2025

IMPACT

REPORT

as at 30 of June 2025

www.impactsa.ro

IMPACT

CONTENT

TELECONFERENCE RESULTS S1 2025

22nd August 2025
12:00 PM (EET)

On August 22nd, 2025, starting at 12:00 (Romanian time), we invite you to participate at the teleconference for the presentation the financial and operational results of the IMPACT Group for the first semester of 2025.

Sebastian Câmpeanu
CEO

Claudiu Bistriceanu
CFO

People interested in participating in the teleconference are asked to confirm participation by registering HERE.

IMPACT's MISSION / WHO WE ARE

An innovative company with **34 years of activity** on the Romanian market, **which creates trends in real estate**, author of **the residential complex concept, the first real estate company listed on the Bucharest Stock Exchange**, in 1996.

Our work is focused on **having a positive impact on people's lives, developing communities with a focus on sustainability, efficiency, and a rich social life.**

The experience of developing 17 residential complexes positions us as a developer of large-scale residential projects.

MISSION

Our mission is to positively impact people's lives by developing communities with focus on sustainability, efficiency and wellbeing. We generate added value to all our stakeholders through sound investments.

VISION

We strive to become the leading Residential Real Estate Developer in the region through sustainable large-scale residential projects.

OUR VALUES

which reflect the company's DNA:

> **INTEGRITY.**
We promise to always respect the law, make the best decisions, and do what is best for our clients, our company, our partners, and our team, with success for all parties involved.

> **TRANSPARENCY.**
We pay special attention to transparency and equal treatment of all our investors, respecting business conduct and ethics.

> **INOVATION.**
We seek to be at the top of industry innovations, an example that motivates and inspires everyone else.

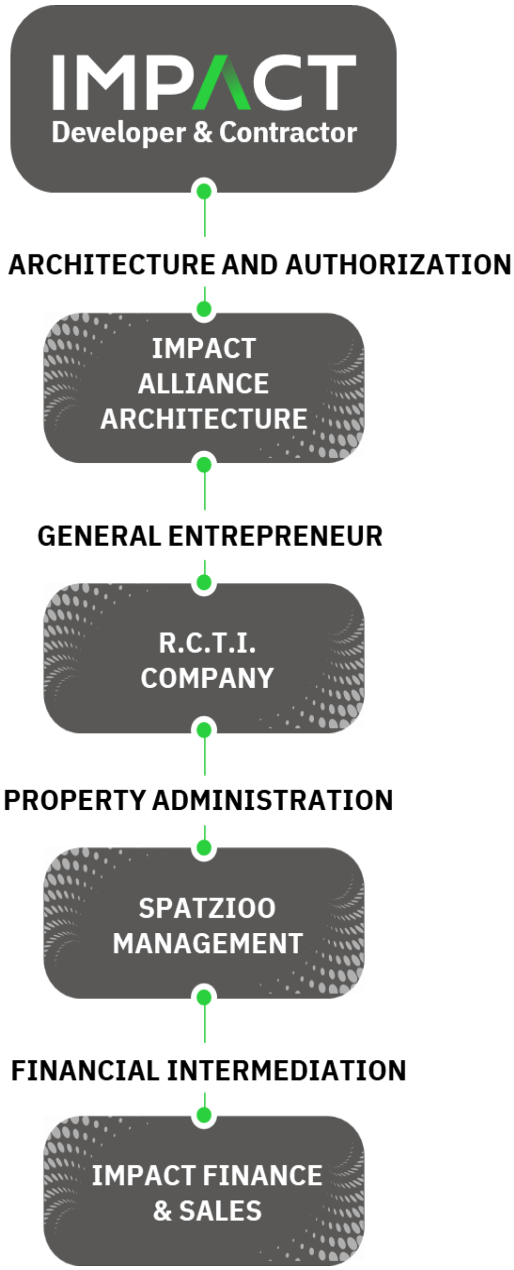
> **RESPECT FOR THE ENVIRONMENT AND SUSTAINABLE CONSTRUCTION.**
We have a commitment to Green. We apply and implement principles and technologies to achieve nZEB and BREEAM Excellent standards in all our developments.

> **RESPONSIBILITY.**
We build the future for our customers. We are committed to always offering the most valuable propositions to our customers, because we are eager to find a way to meet their needs and exceed their expectations.

> **MOTIVATION.**
We are dedicated to developing residential projects that prioritize quality, comfort, and safety. We are motivated not only to build homes, but to create **spaces where people feel "at home,"** even for many generations.

IMPACT GROUP OVERVIEW / STRUCTURE

Vertically integrated companies that establish the IMPACT SA Project Development Platform



Impact Developer & Contractor SA: The parent company, in which the **GREENFIELD Băneasa** and **GREENFIELD West** projects in Bucharest, **BOREAL Plus** in Constanța, as well as Lotus in Oradea are developed

Impact Alliance Architecture SRL: Subsidiary established in 2022, in which IMPACT holds 51%, the main object of activity being the provision of architectural, design and authorization services

R.C.T.I. Company SRL: Subsidiary in which IMPACT holds 51.01%, real estate construction company involved in the construction of IMPACT projects, especially in GREENFIELD Băneasa, as well as projects for third parties. The company joined the IMPACT group in 2022.

Spatzioo Management SRL: The company that provides management services for residential, retail and commercial projects.

Impact Finance & Sales SRL: Has a role in diversifying the range of services related to residential sales. Impact Finance & Sales in collaboration with financial institutions in Romania offers advantageous loan solutions for clients purchasing homes.

STRUCTURE

Active project development companies

IMPACT Developer & Contractor

IMPACT DEVELOPER & CONTRACTOR
The parent company, in which the **GREENFIELD Băneasa** and **GREENFIELD West** projects in Bucharest, **BOREAL Plus** in Constanța, as well as **LOTUS** in Oradea are developed.

ARIA VERDI DEVELOPMENT

ARIA VERDI DEVELOPMENT SRL is developing the **Aria Verdi** project, in Bucharest.

GREENFIELD COPOU RESIDENCE

GREENFIELD COPOU RESIDENCE SRL is developing the **Greenfield Copou** project, in Iași.

BERGAMOT DEVELOPMENTS

BERGAMOT DEVELOPMENTS II

BERGAMOT DEVELOPMENTS SRL and **BERGAMOT DEVELOPMENTS PHASE II SRL** developed and completed the **Luxuria Residence** project in Bucharest.

CLEARLINE DEVELOPMENT & MANAGEMENT

CLEARLINE DEVELOPMENT is project company for a **residential project** in Cluj-Napoca.

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PROJECT PORTOFOLIO

LUXURIA RESIDENCE – BUCHAREST

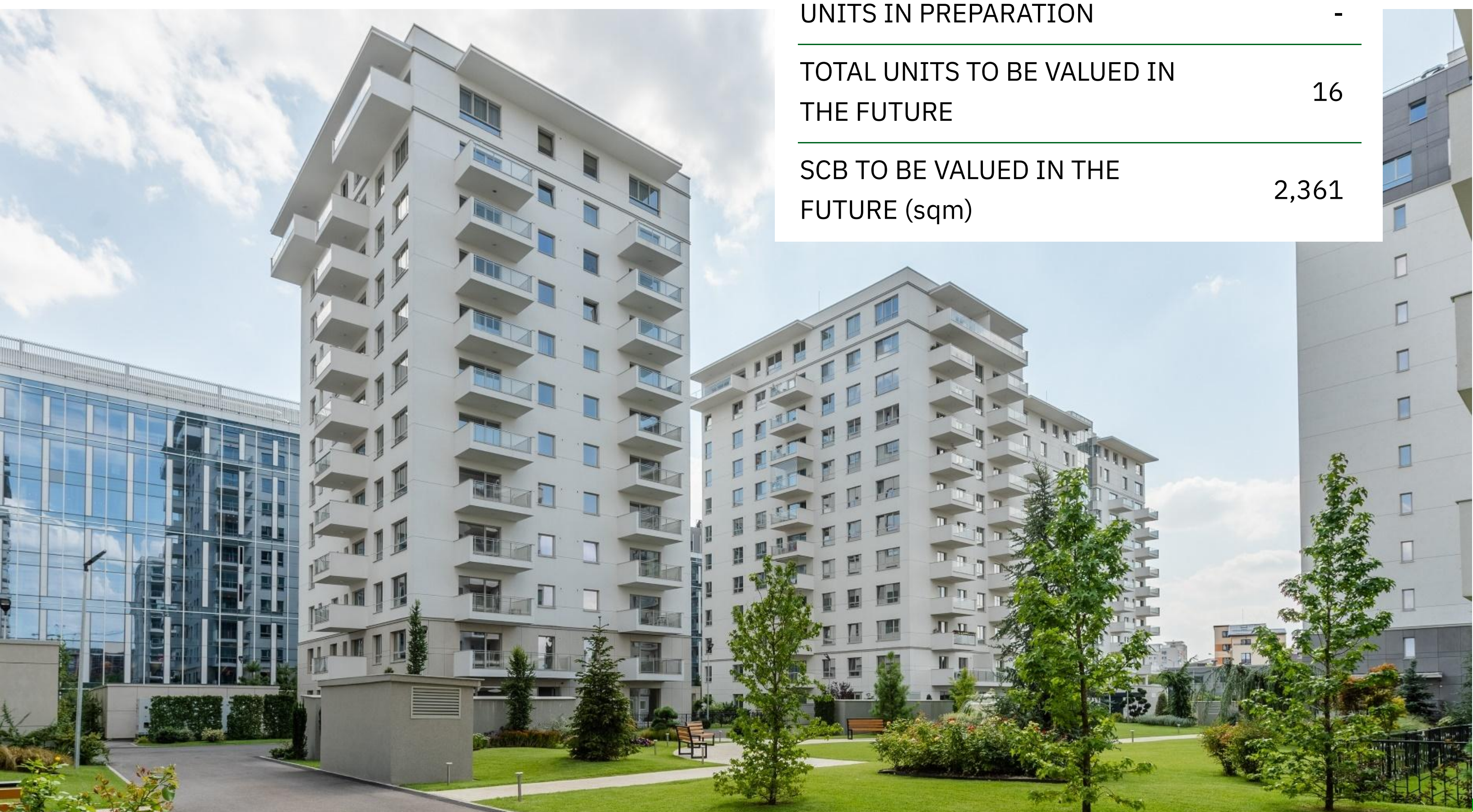
Located in the Expoziției area, in Bucharest, **LUXURIA Residence** is built to international standards of quality and sustainability, being **the first residential complex in Romania with BREEAM Excellent certification.**

The complex harmoniously combines buildings with modern architecture with ample green spaces and complex facilities, to ensure the well-being of residents.

98% contracted as at 30 of June 2025, **LUXURIA Residence** brings together the first modern urban community in the Expoziției area.

630 Units

COMPLETED UNITS	630
UNITS SOLD AS OF 30.06.2025	614
BALANCE AS AT 30.06.2025	16
UNITS UNDER CONSTRUCTION	-
UNITS IN PREPARATION	-
TOTAL UNITS TO BE VALUED IN THE FUTURE	16
SCB TO BE VALUED IN THE FUTURE (sqm)	2,361



LUXURIA RESIDENCE – BUCUREȘTI

LOCATION

The Expoziției-Domenii area (Bucharest, Sector 1) is among the most attractive, combining a residential neighborhood steeped in history with a new business area. Expoziției is the new development pole of Bucharest, attracting office, hotel and commercial developments.

FACILITIES

LUXURIA Residence brings together a harmonious mix of affordable facilities: secure access, 24/7 security and video surveillance, lounge area for socializing and relaxing, open 24/7, fitness center with modern Technogym equipment, 9,650 sqm of green spaces, private parks, children's playground, underground parking for residents, reception available 24/7.

ESG

LUXURIA is the first residential complex in the country with a BREEAM Excellent certificate, which confirms the quality and sustainability of the buildings, as well as the reduced impact on the environment. With a focus on reducing pollution, increasing the well-being of residents and minimizing energy consumption, **LUXURIA Residence** sets a new standard for modern living requirements:

- Sustainable design
- Construction management for reduced environmental impact
- Large glazed spaces, according to sunshine studies
- Superior thermal and acoustic insulation
- Building central heating systems
- Paints and materials with a low level of pollutants
- High-performance ventilation systems
- Ventilated facades
- Eco-friendly electrical and lighting appliances
- Smart automation
- Underground parking without car traffic inside the compound
- Ample green spaces
- Separate waste collection

LUXURIA RESIDENCE – AWARDS

- **2022**: **The Most Sustainable Residential Project - LUXURIA RESIDENCE** awarded at the Realty Forum 2022 event, organized by *Business Review*
- **2020**: **Architecture Multiple Residence**, awarded by the *International Property Award*
- **2020**: **Best Upscale Residential Project,** awarded by *THE TIMES – Investing in Property*
- **2018**: **Architecture Multiple Residence,** awarded by *International Property Award*

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GREENFIELD BĂNEASA – BUCUREȘTI

GREENFIELD Băneasa is a large-scale residential project, with over 6,600 homes and over 15,000 inhabitants upon its completion in 2034, located in Sector 1 of the Capital, built sustainably for a better urban future.

Since 2007, the starting year of the works for the first phase of development, until now, **GREENFIELD Băneasa** has experienced a sustainable development, bringing the community new infrastructure and new facilities: two private parks, extensive green spaces, playgrounds, proximity stores, the GREENFIELD PLAZA shopping center and the WELLNESS CLUB by Greenfield, sports center, public transportation. As the project advances and approaches maturity, other new facilities are added such as a state school and kindergarten, church, nursery, infrastructure and new access roads.

In 2023, the construction of the "Greenfield" Educational Complex with a state school and kindergarten began, with the objective of completion and inauguration by 2027.

In 2025, the Urban Planning Certificates were obtained for the continuation of the construction works of access roads and the completion of the infrastructure provided for in the Greenfield Băneasa PUZ. The project has a deadline of 2025-2026, in order to facilitate e the obtaining of the necessary permits for the continuation of the GREENFIELD Băneasa project.

6,485 Units

COMPLETED UNITS	3,418
UNITS SOLD AS OF 30.06.2025	2,991
STOCK ON 30.06.2025	427
UNITS UNDER CONSTRUCTION	435
UNITS IN PREPARATION	2,632
TOTAL UNITS TO BE VALUED IN THE FUTURE	3,494
SCB TO BE VALUED IN THE FUTURE (sqm)	308,452

GREENFIELD BĂNEASA RESIDENCE

GREENFIELD BĂNEASA RESIDENCE – AWARDS

- **2021**: **Proiectul Rezidențial al Anului** at *SEE Property Forum*
- **2019**: **"Best Smart Green Project"** in the *Smart Real Estate and Residential Category*, awarded at the *Smart City Industry Awards*
- **2016**: **"The best residential compound that uses sustainable architecture and design"** awarded at the *Smart City Industry Awards Gala*

GREENFIELD BĂNEASA RESIDENCE

UNIQUE LOCATION

Located in Sector 1, Baneasa, probably in the most beautiful location in the northern area and embraced by 900 hectares of forest, GREENFIELD BANEASA offers residents a wealth of facilities both within the complex and in its immediate vicinity. Residents enjoy all the advantages of a secluded, unique location, but also the advantages of urban life specific to a European capital.

DEVELOPMENT PHASES

The first 3 phases, including Panoramic, totaling 2,686 homes, were completed by 2022. The remaining units are to be developed in stages by 2034.
At the end of H1, 2025, of the 1,167 units with building permits, 732 were completed, 250 were under construction, and the remaining 185 units are scheduled to begin construction in Q3, 2025.

PERMITS

- Zonal Urban Plan (PUZ) for over 4,000 units, of which:
- 1,167 homes with building permits, of which 732 completed
- 550 homes in the final stage of authorization.
- 2,286 homes under authorization

ESG

"The 15-minute city"

The urban concept of "city in 15 minutes" is based on the need to have all the basic facilities and services within a 15-minute walk or bike ride from home. GREENFIELD Baneasa is designed to meet the demands of this urban trend, offering residents the services they need in close proximity.

Apartments built to BREEAM Excellent and nZEB standards

New buildings authorized after 2021 will have low energy consumption, complying with the new standard in housing construction, nZEB, which requires sustainable design, energy-saving techniques and the use of renewable energy.

Renewable energy

- Photovoltaic park
- Solar panels
- Green mobility
- Charging stations for electric cars
- Bicycle racks
- Urban micro-mobility solutions including bicycles, scooters and electric scooters

FACILITIES

8,700+ sqm of fitness and wellness spaces;
5,000+ sqm of commercial space;
180,000+ sqm of green spaces:

- Private parks
- Promenade alleys
- Recreational places
- Children's playgrounds
- Animal playgrounds

8,000+ parking places;
State school and kindergarten under construction;
STB terminal for route 203, which connects to Piata Victoriei;
In the future, other community functions will be added: a church, a nursery and a medical clinic.
At the same time, the construction of a metro station in the immediate vicinity is planned, to which regular transport will be introduced.

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GREENFIELD PLAZA BUCHAREST

GREENFIELD PLAZA

GREENFIELD PLAZA, **the first shopping center developed by IMPACT**, an investment with an estimated market value of **over 23 mill euro**, with an area of 14,001 sq m, a mixed-use project covering retail, wellness and office functions, occupied at a rate of over 97%, which will ensure the daily needs of the GREENFIELD community.

Shopping gallery

- Supermarket
- Pharmacy
- Beauty salon
- Cafes
- Restaurants
- Laundry for clothes
- Playground
- Grocer's
- Pet shop

Wellness Club by Greenfield

- Semi-Olympic pool
- Indoor children's pool
- Outdoor pool
- Fitness room
- Spinning room
- Massage rooms
- Squash
- Saunas (dry, wet, IR)
- Cafe, restaurant

Other functions

- Office building
- Car wash
- 264 parking spaces
- charging stations for electric vehicles
- Bicycle racks
- Urban mobility solutions
- Parcel delivery points
- Medical clinic
- Dental clinic

ESG

BREEAM Excellent certificate – We used responsible practices, durable materials, sustainable and intelligent systems and equipment, which lead to reduced pollution, protection of natural resources and reduced maintenance costs.

Renewable energy: The wellness club's roof is equipped with solar panels, which cover about 70% of the energy needs for heating domestic water and swimming pools, while 75% of the electricity needs for the shopping mall are provided by photovoltaic panels.

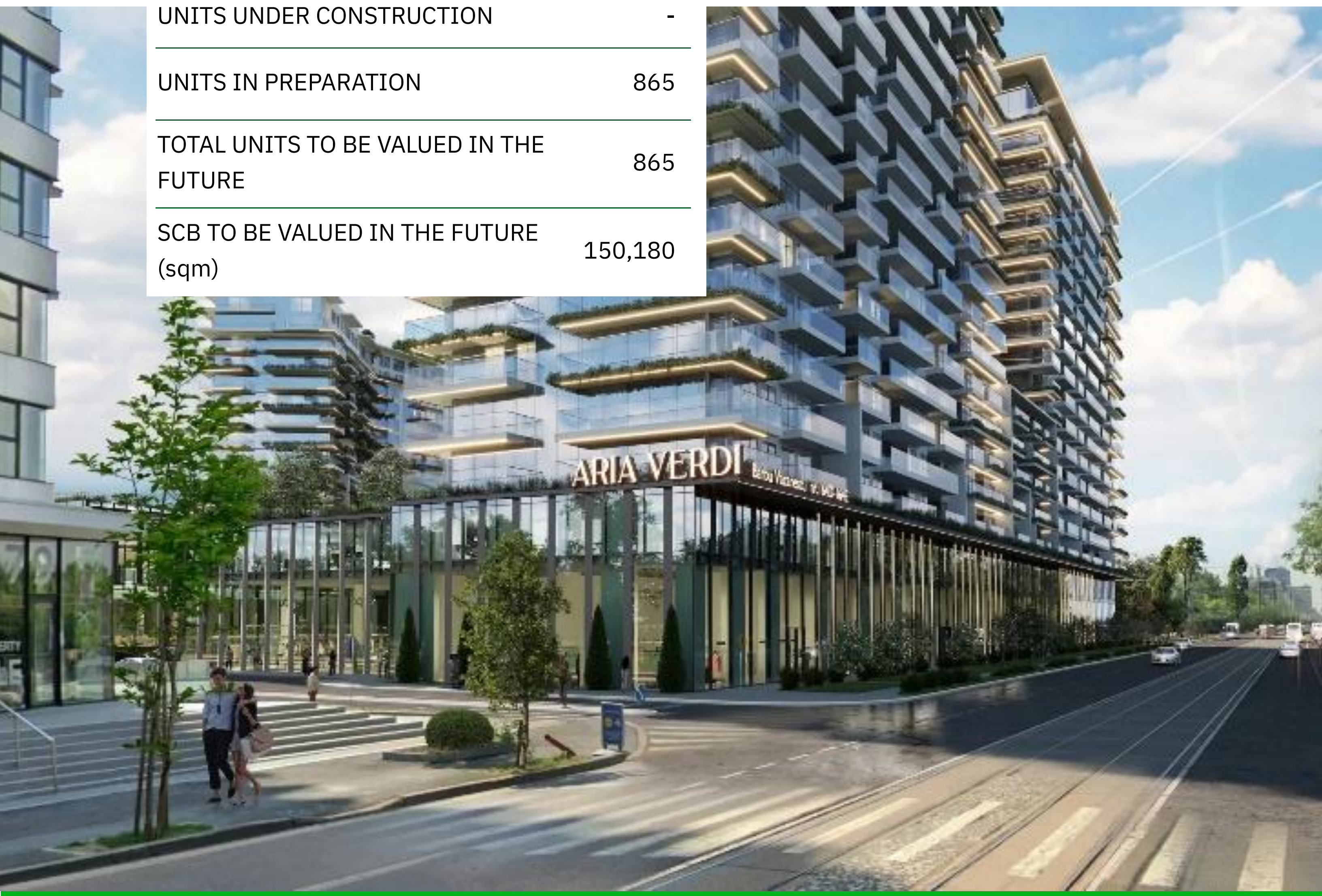
ARIA VERDI – BUCHAREST

Located on Bd. Barbu Văcărescu, one of the most beautiful and desirable areas of the Capital, **ARIA VERDI** will offer a spectacular view of the city, being surrounded by parks and lakes. The complex aims to raise the standard of quality of living in the premium segment, including a series of modern facilities: luxury shopping galleries, wellness area (swimming pool, spa, fitness), restaurants, cafes and large green spaces.

The new residential complex encourages a lifestyle integrated with daily needs and offers a healthy environment for residents, being designed with care for the environment, including sustainability and wellbeing solutions, to BREEAM Excellent and nZEB standards.

COMPLETED UNITS	-
UNITS SOLD AS OF 30.06.2025	-
STOCK ON 30.06.2025	-
UNITS UNDER CONSTRUCTION	-
UNITS IN PREPARATION	865
TOTAL UNITS TO BE VALUED IN THE FUTURE	865
SCB TO BE VALUED IN THE FUTURE (sqm)	150,180

865 Units



ARIA VERDI – BUCHAREST

BREEAM ★★★★ EXCELLENT

PREMIUM LOCATION

ARIA VERDI is located on Barbu Văcărescu Boulevard, near the central and business area of Bucharest, one of the main areas where real estate projects have been developed in recent years.

PERMIT

The building permit was obtained in 2025.

DEVELOPMENT PHASES

The project will have two development phases.

ESG

Apartments designed to BREEAM Excellent and nZEB standards

- The buildings will be constructed following the BREEAM Excellent green certification criteria;
- The new buildings will have low energy consumption, complying with the new standard in housing construction, nZEB, which involves sustainable design, energy-saving techniques and the use of renewable energy.

Renewable energy

- Photovoltaic panels

Green mobility

- Charging stations for electric cars

FACILITIES

Over 7,600 square meters of green spaces:

- Private parks
- Verdi Park
- Promenade alleys
- Recreational places

Children's playground

Over 5,000 square meters of commercial space available to all residents.

Over 2,700 sq m sports and relaxation club

- Pool
- Fitness room
- Massage

Underground parking spaces

GREENFIELD WEST – BUCHAREST

GREENFIELD WEST RESIDENCE

Located in Sector 6 of the Capital, **GREENFIELD West** will be a mixed-use project – residential and commercial – that enjoys credibility from the perspective of the brand's history. Like the project in the Baneasa area, **GREENFIELD West** approaches a modern, minimalist architecture and offers the highest construction standard for the middle segment. The future project will integrate the two concepts already implemented in Baneasa, home wellbeing and the 15-minute city.

4,202 Units

COMPLETED UNITS	-
UNITS SOLD AS OF 30.06.2025	-
STOCK ON 30.06.2025	-
UNITS UNDER CONSTRUCTION	-
UNITS IN PREPARATION	4,202
TOTAL UNITS TO BE VALUED IN THE FUTURE	4,202
SCB TO BE VALUED IN THE FUTURE (sqm)	416,050

LOCATION

GREENFIELD West will be developed in an area of the Capital that is in full expansion, where numerous office, logistics and commercial buildings are currently being built. The new complex developed by IMPACT will complete the area's offer in the residential segment, being the largest residential project developed in the west of Bucharest.

PERMITS

Existing Detailed Urban Plan (PUD), improvement in progress. Based on the latest available concept, it is estimated that over 4,200 units will be authorized, with a GBA (Gross Built Area excluding parking and underground) of over 416,000 sq m including a community center of over 14,000 sq m, School, Kindergarten.

GREENFIELD WEST – BUCHAREST

DEVELOPMENT PHASES

The project will have 10 development phases.

ESG

Apartments designed to BREEAM Excellent and nZEB standards

- The buildings will be constructed following the BREEAM Excellent green certification criteria;
- The new buildings will have low energy consumption, complying with the new standard in housing construction, nZEB, which involves sustainable design, energy-saving techniques and the use of renewable energy.

Renewable energy

- Photovoltaic panels

Green mobility

- Charging stations for electric cars
- Bicycle racks
- Micro-mobility solutions including bicycles, scooters and electric scooters

FACILITIES

Community center of over 14,000 sqm:

- Semi-Olympic pool
- Indoor children's pool
- Outdoor pool
- Fitness room
- Spinning room
- Massage parlors
- Squash
- Cafe, restaurant

Education – over 9,600 sqm:

- Educational centers
- Nursery

Over 60,000 sqm of green spaces:

- Private parks
- Promenade alleys
- Recreational places

Children's playgrounds

Pet playgrounds

Outdoor fitness spaces

Multifunctional sports field

Over 4,000 sq m of commercial space

Over 5,300 parking spaces exterior aboveground, interior aboveground and underground

Controlled access community:
Barriers at every entrance to the neighborhood
Access will be card-based.
24/7 security

IMPACT DEVELOPMENTS IN BUCHAREST

BOREAL PLUS CONSTANȚA

In the north of Constanța, far from the hustle and bustle and pollution of the city, Boreal, the first residential complex in Constanta consisting of 150 houses, was completed in 2010.

Nearby, **BOREAL Plus is being developed, with 18 houses and 769 apartments**, of which 18 houses have been completed and sold, 209 apartments completed and 147 sold.

Boreal Plus offers a wonderful environment for families to develop, in perfect harmony with nature and the city.

769 Units

COMPLETED UNITS	209
UNITS SOLD AS OF 30.06.2025	147
STOCK ON 30.06.2025	62
UNITS UNDER CONSTRUCTION	134
UNITS IN PREPARATION	428
TOTAL UNITS TO BE VALUED IN THE FUTURE	624
SCB TO BE VALUED IN THE FUTURE (sqm)	51,604

LOCATION

Located in the north of the city, BOREAL Plus offers a balanced urban lifestyle, in a quiet and airy area, overlooking Lake Siutghiol, the Black Sea, but at the same time close to all the city's amenities, including commercial and logistics areas. The complex has direct access to Tomis Boulevard, being 15 minutes from the city center and Mamaia beach.

PERMITS

341 apartments and 18 houses were authorized for construction in 2020. The 18 houses and 209 apartments were completed in 2023.

The Building Permit for another 428 units to be completed by 2030.

BOREAL PLUS CONSTANȚA

ESG

Renewable energy: solar panels**.**

Protecting resources and the environment:

- Building central heating
- Superior thermal and sound insulation
- Intelligent automation

FACILITIES

With a panoramic view of the Black Sea and Lake Siutghiol, the apartments in **BOREAL Plus** are defined by the safety and durability of the construction, but also by the comfort they offer. The complex is located in the immediate vicinity of a Kaufland hypermarket and will benefit from parks, kindergarten and convenience stores.

12,000 sqm of green spaces

- Private park
- Promenade alleys
- Recreation places
- Children's playground

417 sqm of commercial spaces, which can accommodate a wide range of services, from convenience stores to medical offices.

930 above-ground outdoor, above-ground indoor and underground parking spaces, with over 50% of the parking spaces covered.

Planned private kindergarten, with an area of 1,990 sqm, building that can accommodate up to 150 children, in 7 classes.

BOREAL PLUS – CONSTANȚA – AWARDS

- **2020**: **Residential Development**, awarded by the *International Property Award*.

GREENFIELD COPOU - IAȘI

In complete harmony with the unique natural environment in which it will be built, GREENFIELD Copou Iasi will replicate the Greenfield housing model, becoming one of the largest green residential building projects in Iasi, built to nZEB standards and BREEAM Excellent certified.

The apartments will benefit from premium finishes and will offer spectacular views of the city and the Botanical Garden, in low-rise blocks, GF+5, separated by generous green spaces. The excellent facilities and the very good connectivity with the city's points of interest complete the mix of attributes that will make GREENFIELD COPOU the new landmark of residential developments in Iasi.

1,062 Units

COMPLETED UNITS	-
UNITS SOLD AS OF 30.06.2025	-
STOCK ON 30.06.2025	-
UNITS UNDER CONSTRUCTION	-
UNITS IN PREPARATION	1,062
TOTAL UNITS TO BE VALUED IN THE FUTURE	1,062
SCB TO BE VALUED IN THE FUTURE (sqm)	97,408

GREENFIELD COPOU - IAȘI

LOCATION

GREENFIELD Copou Iași is located on the Copou Hill, offering a panoramic view of the Botanical Garden and the city of Iasi. Called "The Green Lung of Iasi", the Copou area offers an ideal natural setting, which attracts parks, relaxation areas through silence and fresh air. At the same time, it is a bohemian area, full of history, a famous university district. The ensemble will be harmoniously integrated, through blocks with low height regime and by including ample green spaces.

PERMITS

The building permit was obtained in 2023.

DEVELOPMENT PHASES

The project will have 4 development phases.

ESG

Apartments designed to BREEAM Excellent and nZEB standards

- All buildings will be built following the BREEAM Excellent green certification criteria;
- The new buildings will have a low energy consumption, complying with the new standard in housing construction, nZEB, which involves sustainable design, energy-saving techniques and the use of renewable energy.

Renewable energy

- Photovoltaic panels
- Solar Pannels

Green mobility

- Charging stations for electric cars
- Micro-mobility solutions including bicycles, scooters and electric scooters
- Bicycle paths

FACILITIES

15,000 sqm green spaces:

- Private parks
- Promenade alleys
- Recreational spaces
- Playground for children
- Landscape

1,473 sqm commercial gallery

1,190 sqm sports and wellness club

- Fitness
- Pool
- Spa
- Restaurant

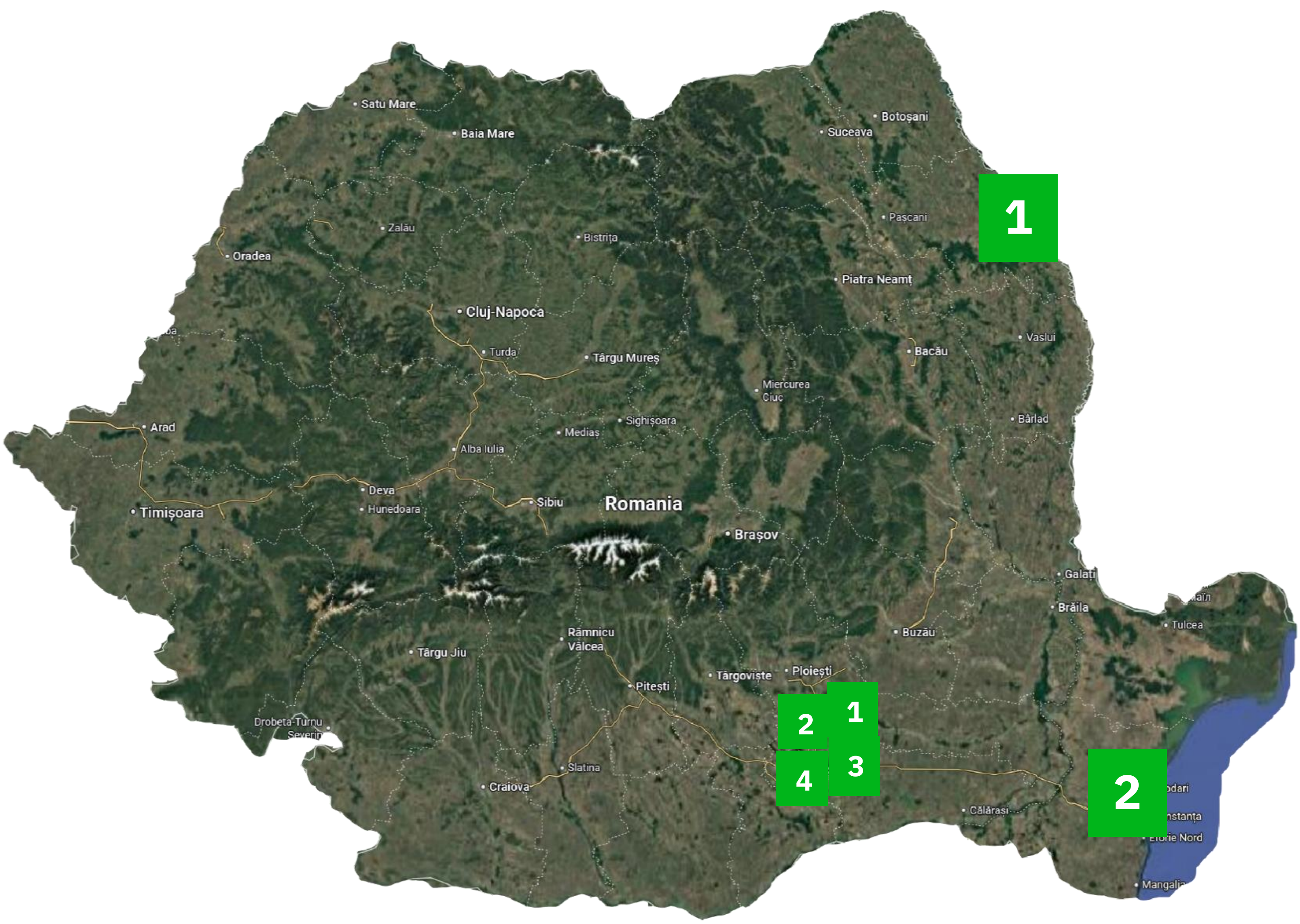
1,161 parking places

Private kindergarten – 945 sqm

Gated community:

- Barriers at every entrance to the neighborhood
- Access is based on card
- Security 24h/7
- Video surveillance

IMPACT DEVELOPMENTS IN ROMANIA



1. Greenfield Baneasa - Bucharest
2. Luxuria Residence - Bucharest
3. Aria Verdi – Bucharest
4. Greenfield West – Bucharest
5. Greenfield Copou – Iasi
6. Boreal Plus - Constanta

LANDS OWNED BY IMPACT AS AT 30 OF JUNE 2025

Location	Land (sqm)	Market value (thousands of euro)	% of total land market value IMPACT	Carrying amount (thousands of euro)	No. Units	Gross development value (thousands of euro)
Luxuria Residence						
Luxuria Residence infrastructure	**1,210**	**482**	**0%**	**482**	**-**	**-**
Greenfield Băneasa						
Greenfield Băneasa (UTR3 - F5)	11,082	3,546	2%	1,836	185	,
Greenfield Băneasa (UTR3 - F4)	7,717	2,469	1%	1,279	250	27,525
Greenfield Băneasa (UTR4)	32,273	10,005	6%	5,347	550	85,152
Greenfield Băneasa (UTR7)	28,079	8,003	4%	8,003	676	135,280
Greenfield Băneasa (UTR8)	44,792	12,766	7%	12,766	436	86,182
Greenfield Băneasa (UTR10)	67,248	19,166	11%	19,166	894	152,454
Photovoltaic park	7,447	1,873	1%	1,873	-	-
Other pipeline projects in planning	17,950	4,567	3%	4,567	76	16,393
Other pipeline projects	27,173	6,929	4%	6,929	-	-
Total Greenfield Băneasa land projects	**243,761**	**69,323**	**39%**	**61,765**	**3,067**	**528,351**
Greenfield Băneasa infrastructure	**113,177**	**13,068**	**7%**	**10,351**	**-**	**-**
Total Greenfield land Baneasa	**356,939**	**82,391**	**0**	**72,116**	**3,067**	**528,351**
Aria Verdi						
Land	**25,424**	**38,136**	**21%**	**38,136**	**865**	**431,045**
Greenfield West						
Land	258,895	36,245	12%	21,778	**4,202**	
Total land in Bucharest for projects	**528,080**	**143,705**	**80%**	**136,146**	**8,134**	**1,652,812**
Total land in Bucharest with infrastructure	**114,387**	**13,549**	**8%**	**10,833**	**-**	**-**

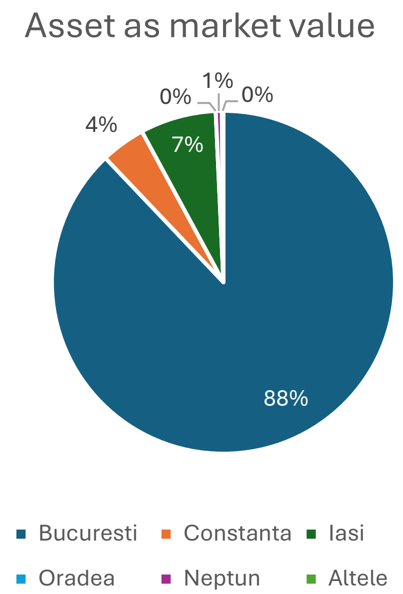
Table continues

Location	Land (sqm)	Market value (thousands of euro)	% of total land market value IMPACT	Carrying amount (thousands of euro)	No. Units	Gross development value (thousands of euro)
Total land Bucharest	**642,468**	**157,254**	**88%**	**146,979**	**8,134**	**1,652,812**
Boreal Plus						
Boreal Plus - Phase 2	7,816	2,188	1%	358	134	17,595
Boreal Plus - Phase 3	18,552	4,638	3%	817	428	61,543
Kindergarten	1,990	557	0%	90	-	-
Parking spaces	789	10	0%	11	-	-
Boreal Plus villas infrastructure	**2,866**	**126**	**0%**	**272**	**-**	**-**
Total land Constanta	**32,013**	**7,520**	**4%**	**1,547**	**562**	**79,138**
Iași						
Land	**50,263**	**12,817**	**7%**	**7,414**	**1,062**	**183,922**
Unipoles	**8,264**	**86**	**0%**	**86**	**-**	**-**
Voluntari Infrastructure previous projects	**8,617**	**268**	**0%**	**45**	**-**	**-**
Oradea	**-**	**-**	**0%**	**-**	**-**	**-**
Pipeline project with PUZ in progress	24,460	734	0%	734		
Previous projects infrastructure	**3,390**	**42**	**0%**	**-**	**-**	**-**
Total land Oradea	**27,850**	**776**	**0%**	**734**	**-**	**-**
Neptun	37,562	939	1%	939		
Total infrastructure	**129,260**	**13,986**	**8%**	**11,060**	**-**	**-**
Total land projects	**677,777**	**165,675**	**92%**	**146,594**	**9,758**	**1,915,873**
Total landbank	**807,037**	**179,660**	**100%**	**157,655**	**9,758**	**1,915,873**

*GDV - for projects with a building permit, the Gross Development Value represents the final value agreed upon by Management, while for projects under development, the value is based on preliminary concepts and may be subject to change.

Summarization based on city

Location	Land (sqm)	Market value (thousands of euro)	% of total land market value IMPACT	Carrying amount (thousands of euro)	No. Units	Gross development value (thousands of euro)
București	642,468	157,254	88%	146,979	8,134	1,652,812
Constanța	32,013	7,520	4%	1,547	562	79,138
Iași	50,263	12,817	7%	7,414	1,062	183,922
Oradea	27,850	776	0%	734	-	-
Neptun	45,826	1,025	1%	1,025	-	-
Altele	8,617	268	0%	45	-	-
Total	**807,037**	**179,660**	**100%**	**157,655**	**9,758**	**1,915,873**



SITUATION AND PERSPECTIVES AS OF JUNE 30, 2025

The Group holds a land portfolio of

807,037 sqm,

at a total book value of

157.7 mill euro

and a market value of

179.7 mill euro.

For **224,380 sqm**, the Group holds building permit to develop projects worth a total of **733 mill euro**.

Given the magnitude of the projects that the Group builds, they include the development of a large-scale infrastructure (streets, green spaces, parks, sidewalks, children's playgrounds, etc.). Depending on the context of each project, the infrastructure is either donated to public authorities or transferred upon the sale of residential units that extends over a longer period, with phased construction, therefore, as at 30 of June 2025, the Group owns infrastructure for its current and past projects.

The company actively works to depreciate and/or transfer infrastructure to recover its value, deduct related costs and eliminate ownership costs.

IMPACT

OPERATIONAL

SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING POLICY FOR THE RECOGNITION OF REVENUE FROM THE SALE OF RESIDENTIAL PROPERTY

The Group's financial statements are prepared in accordance with OMFP and International Financial Reporting Standards (IFRS).

The Group's revenues are recognized according to IFRS 15 "Revenue from Contracts with Customers", which involves two types of recognition:

- the method at a given point in time
  and
- the gradual recognition method.

Regarding revenue from the sale of residential units, the IMPACT Group adopted **the point-in-time recognition method.**

Under this method, the entire debit from the sale of a residential property is **recognized at the time the sale and purchase contract is signed**, or in other words, at the time of transfer of ownership to the end customer.

In this way, any advance received from the client both upon signing the promise/reservation contract and during the development of the project in question, is considered a "contractual liability" and is reported in the Liabilities section of the financial statements.

Until the signing of the sales contract, no transaction is recorded in the profit and loss account with reference to the pre-contracted unit. Upon signing of the sales contract, both the sales price and the total cost of the contract are recognized in the profit and loss account, thus, a total margin per unit can be generated.

TAXATION

Starting with 2022, the IMPACT Group is a VAT Tax Group. This tax facility allows the compensation of VAT payable with VAT to be recovered between the members of the Group, simplifying reporting and optimizing the cash flow of the entire Group.

CONSOLIDATION OF FINANCIAL STATEMENTS

Consolidating the financial statements of a group with a parent company involves presenting an integrated financial picture for the entire economic entity, by aggregating the financial statements of the parent company and the controlled subsidiaries.

According to IFRS 10, when the parent company controls subsidiaries - either through a 100% or partial 51% share, their assets, liabilities, income and expenses are fully included in the consolidated financial statements, with the elimination of intragroup transactions and balances.

In case of partial holdings, the minority interest is recognized separately in both equity and consolidated results. This approach ensures a faithful reflection of the Group's true economic size and performance, providing transparency to investors, creditors and other stakeholders.

RECOGNITION OF GAINS FROM REVALUATION OF INVESTMENT PROPERTY

Investment property represents properties (land and/or buildings) held with the intention of earning rental income or capital appreciation (or both), including fixed assets under construction for such purposes, which are initially measured at cost, including transaction costs. Investment property also includes land with indefinite future use. As a rule, the Group acquires large areas of land, as its business model is to build large projects (approximately 1,000 units per project), therefore the duration of obtaining the necessary building permits may be uncertain, the period during which the initial conditions underlying the estimates related to the projects could change (increase in construction prices, management development strategy, changes in legislation, etc.). As such, given the reasonable probability that the land plots will not be used in accordance with management's intention, due to uncertainties beyond the Group's control, management initially recognizes certain land plots as investment properties until building permits have been obtained, a detailed project concept has been developed and significant steps have been taken to identify construction companies and finance the project. These assets are initially recorded at cost and revalued periodically.

Revaluations are carried out regularly every 6 months, the external valuation team being Colliers Valuation and Advisory. Market values are determined in euro, and following the translation of values into lei, the revaluation income also contains the exchange rate differences related to this translation. IFRS standards do not allow the recognition of certain asset elements at market value, such as: the apartments in inventory available for sale, as well as those in the final stage of development; the revaluation of fixed assets, such as the Wellness Club and Impact Office, and the revaluation of land in inventories.

INFRASTRUCTURE

The cost of infrastructure works included in real estate projects is allocated to the cost of each apartment in the related project. The cost is transferred to cost of sales as the apartments are sold.

Because the development process of a project is longer than one year, borrowing costs incurred during the project are capitalized in the cost of the project (IAS 23) until the time of receipt of the respective project.

EXTERNAL FINANCIAL AUDITOR

KPMG Audit SRL was appointed by the decision of the General Meeting of Shareholders dated April 29, 2024, to audit the financial statements for the year 2024, subsequently the extension of the mandate of the external financial auditor KPMG Audit SRL was approved, for the financial years 2025, 2026 and 2027.

GROUP PERFORMANCE WITHIN THE REPORTED PERIOD (S1 2025)

OPERATIONAL AND FINANCIAL

IFRS net asset

198.9 mill euro

Net assets at fair value

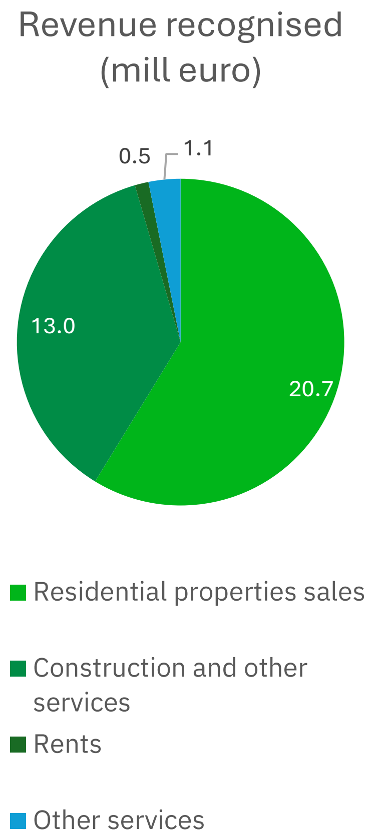
260 mill euro

Revenue

35.3 mill euro

Gross Profit

9.2 mill euro



In S1 2025, 153 housing units were sold, measuring a total of 12,302 sqm, at a value of 20.7 mill euro.

Project	Completed units	Units sold as of 30.06.2025	Balance as at 30.06.2025	Units under construction	Units in preparation	Total units to be sold in the future	SCB to be developed in the future (sqm)
Luxuria	630	614	16	-	-	16	2,361
Greenfield Băneasa	3,418	3,051	427	435	2,632	3,494	308,452
Aria Verdi	-	-	-	-	865	865	150,180
Greenfield West	-	-	-	-	4,202	4,202	416,050
Boreal Plus	209	147	62	134	428	624	51,604
Greenfield Copou	-	-	-	-	1,062	1,062	97,408
Total	**4,257**	**3,812**	**505**	**569**	**9,189**	**10,263**	**1,026,055**

Phases completed on projects as at 30 of June 2025

Project	Total Apartments	Sales & Pre-sales i		Available	Value of available units
	units	units	%	units	thousands euro
Luxuria Residence	630	618	98%	12	6,626
Greenfield Băneasa - Teilor	732	344	47%	388	57,289
Boreal Plus	209	149	71%	60	7,610
Boreal Plus (Vile)	18	18	100%	-	
Total	**1,589**	**1,129**	**71%**	**460**	**71,526**

As at 30 of June 2025, the Group's completed projects are 71% contracted (both sales and pre-sales). During the first half of 2025, the last 3 villas of the 18-villa project in Boreal Constanta were sold.

Management also estimates the sale of the remaining units available in the Luxuria Residence project by the end of 2025.

The total value of the units available for sale, which will be sold in the coming periods, is approximately **72 mill euro**.

Indicator	6 months 2025	6 months 2024	% evolution
Residential units sold	153	68	125%
Area sold	12,302	6,710	83%
Total consolidated revenues (thousands of euro)	35,302	19,695	79%
Gross profit (thousands of euro)	9,200	5,982	54%
Gross margin %	26%	30%	(4%)
Net profit (thousand euro)	**9,099**	**(2,575)**	**n/a**
Net profit margin	26%	(13%)	n/a
Indicator	**June 30, 2025**	**December 31, 2024**	**% evolution**
Financial liabilities balance (thousands of euro)	**44,439**	**63,754**	**(30%)**
Debt to assets ratio	17%	22%	(6%)
Net assets (thousands of euro)	198,945	190,054	5%
Net asset at market value (thousands of euro)	260,012	262,609	(1%)

- During the first 6 months of 2025, the Group sold **153 units** (following the delivery of the units in Greenfield Baneasa) with an area of 12,302 sq m, for a total value of approximately 20,734 thousand euro, and a gross margin of 9,200 thousand euro, compared with 68 units with an area of 6,710 sqm and a value of 12,192 thousand euro, with a gross margin of 5,982 thousand euro in the first 6 months of 2024.
- The net asset value as at 30 of June 2025 is 198,945 thousand euro, compared to 190,054 thousand euro as at 31 of December 2024.
- **The debt ratio** of the IMPACT Group maintained its downward trend, decreasing to **17%** as at 30 of June 2025, from 22% as at 31 of December 2024, in line with the decrease in the loan balance by 19,315 thousand euro.
- The company's **total debt** consists mainly of bank loans worth 26,472 thousand euro and bonds worth 17,536 thousand euro.
- The General Meeting of Shareholders of April 29, 2025 approved the election of the following members of the Board of Directors, for a 4-year term, from April 29, 2025 to April 28, 2029: George-Toma Mucibabici - Chairman of the Board of Directors, Dan-Octavian Voiculescu, Daniel Pandele, Sorin Apostol and Radu-Dumitru Stănescu.
- The Board of Directors decided to extend the mandate of the General Manager - Câmpeanu-Richard Dan-Sebastian and Financial Director - Bistriceanu Claudiu, for a period of 4 (four) years, from 19 of June 2025 19 of June 2029.
- IMPACT Developer & Contractor SA initiated the **process of consolidating the nominal value** with the aim of increasing the nominal value of the shares while reducing the total number of shares (20 shares with a nominal value of 0.25 RON/share will represent one share with a nominal value of 5

RON/share), according to the decision of the Extraordinary General Meeting of Shareholders number 2, dated April 29, 2025.

- Starting with August 2025, according to the decision of the Extraordinary General Meeting of Shareholders of April 29, 2025, the Company will start **the share buyback program**.

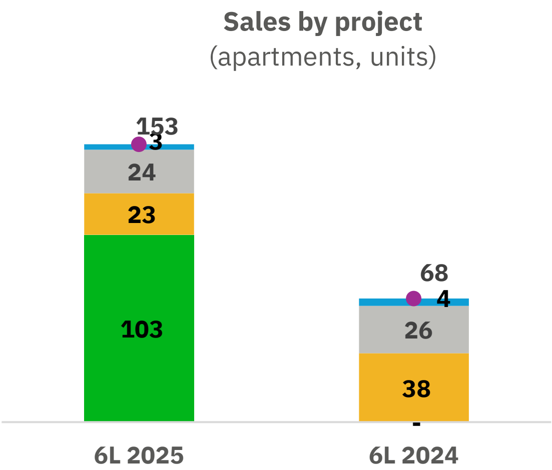
SALES COMPARISON 2024/2025

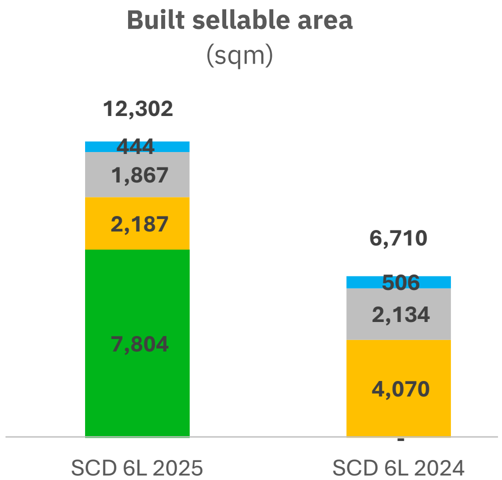
				6L 2025				6L 2024
Project	**sqm of built area available for sale**	**Sales value**	**% share in total sales**	**Average price/sellable built sqm**	**sqm of built area available for sale**	**Sales value**	**% share in total sales**	**Average price/sellable built sqm**
Luxuria Residence	2,187	4.331	24%	1.980	4,070	7.398	68%	1.818
Greenfield Baneasa	7,804	10.551	59%	1.352	-	-		
Total Bucharest	**9,991**	**14.882**	**83%**	**1.490**	**4,070**	**7.398**	**68%**	**1.818**
Boreal Plus Constanta	**1,867**	**2.298**	**13%**	**1.231**	**2,134**	**2.432**	**22%**	**1.139**
Other	444	732	4%	1.211	506	1.042	10%	1.420
Total	**12,302**	**17.912**	**100%**		**6,710**	**10.872**	**100%**	

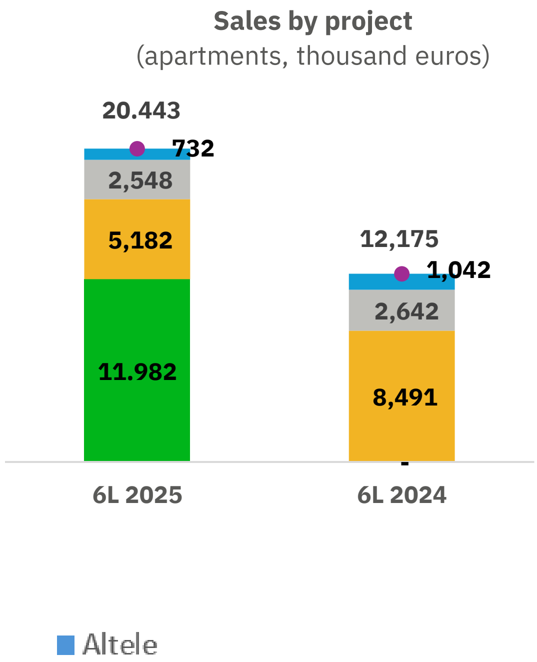
In total, the sales in the first half of 2025 represented the delivery to end customers of **12,302 built square meters**, with **5,592 square meters more than in the same period of last year**. Also, the increase in the average selling price can be observed in all projects, Luxuria Residence, Greenfield Baneasa, as well as in Boreal Constanta.

IMPACT

SALES (units, sqm, values)





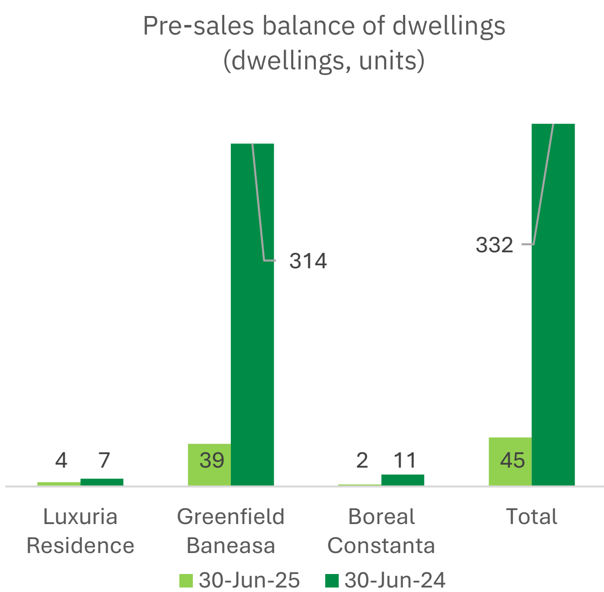


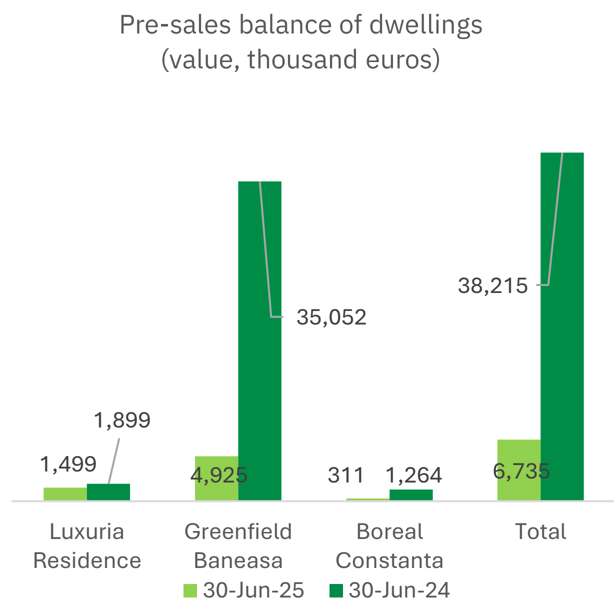
During the first half of 2025, residential property sales had a **positive evolution, compared to the same half of the previous year**. This significant increase is due to the delivery of 732 residential units from the Phase 4 of the development in the Greenfield Baneasa neighborhood, the sale of which continues throughout 2025.

Thus, in the first semester of 2025, the following were sold:

- **GREENFIELD Băneasa** – 103 residential units compared to 0 units in the first semester of 2024, with a total value of **11.9 mill euro**.
- **Luxuria Residence** – 23 residential units with a value of **5.1 mill euro**, compared to 38 units with a value of 8.5 mill euro, in the same period of the previous year. The Luxuria Residence project is 98% sold as at 30 of June 2025.
- **Boreal Plus Constanța** – 24 residential units worth **2.5 mill euro** compared to 26 residential units worth 2.6 mill euro in the same period last year. Also, 3 houses worth 732 thousand **0.7 mill euro** were sold, thus marking the completion of house sales in this project.

PRE-SALE AS AT 30 OF JUNE 2025 (units, value)





	units	units	value, thousand euro	value, thousand euro
Project	**30-Jun-2025**	**30-Jun-2025**	**30-Jun-2025**	**30-Jun-2025**
Luxuria Residence	4	7	1,499	1,899
Greenfield Băneasa	39	314	4,925	35,052
Boreal Constanța	2	11	311	1,264
Total	**45**	**332**	**6,735**	**38,215**

As at 30 of June 2025, IMPACT had a total of 45 pre-sold units, with a package value of **6.7 mill euro**. The majority of these pre-contracts relate to the Greenfield Băneasa project, given the relatively high availability of dwellings.

Pre-sales refer only to the Group's completed projects, thus the conversion into sales-purchase contracts and, respectively, revenues, is done relatively quickly (approximately 1-2 months).

For more details on revenue recognition, see the Accounting policy for the recognition of the sale of residential units section. By comparison, as at 30 of June 2024, the balance of pre-sold dwellings was significantly higher - 332 units with a package value of 38.2 mill euro - due to the fact that the 732 dwellings in Greenfield Băneasa were made ready for sale only in Q4 2024.

As a consequence of the existing litigation regarding the PUZ and the authorizations obtained by the Greenfield Băneasa project, a number of 86 sales-purchase promises were terminated and the advances paid were returned, with an impact on the Company's performance.

ONGOING PROJECTS AND PIPELINE PROJECTS

Project	Total numer of units	Tota gross built area	Gross development value (thousand euro)
Greenfield Băneasa			
Greenfield Baneasa UTR3			
UTR3 - Phase 4	185	20,436	25,366
UTR3 - Phase 5	250	21,889	27,525
Total Greenfield Baneasa UTR3	**435**	**42,325**	**52,891**
Greenfield Băneasa UTR4			
UTR4 - Phase 1	154	13,823	23,222
UTR4 - Phase 2	396	38,446	61,931
Total Greenfield Baneasa UTR4	**550**	**52,269**	**85,152**
Greenfield Băneasa UTR10			
UTR10-Phase 1	278	29,057	48,024
UTR10-Phase 2	378	37,829	63,193
UTR10-Phase 3	238	22,586	41,238
Total Greenfield Băneasa UTR10	**894**	**89,472**	**152,454**
Greenfield Băneasa UTR7			
UTR7-Phase 1	436	48,063	90,483
UTR7-Phase 2	240	22,404	44,796
Total Greenfield Băneasa UTR7	**676**	**70,467**	**135,280**

Project	Total numer of units	Tota gross built area	Gross development value (thousand euro)
Greenfield Băneasa UTR8			
UTR8-Phase 1	277	21,697	43,964
UTR8-Phase 2	159	19,673	42,218
Total Greenfield Băneasa UTR8	**436**	**41,370**	**86,182**
Alte proiecte Greenfield Băneasa			
Greenfield	76	12,550	16,393
Total other Greenfield projects	**76**	**12,550**	**16,393**
Aria Verdi			
Aria Verdi - Phase 1	401	79,407	208,815
Aria Verdi - Phase 2	464	70,774	222,230
Total Aria Verdi	**865**	**150,180**	**431,045**
Greenfield West	**4,202**	**416,050**	**693,416**
Total Bucharest	**8,134**	**874,682**	**1,652,812**
Boreal Plus Constanța			
Boreal Plus - Phase 2	134	12,099	17,595
Boreal Plus - Phase 3.1	152	14,941	22,417
Boreal Plus - Phase 3.2	87	8,197	12,707
Boreal Plus - Phase 3.3	189	16,367	26,419
Total Boreal Plus Constanța	**562**	**51,604**	**79,138**
Greenfield Copou Iași			
Iasi Copou-Phase 1.1	220	19,520	34,555
Iasi Copou-Phase 1.2	252	21,984	39,992
Iasi Copou-Phase 2.1	247	24,921	48,694
Iasi Copou-Phase 2.2	343	30,983	60,682
Total Greenfield Copou Iași	**1,062**	**97,408**	**183,922**
Total general	**9,758**	**1,023,694**	**1,915,873**

***Gross Development Value is based on internal management estimates*

For the **next 9 years**, the Group has set itself the goal of building **9,758 residential units**, with a gross **development value estimated at 1.9 bn euro**.

As at 30 of June 2025, the Group has building permits for a total of 2,828 residential units, with a total gross built area of 341,517 sqm. This area also includes commercial spaces, green spaces, children's playgrounds, etc. The gross development value of these projects is estimated by management at 733 mill euro.

As at 30 of June 2025, the Group has construction underway for a total of 383 residential units, of which 250 in Greenfield Baneasa, at a gross development value of 27.5 mill euro, and 134 units in Boreal Plus Constanta, at a gross development value of 17.6 mill thousand euro. The completion of the two ongoing projects is estimated to be done in 2026.

In Q3 2025, the Group will begin construction of 185 residential units in Greenfield Baneasa with completion in 2026.

In the coming period, the management intends to launch the construction of the first phase of the Aria Verdi project, located on Barbu Văcărescu Boulevard in Bucharest (quarter 1 2026, total gross development value of the development project 431 mill euro) and the construction of the first phase of the Greenfield Copou Iași project (quarter 2 2026, gross development value of the project 184 mill euro).

IMPACT

ASSETS AND DEBT BY SEGMENTS

thousands of euro	REAL ESTATE DEVELOPMENT			CONSTRUCTION			RENTAL			OTHER ACTIVITIES			TOTAL		
	30-Jun-2025	31-Dec-2024	Change % y/y	30-Jun-2025	31-Dec-2024	Change % y/y	30-Jun-2025	31-Dec-2024	Change % y/y	30-Jun-2025	31-Dec-2024	Change % y/y	30-Jun-2025	31-Dec-2024	Change % y/y
Total Assets	236,581	269,525	-12%	12,049	12,929	-7%	24,840	24,619	1%	1,485	942	58%	274,955	308,015	-11%
Elimination of intragroup transactions	7,545	23,506	-68%	(1,251)	463	-370%	-	-	0%	-	86	-100%	6,294	24,054	-74%
Consolidated assets	**229,036**	**246,019**	**-7%**	**13,300**	**12,466**	**7%**	**24,840**	**24,619**	**1%**	**1,485**	**856**	**73%**	**268,661**	**283,961**	**-5%**
% of total	**85%**	**87%**		**5%**	**4%**		**9%**	**9%**		**1%**	**0%**		**100%**	**100%**	
Total debts	61,303	97,121	-37%	8,007	7,855	2%	-	-	0%	455	885	-49%	69,765	105,861	-34%
Elimination of intragroup transactions	390	15,320	-97%	(341)	181	-288%	-	-	0%	-	410	-100%	49	15,912	-100%
Consolidated debts	**60,914**	**81,801**	**-26%**	**8,348**	**7,674**	**9%**	**-**	**-**	**0%**	**455**	**474**	**-4%**	**69,716**	**89,949**	**-22%**
% of total	**87%**	**91%**		**12%**	**9%**		**0%**	**0%**		**1%**	**1%**		**100%**	**100%**	
Net assets	150,437	172,404	-13%	4,042	5,073	-20%	24,840	24,619	1%	1,030	57	1691%	205,190	202,154	2%
Elimination of intragroup transactions	7,155	8,185	-13%	(910)	281	-423%	-	-	0%	-	(324)	-100%	6,245	8,142	-23%
Consolidated net assets	**168,122**	**164,219**	**2%**	**4,952**	**4,792**	**3%**	**24,840**	**24,619**	**1%**	**1,030**	**382**	**170%**	**198,945**	**194,012**	**3%**
% of total	**85%**	**85%**		**2%**	**2%**		**12%**	**13%**		**1%**	**0%**		**100%**	**100%**	

IMPACT

REVENUE BY SEGMENTS

	REAL ESTATE DEVELOPMENT			CONSTRUCTION			RENTAL INCOME			OTHER INCOME			TOTAL		
	30 iun. 2025	30 iun. 2024	Var %	30 iun. 2025	30 iun. 2024	Var %	30 iun. 2025	30 iun. 2024	Var %	30 iun. 2025	30 iun. 2024	Var %	30 iun. 2025	30 iun. 2024	Var %
Revenue	20,734	12,192	71%	13,788	6,123	127%	790	801	-1%	1,940	988	98%	37,252	20,104	85%
Elimination of intragroup transactions	-	-	0%	812	2	0%	311	270	16%	828	136	512%	1,950	409	377%
Consolidated revenues	**20,734**	**12,192**	**71%**	**12,976**	**6,121**	**113%**	**479**	**531**	**-9%**	**1,112**	**852**	**31%**	**35,302**	**19,696**	**79%**
%of total	**59%**	**62%**		**37%**	**31%**		**1%**	**3%**		**3%**	**4%**		**100%**	**100%**	
Profit/(loss), net	8,296	4,527	84%	481	382	27%	790	739	8%	(20)	(361)	-94%	9,547	5,286	81%
Elimination of intragroup transactions	74	7,607	-99%	64	-	100%	311	270	16%	-	(16)	-100%	448	7,861	-94%
Consolidated net profit/(loss)	**8,222**	**(3,081)**	**0%**	**418**	**382**	**10%**	**479**	**469**	**3%**	**(20)**	**(345)**	**-94%**	**9,099**	**(2,575)**	
%of total	**90%**	**0%**		**5%**	**0%**		**5%**	**0%**		**0%**	**0%**		**100%**	**100%**	

Consolidated other income, breakdown	6m2025 - thousand euro	6m2024 - thousand euro
Income from Wellness activity in Greenfield	532	447
Revenue from brokerage services	83	13
Utility revenues	481	373
Total	**1,096**	**834**

Consolidated rental income, breakdown	6m2025 - thousand euro	6m2025 - Rented sqm	6m2024 - thousand euro	6m2025 - Rented sqm
Revenue from renting commercial spaces in Greenfield Plaza	320	3,232	291	2,751
Income from renting apartments and parking spaces in Luxuria	64	74	93	224
Income from renting apartments and parking spaces in Boreal Plus	88	1,446	136	2,389
Total	**472**	**4,752**	**520**	**5,364**

IMPACT aimed for a vertical integration of services by establishing or acquiring different companies in order to offer the real estate market quality housing units, on time, with an optimal quality/price ratio associated with quality complementary services. Thus, the Group is now made up of companies that provide services both within the Group and for third parties (see the full list of companies at Group Structure section).

The Group's net consolidated assets as at 30 of June 2025, are worth 198,945 thousand euro, representing a slight increase of 5% compared to 31 December 2024.

A percentage of 85% of total consolidated assets is used in real estate development activity in both 2025 and 2024.

The assets are mainly represented by land intended for development, as well as inventories under development and available for sale.

Net assets involved in real estate development activity generated a total of 20,907 thousand euro in revenues (representing 60% of total revenues for the period) in the first 6 months of 2025 and 11,944 thousand euro (representing 62% of total revenues for the period) in the same period of 2024.

In the first 6 months of 2025, of the total revenues generated, 8,222 thousand euro were converted into net profit in 2025 (90% of the total profit). In the first 6 months of 2024, the real estate activity generated a net loss of 3,018 thousand euro, due to reduced inventories available for sale.

Construction services are provided by the RCTI group company both within the Group and for third parties. Although the net assets used in the activity represent approximately 2%, these assets generate a significant proportion of the Group's revenues after the elimination of intersegment transactions and announce an increasing evolution given the context of existing contracts with third parties.

RCTI's third-party construction services are estimated at **30 mill euro** annually. RCTI has a total of 6 contracts ongoing for the period 2024-2026, totaling **64.2 mill euro**, for projects located in cities such as Brasov, Sinaia, Craiova and Bucharest.

The construction services provided within the Group fluctuate significantly over the years, depending on the development stage of the projects in which the real estate development company IMPACT is involved.

During 2024, 732 homes in Greenfield Baneasa built by RCTI were commissioned and sales began, while during 2025 RCTI continued the development of another 250 homes in Greenfield Baneasa.

For the remaining 6 months of 2025, as well as for 2026, it is expected that the construction services provided by RCTI within the Group will increase significantly, given the launch of the following projects: Boreal Plus Constanta Phase 2 (Q4, 2025) respectively 134 homes, the next 185 homes from Stage IV of development within Greenfield Baneasa (Q4, 2025), 401 homes and 5200 sqm of commercial space within Aria Verdi (Q1, 2026).

Rental income represents a fixed revenue stream within the Group and is mainly generated by the commercial spaces leased within Greenfield Baneasa Plaza (with an estimated market value of 23 mill euro).

Other rental income is generated by the rented dwellings within Boreal Plus Constanta and Luxuria Residence projects.

While net assets used for rental purposes represent approximately 12% of total consolidated net assets, generating 0.5 mill euro in the first 6 months of 2025, the net income generated is on a slightly increasing trend. It is expected that these fixed income-providing assets will be sold when the market allows to ensure the desired profitability from the sale.

Other revenues are generated from wellness, property management services, brokerage services and utilities.

The net assets involved in other income, as well as the income generated, are not significant at Group level, but management estimates that these activities will be expanded, in line with the growth of real estate development activity.

FINANCIAL RESULTS / 30 June 2025

PROFIT AND LOSS ACCOUNT

	Consolidated – thousand euro			Standalone – thousand euro		
thousand euro	**6m 2025**	**6m 2024**	**%**	**6m 2025**	**6m 2024**	**%**
Revenue	35,302	19,695	79%	16,501	4,314	282%
Gross profit	9,200	5,982	54%	4,570	1,505	204%
Gross margin %	**26%**	**30%**		**28%**	**35%**	
Other (expenses)/income, net	4,375	(4,068)	n/a	*3,368*	*(2,574)*	n/a
% of revenue	**12%**	**(21%)**		**20%**	**n/a**	
EBITDA	14,099	2,302	516%	8,259	(823)	n/a
EBITDA margin %	40%	*12%*		*50%*	*n/a*	
EBIT	13,575	1,914	613%	7,938	(1,069)	n/a
EBIT margin %	38%	*10%*		*48%*	*n/a*	
Financial result*	(2,845)	(3,394)	(16%)	4,432	4,934	(10%)
Net result	**9,099**	**(2,575)**	n/a	**11,670**	**3,865**	**202%**
Net profit margin	**26%**	**n/a**		**71%**	**90%**	

** The financial result at standalone level includes dividends distributed by the Group companies, amounting to 6,876 thousand euro as at 30 of June 2025 and 7,898 as at 30 of June 2024.*

At consolidated level, compared to the same period last year, the Group recorded a 79% increase in turnover, to 35,302 thousand euro in the first 6 months of 2025 from 19,695 thousand euro in the first 6 months of 2024. This increase is mainly due to the availability of apartments in Greenfield Baneasa (732 apartments were commissioned and available for sale in Q4 2024), as well as the increase in revenue from construction services with customers outside the Group, of approximately 103%.

Other expenses/income include general and administrative expenses, selling expenses, income from the revaluation of real estate investments as well as other operating income or expenses. In the first 6 months of 2025, the Group recorded other net income of 4,375 thousand euro. The main other operating income recorded are the following: gains from revaluation of investment property of 5,822 thousand euro (of which 2,580 thousand euro were generated by the increase in the market value determined in euro by the appraiser and 3,242 favorable exchange rate differences) and income generated by the wining in the lawsuit between the Clearline subsidiary and the Municipality of Cluj Napoca of 3,869 thousand euro.

The consolidated net profit in the first 6 months of 2025 is 9,099 thousand euro reflecting the significant increase in sales. In the same period last year, the Group recorded a net loss of 2,575 thousand euro, following a lower turnover and high interest expenses. As at 30 of June 2025, the Group significantly reduced its bank loan exposure and consequently its interest expense.

On an individual level, IMPACT recorded a turnover of 16,501 thousand euro in the first 6 months of 2025, up 282% compared to the same period last year. This significant increase is due to the availability for sale of the dwellings in Greenfield Baneasa. IMPACT also recorded other net income of 3,368 thousand euro, mainly generated by revaluation income.

IMPACT recorded in 2025 dividend income from affiliated companies of 6,876 thousand euro and 7,898 thousand euro, respectively, reflected in the net margin of 90% in 2024 and 71% in 2025, respectively. The net profit recorded in the first 6 months of 2025 was 11,670 thousand euro.

STATEMENT OF FINANCIAL POSITION

	Consolidated - thousand euro			Standalone - thousand euro		
thousand lei	**30-Jun-2025**	**31-Dec-2024**	**%**	**30-Jun-2025**	**31-Dec-2024**	**%**
Fixed assets, of which	**180,367**	**177,516**	**2%**	**194,281**	**191,446**	**1%**
Investment property	145,095	141,567	2%	155,575	151,700	3%
Tangible fixed assets, of which	18,770	18,933	(1%)	9,603	9,478	1%
- utilities infrastructure	2,738	3,085	(11%)	2,738	3,085	(11%)
Goodwill	698	712	n,a	-	-	n,a
Current assets, of which	**88,294**	**106,445**	**(17%)**	**75,299**	**87,118**	**(14%)**
Inventory	67,959	82,090	(17%)	62,909	74,618	(16%)
Trade and other receivables	5,224	8,894	(41%)	7,677	3,976	93%
Cash and cash equivalents	13,775	14,470	(5%)	3,531	7,568	(53%)
Total assets	**268,661**	**283,961**	**(5%)**	**269,580**	**278,564**	**(3%)**
Liabilities, of which	**69,716**	**89,949**	**(22%)**	**66,670**	**83,169**	**(20%)**
Bank loans and bonds	44,439	63,754	(30%)	41,300	60,148	(31%)
Trade and other debts	7,708	9,181	(16%)	8,694	6,432	35%
Deferred tax	15,779	16,108	(2%)	15,987	16,320	(2%)
Corporate tax debt	1,790	880	103%	690	269	156%
Equity	**198,945**	**194,012**	**3%**	**202,909**	**195,395**	**4%**
Total liabilities and equity	**268,661**	**283,961**	**(5%)**	**269,580**	**278,564**	**(3%)**

ASSETS, EQUITY AND LIABILITIES

At consolidated level, as at 30 of June 2025, investment property increased by 2%, to a total value of 145,095 thousand euro. This evolution is due to the increase in the value of land and buildings in investment property, following the revaluation prepared by the external appraiser Colliers as at 30 of June 2025.

The management intention regarding the assets used in the provision of utilities is to be leased or sold in the coming period.

The inventory balance decreased by 17% as at 30 of June 2025, compared with 31 of December 2024, as a result of the sales in the residential projects Greenfield Baneasa, Luxuria Residence in Bucharest and Boreal Plus in Constanta. Trade receivables decreased by 41% at 30 of June 2025, compared to 31 of December 2024, mainly as a result of the collection of the receivable registered against the Municipality of Cluj Napoca by the subsidiary Clearline as at 31 of December 2024.

Bank loans decreased by 30% as at 30 of June 2025 to a value of 44,439 thousand euro, also decreasing the debt-to-assets ratio from 22% as at 31 of December 2024, to 17% as at 30 of June 2025. For more details on the evolution of bank loans, see the LOAN EVOLUTION section (for project companies within the IMPACT Group).

Trade payables as at 30 of June 2025 were 16% lower than as at 31 of December 2024, mainly due to the closing of advances from customers and the recording of revenues in the Greenfield Baneasa project.

At standalone level, an increase in trade and other receivables by 93% is observed as at 30 of June 2025. This increase is due to the recording of dividend payments from affiliated companies in the amount of 6,877 thousand euro.

NET ASSET AT MARKET VALUE

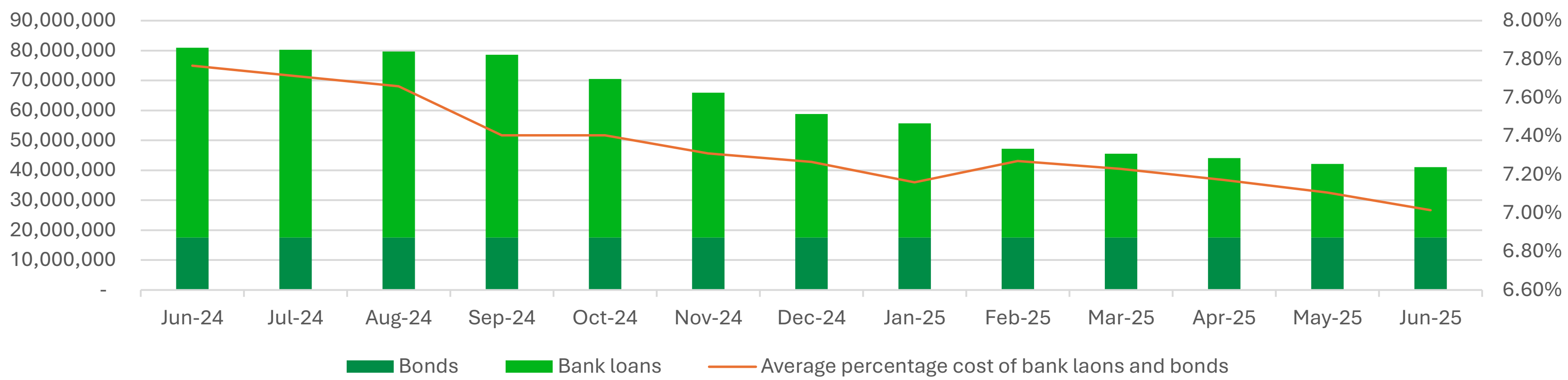
	thousand euro	thousand euro	thousand euro
	30-Jun-25	**31-Dec-24**	**31-Dec-23**
Net assets (IFRS)	198,945	194,012	185,522
Include*	-	-	-
i) Revaluation of other fixed assets	4,540	4,038	3,896
ii) Revaluation of inventories	56,526	64,559	71,984
Net assets at market value	**260,012**	**262,609**	**261,402**

The net assets value as at 30 of June 2025 was **198.9 mill euro**, while their value adjusted to **market value was 260 mill euro**.

The value not reflected in the financial statements is in the total amount of **61.1 mill euro**. This comes from: the revaluation of apartments in inventory available for sale, as well as those in the final stage of development; the revaluation of fixed assets, such as Wellness Club and Impact Office and the revaluation of land in inventory. The revalued values were based on the revaluations prepared by the external appraiser Colliers Valuation and Advisory, as at 30 of June 2025.

LOAN EVOLUTION AND RELATED COSTS (for project companies within the IMPACT Group)

Evolution of loans and bonds cost, June 2024- June 2025



thousand euro	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Bank loans	63,396	62,684	62,056	60,993	52,912	48,303	41,190	38,100	29,661	27,977	26,466	24,539	23,422
Average monthly cost of bank loans	384	376	368	353	297	265	220	198	153	142	132	119	111
Average lending cost %	**7.26%**	**7.19%**	**7.12%**	**6.95%**	**6.73%**	**6.57%**	**6.41%**	**6.23%**	**6.18%**	**6.10%**	**5.97%**	**5.83%**	**5.66%**
Bonds	17,580	17,580	17,580	17,580	17,580	17,580	17,580	17,580	17,580	17,580	17,580	17,580	17,580
Average monthly bond cost	141	140	140	140	138	137	136	134	134	132	132	130	129
Average cost of bonds %	**9.59%**	**9.58%**	**9.55%**	**9.55%**	**9.43%**	**9.33%**	**9.27%**	**9.18%**	**9.12%**	**9.04%**	**8.98%**	**8.89%**	**8.82%**
Total financial liabilities	80,976	80,264	79,636	78,573	70,492	65,883	58,770	55,680	47,241	45,557	44,046	42,119	41,002
Total average monthly cost	524	516	508	493	435	401	356	332	286	274	263	249	240
Average cost of bank loans and bonds %	**7.77%**	**7.71%**	**7.66%**	**7.40%**	**7.40%**	**7.31%**	**7.27%**	**7.16%**	**7.27%**	**7.23%**	**7.17%**	**7.11%**	**7.01%**

As at 30 of June 2025, the Group's debt ratio was 17%, following a downward trend since 30 of June 2024. This evolution is in line with management's objectives to reduce banking exposure and consequently debt costs in percentage and absolute figures.

The graph and table above analyzes the loans at the level of IMPACT Developer & Contractor and the project companies. The year 2024 was a year in which the Group's profitability was marked by external factors such as the inflationary context, the increase in the price of housing loans, as well as internal factors such as the delay in the delivery of the 732 dwellings project in Greenfield Baneasa, the closure of the Vadul Moldovei road, which represented an important access route to the neighborhood, and the litigation challenging the PUZ in Greenfield Baneasa. Thus, the reduced sales caused an additional need for loans. The COVID crisis generated an increase in the costs of materials and financing costs, which made it impossible for Electrogrup the constructor of phases 1 and 2 of Greenfield Baneasa to meet the fixed price agreed in the contract, which led to the termination of the construction contract and the delay in the completion deadline with implications and a reduction in the pace of sales. As a solution to the situation created but also to prevent similar situations, construction capacity was integrated into the IMPACT Group through the acquisition of 51.01% of RCTI Company, a company that completed all 732 apartments under construction.

From the second half of 2024 until now, the management has implemented a strategy to reduce exposure to bank loans and optimize the cost of lending. This initiative is clearly reflected in the table above. Thus, in the 4th quarter of 2024, sales for the 732 dwellings project in Greenfield Baneasa were started, which led to the closing of a project loan worth 34 mill euro in February 2025.

Successful marketing campaigns in the Luxuria Residence and Boreal Plus Constanta projects brought the necessary cash availability to accelerate loan repayment and significantly reduce mortgaged assets.

The future financing policy aims to reduce the cumulative financing cost to below 6% by the end of 2025, associated with the reduction of total debts, maintaining them in the long term in the deductibility area and recovering tax deductions paid for the excess debt in 2024 for which profit tax was paid in the amount of 0,7 mill euro.

Pledged assets as at 30 of June 2025 vs 31 December 2024

	June 30, 2025			December 31, 2024				
Asset	**Inventories and fixed assets at market value - thousands of euro**	**Real estate investments at market value - thousand euro**	**Total mortgaged assets - thousand euro**	**Inventories and fixed assets at market value - thousands of euro**	**Real estate investments at market value - thousand euro**	**Total mortgaged assets - thousand euro**	**Variation 2025 vs 2024 - thousand euro**	**Variation 2025 vs 2024 - percentage**
Luxuria Residence Apartments	7,316	-	7,316	9,563	-	9,563	(2,247)	(23%)
Boreal Plus Apartments Constanta	5,189	-	5,189	5,887	-	5,887	(698)	(12%)
Greenfield Apartments UTR3	16,304	-	16,304	96,307	-	96,307	(80,002)	(83%)
Total pledged apartments	**28,809**	**-**	**28,809**	**28,809**	-	**111,757**	**(82,948)**	**(74%)**
Land	**10,005**	**53,924**	**63,928**	**27,749**	**54,754**	**82,503**	**(18,575)**	**(23%)**
Greenfield Plaza community centre	**-**	**-**	-	**2,000**	**21,000**	**23,000**	**(23,000)**	**(100%)**
Total	**38,814**	**53,924**	**92,738**	**58,558**	**75,754**	**217,261**	**(124,523)**	**(57%)**
Total assets at market value			**329,728**			**352,558**		
% mortgaged assets out of total assets			**28%**			**62%**		

ACTUAL H1 2025 VS BUDGETED H1 2025 AND BUDGETED 12 MONTHS 2025

thousand euro	6m 2025 achieved	6m 2025 budgeted	12m 2025 budgeted	Comparison a vs b	Comparison of a vs c
	a	b	c		
Revenue	**35,302**	**41,962**	**84,305**	(16%)	42%
Cost of sales	**(26,101)**	**(29,156)**	**(57,514)**	(10%)	45%
Gross profit	**9,200**	**12,806**	**26,792**	**-28%**	**34%**
Gross margin	**26%**	**31%**	**32%**	**(4%)**	**-6%**
General and administrative expenses	(4,791)	(3,274)	(5,801)	46%	83%
Marketing expenses	(393)	(449)	(809)	(12%)	49%
Other net operating income	4,749	4,305	5,708	10%	83%
Other net operating expenses	(1,012)	(340)	(616)	197%	164%
Gains from revaluation of investment property	5,822	-	-		
Operating profit	**13,575**	**13,048**	**25,273**	**4%**	**54%**
% Operating profit / Revenue	**38%**	**31%**	**30%**	**7%**	**8%**
Net financial result (loss)	**(2,845)**	**(1,821)**	**(3,217)**	56%	88%
Profit before tax	**10,730**	**11,226**	**22,056**	**(4%)**	**49%**
	30%	**27%**	**26%**	**4%**	**4%**
Income tax expense	(1,631)	(1,796)	(3,529)	(9%)	46%
Result of the period	**9,099**	**9,430**	**18,527**	**(4%)**	**49%**
% Net Profit/ Total Revenue	**26%**	**22%**	**22%**	**3%**	**4%**
EBITDA	**14,099**	**13,447**	**26,073**	**5%**	**54%**
% EBITDA / Total Revenue	**40%**	**32%**	**31%**	**8%**	**9%**

As at 30 of June 2025, the Group achieved an **operating profit of EUR 9.2 mill**, compared to EUR 12.8 mill budgeted, and a **net profit of EUR 9.1 mill**, compared to EUR 9.4 mill budgeted. However, **the net margin was 26% as at 30 of June 2025, compared to 22% budgeted**. Thus, the Group achieved a net profit 4% lower than budgeted despite that the market was characterized by uncertainties regarding tax and legislative changes.

Also, the resulting **EBITDA indicator was 8% higher than the budgeted one**, which generates a better capacity to pay financial obligations.

RELEVANT LITIGATIONS

a) The dispute initiated by the EcoCivica Foundation

File No. 4122/3/2022 was registered with the Bucharest Court, Administrative and Fiscal Litigation Section, in which IMPACT is the Defendant, the Plaintiffs being the Eco Civica Association and three individuals from outside the Greenfield Baneasa neighborhood but in the vicinity of Eco Civica.

The subject of the file is the suspension and annulment of the administrative act HCGMB 705/18.12.2019 approving the Zonal Urban Plan Aleea Teișani - Drumul Pădurea Neagra no. 56-64, the suspension and annulment of the Building Permits no. 434/35/P/2020 and no. 435/36/P/2020, the annulment of some preliminary approvals, the abolition of works. Based on the above-mentioned acts, the fourth phase of development of Greenfield Baneasa was developed.

The court resolved on 14 of August 2025, the exceptions (means of defense in a civil lawsuit) invoked both by the Company and by other defendants in the case.

The court considered that the requests made by the EcoCivica Foundation regarding the suspension and cancellation of the Building Permits are time-barred and were rejected as time-barred, and the requests regarding the suspension of the Building Permits, made by the other plaintiffs, were rejected as being devoid of purpose. The Environmental Opinion 01/16.05.2019 remains valid and produces full legal effects.

The trial continued, and on 11.04.2025, the court spoke on the merits of the case. After the debates, the court remained in judgment. The pronouncement was successively postponed until 06.08.2025.

On August 6, 2025, after several court hearings, the court dismissed the action as unfounded and admitted the voluntary intervention request filed by the Lexcivica Association in support of the Company's position.

The court's decision may be appealed within 15 days of its communication. "The Company's management appreciates that the entire approval and authorization process, both of the Zonal Urban Plan and of the building permits whose cancellation is requested, was carried out legally, in compliance with the requirements imposed by the competent authorities through the issued urban planning certificates. Also, the construction works were executed in accordance with the legal provisions and the conditions established by the building permits, an aspect confirmed by the conclusion of the reception minutes together with the authorities and entities involved, including the Sector 1 City Hall. The buildings have been commissioned and have already been introduced into the civil circuit.

b) Dispute regarding access to Vadul Moldovei Street, file 1820/3/2023

On January 19, 2023, IMPACT filed an action with the Bucharest Court of Appeal - Section II, Administrative and Fiscal Litigation - against the Bucharest City Hall, the District 1 City Hall and the Romsilva National Forestry Agency, requesting the court to oblige these institutions to comply with their obligations assumed by the decisions of the General Council of the Bucharest Municipality, the Local Council of District 1, as well as those assumed by the act of acceptance of the donation signed with IMPACT since 2018, and to permanently open public access between Aleea Privighetorilor and Drumul Pădurea Pustnicu.

During the process, some of IMPACT's requests were resolved administratively, by adopting:

- HCGMB no. 100/02.04.2024, which authorizes the request to the Government regarding the transfer, free of charge, of two sections of forest road (Vadul Moldovei) from the administration of Romsilva to the public domain of the Municipality of Bucharest, for a temporary access of 5 years;

- HCGMB no. 130/29.04.2024, which approves the definitive removal from the forest fund of a land of 0.3009 ha, destined for a road of local interest, to ensure access, also for a period of 5 years, between Aleea Teișani and Drumul Pădurea Pustnicu.

However, certain administrative operations remain to be completed by the Bucharest City Hall, Romsilva and the Ministry of Environment, which is why the process continues.

The next term is set for the 28 October 2025.

FINANCIAL RATIOS

(CONSOLIDATED AND INDIVIDUAL, IFRS)

Impact – Individual

Quick ratio	thousand euro		
Current assets	75,299	=	4.03
Current liabilities	18,685		

Debt to equity ratio	thousand euro		
Borrowed capitalx 100	41,300	=	20.35%
Equity	202,909		

Average receivables collection period	thousand euro		
Average customer balance*6*360	12,497,734	=	63.12
Turnover/12	198,010		

Fixed asset turnover rate	thousand euro		
Turnover	16,501	=	0.08
Fixed assets	194,281		

Impact – Consolidated

Quick ratio	thousand euro		
Current assets	88,294	=	3.99
Current liabilities	22,150		

Debt to equity ratio	thousand lei		
Borrowed capitalx 100	44,439	=	22.34%
Equity	198,945		

Customer flow rotation speed	thousand lei		
Average customer balance*6*360	15,052,193	=	35.53
Turnover/12	423,619		

Fixed asset turnover rate	thousand lei		
Turnover	35,302	=	0.20
Fixed assets	180,367		

Impact - Individual

Debt ratio (individual)			
Borrowed capitalx 100	41,300	=	16%
Assets at market value	252,830		

Impact - Consolidated

Debt ratio (consolidated)			
Borrowed capitalx 100	44,439		
Assets at market value	260,012	=	17%

CONCLUSIONS

- The Group achieves its budgeted profitability and turnover targets as at 30 of June 2025 (with a deviation of less than 5%)
- The Group's debt to assets ratio decreased significantly at 30 June 2025, to 17% compared to 22% at 31 December 2024, reflecting management's strategy to reduce exposure to banks and financial institutions, while reducing significant interest expenses, which in the past eroded the Group's profitability.
- In the first 6 months of 2025, loans decreased by 19 mill euro, while consolidated liquidity remained relatively constant, decreasing by only 0.7 mill euro, and remaining at a level of 13.8 mill euro, enough to cover the working capital requirement.
- In the first 6 months of 2025, affiliated companies generated dividends of 6.9 mill euro.
- Gains from the revaluation of investment property generated revenues in a total amount of 5.8 mill euro
- For IMPACT, the year 2025 is an exceptional one, in which major projects were delivered to clients, all obstacles and challenges were overcome, the company was capitalized, loans and financial debts were reduced by 2/3, liquidity increased significantly, new projects were established in pipeline and new building permits were obtained.

ACTIONS TO IMPROVE PERFORMANCE

- During 2025, 0.4 mill euro were recovered following the recovery of tax deductions paid for the excess debt from 2024
- We aim to reduce the cost of financing and will act to attract financing at a cost of less than 6%.
- New loans will be taken out to finance new projects or refinance existing ones, with a cost of less than 6%
- We will prioritize raising equity over bank debt
- We will take action to reduce the costs associated with loan contracts by releasing pledged assets from mortgage following accelerated loan repayment.
- We will manage loan costs at project company level to maintain the level of debt within the deductibility range.

RELATIONSHIP WITH BVB AND INVESTORS

Presentation of the key actions proposed to be implemented in the following period:

a) Increasing the liquidity of the share

- We have initiated an active market making program, in collaboration with **Raiffeisen Bank International AG**, an authorized market participant, to ensure the constant presence of buy and sell quotes.
- Diversifying the investor base, including attracting Romanian and foreign institutional and private funds.
- Active promotion of the Company, the medium and long-term Strategy as well as the Projects through road-show events, participation in "equity research" conferences both in the country and abroad (e.g. organized by Raiffeisen, Wood, etc.), presentations in the financial press.

b) Free float increase

- Increasing the free-float from 22.64% to 25%, the official minimum threshold for eligibility in the **BET index**, through:
  - partial sale of shares held by majority shareholders,
  - capital increases.
- This measure would increase not only the eligibility, but also the attractiveness of the shares from the perspective of local and international investment funds and ETFs.

c) Improving trading frequency

- Goal: IMP shares to be traded in at least 95% of the stock market sessions in the last 6 months.
- This can be achieved by:
  - maintaining communication and sustained campaigns with the market
  - encouraging daily trading through partnerships with brokers and providing dedicated analysis reports.

d) Transparency and corporate governance

- Continued publication of financial reports, in full IFRS format and in English.
- Annual publication of a sustainability report.
- Introducing electronic voting at GMOS and EMOS: broader and more active participation of investors, as well as increased transparency and trust in the company-shareholder relationship.

e) Close monitoring of BET technical criteria

Constant monitoring of:

- traded volume vs. companies on the last positions in BET (ex: TTS, TRP),
- the estimated weight of IMP in the index upon possible inclusion,
- semi-annual review reports published by BVB.

f) Consolidation of face value

- simplifying the shareholder structure
- a more premium perception of the share price
- increasing the attractiveness of the share for institutional investors

AFFIDAVIT

The undersigned, George Toma Mucibabici, in capacity of Chairman of the Board of Directors, Dan Sebastian Câmpeanu, in capacity of General Manager and Claudiu Bistriceanu, in capacity of Chief Financial Officer of Impact Developer & Contractor S.A. (hereinafter referred to as the „Company”), in consideration of the provisions of art. 63 of Law no. 24/2017 regarding issuers of financial instruments and market operations and art. 223 of the ASF Regulation no. 5/2018 regarding issuers and securities related operations,

hereby declare that, to the best of our knowledge, the annual (individual and consolidated) financial statements as at 30 of June 2025, prepared in compliance with the applicable accounting standards offer an accurate and true image of the assets, liabilities, financial standing, profit and loss account of the Company and, respectively, of its subsidiaries included in the process of consolidation of the financial statements, and the Reports of the Board of Directors (on the consolidated financial statements prepared in accordance with the International Financial Reporting Standards as laid down by the Order of the Ministry of Public Finance no. 2844/2016 with all subsequent amendments) comprise a correct analysis of the Company’s and its subsidiaries development and performance, as well as a description of the main risks and uncertainties specific to the performed activity.

President of the Board of Directors

George Toma Mucibabici

General Manager

Dan Sebastian Câmpeanu

Chief Financial Officer

Claudiu Bistriceanu

www.impactsa.ro

IMPACT DEVELOPER & CONTRACTOR S.A.

CONSOLIDATED UNAUDITED AND SIMPLIFIED FINANCIAL STATEMENTS
AS OF AND FOR THE 6 MONTHS PERIOD ENDED AS AT 30 JUNE 2025

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

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

	Note	30-Jun-2025	31-Dec-2024
ASSETS			
Non-current assets			
Property, plant, and equipment	**7**	95,306	94,175
Intangible assets		895	1,012
Goodwill		3,543	3,543
Right of use assets		853	1,571
Investment property		736,747	704,167
Pipeline projects	**9**	78,508	78,515
Total non-current assets		**915,852**	**882,983**
Current assets			
Inventories	**10**	345,077	408,324
Trade and other receivables	**11**	26,527	44,242
Prepayments and other current assets	**11**	6,781	4,929
Cash and cash equivalents	**12**	69,943	71,974
Total current assets		**448,328**	**529,469**
Total assets		**1,364,180**	**1,412,452**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	**13**	598,699	598,699
Share premium		45,985	41,379
Other reserves		51,659	47,214
Retained earnings		304,921	269,760
Equity attributable to equity holders of the parent		**1,001,264**	**957,052**
Non-controlling Interest		8,918	7,984
Total equity		**1,010,182**	**965,036**
Non-current liabilities			
Loans and borrowings	**14**	155,647	181,158
Trade and other payables	**15**	5,760	5,834
Deferred tax liability		80,122	80,122
Total non-current liabilities		**241,529**	**267,114**

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	Note	30-Jun-2025	31-Dec-2024
Current liabilities			
Loans and borrowings	**14**	70,001	135,961
Trade and other payables	**15**	23,922	24,512
Income Tax Payables		9,090	4,377
Contract liabilities		9,324	15,320
Provisions for risk and charges		132	132
Total current liabilities		**112,469**	**180,302**
Total liabilities		**353,998**	**447,416**
Total shareholders' equity and liabilities		**1,364,180**	**1,412,452**

The consolidated financial statements have been authorized for issue by the management on 20 of August 2025 and signed on its behalf by:

George Toma Mucibabici	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

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

	Note	6 months period ended as at 30-Jun-2025	30-Jun-2024
Revenue	**16**	176,649	97,966
Cost of sales	**16**	(130,611)	(68,212)
Gross profit		**46,038**	**29,754**
General and administrative expenses	**17**	(23,976)	(16,592)
Marketing expenses		(1,967)	(973)
Other operating income	**18**	23,766	1,710
Other operating expenses	**18**	(5,064)	(4,378)
Gains of investment property		29,132	-
Operating profit		**67,929**	**9,521**
Finance income	**19**	809	844
Finance cost	**19**	(15,044)	(17,725)
Finance result net (loss)		(14,235)	(16,881)
Profit before income tax		**53,694**	**(7,360)**
Income tax credit/(charge)		(8,163)	(5,451)
Profit for the period		**45,531**	**(12,811)**
Non-controlling interest (NCI)		1,649	(1,110)
Equity holders of the parent		43,882	(11,701)
Basic earnings per share (EPS)		**0.0186**	**(0.0054)**
Diluted earnings per share		**0.0186**	**(0.0054)**
Other comprehensive income		-	-
Total comprehensive income for the period		**45,531**	**(12,811)**
Comprehensive income attributable to:			
Non-controlling interest (NCI)		1,649	(1,110)
Equity holders of the parent		43,882	(11,701)

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	Note	Share capital	Share premium	Revaluation reserves	Other reserves	Own shares	Retained earnings	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance as at 01 of January 2025		**598,699**	**41,379**	**-**	**47,214**	**-**	**269,760**	**957,052**	**7,984**	**965,036**
Other comprehensive income										
Profit for the period		-	-	-	-	-	43,882	43,882	1,649	45,531
Total other comprehensive income		**-**	**-**	**-**	**-**	**-**	**43,882**	**43,882**	**1,649**	**45,531**
Dividends granted to shareholders		-	-	-	-	-	-	-	(714)	(714)
Own shares acquired		-	4,606	-	-	-	4,606	-	-	-
Other changes in equity		-	-	-	4,445	-	(4,115)	330	-	330
Balance as of 31 June 2025		**598,699**	**45,985**	**-**	**51,659**	**-**	**304,921**	**1,001,264**	**8,918**	**1,010,182**

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Claudiu Bistriceanu
Chief Financial Officer

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	Note	Share capital	Share premium	Revaluation on reserves	Other reserves	Own shares	Retained earnings	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance as at 01 of January 2024		**598,884**	**41,462**	**-**	**41,590**	**(268)**	**216,709**	**898,377**	**8,718**	**907,095**
Other comprehensive income										
Profit for the period		-	-	-	-	-	58,675	58,675	1,921	60,596
Total other comprehensive income		**-**	**-**	**-**	**-**	**-**	**58,675**	**58,675**	**1,921**	**60,596**
Own shares acquired and cancelled during the year		(185)	(83)	-	-	268	-	-	-	-
Dividends granted to shareholders		-	-	-	-	-	-	-	(2,655)	(2,655)
Legal reserves		-	-	-	5,624	-	(5,624)	-	-	-
Balance as of 31 December 2024		**598,699**	**41,379**	**-**	**47,214**	**-**	**269,760**	**957,052**	**7,984**	**965,036**

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	Note	6 months period ended as at 30-Jun-2025	30-Jun-2024
Net profit		**45,531**	**(12,811)**
Adjustments to reconcile profit for the period to net cash flows:		**19,257**	**21,154**
Gains from disposal of PPE	7	-	(550)
Reversal of impairment loss of PPE		-	(623)
Depreciation and amortization	7	2,698	-
Inventory write-off/ (reversal of write off)	18	(3,366)	(5)
Impairment of receivables	18	1,004	-
Finance income	19	(809)	(844)
Finance costs	19	15,044	17,725
Other adjustments from non-cash transactions		(27)	-
Income tax		4,713	5,451
Working capital adjustments		**74,204**	**22,412**
Decrease/(increase) in trade receivables and other receivables	11	17,068	(11,930)
Decrease in prepayments	11	(1,852)	(4,112)
Decrease in inventory	10	66,626	35,759
(Decrease)/increase in trade, other payables, and contract liabilities	15	(7,638)	7,310
Income tax paid		-	(4,615)
Net cash flows from operating activities		**138,992**	**56,377**
Investing activities			
Purchase of property, plant and equipment	7	(3,300)	552
Proceeds (expenditure) from Investment property		-	1,429
Expenditure on investment property under development		(32,581)	-
Expenditure on PPE under development		-	5,934
Proceeds from sale of PPE	7	301	(1)
Net cash flows from investing activities		**35,580**	**7,914**
Cash flows from financing activities:			
Proceeds from borrowings	14	45,332	87,608
Repayment of principal of borrowings	14	(142,641)	(76,331)
Dividends paid		(714)	(740)
Interest paid	14	(7,420)	(13,941)
Net cash used in financing activities		**(105,443)**	**(3,404)**
Net increase / (decrease) of cash and equivalents		**(2,031)**	**35,265**
Opening balance of Cash and equivalents	**12**	**71,974**	**51,293**
Closing balance of Cash and equivalents	**12**	**69,943**	**86,558**

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1. REPORTING ENTITY

Impact Developer & Contractor S. A's ("the Company" or "the Parent") is a company domiciled in Romania having as object of activity real estate development and sale and construction services. The Company has fiscal code 1553483 and is registered with the Trade Registry under no. J2018007228408. The registered office of the Company is in Bucharest, District 1, Road Padurea Mogosoaia 31-41.

The shareholders structure as at 30 June 2025 and 31 December 2024 is disclosed within Note 13.

The Consolidated Financial Statements for the period ended 31 of June 2025 include the Company and its subsidiaries financial information (together referred to as the „Group") as follows:

Company	Country of registration	Nature of activity	% Controlled by the Group as at 30 June 2025	% Controlled by the Group as at 31 December 2024
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	100%	100%
Bergamot Development SRL	Romania	Real estate development	100%	100%
Impact Finance & Sales SRL	Romania	Administration	100%	100%
Greenfield Copou Residence SRL	Romania	Real estate development	100%	100%
Greenfield Copou Residence Phase II SRL	Romania	Real estate development	100%	100%
Aria Verdi Development SRL	Romania	Real estate development	100%	100%
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%
IMPACT Alliance Moldova SRL	Romania	Construction works	51%	51%
"Impact pentru viitor" organization	Romania	Non for-profit organization		

The Company is one of the first active companies in the field of real estate development in Romania, being founded in 1991 through 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 2025, the activity of the Group was the development of the residential projects in Greenfield Baneasa as well as the selling of the finalized projects in Greenfield Baneasa and Luxuria Residence from Bucharest, and Boreal Plus from Constanta.

2. BASIS OF PREPARATION

The Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union ("EU IFRS").

The financial statements have been prepared on a going concern basis and under the historical cost basis, except for investment properties, that are presented at fair value, as explained in the accounting policies below.

In preparing the Consolidated Financial Statements, the management has considered the implications of climate change and embedded such risks in the assumptions used for the determination of the fair value of the investment properties.

Management is aware of potential climate change risks for its operations as well as for those of its partners and it regularly monitors and evaluates the impact of such risks in order to adopt appropriate measures, if the case. For more details regarding climate change matters impacting the Group activities, please see the Annual Sustainability report published on Company's website. This report in not part of the financial statements or part of the Annual report.

(a) Basis of Consolidation

The consolidated financial statements include the financial statements of the company and the entities controlled by the Company (its subsidiaries) by the end of the reporting period (30 June 2025). The Group controls an entity when the following conditions are met:

a) Power over the Investee: The Group has existing rights that give it the current ability to direct the relevant activities of the investee
b) Exposure or Rights to Variable Returns: The Group must have the ability to obtain returns from its involvement with the investee
c) The Ability to Use Power to Influence Returns: The Group must have the practical ability to use its power to influence the amount of returns obtained

The Group reassess whether it controls an investee if facts and circumstances indicate that there are changes in one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control of the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the profit or loss account from the date the Company acquires control until the date the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income is attributable to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in a deficit balance for the non-controlling interests.

When necessary, adjustments are made to the financial statements of the subsidiaries to bring the applied accounting policies in line with the Group's accounting policies. All assets and liabilities, equity, income, expenses and cash flows related to transactions between members of the Group are eliminated on consolidation.

(b) Going concern

The consolidated financial statements have been prepared on a going concern basis, as management is satisfied that the Group has adequate resources to continue as a going concern for the foreseeable future.

The significant disruptions in the global markets driven by the Covid-19 pandemic then followed by war in

Ukraine and Israel and current inflationary economic context had a broad effect on participants in a wide variety of industries, creating a widespread volatility and supply chain disruptions. The Group has prepared forecasts based on the anticipated activity in the upcoming period, considering the pre-sales agreement in place, anticipated evolution of its real-estate projects as well as contractual and estimated cash outflows.

The Group expects an increase in development activity during 2025, as it intends to finalize Phase 5 of Greenfield Baneasa- Teilor project, launch the development of Phase 4 of the same project and obtain further building permits for future projects (Greenfield Baneasa UTR4 and Aria Verdi).

The Group has obtained the building permit for Greenfield Copou Iași, and currently it is in process of securing financing with banking institutions as well as, in negotiation process with the general entrepreneurs and architects for the optimization of costs and timing of the construction.

Having considered these forecasts, the Directors remain of the view that the Group’s financing arrangements and capital structure provide both the necessary facilities and covenant headroom to enable the Group to conduct its business for at least the next 12 months. Consequently, the financial statements were prepared on a going concern basis.

3. FUNCTIONAL AND PRESENTATION CURRENCY

The consolidated Financial Statements are presented in RON, this being also the functional currency of the Group. All financial information is presented in thousands of RON (thousand RON), unless otherwise stated.

4. MATERIAL ACCOUNTING POLICIES

The accounting policies used by the Group are prepared in accordance with the IFRS Accounting Standards as endorsed by the EU.

The accounting policies described below have been constantly applied by all the Group’s entities (a) for all periods presented in these Consolidated Financial Statements.

Disclosed below is the summary of the material accounting policies.

(a) Cash and cash equivalents

Cash and cash equivalents include cash balances, cash deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Trade receivables

Trade receivables are amounts due from customers for rental and service charge income from tenants and construction services in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value, generally at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables are also subject to the impairment requirements of IFRS 9. The Group applies the IFRS 9 simplified approach to measuring expected credit losses.

Trade receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

(c) Inventories

Inventories are assets held for sale in the normal course of business, or which are in the process of production for such sale or are in the form of materials or supplies to be consumed in the production process or in the rendering of services.

The basis for the valuation of the inventories is the lower of cost and net realizable value.

Cost is defined as the sum of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes direct materials and, where applicable, direct labor and indirect manufacturing costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Estimated selling price is based on revaluation reports provided by Colliers for each individual unit in inventory.

As the production process is longer than one year, the borrowing costs incurred during the process are also capitalized in cost of inventories (IAS 23).

The amount of inventories recognised as an expense during the period, referred to as cost of sales, consists of those costs previously included in the measurement of inventory that has now been sold, as well as unallocated production overheads (i.e. commissions of sales agents).

The cost of infrastructure works included in the real estate projects is reported as inventories and it is allocated to the cost of each apartment in the related project. The cost is transferred to cost of goods sold as the apartments are sold.

The cost of inventories is measured using the following techniques:

- ✓ Residential properties — specific identification
- ✓ Land — Specific identification
- ✓ Other — first in-first out (FIFO)

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle for the development of the residential projects to be at 4 years. As such all of its inventory which is to be translated into revenue within less that 4 years from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects, within non-current assets. For more details on pipeline projects please see Note 9.

(d) Property, plant, and equipment

Non-current non-financial assets are primarily operational in character (i.e. actively used in the business rather than being held as passive investments) and they may be classified into two basic types: tangible and intangible. Tangible assets have physical substances.

An item of property, plant and equipment is recognized only if two conditions are met:

- It is probable that future economic benefits associated with the item will flow to the entity.
- The cost of the item can be determined reliably.

Property, plant, and equipment are stated in the statement of financial position at their cost amounts less any accumulated depreciation and accumulated impairment losses.

The cost of the property, plant and equipment item include:

- The purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes.
- Any directly attributable costs incurred to bring the asset to the location and operating condition as expected by management, including site preparation, delivery and handling, installation, set-up and testing.
- Estimated costs of dismantling and removing the item and restoring the site.

The costs of property, plant and equipment are allocated through depreciation to the periods that will have benefited from the use of the asset. The depreciation method used is straight-line depreciation with no residual value.

The land is not depreciated.

The depreciation is charged to the statement of profit and loss.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

- Buildings: 40 years

- Plant and equipment: 3-12 years

- Fixtures and fittings: 5-10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of reporting.

An item of property, plant and equipment is derecognized at disposal or when no future economic benefits are expected from its use or disposal. In such cases, the asset is removed from the statement of financial position. The difference between the net carrying amount and any proceeds received will be recognized through the statement of profit and loss.

(e) Borrowing costs

Borrowing costs are represented by interest and other costs incurred by the Group in connection with the borrowing of the funds. Borrowing costs include interest expense calculated using the effective interest method, interest in respect of lease liabilities or exchange differences arising from foreign currency borrowings.
Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets is capitalized as part of the cost of the asset.
A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale (inventories, buildings).

The borrowing costs of general loans are added to the cost of the qualifying assets (in accordance with IAS 23). The applicable rate for capitalization is the weighted average interest rate of the loans obtained by the Group.

Capitalization of borrowing costs would cease when substantially all the activities to prepare the asset is completed.
Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(f) Investment property

Investment property is property (land and/or buildings) held with the intention of earning rental income or for capital appreciation (or both), including Investment Property under construction for such purposes, are initially valued at cost, including transaction costs. Investment property also includes land with undetermined future use. Usually, the Group acquires major plots of land, as its business model is to build large projects (around 1,000 units per project), therefore the timing of obtaining the necessary building permits might be uncertain, time during which initial conditions for project estimates might change (construction prices increase, management strategy of development, changes in legislation, etc.). As such, given the reasonable probability for the plots of land not to be used as intended due to uncertainties not under Group's control, the management initially recognizes certain plot of lands as investment property until the construction authorization is obtained, a detailed concept of the project is finalized, and significant steps have been done to identify construction companies and financing for the project.

After initial recognition, investment property is measured at fair value model, with changes in the fair value being recognized in profit or loss.

When the use of a property is changed, such that it is reclassified to property, plant and equipment or inventories, its fair value as of the date of reclassification becomes the cost of the property for subsequent accounting purposes.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising from the derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Although, the Company's management is assessing on a regular basis the best use of the land maintained in investments, the transfer from investment property to inventory is made only when there is an actual change in use rather than on changes in an entity's intentions.

The Group transfers land classified as investment property to inventories at the point when there is sufficient evidence that uncertainties previously preventing development have been resolved or significantly reduced. Such evidence typically includes (but is not limited to):

- Obtaining valid building permits or regulatory authorizations.
- Finalization and approval of detailed development plans and project specifications by management.
- Management's commitment to commence the project, supported by formal decisions or resolutions.
- Initiation of substantive activities demonstrating intent to sell (e.g., identification of construction companies, entering into contracts, obtaining project-specific financing arrangements).

(g) Impairment of non-financial assets

An impairment exists when the recoverable amount (the higher of fair value less costs to sell and value in use) is less than the carrying amount. The assessment is to be made on an asset-specific basis or on the smallest group of assets for which the entity has identifiable cash-flows (the cash-generating unit).

The Group assesses at the end of each reporting period whether there is any indication that a non-financial asset (other than inventory and deferred tax assets) might be impaired. The carrying amount of the asset is compared with the recoverable amount. If the recoverable amount is lower than the carrying amount, an impairment loss is recognized for the difference in profit or loss.

(h) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is more than the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the CGU when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(i) Shareholder's equity

Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserves. The treasury shares are subject of restriction as per Company law in Romania.

Dividends

Dividends represent the pro-rata distribution of earnings to the owners of the entity. The approval date is the date when the shareholders vote to accept the dividends declared. This date governs the incurrence of a legal liability by the entity.
The Group do not declare dividends in excess of the amount of retained earnings.

(j) Current liabilities, provisions, contingencies, and events after the reporting period

Current liabilities are those that are payable within 12 months of the reporting date. Current liabilities include current portions of long-term debt and bank overdrafts, dividends declared, other obligations that are due on demand, trade credit, accrued expenses, deferred revenues, advances from customers. The offsetting of the current assets against related current liabilities is not allowed.

Accounts payable on normal terms are not interest-bearing and are stated at their nominal value.

The carrying amount of trade and other payables that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Those liabilities for which amount, or timing of expenditure is uncertain are deemed to be provisions. A provision is recognized only if: the entity has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

Changes in provisions are considered at the end of each reporting period; provisions are adjusted to reflect the current best estimate. The amount of changes in estimate is accounted through profit or loss.

Contingent liabilities are not recognized in the statement of financial position. They are disclosed only in the notes.

Events occurring after the reporting date, which provide additional information about conditions prevailing at the reporting date (adjusting events) are reflected in the consolidated financial statements. Events occurring after the reporting date that provide information on events that occurred after the reporting date (non-adjusting events), when material, are disclosed in the notes to the consolidated financial statements. When the going concern, assumption is no longer appropriate at or after the reporting period, the financial statements are not prepared on a going concern basis.

(k) Revenue from Contracts with Customers

Revenue is recognized when the performance obligation is satisfied by transferring a promised good or service to a customer. Revenue is recognized when the customer acquires control over the goods or services rendered, at the amount which reflects the price at which the Group is expected to be entitled to receive in exchange of those goods or services. Revenue is recognized at the fair value of the services rendered or goods delivered, net of VAT, excises or other taxes related to the sale.

Revenue comprises the fair value of the consideration received or receivable, net of value added tax, after eliminating sales within the Group. Revenue and profit are recognized as follows:

(i) Revenue from sale of residential properties
Revenue from sale of residential properties during the ordinary course of business is valued at fair value of the amount collected or to be collected on legal completion. The revenues are recognized when the control of the asset have been transferred to the customer, this is usually when title of the property passes to the customer on legal completion and possible return of goods can be estimated reliably. This is the point at which all performance obligations are satisfied in line with the provisions of IFRS 15 and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. If it is probable for certain rebates to be granted, and their value can be measured reliably, then these are recognized as a reduction of the revenues when the sale revenues are recognized. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the collection is almost always less than one year, the company has also instalments payments over a period more than one year but those are not significant.

Payment is done in tranches, a fixed EUR 2,000 (net of VAT) at the signing of the initial reservation of the residential unit, 15% of total contract price at the signing of the pre-sale agreement and the remaining amount at the signing of the sale-purchase agreement, when the control passes to the client. In addition, according to standard contractual clauses, the client has no right to exist the contract, or to a corresponding reimbursement of advance paid. In specific and isolated cases, the Company may agree to terminate the pre-sale agreement and reimburse the advance to the client. Furthermore, once the final sale-purchase agreement is signed there is no refund option, however the client is entitled to 2 years warranties for the quality of the residential unit delivered. The warranties are on a back to back basis, meaning that these are provided by the seller (Impact SA. Bergamot Developments I or Bergamot Developments II) to the client, but the seller passes the responsibility to the general contractor (RCTI Company SRL) which in turn reaches out to the sub-contractor responsible for the work and the corresponding repair.

(ii) Revenues from water and sewage system
The Group owns within Greenfield Baneasa project the water and sewage system. The revenues from charging of water are recognized when they are realized, together with the water expenses invoiced by the suppliers. The Group recharges the utilities at mark-up which is calculated as administrative costs of maintaining the water sewage plus a profit. The price invoiced by the Group is approved by the National Authority for Reglementation of the Energy Sector (ANRE).

(iii) Revenue from construction services
For construction services, revenue is recognised over time as the services are provided. The stage of completion for determining the amount of revenue to recognise is assessed based on surveys of work performed and approved by the client. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the Group sells the services in separate transactions.

(l) Leases

The Group analyses at the commencement of the contract the extent to which a contract is or contains a lease. Namely, the extent to which the contract confers the right to use an identifiable asset for a period in exchange for the consideration.

Group as lessee

The Group applies a single recognition and measurement approach to all leases, except for short-term leases and low-value assets. The Group recognizes lease payables for lease payments and the right of use assets representing the right to use the underlying asset. i) Right of use assets: The Group recognizes the right of use assets at the date of commencement of a lease (i.e. the date on which the underlying asset is available for use). The right of use the assets is measured at cost excluding accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability. The cost of the right to use the assets includes the amount of the recognized lease liability incurred at initial direct costs and lease payments made on or before the commencement date excluding any lease benefits received. The right of use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets.

If ownership of a leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a call option, depreciation is calculated using the asset's estimated useful life. The duration of the lease contract was considered the irrevocable period of the lease contract, considering the extension option also.

At the date of commencement of the lease, the Group recognizes the lease payables measured at the current value of the lease payments to be made throughout the lease. Lease payments include fixed payments. (including fixed payments as a substance) excluding any lease benefits receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under the residual value guarantee. Lease payments also include the exercise price of a call option that is reasonably certain to be exercised by the Group and penalty payments for the termination of the lease, if the lease term reflects the group's option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or conditions that determine the payments occur.

To calculate the current value of lease payments, the Group uses the incremental loan rate at the commencement date of the lease because the default interest rate of the lease is not readily determinable.

After the start date, the amount of the lease liability is increased to reflect the accretion of interest and decreased for the lease payments made. In addition, the carrying amount of the lease is re-measured if there is a change, a modification in the lease term, a change in lease payments (change in future payments resulting from a change in an index or instalment rate used to determine those lease payments) or a change in the valuation of an underlying asset purchase option. Lease liabilities are included in Note 14 – Loans.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

(m) Foreign currency

The functional currency used by the Group entities is RON (Romanian lei).

Transactions in foreign currency are converted into the functional currencies of the Group entities at the exchange rates of the transaction dates. Monetary assets and liabilities that at the reporting date denominated in foreign currency are converted into the functional currency at the exchange rate as of the reporting date. The gains and losses from exchange rate differences related to monetary items are computed as the difference between the amortized cost in functional currency at the beginning of the year, adjusted by the effective interest, payments, and collections during the year, on one side and the amortized cost in foreign currency translated using the exchange rate prevailing at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency using the exchange rate prevailing at the date of the determination of fair value.

The non-monetary elements denominated in a foreign currency that are carried at historical cost are converted using the exchange rate prevailing at the date of transaction.

The exchange rate differences resulting from translation are recognized in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as financial expenses/revenues.

(n) Financial instruments

The financial assets with cash flows are solely payments of principal and interest whose business model is to hold to collect contractual cash flows are measured at amortized cost. A financial asset or a financial liability is recognized in the statement of financial position when the Group becomes party to the contractual provision of the instrument.

For the financial instruments that are measured at amortized cost, transaction costs are subsequently included in the calculation of the amortized cost using the effective interest method and amortized through profit or loss over the life of the instrument.

The financial liabilities are classified as subsequently measured at amortized cost (trade payables, loan payables with standard interest rates, bank borrowings).

(o) Taxation

The tax charge represents the sum of the current tax and deferred tax.

Current income tax

The income tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Group's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

a) Temporary differences on the initial recognition of assets and liabilities in a transaction that:
   - is not a business combination; and
   - at the time of the transaction affects neither the accounting nor the taxable profit or loss(ii) does not give rise to equal taxable and deductible temporary differences;
b) Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

c) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(p) Segment reporting

The Group generates revenue primarily from the sale of residential properties. In addition, to sustain its core business, the Group has expanded to construction, rental and property management services.

The Group has two reportable segments, as described below, which are the Group's strategic business units:
Development of residential properties: the Group is involved in the development and sale of residential properties
Construction services: the Group uses a Group Company for the construction of its properties for sale. In addition, the construction company obtains revenue from services of construction from third parties.
Other revenue includes revenue from rental of investment property or residential properties and revenue, revenue from facility management, wellness and fitness services, and utilities.

Information regarding the results of each reportable segment is set out in Note 19. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CEO and CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

q) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

The corresponding fair value of the amount payable to employees in respect of SARs, which are settled in cash is recognized as an expense with corresponding increase in liabilities over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognized in profit or loss.

r) Related party

Parties are considered related when one party, either through ownership, contractual rights, family relationship or otherwise, has the ability to directly or indirectly control or significantly influence the other party. Related parties include individuals that are principal owners, key management personnel of Group's subsidiaries and members of the Board of Directors and members of their families, and any company that is related party to Group's entities.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Fair value measurements and valuation processes

The Group has obtained a report from an international valuation company, Colliers Valuation and Advisory SRL, as at 31 December 2024 setting out the estimated market values for the Group's investment property and property developed for sale in their current state. Colliers is an independent professionally qualified valuation specialist who holds a recognized relevant professional qualification and has recent experience in the locations and categories of valued properties. The valuation was based on the assumption as to the best use of each property by a third-party developer.

In the Romanian market actual transaction values for real estate deals are not publicly available and there is not a high volume of transactions in larger land plots. The sale price comparison method therefore has inherent limitations, and a significant degree of judgement is required in its application.

For investment property, land assets are mainly valued using the sales comparison approach. The main assumptions underlying the market value of the groups land assets are:

- the selection of comparable land plots resulting in determining the "offer price" which is taken as the basis to form an indicative price.
- the quantum of adjustments to apply against the offer price to reflect deal prices, and differences in location and condition including the status of any legal dispute as described in Note 21 Contingencies.

The valuation is highly sensitive to these variables and adjustments to these inputs would have a direct impact on the resulting valuation.

(ii) Transfer of assets both from and to investment property

IAS 40 (investment property) requires the transfers from and to investment property to be evidenced by a change in use. Conditions which are indications of a change in use are judgmental and the treatment can have a significant impact on the financial statements since investment property is recorded at fair value and inventory is recorded at cost.

- For the Ghencea and Barbu Vacarescu plots of land, Management has assessed the recognition and classification criteria under IAS40 and concluded that the respective plots of land should remain classified as investment property until a decision to change the use will be taken. Currently there are various initiatives undertaken in order to enhance the value of those assets (including project concepts and initiatives to obtain building permits, which are affected by political uncertainties), but as of 31 of December 2024 and up to the approval date of the present financial statements no firm and formal decision had been taken by the Company as to the actual use of those lands; consequently, these assets are classified as investment properties as of 31 of December 2024 (same at 31 December 2023) and continued to be recorded at fair value as at the balance sheet date.

- For a portion of the Greenfield land consisting in vacant plots of land Management has assessed the recognition and classification criteria under IAS40 and concluded that the respective plots of land should remain classified as investment property until a decision to change the use will be taken. Management has not planned any potential development in the following 3-4 years from the balance sheet date and there are multiple scenarios available. As such, considering that there is still an undetermined use and that the Company continues to hold the respective plots of land for future appreciation, in line with the provisions of IAS40 they continue to be accounted for at fair value within investment property.

- The Company has concluded lease agreements for certain apartments. Management has assessed the classification criteria under IAS40 and IAS2 and concluded that those apartments should continue to be classified as inventories, given that units are available for sale and the rental activity is carried out in order to optimize cash-flows on the near-term.

Had different judgements been applied in determining a change in use, then the financial statements may have been significantly different because of the differing measurement approach of inventory and investment properties.

(iii) Legal issues

The management of the Group analyses regularly the status of all ongoing litigation and following a consultation with the legal advisors and with the Board of Directors, decides upon the necessity of recognizing provisions related to the amounts involved or their disclosure in the financial statements. Key legal matters are summarized in Note 21.

(iv) Cost allocation

To determine the profit that the Group should recognize on its developments in a specific period, the Group has to allocate site-wide development costs between units sold in the current year and to be sold in future years. Industry practice does vary in the methods used and in making these assessments there is a degree of inherent uncertainty. The future projects to which costs are allocated are only those of which development is certain – i.e. the land is already included in inventory. If there is a change in future development plans from those currently anticipated, then the result would be fluctuations in cost and profit recognition over different project phases.

(v) Operating cycle

The Group's operating cycle is determined based on the nature of its business activities. Management has exercised significant judgement in defining the operating cycle, which impacts the classification of assets as current or non-current.

Judgement: The operating cycle is considered to be the period between the acquisition of assets for processing and their realization in cash or cash equivalents. For the Group, this period is estimated to be 4 years.

Estimation Uncertainty: The determination of the operating cycle involves assumptions about the duration of production processes, inventory turnover rates, and the timing of receivables collection. Changes in these assumptions could significantly affect the classification of assets.

Impact: If the operating cycle were to be reassessed to be longer/shorter than 4 years, certain assets would be reclassified as current/non-current, which could affect liquidity ratios and other financial metrics.

6. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

A) Amendments to accounting policies and to information to be disclosed.

• IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)
The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. Management has assessed that the amendments will have no material impact on the financial statements of the Group.

• IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)
The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Management has assessed that the amendments will have no material impact on the financial statements of the Group.

• IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments). The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Management has assessed that the amendments will have no material impact on the financial statements of the Group.

B) The standards/amendments that are not yet effective, but they have been endorsed by the European Union

- Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments: Settlement of liabilities through electronic payment systems.*

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system. The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised. Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

Classification of financial assets with ESG-linked features

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

Contractually linked instruments (CLIs) and non-recourse features

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The Group plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity*

The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements. The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.

Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow. Currently the Group does not use any renewable power source but it plans to do it in the future, therefore it plans to assess the impact of the amendments on the financial statements and apply the new standard, if the case, starting from 1 January 2026.

- IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarized below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined ‘operating profit’ and ‘profit or loss before financing and income tax’ subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the ‘most useful structured summary’ of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management’s view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as ‘other’ and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

The Group plans to apply the new standard from 1 January 2027.

- IFRS 19 Subsidiaries without Public Accountability Disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.
A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under

IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.
Management has assessed that the amendments will have no material impact on the financial statements of the Group.

- Annual Improvements to IFRS Standards – Volume 11

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards. The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. The Group plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture

The Amendments clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business, such that:
a full gain or loss is recognised when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets which constitute a business (whether it is housed in a subsidiary or not), while a partial gain or loss is recognised when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if these assets are housed in a subsidiary.
Management has assessed that the amendments will have no material impact on the financial statements of the Group.

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

7. PROPERTY, PLAND AND EQUIPMENT

	Land and buildings	Machinery, equipment and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 of January 2025	**87,589**	**14,897**	**3,627**	**2,908**	**109,021**
Additions	-	4,004	111	817	3,298
Transfers from inventories/(to inventories)	(1,662)	451	-	-	(1,211)
Disposals	(3)	-	181	-	(184)
Balance as at 30 June 2025	**85,924**	**19,352**	**3,557**	**2,091**	**110,924**
Accumulated depreciation and impairment losses					
Balance as at 1 of January 2025	**8,622**	**4,458**	**1,766**	**-**	**14,846**
Charge for the period	1,106	1,369	222	-	2,697
Transfers from inventories/(to inventories)	(1,659)	(266)	-	-	(1,925)
Balance as at 30 June 2025	**8,069**	**5,561**	**1,988**	**-**	**15,618**
Carrying amounts					
As at 1 January 2025	**78,967**	**10,439**	**1,861**	**2,908**	**94,175**
As at 30 June 2025	**77,855**	**13,791**	**1,569**	**2,091**	**95,306**

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

Reconciliation of carrying amount

	Land and buildings	Machinery, equipment and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 of January 2024	**88,407**	**4,934**	**3,121**	**3,296**	**99,758**
Additions	-	945	506	-	1,451
Transfers	1,270	9,225	-	(388)	10,107
Disposals	(2,088)	(207)	-	-	(2,295)
Balance as at 31 of December 2024	87,589	14,897	3,627	2,908	109,021
Accumulated depreciation and impairment losses					
Balance as at 1 of January 2024	**8,528**	**3,781**	**1,328**	**-**	**13,637**
Charge for the period	1,358	1,282	438	-	3,078
Transfers	723	(495)	-	-	228
Accumulated depreciation of disposals	(1,987)	(110)	-	-	(2,097)
Balance as at 31 of December 2024	**8,622**	**4,458**	**1,766**	**-**	**14,846**
Carrying amounts					
As at 1 January 2024	**79,879**	**1,153**	**1,793**	**3,296**	**86,121**
As at 31 December 2024	**78,967**	**10,439**	**1,861**	**2,908**	**94,175**

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

Land and buildings:

The main disposal in land and buildings is represented by the sale of a plot of infrastructure land within a previous residential project of the Group in total value of RON 1,662 thousand.

The depreciation method used was the straight-line method.

Machines, equipment and means of transport:

Transfers of RON 451 thousand represents cars for which the leasing contract was closed during 2025 and therefore the machinery was transferred from right of use assets to PPE.

Pledged assets:

As at 30 June 2025 PPE in total of RON 13,425 thousand were pledged as securities for bank loans, representing land and buildings (31 December 2024: RON 70,914 thousand). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see Note 14 Loans and borrowings.

8. INVESTMENT PROPERTY

	30-Jun-25	31-Dec-24
Balance at 1 of January	**704,167**	**679,046**
Additions	4,318	1,793
Transfers from/to PPE/Inventories	-	(3,552)
Value adjustments	-	319
Disposals	-	(1,041)
Changes in fair value during the year	28,262	27,602
Balance at 30 of June	**736,747**	**704,167**

Investment property comprises primarily land plots held with the purpose of capital appreciation or land with undetermined future use.

Additions are mainly referring to architectural services performed for investment property under development.

Overall, the fair value of land presented as investment property, as well as buildings increased at the end of the first semester 2025, by RON 32.580 thousand, following the revaluation carried out by the external evaluator, Colliers Valuation and Advisory S.R.L in amount of RON 28,262 thousand and costs of concept works and authorisations related to the project to be developed on the land located in Bd. Barbu Vacarescu in amount of RON 4,318 thousand.

Below you can find a breakdown of total properties included within investment property:

	30-Jun-25		31-Dec-24	
	SQM	**RON thousand**	**SQM**	**RON thousand**
Greenfield Baneasa land (Bucharest)	194,159	274,298	193,311	266,210
Barbu Vacarescu land (Bucharest)	25,424	210,842	25,424	191,607
Blvd. Ghencea – Timișoara land (Bucharest)	258,895	184,017	258,895	180,442
Other (Neptun,Oradea)	62,022	11,534	62,022	11,190
Greenfield Plaza commercial property (land included)	11,111	56,055	11,111	54,718
Total	**551,611**	**736,747**	**550,763**	**704,167**

For the first 6 months of 2025, the Group obtained rental income from investment property (Greenfield Plaza) in total value of RON 1,476 thousand. The operating expenses arising from the investment property that generated rental income are recovered through service charge from the tenants. No operating expenses were recorded for investment property that did not generate rental income.

Considering the classification criteria under IAS40 and as detailed in Note 6 – Critical accounting judgements (transfer of assets both from and to investment property), the Group concluded that as at 30 of June 2025 there is sufficient evidence that the future use of the land is uncertain and thus the land should be classified as investment property and not as inventory, in accordance with IAS 40 provision regarding “land held for a currently undetermined future use”.

Details on the legal matters related to land are presented in Note 21.

9. PIPELINE PROJECTS

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle of its activity to be at 4 years. As such all of its inventory which is to be translated into revenue within less that 4 years from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects.

	30-Jun -25	31-Dec-24
Greenfield Baneasa	31,294	31,294
Boreal Plus Constanta	-	-
Greenfield Copou Iasi	47,214	47,221
	78,508	**78,515**

10. INVENTORIES

	30-Jun -25	31-Dec-24
Finished properties and other goods for sale	220,930	283,046
Work in progress residential developments:		
Land for development	32,438	35,381
Development and construction costs	91,709	89,897
	345,077	**408,324**

Inventories are represented by:

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

	30- Jun -25	31-Dec-24
Greenfield residential project	268,501	310,845
Luxuria residential project	21,251	37,140
Constanta land and project	41,849	53,517
Others inventory	13,476	6,822
	345,077	**408,324**

Management estimates of inventories to be realized within less than 12 months, as well more than 12 months from the reporting date (30 June 2025) is disclosed below:

	To be realized within 12 months	To be realized within more than 12 months
Greenfield residential project	122,585	145,916
Luxuria residential project	21,251	-
Constanta land and project	33,196	8,653
Others inventory	8,086	5,390
	185,118	**159,959**

Out of the total of RON 268,501 thousand in Greenfield Baneasa, a total of RON 122,585 is to be realized within 12 months, based on management estimates of the residential units to be sold. Luxuria project is to be realised fully within 12 months, as the management has the intention to sale all the 29 residential units in inventory and corresponding parking spaces during 2025. As regards to Constanta project, RON 33,196 thousand represents the value of inventory estimated to be realized within the next 12 months.

Lands with a carrying amount of RON 32,438 thousand as of 30 of June 2025 (31 of December 2024: RON 35,381 thousand) consist mainly of land owned by the Group for the development of new residential properties and infrastructure, in Bucharest, Constanta or Iasi. The land value has decreased by 6%, due to a transfer of infrastructure allowance from property plant and equipment to inventories. Development and construction costs have increased by 5%, due to the progress made by the Group in the development Greenfield Baneasa project.

Completed real estate with an accounting value of RON 220,930 thousand on 30 June 2025 (31 December 2024: RON 283,046 thousand) refers entirely to apartments held for sale by the Group.

Cost of residential units recognized during the first 6 months of 2025 is RON 72,992 thousand (6M 2024: RON 39,226 thousand).

The book value as of 30 June 2025 of the pledged finished stocks is RON 102,646 thousand (31 December 2024: RON 365,636 thousand) (see Note 10). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see *Note 14 Loans and borrowings*.

According to the provision of IAS23 – Borrowing costs, the costs related to general loans were capitalized in the value of eligible assets using a weighted average rate. No project was eligible for capitalization of borrowing costs in 2025 or in 2024.

Further details on the company's loans are set out in *Note 14.*

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

11. TRADE RECEIVABLES AND OTHER RECEIVABLES

	Short term	
	30-Jun-25	**31-Dec-24**
Trade receivables	23,793	24,904
Other receivables	2,545	18,821
Receivables from authorities	189	517
	26,527	**44,242**

Prepayments and other current assets	**30-Jun-25**	**31-Dec-24**
Prepaid expenses	6,682	4,790
Advance payments to services suppliers	99	139
	6,781	**4,929**

Other receivables include receivable from the Municipality of Cluj-Napoca, in amount of RON 17.037 thousand as a result of the favorable Court decision dated 16 December 2024, in relation to the litigation of the subsidiary Clearline with the Municipality. The litigation has been solutioned and the amount has been cashed in April 2025.

Prepayments include advance payments to IT software suppliers, taxes on land and buildings. The significant increase in prepayments is due to the payment of the local taxes on land and buildings due by 30 of June 2025.

As at 31 of December 2024, the Company did not have any pledged receivables, except for the rental income which is pledged in favor of First Bank. The average monthly value of the rent receivable is RON 260 thousand.

12. CASH AND CASH EQUIVALENTS

	30-Jun-25	**31-Dec-24**
Current accounts	69,889	71,952
Petty cash	56	14
Cash advances	(2)	8
	69,943	**71,974**

Current accounts are held with Romanian commercial banks. Out of the total balance of cash, RON 9 thousand (31 December 2024: 9 thousand RON) is restricted cash. The restricted cash is subject to commercial or legal restrictions (cash collateral for letters of guarantee, cash collateral for the payment of uncollected dividends, etc.).

The cash balance remained constant, decreasing only by 2,031 thousand lei, or 3% as at 30 June 2025, compared with 31 December 2024.

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

13. SHARE CAPITAL

	30-Jun-25	31-Dec-24
Paid Share capital	591,235	591,235
Adjustments of the share capital (hyperinflation)	7,464	7,464
	598,699	**598,699**
Number of shares in issue at period end	**2,364,941,410**	**2,364,941,410**

During 2024 a total of 738,541 own shares have been cancelled, at nominal value of RON 184 thousand. No changes occurred in 2025.

The shareholding structure at the end of each reported period was as follows:

	30-Jun-25	31-Dec-24
	%	%
Gheorghe Iaciu	58.42%	58.03%
Swiss Capital S.A.	10.10%	10.07%
Companies	20.25%	20.61%
Other shareholders	11.23%	11.29%
	100.00%	**100.00%**

All shares are ordinary and have equal ranking related to the Group's residual assets. The nominal value of one share is 0.25 RON. The holders of ordinary shares have the right to receive dividends, as these are declared at certain moments in time, and have the right to one vote per 1 share during the meetings of the Group.

14. LOANS AND BORROWINGS

This note shows information related to the contractual terms of the interest-bearing loans and borrowings of the Group, valued at amortized cost.

	30-Jun-25	31-Dec-24
Non-current liabilities		
Secured bank loans	66,435	93,695
Issued bonds	89,044	87,178
Leasing	168	285
Total non-current liabilities	**155,647**	**181,158**
Current liabilities		
Short-term borrowings	69,722	135,512
Issued bonds	-	-
Leasing	279	449
Total current liabilities	**70,001**	**135,961**

Terms and repayment schedules of loans and borrowings are as follows:

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

Lender	Currency	Maturity	Amount of the facility, in original currency	Balance at 30-Jun -25 (thous. RON)	Balance at 31-Dec-24 (thous. RON)
Bonds					
Private placement bonds	EUR	24-Dec-26	6,581	33,419	32,737
Credit Value Investments	EUR	02-Oct-27	8,000	40,392	39,793
Private placement bonds	EUR	12-Feb-27	3,000	15,233	14,648
Total bonds				**89,044**	**87,178**
Loans					
Libra Internet Bank	EUR	05-Nov-27	7,000	30,572	-
OTP Bank	EUR	31-Mar-25	21,161	-	54,281
OTP Bank	EUR	31-Mar-25	13,279	-	32,279
Alpha Bank	EUR	08-Jun-29	20,000	60,179	66,321
First Bank	EUR	29-Mar-29	3,500	12,034	13,234
First Bank	EUR	19-Apr-27	4,000	10,502	13,200
Garanti BBVA	RON	31-Dec-26	17,395	-	6,627
Garanti BBVA	EUR	31-Dec-27	6,910	5,640	25,569
Vista	RON	31-Jul-26	19,500	15,490	17,200
Total bank loans				**134,417**	**228,711**
Leasing	EUR			447	734
Total leasing				**447**	**734**
Interest				**1,740**	**496**
Total				**225,648**	**317,119**

	Bonds	Loans	Leasing	Total
Balance as at 1 January 2025	**87,674**	**228,711**	**734**	**317,119**
Drawings	-	45,332	-	45,332
Repayments	-	(142,354)	(287)	(142,641)
Interest paid	(2,721)	(4,699)	-	(7,420)
Interest charge	4,112	4,698	-	8,810
Withholding tax expense	(131)	-	-	(131)
Foreign exchange differences	1,850	2,729	-	4,579
Balance as at 30 June 2025	**90,784**	**134,416**	**447**	**225,648**

	Bonds	Loans	Leasing	Total
Balance as at 1 January 2024	**72,209**	**339,070**	**2,355**	**413,634**
Drawings	14,910	87,634	-	102,544
Repayments	-	(197,938)	(1,628)	(199,566)
Interest paid	(8,300)	(22,225)	(27)	(30,552)
Interest charge	8,196	22,225	27	30,448
Withholding tax expense	552	-	-	552
Foreign exchange differences	107	(55)	7	59
Balance as at 31 December 2024	**87,674**	**228,711**	**734**	**317,119**

In December 2020, the Parent Company carried out a new issue of Private Placement bonds in the amount of EUR 6,580 thousand with a fixed interest rate of 6.4% p.a., payable semi-annually. The bonds were issued by the Parent Company on 24 December 2020, they have a maturity of 6 years and were listed in May 2021 on the regulated market of BVB.

In June 2022, IMPACT SA contracted a loan denominated in EUR from Alpha Bank for the general financing of projects (working capital). The approved value of the loan is EUR 20,000 thousand, with maturity in 7 years from the granting.

In September 2022, IMPACT SA contracted 4 loans denominated in EUR from OTP Bank to finance phases F1-F3 of the UTR3 project in Greenfield Băneasa. The cumulative value of the credits is EUR 40,440 thousand, of which two in a total amount of EUR 34,440 thousand are intended to finance the project, with a maturity of 3 years from the granting, and two in a total amount of EUR 6,000 thousand to cover VAT payments, with maturity of 2 years from granting. The loan has been fully reimbursed in February 2025.

In May 2023, the IMPACT SA contracted a loan denominated in EUR from First Bank for the refinancing of the Community centre Greenfield Plaza. The value of the credit is EUR 3,500 thousand, with a maturity of 70 months from the granting.

In October 2023 IMPACT SA offered for subscription 80 Series IMP27 bearer bonds (the "Bonds"), each with a nominal value of EUR 100,000.00 (one hundred thousand euros) and an aggregate nominal value of EUR 8,000,000.00 (eight million euros). The Bonds were allotted to institutional investors – consortium of several investment funds, of which assets are managed by CVI Dom Maklerski sp. z o.o. The Polish company under business name CVI Trust sp. z o.o., with its registered seat in Warsaw, Poland, is acting as a security administrator. The coupon value is variable and the interest is 1 month EURIBOR+ 8.75%. The maturity date is 2 October 2027.

In November 2023 IMPACT SA contracted a loan denominated in RON from Garanti Bank for the general financing of projects (working capital). The value of the loan is RON 17,395 thousand, with a maturity of 3 years from the granting. Credit facility drawings started in December 2023.

In February 2024, the following liabilities were contracted by the Group:

- IMPACT SA contracted a loan denominated in RON from First Bank for the general financing of projects (working capital). The value of the loan is EUR 4 million, with a maturity of 3 years from the granting. Credit facility drawings started in April 2024.

- IMPACT Developer & Contractor launched a public offering for the subscription of 30,000 bonds, at a nominal value of 100 EUR/ bond. The offering period was from 12 of February to 23 of February 2024. The offer was brokered by SSIF Tradeville SA. The issued bonds were registered, dematerialized, unconditional, non-guaranteed and nonconvertible bonds, having a nominal value of up to 3,000,000 EUR. The offering was fully subscribed, IMPACT being able to raise 3,000,0000 EUR in bonds, with a fixed interest rate of 9%, payable on a half-yearly basis. The bonds are traded on the regulated market administered by BVB.

- RCTI Company obtained a loan facility in total amount of RON 19,500, thousand from Vista Bank. The loan is to be used for working capital financing and for issuing of bank guarantee letters. The maturity period is 18 months from the signing date.

In June 2024 IMPACT SA contracted a loan denominated in EUR from Garanti Bank for the general financing of projects (working capital). The value of the loan is EUR 6.9 million, with a maturity of 3 years from the granting. Credit facility drawings started in July 2024.

In December 2024 IMPACT SA contracted a loan denominated in EUR from Libra Bank for the general financing of projects (working capital). The value of the loan is EUR 7 million, with a maturity of 3 years from the granting. The loan has been fully drawn during February 2025.

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

On May 7, 2025, IMPACT SA has closed the Garanti Bank loan, a facility granted in RON, to finance its current activity. As at 31 December 2024 the bank loan balance was of RON 6,627 thousand. The loan was fully reimbursed 19 months in advance of its maturity date.

The bank loans of the Group are subject to financial covenants, such as Debt Service Coverage Ratio (DSCR), Loan to Value (LTV), Net Debt to Total Assets, Net debt to Equity. In case of breaching the financial covenants, the contracts include remedy period, margin increase or renegotiation of loan terms.

All the financial indicators were met as of 30 June 2025 and as of 31 December 2024.

The market value of the liabilities related to leasing contracts approximates their book value.

No new leasing contracts were signed in 2025. During 2024 Spatzioo closed its leasing contract and sold the respective cars. Furthermore, Impact SA closed all its leasing contracts and sold part of the cars. As at 30 June 2025 the leasing contracts refer to 9 contracts for machinery and cars of RCTI Company.

The interest rate is fixed. Fixed instalments are paid throughout the duration of the contract.

15. TRADE AND OTHER PAYABLES

	30-Jun-25	31-Dec-24
Non-current liabilities		
Retentions owed to third party	5,760	5,834
	5,760	**5,834**
Current liabilities		
Trade payables	17,302	16,907
Tax debts	4,273	5,510
Other payables	44	121
Employees payables	1,550	1,648
Dividends payable	753	326
Other payables	-	-
	23,922	**24,512**
TOTAL	**29,682**	**30,346**

Contract liabilities (Advances from customers)	7,860	14,094
Deferred income	1,464	1,226
TOTAL	**9,324**	**15,320**

Please see Note 16 for details regarding Contract liabilities.

16. REVENUES AND OTHER INFORMATION

The Group generates revenue primarily from the sale of residential properties. In addition, to sustain its core business, the Group has expanded to construction, rental and property management services.
The Group has two reportable segments, as described below, which are the Group's strategic business units: *Development of residential properties:* the Group is involved in the development and sale of residential

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

properties
Construction services: the Group uses a Group Company for the construction of its properties for sale. In addition, the construction company obtains revenue form services of construction from third parties.
Other revenue includes revenue from rental of investment property or residential properties and revenue, revenue from facility management, wellness and fitness services, and utilities.

Information regarding the results of each reportable segment is set out below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CEO and CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

As at 30 June 2025, IMPACT had 45 dwellings pre-sold and reserved with a package value of RON 33,702 thousand. All of those refer to finalized projects. For these pre-sale agreements clients paid deposits in amount of RON 7,860 thousand which are shown under Contract liabilities in the statement of financial position.

As at 31 of December 2024, IMPACT had 130 dwellings pre-sold and reserved with a package value of RON 77,190 thousand. All of those refer to finalized projects. For these pre-sale agreements clients paid deposits in amount of RON 14,089 thousand which are shown under Contract liabilities in the statement of financial position.

Split of Group revenue:

	30-Jun-25	30-Jun-24
Revenue from residential properties	103,660	60,648
Revenue form services	70,498	34,675
Rental income	2,491	2,643
	176,649	**97,966**

Cost of sales is composed of the following

	30-Jun-25	30-Jun-24
Cost of goods sold	72,992	39,226
Services cost	57,619	28,986
Costs related to rental services	-	-
	130,611	**68,212**

Sales per project analysis:

	30-Jun-25	30-Jun-24
Greenfield Baneasa	59,935	2,044
Boreal Plus	16,443	15,561
Luxuria Residence	27,106	43,044
Others	175	-
	103,660	**60,648**

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

During the first semester of 2025, the Group sold 153 units, out of which 103 dwellings in GREENFIELD Baneasa, 23 dwellings in LUXURIA Residence and 24 dwellings as well as 3 villas in BOREAL Plus (12,302 sqm built saleable area plus related parking spots, storage and court yards). The 153 units generated corresponding revenues of approximately RON 103,660 thousand.

During the first semester of 2024, the Group sold 68 units, represented by 38 dwellings in LUXURIA Residence and 26 dwellings, as well as 2 villas in BOREAL Plus and other commercial spaces (6,710 sqm built saleable area plus related parking spots, storage and court yards). The 68 units sold throughout the first semester of 2024 generated corresponding revenues of RON 60,648 thousand.

The revenue from construction services represent the income from construction services performed by RCTI Company. During the first semester of 2025 the revenue from construction services increased by RON 34,486 thousand, or 113% due to an expansion of the Company's activity. RCTI has a total of 6 contracts ongoing for the period 2024-2026, totaling 64,242 thousand euros, for projects located in cities such as Brasov, Sinaia, Craiova and Bucharest.

Revenue from rental is obtained from renting the commercial spaces within Greenfield Plaza community centre as well as from renting the apartments and other commercial spaces. The rented apartments are not held as investment property but held for sale in the ordinary course of business, given that the business model is make available to clients for sale all of the apartments. Furthermore the Group recorded revenue from sale of wellness and fitness services within Wellness Club by Greenfield. Additional income is generated, utility sales, furniture sales, property management performed by the group companies.

17. GENERAL AND ADMINISTRATIVE EXPENSES

	30-Jun-25	30-Jun-24
Consumables	6,432	1,810
Third party expenses	8,047	3,834
Staff costs	6,876	9,019
Amortization	2,621	1,929
	23,976	**16,592**

18. OTHER OPERATING INCOME/EXPENSE

Other operating income:

	30-Jun-25	30-Jun-24
Other operating income	865	1,682
Net gain on disposal of PPE	167	-
Reversal of impairment of PPE	-	-
Compensation of write down of inventories	7,495	-
Reversal of Impairment /(Impairments) of inventory	3,373	28
Other compensations	11,866	-
	23,766	**1,710**

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

Other operating expenses:

	30-Jun-25	30-Jun-24
Other operating expenses	439	799
Other tax expenses	2,942	2,404
Loss on disposal of PPE	191	1,137
Fine and penalties	438	35
Impairment of receivables	1,004	3
Sponsorships and donations	50	-
	5,064	**4,378**

19. FINANCE (COST)/INCOME

	30-Jun-25	30-Jun-24
Interest expense	(9,135)	(15,740)
Foreign exchange loss	(5,027)	(1,052)
Other financial expenses	(882)	(933)
Total financial expenses	**(15,044)**	**(17,725)**
Interest income	310	83
Foreign exchange gains	499	761
Other financial income	-	-
Total financial income	**809**	**844**
Financial result, net	**(14,235)**	**(16,881)**

Compared with the same period of prior year, during the first semester of 2025, the interest expense has decreased by RON 6,605 thousand. This is due to the fact that the loan balance has decreased by RON 91,471 thousand as at 30 June 2025 compared with 31 December 2024.
As regards to foreign exchange results, during the first semester of 2025 the Group has registered net loss from foreign exchange of RON 14 thousand due to decrease in value of RON currency against EUR (6M 2024: net foreign exchange loss of RON 16 thousand).

20. CAPITAL COMMITMENTS

As at 30 June 2025, the Group had no capital commitments. However, the Group is engaged in contractual commitments through the pre-sale agreements it concludes with its clients for the sale of developed dwellings (please see *Note 16 – Revenues*, for more details on pre-sale agreements).

21. CONTINGENCIES

At the date of these consolidated financial statements, the Group is involved in ongoing litigation, both as plaintiff and defendant.

The Group's management regularly analyzes the status of all ongoing litigation and, following a consultation with the Board of Directors and with legal advisors, decides on the need to recognize provisions related to committed amounts and to include them in the financial statements.

Considering the existing information, the Group's management believes that the significant disputes are the following:

a) Litigation initiated by "EcoCivic Association"

File no. 4122/3/2022 was registered on the roll of the Bucharest Court, Administrative and Fiscal Litigation Section, in which Impact Developer & Contractor S.A. is the Defendant, the Claimants being the Eco Civic Association and three natural persons from outside the Greenfield Baneasa neighborhood.

The object of the file is the suspension and annulment of the administrative act HCGMB 705/18.12.2019 approving the Zonal Urban Plan Aleea Teisani - Drumul Padurea Neagra no. 56-64, the suspension and cancellation of Building Authorizations no. 434/35/P/2020 and no. 435/36/P/2020, cancelling some preliminary approvals, cancelling works. Based on the acts mentioned above, the fourth development phase of Greenfield Baneasa has been developed.

On 14.08.2024, the Court ruled the exceptions (defences in a civil action) raised by the Company and the defendants in the case.

The Court ruled that the claims filed by EcoCivica Foundation for the suspension and annulment of the Construction Permits were time-barred and were dismissed as time-barred, while the claims filed by the other plaintiffs for the suspension of the Construction Permits were dismissed as lacking object. Environmental Permit 01/16.05.20 remains valid and has full legal effects.

The trial continued, and on 11.04.2025, the court spoke on the merits of the case. After the debates, the court remained in judgment. The pronouncement was successively postponed until 06.08.2025.

On August 6, 2025, after several court hearings, the court dismissed the action as unfounded and admitted the voluntary intervention request filed by the Lexcivica Association in support of the Company's position.

The court's decision may be appealed within 15 days of its communication.

The management appreciates that the entire approval and authorization process, both of the Zonal Urban Plan and of the building permits whose cancellation is requested, was carried out legally, in compliance with the requirements imposed by the competent authorities through the town planning certificates issued. Also, the building works were executed in accordance with the legal provisions and the conditions established by the building permits, an aspect confirmed by the conclusion of the minutes of reception together with the authorities and entities involved, including the City Hall Sector 1. The buildings were commissioned and have already been introduced into the civil circuit (sold to clients). Consequently, management did not consider it necessary to set up a provision related to this litigation on 30 June 2025.

b) **Litigation regarding access to Vadul Moldovei street, file 1820/3/2023**

On January 19, 2023, Impact Develoepr & Contractor S.A. registered an action against the Bucharest City Hall, the District 1 City Hall and the Romsilva National Forestry Authority at the Bucharest Court - Section II Administrative and Fiscal Litigation, requesting the court to oblige these institutions to comply with the obligations assumed by the decisions of the General Council of the Municipality of Bucharest, of the Local Council of Sector 1, as well as those assumed by the act of acceptance of the donation signed with IMPACT since 2018, and to definitively open public access between road “Aleea Privighetorilor” and road “Drumul Pădurea Pustnicu”.

During the process, some of the Impact Developer & Contractor S.A. requests were resolved administratively, by adopting:

• HCGMB no. 100/02.04.2024, which authorizes the request to the Government regarding the transfer, free of charge, of two sections of forest road (Vadul Moldovei) from the administration of Romsilva into the public domain of the Municipality of Bucharest, for a temporary access of 5 years;

• HCGMB no. 130/29.04.2024, which approves the definitive removal from the forest fund of a land of 0.3009 ha, with the destination of a road of local interest, to ensure access, also for a period of 5 years, between Aleea Teisani and Drumul Padurea Pustnicu.

However, certain administrative operations remain to be completed by Bucharest City Hall, Romsilva and the Ministry of the Environment, which is why the process continues.

The next term is set for the 28 October 2025.

22. RELATED PARTIES

Transactions with Key Management Members

Remuneration of key management personnel comprises salaries and related benefits, including share based payments, social and medical contributions, unemployment, and other similar contributions. The Group's management is employed on a contract basis.

Transactions with shareholders

In 2025, the Group did not declare or pay dividends to its shareholders. RCTI, one of the companies within the Group, has distributed dividends to its shareholders with non-controlling interest, in total value of RON 714 thousand. (2024: RON 2,656 thousand).

Please see Note 13 – Share capital for details regarding the ultimate controlling party.

The following transactions were concluded in 2025 with the majority shareholder or related parties of the Group:

- A loan facility in amount of RON 15,000 thousand has been provided by Gheorghe Iaciu, the majority shareholder of Impact SA in February 2025. The facility has a 1 year maturity and a fixed interest rate of 6.95%. The loan facility has been fully reimbursed on 9 May 2025.
- RON 846 thousand transaction with RAND Autonomy SRL (company controlled by one of the key shareholder of RCTI) for the acquisition of equipment and materials for installing of air conditioner and ventilation systems
- RON 397 thousand transaction of RCTI with Expo Market Doraly (company controlled by Gheorghe Iaciu) for construction and repairs services.

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

23. SUBSEQUENT EVENTS

a) Closing of the Garanti Bank loan facility

On July 11, 2025, IMPACT SA has closed the Garanti Bank loan, a facility granted in EUR, to finance its current activity. As at 30 June 2025 the bank loan balance was of RON 5,640 thousand. The loan was fully reimbursed 29 months in advance of its maturity date.

b) Closing of the First Bank loan facility

The two EUR-denominated loans contracted in 2023 and 2024, from First Bank, both for refinancing the Community centre Greenfield Plaza and for financing current activities, were fully reimbursed by July 31, 2025.

c) The issuance of a favorable ruling in Litigation initiated by "EcoCivic Association"

In the File No. 4122/3/2022, a series of urbanism documents and construction authorizations related to the Greenfield Băneasa project were challenged by Fundatia Eco Civica and three natural persons who are not residents of the Greenfield Băneasa neighborhood.

On August 6, 2025, after several court hearings, the court dismissed the action as unfounded and admitted the voluntary intervention request filed by the Lexcivica Association in support of the Company's position.

The court's decision may be appealed within 15 days of its communication.

The consolidated financial statements have been authorized for issue by the management on 20 August 2025 and signed on its behalf by:

George Toma Mucibabici	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

IMPACT DEVELOPER & CONTRACTOR SA

SEPARATE UNAUDITED AND SIMPLIFIED FINANCIAL STATEMENTS
AS OF AND FOR THE 6 MONTHS PERIOD ENDED AS AT 30 JUNE 2025

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

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

	Note	30-Jun-25	31-Dec-24
ASSETS			
Non-current assets			
Tangible assets	**8**	48,762	47,144
Intangible assets		531	640
Noncurrent receivables	**13**	65,874	71,150
Investment property		789,965	754,571
Investments in subsidiaries	**12**	50,074	47,474
Pipeline projects	**10**	31,294	31,293
Total non-current assets		**986,500**	**952,273**
Current assets			
Inventories	**11**	319,432	371,159
Trade and other receivables	**13**	38,984	19,775
Other current assets		6,002	4,755
Cash and cash equivalents	**14**	17,927	37,644
Total current assets		**382,345**	**433,333**
Total assets		**1,368,845**	**1,385,605**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	**15**	598,699	598,699
Share premium	**15**	45,985	41,379
Other reserves		48,925	44,484
Retained earnings		336,704	287,354
Total equity		**1,030,313**	**971,916**
Non-current liabilities			
Loans and borrowings	**16**	155,479	118,435
Trade and other payables	**17**	7,001	6,857
Deferred tax liability		81,175	81,175
Total non-current liabilities		**243,655**	**206,467**

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

	Note	30-Jun-25	31-Dec-24
Current liabilities			
Loans and borrowings	**16**	54,230	180,749
Trade and other payables	**17**	33,996	14,377
Income tax payable		3,504	1,340
Contract liabilities	**18**	3,016	10,627
Provisions for risks and charges		131	131
Total current liabilities		**94,877**	**207,223**
Total liabilities		**338,532**	**413,690**
Total equities and liabilities		**1,368,845**	**1,385,605**

The standalone financial statements have been authorized for issue by the management on 20 August 2025 and signed on its behalf by:

George Toma Mucibabici	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

	Note	6 months period ended as at	
		30-Jun-25	**30-Jun-24**
Revenue	**18**	82,570	21,460
Cost of sales	**18**	(59,700)	(13,974)
Gross profit		**22,870**	**7,486**
General and administrative expenses	**19**	(11,749)	(11,470)
Marketing expenses		(1,606)	(752)
Other operating income	**20**	3,578	3,151
Other operating expenses	**20**	(4,138)	(3,733)
Gains on investment property		30,769	-
Operating profit		**39,724**	**(5,318)**
Financial income	**21**	36,827	41,721
Financial cost	**21**	(14,649)	(17,179)
Finance costs, net		**22,178**	**24,542**
Profit before tax		**61,902**	**19,224**
Income tax (expense)		(3,504)	-
Profit of the period		**58,398**	**19,224**
Other comprehensive income		-	-
Total comprehensive income for the period		**58,398**	**19,224**

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

	Note	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance as at 1 January 2025		**598,699**	**41,379**	**-**	**44,484**	**-**	**287,354**	**971,915**
Other comprehensive income								
Profit for the period		-	-	-	-	-	58,398	58,398
Total other comprehensive income		**-**	**-**	**-**	**-**	**-**	**58,398**	**58,398**
Own shares acquired		-	4,606	-	-	-	(4,606)	-
Other changes in equity		-	-	-	4,442	-	(4,442)	-
Balance as at 30 June 2025		**598,699**	**45,985**	**-**	**48,925**	**-**	**336,704**	**1,030,313**

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Chairman of the BoD	Chief Executive Officer	Chief Financial Officer

	Note	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance as at 1 January 2024		**598,884**	**41,462**	**-**	**39,642**	**(268)**	**203,955**	**883,675**
Other comprehensive income								
Profit for the period		-	-	-	-	-	88,240	88,240
Total other comprehensive income		-	-	-	-	-	88,240	88,240
Other changes in equity		(185)	(83)	-	-	268	-	-
Legal reserves		-		-	4,842	-	(4,842)	-
Balance as at 31 December 2024		**598,699**	**41,379**	**-**	**44,484**	**-**	**287,354**	**971,915**

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

	Note	30-Jun-25	30-Jun -24
Net profit		**58,398**	**19,224**
Adjustments to reconcile profit for the period to net cash flows:		**(46,061)**	**(23,295)**
Valuation gains on investment property		(30,769)	-
Gain on sale PPE		-	(599)
Reversal of impairment loss PPE		-	623
Depreciation and amortization	8	1,469	1,223
Impairment of receivables	20	966	-
Financial income	21	(34,540)	(41,721)
Financial cost	21	14,649	17,179
Tax expense		2,164	-
Working capital adjustments		**74,667**	**(21,684)**
Decrease/(increase) in trade receivables and other receivables	13	13,423	(5,230)
Decrease/(increase) in prepayments	13	(1,247)	(3,996)
Decrease/(increase) in inventory	11	51,729	10,360
(Decrease)/increase in trade, other payables, and contract liabilities	17	10,762	(22,818)
Net cash flows used in operating activities		**87,004**	**(25,755)**
Cash flow from investing activities			
Loans granted to subsidiaries	24	-	5,375
Loan principal collected from subsidiaries	24	5,406	3,420
Amounts invested in subsidiaries	24	(2,600)	-
Purchase of property, plant and equipment	8	(3,093)	(530)
Proceeds/(expenditure) with investment property		-	-
Expenditure on investment property under development		(4,625)	-
Expenditure on PPE under development		-	1,931
Proceeds from sale of property, plant and equipment	8	112	1,036
Dividends received	24	812	38,710
Interest received		-	1,263
Net cash flows from investing activities		**(3,988)**	**51,205**
Cash flows from financing activities:			
Proceeds from borrowings	16	34,842	69,408
Repayment of principal of borrowings	16	(130,155)	(45,081)
Dividends paid		-	-
Interest paid		(7,420)	(13,505)
Net cash from financing activities		**(102,733)**	**10,822**
Net increase / (decrease) of cash and equivalents		**(19,717)**	**36,271**
Opening balance of Cash and equivalents	**14**	**37,644**	**35,778**
Closing balance of Cash and equivalents	**14**	**17,927**	**72,049**

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1. REPORTING ENTITY

Impact Developer & Contractor SA ("the Company") is a Company registered in Romania whose activity is the development of real estate.

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:

	Country of registration	Nature of activity	% Owned by the Company as at 30 June 2025	% Owned by the Company as at 31 December 2024
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Spatzioo Management SRL	Romania	Property management	66.90%	100%
Bergamot Development Phase II SRL	Romania	Real estate development	99%	100%
Bergamot Development SRL	Romania	Real estate development	100%	100%
Impact Finance & Sales SRL	Romania	Administration	99%	100%
Greenfield Copou Residence SRL	Romania	Real Estate development	99%	100%
Greenfield Copou Residence Phase II SRL	Romania	Real estate development	99%	100%
Aria Verdi Development SRL	Romania	Real estate development	99%	100%
Greenfield Property Management SRL	Romania	Real estate development	100%	100%
Impact Alliance Architecture SRL	Romania	Architecture services	51%	51%
R.C.T.I. Company	Romania	Constructor	51.01%	51.01%
Impact Alliance Moldova SRL	Romania	Constructor	51%	51%
"Impact pentru viitor" organization	Romania	Non for-profit organization		

The Company is one of the first companies active in real estate development sector in Romania, being constituted in 1991 through public subscription. In 1995, the Company introduced the residential concept on the Romanian market. Since 1996, the Company' securities are publicly traded in Bucharest Stock Exchange (BVB).

During the first semester of 2025, the Company's activity revolved around the Greenfield Baneasa residential complex in Bucharest and Boreal Plus in Constanta.

2. THE BOARD OF ADMINISTRATION

The Board of Administration represents the decision-making body for all significant aspects of the Company due to the strategic, financial, or reputational implications. The Board delegates the management powers of the Company, under the conditions and limits provided by the law and by the Articles of Incorporation.

The Board of Administration was comprised of the following 5 members, until 28 April 2024:

- Iuliana Mihaela Urda, Chairperson of the Board of Administration
- Intrepid Gem SRL, represented by Petru Văduva
- Dan Octavian Voiculescu, Administrator
- Daniel Pandele, Administrator
- Sorin Apostol, Administrator

As of 29 April 2024, Ms. Ruxandra-Alina Scarlat was replaced by Mr. Dan Octavian Voiculescu, on a 1 year term, until 28 April 2025.

On 29 April 2025, in the General Shareholders' Meeting, the members of the Board of Directors of the Company were elected for a four years term: (29 April 2025 – 28 April 2029):

- George-Toma Mucibabici, Chairperson of the Board of Directors
- Dan Octavian Voiculescu, Director
- Daniel Pandele, Director
- Sorin Apostol, Director
- Dumitru-Radu Stanescu, temporary Director until the next General Shareholders' Meeting

Executive Management of the Company

On 27th April 2021, the Board of Directors appointed Mr. Constantin Sebesanu as General Manager for a four-year term, starting with 28 April 2021. On the same date, Sorin Apostol took over the position of executive director (COO).

Starting from 1 of January 2022, Claudiu Bistriceanu was appointed as financial director (CFO) with a 4 (four) years mandate.

On 31 of May 2024, the mandate of Mr. Constantin Sebesanu as General Manager ended, as well as the mandate of Mr. Sorin Apostol as executive director (COO) which ended on the same date. Starting with 1st of June 2024, Mr. Richard Dan-Sebastian Câmpeanu took over the position of Interim General Manager until 19 of June 2025.

The Board of Directors decided to extend the terms of office of the Chief Executive Officer, Campeanu-Richard Dan-Sebastian, and the Chief Financial Officer, Bistriceanu Claudiu, for a period of four (4) years, from June 19, 2025, to June 19, 2029.

3. BASIS OF PREPARATION

a) Declaration of conformity

These separate financial statements were prepared in accordance with the Order of Minister of Public Finance no.2844/2016 and subsequent amendments („OMFP 2844/2016"). According to OMFP 2884/2016 the International Financial Reporting Standards ("IFRS") represent standards adopted based on the procedure as per European Commission Regulation no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (IFRS as adopted by European Union). The Company also prepares consolidated financial statements in accordance with IFRS-EU, approved at the same date as these separate Financial Statements.

The financial statements have been prepared on an ongoing concern basis and on the historical cost basis, except for the revaluation of investment properties that are measured at revalued amounts or fair values. Historical cost is generally based on the fair value of the consideration given in exchange for goods and service.

Management is aware of potential climate change risks for its operations as well as for those of its partners and it regularly monitors and evaluates the impact of such risks in order to adopt appropriate measures, if the case. For more details regarding climate change matters impacting the Company's activities, please see the Annual Sustainability report published on Company's website. This report in not part of the financial statements or part of the Annual report.

b) Going concern

The Company has prepared forecasts based on the anticipated activity in the upcoming period, considering the pre-sales agreement in place, anticipated evolution of its real-estate projects as well as contractual and estimated cash outflows.

The Company expects an increase in development activity during 2025, as it intends to finalize Phase 5 of Greenfield Baneasa- Teilor project, launch the development of Phase 4 of the same project and obtain further building permits for future projects (Greenfield Baneasa UTR4 and Aria Verdi).

The Company has obtained the building permit for Greenfield Copou Iasi, and currently it is in process of securing financing with banking institutions as well as, in negotiation process with the general entrepreneurs and architects for the optimization of costs and timing of the construction.

Having considered these forecasts, the Directors remain of the view that the Company's financing arrangements and capital structure provide both the necessary facilities and covenant headroom to enable the Company to conduct its business for at least the next 12 months. Consequently, the financial statements were prepared on a going concern basis.

4. FUNCTIONAL AND PRESENTATION CURRENCY

The Separate Financial Statements are presented in RON, this being also the functional currency of the Company. All financial information is presented in thousands of RON (thousand RON), unless otherwise stated.

5. MATERIAL ACCOUNTING POLICIES

The accounting policies used by the Company are compliant with the OMFP 2844/2016.

The accounting policies described below have been constantly applied by the Company for all periods presented in these Separate Financial Statements.

Disclosed below is the summary of the material accounting policies.

a) Cash and cash equivalents

Cash and cash equivalents include cash balances, cash deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Trade receivables

Trade receivables are amounts due from customers for rental and service charge income from tenants and construction services in the ordinary course of business. If collection is expected in four years or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value, generally at the amount of consideration that is unconditional. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses.
Trade receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company.

c) Inventories and normal operating cycle

Inventories are assets held for sale in the normal course of business, or which are in the process of production for such sale or are in the form of materials or supplies to be consumed in the production process or in the rendering of services.

The basis for the valuation of the inventories is the lower of cost and net realizable value.

Cost is defined as the sum of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes direct materials and, where applicable, direct labor and indirect manufacturing costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

As the production process is longer that one year, the borrowing costs incurred during the process are also capitalized in cost of inventories (IAS 23).

The cost of infrastructure works included in the real estate projects is reported as inventories and it is allocated to the cost of each apartment in the related project. The cost is transferred to the cost of goods sold as the apartments are sold.

The valuation of inventories upon entry into the company is done using the following techniques:

- ✓ Residential properties — specific identification
- ✓ Land — Specific identification
- ✓ Other — first in-first out (FIFO)

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle of its activity to be at 4 years. As such all of its inventory which is to be realised from sale within less that 4 year from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects. Pipeline projects are typically later phases of within active projects, for which active construction of has not yet begun. Infrastructure, including infrastructure provision and sewages are classified as inventories or pipeline projects, in line with the project they relate to. For more details on pipeline projects, please see Note 9 – Pipeline projects.

d) Property, plant, and equipment

Non-current non-financial assets are primarily operational in character (i.e. actively used in the business rather than being held as passive investments) and they may be classified into two basic types: tangible and intangible. Tangible assets have physical substances.

An item of property, plant and equipment is recognized only if two conditions are met:

- It is probable that future economic benefits associated with the item will flow to the entity.
- The cost of the item can be determined reliably.

Property, plant, and equipment are stated in the statement of financial position at their cost amounts less any accumulated depreciation and accumulated impairment losses.

The cost of the property, plant and equipment item include:

- The purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes.
- Any directly attributable costs incurred to bring the asset to the location and operating condition as expected by management, including site preparation, delivery and handling, installation, set-up and testing.
- Estimated costs of dismantling and removing the item and restoring the site.

The costs of property, plant and equipment are allocated through depreciation to the periods that will have benefited from the use of the asset. The depreciation method used is straight-line depreciation with no residual value.

The land is not depreciated.

The depreciation is charged to the statement of profit and loss.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

- Buildings: 40 years
- Plant and equipment: 3-12 years
- Fixtures and fittings: 5-10 years

An item of property, plant and equipment is derecognized at disposal or when no future economic benefits are expected from its use or disposal. In such cases, the asset is removed from the statement of financial position, both the asset and the related contra asset – accumulated depreciation. The difference between the net carrying amount and any proceeds received will be recognized through the statement of profit and loss.

e) Borrowing costs.

Borrowing costs are represented by interest and other costs incurred by the Company in connection with the borrowing of the funds. Borrowing costs include interest expense calculated using the effective interest method, interest in respect of lease liabilities or exchange differences arising from foreign currency borrowings.
Borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying assets is capitalized as part of the cost of the asset.
A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale (inventories, buildings).

The borrowing costs of general loans are added to the cost of the qualifying assets (in accordance with IAS 23). The applicable rate for capitalization is the weighted average interest rate of the loans obtained by the Company.

Capitalization of borrowing costs would cease when substantially all the activities to prepare the asset is completed.
Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

f) Investment property

Investment property is property (land and/or buildings) held with the intention of earning rental income or for capital appreciation (or both), including Investment Property under construction for such purposes, are initially valued at cost, including transaction costs. Investment property also includes land with undetermined future use. Usually, the Company acquires major plots of land, as its business model is to build large projects (around 1,000 units per project), therefore the timing of obtaining the necessary building permits might be uncertain, time during which initial conditions for project estimates might change (construction prices increase, management strategy of development, changes in legislation, etc.). As such, given the reasonable probability for the plots of land not to be used as intended due to uncertainties not under Company's control, the management initially recognizes certain plot of lands as investment property until the construction authorization is obtained, a detailed concept of the project is finalized, and significant steps have been done to identify construction companies and financing for the project.

After initial recognition, investment property is measured at fair value model, with changes in the fair value being recognized in profit or loss.

When the use of a property is changed, such that it is reclassified to property, plant and equipment or inventories, its fair value as of the date of reclassification becomes the cost of the property for subsequent accounting purposes.
An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising from the derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Although, the Company's management is assessing on a regular basis the best use of the land maintained in investments, the transfer from investment property to inventory is made only when there is an actual change in use rather than on changes in an entity's intentions.

The Company transfers land classified as investment property to inventories at the point when there is sufficient evidence that uncertainties previously preventing development have been resolved or significantly reduced. Such evidence typically includes (but is not limited to):

- Obtaining valid building permits or regulatory authorizations.
- Finalization and approval of detailed development plans and project specifications by management.
- Management's commitment to commence the project, supported by formal decisions or resolutions.
- Initiation of substantive activities demonstrating intent to sell (e.g., identification of construction companies, entering into contracts, obtaining project-specific financing arrangements).

g) Impairment of non-financial assets

An impairment exists when the recoverable amount (the higher of fair value less costs to sell and value in use) is less than the carrying amount. The assessment is to be made on an asset-specific basis or on the smallest group of assets for which the entity has identifiable cash-flows (the cash-generating unit).

The Company assesses at the end of each reporting period whether there is any indication that a non-financial asset (other than inventory and deferred tax assets) might be impaired. The carrying amount of the asset is compared with the recoverable amount. If the recoverable amount is lower than the carrying amount, an impairment loss is recognized for the difference in profit or loss.

h) Shareholder's equity

Treasury shares

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserves. The treasury shares are subject of restriction as per Company law in Romania. Any costs associated with equity transactions are to be accounted for as a reduction of equity.

Dividends

Dividends represent the pro-rata distribution of earnings to the owners of the entity. The approval date is the date when the shareholders vote to accept the dividends declared. This date governs the incurrence of a legal liability by the entity.
The Company does not declare dividends in excess of the amount of retained earnings.

i) Current liabilities

Current liabilities include current portions of long-term debt and bank overdrafts, dividends declared, other obligations that are due on demand, trade credit, accrued expenses, deferred revenues, advances from customers. The offsetting of the current assets against related current liabilities is not allowed. Trade payables expected to be settled within the normal operating cycle are classified as current.

Accounts payable on normal terms are not interest-bearing and are stated at their nominal value.

j) Provisions and contingent liabilities

Those liabilities for which amount, or timing of expenditure is uncertain are deemed to be provisions. A provision is recognized only if: the entity has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.
Changes in provisions are considered at the end of each reporting period; provisions are adjusted to reflect the current best estimate. The amount of changes in estimate is accounted through profit or loss.

Contingent liabilities are not recognized in the statement of financial position. They are disclosed only in the notes.

k) Events after the reporting period

Events occurring after the reporting date, which provide additional information about conditions prevailing at the reporting date (adjusting events) are reflected in the financial statements. Events occurring after the reporting date that provide information on events that occurred after the reporting date (non-adjusting events), when material, are disclosed in the notes to the financial statements. When the going concern, assumption is no longer appropriate at or after the reporting period, the financial statements are not prepared on a going concern basis.

l) Revenue from Contracts with Customers

Revenue is recognized when the performance obligation is satisfied by transferring a promised good or service to a customer. Revenue is recognized when the customer acquires control over the goods or services rendered, at the amount which reflects the price at which the Company is expected to be entitled to receive in exchange of those goods or services. Revenue is recognized at the fair value of the services rendered or goods delivered, net of VAT, excises or other taxes related to the sale.

Revenue comprises the fair value of the consideration received or receivable, net of value added tax, after eliminating sales within the Company. Revenue and profit are recognized as follows:

(i) Revenue from sale of residential properties
Revenue from sale of residential properties during the ordinary course of business is valued at fair value of the amount collected or to be collected on legal completion. The revenues are recognized when the control of the asset have been transferred to the customer, this is usually when title of the property passes to the customer on legal completion. This is the point at which all performance obligations are satisfied in line with the provisions of IFRS 15 and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. If it is probable for certain rebates to be granted, and their value can be measured reliably, then these are recognized as a reduction of the revenues when the sale revenues are recognized. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the payment is almost always less than one year. In a limited number of cases, the company has also instalments payments over a period more than one year but those are not significant.

Payment is done in tranches, a fixed EUR 2,000 (net of VAT) at the signing of the initial reservation of the residential unit, 15% of total contract price at the signing of the pre-sale agreement and the remaining amount at the signing of the sale-purchase agreement, when the control passes to the client. In addition, according to standard contractual clauses, the client has no right to exist the contract, or to a corresponding reimbursement of advance paid. In specific and isolated cases, the Company may agree to terminate the pre-sale agreement and reimburse the advance to the client. Furthermore, once the final sale-purchase agreement is signed there is no refund option, however the client is entitled to 2 years warranties for the quality of the residential unit delivered. The warranties are on a back to back basis, meaning that these are provided by the seller (Impact SA. Bergamot Developments I or Bergamot Developments II) to the client, but the seller passes the responsibility to the general contractor (RCTI Company SRL) which in turn reaches out to the sub-contractor responsible for the work and the corresponding repair.

(ii) Revenues from water and sewage system
The Company owns within Greenfield Baneasa project the water and sewage system. The revenues from charging of water are recognized when they are realized, together with the water expenses invoiced by the suppliers. The Company recharges the utilities at mark-up which is calculated as administrative costs of maintaining the water sewage plus a profit. The price invoiced by the Company is approved by the National Authority for Regulation of the Energy Sector (ANRE).

m) Leases

The Company analyses at the commencement of the contract the extent to which a contract is or contains a lease. Namely, the extent to which the contract confers the right to use an identifiable asset for a period in exchange for the consideration.

Company as lessee

The Company applies a single recognition and measurement approach to all leases, except for short-term leases and low-value assets. The Company recognizes lease payables for lease payments and the right to use the assets representing the right to use the underlying asset. i) Right to use assets: The Company recognizes the right to use assets at the date of commencement of a lease (i.e. the date on which the underlying asset is available for use). The right to use the assets is measured at cost excluding accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability. The cost of the right to use the assets includes the amount of the recognized lease liability incurred at initial direct costs and lease payments made on or before the commencement date excluding any lease benefits received. The right to use the assets is amortized on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets.

If ownership of a leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a call option, depreciation is calculated using the asset's estimated useful life. The duration of the lease contract was considered the irrevocable period of the lease contract, without considering the option of extension. The right to use assets is also subject to impairment.

At the date of commencement of the lease, the Company recognizes the lease payables measured at the current value of the lease payments to be made throughout the lease. Lease payments include fixed payment, including fixed payments as a substance and exclude any lease benefits receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under the residual value guarantee. Lease payments also include the exercise price of a call option that is reasonably certain to be exercised by the Company and penalty payments for the termination of the lease, if the lease term reflects the Company's option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or conditions that determine the payments occur.

To calculate the current value of lease payments, the Company uses the incremental loan rate at the commencement date of the lease because the default interest rate of the lease is not readily determinable.

After the start date, the amount of the lease liability is increased to reflect the accretion of interest and decreased for the lease payments made. In addition, the carrying amount of the lease is re-measured if there is a change, a modification in the lease term, a change in lease payments (change in future payments resulting from a change in an index or instalment rate used to determine those lease payments) or a change in the valuation of an underlying asset purchase option. Lease liabilities are included in Note 15 – Loans and borrowings.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

n) Foreign currency

The functional currency used by the Company is RON (Romanian lei).

Transactions in foreign currency are converted into the functional currency of the Company at the exchange rates of the transaction dates. Monetary assets and liabilities that at the reporting date denominated in foreign currency are converted into the functional currency at the exchange rate as of the reporting date. The gains and losses from exchange rate differences related to monetary items are computed as the difference between the amortized cost in functional currency at the beginning of the year, adjusted by the effective interest, payments, and collections during the year, on one side and the amortized cost in foreign currency translated using the exchange rate prevailing at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency using the exchange rate prevailing at the date of the determination of fair value.

The non-monetary elements denominated in a foreign currency that are carried at historical cost are converted using the exchange rate prevailing at the date of transaction.

The exchange rate differences resulting from translation are recognized in the Statement of Profit or Loss and Other Comprehensive Income as financial expenses/revenues.

o) Financial instruments

The financial assets with cash flows are solely payments of principal and interest whose business model is to hold to collect contractual cash flows are measured at amortized cost. A financial asset or a financial liability is recognized in the statement of financial position when the Company becomes party to the contractual provision of the instrument.

For the financial instruments that are measured at amortized cost, transaction costs are subsequently included in the calculation of the amortized cost using the effective interest method and amortized through profit or loss over the life of the instrument.

The financial liabilities are classified as subsequently measured at amortized cost (trade payables, loan payables with standard interest rates, bank borrowings).

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

p) Taxation

The tax charge represents the sum of the current tax and deferred tax.

Current income tax

The current income tax is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the profit and loss statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's liability for current income tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax

Deferred tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:
a) Temporary differences on the initial recognition of assets and liabilities in a transaction that:
- is not a business combination; and
- at the time of the transaction affects neither the accounting nor the taxable profit or loss and (ii) does

not give rise to equal taxable and deductible temporary differences;

b) Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

c) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recongnised for unused tax losses , unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences are considered. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

q) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

r) Related party

Parties are considered related when one party, either through ownership, contractual rights, family relationship or otherwise, has the ability to directly or indirectly control or significantly influence the other party. Related parties include individuals that are principal owners, key management personnel of Company’s subsidiaries and members of the Board of Directors and members of their families, and any company that is related party to Company’s entities.

s) Measurement of financial assets

On initial recognition, a financial asset is classified as subsequently measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

t) Measurement of financial liabilities

Financial liabilities are measured at amortised cost or FVTPL. A financial liability is measured at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

6. MATERIAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 5, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant.

Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Fair value measurements and valuation processes

The Company has obtained a report from an international valuation company, Colliers Valuation and Advisory SRL, as at 31 December 2024 setting out the estimated market values for the Company's investment property and property developed for sale in their current state. Colliers is an independent professionally qualified valuation specialist who holds a recognized relevant professional qualification and has recent experience in the locations and categories of valued properties. The valuation was based on the assumption as to the best use of each property by a third-party developer.

In the Romanian market actual transaction values for real estate deals are not publicly available and there is not a high volume of transactions in larger land plots. The sale price comparison method therefore has inherent limitations, and a significant degree of judgement is required in its application.

For investment property, land assets are mainly valued using the sales comparison approach. The main assumptions underlying the market value of the Company's land assets are:

- the selection of comparable land plots resulting in determining the "offer price" which is taken as the basis to form an indicative price.
- the quantum of adjustments to apply against the offer price to reflect deal prices, and differences in location and condition including the status of any legal dispute as described in Note 22.

The valuation is highly sensitive to these variables and adjustments to these inputs would have a direct impact on the resulting valuation.

(ii) Transfer of assets both from and to investment property

IAS 40 (investment property) requires the transfers from and to investment property to be evidenced by a change in use. Conditions which are indications of a change in use are judgmental and the treatment can have a significant impact on the financial statements since investment property is recorded at fair value and inventory is recorded at cost.

- For the Ghencea and Barbu Vacarescu plots of land, Management has assessed the recognition and classification criteria under IAS40 and concluded that the respective plots of land should remain classified as investment property until a decision to change the use will be taken. Currently there are various initiatives undertaken in order to enhance the value of those assets (including project concepts and initiatives to obtain building permits, which are affected by political uncertainties), but as of 30 of June 2025 and up to the approval date of the present financial statements no firm and formal decision had been taken by the Company as to the actual use of those lands; consequently, these assets are classified as investment properties as of 30 June 2025 (same at 31 December 2024) and continued to be recorded at fair value as at the balance sheet date.

- For a portion of the Greenfield land consisting in vacant plots of land Management has assessed the recognition and classification criteria under IAS40 and concluded that the respective plots of land should remain classified as investment property until a decision to change the use will be taken. Management has not planned any potential development in the following 3-4 years from the balance sheet date and there are multiple scenarios available. As such, considering that there is still an undetermined use and that the Company continues to hold the respective plots of land for future appreciation, in line with the provisions of IAS40 they continue to be accounted for at fair value within investment property.

- The Company has concluded lease agreements for certain apartments. Management has assessed the classification criteria under IAS40 and IAS2 and concluded that those apartments should continue to be classified as inventories, given that units are available for sale and the rental activity is carried out in order to optimize cash-flows on the near-term.

Had different judgements been applied in determining a change in use, then the financial statements may have been significantly different because of the differing measurement approach of inventory and investment properties.

(iii) Legal issues

The management of the Company analyses regularly the status of all ongoing litigation and following a consultation with the Board of Administration, decides upon the necessity of recognizing provisions related to the amounts involved or their disclosure in the separate financial statements. Key legal matters are summarized in Note 22.

(iv) Cost allocation

To determine the profit that the Company should recognize on its developments in a specific period, the Company has to allocate site-wide development costs between units sold in the current year and to be sold in future years. Industry practice does vary in the methods used and in making these assessments there is a degree of inherent uncertainty. The future projects to which costs are allocated are only those of which development is certain – i.e. the land is already included in inventory. If there is a change in future development plans from those currently anticipated, then the result would be fluctuations in cost and profit recognition over different project phases.

(i) Operating cycle

The Company's operating cycle is determined based on the nature of its business activities. Management has exercised significant judgement in defining the operating cycle, which impacts the classification of assets as current or non-current.

Judgement: The operating cycle is considered to be the period between the acquisition of assets for processing and revenue recognition. For the Company, this period is estimated to be 4 years.

Estimation Uncertainty: The determination of the operating cycle involves assumptions about the duration of production processes, inventory turnover rates, and the timing of receivables collection. Changes in these assumptions could significantly affect the classification of assets.

Impact: If the operating cycle were to be reassessed to be longer/shorter than 4 years, certain assets would be reclassified as current/non-current, which could affect liquidity ratios and other financial metrics.

7. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

A) Amendments to accounting policies and to information to be disclosed.

• IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)
The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted, and will need to be applied retrospectively in accordance with IAS 8. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. Management has assessed that the amendments will have no material impact on the financial statements of the Company.

• IFRS 16 Leases: Lease Liability in a Sale and Leaseback (amendments)
The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Management has assessed that the amendments will have no material impact on the financial statements of the Company.

• IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosure - Supplier Finance Arrangements (Amendments). The amendments are effective for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Management has assessed that the amendments will have no material impact on the financial statements of the Company.

B) The standards/amendments that are not yet effective, but they have been endorsed by the European Union

- Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments: Settlement of liabilities through electronic payment systems.*

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system. The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised. Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

Classification of financial assets with ESG-linked features

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

Contractually linked instruments (CLIs) and non-recourse features

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The Company plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity*

The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements. The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.

Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow. Currently the Company does not use any renewable power source but it plans to do it in the future, therefore it plans to assess the impact of the amendments on the financial statements and apply the new standard, if the case, starting from 1 January 2026.

- IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures ("MPMs"), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:
- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

The Company plans to apply the new standard from 1 January 2027.

- IFRS 19 Subsidiaries without Public Accountability Disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.
A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:
- it does not have public accountability;
- its parent produces consolidated financial statements under

IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.
Management has assessed that the amendments will have no material impact on the financial statements of the Company.

- Annual Improvements to IFRS Standards – Volume 11

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards. The amendments to IFRS 9 address:
- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. The Company plans to apply the amendments from 1 January 2026.

- Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture

The Amendments clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business, such that:
a full gain or loss is recognised when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets which constitute a business (whether it is housed in a subsidiary or not), while a partial gain or loss is recognised when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if these assets are housed in a subsidiary.
Management has assessed that the amendments will have no material impact on the financial statements of the Company.

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

8. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Machinery, equipment, and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 January 2025	**40,062**	**11,594**	**2,137**	**2,888**	**56,681**
Additions	-	3,850	60	(817)	3,093
Transfers	(1,662)	-	-	-	(1,662)
Disposals	(3)	-	-	-	(3)
Balance as at 30 June 2025	**38,397**	**15,444**	**2,197**	**2,071**	**58,109**
Accumulated depreciation and impairment losses					
Balance as at 1 January 2025	**6,892**	**1,785**	**861**	**-**	**9,537**
Charge for the period	516	802	151	-	1,469
Transfers	(1,659)	-	-	-	(1,659)
Accumulated depreciation of disposals	-	-	-	-	-
Balance as at 30 of June 2025	**5,749**	**2,587**	**1,012**	**-**	**9,347**
Carrying amounts					
As at 1 January 2025	**33,170**	**9,809**	**1,276**	**2,888**	**47,144**
As at 30 June 2025	**32,648**	**12,857**	**1,185**	**2,071**	**48,762**

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

Reconciliation of carrying amount

	Land and buildings	Machinery, equipment, and vehicles	Fixtures and fittings	Assets under construction	Total
Cost / valuation					
Balance as at 1 of January 2024	**40,457**	**2,577**	**1,688**	**3,268**	**47,989**
Additions	-	512	449	-	961
Transfers	(261)	8,673	-	(379)	8,033
Disposals	(134)	(169)	-	-	(303)
Balance as at 31 of December 2024	**40,062**	**11,594**	**2,137**	**2,888**	**56,681**
Accumulated depreciation and impairment losses					
Balance as at 1 of January 2024	**9,810**	**1,496**	**580**	**-**	**11,886**
Charge for the period	1,275	398	281	-	1,954
Transfers	(2,207)	-	-	-	(2,207)
Accumulated depreciation of disposals	(1,987)	398	-	-	(2,097)
Balance as at 31 December 2024	**6,892**	**1,785**	**861**	**-**	**9,537**
Carrying amounts					
As at 1 January 2024	**30,646**	**1,081**	**1,108**	**3,268**	**36,102**
As at 31 December 2024	**33,170**	**9,809**	**1,276**	**2,888**	**47,144**

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

Lands and buildings:

The main disposal in land and buildings is represented by the sale of a plot of infrastructure land within an previous residential project of the Group in total value of RON 1,662 thousand.

The depreciation method used was the straight-line method.

Pledged assets:

As at 30 June 2025 PPE in total of RON 13,425 thousand were pledged as securities for bank loans, representing land and buildings (31 December 2024: RON 36,667 thousand). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see Note 16 Loans and borrowings.

9. INVESTMENT PROPERTY

Reconciliation of carrying amount of property investments

	30-Jun-2025	31-Dec-2024
Balance on January 1	**754,571**	**726,852**
Additions	4,625	2,763
Transfers from/to PP&E and Inventories	-	(3,549)
Value adjustments	-	(1,041)
Changes in fair value during the year	30,769	29,545
Balance on June 30	**789,965**	**754,571**

Investment property comprises primarily land plots held with the purpose of capital appreciation or land with undetermined future use.

Additions are mainly referring to architectural services for investment property under development – Aria Verdi project located on Bd. Barbu Vacarescu.

Overall, the fair value of land presented as investment property, as well as buildings increased at the end of June 2025, by RON 35,394 thousand, following the revaluation carried out by the external evaluator, Colliers Valuation and Advisory S.R.L in amount of RON 30,769 thousand and costs of concept works and authorizations related to the project to be developed on the land located in Bd. Barbu Vacarescu in amount of RON 4,625 thousand.

For the year 2024, the Company obtained rental income from investment property (Greenfield Plaza) in total value of RON 2,931 thousand. The operating expenses arising from the investment property that generated rental income are recovered through service charge from the tenants. No operating expenses were recorded for investment property that did not generate rental income.

The Company's management analyzes annually, at the balance sheet date, the market conditions at those points in time to decide the best use of the land, namely if it will be used to build to sell or to build to rent.

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

Considering the classification criteria under IAS40 and as detailed in note 5 ii – Critical accounting judgements (transfer of assets both from and to investment property), the Company concluded that as at 31 of December 2024 there is sufficient evidence that the future use of the land is uncertain and thus the land should be classified as investment property and not as inventory, in accordance with IAS 40 provision regarding "land held for a currently undetermined future use".

Details on the legal issues related to land are found in Note 23.

10. PIPELINE PROJECTS

The Company operates in an industry where finished products take extended time to complete, therefore the management has assessed the normal operating cycle of its activity to be at 4 years. As such all of its inventory which is to be translated into revenue within less that year from the reporting date, is considered short term inventory, whereas the remaining is classified as pipeline projects.

	30-Jun-25	31-Dec-24
Greenfield Baneasa	31,294	31,293
Boreal Plus Constanta	-	-
	31,294	**31,293**

11. INVENTORIES

	30-Jun-25	31-Dec-24
Finished goods and other goods for sale	203,720	250,574
Work in progress residential developments:		
Land for development	32,438	35,383
Development and construction costs	83,274	85,201
	319,432	**371,159**

Inventories are represented by:

	30-Jun-25	31-Dec-24
Greenfield residential project	321,602	317,324
Constanta land and project	(2,170)	53,835
Others inventory	-	-
	319,432	**371,159**

Management estimates of inventories to be realized within less than 12 months, as well more than 12 months from the reporting date (30 June 2025) is disclosed below:

	To be realized within 12 months	To be realized within more than 12 months
Greenfield residential project	122,585	199,017
Constanta land and project	33,196	35,366
Total	**155,781**	**163,651**

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

Out of the total of RON 321,602 thousand in Greenfield Baneasa, a total of RON 122,585 is to be realized within 12 months, based on management estimates of the residential units to be sold. As regards to Constanta project, RON 33,196 thousand represents the value of inventories estimated to be realized within the next 12 months.

Lands with a carrying amount of RON 32,438 thousand as at 30 June 2025 (31 December 2024: RON 35,383 thousand) consist of lands held by the Company for development of new residential properties and infrastructure, mainly in Bucharest, as well as lands through which the Company intends to realize value through direct sale.

Completed residential properties with a carrying value of RON 203,720 thousand as at 30 June 2025 (31 December 2024: RON 250,574 thousand) refer entirely to apartments held for sale by the Company.

Cost of goods sold recognized during the period is RON 57,709 thousand (6M 2024: RON 11,905 thousand).

The carrying value as at 30 June 2025 of the finished goods inventories pledged is of RON 84,026 thousand (RON 377,963 thousand as at 31 December 2024). The significant decrease is due to the fact that in February 2025, Impact Developer and Contractor SA has closed the OTP Bank loan and released all the corresponding pledged assets. For more details on the bank loan, please see *Note 16 Loans and borrowings*.

According to the provision of IAS23 – Borrowing costs, the costs related to general loans were capitalized in the value of eligible assets using a weighted average rate. No project was eligible for capitalization of borrowing costs in 2025 or in 2024.

Further details on the Company's loans are set out in Note 16.

12. INVESTMENTS IN SUBSIDIARIES

	30-Jun-25	31-Dec-24
Investments in subsidiaries	50,074	47,474
Impairment of investments in subsidiaries	-	-
	50,074	**47,474**

The Company holds interests in the following subsidiaries:

				30-Jun-25
	Percentage	**Gross value**	**Impairment**	**Book value**
Spatzioo Management	6.23%	5,945	-	5,945
Clearline Development and Management	100%	22,420	-	22,420
Bergamot Developments	100%	6,770	-	6,770
Bergamot Developments Phase II	100%	49	-	49
Impact Finance & Sales	100%	1	-	1
Greenfield Copou Residence	100%	49	-	49
Greenfield Copou Residence Phase II	100%	48	-	48
Aria Verdi Development	100%	48	-	48

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

Greenfield Property Management	100%	49	-	49
RCTI	51.01%	14,440	-	14,440
Impact Alliance Architecture	51%	255	-	255
Impact Alliance Moldova	51%	-	-	-
Impact pentru viitor organization	-	-	-	-
Total subsidiaries		**50,074**	**-**	**50,074**

				31-Dec-24
	Percentage	**Gross value**	**Impairment**	**Book value**
Spatzioo Management	6.23%	3,345	-	3,345
Clearline Development and Management	100%	22,420	-	22,420
Bergamot Developments	100%	6,770	-	6,770
Bergamot Developments Phase II	100%	49	-	49
Impact Finance & Sales	100%	1	-	1
Greenfield Copou Residence	100%	49	-	49
Greenfield Copou Residence Phase II	100%	48	-	48
Aria Verdi Development	100%	48	-	48
Greenfield Property Management	100%	49	-	49
RCTI	51.01%	14,440	-	14,440
Impact Alliance Arhitecture	51%	255	-	255
Impact Alliance Moldova	51%	-	-	-
Total subsidiaries		**47,474**	**-**	**47,474**

Clearline Development and Management SRL holds 93.77% in Spatzioo Management SRL (former Actual Invest House SRL)

a) Spatzioo Management SRL, a company that provides management services for new residential as well as commercial developments.
b) Clearline Development and Management S.R.L. (former Lomb SA) is the project company through which IMPACT was to develop a residential project in Cluj-Napoca, in partnership with the local authority.
c) Bergamot Developments S.R.L., company within the Company with main object of activity real estate development, which starting with 2018 developed a residential ensemble of approx. 51,382 square meters, 500 apartments, on a land of approximately 17,213 sqm, respectively the first phase of the residential complex Luxuria Domenii Residence.
d) Bergamot Developments Phase II S.R.L., a company within the Company having as main object of activity the real estate development, which is to develop the Phase II (130 apartments) of the residential complex Luxuria Domenii Residence, consisting of 13,618 square meters built on a plot of 5,769 sqm.
e) Impact Finance & Sales S.R.L. has a role in diversifying the range of services related to home sales. Impact Finance & Sales collaborates with financial institutions in Romania in order to offer advantageous lending solutions for clients who purchase dwellings.

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

f) Greenfield Copou Residence S.R.L., a company within the Company having as main object of activity the lease and sublease of its own or of rented property has been incorporated in December 2019. Its object is to develop the Greenfield Copou project in Iasi.
g) Greenfield Copou Residence Phase II SRL, a company within the Company, having as main object of activity the real estate development, has been incorporated in 2021.
h) Greenfield Property Management SRL, a company within the Company, having as main object of activity the real estate development, has been incorporated in 2021.
i) Aria Verdi Property SRL, a company within the Company, having as main object of activity the real estate development, has been incorporated in 2021.
j) Impact Alliance Architecture SRL, a company within the Company having as main object of activity architecture services, has been incorporated in 2022
k) RCTI Company, a company within the Company having as main object of activity the real estate constructions, has been acquired by the Company in 2022.
l) Impact Alliance Moldova, a company having as main activity construction services. The company was set-up in 2023 but no share capital was paid in yet.
m) “Impact pentru viitor”, an organization whose purpose is to represent and defend the common interests of the members of the Greenfield Baneasa community in the relationship with public authorities, service providers and other legal entities, in accordance with the legislation in force.

13. TRADE AND OTHER RECEIVABLES

	Short term		**Long term**	
	30-Jun-25	**31-Dec-24**	**30-Jun-25**	**31-Dec-24**
Trade receivables	859	11,643	-	-
Receivables from related parties	38,135	8,061	65,874	71,150
Sundry debtors	4	5	-	-
Receivables from authorities	(14)	66	-	-
	38,984	**19,775**	**65,874**	**71,150**

Long-term receivables represent the balance of loans and their related interest granted by the Company to its subsidiaries. Details of the component of the amount in Note 24 – related party transactions.

As at 30 June 2025, the Company did not have any pledge receivables, except for the rental income which is mortgaged in favor of First Bank. The average monthly value of these receivables is RON 260 thousand (excluding rental income from subsidiary Spatzioo for the Wellness Club).

14. CASH AND CASH EQUIVALENTS

	30-Jun-25	**31-Dec-24**
Current accounts	17,902	37,630
Petty Cash	17	7
Cash advances	8	8
	17,927	**37,644**

Current accounts are held with Romanian commercial banks. Out of the total balance of cash, 9 thousand RON (31 December 2024: 9 thousand RON) is restricted cash. The restricted cash is subject to commercial or legal restrictions (cash collateral for letters of guarantee, cash collateral for the payment of uncollected dividends, etc.).

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

The cash balance decreased by 19,717 thousand lei, or 52% as at 30 June 2025, compared with 31 December 2024. This is due mainly to the full reimbursement of the OTP Bank loan (a balance as at 31 December 2024 of RON 86,560 thousand).

15. SHARE CAPITAL

	30-Jun-25	31-Dec-24
Paid Share capital	591,235	591,235
Adjustments of the share capital (hyperinflation)	7,464	7,464
	598,699	**598,699**
Number of shares in issue at period end	**2,364,941,410**	**2,364,941,410**

During 2024 a total of 738,541 own shares have been cancelled, at nominal value of RON 184 thousand. No changes occurred in 2025.

The shareholding structure at the end of each reported period was as follows:

	30-Jun-25	31-Dec-24
	%	**%**
Gheorghe Iaciu	58.42%	58.03%
Swiss Capital SA	10.10%	10.07%
Legal persons	20.25%	20.61%
Other shareholders	11.23%	11.29%
	100.00%	**100.00%**

All shares are ordinary and have equal ranking related to the Company's residual assets. The nominal value of one share is 0.25 RON. The holders of ordinary shares have the right to receive dividends, as these are declared at certain moments in time, and have the right to one vote per 1 share during the meetings of the Company.

16. LOANS AND BORROWINGS

This note discloses information related to the contractual terms of the interest-bearing loans and borrowings of the Company, valued at amortized cost.

	30-Jun-2025	31-Dec-2024
Non-current liabilities		
Secured bank loans	66,435	31,256
Issued bonds	89,044	87,178
Leasing	-	-
Total non-current liabilities	**155,479**	**118,435**
Current liabilities		
Secured bank loans	54,230	180,703
Short-term borrowings	-	46

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

Leasing	-	-
Total current liabilities	**54,230**	**180,749**

Terms and repayment schedules of loans and borrowings in balance are as follows:

Lender	Currency	Maturity	Amount of the facility, in original currency	Balance at 30-Jun -25	Balance at 31-Dec-24
Loans and borrowings					
Private placement bonds	EUR	24-Dec-26	6,581	33,419	32,737
Credit Value Investments	EUR	02-Oct-27	8,000	40,392	39,793
Private placement bonds	EUR	12-Feb-27	3,000	15,233	14,649
Total bonds				**89,044**	**87,178**
Libra Internet Bank	EUR	05-Nov-27	7,000	30,572	-
OTP Bank	EUR	31-Mar-25	21,161	-	54,281
OTP Bank	EUR	30-Jun-24	4,000	-	-
OTP Bank	EUR	31-Mar-25	13,279	-	32,279
OTP Bank	EUR	30-Jun-24	2,000	-	-
TechVentures Bank	EUR	06-Jan-25	2,000	-	-
Alpha Bank	EUR	08-Jun-29	20,000	60,179	66,321
First Bank	EUR	29-Mar-29	3,500	12,034	13,234
First Bank	EUR	19-Apr-27	4,000	10,502	13,200
Libra Internet Bank	RON	15-Jun-26	14,000	-	-
Garanti BBVA	RON	31-Dec-26	17,395	-	6,627
Garanti BBVA	EUR	31-Dec-27	6,910	5,640	25,569
Total bank loans				**118,927**	**211,511**
Interest				**1,738**	**494**
Total				**207,709**	**299,183**

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

	Bonds	Loans and borrowings	Leasing	Total
Balance at 1 January 2025	**87,672**	**211,511**	**-**	**299,183**
Draws	-	34,842	-	34,842
Payments	-	(130,155)	-	(130,155)
Interest paid	(2,721)	(4,699)	-	(7,420)
Interest expense	4,112	4,699	-	8,811
Withholding tax	(131)	-	-	(131)
FX differences	1,850	2,729	-	4,579
Balance at 30 June 2025	**90,782**	**118,927**	**-**	**209,709**

	Bonds	Loans and borrowings	Leasing	Total
Balance at 1 January 2024	**72,209**	**315,962**	**903**	**389,075**
Draws	14,910	54,235	-	69,145
Payments	-	(158,630)	(907)	(159,537)
Interest expense	(8,301)	(22,301)	(27)	(29,784)
Interest paid	8,194	22,301	27	29,641
Withholding tax	553	-	-	553
FX differences	107	(56)	5	55
Balance at 31 December 2024	**87,672**	**211,511**	**-**	**299,183**

In December 2020, the Company carried out a new issue of Private Placement bonds in the amount of EUR 6,580 thousand with a fixed interest rate of 6.4% p.a., payable semi-annually. The bonds were issued by the Company on 24 December 2020, they have a maturity of 6 years and were listed in May 2021 on the regulated market of BVB.

In June 2022, the Company contracted a loan denominated in EUR from Alpha Bank for the general financing of projects (working capital). The approved value of the loan is EUR 20,000 thousand, with maturity in 7 years from the granting.

In September 2022, the Company contracted 4 loans denominated in EUR from OTP Bank to finance phases F1-F3 of the UTR3 project in Greenfield Băneasa. The cumulative value of the credits is EUR 40,440 thousand, of which two in a total amount of EUR 34,440 thousand are intended to finance the project, with a maturity of 3 years from the granting, and two in a total amount of EUR 6,000 thousand to cover VAT payments, with maturity of 2 years from granting. The loan has been fully reimbursed in February 2025.

In May 2023, the the Company contracted a loan denominated in EUR from First Bank for the refinancing of the Community centre Greenfield Plaza. The value of the credit is EUR 3,500 thousand, with a maturity of 70 months from the granting.

In October 2023 the Company offered for subscription 80 Series IMP27 bearer bonds (the "Bonds"), each with a nominal value of EUR 100,000.00 (one hundred thousand euros) and an aggregate nominal value of EUR 8,000,000.00 (eight million euros). The Bonds were allotted to institutional investors – consortium of several investment funds, of which assets are managed by CVI Dom Maklerski sp. z o.o. The Polish company under business name CVI Trust sp. z o.o., with its registered seat in Warsaw, Poland, is acting as a security administrator. The coupon value is variable and the interest is 1 month EURIBOR+ 8.75%. The maturity date is 2 October 2027.

In November 2023 the Company contracted a loan denominated in RON from Garanti Bank for the general financing of projects (working capital). The value of the loan is RON 17,395 thousand, with a maturity of 3 years from the granting. Credit facility drawings started in December 2023.

In February 2024, the following liabilities were contracted by the Company:

- IMPACT Developer & Contractor S.A. contracted a loan denominated in RON from First Bank for the general financing of projects (working capital). The value of the loan is EUR 4 million, with a maturity of 3 years from the granting. Credit facility drawings started in April 2024.

- IMPACT Developer & Contractor S.A. launched a public offering for the subscription of 30,000 bonds, at a nominal value of 100 EUR/ bond. The offering period was from 12 of February to 23 of February 2024. The offer was brokered by SSIF Tradeville SA. The issued bonds were registered, dematerialized, unconditional, non-guaranteed and nonconvertible bonds, having a nominal value of up to 3,000,000 EUR. The offering was fully subscribed, IMPACT being able to raise 3,000,0000 EUR in bonds, with a fixed interest rate of 9%, payable on a half-yearly basis. The bonds are traded on the regulated market administered by BVB.

In June 2024 the Company contracted a loan denominated in EUR from Garanti Bank for the general financing of projects (working capital). The value of the loan is EUR 6.9 million, with a maturity of 3 years from the granting. Credit facility drawings started in July 2024.

In December 2024 the Company contracted a loan denominated in EUR from Libra Bank for the general financing of projects (working capital). The value of the loan is EUR 7 million, with a maturity of 3 years from the granting. The loan has been fully drawn during February 2025.

The bank loans of the Company are subject to financial covenants, such as Debt Service Coverage Ratio (DSCR), Loan to Value (LTV), Net Debt to Total Assets, Net debt to Equity. In case of breaching the financial covenants, the contracts include remedy period, margin increase or renegotiation of loan terms.

On May 7, 2025, IMPACT SA has closed the Garanti Bank loan, a facility granted in RON, to finance its current activity. As at 31 December 2024 the bank loan balance was of RON 6,627 thousand. The loan was fully reimbursed 19 months in advance of its maturity date.

All the financial indicators were met as of 30 June 2025 and as of 31 December 2024.

The market value of the liabilities related to leasing contracts approximates their book value.

No new leasing contracts were signed in 2025. During 2024 the Company closed all its leasing contracts and sold part of the cars.

The interest rate is fixed. Fixed instalments are paid throughout the duration of the contract.

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

17. TRADE AND OTHER PAYABLES

	30-Jun-25	31-Dec-24
Non-current liabilities		
Retentions owed to third party	7,001	6,857
	7,001	**6,857**
Current liabilities		
Trade payables	1,741	3,729
Related parties payables	29,528	5,341
Tax debt	2,318	4,730
Debt to employees	433	545
Other payables	(24)	31
	33,996	**14,377**
TOTAL	**40,997**	**21,235**

Contract liabilities (Advances from customers)	3,005	10,685
Deferred income	11	(59)
TOTAL	**3,016**	**10,627**

18. REVENUES

Revenues of the Company:

	6M 2025	6M 2024
Revenue from sale of residential properties and land	76,604	16,221
Revenue from services	2,436	1,889
Revenue from customers	**79,040**	**18,110**
Rental income	3,530	3,350
Total	**82,570**	**21,460**

	6M 2025	6M 2024
Cost of goods sold	57,709	11,905
Services cost	1,991	2,069
Costs related to rental services	-	-
	59,700	**13,974**

As at 30 June 2025, the Company had 41 dwellings pre-sold and reserved with a package value of RON 26,200 thousand. All of those refer to finalized projects. For these pre-sale agreements clients paid deposits in amount of RON 6,418 thousand which are shown under Contract liabilities in the statement of financial position.

As at 30 June 2024, the Company had a stock of 325 pre-sale agreements, in total value of RON 180,646 thousand. Of these, 97% refer to projects under development (314 dwellings, RON 174.356 thousand package value) and 3% refer to completed projects (11 dwellings, RON 6,293 thousand package value).

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

For these pre-sale agreements clients paid deposits in amount of RON 34,704 thousand which are shown under Contract liabilities in the statement of financial position.

Sales breakdown by projects:

	6M 2025	6M 2024
Greenfield Baneasa	59,935	-
Boreal Plus Constanta	16,443	16,221
Other	225	-
	76,604	**16,221**

During the first semester of 2025, the Company sold 130 units, out of which 103 dwellings in GREENFIELD Baneasa and 24 dwellings as well as 3 villas in BOREAL Plus and commercial spaces (10,115 sqm built saleable area plus related parking spots, storage and court yards). The 130 units generated corresponding revenues of approximately RON 76,604 thousand.

During the first semester of 2024, Impact sold 30 units, represented represented by 26 dwellings and 4 houses in BOREAL plus and commercial spaces. The sold units generated corresponding revenues of RON 16,221 thousand.

Revenue from rental is obtained from renting the commercial spaces within Greenfield Plaza community centre as well as from renting the apartments and other commercial spaces. The rented apartments are not held as investment property but held for sale in the ordinary course of business, given that the business model is make available to clients for sale all of the apartments.

19. GENERAL AND ADMINISTRATIVE EXPENSES

	6M 2025	6M 2024
Consumables	1,104	1,025
Services provided by third parties	5,021	3,466
Staff costs	4,021	5,756
Depreciation	1,603	1,223
	11,749	**11,470**

20. OTHER OPERATING INCOME/EXPENSES

Other operating income:

	6M 2025	6M 2024
Other operating income	305	3,218
Net gain on disposal of PPE	29	-
Reversal of impairment of investments	-	-
Reversal of impairment of inventories	3,244	23
Compensations	-	-
	3,578	**3,151**

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

Other operating expenses:

	6M 2025	6M 2024
Other operating expenses	420	776
Other tax expenses	2,566	1,793
Loss on disposal of PPE	-	1,137
Write off of receivables	966	-
Fine and penalties	186	27
	4,138	**3,733**

21. FINANCE (COST)/INCOME

	6M 2025	6M 2024
Interest expense	(8,883)	(15,436)
Foreign exchange loss	(4,906)	(896)
Other financial expenses	(860)	(847)
Total financial expenses	**(14,649)**	**(17,179)**
Interest income	2,097	2,109
Foreign exchange gains	320	543
Other financial income	34,410	39,069
Total financial income	**36,827**	**41,721**
Financial result, net	**22,178**	**24,542**

Compared with the same period of prior year, during the first semester of 2025, the interest expense has decreased by RON 6,553 thousand. This is due to the fact that the loan balance has decreased by RON 89,474 thousand as at 30 June 2025 compared with 31 December 2024.
As regards to foreign exchange results, during the first semester of 2025 the Company has registered net loss from foreign exchange of RON 4,586 thousand due to decrease in value of RON currency against EUR (6M 2024: net foreign exchange loss of RON 353 thousand).

22. CAPITAL COMMITMENTS

As at 30 June 2025 respectively 31 December 2024, the Company has no capital commitments contracted.

However, the Company is engaged in contractual commitments through the pre-sale agreements it concludes with its clients for the sale of developed dwellings (please see Note 18 – Revenues, for more details on pre-sale agreements).

23. CONTINGENCIES

Litigations

As of the date of these financial statements, the Company was involved in several ongoing lawsuits, both as plaintiff and defendant.

The management of the Company regularly assesses the status of all ongoing litigation and, following a consultation with the Board of Administration as well as the legal advisors, decides upon the necessity of recognizing provisions related to the amounts involved or their disclosure in the financial statements.

Considering the information available, the management of the Company considers that there are no significant ongoing litigation, except the ones detailed below:

a) Litigation initiated by "EcoCivic Association"

File no. 4122/3/2022 was registered on the roll of the Bucharest Court, Administrative and Fiscal Litigation Section, in which Impact Developer & Contractor S.A. is the Defendant, the Claimants being the Eco Civic Association and three natural persons from outside the Greenfield Baneasa neighborhood.

The object of the file is the suspension and annulment of the administrative act HCGMB 705/18.12.2019 approving the Zonal Urban Plan Aleea Teisani - Drumul Padurea Neagra no. 56-64, the suspension and cancellation of Building Authorizations no. 434/35/P/2020 and no. 435/36/P/2020, cancelling some preliminary approvals, cancelling works. Based on the acts mentioned above, the fourth development phase of Greenfield Baneasa has been developed.

On 14.08.2024, the Court ruled the exceptions (defences in a civil action) raised by the Company and the defendants in the case.

The Court ruled that the claims filed by EcoCivica Foundation for the suspension and annulment of the Construction Permits were time-barred and were dismissed as time-barred, while the claims filed by the other plaintiffs for the suspension of the Construction Permits were dismissed as lacking object. Environmental Permit 01/16.05.2019 remains valid and has full legal effects.

The trial continued, and on 11.04.2025, the court spoke on the merits of the case. After the debates, the court remained in judgment. The pronouncement was successively postponed until 06.08.2025.

On August 6, 2025, after several court hearings, the court dismissed the action as unfounded and admitted the voluntary intervention request filed by the Lexcivica Association in support of the Company's position.

The court's decision may be appealed within 15 days of its communication.

On August 6, 2025, after several court hearings, the court dismissed the action as unfounded and admitted the voluntary intervention request filed by the Lexcivica Association in support of the Company's position.

The court's decision may be appealed within 15 days of its communication.

The management appreciates that the entire approval and authorization process, both of the Zonal Urban Plan and of the building permits whose cancellation is requested, was carried out legally, in compliance with the requirements imposed by the competent authorities through the town planning certificates issued. Also, the building works were executed in accordance with the legal provisions and the conditions established by the building permits, an aspect confirmed by the conclusion of the minutes of reception together with the authorities and entities involved, including the City Hall Sector 1. The buildings were commissioned and have already been introduced into the civil circuit (sold to clients). Consequently, management did not consider it necessary to set up a provision related to this litigation on 30 June 2025.

b) **Litigation regarding access to Vadul Moldovei street, file 1820/3/2023**

On January 19, 2023, Impact Develoepr & Contractor S.A. registered an action against the Bucharest City Hall, the District 1 City Hall and the Romsilva National Forestry Authority at the Bucharest Court - Section

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

II Administrative and Fiscal Litigation, requesting the court to oblige these institutions to comply with the obligations assumed by the decisions of the General Council of the Municipality of Bucharest, of the Local Council of Sector 1, as well as those assumed by the act of acceptance of the donation signed with IMPACT since 2018, and to definitively open public access between road "Alea Privighetorilor" and road "Drumul Pădurea Pustnicu".

During the process, some of the Impact Developer & Contractor S.A. requests were resolved administratively, by adopting:

• HCGMB no. 100/02.04.2024, which authorizes the request to the Government regarding the transfer, free of charge, of two sections of forest road (Vadul Moldovei) from the administration of Romsilva into the public domain of the Municipality of Bucharest, for a temporary access of 5 years;

• HCGMB no. 130/29.04.2024, which approves the definitive removal from the forest fund of a land of 0.3009 ha, with the destination of a road of local interest, to ensure access, also for a period of 5 years, between Aleea Teisani and Drumul Padurea Pustnicu.

However, certain administrative operations remain to be completed by Bucharest City Hall, Romsilva and the Ministry of the Environment, which is why the process continues.

The next term is set for the 28 October 2025.

24. TRANSACTIONS WITH RELATED PARTIES

a) Subsidiaries

The Company's subsidiaries and the nature of their activity are as follows:

	Registration country	Scope of activity
Clearline Development and Management SRL	Romania	Real estate development
Spatzioo Management SRL	Romania	Property management
Bergamot Developments SRL	Romania	Real estate development
Bergamot Developments Phase II SRL	Romania	Real estate development
Impact Finance & Sales SRL	Romania	Ancillary activities to financial intermediations
Greenfield Copou Residence SRL	Romania	Real estate development
Greenfield Copou Residence Phase II SRL	Romania	Real estate development
Aria Verdi Development SRL	Romania	Real estate development
Greenfield Property Management SRL	Romania	Real estate development
Impact Alliance Architecture SRL	Romania	Architecture services
Impact Alliance Moldova SRL	Romania	Constructions
R.C.T.I Company	Romania	Constructions
Impact pentru Viitor Organization	Romania	Non for profit organization

Transactions and balances with related parties are presented during and for the 6 months period ended 30 June 2025, as well as at year ended 31 of December 2024 and 6 months period ending 30 June 2024.

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

Impact is part of a VAT Group together with its subsidiaries.

Centralized balances	30-Jun-25	31-Dec-24
Trade receivables	34,437	776
Interest related to loans	15,177	15,049
VAT – fiscal group	1,970	6,473
Dividends to be collected	33,598	812
Receivables - current	**85,182**	**23,109**
Trade liabilities	(481)	(746)
Other debts	(29,528)	(6,472)
Trade liabilities - current	**(30,009)**	**(7,218)**
Loans granted to subsidiaries	(1,130)	(1,130)
Share capital decrease (Bergamot Developments)	-	-
Receivables – long term	**50,643**	**56,101**
Net exposure	**104,686**	**70,863**

Centralized transactions	6M 2025	6M 2024
Revenues from dividends	34,410	-
Revenues from services	1,500	1,255
Revenues from interest	1,992	1,165
Acquisition of goods and services	(1,205)	(1,150)
Interest costs	-	(123)
	36,696	**1,147**

Sales of goods and services	Transactions for the 6 months period ended 30-Jun -25	30-Jun -24	Balance as at 30-Jun-25	31-Dec-24
Subsidiaries				
Spatzioo Management S.R.L.	1,224	1.223	65	776
Clearline Development and Management	4	4	-	-
Bergamot Developments	4	4	27,231	813
Bergamot Developments Phase II	4	4	7,141	-
Impact Finance & Sales	4	4	-	-
Greenfield Copou Residence	4	4	-	-
Greenfield Copou Residence Phase II	4	4	-	-
Greenfield Property Management	4	4	-	-
Aria Verdi Development	-	4	-	-
Impact Alliance&Arhitecture	-	-	-	-
R.C.T.I. Company	249	-	-	-
	1,500	**1,255**	**34,437**	**1,588**

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

	Value of the transaction for the 6 months period ended		Balance as at	
Acquisition of goods and services	**30-Jun -25**	**30-Jun -24**	**30-Jun-25**	**31-Dec-24**
Subsidiaries				
Spatzioo Management SRL	1,101	739	109	2
Clearline Development and Management	-	-	-	-
R.C.T.I. Company	104	411	372	744
	1,205	**1,150**	**481**	**746**

	Balance as at	
Granted loans	**30-Jun -25**	**31-Dec-24**
Subsidiaries		
Aria Verdi Development	-	32
Impact Finance	-	145
Greenfield Property Management	25	15
Clearline Development and Management	-	712
Bergamot Developments Phase II	-	4,699
Greenfield Copou Residence	50,586	50,476
Greenfield Copou Residence Phase II	32	22
	50,643	**56,101**

Interest receivables	**30-Jun-25**	**Balance as at 31-Dec-24**
Clearline Development and Management	-	77
Bergamot Developments Phase II	-	1,702
Greenfield Copou Residence	15,177	13,269
	15,177	**15,049**

	Value of the transaction for the 6 months period ended	
Interest income	**30-Jun-25**	**30-Jun-24**
Subsidiaries		
Clearline Development and Management	13	8
Impact Finance & Sales	6	-
Bergamot Developments Phase II	65	125
Greenfield Property Management	1	-
Greenfield Copou Residence Phase II	1	125
Greenfield Copou Residence	1,905	907
	1,992	**1,165**

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

Loans received from subsidiaries	**30-Jun-25**	**Balance as at 31-Dec-24**
Clearline Development and Management	1,130	1,130
	1,130	**1,130**

Interest expense	**Value of the transaction for the 6 months period ended 30-Jun-25**	**30-Jun-24**
R.C.T.I. Company	-	123
	-	**123**

Other debts	**30-Jun-25**	**31-Dec-24**
Greenfield Copou Residence	(3)	(54)
Bergamot Developments	856	1,216
Bergamot Developments Phase II	272	3,605
Spatzioo Management	186	157
R.C.T.I. Company	1,248	1,549
Total	**2,559**	**6,473**

VAT Group balances	**30-Jun-25**	**31-Dec-24**
Bergamot Developments Phase II	4,598	4,535
Bergamot Developments	24,930	1,937
R.C.T.I. Company	-	-
Greenfield Copou Residence	-	-
Spatzioo Management	-	-
Total	**29,528**	**6,472**

b) Transactions with shareholders

In 2025, the Company did not declare or pay dividends to its shareholders.

The following transactions were concluded in 2024 with the majority shareholder or related party of Impact Developer & Contractor SA:

- A loan facility in amount of RON 15,000 thousand has been provided by Gheorghe Iaciu, the majority shareholder of Impact SA in February 2025. The facility has a 1 year maturity and a fixed interest rate of 6.95%. The loan facility has been fully reimbursed on 9 May 2025.

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

25. SUBSEQENT EVENTS

a) Closing of the Garanti Bank loan facility

On July 11, 2025, IMPACT SA has closed the Garanti Bank loan, a facility granted in EUR, to finance its current activity. As at 30 June 2025 the bank loan balance was of RON 5,640 thousand. The loan was fully reimbursed 29 months in advance of its maturity date.

b) Closing of the First Bank loan facility

The two EUR-denominated loans contracted in 2023 and 2024, from First Bank, both for refinancing the Community centre Greenfield Plaza and for financing current activities, were fully reimbursed by July 31, 2025.

c) The issuance of a favorable ruling in Litigation initiated by "EcoCivic Association"

In the File No. 4122/3/2022, a series of urbanism documents and construction authorizations related to the Greenfield Băneasa project were challenged by Fundatia Eco Civica and three natural persons who are not residents of the Greenfield Băneasa neighborhood.

On August 6, 2025, after several court hearings, the court dismissed the action as unfounded and admitted the voluntary intervention request filed by the Lexcivica Association in support of the Company's position.

The court's decision may be appealed within 15 days of its communication.

The standalone financial statements have been authorized for issue by the management on 20 August 2025 and signed on its behalf by:

George Toma Mucibabici	**Dan Sebastian Campeanu**	**Claudiu Bistriceanu**
Chairman of the BoD	Chief Executive Officer	Chief Financial Officer