

**IMPACT DEVELOPER & CONTRACTOR S.A.**

**UNAUDITED PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2020**

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

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**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	<b>31 December 2020 (unaudited)</b>	<b>31 December 2019 (audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,400	8,535
Intangible assets	136	143
Investment property	453,324	384,223
Financial assets	2,158	-
<b>Total non-current assets</b>	<b>463,018</b>	<b>392,901</b>
<b>Current assets</b>		
Inventories	437,230	430,725
Trade and other receivables	27,566	32,884
Cash and cash equivalents	59,022	45,462
<b>Total current assets</b>	<b>523,818</b>	<b>509,071</b>
<b>Total assets</b>	<b>986,836</b>	<b>901,972</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Share capital	272,464	281,907
Share premium	65,711	68,760
Revaluation reserve	3,001	3,001
Other reserves	13,295	9,179
Own shares	(2,675)	(7,771)
Retained earnings	288,018	228,865
<b>Total equity</b>	<b>639,814</b>	<b>583,941</b>
<b>Non-current liabilities</b>		
Loans and borrowings	167,457	138,813
Trade and other payables	1,909	330
Deferred tax liability	55,186	45,970
<b>Total non-current liabilities</b>	<b>224,552</b>	<b>185,113</b>

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

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	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>Current liabilities</b>		
Loans and borrowings	88,379	58,822
Trade and other payables	33,424	73,189
Provisions for risk and charges	667	907
	<hr/>	<hr/>
<b>Total current liabilities</b>	<b>122,470</b>	<b>132,918</b>
	<hr/>	<hr/>
<b>Total liabilities</b>	<b>347,022</b>	<b>318,031</b>
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<b>Total shareholders' equity and liabilities</b>	<b>986,836</b>	<b>901,972</b>
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**Sorin Apostol**  
Chief Executive Officer

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**Giani Kacic**  
Chief Financial Officer

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**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	<b>31 December 2020</b> <b>(unaudited)</b>	<b>31 December 2019</b> <b>(audited)</b>
Revenue from real estate inventories	206,639	156,681
Costs of real estate inventories	(143,731)	(83,904)
<b>Gross profit</b>	<b>62,908</b>	<b>72,777</b>
Net rental income	1,132	3
General and administrative expenses	(22,970)	(20,859)
Marketing expenses	(4,617)	(4,647)
Other income/expenses	(1,500)	(1,799)
Depreciation and amortization	(1,738)	(927)
<b>Operating profit</b>	<b>33,215</b>	<b>44,548</b>
Gains from investment property	63,611	144,559
<b>Total gains from investment property</b>	<b>63,611</b>	<b>144,559</b>
<b>Adjusted operating profit before exceptional items and impairment of other long term assets</b>	<b>96,826</b>	<b>189,107</b>
Impairment of other long term assets	(945)	192
<b>Profit from operations</b>	<b>95,881</b>	<b>189,299</b>
Finance costs, net	(5,426)	(5,922)
<b>Profit before income tax</b>	<b>90,455</b>	<b>183,377</b>
Income tax credit/(charge)	(16,470)	(28,893)
<b>Profit for the period</b>	<b>73,985</b>	<b>154,484</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	<b>73,985</b>	<b>154,484</b>
<b>Total comprehensive income for the period</b>	<b>73,985</b>	<b>154,484</b>

**Sorin Apostol**  
Chief Executive Officer

**Giani Kacic**  
Chief Financial Officer

**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
<b>Balance at 1 January 2020</b>	<b>281,907</b>	<b>68,760</b>	<b>3,001</b>	<b>9,179</b>	<b>(7,771)</b>	<b>228,865</b>	<b>583,941</b>
<b>Comprehensive income</b>							
Profit for the year	-	-	-	-	-	73,985	73,985
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	<b>73,985</b>	<b>73,985</b>
<b>Transactions with owners of the Company</b>							
Own shares acquired and cancelled during the year	(9,443)	(3,049)	-	-	12,492	-	-
Own shares acquired	-	-	-	-	(9,610)	-	(9,610)
Credit to equity for equity-settled share-based payments	-	-	-	-	2,214	-	2,214
<b>Contributions and distributions</b>	<b>(9,443)</b>	<b>(3,049)</b>	<b>-</b>	<b>-</b>	<b>5,096</b>	<b>-</b>	<b>(7,396)</b>
Dividends to the owners of the Company	-	-	-	-	-	(10,449)	(10,449)
<b>Other changes in equity</b>							
Set up of legal reserves	-	-	-	4,116	-	(4,116)	-
Revaluation reserve	-	-	-	-	-	-	-
Sale of subsidiary	-	-	-	-	-	(143)	(143)
Other changes in equity	-	-	-	-	-	(124)	(124)
<b>Balance at 31 December 2020</b>	<b>272,464</b>	<b>65,711</b>	<b>3,001</b>	<b>13,295</b>	<b>(2,675)</b>	<b>288,018</b>	<b>639,814</b>

**Sorin Apostol**  
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President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
<b>Balance at 1 January 2019</b>	<b>285,330</b>	<b>68,760</b>	<b>3,072</b>	<b>3,462</b>	<b>(3,038)</b>	<b>89,222</b>	<b>446,808</b>
<b>Comprehensive income</b>							
Profit for the year	-	-	-	-	-	154,484	154,484
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154,484</b>	<b>154,484</b>
<b>Transactions with owners of the Company</b>							
Own shares acquired and cancelled during the year	(3,423)	-	-	-	3,423	-	-
Own shares acquired	-	-	-	-	(8,156)	-	(8,156)
<b>Contributions and distributions</b>							
Dividends to the owners of the Company	-	-	-	-	-	(9,195)	(9,195)
<b>Other changes in equity</b>							
Set up of legal reserves	-	-	-	8,058	-	(8,058)	-
Revaluation reserve	-	-	(71)	-	-	71	-
Transfer of other reserves to retained	-	-	-	(2,341)	-	2,341	-
<b>Balance at 31 December 2019</b>	<b>281,907</b>	<b>68,760</b>	<b>3,001</b>	<b>9,179</b>	<b>(7,771)</b>	<b>228,865</b>	<b>583,941</b>

**Sorin Apostol**  
Chief Executive Officer

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**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	<b>2020</b> <b>(unaudited)</b>	<b>2019</b> <b>(audited)</b>
<b>Cash flows from operating activities:</b>		
<b>Profit for the period</b>	<b>73,985</b>	<b>154,484</b>
<b>Adjustments for:</b>		
Depreciation of tangible non-current assets	1,649	838
Amortization of intangible non-current assets	89	89
Impairment of tangible non-current assets, net	2,036	(85)
Result from disposal of subsidiary, net	(814)	-
Result from disposal of assets, net	(44)	43
Impairment of inventories, net	(1,030)	-
Impairment of trade and other receivables, net	61	107
Write-offs, net	(2,057)	(3,921)
Changes in fair value of investment property	(63,611)	(144,559)
Income tax	16,470	28,893
Net changes in provisions for risks and charges	(240)	305
Interest expenses	6,427	2,749
Interest income	(239)	(196)
Foreign exchange differences, net	4,416	3,055
	<b>37,098</b>	<b>41,802</b>
<b>Changes in:</b>		
Inventories	(5,475)	(64,972)
Trade and other receivables	5,256	(6,097)
Trade and other payables	(37,737)	39,493
<b>Net cash generated from operations</b>	<b>(858)</b>	<b>10,226</b>
Income tax paid	(7,192)	(5,891)
Interest paid	(6,134)	(2,509)
<b>Net cash from / (used in) operating activities</b>	<b>(14,184)</b>	<b>1,826</b>
<b>Cash flows from investing activities:</b>		
Purchases of property, plant and equipment	(16,414)	(15,882)
Purchases of intangible assets	7	(48)
Proceeds from sale of subsidiary	8,123	-
Proceeds from sale of property, plant and equipment	87	493
<b>Net cash from investing activities</b>	<b>(8,197)</b>	<b>(15,437)</b>



**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

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	<b>2020</b> <b>(unaudited)</b>	<b>2019</b> <b>(audited)</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	(10,448)	(9,094)
Repayments of borrowings	(113,884)	(36,393)
Proceeds from borrowings	167,669	81,976
Acquisitions of own shares	(7,396)	(8,156)
Shares utilizations	-	-
<b>Net cash used in financing activities</b>	<b>35,941</b>	<b>28,333</b>
<b>Net increase / (decrease) of cash and equivalents</b>	<b>13,560</b>	<b>14,722</b>
<b>Cash and equivalents at 1 January</b>	<b>45,462</b>	<b>30,740</b>
<b>Cash and equivalents as at 31 December</b>	<b>59,022</b>	<b>45,462</b>

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Chief Executive Officer

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Chief Financial Officer

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**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**BASIS OF PREPARATION OF THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(all amounts are expressed in thousand RON, unless stated otherwise)**

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## 1. REPORTING ENTITY

These financial statements are the consolidated financial statements of Impact Developer & Contractor S.A ("the Company") and its subsidiaries (together "the Group") as at and for the year ended 31 December 2020.

The registered office of the Company is Willbrook Platinum Business & Convention center 172 -176 Bucuresti Ploiesti Building A 1<sup>st</sup> floor Bucharest, 1<sup>st</sup> district.

The Consolidated Financial Statements of the Company for the year ended 31 December 2020 include the Company and its subsidiaries (together referred to as the „Group”) as follows:

	<b>Country of registration</b>	<b>Nature of activity</b>	<b>% of shareholding at 31 December 2020</b>	<b>% of shareholding at 31 December 2019</b>
Clearline Development and Management SRL	Romania	Real estate development	100%	100%
Actual Invest SRL	Romania	Property management	100%	100%
Bergamot Phase SRL	Romania	Real estate development	100%	100%
Bergamot Development SRL	Romania	Real estate development	100%	100%
Impact Finance SRL	Romania	Administration	100%	100%
Greenfield Copou Residence SRL	Romania	Real estate development	100%	100%
Star Residence SRL	Romania	Real estate development	22%	-

The Company is one of the first companies active in real estate development sector in Romania, being constituted in 1991 through public subscription. Initially, its first activities were renting and maintenance of deluxe villas in Bucharest area. In 1995, the Company introduced the residential concept on the Romanian market and, consequently, it changed into a pure real estate developer. Starting 1996, the Company's securities are publicly traded in Bucharest Stock Exchange (BVB).

In 2020 and 2019 the business of Impact Developer&Contractor revolves around a major project: Greenfield residential complex in Bucharest and Boreal Plus in Constanta.

In 2020 and 2019 the business of Bergamot Development is mainly related to the Luxuria Residence Project.

On 28th December 2020, the Group sold 78% of the shares owned in Star Residence SRL.

## 2. BASIS OF PREPARATION

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

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

The Unaudited Preliminary Consolidated Financial Statements include the Preliminary Consolidated Statement of Financial Position, the Preliminary Consolidated Statement of Financial Performance, the Preliminary Consolidated Statement of Comprehensive Income, the Preliminary Consolidated Statement of Cash Flows, the Preliminary Consolidated Statement of Changes in Equity and Basis of preparation for the

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**BASIS OF PREPARATION OF THE PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(all amounts are expressed in thousand RON, unless stated otherwise)**

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Unaudited Preliminary Consolidated Financial Statements prepared for the year ended on 31 December 2020.

The Unaudited Preliminary Consolidated Financial Statements as of and for the financial year ended on December 31st, 2020 have not been audited nor reviewed by an independent auditor.

These Unaudited Preliminary Consolidated Financial Statements have been authorized for issue and signed on February 19th, 2021 by the management of the Group.

**a) Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over 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 profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

**b) Use of estimates and profesional judgments**

In preparation of these Unaudited Preliminary Consolidated Financial Statements the Company's management uses judgements, estimates and assumptions that may have an impact on the application of accounting policies and on the carrying value of assets, liabilities, revenues and costs. Actual results may differ from the estimated values.

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

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**Sorin Apostol**  
Chief Executive Officer

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**Giani Kacic**  
Chief Financial Officer

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**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**

**UNAUDITED PRELIMINARY INDIVIDUAL FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2020**

**Prepared in accordance with  
the Public Finances Minister's Order no. 2.844/2016 on the approval  
of the accounting regulations compliant with the  
International Financial Reporting Standards adopted by the  
European Union (IFRS-EU)**

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**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY INDIVIDUAL STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	<b>31 December 2020</b> <b>(unaudited)</b>	<b>31 December 2019</b> <b>(audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Tangible non-current assets	4,950	6,309
Intangible non-current assets	136	128
Investment properties	450,070	383,285
Financial assets	58,340	56,191
Trade and other receivables	-	-
<b>Total non-current assets</b>	<b>513,496</b>	<b>445,914</b>
<b>Active circulante</b>		
Inventories	153,700	201,787
Trade and other receivables	140,712	91,938
Cash and cash equivalents	52,065	35,357
<b>Total current assets</b>	<b>346,477</b>	<b>329,081</b>
<b>Total assets</b>	<b>859,973</b>	<b>774,995</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Share capital	272,464	281,907
Share premium	65,711	68,760
Revaluation reserves	3,001	3,001
Other reserves	12,379	8,787
Own shares	(2,675)	(7,771)
Retained earnings	285,902	230,996
<b>Total equity</b>	<b>636,782</b>	<b>585,681</b>
<b>Long-term liabilities</b>		
Loans and borrowings	148,396	115,723
Trade and other payables	510	330
Deferred tax	55,186	46,051
<b>Total long-term liabilities</b>	<b>204,092</b>	<b>162,105</b>

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY INDIVIDUAL STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(all amounts are expressed in thousand RON, unless stated otherwise)**

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	<b>31 December 2020</b> <b>(unaudited)</b>	<b>31 December 2019</b> <b>(audited)</b>
<b>Current liabilities</b>		
Loans and borrowings	2,215	1,765
Trade and other payables	16,217	24,537
Provisions for risk and charges	667	907
<b>Total current liabilities</b>	<b>19,099</b>	<b>27,209</b>
<b>Total liabilities</b>	<b>223,191</b>	<b>189,314</b>
<b>Total shareholders' equity and liabilities</b>	<b>859,973</b>	<b>774,995</b>

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**Sorin Apostol**  
Chief Executive Officer

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**Giani Kacic**  
Chief Financial Officer

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**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY INDIVIDUAL STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	<b>2020</b> <b>(unaudited)</b>	<b>2019</b> <b>(audited)</b>
Revenue from real estate inventories	109,926	156,695
Costs related to real estate inventories	(67,098)	(83,266)
<b>Gross profit</b>	<b>42,828</b>	<b>73,429</b>
Net rental income	1,297	72
General and administrative expenses	(20,064)	(19,929)
Marketing expenses	(3,004)	(3,871)
Other operating income/expenses	(1,037)	(745)
Amortization	(704)	(3,509)
<b>Total operating income / expenses</b>	<b>(23,712)</b>	<b>(27,983)</b>
Profit from investment properties	63,611	144,559
<b>Adjusted operating profit before exceptional items and impairment of other non-current assets</b>	<b>82,727</b>	<b>190,006</b>
Impairment of assets	(1,059)	253
Other profit and loss (exceptional)	-	-
<b>Operating profit</b>	<b>81,668</b>	<b>190,259</b>
Financial costs, net	1,995	(7,150)
<b>Profit before tax</b>	<b>83,663</b>	<b>183,109</b>
Income tax expenses	(14,717)	(28,970)
<b>Result for the period</b>	<b>68,946</b>	<b>154,139</b>
<b>Global result due to :</b>		
Company Sherholders	68,946	154,139
<b>Global results for the period</b>	<b>68,946</b>	<b>154,139</b>

**Sorin Apostol**  
Chief Executive Officer

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**Iuliana Mihaela Urda**  
President of the Board



**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY INDIVIDUAL STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
<b>Balance at 1 January 2020</b>	<b>281,907</b>	<b>68,760</b>	<b>3,001</b>	<b>8,788</b>	<b>(7,771)</b>	<b>230,996</b>	<b>585,681</b>
<b>Comprehensive income</b>							
Profit for the year	-	-	-	-	-	68,946	68,946
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,946</b>	<b>68,946</b>
<b>Transactions with owners of the Company</b>							
Own shares aquired in the year	-	-	-	-	(9,610)	-	(9,610)
Dividends	-	-	-	-	-	(10,449)	(10,449)
Own shares acquired and cancelled during the year	(9,444)	(3,049)	-	-	12,492	-	-
Credit to equity for equity settled share-based payments	-	-	-	-	2.214	-	2.213
<b>Other changes in equity</b>							
Set up of legal reserves	-	-	-	3.592	-	(3.592)	-
Transfer of reserves	-	-	-	-	-	-	-
Revaluation reserves	-	-	-	-	-	-	-
<b>Balance at 31 December 2020</b>	<b>272,464</b>	<b>65,711</b>	<b>3,001</b>	<b>12,379</b>	<b>(2.675)</b>	<b>285,902</b>	<b>636,782</b>

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**Giani Kacic**  
Chief Financial Officer

**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY INDIVIDUAL STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
<b>Balance at 1 January 2019</b>	<b>285,330</b>	<b>68,760</b>	<b>3,064</b>	<b>730</b>	<b>(3,038)</b>	<b>94,020</b>	<b>448,866</b>
<b>Comprehensive income</b>							
Profit for the year	-	-	-	-	-	154,139	154,139
Other comprehensive income	-	-	-	-	-	26	26
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154,165</b>	<b>154,165</b>
<b>Transactions with owners of the Company</b>							
Own shares aquired in the year	-	-	-	-	(8,156)	-	(8,156)
Dividends	-	-	-	-	-	(9,195)	(9,195)
Own shares acquired and cancelled during the year	(3,423)	-	-	-	3,423	-	-
<b>Other changes in equity</b>							
Set up of legal reserves	-	-	-	8,058	-	(8,058)	-
Transfer of reserves	-	-	(63)	-	-	63	-
Revaluation reserves	-	-	-	-	-	-	-
<b>Balance at 31 December 2019</b>	<b>281,907</b>	<b>68,760</b>	<b>3,001</b>	<b>8,788</b>	<b>(7,771)</b>	<b>230,996</b>	<b>585,681</b>

**Sorin Apostol**  
Chief Executive Officer

**Giani Kacic**  
Chief Financial Officer

**Iuliana Mihaela Urda**  
President of the Board

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY INDIVIDUAL STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	<b>2020</b> <b>(unaudited)</b>	<b>2019</b> <b>(audited)</b>
<b>Cash flows from operating activities:</b>		
<b>Profit for the period</b>	<b>68,946</b>	<b>154,139</b>
<b>Adjustments for:</b>		
Depreciation of tangible non-current assets	584	629
Amortization of intangible non-current assets	74	73
Impairment of tangible non-current assets, net	1,975	(86)
Result from disposal of assets, net	(40)	(122)
Share-based payment for employees & BoD members	2,214	-
Impairment of inventories, net	12,760	4,596
Impairment of trade and other receivables, net	(916)	(167)
Legal settlements		612
Changes in fair value of investment property	(63,611)	(144,559)
Income tax	14,717	28,970
Net changes in provisions for risks and charges	(240)	306
Interest expenses	7,825	9,095
Interest income	(6,432)	(4,450)
Foreign exchange differences, net	2,185	2,505
Other	(5,573)	(63)
Profit/loss from selling real estate investments	-	(638)
	<b>(34,478)</b>	<b>(103,300)</b>
<b>Changes in:</b>		
Inventories	35,326	62,840
Trade and other receivables	(2,656)	11,014
Trade and other payables	(19,936)	(11,557)
<b>Net cash generated from operations</b>	<b>47,203</b>	<b>113,136</b>
Income tax paid	(5,840)	(6,384)
Interest paid	(6,621)	(8,483)
<b>Net cash from / (used in) operating activities</b>	<b>(34,742)</b>	<b>98,269</b>
<b>Cash flows from investing activities:</b>		
Acquisitions of tangible assets and investment property	(2,519)	(15,882)
Acquisitions of intangible assets	(82)	(134)
<b>Net cash from investing activities</b>	<b>(2,601)</b>	<b>(16,016)</b>

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**PRELIMINARY INDIVIDUAL STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
(all amounts are expressed in thousand RON, unless stated otherwise)

	<b>2020</b> <b>(neauditat)</b>	<b>2019</b> <b>(auditat)</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	(10,448)	(9,094)
Repayments of borrowings	(19,349)	(69,816)
Proceeds from borrowings	51,631	41,030
Loans granted to affiliates	(40,156)	(41,654)
Repayment of loans granted to affiliates	4,662	14,117
Acquisitions of own shares	(9,610)	(8,156)
Other financial income	7,867	-
Other	(30)	-
<b>Net cash used in financing activities</b>	<b>(15,433)</b>	<b>(73,573)</b>
<b>Net Increase / (Decrease) of cash and equivalents</b>	<b>16,708</b>	<b>8,681</b>
<b>Cash and equivalents at 1 January</b>	<b>35,357</b>	<b>26,676</b>
<b>Cash and equivalents as at 31 December</b>	<b>52,065</b>	<b>35,357</b>

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**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**NOTES TO THE PRELIMINARY INDIVIDUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(all amounts are expressed in thousand RON, unless stated otherwise)**

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## **1. REPORTING ENTITY**

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

The registered office of the Company is Willbrook Platinum Business & Convention center 172 -176 Bucuresti Ploiesti Building A 1st floor Bucharest, 1st district.

The Company controls several other entities and prepares consolidated financial statements. According to the provisions of Law no. 24/2017, such entities have to prepare individual financial statements also.

The Company is one of the first companies active in real estate development sector in Romania, being constituted in 1991 through public subscription. Initially, its first activities were renting and maintenance of deluxe villas in Bucharest area. In 1995, the Company introduced the residential concept on the Romanian market and, consequently, it changed into a pure real estate developer. Starting 1996, the Company's securities are publicly traded in Bucharest Stock Exchange (BVB).

In 2020 and 2019 the business of Impact Developer&Contractor revolves around a major project: Greenfield residential complex in Bucharest and Boreal Plus in Constanta.

## **2. BASIS OF PREPARATION**

### **a) Declaration of conformity**

The Preliminary Unaudited Individual Financial Statements have been prepared based on the Public Finance Minister's Order no. 2.844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards ("IFRS"), as further amended ("OMPF 2.844/2016"). As per the OMPF 2.844/2016, the International Financial Reporting Standards represent the standards adopted in accordance with the procedure provided by the European Commission Regulation no. 1.606/2002 of the European Parliament and of the Council dated on 19 July 2002 regarding the application of the international accounting standards.

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

The Financial Statements shown here include only a Preliminary individual Statement of Financial Position, a Preliminary Individual Statement of Financial Performance, a Preliminary Individual Statement of Comprehensive Income, a Preliminary Individual Statement of Cash Flows, the Preliminary Individual Statement of Changes in Equity and Basis of preparation to the Unaudited Preliminary Individual Financial Statements drawn up for the financial year ended on December 31st, 2020.

The Unaudited Preliminary Individual Financial Statements as of and for the financial year ended on December 31st, 2020 have not been audited nor reviewed by an independent auditor.

These Unaudited Preliminary Individual Financial Statements have been authorized for issue and signed on February 19th, 2021 by the management of the Company.

**IMPACT DEVELOPER & CONTRACTOR S.A.**  
**NOTES TO THE PRELIMINARY INDIVIDUAL FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**(all amounts are expressed in thousand RON, unless stated otherwise)**

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**b) Use of estimates and professional judgments**

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

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

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**Sorin Apostol**  
Chief Executive Officer

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**Giani Kacic**  
Chief Financial Officer

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**Iuliana Mihaela Urda**  
President of the Board