and the design, implementation and maintenance of internal controls relevant to the application of the RTS on ESEF.

Auditors' Responsibilities

18. Our responsibility is to express an opinion on whether the separate financial statements included in the Annual Report and authorized by the Board of Directors, comply in all material respects, with the RTS on ESEF, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

    A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with the RTS on ESEF. The nature, timing and extent of procedures selected depend on the auditor’s judgment, including the assessment of the risks of material departures from the requirements set out in the RTS on ESEF, whether due to fraud or error. Our procedures included evaluating the appropriateness of the digital format of the separate financial statements and assessing consistency between the digital format and the signed and audited separate financial statements.

    We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

19. In our opinion, the separate financial statements of the Company, as included in the Annual Report and authorized by the Board of Directors as at and for the year ended 31 December 2024 have been prepared, in all material respects, in accordance with the requirements of the RTS on ESEF.

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Report on Other Legal and Regulatory Requirements - Public Interest Entities

20. We were appointed by the General Shareholders' Meeting on 20 August 2024 to audit the separate financial statements of Impact Developer & Contractor SA for the year ended 31 December 2024. Our total uninterrupted period of engagement is 1 year, covering the period ended to 31 December 2024.

21. We confirm that:

    - our audit opinion is consistent with the additional report presented to the Audit Committee of the Company, which we issued on 28 March 2025. We also remained independent of the audited entity in conducting the audit.
    - we have not provided to the Company the prohibited non-audit services (NASs) referred to in Article 5(1) of EU Regulation (EU) No 537/2014.

The engagement partner on the audit resulting in this independent auditors' report is VLAD-BALANESCU RADUCU-BOGDAN.

For and on behalf of KPMG Audit S.R.L.:

VLAD-BALANESCU RADUCU-BOGDAN

registered in the electronic public register of financial auditors and audit firms under no AF2373

KPMG Audit SRL

registered in the electronic public regist of financial auditors and audit firms und no FA9

Bucharest,
29 March 2025

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS)
Auditor financiar: VLAD-BALANESCU RADUCU BOGDAN
Registrul Public Electronic: AF2373

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS)
Firma de audit: KPMG AUDIT S.R.L.
Registrul Public Electronic: FA9

IMPACT DEVELOPER & CONTRACTOR SA

SEPARATE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED 31 OF DECEMBER 2024

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

CONTENT:	PAGE:

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

	Note	31-Dec-24	31-Dec-23 *restated	01-Jan-23 *restated
ASSETS				
Non-current assets				
Tangible assets	**8**	47,144	36,102	21,545
Intangible assets		640	217	114
Noncurrent receivables	**13**	71,150	62,143	67,197
Right of use assets	**8**	-	1,061	1,485
Investment property	**9**	754,571	726,852	678,669
Investments in subsidiaries	**12**	47,474	36,216	36,216
Pipeline projects	**10**	31,293	34,801	34,081
Total non-current assets		**952,273**	**896,672**	**839,307**
Current assets				
Inventories	**11**	371,159	464,958	395,324
Trade and other receivables	**13**	19,775	24,579	33,892
Other current assets	**13**	4,755	6,721	14,854
Cash and cash equivalents	**14**	37,644	35,778	46,857
Total current assets		**433,333**	**532,036**	**490,927**
Total assets		**1,385,605**	**1,428,708**	**1,330,234**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital	**15**	598,699	598,884	598,884
Share premium	**15**	41,379	41,462	40,493
Revaluation reserves				3,001
Other reserves		44,484	39,642	38,318
Own shares	**15**	-	(268)	(268)
Retained earnings	**15**	287,354	203,955	160,755
Total equity		**971,916**	**883,675**	**841,183**
Non-current liabilities				
Loans and borrowings	**17**	118,435	337,546	232,860
Trade and other payables	**18**	6,857	6,203	12,260
Deferred tax liability	**25**	81,175	73,920	81,058
Total non-current liabilities		**206,467**	**417,669**	**326,178**

*The comparative information has been restated, please see note 7

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

	Note	31-Dec-24	31-Dec-23 *restated	1-Jan-23 *restated
Current liabilities				
Loans and borrowings	**17**	180,749	51,528	97,491
Trade and other payables	**18**	14,377	41,300	29,208
Income tax payable	**18**	1,340	(125)	(125)
Contract liabilities	**18**	10,627	34,374	35,946
Provisions for risks and charges	**19**	131	287	353
Total current liabilities		**207,223**	**127,364**	**162,873**
Total liabilities		**413,690**	**545,033**	**489,051**
Total equities and liabilities		**1,385,605**	**1,428,708**	**1,330,234**

* The comparative information has been restated, please see note 7.

The standalone financial statements have been authorized for issue by the management on 29 March 2025 and signed on its behalf by:

Iuliana Mihaela Urda	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

	Note	12 months period ended as at 31-Dec-24	31-Dec-23 Restated*
Revenue	20	162,938	61,535
Cost of sales	20	(111,337)	(45,602)
Gross profit		**51,601**	**15,933**
General and administrative expenses	22	(22,866)	(23,072)
Marketing expenses		(1,988)	(2,346)
Other operating income	23	26,961	16,817
Other operating expenses	23	(8,188)	(9,774)
Gains on investment property	9	29,545	49,503
Operating profit		**75,065**	**47,061**
Financial income	24	56,065	16,644
Financial cost	24	(34,296)	(28,144)
Finance costs, net		**21,769**	**(11,500)**
Profit before tax		**96,835**	**35,561**
Income tax (expense)	25	(8,595)	6,931
Profit of the period		**88,240**	**42,492**
Other comprehensive income		-	-
Total comprehensive income for the period		**88,240**	**42,492**

* The comparative information has been restated please see note 7.

The standalone financial statements have been authorized for issue by the management on 29 of March 2025 and signed on its behalf by:

Iuliana Mihaela Urda	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

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

	Note	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance as at 1 January 2024		**598,884**	**41,462**	**-**	**39,642**	**(268)**	**203,955**	**883,675**
Other comprehensive income								
Profit for the period		-	-	-	-	-	88,240	88,240
Total other comprehensive income		-	-	-	-	-	88,240	88,240
Other changes in equity		(185)	(83)	-	-	268	-	-
Legal reserves	15	-		-	4,842	-	(4,842)	-
Balance as at 31 December 2024		**598,699**	**41,379**	**-**	**44,484**	**-**	**287,354**	**971,915**

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Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

	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								
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	15	-	-	-	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**

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Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

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

	Note	31-Dec-24	31-Dec -23
Net profit		**88,240**	**42,492**
Adjustments to reconcile profit for the period to net cash flows:		**(48,435)**	**(40,438)**
Valuation gains on investment property	9	(29,545)	(49,503)
Gain on sale PPE		-	2,023
Reversal of impairment loss PPE		(2,097)	(1,194)
Reversal of impairment of investments		(8,053)	-
Depreciation	8	673	1,736
Impairment of inventories	11	-	(1,341)
Impairment of receivables	13	2,165	(530)
Financial income	24	(54,592)	(16,644)
Financial cost	24	34,296	28,144
Other non cash adjustments		-	3,803
Tax expense	25	8,719	(6,931)
Working capital adjustments		**37,728**	**(30,162)**
Decrease/(increase) in trade receivables and other receivables	13	1,426	9,843
Decrease in prepayments	13	1,966	8,133
Decrease/(increase) in inventory	11	88,554	(52,536)
(Decrease)/increase in trade, other payables, and contract liabilities	18	(54,063)	4,463
(Decrease)/increase in provisions	19	(156)	(66)
Net cash flows used in operating activities		**77,533**	**(51,898)**
Cash flow from investing activities			
Loans granted to subsidiaries	29	(3,726)	(1,927)
Loan reimbursements collected from subsidiaries	29	3,420	2,810
Amounts invested in subsidiaries	29	(3,235)	1,513
Purchase of property, plant and equipment	8	(1,481)	(530)
Proceeds/(expenditure) with investment property	9	1,041	(17,966)
Expenditure on investment property under development		(2,763)	-
Expenditure on PPE under development	8	-	(2,853)
Proceeds from sale of property, plant and equipment	8	303	213
Dividends received	29	49,633	3,770
Interest received	29	1,280	2,590
Net cash flows from investing activities		**44,472**	**(12,380)**
Cash flows from financing activities:			
Proceeds from borrowings	18	69,145	174,884
Repayment of principal of borrowings	18	(159,536)	(119,581)
Dividends paid	29	-	-
Interest paid	29	(29,748)	(25,894)
Net cash from financing activities		**(120,139)**	**29,409**
Net increase / (decrease) of cash and equivalents		**1,866**	**(11,079)**
Opening balance of Cash and equivalents	**14**	**35,778**	**46,857**
Closing balance of Cash and equivalents	**14**	**37,644**	**35,778**

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

Iuliana Mihaela Urda	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

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

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:

	Country of registration	Nature of activity	% Owned by the Company as at 31 December 2024	% Owned by the Company as at 31 December 2023
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Spatzioo Management SRL	Romania	Property management	66.90%	100%
Bergamot Development Phase II SRL	Romania	Real estate development	99%	100%
Bergamot Development SRL	Romania	Real estate development	100%	100%
Impact Finance & Sales SRL	Romania	Administration	99%	100%
Greenfield Copou Residence SRL	Romania	Real Estate development	99%	100%
Greenfield Copou Residence Phase II SRL	Romania	Real estate development	99%	100%
Aria Verdi Development SRL	Romania	Real estate development	99%	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%	51.01%
Impact Alliance Moldova SRL	Romania	Constructor	51%	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 2024, the Company's activity revolved around the Greenfield Baneasa residential complex in Bucharest and Boreal Plus in Constanta.

2. THE BOARD OF ADMINISTRATION

The Board of Administration represents the decision-making body for all significant aspects of the Company due to the strategic, 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 was comprised of the following 5 members, until 28th of April 2024:

- Iuliana Mihaela Urda, Chairperson of the Board of Administration
- Intrepid Gem SRL, represented by Petru Văduva
- Dan Octavian Voiculescu, Administrator
- Daniel Pandele, Administrator
- Sorin Apostol, Administrator

As of 29th of April 2024, Ms. Ruxandra-Alina Scarlat was replaced by Mr. Dan Octavian Voiculescu, on a 1 year term, until 28th of April 2025.

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.

On 31 of May 2024, the mandate of Mr. Constantin Sebesanu as General Manager ended, as well as the mandate of Mr. Sorin Apostol as executive director (COO) which ended on the same date. Starting with 1st of June 2024, Mr. Richard Dan-Sebastian Câmpeanu took over the position of Interim General Manager until 19 of June 2025.

3. BASIS OF PREPARATION

a) Declaration of conformity

These separate financial statements were prepared in accordance with the Order of Minister of Public Finance no.2844/2016 and subsequent amendments („OMFP 2844/2016”). According to OMFP 2884/2016 the International Financial Reporting Standards ("IFRS") represent standards adopted based on the procedure as per European Commission Regulation no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (IFRS as adopted by European Union). The Company also prepares consolidated financial statements in accordance with IFRS-EU, approved at the same date as these separate Financial Statements.

The financial statements have been prepared on an ongoing concern basis and on the historical cost basis, except for the revaluation of investment properties 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.

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. For more details regarding climate change matters impacting the Company's activities, please see the Annual Sustainability report published on Company's website. This report in not part of the financial statements or part of the Annual report.

b) Going concern

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.

The Company expects an increase in development activity during 2025, as it intends to finalize Phase 5 of Greenfield Baneasa- Teilor project, launch the development of Phase 4 of the same project and obtain further building permits for future projects (Greenfield Baneasa UTR4 and Aria Verdi).

The Company has obtained the building permit for Greenfield Copou Iași, and currently it is in process of securing financing with banking institutions as well as, in negotiation process with the general entrepreneurs and architects for the optimization of costs and timing of the construction.

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.

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.

4. MATERIAL ACCOUNTING POLICIES

The accounting policies used by the Company are compliant with the OMFP 2844/2016.

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

Disclosed below is the summary of the material accounting policies.

a) Cash and cash equivalents

Cash and cash equivalents include cash balances, cash deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Trade receivables

Trade receivables are amounts due from customers for rental and service charge income from tenants and construction services in the ordinary course of business. If collection is expected in four years or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value, generally at the amount of consideration that is unconditional. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses.
Trade receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company.

c) Inventories and normal operating cycle

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 that 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)

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle of its activity to be at 4 years. As such all of its inventory which is to be realised from sale within less that 4 year from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects. Pipeline projects are typically later phases of within active projects, for which active construction of has not yet begun. Infrastructure, including infrastructure provision and sewages are classified as inventories or pipeline projects, in line with the project they relate to. For more details on pipeline projects, please see Note 10 – Pipeline projects.

d) 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 of property, plant and equipment for current and comparative periods are as follows:

- Buildings: 40 years

- Plant and equipment: 3-12 years

- Fixtures and fittings: 5-10 years

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.

e) 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.

f) Investment property

Investment property is property (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. Investment property also includes land with undetermined future use. Usually, the Company acquires major plots of land, as its business model is to build large projects (around 1,000 units per project), therefore the timing of obtaining the necessary building permits might be uncertain, time during which initial conditions for project estimates might change (construction prices increase, management strategy of development, changes in legislation, etc.). As such, given the reasonable probability for the plots of land not to be used as intended due to uncertainties not under Company's control, the management initially recognizes certain plot of lands as investment property until the construction authorization is obtained, a detailed concept of the project is finalized, and significant steps have been done to identify construction companies and financing for the project.

After initial recognition, investment property is measured at fair value model, with changes in the fair value being recognized in profit or loss.

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.

Although, 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 only when there is an actual change in use rather than on changes in an entity's intentions.

The Company transfers land classified as investment property to inventories at the point when there is sufficient evidence that uncertainties previously preventing development have been resolved or significantly reduced. Such evidence typically includes (but is not limited to):

- Obtaining valid building permits or regulatory authorizations.
- Finalization and approval of detailed development plans and project specifications by management.
- Management's commitment to commence the project, supported by formal decisions or resolutions.
- Initiation of substantive activities demonstrating intent to sell (e.g., identification of construction companies, entering into contracts, obtaining project-specific financing arrangements).

g) Impairment of non-financial assets

An impairment exists when the recoverable amount (the higher of fair value less costs to sell and value in use) is less than the carrying amount. The assessment is to be made on an asset-specific basis or on the smallest group of assets for which the entity has identifiable cash-flows (the cash-generating unit).

The Company assesses at the end of each reporting period whether there is any indication that a non-financial asset (other than inventory and deferred tax assets) might be impaired. The carrying amount of the asset is compared with the recoverable amount. If the recoverable amount is lower than the carrying amount, an impairment loss is recognized for the difference in profit or loss.

h) 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.

i) Current liabilities

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. Trade paybles expected to be settled within the normal operating cycle are classified as current.

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

j) **Provisions and contingent liabilities**

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.

k) **Events after the reporting period**

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.

l) 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 the 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 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 control of the asset have been transferred to the customer, this is usually when title of the property passes to the customer on legal completion. 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. In a limited number of cases, the company has also instalments payments over a period more than one year but those are not significant.

Payment is done in tranches, a fixed EUR 2,000 (net of VAT) at the signing of the initial reservation of the residential unit, 15% of total contract price at the signing of the pre-sale agreement and the remaining amount at the signing of the sale-purchase agreement, when the control passes to the client. In addition, according to standard contractual clauses, the client has no right to exist the contract, or to a corresponding reimbursement of advance paid. In specific and isolated cases, the Company may agree to terminate the pre-sale agreement and reimburse the advance to the client. Furthermore, once the final sale-purchase agreement is signed there is no refund option, however the client is entitled to 2 years warranties for the quality of the residential unit delivered. The warranties are on a back to back basis, meaning that these are provided by the seller (Impact SA. Bergamot Developments I or Bergamot Developments II) to the client, but the seller passes the responsibility to the general contractor (RCTI Company SRL) which in turn reaches out to the sub-contractor responsible for the work and the corresponding repair.

(ii) Revenues from water and sewage system

The Company owns within Greenfield Baneasa project the water and sewage system. The revenues from charging of water are recognized when they are realized, together with the water expenses invoiced by the suppliers. The Company recharges the utilities at mark-up which is calculated as administrative costs of maintaining the water sewage plus a profit. The price invoiced by the Company is approved by the National Authority for Reglementation of the Energy Sector (ANRE).

m) 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.

Company as lessee

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 13 – Loans and borrowings.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

n) 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.

o) Financial instruments

The financial assets with cash flows are solely payments of principal and interest 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).

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.

p) 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 tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

a) Temporary differences on the initial recognition of assets and liabilities in a transaction that:
  - is not a business combination; and
  - at the time of the transaction affects neither the accounting nor the taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;

b) Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

c) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recongnised for unused tax losses , unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

p) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

r) Related party

Parties are considered related when one party, either through ownership, contractual rights, family relationship or otherwise, has the ability to directly or indirectly control or significantly influence the other party. Related parties include individuals that are principal owners, key management personnel of Company's subsidiaries and members of the Board of Directors and members of their families, and any company that is related party to Company's entities.

s) Measurement of financial assets

On initial recognition, a financial asset is classified as subsequently measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

t) Measurement of financial liabilities

Financial liabilities are measured at amortised cost or FVTPL. A financial liability is measured at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

5. MATERIAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 4, 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 28.

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:

Land in investment property

Impact on the valuation included in the balance sheet on 31 December 2024, as well as at 31 December 2023 and gains on investment property registered to profit or loss of a 5% strengthening/(weakening) of the price per sqm. The table below includes the key prices used in the determination of the sensitivity analysis results:

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

2024

Land	**RON/SQM**	**+5% RON/SQM**	**-5% RON/SQM**	**+5% Total value**	**-5% Total value**	**Effect of increase**	**Effect of decrease**
Greenfield Băneasa land (Bucharest)	1,385	1,454	1,315	281,044	254,278	13,383	13,383
Barbu Vacarescu land (Bucharest)	7,569	7,948	7,191	202,066	182,822	9,622	9,622
Blvd. Ghencea – Timișoara land (Bucharest)	697	732	662	189,464	171,420	9,022	9,022
Other (Neptun,Oradea)	139	146	132	9,075	8,211	432	432

2023

Land	**RON/SQM**	**+5% RON/SQM**	**-5% RON/SQM**	**+5% Total value**	**-5% Total value**	**Effect of increase**	**Effect of decrease**
Greenfield Băneasa land (Bucharest)	1,343	1,410	1,276	272,633	246,668	12,983	12,983
Barbu Vacarescu land (Bucharest)	7,482	7,856	7,108	199,729	180,707	9,511	9,511
Blvd. Ghencea – Timișoara land (Bucharest)	634	665	602	172,211	155,810	8,201	8,201
Other (Neptun,Oradea)	130	137	124	8,542	7,728	407	407

Property

A sensitivity analysis of a change of +/-0.5% in yield and 1 EUR/sqm in rent per sqm is disclosed below:

2024:

	Yield	-0.50%	0.00%	0.50%
	Rent/sqm	7.00%	**7.50%**	8.00%
(5.00%)	19.9	21,880,518	20,400,462	19,106,866
0.00%	**20.95**	22,619,050	**21,074,712**	19,725,263
5.00%	22	23,400,000	21,748,963	20,343,660

2023:

	Yield	-0.50%	0.00%	0.50%
	Rent/sqm	7.00%	**7.50%**	8.00%
(5.00%)	19.09	22,127,842	20,635,725	19,331,567
0.00%	**20.09**	22,890,825	**21,335,582**	19,976,462
5.00%	21.09	23,653,809	22,035,439	20,621,356

(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 (including project concepts and initiatives to obtain building permits, which are affected by political uncertainties), but as of 31 of December 2024 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 of December 2024 (same at 31 December 2023) 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 28.

(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. The future projects to which costs are allocated are only those of which development is certain – i.e. the land is already included in inventory. 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.

(i) Operating cycle

The Company's operating cycle is determined based on the nature of its business activities. Management has exercised significant judgement in defining the operating cycle, which impacts the classification of assets as current or non-current.

Judgement: The operating cycle is considered to be the period between the acquisition of assets for processing and revenue recognition. For the Company, this period is estimated to be 4 years.

Estimation Uncertainty: The determination of the operating cycle involves assumptions about the duration of production processes, inventory turnover rates, and the timing of receivables collection. Changes in these assumptions could significantly affect the classification of assets.

Impact: If the operating cycle were to be reassessed to be longer/shorter than 4 years, certain assets would be reclassified as current/non-current, which could affect liquidity ratios and other financial metrics.

If operating cycle of 12 months was used current inventories expected to be realized in 12 months would be RON 135,449 thousand and RON 235,708 would be reclassified to non-current pipeline inventories.

6. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

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

• 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.

• 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.

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

- Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments: Settlement of liabilities through electronic payment systems.*

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system. The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised. Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

Classification of financial assets with ESG-linked features

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

Contractually linked instruments (CLIs) and non-recourse features

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The Company plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity*

The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements. The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.

Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow. Currently the Company does not use any renewable power source but it plans to do it in the future, therefore it plans to assess the impact of the amendments on the financial statements and apply the new standard, if the case, starting from 1 January 2026.

- IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined ‘operating profit’ and ‘profit or loss before financing and income tax’ subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the ‘most useful structured summary’ of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management’s view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as ‘other’ and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

The Company plans to apply the new standard from 1 January 2027.

- IFRS 19 Subsidiaries without Public Accountability Disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.
A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under

IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.
Management has assessed that the amendments will have no material impact on the financial statements of the Company.

- Annual Improvements to IFRS Standards – Volume 11

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards. The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. The Company plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture

The Amendments clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business, such that:
a full gain or loss is recognised when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets which constitute a business (whether it is housed in a subsidiary or not), while a partial gain or loss is recognised when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if these assets are housed in a subsidiary.
Management has assessed that the amendments will have no material impact on the financial statements of the Company.

7. RESTATEMENT FOR COMPARISON PURPOSES AND CORRECTION OF PRIOR PERIOD ERRORS

During 2024, the Company retrospectively analysed and estimated the applicable operating cycle to be used in the presentation of its assets and liabilities and concluded that the operating cycle to be used for the classification of current/non-current assets related to residential projects is 4 years. Therefore, inventories related to projects which will be realized in a period higher than 4 years, in amount of Ron 34,081 thousand, were reclassified as non-current also as of 31 December 2023 and 34,081 as of 31 December 2022.
During 2024, the Company retrospectively analysed and reclassified other operating income/expenses, net into two different line items, as other operating income and other operating expenses. Furthermore, the Company eliminated the Depreciation and amortisation line item, and reclassified depreciation within General and Administrative expenses, as well as Cost of Sale.

The following tables summarize the impact of the reclassifications described in this chapter on the Company's financial statements.

	Note	31-Dec-23 As previously reported	Adjustment	31-Dec-23 As restated
		RON thousand	RON thousand	RON thousand
Revenue	20	61,535	-	61,535
Cost of sales	20	(44,901)	(701)	(45,602)
Gross margin		***16,634***	***(701)***	***15,933***
General and administrative expenses	22	(22,037)	(1,035)	(23,072)
Marketing expenses		(2,346)	-	(2,346)
Other operating income/(expenses), net	23	7,043	(7,043)	-
Other operating income	23	-	16,817	16,817
Other operating expenses	23	-	(9,774)	(9,774)
Depreciation		(1,736)	1,736	-
Gains from revaluation of investment property	9	49,503	-	49,503
Operating profit		***47,061***	**-**	***47,061***
Finance income		16,644	-	16,644
Finance cost		(28,144)	-	(28,144)
Finance result net (loss)		**(11,500)**	**-**	**(11,500)**
Profit before income tax		***35,561***	**-**	***35,561***
Income tax credit/(charge)		6,931	-	6,931
Net profit		***42,492***	**-**	***42,492***

	Note	31-Dec-23 As previously reported	Adjustment	31-Dec-23 As restated
		RON thousand	RON thousand	RON thousand
Property, plant and equipment		36,102	-	36,102
Intangible assets		217	-	217
Godwill		62,143	-	62,143
Right of use assets		1,061	-	1,061
Investment property		726,852	-	726,852
Investments in subsidiaries		36,216	-	36,216
Pipeline projects	10	-	34,081	34,081
Total non-current assets		**862,591**	**34,081**	**896,672**
Inventories	11	499,039	(34,081)	464,958
Trade and other receivables		24,579	-	24,579
Prepayments and other current assets		6,721	-	6,721
Cash and cash equivalents		**35,778**	-	35,778
Total Current assets		**566,117**	**(34,081)**	**532,036**
Total assets		**1,428,708**	**-**	**1,428,708**
Share capital		598,884	-	598,884
Share premium		41,462	-	41,462
Revaluation reserves		-	-	-
Other reserves		39,642	-	39,642
Own shares		(268)	-	(268)
Retained earnings		203,955	-	203,955
Total equity		**883,675**	**-**	**883,675**
Loans and borrowings		337,546	-	337,546
Trade and other payables		6,203	-	6,203
Deferred tax liability		73,920	-	73,920
Total non-current liabilities		**417,669**	**-**	**417,669**
Loans and borrowings		51,528	-	51,528
Trade and other payables		41,300	-	41,300
Profit Tax Liability		(125)	-	(125)
Contract liabilities		34,374	-	34,374
Provisions for risk and charges		287	-	287
Total current liabilities		**127,364**	**-**	**127,364**
Total liabilities		**545,033**	**-**	**545,033**
Total equity and liabilities		**1,428,708**	**-**	**1,428,708**

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

	Nota	1-Jan-2023 As previously reported	Adjustment	1-Jan-2023 As restated
		KRON	KRON	KRON
ASSETS				
Non-current assets				
Tangible assets		21,545		21,545
Intangible assets		114		114
Noncurrent receivables		67,197		67,197
Right of use assets		1,485		1,485
Investment property		678,669		678,669
Investments in subsidiaries		36,216		36,216
Pipeline projects	10	-	34,081	34,081
Total non-current assets		**805,226**	**34,081**	**839,307**
Current assets				
Inventories	11	429,405	(34,081)	395,324
Trade and other receivables		33,892		33,892
Other current assets		14,854		14,854
Cash and cash equivalents		46,857		46,857
Total current assets		**525,008**	(34,081)	490,927
Total assets		**1,330,234**	-	**1,330,234**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital		598,884		598,884
Share premium		40,493		40,493
Revaluation reserves		3,001		3,001
Other reserves		38,318		38,318
Own shares		(268)		(268)
Retained earnings		160,755		160,755
Total equity		**841,183**		**841,183**
Non-current liabilities				
Loans and borrowings		232,860		232,860
Trade and other payables		12,260		12,260
Deferred tax liability		81,058		81,058
Total non-current liabilities		**326,178**		**326,178**
Current liabilities				
Loans and borrowings		97,491		97,491
Trade and other payables		29,208		29,208
Income tax payable		(125)		(125)
Contract liabilities		35,946		35,946
Provisions for risks and charges		353		353
Total current liabilities		**162,873**		**162,873**
Total liabilities		**489,051**		**489,051**
Total equities and liabilities		**1,330,234**	-	**1,330,234**

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

8. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Machinery, equipment, and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 January 2024	**40,457**	**2,577**	**1,688**	**3,268**	**47,989**
Additions	-	512	449	-	961
Transfers	(261)	8,673	-	(379)	8,033
Disposals	(134)	(169)	-	-	(303)
Balance as at 31 December 2024	**40,062**	**11,594**	**2,137**	**2,888**	**56,681**
Accumulated depreciation and impairment losses					
Balance as at 1 January 2024	**9,810**	**1,496**	**580**	**-**	**11,886**
Charge for the period	1,275	398	281	-	1,954
Transfers	(2,207)	-	-	-	(2,207)
Accumulated depreciation of disposals	(1,987)	(110)	-	-	(2,097)
Balance as at 31 of December 2024	**6,892**	**1,785**	**861**	**-**	**9,537**
Carrying amounts					
As at 1 January 2024	**30,646**	**1,081**	**1,108**	**3,268**	**36,102**
As at 31 December 2024	**33,170**	**9,809**	**1,276**	**2,888**	**47,144**

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

Reconciliation of carrying amount

	Land and buildings	Machinery, equipment, and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 of January 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
Adjustments value	-	-	-	(274)	(274)
Disposals	(2,963)	(1,480)	(88)	-	(4,531)
Balance as at 31 of December 2023	**40,457**	**2,577**	**1,688**	**3,268**	**47,989**
Accumulated depreciation and impairment losses					
Balance as at 1 of January 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 as at 31 December 2023	**9,810**	**1,496**	**580**	**-**	**11,886**
Carrying amounts					
As at 1 January 2023	**17,470**	**1,409**	**881**	**1,785**	**21,545**
As at 31 December 2023	**30,646**	**1,081**	**1,108**	**3,268**	**36,102**

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

Lands and buildings:

The transfers of land and buildings are mainly represented by the followings:

- the transfer from work in progress of the land related to the IMPACT Office building in amount of RON 1,132 thousand
- the transfer from work in progress of the retention pool located in Greenfield Baneasa, in amount of RON 3,686 thousand as well as the technical rooms related to the thermal power plant serving the Greenfield Baneasa project in the amount of RON 2,602 thousand, following the commissioning of the UTR3 project
- the transfer to inventory of plots of land in total value of RON 7,673 thousand, in line with the Company policy of holding in inventory the land related to infrastructure, which benefits the Greenfield Baneasa project. Such infrastructure land is expensed to cost of sales – for more details within Note 4 – Material accounting policy – Inventories

The depreciation method used was the straight-line method.

Machines, equipment and means of transport:

During 2024 the thermal power plant serving the Baneasa Teilor Greenfield project was commissioned at a value of RON 8,673 thousand.

Assets under construction:

Transfers of assets under construction are represented by the workings on the accounting software Charisma, in total amount of RON 379, which were transferred to intangible assets.

Pledged assets:

As at 31 December 2024, PPE in total of RON 36,667 thousand were pledged as securities for bank loans, representing land and buildings (31 December 2023: RON 20,583 thousand.)

Lease contracts

	31-Dec-24		31-Dec-23	
	Contracts No	**Fixed payments**	**Contracts No**	**Fixed payments**
Vehicles	-	-	19	100%
Total	**-**	**-**	**19**	**100%**

Right of Use Assets

	31-Dec-24	**31-Dec23**
	Vehicles	**Vehicles**
Opening Balance as at 1 January	**1,061**	**1,485**
Additions		-
Depreciation	(324)	(638)
Contractual payments	(742)	-
FX movements	5	214
Closing Balance as at 31 December	**-**	**1,061**

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

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

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

During 2024, the leasing for 19 cars, in Impact SA, representing right of use assets with a carrying amount of RON 1,160 thousand Impact were closed.

9. INVESTMENT PROPERTY

Reconciliation of carrying amount of property investments

	2024	2023
Balance on January 1	**726,852**	**678,669**
Additions	2,763	17,966
Transfers from/to PP&E and Inventories	(3,549)	(19,286)
Value adjustments	(1,041)	-
Changes in fair value during the year	29,545	49,503
Balance on December 31	**754,571**	**726,852**

Investment property comprises primarily land plots held with the purpose of capital appreciation or land with undetermined future use.

Additions are mainly referring to architectural services for investment property under development – Aria Verdi project located on Bd. Barbu Vacarescu.

Transfers from inventory:
- RON 4,292 thousand are represented by the write off costs for the architectural works performed for the previous concept of the project to be located on the Ghencea land, the write-off was previously classified as inventory although the land was classified as investment property; the write-off costs decrease the overall value of investment property
- land related to auto wash station in amount of RON 741 thousand was transferred from inventories to Investment property, following the commissioning of the Greenfield Baneasa Teilor project.

Disposal in amount of RON 1,041 thousand represents the sale of a commercial property within Greenfield Baneasa.

Overall, the fair value of land presented as investment property, as well as buildings increased at the end of 2024, by RON 29,545 thousand, following the revaluation carried out by the external evaluator, Colliers Valuation and Advisory S.R.L.

Below you can find a breakdown of total properties included within investment property:

	31-Dec-24	31-Dec-23

	SQM	RON thousand	SQM	RON thousand
Greenfield Băneasa land (Bucharest)	193,311	267,661	193,311	259,651
Barbu Vacarescu land (Bucharest)	25,424	192,444	25,424	190,218
Blvd. Ghencea – Timișoara land (Bucharest)	258,895	180,442	258,895	164,011
Other (Neptun,Oradea)	62,022	8,643	62,472	8,135
Greenfield Plaza commercial property (land included)	21,521	105,384	21,521	104,838
Total	**561,173**	**754,574**	**561,623**	**726,852**

Compared with prior year, as at 31 December 2024 the breakdown of investment property has been reorganized in order to include all land and properties in investment property, as well as write downs, or investment property in progress, which relates to concept works done for potential future projects. During 2024 the breakdown included only the gross book value of the main land in investment property.

For the year 2024, the Company obtained rental income from investment property (Greenfield Plaza) in total value of RON 4,951 thousand. The operating expenses arising from the investment property that generated rental income are recovered through service charge from the tenants. No operating expenses were recorded for investment property that did not generate rental income. The value of the Greenfield Plaza building and corresponding land as at 31 December 2024 was RON 106,125 thousand (31 December 2023: RON 104,827 thousand).

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 classification criteria under IAS40 and as detailed in note 5 ii – Critical accounting judgements (transfer of assets both from and to investment property), the Company concluded that as at 31 of December 2024 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 28.

Valuation processes

The Company's investment properties were valued at as at 31 of December 2024 by independent professionals 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 31 of December 2024. 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

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

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 2024	Main parameters on 31st of December 2023
Greenfield Băneasa land	• Price offer per square meter for land used as comparable: from 149 EUR / sqm to 500 EUR / sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: from -59% discount to +90% Premium	• 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
Barbu Văcarescu land	• 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 -55% to +80% Premium	• 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
Blvd. Ghencea land	• Price offer per square meter for land used as comparable: from 170 EUR/sqm to 254 EUR/sqm • Observable offer price adjustments to reflect transaction prices, location, and condition: discount of -82% to value	• 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%

The Greenfield Plaza property has been revalued by Colliers, using the Discounted Cash Flow method. The main assumptions used are disclosed below:

	31-Dec-24	31-Dec-23
Discount rate	9.25%	9.25%
Vacancy rate	between 2% and 20%	between 2% and 20%
Rent (EUR/sqm)	between 1 and 150 EUR/sqm/month	between 1 and 55 EUR/sqm/month
Yield	7.50%	7.50%

The carrying value as at 31 December 2024 of the investment property (land and buildings) pledged is RON 379,896 thousands (31 December 2023: RON 339,947 thousands).

The investment property land held by the Company is located in Bucharest. The SQM prices differ depending on location, and size of the land. In particular, the land located in Barbu Vacarescu has significantly higher price compared with the rest of the land plots given its strategic location, within the most exclusive neighbourhood of the city.

10. PIPELINE PROJECTS

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle of its activity to be at 4 years. As such all of its inventory which is to be translated into revenue within less that year from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects. The classification of pipeline projects has been made in 2024 therefore the 2023 figures have been restated in order to present comparable amounts. Pipeline projects are comprised of land for development of future projects. Compared with 31 December 2023, in 2024 the land held for the development of Boreal Constanta Phase 2, has been transferred to inventories, as most of the corresponding inventory will be translated into revenue within less than 4 years.

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

	31-Dec-24	31-Dec-23	1-Jan-23
Greenfield Baneasa	31,293	27,147	27,147
Boreal Plus Constanta	-	6,934	6,934
	31,293	**34,081**	**34,081**

11. INVENTORIES

	31-Dec-24	31-Dec-23 *restated	1-Jan-23 *restated
Finished goods and other goods for sale	250,574	80,812	101,029
Work in progress residential developments:			
Land for development	35,383	52,387	54,845
Development and construction costs	85,201	331,759	239,450
	371,159	**464,958**	**395,324**

Inventories are represented by:

	31-Dec-24	31-Dec-23 *restated	1-Jan-23 *restated
Greenfield residential project	317,324	378,638	284,054
Constanta land and project	53,835	83,032	100,993
Others inventory	-	3,288	10,277
	371,159	**464,958**	**395,324**

Management estimates of inventories to be realized within less than 12 months, as well more than 12 months from the reporting date (31 December 2024) is disclosed below:

	To be realized within 12 months	To be realized within more than 12 months
Greenfield residential project	106,078	211,245
Constanta land and project	29,372	24,463
Total	**135,449**	**235,708**

Out of the total of RON 310,845 thousand in Greenfield Baneasa, a total of RON 106.078 is to be realized within 12 months, based on management estimates of the residential units to be sold. As regards to Constanta project, RON 29,372 thousand represents the value of inventories estimated to be realized within the next 12 months.

Lands with a carrying amount of RON 35.383 thousand as at 31 of December 2024 (31 December 2023: RON 52.387 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 250.574 thousand as at 31 of December 2024

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

(31 December 2023: RON 80,812 thousand) refer entirely to apartments held for sale by the Company.

Following the reception of the Greenfield Teilor project, which includes 732 apartments, 988 parking spaces, infrastructure and a thermal power plant, as at 31 December 2024, the project worth RON 265,393 thousand was moved from work in progress to finished products.

Cost of goods sold recognized during the period is RON 110,064 thousand (2023: RON 44,969 thousand).

The carrying value as at 31 of December 2024 of the finished goods inventories pledged is of RON 377,963 thousand (RON 144,077 thousand as at 31 December 2023). The significant increase is due to the reception of Greenfield Baneasa Teilor Project, which in prior year was under development.

Part of the Greenfield project (construction of the Teilor complex) is financed by OTP Bank. The capitalized interest during 2023 in the value of the projects is RON 9,664 thousand. The project was finalized and commissioned, therefore no interest was capitalized in 2024.

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 17.

12. INVESTMENTS IN SUBSIDIARIES

	31-Dec-24	31-Dec-23
Investments in subsidiaries	47,474	44.239
Impairment of investments in subsidiaries	-	(8.023)
	47,474	**36.216**

The Company holds interests in the following subsidiaries:

				31-Dec-24
	Percentage	Gross value	Impairment	Book value
Spatzioo Management	6.23%	3,345	-	3,345
Clearline Development and Management	100%	22,420	-	22,420
Bergamot Developments	100%	6,770	-	6,770
Bergamot Developments Phase II	100%	49	-	49
Impact Finance & Sales	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		**47,474**	**-**	**47,474**

	31-Dec-23

	Percentage	Gross value	Impairment	Book value
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 & Sales	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**

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 as well as commercial 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 27 of the Consolidated Financial Statements).

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 & Sales S.R.L. has a role in diversifying the range of services related to home sales. Impact Finance & Sales 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.

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

j) Impact Alliance Architecture 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.
l) Impact Alliance Moldova, a company having as main activity construction services. The company was set-up in 2023 but no share capital was paid in yet.

As at 31 of December 2024 the balance of investments in subsidiaries has increased by 31%, or RON 11,258 thousand due to the followings:

- reversal of impairment RON 8,023 thousand of the investment in Clearline following a favorable decision court in regarding the LOMB Cluj project – for more details, please see Note 28 Contingencies
- share capital increase of Spatzioo in value of RON 3,235 thousand. The share capital increase cleared the debt of Spatzioo against Impact.

13. TRADE AND OTHER RECEIVABLES

	Short term		Long term	
	31-Dec-24	**31-Dec-23**	**31-Dec-24**	**31-Dec-23**
Trade receivables	11,643	1,335		-
Receivables from related parties	8,061	20,280	71,150	62,143
Sundry debtors	5	2,857	-	-
Receivables from authorities	66	107	-	-
	19,775	**24,578**	**71,150**	**62,143**

Long-term receivables represent the balance of loans and their related interest granted by the Company to its subsidiaries. Details of the component of the amount in Note 29 – related party transactions.

As at 31 of December 2024, the Company did not have any pledge receivables, except for the rental income which is mortgaged in favor of First Bank. The average monthly value of these receivables is RON 260 thousand (excluding rental income from subsidiary Spatzioo for the Wellness Club).

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 26.

14. CASH AND CASH EQUIVALENTS

	31-Dec-24	**31-Dec-23**
Current accounts	37,630	35,726
Petty Cash	7	6
Cash advances	8	46
	37,644	**35,778**

Current accounts are held with Romanian commercial banks. Out of the total balance of cash, 9 thousand RON (31 December 2023: 9 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.).

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

15. SHARE CAPITAL

	31-Dec-24	31-Dec-23
Paid Share capital	591,235	591,420
Adjustments of the share capital (hyperinflation)	7,464	7,464
	598,699	**598,884**
Number of shares in issue at period end	**2,364,941,410**	**2,365,679,951**

The number of shares in issue changed during 2024, as such for 2023, the number of shares was restated for the purpose of the computation of the earnings per share. Please see Note 30 – Share based payments for more details.

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

	31-Dec-24	31-Dec-23
	%	**%**
Gheorghe Iaciu	58.03%	57.76%
Swiss Capital SRL	10.07%	11.83%
Legal persons	20.61%	19.96%
Other shareholders	11.29%	10.45%
	100.00%	**100.00%**

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.

During 2024 a total of 738,541 own shares have been cancelled, at nominal value of RON 184 thousand.

The Other reserves constituted for the Company are detailed below:

	31-Dec-24	31-Dec-23
Legal reserves	49,355	46,383
Statutory reserves	(4,871)	(4,871)
Other reserves	-	78
	44,484	**41,590**

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 2024. No dividends were distributed during the year ending 31 December 2023. The company has not declared dividends.

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%.

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

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 as at 31 of December 2024 and as at 31 of December 2023.

Debt to assets ratio as of 31 of December 2024 and 31 December 2023 are disclosed below:

Debt to assets ratio	**31-Dec-2024**	**31-Dec-2023**
Loans and borrowings	299,183	389,074
Less: cash and cash equivalents	(37,644)	(35,778)
Net debt	**261,539**	**353,296**
Total assets	1,385,605	1,428,708
Net debt to assets	**19%**	**25%**

16. OWN SHARES

	2024	**2023**
Balance as at 1 January	**268**	**268**
Own shares acquired	-	-
Own shares acquired and cancelled during the year	(268)	-
Share based payments	-	-
Balance as at 31 December	**-**	**268**

	2024 (no. of shares)	**2023 (no. of shares)**
Balance at 1 January	**738,541**	**738,541**
Purchase of own shares	-	-
Own shares cancelled during the year	(738,541)	-
Share-based payments	-	-
Balance at 31 December	**-**	**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.

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

As at 31 December 2024, the Company has own shares with an accounting value of RON 268 thousand (December 2023: 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 order for the shares to be granted, the Company must meet its overall budget plan for the year and the employees must be employed within the Company since more than 1 year. In 2024 and in 2023 the budget of the Company has not been met, therefore the Company is not liable for any share based payment. As such, no shares were granted to employees during 2023 or 2024.

17. 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.

	31-Dec-2024	31-Dec-2023
Non-current liabilities		
Secured bank loans	31,256	264,485
Issued bonds	87,178	72,537
Leasing	-	524
Total non-current liabilities	**118,435**	**337,546**
Current liabilities		
Secured bank loans	180,703	51,103
Short-term borrowings	46	46
Leasing	-	379
Total current liabilities	**180,749**	**51,528**

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

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

Lender	Currency	Maturity	Amount of the facility, in original currency	Balance at 31-Dec -24	Balance at 31-Dec-23
Loans and borrowings					
Private placement bonds	EUR	24-Dec-26	6,581	32,737	32,740
Credit Value Investments	EUR	02-Oct-27	8,000	39,793	39,423
Private placement bonds	EUR	28-Feb-27	3,000	14,649	-
Total bonds				**87,178**	**72,163**
Garanti BBVA	EUR	15-Jun-24	4,250		3,210
Garanti BBVA	EUR	30-Jun-24	4,500		6,396
Libra Internet Bank	EUR	05-Oct-24	4,000		1,813
Libra Internet Bank	EUR	05-Dec-25	1,900		7,287
OTP Bank	EUR	31-Mar-25	21,161	54,281	105,268
OTP Bank	EUR	30-Jun-24	4,000	-	4,708
OTP Bank	EUR	31-Mar-25	13,279	32,279	65,239
OTP Bank	EUR	30-Jun-24	2,000	-	1,514
TechVentures Bank	EUR	06-Jan-25	2,000		3,592
Alpha Bank	EUR	08-Jun-29	20,000	66,321	81,068
First Bank	EUR	29-Mar-29	3,500	13,234	16,695
First Bank	EUR	19-Apr-27	4,000	13,200	-
Libra Internet Bank	RON	15-Jun-26	14,000	-	1,778
Garanti BBVA	RON	31-Dec-26	17,395		17,394
Garanti BBVA	EUR	31-Dec-27	6,910	25,569	-
Total bank loans				**211,511**	**315,962**
Leasing					
Leasing	RON			-	903
Total Leasing				-	903
Interest				**494**	**46**
Total				**299,183**	**389,074**

	Bonds	Loans and borrowings	Leasing	Total
Balance at 1 January 2024	**72,209**	**315,962**	**903**	**389,075**
Draws	14,910	54,235	-	69,145
Payments	-	(158,630)	(907)	(159,537)
Interest expense	(8,301)	(22,301)	(27)	(29,784)
Interest paid	8,194	22,301	27	29,641
Withholding tax	553	-	-	553
FX differences	107	(56)	5	55
Balance at 31 December 2024	**87,672**	**211,511**	**-**	**299,183**

	Bonds	Loans and borrowings	Leasing	Total
Balance at 1 January 2023	**72,209**	**315,962**	**903**	**389,075**
Draws	39,346	135,538		174,884
Payments	-	(119,213)	(368)	(119,581)
Interest expense	(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	**72,208**	**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 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 May 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 center Greenfield Plaza. The value of the credit is EUR 3,500 thousand, with a maturity of 70 months from the granting.

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 IMPACT SA offered for subscription 80 Series IMP27 bearer bonds (the “Bonds”), each with a nominal value of EUR 100,000.00 (one hundred thousand euros) and an aggregate nominal value of EUR 8,000,000.00 (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. The coupon value is variable and the interest is 1 month EURIBOR+ 8.75%. The maturity date is 2 October 2027.

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.

The following facilities were contracted in February 2024:

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

- a loan denominated in RON from First Bank for the general financing of projects (working capital). The value of the loan is EUR 4 million, with a maturity of 3 years from the granting. Credit facility drawings started in April 2024.

- IMPACT SA 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.

In June 2024 the Company contracted a loan denominated in EUR from Garanti Bank for the general financing of projects (working capital). The value of the loan is EUR 6.9 million, with a maturity of 3 years from the granting. Credit facility drawings started in July 2024.

In December 2024 the Company contracted a loan denominated in EUR from Libra Bank for the general financing of projects (working capital). The value of the loan is EUR 7 million, with a maturity of 3 years from the granting. No drawings occurred as at 31 December 2024.

The bank loans of the Company are subject to financial covenants, such as Debt Service Coverage Ratio (DSCR), Loan to Value (LTV), Net Debt to Total Assets, Net debt to Equity. In case of breaching the financial covenants, the contracts include remedy period, margin increase or renegotiation of loan terms. All the financial indicators were met as of 31 December 2024 and as of 31 December 2023.

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. In 2024 the Company closed the leasing contracts and sold part of the cars.
The interest rate is fixed. Fixed instalments are paid throughout the duration of the contract.

18. TRADE AND OTHER PAYABLES

	31-Dec-24	31-Dec-23
Non-current liabilities		
Retentions owed to third party	6,857	6,203
	6,857	**6,203**
Current liabilities		
Trade payables	3,729	9,019
Related parties payables	5,341	28,435
Tax debt	4,730	3,285
Debt to employees	545	560
Other payables	31	1
	14,377	**41,300**
TOTAL	**21,235**	**47,503**

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

Contract liabilities (Advances from customers)	10,685	38,894
Deferred income	(59)	1,662
TOTAL	**10,627**	**40,556**

Contract liabilities has decreased as at 31 of December 2024, compared with 31 of December 2023 by RON 28,209 thousand, mostly due to the fact that in October the sales of the Greenfield Teilor project were started, therefore, the advances were reversed and revenues from the sales were recorded. Detailed information about Advances from clients are presented in Note 20.

Information related to the Company's exposure to exchange rate risk and liquidity risk related to trade and other liabilities is included in Note 26.

19. PROVISIONS FOR RISKS AND CHARGES

	Provisions for litigation	Other provisions	Total
Balance as at 1 January 2024	**271**	**16**	**287**
Provisions established during the period	-	-	
Provisions written back during the period	(156)	-	(156)
Balance at 31 December 2024	**115**	**16**	**131**

	Provisions for litigation	Other provisions	Total
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**

The provision amounting to RON 131 thousand as at 31 of December 2024 is represented by provision for untaken holidays.

20. REVENUES

Revenues of the Company:

	12M 2024	12M 2023
Revenue from sale of residential properties and land	150,795	52,348
Revenue from services	4,912	5,134
Revenue from customers	**155,706**	**57,482**
Rental income	7,232	4,053
Total	**162,938**	**61,534**

	12M 2024	12M 2023

Cost of goods sold	104,744	37,814
Services cost	2,863	5,943
Costs related to rental services	2,678	1,845
	110,285	**45,602**

As at 31 of December 2024, the Company had a balance of 125 pre-sale agreements, in total value of RON 71,318 thousand. All these apartments are finalized as at 31 December 2024 and are expected to be translated into revenues within the next period. For these pre-contracts, the clients have paid deposits in the amount of RON 10,685 thousand, which can be found under contract liabilities, in the statement of financial position.

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 project under development - Greenfield Baneasa (320 dwellings, RON 177,856 thousand package value) and 6% refer to completed project - Boreal Constanta (20 dwellings, RON 11,972 thousand package value). 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. Out of the total stock as at 31 December 2023, the balance of 20 Boreal apartments has been converted into sales by the end of 2024, while in Greenfield Baneasa, for which sales have started in October 2024, 201 agreements have been converted into revenue.

Sales breakdown by projects:

	12M 2024	**12M 2023**
Greenfield Baneasa	112,494	17,172
Boreal Plus Constanta	36,640	35,176
Other	1,661	-
	150,795	**52,348**

During 2024, Impact sold 271 units, represented by, 201 dwellings in Greenfield Baneasa, 63 dwellings and 4 houses in BOREAL Plus Constanta, as well as 3 other commercial spaces. The sold units generated corresponding revenues of RON 150,795 thousand.

During 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.

Revenue from rental is obtained from renting the commercial spaces within Greenfield Plaza community centre (RON 4,951 thousand in 2024 and RON 3,427 thousand in 2023) as well as from renting the apartments (RON 2,280 thousand and RON 626 thousand in 2023). The rented apartments are not held as investment property but held for sale in the ordinary course of business, given that the business model is make available to clients for sale all of the apartments.

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

21. EXPENSES BY NATURE

	31-Dec-24	31-Dec-23
Changes in inventories of finished goods and work in progress	95,187	36,502
Employee expenses	11,170	13,253
Consultancy	8,444	7,346
Infrastructure costs	9,015	3,071
Raw materials and consumables	7,296	7,303
Taxes	3,795	1,913
Depreciation and amortisation	2,317	1,098
Maintenance	1,832	1,207
Advertising	1,988	2,346
Disposal of assets	2,013	5,550
Rent expense	225	102
Other	1,096	1,103
Total	**144,379**	**80,794**

22. GENERAL AND ADMINISTRATIVE EXPENSES

	12M 2024	12M 2023
Consumables	2,160	681
Services provided by third parties	9,762	8,462
Staff costs	8,763	12,371
Depreciation	3,423	1,668
	24,108	**23,182**

23. OTHER OPERATING INCOME/EXPENSES

Other operating income:

	12M 2024	12M 2023
Other operating income	4,224	83
Net gain on disposal of PPE	775	4,893
Reversal of impairment of investments	8,023	-
Reversal of impairment of receivables	30	-
Compensation of write down of inventories	12,417	6,900
Reversal of impairment of inventory	1,491	1,341
Other compensations	-	3,600
	26,961	**16,817**

During 2024 the Company recorded RON 12,417 as compensation of write-down of inventories following the decision issued by the Court during the year on the Lomb project (for more details on the litigations please see *Note 28 – Contingencies*). Below you can find a breakdown of the amount registered by the Company:

- RON 7,219 thousand registered by Impact SA as interest and other compensations
- RON 5,198 thousand registered by Impact SA as compensation for the inventories written down

Furthermore, the Company registered a reversal of impairment of the investment in its subsidiary Clearline, as a result of the winning of the Cluj case.

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

Other operating expenses:

	12M 2024	12M 2023
Other operating expenses	28	153
Other tax expenses	3,795	1,913
Loss on disposal of PPE	2,013	5,550
Fine and penalties	187	80
Impairment of receivables	2,165	(1,423)
Value adjustment of PPE	-	1,863
Value adjustment of inventory	-	-
Sponsorship	-	26
	8,188	**9,774**

24.FINANCE (COST)/INCOME

	12M 2024	12M 2023
Interest expense	(30,103)	(18,609)
Foreign exchange loss	(1,502)	(8,294)
Other financial expenses	(2,691)	(1,241)
Total financial expenses	**(34,296)**	**(28,144)**
Interest income	4,473	4,260
Foreign exchange gains	1,148	8,614
Other financial income	50,445	3,770
Total financial income	**56,065**	**16,644**
Financial result, net	**21,769**	**(11,500)**

Compared with 2023, in 2024 the interest expense has increased by RON 11,494 thousand. This is due to the fact that interest of loans previously capitalized was charged to expenses during 2024 (there were no projects eligible for capitalization). Also, Financial income increased by RON 46,675 thousand, compared to the same period last year, mostly due to dividends from affiliated companies in the amount of RON 39,069 thousand.

25. INCOME TAX

(i) Taxes recognized in the profit and loss account

	12M 2024	12M 2023
Deferred income tax (expense)	7,255	6,931
Income tax (credit) / expense	1,340	-
Income tax expenses	**8,595**	**6,931**

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

(ii) Effective tax rate reconciliation

		12M 2024		12M 2023
Profit before tax		**96,835**		**35,561**
Income tax calculated using the entity's local tax rate (16%)	(16%)	(15,494)	16%	(5,690)
Non-deductible expenses and adjustments	(2%)	(1,486)	16%	5,057
Tax exempt income	11%	10,715	16%	(9,804)
Deferred tax differences	-	-	16%	17,368
Tax incentives	1%	1,247	16%	-
Current year losses for which no deferred tax asset is recognised	(4%)	(3,650)	16%	-
Changes in estimates related to prior years	0%	73	16%	-
	(9%)	**(8,595)**	**7%**	**6,931**

(iii) Cumulative temporary differences that generate deferred tax

		31-Dec-24		31-Dec-23
	Taxable base	**Tax amount**	**Taxable base**	**Tax amount**
	Taxable base	Tax amount	Taxable base	Tax amount
Tangible assets	-	-	(7,691)	(1,231)
Investment property	515,581	82,493	495,456	79,273
Inventories	-	-	-	-
Trade receivables and other receivables	(2,279)	(365)	(1,665)	(266)
	513,302	**82,128**	**486,100**	**77,776**
Tax losses that generated deferred tax	(5,961)	(954)	(24,103)	(3,856)
	507,342	**81,175**	**461,997**	**73,920**

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

(iv) Movements in deferred tax balances

	Balance at 01.01.2024	Recognized in the current result	Recognized in other elements of comprehensive income	Balance at 31-Dec-24 Net	Assets	Debt
2024						
Tangible assets	(1,231)	1,231	-	-	-	-
Investment property	79,273	3,220	-	82,493		82,493
Trade receivables and other receivables	(266)	(98)	-	(365)	(365)	-
Inventories	-	-	-	-	-	-
Fiscal losses that generate deferred tax	(3,856)	2,903	-	(954)	(954)	-
(Receivables)/ net tax liabilities	**73,920**	**7,255**	**-**	**81,175**	**(1,318)**	**82,493**

	Balance at 01.01.2023	Recognized in the current result	Recognized in other elements of comprehensive income	Balance at 31-Dec-23 Net	Assets	Debt
2023						
Tangible assets	(223)	(1,008)	-	(1,231)	(1,231)	-
Investment property	84,912	(5,639)	-	79,273	-	79,273
Trade receivables and other receivables	(774)	573	-	(266)	(266)	-
Inventories	(2,343)	2,343	-	-	-	-
Fiscal losses that generate deferred tax	(656)	(3,200)	-	(3,856)	(3,856)	-
(Receivables)/ net tax liabilities	**80,916**	**(6,931)**	**-**	**73,920**	**(4,123)**	**79,273**

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

26.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:

	Note	31-Dec-24	31-Dec-23
Trade receivables and other receivables	14	90,859	81,334
Cash and cash equivalents	15	37,644	35,778
		128,503	**117,112**

Reconciliation of trade receivables disclosed above with balance sheet trade receivables:

	31-Dec-24	31-Dec-23
Trade receivables disclosed for credit risk	90,859	81,334
Receivables from tax authorities	66	106
	90,925	**81,440**

Trade receivables and other receivables

The Company is not exposed to any concentration of credit risk.

Expected credit loss on trade receivables are measured by applying the simplified model according to IFRS

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

9. The Company uses a provision matrix by applying segmentation to capture the significantly different historical credit loss experience for different customer segments. The provision matrix is based on historical loss experience but is also adjusted to reflect information about current conditions and reasonable and supportable forecasts of future economic conditions. Furthermore, the Company's exposure to credit risk is mainly influenced by the individual characteristics of each customer. However, management also considers the demographic characteristics of the Company's customer base, including the non-payment risk characteristic of the field of activity and that of the country in which the customer operates, given that all these factors influence credit risk.

To monitor the credit risk related to customers, the Company monitors payment delays monthly and takes measures deemed necessary, on a case-by-case basis.

The Company establishes an allowance for impairment which represents its estimates of losses on trade receivables and other receivables (see Note 14).

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

	31-Dec-24	**31-Dec-23**
Romania	90,859	81,334
	90,859	**81,334**

Impairment losses

The debt aging situation at the reporting date was:

			31-Dec-24			**31-Dec-23**
	Gross amount	**Adjustment for impairment**	**Net amount**	**Gross amount**	**Adjustment for impairment**	**Net amount**
Did not reach the maturity date	85,385	-	85,385	72,514	-	72,514
Remaining between 1-30 days	1,553	-	1,553	2,504	-	2,504
Remaining between 31–90 days	990	-	990	2,252	-	2,252
Remaining between 91–120 days	66	-	66	2,661	-	2,661
Remaining between 121–365 days	1,529	(405)	1,124	1,403	-	1,403
Arrears of more than one year	3,616	(1,874)	1,742	2,806	(2,806)	-
	93,138	**2,279**	**90,859**	**84,140**	**(2,806)**	**81,334**

Impairment losses as of 31 December 2024 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.

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

Cash and cash equivalents

As at 31 of December 2024, the Company held cash and cash equivalents in amount of RON 37,644 thousand (31 December 2023: RON 35,778 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.

Liquidity risk

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:

31-Dec-24	Accounting value	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Loans	299,183	299,183	128,213	50,539	120,430	-
Trade debts and other debts	16,505	16,505	9,647	6,857	-	-
	315,688	**315,686**	**137,861**	**57,396**	**120,430**	**-**
Estimates of future interest	41,098	41,098	15,692	13,489	11,917	-
Total	**356,786**	**356,784**	**153,552**	**70,885**	**132,347**	**-**

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**

Reconciliation of trade payables disclosed above with balance sheet trade payables:

	31-Dec-24	31-Dec-23
Trade payables exposed to liquidity risk	16,505	44,218
Payables to state authorities	4,730	3,285
	21,235	**47,503**

(b) 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.

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

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.

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

	31-Dec-24	31-Dec-23
Monetary assets		
Trade receivables and other receivables	-	-
Cash and cash equivalents	14,222	13,463
	14,222	**13,463**
Monetary debts		
Loans and borrowings	292,063	368,953
Trade debts and other debts	-	406
	292,063	**369,359**
Net exposure	**(277,841)**	**(355,896)**

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:

	31-Dec-24	12M 2024	31-Dec-23	12M 2023
EUR	4.9741	4.9746	4.9746	4.9464

Sensitivity analysis

A 10% appreciation / depreciation of the Romanian leu against the following foreign currencies as at 31 of December 2024 and as at 31 of December 2023 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.

		31-Dec-24				31-Dec-23
	Book value	**Effect of depreciation**	**Effect of appreciation**	**Book value**	**Effect of depreciation**	**Effect of appreciation**
Monetary assets and liabilities	(277,841)	(27,784)	27,784	(355,896)	(35,590)	35,590

Interest rate risk

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

	31-Dec-24				31-Dec-23			
	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	90,859	-	56,101	34,758	81,334	-	55,796	25,538
Cash and cash equivalents	37,644	-	-	37,644	35,778	-	35,778	-
	128,503	**-**	**56,101**	**72,402**	**117,112**	**-**	**91,574**	**25,538**
Monetary debts								
Loans and borrowings	292,063	244,677	47,386	-	388,171	355,385	32,740	-
Leasing					903	-	903	-
Trade debts and other debts	16,505	-	-	16,505	47,378	-	-	47,378
	308,567	**244,677**	**47,386**	**16,505**	**436,406**	**355,385**	**33,643**	**47,378**

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:

Fixed rate instruments	**31-Dec-23**	**31-Dec-22**
Assets	93,745	91,574
Debts	47,386	(33,643)
	46,360	**57,931**
Variable rate instruments		
Debts	244,677	(355,385)
	(244,677)	**(355,385)**

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 2,447 (2023: 3,554). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain unchanged.

	Profit / (Loss)	
31 December 2024	**100 bp increase**	**100 bp decrease**

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

Variable rate instruments	2,447	(2,447)

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

27. CAPITAL COMMITMENTS

As at 31 December 2024 respectively 31 December 2023, 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 20 – Revenues, for more details on pre-sale agreements).

28. 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 as well as the legal advisors, 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 & Contractor 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 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.

On April 23, 2024, the Cluj Court of Appeal issued Decision 198, as follows:

"*Admits the appeal declared by the appellant, the plaintiff Impact Developer & Contractor S.A. contrary to the respondents Cluj-Napoca Municipality and the Local Council of Cluj-Napoca Municipality, against civil sentence no. 2013/23.12.2020 and civil sentence no. 381/24.02.2021, both pronounced by the Cluj Specialized Court in file no. 79/1285/2012, which it changes in everything, in the sense that: Admits the request for summons, as stated, formulated by the appellant plaintiff Impact Developer & Contractor S.A. in contradiction with the defendants Cluj-Napoca Municipality and the Local Council of Cluj-Napoca Municipality and, consequently: Orders the termination of framework contract no. 55423/04.07.2007 concluded between the Local Council of the Municipality of Cluj-Napoca and the company Impact Developer & Contractor S.A. Obliges defendants to pay to the company Impact Developer & Contractor S.A. of the amount of RON 4,597,447.38 as compensation, as well as the payment of the related legal interest in the amount of RON 5,454,461.52 calculated for the period 01.09.2010-13.09.2022, with the related legal interest to be calculated further until the effective payment of the main debt. It obliges the defendants to pay to the Company the amount of RON 291,675.57 as legal expenses incurred on the merits. It obliges the defendants to pay to the Company the sum of RON 58,089.79 as court costs on appeal.*"

The decision is final and enforceable.

The Municipality of Cluj-Napoca and the Local Council of the Municipality of Cluj-Napoca filed an appeal against the Decision.

At the deadline of October 31, 2024, the High Court of Cassation and Justice issued Decision 1966, as follows:

"Rejects the appeal declared by the appellants-defendants Local Council Of Cluj-Napoca Municipality and Cluj-Napoca Municipality against civil decision no. 198/2024 of April 23, 2024, pronounced by the Cluj Court of Appeal – Civil Section II, as unfounded. Rejects the appeal declared by the appellant-plaintiff Impact Developer & Contractor S.A. against the same decision, as inadmissible. Order the appellants-defendants Local Council Of The Cluj-Napoca Municipality and the Cluj-Napoca Municipality to pay the sum of 22,195.58 lei, as court costs, to the appellant-plaintiff Impact Developer & Contractor S.A. "

The decision is irrevocable. As a result of the decision, the defendant paid to the Company a total amount of RON 11,945,625 which is represented by RON 4,597,116 damages and RON 6,976,548 interest expense. Following the above mentioned transaction, the Company has registered within Other operating income the following amounts: RON 7,219 thousand as interest and other compensation, RON 5,198 thousands as compensation fro impairment of inventories and RON 8,023 as Reversal of impairment of investments.

b) Litigation initiated by EcoCivica Foundation

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.

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

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, cancelling some preliminary approvals, cancelling works.

At the trial from 31 of May 2024, the court remained in judgment on the exceptions invoked by Impact.

On 14 August 2024, the Court ruled on a number of exceptions (defences in a civil action) raised by the Company and the defendants in the case.

The Court ruled that the claims filed by EcoCivica Foundation for the suspension and annulment of the Construction Permits were time-barred and were dismissed as time-barred, while the claims filed by the other plaintiffs for the suspension of the Construction Permits were dismissed as lacking object. Environmental Permit 01/16.05.20 remains valid and has full legal effects.

The Court set a date of 11 April 2025.

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 and registered in the Land Registry. Therefore, no provision has been registered in respect of the litigation, as at 31 December 2024.

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 in 2018 and to definitively open public access between Alley Privighetorilor and Drumul Pădurea Pustnicu. The specified road is used by the community of Grenfield Baneasa to facilitate the access within neighbourhood.The next term is set for the 01 April 2025.

29. 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
Spatzioo Management SRL	Romania	Property management

Bergamot Developments SRL	Romania	Real estate development
Bergamot Developments Phase II SRL	Romania	Real estate development
Impact Finance & Sales 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 12 months period ended 31 of December 2024, as well as at year ended 31 of December 2023.

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. As at 31 of December 2024 the loan was fully reimbursed.

Centralized balances	**31-Dec-24**	**31-Dec-23**
Trade receivables	776	1,342
Interest related to loans	15,049	12,188
VAT – fiscal group	6,473	6,750
Dividends to be collected	812	-
Receivables - current	**23,921**	**20,280**
Trade liabilities	(746)	(1,174)
Other debts	(6,472)	(27,261)
Trade liabilities - current	**(7,218)**	**(28,435)**
Loans granted to subsidiaries	56,101	55,796
Share capital decrease (Bergamot Developments)	-	6,348
Receivables – long term	**56,101**	**62,144**
Net exposure	**70,862**	**53,989**

Centralized transactions	**12M 2024**	**12M 2023**
Revenues from dividends	50,445	3,770
Revenues from services	2,766	2,553
Revenues from interest	4,140	4,209
Acquisition of goods and services	(1,767)	(90,074)
Interest costs	(459)	-
	55,124	**79,542**

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

Sales of goods and services	Transactions for the 12 months period ended 31-Dec -24	31-Dec -23	Balance as at 31-Dec-24	31-Dec-23
Subsidiaries				
Spatzioo Management S.R.L.	2,471	2,505	776	1,340
Clearline Development and Management	8	6	-	-
Bergamot Developments	8	6	-	-
Bergamot Developments Phase II	8	6	-	-
Impact Finance & Sales	8	6	-	-
Greenfield Copou Residence	7	6	-	1
Greenfield Copou Residence Phase II	7	6	-	-
Greenfield Property Management	8	6	-	-
Aria Verdi Development	8	6	-	1
Impact Alliance&Arhitecture	-	-	-	-
R.C.T.I. Company	234	-	-	-
	2,766	**2,553**	766	**1,342**

Acquisition of goods and services	Value of the transaction for the 12 months period ended 31-Dec-24	31-Dec-23	Balance as at 31-Dec-24	31-Dec-23
Subsidiaries				
Spatzioo Management SRL	1,666	1,024	2	1,010
R.C.T.I. Company	102	90,074	743	164
	1,767	**91,098**	**746**	**1,174**

Granted loans	Balance as at 31-Dec-24	31-Dec-23
Subsidiaries		
Clearline Development and Management	712	462
Bergamot Developments Phase II	4,699	7,299
Greenfield Copou Residence	50,476	48,035
Greenfield Copou Residence Phase II	22	-
Aria Verdi Development	32	-
Impact Finance	145	-
Greenfield Property Management	15	-
	56,101	**55,796**

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

Interest receivables	**31-Dec-24**	**Balance as at 31-Dec-23**
Clearline Development and Management	77	40
Bergamot Developments Phase II	1,702	2,590
Greenfield Copou Residence	13,269	9,558
	15,049	**12,188**

Interest income	**Value of the transaction for the 12 months period ended 31-Dec-24**	**31-Dec-23**
Subsidiaries		
Clearline Development and Management	37	24
Bergamot Developments Phase II	391	579
Greenfield Copou Residence	3,713	3,606
	4,140	**4,209**

Dividends received	**Value of the transaction for the 12 months period ended 31-Dec-24**	**31-Dec-23**
Subsidiaries		
R.C.T.I. Company	2,727	-
Bergamot Developments Phase II	7,722	-
Bergamot Developments	39,996	3,570
Impact Finance	-	200
	50,445	**3,770**

Loans received from subsidiaries	**31-Dec-24**	**Balance as at 31-Dec-23**
Clearline Development and Management	1,130	1,130
R.C.T.I. Company	-	3,700
	1,130	**4,830**

Interest expense	**Value of the transaction for the 12 months period ended 31-Dec-24**	**31-Dec-23**
R.C.T.I. Company	459	-
	459	**-**

Other debts	**31-Dec-24**	**31-Dec-23**
Greenfield Copou Residence	54	65
Bergamot Developments	1,216	1,334
Bergamot Developments Phase II	3,605	3,803
Spatzioo Management	157	163
R.C.T.I. Company	1,549	1.385

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

Total	**6,473**	**6,750**

VAT Group transactions	**31-Dec-24**	**31-Dec-23**
Bergamot Developments Phase II	4,535	7,482
Bergamot Developments	1,937	15,600
R.C.T.I. Company	-	3,747
Greenfield Copou Residence	-	187
Spatzioo Management	-	245
Total	**6,472**	**27,261**

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 2024 was as follows:

	31-Dec-24 RON	**31-Dec-23 RON**
Short-term employee benefits	2,317,272	2,841,177
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
Total	**2,317,272**	**2,841,177**

The remuneration of the administrators, for the period ending as at 31 December 2024, is approved by the General Meeting of Shareholders.

c) Transactions with shareholders

In 2024, the Company did not declare or pay dividends to its shareholders.

The following transactions were concluded in 2024 with the majority shareholder or related party of Impact SA:

- RON 10,302 thousand transaction with Stegar Investment SRL (company controlled by Gheorghe Iaciu), for the acquisition of 19 residential units and corresponding parking spots in Boreal Plus Constanta

30. 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

2024 or in 2023.

31. AUDITOR OF THE COMPANY

KPMG Audit SRL was appointed by the decision of the General Meeting of Shareholders dated 29 April 2024, to audit the financial statements for 2024, 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 2024 the statutory auditor KPMG Audit SRL had a contractual statutory audit fee of EUR 140,400 (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 2024. Those services were valued at EUR 5,000 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.

In 2023 the statutory auditor of the Company was Ernst & Young Assurance Services SRL, which had a contractual statutory audit fee of EUR 126,200 (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, 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.

32. SUBSEQENT EVENTS

a) Closing of the OTB Bank loan facility

On 28 February 2025, IMPACT SA has closed the OTP Bank project loan contracted for the development of the Greenfield Baneasa Teilor project. As at 31 December the bank loan balance was of RON 86,560 thousand. The loan was fully reimbursed one month in advance of its maturity date.

b) Utilisation of the Libra Bank loan

The Libra Bank credit facility of EUR 7,000 thousand, which was signed in December 2024 by the Company, has been fully utilised on 28 February 2025, for in order to complete the necessary amount for the closing of the OTP Bank credit facility.

c) Loan facility from the majority shareholder

A loan facility in amount of RON 15,000 thousand has been provided by Gheorghe Iaciu, the majority shareholder of the Company in February 2025. The facility has a 1 year maturity and a fixed interest rate of 6.95%. An amount of RON 8,000 thousand has been used up to date, for working capital needs.

d) Closing of an intercompany loan facility

On 18 March 2025 the loan facility provided by the Company to one of its subsidiaries Bergamot Developments II, has been fully reimbursed. The outstanding amount as at 31 December 2024 was RON 4,699,407.

The standalone financial statements have been authorized for issue by the management on 29 March 2025 and signed on its behalf by:

Iuliana Mihaela Urda	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

Translation from Romanian

STATEMENT

pursuant to provisions under art.30 in Accounting Law no.82/1991

the annual financial statements had been drafted on 31/12/2024 for :

Entity: IMPACT DEVELOPER CONTRACTOR SA

County: 40--BUCHAREST

Address: Drumul Padurea Mogosoaia 31-41, Bucharest, 1st District, phone no. 0212307570

Trade Registry order number: J40/7228/2018

Ownership: 34—Stock company

Main activity (NACE code and class denomination): 4110—Real Estate Development(promotion)

Sole Registration Code: 1553483

The undersigned, Mihaela Iuliana Urda,

pursuant to art.10 par.(1)in Accounting Law no.82/1991, holding the position of President of the Board of Directors of SC Impact Developer& Contractor hereby take responsibility for the preparation of the annual individual financial statements as of 31/12/2024 and hereby confirm the following:

a) The accounting policies used in the preparation of the annual financial statements are compliant with the applicable accounting regulations.

b) The annual financial statements provide an accurate overview on the financial position, financial performance and the other information relating to the carried out activity.

c) The legal entity carries out its activity under continuity conditions.

Signature

AFFIDAVIT

The undersigned, Mihaela Iuliana Urda, in capacity of Chairman of the Board of Directors, Dan Sebastian Campeanu, in capacity of General Manager and Claudiu Bistriceanu, in capacity of Chief Financial Officer of Impact Developer & Contractor S.A. (hereinafter referred to as the „Company"), in consideration of the provisions of art. 63 of Law no. 24/2017 regarding issuers of financial instruments and market operations and art. 223 of the ASF Regulation no. 5/2018 regarding issuers and securities related operations,

hereby declare that, to the best of our knowledge, the annual (individual and consolidated) financial statements on December 31, 2024, prepared in compliance with the applicable accounting standards offer an accurate and true image of the assets, liabilities, financial standing, profit and loss account of the Company and, respectively, of its subsidiaries included in the process of consolidation of the financial statements, and the Reports of the Board of Directors (on the consolidated financial statements prepared in accordance with the International Financial Reporting Standards as laid down by the Order of the Ministry of Public Finance no. 2844/2016 with all subsequent amendments) comprise a correct analysis of the Company's and its subsidiaries development and performance, as well as a description of the main risks and uncertainties specific to the performed activity.

President of the Board of Directors
Mihaela Iulia Urda

General Manager
Dan Sebastian Campeanu

Chief Financial Officer
Claudiu Bistriceanu