

IMPACT DEVELOPER & CONTRACTOR S.A.

**INDEPENDENT ASSURANCE REPORT
AS OF DECEMBER 31, 2017**

The Board of Directors,
IMPACT DEVELOPER & CONTRACTOR S.A.
Romania

INDEPENDENT ASSURANCE REPORT ISSUED PURSUANT TO THE REQUIREMENTS OF CNVM REGULATION NO.1/2006

Purpose of independent assurance report

Further to your request, we have performed procedures, enumerated below, with regard to the information included in the Current Reports dated 14 July 2017, 22 August 2017, 5 September 2017, 11 October 2017, 20 November 2017, 12 December 2017, 12 January 2018 ("the Current Reports"), reported by IMPACT DEVELOPER & CONTRACTOR SA ("the Company") to The Authority for Financial Surveillance ("ASF"), *in accordance with the article 225 from Law 227/2004 on the capital market with subsequent amendments, with Law no. 24/2017 on issuers of financial instruments and market operations, and with Regulation No. 1/2006 on issuers of and operations with securities of ASF*, for the period 01 July 2017 – 31 December 2017. The Current Reports are the responsibility of the management of the Company ("Management"), and these are based on the agreements concluded with the administrators, employees, shareholders who retain control, as well as persons engaged with these, under art. 113, letter G, paragraph 6 from Regulation no. 1/2006.

Our engagement was undertaken in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. This standard requires that we comply with ethical requirements, including independence requirements, and plan and perform our procedures in order to obtain a corresponding assurance level of whether the transactions included in the Current Reports, are in accordance, under all material aspects, with art. 113, paragraph G, point 6 of Regulation no. 1/2006, as a basis for our independent conclusion of limited assurance. Because such limited procedures are not considered an audit or review of the financial statements or any parts thereof due to their inherent limitations and accordingly we do not provide any such assurance.

The Company reported to ASF transactions that exceed and that are below 50,000 EUR concluded during the 2nd semester of 2017 with affiliated parties.

Procedures performed

- 1) Obtain Current Reports, detailing the list of transactions reported for the 2nd semester of 2017 and agree the details of the contracts included the Current reports to the underlying contracts.
- 2) Obtain and review the contracts to verify that these have been authorized by the contracting parties and to ascertain whether they provide for: the contracting parties, the contract date and nature, the description of the purpose, the total value of the document, the mutual debts, guarantees, payment terms and deadlines.
- 3) Obtain an understanding, by discussing with Management, as to how the contractual relationship for the reported contracts was established.
- 4) Discuss with Management and comment on the company's internal policy with respect to transactions with its administrators, employees, shareholders that have control, as well as its related parties.

Results of procedures

- i. We obtained the Current Reports signed by Management and we agreed the details of the contracts pertaining to 2nd semester reported in the Current Reports to the underlying contracts. Our procedures have been applied only to the transactions/contracts that exceeded 50,000 EUR during the 2nd semester of 2017. We have not performed any procedures to verify whether this list include all the transactions to be reported by the Company under the provisions of art. 225 of Law 297/2004 for the period 1 July 2017 – 31 December 2017.
- ii. We obtained and reviewed the contracts and verified that these have been authorized by the contracting parties and verified whether they provided for the contracting parties, the contracts date and nature, the description of the purpose, the total value of the document, the mutual debts, guarantees, payment terms and deadlines.
- iii. With respect to item (3) above, Management informed us that the price agreed between the parties were established as stated in point iv below.
- iv. With respect to item (4) above, we understand, based on our discussion with Management, that the Company has adopted the following pricing policies:
 - a) With respect to the contract no 49/01.12.2014 addendum no 4/19.02.2016, SC ACTUAL INVEST HOUSE SRL renders services represented by any form of occasional intervention, repairs, replacement, maintenance necessary to keep the buildings in a state of normal use. The price for these services is calculated based on work statements received from subcontractors.
 - b) With respect to the contract no 49/01.12.2014 addendum no 4/19.02.2016, SC ACTUAL INVEST HOUSE SRL renders maintenance services for the Company's buildings and other assets. The price of these services is fixed, in amount of RON 48,000. The price has been negotiated between the two Companies and is calculated based on number of hours and price per hour for each type of activity rendered;

We mention that the transactions listed in the Current Reports will be eliminated in the consolidation process of the Company for the year ended December 31, 2017 and will not impact the consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2017.

Conclusion

Based on our work as described in this report, procedures 1-4, with respect to the contracts listed in the Current Reports for the period 1 July 2017 – 31 December 2017, nothing has come to our attention that causes us to believe that:

- a) The contract details noted in the Current Reports reported to ASF, do not agree with the contract.
- b) The contract was not properly authorized by the contracting parties.
- c) The contract did not provide for the terms and conditions governing the contractual relationship between the related parties such as contracting parts, the contract date and nature, the description of the purpose, the total value of the document, the mutual debts, guarantees, payment terms and deadlines.

- d) The price agreed between the parties was not mutually agreed based on the type of product and other terms and conditions.

Because the above mentioned procedures do not constitute an audit or a review performed in accordance with the International Audit Standards or International standards for review engagements we do not express any opinion regarding the Company's financial statements as result of the performed procedures. As consequence, this report refers only to the documents, financial information mentioned above and does not depend on any of the Company's financial statements as whole or in part.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with the International Audit Standards or International standards for review engagements we might have had additional observations that we would have reported to you. Our work was limited to the procedures performed considering the information presented and our report refers to the related observations.

The procedures and observations from this report must be considered in the context of the scope for which these procedures were performed and, as consequence, they must not be used as sole basis for forming a conclusion.

The present report is addressed to the Company's management and Board of Directors. Our report has exclusively the scope presented in the paragraphs above and is not intended to be used by other persons than the ones that agreed the procedures to be performed and understand their sufficiency for their purposes. In the maximum limit allowed by the law we do not accept or do not assume the responsibility to any party other than the Company for our work or for the reported observations. The present report has been issued exclusively for the purpose presented in the first section and cannot be used or distributed for any other purpose or used as reference by any other external party except for the Company's internal purposes and the submission to The Authority for Financial Surveillance and Bucharest Stock Exchange (BSE).

For signature, please refer to the original Romanian version.

Deloitte Audit S.R.L.
Bucharest, Romania
January 29, 2018