

BROCHURE SUMMARY

Section A – Warnings

Securities names and international real estate identification numbers (ISIN) - Bonds, ISIN ROJOPQPOPSW5

Identity and contact details of the issuer, including the legal entity identifier (LEI) – IMPACT Developer & Contractor S.A., headquartered in 172-176 Soseaua Bucuresti-Ploiesti, building A, 2st floor of Willbrook Platinum Business & Convention Center, district 1, Bucharest, Romania, Phone No.: 0212 307 570, Fax 0212 307 581, e-mail office@impactsa.ro LEI code 315700KVJ0DVH5IBI827

Identity and contact details of the person requesting admission to trading on a regulated market - IMPACT Developer & Contractor S.A., headquartered in 172-176 Bucharest No. 172-176, Building A, 1st, Willbrook Platinum Business & Convention Center, district 1, Bucharest, Romania, Phone 0212 307 570, Fax 0212 307 581, E-mail office@impactsa.ro LEI code 315700KVJ0DVH5IBI827

Identity and contact details of the competent authority approving the brochure - The Financial Supervisory Authority, based in 15 Splaiul Independentei, district 5, postal code 050092, Bucharest, fax 021.659.60.51, phone. 021-65.96.271, e-mail office@asfromania.ro.

Date of approval of the brochure – 18.03.2021

This summary should be read as an introduction to the Brochure. Any decision to invest in Bonds should be based on an examination of the entire Brochure by investors. In some cases, the investor may lose all or part of his or her invested capital by investing in Bonds. If an action is brought before a court regarding the information contained in the Brochure, the applicant investor may, in accordance with domestic law, have to bear the costs of translating the Brochure prior to the commencement of legal proceedings. Civil liability lies solely with the persons who submitted the summary, including any translation thereof, but only when it is misleading, inaccurate or contradictory in relation to the other parts of the Brochure, or when it does not provide, in relation to the other parts of the Brochure, essential information to help investors decide whether to invest in Bonds.

Section B – Essential information regarding the issuer

Who is the issuer of the securities?

Company name: IMPACT Developer & Contractor S.A.

Company headquarters: 172-176, Soseaua Bucuresti-Ploiesti, Building A, 1st Floor, from Willbrook Platinum Business & Convention Center, district 1, Bucharest, Romania. **Legal form:** Joint stock company **LEI code:** 315700KVJ0DVH5IBI827. Legislation under which it operates: The company was established and operates on the basis of the Romanian law regarding the companies, on the issuers of financial instruments and market operations, as well as on the basis of its Articles of Incorporation. **Country in which the Issuer was established:** Romania

Main activities: The Company's activity consists in the construction of residential complexes and the sale of apartments and houses built. Currently, 3 projects are being considered, one in Bucharest, one in Iasi and one in Constanta: GREENFIELD BANEASA Residence, which will include a number of over 7,000 homes, built on an area of 600,000 square meters; LUXURIA DOMENII Residence, which will include 9 buildings with 630 premium apartments, built on an area of 22,500 square meters; GREENFIELD PLAZA, which will be the largest community centre dedicated to a residential community, will include the commercial and service area, fitness and SPA centre, preschool and public gymnasiums, promenade and recreation areas and optional transportation, and will serve mainly GREENFIELD BANEASA Residence, but also adjacent areas; BOREAL PLUS, project located in Constanta, which will include a number of 691 residential units, built on an area of 43,000 sqm; GREENFIELD COPOU Residence, project located in Iasi, which will include a number of 1,100 apartments, built on an area of 48,685 sqm.

Majority action: At the date of this Brochure, Gheorghe Iaciu holds a 58.85% stake in the Issuer's share capital, thus having control over the Issuer.

Directors: The administration of the Company is ensured by the Board of Directors ("Board"), consisting of five members: Iuliana Mihaela Urda - Chairman of the Board of Directors, Petru Vaduva - independent member of the Board, Beze Laviniu Dumitru - independent member of the Board, Daniel Pandele - independent member of the Board, Ruxandra-Alina Scarlat - independent member of the Board.

Statutory auditor: The external financial auditor of the Issuer for the financial years presented in the Brochure, respectively the financial years concluded on 31.12.2017, 31.12.2018 and 31.12.2019 was Deloitte Audit S.R.L., with its registered office in Bucharest, 84-89, 100-102 Calea Grivitei, The Mark building, 8th and 9th floor, district 1, registration number at the Trade Register J40 / 6775/1995, Tax ID No. RO7756924, phone 021 222 1616, registered in the electronic public register of financial auditors and audit firms under No. FA 25.

What is the essential financial information regarding the Issuer?

Profit and loss account (consolidated statement)

Indicators (thsd RON)	31.12.2019	31.12.2018	30.09.2020	30.09.2019
Income from real estate in stock	156,681	101,534	135,349	100,550
Gross profit	72,777	40,050	51,279	47,509
Annual profit from operations	189,299	34,350	27,546	27,682
Result of the period	154,484	20,827	13,278	18,494

The values included in the table above are extracted from the audited consolidated financial statements of the Issuer, drawn up in Romanian, related to the financial years concluded on 31.12.2019, respectively 31.12.2018, respectively from the unaudited consolidated interim financial reports of the Issuer on 30.09.2020, respectively 30.09.2019.

Balance sheet (consolidated situation)

Indicator (thsd. lei)	31.12.2019	31.12.2018	30.09.2020	30.09.2019
Net financial debt (long-term debt plus short-term debt minus cash)	199,050	144,677	252,407	177,334
Current rate (current assets / current liabilities)	7.08	3.83	2.48	3.85
Leverage effect (total debt / total shareholder capital)	0.45	0.54	0.61	0.59
Interest coverage capacity (EBITDA / interest expenses)	18.12	3.23	5.47	4.52

The values included in the table above are extracted from the audited consolidated financial statements of the Issuer, drawn up in Romanian, related to the financial years concluded on 31.12.2019, respectively 31.12.2018, respectively from the unaudited consolidated interim financial reports of the Issuer on 30.09.2020.

Consolidated statement of cash flows

Indicators (thsd RON)	31.12.2019	31.12.2018
Net cash flows from operating activities	1,826	(879)
Net cash flows from financing activities	28,333	(14,773)
Net cash flows from investment activities	(15,437)	(1,082)

Individual cash flow situation

Indicators (thsd RON)	31.12.2019	31.12.2018	30.09.2020	30.09.2019
Net cash flows from operating activities	98.269	32.328	38.132	46.253
Net cash flows from financing activities	(73,573)	(55,535)	(51,273)	(36,263)
Net cash flows from investment activities	(16,016)	(632)	(3,359)	(6,872)

The values included in the table above are extracted from the audited consolidated financial statements of the Issuer, drawn up in Romanian, related to the financial years concluded on 31.12.2019, respectively 31.12.2018, respectively from the unaudited consolidated interim financial reports of the Issuer on 30.09.2020, respectively 30.09.2019.

Proforma financial information: Not applicable.

What are the main risks specific to the Issuer?

There are a variety of factors that, individually or together, may affect the activity, financial position or prospects of the Issuer. From the analysis performed by the Issuer, among the most important significant risks to which the entity is exposed, without limitation, the following are included:

Market-specific risk factors on which the Issuer operates

- **Market risk** - Global and local economic instability may have an adverse effect on the liquidities of the Impact Group. This aspect is carefully monitored and the necessary measures are taken to ensure the stability of the Impact Group. The slowdown in economic growth and consumption in Romania may have an adverse effect on the activity of the Impact Group. Impact Group takes the necessary measures to ensure that its products remain attractive and are adapted to market requirements.
- **Legislative changes** - Legislative changes to the licensing regime may have adverse effects on the work of the Impact Group. These changes and the effects on the activity of the Impact Group are constantly monitored by the Impact Group.
- **The SARS-COV-2 pandemic** - The appearance of the COVID-19 virus and its social and economic impact in Romania and globally can lead to assumptions and estimates that require revisions that may in turn lead to significant adjustments in the accounting value of assets and liabilities in the next financial year. The long-term impact of the pandemic can affect trading volumes, cash flows and profitability. At this stage, the Impact Group cannot reliably estimate the impact because events are still ongoing. The Impact Group closely monitors the effects of the COVID-19 pandemic and its effects on the real estate market and the country's economic environment and will take all necessary measures to minimize the impact and meet its commitments to customers, financiers and shareholders.

Risk factors specific to the Issuer

- **The risk generated by the company's litigations** – Although the Issuer pays special attention to the observance of all legal provisions, in the context of its activity, the Issuer is subject to the risk generated by litigations and other judicial procedures. The Issuer may be affected by contractual or non-contractual claims, complaints, including counterparties from contractual relationships, customers, competitors or regulators. Also, any kind of negative publicity associated with such an event can have an influence.

At the time the Brochure was drafted, a subsidiary of the company was involved in a dispute with the Cluj County Council. The company requests reimbursement of costs amounting to RON 17 million, plus expenses. Based on the recommendations of the Company's lawyer, the management considers that the outcome of the litigation will not have a negative impact in these financial statements. However, this involves a high level of judgment and, if the amounts recovered are less than the accounting value of the asset, a financial loss will result.

- **Risk associated with other types of litigation** - in the context of its activity, the Issuer is subject to a risk of litigation, among others, as a result of changes and developments in legislation. The Issuer may be affected by other contractual claims, complaints and disputes, including from counterparties with whom it has contractual relations, customers, competitors or regulators, as well as by any negative publicity that such events may attract.
- **Financing risk** - As a real estate developer, the Impact Group relies on its own contributions, and on financing obtained from third parties for the development of projects. Limiting access to finance may have a negative effect on the impact of the Impact Group's ability to develop new projects. The management of the Impact Group constantly monitors this aspect and strives to diversify the financing sources of the Impact Group.

A significant proportion of the Group's customers use bank loans to purchase homes. Any tightening of credit conditions can have an adverse effect on apartment sales. This was also the case at the end of 2018, when the maximum degree of indebtedness was reduced by the NBR to 40% of the net income for loans in lei, respectively 20% for those in foreign currency. The Impact Group takes all necessary measures to limit the adverse effect of this legislative change on its activities.

- **Currency risk** - A significant increase in the exchange rate for the Euro may result in higher payments for loans, bonds and acquisitions, made for construction works denominated in Euro. Main debts denominated in Euro are the CVI bonds and the bonds issued through BVB, the loans obtained for financing the first two phases of the Luxuria project and the construction contracts with the general contractor.
- **Geographical risk** - The Group's activity is concentrated in Bucharest. The geographic risk will be mitigated by expanding developments in other major cities in the country.

Section C – Essential Information on Bonds

What are the main features of Bonds?

Bond type and class: Corporate, registered, dematerialized and non-convertible bonds of the Issuer. **ISIN Code of Bonds:** ROJOPQPOPSW5. **Bond Currency:** Euro (EUR). **Nominal unit value:** 500 EUR/bond. **Number of bonds issued:** 13,163 Bonds. **Maturity of bonds:** December 24, 2026

Rights related to Bonds. The payment of the principal for the Bonds will be made by the Issuer on the Maturity Date or on another date established as the Early Redemption Date, and the coupon (interest) amounting to 6.40% per year will be paid semi-annually. As long as the Bonds are circulating, the Issuer will be subject to ongoing transparency and disclosure obligations, as set out in Directive 2004/109 / EC (also known as the Transparency Directive, as amended by Directive 2010 / 73 / EU), as it was transposed into Romanian legislation by Law 24/2017 and Regulation 5/2018.

All payments related to the principal and the coupon (interest) made by or on behalf of the Issuer in connection with the Bonds shall be made in compliance with the provisions of the Fiscal Code in force at the time of these payments. To the extent that, in accordance with the provisions of the tax legislation applicable at the time of payment of the principal or coupon, the Issuer is required to withhold or deduct any taxes or fees in connection with such payments, the Issuer shall make such deductions or deductions accordingly. The Issuer shall not be obliged to pay from its own funds those additional amounts, that would result in the receipt by the bondholders of such amounts that they would have received, had the retention or deduction not been imposed. The amount withheld shall be determined on the basis of Romanian tax legislation or, as the case may be, could be reduced on the basis of a double taxation convention, as detailed in the "Fiscal Aspects" section.

Bondholders may meet in general meetings to decide on their interests (every such meeting being called the "Bondholders' Meeting"). Among others, the Meeting of Bondholders is authorized to appoint a representative of the Bondholders and one or more alternates, who shall have the right to represent them before the Issuer and the courts and may attend general meetings of the Issuer's shareholders.

The relative rank of the Bonds in the structure of the Issuer's capital in case of insolvency, including, where applicable, information on the level of subordination of the Bonds and the potential impact on investments in case of resolution in accordance with Directive 2014/59 / EU. The obligations constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, represent and will continue to represent obligations of the same rank (pari passu) and without preference between them and (subject to mandatory and generally applicable exceptions, by virtue of Romanian law) to all present or future unsecured and unsubordinated obligations of the Issuer. Not applicable, the issuer is not covered by Directive 2014/59 / EU.

Any restrictions imposed on the free transferability of the Bonds. The bonds shall be redeemed on the Maturity Date or on the Early Redemption Date. The Bondholders do not have the right to accelerate the future scheduled payment of the main Bonds or Coupons (Interest), except in case of insolvency or liquidation of the Issuer. There are no restrictions on the free transferability of the Bonds.

Dividend policy, or their distribution: The policy regarding the annual distribution of dividends or other benefits to shareholders is proposed by the General Manager and adopted by the Board of Directors, in the form of a set of guidelines that the company intends to follow regarding the distribution of net profit.

In its annual report, the company shall information regarding the dividend distribution policy in accordance with the provisions of Law No. 24/2017 on the capital market, thus establishing a proportionate division between dividends and investments and providing for the dividend distribution rate.

The percentage of the net profit allocated to dividend payments is established annually by the Decision of the Ordinary General Meeting.

Where will the Bonds be traded?

The bonds are the subject of an application for admission to trading on the regulated market administered by the Bucharest Stock Exchange.

Is there a guarantee for the Bonds? Not applicable.

What are the main risks specific to Bonds?

- **It is possible, that Bonds are not actively traded.** Following the admission to trading on the regulated market administered by the Bucharest Stock Exchange, it is possible that the Bond trading market is not very liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that provide them with a return comparable to that obtained in the case of similar investments that have developed a secondary market.
- **Credit risk.** In case of an unfavourable situation, the Issuer may be unable to make payments in the form of coupons and / or principal and thus, the Issuer may be unable to repay the amounts related to current bonds or a future issue.
- **Interest rate risk.** Given that the Bonds shall benefit from a fixed interest rate for the entire period of the bond loan, and the interest rate (coupon rate) shall not be subject to updating by reference indices, buyers may be exposed to the risk of fluctuation (negative evolution) of the interest rate following the evolution of the Euribor reference indices, for the entire period from the date of acquisition of the Bond until the date of its capitalization.
- **Market value of the bonds.** The value of the Bonds depends on a number of interdependent factors, including economic events, including the evolution of the COVID-19 pandemic crisis, financial and political events taking place in Romania or elsewhere in the world, including factors affecting capital markets in general and the stock exchange on which the Bonds are traded in particular. The price at which a Bondholder will be able to sell the Bonds before maturity may contain a reduction in the purchase price paid by the respective buyer, which could be substantial.
- **Currency risk.** Considering the fact that the bonds are issued in EUR, the buyers are exposed to the currency risk of volatility / fluctuation related to the RON / EUR exchange rate, from the moment of acquiring the Bonds until their capitalization.

Section D – Issuance of Bonds

What are the conditions and what is the calendar for investing in Bonds?

Investors may invest in Bonds on the secondary market after the completion of the procedure for admission to trading on the regulated market of the Bucharest Stock Exchange.

The Issue and Admission to Trading of the Bonds on the Bucharest Stock Exchange was approved by the Decision of the Extraordinary General Meeting of the Issuer's Shareholders dated 28.04.2020.

Distribution plan: Not applicable.

The amount and percentage of the immediate dilution resulting from the Offer and an estimate of the total cost of the issue and / or the Offer, including the estimated costs charged to the investor by the Issuer or bidder: Not applicable.

Who is the person applying for admission to trading?

The person requesting admission to trading is the Bond Issuer.

Why was this brochure drawn up?

Reasons for admission to trading: Admission to trading on the regulated market administered by the Bucharest Stock Exchange was requested in order to provide liquidity to the Bonds on the secondary market.

Use and estimated net sum of amounts resulting from admission to trading: The Issuer will not obtain any financial income following the admission of the Bonds to trading.

Indication if the offer is the subject of an agreement on a firm subscription undertaking: Not applicable.

An indication of the most important conflicts of interest regarding the admission to trading: Not applicable. The Intermediary has no interest and no conflict of interest that could significantly influence the Admission to trading, except for the fulfilment of the contract signed with the Issuer for the admission to trading of the Bonds.