

IMPACT DEVELOPER & CONTRACTOR

QUARTER 1 REPORT — 2025 —



IMPACT

www.impactsa.ro

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IMPACT'S PURPOSE

WHO WE ARE

The longest running real estate developer, with **33 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 complex** and **the first real estate company listed on the Bucharest Stock Exchange** 28 years ago.

CREATOR OF SUSTAINABLE AND INTEGRATED 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 of large dimensions, 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:

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 develop residential projects that prioritize quality, comfort and safety. We are motivated not only by building homes, but also to create spaces that people can call "home" since the first day and for generations.



Q1 2025 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: Spazioo Management SRL
 - Financial intermediation: Impact Finance & Sales SRL

Financial

- Residential: 87 sold units in Q1 2025 with total sales value of 55.1 mRON
- Construction and other services: 30.5 mRON
- Rental : 1.4 mRON

Equity

969 mRON

Equity adjusted to fair value*

1,277 mRON

Sales

86.9 mRON

Gross Profit

22.7 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.*

FINANCIAL AND OPERATIONAL PERFORMANCE



FINANCIAL AND OPERATIONAL

- The Group sold 87 dwellings during the first 3 months of 2025, in total value of approximately EUR 10.93 million, with 235% increase compared to first 3 months of 2024. The significant increase in sales is a result of the delivery of the newly commissioned dwellings in Greenfield Baneasa.
- The gross margin of the group was maintained constant, to 26% during the first 3 months of 2025, while the gross profit registered at consolidated level was of RON 22.21 million.
- The net asset value as at 31 March 2025 was RON 969 million, while the value adjusted to market value was RON 1,277 million.
- The leverage ratio kept its downwards trend, decreasing from 22% as at 31 December 2024 to 18% as at 31 March 2025, in line with the decrease in loans balance RON 78.9 million.
- **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 the reporting date, IMPACT has building permit for 1,961 units, with a market value estimated by management to EUR 284 million.

PROJECT PORTFOLIO

GREENFIELD BANEASA - BUCHAREST



+6,600 units

COMPLETED UNITS	3,418
SOLD UNITS AT 31.03.2025	2,948
UNDER CONSTRUCTION UNITS	435
PIPELINE UNITS	2,796
GBA 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.

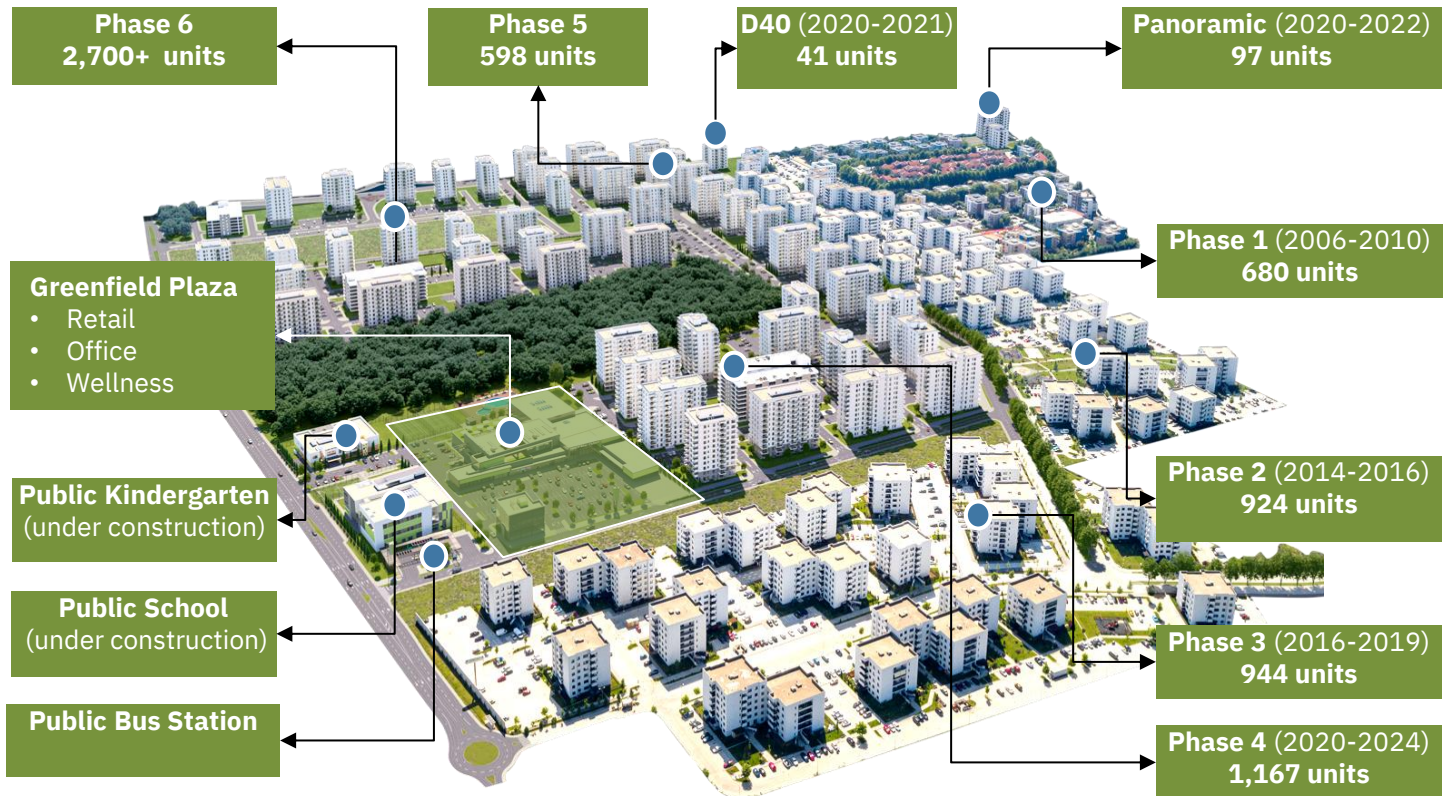
The concepts for projects for which the building permits have not been obtained, and thus also related GBA and number of units are regularly reviewed in order to secure the best use of the land.

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



Awards

- **2021** – *The Residential Project of the Years at SEE Property Forum*
- **2019** – *“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*

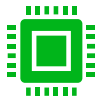
PROJECT PORTFOLIO

GREENFIELD 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 Q1 2025, of the 1,167 units with building permit, 732 were completed and in progress of delivery to clients, 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 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 31.03.2025	601
GBA (sqm)	66,400
CONSTRUCTION START	2018
CONSTRUCTION DELIVERY (final phase)	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.

98% contracted as at 31st of March 2025, **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 most attractive ones, 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.

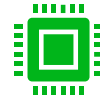
Located between Herastrau, Kiseleff and Bazilescu parks, **LUXURIA Residence** is a *park between parks*.



ESG

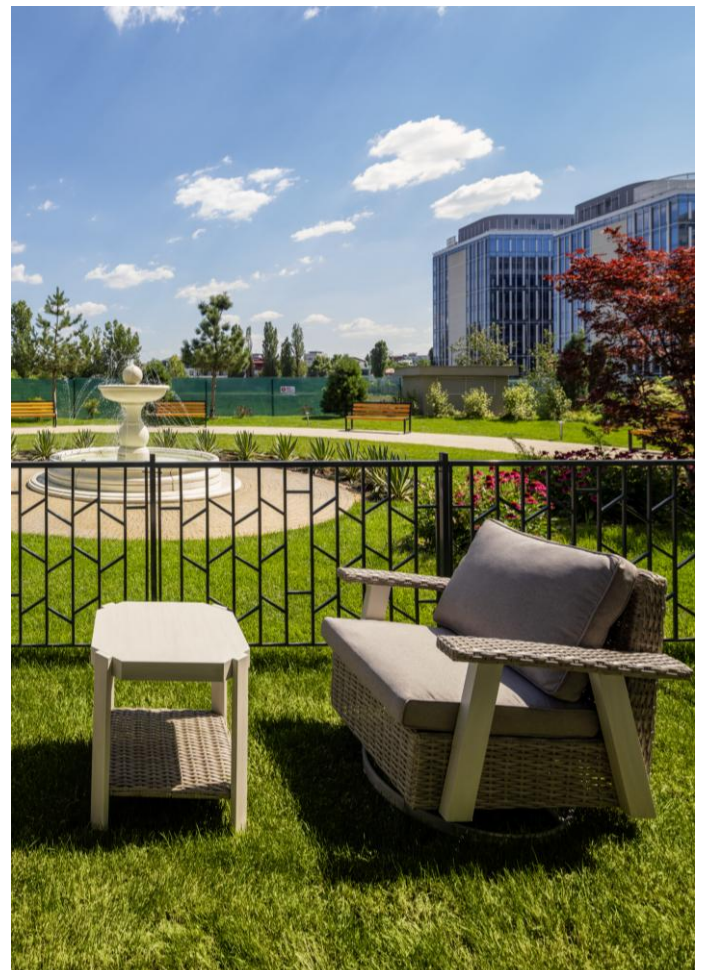
LUXURIA is the first residential complex in the country with BREEAM Excellent certificate, which certifies the quality and sustainability of buildings, as well as the reduced impact on the environment. With a focus on reducing pollution, increasing residents' well-being and minimizing energy consumption,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



FACILITIES

LUXURIA Residence brings together a mix of facilities difficult to find in the city, 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.



PROJECT PORTFOLIO

BOREAL PLUS - CONSTANȚA



691 units

COMPLETED UNITS	227
SOLD UNITS at 31.03.2025	154
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 construction

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.

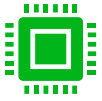


PERMITS

- 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 December 2022.

PROJECT PORTFOLIO

BOREAL PLUS - CONSTANȚA



FACILITIES

With panoramic views of the Black Sea and Lake Siutghiol, the apartments 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

1,062 units



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 apartments 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

Apartments designed to BREEAM Excellent and nZEB standards

- All buildings will be built following the green certification criteria, BREEAM Excellent;
- The new buildings 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.

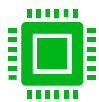


PERMITS

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

Apartments designed to BREEAM Excellent and nZEB standards

- All buildings are built following the green certification criteria, BREEAM Excellent;
- The new buildings 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** will be 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, logistic and commercial 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.

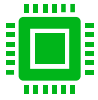


PERMITS

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 14,000 sqm community center

- 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

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

Gated community:

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



ESG

Apartments designed to BREEAM Excellent and nZEB standards

- All buildings are built following the green certification criteria, BREEAM Excellent;
- The new buildings 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

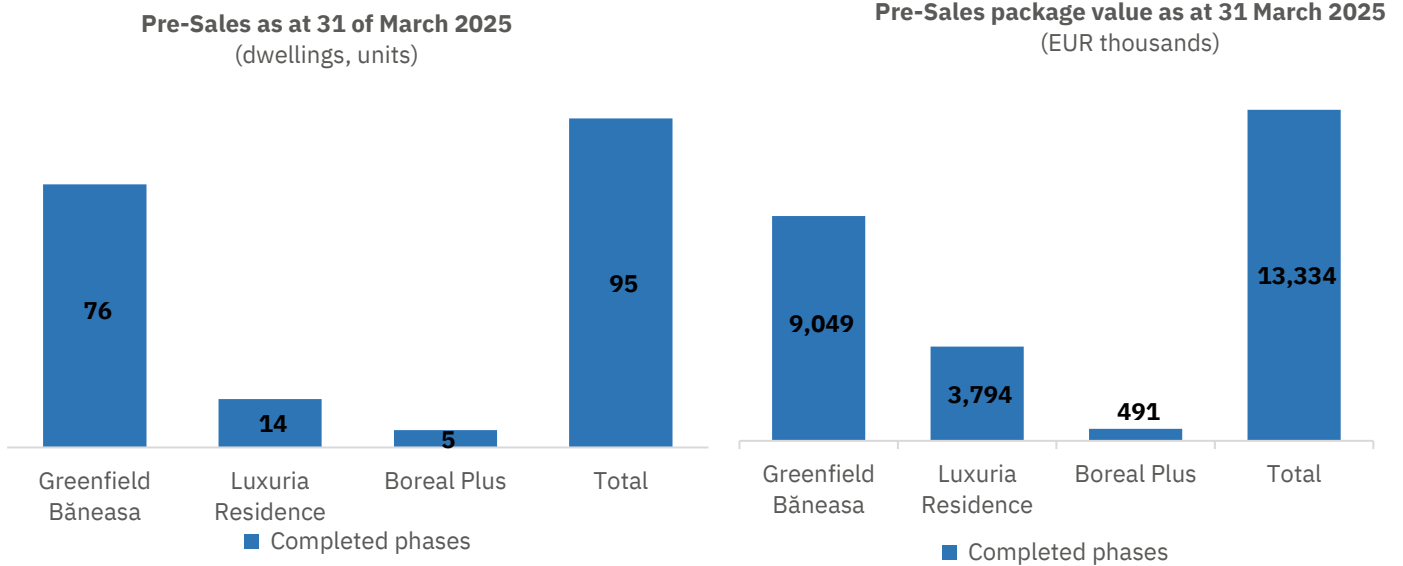
Green mobility

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



IMPACT'S ACTIVITY DURING FIRST 3 MONTHS 2025

PRE-SALES AS AT 31 OF MARCH 2025

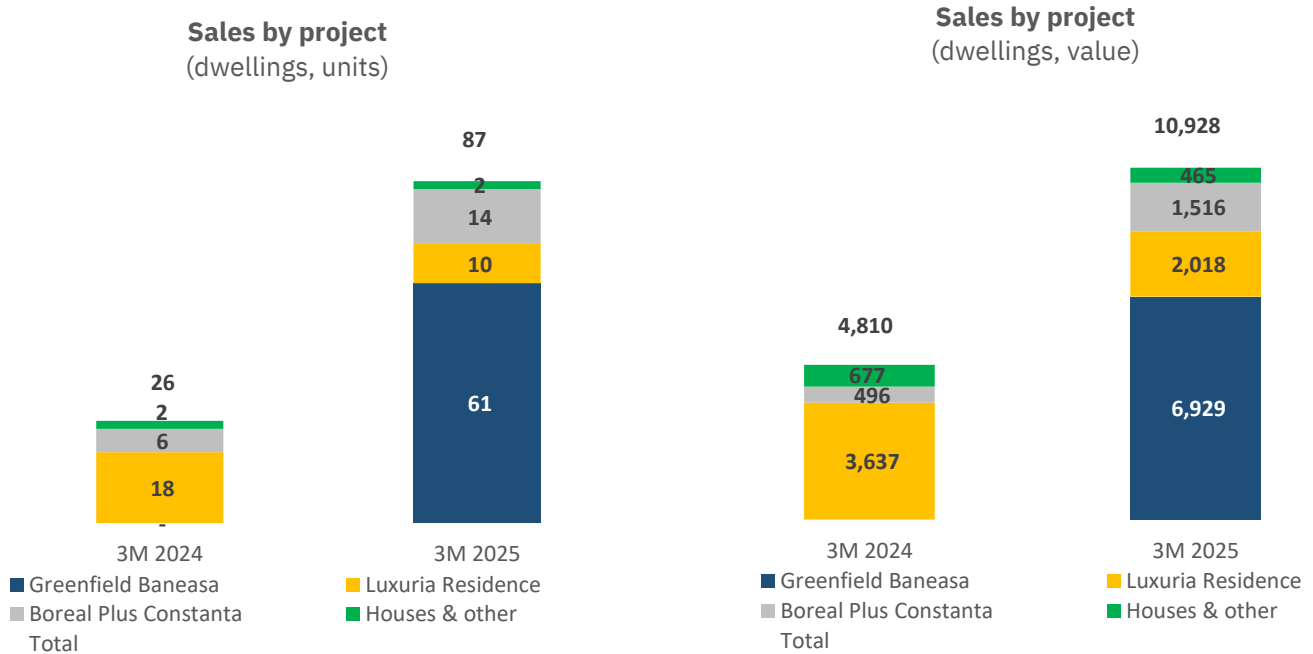


As at 31 of March 2025, IMPACT had 95 dwellings pre-sold and reserved with a package value of EUR 13.33 million, referring to completed projects. Out of the total of 95 dwellings pre-sold, 76 have been commissioned in September 2024 (Greenfield Baneasa) and as at 31 March 2025 are in progress to be sold, while the remaining 19 dwellings refer to projects finalized in prior years (Luxuria Residence, Boreal Plus).



ACTIVITY OF IMPACT IN THE FIRST 3 MONTHS OF 2025

SALES



During the first 3 months of 2025 the group sold 87 units in total value of EUR 10,93 million, increased by 235% compared to the first 3 months of 2024. The significant increase in volume as well as value is mostly due to the sales recorded in **GREENFIELD Băneasa**, following the commissioning in Q3 2024 of the fourth phase of development. Also, the sales in **BOREAL Plus** increased in Q1 2025, demonstrating a positive interest in the project. In **LUXURIA Residence**, 95% of the project has been sold up to the reporting date.

3M 2025: 87 units, out of which 61 dwellings in **GREENFIELD Băneasa**, 10 dwellings in **LUXURIA Residence** and 14 dwellings, as well as 2 villas in **BOREAL Plus** and other commercial spaces (6,880 sqm built saleable area plus related parking spots, storage and court yards).

3M 2024: 26 units, out of which 6 dwellings and 2 houses in Boreal Plus and 18 dwellings in **LUXURIA Residence** – 2,709 sqm built saleable area plus related parking spots, storage and court yards.



ACTIVITY OF IMPACT IN THE FIRST 3 MONTHS OF 2025

COMPLETED DWELLINGS AS OF 31 OF MARCH 2025

Project	Total Apartments	Sales & Pre-Sales		Available for sale
	units	units	%	units
Luxuria Residence	630	615	98%	15
Boreal Plus	209	141	67%	68
Boreal Plus (Villas)	18	18	100%	-
Greenfield Baneasa	732	338	46%	394
Total	1,589	1,112	70%	477

As at **31 March 2025**, approximately **70%** of completed units were contracted (considering both sales and pre-sales). The villas within Boreal Plus Villas have been fully contracted by 31 March 2025 while, Luxuria Residence is estimated to be fully sold by the end of 2025.

PHASES WITH BUILDING PERMIT AS AT 31 OF MARCH 2025

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 of March 2025, **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 THE FIRST 3 MONTHS OF 2025

LAND OWNED AS AT 31 OF MARCH 2025

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	383.9	82.5
Bldv. Timișoara - Ghencea	Bucharest	Greenfield West	25.9	180.4	36.2	180.4	36.2
Barbu Văcărescu	Bucharest	Aria Verdi	2.5	189.8	38.1	189.8	38.1
Zenit	Constanta	Boreal Plus	3.3	7.3	1.7	37.0	7.4
Iași	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	4.2	0.8	4.2	0.8
Total			84.1	757.5	152.5	862.9	178.7

Note 1: The market value as at 31.03.2025 was considered based on the revaluations performed by Colliers Valuation and Advisory as at 31 December 2024 (the investment value and the market approach where the investment value has not been determined).

Note 2: The FX rate used to translate the RON denominated amounts in EUR – 4.9771 RON/EUR

As at 31.03.2025, **IMPACT** owned **84.1** ha of land with a book value of **RON 757.5 million**, land mainly intended for the development of new projects and related to infrastructure.

NET ASSET VALUE

	<i>RON thousands</i>	<i>RON thousands</i>	<i>RON thousands</i>
	31-Mar-25	31-Dec-24	31-Dec-23
IFRS net assets	969,435	965,036	917,590
Include*:			
ii) Revaluation of other non-current assets	20,117	20,085	19,271
ii) Revaluation of inventory	287,334	321,123	356,034
Net assets at fair value	1,276,887	1,306,244	1,292,895

The net asset value as at 31 March 2025 was RON 969 million, while the value adjusted to market value was RON 1,277 million. The value not reflected within the IFRS financial statements is in total amount of RON 308 million. 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.

ACTIVITY OF IMPACT IN THE FIRST 3 MONTHS OF 2025

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 Developer & Contarctor S.A. is the Defendant, the Claimants being the Eco Civic Association and three natural persons from outside the Greenfield Baneasa 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 Teisani - Drumul Padurea 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. Based on the acts mentioned above, the fourth development phase of Greenfield Baneasa has been developed.

On 14.08.2024, the Court ruled the 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 trial continued, and on 11.04.2025, the court spoke on the merits of the case. After the debates, the court remained in judgment. The pronouncement was successively postponed until 09.05.2025.

The management appreciates that the entire approval and authorization process, both of the Zonal Urban Plan and of the building permits whose cancellation is requested, was carried out legally, in compliance with the requirements

imposed by the competent authorities through the town planning certificates issued. Also, the building works were executed in accordance with the legal provisions and the conditions established by the building permits, an aspect confirmed by the conclusion of the minutes of reception together with the authorities and entities involved, including the City Hall Sector 1. The buildings were commissioned and have already been introduced into the civil circuit (sold to clients). Consequently, management did not consider it necessary to set up a provision related to this litigation on 31 March 2025.

ACTIVITY OF IMPACT IN THE FIRST 3 MONTHS OF 2025

LEGAL ASPECTS

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

On January 19, 2023, IMPACT registered an action against the Bucharest City Hall, the District 1 City Hall and the Romsilva National Forestry Authority at the Bucharest Court - Section II Administrative and Fiscal Litigation, requesting the court to oblige these institutions to comply with the obligations assumed by the decisions of the General Council of the Municipality of Bucharest, of the Local Council of Sector 1, as well as those assumed by the act of acceptance of the donation signed with IMPACT since 2018, and to definitively open public access between road “Alea Privighetorilor” and road “Drumul Pădurea Pustnicu”.

During the process, some of the IMPACT requests were resolved administratively, by adopting:

- HCGMB no. 100/02.04.2024, which authorizes the request to the Government regarding the transfer, free of charge, of two sections of forest road (Vadul Moldovei) from the administration of Romsilva into the public domain of the Municipality of Bucharest, for a temporary access of 5 years;
- HCGMB no. 130/29.04.2024, which approves the definitive removal from the forest fund of a land of 0.3009 ha, with the destination of a road of local interest, to ensure access, also for a period of 5 years, between Alea Teisani and Drumul Padurea Pustnicu.

However, certain administrative operations remain to be completed by Bucharest City Hall, Romsilva and the Ministry of the Environment, which is why the process continues.

The next term is set for the 24 June 2025.

FINANCIAL RESULTS

Statement of profit and loss

RON thousand	Consolidated			Separate		
	3m 2025	3m 2024	Var %	3m 2025	3m 2024	Var %
Revenues	86,934	41,075	112%	47,214	9,799	382%
Gross profit	22,720	12,926	76%	14,700	5,138	186%
Gross margin %	26%	31%		31%	52%	
Other (expenses)/revenue net	(11,373)	(8,714)	31%	(7,537)	(6,644)	13%
% of revenues	(13%)	(21%)		(16%)	(68%)	
EBITDA	12,651	5,007	153%	7,950		
EBITDA margin %	15%	12%		15%		
EBIT	11,347	4,212	169%	7,163		
EBIT margin %	13%	10%		15%		
Net result	4,854	(7,500)	(165%)	2,488	(8,179)	
Net result margin %	6%			5%		

Source: Non-audited IFRS consolidated and standalone financial statements as at 31 March 2025

Compared with the same period of prior year, the Group recorded an increase in revenues by 112%, and on the same track an increase in gross profit of 76%, or RON 9.79 million.

The increase in revenues is due to the sale of the new phase of development in Greenfield Baneasa, as well as to the extension of the activity of the Group companies.

The gross margin of the IMPACT group was maintained stable in the first 3 months of 2025, to 26%.

The net consolidated result for the first 3 months of 2025 is RON 4.8 million, reflecting the significant increase in sales.



FINANCIAL RESULTS

Statement of financial position

RON thousand	Consolidated			Separate		
	31-Mar-2025	31-Dec-2024	Var %	31-Mar-2025	31-Dec-2024	Var %
Non-current assets, of which	882,278	882,983	(0%)	946,927	952,273	(1%)
Investment property	704,842	704,167	0%	755,398	754,571	0%
Property, plant and equipment	93,473	94,175	(1%)	46,462	47,144	(1%)
Goodwill	3,543	3,543	n.a	-	-	n.a
Current assets, of which	459,848	529,469	(13%)	374,674	433,333	(14%)
Inventories	376,299	408,324	(8%)	343,812	371,159	(7%)
Trade and other receivables	43,236	44,242	(2%)	9,689	19,775	(51%)
Cash and cash equivalents	32,233	71,974	(55%)	13,980	37,644	(63%)
Total assets	1,342,126	1,412,452	(5%)	1,321,601	1,385,605	(5%)
Liabilities, of which	372,691	447,416	(17%)	347,197	413,690	(16%)
Loans and borrowings	238,269	317,119	(25%)	232,693	299,183	(22%)
Trade and other payables	51,989	45,666	14%	31,858	31,861	0%
Equity	969,435	965,036	0%	974,404	971,916	0%
Total equity and liabilities	1,342,126	1,412,452	(5%)	1,321,601	1,385,605	(5%)

Source: Non-audited IFRS consolidated and standalone financial statements as at 31 of March 2025

ASSETS and LIABILITIES

The cash balance decreased by RON 39,741 thousand, or 55% as at 31 March 2025, compared with 31 December 2024. This is due mainly to the full reimbursement of the OTP Bank loan (a balance as at 31 December 2024 of RON 86,560 thousand) as well as due to the reimbursement of RON 12,500 thousand of the Vista Bank facility. Loans and borrowings have also decreased by 25%, following the reimbursement of the loans mentioned previously.

No other significant changes in liabilities balances occurred as at 31 March 2025, compared to 31 December 2024.



APPENDIX 1 - RATIOS

OTHER INFORMATION

FINANCIAL RATIOS (CONSOLIDATED AND SEPARATE, IFRS)

Impact - Individual

Ratio	31-Mar-2025	Calculation method
Current ratio	2.73	Current assets/Current liabilities
Gearing ratio	23.88%	Borrowed capital/Equity x 100
Receivables turnover	28.08	Average balance for receivables/Revenues x 180
Non-Current assets turnover	0.05	Revenues/Non-current assets

Impact - Consolidated

Ratio	31-Mar-2025	Calculation method
Current ratio	2.74	Current assets/Current liabilities
Gearing ratio	24.58%	Borrowed capital/Equity x 100
Receivables turnover	45.28	Average balance for receivables/Revenues x 180
Non-Current assets turnover	0.10	Revenues/Non-current assets

Impact - Individual & Consolidated

Ratio	31-Mar-2025	Calculation method
Gearing ratio (individual)	20%	Borrowed capital/Net assets at fair value x 100
Gearing ratio (consolidated)	14%	Borrowed capital/Net assets at fair value x 100

Note: The financial ratios were calculated based on the unaudited individual and consolidated financial statements as at 31 of March 2025, both the ones calculated according to the ASF Regulation No. 5/2018 and the Gearing ratio calculated based on net assets at fair value.

George Toma Mucibabici
 Chairman of the BoD

IMPACT DEVELOPER & CONTRACTOR S.A.

**CONSOLIDATED UNAUDITED AND SIMPLIFIED FINANCIAL STATEMENTS
AS OF AND FOR THE 3 MONTHS PERIOD ENDED AS AT 31 MARCH 2025**

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

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	Note	31-Mar- 2025	31-Dec-2024
ASSETS			
Non-current assets			
Property, plant, and equipment	7	93,473	94,175
Intangible assets		919	1,012
Goodwill		3,543	3,543
Right of use assets		986	1,571
Investment property		704,842	704,167
Pipeline projects	8	78,515	78,515
Total non-current assets		882,278	882,983
Current assets			
Inventories	9	376,299	408,324
Trade and other receivables	10	43,236	44,242
Prepayments and other current assets	10	8,080	4,929
Cash and cash equivalents	11	32,233	71,974
Total current assets		459,848	529,469
Total assets		1,342,126	1,412,452
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	12	598,699	598,699
Share premium		41,379	41,379
Other reserves		47,214	47,214
Retained earnings		274,397	269,760
Equity attributable to equity holders of the parent		961,689	957,052
Non-controlling Interest		7,746	7,984
Total equity		969,435	965,036
Non-current liabilities			
Loans and borrowings	13	122,345	181,158
Trade and other payables	14	5,560	5,834
Deferred tax liability		77,178	80,122
Total non-current liabilities		205,083	267,114

	Note	31-Mar- 2025	31-Dec-2024
Current liabilities			
Loans and borrowings	13	115,924	135,961
Trade and other payables	14	32,744	24,512
Income Tax Payables		5,123	4,377
Contract liabilities		13,685	15,320
Provisions for risk and charges		132	132
Total current liabilities		167,608	180,302
Total liabilities		372,691	447,416
Total shareholders' equity and liabilities		1,342,126	1,412,452

The consolidated financial statements have been authorized for issue by the management on 15 of May 2025 and signed on its behalf by:

George Toma Mucibabici
 Chairman of the BoD

Dan Sebastian Campeanu
 Chief Executive Officer

Claudiu Bistriceanu
 Chief Financial Officer

	Note	3 months period ended as at	
		31-Mar-2025	31-Mar-2024
Revenue	15	86,934	41,075
Cost of sales	15	(64,214)	(28,149)
Gross profit		22,720	12,926
General and administrative expenses	16	(10,168)	(7,751)
Marketing expenses		(695)	(470)
Other operating income	17	2,006	2,233
Other operating expenses	17	(2,516)	(2,726)
Operating profit		11,347	4,212
Finance income	18	230	685
Finance cost	18	(5,977)	(8,680)
Finance result net (loss)		(5,747)	(7,995)
Profit before income tax		5,600	(3,783)
Income tax credit/(charge)		(746)	(3,717)
Profit for the period		4,854	(7,500)
Non-controlling interest (NCI)		176	(209)
Equity holders of the parent		4,678	(7,291)
Basic earnings per share (EPS)		0.0020	-
Diluted earnings per share		0.0020	-
Other comprehensive income		-	-
Total comprehensive income for the period		4,854	(7,500)
Comprehensive income attributable to:			
Non-controlling interest (NCI)		176	(209)
Equity holders of the parent		4,678	(7,291)

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Chairman of the BoD

Dan Sebastian Campeanu
Chief Executive Officer

Claudiu Bistriceanu
Chief Financial Officer

Note	Share capital	Share premium	Revaluati on 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 2025	598,699	41,379	-	47,214	-	269,760	957,052	7,984	965,036
Other comprehensive income									
Profit for the period	-	-	-	-	-	4,678	4,678	176	4,854
Total other comprehensive income	-	-	-	-	-	4,678	4,678	176	4,854
Dividends granted to shareholders	-	-	-	-	-	-	-	(414)	(414)
Other changes in equity	-	-	-	-	-	(41)	(41)	-	(41)
Balance as of 31 March 2025	598,699	41,379	-	47,214	-	274,397	961,689	7,746	969,435

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Chairman of the BoD

Dan Sebastian Campeanu
Chief Executive Officer

Claudiu Bistriceanu
Chief Financial Officer

Note	Share capital	Share premium	Revaluati on reserves	Other reserves	Own shares	Retained earnings	Total equity attributable to equity holders of the parent	Non-controllin g interest	Total equity
Balance as at 01 of January 2024	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)	-	-	-
Balance as of 31 December 2024	598,699	41,379	-	47,214	-	269,760	957,052	7,984	965,036

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IMPACT DEVELOPER & CONTRACTOR S.A.
CONSOLIDATED UNAUDITED AND SIMPLIFIED STATEMENT OF CASH FLOW
AS AT 31 MARCH 2025



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

	Note	3 months period ended as at	
		31-Mar-2025	31-Mar-2024
Net profit		4,854	(7,500)
Adjustments to reconcile profit for the period to net cash flows:		7,991	12,692
Depreciation and amortization	7	1,522	982
Inventory write-off/ (reversal of write off)	17	(1,375)	-
Impairment of receivables	17	63	-
Finance income	18	(230)	(685)
Finance costs	18	5,977	8,680
Income tax		746	3,715
Working capital adjustments		32,098	18,090
Decrease/(increase) in trade receivables and other receivables	10	902	(212)
Decrease in prepayments	10	(3,151)	(1,387)
Decrease in inventory	9	28,667	10,945
(Decrease)/increase in trade, other payables, and contract liabilities	14	5,680	8,744
Net cash flows from operating activities		43,654	23,282
Investing activities			
Purchase of property, plant and equipment	7	(107)	-
Proceeds (expenditure) from Investment property		-	1,518
Expenditure on investment property under development		(676)	1,789
Proceeds from sale of PPE	7	1,757	-
Net cash flows from investing activities		974	3,307
Cash flows from financing activities:			
Proceeds from borrowings	13	34,842	25,409
Repayment of principal of borrowings	13	(115,359)	(47,578)
Dividends paid		(414)	-
Interest paid	13	(3,438)	(7,714)
Net cash used in financing activities		(84,369)	(29,883)
Net increase / (decrease) of cash and equivalents		(39,741)	(3,294)
Opening balance of Cash and equivalents	11	71,974	51,293
Closing balance of Cash and equivalents	11	32,233	48,000

The consolidated financial statements have been authorized for issue by the management on 15 of May 2025 and signed on its behalf by:

George Toma Mucibabici
Chairman of the BoD

Dan Sebastian Campeanu
Chief Executive Officer

Claudiu Bistriceanu
Chief Financial Officer

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 Mogosoia 31-41.

The shareholders structure as at 31 March 2025 and 31 December 2024 is disclosed within Note 12.

The Consolidated Financial Statements for the period ended 31 of March 2025 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 March 2025	% Controlled by the Group as at 31 December 2024
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Spatzoo Management SRL	Romania	Property management	100%	100%
Bergamot Development Phase II SRL	Romania	Real estate development	100%	100%
Bergamot Development SRL	Romania	Real estate development	100%	100%
Impact Finance & 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%
“Impact pentru viitor” organization	Romania	Non for-profit organization		

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 2025, 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.

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 is 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 than 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 8.

(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.

This is a free translation from the original Romanian version.
The attached notes are part of these financial statements

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 13 – 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 it 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.

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 20 Contingencies.

The valuation is highly sensitive to these variables and adjustments to these inputs would have a direct impact on the resulting valuation.

(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 20.

(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

This is a free translation from the original Romanian version.
The attached notes are part of these financial statements

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.

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 summarized 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

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- 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 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. 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 2025	87,589	14,897	3,627	2,908	109,021
Additions	-	50	20	37	107
Transfers from inventories/(to inventories)	-	451	-	-	451
Disposals	(1,664)	-	-	-	(1,664)
Balance as at 31 March 2025	85,925	15,398	3,647	2,945	107,915
Accumulated depreciation and impairment losses					
Balance as at 1 of January 2025	8,622	4,458	1,766	-	14,846
Charge for the period	582	674	132	-	1,388
Transfers from inventories/(to inventories)	(1,659)	(133)	-	-	(1,792)
Balance as at 31 March 2025	7,545	4,999	1,898	-	14,442
Carrying amounts					
As at 1 January 2025	78,967	10,439	1,861	2,908	94,175
As at 31 March 2025	78,380	10,399	1,749	2,945	93,473

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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 2024	88,407	4,934	3,121	3,296	99,758
Additions	-	945	506	-	1,451
Transfers	1,270	9,225	-	(388)	10,107
Disposals	(2,088)	(207)	-	-	(2,295)
Balance as at 31 of December 2024	87,589	14,897	3,627	2,908	109,021
Accumulated depreciation and impairment losses					
Balance as at 1 of January 2024	8,528	3,781	1,328	-	13,637
Charge for the period	1,358	1,282	438	-	3,078
Transfers	723	(495)	-	-	228
Accumulated depreciation of disposals	(1,987)	(110)	-	-	(2,097)
Balance as at 31 of December 2024	8,622	4,458	1,766	-	14,846
Carrying amounts					
As at 1 January 2024	79,879	1,153	1,793	3,296	86,121
As at 31 December 2024	78,967	10,439	1,861	2,908	94,175

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Land and buildings:

The main disposal in land and buildings is represented by the sale of a plot of infrastructure land within an previous residential project of the Group in total value of RON 1,664 thousand.

The depreciation method used was the straight-line method.

Machines, equipment and means of transport:

Transfers of RON 451 thousand represents cars for which the leasing contract was closed during 2025 and therefore the machinery was transferred from right of use assets to PPE.

Pledged assets:

As at 31 March 2025 PPE in total of RON 14,558 thousand were pledged as securities for bank loans, representing land and buildings (31 December 2024: RON 70,914 thousand). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see Note 13 Loans and borrowings.

8. 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.

	<u>31-Mar -25</u>	<u>31-Dec-24</u>
Greenfield Baneasa	31,294	31,294
Boreal Plus Constanta	-	-
Greenfield Copou Iasi	47,221	47,221
	<u>78,515</u>	<u>78,515</u>

9. INVENTORIES

	<u>31-Mar -25</u>	<u>31-Dec-24</u>
Finished properties and other goods for sale	248,865	283,046
Work in progress residential developments:		
Land for development	33,218	35,381
Development and construction costs	94,216	89,897
	<u>376,299</u>	<u>408,324</u>

Inventories are represented by:

	<u>31- Mar -25</u>	<u>31-Dec-24</u>
Greenfield residential project	291,271	310,845
Luxuria residential project	30,530	37,140
Constanta land and project	46,377	53,517
Others inventory	8,122	6,822
	<u>376.299</u>	<u>408,324</u>

Management estimates of inventories to be realized within less than 12 months, as well more than 12 months from the reporting date (31 March 2025) is disclosed below:

	To be realized within 12 months	To be realized within more than 12 months
Greenfield residential project	122,585	168,685
Luxuria residential project	30,530	-
Constanta land and project	33,196	13,181
Others inventory	4,873	3,249
	191,184	185,115

Out of the total of RON 248,865 thousand in Greenfield Baneasa, a total of RON 122,585 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 29 residential units in inventory and corresponding parking spaces during 2025. As regards to Constanta project, RON 33,196 thousand represents the value of inventory estimated to be realized within the next 12 months.

Lands with a carrying amount of RON 33,218 thousand as of 31 of March 2025 (31 of December 2024: RON 35,381 thousand) consist mainly of land owned by the Group for the development of new residential properties and infrastructure, in Bucharest, Constanta or Iasi. The land value has decreased by 6%, due to a transfer of infrastructure allowance from property plant and equipment to inventories. Development and construction costs have increased by 5%, due to the progress made by the Group in the development Greenfield Baneasa project.

Completed real estate with an accounting value of RON 248,865 thousand on 31 March 2025 (31 December 2024: RON 283,046 thousand) refers entirely to apartments held for sale by the Group.

Cost of residential units recognized during the first 3 months of 2025 is RON 37,795 thousand (3M 2024: RON 15,184 thousand).

The book value as of 31 March 2025 of the pledged finished stocks is RON 138,865 thousand (31 December 2024: RON 365,636 thousand) (see Note 9). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see *Note 13 Loans and borrowings*.

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. No project was eligible for capitalization of borrowing costs in 2025 or in 2024.

Further details on the company's loans are set out in *Note 13*.

10. TRADE RECEIVABLES AND OTHER RECEIVABLES

	Short term	
	31-Mar-25	31-Dec-24
Trade receivables	23,594	24,904
Other receivables	19,381	18,821
Receivables from authorities	261	517
	43,236	44,242
Prepayments and other current assets	31-Mar-25	31-Dec-24
Prepaid expenses	7,971	4,790
Advance payments to services suppliers	109	139
	8,080	4,929

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. The litigation has been solutioned and the amount has been cashed in April 2025 – please see *Note 22 Subsequent events* for more details.

Prepayments include advance payments to IT software suppliers, taxes on land and buildings. The significant increase in prepayments is due to the payment of the local taxes on land and buildings due by 31 of March 2025.

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.

11. CASH AND CASH EQUIVALENTS

	31-Mar-25	31-Dec-24
Current accounts	32,198	71,952
Petty cash	27	14
Cash advances	8	8
	32,233	71,974

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 decreased by 39,741 thousand lei, or 55% as at 31 March 2025, compared with 31 December 2024. This is due mainly to the full reimbursement of the OTP Bank loan (a balance as at 31 December 2024 of RON 86,560 thousand) as well as due to the reimbursement of RON 12,500 thousand of the Vista Bank facility.

12. SHARE CAPITAL

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Paid Share capital	591,235	591,235
Adjustments of the share capital (hyperinflation)	7,464	7,464
	598,699	598,699
Number of shares in issue at period end	<u>2,364,941,410</u>	<u>2,364,941,410</u>

During 2024 a total of 738,541 own shares have been cancelled, at nominal value of RON 184 thousand. No changes occurred in 2025.

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

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
	%	%
Gheorghe Iaciu	58.42%	58.03%
Other	10.12%	10.07%
Companies	20.30%	20.61%
Other shareholders	11.17%	11.29%
	<u>100.00%</u>	<u>100.00%</u>

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.

13. 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.

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Non-current liabilities		
Secured bank loans	34,866	93,695
Issued bonds	87,255	87,178
Leasing	224	285
Total non-current liabilities	<u>122,345</u>	<u>181,158</u>
Current liabilities		
Short-term borrowings	115,570	135,512
Issued bonds	-	-
Leasing	354	449
Total current liabilities	<u>115,924</u>	<u>135,961</u>

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

Lender	Currency	Maturity	Amount of the facility, in original currency	Balance at 31-Mar -25 (thous. RON)	Balance at 31-Dec-24 (thous. RON)
Bonds					
Private placement bonds	EUR	24-Dec-26	6,581	32,757	32,737
Credit Value Investments	EUR	02-Oct-27	8,000	39,817	39,793
Private placement bonds	EUR	12-Feb-27	3,000	14,681	14,648
Total bonds				87,255	87,178
Loans					
Libra Internet Bank	EUR	05-Nov-27	7,000	34,837	-
OTP Bank	EUR	31-Mar-25	21,161	-	54,281
OTP Bank	EUR	31-Mar-25	13,279	-	32,279
Alpha Bank	EUR	08-Jun-29	20,000	62,675	66,321
First Bank	EUR	29-Mar-29	3,500	12,529	13,234
First Bank	EUR	19-Arp-27	4,000	11,926	13,200
Garanti BBVA	RON	31-Dec-26	17,395	4,226	6,627
Garanti BBVA	EUR	31-Dec-27	6,910	17,275	25,569
Vista	RON	31-Jul-26	19,500	5,000	17,200
Total bank loans				148,468	228,711
Leasing	EUR			578	734
Total leasing				578	734
Interest				1,968	496
Total				238,269	317,119

	Bonds	Loans	Leasing	Total
Balance as at 1 January 2025	87,674	228,711	734	317,119
Drawings	-	34,842	-	34,842
Repayments	-	(115,203)	(156)	(115,359)
Interest paid	(615)	(2,829)	7	(3,438)
Interest charge	1,950	2,980	(7)	4,923
Withholding tax expense	(56)	-	-	(56)
Foreign exchange differences	77	162	(1)	238
Balance as at 31 March 2025	89,029	148,663	577	238,269

	Bonds	Loans	Leasing	Total
Balance as at 1 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 31 December 2024	87,674	228,711	734	317,119

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 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 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. The loan has been fully reimbursed in February 2025.

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 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 3,000,000 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. The loan has been fully drawn during February 2025.

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 March 2025 and as of 31 December 2024.

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

No new leasing contracts were signed in 2025. During 2024 Spazioo closed its leasing contract and sold the respective cars. Furthermore, Impact SA closed all its leasing contracts and sold part of the cars. As at 31 March 2025 the leasing contracts refer to 9 contracts for machinery and cars of RCTI Company.

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

14. TRADE AND OTHER PAYABLES

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Non-current liabilities		
Retentions owed to third party	5,560	5,834
	5,560	5,834
Current liabilities		
Trade payables	17,827	16,907
Tax debts	4,118	5,510
Other payables	8,103	121
Employees payables	1,643	1,648
Dividends payable	1,053	326
Other payables	-	-
	32,744	24,512
TOTAL	38,304	30,346
Contract liabilities (Advances from customers)	12,192	14,094
Deferred income	1,493	1,226
TOTAL	13,685	15,320

Please see Note 15 for details regarding Contract liabilities.

15. 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 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 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	
	3M 2025	3M 2024	3M 2025	3M 2024	3M 2025	3M 2024
Total revenue from segments	51,396	18,799	30,693	12,290	82,089	31,089
Cost of Sale for segments	37,795	15,184	24,592	12,146	62,387	27,330
Profit before tax from segments	4,944	(2,054)	232	342	5,176	(1,712)
	31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024	31-Mar-2025	31-Dec-2024
Assets for segments	1,425,595	1,404,848	50,070	67,408	1,475,665	1,472,256
Liabilities for segments	416,474	487,345	28,747	39,074	393,806	526,419

Reconciliation with financial statements items

	31-Mar-2025	3M 2024/31-Dec-2024
Total revenue from segments	82,089	31,089
Revenue from non-reportable segments	9,563	10,976
Elimination of inter-segment revenue	(4,723)	(990)
Total consolidated revenue	86,929	41,075
Profit before tax from segments	7,070	(1,712)
Profit before tax from non-reportable segments	(1,326)	(2,072)
Elimination of inter-segment profits	(147)	(56)
Consolidated profit before tax	5,597	(3,840)
Total assets for segments	1,475,665	1,472,256
Assets for non-reportable segments	5,615	61,376
Elimination of inter-segment assets balances	(139,153)	(121,179)
Total consolidated assets balances	1,342,127	1,412,453
Total liabilities for segments	445,221	526,419
Liabilities for non-reportable segments	(652)	-
Elimination of inter-segment liabilities balances	(72,565)	(79,003)
Total consolidated liabilities balances	372,004	447,416

As at 31 March 2025, IMPACT had 97 dwellings pre-sold and reserved with a package value of RON 66,356 thousand. All of those refer to finalized projects. For these pre-sale agreements clients paid deposits in amount of RON 12,192 thousand which are shown under Contract liabilities in the statement of financial position.

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. 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.

Split of Group revenue:

	<u>31-Mar-25</u>	<u>31-Mar-24</u>
Revenue from residential properties	55,062	25,422
Revenue form services	30,515	14,273
Rental income	1,357	1,380
	<u>86,934</u>	<u>41,075</u>

Cost of sales is composed of the followings

	<u>31-Mar-25</u>	<u>31-Mar-24</u>
Cost of goods sold	37,795	15,184
Services cost	26,419	12,965
Costs related to rental services	-	-
	<u>64,214</u>	<u>28,149</u>

Sales per project analysis:

	<u>31-Mar-25</u>	<u>31-Mar-24</u>
Greenfield Baneasa	34,422	1,457
Boreal Plus	10,030	5,813
Luxuria Residence	10,610	18,152
Others	-	-
	<u>55,062</u>	<u>25,422</u>

During the first 3 months of 2025, the Group sold 87 units, out of which 61 dwellings in GREENFIELD Baneasa, 10 dwellings in LUXURIA Residence and 14 dwellings as well as 2 villas in BOREAL Plus (6,880 sqm built saleable area plus related parking spots, storage and court yards). The 87 units generated corresponding revenues of approximately RON 55,062 thousand.

During the first 3 months of 2024, the Group sold 26 units, represented by 18 dwellings in LUXURIA Residence and 6 dwellings, as well as 2 villas in BOREAL Plus (2,709 sqm built saleable area plus related parking spots, storage and court yards). The 26 units sold throughout the first 3 months of 2024 generated corresponding revenues of RON 23,791 thousand.

The revenue from construction services represent the income from construction services performed by RCTI Company. During the first 3 months of 2025 the revenue from construction services increased by RON 15,625 thousand, or 127% due to an expansion of the Company's activity, which signed new contracts throughout the end of 2024.

Revenue from rental is obtained from renting the commercial spaces within Greenfield Plaza community centre as well as from renting the apartments and other commercial spaces. 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. Additional income is generated, utility sales, furniture sales, property management performed by the group companies.

16. GENERAL AND ADMINISTRATIVE EXPENSES

	<u>31-Mar-25</u>	<u>31-Mar-24</u>
Consumables	2,106	1,006
Third party expenses	2,152	1,588
Staff costs	4,606	4,362
Amortization	1,304	795
	<u>10,168</u>	<u>7,751</u>

17. OTHER OPERATING INCOME/EXPENSE

Other operating income:

	<u>31-Mar-25</u>	<u>31-Mar-24</u>
Other operating income	503	2,211
Net gain on disposal of PPE	128	2
Reversal of impairment of PPE	-	-
Compensation of write down of inventories	-	5
Reversal of Impairment /(Impairments) of inventory	1,375	-
Other compensations	-	15
	<u>2,006</u>	<u>2,233</u>

Other operating expenses:

	<u>31-Mar-25</u>	<u>31-Mar-24</u>
Other operating expenses	531	19
Other tax expenses	1,756	1,307
Loss on disposal of PPE	-	1,083
Fine and penalties	166	66
Impairment of receivables	63	251
	<u>2,516</u>	<u>2,726</u>

18. FINANCE (COST)/INCOME

	<u>31-Mar-25</u>	<u>31-Mar-24</u>
Interest expense	(4,996)	(7,854)
Foreign exchange loss	(394)	(345)
Other financial expenses	(587)	(481)
Total financial expenses	<u>(5,977)</u>	<u>(8,680)</u>

Interest income	133	28
Foreign exchange gains	97	657
Other financial income	-	-
Total financial income	230	685
Financial result, net	(5,747)	(7,995)

Compared with the same period of prior year, during the first 3 months of 2025, the interest expense has decreased by RON 2,858 thousand. This is due to the fact that the loan balance has decreased by RON 153,400 thousand as at 31 March 2025 compared with 31 March 2024.

As regards to foreign exchange results, during the first 3 months of 2025 the Group has registered net loss from foreign exchange of RON 297 thousand due to decrease in value of RON currency against EUR (3M 2024: net foreign exchange gain of RON 312 thousand).

19. CAPITAL COMMITMENTS

As at 31 March 2025, 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 15 – Revenues*, for more details on pre-sale agreements).

20. 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 "EcoCivic Association"

File no. 4122/3/2022 was registered on the roll of the Bucharest Court, Administrative and Fiscal Litigation Section, in which Impact Developer & Contractor S.A. is the Defendant, the Claimants being the Eco Civic Association and three natural persons from outside the Greenfield Baneasa 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 Teisani - Drumul Padurea 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. Based on the acts mentioned above, the fourth development phase of Greenfield Baneasa has been developed.

On 14.08.2024, the Court ruled the 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 trial continued, and on 11.04.2025, the court spoke on the merits of the case. After the debates, the court remained in judgment. The pronouncement was successively postponed until 09.05.2025.

The management appreciates that the entire approval and authorization process, both of the Zonal Urban Plan and of the building permits whose cancellation is requested, was carried out legally, in compliance with the requirements imposed by the competent authorities through the town planning certificates issued. Also, the building works were executed in accordance with the legal provisions and the conditions established by the building permits, an aspect confirmed by the conclusion of the minutes of reception together with the authorities and entities involved, including the City Hall Sector 1. The buildings were commissioned and have already been introduced into the civil circuit (sold to clients). Consequently, management did not consider it necessary to set up a provision related to this litigation on 31 March 2025.

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

On January 19, 2023, Impact Developer & Contractor S.A. registered an action against the Bucharest City Hall, the District 1 City Hall and the Romsilva National Forestry Authority at the Bucharest Court - Section II Administrative and Fiscal Litigation, requesting the court to oblige these institutions to comply with the obligations assumed by the decisions of the General Council of the Municipality of Bucharest, of the Local Council of Sector 1, as well as those assumed by the act of acceptance of the donation signed with IMPACT since 2018, and to definitively open public access between road "Alea Privighetorilor" and road "Drumul Pădurea Pustnicu".

During the process, some of the Impact Developer & Contractor S.A. requests were resolved administratively, by adopting:

- HCGMB no. 100/02.04.2024, which authorizes the request to the Government regarding the transfer, free of charge, of two sections of forest road (Vadul Moldovei) from the administration of Romsilva into the public domain of the Municipality of Bucharest, for a temporary access of 5 years;
- HCGMB no. 130/29.04.2024, which approves the definitive removal from the forest fund of a land of 0.3009 ha, with the destination of a road of local interest, to ensure access, also for a period of 5 years, between Aleea Teisani and Drumul Padurea Pustnicu.

However, certain administrative operations remain to be completed by Bucharest City Hall, Romsilva and the Ministry of the Environment, which is why the process continues.

The next term is set for the 24 June 2025.

21. 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.

Transactions with shareholders

In 2025, 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 414 thousand. (2024: RON 2,656 thousand).

Please see Note 12 – Share capital for details regarding the ultimate controlling party.

The following transactions were concluded in 2025 with the majority shareholder or related parties of the Group:

- 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 as at the reporting period, for working capital needs.
- RON 846 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 397 thousand transaction of RCTY with Expo Market Doraly (company controlled by Gheorghe Iaciu) for construction and repairs services.

22. SUBSEQUENT EVENTS

In April 2025 Clearline Management & Development SA has received the amount of RON 35,608 thousand, from the Municipality of Cluj, as a result of the Decision issued by the Court in December 2024, in respect to the litigation with the Municipality of Cluj for the compensation of the investment loss made by the Group company within the LOMB project located in Cluj.

The loan facility in amount of RON 15,000 thousand provided in February 2025 by Gheorghe Iaciu, the majority shareholder of the Company, has been fully reimbursed on 9 May 2025.

The consolidated financial statements have been authorized for issue by the management on 15 May 2025 and signed on its behalf by:

George Toma Mucibabici
Chairman of the BoD

Dan Sebastian Campeanu
Chief Executive Officer

Claudiu Bistriceanu
Chief Financial Officer

IMPACT DEVELOPER & CONTRACTOR SA

**SEPARATE UNAUDITED AND SIMPLIFIED FINANCIAL STATEMENTS
AS OF AND FOR THE 3 MONTHS PERIOD ENDED AS AT 31 MARCH 2025**

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

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

	<u>Note</u>	<u>31-Mar-25</u>	<u>31-Dec-24</u>
ASSETS			
Non-current assets			
Tangible assets	8	46,462	47,144
Intangible assets		577	640
Noncurrent receivables	12	65,723	71,150
Investment property		755,398	754,571
Investments in subsidiaries	11	47,474	47,474
Pipeline projects	9	31,293	31,293
Total non-current assets		946,927	952,273
Current assets			
Inventories	10	343,812	371,159
Trade and other receivables	12	9,689	19,775
Other current assets		7,193	4,755
Cash and cash equivalents	13	13,980	37,644
Total current assets		374,674	433,333
Total assets		1,321,601	1,385,605
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	14	598,699	598,699
Share premium	14	41,379	41,379
Other reserves		44,484	44,484
Retained earnings		289,842	287,354
Total equity		974,404	971,916
Non-current liabilities			
Loans and borrowings	15	122,124	118,435
Trade and other payables	16	6,873	6,857
Deferred tax liability		81,175	81,175
Total non-current liabilities		210,172	206,467

IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE UNAUDITED AND SIMPLIFIED STATEMENT OF FINANCIAL POSITION
AS AT 31 OF MARCH 2025



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

	<u>Note</u>	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Current liabilities			
Loans and borrowings	15	110,569	180,749
Trade and other payables	16	18,560	14,377
Income tax payable		1,340	1,340
Contract liabilities	17	6,425	10,627
Provisions for risks and charges		131	131
Total current liabilities		137,025	207,223
Total liabilities		347,197	413,690
Total equities and liabilities		1,321,601	1,385,605

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 Chief Executive Officer

Claudiu Bistriceanu
 Chief Financial Officer

IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE UNAUDITED AND SIMPLIFIED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME AS AT 31 OF MARCH 2025
(All amounts are expressed in thousand RON, unless stated otherwise)



	<u>Note</u>	3 months period ended as at	
		<u>31-Mar-25</u>	<u>31-Mar-24</u>
Revenue	17	47,214	9,799
Cost of sales	17	(32,514)	(4,661)
Gross profit		14,700	5,138
General and administrative expenses	18	(6,535)	(5,756)
Marketing expenses		(493)	(350)
Other operating income	19	1,598	1,619
Other operating expenses	19	(2,107)	(2,157)
Operating profit		7,163	(1,506)
Financial income	20	1,140	1,555
Financial cost	20	(5,815)	(8,228)
Finance costs, net		(4,675)	(6,673)
Profit before tax		2,488	(8,179)
Income tax (expense)		-	-
Profit of the period		2,488	(8,179)
Other comprehensive income		-	-
Total comprehensive income for the period		2,488	(8,179)

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IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE UNAUDITED AND SIMPLIFIED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2025
 (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 2025		598,699	41,379	-	44,484	-	287,354	971,915
Other comprehensive income								
Profit for the period							2,488	2,488
Total other comprehensive income		-	-	-	-	-	2,488	2,488
Balance as at 31 March 2025		598,699	41,379	-	44,484	-	289,842	974,404

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IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE UNAUDITED AND SIMPLIFIED STATEMENT OF CHANGES IN EQUITY AS AT 31 OF MARCH 2025
(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		-	-	-	4,842	-	(4,842)	-
Balance as at 31 December 2024		598,699	41,379	-	44,484	-	287,354	971,915

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IMPACT DEVELOPER & CONTRACTOR SA
SEPARATE UNAUDITED AND SIMPLIFIED CASH FLOW STATEMENT AS AT 31
MARCH 2025



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

	Note	31-Mar-24	31-Mar -24
Net profit		2,488	(8,179)
Adjustments to reconcile profit for the period to net cash flows:		5,564	7,275
Depreciation and amortization	8	719	602
Impairment of receivables	19	61	-
Financial income	20	(1,031)	(1,555)
Financial cost	20	5,815	8,228
Working capital adjustments		31,635	22,236
Decrease/(increase) in trade receivables and other receivables	12	9,213	2,341
Decrease/(increase) in prepayments	12	(2,438)	(1,100)
Decrease/(increase) in inventory	11	25,689	1,811
(Decrease)/increase in trade, other payables, and contract liabilities	16	(828)	19,184
Net cash flows used in operating activities		39,687	21,332
Cash flow from investing activities			
Loans granted to subsidiaries	23	-	(6,015)
Loan principal collected from subsidiaries	23	(118)	-
Amounts invested in subsidiaries	23	4,804	-
Purchase of property, plant and equipment	8	(42)	-
Proceeds/(expenditure) with investment property		-	1,142
Expenditure on investment property under development		(827)	(773)
Proceeds from sale of property, plant and equipment	8	1,727	-
Dividends received	23	812	-
Interest received		1,772	-
Net cash flows from investing activities		8,129	(5,646)
Cash flows from financing activities:			
Proceeds from borrowings	15	34,842	14,910
Repayment of principal of borrowings	15	(103,001)	(26,787)
Dividends paid		-	-
Interest paid		(3,321)	(7,319)
Net cash from financing activities		(71,480)	(19,196)
Net increase / (decrease) of cash and equivalents		(23,664)	(3,510)
Opening balance of Cash and equivalents	13	37,644	35,778
Closing balance of Cash and equivalents	13	13,980	32,269

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1. REPORTING ENTITY

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

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

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

	Country of registration	Nature of activity	% Owned by the Company as at 31 March 2025	% Owned by the Company as at 31 December 2024
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	51.01%	51.01%
Impact Alliance Moldova SRL	Romania	Constructor	51%	51%
“Impact pentru viitor” organization	Romania	Non for-profit organization		

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 the first 3 months of 2025, the Company’s activity revolved around the Greenfield Baneasa residential complex in Bucharest and Boreal Plus in Constanta.

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The attached notes are part of these financial statements

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.

The Board of Administration was comprised of the following 5 members, until 28 April 2024:

- Iuliana Mihaela Urda, Chairperson of the Board of Administration
- Intrepid Gem SRL, represented by Petru Văduva
- Dan Octavian Voiculescu, Administrator
- Daniel Pandeale, Administrator
- Sorin Apostol, Administrator

As of 29 April 2024, Ms. Ruxandra-Alina Scarlat was replaced by Mr. Dan Octavian Voiculescu, on a 1 year term, until 28 April 2025.

On 29 April 2025, in the General Shareholders' Meeting, the members of the Board of Directors of the Company were elected for a four years term: (29 April 2025 – 28 April 2029):

- George-Toma Mucibabici, Chairperson of the Board of Directors
- Dan Octavian Voiculescu, Director
- Daniel Pandeale, Director
- Sorin Apostol, Director
- Dumitru-Radu Stanescu, temporary Director until the next General Shareholders' Meeting

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 is 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.

4. FUNCTIONAL AND PRESENTATION CURRENCY

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

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The attached notes are part of these financial statements

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

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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 than 4 years 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 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 9 – 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

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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

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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

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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 payables 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

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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

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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 15 – 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.

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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

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- 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 it 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.

q) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised 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: amortized 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.

6. MATERIAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

(i) Fair value measurements and valuation processes

The Company has obtained a report from an international valuation company, Colliers Valuation and Advisory SRL, as at 31 December 2024 setting out the estimated market values for the Company'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.

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 22.

The valuation is highly sensitive to these variables and adjustments to these inputs would have a direct impact on the resulting valuation.

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(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 March 2025 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 March 2025 (same at 31 December 2024) 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 22.

(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

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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.

7. 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.*

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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.

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- 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.

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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.

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 2025	40,062	11,594	2,137	2,888	56,681
Additions	-	5	-	37	42
Transfers	-	-	-	-	-
Disposals	(1,664)	-	-	-	(1,664)
Balance as at 31 March 2025	38,398	11,599	2,137	2,925	55,059
Accumulated depreciation and impairment losses					
Balance as at 1 January 2025	6,892	1,785	861	-	9,537
Charge for the period	258	385	76	-	719
Transfers	(1,659)	-	-	-	(1,659)
Accumulated depreciation of disposals	-	-	-	-	-
Balance as at 31 of March 2025	5,491	2,170	937	-	8,597
Carrying amounts					
As at 1 January 2025	33,170	9,809	1,276	2,888	47,144
As at 31 March 2025	32,907	9,429	1,200	2,925	46,462

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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 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 of December 2024	40,062	11,594	2,137	2,888	56,681
Accumulated depreciation and impairment losses					
Balance as at 1 of 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)	398	-	-	(2,097)
Balance as at 31 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

This is a free translation from the original Romanian version.
 The attached notes are part of these financial statements

Lands and buildings:

The main disposal in land and buildings is represented by the sale of a plot of infrastructure land within an previous residential project of the Group in total value of RON 1,664 thousand.

The depreciation method used was the straight-line method.

Pledged assets:

As at 31 March 2025 PPE in total of RON 14,558 thousand were pledged as securities for bank loans, representing land and buildings (31 December 2024: RON 36,667 thousand). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see Note 15 Loans and borrowings.

9. 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.

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Greenfield Baneasa	31,293	31,293
Boreal Plus Constanta	-	-
	<u>31,293</u>	<u>31,293</u>

10. INVENTORIES

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Finished goods and other goods for sale	222,634	250,574
Work in progress residential developments:		
Land for development	33,219	35,383
Development and construction costs	87,959	85,201
	<u>343,812</u>	<u>371,159</u>

Inventories are represented by:

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Greenfield residential project	297,143	317,324
Constanta land and project	46,669	53,835
Others inventory	-	-
	<u>343,812</u>	<u>371,159</u>

Management estimates of inventories to be realized within less than 12 months, as well more than 12 months from the reporting date (31 March 2025) 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 297,143 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 Constanța 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 33,219 thousand as at 31 March 2025 (31 December 2024: RON 35,383 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 222,634 thousand as at 31 March 2025 (31 December 2024: RON 250,574 thousand) refer entirely to apartments held for sale by the Company.

Cost of goods sold recognized during the period is RON 31,566 thousand (3M 2024: RON 3,787 thousand).

The carrying value as at 31 March 2025 of the finished goods inventories pledged is of RON 118,012 thousand (RON 377,963 thousand as at 31 December 2024). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see *Note 15 Loans and borrowings*.

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. No project was eligible for capitalization of borrowing costs in 2025 or in 2024.

Further details on the Company's loans are set out in Note 15.

11. INVESTMENTS IN SUBSIDIARIES

	31-Mar-25	31-Dec-24
Investments in subsidiaries	47,474	47,474
Impairment of investments in subsidiaries	-	-
	47,474	47,474

The Company holds interests in the following subsidiaries:

	31-Mar-25			
	Percentage	Gross value	Impairment	Book value
Spatzio 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
Impact Alliance Moldova	51%	-	-	-
Impact pentru viitor organization	-	-	-	-
Total subsidiaries		47,474	-	47,474

	31-Dec-24			
	Percentage	Gross value	Impairment	Book value
Spatzio 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
Impact Alliance Moldova	51%	-	-	-
Total subsidiaries		47,474	-	47,474

Clearline Development and Management SRL holds 93.77% in Spatzioo Management SRL (former Actual Invest House SRL)

- a) Spazio 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.
- 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.
- 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.
- m) "Impact pentru viitor", an organization whose purpose is to represent and defend the common interests of the members of the Greenfield Baneasa community in the relationship with public authorities, service providers and other legal entities, in accordance with the legislation in force.

12. TRADE AND OTHER RECEIVABLES

	Short term		Long term	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
Trade receivables	6,720	11,643	-	-
Receivables from related parties	2,956	8,061	65,723	71,150
Sundry debtors	5	5	-	-
Receivables from authorities	8	66	-	-
	9,689	19,775	65,723	71,150

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 23 – related party transactions.

As at 31 March 2025, 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).

13. CASH AND CASH EQUIVALENTS

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Current accounts	13,959	37,630
Petty Cash	13	7
Cash advances	8	8
	<u>13,980</u>	<u>37,644</u>

Current accounts are held with Romanian commercial banks. Out of the total balance of cash, 9 thousand RON (31 December 2024: 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 decreased by 23,664 thousand lei, or 63% as at 31 March 2025, compared with 31 December 2024. This is due mainly to the full reimbursement of the OTP Bank loan (a balance as at 31 December 2024 of RON 86,560 thousand).

14. SHARE CAPITAL

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
Paid Share capital	591,235	591,235
Adjustments of the share capital (hyperinflation)	7,464	7,464
	<u>598,699</u>	<u>598,699</u>
Number of shares in issue at period end	<u>2,364,941,410</u>	<u>2,364,941,410</u>

During 2024 a total of 738,541 own shares have been cancelled, at nominal value of RON 184 thousand. No changes occurred in 2025.

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

	<u>31-Mar-25</u>	<u>31-Dec-24</u>
	%	%
Gheorghe Iaciu	58.42%	58.03%
Others	10.12%	10.07%
Legal persons	20.30%	20.61%
Other shareholders	11.17%	11.29%
	<u>100.00%</u>	<u>100.00%</u>

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

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15. 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.

	<u>31-Mar-2025</u>	<u>31-Dec-2024</u>
Non-current liabilities		
Secured bank loans	34,869	31,256
Issued bonds	87,255	87,178
Leasing	-	-
Total non-current liabilities	<u>122,124</u>	<u>118,435</u>
Current liabilities		
Secured bank loans	110,569	180,703
Short-term borrowings	-	46
Leasing	-	-
Total current liabilities	<u>110,569</u>	<u>180,749</u>

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

<u>Lender</u>	<u>Currency</u>	<u>Maturity</u>	<u>Amount of the facility, in original currency</u>	<u>Balance at 31-Mar -25</u>	<u>Balance at 31-Dec-24</u>
Loans and borrowings					
Private placement bonds	EUR	24-Dec-26	6,581	32,757	32,737
Credit Value Investments	EUR	02-Oct-27	8,000	39,817	39,793
Private placement bonds	EUR	12-Feb-27	3,000	14,681	14,649
Total bonds				<u>87,255</u>	<u>87,178</u>
Libra Internet Bank	EUR	05-Nov-27	7,000	34,840	-
OTP Bank	EUR	31-Mar-25	21,161	-	54,281
OTP Bank	EUR	30-Jun-24	4,000	-	-
OTP Bank	EUR	31-Mar-25	13,279	-	32,279
OTP Bank	EUR	30-Jun-24	2,000	-	-
TechVentures Bank	EUR	06-Jan-25	2,000	-	-
Alpha Bank	EUR	08-Jun-29	20,000	62,675	66,321
First Bank	EUR	29-Mar-29	3,500	12,529	13,234
First Bank	EUR	19-Apr-27	4,000	11,926	13,200
Libra Internet Bank	RON	15-Jun-26	14,000	-	-
Garanti BBVA	RON	31-Dec-26	17,395	4,226	6,627
Garanti BBVA	EUR	31-Dec-27	6,910	17,275	25,569
Total bank loans				<u>143,471</u>	<u>211,511</u>
Interest				<u>1,967</u>	<u>494</u>
Total				<u>232,693</u>	<u>299,183</u>

	Bonds	Loans and borrowings	Leasing	Total
Balance at 1 January 2025	87,672	211,511	-	299,183
Draws	-	34,842	-	34,842
Payments	-	(103,001)	-	(103,001)
Interest paid	(615)	(2,706)	-	(3,321)
Interest expense	1,950	2,857	-	4,807
Withholding tax	(56)	-	-	(56)
FX differences	77	162	-	239
Balance at 31 March 2025	89,028	143,665	-	232,693

	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

In December 2020, the 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 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 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, with maturity in 7 years from the granting.

In September 2022, the Company 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. The loan has been fully reimbursed in February 2025.

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

In October 2023 the Company 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.

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

- IMPACT Developer & Contractor S.A. 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 S.A. 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.

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. The loan has been fully drawn during February 2025.

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 March 2025 and as of 31 December 2024.

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

No new leasing contracts were signed in 2025. During 2024 the Company 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.

16. TRADE AND OTHER PAYABLES

	31-Mar-25	31-Dec-24
Non-current liabilities		
Retentions owed to third party	6,873	6,857
	6,873	6,857
Current liabilities		
Trade payables	1,661	3,729
Related parties payables	6,246	5,341
Tax debt	2,107	4,730
Debt to employees	522	545
Other payables	8,024	31
	18,560	14,377
TOTAL	25,433	21,235
Contract liabilities (Advances from customers)	6,418	10,685
Deferred income	7	(59)
TOTAL	6,425	10,627

17. REVENUES

Revenues of the Company:

	3M 2025	3M 2024
Revenue from sale of residential properties and land	44,456	7,270
Revenue from services	999	772
Revenue from customers	45,455	8,042
Rental income	1,759	1,757
Total	47,214	9,799

	3M 2025	3M 2024
Cost of goods sold	31,566	3,787
Services cost	948	874
Costs related to rental services	-	-
	32,514	4,661

As at 31 March 2025, the Company had 81 dwellings pre-sold and reserved with a package value of RON 47,480 thousand. All of those refer to finalized projects. For these pre-sale agreements clients paid deposits in amount of RON 6,418 thousand which are shown under Contract liabilities in the statement of financial position.

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.

Sales breakdown by projects:

	<u>3M 2025</u>	<u>3M 2024</u>
Greenfield Baneasa	34,426	1,457
Boreal Plus Constanta	10,030	5,813
Other	-	-
	<u>44,456</u>	<u>7,270</u>

During the first 3 months of 2025, the Company sold 77 units, out of which 61 dwellings in GREENFIELD Baneasa and 14 dwellings as well as 2 villas in BOREAL Plus (6,038 sqm built saleable area plus related parking spots, storage and court yards). The 77 units generated corresponding revenues of approximately RON 44,456 thousand.

During the first 3 months of 2024, Impact sold 8 units, represented represented by 6 dwellings and 2 houses in BOREAL plus. The sold units generated corresponding revenues of RON 5,813 thousand.

Revenue from rental is obtained from renting the commercial spaces within Greenfield Plaza community centre as well as from renting the apartments and other commercial spaces. 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.

18. GENERAL AND ADMINISTRATIVE EXPENSES

	<u>3M 2025</u>	<u>3M 2024</u>
Consumables	391	545
Services provided by third parties	2,852	1,668
Staff costs	2,505	2,941
Depreciation	787	602
	<u>6,535</u>	<u>5,756</u>

19. OTHER OPERATING INCOME/EXPENSES

Other operating income:

	<u>3M 2025</u>	<u>3M 2025</u>
Other operating income	281	1,619
Net gain on disposal of PPE	29	-
Reversal of impairment of investments	-	-
Reversal of impairment of inventories	1,267	-
Compensations	21	-
	<u>1,598</u>	<u>1,619</u>

Other operating expenses:

	<u>3M 2025</u>	<u>3M 2024</u>
Other operating expenses	512	22
Other tax expenses	1,524	988
Write off of receivables	61	1,083
Fine and penalties	10	64
	<u>2,107</u>	<u>2,157</u>

20. FINANCE (COST)/INCOME

	<u>3M 2025</u>	<u>3M 2024</u>
Interest expense	(4,863)	(7,582)
Foreign exchange loss	(380)	(227)
Other financial expenses	(572)	(419)
Total financial expenses	<u>(5,815)</u>	<u>(8,228)</u>
Interest income	1,061	1,044
Foreign exchange gains	79	511
Other financial income	-	-
Total financial income	<u>1,140</u>	<u>1,555</u>
Financial result, net	<u>(4,675)</u>	<u>(6,673)</u>

Compared with the same period of prior year, during the first 3 months of 2025, the interest expense has decreased by RON 2,719 thousand. This is due to the fact that the loan balance has decreased by RON 156,381 thousand as at 31 March 2025 compared with 31 March 2024.

As regards to foreign exchange results, during the first 3 months of 2025 the Company has registered net loss from foreign exchange of RON 301 thousand due to decrease in value of RON currency against EUR (3M 2024: net foreign exchange gain of RON 284 thousand).

21. CAPITAL COMMITMENTS

As at 31 March 2025 respectively 31 December 2024, 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 17 – Revenues, for more details on pre-sale agreements).

22. 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 "EcoCivic Association"

File no. 4122/3/2022 was registered on the roll of the Bucharest Court, Administrative and Fiscal Litigation Section, in which Impact Developer & Contractor S.A. is the Defendant, the Claimants being the Eco Civic Association and three natural persons from outside the Greenfield Baneasa 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 Teisani - Drumul Padurea 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. Based on the acts mentioned above, the fourth development phase of Greenfield Baneasa has been developed.

On 14.08.2024, the Court ruled the 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 01/16.05.2019 remains valid and has full legal effects.

The trial continued, and on 11.04.2025, the court spoke on the merits of the case. After the debates, the court remained in judgment. The pronouncement was successively postponed until 09.05.2025.

The management appreciates that the entire approval and authorization process, both of the Zonal Urban Plan and of the building permits whose cancellation is requested, was carried out legally, in compliance with the requirements imposed by the competent authorities through the town planning certificates issued. Also, the building works were executed in accordance with the legal provisions and the conditions established by the building permits, an aspect confirmed by the conclusion of the minutes of reception together with the authorities and entities involved, including the City Hall Sector 1. The buildings were commissioned and have already been introduced into the civil circuit (sold to clients). Consequently, management did not consider it necessary to set up a provision related to this litigation on 31 March 2025.

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

On January 19, 2023, Impact Developer & Contractor S.A. registered an action against the Bucharest City Hall, the District 1 City Hall and the Romsilva National Forestry Authority at the Bucharest Court - Section II Administrative and Fiscal Litigation, requesting the court to oblige these institutions to comply with the obligations assumed by the decisions of the General Council of the Municipality of Bucharest, of the Local Council of Sector 1, as well as those assumed by the act of acceptance of the donation signed with IMPACT since 2018, and to definitively open public access between road "Aleea Privighetorilor" and road "Drumul Pădurea Pustnicu".

During the process, some of the Impact Developer & Contractor S.A. requests were resolved administratively, by adopting:

- HCGMB no. 100/02.04.2024, which authorizes the request to the Government regarding the transfer, free of charge, of two sections of forest road (Vadul Moldovei) from the administration of Romsilva into the public domain of the Municipality of Bucharest, for a temporary access of 5 years;
- HCGMB no. 130/29.04.2024, which approves the definitive removal from the forest fund of a land of 0.3009 ha, with the destination of a road of local interest, to ensure access, also for a period of 5 years, between Aleea Teisani and Drumul Padurea Pustnicu.

However, certain administrative operations remain to be completed by Bucharest City Hall, Romsilva and the Ministry of the Environment, which is why the process continues.

The next term is set for the 24 June 2025.

23. 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
Impact pentru Viitor Organization	Romania	Non for profit organization

Transactions and balances with related parties are presented during and for the 3 months period ended 31 March 2025, as well as at year ended 31 of December 2024 and 3 months period ending 31 March 2024.

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

IMPACT DEVELOPER & CONTRACTOR SA
NOTES TO THE SEPARATE UNAUDITED AND SIMPLIFIED FINANCIAL
STATEMENTS AS AT 31 OF MARCH 2025



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

Centralized balances	31-Mar-25	31-Dec-24
Trade receivables	1,228	776
Interest related to loans	14,306	15,049
VAT – fiscal group	2,956	6,473
Dividends to be collected	812	812
Receivables - current	17,678	23,109
Trade liabilities	(284)	(746)
Other debts	(8,038)	(6,472)
Trade liabilities - current	(8,322)	(7,218)
Loans granted to subsidiaries	51,415	56,101
Share capital decrease (Bergamot Developments)	-	-
Receivables – long term	51,415	56,101
Net exposure	59,641	70,862

Centralized transactions	3M 2025	3M 2024
Revenues from dividends	-	-
Revenues from services	756	622
Revenues from interest	1,025	1,040
Acquisition of goods and services	(513)	(312)
Interest costs	-	(123)
	1,268	1,227

Sales of goods and services	Transactions for the 3 months period ended			Balance as at
	31-Mar -25	31-Mar -24	31-Mar-25	31-Dec-24
Subsidiaries				
Spatzio Management S.R.L.	605	606	1,182	776
Clearline Development and Management	2	2	-	-
Bergamot Developments	2	2	1	813
Bergamot Developments Phase II	2	2	0	0
Impact Finance & Sales	2	2	-	-
Greenfield Copou Residence	2	2	-	-
Greenfield Copou Residence Phase II	2	2	-	-
Greenfield Property Management	2	2	-	-
Aria Verdi Development	2	2	-	-
Impact Alliance&Arhitecture	-	-	-	-
R.C.T.I. Company	136	-	45	-
	756	622	1,228	1,588

This is a free translation from the original Romanian version.
The attached notes are part of these financial statements

Acquisition of goods and services	Value of the transaction for the 3 months period ended		Balance as at	
	31-Mar -25	31-Mar -24	31-Mar-25	31-Dec-24
Subsidiaries				
Spatzio Management SRL	513	303	230	2
Clearline Development and Management R.C.T.I. Company	-	9	-	-
	-	-	54	744
	513	312	284	746

Granted loans	Balance as at	
	31-Mar-25	31-Dec-24
Subsidiaries		
Aria Verdi Development	42	32
Impact Finance	40	145
Greenfield Property Management	15	15
Clearline Development and Management	740	712
Bergamot Developments Phase II	-	4,699
Greenfield Copou Residence	50,556	50,476
Greenfield Copou Residence Phase II	22	22
	51,415	56,101

Interest receivables	Balance as at	
	31-Mar-25	31-Dec-24
Clearline Development and Management	89	77
Bergamot Developments Phase II	1	1,702
Greenfield Copou Residence	14,216	13,269
	14,306	15,049

Interest income	Value of the transaction for the 3 months period ended	
	31-Mar-25	31-Mar-24
Subsidiaries		
Clearline Development and Management	12	8
Bergamot Developments Phase II	65	125
Greenfield Copou Residence	948	907
	1,025	1,040

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	31-Mar-25	Balance as at 31-Dec-24
Loans received from subsidiaries		
Clearline Development and Management	1,130	1,130
	1,130	1,130
		Value of the transaction for the 3 months period ended
Interest expense	31-Mar-25	31-Mar-24
R.C.T.I. Company	-	123
	-	123
Other debts	31-Mar-25	31-Dec-24
Greenfield Copou Residence	(5)	54
Bergamot Developments	2,448	1,216
Bergamot Developments Phase II	262	3,605
Spatzoo Management	333	157
R.C.T.I. Company	(83)	1,549
Total	2,955	6,473
VAT Group balances	31-Mar-25	31-Dec-24
Bergamot Developments Phase II	-	4,535
Bergamot Developments	8,038	1,937
R.C.T.I. Company	-	-
Greenfield Copou Residence	-	-
Spatzoo Management	-	-
Total	8,038	6,472

b) Transactions with shareholders

In 2025, 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 Developer & Contractor SA:

- 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 as at the reporting period, for working capital needs.

24. SUBSEQUENT EVENTS

The loan facility in amount of RON 15,000 thousand provided in February 2025 by Gheorghe Iaciu, the majority shareholder of the Company, has been fully reimbursed on 9 May 2025.

The standalone financial statements have been authorized for issue by the management on 15 May 2025 and signed on its behalf by:

George Toma Mucibabici
Chairman of the BoD

Dan Sebastian Campeanu
Chief Executive Officer

Claudiu Bistriceanu
Chief Financial Officer

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The attached notes are part of these financial statements