IMPACT DEVELOPER & CONTRACTOR S.A.

PRELIMINARY UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE PERIOD ENDED 31 DECEMBER 2023

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

CONTENTS:	PAGE
PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2 – 3
PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	4
PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	5 – 6
PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS	7
NOTES TO THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS	8 - 9



	31 December 2023	31 December 2022
ASSETS		
Non-current assets		
Property, plant, and equipment	88,798	65,648
Intangible assets	632	534
Goodwill	3,543	3,543
Right of use assets	3,300	4,317
Investment property	676,297	653,725
Total non-current assets	772,570	727,767
Current assets		
Inventories	623,445	617,698
Trade and other receivables	13,023	25,561
Contract receivables and other current assets	7,068	17,228
Cash and cash equivalents	51,293	55,108
Total current assets	694,829	715,595
Total assets	1,467,399	1,443,362
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	598,884	598,884
Share premium	41,462	40,493
Revaluation reserve	-	3,001
Other reserves	41,590	40,266
Own shares	(268)	(268)
Retained earnings	229,573	197,390
Equity attributable to equity holders of the parent Non-controlling Interest	911,211 13,861	879,766 9,854
	925,102	889,620
Total equity	720,102	
Non-current liabilities		
Loans and borrowings	347,032	268,855
Trade and other payables	5,995	8,476
Deferred tax liability	57,876	81,058
Total non-current liabilities	410,903	358,389

IMPACT DEVELOPER & CONTRACTOR S.A. PRELIMINARY UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023



	31 December 2023	31 December 2022
Current liabilities		
Loans and borrowings	66,602	119,919
Trade and other payables	23,377	33,726
Profit tax liability	2,234	1,885
Contract liabilities	38,894	39,470
Provisions for risks and charges	287	353
Total current liabilities	131,394	195,353
Total liabilities	542,297	553,742
Total shareholders' equity and liabilities	1,467,399	1,443,362

IMPACT DEVELOPER & CONTRACTOR S.A. PRELIMINARY UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2023 (All amounts are expressed in thousand RON, unless stated otherwise)



	Period ended as at 31 December			
	2023	2022		
Revenue Costs of sales	169,471 (103,113)	219,199 (148,508)		
Gross profit	66,358	70,691		
Net income from other activities	-	7,306		
General and administrative expenses	(42,750)	(30,182)		
Marketing expenses Other income/(expenses)	(3,795) (9,295)	(5,515) (8,567)		
Depreciation and amortization	(4,061)	(2,323)		
Gains from investment property	32,571	77,660		
Operating profit	39,028	109,070		
Finance income	10,979	11,626		
Finance cost	(34,321)	(17,867)		
Finance result net (loss)	(23,342)	(6,241)		
Profit before income tax	15,686	102,829		
Income tax credit/(charge)	19,216	(18,062)		
Profit for the period, out of which Attributable to:	34,902	84,767		
-Non-Controlling Interests	(2,294)	(856)		
-Equity holders of the parent	37,196	85,623		

IMPACT DEVELOPER & CONTRACTOR S.A. UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2023 (All amounts are expressed in thousand RON, unless stated otherwise)



Total equity attributable Share Share Revaluation Retained Total Other to equity NCI Own shares capital premium reserves earnings equity reserves holders of the parent Balance as at 1 January 2023 598,884 40,493 3,001 40,266 (268)197,390 879,766 9,854 889,620 Other comprehensive income Profit for the period 34,902 34,902 2,295 37,198 **Total other comprehensive** 34.902 34.902 2.295 37,198 income Own shares acquired 969 (969)Dividends granted to (3,429)(3,429)(3,429)shareholders Legal reserves 1,323 (1,323)(3.001)3,001 Revaluation reserves Other changes in equity 1,712 1 1,712 **Balance as at 31 December** 41,590 925,101 598,884 41,462 (268)229,572 911,239 13,861 2023

IMPACT DEVELOPER & CONTRACTOR S.A. UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2023 (All amounts are expressed in thousand RON, unless stated otherwise)



Balance as at 1 January 2022	Share capital 401,214	Share premium (4,475)	Revaluation reserves	Other reserves	Own shares (841)	Retained earnings 303,676	Total equity attributable to equity holders of the parent 716,854	NCI	Total equity 716,854
Other comprehensive income		(1,110)		,	(0.14)		7 _ 0,00 1		1 = 0,00 1
Profit for the period	_	-	_	_	_	85,623	85,623	(856)	84,767
Total other comprehensive income	-	-	-	-	-	85,623	85,623	(856)	84,767
Share Capital Increase	197,670	45,985				(165,923)	77,732		77,732
Own shares acquired	-	-	-	-	(442)	-	(442)		(442)
Share based payments	-	(1,017)	-	-	1,015	-	(2)		(2)
Dividends granted to shareholders	-	-	-	-	-	-	-		-
Legal reserves	-	-	-	25,986	-	(25,986)	-		-
Acquisition of a subsidy		-	-	-	-	-	-	10,710	10,710
Balance as at 31 December 2022	598,884	40,493	3,001	40,266	(268)	197,390	879,766	9,854	889,620

IMPACT DEVELOPER & CONTRACTOR S.A. PRELIMINARY UNAUDITED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 DECEMBER 2023



Profit for the period 37,197 84,767 Adjustments to reconcile profit for the period to net cash flows:		Period ended as at 31 December			
Adjustments to reconcile profit for the period to net cash flows: (14,671) (42,922) Gains from revaluation of investment property (32,571) (77,660) Gains from disposal of investment property 8,497 (660) Reversal of impairment loss (496) 7,757 Depreciation and amortization 4,061 2,323 Shares based payments - 1,015 Finance costs 34,321 17,867 Other non-cash adjustments 1,712 - Income tax (19,216) 18,062 Working capital adjustments (256) (91,158) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease/(increase) in trade receivables and other receivables 10,160 (220) Decrease in inventory (8,218) (84,272) (Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (35) (Decrease)/increase in provisions (66) (35) (Decrease)/increase in provisions (5,811) (6,817) <th>_</th> <th>2023</th> <th>2022</th>	_	2023	2022		
Gains from revaluation of investment property (32,571) (77,660) Gains from disposal of investment property 8,497 (660) Reversal of impairment loss (496) 7,757 Depreciation and amorization 4,061 2,323 Shares based payments - 1,015 Finance income (10,979) (11,626) Chern on-cash adjustments 1,712 - Other non-cash adjustments (19,216) 18,062 Working capital adjustments (256) (91,158) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease in prepayments 10,160 (220) Decrease in inventory (8,218) (84,272) Decrease in inventory (8,218) (8,218) (Decrease)/increase in trade, other payables, and contract liabilities 10,769 13,067 (Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows f	Profit for the period	37,197	84,767		
Gains from disposal of investment property 8,497 (660) Reversal of impairment loss (496) 7,757 Depreciation and amortization 4,061 2,323 Shares based payments - 1,015 Finance income (10,979) (11,626) Other non-cash adjustments 1,712 - Income tax (19,216) 18,062 Working capital adjustments (256) (91,158) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease in prepayments 10,160 (220) Decrease in inventory (8,218) (84,272) (Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of property, plant and equipment (5,851) (4,006) Payments for ow	Adjustments to reconcile profit for the period to net cash flows:	(14,671)	(42,922)		
Reversal of impairment loss (496) 7,757 Depreciation and amortization 4,061 2,323 Shares based payments - 1,015 Finance costs 34,321 17,867 Other non-cash adjustments 1,712 - Income tax (19,216) 18,062 Working capital adjustments (256) (91,158) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease/(increase) in trade receivables and other receivables 12,538 (19,810) Decrease/(increase) in trade receivables and other receivables 12,538 (19,811) Decrease/(increase) in trade receivables and other receivables 10,160 (220) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease/(increase) in trade receivables and other receivables 12,538 (19,811) Decrease/(increase) in trade receivables and other receivables 13,067 (66) (935) Decrease in inventory (8,218) (8,218)	Gains from revaluation of investment property	(32,571)	(77,660)		
Depreciation and amortization 4,061 2,323 Shares based payments - 1,015 Finance costs 34,321 17,867 Other non-cash adjustments 1,712 - Income tax (19,216) 18,062 Working capital adjustments (256) (91,158) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease/(increase) in trade receivables and other receivables 10,160 (220) Decrease in inventory (8,218) (84,272) (Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - 816 Interest	Gains from disposal of investment property	8,497	(660)		
Shares based payments - 1,015 Finance income (10,979) (11,626) Chien coots 34,321 17,867 Other non-cash adjustments 1,712 - Income tax (19,216) 18,062 Working capital adjustments (256) (91,158) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease in prepayments 10,160 (220) Decrease in inventory (8,218) (84,272) (Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (935) (Decrease)/increase in provisions (65) (935) (Decrease)/increase in provisions (568) (49,313)					
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Income tax (19,216) 18,062 Working capital adjustments (256) (91,158) Decrease/(increase) in trade receivables and other receivables 12,538 (11,981) Decrease in prepayments 10,160 (220) Decrease in inventory (8,218) (84,272) (Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of a subsidiary - (5,130) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on investment property under development - (569) Proceeds from sale of property, plant and equipment - (569) Proceeds from sale of property, plant and equipment - (20,300) Interest received 303 366			17,867		
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Decrease in prepayments 10,160 (220) Decrease in inventory (8,218) (84,272) (Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of a subsidiary - (5,130) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - (569) Proceeds from sale of property, plant and equipment - 816 Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from financing activities: - 77,732 Proceeds from borrowings 225,098 483,539 Repayment of principal of borrowings (202,906) (422,833) Procee	Working capital adjustments	(256)	(91,158)		
Decrease in inventory (8,218) (84,272) (Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of a subsidiary - (5,130) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - (569) Proceeds from sale of property, plant and equipment - 816 Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from investing activities (225,098) 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - - 77,732 Dividends paid (3,429) (11)	Decrease/(increase) in trade receivables and other receivables	12,538	(11,981)		
(Decrease)/increase in trade, other payables, and contract liabilities (10,799) 13,067 (Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of a subsidiary - (5,130) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - (569) Proceeds from sale of property, plant and equipment - (816) Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from investing activities (225,098) 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,3312) Net ca		10,160	(220)		
(Decrease)/increase in provisions (66) (935) Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of a subsidiary - (5,130) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - (569) Proceeds from sale of property, plant and equipment - 816 Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from financing activities: 225,098 483,539 Repayment of principal of borrowings 225,098 483,539 Proceeds from borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (3,429) (20,312) Net cash used in financing activities (1	Decrease in inventory	(8,218)	(84,272)		
Income tax paid (3,871) (6,817) Net cash flows from operating activities 22,270 (49,313) Purchase of a subsidiary - (5,130) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - (569) Proceeds from sale of property, plant and equipment - 816 Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from financing activities: 225,098 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents a	(Decrease)/increase in trade, other payables, and contract liabilities	(10,799)	13,067		
Net cash flows from operating activities 22,270 (49,313) Purchase of a subsidiary - (5,130) Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - (569) Proceeds from sale of property, plant and equipment - 816 Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Proceeds flows from financing activities: 225,098 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037	(Decrease)/increase in provisions	(66)	(935)		
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Purchase of property, plant and equipment (5,851) (40,006) Payments for own shares - (1,459) Expenditure on investment property under development (9,970) (9,749) Expenditure on PPE under development - (569) Proceeds from sale of property, plant and equipment - 816 Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from financing activities: 225,098 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037		22,270			
Payments for own shares - (1,459)		-			
Expenditure on investment property under development Expenditure on PPE under development Proceeds from sale of property, plant and equipment Interest received Net cash flows from investing activities Cash flows from financing activities: Proceeds from borrowings Repayment of principal of borrowings Proceeds from issue of share capital Interest paid Net cash used in financing activities Net increase / (decrease) of cash and equivalents Cash and equivalents as at 1st of January (19,749) (9,749) (9,749) (9,749) (9,749) (10,567) (15,518) (15,518) (15,518) (15,518) (15,518) (15,518) (15,518) (15,518) (15,518) (15,518) (10,567) (118,115) (10,567) (118,115)		(5,851)			
Proceeds from sale of property, plant and equipment - 816 Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from financing activities: 225,098 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037	•	(0.070)			
Proceeds from sale of property, plant and equipment Interest received 303 366 Net cash flows from investing activities Cash flows from financing activities: Proceeds from borrowings Repayment of principal of borrowings Proceeds from issue of share capital Dividends paid Interest paid Net cash used in financing activities Net increase / (decrease) of cash and equivalents Cash and equivalents as at 1st of January 816 15,518 15,518 15,518 15,731 15,518 15,731 15,518 15,731 15,518 15,731 15,731 15,731 16,557 17,732 17,732 18,115 18,115 18,115		(9,970)			
Interest received 303 366 Net cash flows from investing activities (15,518) (55,731) Cash flows from financing activities: 225,098 483,539 Proceeds from borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037		_			
Cash flows from financing activities: Proceeds from borrowings Repayment of principal of borrowings Proceeds from issue of share capital Proceeds from issue of share capital Dividends paid Interest paid Net cash used in financing activities Cash and equivalents as at 1st of January Cash flows from financing activities: 225,098 483,539 (202,906) (422,833) 777,732 (11) 177,732 (11) 18,115 13,071 13,071		303			
Proceeds from borrowings 225,098 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037	Net cash flows from investing activities	(15,518)	(55,731)		
Proceeds from borrowings 225,098 483,539 Repayment of principal of borrowings (202,906) (422,833) Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037	Cash flows from financing activities:				
Proceeds from issue of share capital - 77,732 Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037		225,098	483,539		
Dividends paid (3,429) (11) Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1 st of January 55,108 42,037	Repayment of principal of borrowings	(202,906)	(422,833)		
Interest paid (29,330) (20,312) Net cash used in financing activities (10,567) 118,115 Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1st of January 55,108 42,037	·	-			
Net cash used in financing activities(10,567)118,115Net increase / (decrease) of cash and equivalents(3,815)13,071Cash and equivalents as at 1st of January55,10842,037					
Net increase / (decrease) of cash and equivalents (3,815) 13,071 Cash and equivalents as at 1 st of January 55,108 42,037	Interest paid	(29,330)	(20,312)		
Cash and equivalents as at 1 st of January 55,108 42,037	Net cash used in financing activities	(10,567)	118,115		
Cash and equivalents as at 1" of January	Net increase / (decrease) of cash and equivalents	(3,815)	13,071		
	Cash and equivalents as at 1 st of January	55,108	42,037		
		51,293	55,108		

IMPACT DEVELOPER & CONTRACTOR S.A. NOTES TO THE PRELIMINARY UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 DECEMBER 2023 (All amounts are expressed in thousand RON, unless stated otherwise)



1. REPORTING ENTITY

The Impact Developer & Contractor S. A's financial statements ("the Company" or "the Parent") reported in consolidated version for financial year 2023, shows the subsidiaries financial review of IMPACT business group as well.

The company's HQ is The IMPACT building from 31-41 Drumul Padurea Mogosoaia street, 1st District, Bucharest, Romania.

The Consolidated Financial Statements for the year ended 31 December 2023 include the Company and its subsidiaries financial review (together referred to as the "Group") as follows:

Company	Country of registration	Nature of activity		Owned by Impact as at 31 December 2022
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Spatzioo Management SRL	Romania	Property management	100%	100%
Bergamot Development Phase II SRL	Romania	Real estate development	99%	99%
Bergamot Development SRL	Romania	Real estate development	99.99%	99.99%
Impact Finance SRL	Romania	Administration	99%	99%
Greenfield Copou Residence SRL	Romania	Real estate development	99%	99%
Greenfield Copou Residence Phase II SRL	Romania	Real estate development	99%	99%
Aria Verdi Development SRL	Romania	Real estate development	99%	99%
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%

The Company is one of the first active companies in the field of real estate development in Romania, being founded in 1991 by 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 2023, the activity of the IMPACT Developer & Contractor group was the development of the residential projects in Greenfield Băneasa as well as the selling of the finalized projects in Luxuria Residence and Boreal Constanta.

IMPACT DEVELOPER & CONTRACTOR S.A. NOTES TO THE PRELIMINARY UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

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



2. BASIS OF PREPARATION

(a) Declaration of conformity

The Preliminary Unaudited Consolidated Financial Statements have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, is in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union (EU), except for IAS 21 The effects of changes in foreign exchange rates regarding functional currency, except for the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, except for the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid. These exceptions do not affect the compliance of the financial statements of the Group and the Company with IFRS adopted by the EU. The Consolidated Financial Statements are available on the company and Bucharest Stock Exchange website once they are approved by the Board of Directors and General Shareholders Meeting.

These Unaudited Preliminary Consolidated Financial Statements have been drawn-up prior to the completion of all internal review and analysis procedures, as well as prior to the completion of the independent audit and, as such, may be subjected to changes; at the same time, these statements do not include the information required for a complete set of financial statements, as defined by IFRS.

The Financial Statements shown here include only Preliminary Consolidated Statement of Financial Position, Preliminary Consolidated Statement of Comprehensive Income, Preliminary Consolidated Statement of Cash Flows, Preliminary Consolidated Statement of Changes in Equity and Basis of preparation to the Unaudited Preliminary Consolidated Financial Statements drawn up for the financial year ended as at 31 December 2023

The Unaudited Preliminary Consolidated Financial Statements as of and for the financial year ended as at 31 December 2023 have not been audited nor reviewed by an independent auditor.

(b) Use of estimates and professional judgments

Preparing these Unaudited Preliminary Consolidated Financial Statements means that the Company's management uses reasoning, estimates and hypotheses that affect the application of accounting policies, and the acknowledged value of the assets, debts, revenues and expenses. Actual results may differ from the estimated values.

The estimates and underlying assumptions are reviewed on an ongoing basis.

IMPACT DEVELOPER & CONTRACTOR SA

PRELIMINARY UNAUDITED SEPARATE FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

CONTENT:	PAGE:
PRELIMINARY SEPARATE STATEMENT OF FINANCIAL POSITION	2 -3
PRELIMINARY SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER	
COMPREHENSIVE INCOME	4
PRELIMINARY SEPARATE STATEMENT OF CHANGES IN EQUITY	5 - 6
PRELIMINARY SEPARATE STATEMENT OF CASH FLOW	7
NOTES TO THE PRELIMINARY SEPARATE FINANCIAL STATEMENTS	8-9

IMPACT DEVELOPER & CONTRACTOR SA PRELIMINARY UNAUNDITED SEPARATE STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2023



 $\underline{ \text{(All amounts are expressed in thousand RON, unless stated otherwise)} }$

	31-Dec-23	31-Dec-22
ASSETS		
Non-current assets		
Tangible assets	36,102	21,545
Intangible assets	217	114
Noncurrent receivables	62,143	67,197
Right of use assets	1,061	1,485
Investment property	726,852	678,669
Investments in subsidiaries	36,216	36,216
Total non-current assets	862,591	805,226
Current assets		
Inventories	496,260	429,405
Trade and other receivables	21,216	33,892
Contract receivables and other current assets	6,721	14,854
Cash and cash equivalents	35,778	46,857
Total current assets	559,975	525,008
Total assets	1,422,566	1,330,234
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	598,884	598,884
Share premium	41,462	40,493
Revaluation reserve		3,001
Other reserves	39,642	38,318
Own shares	(268)	(268)
Retained earnings	220,372	160,755
Total equity	900,092	841,183
Non-current liabilities		
Loans and borrowings	337,546	232,860
Trade and other payables	6,203	12,260
Deferred tax liability	65,727	81,058
Total non-current liabilities	409,476	326,178

IMPACT DEVELOPER & CONTRACTOR SA PRELIMINARY UNAUNDITED SEPARATE STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2023



Current liabilities		
Loans and borrowings	51,528	97,491
Trade and other payables	26,934	29,208
Profit tax liability	(125)	(125)
Contract liabilities	34,374	35,946
Provisions for risks and expenses	287	353
Total current liabilities	112,998	162,873
Total liabilities	522,474	489,051
Total equities and liabilities	1,422,566	1,330,234

IMPACT DEVELOPER & CONTRACTOR SA PRELIMINARY UNAUNDITED SEPARATE STATEMENT PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023 (All amounts are expressed in thousand RON, unless stated otherwise)



	Period ended as at 31 December		
	2023	2022	
Revenue	68,871	75,027	
Cost of sales	(44,331)	(50,566)	
Gross profit	24,540	24,461	
Net income from other activities	-	1,361	
General and administrative expenses	(22,037)	(25,609)	
Marketing expenses	(2,346)	(3,771)	
Other operating income/expenses	7,222	(607)	
Depreciation and amortization	(1,736)	(1,398)	
Gains on investment property	49,503	77,660	
Operating profit	55,146	72,097	
Financial income	16,644	13,751	
Financial cost	(28,144)	(9,951)	
Finance costs, net	(11,500)	3,800	
Profit before tax	43,646	75,897	
Income tax expense	15,266	(12,568)	
Profit of the period	58,912	63,329	

IMPACT DEVELOPER & CONTRACTOR SA PRELIMINARY UNAUNDITED SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023



<u>-</u>	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance as at 1 January 2023	598,884	40,493	3,001	38,318	(268)	160,755	841,183
Other comprehensive income Profit for the period	-	-	-	-	-	58,912	58,912
Total other comprehensive income	-	-	-	-	-	58,912	58,912
Own shares acquired and cancelled during the year	-	969	-	-	-	(969)	-
Dividends granted to shareholders	-		-	1,323	-	(1,323)	-
Legal reserves	-	-	(3,001)	-	-	3,001	-
Other changes in equity	-	-	-	1	-	-	1
Balance as at 31 December 2023	598,884	41,462	-	39,642	(268)	220,376	900,096

IMPACT DEVELOPER & CONTRACTOR SA PRELIMINARY UNAUNDITED SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023



	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance as at 1 January 2022	401,214	(4,475)	3,001	12,389	(841)	289.279	700,567
Other comprehensive income		(1,110)		,	(0.12)		100,001
Profit for the period	-	-	-	-	-	63,329	63,329
Total other comprehensive income	-	-	-	-	-	63,329	63,329
Share Capital Increase	197,670	45,985				(165,923)	77,732
Own shares acquired	-	-	-	-	(442)	-	(442)
Share based payments	-	(1,017)	-	-	1,015	-	(2)
Legal reserves	-	-	-	25,929	-	(25,929)	-
Balance as at 31 December 2022	598,884	40,493	3,001	38,318	(268)	160,755	841,183

IMPACT DEVELOPER & CONTRACTOR S.A. PRELIMINARY UNAUDITED SEPARATE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2023



Profit net 58,912 63,329 Adjustments to reconcile profit for the period to net cash flows: (51,796) (66,854) Valuation gains on investment property (49,503) (77,660) Gain on sale PPE - (626) Depreciation 1,736 1,398 Share based payments - 1,015 Financial income (16,933) (13,751) Finance cost 27,901 9,951 Other adjustments from non-cash transactions (5) - Deferred tax expense (15,266) 12,568 Working capital adjustments (53,49) (114,964) Decrease (increase) in trade receivables and other receivables 17,006 26,336 Decrease in prepayments 8,133 (976) 28,548 Decrease in inventory (68,466) (167,937) (Decrease)/increase in trade, other payables, and contract (9,756) 28,548 Ubecrease)/increase in provisions (66) (935) 1 Incesting activities (36,04) (138,489) Loan granted to subsidiaries (1,297) <th></th> <th>31-Dec-23</th> <th>31-Dec-22</th>		31-Dec-23	31-Dec-22
Adjustments to reconcile profit for the period to net cash flows: (51,796) (66,854) Valuation gains on investment property (49,503) (77,660) Gain on sale PPE - (626) Reversal of impairment loss PPE 274 251 Depreciation 1,736 1,398 Share based payments - 1,015 Financial income (16,933) (13,751) Finance cost 27,901 9,951 Other adjustments from non-cash transactions (5) 12,568 Working capital adjustments (53,149) (114,964) Decrease/(increase) in trade receivables and other 17,006 26,336 Decrease/(increase) in trade, other payables, and contract 18,133 (976) Decrease in inventory (68,466) (167,937) Decrease)/increase in provisions (66) (935) Income tax paid - - Net cash flows used in operating activities (1,927) (43,894) Loan reimbursements collected from subsidiaries 2,810 30,874 Investing activities 2,810 </th <th>Profit net</th> <th>58,912</th> <th>63,329</th>	Profit net	58,912	63,329
Valuation gains on investment property (49,503) (77,660) Gain on sale PPE - (626) Reversal of impairment loss PPE 274 251 Depreciation 1,736 1,398 Share based payments - 1,015 Financial income (16,933) (13,751) Finance cost 27,901 9,551 Other adjustments from non-cash transactions (5) - Deferred tax expense (15,266) 12,568 Working capital adjustments (53,449) (114,964) Decrease/(increase) in trade receivables and other receivables are cereivables 17,006 26,336 Decrease in prepayments 8,133 (976) 26,336 Decrease in inventory (68,466) (16,7937) (10,693) Decrease in inventory (68,466) (16,7937) (10,7937) (Decrease)/Increase in provisions (66) (935) Income tax paid - - - Net cash flows used in operating activities (1,927) (43,894) Loan reimbursements collecte			
Reversal of impairment loss PPE	Valuation gains on investment property	(49,503)	
Depreciation 1,736 1,398 Share based payments - 1,015 Financial income (16,933) (13,751) Finance cost 27,901 9,951 Other adjustments from non-cash transactions (5) - Deferred tax expense (15,266) 12,568 Working capital adjustments (53,149) (114,964) Decrease/(increase) in trade receivables and other 17,006 26,336 Decrease (increase) in trade receivables and other 17,006 26,336 Decrease (increase) in trade receivables and contract (increase) in prepayments 8,133 (976) Decrease (increase) in trade, other payables, and contract (increase) in receivables (68,466) (167,937) Decrease)/increase in provisions (66) (935) (Decrease)/increase in provisions (66) (935) Income tax paid - - - Net cash flows used in operating activities (1,927) (43,849) Loan granted to subsidiaries (1,927) (43,884) Loan reimbursements collected from subsidiaries (1,927) (4		274	
Share based payments 1,015 Financial income (16,933) (13,751) Chinance cost 27,901 9,951 Other adjustments from non-cash transactions (5) - Deferred tax expense (15,266) 12,568 Working capital adjustments (53,149) (114,964) Decrease/(increase) in trade receivables and other receivables 17,006 26,336 Decrease in prepayments 8,133 (976) Decrease in inventory (68,466) (167,937) Obecrease in prepayments (9,756) 28,548 Ibabilities (9,756) 28,548 (Decrease)/increase in trade, other payables, and contract liabilities (66) (935) (Decrease)/increase in provisions (66) (935) Income tax paid - - Net cash flows used in operating activities (46,034) (118,489) Loan reimbursements collected from subsidiaries (1,927) (43,884) Loan reimbursements collected from subsidiaries 1,513 31,154 Loan reimbursements collected from subsidiaries 1,51	•		
Financial income (16,933) (13,751) Finance cost 27,901 9,951 Other adjustments from non-cash transactions (5) - Deferred tax expense (15,266) 12,568 Working capital adjustments (53,149) (114,964) Decrease/(increase) in trade receivables and other receivables 17,006 26,336 Decrease in prepayments 8,133 (976) Decrease in inventory (68,466) (167,937) (Decrease)/increase in trade, other payables, and contract liabilities (9,756) 28,548 (Decrease)/increase in provisions (66) (935) Income tax paid - (1,927) Net cash flows used in operating activities (46,034) (118,489) Investing activities (1,927) (43,894) Loan reimbursements collected from subsidiaries 2,810 30,874 Investing activities 1,927 (43,894) Loan reimbursements on subsidiaries 1,513 31,154 Purchase of property, plant and equipment (3,367) (1,469) Expenditure on invest	·	-,	
Other adjustments from non-cash transactions (5) - Deferred tax expense (15,266) 12,568 Working capital adjustments (53,149) (114,964) Decrease/(increase) in trade receivables and other receivables 17,006 26,336 Decrease in prepayments 8,133 (976) Decreases in inventory (68,466) (167,937) Obecrease)/increase in trade, other payables, and contract liabilities (9,756) 28,548 (Decrease)/increase in provisions (66) (935) Income tax paid - - Net cash flows used in operating activities 46,034 (118,489) Investing activities 1 - Loan granted to subsidiaries 2,810 30,874 Loan reimbursements collected from subsidiaries 2,810 30,874 Return of the amounts invested in subsidiaries 1,513 31,154 Purchase of property, plant and equipment (3,367) (1,864) Expenditure on investment property under development (6,156) 32,987 Expenditure on PPE under development 6,311 1,538		(16,933)	(13,751)
Deferred tax expense (15,266) 12,568 Working capital adjustments (53,149) (114,964) (114,964) (124,964) (124,964) (124,964) (124,964) (124,964) (124,964) (124,964) (124,964) (124,964) (124,964) (124,964) (126,336) (126	Finance cost	27,901	9,951
Working capital adjustments (53,149) (114,964) Decrease/(increase) in trade receivables and other receivables 17,006 26,336 receivables 8,133 (976) Decrease in prepayments 8,133 (976) Decrease in inventory (68,466) (167,937) (Decrease)/increase in trade, other payables, and contract liabilities (9,756) 28,548 (Decrease)/increase in provisions (66) (935) Income tax paid - - Income tax paid - - Loan reimburs in subsidiaries (46,034) (118,489) Loan reimbursements collected from subsidiaries 2,810 30,874 Investments in subsidiaries 2,810 30,874 Investments in subsidiaries 1,513 31,154 Purchase of property, plant and equipment (6,156) (32,987) Expenditure on investment property under development (6,156) (32,987) Expenditure on PPE under development 6,311 1,538 Dividends received 3,770 1,041 Interest received 2	Other adjustments from non-cash transactions	(5)	_
Decrease (Increase) in trade receivables and other receivables 17,006 26,336 Pecrease in prepayments 8,133 (976) Decrease in inventory (68,466) (167,937) (Decrease) / (Increase in trade, other payables, and contract liabilities (9,756) 28,548 (Decrease) / (Increase in provisions (66) (935) Income tax paid -	Deferred tax expense	(15,266)	12,568
Receivables	Working capital adjustments	(53,149)	(114,964)
Decrease in inventory (Decrease) / Increase in trade, other payables, and contract (19,756) (28,548 (13bilities (19,756)) (28,548 (13bilities (19,756)) (28,548 (1927)) (28,		17,006	26,336
Decrease Increase in trade, other payables, and contract Iabilities Iabilit	Decrease in prepayments	8,133	(976)
Itabilities	·	(68,466)	(167,937)
Income tax paid		(9,756)	28,548
Investing activities (46,034) (118,489) Loans granted to subsidiaries (1,927) (43,894) Loan reimbursements collected from subsidiaries 2,810 30,874 Investments in subsidiaries - (14,695) (1,927) (43,894) Return of the amounts invested in subsidiaries - (14,695) 30,874 Purchase of property, plant and equipment (3,367) (1,864) Expenditure on investment property under development (6,156) 32,987) Expenditure on PPE under development - (14,978) 1,538 Dividends received rom property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: 77 1,732 Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - (7,7732) Acquisition of own shares - (1,459)		(66)	(935) -
Loans granted to subsidiaries (1,927) (43,894) Loan reimbursements collected from subsidiaries 2,810 30,874 Investments in subsidiaries - (14,695) Return of the amounts invested in subsidiaries 1,513 31,154 Purchase of property, plant and equipment (3,367) (1,864) Expenditure on investment property under development - (14,978) Expenditure on PPE under development - (14,978) Proceeds from property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: - - Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (1,459) Interest paid (25,8		(46,034)	(118,489)
Loans granted to subsidiaries (1,927) (43,894) Loan reimbursements collected from subsidiaries 2,810 30,874 Investments in subsidiaries - (14,695) Return of the amounts invested in subsidiaries 1,513 31,154 Purchase of property, plant and equipment (3,367) (1,864) Expenditure on investment property under development - (14,978) Expenditure on PPE under development - (14,978) Proceeds from property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: - - Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (1,459) Interest paid (25,8	Vicini satir se in satiritati i		
Loan reimbursements collected from subsidiaries 2,810 30,874 Investments in subsidiaries - (14,695) Return of the amounts invested in subsidiaries 1,513 31,154 Purchase of property, plant and equipment (3,367) (1,864) Expenditure on investment property under development - (14,978) Expenditure on PPE under development - (14,978) Proceeds from property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: - 174,884 291,137 Repayment of principal of borrowings 119,581 (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11,59) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase	_	(1 027)	(42 004)
Investments in subsidiaries - (14,695)			
Return of the amounts invested in subsidiaries 1,513 31,154 Purchase of property, plant and equipment (3,367) (1,864) Expenditure on investment property under development (6,156) (32,987) Expenditure on PPE under development - (14,978) Proceeds from property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: - - Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of J		-	
Purchase of property, plant and equipment (3,367) (1,864) Expenditure on investment property under development (6,156) (32,987) Expenditure on PPE under development - (14,978) Proceeds from property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: - (1,484) Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171		1,513	
Expenditure on PPE under development - (14,978) Proceeds from property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: - - Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171	Purchase of property, plant and equipment		
Proceeds from property, plant and equipment 6,311 1,538 Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: - - Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171		(6,156)	
Dividends received 3,770 1,041 Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: 291,137 Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171		-	
Interest received 2,590 3,640 Net cash flows from investing activities 5,544 (40,171) Cash flows from financing activities: 77,732 Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171			
Net cash flows from investing activities5,544(40,171)Cash flows from financing activities:774,884291,137Proceeds from borrowings(119,581)(184,682)Proceeds from issue of share capital-77,732Acquisition of own shares-(1,459)Dividends paid-(11)Interest paid(25,894)(13,372)Net cash from financing activities29,409169,345Net increase / (decrease) of cash and equivalents(11,080)10,685Cash and equivalents on 1st of January46,85636,171			
Cash flows from financing activities: Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171			
Proceeds from borrowings 174,884 291,137 Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171	Net cash nows from investing activities	5,544	(40,171)
Repayment of principal of borrowings (119,581) (184,682) Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171	Cash flows from financing activities:		
Proceeds from issue of share capital - 77,732 Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171	Proceeds from borrowings	174,884	291,137
Acquisition of own shares - (1,459) Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171		(119,581)	
Dividends paid - (11) Interest paid (25,894) (13,372) Net cash from financing activities 29,409 169,345 Net increase / (decrease) of cash and equivalents (11,080) 10,685 Cash and equivalents on 1st of January 46,856 36,171	·	-	
Interest paid(25,894)(13,372)Net cash from financing activities29,409169,345Net increase / (decrease) of cash and equivalents(11,080)10,685Cash and equivalents on 1st of January46,85636,171	·	-	
Net cash from financing activities29,409169,345Net increase / (decrease) of cash and equivalents(11,080)10,685Cash and equivalents on 1st of January46,85636,171	·	(2E 004)	
Net increase / (decrease) of cash and equivalents(11,080)10,685Cash and equivalents on 1st of January46,85636,171			
Cash and equivalents on 1st of January 46,856 36,171	Net cash nom inidicing activities	27,407	109,343
	Net increase / (decrease) of cash and equivalents	(11,080)	10,685
Cash and equivalents on 31 of December 35,778 46,856	Cash and equivalents on 1st of January	46,856	36,171
	Cash and equivalents on 31 of December	35,778	46,856

IMPACT DEVELOPER & CONTRACTOR S.A. NOTES TO THE PRELIMINARY UNAUDITED SEPARATE FINAICIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (All amounts are expressed in thousand RON, unless stated otherwise)



1. REPORTING ENTITY

The Impact Developer & Contractor S. A's financial statements ("the Company" or "the Parent") reported in consolidated version for financial year 2023, shows the subsidiaries financial review of IMPACT business group as well.

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:

Company	Country of registration	Nature of activity	•	Owned by IMPACT as at 31 December 2022
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Spatzioo Management SRL (former Actual Invest House SRL)	Romania	Property management	100%	100%
Bergamot Development Phase II SRL	Romania	Real estate development	99%	99%
Bergamot Development SRL	Romania	Real estate development	99.99%	99.99%
Impact Finance SRL	Romania	Administration	99%	99%
Greenfield Copou Residence SRL	Romania	Real estate development	99%	99%
Greenfield Copou Residence Phase II SRL	Romania	Real estate development	99%	99%
Aria Verdi Development SRL	Romania	Real estate development	99%	99%
Greenfield Property Management SRL	Romania	Real estate development	100%	100%
Impact Alliance Architecture SRL	Romania /	Architecture services	51%	51%
R.C.T.I. Company SRL	Romania	Construction works	51.01%	51.01%

The Company is one of the first active companies in the field of real estate development in Romania, being founded in 1991 by 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 2023, the activity of the IMPACT Developer & Contractor was the development of the residential projects in Greenfield Băneasa as well as the selling of the finalized projects in Boreal Plus Constanta.

IMPACT DEVELOPER & CONTRACTOR S.A. NOTES TO THE PRELIMINARY UNAUDITED SEPARATE FINAICIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (All amounts are expressed in thousand RON, unless stated otherwise)



2. BASIS OF PREPARATION

a) Declaration of conformity

The Preliminary Unaudited Separate Financial Statements have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, is in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union (EU), except for IAS 21 The effects of changes in foreign exchange rates regarding functional currency, except for the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, except for the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid. These exceptions do not affect the compliance of the financial statements of the Group and the Company with IFRS adopted by the EU. The separate Financial Statements are available on the company and Bucharest Stock Exchange website once they are approved by the Board of Directors and General Shareholders Meeting.

These Unaudited Preliminary Separate Financial Statements have been drawn-up prior to the completion of all internal review and analysis procedures, as well as prior to the completion of the independent audit and, as such, may be subjected to changes; at the same time, these statements do not include the information required for a complete set of financial statements, as defined by IFRS.

The Financial Statements shown here include only Preliminary Separate Statement of Financial Position, Preliminary Separate Statement of Comprehensive Income, Preliminary Separate Statement of Cash Flows, Preliminary Separate Statement of Changes in Equity and Basis of preparation to the Unaudited Preliminary Separate Financial Statements drawn up for the financial year ended on December 31st, 2022.

The Unaudited Preliminary Separate Financial Statements as of and for the financial year ended on December 31st, 2022, have not been audited nor reviewed by an independent auditor.

a) Use of estimates and professional judgments

Preparing these Unaudited Preliminary Separate Financial Statements means that the Company's management uses reasoning, estimates and hypotheses that affect the application of accounting policies, and the acknowledged value of the assets, debts, revenues, and expenses. Actual results may differ from the estimated values.

The estimates and underlying assumptions are reviewed on an ongoing basis.