

EXPLANATORY MEMORANDUM

regarding the approval of the bond issuance

This document has been prepared in order to substantiate the proposal submitted to the Extraordinary General Meeting of Shareholders for the approval of the issuance by the Company of one or more series of bonds, within the limits and conditions set out in the convening notice, in compliance with the applicable legislation and the provisions of the Articles of Incorporation.

In the context of the Company's development strategy and the financing requirements related to real estate projects at various stages of execution, the Board of Directors proposes the approval of a flexible bond issuance program, which would allow efficient access to the capital markets and diversification of funding sources. Through the implementation of such a program, the Company aims to secure the financial resources necessary for the continuation and acceleration of its investments, as well as to optimize its capital structure, under conditions adapted to the dynamics of the financial markets.

It is proposed to approve the issuance of bonds with a maximum aggregate nominal value of EUR 50,000,000 or the equivalent of this amount in any other currency, with a maturity ranging between a minimum of 48 months and a maximum of 60 months. The issuances may be carried out in one or more series and/or tranches, which may have identical or different characteristics, including with respect to the form of the bonds, currency of denomination, interest rate, maturity or other specific features. Depending on the structure of each issuance, the bonds may be registered or bearer, secured or unsecured, issued in physical or dematerialized form and may be admitted to trading on a regulated market or a multilateral trading system or may remain unlisted, depending on the opportunity identified at the relevant time.

The placement of the bonds will be carried out either through one or more public offerings addressed to investors and/or qualified investors, or through private placements addressed to qualified investors or to a limited number of investors, in accordance with the exemptions from the obligation to publish a prospectus provided by applicable legislation. The specific structure of each issuance will be determined depending on market conditions and investor interest, with a view to obtaining competitive financing terms for the Company.

The funds raised through the bond issuances will be used primarily to finance the current and future development stages of the GREENFIELD Băneasa and BOREAL Plus Constanța residential projects, as well as the development of the related infrastructure and the optimization of the Company's financing structure. These projects are at various stages of implementation, benefiting from construction permits and an advanced degree of execution in certain phases, which contributes to increased visibility over future cash flows and to the mitigation of development-related risks.

The GREENFIELD Băneasa project represents a large-scale residential development carried out by the Company in District 1 of Bucharest, conceived as an integrated urban complex, with an estimated total of 6,485 residential units and over 15,000 inhabitants upon completion, scheduled for 2034. The project is

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Subscribed and fully paid-up share capital: 591.235.355 RON

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being developed in phases, in a sustainable manner, with the objective of creating a modern urban environment with integrated facilities and adequate infrastructure.

Since the commencement of works in 2007, the project has experienced steady development, with multiple infrastructure components and community facilities having been completed and made operational, including private parks, extensive green areas, playgrounds, neighborhood retail units, the GREENFIELD PLAZA shopping center, as well as the WELLNESS CLUB by Greenfield sports facility. At the same time, the project has benefited from the development of transport infrastructure and other public amenities.

Within the current development stages, the Company envisages the expansion and consolidation of the existing infrastructure, including through the development of educational and public facilities. In this regard, the Greenfield Educational Complex, comprising a public school and kindergarten, is currently under construction, with an estimated completion date in 2027. Furthermore, in 2025, the urban planning certificates required for the continuation of infrastructure works were obtained, including for the development of access roads and the completion of the infrastructure elements provided under the applicable zoning documentation, with an estimated completion date in 2026.

As regards the development status, the first three phases of the project, totaling 2,686 residential units, were completed by 2022. As of the end of 2025, out of a total of 1,167 units for which building permits had been obtained, 732 units were completed, 250 units were under construction, and 185 units were planned to enter the construction phase. For the period 2026–2030, the project development envisages the continuation of the phases related to UTR3 and UTR4, totaling 985 residential units and an estimated gross development value of approximately EUR 138 million.

The BOREAL Plus Constanta project represents an extension of the residential developments carried out by the Company in the northern area of Constanta, in proximity to the previously completed Boreal complex, consisting of individual houses. The new project is conceived as a mixed residential development, comprising both individual housing units and multi-unit residential buildings, and is being developed in several phases.

The project provides for the development of 18 houses and 771 apartments, of which the 18 houses and 209 apartments have already been completed and delivered. The project benefits from building permits obtained for all three development phases, with Phase 1 completed and the subsequent phases being at various stages of execution or preparation. In 2020, building permits were obtained for 343 apartments and 18 houses, a significant portion of which had already been completed by 2023.

In the forthcoming period, the Company intends to continue the development of the project by obtaining building permits for an additional 428 residential units. For the future phases of the project, within the estimated development period, the Company envisages the construction of a total of 562 apartments, with a total built area exceeding 51,000 sqm and an estimated gross development value of approximately EUR 79 million.

In this context, the issuance of bonds represents an appropriate financing option, allowing the Company to diversify its sources of capital and reduce its reliance on traditional bank financing, while aligning the maturity of the financing with the development horizon of the projects. At the same time, access to the capital markets contributes to increasing the Company's visibility and attractiveness among investors and to strengthening its investment profile.

The repayment of the bonds will be primarily supported by the cash flows generated from the sale of the residential units developed within the aforementioned projects, as well as from other financing sources available to the Company. The structure of the issuances will be designed so as to ensure an adequate alignment between the maturity of the bonds and the expected schedule of cash inflows, taking into account the specific nature of real estate development activities.

Depending on the structure of each issuance, the Company may establish security in favor of the bondholders, including real movable or immovable security interests over certain assets of the Company, guarantees deemed appropriate, in order to support the attractiveness of the issuance and optimize the financing terms.

The main risks associated with such an operation include those related to the evolution of the real estate market, changes in financing conditions, project execution risks, as well as legislative or permitting risks. The Company manages these risks through a prudent development approach, diversification of its project portfolio and continuous monitoring of market conditions.

For the efficient implementation of the bond issuance, it is proposed to authorize the Board of Directors, with the possibility of sub-delegation, to determine the specific terms and conditions of each issuance or tranche, including the value, price, interest rate, maturity, repayment conditions, any early redemption options, as well as to decide on the listing of the bonds. Furthermore, the Board of Directors will be empowered to negotiate and execute all contracts and documents, to select intermediaries and to carry out all legal formalities necessary for the issuance and, as the case may be, for the admission to trading of the bonds.

In light of the above, the Board of Directors submits for approval to the Extraordinary General Meeting of Shareholders the issuance of bonds under the conditions described herein, the approval of the establishment of security in connection therewith, as well as the authorization of the Board of Directors to implement all measures necessary for the completion of the transaction.