IMPACT

IMPACT Developer & Contractor

Questions and Answers

Teleconference presenting H1 2026 financial results

August 21, 2026

1. **How do you see the residential market evolving after a weak H1 and a Q3 affected by the issues at ANCPI? How much were you affected by the disruption to the cadastral system?**

Answer:

We expected the situation to be worse and to last longer. Fortunately, the system is now operational. Today, we managed to sign all the transactions that had been put on hold during the disruption. So, the answer is that it did not materially affect us, although it was a cause for concern. Regarding market developments, as we mentioned, the market has already absorbed the impact of the VAT increase. We hope to see positive developments from the authorities and a new government that will provide greater stability and predictability. Given the positive developments in Greenfield, we expect sales there to follow an upward trend. We also expect to record a significant number of transactions at Aria Verdi once we launch an intensive marketing campaign for the project. Overall, we believe we will close the year with satisfactory results.

2. **How are the works on the new access road progressing, and when do you expect it to become operational?**

Answer:

As previously mentioned, the works are progressing. We will begin laying the asphalt very soon and will start work on the railway crossing. We expect the road to become operational by the end of December.

3. **Are there still ongoing efforts to reopen the road through the forest? Is this option still being considered, or has it been ruled out?**

Answer:

The Padina Forest Road is subject to a commercial toll or lease agreement between Romsilva and the Federation of Greenfield Homeowners' Associations. Based on the information available to us, there are ongoing legal proceedings in which the Federation is seeking to reopen the road, as it considers that there are no grounds for terminating the agreement. IMPACT is not a party to these proceedings, so we cannot comment directly on their progress or outcome.

4. **In the context of a slower pace of sales, do you have access to financing on favorable terms to continue developing your projects?**

Answer:

IMPACT has maintained a very strong capacity to repay its loans. If you have followed our leverage ratio, you will have noticed that it has decreased significantly over the past 18 months. Our bank loans and debt have declined from nearly EUR 100 million to approximately EUR 35 million today. None of our banking partners has ever had concerns regarding our solvency or our ability to repay our loans. We are very well capitalized, and sales are entering an upward trend as a result of the concrete measures we have taken during this period. We currently have several credit applications under review and in the approval process. I can say with confidence that we will secure, at the appropriate time, all the financing we have planned for the development of our projects in the coming period.

5. **What are the main sources of cash flow for repaying the bonds maturing in 2026 and covering other short term obligations?**

Answer:

We have a EUR 6.4 million maturity in December. This bond issue will be repaid in full from the proceeds generated by sales in Greenfield. The next maturity, amounting to EUR 3 million, is due in February, and we do not anticipate any issues in meeting this obligation either. In parallel, we have initiated the process for a new bond issue, which will represent a first for the Romanian market. We intend for the bonds to be secured by a mortgage over a land plot, with collateral coverage exceeding 130%. We expect this bond issue to be successful as well. The funds raised will be used to support the development of the Aria Verdi project.

6. **When do you expect to start construction works on the project in Iași?**

Answer:

In our recently updated cash flow projections, we have scheduled the start of construction works for September 1 next year. We expect the works to begin according to this timeline. We are currently redesigning the project. We are considering integrating a supermarket of approximately 6,000 square meters on the 5-hectare site we own in Iași, in order to increase the attractiveness of the project. In this context, we are working on redesigning the project to accommodate the future supermarket, which we expect to generate additional traffic and increase the project's visibility.

7. **What proportion of RCTI's activity is represented by works for third parties, and what proportion relates to projects developed within the Group?**

Answer:

RCTI is currently working on the foundation of the Aria Verdi project and will continue to be involved in the subsequent stages, including structural and installation works. Within the Aria Verdi project, RCTI acts as a subcontractor. For 2026, RCTI has signed contracts and works to be executed amounting to approximately EUR 50 million.

8. **You recorded an adjustment to retained earnings of approximately RON 2 million. Could you provide more details on the reasons for this adjustment?**

Answer:

We believe this relates to the coverage of an accounting loss generated by our subsidiary, Clearline, following a legal dispute with Cluj City Hall. We recorded a loss of RON 6.98 million, which was covered from net profit. This transaction resulted in a net impact of approximately RON 2 million on shareholders' equity and led to the adjustment of retained earnings. Subsequently, following the favorable resolution of the legal dispute, the accounting loss related to Clearline was reversed.

9. Do you intend to maintain your dividend policy for next year?

Answer:

Yes, that is our intention. We plan to maintain our dividend policy.

10. How are sales progressing at Boreal, and what measures are you considering to boost them? Do you intend to continue developing the project?

Answer:

The local market in Constanța is experiencing a slight decline. We intend to continue the project, but only once we have sold most of the completed apartment inventory from Phase 1. At present, Phase 1 includes two significant portfolios of apartments leased to two multinational companies. We are currently taking steps to sell these portfolios of leased apartments to investors. Once these transactions are completed, we will be able to proceed with the development of Phase 2.

11. What are the main sources of funding expected to support the 2026 budget?

Answer:

The main sources of cash will come from the sale of the existing apartment inventory in Greenfield. As mentioned, we are confident that we will be able to maintain a strong pace of sales in Greenfield in the coming period. We will also generate additional cash from contracts that we expect to sign in the near term for the Aria Verdi project.

12. What is the current status of the share buyback program? While the program allows for the repurchase of up to 10% of the shares, less than 2% has actually been repurchased. Instead of distributing dividends, which are subject to a 16% tax, have you considered a public share buyback offer using the amount that would otherwise be distributed?

Answer:

At present, we intend to carry out share buybacks strictly to cover IMPACT's employee Stock Option Plan. We will also consider the two alternatives you mentioned.

13. How are sales progressing in Q3?

Answer:

In Greenfield, we are currently recording 8 to 10 new transactions per month. By the end of the year, we aim to reach a volume of 20 transactions per month.

For Aria Verdi, we are targeting 65 new pre-sale agreements between September and December, with the goal of reaching 100 contracts by the end of the year or, at the latest, by January next year.

14. **How do you view the supply in the Barbu Văcărescu area, where several large scale projects are being launched and a significant number of properties are expected to enter the market? Do you believe Aria Verdi will achieve a satisfactory level of sales, given the high supply of comparable projects in the area?**

Answer:

Aria Verdi is a distinctive project, developed on a generous 2.5-hectare site and comprising 865 apartments. The project will include 5,000 square meters of retail space, a spa, wellness and fitness area of over 2,500 square meters, coworking spaces and a kindergarten. Without making direct comparisons with other developments, Aria Verdi has several features that differentiate it from the competition. We will focus on high-quality finishes, as well as smart home equipment and systems integrated throughout the project. We do not consider the supply in the Barbu Văcărescu, Floreasca area to be excessive. The area remains one of the key destinations for the high end and luxury segments of the residential market. We are seeing strong demand from both individual buyers and portfolio investors in this area.

15. **Is there sufficient demand for this type of premium apartment? The market is relatively limited, while government bond yields represent significant competition for investors. At the same time, the potential for further price appreciation relative to the end buyer's disposable income appears limited.**

Answer:

I would like to point out that real estate investors do not necessarily base their decisions on returns available in the capital markets. An investor in a high-end project such as Aria Verdi also considers the potential for property value appreciation, which could reach up to 50% over several years, in addition to the rental yield generated by the property. There are also investors who prefer to avoid the volatility associated with financial markets and favor tangible assets such as apartments or commercial properties. In fact, a significant share of purchases has been made through legal entities, which likely had available cash within their companies.

16. **Are you still taking steps to have IMP included in the BET index?**

Answer:

Yes, we remain committed to having IMP included in the BET index. To achieve this objective, we need to increase the stock's liquidity and deliver increasingly strong results. As our projects are completed, we will be able to demonstrate the cash flows and returns they generate.

17. **Are you currently in discussions regarding the sale of non residential assets?**

Answer:

Yes. We intend to monetize the retail space and wellness area in Greenfield during the course of next year, after expanding the retail space and attracting new tenants. At the time of reporting, the occupancy rate was 97%, and it has now reached 100%. This is precisely why we plan to add approximately 500 square meters of leasable space and attract a major retailer. This will increase the asset's net operating income and, consequently, its value.

18. **Why should an investor buy IMPACT shares?**

Answer:

As you know, in our view, the shares are significantly undervalued. The company's market capitalization is below its net asset value, which we believe does not accurately reflect the value of the company. We will continue to take concrete actions to deliver stronger results, which should ultimately be reflected in the share price. In other words, an investor buying IMPACT shares today could benefit from significant upside potential as the share price increasingly reflects the company's underlying value. The company has very solid financial fundamentals and strong financial resilience. All our projects are progressing according to plan, and at this stage, we see no reason to deviate from our development strategy. Under these circumstances, we believe there are solid grounds for IMPACT shares to enter an upward trend. Last but not least, we should consider the Aria Verdi project, with a gross development value of over EUR 500 million, which has significant potential to contribute to the company's future results.