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**SECURITY COVER**

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**THIS ENGLISH LANGUAGE PROSPECTUS REPRESENTS AN UNOFFICIAL TRANSLATION OF THE ROMANIAN LANGUAGE PROSPECTUS APPROVED BY THE FINANCIAL SUPERVISORY AUTHORITY.**

**THIS ENGLISH LANGUAGE PROSPECTUS IS FOR INFORMATION PURPOSES ONLY. IN CASE OF ANY DISCREPANCIES BETWEEN THE ENGLISH AND THE ROMANIAN LANGUAGE VERSIONS, THE ROMANIAN LANGUAGE PROSPECTUS, AS APPROVED BY THE FINANCIAL SUPERVISORY AUTHORITY, SHALL PREVAIL. NEITHER THE ISSUER, NOR THE INTERMEDIARY ACCEPT ANY LIABILITY IN CONNECTION WITH THE ACCURACY OF THIS TRANSLATION.**

## **ONE UNITED PROPERTIES S.A.**

*(a joint stock company incorporated in accordance with the laws of Romania, with its registered office located at 20 Maxim Gorki Street, District 1, Bucharest, Romania, registered with the Bucharest Trade Registry Office under no. J40 / 21705/2007, (EUID): ROONRC. J40 / 21705/2007, sole registration code 22767862)*

**Prospectus regarding the issue of up to 330,017,986 offered ordinary shares, with a nominal value of 0.20 RON each (the „New Shares”)**

**The exercise price of preference rights is RON 1.42 per New Share**

**Period of exercise of preference rights: 27 June 2022 – 26 July 2022**

**Approved by the Financial Supervisory Authority (“FSA”) by decision no. 750 of 23 June 2022**

### **INTERMEDIARY:**

**SSIF BRK FINANCIAL GROUP S.A.**



***READ THE OFFERING PROSPECTUS CAREFULLY BEFORE SUBSCRIBING!***

***THE APPROVAL OF THIS PUBLIC OFFERING PROSPECTUS DOES NOT CONSTITUTE A GUARANTEE OR ANY KIND OF ASSESSMENT BY THE FSA OF THE OPPORTUNITY, ADVANTAGES OR DISADVANTAGES, PROFIT OR RISKS OF THE TRANSACTIONS TO BE CONCLUDED BY THE ACCEPTANCE OF THE PUBLIC OFFERING WHICH IS SUBJECT OF THE APPROVAL DECISION; THE APPROVAL DECISION CERTIFIES ONLY THAT THE PROSPECTUS COMPLIES WITH THE REQUIREMENTS OF THE LAW AND OF THE NORMS ADOPTED IN ITS APPLICATION.***

## NOTICE TO INVESTORS

In accordance with Art. 2 and 12, corroborated with the provisions contained in Annexes 1 and 11 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (“**Delegated Regulation 2019/980**”), the Issuer states the following:

- (a) This prospectus (“**Prospectus**”) has been approved by the Romanian Financial Supervisory Authority (the “**FSA**”), which is the competent Romanian authority in the sense of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”);
- (b) The FSA has approved this Prospectus only as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation;
- (c) Such approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus;
- (d) Such approval should not be considered as an endorsement of the quality of the securities that are the subject of this Prospectus; and
- (e) Investors should make their own assessment as to the suitability of investing in the securities that are the subject of this Prospectus;

The Prospectus will be made available to the public in accordance with the Romanian law.

This Prospectus concerns an offering (the “**Offering**”) initiated by One United Properties S.A., a joint stock company incorporated in accordance with the laws of Romania, with its registered office located in Str. Maxim Gorki no. 20, District 1, Bucharest, Romania, registered with the Bucharest Trade Registry Office under no. J40 / 21705/2007, (EUID): ROONRC. J40 / 21705/2007, sole registration code 22767862 (hereinafter referred to as the “**Issuer**”) regarding the subscription of up to 330,017,986 new, ordinary, registered and dematerialised shares with a value of RON 0.2 each (the “**New Shares**”) (the „**Offering**”) and the admission to trading of the New Shares on the Spot Regulated Market operated by the Bucharest Stock Exchange. The FSA will assume no responsibility as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer. The Offering corresponds to a share capital increase by way of cash contribution, approved by the Extraordinary General Meeting of Shareholders of the Issuer held on April 26, 2022 and by decision of the board of directors of the Issuer (the “**Board of Directors**”) dated May 5, 2022 (the “**Share Capital Increase**”).

The New Shares will be offered during the exercise of preference rights to the shareholders registered in the Register of Shareholders maintained by Depozitarul Central S.A. (the “**Preference Rights Holders**”), as of the registration date of 20 May 2022 (the “**Registration Date**”). The total number of preference rights issued in connection with the Share Capital Increase will be equal to the number of shares issued by the Issuer registered in the Issuer’s Register of Shareholders maintained by Depozitarul Central S.A. on the Registration Date, i.e., 2,574,140,294 preference rights. A Preference Rights Holder may purchase a maximum number of New Shares calculated as the ratio of the number of Preference Rights held to the number of Preference Rights required to subscribe for one New Share. Accordingly, a number of 7.8 Preference Rights (“**Subscription Ratio**”) is required to subscribe for one New Share. If the maximum number of New Shares which may be subscribed for during the Subscription Period (as calculated above) is not an integer, the maximum number of New Shares which may actually be subscribed for will be obtained by rounding down to the nearest whole number. For the avoidance of doubt, the use of the term “Offering” in this Prospectus is made exclusively by reference to the New Shares to be offered in the exercise of preference rights to the Preference Rights Holders.

The New Shares remaining unsubscribed after the exercise period of the preference rights will be offered for subscription in a private placement addressed to certain persons in the European Union on the basis of permitted exceptions from the publication of a prospectus, including those set out in Article 1(4)(a) to (d) of the Prospectus Regulation and/or investors to whom such private placements may lawfully be addressed and directed, pursuant to the exemptions of Regulation S (“**Regulation S**”) of the United States Securities Act of 1933 (“**Securities Act**”) and without any obligation to comply with any other formalities under any applicable law, only if and to the extent that an investment in the New Shares does not constitute a violation of any applicable law by such investor (the “**Private Placement**”). The Private Placement is not the subject of this Prospectus. The Private Placement will take place after

the end of the exercise of the preference rights, until 1 November 2022. The Board of Directors may decide to close the Private Placement early or, if appropriate, may extend the period of the Private Placement, subject to applicable law, taking into account the applicable market conditions.

The New Shares remaining unsubscribed following the Offering and after the Private Placement will be cancelled by decision of the Board of Directors establishing the final results of the Share Capital Increase (the Board of Directors may initiate a new increase after the Share Capital Increase, pursuant to the delegation granted by the EGMS, for a number of shares equal to the number of shares thus cancelled).

The subscription price of the New Shares offered during the exercise of preference rights will be equal to maximum [●] RON per New Share (the “**Maximum Subscription Price**”). At the time of completion of the Private Placement, the final subscription price for the New Shares offered under the exercise of preference rights (“**Final Subscription Price**”) will be announced. The subscription price per New Share under the Private Placement will be equal to or higher than the Final Subscription Price. In the event that the Final Subscription Price is lower than the Maximum Subscription Price, the Preference Rights Holders who exercised their preference rights will be refunded the difference between the Maximum Subscription Price and the Final Subscription Price

Subscriptions for the New Shares during the preference rights exercise period can be made from 27 June 2022 up to 26 July 2022.

The Issuer's shares are admitted to trading on the Spot Regulated Market of the Bucharest Stock Exchange (“**BVB**”) under the symbol “ONE”, ISIN code ROJ8YZPDHWW8.

After the closing of the Offering and the registration of the Share Capital Increase with the Trade Registry Office attached to the Bucharest Tribunal, the FSA and the Central Depository, the New Shares issued under the Share Capital Increase will be traded on the Spot Regulated Market of the BVB, which is a regulated market within the meaning of Directive 2014/65/EC of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as subsequently amended. Preference rights will not be admitted to trading and will not be traded.

The Intermediary acts exclusively for the Issuer and no one else in connection with the Offer. The Intermediary will not consider any other person (whether a recipient or not of this Prospectus) as its client in connection with the Offer and will not be liable to any person, except the Issuer, to offer the protection granted to its clients or to offer advice on the Offer or any transaction or arrangement referred to in this Prospectus. Except for the responsibilities and obligations, as applicable, which could be imposed onto the Intermediary under the Law 24/2017, Regulation 5/2018 or any other provision of Romanian law or under any other regulatory regime in any jurisdiction, where the exclusion of liability under that regulatory regime is illegal, void or unenforceable, the Intermediary or its affiliates shall not accept any liability for the content of this Prospectus (except for liability accepted under Part 1, Section 1 of this Prospectus, namely “*Responsible Parties, Third Party Information, Expert Reports and Approval of the Competent Authority*” - “*Responsible Parties*”), including the correctness, completeness and verification of it, or for any statement made or considered to be made by it, or on his behalf, in connection with the Issuer, the New Shares or Offer. The Intermediary and each of its affiliates do not acknowledge any liability, tort, contractual or otherwise, in the most extensive manner permitted by law (except as noted above) that they may otherwise have in connection with the Prospectus or any statement. No express or implied statement or warranty is made by the Intermediary or any of its affiliates as to the correctness, completeness, verification or sufficiency of the information in this Prospectus and nothing in this Prospectus shall constitute a promise or statement herein. meaning, either about the past or the future.

This Prospectus does not constitute or is not part of an offer or invitation to sell or issue or of any solicitation to purchase any securities other than the securities to which it refers or any offer or invitation to sell or to issue or any proposal or offer to purchase such securities by any person in any circumstances where such an offer or proposal would be illegal.

#### **Notice addressed to foreign investors**

The New Shares have not been and will not be registered under the Securities Act. The New Shares may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements in the Securities Act and any applicable securities laws of any state of the United States. No action has been taken to allow a public offering of Offered Shares in accordance with securities laws of any jurisdiction (other than Romania), including without limitation Australia, Canada or Japan. This Prospectus does not constitute an offer

or offer to purchase any New Shares to any person in any jurisdiction in which such an offer or proposal would be illegal.

The New Shares have not been and will not be registered according to the securities laws in Australia, Canada or Japan. Subject to certain exceptions, the New Shares may not be offered or sold in any jurisdiction or to or on behalf of any resident or citizen of Australia, Canada or Japan. The New Shares have not been recommended by any federal or state commission in the United States of America or any other regulatory authority. In addition, the above-mentioned authorities have not confirmed the correctness or the compliant nature of this Prospectus. Any statement to the contrary is an offense in the United States of America.

The distribution of this Prospectus and the offer and sale of New Shares in certain jurisdictions may be restricted by law. No action has been nor will be taken by the Issuer or the Intermediary to allow a public offering of the New Shares in accordance with securities laws in other jurisdictions. Other than in Romania, no action has been nor will be taken to allow the holding or distribution of this Prospectus (or any other offer material or advertising release regarding the New Shares) in any jurisdiction where an action is required in this sense or where such action is restricted by law. Therefore, neither this Prospectus nor any advertising release and other offer material may be distributed or published in any jurisdiction except in circumstances that would lead to compliance with any applicable laws or regulations. The persons in possession of this Prospectus must be informed of and comply with these restrictions. Any breach of these restrictions may result in a violation of the laws applicable in these jurisdictions.

#### **Notice addressed to UK investors**

This Prospectus and any other material in relation to the New Shares described herein is only being distributed in the United Kingdom to, and is only directed at, persons that are qualified investors ("qualified investors") within the meaning of Article 2(e) of the Prospectus Regulation that also: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"); or (ii) who fall within Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as the "relevant persons"). The New Shares are only available in the United Kingdom to, and any invitation, offer or agreement to purchase or otherwise acquire the New Shares will be engaged in only with, the relevant persons. This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this Prospectus or any of its contents.

#### **Notice addressed to Romanian investors**

This Prospectus may be distributed to the public and the New Shares may be offered for sale or purchase in Romania only in accordance with Law no. 24/2017 on issuers of financial instruments and market operations, Law 297/2004 on the capital market (with subsequent amendments), FSA Regulation no. 5/2018 on issuers of financial instruments and market operations (as subsequently amended), the Prospectus Regulation and the Delegated Regulation 2019/980.

#### **Notice addressed to investors in the United Arab Emirates**

The Offering has not been approved or licensed by the Central Bank of the United Arab Emirates ("UAE"), Securities and Commodities Authority of the UAE and/or any other relevant licensing authority in the UAE including any licensing authority incorporated under the laws and regulations of any of the free zones established and operating in the territory of the UAE, in particular the Dubai Financial Services Authority ("DFSA"), a regulatory authority of the Dubai International Financial Centre ("DIFC"). This Offering does not constitute a public offer of units in the UAE, DIFC and/or any other free zone in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or the DFSA Markets Rules, accordingly, or otherwise. The New Shares may not be offered to the public in the UAE and/or any of the free zones.

The New Shares may be offered and issued only to a limited number of investors in the UAE or any of its free zones who qualify as sophisticated investors under the relevant laws and regulations of the UAE, or the free zone concerned. The Issuer represents and warrants that the shares will not be offered, sold, transferred or delivered to the public in the UAE or any of its free zones.

None of the Issuer or the Intermediary is a licensed broker, dealer, investment adviser or financial adviser under the laws of the UAE and/or any of the free zones established and operating in the UAE, in particular, the DFSA a regulatory authority of the DIFC and none of the Issuer or the Intermediary provides in the UAE and/or any of the

free zones operating in the UAE, any brokerage, dealer, investment advisory or financial advisory services.

### **Withdrawal of subscriptions**

The subscriptions within the Offer are irrevocable, except for the provisions of art. 23 para. (2a) of the Prospectus Regulation. In this case, Investors which have already agreed to purchase or subscribe for the New Shares prior to the publication of the supplement have the right to withdraw their acceptance, within three Business Days of the publication of the supplement, provided that the new significant factor, material error or material inaccuracy led to the publication of the supplement to have appeared or been found before the relevant offer period expires. If the Investors have the withdrawal right mentioned above, the Intermediary / Participant through which they have subscribed will contact the respective Investors by the end of the first business day following the day on which the supplement is published. The withdrawal of the subscription is made through the Withdrawal of Subscription Approval Form, submitted according to the procedures described in Part 16 of this Prospectus, respectively *“Information on the securities to be offered / admitted to trading. Offer and Admission Information”* to the Intermediary / Participant, so that this notification is received no later than the third business day after the date on which the prospectus supplement was published (or any other subsequent date specified in leaflet supplement). Withdrawal of the subscription sent by any other means or which is sent or received after the expiration of this period will not constitute a valid withdrawal.

## IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

This document contains a prospectus ("**Prospectus**") for the purpose of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published in the case of a public offering of securities or the admission of securities trading on a regulated market, and repealing Directive 2003/71/EC, including all relevant implementing measures ("**Prospectus Regulation**") and in accordance with the provisions of Delegated Regulation (EU) 2019/980 of Decision of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, verification and approval of the prospectus to be published in the case of a public offering of securities or the admission of securities when trading on a regulated market and repealing Regulation (EC) No Commission Regulation (EC) No 809/2004 ("**Delegated Regulation 2019/980**").

The prospectus has been published and is made available to the public at the Issuer's headquarters, on the Issuer's website at [www.one.ro](http://www.one.ro), on the website of the Bucharest Stock Exchange on [www.bvb.ro](http://www.bvb.ro) and on the Intermediary's website at [www.brk.ro](http://www.brk.ro). One must note that information about the Final Subscription Price and other such information should be published on these web pages. Potential investors are advised to access this information before making a decision to invest.

The information in this Prospectus is accurate only on the date mentioned on the first page of this Prospectus, namely the date of approval of this Prospectus. It is possible that after this date there be changes in the activity and financial situation of the Issuer as of that date.

### Financial information

Unless otherwise indicated, the financial information in this Prospectus, relating to the Issuer, has been extracted from the audited consolidated financial statements prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as subsequently amended, for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union, as subsequently amended, on and for the financial years ended on December 31, 2019, 2020 and 2021, which were prepared in accordance with International Financial Reporting Standards ("**IFRS**") adopted by the European Union (issued by the International Accounting Standards Committee) accompanied by the independent auditor's report (hereinafter collectively referred to as the "**Annual Financial Statements**"), as well as from the condensed consolidated interim financial statements for the period ending 31 March 2022 ("**Interim Financial Statements**"), prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" adopted by the European Union. The independent auditor has not audited or reviewed the Interim Financial Statements in the Prospectus and, accordingly, has not expressed an opinion or conclusion on them.

The financial year of the Issuer ends on December 31, and the references to any year of this Prospectus are references to the 12-month period ended on December 31 of that year.

The presentation currency and the functional currency of the Issuer is RON. Consequently, the Financial Statements are presented in RON, unless otherwise indicated.

### Currency presentation

Unless otherwise indicated, all references in this document to "RON", "Romanian Leu", "Leu" (singular) or "Lei" (plural) represent references to the legal currency in circulation in Romania. All references to the euro, "euro", "EUR", "euro cents" or "€" are references to the currency introduced at the beginning of the third stage of the European Economic and Monetary Union, in accordance with the Treaty establishing the European Community, as amended. All references to "US dollars" or "US\$", "dollars" are references to the legal currency in circulation in the United States of America.

There is no guarantee that any amount expressed in a particular currency in this Prospectus may or may not have been converted into any of the other currencies presented in this Prospectus at a certain exchange rate. There are limited markets for the Romanian Leu outside Romania. The limited availability of the Romanian Leu can lead to exchange rate volatility.

The following table shows the exchange rate at the end of the reference period, the highest, lowest and average exchange rate, for the periods and dates indicated, of the Romanian Leu against EUR and the US dollar, in each case according to the exchange rate published by the National Bank of Romania for the relevant periods, on the website [www.bnr.ro](http://www.bnr.ro).



Average exchange rate compared to RON

| Year      | Euro        |            |         | At the end of the period |
|-----------|-------------|------------|---------|--------------------------|
|           | The highest | The lowest | Average |                          |
| 2019      | 4.7808      | 4.7182     | 4.7452  | 4.7793                   |
| 2020..... | 4,8750      | 4,7642     | 4,8371  | 4,8694                   |
| 2021      | 4,9495      | 4,8691     | 4,9208  | 4,9481                   |

Source: The National Bank of Romania.

| Year      | The US dollar |            |         | At the end of the period |
|-----------|---------------|------------|---------|--------------------------|
|           | The highest   | The lowest | Average |                          |
| 2019      | 4.3605        | 4.0573     | 4.2379  | 4.2608                   |
| 2020..... | 4,5316        | 3,966      | 4,2440  | 3,9660                   |
| 2021..... | 4,4127        | 3,9468     | 4,1604  | 4,3707                   |

Source: The National Bank of Romania.

## Rounding

Certain information within this Prospectus, including financial, statistical and operational information, has been rounded. Consequently, as a result of rounding, the total amounts presented in this Prospectus may vary from the arithmetic sum of those numbers. The percentages reflected in the tables have been rounded and therefore their addition may not lead to a 100% result. Calculations, variations and other percentages may differ slightly from actual calculations due to the rounding of the underlying financial, statistical or operational information.

## Economic, market and industry information

Information on macroeconomic trends, market position and other industry data relating to the activity of the Issuer and its subsidiaries (the “**Group**”), contained in this Prospectus, has been extracted from official sources and industry publications compiled by professional organizations and analysts, information from other external sources and the Issuer's knowledge of the market. Sources of this information, data and statistics include independent industry publications, market research, internal surveys, reports and estimates and other publicly available information. This information is subject to change and cannot be verified with complete certainty due to limitations on the availability and certainty of raw information and other limitations and uncertainties inherent in any statistical study.

Although the Issuer considers that the information from third parties included in this document is correct, that information has not been independently verified and neither the Issuer nor the Intermediary makes any statement or guarantees the correctness or completeness of the information, namely as included in this Prospectus. The Issuer confirms that the information in this Prospectus from third parties has been accurately reproduced and, to the extent that it is aware of and can assess this aspect of the data published by these third parties, no facts have been omitted that would result in the reproduced information be incorrect or misleading.

Where information from external sources is included in this Prospectus, its source has been identified.

## Communication of procedural documents and execution of civil obligations

The issuer is established in accordance with and is subject to the Romanian legislation. Most of the Board of Directors Members of the Issuer are resident in Romania, and the entities referred to in this Prospectus are organized according to the Romanian legislation. All or a substantial part of the assets belonging to these persons and entities are located in Romania.

Romanian law allows an action to be brought before a competent court in Romania for the recognition and enforcement of a final judgment *in personam* handed down by a court in an EU Member State, if the relevant conditions set out in EC Regulation no. 1215/2012 on jurisdiction, recognition and enforcement of judgments in civil and commercial matters, are fulfilled. However, there is a possibility that other conditions may be applicable regarding particular issues imposed by special Romanian legislation or international conventions. Similar rules on the recognition and enforcement of judgments handed down by foreign courts apply to judgments handed down in non-EU Member States which are parties to the 2007 Lugano Convention on Jurisdiction, Recognition and Enforcement of Judgments in Civil and Commercial Matters.

Judgments handed down by the courts of other non-EU Member States that are not parties to the 2007 Lugano Convention are subject to different requirements and thus the implementation of these judgments may be more difficult. Subject to special domestic law (including ratified international conventions) governing the recognition and enforcement of foreign decisions on certain matters, Romanian law allows an action to be brought before a competent court in Romania for the recognition of a ruling *in person* by a court of a state outside the EU, if the relevant conditions are met with regard to the recognition of foreign judgments established under the Romanian Code of Civil Procedure. In addition, the recognition and enforcement of foreign decisions in matters relating to administrative, customs, criminal or other branches of public law are subject to special legislation and certain additional conditions may be required.

### **Definitions and glossary**

Certain terms used in this document, including all capitalized terms and certain technical and other terms, are defined and explained in Part 18 of this Prospectus, “*Definitions and Glossary*”.

### **Information not included in this document**

No person has been authorized to give any information or make any statement other than those contained in this document and, if such information has been given and such statements have been made, it shall not be deemed to be authorized by the Issuer, Intermediary or any of their affiliates. Under no circumstances will the transmission of this document or any sale based on it imply that there has been no change in the activity of the Issuer or the Group since the date of this document or that the information in this document is correct at any time thereafter.

### **Information on forward-looking statements**

This document contains certain forecasts, estimates and forward-looking statements - which are statements about future events and not past events (in the general sense of the term and in the sense of the laws applicable to securities) - regarding the financial performance, the Issuer's operations and activities results, as well as of certain purposes and objectives of the Issuer in relation to these matters. Certain statements, including those concerning: plans to increase the Issuer's financial performance, expected levels of investment, prospects for creating added value in the future resulting from new investments at the Issuer's level, Issuer's prospects, including growth plans (organic or otherwise), exploring future growth opportunities, expectations about the impact of certain regulations on the Issuer's business, future capital expenditures, taxation, indebtedness and the Issuer's intention to maintain financial stability are naturally anticipatory.

These forward-looking statements involve risks, uncertainties, known or unknown, many of which are outside the Issuer's control and are all based on current assumptions and future estimates. Anticipatory statements are sometimes identified by the use of anticipatory expressions such as 'believe', 'expect', 'may', 'will be', 'could', 'should', 'risk', 'intend', 'is estimated', 'pursued', 'planned', 'predicted', 'continues', 'assumes', 'positioned' or 'anticipated' or the negative forms of these expressions, other variations thereof or similar expressions. These forward-looking statements include aspects that are not historical facts. These appear in several places in this document and include statements of the Issuer's intentions, considerations and expectations regarding, inter alia, operating results, financial position, liquidity, plans, development, strategies and dividend policy of the Issuer and the industry in which the Issuer operates. In particular, the statements in the sections entitled “*Summary*”, “*Risk Factors*”, “*Issuer Description and organizational structure*” and “*Business overview*” regarding the Issuer's strategy and future events or prospects are forward-looking statements.

These forward-looking statements and other statements contained in this document regarding non-historical facts imply predictions. No assurance can be given that such results will be achieved; subsequent events or results may differ materially as a result of the risks and uncertainties to which the Issuer is exposed. Subsequent results may differ materially from those expressed in such statements, depending on a number of factors, such as: receiving approvals from third parties and / or approvals from the authorities; operational issues; economic and financial market conditions; political stability and economic growth; legislative changes; development and use of new technologies; the success of partnerships; competitors, trading partners, creditors and others' actions; natural disasters; wars and acts of terrorism; cyber attacks or sabotage. In addition to the factors mentioned elsewhere in this document, those mentioned above are important, though not exhaustive, factors that may cause subsequent results and developments to differ materially from those expressed or implied by these forward-looking statements. New risks may arise from time to time and the Issuer may not predict all such risks. Such risks and uncertainties could cause actual results to differ materially from future results indicated, expressed or implied in such forward-looking statements. Such forward-looking statements contained in this document are made only as of the date of this document. The Issuer expressly

disclaims any obligation or commitment to update the forward-looking statements contained in this document to reflect any change in its expectations or any change in the events, conditions or circumstances on which such statements are based, unless which such an update is required by the provisions of the applicable law, the Prospectus Regulation or the information and transparency rules imposed by the Romanian legislation or by the regulations of the Bucharest Stock Exchange.

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## SUMMARY

This summary contains all information required to be included in a summary for this type of security and issuer. This summary should be read as an introduction to the Prospectus. Any decision to subscribe New Shares should be based on an exhaustive consideration of the Prospectus as a whole.

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A-D.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding that Element. In this case a short description of the Element is included in the summary with the mention “not applicable.”

| Section A – Introduction and warnings   |   |
|---|---|
| Element   |   |
| <b>A.1</b>  | <p>This summary must be read as an introduction to the Prospectus.</p> <p>Any decision to subscribe the New Shares should be based on a consideration of this Prospectus as a whole by the investor.</p> <p>Given the characteristics of the shares as securities, an investment in the shares, regardless of the issuer, gives rise to the risk of losing all invested capital in the event of bankruptcy or insolvency of the company, or of a part of such invested capital, respectively, in the event of a negative evolution on the capital market of the price of the New Shares, due to causes that are internal or external to the Issuer. Where a claim relating to information contained in the Prospectus is brought before a court, the plaintiff might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p> |
| <b>A.2</b><br>The name of securities and the international securities identification number (ISIN)  | <p>The New Shares are ordinary, nominative and dematerialised shares.</p> <p>On the date of their admission to trading on the Bucharest Stock Exchange, the New Shares will be registered with the ISIN ROJ8YZPDHWW8 and traded under the symbol “ONE”.</p>   |
| <b>A.3</b><br>The identity and contact details of the issuer, including its legal entity identifier (“LEI”)   | <p>The Issuer is a joint-stock company incorporated under the Romanian laws, with its registered office at 20 Maxim Gorki Street, District 1, Bucharest, Romania, registered with the Trade Registry Office attached to the Bucharest Court under no. J40/21705/2007, (EUID): ROONRC. J40/21705/2007, sole registration code 22767862.</p> <p>The LEI Code of the Issuer is: 254900MLAOUEFANMAD86</p> <p>The Issuer’s website is <a href="http://www.one.ro">www.one.ro</a>.</p>  |
| <b>A.4</b><br>The identity and contact details of the competent authority approving the prospectus and, where different, of the competent authority that approved the registration document or the universal registration | <p>The Romanian Financial Supervisory Authority (“FSA”), with its registered office at 15 Splaiul Independenței, District 5, postal code 050092, Bucharest, Romania.</p> <p>Fax: 021.659.60.51</p> <p>Telephone: 021.659.64.36</p>  |

|   |  |
|---|--|
| document.   |  |
| <b>A.5</b><br>The date of approval of the Prospectus  | 23 June 2022   |
| <b>Section B - Issuer</b>   |  |
| <b>Element</b>  |  |
| <i>Who is the issuer of the securities?</i>   |  |
| <b>B.1</b><br>Domicile and legal form, LEI code, the law under which it operates and its country of incorporation   | <p>One United Properties S.A. is a joint-stock company incorporated under the Romanian laws, with its registered office at 20 Maxim Gorki Street, District 1, Bucharest, Romania, registered with the Trade Registry Office attached to the Bucharest Court under no. J40/21705/2007, (EUID): ROONRC. J40/21705/2007, sole registration code 22767862.</p> <p>The LEI Code of the Issuer is: 254900MLAOUEFANMAD86.</p>   |
| <b>B.2</b><br>Principal activities  | According to its Articles of Incorporation the Issuer has as its main object of activity the activities of holding companies (NACE code 6420).   |
| <b>B.3</b><br>Major shareholders, including whether it is directly or indirectly owned or controlled and by whom  | <p>At the date of this Prospectus, a number of 2,574,140,294 ordinary, nominative, dematerialised shares, each with a nominal value of RON 0.20 have been issued in the share capital of the Issuer.</p> <p>At the date of this Prospectus, OA Liviu Holding Invest S.R.L., a company controlled by the founding shareholder Mr. Andrei-Liviu Diaconescu and Vinci Ver Holding S.R.L., a company controlled by Mr. Victor Căpitanu, holds a number of 766,012,422 Shares, representing 29.7579% of the Issuer's share capital (representing a 29.7579% participation in the Issuer's profit or loss and 29.7579% of the total voting rights in the Issuer). They hold together 1,532,024,844 ordinary shares, representing 59.5159% of the Issuer's share capital (representing a 59.5159% participation in the Issuer's profit or loss) and 59.5159% of the total voting rights in the Issuer), jointly exercising control over the Issuer.</p> |
| <b>B.4</b><br>The identity of its key managing directors  | The Issuer's board of directors is composed of the following members: Victor Căpitanu, Andrei-Liviu Diaconescu, Claudio Cisullo, Dragoș-Horia Manda, Augusta Valeria Dragic, Magdalena Součková and Marius-Mihail Diaconu. The Issuer's executive management is composed of: Victor Căpitanu, Andrei-Liviu Diaconescu and Cosmin Samoilă.  |
| <b>B.5</b><br>The identity of its statutory auditors  | Deloitte Audit S.R.L., with its registered office at 84-98 Calea Grivitei, The Mark Building, 9 <sup>th</sup> Floor, District 1, Bucharest, Romania, is registered with the Trade Registry under no. J40/6775/1995, having sole registration code 7756924, and is member of the Chamber of Financial Auditors of Romania, registered in the Public Registry of Financial Auditors under number 25/2001.  |
| <i>What is the key financial information regarding the Issuer?</i>  |  |
| <b>B.6 Selected financial information</b>   |  |
| <b>Consolidated Statement of Profit or Loss</b><br>The consolidated statement of profit or loss for the financial years ended 31 December 2021, 31 December 2020 and 31 December 2019, respectively, as extracted from the Annual Financial Statements: |  |
| <b>For the financial year ended</b>   |  |

|                                  | <b>31 December 2021</b><br><i>(audited)</i> | <b>31 December 2020</b><br><i>(audited)</i> | <b>31 December 2019</b><br><i>(audited)</i> |
|----------------------------------|---|---|---|
| <b>Total revenues</b>            | 1,132,155,192                               | 541,967,973                                 | 400,971,419                                 |
| <b>Operating profit/loss</b>     | 612,655,241                                 | 217,325,786                                 | 252,778,611                                 |
| <b>Profit attributable to:</b>   |   |   |   |
| - the owners of the Group        | 391,330,530                                 | 168,679,112                                 | 180,467,600                                 |
| - non-controlling interests      | 118,356,623                                 | 8,257,231                                   | 16,939,076                                  |
| <b>Net profit for the period</b> | 509,687,153                                 | 176,936,343                                 | 197,406,676                                 |

*Source: Annual Financial Statements (audited)*

The consolidated intermediate condensed statement of profit and loss and other elements of the global outcome for the period of three months ended on 31 March 2022 (unaudited and unreviewed), comparatively presented against the consolidated statement of the global outcome for the period of three months ended on 31 March 2021 (unaudited and unreviewed):

|                                  | <b>For the period of 3 (three) months ended on</b>        |   |
|----------------------------------|---|---|
|                                  | <b>31 March 2022</b><br><i>(unaudited and unreviewed)</i> | <b>31 March 2021</b><br><i>(unaudited and unreviewed)</i> |
| <b>Total revenues</b>            | 350,295,919   | 195,848,408   |
| <b>Operating profit/loss</b>     | 212,666,964   | 59,030,565  |
| <b>Profit attributable to:</b>   |   |   |
| - the owners of the Group        | 164,194,215   | 35,480,703  |
| - non-controlling interests      | 2,187,361   | 4,170,499   |
| <b>Net profit for the period</b> | 166,381,576   | 39,651,202  |

*Source: Interim Financial Statements (unaudited and unreviewed)*

#### **Consolidated Statement of Financial Position**

The consolidated statement of financial position as at 31 December 2021, 31 December 2020 and 31 December 2019 as extracted from the Annual Financial Statements:

|                          | <b>31 December 2021</b><br><i>(audited)</i> | <b>31 December 2020</b><br><i>(audited)</i> | <b>31 December 2019</b><br><i>(audited)</i> |
|--------------------------|---|---|---|
| <b>Total assets</b>      | 2,797,159,488                               | 1,703,754,599                               | 1,314,915,973                               |
| <b>Total equity</b>      | 1,646,957,216                               | 824,031,402                                 | 553,628,441                                 |
| <b>Total liabilities</b> | 1,150,202,272                               | 879,723,197                                 | 761,287,532                                 |

*Source: Annual Financial Statements (audited)*

The consolidated intermediate condensed statement of financial position at 31 March 2022 (unaudited and unreviewed), comparatively presented against the intermediate condensed statement of financial position at 31 March 2021 (unaudited and unreviewed):

|                          | <b>31 March 2022</b><br><i>(unaudited and unreviewed)</i> | <b>31 March 2021</b><br><i>(unaudited and unreviewed)</i> |
|--------------------------|---|---|
| <b>Total assets</b>      | 3,333,419,089   | 1,833,484,420   |
| <b>Total equity</b>      | 1,943,465,518   | 900,181,265   |
| <b>Total liabilities</b> | 1,389,953,571   | 933,303,155   |

*Source: Interim Financial Statements (unaudited and unreviewed)*

During the period between 31 December 2021 and the date of approval of the Prospectus, there has been no material adverse change of the Group's perspectives, financial or commercial position, except for the legislative and regulatory changes relevant for the Group's activities, presented in the Prospect, inflation, as well as political and military instability in the region, determined by the invasion of Ukraine by the Russian Federation in February 2022,

a determining cause for the substantial increase of construction materials' costs and inflation in Romania.

### Consolidated Statement of Cash Flows

|   | For the financial year ended  |                               |                               |
|---|-------------------------------|-------------------------------|-------------------------------|
|   | 31 December 2021<br>(audited) | 31 December 2020<br>(audited) | 31 December 2019<br>(audited) |
| Cash flow from operating activities                         | 216,494,391                   | 9,952,234                     | 71,789,518                    |
| Net cash flow used in investing activities                  | (272,123,887)                 | (153,760,458)                 | (104,775,933)                 |
| Net cash flow from financing activities                     | 393,005,011                   | 223,031,914                   | 29,255,428                    |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>337,375,515</b>            | <b>79,223,690</b>             | <b>(3,730,987)</b>            |
| Cash and cash equivalents as at 1 January                   | 170,971,646                   | 91,747,956                    | 95,478,943                    |
| <b>Cash and cash equivalents at the end of the period</b>   | <b>508,347,161</b>            | <b>170,971,646</b>            | <b>91,747,956</b>             |

Source: Annual Financial Statements (audited)

The consolidated intermediate condensed statement of cash flows at 31 March 2022 (unaudited and unreviewed), comparatively presented against the intermediate condensed statement of cash flows at 31 March 2021 (unaudited and unreviewed):

|   | For the period of 3 (three) months ended on |   |
|---|---|---|
|   | 31 martie 2022<br>(unaudited, unreviewed)   | 31 martie 2021<br>(unaudited, unreviewed) |
| Cash flow from operating activities                         | 166,381,576                                 | 39,651,202                                |
| Net cash flow used in investing activities                  | (98,367,487)                                | (42,493,631)                              |
| Net cash flow from financing activities                     | 114,244,179                                 | 91,298,955                                |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>57,844,240</b>                           | <b>87,773,020</b>                         |
| Cash and cash equivalents as at 1 January                   | 508,347,161                                 | 170,971,646                               |
| <b>Cash and cash equivalents at the end of the period</b>   | <b>566,191,401</b>                          | <b>258,744,666</b>                        |

Source: Interim Financial Statements (unaudited, unreviewed)

### B.7 What are the key risks that are specific to the Issuer?

- The Group may encounter difficulties in purchasing real estate that complies with its strategic investment criteria;
- The revenues obtained by the Group from the ongoing or planned residential real estate projects could be lower than the estimated gross development values (GDV);
- The Group's ability to raise funds for the acquisition of real estate and for the development of real estate projects may be affected, which could have a material adverse effect on the Group's activity;
- The Group may encounter difficulties in implementing its strategy and in completing real estate projects;
- The costs and period of development of the real estate projects may exceed the Group's initial expectations;
- The ownership titles over certain real estate properties owned or that may be acquired in the future by the Group's entities could be uncertain or challenged;
- The Group may base its decisions to purchase certain real estate properties on incomplete, incorrect or inadequate information; the assessment of such properties may also turn out to be incorrect;
- The crisis generated by the coronavirus pandemic may reignite, which may have significant negative consequences for the Group's activity;



|   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• The Group may face a shortage of available labour force, which could hinder the smooth running of the business;</li> <li>• The Group's activity could be affected by errors of the authorities in issuing endorsement and authorisation documents for the developed projects;</li> <li>• The Group may incur significant costs to ensure the compliance with the laws regarding its real estate projects;</li> <li>• The Group may be subject to the risk of default or non-fulfilment of the contractual obligations by the contractual partners;</li> <li>• The terms and conditions considered in the pre-sale activity might not materialize or undergo adjustments;</li> <li>• There is a risk that the Group will not be able to attract or retain key staff, directors, officers, employees and other persons without whom it would not be able to effectively manage its business;</li> <li>• If the Group does not maintain its reputation for the quality of its products and services, the Group's ability to attract new customers and retain the existing customers may be affected;</li> <li>• The Group's activity may be affected by the political and military instability in the region, determined by the invasion of Ukraine by the Russian Federation in February 2022, which determines a significant increase in the cost of construction materials and a demand decrease on the real estate market; and</li> <li>• Rising inflation could have significant negative consequences on the Group's performance</li> </ul> |   |
| <b>Section C – Securities</b>   |   |
| <i>What are the main features of the securities?</i>  |   |
| <b>C.1</b> Type, class and ISIN code  | The New Shares are ordinary, nominative and dematerialised shares.<br>The ISIN code for the Shares: ROJ8YZPDHWW8  |
| <b>C.2</b> Their currency, denomination per unit, the number of securities issued and the term of the securities  | The currency of the New Shares is RON, the national currency of Romania.<br>The denomination per unit of the New Shares is RON 0.20 and the number of New Shares is up to 330,017,986.  |
| <b>C.3</b> The rights attached to the securities  | <ul style="list-style-type: none"> <li>• Right to participate and to vote within the general meeting of shareholders (each New Share attaching one (1) vote);</li> <li>• Right to dividends, namely to participate in the distribution of the Issuer's net profit;</li> <li>• Preference right;</li> <li>• Right to information;</li> <li>• Right to elect, and be elected to, the management bodies;</li> <li>• Right of withdrawal in certain cases and conditions provided by law;</li> <li>• Right to participate in the distribution of assets in case of liquidation;</li> <li>• The right to challenge the decisions of the general meeting of shareholders;</li> <li>• The right to secure registration and confirmation of the ownership of shares issued by the Issuer;</li> <li>• Other shareholders' rights;</li> <li>• Obligation to report an important shareholding;</li> <li>• Obligation to make a mandatory takeover offer; and</li> <li>• Provisions regarding shareholders' squeeze-out from the Issuer.</li> </ul> |
| <b>C.4</b> The relative seniority of the securities in the issuer's capital structure in the event of insolvency,   | Not applicable.   |

|  |   |
|--|---|
| inclusively  |   |
| <b>C.5</b> Any restrictions on the free transferability of the securities  | The New Shares will be freely transferable, in accordance with the Romanian applicable laws and regulations. Certain transfer restrictions may apply depending on the Investor's jurisdiction.  |
| <b>C.6</b> The dividend or pay-out policy  | <p>The dividend distribution policy that the Board of Directors will consider in formulating the proposal to the Issuer's OGMS will be of up to 35% of its consolidated net profit at the Group level, but in any case, in compliance with any provisions regarding the distribution of dividends, contained in the financing agreements to which the Issuer or any Group member is a party. The Issuer intends to reinvest the rest of the consolidated net profit at Group level to finance its investment and development activities as set out in "<i>Part 4 - Description of Business</i>" of this Prospectus.</p> <p>In case there are deviations outside this range, such deviations will be substantiated and explained to the shareholders during the periods of their occurrence.</p> <p>The Issuer may pay out the dividends in the form of shares.</p> <p>In selecting a certain dividend pay-out ratio according to the Issuer's dividend policy, the Board of Directors shall take into consideration the following:</p> <ul style="list-style-type: none"> <li>• reducing the fluctuations in dividend yield from one period to the next, as well as the absolute dividend per share value;</li> <li>• the Issuer's investment needs and particularly opportunities;</li> <li>• any contributions of non-monetary items to net reported profit; and</li> <li>• cash resources available for dividend distribution as well as the Issuer's indebtedness.</li> </ul> |
| <i>Where will the securities be traded?</i>  |   |
| <b>C.7</b> Indication as to whether the securities are or will be subject to an application for admission to trading on a regulated market or for trading on an MTF and the identity of all the markets where the securities are or are to be traded;  | After the closing of the Offering, registration of the Share Capital Increase with the Bucharest Trade Registry Office, respectively the registration of the New Shares with the FSA and the Central Depository, the New Shares will be admitted to trading on the Spot Regulated Market of the Bucharest Stock Exchange, in the Premium category.  |
| <i>Is there a guarantee attached to the securities? - Not applicable</i>   |   |
| <b>C.8</b> <i>What are the key risks that are specific to the securities?</i>  |   |
| <ul style="list-style-type: none"> <li>• <b>The New Shares may not be a suitable investment for all investors.</b> Each potential subscriber in the New Shares must determine the suitability of that investment in light of its own circumstances.</li> <li>• <b>Certain shareholders will keep a significant holding at the level of the Issuer and will continue to exercise a substantial influence over the Group.</b> Their interests may differ from the interests of other shareholders or may conflict with such.</li> <li>• <b>Trading on the BVB may be suspended.</b> The FSA is authorized to suspend securities from trading or to request the BVB to suspend the trading of securities of a company listed on the BVB if such continuation of trading would negatively affect investors' interests, which could affect the securities' trading price and would impair their transfer.</li> <li>• <b>The Shares may be affected by market price volatility and their market price may fall disproportionately as a result of events unrelated to the Group's business performance.</b> The Maximum Subscription Price and the Subscription Price, respectively, do not indicate the transactional price of the Shares (including the New Shares after</li> </ul> |   |

the beginning of their trading). The market price of the Shares may be volatile and may be affected by large fluctuations. Thus, the market price for the Shares may not reflect the Issuer's real market value, and external factors could have an adverse impact on the trading price of the Shares, which may trigger losses for investors, regardless of the Issuer's activity.

## Section D – Offer and admission to trading

### D.1 Under which conditions and timetable can I invest in this security?

Preference Rights Holders may subscribe the New Shares through the Intermediary and any other Eligible Participant.

The Offer consists in offering for subscription to Preference Rights Holders up to 330,017,986 New Shares representing ordinary, nominative and dematerialised shares with a nominal value of RON 0.2 per share, as part of the Share Capital Increase.

A number of 7.8 Preference Rights is required to subscribe for one New Share. If the mathematical calculation results in fractions of New Shares that can be subscribed, the maximum number of New Shares will be rounded down to the nearest whole number. Preference Right will not be traded.

The Offer is addressed exclusively to Preference Rights Holders.

The subscription price of the New Shares offered in the exercise of preference rights will be equal to maximum RON [●] per New Share (the “**Maximum Subscription Price**”). At the time of the completion of the Private Placement, the final subscription price for the New Shares offered under the exercise of preemption rights (the “**Final Subscription Price**”) will be announced. The subscription price per New Share under the Private Placement will be equal to or higher than the Final Subscription Price. In the event that the Final Subscription Price is lower than the Maximum Subscription Price, Preference Rights Holders who have exercised their preemption rights will be refunded the difference between the Maximum Subscription Price and the Final Subscription Price.

**Admission to trading on a regulated market:** After the closing of the Offering and the completion of the Private Placement, respectively the registration of the Share Capital Increase with the Trade Registry Office attached to the Bucharest Tribunal, the FSA and the Central Depository, the New Shares issued under the Share Capital Increase will be traded on the Spot Regulated Market of the Bucharest Stock Exchange.

**Amount and percentage of immediate dilution resulting from the Offering:** If all the New Shares are subscribed, the Issuer's share capital will be increased by a number of 330,017,986 ordinary shares, with a nominal value of RON 0.2 each and a total nominal value of RON 66,003,597.20, representing an increase of approximately 12.82% compared to the level of the Issuer's share capital at the date of this Prospectus. The Offering is carried out pursuant to the exercise of the preference rights of the Preference Rights Holders. Therefore, if all Preference Rights Holders were to exercise their preference rights, no interest of any Preference Rights Holder would be diluted.

**Estimation of the total cost of the Offering, including the estimated costs charged to investors by the Issuer/offerrer:** The fees and expenses to be borne by the Issuer in connection with the Offering, including the FSA's fees, professional fees and expenses and the costs of printing and distribution of documents are estimated at approximately RON 7.69 million (assuming that all the New Shares will be subscribed within the Offering).

The Offer timetable:

| Event  | Time and date                |
|--|------------------------------|
| First day of the Offering                        | On 27 June 2022              |
| Closing of the preemption rights exercise period | On 26 July 2022              |
| Opening of the Private Placement                 | On 29 July 2022              |
| Completion of the Private Placement              | On or around 1 November 2022 |

|   |  |                               |
|---|--|-------------------------------|
| Commencement of trading of the New Shares on the Spot Regulated Market of the Bucharest Stock Exchange                                  |  | On or around 18 November 2022 |
| Who is the person asking for the admission to trading?  |  |                               |
| D.2   | Not applicable.  |                               |
| Why is this prospectus being produced?  |  |                               |
| D.3   | In the opinion of the Board of Directors, the Offering will allow the Issuer to obtain funds to finance the current activity of the Group and to finance ongoing projects and/or new real estate development projects.   |                               |
| D.4<br>Use and estimated net amount of proceeds   | By selling the New Shares in accordance with the Offering, it is expected that the Issuer will collect, in total, a net value of approximately RON [●] (assuming that all New Shares are subscribed within the Offering).<br><br>The proceeds obtained from the Offering will be used to finance the current activity of the Group and its ongoing projects and/or new real estate development projects. |                               |
| D.5 Indication of whether the offer is subject to an underwriting agreement on a firm commitment basis, stating any portion not covered | Not applicable.  |                               |
| D.6 Interests having an impact on the Offering  | On the date of this Prospectus, the Issuer is not aware of any interest, including conflict of interest, which is relevant for the Offering.   |                               |
| D.7 Who is the offeror?   | The offeror is the Issuer.   |                               |

**PART 1**  
**PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT**  
**AUTHORITY APPROVAL**

**1. Responsible persons**

**The issuer, One United Properties SA**, declares that it is a joint stock company established accordingly and validly operating in accordance with the laws of Romania, with its registered office in 20 Maxim Gorki street, District 1, Bucharest, Romania, registered with the Bucharest Trade Registry Office under no. J40 / 21705/2007, (EUID): ROONRC. J40 / 21705/2007, sole registration code 22767862 and accepts responsibility for the information contained in this Prospectus.

The persons responsible on behalf of the Issuer for the information contained in this Prospectus are the members of the Board of Directors and the Directors of the company, respectively:

- (i) Claudio Cisullo;
- (ii) Victor Căpitanu;
- (iii) Andrei-Liviu Diaconescu;
- (iv) Dragoș-Horia Manda;
- (v) Magdalena Součková;
- (vi) Augusta Valeria Dragic;
- (vii) Marius-Mihail Diaconu; and
- (viii) Valentin-Cosmin Samoilă.

**The Intermediary of the Offer is SSIF BRK FINANCIAL GROUP SA**, a joint stock company organized and operating according to the laws of Romania, registered in the FSA Register under no. PJR01SSIF / 120072, registered with the Trade Register with no. J12 / 3038/1994, having the sole registration code 6738423, with its registered office in Calea Moșilor no. 119, Cluj-Napoca, Cluj County (the “**Intermediary**”). The Intermediary assumes no responsibility for the exact, real and accurate nature of the information contained in the Prospectus or for other statements made or alleged to be made through it or on its behalf in connection with the Issuer or the New Shares, except for the information included in the sections included / verified by to the Intermediary in the Prospectus, namely Part 15 of this Prospectus, “*Information on securities to be offered / admitted to trading. Offer and Admission Information*”, and in the subscription and revocation forms, and with the exception of the liability assumed in respect of the subscription process through the agencies of the Intermediary, as referred to in Part 15 of this Prospectus, “*Information on securities to be offered / admitted to trading. Offer and Admission Information*” from the Prospectus.

The persons responsible on behalf of the Intermediary for the information contained in this Prospectus: Monica Ivan, General Manager.

**2. Statements of responsible persons**

Based on all knowledge of the Issuer (taking reasonable steps to ensure this), the information contained in this Prospectus is consistent with reality and does not contain omissions that may materially affect this information.

Based on all the knowledge available to the Intermediary (and taking all the reasonable steps to ensure this), the information contained in this Prospectus, for which it assumes responsibility in accordance with Section 1 above, is in accordance with reality and does not contain omissions that may significantly affect this information.

**3. Expert statements / reports**

Not applicable, except for audit reports presented in the Prospectus.

The Issuer auditor is **Deloitte Audit SRL**, an independent audit firm, which audited the Issuer's consolidated financial statements for the financial years ended December 31, 2020, and December 31, 2021.

Deloitte Audit SRL has its registered office in Calea Griviței no. 84-98 and 100-102, The Mark building, -9<sup>th</sup> floor, sector 1, Bucharest, Romania, it is registered with the Trade Register under no. J40 / 6775/1995, with the sole registration code 7756924, it is a member of the Romanian Chamber of Financial Auditors, registered in the Public

Register of Financial Auditors number 25/2001 and it is registered in the Electronic Public Register of the Authority for Public Oversight of the Statutory Audit Activity ("ASPAAS") under no. FA25, based on visa no. 123601/2019.

Deloitte Audit SRL has given its written consent and has not withdrawn it, for the inclusion of its audit reports, as included in this Prospectus and for references to them in the form and context in which they appear and approved the content of those parts of this Prospectus which contain its reports for the purpose of the Prospectus Regulation.

No person has been authorized to give any information or make any statement in connection with the Offer or subscription of the New Shares, except as contained in this Prospectus and, if such information has been given or made such statements, it should not be regarded as authorized by the Issuer, the Intermediary or their affiliates. If anyone provides any investor with information that is different or inconsistent with that contained in the Prospectus, it should not be based on such information.

This Prospectus is provided by the Issuer to enable potential subscribers to evaluate the opportunity to subscribe for the New Shares. This Prospectus is not intended to form the basis of any credit or other assessment and should not be construed as a recommendation by the Issuer or the Intermediary that any recipient of this Prospectus should subscribe for or purchase the New Shares. Neither the Intermediary nor any of its affiliates or consultants make any representations or warranties, express or implied, as to the accuracy or completeness of any information contained in this Prospectus or the Issuer's corporate, financial or commercial position and any information included herein. The Prospectus is not and will not be considered a promise or statement by the Intermediary regarding past or future events. Any all or part reproduction or distribution of this Prospectus or any disclosure of its contents is prohibited, unless the contents of the Prospectus are otherwise available to the general public and any use of the information in this document for any purpose other than the one for which it was prepared. The provision of this Prospectus must not, under any circumstances, create any presumption leading to the idea that there has been no change in the Issuer's activity since the date of this Prospectus, or that the information contained therein is correct at any time subsequent to the Prospectus. Accessing this Prospectus by each potential subscriber in the New Shares implies his agreement to the above.

The Intermediary makes no representations, either express or implied, as to the accuracy or completeness of any information in this Prospectus. Each potential subscriber to the New Shares should individually assess the relevance of the information contained in this Prospectus, and any subscription to the New Shares should be based on such independent verification as it deems necessary, including the assessment of the risks involved and the its own analysis of the adequacy of any such investment, taking into account in particular its own investment objectives and experience, as well as any other factors that may be relevant to such an investor in connection with the subscription of the New Shares.

Without prejudice to any obligation of the Issuer (for which the Intermediary assumes no responsibility) to publish current and periodic reports in accordance with the provisions of Law 24/2017, Regulation 5/2018, Regulation (EU) no. Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as well as any other applicable laws and regulations, neither the delivery of this Prospectus nor any subscription made in connection with it shall in any case create any implication leading to the idea that there has been no change in the activity of the Issuer from the date of this Prospectus or that the information contained therein is correct at any date thereafter.

The potential subscriber should not treat the information in this Prospectus as investment, legal or tax advice. Each potential subscriber should consult its own legal adviser, financial consultant, accountant and other advisers for legal, tax, commercial, financial and other related advisory services related to the investment in the New Shares. Neither the Issuer nor the Intermediary makes any statement regarding the legal nature of an investment in the New Shares made by a potential investor under the relevant legislation or similar investment legislation. Any potential subscriber who decides to subscribe for the New Shares has the obligation to understand and comply with the restrictions and limitations related to an investment in the New Shares, provided in this Prospectus. By subscribing to the New Shares, potential subscribers assume all liability incurred if that subscription or acquisition is considered illegal in their country of residence.

Except those expressly provided in this Prospectus, the information found on the Issuer's website, on any website referred to in this Prospectus or on any website containing direct or indirect links to the Issuer's website is not incorporated by reference to this Prospectus and any decision to subscribe the New Shares should not be based on this

information.

This Prospectus does not constitute nor is it part of any offer or invitation to sell or issue and does not constitute nor is it part of any solicitation of any takeover bid for any securities other than the securities to which it relates and / or does not constitute nor is it part of any offer or invitation to sell or issue those securities and does not constitute nor is it part of any solicitation of any offer to acquire such securities by any person, under any circumstances where the offer or request is illegal. The distribution of this Prospectus may be restricted by law (including on the basis of a mandatory or necessary authorization, approval or notification) in certain jurisdictions. The potential subscriber has the obligation to be informed of the existence of any such restrictions and to comply with them. Neither the Intermediary nor the Issuer has taken any action that would allow, other than in Romania and based on the Offer, the issue of an offer having as object the New Shares or the possession or distribution of this Prospectus or any other offer material or form in connection with the New Shares in any jurisdiction where such action would be required. This Prospectus may not be used for or in connection with any offer to, or request made by, any person in any jurisdiction or in any circumstances where such offer or request is not authorized or is illegal.

The Intermediary acts exclusively for the Issuer and, as a result, does not act for any other person in connection with the Offer, and will not be held liable to any other person for protecting its client or for providing consulting services regarding the Offer.

#### **4. Statement**

The responsible persons declare that this Prospectus was approved by the Financial Supervisory Authority, as the competent Romanian authority for the purpose of the Prospectus Regulation, by decision no. 750 of 23 June 2022. The Financial Supervisory Authority approves this Prospectus only from the point of view of meeting the standards of completeness, intelligibility and coherence imposed by the Prospectus Regulation, and such approval should not be considered an approval of the Issuer or the securities which is / are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities that are the subject of this Prospectus.

#### **5. The interests of the natural and legal persons involved in the issue / offer**

There is no conflict of interest that could significantly influence the issue / Offer.

## **PART 2**

### **RISK FACTORS**

*Any investment in the New Shares involves some risks. Before investing in the New Shares, potential investors must carefully consider the risk factors associated with any investment in the New Shares, the Group's business and the area in which the Group operates, as well as all other information contained in this Prospectus, including, in particular, the risk factors described below.*

*Potential investors should bear in mind that the risks relating to the Group, the industry in which the Group operates and those relating to the New Shares, as set out in the "Summary" section of this Prospectus, are the risks that the Issuer considers to be the most important for the analysis carried out by a potential investor in the context of his investment decision regarding the New Shares. However, as the risks to which the Group is exposed are related to events and depend on circumstances that may or may not materialize in the future, potential investors should consider not only the information on key risks described in the section entitled "Summary" of this Prospectus, but also the risks and uncertainties described below.*

*The occurrence of any of the following events could have a material adverse effect on the Issuer's business, prospects, operations results and financial condition. The risk factors described below are not an exhaustive list or an explanation of all the risks to which investors may be exposed when making an investment in the New Shares and should only be used for guidance. Additional risks and uncertainties regarding the Group that are not currently known to the Group or that the Group currently considers to be insignificant may also, individually or cumulatively, have a material adverse effect on the Group's business and operations results, as well as on the financial situation of the Group and, if such a risk materializes, the price of the New Shares could decrease and investors could lose the investment made, in whole or in part. An investment in the New Shares involves complex financial risks and is appropriate only for investors who (either alone or with a consultant specialised in the financial sector or in other sector) are able to assess the risks of such an investment and who have sufficient financial resources that allow them to bear the losses that may result from the investment. Potential investors should carefully consider whether an investment in the New Shares is appropriate for them, taking into account the information in this Prospectus and their personal circumstances.*

#### **RISKS RELATING TO THE GROUP'S OPERATIONS AND FIELD OF ACTIVITY**

***The Group may encounter difficulties in purchasing real estate that meets its strategic investment criteria.***

The identification and acquisition of real estate intended for the development of the Issuer's portfolio of real estate projects that meet the Group's strategic investment criteria is an important condition for the further development of the Group. The land available or potentially available, which meet the Group's strategic criteria, represent a limited resource. Non-identification, or difficulties in identifying such properties, the fact that once identified, such lands may not fully meet the requirements outlined by the selection criteria defined by the Group, as well as the increase in the price of such properties could substantially affect the Group's activity.

Moreover, the Group is active on a competitive market with respect to potential real estate acquisitions. Potential competitors could have an advantage from the following perspectives: they already have pre-existing commercial relationships with potential sellers, have access to financial, technical or other resources, or have more relaxed corporate governance and integrity rules, which could put the Group at a disadvantage in terms of acquisition opportunities. Some of the Group's competitors may have either lower capital costs or easier access to financing sources which may allow them to respond more quickly to acquisition opportunities or may have a greater risk tolerance or perform risk analyses other than those of the Group which they may allow them to accept less favourable conditions for potential acquisitions than the Group would. The Group's inability to purchase new real estate at favourable prices could affect the Group's prospects on medium term and the possibility of generating satisfactory financial results.

***The Group's revenues from ongoing or planned residential real estate projects could be lower than the estimated gross development values (GDV).***

Estimating the gross development value of a future project is inherently subjective, due to the specificities of each property, as well as the fact that this value may be affected by market conditions or other aspects beyond the Group's control. Factors such as the accelerated increase in the prices of construction materials, changes in applicable legal requirements (in areas such as urban planning, construction, environment and taxation), political and geopolitical conditions, state of the financial markets accessible to the Issuer, financial condition of potential buyers, inflation and bank interest rate fluctuations also contribute to a possible change in initial valuations.



The gross development values mentioned by the Issuer for future residential real estate projects (as included in this Prospectus) are only estimates and are based on assumptions (made based on elements such as construction costs, demand for housing units, average selling price of housing units, adjustment of the Group's supply to price increase in the market and potential variation in the estimated number of units included in projects), which may prove inaccurate. There is no assurance that the gross development values thus estimated and the developments proposed by the Group will reflect the actual selling prices achieved for the projects under development or planned. Failure to sell the number of housing units or the sales prices envisaged by the Group could lead to the loss of the estimated gross development values.

Any of the above factors could have a material adverse effect on the Group's business, operations results, financial condition or future prospects.

***The Group's ability to raise funds for the acquisition of real estate and the development of real estate projects could be affected, which could significantly adversely affect the Group's business activity.***

The development of the Issuer's real estate projects requires significant financial resources.

Optimization of the acquisition and development costs of the Group's real estate projects occurs when: (a) a sufficient proportion (on a case-by-case basis) of the housing units to be developed is contracted in advance through bilateral sale promises and (b) the Group obtains bank financing under acceptable conditions. A reduction in the volume of pre-sales or an overall increase in bank interest rates, including in the context of inflation, could lead to an increase in the financing costs of the acquisition of new real estate and in the development costs thereof. The inability of the Issuer to secure sufficient funds to finance real estate projects, to refinance debts or to obtain funding at an acceptable cost could adversely affect the Group's financial situation and development prospects. As a subsequent effect, the lack of timely and cost-effective funding can have a negative impact on the cost of project development, but can also affect execution elements, such as project completion times.

The liquidity the Group may also be adversely affected by late payments by promissory buyers or tenants. Also, the Issuer (as a representative of the single VAT tax group) or other subsidiaries of the Issuer (that are included in the single VAT tax group) may request a refund of the negative VAT balance (as the difference between VAT collected and deductible VAT), provided that certain conditions are met. Delays in the refund of VAT to the State Budget may affect the cash position and activity of the Group.

There is no assurance that the Group will have sufficient cash resources at all times to support its investment needs, expenses or debt service, in the case of the funding obtained by the Group. Difficulties in obtaining investment funds or maintaining a stable cash flow that can support the Group's operations could have a significant negative effect on the Group's business, prospects, results and financial condition.

***The Group may encounter difficulties in implementing its strategy as well as in completing real-estate projects.***

The Group may face difficulties in implementing its strategy, as well as in completing current or future real-estate projects, in current or future market conditions. It is also not certain at this time whether the implementation of the Issuer's strategy will lead to an increase in value for the Group. This depends, inter alia, on the availability of real estate acquisition opportunities, the availability of financing resources, the performance of the management team in the administration and development of the real estate held in portfolio and the other operational risks disclosed in this Prospectus.

Factors such as costs and inability to obtain the necessary authorizations for the development of the Group's projects could affect the Issuer's business plan based on obtaining added value from its projects. Even if implemented, there is no guarantee that the Group's business plan will be successful. Failure to implement the considered strategies (or not under the conditions initially anticipated) as well as failure to take advantage of all anticipated benefits from the implementation of these strategies may have negative effects on the Group's business, financial condition, operating results or prospects.

***The costs and duration of the development of real estate projects may exceed the Group's initial estimates.***

The Group faces the risk that certain projects will require more funding or more time to complete than anticipated in the initial estimates.

The increase in development costs can be caused by the variation of the costs in construction materials, design or execution errors, the increase of salary costs, the increase of energy costs, delays in the project execution schedule and inflation, in general. Also, construction activities, essential for the Group's real estate development activity, could

be adversely affected by natural or man-made events, without limitation to human error, theft or vandalism, adverse weather conditions, earthquakes, storms or other natural disasters and other natural phenomena or force majeure events, which may stop or delay the Group's construction activity. Moreover, both the Covid-19 pandemic and the Ukraine invasion by the Russian Federation in February 2022, respectively the accelerating inflation have contributed and are likely to contribute to such delays and increased costs in the Group's real estate project development activity in the future. These phenomena may adversely affect the Group's business depending on their intensity and frequency.

Given that the Group concludes bilateral sale promises for a significant proportion of the areas and housing units in the projects it develops, at the price set on the signing date of bilateral sale promises, with a significant advance compared to the time of completion of projects, inflation and increase in execution costs have a material negative impact on profit margins and may lead, in the event of significant delays, to the termination of the bilateral sale promises and the application of contractual penalties.

The risks listed above could have a negative effect on the Group's financial position, business, operations results or development prospects or, depending on the type of risk, even on the Group's reputation.

***Ownership of certain real estate owned or likely to be acquired in the future by the Group may be uncertain.***

The validity of the title to an immovable property is conditional on the validity of all previous transfers of ownership. Any application for restitution (in the case of immovable property abusively taken over by the State during the communist period) or ongoing litigation affecting title to property may lead to a possible loss of title to such property or part of it in favour of entitled persons who have filed those refund requests, depending on the applicants' rights and the procedural status of those refund requests. Moreover, the area and property boundaries entered in the Land Registry are not always correctly recorded or verified by comparison with other listed properties. Thus, the title deed over an immovable property can be vulnerable to border actions. Consequently, it is necessary and customary to carry out a (due diligence) analysis to assess the validity of all previous transfers related to such ownership, going as far back as possible in the chain of titles and transfers of ownership. This can often be difficult, as transfers of ownership have often not been properly documented over time or the relevant documents have not been preserved.

The legal due diligence process that the Group has undertaken or will undertake in the future with respect to any new acquisitions may not disclose all matters relevant to such acquisitions or any potential sources of liability that could adversely affect the business, financial position, operating results and prospects of the Group. If certain risks, which could be identified or not in the legal due diligence analysis process, materialize, such a situation may lead to the loss of title to the purchased immovable property or part of it, limitations on the right to use the immovable property, or contractual and legal liability of the various parties involved.

Disputing ownership over the immovable properties on which the Group has developed, is in the process of developing or plans to develop real estate projects may significantly adversely affect the Group's activities, including through legal expenses, uncertainty or slow recovery of investments in such properties, decrease in profit margins, impossibility of issuance or significant delays in issuing building permits and / or other necessary permits, approvals and plans, or inability to comply with obligations under contracts with promissory buyers, tenants or other co-contractors of the Group.

***The Group may base its decisions to purchase certain properties on incomplete, incorrect or inadequate information. The assessment of these properties may also prove incorrect.***

The Group's decisions to buy real estate at a certain price depend on a wide variety of factors, including those of a subjective nature, and it is very difficult to identify the fair value of certain real estate. Speciality assessments or due diligence reports deal with complex topics, such as business, tax, financial, accounting, environmental, technical or legal issues. These analyses can be performed by external consultants, depending on the type of transaction. In any case, these analyses are based on information provided by third parties or obtained independently, information which may prove incomplete, incorrect or inadequate, which is why these analyses may not reveal all the details relevant to the purpose of the transaction.

Taking into consideration the above, it is possible that the Group may acquire certain immovable properties at prices that subsequently prove to be disproportionate to the actual development potential, which could affect the Group's financial situation and development activity.

***The crisis generated by the coronavirus pandemic may reignite, which could have significant negative consequences on the Group's activity.***

The crisis generated by the Covid-19 pandemic was unprecedented, both in terms of cause and consequences, affecting the activity in most economic sectors and its effects continue to be felt, despite the lifting of restrictions imposed by the authorities in many countries, including Romania. Because of this, it is difficult for the Issuer to anticipate with certainty the evolution of the pandemic and its consequences on the global political, social and economic climate. A possible social and / or economic crisis may have serious negative consequences for the Group's business. Moreover, the crisis generated by the Covid-19 pandemic may have unpredictable consequences on liquidity availability at national level, at the level of the companies with which the Group is in business relations and at the level of potential customers. The possible insolvency of the Group's business partners or the lack of financial resources at the level of the Group's potential customers may adversely affect the Group's activity.

Also, the crisis generated by the Covid-19 pandemic had and may continue to have a negative effect on the office space rental market, by reducing demand. The measures that could be taken by the authorities in the event of a new outbreak of the pandemic, the change in business behaviour, but also the measures taken directly by many of the tenants that carry out or could carry out their activity in the Group's office buildings may lead to the temporary closure or substantial reduction of the use of office space, resulting in an increase of remote work, a trend which, although significantly reduced recently, may persist to some extent in the medium and long term. In this context, leases are negotiated more intensely than in the pre-Covid-19 period, with tenants seeking to gain as much flexibility as possible in terms of the contract, from shorter terms, unilateral termination rights or space reduction options during the contract. The average time to negotiate and conclude office space leases has also increased.

To the extent that the average use of office space by employees of current and potential Group tenants decreases, this will lead to a slowdown in the increase in demand for office space or even a decrease in it. In such circumstances, the demand for office spaces effectively rented may decrease, generating a slowdown in growth or even a decrease in rent value for office spaces. Such direct or indirect effects of the crisis caused by the Covid-19 pandemic can lead to reduced profitability, a decrease in the value of the Group's office buildings or even losses in connection with the Group's office space rental activity.

The Covid-19 pandemic is likely to have affected and continue to affect people's behaviour on medium and long term, which may force the Group to change its business strategy and the way it approaches the markets in which it operates, including for the purpose of repositioning itself on the market depending on the new social and economic conditions. A sudden and rapid change in the Group's business strategy may have negative consequences for its operations and the Group's activity and profitability in the medium and long term.

At the date of this Prospectus, the Covid-19 pandemic is still ongoing, despite the lifting of government restrictions and the state of alert, and its magnitude and economic impact still remain unknown. There is no guarantee that governmental or other actions/restrictions will not be resumed in the future, should the situation deteriorate or if additional restrictions are imposed.

***The Group may face a labour shortage, which could impede the proper course of business.***

The general labour shortage in Romania and in particular the shortage of skilled / specialized labour in the construction sector, as well as the growing demand for skilled / skilled labour could limit the development prospects of the Group. In addition, the labour shortage could lead to macroeconomic imbalances and can affect the business environment, adversely influencing the financial prospects of Romanian companies. The potential termination of the tax facilities applicable in the construction field starting with 2018, as well as the salary inflation in Romania could lead to increases in the Group's operating expenses. In addition, the need for the Group to provide competitive paylevel could lead to unforeseen and unsustainable increases in spending on employees and service providers.

In addition to the above, the availability of labour could continue to be affected by the Covid-19 pandemic. Although during the application of the Covid-19 pandemic restrictions the Group and, respectively, the entities contracted by the Group, have implemented social distancing, hygiene and disinfection protocols, as well as procedures for team sharing, shift work, staff separation and flexible work schedule in order to mitigate the risk of infecting an entire team and to ensure business continuity, there is no guarantee that, in the event of a new outbreak of the pandemic, the availability of skilled labour will not be disrupted or labour costs will not increase due to illness.

If the Group and its suppliers fail to manage the existing workforce and / or recruit sufficient staff in a timely manner, the Group's activity, prospects, results and / or financial situation at Group level could be significantly affected.

***The activity of the Group could be affected by errors of the authorities in issuing documents for endorsement and authorization of developed projects as well as by delays of the authorities in the endorsement and authorization***

***process.***

The development activity of the real estate projects carried out by the Group could be delayed, respectively significant costs could be incurred due to the errors of the authorities in the approval and authorization process. Such errors can materialize either through unfounded refusals or through documentation that subsequently requires the correction of errors or the modification of the projects considered by the Group in order to correspond to the parameters imposed by error by the authorities.

Any delay, cost or modification of a project due to an error of the authorities in issuing documents for the approval and authorization of projects developed by the Group may have negative effects on the business, financial situation, prospects and operational results of the Group. At the same time, the same consequences apply if the authorities unduly delay in issuing the necessary approvals and authorisations for the development of the Group's projects.

***The Group may incur costs to ensure compliance of its real estate development activity with the applicable laws.***

In the performance of its activity, the Group must comply with various national and European regulations, laws, as well as decisions / rulings / orders of the authorities regarding urban planning, environmental protection, occupational health and safety, taxes and other matters. In the event of non-compliance with these regulations, the Group may be required to pay fines, penalties and damages. In addition, changes in existing legislation or occurrence of new interpretations or applications thereof may lead to additional costs. In this case, they will affect the investment strategy, the operations, the accounting and reporting systems, with potential negative consequences on the Group's profitability.

The Group's projects must be developed pursuant to the building permits, town planning certificates and permits required to carry out the execution activities. Where town planning regulations are not in line with the Group's strategy, the Group will need to request the approval of new town planning documentations. The Issuer cannot be sure that the process of obtaining building permits, town planning certificates, other permits and, where applicable, new town planning documentations will be completed quickly enough and at reasonable costs so as to allow the rapid development of the Group's projects, without any delays.

Potential unexpected, untimely and / or arbitrary changes in town planning documentations can jeopardize projects that are in the development phase. Therefore, if the Group does not obtain the planning or permitting documentations or if the processes for obtaining them are delayed, the Group's costs may increase, which may have a significant adverse effect on the Group's business, financial condition and operating results.

***The Issuer's subsidiaries are subject to the risk of payment default or breach of contractual obligations by contractual partners.***

In the real estate development activity, the Issuer's subsidiaries entrust to third parties (e.g., in the construction activity) the provision of services or the delivery of goods. The third parties contracted by the Issuer's subsidiaries may encounter a wide range of problems in their activity (e.g., default, foreclosure, insolvency, etc.) which exposes the Group to the risk of non-performance of obligations by them. The materialisation of the risks to which the Group is exposed may result in financial losses. If a significant percentage of the Group's counterparties fail to meet their obligations or if the losses incurred as a result of default are significant, the results of operations will be adversely affected. If the losses caused by the breach of the contractual partners' obligations significantly exceed the values of the Group's provisions or require an increase in them, there could be a negative effect on the activity, financial situation and results of the Group's operations.

***The terms and conditions considered in the pre-sale activity may not materialize or they may change.***

The revenues budgeted as receipts from bilateral sale promises may be modified as a result of their termination, due to reasons attributable to either potential buyers (such as lack of financial resources or subjective changes in the intention to contract) or for external reasons (such as the modification of projects as a result of compliance with the opinions and authorizations obtained by the Group for the projects considered).

Thus, the Issuer's subsidiaries could be put in a position to return to potential buyers the advances paid by them, in the event of termination of bilateral sale promises, or try to renegotiate the terms of bilateral sale promises, in order to obtain more favourable terms. The occurrence of any of the following events could have a material adverse effect on the Group's business, operations results, financial condition, prospects or reputation.

***The Group may not be able to attract or retain key personnel, directors, officers, employees and others without whom it would not be able to effectively manage its business.***

The Group depends on the availability and uninterrupted service of key people, including Founding Shareholders. They are heavily involved in the day-to-day work of the Group and, at the same time, are responsible for strategic decisions, to ensure their implementation and to manage and supervise real estate development projects and the Issuer's activity in general. The loss of any of these key people can significantly affect the Group's ability to develop real estate projects, business plans and financial projections or marketing capacity effectively and within the parameters assumed by the development strategy. In particular, the constant involvement of Victor Căpitanu and Andrei-Liviu Diaconescu in pursuing the strategic objectives of the Issuer is a key factor for the continuous development of the Group and for maintaining and improving its competitive position. The future results of the Issuer depend to a large extent on the uninterrupted contribution of the Group's existing management and its ability to expand its management team by attracting new qualified members, who may be difficult to identify and recruit. If any of the Group's executives or other key persons terminate their employment or collaboration with the Group, the Group's business, prospects, operations results and financial condition could be materially adversely affected. Moreover, the loss of key people within the Group would mean that the experience gained in working with the Group could be used by competitors in the market.

***If the Group does not maintain its reputation for the quality of its products and services, the Group's ability to attract new customers and retain existing customers may be affected.***

The Group's ability to attract new customers depends partially on brand recognition and its reputation, associated with the quality of its products and services. The Issuer's reputation and brands may be affected if the promised quality standards do not materialise and/or if the Group fails to meet delivery deadlines for products and services, either due to technical difficulties, lack of necessary equipment, changes in offers, financial difficulties, defamatory public campaigns, actions led by the authorities, or any other reason.

Impairment of the Issuer's reputation and brands can have a significant negative impact on the Group's business, prospects, operations results and financial position.

***The Group's activity is based on materials and services provided by third parties. These suppliers may choose to discontinue the supply of their products or services, to try to impose uncompetitive prices on the Group, or to choose not to renew contracts with the Group.***

The Group has substantial collaboration relationships with certain suppliers of materials and services. These suppliers may, inter alia, unilaterally extend delivery time, supply unreliable equipment, unduly increase prices and limit or discontinue supply due to deficits, own business requirements or for other reasons. Although the Group is not totally dependent on the products, materials and services provided by certain suppliers, in many cases it has made substantial investments in relation to such suppliers, which can make it difficult to quickly find replacement suppliers if a supplier refuses to offer fair prices to the Group, ceases to produce the materials and products that the Group uses or no longer provides the services that the Group needs. If the materials, products or services are not provided to the quality level specific to the Group or if the suppliers are insolvent, the total or partial execution of the claims against the suppliers may be difficult or impossible. The occurrence of any of these risks may generate technical problems, damage the Group's reputation, lead to the loss of customers and may have a significant negative effect on the Group's business, prospects, results of operations and financial position. In addition, the Group's contractual obligations to its customers may exceed the scope of the guarantees that the Group has obtained from suppliers.

The Group is also exposed to risks associated with potential financial instability of its suppliers. Should the Group's suppliers interrupt the supply of certain materials and products, they would be unable to supply equipment that meets the Group's specific quality level or would interrupt the supply of equipment or services to the Group (either as a result of bankruptcy or for other reasons and the Group could not obtain satisfactory replacement products), these circumstances could have a significant adverse effect on the Group's business, results of operations and financial condition.

***Real estate development activity involves occupational safety and health risks.***

Failure to strictly comply with the Group's standards in the field of occupational safety and health could expose employees, subcontractors or the general public to risk of accident, and could lead to significant sanctions and damages, as well as damage to the Group's reputation. The same consequences also apply in the unfortunate event of a work accident on one of the Group's work sites (which may involve its own personnel or personnel of the entities

contracted by the Group). Compliance with operational, occupational safety, health and safety requirements is essential for the Group's success and reputation. Any deficiency in this matter (including any delay in changing occupational safety and health practices following the detection of any deficiency or change in any legal requirements), may lead to sanctions for non-compliance with the relevant legal requirements. Moreover, any serious work-related injury can lead to significant costs for the Group, i.e. it can damage the Group's reputation, having a significant negative effect on the Group's business, prospects, results of operations and financial position.

***The Group may purchase land/ office buildings, which could increase its risk profile, distract management or increase the Group's expenses.***

In the future, the Group could make active acquisitions, in its areas of activity or in other areas complementary to them. However, the Group's efforts to estimate the financial effects of any such acquisition on the Group's business may not be successful, and there can be no assurance that such acquisitions will be able to leverage the Group's business. In addition, the acquisition process involves a sustained effort by the Issuer's management, which may distract management from the Group's current activity, may divert financial or other resources from the Group's existing business or may require additional unbudgeted expenses. Such developments could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's ability to acquire assets may be limited by many factors, including the availability of financing, restrictive clauses in financing agreements, applicable regulations and competition on the market. If acquisitions are made, there is no guarantee that the Group will be able to generate the expected profit margins or cash flows or realize the anticipated benefits of these acquisitions. Although the Group analyses the assets that are the subject of the acquisition, these valuations are subject to a number of assumptions regarding profitability, growth, etc. There is no guarantee that the Group's assessments and assumptions regarding the acquisition objectives will prove to be correct and that actual developments may differ materially from its expectations.

There is no guarantee that the Group will successfully acquire new assets or that it will gain any of the benefits it anticipates as a result of these future acquisitions. If it makes acquisitions but does not acquire these benefits, these circumstances could have a material adverse effect on the Group's business, prospects, results of operations and financial position.

***Insurance policies taken out at Group level to insure certain risks may not cover all potential losses, liabilities and damages in connection with its business, with certain risks being uninsured or uninsurable.***

The Group's business involves a number of risks that are either not covered by the Group's insurance policies or are not insurable. Existing insurance at present or at any time in the future may not be sufficient to cover all potential losses or liabilities of the Group. Currently, the Group does not take out title insurance for all its projects, but only in certain cases.

Moreover, insurance claims can materialize after a long period. To the extent that the Group's estimates of insurance coverage are incorrect, the Group could suffer substantial losses as a result of uninsured or insufficiently insured risks. In addition, depending on the seriousness of the risks incurred and not covered by the insurance, the length of time until the payment of indemnities or insufficient insurance, the Group may not be able to meet its contractual obligations in a timely or agreed manner.

## **RISKS RELATED TO LEGAL, REGULATORY AND DISPUTE ISSUES**

***Failure to comply with applicable laws and regulations, additional government regulations applicable to the Group's activity or the result of government inspections may lead to costs, miscellaneous sanctions or unfavourable court decisions.***

The Group's operations and property are subject to the regulations of various entities, government agencies and local public authorities in connection with obtaining and renewing various licenses, permits, approvals and authorizations, as well as permanent compliance with, inter alia, environmental, health and security, labour law, construction and urban planning, protection of personal data, money laundering, combating terrorist financing and consumer protection laws, regulations and standards. Regulators may be subjective in enforcing and interpreting applicable laws, regulations and standards, as well as in issuing and renewing licenses, permits, notices, authorizations and monitoring compliance by licensees. In the Group's activity there may be cases where the way in which legal provisions are interpreted or applied by regulators is different from the interpretation given the Group's management. In this case, the Group's management may decide to challenge from time to time the regulatory decisions issued by the competent authorities, which could affect the Group's relationship with the authorities.

Competent authorities have the right to conduct regular inspections of the Group's operations and properties and do so frequently. Any such future inspection may lead to the conclusion that the Group has violated laws, decrees or regulations. There is a possibility that the Group will not be able to successfully challenge such findings or will not be able to remedy the breaches identified in such inspections.

Furthermore, the authorities may, from time to time, decide to change the interpretation of the applicable legal provisions, policies or points of view that apply in the Group's field of activity, in ways that may have a significant impact on the Group's operations.

***The real estate development activity may be hampered by the relationship with public authorities and by the decisions/orders issued by public authorities regarding town planning, environment, occupational health and safety, taxes and duties or other aspects.***

The real estate development activity involves the observance of numerous local, national and European regulations, as well as decisions/decisions/orders of public authorities regarding town planning, environment, occupational health and safety, taxes and duties and other aspects.

Where urban planning parameters are not appropriate or have not been regulated, it is necessary to develop a new urban planning documentation, obtain opinions from the relevant authorities and entities and approve this urban planning documentation by the competent local councils, respectively by the General Council of Bucharest. Furthermore, for the execution of construction works it is necessary to obtain a building permit, a process that in turn involves obtaining a set of approvals from public authorities and the development of technical documentation. For the operation of the buildings, a series of authorizations issued by the public authorities are required, such as the fire safety authorization, ISCIR, civil protection, etc.

The process of authorizing a real estate project is complex, can take place over periods of time that can vary between 6-9 months and 5-6 years and is dependent on the conduct of public authorities. For example, the practice of the local public authorities of the Municipality of Bucharest (the main market on which the Group operates) is unpredictable, given that the coordinating zonal urban plans for 5 out of the 6 sectors of the Municipality of Bucharest were suspended for a period of one year in February 2021 and the public authorities have taken positions that signal the intention to replace them in their entirety and to significantly reconsider the urban planning activity at the level of the Municipality of Bucharest. In addition, the coordinating zonal urban plans (PUZ) of sectors 3 and 6 of Bucharest were definitively cancelled by court decision in November 2021, and for sectors 2, 4 and 5 of Bucharest, the coordinating PUZs were suspended by court decision at the end of February 2022 until the resolution of the disputes concerning the validity of these documents. Moreover, the intention of the public authority seems to be to limit, hinder and/or slow down real estate developments by creating difficult situations for real estate developers, by the need to prepare new urban planning documentation for future projects.

A possible cancellation of the coordinating PUZ of Sector 2 could affect the authorization regime of some of the Group's projects which are currently in various permitting phases (such as One Floreasca Towers, One Lake District, One Lake Club and One High District). Also, in case the building permits for these projects were obtained before a possible cancellation of the coordinating PUZ of Sector 2, the building permits already obtained, if they were or had been contested by the time of issuing the decision to cancel those PUZs could be cancelled as a result of the cancellation of these PUZs. In any of these situations the Group could find itself in a position to resume the authorization process, generating delays in execution and delivery or even the need for redesign based on other urban parameters and losses for the Group and potentially affecting sales promises in connection with the projects affected. The validity of an individual administrative act, such as a building permit, can also be challenged by any interested third party by a plea of illegality. Such a plea may be raised at any time in a dispute pending before a court, provided that: (i) the case has a purpose/object other than the challenge of the relevant administrative act and (ii) the resolution of the plea is necessary for the resolution of that case. The plea of illegality is not time-barred. If a plea of illegality is upheld and the court finds that the administrative act was issued in breach of the legal requirements, the court shall settle the dispute in which the plea was raised without considering the administrative act declared illegal. In these circumstances, the administrative act declared illegal will continue to produce effects towards third parties, with the exception of the effects it would produce in the dispute in which the plea was raised and admitted.

In general, real estate development involves interactions with public authorities, including those chosen or appointed on political grounds. Some of the acts or positions of such authorities may be politically motivated, undertaken for publicity reasons, and in some cases such acts or positions may be related to the work of the Group and may cause difficulties, delays in the execution of the Group's projects or may damage its image, in both cases with significant

negative consequences for the Group.

The authorization process of the projects developed by the Group bears the risk of unpredictability of the conduct of public authorities and may be adversely affected by delays and limitations imposed by local public authorities. Also, given that the Group assumes to potential buyers, based on bilateral sale promises, certain deadlines for completion of projects, the conduct of the authorities may have an impact on the Group in the relation with potential buyers as the Group may be required to pay compensation for delays or extend deadlines in unfavourable economic conditions.

***Authorization documents for the Group's real estate projects may be the subject of appeals from third parties.***

To the extent that they can justify a legitimate interest, third parties have the possibility to challenge individual administrative acts or normative administrative acts by means of a direct action which is governed by partially different regulations, depending on the individual character (such as an authorization construction) or normative (such as urban plans) of the respective administrative act.

The interest in challenging an administrative act generally derives from the fact that the rights and legitimate interests of that third party are affected by that administrative act, which is usually assessed by the courts on a case-by-case basis.

It is also possible that during the execution of real estate projects, they may undergo changes that generate updates of the authorization documents or additional authorizations. Sometimes these modifications may lead to the need to suspend the construction during the obtaining of the modified or new authorizations, which leads to delays in the completion of the construction and the achievement of the final acceptance. This happened, for example, in the One Timpuri Noi project, where construction works were partially suspended during the obtaining of a new urbanism certificate, in order to complete the project in a more favourable height regime than initially planned. Delays in the completion of projects may lead to delays in receiving money from potential buyers, the need to pay additional amounts by the Group, increases in project costs and damage to the Issuer's reputation.

If third-party appeals are allowed and the authorization documents for certain projects developed by the Group are cancelled, the Group may be obliged to pay compensation to potential buyers to whom it has assumed certain contractual obligations, respectively to carry out works of abolition/modification and/or to obtain new authorizations, which could have a significant negative effect on the activity of the Group, the financial situation and the operational results.

***The immovable properties of the Group may be expropriated.***

In certain situations, public authorities may order the expropriation of an immovable property or part thereof, for a cause of public utility, on the basis of a fair and prior compensation. However, in practice there is no guarantee that the amount of compensation offered by public authorities will cover the market value of the expropriated property.

The expropriation of part of the Group's immovable properties with potentially inappropriate compensation could have a material adverse effect on the Group's business, financial condition, and results of operations. Moreover, even if the compensation is not fair in relation to the expropriated property(ies), the Group would not be entitled to challenge the measure ordered by the authorities, but only the amount of compensation. The procedure for contesting the amount of compensation is complicated, involving both an administrative and a judicial appeal stage (if appeals are exercised regarding the administrative stage). The costs of the appeal procedure may also have a negative impact on the Group's business.

***Changes in tax laws or interpretations as well as unfavourable decisions by tax authorities could have a material adverse effect on the results of the Group's operations and on cash flows.***

Romanian tax laws and regulations may be subject to change and there may be changes in the interpretation and application of tax law. These changes in tax law and/or the interpretation and application of tax law can be adopted/applied quickly by the authorities, which is difficult to anticipate and therefore the Group may not be prepared for these changes. As a result, the Group may face increases in taxes due if tax rates change or if tax laws or regulations are amended by the competent authorities in a manner that is unfavourable to the Group, which could have a significant adverse effect on cash flows, business, prospects, results of operations and financial condition for any reporting period affected.

In addition, the tax authorities may regularly exercise their powers of control over the Issuer's subsidiaries. The identification of deficiencies and the application of any sanctions or tax decisions could affect a different amount than anticipated by the Group's management, which could have a significant negative effect on cash flows, business,



prospects, results of operations and of the financial statement for any reporting period affected.

***The Group could face problems related to environmental protection, as well as restrictions imposed by environmental legislation and specific environmental protection costs in terms of purchased real estate and real estate projects developed by the Group.***

Romanian environmental legislation imposes existing and potential obligations to take remedial action at sites contaminated with hazardous or toxic substances. In such cases, the owner's liability is unlimited under the law and the costs of any remedial action, investigation and repair may be considerable.

The presence of hazardous or toxic substances under, on or inside any of the properties owned by the Group or liability for failure to take remedial action regarding contamination of buildings with these substances may have adverse effects on the Group's ability to capitalize on these properties or guarantee possible loans with these properties, which may have effects on its ability to generate profit.

Furthermore, the Group may be required in the future to comply with stricter environmental, health and safety laws or sanctioning policies than at present, or to be involved in environmental disputes or disputes. Both compliance with higher standards and the defences that the Group will have to make in potential litigation may result in significant costs being incurred which could adversely affect the results of the Group's operations.

If the competent authorities find violations of applicable environmental legislation, the Group may be required to pay fines or other penalties, which may significantly adversely affect the Group's business, financial condition, prospects and results of operations.

***Failure to comply with anti-corruption laws or the making of allegations of non-compliance could have a material adverse effect on the Group's reputation and activity.***

The perception of corruption in the public system and the business environment in Romania - especially in real estate - is a negative one, determined, among others, by the lack of transparency of public authorities during the processes of issuing planning documents, approval, authorization and reception of construction works, as well as information from the public space on corruption investigations targeting companies in the field of construction and real estate development.

Although in its activity, the Group complies with anti-corruption laws and those to prevent money laundering and terrorism, respectively applicable international sanctions (by adopting strict policies, organizing employee training sessions, respectively by appointing a manager), the Group may face the risk that some members of the Group or its directors, directors, members of management bodies, employees, agencies or business partners may take action or interact with persons who violate the above provisions and face charges that it had violated these provisions.

If a member of the Group or any of its directors, directors, members of its management bodies, employees, agents or business partners is charged or convicted of violating anti-corruption laws, money laundering and terrorism prevention laws, and international sanctions, respectively applicable in relation to any aspect of the Group's business, such allegations or infringements could have a material adverse effect on the Group's reputation and activity by:

- the application of criminal sanctions against members of the Group or its administrators, directors, members of its management bodies or employees;
- confiscation of property owned by the Group;
- termination of certain agreements of the Group at the request of contractual partners; and
- affecting the Group's ability to comply with certain obligations in the contracted financing documents, namely the ability to contract new financing.

In addition, any charges, criminal investigation proceedings or convictions against the Group (including the directors, executives, members of governing bodies, employees, agents or business partners) for violating anti-corruption laws, money laundering and terrorism prevention laws, and applicable international sanctions, could have a negative impact on public opinion regarding the Group (including the effectiveness of its compliance policies and procedures in this area). Should such a situation become a reality, the Group's relations with public authorities, trading partners or its creditors, as well as its degree of attractiveness as a trading partner, may suffer, which may adversely affect the business, the financial situation, prospects and results of the Group's operations.

***The Group may be subject to fines, damages or other penalties and may be subject to negative publicity as a result***

***of legal proceedings, contractual claims and disputes.***

Given the specificity of the real estate development activity, there is a risk that a wide range of interested parties will initiate civil disputes regarding the property or use rights over the real estate, renting, selling, redeveloping or repositioning them or regarding the quality of the works of construction.

Such persons may claim the invalidity of property titles under applicable law as a result of insolvency, fraud, derisory pricing, manifest misappropriation, fraud of creditors or as a result of non-compliance with other requirements for the transfer of ownership (e.g. breach of consent of one of the contracting parties, lack of authentication by a notary public, lack of civil capacity to use or exercise, etc.). There is also a risk that architects, contractors or other service providers will issue claims regarding the business contracts concluded with the Group. According to the Civil Code, the contractor and the architect benefit from a legal mortgage right on the construction in order to guarantee the payment of the amounts owed by the beneficiary under the enterprise contracts. If this right has not been expressly waived and the Group does not pay these persons on time, the mortgage rights may be enforced resulting in financial losses and delays in the development of the projects.

When selling real estate, the Group may be required, either by law or contractually, to provide statements and guarantees and/or compensation in connection therewith and to pay damages to the extent that any such statements and guarantees prove inaccurate and/or claims are made in connection with such compensation. Also, certain categories of persons (such as potential buyers in bilateral sale promises) benefit from a legal mortgage set up on real estate developed by the Group.

Any contestation on the property right over real estate, termination of leases, delays or cancellations of the development of real estate projects, appeals on how to obtain permits/authorizations, disputes regarding declarations, guarantees, legal mortgages and compensations associated with contracts of sale of real estate or other types of disputes may have a substantial adverse effect on the Issuer's financial position, prospects and results of operations, as well as on the Group's reputation.

***Failure to protect the Group's trademarks and to ensure the continuity of ownership of them could significantly affect the Group's business.***

The main trademarks of the Group (such as ONE UNITED PROPERTIES, ONE VERDI PARK, ONE COTROCENI PARK, ONE TOWER, ONE FLOREASCA TOWERS etc.) are significant assets of the Group, and its success depends on its ability to protect its ownership rights to those assets.

The Group relies on legal regulations to establish and protect its intellectual property rights, but cannot be assured that the actions it has taken or will take in the future will be sufficient to prevent infringements of these intellectual property rights of the Group.

Despite the Group's efforts to protect its trademarks, however, there are trademarks for which such protection has not yet been obtained. The Group may also need to initiate litigation in order to exploit or exercise its registered trademarks or to defend the Group against alleged infringements of the rights of third parties. Negative advertising, legal action or other such factors could cause an erosion of the value of the Group's trademarks, which could have a significant negative effect on the Group's business, financial condition and operating results.

**RISKS RELATED TO INVESTMENTS IN ROMANIA**

***Political and military instability in the region can have significant negative consequences for the Group's activity***

Political and military instability in the region, determined by the invasion of Ukraine by the Russian Federation in February 2022, preceded by the loss of control of the Crimean Peninsula to the Russian Federation and the conflict in Eastern Ukraine with pro-Russian separatists in 2014, as well as international sanctions imposed on the Russian Federation as a result of these events, may lead to deeply unfavourable economic conditions, social unrest or, at worst, widespread military confrontation in the region. The effects are largely unpredictable and may include a drop in investment, significant currency fluctuations, increases in interest rates, reduced availability of credit, trade and capital flows, increases in energy prices, etc.

Another effect of this instability, which may affect the Group's business, is an increase in the cost of construction materials, caused, among other things, by the decrease in the supply of raw materials, generated by the military conflict in Ukraine. Global supply chains, which have already been severely disrupted during the Covid-19 pandemic, are facing further disruption. Specifically, the Russian Federation and Ukraine are key suppliers of metals, raw materials and chemicals. The Russian Federation controls the fourth largest copper reserves globally and is a major producer of

nickel and platinum, while Ukraine is one of Europe's largest producers of iron ore, titanium and manganese, and has the third largest shale gas reserves in Europe. There is thus an expectation that access to, and production of, these materials will be hampered, with prices already on the rise.

Furthermore, political and military instability in the region, the upward trend in inflation rates, and rising interest rates are causing and may continue to cause a significant drop in demand in the housing market. Thus, at least in the short term, the number of real estate transactions is expected to decline amid uncertainty generated by the military conflict, in conjunction with other factors such as rising interest rates and rising inflation.

These and other unforeseen adverse effects of the crisis situations in the region could have significant negative consequences for the Group's business, prospects, results of operations and financial position.

***The upward trend in the inflation rate could have significant negative consequences on the Group's financial performance.***

The National Bank of Romania (“NBR”) expects the annual inflation rate to increase sharply in the second quarter of 2022, reaching 14.2% in June 2022, peaking during April 2022, when the support programmes for household electricity and gas consumers expire, compared to 8.6% as previously projected, and to decline but only gradually over the next three quarters of 2022, on a much higher path than projected. Thus, the inflation rate in December 2022 is expected to be 12.5% (compared to 5.9% in the forecast).

The unpredictability of the inflation rate may have negative effects on the Group's business by making it more difficult for the Group to estimate the total costs of its activities and creating a potential misalignment of the prices charged by the Group to customers with the Group's costs, with a significant negative effect. A significant difference between the expected inflation rate in a given period and the actual amount recorded in that period may have a material adverse effect on the manner in which the Group allocates its resources, thereby influencing its business, financial availability, prospects and profitability.

Moreover, an unpredictable increase in the inflation rate may lead to macroeconomic imbalances, characterised by rising interest rates, lower living standards and a general slowdown in the development of the Romanian economy, which may contribute to a decrease in demand in the real estate market, which could have significant negative consequences on the Group's business, prospects, results of operations and financial position.

***Rising interest rates in Romania could have significant negative consequences on the Group's financial performance***

Measures introduced to control inflation, such as an increase in the key interest rate, could have a significant negative impact on the Group's financial performance by reducing the number of credit contracts concluded for the purchasing of dwellings. Any increase in interest rates being reflected by an increase in the Group's financial costs.

Furthermore, a significant increase in the key interest rate may contribute to a decrease in mortgage applications and indirectly to a decrease in property prices, which could have a material adverse effect on the Group's business, prospects, results of operations and financial position

***Romania's economy is more vulnerable to fluctuations in the global economy than developed economies. Negative economic developments globally could have an adverse effect on the value of the issued Shares.***

Romania's economy is more vulnerable to the global economic decline. The impact of global economic developments (such as the change in euro area monetary policy on interest rates in EUR or the increase in reference interest rates by the Federal Reserve, the central bank of the United States) is often felt more strongly in emerging markets, such as Romania, than in developed markets.

As in the past, the volatility of financial markets leads to an increase in perceived risks associated with investments in emerging economies and, therefore, could reduce foreign investment in Romania. In this case, the Romanian economy could face serious liquidity problems which could lead, among other things, to increased tax rates or the imposition of new taxes and duties, with a negative impact on activity, operating results and the financial situation of the Group.

***Any decrease in Romania's credit ratings by an international rating agency could have a negative impact on the New Shares.***

Romania's long-term sovereign rating in both national and foreign currency currently has the ratings BBB- (stable) given by S&P, Baa3 stable) given by Moody's and BBB- (negative) given by Fitch. The decrease in Romania's credit rating given to debt in national or international currency by these international rating agencies (especially in the event

of a significant downgrade) may have a negative impact on the Group's ability to obtain financing as well as on interest and other interest margins and other commercial conditions under which such financing would be available. Negative effects on the Group's ability to obtain financing may also have a negative effect on the Group's business, prospects, operating results and financial condition.

***A potential deterioration of the general economic, political and social conditions in Romania could have negative effects on the Group's activity.***

The Group's success is closely linked to the general economic developments in Romania. Negative developments or the general weakening of the Romanian economy, declining living standards, limited liquidity resources of potential customers and rising unemployment could have a direct negative impact on demand in the Romanian real estate market. The deterioration of Romania's economy may lead to a reduction in the number of customers, a higher number of bad-paying customers and/or may lead to an increase in unrented space or a decrease in rents for office buildings and an increase in the Group's chances of profit or even loss, given the failure or delay in achieving budgeted cash flows.

In recent years, Romania has undergone far-reaching political, economic and social changes. As is to be expected from emerging markets, they do not have the full business infrastructure, legal and regulatory framework that generally exists in more mature free market economies. Also, the Romanian tax legislation is subject to multiple, various interpretations and may undergo frequent and sometimes sudden or rapidly implemented changes.

The direction in which the Romanian economy is heading in the future remains largely dependent on the effectiveness of economic, financial and monetary measures adopted at government level, as well as on developments in the fiscal, legal, regulatory and political fields. Unfavourable economic conditions in Romania, fiscal uncertainty and increased taxation could ultimately have a direct and/or indirect negative impact on the prices charged for the Group's products and services, especially by declining demand in the real estate market.

In the event that the Group does not successfully manage the risks associated with its activity on the Romanian market, any such developments may adversely affect the Group's business, reputation, operating results and financial condition.

***Corruption could create a difficult business climate in Romania.***

Corruption is one of the main risks faced by companies whose operations take place in Romania. The international and local media, as well as international organizations, have issued numerous alert reports on the level of corruption in Romania. For example, Transparency International's 2021 Corruption Perceptions Index, which assesses corruption data in countries around the world and ranks it on a scale from 1 (least corrupt) to 100 (most corrupt), ranked Romania on the 67th place (2020: 69, 2019: 70; 2018: 61), with a rating of 45 points.

There have been reports that corruption has affected the judicial systems and some regulatory and administrative bodies in Romania, including at the level of the local authorities with which the Group interacts or could interact, which may be relevant to the Group's activities. Although it is difficult to predict all the effects of corruption on the Group's operations, they may slow down, inter alia, the obtaining of licenses, permits, approvals and authorisations required to carry out its business. Therefore, corruption could have a significant negative effect on the Group's business, prospects, results of operations and financial position.

***Romania's difficulties in connection with its integration into the European Union may have a significant negative effect on the Group's activity.***

Romania joined the European Union in January 2007 and continues to undergo legislative changes as a result of EU accession and continued EU integration. As part of the accession process, the EU has established a series of measures that Romania must comply with in order to meet the basic requirements for EU membership. The European Commission has been tasked with monitoring Romania's progress, through the issuance of annual compliance reports, through the Cooperation and Verification Mechanism.

If Romania does not comply with the measures it must comply with in order to meet the basic requirements for EU membership or does not implement the recommendations issued by the European Commission under the Cooperation and Verification Mechanism, it may be subject to EU sanctions which could have a significant negative effect on the financial operations, investments and capital flows of the country and, consequently, on the activity, prospects, results of operations and financial situation of the Group.

***The legal and judicial system in Romania is less developed than those in other European countries, which makes***

***an investment in Shares riskier than the investments in securities of an issuer operating in a developed legal and judicial system.***

The legal and judicial system in Romania is less developed than those in other European countries. Commercial, competition, capital market law, company law, insolvency law and other branches of law in Romania are relatively new to judges, and related legal provisions have been and continue to be subject to constant change as new laws are adopted in order to keep pace with the transition to a market economy and European Union law. It is possible that the existing laws and regulations in Romania are applied inconsistently or interpreted in a restrictive and non-business-oriented way. In certain circumstances, obtaining timely legal remedies may be impossible in Romania. The relatively limited experience of a significant number of magistrates practicing in Romania, especially with regard to issues in the capital markets, as well as the existence of issues related to the independence of the judiciary, can lead to unfounded decisions or decisions based on they are not grounded in law.

In addition to the above, case resolution can sometimes involve considerable delays. The judicial systems in Romania are underfunded compared to those of other European countries. Enforcement of judgments can be difficult, which means that enforcement through these court systems can be laborious, especially if unfavourable judgments can even lead to the cessation of business or the loss of jobs. This lack of legal certainty and the inability to make use of effective legal remedies in a timely manner can have a negative effect on the business and can also make it difficult to resolve any claims that investors in Shares may have.

The uncertainty that characterizes the Romanian judicial system could have a negative effect on the economy and could thus determine an unsafe environment for investments and, consequently, on the activity, operating results, financial situation, and prospects of the Group.

***The leu may be subject to high volatility.***

The leu is subject to a variable exchange rate regime, through which its value against foreign currencies is established on the interbank exchange market. The monetary policy of the NBR is aimed at inflation. The floating exchange rate regime is aligned with the use of inflation targets as the nominal anchor of monetary policy and allows for a flexible policy response to unforeseen shocks that could affect the economy. The NBR does not envisage a certain level or a certain range for the exchange rate. The NBR's ability to limit the leu's volatility depends on a number of economic and political factors, including the availability of foreign exchange reserves and the volume of new foreign direct investment.

Any changes in the perceptions of global investors on the global economic prospects or of Romania can lead to the depreciation of the Romanian leu. A significant depreciation of the leu could adversely affect the country's economic and financial situation, which could have a substantial negative effect on the Group's business, operating results and financial condition.

**RISKS RELATED TO THE ISSUER'S FINANCIAL POSITION**

***The Issuer may not be able to finance its current or future investments or may not be able to meet its obligations under the concluded financing agreements.***

There is no guarantee that the Issuer will be able to generate or accumulate sufficient funds to cover the long-term capital expenditures envisaged or that it will be able to cover them at a reasonable cost. The terms and conditions under which future funding will be made available to the Group may not be acceptable to the Group or there may not even be any funding available. Moreover, if the level of contracted loans increases in the long run, the Group may be subject to additional financial restrictions. The long-term inability to raise sufficient funds to finance the Issuer's projects could have a negative effect on its ability to grow and achieve its established performance objectives and could result in unforeseen costs or delays in implementing the Group's projects.

Also, there can be no assurance that in the event of unforeseen changes, the Issuer's cash flow will be sufficient to pay future liabilities. Failure to pay principal and/or interest on the agreed terms, or any future financings or breach of any commitments entered into by the loan agreements may result in the performance of the collateral provided by the Issuer, including mortgages or the acceleration of the term of the obligations or could make it difficult or even impossible to borrow in the future. In these circumstances, the Issuer may also become obliged to sell part of its assets in order to meet its payment obligations. Any of the events described above could have a negative effect on the activity, financial situation, prospects or results of the Issuer's operations. The Issuer is obliged to comply with the provisions of restrictive debt clauses, which may limit its ability to finance future operations and capital needs, to pursue business opportunities and to carry out activities.

Although all of these limitations are subject to significant exceptions and qualifications, these obligations could limit the Issuer's ability to finance potential new projects and capital needs and to continue acquisitions and other commercial activities that may be of interest to it.

If the Issuer fails to comply with any of these obligations, it will be in a situation of default of its financial obligations and the relevant creditors could declare the principal amount and accrued interest on the applicable loans as due and payable after any applicable remedy period. These restrictions could have a material adverse effect on the Issuer's ability to finance potential new projects or capital needs or to engage in other activities that may be of interest to it.

***Land and real estate are low-liquidity assets that may substantially limit the Issuer's financial liquidity.***

Land and real estate are relatively illiquid. Although according to the Issuer's strategy, the purpose of the land acquisition by the Group is the development of real estate projects and not the sale of such land, to the extent that the Group needs liquidity or to the extent that certain land is no longer useful for the Group's development plans, the Group could be put in the situation of immobilizing significant sums in these properties.

The low liquidity of these assets can affect the Issuer's ability to sell them in a relatively fast time and at a satisfactory price when needed, which can affect the activity in the short and medium term.

Due to the low liquidity of the Group's assets and other factors, if the Issuer is unable to generate positive cash flows from its operating activities, it may be unable to sell assets in its portfolio on advantageous terms.

**RISKS RELATED TO THE OFFER AND THE NEW SHARES**

***Certain Shareholders will retain a significant interest in the Issuer and will continue to exercise substantial influence over the Group as a result of the Offer, and their interests may differ from or conflict with other Shareholders.***

Assuming that the Size of the Offer is equal to the Maximum Size of the Offer, immediately after the Share Capital Increase, the Founding Shareholders, through the companies controlled by them will continue to jointly control at least 52.749% of the total voting rights of the Issuer (each controlling at least 26.37% of the total voting rights of the Issuer, if none of them subscribes, through controlled companies, for New Shares in the preference rights exercise phase nor in the Private Placement).

According to the Articles of Incorporation, the quorum requirements for both convocations of the EGMS, respectively for the first convocation of the OGMS is 50% + 1 of the total number of voting rights (present or represented), the decisions being adopted with the majority of voting rights expressed higher quorum and majority requirements in cases expressly provided by law). According to the applicable laws, at the second convocation of the OGMS, the assembly may deliberate on the items on the agenda of the first assembly, regardless of the quorum, taking decisions by a majority of the votes cast. Therefore, decisions cannot be adopted within the EGMS, respectively within the OGMS at the first convocation, if neither of the Founding Shareholders is present or represented.

Thus, by voting in favour of certain items on the agenda, the Founding Shareholders will be able to exercise control over matters that require shareholder approval, including the payment of dividends and the approval of important corporate transactions. The interests of the Founding Shareholders may not always be identical to each other and/or may not be the same as those of the other Shareholders.

***The risk of a possible cancellation of the Share Capital Increase and/or the Offer.***

Decisions taken by the GMS of a joint stock company may be challenged in court by a third party justifying an interest. In addition, public share offers, such as the Offer, may be cancelled if the conditions for approving the Prospectus have not been met or if the approval decision issued by the FSA regarding the Prospectus is annulled.

Consequently, if the decision adopted by the EGMS approving the Share Capital Increase or the subsequent acts thereto (including, but not limited to, the decision of the Board of Directors finding the completion of the Offer) is declared null and void or if the Offer is cancelled, the New Shares will be cancelled, and their holders have the right to be reimbursed the subscription price by the Issuer. Holders of cancelled New Shares who have purchased those New Shares following a market transaction at a price higher than the subscription price will incur a loss equivalent to the difference between the acquisition price of the New Shares and their subscription price. Any delay of the Trade Register in approving and registering the Share Capital Increase will cause delays in the delivery to investors of the New Shares and in their admission to trading. In addition, if a court orders the suspension of the EGMS decision approving the Share Capital Increase, as well as any subsequent decisions following a request for annulment, whether

or not such annulment is ordered, the period during which the New Shares will not be delivered to investors and admitted to trading will expand accordingly.

***The New Shares may not be a suitable investment for all investors.***

Each potential investor in the New Shares must determine the extent to which that investment is appropriate to their own circumstances. Specifically, each potential investor should:

- have sufficient knowledge and experience to make their own proper assessment of the advantages and benefits of investing in the New Shares;
- have access to, and knowledge of, the appropriate analytical tools to assess, in the context of its specific financial statement, an investment in the New Shares as well as the impact that such investment will have on its investment portfolio;
- have sufficient financial resources and liquidity to bear all the risks of an investment in the New Shares;
- be able to assess (alone, or with the help of a specialised consultant) possible scenarios on the factors that could affect the investment and its ability to bear the associated risks.

It is not recommended for potential investors to invest in the New Shares unless they have experience in assessing (alone or with the help of a specialised consultant) how the New Shares will behave in the context of changing circumstances, what are the effects of these changes on the value of those New Shares and what is the impact that this investment could have on the overall investment portfolio of the potential investor. Investment activities are subject to applicable investment laws and regulations and/or analysis or regulations issued by certain authorities, and each potential investor should discuss with his or her specialised consultants or relevant regulators.

***Trading on the Bucharest Stock Exchange may be suspended.***

FSA is authorized to suspend the trading of securities or to request the Bucharest Stock Exchange to suspend from trading the securities traded on the Bucharest Stock Exchange, if the continuation of trading would adversely affect the interests of investors or to the extent that the relevant issuer violates its obligations incumbent upon it according to the relevant laws and regulations on securities. Also, the Bucharest Stock Exchange has the right to suspend from trading the Issuer's Shares in other circumstances, in accordance with its regulations. Any suspension could affect the trading price of the Issuer's Shares and affect the transfer of the Issuer's Shares.

***The Shares may be affected by market price volatility, and the market price of Shares may decrease disproportionately as a result of events unrelated to the performance of the Group's business.***

The Subscription Price and the Offer Price, respectively, do not indicate the market price of the New Shares after Admission. The market price of Shares (including the New Shares) may be volatile and may be affected by large fluctuations. The market price of the Offered Shares may fluctuate due to a large number of factors, including, but not limited to, the factors mentioned in these "Risk Factors", as well as due to variations from one period to another of the operating results or changes in revenue or any profit estimates made by the Issuer, industry participants or financial analysts. Also, the market price could be adversely affected by events unrelated to the performance of the Group's business, such as, for example, the performance and share price of other companies that investors may consider comparable to the Issuer, media speculation or in the investor community regarding the Group, unfavourable press articles, strategic actions of competitors (including acquisitions and restructurings), changes in market and legislative conditions. Any of these factors can cause significant fluctuations in the price of Shares (including the New Shares), which could lead to a negative return for investors.

***The issuance of additional Shares of the Issuer, any incentive plan, stock options or debt reduction (or others) may dilute the holdings of existing shareholders.***

The Group may seek to attract funding for future acquisitions and other growth opportunities, may issue shares to implement stock option plans for the granting of shares to members of the Group's management or employees, or to obtain financing to reduce indebtedness. To achieve these or other purposes, the Issuer may issue additional equity securities or convertible securities – for example, the Issuer has approved, as a matter of principle, within its EGMS of 26 April 2022 an issue convertible senior unsecured bonds, with or without discount, with a total nominal value of up to EUR 150,000,000 or the equivalent thereof in any other currency, with a fixed or variable interest rate, as the case may be, and with a maturity not exceeding three (3) years, and which shall be governed by any applicable law, with the possibility of exercising the shareholders' preference rights. In the event that any New Shares remain

unsubscribed as a result of the Offer and the Private Placement and are thereby cancelled, the Board of Directors may decide to issue convertible bonds without preference rights to shareholders, convertible into a number of shares of the Issuer equal to the number of shares cancelled subsequent to the Offer and the Private Placement. Therefore, the percentage of ownership of existing shareholders may be diluted or the market price of the Shares may be adversely affected. As a result, the holdings of those shareholders in the Issuer's share capital may be diluted.

***The Issuer's ability to pay dividends to shareholders may be limited.***

The Issuer is a holding company and, as such, its ability to generate income and pay dividends to Shareholders depends on the ability of its subsidiaries to declare and pay dividends to the Issuer. The actual payment of future dividends by the Issuer, the payment of dividends by the Issuer's subsidiaries to the Issuer, if any, and their amount will depend on a number of factors, including (but not limited to) the amount of distributable profits and reserves, investment plans, achievement of budgeted revenue, level of return, rate of indebtedness of equity, applicable restrictions on the payment of dividends in accordance with applicable law and restrictions in credit agreements (of the Issuer or its subsidiaries), the level of dividends paid by other companies listed from the same business sector or related sectors and other factors that the Board of Directors may consider relevant at certain intervals. Therefore, the Issuer's ability to pay dividends in the future may be limited and/or the Issuer's dividend policy is subject to change. If the Issuer does not pay dividends in the future, raising the price of the New Shares, if any, would be the only source of gain for investors.



### PART 3

## ISSUER DESCRIPTION AND ORGANIZATIONAL STRUCTURE

### Identification data

The Issuer's name is One United Properties SA

The Issuer is a joint stock company incorporated and operating in accordance with the laws of Romania, with its registered office located in Str. Maxim Gorki nr. 20, District 1, Bucharest, Romania, registered at the Trade Register under number J40 / 21705/2007, (EUID): ROONRC. J40 / 21705/2007, sole registration code 22767862, LEI code 254900MLAOUEFANMAD86 and is a tax resident in Romania. According to the Articles of Incorporation, the Issuer operates for an indefinite period.

The share capital of the Issuer is RON 514,828,058.8, divided into a number of 2,574,140,294 registered, dematerialised shares, with a nominal value of RON 0.20/share.

The Initial Public Offering for the Issuer's shares took place from 22 June to 2 July 2021, at the end of the trading session on 2 July the final offer price was set at RON 2.00 per share, resulting in a post-IPO market capitalization of RON 2.86 billion. In the Initial Public Offering, the Issuer raised approximately RON 260 million from investors, the Issuer's shares debuting on the Main Market of the Bucharest Stock Exchange under ONE symbol on 12 July 2021. Therefore, the Issuer became the third largest Romanian entrepreneurial company listed on the Bucharest Stock Exchange and entered the top ten listed companies, according to market capitalization after completion of the Initial Public Offering. Recognition of the Initial Public Offering's success was publicly acknowledged with the "Listing of the Year" award at the Forbes Best Office Buildings Gala held on 24 February 2022.

The Issuer's shares are consistently among the most traded financial instruments on the Bucharest Stock Exchange on the main market, the premium segment, the average daily value traded for the shares during the period 12 July – 31 December 2021 being RON 1,858,448. On 31 December 2021, the Issuer had 4,775 shareholders, with a 50% increase from the date of the Initial Public Offering, and as of 13 May 2022, the Issuer had over 5,500 shareholders, an increase of 74% from the date of the Initial Public Offering.

The increase in the trading volume of the Issuer's shares during 2021 was driven by multiple factors, such as: the inclusion, on 20 September 2021, of ONE shares in several indices of the Bucharest Stock Exchange (BET, BET-TR, BET-BK, BET-XT, BET-XT-TR and BET Plus) and, as of 20 December 2021, the inclusion of ONE shares in the FTSE Global All Cap and FTSE Global Small Cap index. The FTSE Global All Cap index is a market-capitalisation weighted index representing the performance of the large-, mid- and small-cap stocks in developed and emerging global markets.

The Issuer's shares benefit from an increased attention from a large number of financial analysts, being among the most followed Romanian shares, having 6 financial analysts at the date of the Prospectus (within BRK Financial Group, BT Capital Partners, Goldring, Ipopema Securities, Raiffeisen Bank, Swiss Capital and Wood & Co). In addition, the Issuer benefits from the *market making* services provided by SSIF BRK Financial Group S.A. and Raiffeisen Bank International AG. Furthermore, in February 2022, the affiliate of Raiffeisen Bank International AG, Raiffeisen Centrobank AG, launched four structured products – two *turbo long* certificates and two call option rights (warrants) that have ONE shares acting as underlying asset.

In furtherance of the sustainability strategy implemented by the Issuer, in December 2021 the Issuer joined United Nations Global Compact, the largest global corporate sustainability initiative. By joining the UN Global Compact, the Issuer pledged to support the Ten Principles of the UN Global Compact on human rights, labour, environment, and anti-corruption, as well as committed to regular reporting on progress. One of the first initiatives of the Issuer after joining the UN Global Compact was the partnership with Veolia România Soluții Integrate S.A. aimed at implementing sustainable energy efficiency solutions in the Issuer's residential real estate projects. The first two residential real estate projects that will benefit from this partnership are One Lake District and One Peninsula.

Moreover, to promote sound corporate governance policies, the Issuer has committed to publish an annual Sustainability Report and has already published a Sustainability Report for 2020. The Sustainability Report for 2021 will be published in the first semester of 2022. At the date of the Prospectus, the Issuer is in the process of being evaluated for the purpose of obtaining an ESG Rating from Sustainalytics (an independent leader in the field of research, rating and analysis of ESG).

On 12 April 2022, One United Properties has announced the establishment of the Environmental, Social and Corporate Governance (ESG) Committee which will assist the Board of Directors in defining the sustainability strategy. This is

the first ESG Committee appointed by the Board of Directors of a leading Romanian company.

The Issuer became in 2021 an Associate Member of the Romanian Investor Relations Association (ARIR) and obtained a maximum VEKTOR score of 10 points (out of a total of 10 possible points). VEKTOR is the communication indicator with investors for the companies listed on the stock exchange and is published on the website of the Bucharest Stock Exchange (BVB) on the page of each listed company in the regulated market.

At the date of the Prospectus, each of the Shareholders OA Liviu Holding Invest S.R.L., a company controlled by the Founding Shareholder, Mr. Andrei-Liviu Diaconescu, and VINCI VER Holding S.R.L., a company controlled by the Founding Shareholder Mr. Victor Căpitanu holds 766,012,422 shares, representing 29.758% of the Issuer's share capital (representing a share of 29.758% in the Issuer's profit or loss and 29.758% of the total voting rights). These Shareholders thus hold together a number of 1,532,024,844 ordinary shares, representing 59.516% of the Issuer's share capital (representing a share of 59.516% in the Issuer's profit or loss and 59.516% of the total voting rights), jointly exercising control over the Issuer.

According to the decision of the EGMS of the Issuer of April 26, 2022, it was approved (i) the increase of the share capital of the Issuer by up to RON 66,003,597.2 ("**Share Capital Increase**"), by issuing a number of up to 330.017.986 new ordinary, registered, dematerialised shares, each with a nominal value of RON 0.20 and a total nominal value of RON 66,003,597.2, in view of the Offer and (ii) the approval of the delegation of the EGMS' duties regarding the decision to increase the share capital of the Issuer to the Company's Board of Directors pursuant to the provisions of art. 114 para. (1) and art. 220<sup>1</sup> para. (2) of the Companies Law, respectively the provisions of art. 86 para. (2) of Law no. 24/2017, with the power to remove or restrict the shareholders' preference right pursuant to the provisions of art. 217 of the Companies Law and of art. 86 para. (3) and art. 88 para. (1) of Law no. 24/2017 and Art. 2201 para. (3) of the Company Law, for a period of three (3) years, through one or more issues of ordinary, registered and dematerialised shares, with a nominal value not exceeding a quarter of the subscribed share capital, existing at the time of the decision and authorization, namely by up to RON 23,647,626 in order to carry out and implement the provisions of any share allocation program (such as "stock option plan") approved by decision of the EGMS no. 50 of 18 May 2020 and by decision of the OGMS of April 19, 2021 point 6, as subsequently amended and supplemented.

The email address of the Issuer is [office@one.ro](mailto:office@one.ro), and the Issuer's website is [www.one.ro](http://www.one.ro). Please note that the information found on the Issuer's website is not part of the Prospectus. The Issuer has implemented upon the listing on the Bucharest Stock Exchange a section with information of specific interest for investors ("*Investor Relations*" section) and an e-mail address dedicated to them [investors@one.ro](mailto:investors@one.ro).

The Issuer is the holding company of the Group. The Group's activity is carried out through the Issuer's subsidiaries.

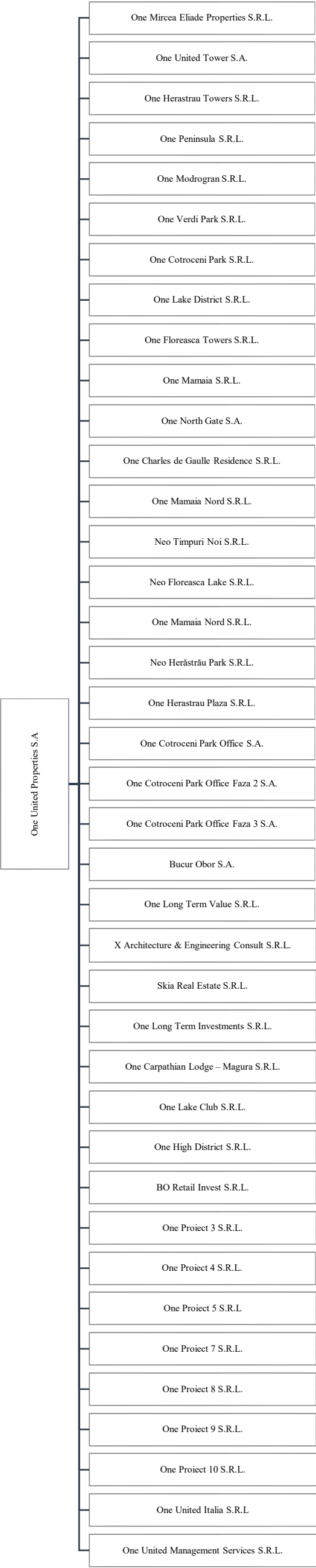
The main subsidiaries of the Issuer at the date of this Prospectus are:

| Name                                   | Country of establishment and registered office | Percentage of participation | Field of activity       |
|--|--|-----------------------------|-------------------------|
| One Mircea Eliade Properties S.R.L.    | Romania  | 100%                        | Real estate development |
| One United Tower S.A.                  | Romania  | 70.24%                      | Real estate development |
| One Herastrau Towers SRL               | Romania  | 100%                        | Real estate development |
| One Peninsula S.R.L.                   | Romania  | 100%                        | Real estate development |
| One Modrogan S.R.L.                    | Romania  | 99.99%                      | Real estate development |
| One Verdi Park S.R.L.                  | Romania  | 95%                         | Real estate development |
| One Cotroceni Park S.R.L.              | Romania  | 80%                         | Real estate development |
| One Lake District S.R.L.               | Romania  | 98%                         | Real estate development |
| One Floreasca Towers S.R.L.            | Romania  | 99.98%                      | Real estate development |
| One Mamaia S.R.L.                      | Romania  | 99.98%                      | Real estate development |
| One North Gate S.A.                    | Romania  | 62.405%                     | Real estate development |
| One Charles de Gaulle Residence S.R.L. | Romania  | 99.99%                      | Real estate development |
| Neo Timpuri Noi S.R.L.                 | Romania  | 95%                         | Real estate development |
| Neo Floreasca Lake SRL                 | Romania  | 95%                         | Real estate development |
| One Mamaia Nord S.R.L.                 | Romania  | 95%                         | Real estate development |
| Neo Herăstrău Park SRL                 | Romania  | 82%                         | Real estate development |
| One Herastrau Plaza SRL                | Romania  | 98%                         | Real estate development |
| One Cotroceni Park Office S.A.         | Romania  | 57.25%                      | Real estate development |
| One Cotroceni Park Office Faza 2 S.A.  | Romania  | 57.25%                      | Real estate development |
| One Cotroceni Park Office Faza 3 S.A.  | Romania  | 80%                         | Real estate development |

| <b>Name</b>                                 | <b>Country of establishment and registered office</b> | <b>Percentage of participation</b> | <b>Field of activity</b>            |
|---|---|------------------------------------|-------------------------------------|
| Bucur Obor S.A.                             | Romania   | 54.44%                             | Trade                               |
| One Long Term Value S.R.L.                  | Romania   | 98%                                | Holding                             |
| X Architecture & Engineering Consult S.R.L. | Romania   | 80%                                | Architectural and planning services |
| Skia Real Estate S.R.L.                     | Romania   | 51%                                | Real estate agency                  |
| One Long Term Investments S.R.L.            | Romania   | 100%                               | Real estate development             |
| One Carpathian Lodge – Magura S.R.L.        | Romania   | 66.72%                             | Boutique Hotel                      |
| One Lake Club S.R.L.                        | Romania   | 100%                               | Real estate development             |
| One High District S.R.L.                    | Romania   | 100%                               | Real estate development             |
| BO Retail Invest S.R.L.                     | Romania   | 100%                               | Holding                             |
| One Proiect 3 S.R.L.                        | Romania   | 100%                               | Real estate development             |
| One Proiect 4 S.R.L.                        | Romania   | 100%                               | Real estate development             |
| One Proiect 5 S.R.L.                        | Romania   | 100%                               | Real estate development             |
| One Proiect 7 S.R.L.                        | Romania   | 100%                               | Real estate development             |
| One Proiect 8 S.R.L.                        | Romania   | 100%                               | Real estate development             |
| One Proiect 9 S.R.L.                        | Romania   | 100%                               | Real estate development             |
| One Proiect 10 S.R.L.                       | Romania   | 100%                               | Real estate development             |
| One United Italia S.R.L.                    | Romania   | 100%                               | Real estate development             |
| One United Management Services S.R.L.       | Romania   | 100%                               | Holding                             |

In addition to the majority holdings indicated above, the Issuer holds interests in CCT & ONE AG (indirect participation of 49.9%), as well as in the companies Reinvent Energy SRL, Glass Rom Impex SRL and One Property Support Services SRL (a 20% stake in each of the above-mentioned companies).

The organization chart below presents in a simplified form the structure of the Group at the date of this Prospectus.



## PART 4 BUSINESS OVERVIEW

*Investors should read this Part 4 together with the more detailed information included in this Prospectus, including financial information.*

### GENERAL PRESENTATION

The Issuer is one of the most important investors and developers on the Romanian real estate market in the residential segment (present in Bucharest and Constanța, including Mamaia, as well as Buzău), which is its main business segment, to which the real estate development activity in the office segment and mixed-used residential-commercial projects, real estate investment activities (land and buildings purchased for investment purposes), office rental, leasing of retail and service premises, as well as other related activities are added.

The Issuer's activity is organized in five income-generating directions:

- *investment activity – which comprises:*
  - (i) the acquisition of assets (land, office buildings or other buildings) identified as having good potential for growth in value; after the acquisition, as a result of the process of improving the quality of the target assets, for example by improving the level of leasing (including as a result of improvements and renovations undertaken by the Group), or the low cost of acquisition, a return on investment is generated for further developments or gains from completed real estate investments, depending on the nature of the property;
  - (ii) the acquisition of participations (in principle, majority / controlling shareholdings) in various companies holding real estate assets with good growth potential; following the acquirement of control by the Issuer, it envisages the implementation of performance improvement processes aimed at increasing profitability and ensuring medium and long-term incomes;
  - (iii) the purchase of assets (land, office buildings or buildings with other destinations) at prices that represent real estate opportunities at a significant discount from the market price, in order to constantly expand the Issuer's asset portfolio, either to develop own projects or to capitalize on at a later date, when an offer to sell at a price substantially higher than the purchase price is identified;
- *the activity of development and sale of residential properties* - this consists in the acquisition of land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the real estate construction process (residential or mixed residential-commercial), respectively of the related infrastructure; coordinating marketing campaigns, the sale of residential units and the sale of commercial premises within mixed-use residential-commercial projects; gains from this activity are mainly generated by the difference between the development costs and the sales prices of the real estate thus developed;
- *office property development activity* - this consists in the acquisition of target land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the process of building buildings for office premises; coordinating marketing campaigns and renting office space; gains from this activity are generated by the development activity as the difference between the value invested at cost and the market value of the project;
- *leasing of retail and service premises* - this activity consists of the acquisition of assets (land or buildings) as well as the acquisition of significant shareholdings in companies (closed or open) specialising in the retail sector; gains from this activity are generated from several sources, namely gains from development activity as the difference between the invested value at cost and the market value of the project, rental gains, gains from the positive development of shareholdings held by the Issuer, as well as gains from dividends; and
- *the activity of development and renting the properties owned by the Group* - it consists in the lease of apartments, of spaces in office buildings and of spaces with commercial use within mixed-use projects and generates repetitive rental income.

The activity of development and sale of residential properties, representing housing units (mainly apartments) in the categories “medium”, “medium-high”, “high” and “very high” prices, located in exclusive / high interest areas for residential spaces in Bucharest and Constanța (including Mamaia) generated revenues amounting to RON 147.4

million, 437.5 million and RON 703.3 million in the years ended December 31, 2019, 2020 and 2021, respectively RON 197.2 million for the three months period ended on 31 March 2022, the targeted customers being mainly those who purchase housing units respectively for their own use, to a significantly more reduced extent being those who purchase these units for rent or buy them as an investment. Overall, the Issuer has a portfolio of completed residential projects with a gross development value (GDV) of over EUR 296 million and other projects under development / planning of EUR 1,386 million (*Source: Issuer*), both values as of May 31, 2022. As of the date of this Prospectus, the Issuer has completed residential projects that include 834 housing units, with another over 5,600 units under development and planning, of which over 1,600 are under construction (*Source: Issuer*).

In the activity of developing office properties, the Issuer develops Class A offices, located in areas of Bucharest that are attractive for business. For the financial years 2019, 2020 and 2021, the three projects that make up this category are One Tower (which was completed at the end of 2020) and One Cotroceni Park Office Phase 1 (which was completed at the end of 2021) and One Cotroceni Park Office Phase 2. The value increases associated with the development of these projects have resulted in revenues of RON 165 million in 2019, RON 55.4 million in 2020 and RON 314,1 million in 2021, respectively. In its investment activity, the Issuer acquired, in 2017, the One North Gate project and in 2020 a minority stake in One Herăstrău Office, a project currently managed by the Issuer. Also, the Issuer acquired a significant number of lands during this period, lands that experienced valuable appreciations. The increases in value associated with the land acquired in the investment activity of the Issuer resulted in revenues of RON 36.3 million, RON 37.4 million and RON 69.8 million in the years ended December 31, 2019, 2020 and 2021.

The land portfolio in the planning phase represents an important source of real estate development projects for the future, with an area of approximately 161,898 sqm and 16,395 sqm existing buildings which will be developed or reconfigured. (*Source: Issuer*). For the vast majority of lands owned by the Group either the building permit was obtained or the town planning certificate was obtained in order to obtain the building permit. The Issuer is also in the process of evaluating and discussing the acquisition of additional land for its future developments.

Regarding the Group's activity in the office rental segment, the rental income amounted to RON 16.5 million, RON 1.7 million and RON 11.8 million in the years ended December 31, 2019, 2020 and 2021), respectively RON 6.6 million for the three months period ending on 31 March 2022 (which also includes the impact of the results generated by Bucur Obor and consolidated in the retail division). The office rental segment is not a main line generating income in these periods (it is anticipated that this segment will become a main line starting with 2022, once the development of the Issuer's large office projects is completed). Through the majority participations in the five (5) projects on the office segment (acquired, developed or under construction), as well as the minority participation in One Herăstrău Office, the Issuer has at its disposal a total leasable area of over 135,000 sqm (*Source: Issuer*). In years 2020 and 2021, as well as in the three months period ended on 31 March 2022, the Group entered into a number of significant leases for its completed or in the process of completing office buildings, such as One United Tower, One Cotroceni Park – Office Phase 1 (Building A and Building B) and One Cotroceni Park – Office Phase 2 (Building C). It is estimated that these new leases will generate significant rental income from the 2022 financial year.

The Issuer has implemented a disciplined and analytical internal process regarding the acquisitions of land, each transaction being negotiated in detail, being subject to a thorough assessment of the associated costs and potential revenues generated by each land, with the aim of ensuring that a project that will meet the profitability and liquidity requirements outlined in the Group's strategy (i.e., mainly taking into account a gross profit margin of at least 30%) can be developed on such land. In particular, the Issuer considers the acquisition of well-positioned land, taking into account factors such as exclusivity of the area, available infrastructure, connections to transport networks, proximity to green spaces, schools, offices, locations for recreation, which represent, in the Issuer's view, significant factors that play a major role in the purchase decision made by customers when choosing a home, respectively an office space. Also, the Issuer has solid and time-tested relationships with companies that carry out their activity in the field of construction and related fields in the locations where the Issuer chooses to develop its projects.

The table below presents a summary of the projects in the planning and development phase as at 31 May 2022:

|   | Under construction | In planning       |
|---|--------------------|-------------------|
| <b>Residential projects</b>                                   |                    |                   |
| GDV <sup>1</sup>  | EUR 550.9 million  | EUR 835.1 million |
| Estimated gross profit on residential projects <sup>2</sup>   | EUR 260.5 million  | EUR 291.7 million |
| Number of units <sup>3</sup>                                  | 1,619              | 4,067             |
| Pre-sales percentage of number of apartments/<br>planned area | 84% <sup>4</sup>   | 9% <sup>5</sup>   |

|                           | Under construction | In planning |
|---------------------------|--------------------|-------------|
| <b>Office projects</b>    |                    |             |
| Market value <sup>6</sup> | EUR 108 million    | -           |
| Gross leasable area       | 34,456 sq m        | -           |

Source: Issuer.

<sup>1</sup> "Gross Development Value"; for the main assumptions that the Issuer relied on to calculate this indicator, please see the "Estimates and other indicators used" section below.

<sup>2</sup> For the main assumptions that the Issuer relied on to calculate this indicator, please see the "Estimates and other indicators used" section below.

<sup>3</sup> Estimate; the number of units within the developing and planned projects may vary, as a result of the requirements imposed by the urban and construction documentation, of the modification of the project, respectively of the clients' preferences.

<sup>4</sup> Reported to the number of apartments.

<sup>5</sup> Compared to the planned area.

<sup>6</sup> Calculated for the completion of buildings under development and a rental rate of 100%.

As of 30 May 2022, the percentage of sold and pre-sold apartments amounts to 87% for residential projects completed or under construction, while the percentage of the planned area for which pre-sale contracts were concluded amounts to 9% for residential projects within the planning phase.

## COMPETITIVE ADVANTAGES

### Favourable market dynamics, driven by a growing economy, high demand for local *premium* housing and a relatively undervalued real estate market

The Issuer is one of the main developers of *premium* housing in Romania, a country that has registered a considerable positive economic evolution in recent years (except for 2020, marked by the COVID-19 health crisis). In the period 2017-2021, Romania's GDP per capita increased with a compound annual growth rate (RCAC) of 3.17%, significantly exceeding the growth of GDP per capita in the European Union, with a 0.63% RCAC. The economic growth trend is even more pronounced in the Bucharest-Ilfov region, which recorded in 2020 a GDP per capita of 160% (expressed in the purchasing power of money in the local economy) compared to the EU average (Source: Eurostat).

In Bucharest, the aggregate demand for the whole year 2021 was approximately 31,203 transactions with new housing units, while Ilfov County totalled around 6,760 new units, equivalent to an annual increase of 35% compared to 2020. Compared to the demand for new homes, the number of new homes delivered in Bucharest in 2021 is 17,000 (Source: JLL). There is an undersizing of the supply of new housing compared to existing demand. The region is also experiencing accelerated growth in both population and per capita income (Source: Eurostat, INS), therefore, the demand for new housing is expected to continue to grow in the future.

A number of trends are likely to further support the increased demand for new homes, for example: high levels of employment; the continuous reduction of the average household size, which causes an increase in the number of households; an adequate level of mortgage availability for a wide range of home purchase prices and a housing availability per capita lower than the EU average - 434 units/1,000 inhabitants, compared to 483 units/1,000 inhabitants (Source: Eurostat), which causes a deficit of about 200,000 units. The demand is also stimulated by the fact that 84% of the total residential properties in Bucharest are older than 30 years (Source: Cushman & Wakefield Echinox) and therefore do not adequately meet the demand of the relatively prosperous young urban generation, who aspire to live in modern, Western-style apartments, such as those in the Group's offer. An additional factor stimulating the increase in demand for apartments and broadening the segment of potential buyers to whom the Group's offer is addressed is the change in the VAT rate from 1 January 2022, by applying a reduced rate of 5% for supplies of new housing units with a value of less than RON 700,000 (compared to the previous limit of RON 450,000).

Prices for residential homes in Bucharest increased by 11.7% in 2021 compared to 2020, to an average price of 1,640 EUR per usable sqm, continuing the same upward trend started in 2015, registering an increase with a RCAC of 34.6% for the period 2017 - 2021. (Source: JLL).

The demand for Class A office space in Bucharest remains significant and is up by 16% in 2021 compared to 2020 (Source: CBRE), being supported by the return to office with the relaxation of restrictions imposed during the state of alert in 2021. The information published by industry experts shows a continued increased interest during 2021, in terms of increasing volume of relocation leases, accounting for 58% of the total volume of lease transactions in 2021, with tenants interested in newly developed, better positioned, transit-connected and certified office buildings (Source:

CBRE). The Issuer, through its experience, managed to exploit this opportunity by leasing more than 27,000 sq. m in 2021.

The Group has a diversified portfolio of office space, offering solutions to the entire spectrum of customers in Bucharest and Ilfov: both “prime rent” spaces, spaces located in the areas of interest for the technology industry, spaces located in the mid-market area and boutique office spaces, all of which increase the versatility and flexibility of the tenant approach. Also, the Issuer's office spaces are located both in the North area and in the central-western hub of Bucharest. Whereas an important proportion of office space in Bucharest is relatively old buildings (by reference to modern standards of equipment and facilities offered to tenants), as well as taking into account the fact that the supply is relatively low if we consider the number of square meters per capita (being the lowest offer compared to other regional capitals), newly developed office buildings with LEED and WELL certifications, have enjoyed market demand, throughout 2021 (*Source: CBRE*). With the relaxation of restrictions imposed during the state of alert in 2021, the back-to-office phenomenon has had a positive impact across the market.

The yields that are offered by the premium office real estate market in Bucharest are about 6.75% (*Source: CBRE*). This yield is higher than that associated with relatively comparable external markets. For example, the average yield on the premium office real estate market in Warsaw (Poland) is 4.50%, in Budapest (Hungary) it is 5.25% (*Source: JLL*), while the average yield on the premium office real estate market in Prague (Czech Republic) is 4.10% (*Source: JLL*). The Issuer has a competitive advantage in this respect, as it operates in a real estate market which, compared to the European capitals mentioned above, does not seem to have yet reached its maximum potential. As the premium real estate market in Bucharest becomes more mature, it is expected that the difference between yields will decrease. While the rental income was maintained, this could have resulted in an appreciation of the price of the premium real estate, the Issuer having a significant opportunity to record gains from the revaluation of its real estate investments.

#### **History of excellence in execution, a platform perfected by experience and a good knowledge of the clientele**

The Issuer has developed seven residential projects, all of which are among the residential complexes in Bucharest in the last 10 years that have enjoyed wide recognition and appreciation. The Issuer has won numerous awards, such as: “Residential Developer of the Year” (in 2017 and 2018) and Leader Green Developer and Development (in 2020) at CIJ Awards Romania, Forbes Green Award, “Residential Project of the Year” (in 2018 and 2019) at SEE Real Estate Awards Gala, “Best Residential Redevelopment”, “Best Mixed-Use Development”, “Best Sustainable Residential Development” and “Best Residential High-Rise Development” (2020) at the European Property Awards, „The most ambitious urban regeneration mixed-use project in Bucharest – One Cotroceni Park” at Forbes Best Office Buildings Gala - The New Way of Life & Work (2021), „Office Project of the Year – One Tower” at SEE Property Forum Awards (2021), „Investor of the Year” – ONE Cotroceni Park, 2021 Real Estate Magazine Gala (2021), „Best Co-Working Community” offered for One Tower project (part of One Floreasca City) at CIJ Awards Romania (2022), „Most Important Delivery in 2021” at Forbes Best Office Buildings Gala (2022).

The Issuer's projects are also distinguished by the exceptional interior design, made by Lemon Interior Design, an Issuer's related entity. The design projects carried out by Lemon Interior Design within the buildings developed by the Group were in turn awarded at the European Property Awards with the distinctions "Best Interior Design Private Residence Romania" (2019 and 2020), "Best Interior Design Apartment Romania" (2019) and “Bathroom Design Romania Award” (2019).

Starting with 2017, all the residential projects of the Issuer received the “Green Homes” certification from the Romanian Council for Green Buildings.

The office premises projects in the Issuer's portfolio are certified or in the process of obtaining a WELL and / or LEED PLATINUM certification by the US Green Building Council (*in Romanian: US Green Building Council*), one of the most demanding certifications on environmental impact and environmental performance. The Issuer's sustainability target for the office portfolio is to become fully carbon neutral by the end of 2022, being subject to LEED ZERO CARBON certification for all new projects.

The Issuer's long experience in the development of real estate projects has allowed it to accumulate expertise in the field of design and execution of such complex and large-scale real estate projects. The Issuer's experience and high degree of sophistication make the *One* brand one of the most appreciated brands on the Romanian residential market, known for the high quality and distinctiveness of the products offered on the market, generating thus the sale of larger volumes of residential units at higher prices than those of the main competitors. Being one of the leaders of the residential market and having a large volume of sales and customer interactions, the Issuer accesses in real time an important amount of information about customer preferences and market trends. This information is especially useful



in its design and planning processes, as well as in its marketing and sales strategy. Despite the scale and complexity of the real estate projects developed by the Issuer, its development strategy is dynamic, which allows it to keep pace in real time with changing trends in demand to meet the needs and preferences of its customers and maintain profit margins for its entire project portfolio.

### **History of profitability, value growth and distributions to shareholders**

The Group has a history of profitability recorded at individual project level. The annual results are influenced by the non-linear nature of the revenues associated with the real estate development activity in the commercial segment, the sales dynamics and recognition of the related revenues and by the impact of revenues from change in fair value. Thus, the Issuer's gross profit was RON 242,793,847 for the year ended 31 December 2019 (being significantly impacted by the revaluation income of RON 231 million), RON 206,658,661 for the year ended 31 December 2020 and RON 604,418,805 for the year ended 31 December 2021.

The value of the Group's total assets increased constantly, from RON 1.315 billion at 31 December 2019 (representing an increase of 38% over the previous year) to 1.704 billion at December 31, 2020 (representing an increase of 23% compared to the previous year) to RON 2,797,159,488 as at December 31, 2021 (representing an increase of 64% compared to the previous year). In its activity, the Issuer also seeks to maintain prudent levels of liquidity that increase its ability to react quickly to investment opportunities or unforeseen situations. As of March 31, 2022, the position of cash and cash equivalents at the Group level was approximately RON 566,191,401.

The Issuer also has a dividend policy that considers semi-annual distributions to shareholders. The Issuer has distributed for each of the years ended December 31, 2021, 2020 and 2019 gross dividends amounting to RON 42,473,314.85, RON 41,682,627, RON and RON 44,058,800. In 2021, the Issuer distributed in the second half of the year dividends from retained earnings for previous financial years in the gross amount of RON 32,500,000. In the future, the Issuer intends to continue the semi-annual distribution of dividends.

### **Issuer's ability to proactively reduce risks through a good pre-sale capacity**

In practice, the Issuer financed the development of residential real estate projects in a significant proportion from pre-sales. The well-established project development process allows the Issuer to transform its high-quality land portfolio into cash-generating real estate projects, while maintaining significant profit margins and minimizing capital investment. Prior to the start of construction of a residential real estate project, a significant percentage of the built-up areas and/or residential units within it are pre-sold, the Group thus receiving significant amounts as an advance. Sometimes, the built-up areas and/or the future apartments within certain projects are offered in exchange for the lands purchased for the development of some residential units. Financing the development of projects using cash obtained from the pre-sale/offering of built-up areas/apartments in exchange for land reduces the risks of unavailability of financing for the Issuer's business model and provides increased visibility of revenues. The Issuer's ability to pre-sell and capitalize on an important part of its projects before they are completed is based on both a strong brand image and reputation, as well as experienced and trained sales force. The Issuer's ongoing projects continue to demonstrate good pre-sale performance, with significant levels of areas/units sold and revenue generated prior to completion, sometimes at very early stages of development.

### **Building of a unique land portfolio, able to generate significant added value, built through a disciplined land acquisition process**

The Issuer has built an important portfolio of land in the planning phase, which amounts to 161,898 sqm and 16,395 sqm of existing buildings which will be developed or reconfigured, all properties being located in highly attractive locations in Bucharest and Constanța (Mamaia), on the Black Sea coast. The Issuer's unique and exclusive land portfolio represents a significant competitive advantage, an important source of future developments, as well as a significant source of unrealized surplus value. Due to the Issuer's reputation in the Romanian market, it is often contacted about land acquisition opportunities, which allows it to analyse numerous opportunities each year and select those that it believes are of superior quality and best fit the Issuer's development strategy.

The Issuer has a disciplined approach to land acquisition and focuses on the acquisition of each land at prices that accurately reflect current and potential value. The Issuer's review process includes a detailed assessment of the future development costs and revenues related to each potential project, to ensure that the target land meets the criteria underlying the construction of the portfolio, namely, to meet the Issuer's profitability objectives.

The Issuer's portfolio includes 15 locations (representing land that can be developed in one or more phases), which allows it to develop a large part of the projects planned for the next five years and gives it a high degree of predictability

on the future activity. The Issuer has extensive experience in obtaining all necessary approvals for the lands in its portfolio. For the vast majority of locations, either the building permit or the town planning certificate was obtained in order to obtain the building permit.

According to the Issuer's estimate, the expected gross development value (GDV) of residential buildings under construction as of 31 May 2022 is EUR 550.9 million, and that of planned residential complexes is EUR 835.1 million, while the value of office buildings completed and under development (once developed) is estimated by the Issuer at EUR 412 million, and the rental income (for all Office projects of the Issuer, once completed, as well as for the One Herăstrău Office project where the Issuer has minority stake, but manages and operates the project) is estimated by the Issuer at EUR 27 million.

**The ability to reduce the duration and risks of development through the implementation of a disciplined and professionalized development process of the Issuer and its subsidiaries, with a positive impact on the business model.**

In developing its projects, the Issuer has accumulated a very solid internal know-how and has developed a disciplined process that covers the entire value chain and that is strictly applied to each opportunity and each project. The Issuer has proven experience in managing and controlling all stages of development and sale of a project and relies on a strict verification process before investing in a property and initiating the design and development stages of each project. This experience is further enhanced by: (a) the Issuer's subsidiary real estate agency, Skia Real Estate, which is involved in each stage of the development of a residential project, primarily managing the sale, rental and customer support in connection with the projects of the Issuer and its subsidiaries, and (b) integrated architecture practice, provided by the Issuer's subsidiary, X Architecture and Engineering Consult, known as an innovative architecture firm in Romania, which allows it to combine intelligent design with business and technology management, both in the operational model and in developed projects of Issuer. The business model includes the disciplined and systematized use of the Issuer's external contractors and subsidiaries, which offers the Issuer an increased capacity to absorb cyclical real estate market movements provided that effective control mechanisms that allow it to supervise and monitor external suppliers are in place. Thus, the Issuer's development process is organically embedded in the Issuer's values and is essential to maintain and improve its ability to deliver high quality products on time and cost-effectively.

**Management team with proven experience and skills**

The Issuer and its subsidiaries have a very experienced management team, which has extensive and in-depth knowledge in the field. The Founding Shareholders, Mr. Victor Căpitanu and Mr. Andrei-Liviu Diaconescu, have been and continue to be involved in all major management decisions regarding the Issuer since its incorporation, always having executive roles within the Issuer. The teams coordinating the activity of the Issuer's subsidiaries have a high level of experience and a history of constant profitability of projects from year to year, and the leadership skills allow them to continue to successfully execute the strategy designed by the Issuer.

**STRATEGY**

The Issuer's strategy is to continue to exploit opportunities to develop premium projects, with sustained profitability prospects and thus be a leader in the premium segment of the residential real estate market.

The Issuer adopted a diversification strategy, so that starting with 2019, it also focused on residential real estate projects developed for middle-income clients. Currently, the Issuer's management is also considering addressing other demand segments. In this sense, the development of residential complexes of houses will be able to start in the future, considering the very good dynamics registered on this sub-segment of the residential real estate sector.

The Issuer also intends to continue and strengthen office property development activity, real estate investment activity, as well as office rental activity, 2022 being the first year in which the Issuer will capitalise on the opportunities started earlier with the putting into service of office buildings One Tower and One Cotroceni Park– Office Phase 1 (Building A and Building B).

From the point of view of the competitive positioning, the Issuer opted for a strategy based on clear differentiation from other developers active on the Romanian market, the reputation gained (brand notoriety and the degree of its recognition) representing one of the most important strengths of the Issuer. Increased attention to details, the variety of types of housing units and compliance with high quality standards confirmed by the certifications and awards obtained, in conjunction with the use of the latest architectural and design concepts, bring to the Issuer's projects public recognition of uniqueness and stimulate increased buyer appetite..

The strategy, which is aimed at the development opportunities of the Issuer's projects and its competitive positioning,

is closely related to and based on the Issuer's strategy of raising capital to ensure the liquidity necessary to implement the Issuer's projects. This capital raising strategy relies mainly on capital market mechanisms, which brings multiple benefits to the Issuer, including the promotion of the Issuer and its projects and the diversification of the investor portfolio.

The main directions of action for achieving the above are:

**Maintaining the leading position on the market of premium real estate projects, residential and with mixed functions and continuing the evolution on the market of office real estate projects in Romania**

The Issuer is recognized as a prestigious developer, mainly due to the portfolio of residential and mixed-use real estate projects in Romania and enjoys a reputation for delivering high quality projects in some of the most desired locations in Bucharest and Mamaia/Constanța, the most developed and popular resort on the Black Sea coast. The Issuer is also the developer that enjoys a rapid growth on the market of office real estate projects in Romania in 2020 and 2021 (*Source: CBRE, JLL*). The Issuer has implemented rigorous processes in all stages of development, which ensures in the long run the maintenance of a high level of quality of the developed projects. The Issuer believes that maintaining its strategic priorities focused on land acquisition in premium locations, developing and delivering current and future projects to the standards previously associated with the ONE brand, as well as providing a quality customer experience will enable it to maintain its leadership position in the premium, residential and mixed-use real estate market and to strengthen its position in other market segments.

**The Issuer's use of the brands and its reputation to expand in the segment for middle-income customers, while maintaining significant profit margins, and for the geographical expansion in all areas of Bucharest and, possibly, in other large cities in Romania and Europe**

The Issuer is of the opinion that its reputation and the success of the ONE brand represent a very good basis to continue its growth, both by developing premium residential real estate projects, dedicated to high-income customers, and by expanding on the real estate market segment of middle income customers. The solid internal processes implemented by the Issuer, the relatively large portfolio of well-located land, as well as the emphasis on quality will allow it to come up with competitive proposals for the middle-income customer segment, as this is a significantly larger and growing market, with good profit margins. In the short and medium term, the Issuer intends to expand its footprint in the development of residential real estate projects, relying on an extension in other areas of Bucharest, but also developing real estate projects in other important cities in Romania and possibly in other parts of Europe, the Issuer currently exploring investment opportunities in the Italian (Milan) and Greek (Athens) market.

**Increasing the portfolio of new and well-located class A office spaces**

The Issuer will continue to strike a balance between residential real estate development projects and a class A office space portfolio, which will generate relatively constant annual revenue. The Issuer will remain focused on new, well-located, class A office buildings, as recent tenant trends reveal a migration from older, lesser-known and less-known and not-so-well-located buildings to new, certified, well-connected to the public transport infrastructure, well-located buildings, which will lead in the medium and long term to a continued high demand in this segment. The Issuer prefers to use its significant experience and skills to develop iconic properties, but, depending on the opportunities, may also consider purchasing existing buildings.

**Maintaining a business model based on low-risk cash flows. Maintaining a relatively low level of indebtedness that provides good investment returns for the Issuer's shareholders**

The Issuer intends to maintain the pre-sale financing model, which significantly reduces the risks related to the cash requirements for the development of residential real estate projects. The Issuer's sales and marketing strategy is the basis of its business model and aims to ensure a constant flow of new customers to increase the available cash, to provide visibility on revenues and to support the development of projects. The Issuer's sales staff has significant experience in its core markets and benefits from the reputation of the One brands to offer optimal sales prices, which consistently support profitability margins. The Issuer has implemented and will continue to implement cost optimization and value-generating engineering initiatives to ensure careful control to preserve profitability. The Issuer intends to maintain a conservative liquidity strategy with sufficient flexibility to take advantage of portfolio growth opportunities when they arise, while maintaining prudent levels of indebtedness.

**Commitment to green and sustainable development**

In its projects, the Issuer always considers reducing carbon emissions to minimize climate change, as well as streamlining its activities to ensure that the Issuer's operations and developed projects will maintain the qualities that

ensure their sustainability throughout their lifetime. The Issuer will continue to focus on developing projects that are in line with the best environmental and sustainability practices that enjoy market recognition. The Issuer intends to obtain prestigious certifications in the field of sustainability and environmental protection for each individual project.

In December 2021 the Issuer joined United Nations Global Compact, the largest global corporate sustainability initiative and pledged to support the Ten Principles of the UN Global Compact on human rights, labour, environment, and anti-corruption, as well as committed to regular reporting on progress. In the implementation of these principles, the Issuer entered into a partnership with Veolia România Soluții Integrate S.A. aimed at implementing sustainable energy efficiency solutions in the Issuer's residential real estate projects. The first two residential real estate projects that will benefit from this partnership are One Lake District, One High District, One Lake Club and One Peninsula.

As regards the Issuer's residential real estate projects, these are "Green Homes" certified by the Romanian Green Building Council, the most robust international certification system in the residential sector that is internationally recognized, a system that encourages the construction of better quality, healthier housing with financial benefits for the occupants. The *Green Homes* value system is taken up at the design stage, giving the Issuer the opportunity to differentiate its projects through their quality and environmental performance, while bringing financial and environmental benefits to customers.

The ultimate benefits for the final occupants of residential real estate projects developed by the Issuer include the following: (a) high quality, energy efficient and sustainably performing housing, (b) reductions in monthly bills through significant energy and water savings, (c) access to bank financing dedicated to certified housing - an innovative product offering lower interest rates and preferential terms, (d) the possibility of obtaining a higher resale price due to independent certification guaranteeing high energy performance and meeting environmental criteria.

As regards the Issuer's office real estate projects, there are LEED<sup>1</sup> (*Leadership in Energy and Environmental Design*) certified. The Issuer's sustainability target for the office portfolio is to become fully carbon neutral by the end of 2022, subject to LEED ZERO CARBON certification for all new projects. LEED is the most widely used green building rating system in the world. LEED-certified buildings are designed and built with a focus on energy efficiency, water efficiency, carbon reduction and improved indoor air quality. Available for almost all building types, LEED provides a framework for green buildings that focus on health, energy efficiency and cost savings. LEED certification is a globally recognized symbol of leadership and achievement in real estate development with a focus on sustainability, thus providing competitive advantages, 61% of corporate leaders believe that sustainability leads to market differentiation and improved financial performance, LEED certified buildings enjoy the highest rents, while the percentage of leased space in such buildings is up to 20% above average; vacancy rates for green buildings are estimated to be 4% lower than non-green properties (*Source: U.S. Green Building Council*).

WELL Health-Safety Rating for Building Operation and Management is an evidence-based, third-party verified rating for all new and existing building and facility types focusing on operational policies, maintenance protocols, stakeholder engagement and emergency plans to address the current post-COVID-19 situation and broader health and safety issues of the future. WELL Health-Safety rating includes 26 strategies that help keep your premises clean and sanitized, provide essential health benefits and services, communicate health and safety efforts, help everyone prepare for an emergency, and assess air and water quality.

The WELL Health-Safety Rating requires that every building or space to achieve 15 features by pursuing a combination of strategies, which may include as many as three Innovation submissions. None of the features are mandatory. The WELL Health-Safety Rating presents a diverse set of evidence-based criteria that can be customized based on facility type and adapted to an organization's needs. (*Source: International WELL Building Institute*)

### **Continuous improvement of communication with customers and potential customers**

The Issuer's openness to customers or potential customers brought an important image capital to it. The Issuer wants to maintain a constant and efficient communication for the benefit of both the Issuer and its customers, and with the expansion of the activity to develop new lines and directions of communication, by using the best marketing tools in this direction. In the first quarter of 2022, the Issuer established the ONE community, which offers certain benefits (reductions in purchasing costs for products and services) to all members for various services offered following partnerships with suppliers selected by the Issuer.

In order to promote the direct relationship between the Issuer's staff and the Group's customers and business partners, the Issuer inaugurated in November 2021 the Sales Center (*One Sales Center*) located within One Floreasca City, 16B

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<sup>1</sup> Except for One North Gate and One Herăstrău Office projects.

Mircea Eliade Blvd., Sector 1, Bucharest. The Issuer's Sales Center is designed to offer a unique experience, benefiting from a special design provided by the Lemon Interior Design team and represents a true incursion into the whole universe of ONE. The space houses an exhibition of scale architectural models with which visitors can create a realistic perspective of ONE projects. In order to accommodate customers with a busy schedule, the Sales Center offers access to visitors interested in the Issuer's projects throughout the week, including Saturdays.

## **TRACK RECORD**

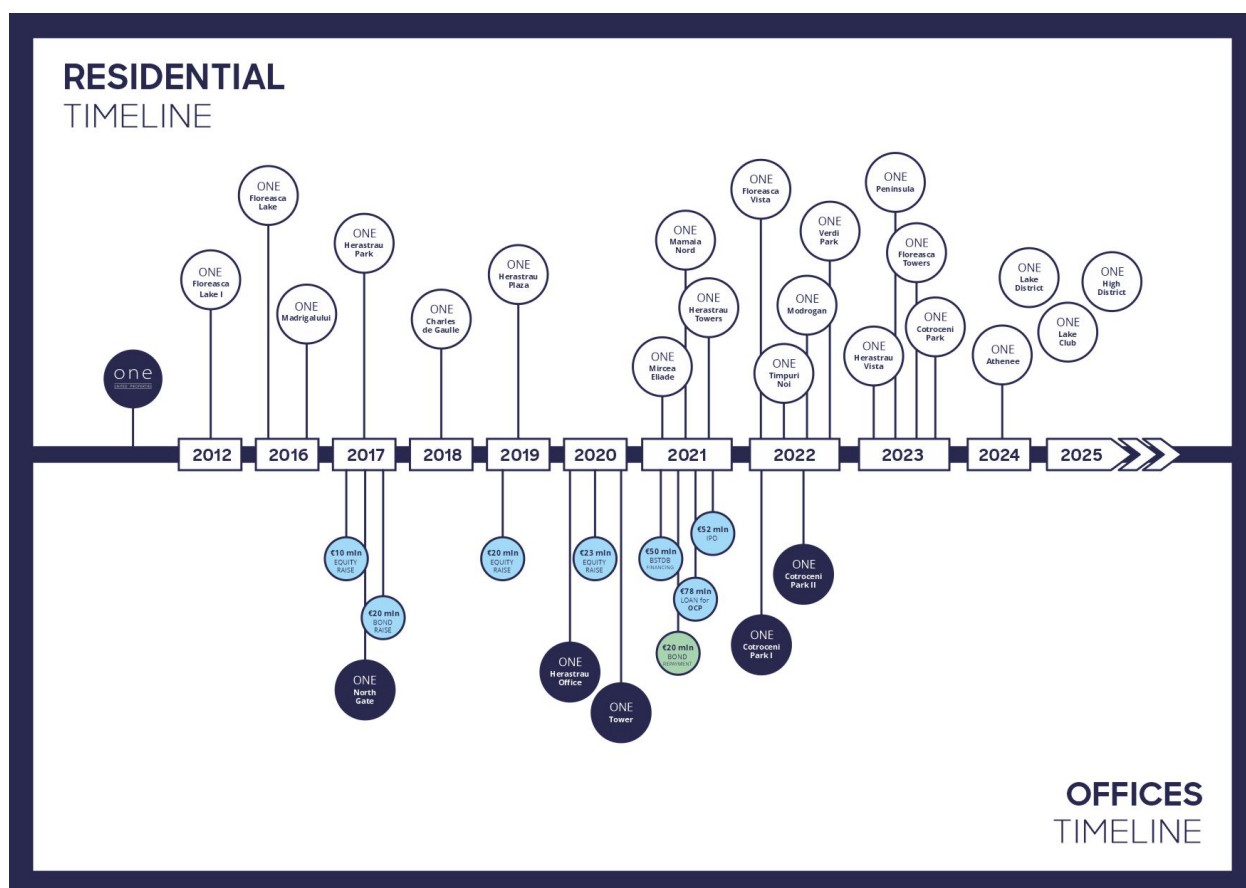
The Founding Shareholders, respectively Mr. Victor Căpitanu and Mr. Andrei-Liviu Diaconescu started their real estate investment activity in 2000 and developed the first residential project in 2006. Starting with 2013, the Issuer started the development of real estate projects under the ONE brand.

Since the launch of the projects under the brand ONE, innovation in the construction of energy efficient and sustainable buildings, has been one of the main values of the Issuer, an approach that aims to redefine the concept of urban housing to Western standards through an urban regeneration process.

During the period 2017 - 2021, the Issuer developed certain residential real estate projects using the brand "NEO" as a subdivision of the "ONE" brand, for smaller residential projects of up to 3,000 sqm. After the listing of the Issuer on the main market of the Bucharest Stock Exchange, the Issuer's management decided to standardise public communication under the single umbrella of the "ONE" brand, in order to capitalise in a more productive way on the image capital and reputation of its projects. Thus, as of November 2021, NEO projects have been converted from a public communication point of view into ONE projects as follows - NEO Floreasca Lake – is now known as ONE Floreasca Vista, NEO Timpuri Noi – is now known as ONE Timpuri Noi, NEO Mamaia – is now known as ONE Mamaia Nord and NEO Herăstrău Park – is now known as ONE Herăstrău Vista. The Issuer registered a rapid growth, being the author of some reference real estate projects on the Romanian market (for example, One Floreasca City, internationally awarded project at the International Property Awards 2019-2020 with "Best Sustainable Residential Development" and at SEE Real Estate Awards Gala – the 17<sup>th</sup> Edition (2022) with "Best mixed use project", respectively, a multifunctional landmark project, an expression of contemporary vision, sustainability and community integration, with increased focus on facilities offered to residents and the community).

Regarding the office buildings segment, the Issuer made its debut in 2017 with the investment acquisition of the One North Gate office buildings, followed by a new acquisition in 2020 of the One Herăstrău Office office building, and in 2018 the development of the One Tower project began, followed by that of the One Cotroceni Park project, reaching 2020 the position of leader in the relocation market in new offices, with a share of approximately 30% of that market (*Source: JLL, Issuer*).

The chronology of completion of residential, office projects, developed, acquired and/or managed by the Group (according to the schedule anticipated on this date), as well as the stages of raising capital are presented in the figure below:



\*The Issuer holds a minority stake in One Herăstrău Office, but the building is operated by the Group.

Source: Issuer.

## MAIN MARKETS AND COMPETITIVE POSITION

The main activity of the Issuer is the real estate development on the residential segment (with presence in Bucharest and Constanța, including Mamaia), to which is added the real estate development activity on the office space segment (in Bucharest) with projects with mixed residential-commercial-offices functions (in Bucharest), investment activity, renting of office space, renting of commercial spaces as well as other related activities (such as real estate agency services and architecture and design services).

### *Real estate development activity on the residential segment*

At the date of this Prospectus, the Group has under construction or in planning phase a number of 12 plots of land, intended for residential real estate development, with a total GDV estimated by the Issuer at EUR 1,386 million (as estimated at 31 May 2022). For most lands owned by the Group either the building permit was obtained or the town planning certificate was obtained in order to obtain the building permit.

According to the Issuer's estimate, the anticipated gross development value (GDV) of the residential buildings under construction as at 31 May 2022 is of EUR 550.9 million, while the one of the planned residential projects that is of EUR 835.1 million. The gross profit estimated by the Issuer for projects under development and planning at 31 May 2022 was EUR 552.2 million.

Unless otherwise indicated, the table below contains information on residential projects developed by the Group, updated to 31 May 2022:

| Project Name                    | Start date <sup>1</sup> | Completion date <sup>2</sup> | Total apartments <sup>3</sup> | Apartments/areas sold/pre-sold on December 31, 2021 <sup>4</sup> | Apartments/areas sold/pre-sold on May 31, 2022 <sup>5</sup> | Built parking spaces | Total built area (sqm) | Residential built area (sqm) | Commercially built area (sqm) <sup>6</sup> | GDV <sup>789</sup> | Gross profit <sup>10</sup> |
|---------------------------------|-------------------------|------------------------------|-------------------------------|--|---|----------------------|------------------------|------------------------------|--|--------------------|----------------------------|
| <b>Developing projects</b>      |                         |                              |                               |  |   |                      |                        |                              |  |                    |                            |
| <b>(A) Projects in progress</b> |                         |                              |                               |  |   |                      |                        |                              |  |                    |                            |
|                                 |                         |                              |                               |  |   |                      |                        |                              |  |                    |                            |
| One Floreasca Vista             | Apr'20                  | Aug'22                       | 63                            | 79%  | 83%   | 73                   | 11,719                 | 9,232                        | -  | 31.45              | 16.4                       |
| One Timpuri Noi                 | Apr'19                  | Aug'22                       | 147                           | 90%  | 91%   | 173                  | 18,372                 | 13,148                       | 964  | 26.45              | 8.1                        |
| One Verdi Park                  | Nov'19                  | Oct'22                       | 325                           | 61%  | 74%   | 492                  | 62,722                 | 35,155                       | 3,127                                      | 125.3              | 63.2                       |
| One Modrogan                    | Oct'20                  | July 22                      | 48                            | 77%  | 79%   | 90                   | 14,803                 | 9,739                        | -  | 68.7               | 45.1                       |
| One Peninsula                   | Oct'20                  | Oct'23                       | 168                           | 60%  | 60%   | 287                  | 52,959                 | 36,087                       | -  | 143                | 73.9                       |
| One Cotroceni Park              | June'21                 | Oct'23                       | 868                           | 84%  | 92%   | 1,361                | 132,978                | 64,651                       | 17,708                                     | 155.9              | 53.8                       |
|                                 |                         |                              |                               |  |   |                      |                        |                              |  |                    |                            |
| <b>(B) Projects in progress</b> |                         |                              |                               |  |   |                      |                        |                              |  |                    |                            |
|                                 |                         |                              |                               |  |   |                      |                        |                              |  |                    |                            |
| One Floreasca Towers            | July'22                 | June'24                      | 208                           | 18%  | 18%   | 254                  | 44,000                 | 20,237                       | 973  | 61.8               | 16.9                       |
| One Herastrau Vista             | Sep'22                  | Sep'24                       | 117                           | 38%  | 38%   | 181                  | 18,031                 | 11,463                       | 2,112                                      | 38.1               | 18                         |
| One Mamaia Nord - phase 2       | July'22                 | Sep'24                       | 86                            | 25%  | 25%   | 148                  | 19,800                 | 10,039                       | -  | 23.3               | 5.6                        |
| One Lake District               | July'22                 | July'26                      | 2,076                         | 9%   | 9%  | 2,614                | 251,663                | 177,068                      | 979  | 322.2              | 131.2                      |

| Project Name                   | Start date <sup>1</sup> | Completion date <sup>2</sup> | Total apartments <sup>3</sup> | Apartments/areas sold/pre-sold on December 31, 2021 <sup>4</sup> | Apartments/areas sold/pre-sold on May 31, 2022 <sup>5</sup> | Built parking spaces | Total built area (sqm) | Residential built area (sqm) | Commercially built area (sqm) <sup>6</sup> | GDV <sup>789</sup> | Gross profit <sup>10</sup> |
|--------------------------------|-------------------------|------------------------------|-------------------------------|--|---|----------------------|------------------------|------------------------------|--|--------------------|----------------------------|
| One Lake Club                  | July'22                 | July'25                      | 586                           | 4%   | 11%   | 787                  | 105,878                | 57,345                       | 1,945                                      | 179.6              | 50.2                       |
| V-Lago                         | Aug'22                  | Aug'24                       | 135                           | 0%   | 0%  | 136                  | 16,601                 | 10,359                       | 67   | 31.9               | 9.7                        |
| One High District              | July'22                 | Dec'24                       | 859                           | 0%   | 0%  | 1,134                | 146,045                | 66,992                       | 6,024                                      | 154.2              | 45.8                       |
| One Plaza Athenee              | July'22                 | June'24                      | -                             | 100%   | 100%  | -                    | 2,896                  | -                            | -  | 24                 | 14.3                       |
| <b>(C) Completed projects</b>  |                         |                              |                               |  |   |                      |                        |                              |  |                    |                            |
| Madrigalului Residence         | Oct'13                  | Sep'14                       | 14                            | 100%   | 100%  | 12                   | 3,130                  | 2,271                        | -  | 3.2                | 0.9                        |
| One Floreasca Lake             | Sep'11                  | May'15                       | 68                            | 100%   | 100%  | 86                   | 15,000                 | 8,333                        | -  | 14.8               | 5.7                        |
| One Herăstrău Park             | Aug'15                  | May'17                       | 109                           | 100%   | 100%  | 155                  | 27,050                 | 17,806                       | -  | 34.4               | 6.9                        |
| One Charles de Gaulle          | Oct'15                  | June'18                      | 33                            | 100%   | 100%  | 55                   | 9,197                  | 5,378                        | -  | 22.7               | 5.9                        |
| One Herăstrău Plaza            | June'16                 | Jan'19                       | 169                           | 100%   | 100%  | 243                  | 32,414                 | 15,494                       | 2,507                                      | 33.5               | 3.2                        |
| One Mircea Eliade              | March'18                | May'21                       | 244                           | 82%  | 83%   | 546                  | 60,735                 | 30,949                       | 3,732                                      | 117.3              | 53.4                       |
| One Mamaia Nord- phase 1       | Sep'18                  | July'21                      | 50                            | 98%  | 98%   | 69                   | 8,523                  | 6,285                        | -  | 15.3               | 1.6                        |
| One Herăstrău Towers           | Oct'18                  | Jan '22                      | 147                           | 93%  | 91%   | 255                  | 33,007                 | 16,985                       | 4,996                                      | 54.8               | 24.3                       |
| <b>Total residential units</b> |                         |                              | <b>6,520</b>                  |  |   | <b>9,151</b>         | <b>1,087,523</b>       | <b>625,016</b>               | <b>45,134</b>                              | <b>1,682</b>       | <b>654.1</b>               |

Source: Issuer



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<sup>1</sup> The start date of a project is considered to be the date of issue of the construction permit.

<sup>2</sup> The completion date of a project is considered to be the date on which the building/project is received, at the end of the construction works.

<sup>3</sup> The number of units within the developing and planned projects may vary, as a result of the requirements imposed by the urban and construction documentation, the modification of the project, respectively the preferences of the clients.

<sup>4</sup> The percentage of apartments sold/pre-sold in the case of completed or under construction projects is shown, respectively the percentage of the total built-up area for which pre-sale contracts have been concluded in the case of projects under planning.

<sup>5</sup> The percentage of apartments sold/pre-sold in the case of completed or under construction projects is shown, respectively the percentage of the total built-up area for which pre-sale contracts have been concluded in the case of projects under planning.

<sup>6</sup> The commercially built area is defined according to the standard BOMA 2017 measurement methods for office buildings, developed by the International Association of Building Owners and Managers Association.

<sup>7</sup> In EUR million at 31 May 2022.

<sup>8</sup> "Gross development value"; for the main assumptions that the Issuer relied on to calculate this indicator, please see the "Estimates and other indicators used" section below. Values are provided in EUR as sales prices, an important factor in determining this value, are expressed in this currency.

<sup>9</sup> Includes all types of units (apartments, parking lots, storage spaces, commercial spaces, etc.)

<sup>10</sup> In EUR million at 31 May 2022.

The Issuer is present on the market in Bucharest and Constanța (including Mamaia), but is analyzing expansion options in other cities in Romania and in Europe, such as Italy (Milan) or Greece (Athens) with potential and appetite mainly for residential real estate developments compatible with the profile of projects developed by the Issuer's subsidiaries.

### ***Target customers in residential developments***

The Issuer, through the residential real estate projects developed by its subsidiaries, addresses mainly two customer segments, namely: (a) clients looking for projects located in premium areas of Bucharest (Herăstrău, Floreasca, Primăverii, Dorobanți and Kiseleff), projects with a very good reputation, built by developers with significant expertise on the residential market, with a special architecture and design such as and a superior quality of finishes, composed of families with monthly incomes of over EUR 5,000-10,000 and (b) clientele looking for projects with average added value, located in central and semi-central areas of Bucharest, projects with a good reputation and in some cases a well-known brand, a consistent experience on the residential market, very good quality of finishes, composed of families with monthly incomes between EUR 2,000 and 5,000.

In the Issuer's view, the residential market is divided into the following 4 categories: ultra-high-end, high-end, premium (middle-income) and affordable. The Issuer operates within the first 3 categories. In order to serve all market segments, the Issuer offers customers three payment options for apartments under development at the time of signing the sale promise - full payment, equal installments of 20% each, divided over the entire construction, or payment of 30% at signing followed by 70% upon completion of the development for large-scale projects such as One Cotroceni Park or One Verdi Park. The latter option allows customers to access mortgages to finance purchases, thereby significantly broadening the potential customer base.

### ***The process of residential real estate development***

#### **Identifying the investment opportunity**

The Issuer, through the executive management team, is in a permanent process of looking for new investment opportunities. Within this stage, potential locations are identified, suitable for the residential real estate developments of the Issuer's subsidiaries.

The executive management team of the Issuer has developed a process for analysing each potential investment opportunity, sometimes with the help of specialised partners, in order to determine from this incipient phase with the greatest precision, the real development parameters of each studied location. Following the analysis, only the opportunities that meet the criteria of Issuer's investment strategy are accepted.

Among the main aspects treated in the preliminary analysis, the Issuer aims to determine the level of demand for housing units in the study area, identify competition at area level and product category level, number and value of transactions in the study area in the last 12 months and other economically, technically and legally relevant issues.

#### **Carrying out the feasibility analysis and the process of urban and legal analysis (due diligence)**

The projects considered satisfactory from an economic, urban and legal point of view are taken over by the Issuer in order to begin the detailed analysis process, both from the perspective of project feasibility and from an urban and legal perspective. This stage has an average duration of about 1 - 3 months (depending on the complexity of the required analysis, on a case-by-case basis, and the possible deficiencies that require the adoption of corrective/risk reduction measures).

The executive management team of the Issuer designates an internal team that performs the feasibility analysis of the potential project, taking into account a set of factors such as: (a) market conditions, (b) the main risks associated with their development and the likelihood of their materialization, (c) the financial projections of the project, including the estimation of profit margins, (d) the SWOT analysis, (e) the financing strategy and structure, (f) the sales/capitalization strategy of the project. The analysis also determines the number of housing units that can be achieved within the potential project, as well as the sizing and compartmentalization of housing units and the efficiency of common spaces, in order to achieve the highest possible profitability margin.

In parallel with the analysis regarding the feasibility of the potential project, the Issuer coordinates together with its internal team and specialized consultants, the urban and legal analysis processes, these being closely related in terms of information with the feasibility analysis.

#### **Defining the architectural concept**

The Issuer, through its branch specialized in architectural and design services (X Architecture & Engineering Consult) organizes a competitive process for obtaining proposals of architectural concepts (sometimes with international participation) for the project, and in partnership with the executive management team of the Issuer selects the proposal that incorporates the vision and the brand identity of the Issuer in a coherent and comprehensive manner.

Following the selection of the architectural concept, the Issuer designates the project management team that will represent the Issuer and will supervise the execution works, so as to ensure its realization in the parameters approved by the Issuer's management. Depending on the specifics, size and complexity of each potential project, this stage can last from 3 to 6 months.

#### Adoption of the investment decision and project planning

Based on the feasibility analysis and the urban and legal one, the Issuer's management proceeds to the final evaluation of the project opportunity and approves its implementation. If the project is approved, the Issuer's management orders the realization of the proposed investment, an operation that will materialize by concluding the sales contract for the land on which the project will be developed (sometimes in the form of a land exchange with future assets/apartments within the project).), followed shortly by the conclusion of project management contracts, general design and the start of the selection process of suppliers/service providers within the project. The Issuer uses as a principle dedicated subsidiaries for each project developed.

#### Land acquisition

After the establishment of the subsidiary to be used in the development of the project, the land is purchased following the completion of the negotiation process of the transaction documents. During the negotiations, the Issuer can structure the acquisition trying to ensure a solution to optimise costs and increase the profitability of the project. This stage lasts on average 1 month.

#### Carrying out the design

After acquiring the land, the Issuer ensures (usually through its subsidiary specialized in architectural and design services - X Architecture & Engineering Consult, but also through the involvement of specialized service providers, depending on the specifics of the project) the preparation of technical documentation necessary to obtain the building permit. In some particular situations, it is also possible to adapt a technical documentation taken from the seller by purchasing the land. This stage lasts on average 6-12 months (depending on the complexity of each project) and is completed once the building permit is issued by the competent authorities.

#### Execution of construction works

In order to carry out the construction works, the Issuer's subsidiary concludes contracts related to the project construction works (usually through competitive methods doubled by negotiations with each bidder).

The selection of service providers, works and materials within the site is a very important step in the development of the project, given its complexity and quality requirements. The selection process is coordinated by the dedicated project management team, with the support provided by the Issuer's internal departments.

Through the concluded contracts, the Issuer ensures that the works performed by the various contractors comply with the quality conditions defined in the contract and by the normative requirements, respecting the works schedule, in this sense being established guarantees and penalties in favour of the Issuer.

In order to streamline development costs, the project management teams in the Issuer's subsidiaries coordinate their procurement activity so as to generate synergies between the projects, by contracting common suppliers, thus generating a greater bargaining power. On the other hand, given the liquidity available to the Issuer, its subsidiaries have the ability to take advantage of certain favourable market conditions to contract certain services and/or construction materials at advantageous prices, e.g., by contracting certain services and materials in advance (in order to keep an advantageous price in the market at a certain time).

The duration of this stage varies significantly mainly depending on the complexity and size of each project, usually ranging from 18 to 36 months.

#### The process of selling housing units

The sale process of the housing units is started by the Issuer as soon as possible after the acquisition of the land destined for development. There are cases in which certain areas of a project are sold prior to the acquisition of land

for development, in order to attract the liquidity needed for the acquisition and development of that project. Sales made in the early stages of construction are complementary to the financial resources available to the Issuer, needed in the execution of construction works. Prices are set in EUR, with payment in lei at the exchange rate applicable at the time of payment, in order to avoid the risks associated with a potential devaluation of the leu.

Promises of sale concluded by the Issuer's subsidiaries with promising buyers usually provide for three payment options for apartments under development at the time of signing the promise of sale: (i) the payment in full, (ii) equal installments of 20% each, divided over the entire construction of the project or (iii) payment of 30% upon the signing of the promise of sale, followed by 70% on completion of construction. The latter option allows customers to access mortgage loans to finance purchases, thereby significantly broadening the potential buyer base. The sales strategy of the Issuer's subsidiaries usually aims at the progressive increase of the sale price as the project reaches certain stages in the authorization and execution of construction works, reflecting the increase in value associated with the respective housing units.

The sales process is coordinated through the combined and sustained effort of the Issuer's internal sales team and marketing and communication team. In order to maximize the sphere of potential buyers, marketing campaigns begin simultaneously with the realization of the design, on which occasion the sales team brings a significant creative contribution, by collecting relevant information from the market, which often lead to improving the design to best meet the needs the potential buyers.

The sales process before the execution phase is based on the sales team working in the Sales Center (*One Sales Center*) located with One Floreasca City project, at 16B, Mircea Eliade Blvd., Sector 1, Bucharest. The Issuer's Sales Center is designed to offer a unique experience with a distinctive design, where the Issuer can provide potential buyers with the full range of promotional materials available and offer visual tours of project mock-ups as well as photo-video/rendered material of projects developed/under development. Once the construction works have begun, the Sales Center's activity expands with the opening of a custom-designed local sales office, located at the site of each project, which is set up in the spirit of the "ONE" brand, with facilities similar to those available to potential buyers in the Sales Center (One Sales Center).

The promotion and sale of housing units within the real estate projects developed by the Issuer is coordinated by the Issuer's subsidiary, Skia Real Estate, specialized in real estate agency services. In most cases, the Issuer designates other real estate agencies through which it promotes its projects, but the collaboration is always selective, in order to permanently ensure the best services for the potential buyers. The efficient and productive collaboration of the two sales teams (internal and external) leads to the rapid addressing of questions submitted by potential customers, thus maximizing the potential to materialize the initial contacts in successfully completed transactions.

#### Reception and delivery of housing units

Once the construction works are completed, the dedicated project management team completes the reception formalities with the competent authorities, on which occasion the process of signing the final sales contracts is started. After signing the sales contracts, the housing units are actually handed over to the customers based on a report of delivery and receipt.

#### After sales services

Before the completion of the construction works, the Issuer designates persons responsible for the administration of the project once it is completed, until the moment of establishing the owners' association within each project. At the same time, the Issuer provides real estate management and maintenance services through specialized service providers, giving the owners associations the opportunity to take over these contracts directly or to proceed to the selection of other suppliers. After the delivery of the housing units, the Issuer, through its subsidiary Skia Real Estate, maintains contact with customers by offering them the opportunity to easily resell or rent their property.

#### Financing of residential projects

In order to finance residential development projects, the Issuer uses its own funds, down-payments received from potential buyers on the basis of sales promises, and in some cases loans from credit institutions.

The financing structure of each residential real estate project is defined by the Issuer's executive management team together with the Issuer's specialized department in the field of bank financing, based on the financial projections prepared by the finance department to ensure a good balance between maximizing profit margins and taking financial risk. The financing is committed on the basis of a process that considers the analysis of potential sources of financing

in good market conditions and the obtaining of several offers negotiated with the banking institutions. See also Part 7 - "Capital Resources".

### ***Description of developed or developing projects***

#### **Completed projects**

##### *Madrigalului Residence*

Madrigalului Residence is a boutique residential real estate project with 14 apartments that benefits from a direct view of Lake Băneasa and very good quality finishes. The project includes 2 and 3 room apartments and was completed in September 2014. All apartments in the project were sold.

The gross development value of the project (GDV) is EUR 3.2 million.

##### *One Floreasca Lake*

Located on the shore of Lake Floreasca, the One Floreasca Lake project is a residential complex with 68 apartments that offers a special panoramic view of Lake Floreasca. The first two buildings that house 42 housing units with a total area of 9,000 square meters, completed in June 2013, were developed by another company.

The third building within the project (developed by the Issuer) was completed in August 2015 and includes 26 housing units with a total area of 6,000 square meters. The One Floreasca Lake project includes all categories of 2, 3 and 4 room apartments with a usable area of at least 60 sqm as well as penthouse apartments with generous areas of up to 832 sqm. All apartments in the project were sold.

The gross development value of the project (GDV) is EUR 14.8 million.

##### *One Herăstrău Park*

The One Herăstrău Park project, together with the One Floreasca Lake project, laid the foundations of the project community developed by the Issuer in the Floreasca Lake area, currently in the same area being completed and fully delivered the One Herăstrău Plaza project, and under construction being the One Floreasca Vista (former Neo Floreasca Lake) project. The project is located in the immediate vicinity of King Mihai I Park (former Herăstrău Park) and includes two towers 52m high each, comprising 109 apartments totaling a total area of over 27,000 square meters.

The project was completed in May 2017, and combined design and comfort in an innovative concept, thus becoming a landmark in the northern part of the city. The project includes a penthouse apartment that has gained recognition in the online environment due to the high-class interior design. All apartments in the project were sold.

The gross development value of the project (GDV) is EUR 34.4 million.

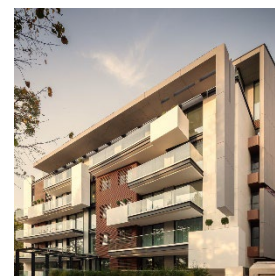
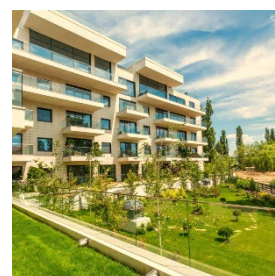
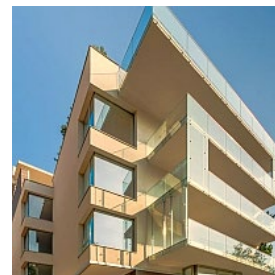
##### *One Charles De Gaulle*

The One Charles de Gaulle project is a residential project located in Charles de Gaulle Square, right at the entrance to King Mihai I Park (former Herastrau Park) and includes two buildings, with a total of 33 apartments, with a total area of over 9,000 sqm. The project was completed in the summer of 2018.

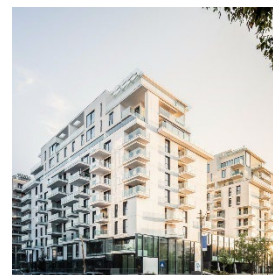
The project incorporates elegant, high-quality contemporary architecture, combined with an elegant interior design. All apartments in the project were sold.

The gross development value of the project (GDV) is EUR 22.7 million.

##### *One Herăstrău Plaza*



The One Herăstrău Plaza project was built as part of the development area that already included the One Floreasca Lake and One Herăstrău Park projects. The project includes 169 apartments and over 2,500 sqm of commercial spaces, the total built area being approximately 32,000 sqm. The project is located near Floreasca Lake and a short distance from King Mihai I Park (former Herăstrău Park), the office area in the north of the capital and near the Promenada Shopping Mall. The project was completed in early 2019. All apartments in the project were sold.



An element that gives identity and distinctive character to the One Herăstrău Plaza project is represented by the common space developed within and around the project that takes the form of an inner courtyard open to the public (plaza).

The gross development value of the project (GDV) is EUR 33.5 million.

#### One Mircea Eliade

One Mircea Eliade is the residential component (which also includes commercial spaces) of the multifunctional project One Floreasca City, together with the office space component, One Tower. One Mircea Eliade comprises 244 apartments, over 3,000 sqm of commercial spaces and over 540 parking spaces, located in 3 towers with a height regime of 15 floors and 20 floors, with a total built area of approximately 61,000 sqm. The apartments are positioned to maximize views of Floreasca Park and Lake Floreasca, offering mostly spectacular panoramic views over Bucharest. The residential complex, together with the One Tower office building, offers green spaces, a playground, but also restaurants and cafes, all facilities being accessible to both residents/tenants and the general public.



The construction of the ensemble was completed in May 2021.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 114.1 million. By 31 May 2022, 83% of the apartments in this project were sold.

#### One Mamaia Nord (Phase I)

The One Mamaia Nord project (Phase I) is located in the northern part of Mamaia/Constanța, one of the most sought-after holiday resorts on the Romanian coast. The project includes 50 apartments which, by being located approximately 50 meters from the shores of the Black Sea, provide an unobstructed and spectacular view of the sea and the beach. The project is located in the immediate vicinity of many select restaurants, private beaches and attractions for any holiday activity.



The apartments incorporate a special interior design, which through the glass facades and details common to the projects developed by the Issuer's subsidiaries offers a wonderful view to the sea and is distinguished by a refined architecture, distinctive from other competing projects developed in the area.

Phase I of the One Mamaia Nord project was completed in July 2021.

The gross development value of the project (GDV) for Phase 1 is estimated by the Issuer at EUR 15.3 million. By 31 May 2022, 98% of the apartments in this project were sold.

#### One Herăstrău Towers

One Herăstrău Towers consists of two buildings, designed as a gateway to the city, offering a panoramic view of Lake Herăstrău and the northern part of the capital. It is a mixed-function project that includes housing units and commercial premises.

One Herăstrău Towers is meant to bring added value for the entire area, through the commercial component composed of shops and service spaces available on the ground floor and first floor of the buildings, which will serve both residents and the public who work or live close by.

One Herăstrău Towers has an elegant contemporary design, with high quality finishes, it





is 45 meters high and consists of three components: the base of the building and the two residential buildings. The two residential buildings comprise 147 apartments, and the base of the buildings has approximately 5,000 square meters dedicated to commercial premises, integrating the construction into the urban landscape. The area is animated by a commercial promenade, flanked by an 8-meter-high glass facade, which marks the idea of visual permeability both at the promenade level and at the level of commercial premises. The promenade integrates green spaces, ramps, stairs and slopes that take over the height differences from the adjacent streets and gives access to the high lobbies that make access to the housing units. The One Herăstrău Towers project offers direct and fast access to Henri Coandă / Otopeni Airport.

One Herăstrău Towers was completed in December 2021.

Gross project development value (GDV) is estimated by the Issuer at EUR 54.8 million. By 31 May 2022, 93% of the apartments in this project were sold.

### **Developing/ planned projects**

#### *One Floreasca Vista*

For the development of the One Floreasca Vista project, the Issuer has chosen an area where it has previously developed and successfully delivered three other projects (One Floreasca Lake, One Herastrau Plaza and One Herastrau Park), and a community of the Issuer's projects in the Lake Floreasca area is now practically being formed. The location provides a spectacular and unobstructed view of Lake Floreasca, with 63 apartments of elegant architecture.

The construction of One Floreasca Vista started in April 2020 and the anticipated completion date according to the current schedule is the second half of 2022.

The gross development value of the project is estimated by the Issuer at EUR 31.5 million. 83% of the apartments in the project have been pre-sold by 31 May 2022.

#### *One Timpuri Noi*

The Issuer decided to approach by the One Timpuri Noi project the central area of Bucharest, the location of the project being near Unirii Square. The project comprises a predominantly residential building with commercial and service spaces on the ground floor and benefits from an elegant contemporary design, high quality finishes and the advantages of green buildings: sustainable materials, energy efficiency, low pollution installation systems. The project will comprise 147 apartments and 173 parking spaces, as well as approximately 1,000 sqm of commercial space.

Construction of the One Timpuri Noi project started in April 2019 and is expected to be completed according to the current schedule in the second half of 2022.

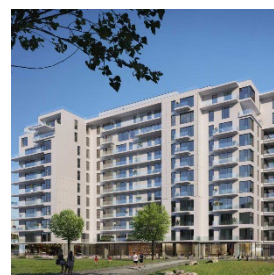
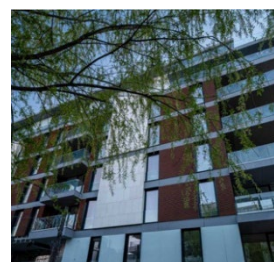
The Gross Development Value (GDV) of the project is estimated by the Issuer at EUR 26.5 million. By 31 May 2022, 91% of the apartments in the project have been pre-sold.

#### *One Modrogan*

Located near Kiseleff Park and Aviatorilor Boulevard, the One Modrogan project is conceived as a boutique residential complex, which by its location and design details defines a unique concept in Bucharest. The project comprises 48 apartments located in three buildings. The construction works of the project started in October 2020. The issuer has paid special attention to the integration of the One Modrogan project into the specificity of the area which includes many historical buildings and architectural symbols of the capital.

The project completion date is anticipated for July 2022.

The Gross Development Value (GDV) of the project is estimated by the Issuer at EUR 68.7 million. By 31 May 2022, 79% of the apartments in the project have been pre-sold.



### One Verdi Park

The One Verdi Park project includes both a residential component and 325 housing units (from two rooms with 60 sqm to 5 penthouse rooms with an area of up to 612 sqm) located in two towers of 19 and, respectively, of 20 floors, as well as a commercial component of over 3,000 square meters built, in the area located at the ground floor of the two towers. The project has spectacular panoramic views and the immediate proximity to the business area in the north of the city, Verdi Park, shopping malls, wellness clubs, sports facilities and restaurants.

The completion of the One Verdi Park project is estimated, according to the current calendar, for October 2022.

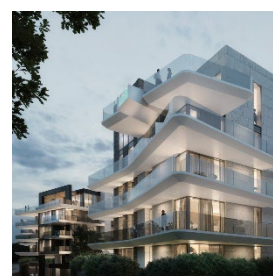
Gross project development value (GDV) is estimated by the Issuer at EUR 125.3 million. By 31 May 2022, 74% of the apartments in this project were pre-sold.



### One Peninsula

The One Peninsula project is located on the shores of Lake Floreasca, in a privileged area and isolated from the noise of the city, although it is close to the Floreasca neighborhood, the business area north of the city, the Promenada shopping area, being at the same time very close to three parks - Floreasca, King Mihai I Park (former Herăstrău Park) and the pedestrian promenade along Floreasca Road, going up to the intersection with Mircea Eliade Blvd. The project includes 168 apartments and 287 parking spaces, with a total built area of approximately 53,000 square meters.

The main differentiating elements of the One Peninsula project are represented by the special architecture of the buildings characterized by large, glazed surfaces and the important component of sustainability, ensured by it being fitted with a system of geothermal heat pumps, unique up until now in residential projects in Romania, which ensures the energetic efficiency of the project.



The construction of the One Peninsula project started in October 2020, the completion date of the project being estimated for October 2023. The gross development value of the project (GDV) is estimated by the Issuer at EUR 143 million. By 31 May 2022, 60% of the apartments in this project were pre-sold.

### One Cotroceni Park

One Cotroceni Park is a multifunctional real estate project that combines 8 residential buildings with commercial and office premises. Developed on a part of the total land area of 5.3 hectares, the residential component of the One Cotroceni Park project will have approximately 868 apartments to which an area of approximately 18,000 sqm dedicated to spaces with complementary functions (trade and offices) is added.

The residential component of the One Cotroceni Park project is combined with the office component (One Cotroceni Park – Office Phase 1 and Office Phase 2), by means of the holistic approach Live / Work / Play, offering residents and employees in the office area integrated facilities, from spaces to dining to fitness areas and access to outdoor running and cycling trails.



The residential component of the One Cotroceni Park project approaches a global concept of underground parking, with multiple access ways, thus allowing green spaces and various facilities to be arranged at ground level. One Cotroceni Park is the largest urban regeneration development in central Bucharest, designed to house a community of people living and working together, where all residents/tenants will have priority access to numerous services.

The construction of the residential component of the One Cotroceni Park project has started in June 2021 and the completion deadline according to the current calendar is October 2023.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 155.9 million. By 31 May 2022, pre-sale contracts were concluded for a percentage of 92% of the total planned area.

### One Floreasca Towers



The One Floreasca Towers project is currently in the permitting phase and is expected to include buildings with a predominantly residential component (comprising an estimated number of 208 apartments and 254 parking spaces), with commercial and service spaces on the ground floor, and a height capacity of 14 floors. The project is located in the heart of the business area in the north of the city, in the immediate proximity to the Promenada shopping area, with easy access to the subway and several surface public transport lines. At the same time, the project has easy access to the A3 highway, through the recently modernized connection offered by Șoseaua Fabrica de Glucoză.



The start of the construction works of the One Floreasca Towers project is planned for July 2022 and the estimated completion deadline according to the current calendar is the summer of 2024.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 61.8 million. By 31 May 2022, pre-sale contracts were concluded for a percentage of 18% of the total planned area.

#### One Lake District

The One Lake District project is expected to become the largest residential real estate project in the Issuer's current portfolio. Currently, the One Lake District project is in the process of completing its design and permitting, obtaining a town planning certificate that provides the construction of a set of buildings with the function of collective housing, commercial premises and services, as well as other complementary facilities, with a height capacity of 11 floors. In October 2021, the Issuer acquired an area of approx. 9,000 sqm aligned with the land originally acquired by the Issuer, additional land that will be part of the One Lake District project.

The project is located on the shores of Lake Plumbuita, and includes the development of a generous area of green spaces, offering easy access to the business area in the north of the city and direct access to the A3 - Bucharest - Ploiești highway. The special location of the project and the design concept of the buildings will ensure the development of an estimated number of approximately 2,000 apartments, offering great views of Lake Plumbuita and its surroundings.

The start of construction of the One Lake District project is planned for July 2022 and the expected completion deadline according to the current calendar is July 2026.

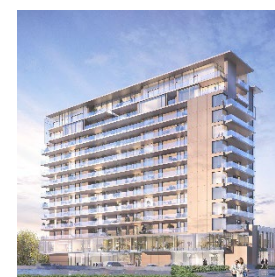
The gross development value of the project (GDV) is estimated by the Issuer at EUR 322.2 million. By 31 May 2022, pre-sale contracts were concluded for a percentage of 9% of the total planned area.



#### One Herastrau Vista

For the development of the One Herăstrău Vista project, the Issuer has chosen an area in which it had previously developed and delivered the One Herăstrău Towers project in the near future. One Herăstrău Vista is a residential real estate project developed in the immediate vicinity of King Mihai I Park (former Herăstrău Park), the largest park in the northern part of Bucharest, comprising an estimated number of 117 apartments and 181 parking spaces, as well as approximately 2,000 sqm of commercial space.

The start of construction works at the One Herăstrău Vista complex is planned for 2022, as the project is at an advanced stage of approval, and the estimated completion deadline according to the current calendar is September 2024.



The gross development value of the project (GDV) is estimated by the Issuer at EUR 38.1 million. By 31 May 2022, pre-sale contracts were concluded for a percentage of 38% of the total planned area.

#### One Mamaia Nord (Phase II)

The One Mamaia Nord project (Phase II) is a continuation of the success of the One Mamaia Nord (Phase I) project. The project is currently in the design phase, being estimated to include buildings having a predominantly residential component, comprising an estimated number of 86 apartments and 148 parking spaces.

Construction work is expected to begin in July 2022 and is expected to take about two years.

The gross development value (GDV) of the One Mamaia Nord Phase II project is estimated by the Issuer at EUR 23.3 million. By 31 May 2021, pre-sale contracts were concluded for a percentage of 25% of the total planned area.

#### One Lake Club

The One Lake Club project is developed by the Issuer on the shores of Lake Tei, on a plot of land with a total area of approx. 21,000 sqm of land which was contracted in 2021. The Issuer intends to develop a real estate project that will be designed as a residential club, with contemporary design apartments and integrated facilities, in total being estimated an approximate number of 586 apartments.

The positioning of the land offers direct panoramic views over Lake Tei but also a quick access to the facilities in the North of the capital and quick access to the A3 motorway.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 179.6 million. By 31 May 2022, pre-sale contracts were concluded for a percentage of 11% of the total planned area.

#### V-Lago

The V-Lago project is being developed by the Issuer on an area of approximately 3,000 sqm also located on the shores of Lake Tei. The land was acquired in 2021 by the Issuer and will be used for the development of a real estate project comprising approximately 135 apartments and 136 parking spaces.

Construction works are expected to start in the summer of 2022 and are anticipated to be completed in August 2024.

The gross development value (GDV) of the project is estimated by the Issuer at EUR 31.9 million. No pre-sale contracts have been concluded as of 31 May 2022.

#### One High District

The One High District project is located in the vicinity of the One Lake Club project and will be developed on a plot of land with an area of approx. 27,000 sqm located on Șoseaua Fabrica de Glucoză in Bucharest. The Issuer intends to develop on this land a residential real estate project that will include both residential units (approximately 859), and commercial spaces, as well as facilities such as gym, swimming pool, restaurants, grocery store, coffee shops, green areas for relaxation. Located right next to the A3 motorway and the business center in the North of the capital, the project offers quick access to Floreasca district, Promenada mall, as well as to other points of interest in the city.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 154.2 million. By 31 May 2022, no pre-sale contracts were concluded.

#### One Plaza Athénée

The One Plaza Athénée is located in the historical center of Bucharest, near the Romanian Athenaeum. The building is classified as a historical monument and is to be completely renovated by the Issuer to enhance its architectural and historical potential. Upon completion of the restoration process, the project will house an exclusive commercial space on the ground and first floors, as well as ten premium apartments on the upper floors with outstanding views, including to the Romanian Athenaeum. One Plaza Athénée is the Issuer's first project aimed at protecting and regenerating the cultural heritage in the center of Bucharest, as a manifestation of the Issuer's future strategy on sustainability and valorisation of heritage buildings.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 24 million. By 31 May 2022, pre-sale contracts were concluded for a percentage of 100% of the total planned area.



### ***Competitive position on the residential market***

The residential market segment is a highly competitive and highly segmented market, being divided between large real estate developers (with the ability to carry out simultaneously large-scale projects), real estate developers delivering individual often successive and small / medium size and real estate developers of small size, which either develop small individual projects or come together in partnerships to build residential real estate projects in various areas of Bucharest.

In terms of key indicators such as: construction quality, finishes, location and typology of potential buyers, the residential market can be seen as divided into the following 3 categories: high value-added projects, medium value-added projects and accessible projects.

- **High value-added projects** have the following features: they are projects located in premium areas of Bucharest (Herastrau, Floreasca, Primaverii, Dorobanti and Kiseleff), have a very good reputation, built by developers with significant expertise on the residential real estate market, with a special architecture and design and a superior quality of finishes, the target market segment being the people with very high income gaining more than 5,000-10,000 Euro per family monthly.
- **Projects with average added value** have the following characteristics: they are projects located in central and semi-central areas of Bucharest, have a good reputation and use in some cases a well-known brand, a consistent experience on the residential real estate market, very good quality finishes, the target market segment being high-income people gaining monthly between 2,000-5,000 Euro per family.
- **Accessible projects** have the following characteristics: they are projects located in semi-central and peripheral areas of Bucharest or the metropolitan area, built by developers with or without experience on the residential market, with an average quality of finishes, the target market segment being people with an income over 1,500 Euro per family.

The Issuer's offer consists of residential real estate projects covering the first two categories of projects.

For each residential real estate project developed, the Issuer performs a competitive analysis of the area, by consulting public data on sales prices of competitively developed projects and by other market research techniques, implemented internally. The issuer differs from the active competition in the market of high and medium value-added projects mainly as a result of: (a) a very careful selection of project locations, (b) the choice of design solutions that differentiate the Issuer's projects from other projects in the area chosen for development, (c) the option offered to customers to benefit from interior design and delivery services "Turnkey" housing units - services offered by the Issuer's partner, Lemon Interior Design, (d) image leverage and One brand reputation.

### ***Real estate development / rental activity on the office premises segment***

Currently, completed office projects (including those purchased for investment purposes) and ongoing ones of the subsidiaries are estimated by the Issuer to have a market value of EUR 411.5 million. Three of the Issuer's projects are completed and operational, while one project (One Cotroceni Park Office - Phase 2) is under development. In addition to the four office projects mentioned above, the Group also runs a project in which it has a minority stake of 20%, with a market value of EUR 24.2 million.

The table below contains information on office building projects owned / developed / operated by the Issuer's subsidiaries as of December 31, 2022:

| Project Name                      | Locality  | Status    | Total leasable area (sqm) <sup>1</sup> | Leasable offices area (sqm) <sup>2</sup> | Estimated market value of the Issuer (m EUR) <sup>3</sup> | Issuer holding percentage <sup>4</sup> | Annual rental income (m EUR) <sup>5</sup> |
|-----------------------------------|-----------|-----------|--|--|---|--|---|
| One Tower                         | Bucharest | Completed | 24,039                                 | 23,287                                   | 99.5  | 70.24%                                 | 6.2                                       |
| One North Gate                    | Bucharest | Completed | 23,024                                 | 22,545                                   | 42.5  | 62.41%                                 | 3.3                                       |
| One Herăstrău Office <sup>6</sup> | Bucharest | Completed | 8,074                                  | 7,673                                    | 24.2  | 20%                                    | 1.6                                       |

|                                     |           |                    |                |                |              |              |             |
|-------------------------------------|-----------|--------------------|----------------|----------------|--------------|--------------|-------------|
| One Cotroceni Park Office - phase 1 | Bucharest | Completed          | 46,252         | 43,261         | 137.3        | 57.25%       | 8.9         |
| One Cotroceni Park Office - phase 2 | Bucharest | Under construction | 34,456         | 32,075         | 108.00       | 57.25%       | 7.0         |
| Total number of offices             |           |                    | <b>135,845</b> | <b>128,841</b> | <b>411.5</b> | <b>58.73</b> | <b>27.0</b> |

Source: Issuer.

<sup>1</sup> The total leasable area is calculated according to the standard BOMA 2017 measurement methods for office buildings, developed by the Association of Building Owners and Managers Association International.

<sup>2</sup> The leasable offices area is calculated according to the standard BOMA 2017 measurement methods for office buildings, developed by the Association of Building Owners and Managers Association International.

<sup>3</sup> The estimated market value implies the completion of the project and the rental of 100% of the spaces; please see the "Estimates and other indicators used" section below

<sup>4</sup> The column dedicated to the Issuer's participation in the subsidiaries that own and develop office buildings is divided into two sections: (i) the current participation and (ii) the anticipated percentage of its participation in those subsidiaries, following future land contributions and the conversion of loans into share capital, as these operations are envisaged at the time of this Prospectus.

<sup>5</sup> Estimated value at full capacity.

<sup>6</sup> Owned by the Group in percentage of 20 and operated by the Group.

### ***Target customers in the office premises segment***

The Issuer's subsidiaries own and develop office buildings located in the main sub-markets in Bucharest and the business area in the North of Bucharest, substantially covering the requirements of the main categories of business tenants, of various sizes and characteristics (for example, the One Cotroceni Park Office project - Phase 1 and Office Phase 2 can accommodate technology tenants, located mainly in the sub-market of the western part of the capital, while the One Tower project can provide attractive spaces for tenants interested in office premises located in the northern area of the capital, considered to be premium). For all projects of the Issuer's subsidiaries, the target customers are mainly medium and large companies, in most cases multinational companies, renowned internationally, but also large local companies. However, the projects of the Issuer's subsidiaries can also accommodate the requests of medium to small-sized clients, often contributing to the diversification of the client portfolio built for a given project.

### ***The real estate development process on the office premises segment***

The real estate development process in the office premises segment is in many ways similar to that described for the residential segment (see section "Main markets and competitive position - The residential real estate development process"). By way of comparison, the development of the office premises segment is differentiated by a faster pace of design and completion of basic construction works, which are followed by completion of finishes and customization of each rented space (fit-out) for the needs of each tenant.

In order to differentiate itself from the competition, the Issuer has concluded various partnerships with specialized service providers, so that the tenants benefit from a complete package of services related to the arrangement of rented spaces, from partitions, interior design to furnishing spaces making them ready to be occupied by tenant staff.

### ***One Community***

The One Community ("ONE Community") is a benefit programme created by the Issuer and offered by it to tenants in office premises developed or managed by the Group and to residents in the Issuer's residential real estate projects. The benefits offered cover multiple categories, from significant discounts at certain restaurant and café operators, health services, interior design, beauty and even preferential and priority services or grace periods at The One conference centres or offices, a unique concept in Romania that offers multifunctional spaces that can host conferences and other events for up to 300 participants, executive office spaces that can be rented for short or medium term, while offering its tenants premium services such as concierge, restaurant and bar with spectacular panoramic views over Bucharest as well as a golf simulator.

### ***Evolution of the office market***

Compared to the first quarter of 2021, the first quarter of 2022 proved to be a dynamic one, reaching the 60,400 sqm

leased threshold, 44% more than the first quarter of last year. Newly concluded contracts, excluding renewals or renegotiations, accounted for 75% of total leased areas, 53% more than in the first quarter of 2021, indicating a strong trend of increasing market demand from tenants in terms of expansion of leased areas or entry of new tenants with specific demands. (Source: CBRE)

In 2021, the office space market has seen a positive development, marked by growing demand and increasing diversity of economic sectors generating demand for modern and certified office space. Also, the vacancy rate in Class A+ buildings has been on a downward trend, partly due to the decrease in deliveries during this period. For the Group, this phenomenon represents an opportunity, operating in a less aggressive competitive environment. For the year 2022, specialists expect demand to grow by more than 15% coupled with a strong rebound phenomenon through physical presence in the office once the restrictions caused by the COVID-19 pandemic are lifted. A significant impact on the market is also determined by the new tenants active in the market, interested in modern, certified office space in locations well connected to the public transport network, as seen in the case of the One Cotroceni Park - Office Phase 1 project (Building A and Building B), which became a pole of attraction for them during 2021.

### ***Description of office premises projects***

#### **One Cotroceni Park (Office Phase 1 and Phase 2)**

One Cotroceni Park is a multifunctional real estate project combining a residential component with commercial and office spaces. Developed on a total land area of 5.3 ha, One Cotroceni Park will have approx. 80,000 sqm of offices (developed within One Cotroceni Park– Office Phase 1 and Office Phase 2), 15,000 sqm of commercial spaces and 800 apartments.



One Cotroceni Park– Office Phase 1 and Office Phase 2 is a project located near the Polytechnic University and the related university campus, next to the new metro station Academia Militară. The project offers tenants versatile spaces, from 1,000 sqm to 9,000 sqm having a special component consisting of green spaces integrated in the construction in the form of spacious terraces, part of the spaces offered to tenants, offering flexibility to the staff to carry out their activity as they choose to and in outdoor spaces arranged as gardens. The project includes both LEED Platinum certification and WELL certification (including Health-Safety).

The project is based on the holistic approach Live / Work / Play, offering both employees and residents in the residential development component integrated facilities, from dining spaces to fitness areas and access to outdoor running tracks and cycling, having also co-working (common workspaces) and conferences facilities.

The project approaches a global concept of underground parking, with multiple access and exit paths, thus allowing green spaces and various facilities to be arranged at ground level.

The One Cotroceni Park - Office Phase 1 began in the fall of 2019 and was completed in December 2021 and construction works for the second phase of the project began in 2021 with a completion term according to the current calendar estimated in the spring of 2023.

The market value of the One Cotroceni Park – Office Phase 1 project is evaluated on the basis of completed development and full lease at EUR 137,312,728. At the end of March 2022, approximately 85% of the total leasable area was contracted for rent.

The market value of the One Cotroceni Park – Office Phase 2 project is evaluated on the basis of completed development and full lease at EUR 107,958,348. The pre-rental activity started in May 2021 and approximately 19% of the total leasable area was contracted for rent.

#### **One Tower**

Located in the premium business area of Bucharest and in the immediate vicinity of Floreasca Park, One Tower is the office component of the One Floreasca City project, composed of the three residential buildings that form the One Mircea Eliade project together with the One Gallery project, dedicated to the commercial segment. Although the One Floreasca City project has underground parking, green areas and common pedestrian spaces, each of its components is designed to operate independently.

One Tower is included in the category of Class A office buildings and is arranged on 16 floors, with an innovative structure without interior pillars and beams and with a total area (GLA) of 24,039 sqm, respectively approximately



1,400 sqm per floor. The building is built using the latest technologies, having a regular shape and allowing a good use of natural light, as well as efficient space planning. The building offers a spectacular view of the parks close by with a 360° panorama of Bucharest, having also co-working (common workspaces) and conference facilities.

The One Tower project is *LEED Platinum v4* certified, one of the highest ratings in terms of performance and environmental impact. The latest enhancements to LEED Platinum v4, designed to be flexible and to enhance the overall project experience, are based on materials, performance, smart grid and water efficiency.

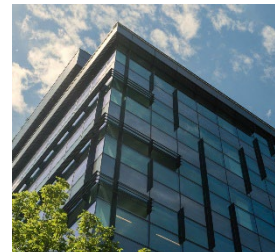
Construction of the One Tower building began in 2018 and was completed in December 2020. The market value of the building is evaluated on a full lease basis, at EUR 99,511,298. As of the date of this Prospectus, approximately 100% of the total leasable area within the One Tower project is leased / pre-leased.

#### One Herăstrău Office

The issuer holds a 20% share in the One Herăstrău Office project, located in the northern part of the capital, in the Aviation area, from June 2020, as a result of the purchase from Conarg SA. After the purchase, the project started being administered by the Issuer and incorporated in the Issuer's portfolio under the name of One Herăstrău Office.

One Herăstrău Office has a leasable area of 8,000 square meters and 130 parking spaces.

The market value of the building is evaluated on a full lease basis at EUR 24,198,718. As of the date of this Prospectus, 100% of the total leasable area within the One Herăstrău Office project is leased / pre-leased.

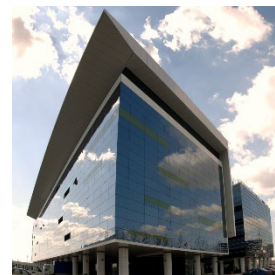


#### One North Gate

One North Gate is currently the only project of the Issuer located in the northern metropolitan area of the capital, being purchased for investment purposes in 2017.

The project has a leasable area (GLA) of 23,000 sqm and 465 parking spaces, with a total built area of 35,000 sqm developed on a plot of land of 12,000 sqm.

The market value of the building is evaluated on a full lease basis at EUR 42,535,928. As of March 31, 2022, approximately 20% of the total leasable area within the One North Gate project is leased / pre-leased. The Issuer is currently identifying the optimal solutions for capitalizing on this project. The Issuer submitted a bid in the selection procedure organised by the Romanian General Inspectorate for Emergency Situations for the purchase of an office building. At the date of this Prospectus, the results of the selection procedure have not been communicated to the Issuer.



#### ***Competitive position in the office premises market***

In 2021, in the segment of office spaces in Bucharest, a number of 155,000 sqm were delivered for rent, of which 23,900 sqm were delivered through the project of the Issuer, One Tower, representing a market share of 15.4% (Source: JLL).

The total stock of offices in Bucharest, according to a study conducted by CBRE, was at the end of 2020 of 2,950,000 sqm, of which approximately 2,000,000 sqm were found in Class A office spaces.

The Issuer, through the 3 office buildings in the portfolio held by its subsidiaries and through One Herastrau Office, owned by a minority but managed by the Issuer, offers with the completion of the One Cotroceni Park – Office Phase 1 project approximately 100,000 sqm of Class A office space, representing a market share of approx. 4% of the total office space in Bucharest and approx. 4% of Class A offices in Bucharest. Once the One Cotroceni Park – Office Phase 2 project is completed, the Issuer will reach an estimated market share of approx. 4% of the total office space in Bucharest and approx. 5.5% of Class A offices in Bucharest.

The level of competition is high, with several multinational companies present on the office space market in Bucharest, most of them adopting an expansion policy. Thus, for the year 2022, it is estimated that approximately 250,000 sqm will be delivered in the office space segment (Source: JLL).

The most important competitors for the Issuer on the Class A office space market in Bucharest are: Globalworth, CA Immo Romania, S Immo Romania, Skanska Romania, Vastint Romania, Forte Partners and Atenor.

The issuer, despite of being a young player on the office premises market, has a number of competitive advantages,

such as:

- **Portfolio distribution** - through the location of office buildings, the Issuer covers the four most important areas of the office market in Bucharest (Cotroceni, Floreasca, Herăstrău și Pipera), covering all categories of tenant requests.
- **Quality standards** - The Issuer promotes the service of renting office spaces included in a wider package of services and facilities made available to tenants, so that both the quality of the work environment and the quality of life of tenant staff are at the highest standards possible, the Issuer's strategy being that of obtaining the WELL rating for the newly developed portfolio.
- **Flexibility** - The Issuer's portfolio accommodates the full range of potential tenants, with a complete offer - from small rental spaces (such as co-working spaces) to the largest rentable area per floor in Romania (in the case of the One Cotroceni – Office Phase 1 and Phase 2 project). The Issuer offers tenants comprehensive services concerning the fitting out of the rented premises, finding customized solutions for them.
- **Technology and innovation** - The Issuer has successfully implemented the Bright Spaces platform, which offers a complete digital solution for presenting and offering office buildings and available spaces, through 3D visualizations and various modules for automation, optimization and digitization of actions that are specific to the process of leasing office space.
- **Response time** - The Issuer adopts an efficient communication policy with tenants and potential tenants, the response time being one of the most important factors analysed and monitored by them. The organizational structure of the Issuer ensures great flexibility and a fast response time to any request received from tenants.
- **High-standard certified office buildings portfolio** - Office buildings developed and owned by the Issuer have been designed to meet the latest and most innovative international certification standards, such as Leed Platinum v4 (One Tower) and Leed Platinum (One Cotroceni Park – Office Phase 1 and Office Phase 2).

### *Leasing of retail and services premises*

Currently, the leasing of retail and service premises is carried out through the two projects described below:

#### Bucur Obor

In the first quarter of 2022, the Issuer acquired indirect control over 54,4351% of the share capital of Bucur Obor S.A., a company listed on the Multilateral Trading System of the Bucharest Stock Exchange, under the symbol BUCU, following the green light from the Romanian Competition Council. The decision to purchase the majority stake in Bucur Obor S.A. is in line with the Issuer's strategy to increase the share of the profits from rental activity in the total profits of the Group.

The Bucur Obor shopping centre in Bucharest opened its doors to the inhabitants of the capital in 1975. Today, the centre accommodates stores of all sizes, from family businesses to well-known international brands. The company was listed on the Bucharest Stock Exchange in July 1997. Bucur Obor has has a long history of profitability, but above all, it is an iconic location for Bucharest and its inhabitants.

#### One Gallery

The Issuer concluded in the first quarter of 2021 a pre-sale agreement with Auchan România, having as subject the immovable property located in Calea Floreasca, which will thus form an integral part of the One Floreasca City project under the name of One Gallery. The building will house retail spaces, with premium shops and restaurants with generous terraces, which will be distributed on the ground and first floors, each level being 6 metres high.

The One Gallery Project has a building permit and will be completed in approximately 2 years from the date of purchase and will have a gross leasable area of approximately 13,500 sqm and 400 parking spaces built on 2 underground floors. The investment envisaged by the Issuer in the One Gallery project is EUR 55 million, while the gross project development value (GDV) is estimated by the Issuer at EUR 90 million.



The acquired building is the former Ford Factory, the first in Central Europe, built in the 1930s, and by acquiring and restoring it, the Issuer reinforces its commitment to protect the architectural heritage of Bucharest. Thus, One Floreasca City, the complex hosting the One Gallery project is being redeveloped to be reconfirmed as a development in line with the sustainability and urban regeneration policy initiated by the Issuer.

### One Carpathian Lodge

In the last quarter of 2021, the Issuer acquired a majority stake in One Carpathian Lodge, a boutique hotel located in Bacau County. The property is in a unique location, surrounded only by forest as far as the eye can see. One Carpathian Lodge (with an area of approximately 1,000 sqm), as well as the 49 ha of forest and 7 ha of development land, will be operated on a 10-year lease by Le Manoir, a fine dining business group.



The medium-term objective is to transform the location into the first Relais & Châteaux property in Romania, once investments focused on the renovation and refurbishment of the location are completed. The value of the transaction amounted to €2.27 million. The Issuer expects that the location will be operational to welcome guests before the end of 2023.

### Lidl Market in One Verdi Park

The project will be a flagship store for Lidl, the most successful local and European convenience retailer, part of the Schwarz Group (Europe's largest and the world's fourth largest by revenue). Unlike the traditional model of Lidl stores, located in a separate location, Lidl has confirmed its belief in the ONE vision and embraced the concept that embraces residential and retail functions, offering services within easy reach of the residents of the One Verdi Park project, as well as the vibrant and growing Verdi Park area. The total area leased to Lidl is 2,000 sqm.

## **ESTIMATES AND OTHER INDICATORS USED**

This Prospectus does not include any estimate, respectively forecast regarding the profit within the meaning of art. 1 points (c) and (d) of Delegated Regulation 980/2019 and the Issuer has not previously published any such estimate or forecast, thus not applying the provisions of section 7 of Annex 1 to Delegated Regulation 980/2019.

However, this Prospectus includes certain terms and indicators used to describe and present the activity of the Issuer and the Group, which are based on forecasts and estimates, as follows:

**The gross development value (GDV)** represents the value of a residential project completed and sold in proportion of 100%, including the sale of all types of spaces - apartments, commercial premises, parking spaces, storage spaces, gardens, terraces, etc. In the planning / development phase, it is calculated using comparable current or recent real estate transactions, as well as the information obtained by the Issuer as a result of the marketing and pre-sale exercise.

**The estimated gross profit for residential projects** is calculated as the difference between the gross development value (GDV) and the estimated cost of the project, which is then calculated as the sum of the following costs (the enumeration acting as an example): those related to land acquisition, approval, authorization and taxation, costs of site design and organization, embankments, infrastructure, superstructure, waterproofing, envelope, installations, connections, exterior and interior design, etc. The estimate of the cost (and therefore the estimated gross profit for the project) is based on current assumptions and no assurance can be given that such results will be achieved (see " *Important information about this Prospectus - Information on forward statements* " ).

**The estimated market value of the office projects** is based on the information extracted from the independent valuation reports of the respective buildings to which the Issuer has access.

The estimated market value of office projects should not be mistaken for the fair value measurement of the Group's real estate investments (comprising mainly offices, commercial real estate and retail real estate that are not substantially occupied for use or in the Group's operations; and nor for sale in the ordinary course of business, but are held primarily for rental income and capital appreciation), used to prepare the Annual Financial Statements. According to the Annual Financial Statements, real estate investments are initially measured at cost, including transaction costs (which include transfer fees, professional fees for legal services and, in the case of real estate investments are held under a lease agreements, initial leasing fees to bring the property in the condition necessary for it to function). Subsequent to initial recognition, investment property is measured at fair value, which reflects market conditions at the reporting date. As opposed to the estimated market value, for determining the fair value of real estate investments, their current use is equivalent to the best and highest level of use. For more information on how to determine fair



value, see Note 8 to the Annual Financial Statements.

## MARKETING AND SALES

The Issuer's marketing strategy is based on the Issuer's vision, objectives and values following its business strategy.

The public communication of the Issuer is coordinated by its executive management, based on the recommendations formulated by the marketing department. The Issuer's marketing plan includes in a holistic manner both the marketing and the communication strategy.

The communication campaigns defined within the Issuer's marketing plan cover constantly three areas:

- **Promoting the brands** owned by the Issuer, in particular by increasing the visibility of the "ONE" brand as a single umbrella brand used by all the Issuer's subsidiaries, and assimilating it by the target audience with the vision of a real estate developer focused on customer proximity, community building, urban regeneration, sustainability and environmental protection, all these being key elements exploited by the Issuer through a continuous, consistent and permanently improved communication.
- **Press and communication campaigns**
  - i. regarding the achievements of the Issuer and its subsidiaries, concrete events being especially targeted, which mark key moments in the development of projects built by the Issuer's subsidiaries, but also special distinctions in the field of real estate development, architecture, sustainability, environmental protection, etc. Part of the Issuer's events are organized in the Sales Center (*One Sales Center*), a space specifically designed to develop the direct relationship between the Issuer and its customers; and
  - ii. aimed at increasing the public visibility of the key persons within the Issuer and the assimilation of their image leverage to the Issuer's image, the executive management of the Issuer (Mr. Victor Căpitanu and Andrei-Liviu Diaconescu).

The Issuer has developed a flexible marketing strategy, closely linked to sales and rental departments, which accelerates the response to *feedback* received from customers and target segments. Thus, the information accumulated from daily sales / rental processes, the executive management of the Issuer often leads to immediate results in adapting public communication and improving future campaigns.

In terms of the marketing channels used by the Issuer, it has achieved a high degree of visibility in the area of *social media*, especially in LinkedIn, Facebook and Instagram networks. The Issuer also runs direct *newsletter* marketing campaigns. The Issuer has adopted this strategic option in order to streamline costs and to have a better opportunity to optimally structure the message transmitted according to the results pursued by the Issuer, as well as to efficiently collect and process *feedback* received from the customers.

The residential sales processes are supported by a marketing strategy carried out through the Sales Center (*One Sales Center*) presentation spaces within each project developed by the Issuer's subsidiaries, the creation of complex project presentation models, model apartments, promotional materials, presentation pictures and films, local signage and through platforms specializing in real estate transactions.

The Issuer's subsidiary, Skia Real Estate, is the main real estate agency through which the residential real estate developed by the Issuer is promoted and sold. The Skia Real Estate activity is coordinated by Ms. Beatrice Dumitrașcu, CEO Residential Division, a professional with an impressive experience, focused mainly on residential developments in the medium, medium high-end and high segments. The information collected by Skia Real Estate in the sale process in projects under development is also used by the Issuer in future projects from the design phase, so that each new project developed by the Issuer's subsidiaries dynamically and constantly adapts to the latest requirements on the market.

Following the market prospecting process, in order to develop a new residential project, the Issuer records the purchasing intentions of potential buyers, managing, through the adopted sales policy, to achieve a high conversion rate of potential buyers into final buyers.

Upon completion of the sale process performed for the Issuer's subsidiaries, Skia Real Estate also offers buyers after-sales services, respectively mediates the resale or rental of real estate owned by them.

The Group's marketing and sales activities also include the provision of *branding* and sales services for projects that have not been developed by the Group, such as the One Rahmaninov project (which, prior to entering the Group's

management and sales portfolio, was called Rahmaninov Residence).

The processes of renting office space are supported by the participation of the Issuer / its subsidiaries in profile events in the industry, interviews given by the CEO of the Office Division - Mr. Mihai Păduroiu, as well as an experienced team in renting office space. In order to increase the attractiveness and facilitate the access of potential tenants to the specifications of office buildings (One Cotroceni Park – Office Phase 1, Office Phase 2 and One Tower), the Issuer has developed a partnership with Bright Spaces that offers a complete digital solution for presenting and offering office buildings and available spaces, through 3D visualizations, the Issuer being the first user of this innovative solution in Romania.

## **ARCHITECTURE AND DESIGN ACTIVITY**

The architectural and design activities related to the projects developed by the Issuer's subsidiaries are mainly coordinated by the company X Architecture & Engineering Consult, the Issuer's subsidiary. As the complexity of certain projects developed by the Issuer's subsidiaries increased, in some cases the services of internationally renowned architects were contracted, such as Bobotis + Bobotis (Greece) or Bueso-Inchausti & Rein Arquitectos (Spain).

Within X Architecture & Engineering Consult the activity is coordinated by Mr. Marius Călin, a graduate of the University of Architecture in New York, an architect with extensive experience of more than 15 years gained in the United States, active locally in Romania since 2004. In order to ensure a good coordination of the projects developed by the Issuer's subsidiaries, he appointed a permanent representative in relation to all architects and designers, Mr. Adrian Arendt, with a vast experience gained in almost 20 years in one of the most prestigious architecture offices in Romania: DSBA / Arch. Dorin Ștefan, where he also held the position of Design Director for 13 years, until December 2020, when he joined the Issuer.

## **INTELLECTUAL PROPERTY**

The issuer and its subsidiaries have a relatively large number of trademarks, including word marks (which protect words) and combined marks (which protect words and graphics), including trademarks such as: ONE UNITED PROPERTIES, ONE, THE ONE, ONE VERDI PARK, ONE COTROCENI PARK, ONE TOWER, ONE FLOREASCA TOWERS.

At the date of the Prospectus, the Issuer and its subsidiaries registered at the State Office for Inventions and Trademarks 87 trademarks, while another 10 trademarks are being currently registered.

In all of the above cases, the protection afforded by trademark registration shall last for 10 years and may be extended for further periods of 10 years on the basis of an express request. Within the Issuer's activity, the trademarks owned are regularly renewed and new trademark registrations are made, in principle, in correlation with projects developed by the Issuer's subsidiaries.

## **IT INFRASTRUCTURE**

IT infrastructure is an important component of the Issuer's business, which exploits a number of software, hardware and network resources tailored to the specific requirements and complexity of its activities. The investments in technology made so far by the Issuer aimed to ensure a stable and secure technological platform, while seeking the easy identification of cost factors, but also opportunities to maximize results.

Currently, sales and customer relationship management is provided through a CRM (*Customer Relationship Management*) platform, while office rental management is done through an interactive platform developed by Bright Spaces that allows the presentation of spaces in an three-dimensional environment, checking availability and renting them through the web portal and the related application. By implementing this platform, the Issuer became the first developer with a portfolio of office buildings in Romania to fully digitize the viewing and rental process. Among the advantages of using this platform are the substantial saving of time and staff resources, but also by generating a significant amount of analytical data, useful for the process of outlining rental strategies.

The modernization and development of the technological infrastructure remains a priority for the Issuer, which, during 2021, carried out and completed the implementation of an ERP (Enterprise Resource Planning) IT solution, regarding the implementation of the Microsoft Dynamics NAV (Navision) platform. This IT solution was integrated at the Issuer's level in order to increase the operational performance, through complete modules that will be used for the management of financial-accounting transactions, the operational management of acquisitions and projects, respectively of sales and rentals.

The solution also involves the implementation of a communication portal with customers, suppliers of materials and services (related to the development industry) and with brokers and collaborating agents (related to the sales and rental segment). According to the planning taken into account, the full implementation and operationalization of this component will be completed by the end of 2022.

## INSURANCE

The issuer has concluded insurance policies of the following type: PAD (Compulsory Home Insurance), CAR-for all construction risks, PD-for property destruction risks, RCT-for third party liability, TP-for insurance against acts of terrorism, as well as property insurance for possible financial losses that could result from title defects.

Insurance policy values structured according to the type of property:

| Property type | Insured Amount (EUR) |
|---------------|----------------------|
| Office        | 245,616,055          |
| Residential   | 193,719,608          |
| Mixed-use     | 57,871,974           |
| Commercial    | 300,000              |

Source: Issuer.

The values of the insurance policies structured by type of insurance are described below:

| Insurance policy type                        | Insured Amount (EUR) |
|--|----------------------|
| 244 PAD policies (Compulsory home insurance) |                      |
| CAR (All risks in construction)              | 185,757,819          |
| PD (Property damage)                         | 242,449,818          |
| RCT (Third Party Liability)                  | 3,800,000            |
| TP (Terrorism policy)                        | 65,500,000           |

Source: Issuer.

## Staff

As of December 31, 2021, the Group had 88 employees. Most employees within the Issuer or its subsidiaries that are part of the Group have higher education. The average age of employees is 35-40 years. (20% under 30, 68% between 30 and 50 years and 2% over 50 years). The personnel turnover stays around 15%, the dynamics of the number of employees is a positive one, registering an increase of approximately 20% compared to the previous year.

The remuneration policy is established in accordance with the legal provisions. The issuer may grant additional income to staff (in the form of merit bonuses, bonuses and / or profit-sharing schemes), with the approval of its executive management.

The remuneration policy of the members of the Board of Directors and of the directors of the Issuer is defined by the Nomination and Remuneration Committee, constituted at the level of the Board of Directors and periodically reviewed in accordance with the provisions of Law 24/2017, being approved by the decision adopted on 26 April 2022 by the Ordinary General Meeting of the Issuer's Shareholders.

At the level of the Issuer and its subsidiaries there are no organized unions and so far no collective labor agreements have been concluded. If, according to the legal provisions, the conclusion of collective labor agreements will be necessary / mandatory, the Issuer and its subsidiaries will start negotiations with the employees.

## ENVIRONMENTAL ASPECTS

We consider that the activity of the Issuer and its subsidiaries generally does not have a significant negative impact on the environment, the Issuer implementing sustainable practices and managing sustainability risks. However, the Group has an obligation to comply with a large number of laws and regulations in the field of environmental protection. These laws and regulations largely concern the management and disposal of hazardous materials, emissions into the atmosphere, accidental discharges, clean-up of contaminated areas and, in general, health and safety issues. Also, depending on the specifics of each project that the Group develops, there is an obligation to obtain opinions on

agreements and / or environmental permits or, as the case may be, to send a prior notification to the competent authorities.

Starting with 2017, all the residential projects of the Issuer received the “Green Homes” certification from the Romanian Council for Green Buildings. Among the Group's projects that prove the concern for the environment is One Peninsula, which will be the first residential project in Bucharest that benefits from a heating system using heat pumps with geothermal source.

In continuation of the sustainability strategy implemented by the Issuer, the Issuer concluded a partnership with Veolia România Soluții Integrate S.A. aimed at implementing sustainable energy efficiency solutions in the Issuer's residential real estate projects. The first two residential real estate projects that will benefit from this partnership are One Lake District and One Peninsula.

Regarding the newly developed office buildings in the Issuer's portfolio, they are certified or in the process of obtaining WELL and / or LEED PLATINUM certification by the US Green Building Council (*in Romanian: US Green Building Council*), one of the most demanding certifications on environmental impact and environmental performance.

## **LITIGATION AND LEGAL PROCEEDINGS**

As a result of the specifics of the Group's activity, namely the realization of real estate projects, it is involved in litigious and administrative procedures about the contestation of the validity of the urban planning acts issued by the local authorities for the realization of these real estate projects.

Most of these disputes result from the normal activity of the Group. Some of these disputes have been settled definitively in favor of the members of the Group, and others are currently in various settlement stages, as detailed below.

### **I. Administrative litigation against authorization documents**

#### *1. Overview of litigation against the Group*

The members of the Group are involved in a series of administrative disputes about the attack of some authorization acts (*i.e.* zonal urban plans, town planning certificates, environmental agreements, building permits) issued by the local authorities for the realization of certain real estate projects by the members of the Group. Most of these litigations were initiated by associations that justify their procedural quality in terms of the object of their activity, safeguarding the public interest, protecting the environment / community interests and monitoring compliance with the law by local authorities.

In general, the risks generated by a possible unfavourable settlement of disputes regarding the documents authorizing the development of a real estate project are represented by possible subsequent nullities, potential fines, the possibility of the need to go through legal procedures or, in extreme cases, even the impossibility. the use of the buildings or the possibility that the buildings already built will have to be demolished in case the possible process of becoming legal would no longer be possible. From a practical point of view, the financial risk is represented by the losses representing the cost of real estate projects and the loss of profits that the Group would have obtained from operating the buildings, as well as any penalties and damages due to customers under the contracts concluded with them.

If the real estate realized through the respective projects has been sold or rented to other parties, and subsequently, through the disputes described below, the authorization documents on the basis of which these real estate projects were built will be annulled, the members of the Group could be liable to the buyers / tenants, depending on the conditions agreed in the agreements concluded between the parties. Although, in theory, the aforementioned risks are included in the normal activity of the Group, in particular, the implications of these disputes are different, on a case-by-case basis

#### *2. Litigation initiated against One Mircea Eliade and One United Tower*

The two members of the Group were / are involved in the real estate project in the Calea Floreasca area, known mainly for the historical monument "Ford Hall". The zonal town planning plan for the project ( **PUZ** ), the environment agreement issued for starting the project ( **AM** ), as well as two subsequent building permits based on which the buildings related to the project were built and received ( **AC1** and **AC2** ), were attacked in court by several associations: Cartier Aviației Association, Salvați Bucureștiul Association, SOS Orașul Association, Association for the Integrated Protection of Natural and Cultural Heritage as well as the Civic Movement Militia Spiritual Association. So far there have been two disputes, which concerned the suspension of PUZ, AM and AC1 related to the project.

Both disputes were settled definitively in favor of the members of the Group, by definitively rejecting the requests for suspension of the contested administrative acts. There was another dispute concerning the cancellation and suspension of the PUZ and AC1 and the demolition of the buildings, but this too was definitively settled in favour of the members of the Group, with the definitive rejection of the applications for the demolition of the buildings and the cancellation of the PUZ and AC1. Also, in April 2022, another dispute in which the legality of the AM was verified was definitively settled on appeal. As a result of the dismissal of these disputes, the validity of the PUZ, AM and AC1 has been definitively confirmed and the final judgement has authority/res judicata, which will be used to settle favourably the other disputes in which final judgements have not yet been handed down. There are currently 2 disputes still pending as follows:

- A dispute in which again the legality of AC1 is verified. It has been suspended within the judgment on the merits phase until the final resolution of the PUZ, AC1 and AM legality cases. An application has been made for the case to be reinstated in view of the termination of the suspension by the final favourable resolution of the dispute concerning the legality of the PUZ and AC1 and the final favourable resolution of the dispute concerning the legality of the AM, as described above. In this litigation, the authority and res judicata derived from the definitively settled litigation concerning the PUZ, AM and AC1 will be invoked for most of the alleged elements of illegality invoked. The next deadline has been set for 14 June 2022.
- A dispute in which the legality of AC2 is verified. It has been suspended at the merits phase pending final resolution of the case concerning the legality of the PUZ and AC1. An application has been made for the case to be reinstated in view of the termination of the suspension by the final favourable resolution of the dispute concerning the legality of the PUZ and AC1, as described above. In this dispute, the authority of res judicata deriving from the definitively settled dispute concerning the PUZ and AC1 has been invoked for most of the alleged elements of illegality invoked. The court adjourned its ruling on the merits and postponed such ruling until 16 June 2022.

Overall, the damage that the members of the Group may suffer as a result of losing these disputes include the difference between the price of the land and the market value of a similar included land, expenses with the implementation of the project, obtaining PUZ documentation and permits, penalties paid or to be paid to promising buyers, as well as unrealized profits - as the difference between the expected revenue and the cost of the project. In order to cover these possible damages, which could be activated only in case the litigations were definitively lost by the members of the Group, an impleader can be requested against the issuing authorities and the Bucharest municipality.

for the illegality of AC2 will be decided by virtue of res judicata, as is apparent from the PUZ and AC1 file.

### *3. Litigation initiated against One Mamaia Nord S.R.L. (previously named Neo Mamaia S.R.L.)*

So far, One Mamaia Nord has built and received a real estate project consisting of a residential complex of 50 apartments in Constanța County, in the area of Mamaia beach.

First of all, the Association Constanța Altfel challenged the building permit on the basis of which the real estate project was started, claiming mainly that older urban planning rules that are incompatible with the parameters of the building permit would be applicable for that area. Also, arguments are brought forward regarding the violation of the provisions regarding the minimum green spaces needed, as well as the violation of the public domain represented by Mamaia beach.

Secondly, the same association also challenge all the urban planning documents that study the Mamaia resort from 2001 to 2018, including the regional town planning on the basis of which the building permit was issued. In this second litigation, One Mamaia Nord is not involved, but the first litigation was suspended on February 25, 2020 until the dispute regarding the cancellation of the regional town planning is resolved.

The request of the Association Constanța Altfel regarding the cancellation of the town planning documents studying Mamaia Resort was fully rejected in first instance by the Constanța Tribunal, on October 26, 2020. The claimant lodged an appeal which was settled by the Constanța Court of Appeal. The appeal was dismissed as unfounded on October 18, 2021, the judgement dismissing the case on the merits being thus upheld. As a result of this final ruling, the validity of all town planning documents studying Mamaia Resort has been confirmed in court.

After the termination of the suspension (the definite favourable ruling of the dispute regarding the urbanism documentation), a request for reinstatement has been made in the file regarding the cancellation of the. On 26 April 2022, the court rejected the plaintiff's claim in its entirety, maintaining the validity of the building permit. Until this moment, the plaintiff has not challenged such ruling.

Overall, the damages that One Mamaia Nord could suffer as a result of the invalidation of the building permit include the difference between the price of the land and the market value of a similar framed land, expenses with project implementation, obtaining authorizations, penalties paid or to be paid to future buyers, as well as unrealized profits - calculated as the difference between expected revenue and project cost. In order to cover this possible damage, which could be activated only in case the litigations were definitively lost by One Mamaia Nord, a request for impleader may be registered against the issuing authorities and the Municipality of Constanța.

#### *4. Litigation against One Modrojan*

One Modrojan is responsible for a real estate project consisting of a residential complex developed on a plot of land adjacent to the historical monument "Casa Filipescu" in the Aviatorilor neighborhood in Bucharest.

##### *a) Dispute regarding the cancellation of the PUZ*

The Party Uniunea Salvați Români (USR) initiated a litigation against the member of the Group in August 2020, requesting the cancellation of the regional town planning based on which the real estate project was started.

USR's arguments are mainly related to the alleged violation of the provisions on the protection of green spaces and historical monuments.

On March 4, 2021 the Bucharest Tribunal rejected in the first instance the sue petition, approving the exception of the lack of active capacity to stand trial of the claimants belonging to USR (political party). The claimant appealed against this solution. In the appeal file, the Bucharest Court of Appeal decided to refer a question of law to the High Court of Cassation and Justice as to the active capacity to stand trial of political parties in administrative disputes.

##### *b) Dispute regarding the suspension of the PUZ and AC*

In November 2021, the Association for the Integrated Preservation of Natural and Cultural Heritage filed a request for the suspension of the PUZ and building permit (AC) under which the real estate project is being developed.

On March 1, 2022, a decision on the merits of the litigation was rendered in favour of the member of the Group as the Bucharest Tribunal dismissed the claimant's request in its entirety. The claimant filed an appeal against this decision, and the member of the Group has filed an incidental second appeal against the way in which an exemption has been ruled on in the judgment on merits stage and against certain considerations. The first second appeal term is set for 22 June 2022.

##### *c) Dispute concerning the cancellation of PUZ and CA*

In May 2022, the Association for the Integrated Conservation of Natural and Cultural Heritage, also filed a request for the cancellation and suspension of the PUZ and the construction permit (CA) under which the real estate project is being developed, as well as the issuance of a demolition permit under which the defendants would demolish the works already executed. The reasons relied on in that application are identical to those relied on in the case concerning the suspension of the PUZ and the CA, already dismissed in the judgment on the merits stage on 1 March 2022. The statement of defence is currently being drafted.

One Modrojan was also the subject of administrative complaints and public statements of the Mayor of the District 1 of Bucharest, where the project is located. The General Mayor of Bucharest has also upheld the claimant's position in the case regarding the suspension of the PUZ and AC. Until the date of the Prospectus, these actions did not have the effect of hindering or delaying the development initiated by the Group, in a context where, so far, the courts have dismissed all the claims filed against the project.

Overall, the damage that One Modrojan could suffer as a result of the invalidation of the challenged documents include the difference between the price of the land and the market value of a similar framed land, expenses with the implementation of the project, obtaining the regional town planning documentation and authorizations, penalties paid or to be paid to promissory buyers, as well as unrealized profits - calculated as the difference between the expected revenue and the cost of the project. In order to cover this possible damage, which could be activated only in case the litigations were definitively lost by One Modrojan, a request for bail was registered against the issuing authorities and Bucharest in the file initiated by the USR under letter (a) above), and a similar request will be registered in the file initiated by the Association for Integrated Conservation of Natural and Cultural Heritage under letter (c) above).

#### *5. Litigation against One Peninsula*

Currently, One Peninsula is carrying out a real estate project in the Floreasca neighborhood area, consisting of a

residential complex. The building permit issued for the realization of the real estate project (together with the town planning certificates, the deforestation permit, the environment documents and the urbanism documentation) were contested by several individuals, who live in the surrounding area by filing a prior complaint, a request for cancellation and a request for suspension. The number of claimants decreased progressively from the time of the previous complaint (28) to the action for annulment (24) and the action for suspension (14). The first term of the suspension case was waived by 4 more persons, the number of claimants being reduced to 10. The claimants claim that the building permit is illegal, claiming, inter alia, that it will lead to traffic congestion in the area and that certain town planning parameters are not being complied with.

*a) Dispute regarding the suspension of documents*

In this dispute, the suspension of the town planning certificates, the building permit and the deforestation approval was requested. On the merits of the case, the claim was decided in favour of the member of the Group, with the Bucharest Tribunal dismissing the claim in its entirety. Only 4 of the remaining claimants appealed against this decision and the member of the Group has filed an incidental second appeal regarding the ruling of the exceptions. The appeal proceedings were heard by the Bucharest Court of Appeal, ended on May 20, 2022 when the main appeal filed by the plaintiffs has been dismissed as without merits and the incidental second appeal filed by the member of the Group has been admitted. As a result of this final favourable decision, the claim for the suspension of the building permit was dismissed as being without merits and the claims for the suspension of the planning permission and of the deforestation endorsement were rejected as inadmissible.

*b) Dispute regarding the cancellation of documents*

In this dispute, the suspension of several town planning documentations, several town planning certificates, the decision of the environmental classification stage, the building permit and the deforestation approval relating to the project was requested. The case is still at the merits phase before the Bucharest Tribunal. By admitting the exceptions raised by the member of the Group, on 21 April 2022, the claim for the cancellation of the planning certificates and the deforestation endorsement was dismissed as inadmissible. At the hearing on 26 May 2022, the court also admitted in principle the application for a claim for a guarantee brought by the Group member against the Municipality of Bucharest and the issuing authorities, for compensation for any damage which would arise only if the contested acts were definitively annulled. The next term set in the case is on 24 June 2022.

## **II. Other types of litigation specific to the activities of the Group members**

### *1. Litigation against One Cotroceni Park*

In addition to the administrative litigation disputes previously presented, another dispute with potential effects on the real estate project for one of the members of the Group is the dispute between One Cotroceni Park SA and Calor SRL. The dispute concerns certain lots that One Cotroceni Park S.A. bought from the company Titan Mar SA (currently Theda Mar SA) for the accesses to the real estate project in the Calea Progresului area.

Calor SRL and Theda Mar SA were involved in a series of disputes regarding the acquisition by Theda Mar SA of some lots, including those lots that, following some joining and dismantling operations, became the property of One Cotroceni Park S.A., thus acquiring the capacity of owner of those lots, One Cotroceni Park SA was attracted in three litigations initiated by Calor SRL against Titan Mar S.A.

The considered lands are at the edge of the real estate project and will be used for the arrangement of access roads from the main boulevard next to the real estate project. In connection with these plots of land, there is also the possibility of expropriation in order to extend the main boulevard. There are currently three disputes which have not yet been definitively resolved, with the note that all three disputes relate to land other than that on which the project is actually being built, i.e. the land purchased for additional access roads for the project.

*a) The dispute concerning the annulment of the initial sale-purchase contract*

A first litigation in which One Cotroceni Park SA was attracted refers to the annulment of the first purchase contract from the series of contracts through which the lots in the real estate project area were transferred. Calor SRL challenges the validity of this first purchase contract. In case of cancellation of this contract, all subsequent documents could be invalidated, including the purchase contract where the buyer is One Cotroceni Park SA with the consequence of changing the legal status of the land acquired for the development of access roads. The outcome of this dispute in no way concerns the separate, adjacent land on which the project is actually being built. The dispute is currently suspended pending the resolution of the dispute set out below (see 'The dispute concerning the validity of the title of

*Theda Mar SA ').*

*b) The dispute regarding the validity of the titles of Theda Mar SA*

The second litigation represents a complex dispute regarding the validity of several property titles of Theda Mar SA on some lots from the real estate project area, including the lots bought by One Cotroceni Park SA. These titles resulted from several dismantling operations, the legality of which is challenged by Calor S.R.L. The National Company of Rail Transport „CFR Călători” S.A. was included in this dispute, taking in mind the existence of certain decommissioned (unfunctional) railways on the field. The outcome of this dispute in no way concerns the separate, adjacent land on which the project is actually being built. This dispute was settled favourably at the merits phase, with the claim being dismissed in its entirety. The claimant and the intervener appealed against this decision and the appeal is currently pending before the Bucharest Court of Appeal. The next term is set on 28 June 2022.

*c) The dispute regarding the purchase contract concluded between Theda Mar SA and One Cotroceni Park SA*

The third dispute concerns directly the purchase contract between Theda Mar SA and One Cotroceni Park SA, concerning the lots adjacent to the real estate project on which additional access roads to the project are envisaged.. Calor SRL uses as arguments the same claims as those in the other litigations, regarding the way of sharing the properties, as well as the public property right of the National Company of Rail Transport „CFR Călători” SA on some lots. The National Company of Rail Transport "CFR Călători" SA was forced to become party in this litigation. The outcome of this dispute in no way concerns the separate, adjacent land on which the project is actually being built. The case has been suspended pending final settlement of several disputes, among which the *Dispute concerning the annulment of the initial sale-purchase contract* and the *Dispute regarding the validity of the titles of Theda Mar SA*.

In case of unfavourable solutions, the main effect is the loss of ownership of One Cotroceni Park SA of the lots it was to use to arrange additional access road from Progresul road to the real estate complex, but regardless of this outcome, the project has other access areas that are not affected by these disputes. In addition, the sales contract concluded with Theda Mar SA for these lots provides liability for eviction (practically, full reimbursement of the price) in case Theda Mar SA loses these disputes.

**III. Litigation regarding the annulment of resolutions of the general meeting of the Issuer's shareholders**

The Issuer is involved in a dispute initiated by one of its shareholders, concerning the annulment of certain resolutions of the general meeting of Issuer's shareholders held on September 10, 2021. The claimant invoked the illegality of several items on the agenda relating to the determination of share classes at the level of the Issuer and the appointment of a permanent invitee to the meetings of the Board of Directors, respectively. During the judgment on the merits stage, the Bucharest Tribunal has admitted the plaintiff's claim regarding the establishment of share classes at the level of the Issuer (with respect to which the relevant resolutions had been revoked) and has dismissed the claim regarding the appointment of a permanent invitee, obliging the plaintiff to pay the Issuer legal fees in value of RON 3,000. Until this moment, the court's decision has not been communicated.

The same claimant initiated three motions to intervene in the request for registration with the Bucharest Trade Registry Office of the resolution of the general meeting of the Issuer's shareholders dated September 10, 2021. The purpose of these motions was to prevent the registration of such resolution by the Bucharest Trade Registry Office and its publication in the Official Gazette of Romania. All these motions were dismissed and the deadline for appealing these decisions expired without any appeal being filed.



## PART 5 REPORTING UNDER THE REGULATORY FRAMEWORK

From the date of the Initial Public Offering to the date of this Prospectus, the Issuer has published information in accordance with the provisions of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (“**MAR**”), namely a total number of 87 current reports, available on the Issuer’s website at [www.one.ro](http://www.one.ro), under the section containing information of specific interest for investors (section “*Investor Relations*”). Please note that the information on the Issuer's website is not part of the Prospectus.

The most important current reports of the Issuer are summarised below, grouped by category of interest:

### **Corporate governance. Financial information. Share capital and dividends.**

| <b>Crit.</b> | <b>Current report</b>                         | <b>Summary</b>  |
|--------------|---|---|
| 1.           | Current report no. 45/2022 dated 10 June 2022 | The Issuer informed the investors about the Resolution of the Board of Directors no. 27 dated 9 June 2022, by which the Maximum Subscription Price of RON 1.42 was set in connection with the operation to increase the share capital of the Issuer by up to RON 66,003,597.2 (nominal value), through the issuance of up to 330,017,986 new shares with a nominal value of RON 0.2 per share and a total nominal value of RON 66,003,597.2.        |
| 2.           | Current report no. 44/2022 dated 8 June 2022  | The Issuer has informed investors that global index provider FTSE Russell has announced, following its quarterly review, that the Issuer's shares will be included in the FTSE EPRA Nareit EMEA Emerging Index starting with 20 June 2022.  |
| 3.           | Current report no. 42/2022 dated 25 May 2022  | The Issuer has informed investors that the date of 18 May 2022 will be the guaranteed participation date, the last day on which the Issuer's shares with attached rights can be purchased in order to participate in the share capital increase, as approved by the Extraordinary General Meeting of Shareholders on 26 April 2022 and in accordance with the framework established by the Decision of the Board of Directors No. 26 of 5 May 2022. |
| 4.           | Current report no. 36/2022 of May 5, 2022     | The Issuer informed investors about the decision of the Board of Directors no. 26 of May 5, 2022 approving the increase of the Issuer’s share capital with the amount of up to RON 66,003,597.2 (nominal value), by issuance of up to 330,017,986 new shares with a nominal value of RON 0.2 per share and a total nominal value of RON 66,003,597.2.   |
| 5.           | Current report no. 35/2022 of May 5, 2022     | The Issuer informed investors about the gross value of the dividend related to the financial year ended as at December 31, 2020, namely the amount of RON 0.0165 per share, that can be distributed to the shareholders registered in the Shareholder’s Registry as at May 13, 2022.  |
| 6.           | Current report no. 34/2022 of April 27, 2022  | The Issuer informed investors about the new structure of the Board of Directors, as voted at the OGMS dated April 26, 2022.<br><br>The current structure of the Board of Directors is presented in Part 10 of this Prospectus.  |
| 7.           | Current report no. 32/2022 of April 27, 2022  | The Issuer informed investors about the publication of the audited individual and consolidated financial statements for 2021, in the single European electronic format (ESEF).  |
| 8.           | Current report no. 31/2022 of April 27, 2022  | The Issuer informed investors about the publication of the annual report for 2021, approved by the OGMS dated April 26, 2022.   |
| 9.           | Current report no. 9/2022 of February 3, 2022 | The Issuer informed investors about the relocation of its working offices to One Tower building, part of the multifunctional complex One Floreasca City.  |
| 10.          | Current report no. 7/2022 of February 1, 2022 | The Issuer informed investors about the beginning of trading on the Bucharest Stock Exchange of four structured products issued by Raiffeisen Centrobank AG: two turbo certificates and two warrants that have ONE shares acting as underlying asset.   |
| 11.          | Current report no. 3/2022 of January 11, 2022 | The Issuer informed investors about the availability of the revenue and expense budget for fiscal year 2022, as follows:  |

| <b>Crit.</b> | <b>Current report</b>                            | <b>Summary</b>  |
|--------------|--|---|
|              |  | <ul style="list-style-type: none"> <li>• Turnover: RON 1,523,119,444;</li> <li>• Revenues from sales of residential property: RON 1,217,899,669;</li> <li>• Rental income: RON 71,778,670;</li> <li>• Profit from operating activity: RON 663,366,162;</li> <li>• Net Profit: RON 548,709,933;</li> <li>• Investments (CAPEX): RON 1,162,506,607.</li> </ul>  |
| 12.          | Current report no. 2/2022 of January 5, 2022     | <p>The Issuer informed investors about its 2022 financial calendar, as follows:</p> <ul style="list-style-type: none"> <li>• Preliminary 2021 financial results: February 28, 2022;</li> <li>• Analysts and investors call: January 1, 2022;</li> <li>• Annual General Meeting of Shareholders: April 26, 2022;</li> <li>• 2021 annual report: April 27, 2022;</li> <li>• Q1 2022 Financial Report: May 16, 2022;</li> <li>• Analysts and investors call: May 17 2022;</li> <li>• H1 2022 Financial Report: August 22, 2022;</li> <li>• Analysts and investors call: August 23, 2022;</li> <li>• Q3 2022 Financial Report: November 11, 2022;</li> <li>• Analysts and investors call: November 14, 2022.</li> </ul> |
| 13.          | Current report no. 39/2021 of December 9, 2021   | The Issuer informed investors about the issuance by National Agency for Fiscal Administration (ANAF) of a decision regarding the approval of the Issuer's application for the implementation of the fiscal group and the fiscal consolidation system in the field of profit tax for the Group.  |
| 14.          | Current report no. 38/2021 of December 7, 2021   | The Issuer informed investors about the decision of the Board of Directors no. 19 of December 6, 2021 whereby the Board of Directors confirmed the amount of RON 228,812,470.60 as representing the final amount of the Company's share capital increase by issuing 1,144,062,353 new ordinary, nominative and dematerialized shares with a nominal value of RON 0.20 per share, as such share capital increase was approved by the EGMS of September 10, 2021.   |
| 15.          | Current report no. 31/2021 of November 15, 2021  | The Issuer informed investors about the availability of the interim condensed consolidated financial statements of the Issuer for the nine-month period ended September 30, 2021, accompanied by the Director's Report.   |
| 16.          | Current report no. 29/2021 of November 15, 2021  | <p>The Issuer informed investors about the maintenance of a single class of shares, which confers all shareholders one voting right per each share held, as well as the waiver by Mr. Victor Căpitanu and Andrei Diaconescu of the right to be awarded multiple voting shares.</p> <p>At the same time, the Issuer informed investors about the intention to introduce on the agenda of the next EGMS the revocation of the points related to the creation of separate classes of shares, as approved by the EGMS dated September 10, 2021.</p>   |
| 17.          | Current report no. 25/2021 of October 11, 2021   | <p>The Issuer informed investors about the update to its 2021 financial calendar, as follows:</p> <ul style="list-style-type: none"> <li>• Presenting the quarterly results as of 30.09.2021: November 15, 2021;</li> <li>• Teleconference presenting the quarterly results as of 30.09.2021: November 16, 2021.</li> </ul>   |
| 18.          | Current report no. 20/2021 of September 20, 2021 | The Issuer informed investors about the payment of undistributed dividends through Depozitarul Central S.A. and Banca Transilvania S.A. – the selected payment agent – starting October 11, 2021, to Issuer's shareholders registered in the Shareholder's Registry held by Depozitarul Central on the registration date September 28, 2021.  |

| <b>Crit.</b> | <b>Current report</b>             | <b>Summary</b>  |
|--------------|-----------------------------------|---|
| 19.          | Current report of August 30, 2021 | The Issuer informed investors about the availability of the Group's interim condensed consolidated financial statements and the interim condensed individual financial statements for the six-month period ended June 30, 2021, accompanied by the Director's Report. |
| 20.          | Current report of August 20, 2021 | The Issuer informed investors about the items on the agenda of the EGMS of September 10/11, 2021 regarding the intention to create a new class of multiple voting shares in the Company's share capital.  |

### Reportable transactions

| <b>Crit</b> | <b>Current report</b>                            | <b>Summary</b>   |
|-------------|--|--|
| 1.          | Current report no. 17/2022 of March 9, 2022      | The Issuer informed investors about the transactions carried out by Altius S.A., a legal person in close relationship with the Issuer, through Diaconu Marius Mihail, a non-executive member of the Board of Directors, namely the acquisition of 180,000 shares of the Issuer at an individual aggregate price of RON 1.0042 per share.                               |
| 2.          | Current report no. 36/2021 of November 26, 2021  | The Issuer informed investors about the transactions carried out by Altius S.A., a legal person in close relationship with the Issuer, through Diaconu Marius Mihail, a non-executive member of the Board of Directors, namely the acquisition of 120,172 shares of the Issuer at an individual aggregate price of RON 2.2 per share.                                  |
| 3.          | Current report no. 24/2021 of September 29, 2021 | The Issuer informed investors about the transactions carried out by Altius S.A., a legal person in close relationship with the Issuer, through Diaconu Marius Mihail, a non-executive member of the Board of Directors, namely the acquisition of 109,061 shares of the Issuer at an individual aggregate price of RON 1.9820 per share.                               |
| 4.          | Current report no. 23/2021 of September 27, 2021 | The Issuer informed investors about the transactions carried out by Altius S.A., a legal person in close relationship with the Issuer, through Diaconu Marius Mihail, a non-executive member of the Board of Directors, namely the acquisition of 920,939 shares of the Issuer at an individual aggregate price of RON 1.9896 per share.                               |
| 5.          | Current report no. 19/2021 of September 20, 2021 | The Issuer informed investors about the transactions carried out by Samoilă Valentin-Cosmin, CFO of the Issuer, namely the acquisition of a number of 153,075 shares of the Issuer at an individual aggregate price of RON 1.96 per share.   |
| 6.          | Current report no. 16/2021 of September 3, 2021  | The Issuer informed investors about: (i) the contribution in kind made by Victor Căpitanu, namely a number of 425,562,457 shares of the Issuer, to the share capital of Vinci Ver Holding S.R.L., (ii) the contribution in kind made by Andrei Diaconescu, namely a number of 425,562,457 shares of the Issuer, to the share capital of OA Liviu Holding Invest S.R.L. |
| 7.          | Current report of August 2, 2021                 | The Issuer informed investors about: (i) the acquisition by Victor Căpitanu of a number of 400,855 shares of the Issuer, at the price of RON 1.94 per share, (ii) the acquisition by Andrei Diaconescu of a number of 400,855 shares of the Issuer, at the price of RON 1.94 per share.  |
| 8.          | Current report of July 13, 2021                  | The Issuer informed investors about the transactions carried out by Altius S.A., a legal person in close relationship with the Issuer, through Diaconu Marius Mihail, a non-executive member of the Board of Directors, namely the subscription in the Initial Public Offering of a number of 200,000 shares of the Issuer, at the price of RON 2.0 per share.         |
| 9.          | Current report of July 7, 2021                   | The Issuer informed investors about the transactions carried out by Altius S.A., a legal person in close relationship with the Issuer, through Diaconu Marius Mihail, a non-executive member of the Board of Directors, namely the subscription in the Initial Public Offering of a number of 1,500,000 shares of the Issuer, at the price of RON 2.0 per share.       |

### Significant acquisitions and contracts

| Crit | Current report                                   | Summary  |
|------|--|--|
| 1.   | Current report no. 23/2022 of April 7, 2022      | The Issuer informed investors about the purchase of a plot of land with an area of 3,065 square meters, for the expansion of the One Lake Club residential complex.  |
| 2.   | Current report no. 20/2022 of March 24, 2022     | The Issuer informed investors about the conclusion of a pre-sale-purchase agreement by One Mircea Eliade Properties S.R.L., a subsidiary of the Issuer, with Auchan România, for a building located 151 Calea Floreasca, Bucharest, which is part of One Floreasca City, the building acquired being the former Ford Factory.  |
| 3.   | Current report no. 12/2022 of February 17, 2022  | The Issuer informed investors about the conclusion of a Memorandum of Understanding with Veolia România Soluții Integrate S.A., aimed at identifying innovative solutions focused on energy efficiency in real estate projects developed by the Issuer, as well as investments by Veolia to implement and operate energy efficiency solutions.   |
| 4.   | Current report no. 11/2022 of February 8, 2022   | The Issuer informed investors about the closing on February 8, 2022 of the acquisition by the Company of the direct sole control over BO Retail Invest S.R.L., and indirectly, the control over Bucur Obor S.A.  |
| 5.   | Current report 41/2021 of December 23, 2021      | <p>The Issuer informed investors about entering into an agreement with Raiffeisen Bank International AG for the provision of capital market-related services, namely market making services, and for the launch of four structured products (turbo long certificates and warrants).</p> <p>For the market making services, the minimum volume corresponding to the firm bid-ask quotes provided by Raiffeisen Bank International will be 100,000 shares, with the maximum spread between the bid and ask being 1.75%</p> |
| 6.   | Current report no. 35/2021 of November 19, 2021  | <p>The Issuer informed investors about the granting on November 17, 2021, of a loan in the total value of EUR 13,500,000 to company BO Retail Invest S.R.L.</p> <p>At the same time, the Issuer concluded a sale-purchase agreement for a 100% stake in BO Retail Invest S.R.L. at the nominal value of the latter, thus eventually acquiring the indirect control over Bucur Obor S.A..</p>   |
| 7.   | Current report no. 22/2021 of September 24, 2021 | <p>The Issuer informed investors about the conclusion of a sale-purchase agreement for a building located 2 Georges Clemenceau Street, District 1, Bucharest, near the Romanian Athenaeum, for a new project of the Issuer, namely One Athénée.</p> <p>The net value of the transaction is EUR 4.9 million plus VAT, and the estimated gross development value is EUR 21 million.</p>  |
| 8.   | Current report of July 26, 2021                  | The Issuer informed investors about the conclusion of a financing agreement with Banca Comercială Română, BRD Group Société Générale and Erste Bank A.G. for the amount of up to EUR 78 million to finance the office component of One Cotroceni Park, with a maturity of seven years.   |
| 9.   | Current report of July 1, 2021                   | <p>The Issuer informed investors about the conclusion of a pre-sale-purchase agreement for the acquisition of a plot of land with an area of 25,350 sqm, located on Șos. Fabrica de Glucoză in Bucharest, as well as for the acquisition of an undivided quota of ½ of a plot of land with an area of 3,651 sqm representing the access road.</p> <p>The total value of the transaction is EUR 20,645,100, the land being used for the development of the One High District project.</p>                                 |
| 10.  | Current report of June 22, 2021                  | The Issuer informed investors about the conclusion of a sale-purchase agreement for the acquisition of a plot of land with an area of 21,165 sq m, located on the shores of Lake Tei in Bucharest, from a company of Țiriac group, the value of the transaction being EUR 15 million. The land will be used for the development of One Lake Club project.  |

## Litigation<sup>2</sup>

<sup>2</sup> For an updated status of the Issuer's litigation, please refer to Part 4 of this Prospectus, section "Litigation and legal proceedings".

| Crit | Current report                                   | Summary  |
|------|--|--|
| 1.   | Current report no. 43/2022 dated 25 May 2022     | The Issuer informed investors that on 23 May 2022, the Bucharest Court of Appeal definitively rejected the plaintiffs' second appeal in case no. 10372/3/2021 and admitted the incidental second appeal filed by the defendant One Peninsula S.R.L. According to that decision, the applicants' request for suspension of the building permit was rejected as being without merits, and the plaintiffs' requests for suspension of the urban planning certificates and the deforestation endorsement were rejected as inadmissible, the court also obliging the plaintiffs to pay the legal fees incurred during the second appeal.  |
| 2.   | Current report no. 27/2022 of April 15, 2022     | The Issuer informed investors that on April 14, 2022, the Bucharest Court of Appeal rejected the higher appeal filed by Salvați Bucureștiul Association and by Mișcarea Civică Miliția Spirituală Association in case file no. 25248/3/2018, whereby the plaintiffs requested, among others, the invalidation of the environmental agreement obtained for the One Floreasca City project.  |
| 3.   | Current report no. 22/2022 of April 1, 2022      | The Issuer informed investors that on April 1, 2022, the Bucharest Court of Appeal rejected the higher appeal filed by Salvați Bucureștiul Association and by S.O.S. Orașul Association in case file no. 4858/3/2019, whereby the plaintiffs requested, among others, the invalidation of the urbanistic plan and of the first building permit obtained for One Floreasca City development.  |
| 4.   | Current report no. 33/2021 of November 18, 2021  | The Issuer informed investors about the status of the Group's litigation as at November 18, 2021.  |
| 5.   | Current report no. 32/2021 of November 17, 2021  | <p>The Issuer informed investors about;</p> <ul style="list-style-type: none"> <li>(i) The claim filed in case file 29646/3/2021 pending before the Bucharest Tribunal concerning: <ul style="list-style-type: none"> <li>a. the annulment of the EGMS resolution dated September 10, 2021 approving (i) the establishment of a new class of multiple voting shares in the Company's share capital, each share of Class B being a registered and dematerialized share, having a nominal value equal to RON 0.2 per share and conferring 5 voting rights per share; (ii) the conversion of a percentage, representing 22.74% of the ordinary shares issued in the Company's share capital into Class B shares, to be held in equal proportions by Vinci VER Holding S.R.L. and OA Liviu Holding Invest S.R.L.; and (iii) the amendment of the articles of incorporation of the Company reflecting the matters above, as well as setting out the rules for holding and transferring Class B shares;</li> <li>b. the annulment of the OGMS resolution dated September 10, 2021 approving the appointment of a permanent invitee to the Board of Directors meetings, in the person of Mr. Daniel Dines or a suitable representative of Mr. Daniel Dines, accepted by the executive members of the Board of Directors.</li> </ul> </li> <li>(ii) The claim filed in case file no. 32458/3/2021 pending before the Bucharest Tribunal, as well as the notice of summons, according to which the claimant Asociația pentru Conservarea Integrată a Patrimoniului Natural și Cultural requested the suspension of the zonal urban plan (PUZ) and the building permit related to the project located at 1A Alea Modrogan, until the case is settled on the merits.</li> </ul> |
| 6.   | Current report no. 21/2021 of September 22, 2021 | The Issuer informed investors about the referral by the Trade Registry of the files concerning the registration of the OGMS and the EGMS resolutions dated September 10, 2021, together with the motions to intervene, to the Bucharest Tribunal for settlement.   |

In the last 12 months to the date of this prospectus, two OGMS and two EGMS have been held and reported in accordance with MAR as follows:

#### **OGMS of April 26, 2022**

On April 26, 2022 the OGMS was held at which the Issuer's shareholders approved, among others, the following:

- The individual and consolidated financial statements prepared for the financial year ended on December 31, 2021, the Issuer registering a net profit at individual level of RON 40,714,516.98, out of which the legal reserve of RON 2,427,796.75 is constituted, resulting in a distributable net profit of RON 38,286,720.23;
- The distribution of dividends in value of RON 42,473,314.85 (gross dividend amount), out of which RON 38,286,720.23 from the net profit corresponding to the financial year 2021 and RON 4,186,594.62 representing undistributed profit registered for the previous years, resulting thus in a gross dividend per share of RON 0.0165;
- The update of the stock options plans for the benefit of the executive members of the Board of Directors;
- The appointment of the members of the Board of Directors, as they are presented in Part 10 of this Prospectus;
- The remuneration for the non-executive members of the Board of Directors.

### **EGMS of April 26, 2022**

On April 26, 2022 the EGMS was held at which the Issuer's shareholders approved, among others, the following:

- the revocation of the resolutions adopted according to points 3<sup>1</sup>, 4<sup>1</sup>, 5<sup>1</sup>, 6<sup>1</sup> and 7<sup>1</sup> on the agenda of the EGMS of September 10, 2021, in their entirety, approving the introduction of a new class of shares, conferring 5 (five) voting rights per share to Vinci VER Holding S.R.L. and OA Liviu Holding Invest S.R.L.;
- the buyback by the Company of its own shares, at the minimum price of RON 0.2 per share and a maximum price equal to RON 1.75 per share, for the buyback of a maximum number of 10,000,000 shares, for a maximum period of 18 months from the date of publication of the EGMS resolution in the Official Gazette of Romania;
- the delegation of the EGMS' duties regarding the decision to increase the share capital of the Issuer to the Board of Directors, for a period of three (3) years, for the purpose of raising funds of up to EUR 150,000,000, to finance the current activity of the Issuer and the Group, through one or more issues of ordinary, registered and dematerialised shares, with a nominal value not exceeding RON 66,003,597.2 (respectively by issuing up to 330.017.986 shares);
- amendments of the Issuer's Articles of Incorporation.

### **OGMS of September 10, 2021**

On September 10, 2021 the OGMS was held at which the Issuer's shareholders approved, among others, the following:

- The distribution of dividends in the aggregate amount of RON 32,500,000 to the Company's shareholders from the Company's undistributed profit for the previous financial years;
- The appointment of a permanent invitee to the Board of Directors meetings, in the person of Mr. Daniel Dines or a suitable representative of Mr. Daniel Dines, accepted by the executive members of the Board of Directors.

### **EGMS of September 10, 2021**

On September 10, 2021 the EGMS was held at which the Issuer's shareholders approved, among others, the following:

- The increase of the share capital with the amount of up to RON 228,812,470.6 by issuance of a number of up to 1,144,062,353 new ordinary, nominative and dematerialised shares with a nominal value of RON 0.20 per share, by incorporating approximately 80% of the share premiums resulted from the Initial Public Offering, as well as the authorisation of the Board of Directors to implement this increase;
- The introduction of a new class of shares, conferring five (5) voting rights per share to Vinci VER Holding S.R.L. and OA Liviu Holding Invest S.R.L.;
- amendments of the Issuer's Articles of Incorporation.

The Issuer's OGMS and EGMS resolutions are available on the Issuer's website at [www.one.ro/en/](http://www.one.ro/en/), under the section containing information of specific interest for investors (section <https://www.one.ro/en/investor-relations/> ). Please note that the information on the Issuer's website is not part of the Prospectus.

## PART 6 SELECTED FINANCIAL INFORMATION

The financial information in the Prospectus consists of the audited consolidated financial statements of the Issuer and its subsidiaries (together with the “**Group**”) for the financial years ended on December 31, 2019, 2020 and 2021 (the “**Annual Financial Statements**”), as well as the interim condensed consolidated financial statements for the period ended on 31 March 2022 (the “**Interim Financial Statements**”). The Annual Financial Statements prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as subsequently amended, for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union, as subsequently amended, on and for the financial years ended on December 31, 2019, 2020 and 2021, accompanied by the independent auditor's report, have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) adopted by the European Union (issued by the International Accounting Standards Committee), accompanied by the independent auditor's report.

The Annual Financial Statements have been approved by the Board of Directors and approved by the shareholders in the OGMS. The financial information included in this Prospectus should be read in conjunction with the Annual Financial Statements mentioned above and, where applicable, together with the explanatory notes to the Annual Financial Statements.

The Interim Financial Statements have been prepared in accordance with the International Accounting Standard 34 “Interim Financial Reporting” adopted by the European Union. They do not include all the information required for a full set of financial statements in accordance with IFRS as adopted by the European Union and should be read in conjunction with the Annual Financial Statements. However, certain explanatory notes are included to explain events and transactions that are material to an understanding of the changes in the Group's financial position and performance since the last consolidated annual financial statements as at and for the year ended 31 December 2021. The Interim Financial Statements were authorized for issue on 13 May 2022.

The independent auditor has not audited or reviewed the Interim Financial Statements in the Prospectus and, accordingly, has not expressed an opinion or conclusion on them.

The financial information included in this Prospectus should be read in conjunction with the Annual Financial Statements and Interim Financial Statements referred to above and, where applicable, with the explanatory notes thereto.

### Functional and presentation currency

The Annual Financial Statements and the Interim Financial Statements are expressed in Romanian lei (RON), unless otherwise specified, this being the functional currency at Group level.

### EXTRACT FROM CONSOLIDATED ANNUAL FINANCIAL INFORMATION

#### *Consolidated statement of the Group's financial position*

|                                 | 31-Dec-21            | 31-Dec-20            | 31-Dec-19          |
|---------------------------------|----------------------|----------------------|--------------------|
|                                 | <i>(audited)</i>     | <i>(audited)</i>     | <i>(audited)</i>   |
| <b>ASSETS</b>                   |                      |                      |                    |
| <b>Non-current assets</b>       |                      |                      |                    |
| Goodwill                        | 19,256,076           | 19,256,076           | 19,256,076         |
| Intangible assets               | 597,608              | 164,707              | 240,736            |
| Investment properties           | 1,449,465,190        | 1,010,415,976        | 790,855,879        |
| Right of use assets             | 3,505,452            | 1,221,167            | -                  |
| Investments in associates       | 2,967,158            | 1,439,340            | 2,550              |
| Property, plant and equipment   | 17,040,010           | 16,077,142           | 17,049,948         |
| <b>Total non-current assets</b> | <b>1,492,831,494</b> | <b>1,048,574,408</b> | <b>827,405,189</b> |
| <b>Current Assets</b>           |                      |                      |                    |
| Inventories                     | 343,977,627          | 257,348,157          | 173,210,870        |
| Advance payments to suppliers   | 93,266,448           | 50,890,026           | 45,805,125         |
| Trade receivables               | 201,369,543          | 104,643,962          | 129,071,523        |
| Other receivables               | 128,441,029          | 70,781,030           | 46,963,473         |
| Prepayments                     | 19,517,269           | 545,370              | 711,837            |
| Other financial assets          | 9,408,917            | -                    | -                  |

|   | 31-Dec-21<br>(audited) | 31-Dec-20<br>(audited) | 31-Dec-19<br>(audited) |
|---|------------------------|------------------------|------------------------|
| Cash and cash equivalents                         | 508,347,161            | 170,971,646            | 91,747,956             |
| <b>Total Current Assets</b>                       | <b>1,304,327,994</b>   | <b>655,180,191</b>     | <b>487,510,784</b>     |
| <b>TOTAL ASSETS</b>                               | <b>2,797,159,488</b>   | <b>1,703,754,599</b>   | <b>1,314,915,973</b>   |
|   | 31-Dec-21<br>(audited) | 31-Dec-20<br>(audited) | 31-Dec-19<br>(audited) |
| <b>EQUITY AND LIABILITIES</b>                     |                        |                        |                        |
| <b>Equity</b>                                     |                        |                        |                        |
| Share capital                                     | 514,828,059            | 259,824,598            | 146,964,903            |
| Share premium                                     | 4,307,781              | 9,192                  | 5,658                  |
| Legal reserves                                    | -                      | -                      | 4,250,630              |
| Own shares  | 1,390,179              | (26,765,560)           | -                      |
| Other reserves                                    | 11,437,359             | 463,393                | -                      |
| Retained earnings                                 | 791,788,303            | 498,235,187            | 377,494,034            |
| <b>Equity attributable to owners of the Group</b> | <b>1,323,751,681</b>   | <b>731,766,810</b>     | <b>528,715,225</b>     |
| Non-controlling interests                         | 323,205,535            | 92,264,592             | 24,913,216             |
| <b>Total equity</b>                               | <b>1,646,957,216</b>   | <b>824,031,402</b>     | <b>553,628,441</b>     |
| <b>Non-current liabilities</b>                    |                        |                        |                        |
| Loans and borrowings from bank and others         | 390,342,321            | 70,659,819             | 146,167,499            |
| Loans and borrowings from minority shareholders   | 7,472,207              | 120,076,805            | -                      |
| Provisions  | 564,912                | 734,913                | 114,310                |
| Long term leasing liabilities                     | 2,646,947              | -                      | -                      |
| Deferred tax liabilities                          | 179,974,080            | 100,904,737            | 75,741,596             |
| <b>Total non-current liabilities</b>              | <b>581,000,467</b>     | <b>292,376,274</b>     | <b>222,023,405</b>     |
| <b>Current liabilities</b>                        |                        |                        |                        |
| Employee benefits                                 | 553,841                | 444,628                | 396,029                |
| Loans and borrowings from bank and others         | 34,260,754             | 156,083,575            | 38,754,613             |
| Loans and borrowings from minority shareholders   | 87,028                 | 37,547,728             | 23,428,476             |
| Lease liabilities                                 | 1,282,387              | 1,208,149              | -                      |
| Trade and other payables                          | 123,584,927            | 96,243,622             | 47,538,775             |
| Accrued income                                    | 1,145,855              | -                      | 11,823                 |
| Current tax liabilities                           | 2,023,447              | 1,964,019              | 2,572,757              |
| Advance payments from customers                   | 406,263,566            | 293,855,202            | 426,561,654            |
| <b>Total current liabilities</b>                  | <b>569,201,805</b>     | <b>587,346,923</b>     | <b>539,264,127</b>     |
| <b>Total liabilities</b>                          | <b>1,150,202,272</b>   | <b>879,723,197</b>     | <b>761,287,532</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>               | <b>2,797,159,488</b>   | <b>1,703,754,599</b>   | <b>1,314,915,973</b>   |

Source: The information was extracted from the Annual Financial Statements (audited).



*Consolidated statement of profit or loss at Group level*

|   | <b>31 Dec - 21</b> | <b>31 Dec - 20</b>  | <b>31-Dec-19</b>   |
|---|--------------------|---------------------|--------------------|
|   | <i>(audited)</i>   | <i>(audited)</i>    | <i>(audited)</i>   |
| Revenues from sales of residential property                       | 703,317,672        | 437,503,724         | 147,426,152        |
| Cost of sales of residential property                             | (451,583,531)      | (284,286,135)       | (110,948,983)      |
| <b>Net income from residential property</b>                       | <b>251,734,141</b> | <b>153,217,589</b>  | <b>36,477,169</b>  |
| Gains from office buildings under development                     | 298,636,043        | 58,349,105          | 189,551,990        |
| Gains from completed investment property                          | 44,364,366         | 3,739,093           | 5,122,612          |
| Gains from investment property for further development (landbank) | 56,187,770         | 34,165,272          | 36,268,915         |
| <b>Gains from investment property</b>                             | <b>399,188,179</b> | <b>96,253,470</b>   | <b>230,943,517</b> |
| Rental income   | 6,544,367          | 1,313,724           | 11,973,375         |
| Revenues from services to tenants                                 | 5,277,520          | 355,719             | 4,554,754          |
| Expenses from services to tenants                                 | (5,277,520)        | (355,719)           | (4,554,754)        |
| Other property operating expenses                                 | (4,850,822)        | (684,749)           | -                  |
| <b>Net rental income</b>  | <b>1,693,545</b>   | <b>628,975</b>      | <b>11,973,375</b>  |
| Commissions for brokerage real estate                             | (3,142,561)        | (1,093,357)         | (2,111,831)        |
| Administrative expenses   | (32,387,474)       | (29,952,793)        | (20,709,582)       |
| Other operating expenses  | (10,655,480)       | (3,737,757)         | (5,269,008)        |
| Profit on disposal of investment property                         | 536,526            | 632,372             | -                  |
| Other operating income  | 5,688,365          | 1,377,287           | 1,474,971          |
| <b>Result from operating activity</b>                             | <b>612,655,241</b> | <b>217,325,786</b>  | <b>252,778,611</b> |
| Financial income  | 12,139,089         | 3,797,874           | 4,598,650          |
| Financial expenses  | (21,903,343)       | (15,198,802)        | (14,583,414)       |
| <b>Net financial result</b>                                       | <b>(9,764,254)</b> | <b>(11,400,928)</b> | <b>(9,984,764)</b> |
| Share of result of associates                                     | 1,527,818          | 733,803             | -                  |
| <b>Result before tax</b>  | <b>604,418,805</b> | <b>206,658,661</b>  | <b>242,793,847</b> |
| Tax on profit   | (94,731,652)       | (29,722,318)        | (45,387,171)       |
| <b>Net result of the period</b>                                   | <b>509,687,153</b> | <b>176,936,343</b>  | <b>197,406,676</b> |
| <b>Total comprehensive income for the period</b>                  | <b>509,687,153</b> | <b>176,936,343</b>  | <b>197,406,676</b> |
| <b>Total comprehensive income attributable to:</b>                |                    |                     |                    |
| Owners of the Group   | 391,330,530        | 168,679,112         | 180,467,600        |

|                           | <b>31 Dec - 21</b> | <b>31 Dec - 20</b> | <b>31-Dec-19</b> |
|---------------------------|--------------------|--------------------|------------------|
|                           | <b>(audited)</b>   | <b>(audited)</b>   | <b>(audited)</b> |
| Non-controlling interests | 118,356,623        | 8,257,231          | 16,939,076       |

Source: The information was extracted from the Annual Financial Statements (audited).

**Consolidated statement of cash flows at Group level**

|   | <b>31 December<br/>2021</b> | <b>31 December<br/>2020</b> | <b>31 December<br/>2019</b> |
|---|-----------------------------|-----------------------------|-----------------------------|
|   | <b>(audited)</b>            | <b>(audited)</b>            | <b>(audited)</b>            |
| <b>Cash flows from operating activities</b>                           |                             |                             |                             |
| Result for the year   | <b>509,687,153</b>          | <b>176,936,343</b>          | <b>197,406,676</b>          |
| Adjustments for:  |                             |                             |                             |
| Depreciation and amortization   | 2,223,680                   | 1,577,459                   | 4,082,671                   |
| Other financial income  | (24,585)                    |                             | -                           |
| Share of result of associates   | (1,527,818)                 | (733,803)                   | 206,299                     |
| Allowances for current assets - receivables                           | 167,369                     | 26,413                      | 16,340                      |
| Increase/(decrease) in provisions                                     | (272,989)                   | 620,603                     | 45,980                      |
| Increase in fair value of investment property                         | (399,188,179)               | (96,253,470)                | (230,943,517)               |
| Profit on disposal of investment property                             | (536,526)                   | (632,372)                   | -                           |
| Share-based payments  | 926,786                     | 463,393                     | -                           |
| (Gain)/Loss on sale of property, plant and equipment                  | (204,091)                   | 131,512                     | (11,738)                    |
| Unrealised foreign exchange loss/(gain)                               | 5,725,044                   | 4,147,142                   | 3,792,328                   |
| Interest expenses   | 9,639,353                   | 8,602,102                   | 6,989,214                   |
| Interest income   | (2,356,646)                 | (1,029,602)                 | (284,755)                   |
| Income tax expenses   | 94,731,652                  | 29,722,318                  | 45,387,171                  |
| <b>Changes in working capital</b>                                     |                             |                             |                             |
| (Increase)/Decrease in trade and other receivables                    | (240,334,281)               | 14,702,812                  |                             |
| (Increase)/Decrease in inventories                                    | 148,434,095                 | (8,988,944)                 | (23,653,272)                |
| Increase/(Decrease) in trade and other payables                       | (7,401,109)                 | 18,554,399                  | (9,174,912)                 |
| Increase/(Decrease) in advance payments from customers                | 112,408,364                 | (132,706,452)               | 3,471,990                   |
| Income tax paid   | (15,602,881)                | (5,167,915)                 | 82,183,444                  |
| <b>Net cash from operating activities</b>                             | <b>216,494,391</b>          | <b>9,952,234</b>            | <b>71,789,518</b>           |
| Acquisition of property, plant and equipment                          | (3,033,324)                 | (706,563)                   | (2,716,931)                 |
| Acquisition of intangible assets                                      | (692,838)                   | (124,792)                   | (185,513)                   |
| Acquisition of investment property                                    | (49,965,795)                | (34,364,756)                | (42,161,872)                |
| Expenditure on investment property under development                  | (184,200,745)               | (148,584,177)               | (58,490,860)                |
| Expenditure on completed investment property                          | (25,770,292)                | (870,671)                   | -                           |
| Proceeds from sale of property, plant and equipment                   | 338,050                     | 104,716                     | -                           |
| Proceeds from sale of investment property                             | 9,824,041                   | 4,720,275                   | -                           |
| Amounts paid for transactions with non-controlling interests          | (9,779,075)                 | (22,350,036)                | (1,505,512)                 |
| Consideration received for transaction with non-controlling interests | -                           | 48,088,931                  | -                           |
| Acquisition of associates   | -                           | (702,987)                   | -                           |
| Acquisitions of subsidiaries  | (11,200,555)                | -                           | -                           |
| Interest received   | 2,356,646                   | 1,029,602                   | 284,755                     |

|   | 31 December<br>2021<br>(audited) | 31 December<br>2020<br>(audited) | 31 December<br>2019<br>(audited) |
|---|----------------------------------|----------------------------------|----------------------------------|
| <b>Net cash flows used in investing activities</b>            | <b>(272,123,887)</b>             | <b>(153,760,458)</b>             | <b>(104,775,933)</b>             |
| Proceeds from loans and borrowings                            | 373,217,603                      | 290,059,196                      | 38,028,286                       |
| Repayment of borrowings                                       | (207,964,880)                    | (89,748,396)                     | (16,858,917)                     |
| Dividends paid  | (54,762,517)                     | (62,050,137)                     | (30,810,755)                     |
| Proceeds from issue of share capital and share premium        | 259,112,478                      | 112,863,229                      | 44,203,712                       |
| Acquisition of own shares                                     | -                                | (19,328,247)                     | -                                |
| Cash proceeds from sale of own shares                         | 36,035,213                       | -                                | 1,541,892                        |
| Interest paid   | (11,693,437)                     | (7,849,774)                      | (6,848,790)                      |
| Principal elements of lease payments                          | (939,449)                        | (913,957)                        | -                                |
| <b>Net cash from financing activities</b>                     | <b>393,005,011</b>               | <b>223,031,914</b>               | <b>29,255,428</b>                |
| Net changes in cash and cash equivalents                      | 337,375,515                      | 79,223,690                       | (3,730,987)                      |
| <b>Cash and cash equivalents at the beginning of the year</b> | <b>170,971,646</b>               | <b>91,747,956</b>                | <b>95,478,943</b>                |
| <b>Cash and cash equivalents at the end of the year</b>       | <b>508,347,161</b>               | <b>170,971,646</b>               | <b>91,747,956</b>                |

Source: The information was extracted from the Annual Financial Statements (audited).

**Statement of changes in equity at the level of the Group**

|   | Share<br>capital   | Share<br>premiums | Legal<br>reserves | Other<br>reserves | Own<br>Shares       | Retained<br>earnings | Non-<br>controlling<br>interests | Total equity         |
|---|--------------------|-------------------|-------------------|-------------------|---------------------|----------------------|----------------------------------|----------------------|
| <b>Balance as at January 1, 2021</b>                  | <b>259,824,598</b> | <b>9,192</b>      | <b>-</b>          | <b>463,393</b>    | <b>(26,765,560)</b> | <b>498,235,187</b>   | <b>92,264,592</b>                | <b>824,031,402</b>   |
| Profit of the year                                    | -                  | -                 | -                 | -                 | -                   | 391,330,530          | 118,356,623                      | 509,687,153          |
| Other comprehensive income                            | -                  | -                 | -                 | -                 | -                   | -                    | -                                | -                    |
| Dividends allocated from the statutory profit         | -                  | -                 | -                 | -                 | -                   | (81,743,000)         | (328,836)                        | (82,071,836)         |
| Issue of ordinary shares                              | 26,001,417         | 233,111,060       | -                 | -                 | -                   | -                    | -                                | 259,112,477          |
| Issue of ordinary shares-premium shares conversion    | 228,812,471        | (228,812,471)     | -                 | -                 | -                   | -                    | -                                | -                    |
| Issue of ordinary shares-conversion of other reserves | 189,573            | -                 | -                 | -                 | -                   | (189,573)            | -                                | -                    |
| Employee share scheme                                 | -                  | -                 | -                 | 926,786           | -                   | -                    | -                                | 926,786              |
| IPO costs   | -                  | -                 | -                 | -                 | -                   | (6,096,360)          | -                                | (6,096,360)          |
| Transfer of legal reserve in retained earnings        | -                  | -                 | 11,437,359        | -                 | -                   | (11,437,359)         | -                                | -                    |
| Transactions with non-controlling interests           | -                  | -                 | -                 | -                 | -                   | (2,603,992)          | (7,175,084)                      | (9,779,076)          |
| Acquisition of own shares                             | -                  | -                 | -                 | -                 | -                   | -                    | -                                | -                    |
| Sale of own shares                                    | -                  | -                 | -                 | -                 | 26,765,560          | 9,269,654            | -                                | 36,035,214           |
| Non-controlling interest without change in control    | -                  | -                 | -                 | -                 | -                   | (4,976,784)          | 120,088,240                      | 115,111,456          |
| <b>Balance as at December 31, 2021</b>                | <b>514,828,059</b> | <b>4,307,781</b>  | <b>11,437,359</b> | <b>1,390,179</b>  | <b>-</b>            | <b>791,788,303</b>   | <b>323,205,535</b>               | <b>1,646,957,216</b> |

Source: The information was extracted from the Annual Financial Statements (audited).

|  | <i>Share capital</i> | <i>Share premiums</i> | <i>Legal reserves</i> | <i>Other reserves</i> | <i>Own Shares</i>   | <i>Retained earnings</i> | <i>Non-controlling interests</i> | <i>Total equity</i> |
|--|----------------------|-----------------------|-----------------------|-----------------------|---------------------|--------------------------|----------------------------------|---------------------|
| <b>Balance at January 1, 2020</b>                  | <b>146,964,903</b>   | <b>5,658</b>          | <b>4,250,630</b>      | <b>-</b>              | <b>-</b>            | <b>377,494,034</b>       | <b>24,913,216</b>                | <b>553,628,441</b>  |
| Profit of the year                                 | -                    | -                     | -                     | -                     | -                   | 168,679,112              | 8,257,231                        | 176,936,343         |
| Other comprehensive income                         | -                    | -                     | -                     | -                     | -                   | -                        | -                                | -                   |
| Dividends allocated from the statutory profit      | -                    | -                     | -                     | -                     | -                   | (41,016,046)             | (666,581)                        | (41,682,627)        |
| Issue of ordinary shares                           | 8,953,802            | 103,909,427           | -                     | -                     | -                   | -                        | -                                | 112,863,229         |
| Issue of ordinary shares-premium shares conversion | 103,905,893          | (103,905,893)         | -                     | -                     | -                   | -                        | -                                | -                   |
| Employee share scheme                              | -                    | -                     | -                     | 463,393               | -                   | -                        | -                                | 463,393             |
| Transfer of legal reserve in retained earnings     | -                    | -                     | (4,250,630)           | -                     | -                   | 4,250,630                | -                                | -                   |
| Transactions with non-controlling interests        | -                    | -                     | -                     | -                     | -                   | (11,172,543)             | 47,327,306                       | 36,154,763          |
| Acquisition of own shares                          | -                    | -                     | -                     | -                     | (26,765,560)        | -                        | -                                | (26,765,560)        |
| Non-controlling interest without change in control | -                    | -                     | -                     | -                     | -                   | -                        | 12,433,420                       | 12,433,420          |
| <b>Balance as at December 31, 2020</b>             | <b>259,824,598</b>   | <b>9,192</b>          | <b>-</b>              | <b>463,393</b>        | <b>(26,765,560)</b> | <b>498,235,187</b>       | <b>92,264,592</b>                | <b>824,031,402</b>  |
|  | <i>Share capital</i> | <i>Share premiums</i> | <i>Legal reserves</i> | <i>Other reserves</i> | <i>Own Shares</i>   | <i>Retained earnings</i> | <i>Non-controlling interests</i> | <i>Total equity</i> |
| <b>Balance at January 1, 2019</b>                  | <b>9,073.720</b>     | <b>93.693.129</b>     | <b>1.876.220</b>      | <b>-</b>              | <b>-</b>            | <b>244.390.045</b>       | <b>6.986.510</b>                 | <b>356.019.624</b>  |
| Profit of the year                                 | -                    | -                     | -                     | -                     | -                   | 180.467.600              | 16.939.076                       | 197.406.676         |
| Other comprehensive income                         | -                    | -                     | -                     | -                     | -                   | -                        | -                                | -                   |
| Dividends allocated from the statutory profit      | -                    | -                     | -                     | -                     | -                   | (43.753.912)             | (304.888)                        | (44.058.800)        |
| Issue of ordinary shares                           | 330.831              | 43.872.881            | -                     | -                     | -                   | -                        | -                                | 44.203.712          |
| Issue of ordinary shares-premium shares conversion | 137.560.352          | (137.560.352)         | -                     | -                     | -                   | -                        | -                                | -                   |
| Legal reserves                                     | -                    | -                     | 2.374.410             | -                     | -                   | (2.374.410)              | -                                | -                   |
| Net earnings from the sale of treasury shares      | -                    | -                     | -                     | -                     | -                   | 1.541.892                | -                                | 1.541.892           |
| Non-controlling interest without change in control | -                    | -                     | -                     | -                     | -                   | (2.777.181)              | 1.292.518                        | (1.484.663)         |
| <b>Balance as at December 31, 2019</b>             | <b>146.964.903</b>   | <b>5.658</b>          | <b>4.250.630</b>      | <b>-</b>              | <b>-</b>            | <b>377.494.034</b>       | <b>24.913.216</b>                | <b>553.628.441</b>  |

Source: The information was extracted from the Annual Financial Statements (audited).

## EXCERPTS FROM THE INTERIM FINANCIAL STATEMENTS

### INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|                           | <b>Note</b> | <b>31 March 2022</b> | <b>31 December 2021</b> |
|---------------------------|-------------|----------------------|-------------------------|
| <b>ASSETS</b>             |             |                      |                         |
| <b>Non-current assets</b> |             |                      |                         |
| Goodwill                  | 6           | 19,256,076           | 19,256,076              |
| Intangible assets         | 6           | 756,730              |                         |

|   | Note | 31 March 2022        | 31 December 2021     |
|---|------|----------------------|----------------------|
|   |      |                      | 597,608              |
| Investment properties                             | 7    | 1,878,935,563        | 1,449,465,190        |
| Right of use assets                               | 5    | 3,300,878            | 3,505,452            |
| Investments in associates                         | 8    | 3,665,514            | 2,967,158            |
| Property, plant and equipment                     | 4    | 18,766,160           | 17,040,010           |
| <b>Total non-current assets</b>                   |      | <b>1,924,680,921</b> | <b>1,492,831,494</b> |
| <b>Current assets</b>                             |      |                      |                      |
| Inventories                                       | 9    | 308,465,534          | 343,977,627          |
| Advance payments to suppliers                     | 10   | 131,040,340          | 93,266,448           |
| Trade receivables                                 | 11   | 264,981,628          | 201,369,543          |
| Other receivables                                 | 11   | 83,501,097           | 128,441,029          |
| Prepayments                                       |      | 45,149,251           | 19,517,269           |
| Other financial assets                            |      | 9,408,917            | 9,408,917            |
| Cash and cash equivalents                         | 12   | 566,191,401          | 508,347,161          |
| <b>Total current assets</b>                       |      | <b>1,408,738,168</b> | <b>1,304,327,994</b> |
| <b>TOTAL ASSETS</b>                               |      | <b>3,333,419,089</b> | <b>2,797,159,488</b> |
| <b>EQUITY AND LIABILITIES</b>                     |      |                      |                      |
| <b>Equity</b>                                     |      |                      |                      |
| Share capital                                     | 14   | 514,828,059          | 514,828,059          |
| Share premium                                     | 14   | 4,307,781            | 4,307,781            |
| Own shares  | 14   | -                    | -                    |
| Other capital reserves                            | 14   | 1,390,179            | 1,390,179            |
| Legal reserves                                    | 14   | 11,437,359           | 11,437,359           |
| Retained earnings                                 |      | 956,968,274          | 791,788,303          |
| <b>Equity attributable to owners of the Group</b> |      | <b>1,488,931,652</b> | <b>1,323,751,681</b> |
| Non-controlling interests                         |      | 454,533,866          | 323,205,535          |
| <b>Total equity</b>                               |      | <b>1,943,465,518</b> | <b>1,646,957,216</b> |

|   | <b>Note</b> | <b>31 March 2022</b> | <b>31 December 2021</b> |
|---|-------------|----------------------|-------------------------|
| <b>Non-current liabilities</b>                  |             |                      |                         |
| Loans and borrowings from bank and others       | 15          | 499,249,140          | 390,342,321             |
| Loans and borrowings from minority shareholders | 15          | 7,554,108            | 7,472,207               |
| Provisions                                      |             | 911,094              | 564,912                 |
| Lease liabilities - long term portion           | 5           | 2,646,947            | 2,646,947               |
| Deferred tax liabilities                        | 13          | 232,412,583          | 179,974,080             |
| <b>Total non-current liabilities</b>            |             | <b>742,773,872</b>   | <b>581,000,467</b>      |
|   |             |                      |                         |
|   | <b>Note</b> | <b>31 March 2022</b> | <b>31 December 2021</b> |
| <b>Current liabilities</b>                      |             |                      |                         |
| Employee benefits                               |             | 718,292              | 553,841                 |
| Loans and borrowings from bank and others       | 15          | 43,455,874           | 34,260,754              |
| Loans and borrowings from minority shareholders | 15          | 47,886               | 87,028                  |
| Lease liabilities                               | 5           | 1,156,413            | 1,282,387               |
| Trade and other payables                        | 16          | 173,899,144          | 123,584,927             |
| Deferred income                                 |             | 3,557,911            | 1,145,855               |
| Current tax liabilities                         | 13          | 8,345,009            | 2,023,447               |
| Advance payments from customers                 | 17          | 415,999,170          | 406,263,566             |
| <b>Total current liabilities</b>                |             | <b>647,179,699</b>   | <b>569,201,805</b>      |
| <b>Total liabilities</b>                        |             | <b>1,389,953,571</b> | <b>1,150,202,272</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>             |             | <b>3,333,419,089</b> | <b>2,797,159,488</b>    |

Source: Interim Financial Statements (unaudited, unreviewed).

#### INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|   | <b>Notes</b> | <b>31 March 2022</b> | <b>31 March 2021</b> |
|---|--------------|----------------------|----------------------|
| Revenues from sales of residential property   | 18           | 197,177,473          | 165,860,227          |
| Cost of sales of residential property         | 18           | (113,362,435)        | (123,825,077)        |
| <b>Net income from residential property</b>   |              | <b>83,815,038</b>    | <b>42,035,150</b>    |
| Gains from office buildings under development | 7            | -                    | 23,905,756           |
| Gains from completed investment property      | 7            | 43,784,175           | -                    |
| Gains on the bargain purchase                 | 7            | 96,986,489           | -                    |

|   | <u>Notes</u> | <u>31 March 2022</u> | <u>31 March 2021</u> |
|---|--------------|----------------------|----------------------|
| Rental income   |              | 6,634,782            | 385,214              |
| Revenues from service to tenants                                |              | 1,994,169            | 357,732              |
| Expenses from services to tenants                               |              | (1,994,169)          | (140,467)            |
| Other property operating expenses                               |              | (2,250,777)          | -                    |
| <b>Net rental income</b>  |              | <b>4,384,005</b>     | <b>602,479</b>       |
| Commissions for brokerage real estate                           | 19           | (1,129,533)          | (269,041)            |
| Administrative expenses   | 20           | (10,445,900)         | (7,256,103)          |
| Other operating expenses  | 21           | (6,864,264)          | (591,528)            |
| Other operating income  |              | 2,136,954            | 603,852              |
| <b>Result from operating activity</b>                           |              | <b>212,666,964</b>   | <b>59,030,565</b>    |
| Financial income  | 22           | 1,581,877            | 4,735,627            |
| Financial expenses  | 22           | (6,974,571)          | (11,057,251)         |
| <b>Net financial result</b>                                     |              | <b>(5,392,694)</b>   | <b>(6,321,624)</b>   |
| Share of result of associates                                   |              | 698,357              | 130,047              |
| <b>Result before tax</b>  |              | <b>207,972,627</b>   | <b>52,838,988</b>    |
| Tax on profit   | 13           | (41,591,051)         | (13,187,786)         |
| <b>Net result of the period</b>                                 |              | <b>166,381,576</b>   | <b>39,651,202</b>    |
| <b>Total comprehensive income for the period</b>                |              | <b>166,381,576</b>   | <b>39,651,202</b>    |
| <b>Net result attributable to:</b>                              |              |                      |                      |
| Owners of the Group   |              | 164,194,215          | 35,480,703           |
| Non-controlling interests                                       |              | 2,187,361            | 4,170,499            |
| <b>Total comprehensive income attributable to:</b>              |              |                      |                      |
| Owners of the Group   |              | 164,194,215          | 35,480,703           |
| Non-controlling interests                                       |              | 2,187,361            | 4,170,499            |
| Basic/diluted earnings per share attributable to equity holders | 24           | 0.26                 | 40.29                |

Source: Interim Financial Statements (unaudited, unreviewed).

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED 31 MARCH 2022**

|   | <b>Share<br/>capital</b> | <b>Share<br/>premiums</b> | <b>Legal<br/>reserves</b> | <b>Other<br/>capital<br/>reserves</b> | <b>Own<br/>shares</b> | <b>Retained<br/>earnings</b> | <b>Non-<br/>controlling<br/>interests</b> | <b>Total equity</b>  |
|---|--------------------------|---------------------------|---------------------------|---------------------------------------|-----------------------|------------------------------|---|----------------------|
| <b>Balance at 1 January 2022</b>  | <b>514,828,059</b>       | <b>4,307,781</b>          | <b>11,437,359</b>         | <b>1,390,179</b>                      | <b>-</b>              | <b>791,788,303</b>           | <b>323,205,535</b>                        | <b>1,646,957,216</b> |
| Profit of the year  | -                        | -                         | -                         | -                                     | -                     | 164,194,215                  | 2,187,361                                 | 166,381,576          |
| Other comprehensive income  | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Dividends allocated from the statutory profit   | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Issue of ordinary shares  | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Issue of ordinary shares- premium shares conversion   | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Issue of ordinary shares - other reserves conversion  | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Employee share scheme   | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Transfer of legal reserve in/from retained earnings   | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Transactions with non-controlling interests   | -                        | -                         | -                         | -                                     | -                     | 985,756                      | (6,803,066)                               | (5,817,310)          |
| Acquisition of own shares   | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Sale of own shares  | -                        | -                         | -                         | -                                     | -                     | -                            | -   | -                    |
| Non-controlling interest on incorporation of subsidiary or on increase in share capital of subsidiary | -                        | -                         | -                         | -                                     | -                     | -                            | 135,944,036                               | 135,944,036          |
| <b>Balance as at 31 March 2022</b>  | <b>514,828,059</b>       | <b>4,307,781</b>          | <b>11,437,359</b>         | <b>1,390,179</b>                      | <b>-</b>              | <b>956,968,274</b>           | <b>454,533,866</b>                        | <b>1,943,465,518</b> |

*Source: Interim Financial Statements (unaudited, unreviewed).*



**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED 31 MARCH 2021**

|   | <b>Share<br/>capital</b> | Share<br>premiums | Legal<br>reserves | Other<br>capital<br>reserves | Own shares          | Retained<br>earnings | Non-<br>controlling<br>interests | Total equity       |
|---|--------------------------|-------------------|-------------------|------------------------------|---------------------|----------------------|----------------------------------|--------------------|
| <b>Balance at 1 January 2021</b>  | <b>259,824,598</b>       | <b>9,192</b>      | <b>-</b>          | <b>463,393</b>               | <b>(26,765,560)</b> | <b>498,235,187</b>   | <b>92,264,592</b>                | <b>824,031,402</b> |
| Profit of the year  | -                        | -                 | -                 | -                            | -                   | 35,480,703           | 4,170,499                        | <b>39,651,202</b>  |
| Other comprehensive income  | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Dividends allocated from the statutory profit   | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Issue of ordinary shares  | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Issue of ordinary shares- premium shares conversion   | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Issue of ordinary shares - other reserves conversion  | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Employee share scheme   | -                        | -                 | -                 | 463,393                      | -                   | -                    | -                                | <b>463,393</b>     |
| Transfer of legal reserve in/from retained earnings   | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Transactions with non-controlling interests   | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Acquisition of own shares   | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| Sale of own shares  | -                        | -                 | -                 | -                            | 26,765,560          | 9,269,718            | (10)                             | <b>36,035,268</b>  |
| Non-controlling interest on incorporation of subsidiary or on increase in share capital of subsidiary | -                        | -                 | -                 | -                            | -                   | -                    | -                                | -                  |
| <b>Balance as at 31 March 2021</b>  | <b>259,824,598</b>       | <b>9,192</b>      | <b>-</b>          | <b>926,786</b>               | <b>-</b>            | <b>542,985,608</b>   | <b>96,435,081</b>                | <b>900,181,265</b> |

Source: Interim Financial Statements (unaudited, unreviewed).

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

|   | 31 March 2022       | 31 March 2021       |
|---|---------------------|---------------------|
| <b>Cash flows from operating activities</b>                     |                     |                     |
| <b>Result for the period</b>                                    | <b>166,381,576</b>  | <b>39,651,202</b>   |
| <i>Adjustments for:</i>   |                     |                     |
| Depreciation and amortization                                   | 522,748             | 557,783             |
| Share of result of associates                                   | (698,357)           | (130,047)           |
| Other financial income  | 14,113              | -                   |
| Increase/(decrease) in provisions                               | 346,182             | (2,843)             |
| Gain/Loss on sale of property, plant and equipment              | (2,522)             | -                   |
| Interest expenses   | 3,892,782           | 2,417,546           |
| Interest income   | (371,121)           | (328,198)           |
| Income tax expenses   | 41,591,051          | 13,187,786          |
| Unrealized foreign exchange loss/(gain)                         | (118,232)           | 4,513,547           |
| Increase in fair value of investment property                   | (43,784,175)        | (23,905,756)        |
| Gain on the bargain purchase                                    | (96,986,489)        | -                   |
| Share-based payments  | -                   | 463,393             |
| <i>Changes in working capital:</i>                              |                     |                     |
| (Increase)/Decrease in trade and other receivables              | (74,373,562)        | (22,197,085)        |
| (Increase)/Decrease in inventory property                       | 13,933,103          | 52,484,294          |
| Increase/(Decrease) in trade and other payables                 | 10,663,637          | 8,576,097           |
| Increase/(Decrease) in advance payments from customers          | 9,734,604           | (36,227,490)        |
| Income tax paid   | -                   | (92,533)            |
| Working capital from acquisition of new subsidiaries            | 11,222,210          | -                   |
| <b>Net cash from operating activities</b>                       | <b>41,967,548</b>   | <b>38,967,696</b>   |
| Acquisition of property, plant and equipment                    | (2,090,316)         | (331,620)           |
| Proceeds from sale of property, plant and equipment             | 2,522               | -                   |
| Acquisition of intangible assets                                | (262,202)           | (247,342)           |
| Expenditure on investment property under development            | (18,373,596)        | (42,205,354)        |
| Expenditure on completed investment property                    | (6,669,482)         | (37,513)            |
| Acquisition of investment property                              | (106,011)           | -                   |
| Amounts paid for transactions with non-controlling interest     | (5,817,310)         | -                   |
| Acquisition of subsidiaries                                     | (65,422,213)        | -                   |
| Interest received   | 371,121             | 328,198             |
| <b>Net cash flows from used in investing activities</b>         | <b>(98,367,487)</b> | <b>(42,493,631)</b> |
| Proceeds from loans and borrowings                              | 117,091,022         | 212,617,349         |
| Repayment of borrowings   | (702,203)           | (154,239,637)       |
| Interest paid   | (2,011,661)         | (2,582,108)         |
| Sale of treasury shares   | -                   | 36,035,268          |
| Principal elements of lease payments                            | (132,979)           | (531,917)           |
| <b>Net cash from financing activities</b>                       | <b>114,244,179</b>  | <b>91,298,955</b>   |
| Net changes in cash and cash equivalents                        | 57,844,240          | 87,773,020          |
| <b>Cash and cash equivalents at the beginning of the period</b> | <b>508,347,161</b>  | <b>170,971,646</b>  |
| <b>Cash and cash equivalents at the end of the period</b>       | <b>566,191,401</b>  | <b>258,744,666</b>  |

Source: Interim Financial Statements (unaudited, unreviewed).

**Significant accounting policies**

The Group has applied the same accounting policies consistently to all periods presented in the financial statements, except new and amended standards and interpretations effective for the relevant reporting period, as listed in Note 2.c. to the Annual Financial Statements.

**Change in the accounting reference date**

The issuer has not changed its accounting reference date in the period for which the historical financial information is requested.

**Change in the accounting framework**

Not applicable.

**Date of financial information (according to Section 18.1.7 of Annex 1 to Delegated Regulation 2019/980)**

The balance sheet for the last financial year for which the financial information was audited ended on 31 December 2021.

**Audit of annual financial information**

The Annual Financial Statements were audited by the audit firm Deloitte Audit S.R.L. headquartered in Calea Grivitei no. 84-98 and 100-102, The Mark building, floors 8-9, sector 1, Bucharest, Romania, is registered at the Trade Register under no. J40 / 6775/1995, with the sole registration code 7756924, is a member of the Romanian Chamber of Financial Auditors, registered in the Public Register of Financial Auditors under number 25/2001 and is registered in the Electronic Public Register of the Authority for Public Supervision of Statutory Audit Activity ("ASPAAS ") under number FA25, based on visa no. 123601/2019.

The Auditor's opinion on the Annual Financial Statements is expressed without reservation.

**Pro forma financial information**

Not applicable.

**Significant changes in the Issuer's financial position**

Not applicable.

**Related parties transactions**

For information on significant related party transactions as defined in the Annual Financial Statements, please refer to Note 25 to the Annual Financial Statements.

The main types of transactions with related parties are residential unit sales, office space leasing, furniture purchases, interior design services, real estate brokerage and brokerage services, consultancy and management services, construction and installation works and property management services.

The affiliated entities of the Issuer as at the date of this Prospectus are:

| <b>Name</b>                  | <b>Country</b> | <b>Type of affiliation</b>       |
|------------------------------|----------------|----------------------------------|
| Andrei Liviu Diaconescu      | Romania        | Shareholder and key board member |
| Victor Capitanu              | Romania        | Shareholder and key board member |
| Vinci Invest SRL             | Romania        | Other affiliated entities        |
| Liviu Investments SRL        | Romania        | Other affiliated entities        |
| Lemon Interior Design SRL    | Romania        | Other affiliated entities        |
| Lemon Office Design SRL      | Romania        | Other affiliated entities        |
| Smart Capital Investments SA | Romania        | Other affiliated entities        |

| <b>Name</b>                          | <b>Country</b> | <b>Type of affiliation</b>                                  |
|--------------------------------------|----------------|---|
| Ploiesti Logistics SRL               | Romania        | Other affiliated entities                                   |
| Element Investments SRL              | Romania        | Other affiliated entities                                   |
| Element Invest Partners SRL          | Romania        | Other affiliated entities                                   |
| DR Consulting & Other Services SRL   | Romania        | Other affiliated entities                                   |
| Samoila Valentin-Cosmin PFA          | Romania        | Other affiliated entities                                   |
| One Energy Division SRL              | Romania        | Other affiliated entities                                   |
| One Holding Investments SRL          | Romania        | Other affiliated entities                                   |
| One Holding Ver SRL                  | Romania        | Other affiliated entities                                   |
| One Holding OA SRL                   | Romania        | Other affiliated entities                                   |
| YR-WNT SRL (former Neo Downtown SRL) | Romania        | Other affiliated entities                                   |
| ACC Investments SRL                  | Romania        | Other affiliated entities                                   |
| Reinvent Energy SRL                  | Romania        | Associated entity   |
| One Property Support Services SRL    | Romania        | Associated entity   |
| One Herastrau Office Properties S.A. | Romania        | Associated entity   |
| One Herastrau Office S.A.            | Romania        | Associated entity   |
| Glass Rom Invest SRL                 | Romania        | Associated entity   |
| CTT & ONE AG                         | Switzerland    | Associated entity   |
| CC Trust Group AG                    | Switzerland    | Associated entity   |
| CCT & One Properties SA              | Switzerland    | Associated entity   |
| Vinci Ver Holding SRL                | Romania        | Other affiliated entities                                   |
| OA Liviu Holding SRL                 | Romania        | Other affiliated entities                                   |
|                                      |                | Key member of management, minority shareholder of the Group |
| Dragos-Horia Manda                   | Romania        | Key member of management, minority shareholder of the Group |
|                                      |                | Key member of management                                    |
| Claudio Cisullo                      | Switzerland    | Key member of management                                    |
| Gabriel-Ionut Dumitrescu             | Romania        | Key member of management                                    |
| Adriana-Anca Anton                   | Romania        | Key member of management                                    |
| Raluca-Elena Dragan                  | Romania        | Key member of management                                    |
| Valentin-Cosmin Samoila              | Romania        | Key member of management                                    |
|                                      |                | Key member of management, minority                          |
| Marius-Mihail Diaconu                | Romania        |   |

| <b>Name</b> | <b>Country</b> | <b>Type of affiliation</b><br>shareholder of the<br>Group |
|-------------|----------------|---|
|-------------|----------------|---|

Source: the Issuer.

The status of related party transactions recorded on a consolidated basis for the period from 1 January 2019 to 31 March 2022 (the status as at 31 March 2022 also being current as at the date of the Prospectus) is set out in the table below:

| <b>Statement of financial position due to/from)</b>                    | <b>Categories of related entities</b> | <b>31-March-22<br/>RON<br/>(unaudited, unreviewed)</b> | <b>31-Dec-2021<br/>RON<br/>(audited)</b> | <b>31-Dec-2020<br/>RON<br/>(audited)</b> | <b>31-Dec-2019<br/>RON<br/>(audited)</b> |
|--|---------------------------------------|--|--|--|--|
| Receivables and similar receivables related to goods and services sold | Key members of the Group's management | 2.482  | 2.482                                    | 14.471                                   | 8.739                                    |
| Receivables and similar receivables related to goods and services sold | Shareholders                          | 4.231.894  | 4.135.900                                | 3.040.023                                | -  |
| Receivables and similar receivables related to goods and services sold | Other affiliated entities             | 10.902.571   | 11.171.879                               | 11.061.376                               | 284.869                                  |
| Advances paid for purchases of goods and services                      | Key members of the Group's management | -  | -  | -  | -  |
| Advances paid for purchases of goods and services                      | Shareholders                          | 9.443.054  | 12.266.422                               | 14.764.439                               | 4.136.889                                |
| Advances paid for purchases of goods and services                      | Other affiliated entities             | 27.983.223   | 24.677.386                               | 12.918.302                               | 10.040.123                               |
| Debts for goods and services paid                                      | Key members of the Group's management | 3.305  | 3.305                                    | 3.055                                    | -  |
| Debts for goods and services paid                                      | Shareholders                          | 12.612.952   | 6.681.849                                | 24.379.051                               | 4.672.601                                |
| Debts for goods and services paid                                      | Other affiliated entities             | 6.114.915  | 4.042.747                                | 1.242.836                                | 1.905.428                                |
| Dividends paid during the year. net of tax                             | Key members of the Group's management | -  | 35.064.786                               | 50.979.993                               | 21.972.592                               |
| Dividends paid during the year. net of tax                             | Shareholders                          | -  | 2.841.692                                | -  | -  |
| Advances received from customers                                       | Other affiliated entities             | 14.068.869   | 15.950.589                               | 920.311                                  | -  |
| Advances received from customers                                       | Shareholders                          | 154.872.483  | 161.854.758                              | -  | -  |

| <b>Profit and loss account<br/>(income/(expense))</b> | <b>Categories of affiliated entities</b> | <b>31-March-22<br/>RON<br/>(unaudited, unreviewed)</b> | <b>31-Dec-2021<br/>RON<br/>(audited)</b> | <b>31-Dec-2020<br/>RON<br/>(audited)</b> | <b>31-Dec-2019<br/>RON<br/>(audited)</b> |
|---|--|--|--|--|--|
| Sales of goods and services                           | Key members of the Group's management    | -  | -  | -  | -  |
| Sales of goods and services                           | Shareholders                             | 7.502.830  | 27.702.217                               | 3.003.737                                | -  |
| Sales of goods and services                           | Other affiliated entities                | 1.940.557  | 45.374.992                               | 9.754.600                                | 319                                      |
| Purchases of various goods and services               | Key members of the Group's management    | -  | -  | 44.640                                   | -  |
| Purchases of various goods and services               | Shareholders                             | 22.441.190   | 65.098.966                               | 20.792.641                               | 13.003.747                               |
| Purchases of various goods and services               | Other affiliated entities                | 2.463.765  | 8.719.948                                | 6.532.461                                | 4.474.419                                |
| <b>Loans from affiliated entities</b>                 | <b>Categories of affiliated entities</b> | <b>31-March-22<br/>RON<br/>(unaudited, unreviewed)</b> | <b>31-Dec-2021<br/>RON<br/>(audited)</b> | <b>31-Dec-2020<br/>RON<br/>(audited)</b> | <b>31-Dec-2019<br/>RON<br/>(audited)</b> |
| Interest expenses                                     | Companies - other related entities       | 152.220  | 99.014                                   | 503.636                                  | 16.705                                   |
| Interest expenses                                     | Key members of the Group's management    | -  | -  | -  | 38.025                                   |
| Amounts due to affiliated entities                    | Companies - other related entities       | 13.119.861   | 11.610.787                               | 23.823.603                               | 33.369.743                               |
| Amounts due to affiliated entities                    | Key members of the Group's management    | -  | -  | 2.458.920                                | 46.994                                   |
| <b>Loans to affiliated entities</b>                   | <b>Categories of affiliated entities</b> | <b>31-March-22<br/>RON<br/>(unaudited, unreviewed)</b> | <b>31-Dec-2021<br/>RON<br/>(audited)</b> | <b>31-Dec-2020<br/>RON<br/>(audited)</b> | <b>31-Dec-2019<br/>RON<br/>(audited)</b> |
| Interest income                                       | Other related entities                   | -  | -  | 22.170                                   | 80.440                                   |
| Amounts granted to affiliated entities                | Other related entities                   | -  | -  | 284                                      | 284                                      |
| Interest income                                       | Associated entities                      | 25.886   | 177.124                                  | 50.909                                   | -  |
| Sume acordate entităților afiliate                    | Associated entities                      | 12.821.963   | 11.453.361                               | 9.501.076                                | -  |
| Interest income                                       | Key members of the Group's management    | -  | -  | -  | -  |
| Sume acordate entităților afiliate                    | Key members of the Group's management    | -  | -  | -  | -  |

*Source: the Issuer, the Annual Financial Statements (audited), and the Interim Financial Statements (unaudited, unreviewed).*

## PART 7 OPERATING AND FINANCIAL REVIEW

*The presentation and analysis of the financial statements and results of the Group's operations presented below should be read in conjunction with the Annual Financial Statements and the Interim Financial Statements, together with the related notes and included in "Part 6- Selected Financial Information" of this Prospectus. The terms used in this section have the meaning set out in the Annual; Financial Statements and the Interim Financial Statements. The following presentation includes forward-looking statements based on assumptions about the Group's future business. The actual results may differ materially from those included in these forward-looking statements due to a number of factors, including, but not limited to, the factors described in the "Prospective Statements" and "Risk Factors" sections of this Prospectus.*

### GENERAL PRESENTATION

The Issuer is one of the most important investors and developers on the Romanian real estate market in the residential segment (present in Bucharest, Constanța, including Mamaia, and Buzau), which is its main business segment, to which the real estate development activity in the office segment and mixed-use residential-commercial projects, real estate investment activities (land and buildings purchased for investment purposes), office rental, retail and service premises rental, as well as other related activities are added.

The Issuer's activity is organized in five income-generating directions:

- *investment activity* – which consists in:
  - (i) the acquisition of assets (land, office buildings or buildings for other purposes) identified as having good value enhancing potential; subsequent to acquisition, as a result of the process of improving the qualities of the target assets, for example through improved rental levels (including as a result of improvements and refurbishments undertaken by the Group), or the reduced cost of acquisition, a gain is generated from investments held for further development or gains from completed property investments, depending on the nature of the property;
  - (ii) the acquisition of stakes (in principle majority/controlling) in various companies holding real estate assets with good potential for value growth; following the acquisition of control by the Issuer, the Issuer aims to implement performance improvement processes aimed at increasing profitability and securing medium and long-term income;
  - (iii) the acquisition of assets (land, office buildings or buildings for other purposes) at prices representing real estate opportunities at a significant discount to the market price, with a view to the continued expansion of the Issuer's portfolio of assets, either for the development of its own projects or for realisation at a later stage when a sale offer is identified at a substantially higher price than the purchase price;
- *the activity of development and sale of residential properties* - this consists in the acquisition of land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the real estate construction process (residential or mixed residential-commercial), respectively of the related infrastructure; coordinating marketing campaigns and the sale of residential units and the sale of commercial premises within mixed-use projects; the income related to this activity is mainly generated by the difference between development costs and sales prices of the real estate thus developed;
- *office premises development activity* - this consists in the acquisition of target land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the process of building buildings for office buildings; coordinating marketing campaigns and renting office space; gains related to this activity are generated from the development activity as the difference between the value invested at cost and the market value of the project;
- *the development and leasing of retail and service premises* - this activity consists of the acquisition of assets (land or buildings) as well as the acquisition of significant shareholdings in companies (closed or open) specialising in the retail sector; gains from this activity are generated from several sources, namely gains from development activity as the difference between the invested value at cost and the market value of the project, gains from rents, gains from the positive development of shareholdings held by the Issuer, as well as gains from dividends; and);



- *the activity of renting the properties owned by the Group* - it consists in leasing of apartments, of spaces in office buildings and those for commercial use within mixed-use projects and generates repetitive rental income. For the future, the Issuer anticipates the possibility of starting to develop projects dedicated in whole or in part to rental, in order to generate rental income with a repetitive character

The activity of developing and selling residential properties, representing housing units (mainly apartments) in the categories “medium”, “medium-high”, “high” and “very high” prices, located in exclusive / high interest areas for residential spaces in Bucharest and Constanța (including Mamaia) has generated revenues of RON 147.4 million, RON 437.5 million and RON 703.3 million for the years ended 31 December 2019, 2020 and 2021, respectively RON 197.2 million for the three months ended 31 March 2022, the targeted customers being mainly those who purchase housing units respectively for their own use, to a significantly more reduced extent being those who purchase these units for rent or buy them as an investment. Overall, the Issuer has a portfolio of completed residential projects with a gross development value (GDV) of over EUR 296 million and other projects under development / planning of EUR 1,386 million (*Source: Issuer*), both values as of May 31, 2021. As of the date of this Prospectus, the Issuer has completed residential projects that include 834 housing units, with another over 5,600 units under development and planning, of which over 1,600 are under construction (*Source: Issuer*).

In the activity of developing office properties, the Issuer develops Class A offices, located in areas of Bucharest that are attractive for business. For the financial years 2020 and 2021, the three projects that make up this category are One Tower (which was completed at the end of 2020) and One Cotroceni Park Office Phase 1 (which was completed at the end of 2021) and One Cotroceni Park Office Phase 2. The value increases associated with the development of these projects have resulted in revenues of RON 165 million in 2019, RON 55.4 million in 2020 and RON 314.1 million in 2021. In its investment activity, the Issuer acquired, in 2017, the One North Gate project and in 2020 a minority stake in One Herăstrău Office, a project currently managed by the Issuer. Also, the Issuer acquired a significant number of lands during this period, lands that experienced valuable appreciations. The increases in value associated with the land acquired in the investment activity of the Issuer resulted in revenues of RON 36.3 million, RON 37.4 million, RON 69.8 million in the years ended December 31, 2019, 2020 and 2021.

The land portfolio in the planning phase represents an important source of real estate development projects for the future, with an area of approximately 161,898 sqm. (*Source: Issuer*) and 16,395 sqm existing building which are to be developed or reconverted. For most of the plots of land owned by the Group, either the building permit or the town planning certificate has been obtained. The Issuer is also in the process of evaluating and discussing the acquisition of additional land for its future developments.

Regarding the Group's activity in the office rental segment, rental income amounted to RON 16.5 million, RON 1.7 million and RON 11.8 million in the years ended on December 31, 2019, 2020 and 2021, respectively RON 6.6 million for the three months ended 31 March 2022 (includes the impact of the results generated by Bucur Obor and consolidated in the retail division). The office rental segment has not represented a main revenue-generating line during these periods (it is anticipated that this segment will become a main line from 2022 onwards, once the development of the Issuer's large office projects is completed). Through the majority participations in the five (5) projects on the office segment (acquired, developed or under construction), as well as the minority participation in One Herăstrău Office, the Issuer has at its disposal a total leasable area of over 135,000 sqm (*Source: Issuer*). In 2020 and 2021, as well as during the three months ended 31 March 2022, the Group entered into a series of leases of significant value for its completed or almost completed office buildings, such as One Tower, One Cotroceni Park - Office Phase 1 (Building A and Building B) and One Cotroceni Park - Office Phase 2 (Building C). It is estimated that these new leases will generate significant rental income from the 2022 financial year.

Until the date of this Prospectus, The Issuer has developed eight residential projects (seven in Bucharest and one in Mamaia), with an aggregate profit of EUR 102 million. The Issuer has won numerous awards, such as: “Residential Developer of the Year” (in 2017 and 2018) and Leader Green Developer and Development (in 2020) at CIJ Awards Romania, Forbes Green Award, “Residential Project of the Year” (in 2018 and 2019) at SEE Real Estate Awards Gala, “Best Residential Redevelopment”, “Best Mixed-Use Development”, “Best Sustainable Residential Development” and “Best Residential High-Rise Development” (2020) at the European Property Awards.

Starting with 2017, all the residential projects of the Issuer received the “Green Homes” certification from the Romanian Council for Green Buildings.

The office premises projects in the Issuer's portfolio are certified or in the process of obtaining a WELL and / or LEED PLATINUM certification by the US Green Building Council ( *in Romanian: US Green Building Council*), one of the

most demanding certifications on environmental impact and environmental performance.

As of 31 March 2022, the position of cash and cash equivalents at the Group level was approximately RON566,191,401.

## **RECENT EVOLUTION**

On 11 January 2022, the Company published the income and expenditure budget for 2022, which was adopted by the Board of Directors on 10 January 2022 and which was approved by the General Shareholders Meeting of 26 April 2022.

In the first quarter of 2022, the Company has started the process of renting out 29 apartments and related parking lots owned by the subsidiary One Mircea Eliade Properties SRL, and therefore no longer presents them as apartments available for sale, but as apartments available for rent.

On 15 February 2022, the Company, through its subsidiary One Mircea Eliade Properties SRL, contracted a bank loan from Garanti Bank for a total amount of EUR 9,000,000, which it drew down in full. The loan has a maturity of 10 years. The loan agreement contains pledges on 29 apartments and 35 parking lots, as well as on bank accounts and a corporate guarantee issued by the Parent Company.

In February 2022, the Company established new subsidiaries, namely One Proiect 8 SRL, One Proiect 9 SRL, One Proiect 10 SRL and One United Italia SRL to support business growth and operations.

On 8 February 2022, the Company directly acquired 100% of the shares of BO Retail Invest SRL, a subsidiary that had previously acquired a majority stake of 54.4351% in Bucur Obor, a company listed on the multilateral trading system of the Bucharest Stock Exchange under the symbol BUCU. The transaction was subject to the approval of the Competition Council, which the Company obtained on 4 February 2022.

In February 2022, the Company acquired from the minority shareholder Mr. Octavian Avramoiu, the following stakes in subsidiaries: 14.41% in Neo Floreasca Lake, 12.67% in Neo Timpuri Noi, 12.67% in Neo Mamaia and 13.00% in Neo Herăstrau Park.

On 21 March 2022 the Company, through its subsidiary One Mircea Eliade Properties SRL, signed a pre-sale contract for the purchase of 10,880 sqm of land and building erected on it, located in Bucharest, Calea Floreasca 159-165, adjacent to the existing One Floreasca City development. The subsidiary paid to secure the transaction an advance of 11.5% of the total price, with the remaining amount to be paid no later than 15 December 2023.

## **BASIS OF FINANCIAL PRESENTATION**

The Group has prepared its Annual Financial Statements for the years ended 31 December 2019, 2020 and 2021 in accordance with the Order of the Minister of Public Finance No. 2844/2016, as amended, approving the Accounting Regulations in accordance with International Financial Reporting Standards as adopted by the European Union, as amended ("IFRS") as adopted by the European Union (issued by the International Accounting Standards Committee). The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union. For the periods referred to in this Prospectus, the Group's functional and presentation currency was RON. The Group's financial year ends on 31 December of each calendar year. **STRUCTURE OF REVENUES AND EXPENDITURE RELATING TO OPERATIONAL SEGMENTS**

The issuer obtains income and records expenses for each of the operating segments. The issuer operates on three main business segments. The reporting segments are residential, office and corporate. The issuer manages the operations according to this classification. Moreover, there are no inter-segment sales, and segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be reasonably allocated. It is recommended that this section of the Prospectus be consulted in conjunction with Part 4 "*Business Overview*"

### **Residential segment**

The income that the Issuer records on the residential segment refers to the income from the sale of residential properties. In this segment, the Issuer did not record rental income. The cost of residential units is the direct expenses that the Issuer incurs in order to develop residential complexes, mainly construction. The Issuer also records costs related to salaries, real estate brokerage and administration expenses. The issuer may record financial income in this segment due to the fact that the companies that develop the real estate projects constitute bank deposits, and the gains due to these deposits are recorded as financial income.

## Office space segment

This operating segment considers the following revenue categories:

- revenues from the activity of developing office properties (as the difference between the value invested in cost and the market value of the project);
- income from investment activity, representing a gain from real estate investments held for further development or gains from completed real estate investments, depending on the nature of the property; and
- income from the rental activity of the properties owned by the Group and taxes from assimilated services.

The Issuer does not record revenues from the sale of units developed in this segment. The main costs related to this operational segment are related to the development activity and the administration of the spaces. Also, gains from the change in the market value of real estate investments are recorded in this operating segment. The issuer may record financial income in this segment due to the fact that the companies that develop the real estate projects constitute bank deposits, and the gains due to these deposits are recorded as financial income.

## The corporate segment

This operating segment consists of the “holding” activities of the Issuer. Specifically, activities that are not included in the segments described above are included in the corporate segment. In this segment, the Issuer reported revenues of RON 9,652,315, RON 2,154,477, RON 3,253,216, respectively expenses of RON 15,504,536, RON 18,051,213 and RON 14,133,950 in this segment for the years ended on December 31, 2021, 2020 and 2019.

## SIGNIFICANT FACTORS WITH AN IMPACT ON THE ISSUER'S OPERATING RESULTS

The following factors have a significant impact and are expected to continue to influence the performance, results of operations, financial condition and prospects of the Issuer.

### General market conditions and financing conditions

The Issuer's performance and results depend on the general state of the Romanian real estate market, which is significantly affected by the macroeconomic conditions in Romania, which are influenced by the macroeconomic conditions at European level, as well as at the level of the global economy, and their cyclicity.

In the period between December 31, 2018 and December 31, 2021, the Romanian economy registered an increase in GDP, with a RCAC of 4.04%, exceeding the average of the RCAC in the European Union, which registered an increase of 1.6% in same period (Source: Eurostat). This increase was due to lower tax rates, as well as positive developments in the labour market, which resulted in the expansion of the middle class.

In the year ended on December 31, 2021, the Romanian economy recorded an estimated increase of 5.9% of GDP compared to the year ended on December 31, 2020, amid the economic stimulus measures implemented during the Covid-19 pandemic (which have brought an increase in household consumption, a driving force for generating multiannual economic growth, as well as increasing public spending to support the medical system in the context of the pandemic), compared to an increase of 5.3%, representing the average in the European Union (EU27) (Source: Eurostat).

Although economists' initial estimates pointed to much higher economic growth (IMF 7%), these did not materialize, amid accelerating price rises in energy in the last quarter. In particular, the construction and real estate sectors, and the IT and Telecom sectors have seen significant increases as compared to the year concluded on 31 December 2020, as shown in the table below:

| (million RON, current prices) | On the date and for the year concluded on 31 December |          |
|-------------------------------|---|----------|
|                               | 2020  | 2021     |
| Constructions                 | 69,421.2  | 77,391.7 |
| Real Estate Transactions      | 84,281.0  | 87,771.0 |
| Information and Communication | 66,944.7  | 75,010.7 |

Source: National Institute of Statistics.

In the draft budget for 2022, the Romanian Government estimated economic growth at 4.6%, with a forecasted GDP of RON 1,317 billion. The budget planning for 2022 and estimates for the period 2023-2025 set the budget deficit in 2022 at 6.24% of GDP, rising to 2.02% of GDP in 2025. The Romanian government further expects the construction sector to grow much faster in 2022 (9%) as compared to the industry (4.4%) and services (4.3%). The forecast for the national budget construction for 2022 is also agreed by the NBR, which estimates a slowdown in economic growth according to the minutes of the meeting of 09 February 2022 (Source: NBR).

The evolution registered by the Romanian economy was also reflected in the prices per sqm on the residential segment. Thus, in Bucharest (which is the main location of the Issuer, being part of the Bucharest-Ilfov development region, which has a GDP per capita 164% compared to the EU average, according to the data forecasted by Eurostat for 2020), prices increased by 11.7% in 2021 compared to 2020, to an average price of EUR 1,640 per net sqm, continuing the same upward trend started in 2015.

Romania's economic evolution in recent years has also contributed to an increase in population income, with the average gross monthly salary registering an increase with a RCAC of 8.61% for the period between January 1, 2019 and December 31, 2021. According to the latest statistical data, the average gross salary in Romania for February 2022 amounts to 6.059 lei (Source: INS) or approximately EUR 1,224.

According to statistical data, the number of employees in Romania earning over 10,000 lei gross / month increased by 37% in 2020 compared to 2019. According to the most recent data available at the level of Bucharest, over 127,000 employees have a gross salary, higher than 10,000 lei gross / month, out of a total number of approximately 1,000,000 employees (Source: Work inspection). Such an increase in the number of middle- and high-income employees can contribute to an improvement in the dynamics of demand for new housing units, including premium ones. In 2022, approximately 4.6% of the housing units to be delivered in Bucharest may be ranked as premium, an increase by approximately 1% as compared to 2020. (Source: SVN Romania).

Regarding the lending activity on the mortgage lending segment, the interest rates charged by local commercial banks on this type of loan were on a slightly upward trend, and in January 2022 this interest rate was 3.75% for home loans, with a maturity of over 10 years, registering a decrease of 0.78% compared to the same period in 2020 (Source: NBR). The decrease of interest rates, in conjunction with the increase of the population's income in the last years, creates the premises for maintaining an ascending trend on the residential segment. Thus, the indicator on the number of years required to purchase a new 50 sqm apartment in Bucharest has significantly improved in the last 13 years, from 32.8 years in 2008 to 8 years in 2021 (Source: SVN Romania).

### **Real estate development**

The results of operations and the profitability of the Issuer are significantly influenced by the number of residential units and office areas in view of the rent it builds, buys and sells / rents, the purchase / sale / rental price, land costs and development costs, and the profit margin associated with these transactions.

#### **Number of residential units and leasable areas and prices**

The total number of residential units built depends on the number of active developments. While these variables are largely under the control of the Issuer, the number of residential units is also affected by external factors beyond the Issuer's control, in particular the availability of building permit approvals and the authorities' housing and construction policies and regulations. housing and office buildings, such as town planning factors and environmental regulations, as well as overcoming possible situations of contesting / suspending administrative acts by third parties.

The number of residential and office real estate development projects that the Issuer may undertake in a given period is also affected by the ability to finance these projects, ie the planning, design and construction costs associated with the development, both to external financiers as well as through the use of equity.

Furthermore, the results of the Issuer's operations, sources and cash in operations may vary significantly from one period to another, depending on the number of residential units and other properties that are available for sale or that have been sold and delivered, as well as price changes on the residential real estate market.

The Issuer has a portfolio of residential projects completed with a value gross development value (GDV) of 2496 million EUR and others project under development / planning of EUR 1,336 million (Source: Issuer), both values as of May 31, 2021. By the date of this Prospectus, the Issuer has completed residential projects that include 834 housing units, with another 5,600 units under development and planning, of which over 5,600 are under construction (Source:

Issuer).

The average sales prices of the Issuer per built square meter, at project level are between EUR 2,400 and EUR 8,800. In 2021, the average selling price at the level of all units sold was about 2,700 EUR per built square meter.

#### Profit margins, land acquisition and development costs

The Issuer's profit margins depend on a variety of factors, including the selling price, the cost of the land, and the construction and operating costs.

The issuer aims in its activity that the gross margins for the projects that are in the sale phase or for which lands are already purchased to be over 30% of the total income. For office buildings in the portfolio, their yields are between 6% and 9%.

The cost of the land includes the price of the land, the fees related to the transaction, the notary costs and the legal expenses. The cost of land varies depending on the location and depending on specific factors, such as urban parameters, land shape, neighbourhoods, access.

The Issuer intends to make land acquisitions including for the development of medium-term projects, which should improve the development capacity in the future.

The table below shows information on the real estate portfolio developed, under development, and respectively under planning of the Issuer, for which on December 31, 2021 no apartments were delivered to customers, nor were the premises handed over for use :

| Project                                    | Location                | Destination | Status             | Land area      |
|--|-------------------------|-------------|--------------------|----------------|
| <b>One Herastrau Towers</b>                | Bucharest - District 1  | Residential | Completed          | 5,375          |
| <b>One Verdi Park</b>                      | Bucharest - District 2  | Residential | Under construction | 8,183          |
| <b>One Peninsula</b>                       | Bucharest - District 1  | Residential | Under construction | 25,857         |
| <b>One Modrojan</b>                        | Bucharest - District 1  | Residential | Under construction | 4,200          |
| <b>One Floreasca Vista</b>                 | Bucharest - District 1  | Residential | Under construction | 3,440          |
| <b>One Timpuri Noi</b>                     | Bucharest - District 3  | Residential | Under construction | 3,835          |
| <b>One Cotroceni Park - Rezidential</b>    | Bucharest - District 5  | Residential | Under construction | 37,796         |
| <b>One Lake District</b>                   | Bucharest - District 2  | Residential | In planning        | 91,575         |
| <b>One Floreasca Towers</b>                | Bucharest - District 2  | Residential | In planning        | 5,627          |
| <b>One Herastrau Vista</b>                 | Bucharest - District 1  | Residential | In planning        | 3,358          |
| <b>One Mamaia Nord - phase 2</b>           | Constanta - Mamaia      | Residential | In planning        | 2,858          |
| <b>One Athenee</b>                         | Bucharest - District 1  | Residential | In planning        | 521            |
| <b>One Lake Club</b>                       | Bucharest - District 2  | Residential | In planning        | 24,230         |
| <b>One High District</b>                   | -Bucharest – District 2 | Residential | In planning        | 27,176         |
| <b>One Cotroceni Park – Office Phase 1</b> | Bucharest - District 5  | Offices     | Completed          | 12,081         |
| <b>One Cotroceni Park Office Phase 2</b>   | Bucharest - District 5  | Offices     | Under construction | 8,847          |
|  |                         |             |                    | <b>264,958</b> |

Source: the Issuer.

In addition to the cost of the land, the Issuer's other development costs include planning, construction, infrastructure, sales and marketing, and general administrative costs.

Construction costs include site costs for employees, services of contractors and subcontractors and material costs. Planning costs are primarily the cost of architects and the costs of building permits and permits. Infrastructure costs include roads, connections and landscaping. Sales and marketing costs include the costs of sales / rental agents and brokers and the cost of product promotion.

Approximately 2% to 6% of total revenue is attributed to sales and marketing costs, which consist mainly of sales agent commissions, which depend on sales prices and are completely variable and the costs related to showrooms, brochures and advertising traditional and online.

Factors affecting costs include the type of projects built (which determines the composition of the materials needed), the prices of land and construction materials, wages and costs with contractors and subcontractors.

The issuer monitors and maintains some control over construction costs by developing long-term partnership relationships with local contractors and subcontractors, as well as by organizing tenders for services before hiring contractors and subcontractors.

The issuer expects the costs of contractors to increase on the medium term given the upward trends in commodity prices and labour costs.

In addition to the costs directly associated with the development of the Issuer's projects and their sale, there are also general administrative costs, which are associated with the Issuer's headquarters or activities, and primarily reflect the costs of staff and other professionals (lawyers, auditors, etc.) with whom the Issuer collaborates.

### **Variations in the value of real estate investments**

Another significant factor that influences the Issuer's results is the gain from real estate investments, which can vary from one period to another depending on several parameters.

For real estate investments, assets are valued mainly using the market approach or the income-based approach, based on the discounted cash flow technique. For the market approach, the key assumptions underlying the market value of the Group's land assets are: the resulting selection of comparable land to determine the 'bid price', which is taken as a basis to form an illustrative price and the amount of adjustments to be applied to the bid price to reflect transaction prices and differences in location and condition. For the revenue-based approach based on the discounted cash flow technique, valuations are prepared taking into account the total amount of net annual rents receivable for properties and, where applicable, the associated costs. A return that reflects the risks inherent in net cash flows is then applied to net annual rents to arrive at the valuation of the property.

The real estate investments of the Issuer were evaluated on December 31, 2021 by Colliers Valuation and Advisory, and on December 31, 2020 by Cushman & Wakefield, external, independent appraisers, authorized by ANEVAR, with recent experience regarding the location and nature of the appraised properties. For the respective years, the Issuer recorded gains from the appreciation of real estate investments, in a total amount of RON 399,188,180 (out of which RON 298,636,043 representing gains from office building development, RON 44,364,367 representing gains from completed real estate investments and RON 56,187,770 representing gains from real estate investments held for further development) and in the total amount of RON 96,253,470 (of which RON 58,349,105 representing gains from the development of office buildings, RON 3,739,093 representing completed real estate investment gains and RON 34,165,272 representing real estate investment gains held for further development).

The Issuer will continue to collaborate with independent external appraisers to establish the fair market value of its real estate investments and the results of these appraisals will be reflected in the Issuer's annual financial statements. Depending on the variation of the factors analysed in the assessment, it is possible that the value associated with real estate investments may experience significant fluctuations that may not always be directly correlated with the results of the Issuer's operational activity.

### **Seasonality and non-linear nature of income associated with residential development activity**

Revenues, development costs and margins vary both during the year and over a 3-year cycle, due to the differentiation of projects under development, their type and number of units.

During a calendar year, the dynamics and volume of sales are lower in December-January and in June-August.

Moreover, even for periods exceeding one financial year, as revenues from the sale of residential properties are recognized on the basis of the degree of sales / receipts and the degree of evolution of the construction they may be non-linear. Therefore, factors affecting these peak sales periods may have a disproportionate impact on the Issuer's performance over a period of time. As a result of this seasonality, the Issuer's results from the beginning of a real estate project, in particular revenues and margins, are usually lower than the results from the completion and post-completion of the construction. The non-linear nature of the income associated with the residential development activity can be amplified by the fact that the Issuer may have, depending on the strategic decisions, periods in which

several projects begin and periods in which it focuses on the completion of some started projects. Also, the Issuer's projects may vary in size, execution time, margin and addressable market. Sometimes, the Issuer's projects may experience delays that may affect the dates on which certain revenues associated with these projects are recognized (see also Part 2 "*Risk Factors - The costs and duration of the development of real estate projects may exceed the Group's initial expectations.*"). All these and other factors can affect the timing of the recognition of income associated with the residential development activity, their size, as well as the timing and size of the collection of relevant amounts.

Regarding the cyclicity of the financial performance, the normal operating cycle of the Issuer's projects is of 3 years. The results and performance during this period can be significantly influenced by the mix of projects being constructed and sold, respectively by the volume of investments and the margin of these projects. Thus, in the periods when the Issuer has large-scale projects developing quickly, the development revenues and costs are higher and the margin is influenced by the individual profitability of each project.

## ANALYSIS OF DATA RELATED TO FINANCIAL STATEMENTS THAT HAVE A SIGNIFICANT IMPACT

### BALANCE SHEET

This section includes an analysis of the evolution of some of the data related to the Issuer's balance sheet as at 31 December 2020 and 31 December 2021.

### ASSETS

|                                 | 31-March-2022<br>(expressed in RON,<br>unaudited,<br>unreviewed) | 31-Dec-2021          | 31-Dec-2020<br>(expressed in RON, audited) | 31-Dec-2019        |
|---------------------------------|--|----------------------|--|--------------------|
| <b>ASSETS</b>                   |  |                      |  |                    |
| <b>Non-current assets</b>       |  |                      |  |                    |
| Goodwill                        | 19,256,076   | 19,256,076           | 19,256,076                                 | 19,256,076         |
| Intangible assets               | 756,730  | 597,608              | 164,707                                    | 240,736            |
| Investment properties           | 1,878,935,563  | 1,449,465,190        | 1,010,415,976                              | 790,855,879        |
| Right of use assets             | 3,300,878  | 3,505,452            | 1,221,167                                  | -                  |
| Investments in associates       | 3,665,514  | 2,967,158            | 1,439,340                                  | 2,550              |
| Property, plant and equipment   | 18,766,160   | 17,040,010           | 16,077,142                                 | 17,049,948         |
| <b>Total non-current assets</b> | <b>1,924,680,921</b>   | <b>1,492,831,494</b> | <b>1,048,574,408</b>                       | <b>827,405,189</b> |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

#### *Goodwill*

In the financial year 2021, the Issuer did not register any change in goodwill, its value being RON 19.3 million, the same value being recorded also at the end of the financial year 2020. As at 31 December 2019, the Issuer recorded a 14.2% decrease in goodwill compared to 31 December 2018. Thus, the value reached RON 19.3 million from RON 22.4 million, the decrease resulting from the impairment test of goodwill related to the subsidiary One Charles de Gaulle Residence S.R.L. The Issuer did not record any change in goodwill in the first three months of 2022.

#### *Intangible assets*

The Issuer's intangible assets increased in 2021 by 262.8% mainly due to the implementation and development of ERP at the Issuer level, the value reaching RON 597,608 on December 31, 2021 from RON 164,707 on December 31, 2020. As of December 31, 2020, the Issuer registered an decrease of intangible assets by 31.6% from RON 240,736 on December 31, 2018 due to the depreciation of intangible assets, from RON 240,736 to 31 December 2019. In the first three months of 2022, the Issuer's intangible assets increased by 27% compared to the value recorded as at 31 December 2021, mainly due to the capitalisation of development costs.

#### *Real estate investments*

On December 31, 2021, the Issuer registered an increase compared to December 31, 2020 of 43.5%, thus reaching a value of real estate investments of RON 1,449,465,190 from approximately RON 1 billion. As at 31 December 2019, the Issuer recorded an increase of 74.1% compared to 31 December 2018 in real estate investments, reaching a value of RON 790.9 million. The main properties included at the end of 2021 in this category are One Cotroceni Park Office (RON 650.1 million), One United Tower (RON 396.1 million), One Lake District (RON 168.7 million) and One North Gate (RON 126.4 million). In the first three months of 2022, the value of the Issuer's investment property increased by 30% compared to the value recorded as at 31 December 2021 (to RON 1,878,935,563), mainly driven by acquisitions of investment property and reclassification of some apartments from inventory to available-for-rent properties and capitalisation of development costs during the period.

#### *Right of use assets*

On December 31, 2021, the Issuer reported right of use assets amounting to RON 3.5 million up by 187.1% compared



to December 31, 2020, increase generated mainly by the contracting of several leased premises. On December 31, 2020, the Issuer reported right of use assets amounting to RON 1.2 million. The Issuer did not report any such assets in the year ended at 31 December 2019 as IFRS standards for the period did not require the reporting of such assets. In the first three months of 2022, the Issuer reported right-of-use assets amounting to RON 3,300,878, representing a decrease of 6% compared to the amount recorded at 31 December 2021

#### *Investments in associates*

The extension of the Issuer's activity can also be noticed by analysing the shares held in affiliated entities, where the Issuer registered a total value of RON 3.0 million as of December 31, 2021 up by 106,1% compared to the previous year, respectively RON 3.7 million, an increase of 24% compared to 31 December 2021, determined by the appreciation of the value of the shares held following the increase of profitability of the respective company. On December 31, 2020 it recorded a total amount of RON 1.4 million on the basis of acquisitions of shares in Reinvent Energy S.R.L., Glass Rom S.R.L., CCT & One AG, One Herăstrău Office Properties SA, One Herăstrău Office SA and One Property Support Services S.R.L., a substantial increase from the RON 2,550 reported at 31 December 2019.

#### *Property, plant and equipment*

Regarding the property, plant and equipment, the Issuer registered on December 31, 2021 slight increase of 6.0% compared to December 31, 2020, due to reduced acquisitions and depreciation and amortization, their value reaching RON 17.0 million. For the year ended 31 December 2019, the Issuer reported a value of RON 16.0 million. In the first three months of 2022, the Issuer recorded property, plant and equipment amounting to RON 18.8 million, thus recording a 10% increase compared to the value recorded as at 31 December 2021 (the Issuer has indications that there was no significant change in the value of property, plant and equipment during the period).

#### *Non-current assets*

The value of the Issuer's total non-current assets increased by 42.4% on December 31, 2021 compared to December 31, 2020, from RON 1 billion to RON 1.5 billion, as well an increase of 26.7% at 31 December 2020 compared to 31 December 2019, from RON 827 million to RON 1 billion, and in the first three months of 2022, the value of the Issuer's total non-current assets increased by 29% compared to 31 December 2021, from RON 1.5 billion to RON 1.9 billion, the increase being largely due to the increase of investment properties, in developments such as One United Tower or One Cotroceni Park.

The distribution of the values of non-current assets in each of the reporting segments is reflected in the table below. Thus, a significant share of non-current assets is recorded in the investment properties segment, generated by the value of developed office projects that are kept in the Issuer's assets and which show a significant increase in each of the periods presented below compared to the previous one, as opposed to the residential segment where the developed buildings are sold, thus being presented in the category of current assets in the form of inventories and residential properties. Thus, the situation of non-current assets related to the residential segment does not change significantly from one period to another.

|                           | <b>31-March-2022</b><br>(expressed in RON,<br>unaudited,<br>unreviewed) | <b>31-Dec-2021</b>   | <b>31-Dec-2020</b><br>(expressed in RON, audited) | <b>31-Dec-2019</b> |
|---------------------------|---|----------------------|---|--------------------|
| <b>Non-current assets</b> |   |                      |   |                    |
| Residential               | 24,819,103  | 25,044,206           | 21,676,182  | 21,467,783         |
| Offices                   | 1,880,715,382   | 1,451,031,592        | 1,011,898,173                                     | 792,091,664        |
| Corporate                 | 19,146,436  | 16,755,696           | 15,000,053  | 13,845,742         |
| <b>Total</b>              | <b>1,924,680,921</b>  | <b>1,492,831,494</b> | <b>1,048,574,408</b>                              | <b>827,405,189</b> |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

|                       | <b>31-March-2022</b><br>(expressed in RON,<br>unaudited,<br>unreviewed) | <b>31-Dec-2021</b> | <b>31-Dec-2020</b><br>(expressed in RON, audited) | <b>31-Dec-2019</b> |
|-----------------------|---|--------------------|---|--------------------|
| <b>Current assets</b> |   |                    |   |                    |
| Inventories           | 308,465,534   | 343,977,627        | 257,348,157                                       | 173,210,870        |

|                               | <b>31-March-2022</b><br><i>(expressed in RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b>   | <b>31-Dec-2020</b><br><i>(expressed in RON, audited)</i> | <b>31-Dec-2019</b>   |
|-------------------------------|--|----------------------|--|----------------------|
| Advance payments to suppliers | 131,040,340  | 93,266,448           | 50,890,026   | 45,805,125           |
| Trade receivables             | 264,981,628  | 201,369,543          | 104,643,962  | 129,071,523          |
| Other receivables             | 83,501,097   | 128,441,029          | 70,781,030   | 46,963,473           |
| Prepayments                   | 45,149,251   | 19,517,269           | 545,370  | 711,837              |
| Other financial assets        | 9,408,917  | 9,408,917            | -  | -                    |
| Cash and cash equivalents     | 566,191,401  | 508,347,161          | 170,971,646  | 91,747,956           |
| <b>Total current assets</b>   | <b>1,408,738,168</b>   | <b>1,304,327,994</b> | <b>655,180,191</b>                                       | <b>487,510,784</b>   |
| <b>TOTAL ASSETS</b>           | <b>3,333,419,089</b>   | <b>2,797,159,488</b> | <b>1,703,754,599</b>                                     | <b>1,314,915,973</b> |

*Source: Information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

As of December 31, 2021, the Issuer did not classify any receivable as due for a period longer than one calendar year. At the same date, trade receivables increased by 92.4% compared to December 31, 2020, reaching a value of RON 201.4 million from RON 104.6 million, in line with the accelerated increase of the operation volume and sales of the Issuer. As at 31 December 2020, trade receivables decreased by 18.9% compared to 31 December 2019, reaching a value of RON 104.6 million from RON 129.1 million, signalling a faster conversion into cash and an increase in the Issuer's liquidity. In the first three months of 2022, the Issuer's trade receivables had a value of RON 265 million, representing a 32% increase compared to the value recorded as at 31 December 2021, driven by accelerated growth in sales activity of properties under development.

#### *Other receivables*

As of December 31, 2021, the Issuer reported other receivables amounting to RON 128.4 million, an increase by 81.5% compared to December 31, 2020, when the reported value was RON 70.8 million., an increase of 50.7% compared to 31 December 2019, when the reported value was RON 47 million. The increase in 2021 compared to 2020 was significantly determined by the loan amounting to RON 68.8 million granted for the indirect purchase of the shareholding in Bucur Obor SA, purchase completed at the beginning of 2022. In the first three months of 2022, the Issuer reported other receivables amounting to RON 83.5 million, thus recording a decrease of 35% compared to the amount recorded as at 31 December 2021, mainly due to the decrease in the level of loans granted to other entities (following the completion of the acquisition of the stake in Bucur Obor S.A.).

#### *Prepayments*

On December 31, 2021, the Issuer reported advance expenses of RON 19.5 million, meaning a 35 time increase compared to the similar date in 2020, this increase is generated by the allocation of expenses with obtainment of bank financing received during 2021, mainly those contracted by the subsidiaries One United Tower, One Cotroceni Park Office and One Cotroceni Park Office Phase 2. On December 31, 2020, the Issuer reported prepayments of RON 545,370, meaning a decrease of 23.4% compared to the same date in 2019, generated by the change in prepaid expenses for various services and insurance. In the first three months of 2022, the Issuer reported prepaid expenses amounting to RON 45.1 million, thus recording an increase of 131% compared to the level recorded as at 31 December 2021 (an increase driven by the increased size of operations carried out at Group level).

#### *Other financial assets*

On December 31, 2021 the Issuer reported other financial assets amounting to RON 9.4 million, generated from the purchase of bonds issued by SSIF BRK Financial Group SA. In 2020 the Issuer did not purchase such financial instruments. The Issuer has no change in the level of financial assets in the first three months of 2022.

#### *Cash and cash equivalents*

For the financial year 2021, the Issuer's cash at the end of the financial year recorded a value of RON 508.3 million

i.e. an increase of 197.3% compared to December 31, 2020 due to the increase in sales volume and net cash from operating activities (RON 216.5 million), attracting equity following the listing of the Issuer (RON 259.1 million) and attracting new sources of financing (RON 373.2 million). At the end of 2020 there was recorded an increase of 86.3% compared to December 31, 2019 due to the increase in sales volume, attracting equity from shareholders and attracting new sources of financing. Thus, the Issuer obtained financing in the amount of RON 290 million through loans and a financing of approximately RON 113 million as a result of the issue of share capital and issue premiums. In the first three months of 2022, the Issuer's cash recorded a value of RON 566.2 million, an increase of 11% compared to the value recorded as at 31 December 2021, on the basis of increased sales volume.

As at December 31, 2020, the Issuer reported cash and cash equivalents of RON 171 million, up 86.3% from 31 December 2019.

The share in total current assets as at December 31, 2021 increased to 39% from 26% as at December 31, 2020 and 19% on 31 December 2019. At 31 March 2022, the proportion of cash in total current assets is 40%.

|                           | <b>31-March-22</b><br><i>(expressed in RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-21</b>   | <b>31-Dec-20</b><br><i>(expressed in RON, audited)</i> | <b>31-Dec-19</b>  |
|---------------------------|--|--------------------|--|-------------------|
| Bank deposits in EUR      | 274,617,183  | 235,613,850        | 44,743,006   | 42,386,289        |
| Bank deposits in RON      | 71,776,749   | 51,138,976         | 88,100,448   | 15,066,164        |
| Current accounts in EUR   | 198,394,349  | 204,701,288        | 30,705,439   | 16,703,910        |
| Current accounts in USD   | 3,256  | 647,998            | 58,361   | 851               |
| Current accounts in GBP   | -  | -                  | -  | 107               |
| Current accounts in RON   | 21,196,168   | 16,061,810         | 7,193,063  | 17,418,848        |
| Other cash availabilities | 137  | -                  | -  | -                 |
| Petty cash                | 203,559  | 183,239            | 171,329  | 171,787           |
| <b>Total</b>              | <b>566,191,401</b>   | <b>508,347,161</b> | <b>170,971,646</b>                                     | <b>91,747,956</b> |

*Source: Information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

#### *Current assets*

The value of the Issuer's current assets at December 31, 2021 increased by 99.1% compared to December 31, 2020, from RON 655.2 million to RON 1.3 billion, mainly due to the increase in residential property stocks, trade receivables and cash position. The value of the Issuer's current assets as at 31 December 2020 increased by 34.4% compared to 31 December 2019, from RON 487.5 million to RON 655.2 million, mainly due to the increase in residential property inventories and cash position. In the first three months of 2022, the value of the Issuer's current assets increased to RON 1.4 billion, up 8% compared to the value recorded at 31 December 2021, on the back of a 32% increase in trade receivables and a 41% increase in prepayments to suppliers - both driven by the larger size of operations.

The breakdown of current assets by each of the reporting segments is reflected in the table below. Thus, the value of current assets related to the residential segment is significantly higher, an aspect generated by the sale of residential units developed by the Issuer.

|                       | <b>31-March-22</b><br><i>(expressed in<br/>RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b>                 | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|-----------------------|--|------------------------------------|--------------------|--------------------|
| <b>Current Assets</b> |  | <i>(expressed in RON, audited)</i> |                    |                    |
| Residential           | 942,835,062  | 860,983,221                        | 458,333,197        | 383,131,914        |
| Offices               | 271,418,175  | 197,133,711                        | 75,836,035         | 32,044,006         |
| Corporate             | 194,484,931  | 246,211,062                        | 121,010,958        | 72,334,863         |

|              | <b>31-March-22</b><br><i>(expressed in RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b>                 | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|--------------|--|------------------------------------|--------------------|--------------------|
|              |  | <i>(expressed in RON, audited)</i> |                    |                    |
| <b>Total</b> | <b>1,408,738,168</b>   | <b>1,304,327,994</b>               | <b>655,180,191</b> | <b>487,510,783</b> |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

#### Total assets

Against the background of ions presented above, the value of the Issuer's total assets at December 31, 2021 increased by approximately 64.2% compared to December 31, 2020, from RON 1.7 billion to RON 2.8 billion. Also, as at 31 December 2020, total assets increased by approximately 29.6% compared to 31 December 2019, from RON 1.3 billion to RON 1.7 billion. In the first three months of 2022, total assets increased by 19% compared to 31 December 2021 to RON 3.3 billion.

## EQUITY AND LIABILITIES

|   | <b>31-March-22</b><br><i>(expressed in RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b>                               | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|---|--|--|--------------------|--------------------|
|   |  | <i>(expressed in RON, unaudited, unreviewed)</i> |                    |                    |
| <b>Equity</b>                                     |  |  |                    |                    |
| Share capital                                     | 454,533,866  | 323,205,535                                      | 92,264,592         | 24,913,216         |
| Share Premiums                                    | <b>1,943,465,518</b>   | <b>1,646,957,216</b>                             | <b>824,031,402</b> | <b>553,628,441</b> |
| Legal reserves                                    | 454,533,866  | 323,205,535                                      | 92,264,592         | 24,913,216         |
| Own Shares  | <b>1,943,465,518</b>   | <b>1,646,957,216</b>                             | <b>824,031,402</b> | <b>553,628,441</b> |
| Other capital reserves                            | 454,533,866  | 323,205,535                                      | 92,264,592         | 24,913,216         |
| Retained earnings                                 | <b>1,943,465,518</b>   | <b>1,646,957,216</b>                             | <b>824,031,402</b> | <b>553,628,441</b> |
| <b>Equity attributable to owners of the Group</b> | 454,533,866  | 323,205,535                                      | 92,264,592         | 24,913,216         |
| Non-controlling interests                         | 454,533,866  | 323,205,535                                      | 92,264,592         | 24,913,216         |
| <b>Total equity</b>                               | <b>1,943,465,518</b>   | <b>1,646,957,216</b>                             | <b>824,031,402</b> | <b>553,628,441</b> |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

#### Share capital

As of December 31, 2021, the Issuer reported a value of the share capital of RON 514.8 million, representing an increase of 98.1% compared to the value of RON 259.8 million, reported on December 31, 2020, as a result of the increase of share capital generated by the listing of the Issuer on the main market of the Bucharest Stock Exchange in July 2021 and as a result of the incorporation of the issue premiums generated by the same event. As of December 31, 2020, the Issuer reported a share capital value of RON 259.8 million, representing an increase of 76.8% compared to the amount of RON 147 million, reported as at 31 December 2019, as a result of the increase in share capital and share premium in 2020 amounting to RON 113 million, of which RON 103.9 million through the incorporation of share premium paid on share capital increases and RON 8.95 million through the issue of new shares. The Issuer did not record any change in the level of share capital in the first three months of 2022

#### Share premium

As of December 31, 2020, the Issuer reported share premiums amounting to RON 9,192, increasing by 62.5% compared to December 31, 2019, when the value of share premiums was RON 5,658. As of December 31, 2018, the Issuer reported share premiums amounting to RON 93.7 million. The significant decrease in the value of share premiums during 2019 was generated by the conversion of capital premiums into share capital.

As of December 31, 2021, the Issuer reported share premium of RON 4.3 million, up from RON 9,192 as of December 31, 2020, the increase being generated by the issue of shares following the listing of the Issuer and the difference between the subscribed value and the nominal value of the shares. On December 31, 2020, the Issuer reported share premiums of RON 9,192, representing an increase of 76.8% compared to the amount of RON 147 million, reported as at 31 December 2019, as a result of the increase in share capital and share premium in 2020 amounting to RON 113 million, of which RON 103.9 million through the incorporation of share premium paid on share capital increases and RON 8.95 million through the issue of new shares. The Issuer did not record any change in the level of share capital in the first three months of 2022.

#### *Legal reserves*

As of December 31, 2021, the Issuer included legal reserves amounting to RON 11.4 million. As a result of a change in the accounting policies, only on December 31, 2020, the Issuer included legal reserves in the retained earnings section, according to international financial reporting standards. Although the Issuer established legal reserves in the financial year 2020, the differences that can be noticed in terms of legal reserves in the financial year 2020 compared to other financial years are due to a difference in methodology of international financial reporting standards, by including them in the result carried forward. The Issuer has no change in the level of legal reserves in the first three months of 2022.

#### *Treasury Shares*

As of December 31, 2021, the Issuer did not report treasury shares. As of December 31, 2020, the Issuer reported treasury shares amounting to approximately RON 26.77 million. The reason is due to the repurchase of 18,243 shares from shareholders at a total value of RON 26.77 million during 2020. The shares repurchased in 2020 were capitalized by sale in 2021 at a higher price than the purchase price, for a total price of EUR 7.4 million (approximately RON 36.5 million), thus making a profit of EUR 1.9 million (approximately RON 9.3 million). As at 31 December 2019, the Issuer held no treasury shares.

#### *Other reserves*

On December 31, 2021, the Issuer reported other reserves amounting to RON 1.4 million and on December 31, 2020, the Issuer reported an amount of RON 463,393 in connection with commitments related to potential vesting related to the staff incentive plan (*stock option plan*). In the financial year 2019, the Issuer did not report any other reserves. The Issuer did not record any change in the level of other reserves in the first three months of 2022.

#### *Retained earnings*

On December 31, 2021, the Issuer recorded retained earnings in the amount of RON 792 million, increased by 58.9% compared to December 31, 2020. On December 31, 2020, the Issuer recorded retained earnings in the amount of RON 498 million, up 32% compared to 31 December 2019, when the Issuer recorded retained earnings of RON 377.5 million. The increases are due to the increase in profit during that period. In the first three months of 2022, the Issuer recorded retained earnings of RON 957 million, representing an increase of 19% compared to 31 December 2021.

#### *Equity attributable to owners of the Group*

On December 31, 2021, the Issuer reported equity attributable to owners of the Group in the amount of RON 1.3 billion, increased by 80.9% when compared to the previous year. On December 31, 2020, the Issuer reported equity attributable to owners of the Group in the amount of RON 731.8 million, up by 38.4% compared to 31 December 2019, when the value of equity attributable to the Group was RON 528.7 million. In the first three months of 2022, equity attributable to the Group was RON 1.5 billion, representing an increase of 12% compared to 31 December 2021.

#### *Non-controlling Interests*

On December 31, 2021, the Issuer reported a value of non-controlling interests of RON 323.2 million, representing a significant increase of 250.3% compared to the previous year, and in the first three months of 2022, the value of non-controlling interests was RON 454.5 million, representing an increase of 41% compared to the value recorded as at 31 December 2021, the increases being mainly generated by the minority shareholdings in the subsidiaries One Cotroceni Park Office and One Cotroceni Park Office Phase 2. On December 31, 2020, the Issuer reported a non-controlling interest value of RON 92.3 million, meaning a significant increase of 270.3% compared to 31 December 2019, when the Issuer reported a value of RON 24.9 million. The increases are explained by the inclusion of additional investors and by the increase of the participations of the minority investors, at the Issuer's subsidiaries.

### *Total equity*

Following the increase of the share capital to the value of approximately RON 514.8 million, the increase of the result carried forward to the value of approximately RON 791.8 million and the increase of the non-controlling interests up to the value of approximately RON 323.2 million, the total value of equity reached RON 1.6 billion on December 31, 2021, meaning an increase of 99.9% compared to the value of RON 824 million recorded on December 31, 2020, which also represented an increase of 49% compared to the value of RON 554 million recorded at 31 December 2019. In the first three months of 2022, equity increased by 18% compared to 31 December 2021, reaching RON 1.9 billion. The increase was mainly driven by the 19% appreciation of retained earnings and the 41% increase in non-controlling interests.

Equity rate in total assets, an important indicator in assessing financial soundness increased in 2021 to 59%, from 48% in 2020, and from 42% in 2019 to 58% on 31 March 2022.

|   | <b>31-March-22</b>                               | <b>31-Dec-2021</b> | <b>31-Dec-2020</b>                               | <b>31-Dec-2019</b> |
|---|--|--------------------|--|--------------------|
|   | <i>(expressed in RON, unaudited, unreviewed)</i> |                    | <i>(expressed in RON, unaudited, unreviewed)</i> |                    |
| <b>Non-current liabilities</b>                  |  |                    |  |                    |
| Loans and borrowings from bank and others       | 499,249,140                                      | 390,342,321        | 70,659,819                                       | 146,167,499        |
| Loans and borrowings from minority shareholders | 7,554,108  | 7,472,207          | 120,076,805                                      | -                  |
| Provisions                                      | 911,094  | 594,912            | 734,913  | 114,310            |
| Lease liabilities - long term                   | 2,646,947  | 2,646,947          | -  | -                  |
| Deferred tax liabilities                        | 232,412,583                                      | 179,974,080        | 100,904,737                                      | 75,741,596         |
| <b>Total non-current liabilities</b>            | <b>742,773,872</b>                               | <b>581,000,467</b> | <b>292,376,274</b>                               | <b>222,023,405</b> |

*Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

### *Loans and borrowings from bank and others*

Regarding loans and borrowings from bank and others, on December 31, 2021, the Issuer reported a value of RON 390.3 million, which means an increase of 452.4% compared to December 31, 2020, when it reported loans and borrowings from bank and others of RON 70.7 million, the increase being due to the contacting of significant bank loan in 2021 in the Issuer's affiliated companies, One United Tower and One Cotroceni Park Office. As at December 31, 2020, the Issuer reported an amount of RON 70.7 million. As at 31 December 2019, the Issuer reported long-term borrowings from banks and other entities of RON 146.1 million. In the first three months of 2022, long-term loans from banks and other entities of the Issuer were RON 499.2 million, an increase of 28% compared to 31 December 2021, mainly driven by amounts drawn down from bank loans concluded by One Cotroceni Park Office, One Verdi Park and One United Tower.

### *Loans and borrowings from minority shareholders*

Regarding the loans and borrowings from minority shareholders, as at December 31, 2021, the Issuer reported a value of RON 7.5 million, which is a decrease by 93.8% as compared to December 31, 2020, when the Issuer reported Ron 12001 million. The decrease relates to a swap of the loans received from the minority shareholders into equity in companies One Cotroceni Park and One Cotroceni Park Phase 2 (RON 114.6 million). The Issuer did not report such amounts for the year ended 31 December 2019. In the first three months of 2022, long-term borrowings from minority shareholders were 7.6, representing an increase of 1.1% compared to 31 December 2021.

### *Provisions*

On December 31, 2021, the Issuer reported provisions amounting to RON 564,912, meaning an decrease by 23.1% compared to the previous financial year, when the Issuer reported provisions of RON 734,913. As at December 31, 2020, The Issuer reported provisions amounting to RON 734,913, representing an increase of 542.9%, compared to the previous financial year, when the Issuer reported provisions of RON 114,310 as at 31 December 2019, an increase

generated by the establishment of a provision in relation to a contractual partner. In the first three months of 2022, the Issuer reported provisions of RON 911,094, representing an increase of 61.3% compared to 31 December 2021.

#### *Deferred tax liabilities*

On December 31, 2021, the Issuer reported deferred tax liabilities in the amount of RON 180 million, which means an increase by 78.4% as compared to 31 December 2020. On December 31, 2020, the Issuer reported deferred tax liabilities in the amount of RON 100.9 million, an increase of 33.2% compared to 31 December 2019, when the Issuer reported deferred income tax liabilities of RON 75.7 million. As at 31 March 2022, the Issuer reported deferred income tax liabilities of RON 232.4 million, representing an increase of 29.1% compared to the amount recorded as at 31 December 2021. The increases are mainly due to the increase in the investment values and to the recognition of the respective earning from the modification of the real estate investment market value.

|   | <b>31-March-22</b><br><i>(expressed in<br/>RON, unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b>                 | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|---|--|------------------------------------|--------------------|--------------------|
|   |  | <i>(expressed in RON, audited)</i> |                    |                    |
| <b>Current liabilities</b>                      |  |                                    |                    |                    |
| Employee benefits                               | 718,292  | 553,841                            | 444,628            | 396,029            |
| Loans and borrowings from bank and others       | 43,455,874   | 34,260,754                         | 156,083,575        | 38,754,613         |
| Loans and borrowings from minority shareholders | 47,886   | 87,028                             | 37,547,728         | 23,428,476         |
| Lease liabilities                               | 1,156,413  | 1,282,387                          | 1,208,149          | -                  |
| Trade and other payables                        | 173,899,144  | 123,584,927                        | 96,243,622         | 47,538,775         |
|   |  | 1,313,760                          |                    |                    |
| Accrued income                                  | 3,557,911  | 1,145,855                          | -                  | 11,823             |
| Current tax liabilities                         | 8,345,009  | 2,023,447                          | 1,964,019          | 2,572,757          |
| Advance payments from customers                 | 415,999,170  | 406,263,566                        | 293,855,202        | 426,561,654        |
| <b>Total current liabilities</b>                | <b>647,179,699</b>   | <b>569,201,805</b>                 | <b>587,346,923</b> | <b>539,264,127</b> |

*Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

#### *Employee benefits*

On December 31, 2021, the Issuer reported employee benefits amounting to RON 553,841, increasing by 24.6% compared to December 31, 2020, when the Issuer reported employee benefits amounting to RON 444,628, representing an increase of 12.3% compared to 31 December 2019, when the Issuer reported employee benefits of RON 396,029. As at 31 March 2022, the Issuer reported employee benefits of RON 718,292, an increase of 29.7% compared to 31 December 2021.

#### *Loans and borrowings from bank and others*

As at 31 December 2021, the Issuer registered current loans from the banks and other entities in amount of RON 34.3 million, which means a decrease of 78% as compared to 31 December 2020. The decrease was generated by an early repayment by the Issuer during the first 4 months of 2021 when the Issuer fully reimbursed in advance the bond loan of RON 83 million and One Mircea Eliade Properties SRL subsidiary reimbursed the bank loan in amount of RON 28.4 million. As at 31 March 2022, the Issuer had current loans from banks and other entities amounting to RON 43.5 million, up 26.8% compared to 31 December 2021.

On December 31, 2020, the Issuer recorded current loans and borrowings from bank and others amounting to RON 156.1 million, an increase of 302.7% compared to 31 December 2019.

#### *Loans and borrowings from minority shareholders*

As at 31 December 2021, the Issuer has had current minority shareholder loans of RON 87 thousands, which is 99.8%

less than the previous year, a decrease generated by the reimbursement, in February 2021, of the loans contracted by One United Tower subsidiary, in amount of RON 35,6 million. On December 31, 2020, the Issuer recorded current loans and borrowings from minority shareholders in the amount of RON 37.6 million, up by 60.3% compared to the amount reported as at 31 December 2019, i.e. RON 23.4 million, the difference being generated in the increase sense by borrowings of RON 34.7 million for the purpose of financing the One United Tower office project and in the decrease sense by the reclassification or repayment of loans in the One North Gate, One Modrogan and One Cotroceni Park subsidiaries. As at 31 March 2022, the Issuer recorded current loans from minority shareholders amounting to RON 47,886, down 45% compared to 31 December 2021.

#### *Lease liabilities*

At the end of the financial year for 2021, the Issuer reported a value of lease liabilities of RON 1.3 million, which is 6.1% more than as at 31 December 2020, when the Issuer reported a value of lease liabilities of RON 1.2 million. In 2019, the Issuer did not report any lease liabilities. As at 31 March 2022, the Issuer recorded lease liabilities of RON 1.2 million, down 9.8% compared to 31 December 2021

#### *Trade and other payables*

As at December 31, 2021, the Issuer reported trade payables amounting to RON 123.6 million, which means an increase by 28.4% as compared to 31 December 2020 on the basis of increased turnover with suppliers as a result of increased volume of transactions. On December 31, 2020, the Issuer reported trade payables amounting to RON 96.2 million, an increase of 102.5% compared to 31 December 2019, when the Issuer reported trade payables of RON 47.5 million. The variations mainly reflect the increase in the size of the Group's business. As at 31 March 2022, the Issuer reported trade payables of RON 173.9 million, up 40.7% from 31 December 2021, driven by the larger size of the business and developments nearing completion, i.e. related financing loans becoming repayable in the short term.

#### *Accrued income*

As of December 31, 2021, the Issuer reported accrued income amounting to RON 1.1 million, being related to the start of the operation of One United Tower office building and the sequentiality of monthly rent invoices. As at 31 March 2022, the Issuer reported advance revenues of RON 3.6 million, representing an increase of 211% compared to 31 December 2021, driven by the larger size of the business, increased sales and developments nearing completion.

#### *Current tax liabilities*

The Issuer recorded tax on profit related liabilities in amount of RON 2 million as at December 31, 2021, this being approximately the same amount as the amount recorded on 31 December 2020 when the Issuer reported RON 2 million, and as at 31 December 2019, the Issuer reported liabilities for corporate income tax of RON 2.6 million.. The tax liabilities related to the analysed financial years are calculated based on the individual financial statements, prepared according to the applicable Romanian accounting standards and the provisions of the Fiscal Code, and there is no good correlation between profit recognition according to those standards and IFRS, different methods for the recognition of income being applied. As at 31 March 2022 the Issuer recorded current income tax liabilities of RON 8.3 million, representing an increase of 312% compared to 31 December 2021, driven by the larger size of the business and developments nearing completion.

#### *Advance payments from customers*

As at 31 December 2021, the Issuer reported cash received from clients in amount of RON 406.3 million, being mainly advance payments received in projects One Cotroceni Park (RON 158 million), One Lake District (RON 115 million) and One Peninsula (RON 61 million), which is 38.3% higher than the same value recorded as at 31 December 2020, as a consequence of increased sales and advance payments invoiced to clients.

As of December 31, 2020, the Issuer reported advance payments from customers amounting to RON 293.9 million, mainly being advance payments received in the One Cotroceni Park (RON 106 million) and One Peninsula (RON 74 million) projects, representing a decrease of 31.1% compared to the value as at 31 December 2019 of RON 426.6 million. As at 31 March 2022, the Issuer recorded advances received from customers amounting to RON 416 million, representing an increase of 2% compared to 31 December 2021..

|                                     |                             |                    |                    |
|-------------------------------------|-----------------------------|--------------------|--------------------|
| <b>31-March-2022</b>                | <b>31-Dec-2021</b>          | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
| (expressed in<br>RON,<br>unaudited, |                             |                    |                    |
|                                     | (expressed in RON, audited) |                    |                    |



|                                      |                      |                      |                      |                      |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                      | <i>unreviewed)</i>   |                      |                      |                      |
| <b>Total non-current liabilities</b> | 742,773,872          | 581,000,467          | 292,376,274          | 222,023,405          |
| <b>Total current liabilities</b>     | 647,179,699          | 569,201,805          | 587,346,923          | 539,264,127          |
| <b>Total liabilities</b>             | 1,389,953,571        | 1,646,957,216        | 879,723,197          | 761,287,532          |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>3,333,419,089</b> | <b>2,797,159,488</b> | <b>1,703,754,599</b> | <b>1,314,915,973</b> |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

Against the background of the developments presented above, the non-current liabilities of the Issuer increased by by 31.7% from RON 222 million at 31 December 2019 to RON 292 million at 31 December 2020, respectively by 98.7% from RON 292 million at December 31, 2020 to RON 581 million as at December 31, 2021. As at 31 March 2022, the Issuer's long-term debt increased by 28% compared to 31 December 2021, to RON 742.8 million. The division of these values into reporting segments is reflected in the table below. This division indicates an increased share of non-current liabilities in the office premises segment, generated by the business model used by the Issuer, namely the financing of office building projects in part from long-term financing (corresponding to their operating activity, which generates relatively constant income).

|                                      | <b>31-March-2022</b><br><i>(expressed in RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b> | <b>31-Dec-2020</b> | <b>31-Dec-2019</b><br><i>(expressed in RON, audited)</i> |
|--------------------------------------|--|--------------------|--------------------|--|
| <b>Total non-current liabilities</b> |  |                    |                    |  |
| Residential                          | 204,419,431  | 129,015,603        | 31,334,496         | 10,200,155   |
| Offices                              | 538,354,441  | 452,846,723        | 261,067,590        | 116,169,919  |
| Corporate                            | -  | (861,859)          | (25,812)           | 95,653,326   |
| Total                                | 742,773,872  | 581,000,467        | 292,376,274        | 222,023,405  |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

The Issuer's current liabilities increased by 8.9% from RON 539 million at 31 December 2019 to RON 587 million at 31 December 2020, and they dropped by 3.1% from RON 587 million as at December 31, 2020 to RON 569 million as at December 31, 2021. As at 31 March 2022, the Issuer's current liabilities increased by 14% compared to 31 December 2021, to RON 647.2 million. The division of current debt values into the three reporting segments is reflected in the table below. This division indicates a higher share of current liabilities related to the residential segment (thus reflecting the higher level of advances received from customers and for which at the date of the Annual Financial Statements no income was recognized in the account of profit and loss of the Issuer). The decrease in the proportion of short-term debt in the corporate segment during 2021 was generated by the repayment during the year of the bond loan underwritten by CVI, EUR 17 million.

|                                  | <b>31-March-2022</b><br><i>(expressed in RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b> | <b>31-Dec-2020</b> | <b>31-Dec-2019</b><br><i>(expressed in RON, audited)</i> |
|----------------------------------|--|--------------------|--------------------|--|
| <b>Total current liabilities</b> |  |                    |                    |  |
| Residential                      | 338,311,187  | 316,438,614        | 236,717,701        | 10,200,155   |
| Offices                          | 302,449,818  | 249,429,244        | 251,468,361        | 116,169,919  |
| Corporate                        | 6,418,695  | 3,333,947          | 99,160,861         | 95,653,326   |
| Total                            | 647,179,699  | 569,201,805        | 587,346,923        | 222,023,405  |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

As a result, as at December 31, 2021 the Issuer's total liabilities increased to RON 1.15 billion, which is by 30.7% from RON 880 million as at December 31, 2020, representing an increase compared to 31 December 2019 of 15.6%, with a reported amount of RON 761 million as at 31 December 2019. As at 31 March 2022, the Issuer's total liabilities increased to RON 1.4 billion, representing an increase of 21% compared to 31 December 2021.

## INCOME AND EXPENDITURE

This section includes an analysis of the evolution of some of the data related to the results of the Issuer's operations for the financial years 2019, 2020 and 2021.

|   | 31-March-2022                                   | 31-Dec-2021        | 31-Dec-2020                 | 31-Dec-2019       |
|---|---|--------------------|-----------------------------|-------------------|
|   | (expressed in<br>RON, unaudited,<br>unreviewed) |                    | (expressed in RON, audited) |                   |
| Revenues from sales of residential property | 197,177,473                                     | 703,317,672        | 437,503,724                 | 147,426,152       |
| Cost of sales of residential property       | (113,362,435)                                   | (451,583,531)      | (284,286,135)               | (110,948,983)     |
| <b>Net income from residential property</b> | <b>83,815,038</b>                               | <b>251,734,141</b> | <b>153,217,589</b>          | <b>36,477,169</b> |

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

### Revenues from sales of residential property

During the 2021 financial year, the Issuer recorded revenues from sales of residential properties amounting to RON 703.3 million, mainly generated by One Verdi Park (RON 138 million), One Cotroceni Park (RON 128 million) and One Peninsula (RON 115 million) projects, meaning an increase by 60.8% relative to the financial year ended on 31 December 2020. During the financial year 2020, the Issuer recorded revenues from sales of residential properties amounting to RON 437.5 million, mainly generated by the One Mircea Eliade (RON 189 million), One Herăstrău Towers (RON 81 million) and One Mamaia Nord (RON 44 million), representing an increase of 196.8% compared to the financial year ended 31 December 2019, when the Issuer recorded proceeds from the sale of properties amounting to RON 147.4 million. In the first three months of 2022, the Issuer recorded proceeds from the sale of properties amounting to RON 197.2 million.

### Cost of sales of residential property

For the financial year ended December 31, 2021, the Issuer reported the cost of sold residential property as being RON 451.6 million, mainly generated by One Verdi Park (RON 86 million), One Cotroceni Park (RON 124 million) and One Peninsula (RON 61 million) projects, which is 58.8% higher than that recorded in 2020, when the Issuer reported the cost of sales of residential property as RON 284.3 million, mainly generated by the One Mircea Eliade (RON 104 million), One Herăstrău Towers (RON 50 million) and One Mamaia Nord (RON 38 million), an increase of 156.2% compared to FY 2019, when the Issuer reported the cost of properties sold as RON 110.9 million. In the first three months of 2022, the Issuer reported the cost of properties sold as RON 113.4 million.

As a result of the evolutions analyzed above, the Issuer reported a net income from residential property of RON 251.7 million for the financial year 2021. Mainly generated by One Peninsula (RON 55 million), One Verdi Park (RON 52 million) and One Mircea Eliade (RON 42 million) and representing a 64.3% increase as compared to the net income of RON 153.2 million for the financial year 2020, mainly generated by the projects One Mircea Eliade (RON 85 million), One Herăstrău Towers (RON 31 million) and One Timpuri Noi (RON 12 million) and representing a 320% increase over the net income of RON 36.5 million reported for FY 2019. In the first three months of 2022, the Issuer reported net proceeds from the sale of properties of RON 83.8 million.

Thus, the net margin from the sale of residential property, representing the net income from residential property by reference to revenues from sales of residential property increased in the financial year 2021 to 36%, from 35% in the financial year 2020 and 25% in financial year 2019. Net margin from property sales in the first three months of 2022 was 42.5%.

|               | 31-March-2022                       | 31-Dec-2021 | 31-Dec-2020                 | 31-Dec-2019 |
|---------------|-------------------------------------|-------------|-----------------------------|-------------|
|               | (expressed in<br>RON,<br>unaudited, |             | (expressed in RON, audited) |             |
| Rental income |                                     |             |                             |             |

|  | <i>unreviewed)</i> |                  |                |                   |
|--|--------------------|------------------|----------------|-------------------|
| Income from services to tenants          | 6,634,782          | 6,544,367        | 1,313,724      | 11,973,375        |
| Service costs to tenants                 | 1,994,169          | 5,277,520        | 355,719        | 4,554,754         |
| Other office building operating expenses | (1,994,169)        | (5,277,520)      | (355,719)      | (4,554,754)       |
| Net rental income                        | (2,250,777)        | (4,850,822)      | (684,749)      | -                 |
| <b>Net rental income</b>                 | <b>4,384,005</b>   | <b>1,693,545</b> | <b>628,975</b> | <b>11,973,375</b> |

*Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

#### *Rental income*

The Issuer did not have an intense activity on the office rental market, this activity will be significant starting with 2022 (considering that during 2021 the One Tower project will start generating rental income and starting with 2022 the One Cotroceni Park project will also generate rental income, after it was also completed during the last quarter of 2021).

The rental income that the Issuer reported in the financial year 2021 is RON 6.5 million, which represents an increase by 398% compared to the financial year 2020, the increase being generated by the commencement of the operation and rental income in relation to the development One United Tower, a project completed during the last quarter of 2020. For the first three months of 2022, the Issuer reported rental income of RON 6.6 million (due to income from One Tower tenants, One Cotroceni Park Office Phase 1 (minor impact due to tenants who started to move in from Q1 2022), as well as income generated by Bucur Obor). At the same time, for the financial year 2020, the Issuer reported rental income of RON 1.3 million, which represents a decrease of 89% compared to FY 2019, when the Issuer reported rental income of RON 12 million. The decrease in rental income recorded in FY 2020 compared to FY 2019 is due to the conclusion of the master lease agreement on 30 June 2019 for the One North Gate project, a project acquired by the Issuer for investment purposes in 2017 which, being the only completed office project in the Issuer's portfolio at that time, was the only project generating rental income until the end of that financial year.

#### *Revenue from services to tenants*

Directly proportional to the evolution of rental income, the Issuer recorded revenues from services to tenants amounting to RON 5.3 million in the financial year 2021, amount which is almost 15 times higher than the amount reported for 2020, when the Issuer recorded revenues from services to tenants amounting to RON 355,719, down by 92.2% compared to 2019, a year in which the Issuer recorded revenue from services to tenants of RON 4.6 million. The decrease between 2019 and 2020 was recorded as a result of the termination in the second half of 2019 of the lease agreement for most of the leasable space in the One North Gate building. For the first three months of 2022, the Issuer reported service income to tenants of RON 2 million.

#### *Other property operating expenses*

In the financial year 2021, the Issuer reported other property operating expenses amounting to RON 4.9 million, amount which is 7 time higher than the amount recorded in 2020, namely RON 684,749. This increase was due to the start of operation of One United Tower office building and to the operating costs incumbent upon the landlord until the building is fully occupied by the tenants. On the date hereof, over 90% of the building is occupied. For the first three months of 2022, the Issuer reported office building operating expenses of RON 2.3 million.

In the financial year 2020, the Issuer reported other property operating expenses amounting to RON 684,749. In FY2019, office building operating expenses were included in total office space expenses and were not separately disclosed in the financial statements.

#### *Net rental income*

As a result of those described above, the Issuer's net rental income was RON 1.7 million, increasing by 169% as compared to the previous year when a net rental income of RON 628,975 was reported. which in turn represented a 94.7% decrease from net rental income in FY 2019 of RON 12 million. For the first three months of 2022, the Issuer reported net rental income of RON 4.4 million.

The breakdown of net income (obtained from both property sales and rents) into the three reporting segments is reflected in the table below.

|                   | <b>31-March-2022</b><br><i>(expressed in<br/>RON, unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b><br><i>(expressed in RON, audited)</i> | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|-------------------|--|--|--------------------|--------------------|
| <b>Net income</b> |  |  |                    |                    |
| Residential       | 83,815,038   | 251,734,141  | 153,217,589        | 36,477,169         |
| Offices           | 4,384,005  | 1,693,545  | 628,975            | 11,973,375         |
| Corporate         | -  | -  | -                  | -                  |
| Total             | 88,199,043   | 253,427,686  | 153,846,564        | 48,450,544         |

*Source: The information was extracted from the Annual Financial Statements (audited).*

|   | <b>31-March-2022</b><br><i>(expressed in<br/>RON,<br/>unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b><br><i>(expressed in RON, audited)</i> | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|---|--|--|--------------------|--------------------|
| Gains from completed investment property                          | 43.784.175   | 44,364,366   | 3,739,093          | 5,122,612          |
| Gains from investment property for further development (landbank) | <sup>1</sup>   | 56,187,770   | 34,165,272         | 36,268,915         |
| Gains from office buildings under development                     | <sup>2</sup>   | 298,636,043  | 58,349,105         | 189,551,990        |
| Gains from negotiated acquisition of a new company                | 96.986.489   | -  | -                  | -                  |

**Gains from investment property** **399,188,179** **96,253,470** **230,943,517**  
*Source: the Annual Financial Statements (audited), the Interim Financial Statements (unaudited, unreviewed).*

<sup>1</sup> No evaluation was carried out for the relevant period

<sup>2</sup> No evaluation was carried out for the relevant period

#### *Gains from completed investment property*

In the financial year 2021, the Issuer reported gains from completed investment property amounting to RON 44.3 million, 11 times higher than the RON 3.7 million reported in 2020. For 2019, the Issuer reported an amount of RON 5.1 million. Such increase was mainly due to an increase in the value of One United Tower development and its recording among completed property investments, following the completion of construction works. For the first three months of 2022, the Issuer reported completed real estate investment gains of RON 43.8 million from the development of residential rental real estate investments, meaning 29 apartments let at One Mircea Eliade, in line with its strategy to increase rental income over the long term. The income represents the difference between the construction cost and the market value.

#### *Gains from investment property for further development (landbank)*

In 2021, the Issuer reported gains from investment property held for future development, amounting to RON 56.2 million, amount which is 64.5% higher than the one recorded during the previous year, being mainly generated by the increase in value of One Lake District project following the completion and submission of the building permit documentation, but also by the acquisition of One Athenee development and the subsequent presale thereof at a higher price. In 2020, the Issuer reported gains from investment property for further development (landbank) of RON 34.2 million, generated mainly by the appreciation of the One Lake District project due to the improvement of urbanism parameters. In 2019, the Issuer reported gains on investment property held for further development of 36.3 million. For the first three months of 2022, the Issuer did not report any gains from investment property held for further development as the valuation is done on a half-yearly basis.

#### *Gains from office buildings under development*

In the 2021 financial year, the Issuer recorded a significant increase in earnings from its office building development activity, reporting for 2021 a value of RON 298.6 million, up 412% on the previous year as it recognised a significant appreciation in the value of investment properties following the completion or progress of their construction. Thus, the Issuer recognised a gain of RON 191 million for the development of One Cotroceni Park Office Phase 1, completed in the 4<sup>th</sup> quarter of 2021 thus eliminating the development risk, and RON 83 million for the development of One Cotroceni Park Office Phase 2 by completing its structure and thus reducing the development risk.

In 2020, the Issuer recorded a decrease in both the gains from office buildings under development and the net rental income due to the health crisis and the transition of companies to remote work, as well as an extended period to ensure the replacement of tenants for some of the Issuer's properties, at the same time the valuator's approach was more prudent with more conservative valuation parameters. Therefore, the Issuer recorded gains from office buildings under development of RON 58.3 million in 2020, down 69.2% compared to 2019 when the Issuer recorded gains from building and office development activity of RON 189.6 million. For the first three months of 2022, the Issuer did not record any gains from office building development activity, as the valuation is done on a half-yearly basis.

#### *Gains from the negotiated acquisition of a new company*

For the first three months of 2022, the Issuer recorded gains from bargain acquisitions totalling RON 96,986,489, which represents the gain from the acquisition of the majority stake in Bucur Obor, at a reduced price compared to the value of the properties valued, being the first quarter when it is included in the consolidated results.

|  | <b>31-March-2022</b>                                     | <b>31-Dec-2021</b>                 | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|--|--|------------------------------------|--------------------|--------------------|
|  | <i>(expressed in<br/>RON, unaudited,<br/>unreviewed)</i> | <i>(expressed in RON, audited)</i> |                    |                    |
| Commissions for brokerage real estate      | (1,129,533)  | (3,142,561)                        | (1,093,357)        | (2,111,831)        |
| Administrative expenses                    | (10,445,900)   | (32,387,474)                       | (29,952,793)       | (20,709,582)       |
| Other operating expenses                   | (6,864,264)  | (10,655,480)                       | (3,737,757)        | (5,269,008)        |
| Earnings from the sale of financial assets | -  | 536,526                            | 632,372            | -                  |
| Other operating income                     | 2,136,954  | 5,688,365                          | 1,377,287          | 1,474,971          |

*Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

#### *Commissions for brokerage real estate*

Commissions for brokerage real estate have increased by 187.4% in 2021, reaching RON 3.1 million, from RON 1.1 million in 2020, the increase being generated by the completion and delivery of two residential development in 2021 namely One Mircea Eliade and One Mamaia Nord. In 2020 the commissions for brokerage diminished by approximately 48.2% reaching RON 1.1 million. from RON 2.1 million in 2019. As at 31 March 2022, the Issuer recorded sales intermediation expenses of RON 1.1 million, representing sales intermediation commissions recorded and paid mainly for signing sale-purchase contracts of inventoried properties.

#### *Administrative expenses*

For the financial year 2021, the Issuer reported a total value of administrative expenses of RON 32.4 million, which is only 8.1% higher compared to the value of administrative expenses of the previous year. In the financial year 2020, the Issuer reported a total value of administrative expenses of RON 29.95 million, up 44.6% from the general administrative expenses of RON 20.71 million for 2019. The variations took place against the background of the general increase of the Issuer's activity. Administrative expenses also include depreciation and amortization costs. As at 31 March 2022, the Issuer recorded general administrative expenses of RON 10.4 million, driven by the significantly larger size of the business and due to the costs associated with a public company.

#### *Other operating expenses*

The Issuer includes other operating expenses as those expenses that do not appear in the main activity of the Issuer. These expenses consist of donations, expenses on provisions and adjustments for depreciation and contractual

penalties.

In 2021, the Issuer recorded other operating expenses amounting to RON 10.7 million, increasing by 185.1% compared to 2020. The increase was mainly driven by operating costs of completed residential buildings and donations and sponsorships which are fully tax deductible. The inclusion of operating costs of residential developments in other operating expenses is due to the fact that the already completed One Mircea Eliade development has not yet been fully delivered during 2021 and thus part of the operating costs remained with the Issuer. As at 31 March 2022, the Issuer recorded other operating expenses of RON 6.9 million (of which RON 2.8 million are sponsorships related to CSR activities, which will be fully deducted from corporate income tax).

In 2020, the Issuer recorded other operating expenses in amount of RON 3.7 million, down 29% compared to 2019 when the Issuer recorded other operating expenses of RON 5.3 million, a change resulting mainly from the goodwill adjustment in the One Charles de Gaulle project of RON 3.2 million, which was recorded in 2019. *Profit on disposal of investment property*

In 2021, the Issuer registered a profit on disposal of investment property of RON 536,526, 15.2% lower than the amount registered in 2020, when, the Issuer registered a profit on disposal of investment property of RON 632,372. For the first three months of 2022, the Issuer has not recorded a gain on disposal of investment property as the valuation is done half-yearly. The disposal of investment property in 2021 and 2020 is represented by the sale of apartments owned by One Long Term Value SRL These apartments were owned for subsequent sale or rent.

In 2019, the Issuer did not record any gain on disposal of investment properties.

#### *Other operating income*

In 2021, the Issuer reported other operating income amounting to RON 5.7 million, mainly from indemnities for insured events and from the provision of property brokerage services. In 2020, the Issuer reported other operating income amounting to RON 1.4 million, mainly from the recovery of demolition waste and the provision of property brokerage services. For the first three months of 2022, the Issuer reported other operating income of RON 2.1 million.

#### *Result from operating activity*

As a result of the above, the Issuer reported a result from operating activities of RON 612.7 million in 2021, representing a increase of 182% compared to 2020, when the Issuer reported a result from operating activities of RON 217.3 million.. The 2020 result also represents a 14% decrease compared to 2019, when the Issuer reported an operating result of RON 252.8 million.

The breakdown of the result from the operating activity for FY 2019, 2020 and 2021 for each segment is shown in the table below. The Issuer did not report the result from operating activities for each segment for the first three months of 2022 (total result from operating activities for this period was RON 212,666,964).

|                                       | <b>31-Dec-2021</b>                 | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|---------------------------------------|------------------------------------|--------------------|--------------------|
|                                       | <i>(expressed in RON, audited)</i> |                    |                    |
| <b>Result from operating activity</b> |                                    |                    |                    |
| Residential                           | 254.622.027                        | 139,618,597        | 20,176,273         |
| Offices                               | 370.217.513                        | 88,125,074         | 238,318,219        |
| Corporate                             | (12.184.299)                       | (10,417,885)       | (5,715,881)        |
| <b>Total</b>                          | <b>612.655.241</b>                 | <b>217,325,786</b> | <b>252,778,611</b> |

*Source: The information was extracted from the Annual Financial Statements (audited).*

|                               | <b>31-March-2022</b>                             | <b>31-Dec-2021</b>                 | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|-------------------------------|--|------------------------------------|--------------------|--------------------|
|                               | <i>(expressed in RON, unaudited, unreviewed)</i> | <i>(expressed in RON, audited)</i> |                    |                    |
| Financial income              | 1,581,877  | 12,139,089                         | 3,797,874          | 4,598,650          |
| Financial expenses            | (6,974,571)                                      | (21,903,343)                       | (15,198,802)       | (14,583,414)       |
| Share of result of associates | 698,357  | 1,527,818                          | 733,803            | -                  |

|                          |                    |                    |                    |                    |
|--------------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Result before tax</b> | <b>207,972,627</b> | <b>604,418,805</b> | <b>206,658,661</b> | <b>242,793,847</b> |
|--------------------------|--------------------|--------------------|--------------------|--------------------|

Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).

#### Financial income

The Issuer's financial income was RON 12.1 million, of which RON 9.8 million represented income from exchange rate variations and RON 2.4 million income from interest, which is 219.6% higher in 2021 as compared to the financial year ending on 31 December 2020. In 2020 the Issuer's financial income was RON 3.8 million, of which RON 2.8 million was exchange rate income and RON 1 million was interest income, down 17.4% compared to the year ended 31 December 2019, when the Issuer reported financial income of RON 4.6 million, of which RON 4.3 million was income from exchange rate differences and RON 0.3 million was interest income. For the first three months of 2022, the Issuer reported financial income of RON 1.6 million.

#### Financial expenses

In 2021, the Issuer reported financial expenses amounting to RON 21.9 million, of which RON 9.6 million interest expenses and RON 12.3 million exchange rate expenses, higher by 44.1% than the previous year when the Issuer reported financial expenses amounting to RON 15.2 million, of which RON 8.6 million interest expenses and RON 6.6 million expenses with exchange rate differences. In FY 2019, the Issuer reported financial expenses of RON 14.6 million of which RON 7.0 million interest expenses and RON 7.6 million foreign exchange expenses. For the first three months of 2022, the Issuer reported financial expenses of RON 7 million.

#### Share of result of associates

In 2021, the Issuer registered a share of the shareholders' result of RON 1.5 million, which is 108.2% higher than the same share recorded in 2020, when the Issuer registered a quota of RON 733,803. In 2019, the Issuer did not record any such amounts as there were no holdings generating such income. The share of the shareholders' result is represented by the share of the earnings of the companies in which the Issuer holds interests but with which it does not consolidate. For the first three months of 2022, the Issuer recorded a share of associates' profits of RON 0.7 million.

#### Result before tax

As a result of the developments described above, the pre-tax result for the financial year ended December 31, 2021 was RON 604.4 million, up 192.5% compared to the pre-tax result for the financial year ended on December 31, 2020, which amounted to RON 206.7 million, which in turn represents a decrease of 14.9% compared to the pre-tax result for the year ended 31 December 2019 which was RON 242.8 million. For the first three months of 2022, the result before tax recorded by the Issuer was RON 208 million.

The distribution of pre-tax income by reporting segment for financial years 2021, 2020 and 2019 is reflected in the table below. The issuer has not reported the pre-tax result related to each segment for the first three months of 2022.

|                          | <b>31-March-2022</b>               | <b>31-Dec-2021</b> | <b>31-Dec-2020</b> |
|--------------------------|------------------------------------|--------------------|--------------------|
|                          | <i>(expressed in RON, audited)</i> |                    |                    |
| <b>Result before tax</b> |                                    |                    |                    |
| Residential              | 254,184,069                        | 139,041,207        | 20,049,594         |
| Offices                  | 356,086,957                        | 83,514,190         | 233,624,986        |
| Corporate                | (5,852,221)                        | (15,896,736)       | (10,880,734)       |
| <b>Total</b>             | <b>604,418,805</b>                 | <b>61</b>          | <b>242,793,846</b> |

Source: The information was extracted from the Annual Financial Statements (audited).

|                                 | <b>31-March-2022</b>                             | <b>31-Dec-2021</b>                 | <b>31-Dec-2020</b> | <b>31-Dec-2019</b> |
|---------------------------------|--|------------------------------------|--------------------|--------------------|
|                                 | <i>(expressed in RON, unaudited, unreviewed)</i> | <i>(expressed in RON, audited)</i> |                    |                    |
| Tax on profit                   | (41,591,051)                                     | (94,731,652)                       | (29,722,318)       | (45,387,171)       |
| <b>Net result of the period</b> | <b>166,381,576</b>                               | <b>509,687,153</b>                 | <b>176,936,343</b> | <b>197,406,676</b> |

|  |                    |                    |                    |                    |
|--|--------------------|--------------------|--------------------|--------------------|
| <b>Total comprehensive income for the period</b> | <b>166,381,576</b> | <b>509,687,153</b> | <b>176,936,343</b> | <b>197,406,676</b> |
|--|--------------------|--------------------|--------------------|--------------------|

**Net result attributable to:**

|                     |             |             |             |             |
|---------------------|-------------|-------------|-------------|-------------|
| Owners of the Group | 164,194,215 | 391,330,530 | 168,679,112 | 180,467,600 |
|---------------------|-------------|-------------|-------------|-------------|

|                           |           |             |           |            |
|---------------------------|-----------|-------------|-----------|------------|
| Non-controlling interests | 2,187,361 | 118,356,623 | 8,257,231 | 16,939,076 |
|---------------------------|-----------|-------------|-----------|------------|

**Total comprehensive income attributable to:**

|                     |             |             |             |             |
|---------------------|-------------|-------------|-------------|-------------|
| Owners of the Group | 164,194,215 | 391,330,530 | 168,679,112 | 180,467,600 |
|---------------------|-------------|-------------|-------------|-------------|

|                           |           |             |           |            |
|---------------------------|-----------|-------------|-----------|------------|
| Non-controlling interests | 2,187,361 | 118,356,623 | 8,257,231 | 16,939,076 |
|---------------------------|-----------|-------------|-----------|------------|

*Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

*Tax on profit*

The amount of tax on profit for the year 2021 is RON 94.7 million, of which RON 15.7 million is the actual expense during the year and the remaining RON 79.1 million is deferred tax on profit, generated especially by earnings from the valuation of real estate, earnings that become taxable at the time these properties are capitalized. This amount is up 218.7% than the tax on profit for the year 2020, which was RON 29.8 million, of which an amount of RON 4.6 million is the actual expenditure of 2020, and the remaining RON 25.2 million represents the deferred tax on profit. The result for the financial year 2020 represents a decrease of 34.5% compared to 2019, when the amount of income tax amounted to RON 45.4 million, of which RON 7.2 million represented the actual expense and RON 38.2 million represented deferred income tax. The variation between the financial periods is mainly due to the impact of the revaluation of the Issuer's assets, which generated a significant amount in the deferred tax on profit. The amount of corporate income tax for the first three months of 2022 is RON 41.6 million, of which RON 5.7 million is the actual expense and the remaining RON 35.9 million is the deferred corporate income tax, mainly generated by gains from the valuation of properties, which will become taxable only in case of their sale.

*Net result of the period*

Against the background of the above developments, the net profit related to the financial year ended December 31, 2021 increased significantly, by 188.1% compared to the financial year ended December 31, 2020, up to the value of RON 509.7 million from RON 176.9 million. Net profit for the year ended 31 December 2019 was RON 197.4 million. As at 31 March 2022, the net profit for the first three months of 2022 amounted to RON 166.4 million.

*Net attributable result*

The net attributable result is divided into two categories. Thus, the net result attributable to the owners of the Group in 2021 was RON 391.3 million, down 132% against the financial year 2020, and the net result attributable to non-controlling interests was RON 118.4 million, up 1,333.4% against the financial year 2020. In 2020 the net result attributable to the owners of the Group amounted to RON 168.7 million, down 6.5% from the financial year 2019, and the net result attributable to non-controlling interests amounted to RON 8.3 million, down 51.3% from FY 2019. In FY 2019, net income attributable to owners of the Group was RON 180.5 million and net income attributable to non-controlling interests was RON 16.9 million. As of March 31, 2022, net income attributable to owners of the Group was RON 164.2 million and net income attributable to non-controlling interests was RON 2.2 million.

The variations are generated by the evolution of the net results of the Issuer and of its subsidiaries, respectively by the structure of the minority participations at the level of the Issuer and its subsidiaries. The significant impact in the net result attributable to non-controlling interests is achieved in those subsidiaries that also have minority shareholders, so in the analyzed period, the significant impact is generated by the revaluation of One Cotroceni Park Office and One Cotroceni Park Office Stage 2, respectively the re-evaluation of the One Cotroceni Park, One North Gate and One Verdi Park projects.



## **LIQUIDITY AND CASH FLOWS**

### **Liquidity**

The necessary liquidity of the Group is mainly associated with the need to finance the Group's activity and the investments it undertakes. During the periods discussed below, the Group was generally able to meet its liquidity needs from business results (including pre-sales of units or residential areas) and from loans from shareholders or financial institutions (including bonds).

### **Cash flows**

The following section discusses the main developments associated with the Issuer's cash flows for the financial years 2019, 2020 and 2021, respectively for the first three months of 2022.

|   | <b>31-March-2022</b><br><i>(expressed in<br/>RON, unaudited,<br/>unreviewed)</i> | <b>31-Dec-2021</b> | <b>31-Dec-2020</b> | <b>31-Dec-2019</b><br><i>(expressed in RON, audited)</i> |
|---|--|--------------------|--------------------|--|
| <b>Net cash from operating activities</b>                     | 166,381,576  | 216,494,391        | 9,952,234          | 71,789,518   |
| <b>Net cash flows used in investment activities</b>           | (98,367,487)   | (272,123,887)      | (153,760,458)      | (104,775,933)  |
| <b>Net cash from financing activities</b>                     | 114,244,179  | 393,005,011        | 223,031,914        | 29,255,428   |
| <b>Net changes in cash and cash equivalents</b>               | 57,844,240   | 337,375,515        | 79,223,690         | (3,730,987)  |
| <b>Cash and cash equivalents at the beginning of the year</b> | 508,347,161  | 170,971,646        | 91,747,956         | 95,478,943   |
| <b>Cash and cash equivalents at the end of the year</b>       | 566,191,401  | 508,347,161        | 170,971,646        | 91,747,956   |

*Source: The information was extracted from the Annual Financial Statements (audited) and the Interim Financial Statements (unaudited, unreviewed).*

As at 31 March 2022, the Issuer's cash position increased by 11% compared to 31 December 2021.

#### *Net cash from operating activities*

The Issuer reported on December 31, 2021 net cash from operating activities in the amount of RON 216.5 million, which represents a significant increase of approx. 21 times the amount reported on 31 December 2020, namely RON 10 million. Such increase was strongly actuated by an increase in sales and a consistent increase of the amounts cashed in from the sale of residential properties. As at 31 December 2020, the Issuer recorded a cash flow from the operating activity of RON 10.0 million, down 86.1% from the amount reported at 31 December 2019 of RON 71.8 million, a decrease generated by massive investments in residential property development. As at 31 March 2022, the Issuer reported cash flow from operating activities of RON 166.4 million..

#### *Net cash flows used in investment activities*

The Issuer had a net cash flow used in investing activities of RON 272.1 million in the financial year 2021, an increase by 76.9% compared to the value for 2020, which was RON 153.8 million, which in turn represented an increase of 46.8% compared to the value for 2019, RON 104.8 million. These high values demonstrate the Issuer's commitment to continuously invest in the acquisition and development of real estate, and the year-on-year variations are due to land acquisitions and investments in projects classified as real estate investments, mainly offices, as in 2021 One Cotroceni Park Office (RON 110.6 million), One Cotroceni Park Office Stage 2 (RON 47.9 million), the acquisition of One Athenee (RON 24.5 million) and in 2020 One United Tower (RON 57.6 million), One Cotroceni Park (RON 54.1 million) or One Verdi Park (RON 30.5 million), in 2019 the acquisition of One Lake District land (RON 38 million) and investment in the development of One United Tower (RON 44.0 million). As at 31 March 2022, the Issuer reported a net cash flow used in investing activities of RON 98.4 million..

#### *Net cash from financing activities*

The Issuer reported on December 31, 2021 net cash from financing activities amounting to RON 393 million, increasing by 76.2% compared to the value reported on December 31, 2020, of RON 223 million. The increase was mainly generated by the IPO process conducted by the Issuer in 2021, a process following which the Issuer raised in total gross amount of RON 259.1 million. As at 31 March 2022, the Issuer reported a net cash flow generated from financing activities of RON 114.2 million.

The amount reported as at 31 December 2020 represented an increase of 662.4% compared to the amount reported as at 31 December 2019 of RON 29.3 million, an increase due to the proceeds from the issuance of share capital and share premium at Issuer level amounting to RON 112.9 million and the proceeds from loans from minority shareholders in the One United Tower (RON 34.7 million) and One Cotroceni Park (RON 109.2 million) projects.

### **PLANNED CASH REQUIREMENTS AND CAPITAL EXPENDITURE PLAN**

The Issuer anticipates that the Group's short- and medium-term cash requirements will consist primarily of expenses related to its financial obligations, expenses incurred in the real estate development business (ongoing or planned), and the acquisition of development land.

In addition to the expenses incurred and those estimated at Group level (related to developing projects, respectively planned projects), the Issuer's short and medium-term investment plan is largely discretionary.

The Group will finance its investments from advances from customers in connection with the residential property portfolio (following the signing of pre-sale contracts), respectively from bank financing (for a description of the financing contracted at Group level, see Section “*Financial Obligations*” below).

### **FINANCIAL OBLIGATIONS**

The table below sets out the Issuer's principal financial obligations as at 31 March 2022.

| <b>Loan agreement</b>                                      | <b>Approved amount</b>                               | <b>Financing balance<sup>1</sup></b>                       | <b>Amount available for use</b>                            | <b>Interest</b>     | <b>Maturity</b>  |
|--|--|--|--|---------------------|--|
| One United Tower Credit Facility Agreement of 2021         | EUR 50 million                                       | EUR 43,87 million  | EUR 5 million  | EURIBOR 6M + margin | 30 December 2031   |
| 2020 One Verdi Park Credit Facility Agreement              | EUR 24 million                                       | EUR 13,91 million  | EUR 10,08 million  | EURIBOR 6M + margin | 30 September 2023  |
| 2018 One North Gate Credit Facility Agreement              | EUR 12 million                                       | EUR 7,17 million   | EUR 0 million  | EURIBOR 6M + margin | 22 January 2023  |
| 2021 One Cotroceni Park Office Credit Facility Agreement   | development EUR 40 million, VAT credit EUR 6 million | development EUR 23,12 million, VAT credit EUR 3,34 million | development EUR 16,87 million, VAT credit EUR 2,65 million | EURIBOR 3M + margin | development 31 August 2022 (later investment 30 June 2029), VAT credit 31 March 2023 |
| 2021 One Cotroceni Park Office 2 Credit Facility Agreement | development EUR 29 million, VAT credit EUR 3 million | -  | development EUR 29 million, VAT credit EUR 3 million       | EURIBOR 3M + margin | development 31 August 2023 (later investment 30 June 2029), VAT credit 31 March 2024 |
| 2021 One   | EUR 15 million                                       | EUR 3.9 million  | EUR 11.1   | EURIBOR 3M          | 30 September   |

|  |                   |                                    |                     |                   |      |
|--|-------------------|------------------------------------|---------------------|-------------------|------|
| Peninsula Credit Facility Agreement 2022 Credit Facility Agreement One Mircea Eliade Properties Neo Timpuri Noi Credit Facility Agreement no. 6852 |                   |                                    | million             | + margin          | 2024 |
| EUR 9 million  | EUR 8.92 million  | EUR 0 million                      | EURIBOR 3M + margin | 31 March 2032     |      |
| EUR 4 million  | RON 11.26 million | the difference up to EUR 4 million | EURIBOR 3M + margin | 30 September 2024 |      |

<sup>1</sup> Represents the amount of funding used minus the amount already reimbursed

Source: the Issuer.

### ***One United Tower Credit Facility Agreement of 2021***

On January 19, 2021, One United Tower SA concluded the 2021 OUT Credit Facility Agreement with Black Sea Trade and Development Bank, for a total amount of EUR 50 million, granted in two installments, as follows: (i) EUR 45 million, in an initial installment, and (ii) EUR 5 million, in an additional installment, for the purpose of financing the One Tower project and the refunding of the project development shareholder loans. The first tranche was fully used, the second tranche is to be used subject to certain subsequent conditions.

The OUT Credit Facility Agreement from 2021 is mainly guaranteed by a real estate mortgage on the lands related to the One Tower project, from Calea Floreasca no. 165, sector 1, Bucharest, as well as the buildings erected on these lands. Other warranties include: (i) movable mortgage on the accounts, (ii) an assignment of indemnities paid under the 2021 Credit Facility Agreement insurance policy, (iii) movable mortgage on the tangible and intangible movable property of One United Tower SA, (iv) mortgage securities on receivables, including rents, (v) mortgage on the shares held by the Issuer in One United Tower SA (currently and/or in the future) (vi) corporate guarantee issued by the Issuer for the entire financing amount and the entire duration and (vii) a bank deposit. In order to guarantee the OUT Credit Facility Agreement of 2021, the Issuer accepted the subordination of its claims on One United Tower SA

At the date of the 31 March 2022, the balance is EUR 875,000. The interest rate related to the OUT Credit Facility Agreement of 2021 is variable, being calculated according to the EURIBOR 6M index to which a margin is added.

Repayment of the amount drawn under the OUT Credit Facility Agreement from 2021 is made in semi-annual instalments, with the last instalment due on 30 December 2031.

### ***One Verdi Park Credit Facility Agreement from 2020***

On August 24, 2020, One Verdi Park SRL, as a borrower, together with the Issuer, as guarantor and joint and several debtor, concluded the 2020 OVP Credit Facility Agreement with CEC Bank SA, as further amended, for the amount of EUR 24 million, in the form of a mortgage facility required for the development of One Verdi Park. The facility is available until 31 December 2022, maturing on 30 September 2023.

The 2020 Credit Facility contract is mainly guaranteed by a real estate mortgage on the land related to the One Verdi Park project, as well as on the constructions erected on this land. Other warranties include: (i) a movable mortgage on the shares held by the Issuer in One North Gate S.A., (ii) a movable mortgage on the accounts, (iii) a movable mortgage on the receivables under the lease agreements entered into by One Verdi Park S.R.L., (iv) an immovable mortgage on the receivables arising from the guarantees issued for the agreements concluded by One Verdi Park S.R.L. with its suppliers, (v) a bank deposit and (vi) an immovable mortgage on the Issuer's accounts opened with CEC Bank.

At 31 March 2022, the financing balance is EUR 13,918,592 and the balance up to the credit value of EUR 24,000,000 is available. The interest rate related to the 2020 OVP Credit Facility Agreement is variable, being calculated according to the EURIBOR 6M index to which a margin is added. The repayment of the OVP Credit Facility Agreement from 2020 is made throughout the entire loan duration, including during the grace period, as the amounts from the pre-sale-purchase agreements concluded for the residential units are cashed in.

### ***The One North Gate Credit Facility Agreement of 2018***

On January 23, 2018, One North Gate SA, as a borrower, together with One United Properties SA, as guarantor and joint and several debtor, concluded the 2018 NGO Credit Facility Agreement with CEC Bank SA, for the amount of EUR 12 million in the form of a term credit facility for investments for a period of 180 months, from 23 January 2018 to 22 January 2033, for the purpose of refinancing loans granted by the Issuer under contracts relating to acquisition of the North Gate office building.

The 2018 NGO Credit Facility contract is mainly guaranteed by a real estate mortgage on the land corresponding to One North Gate project, as well as on the constructions erected on that land. Other warranties include: (i) a mortgage on the accounts, (ii) mortgages on the receivables from the leases, and (iv) a bank deposit.

At 31 March 2022, the financing balance is EUR 178,543. The interest rate related to the 2018 NGO Credit Facility Agreement is variable, being calculated according to the EURIBOR 6M index, plus a margin that also varies depending on the degree of occupancy of the buildings. Reimbursement is monthly and the due date is January 22, 2033.

### ***The 2021 Credit Facility Agreement for One Cotroceni Park Office and One Cotroceni Park Office Stage 2***

On 23 July 2021, One Cotroceni Park Office S.A. (OCO1) and One Cotroceni Park Office Faza 2 S.A. (OCO2) as borrowers, together with One United Properties S.A., as guarantor concluded the 2021 OCO Credit Facility Agreement with a syndicate of banks formed of Banca Comerciala Romana S.A., BRD Groupe Societe Generale S.A. and Erste Group Bank A.G, for the total amount of EUR 78 million EUR, granted as follows:

- For OCO 1 – development facility in amount of EUR 40 million, which after the financing of the construction is converted into an investment credit and a credit financing the VAT part of the financed invoices amounting to EUR 6 million
- For OCO 2 – development facility in amount of EUR 29 million, which after the financing of the construction is converted into an investment credit and a credit financing the VAT part of the financed invoices amounting to EUR 3 million

The availability period and maturity of each tranche is as follows:

- For OCO 1 – the availability period of the development facility is until 30 June 2022 and the facility is maturing on 31 August 2022; the investment credit is available until 31 August 2022 and is maturing on 30 June 2029; the VAT facility is available until 30 June 2022 and is maturing on 31 March 2023
- For OCO 2 – the availability period of the development facility is until 30 June 2023 and the facility is maturing on 31 August 2023; the investment credit is available until 31 August 2023 and is maturing on 30 June 2029; the VAT facility is available until 30 June 2023 and is maturing on 31 March 2024

The 2021 OCO Facility Agreement is mainly guaranteed under an immovable mortgage on the land plots corresponding to One Cotroceni Park Office OCO1 and OCO2 project, as well as on the buildings erected on such land plots. Other guarantees include: (i) a movable mortgage on the bank accounts, (ii) a movable mortgage on the receivables and accessories thereof derived from the insurance policies, (iii) a movable mortgage on the receivables and accessories thereof derived from the enforcement of the lease agreements, (iv) a movable mortgage on the receivables resulting from the shareholders' loans, (v) a movable mortgage on shares, (vi) a corporate guarantee issued by the Issuer to cover any budget overrun valid until the completion of the constructions and a corporate guarantee issued by the Issuer within the limit of 30% of the value of the facilities issued until the projects are financially stabilised and (vii) a bank deposit. In order to secure the 2021 OCO Facility Agreement, the Issuer has accepted to subordinate its receivables on One Cotroceni Park Office S.A. and One Cotroceni Park Office Faza 2 S.A.

At 31 March 2022, the balance of the OCO1 financing under the development facility is EUR 23,127,419, the VAT facility is EUR 3,341,989 and draw-downs may be carried out up to the total amount available. The balance of the OCO2 financing under the development facility as well as under the VAT facility is 0 and the credit facility may still be used up to the total amount remained available. The interest rate under the 2021 OCO Facility Agreement is variable, being computed depending on the 3M EURIBOR index plus margin.

Repayment of amounts drawn under the 2021 OCO Credit Facility Agreement is made in quarterly tranches, with the last tranche due on 30 June 2029.

### ***2021 One Peninsula Facility Agreement***

On 30 September 2021, One Peninsula S.R.L. as borrower, and One United Properties S.A., as guarantor, concluded the 2021 OP Facility Agreement with First Bank S.A., for the amount of EUR 15 million, under the form of a medium credit facility used for the financing of the development costs of One Peninsula project, used in 2 tranches: EUR 12 million until the project reaches the P+2 height regime and EUR 3 million until the project is completed. The facility is granted for a period of 36 months starting on 30 September 2021 and has a grace period of 24 months as of 30 September 2021.

The 2021 OP Facility Agreement is mainly secured by an immovable mortgage over the land of One Peninsula project, as well as over the constructions erected on the land.

Other guarantees include: (i) a movable mortgage on the receivables and accessories thereof derived from the insurance policies, (ii) a movable mortgage on the receivables and accessories thereof derived from the enforcement of the sale-purchase agreements and pre-agreements in relation to the project, (iii) a movable mortgage on the bank accounts, (iv) a bank deposit and (v) a corporate guarantee issued by the Issuer that will cover project development cost balances over the budget agreed within the limit of 15% of the total investment costs.

At 31 March 2022, the financing balance is EUR 3,900,000 the amount up to the facility's total value of EUR 15,000,000 being available for use. The interest rate of the 2021 OP Facility Agreement is variable, being computed depending on the 3M EURIBOR index plus margin. The reimbursement shall be made after the expiry of the availability period ending on 30 September 2023 as follows: during the first 6 months no reimbursement is to be made; subsequently, in 6 monthly instalments, the first 5 instalments representing 13% of the amounts used at the end of the construction period and the 6<sup>th</sup> rate representing 35% of the amounts used at the end of the construction period.

#### ***Credit Facility Agreement One Mircea Eliade Properties from 2022***

On 15 February 2022, One Mircea Eliade Properties S.R.L., as borrower, together with One United Properties S.A., as guarantor, entered into Credit Facility Agreement No. 46440 with Garanti Bank S.A., for the amount of EUR 9 million, in the form of a long-term credit facility used to refinance completed real estate assets.

As of 31 March 2022, the balance of the financing is EUR 8,928,384. The bank credit agreement is secured by a real estate mortgage on 29 apartments and 35 parking spaces, chattel mortgage on current accounts, and a surety from One United Properties S.A.

The interest rate on the Credit Facility Agreement is variable, calculated according to the EURIBOR 3M index plus a margin. Repayment of the loan is monthly and the maturity date is 31 March 2032.

#### ***Neo Timpuri Noi Facility Agreement no. 6852***

On 29 September 2021, Neo Timpuri Noi S.R.L., as borrower, concluded addendum no. 1 to the 6852 Facility Agreement with Libra Bank S.A., in order to activate the term facility agreement for the development of Neo Timpuri Noi project for a period of 36 months, as of 30 September 2021 and until 30 September 2024, in amount of EUR 4 million.

As at 31 March 2022, the financing balance is RON 11,262,669. The bank credit agreement contains mortgages on the land and on the buildings in progress, as well as on the customer receivables, insurance policies, and bank accounts.

The interest rate on the Facility Agreement is variable and is calculated according to the EURIBOR 3M index plus a margin. The repayment of the loan is conducted on a monthly basis, and the maturity date is 30 September 2024.

### **CONTINGENT LIABILITIES**

The Group, in the normal course of business, grants buyers the guarantees regulated by Romanian legal provisions as seller. The Group constantly monitors all known legal claims and ongoing legal actions. The Group receives legal advice on the chances of success for these claims and actions and has not made provisions where management considers, based on the opinions of legal advisers, that the action is unlikely to be successful. For a description of the most important disputes in which the Group is involved, see Part 4 "Business Overview", Section "Disputes".

### **OFF BALANCE SHEET COMMITMENTS**

On the date of this Prospectus, the Issuer has provided guarantees (such as commitments/letters of guarantee/comfort in connection with projects developed by Group members) to third parties in the total amount of EUR 1,955,000, as well as other eviction guarantee commitments, and payment of damages, respectively (the amount not being

established by those instruments).

### **QUANTITATIVE AND QUALITATIVE MARKET RISK INFORMATION**

The Group's activities may give rise to various risks. The Group's management is aware of and monitors the effects of these risks and events that may have adverse effects on the Group's operations. For a classification of the main risks to which the Group is exposed, as well as a description of how the Group's management manages those risks, please see Note 5 to the Annual Financial Statements for the year ended 31 December 2021.

### **CRITICAL/ESSENTIAL ACCOUNTING ESTIMATES**

The preparation of the Group's consolidated financial statements requires management to use professional reasoning, estimates and assumptions that affect the application of accounting policies, as well as the recognized value of assets, liabilities, income and expenses and related disclosures. Actual results may differ from estimated values. The estimates and assumptions associated with them are based on historical experience and other factors, including expectations of future events considered reasonable in the given situations. The estimates and underlying assumptions are reviewed periodically. The revision of accounting estimates is recognized from the period in which the estimates are revised.

For the preparation of the consolidated financial statements, the Group makes estimates and assumptions regarding future developments that may have a significant effect on the recognition of the value of reported assets and liabilities, presentation of contingent liabilities on the date of preparation of the consolidated financial statements and reported income and expenses for that period. For a description of the main reasoning, estimates and assumptions used in preparing the Group's consolidated financial statements, please see Note 3 to the Annual Financial Statements for the year ended 31 December 2021.

### **TAX ASPECTS OF THE ISSUER AND OF THE GROUP OF COMPANIES**

With regard to tax consolidation issues, since September 2015 the eligible companies affiliated to the Issuer form a tax group for VAT purposes, the tax representative of this group being the Issuer itself. Also, as from the tax year 2022, as of 1 January 2022, the eligible companies affiliated to the Issuer form a tax group for corporate tax purposes.

## PART 8 CAPITALISATION AND INDEBTEDNESS

The tables below show the capitalization and indebtedness of the Group on the date indicated below, on a historical basis, by extracting from the audited financial statements as of December 31, 2021 and adjusted for the effect of the capital increase in which the shares sold in the Offer are issued.

This table should be read in conjunction with Part 6 “*Selected financial information*” and Part 7 “*Operating and Financial Review*” of this Prospectus.

|   | 31 December 2021<br>(RON, audited) | Adjusted to reflect the effect<br>of the capital increase<br>(RON, unaudited) |
|---|------------------------------------|---|
| <b>Equity</b>                                     |                                    |   |
| Share capital                                     | 514,828,059                        | 580,831,656 <sup>1</sup>  |
| Share premiums                                    | 4,307,781                          | 402,621,943 <sup>2</sup>  |
| Legal reserves                                    | 11,437,359                         | 11,437,359  |
| Own shares  | -                                  | -   |
| Other equity items                                | 1,390,179                          | 1,390,179   |
| Retained earnings                                 | 791,788,303                        | 791,788,303   |
| <b>Equity attributable to owners of the Group</b> | <b>1,323,751,681</b>               | <b>2,226,373,624<sup>3</sup></b>  |
| Non-controlling interests                         | 323,205,535                        | 323,205,535   |
| <b>Total equity</b>                               | <b>1,646,957,216</b>               | <b>2,549,579,159</b>  |
| <br><b>Non-current liabilities<sup>4</sup></b>    |                                    |   |
| Loans and borrowings from banks and others        | 390,342,321                        | 390,342,321   |
| Loans and borrowings from minority shareholders   | 7,472,207                          | 7,472,207   |
| Provisions  | 564,912                            | 564,912   |
| Lease liabilities – long-term                     | 2,646,947                          | 2,646,947   |
| Deferred tax liabilities                          | 179,974,080                        | 179,974,080   |
| <b>Total non-current</b>                          | <b>581,000,467</b>                 | <b>581,000,467</b>  |
| - of which guaranteed                             | 378,766,739                        | 378,766,739   |
| - of which non-guaranteed <sup>5</sup>            | 202,233,728                        | 202,233,728   |
| <br><b>Current liabilities</b>                    |                                    |   |
| Employee benefits                                 | 553,841                            | 553,841   |
| Loans and borrowings from bank and others         | 34,260,754                         | 34,260,754  |
| Loans and borrowings from minority shareholders   | 87,028                             | 87,028  |
| Lease liabilities                                 | 1,282,387                          | 1,282,387   |
| Trade and other payables                          | 123,584,927                        | 123,584,927   |
| Accrued income                                    | 1,145,855                          | 1,145,855   |
| Current tax liabilities                           | 2,023,447                          | 2,023,447   |
| Advance payments from customers                   | 406,263,566                        | 406,263,566   |
| <b>Total current liabilities</b>                  | <b>569,201,805</b>                 | <b>569,201,805</b>  |
| - of which guaranteed                             | 34,225,549                         | 34,225,549  |
| - of which non-guaranteed                         | 534,976,346                        | 534,976,346   |
| <b>Total liabilities</b>                          | <b>1,150,202,272</b>               | <b>1,150,202,272</b>  |

|  | <b>31 December 2021</b> | <b>Adjusted to reflect the effect<br/>of the capital increase</b> |
|--|-------------------------|---|
|  | <b>(RON, audited)</b>   | <b>(RON, unaudited)</b>   |
| <b>TOTAL EQUITY AND LIABILITIES<sup>7</sup></b>  | <b>2,797,159,488</b>    | <b>3,699,781,431</b>  |
| <i>Source: the Issuers, the Annual Financial Statements (audited), the Interim Financial Statements (unaudited, unreviewed).</i> |                         |   |

The following events (with an impact on the capitalization and the level of indebtedness of the Group) took place after December 31, 2021:

- On 15 February 2022, the Company, through the One Mircea Eliade Properties SRL branch, contracted a bank loan from Garanti Bank, in total amount of 9,000,000 EUR, amount which it drew down entirely. The loan has a maturity of 10 years. The Loan Agreement contains pledges over 29 apartments and 35 parking lots, as well as over bank accounts and a corporate guarantee issued by the Parent-Company.

As of 31 March 2022, the position of cash and cash equivalents at the Group level was approximately RON 566,191,401.

Except for the above, there were no other significant changes in the Issuer's capitalization as of December 31, 2021.



## **PART 9**

### **DIVIDEND POLICY**

The Issuer's dividends are distributed from the net annual profit distributable on the basis of the individual or interim annual financial statements audited, after their approval by the Ordinary General Meeting of the Issuer ("OGMS ") and after the approval of the dividend proposal by the OGMS. Distributable profit is the part of the net profit for the financial year that can be distributed as dividends after the legal and statutory distributions have been made, such as the distribution for the legal reserve and, where applicable, the use of net profit for other purposes provided by law (for example, coverage of accounting losses from the previous year, if applicable).

Shareholders receive dividends in proportion to their participation in the paid-up share capital of the Issuer and there is no right of priority or preference over the distribution of dividends in favour of any shareholder.

The proposal for the distribution of dividends made by the Board of Directors will be subject to a vote at the OGM, as a rule, at the same meeting at which the Issuer's audited financial statements are approved, i.e. no later than four (4) months after the end of the financial year, respectively during the third quarter of the year in respect of any distributions of interim dividends or distributions of undistributed profits.

The Board of Directors will take into account in formulating the proposal to the Issuer's OGMS the principle of distributing up to 35% of the consolidated net distributable profit obtained by the Group, but in any case in compliance with any provisions regarding the distribution of dividends included in financing contracts. The issuer or any member of the Group is a party. The Issuer intends to reinvest the remainder of the consolidated net profit recorded at Group level to fund its investment and development activities as set out in Part 4 – "Business Overview" herein.

If there are deviations outside this range, they will be justified and explained to the shareholders during the periods when they will take place.

The Issuer will also be able to pay dividends in the form of shares of the same class as those granting rights to these dividends.

In selecting a specific dividend distribution rate in accordance with the Issuer's dividend policy, the Board of Directors will take into account the following:

- reducing fluctuations in dividend yields from one period to another, as well as the absolute value of the dividend per share;
- the investment needs and most of all the investment opportunities of the Issuer;
- possible contributions of non-monetary items to net profit reporting; and
- the financial resources for the payment of dividends, as well as the degree of indebtedness of the Issuer; and

The issuer distributed for each of the years ended December 31<sup>st</sup> 2021, 2020 and 2019 gross dividends worth RON 42,473,314.85, RON 41,682,627, RON, and 44,058,800. In 2021, Issuer distributed in the second half of the year dividends from retained earnings for previous financial years, in gross amount of RON 32,500,000. In the future, the Issuer intends to continue the annual distribution of dividends as presented in its dividend policy.

## PART 10 INDUSTRY OVERVIEW

*This section includes information from third parties, identified in the text. Such information may be subject to change and may not be verified with certainty. In particular, we calculated the Group's market share using its internal sales and rental records, based on information on the aggregate level of such transactions concluded in Bucharest in the year ended December 31, 2021 included in specialized studies. The issuer cannot guarantee that the information included in such sources is correct. Also, the Issuer cannot guarantee that the estimates made with respect to its competitors, as included in these sources, are correct or identical to those in the internal records of its competitors. Therefore, the Issuer requires investors to carefully analyse all this information and not to rely on it unreasonably. Please also refer to "Important Information about this Prospectus" and "Part 2 - Risk Factors" of this Prospectus.*

### Macroeconomic considerations on Romania

#### Population and key economic indicators

Romania is located in Southeast Europe and borders Hungary, the Republic of Serbia, the Republic of Moldova, Ukraine and Bulgaria. As of 1 January 2022, it had a population of approximately 19.2 million (of which 56.4% were urban population) (Source: Eurostat, INS ). Despite the downward demographic trend recorded in recent years, the number of households in Romania increased by over 36,200 in the period between January 1, 2018 and January 1, 2021, reaching 7.52 million households (Source: Eurostat).

The table below highlights the evolution of certain key economic indicators for Romania in the period between December 31, 2018 and December 31, 2021:

| Key economic indicators                                   | On the date and for the year ended December 31 |       |        |       |
|---|--|-------|--------|-------|
|   | 2018   | 2019  | 2020   | 2021  |
| Real GDP growth (%)                                       | 4.50%  | 4.2%  | -3.70% | 5.90  |
| Unemployment rate at the end of the year (%) <sup>1</sup> | 4.20%  | 3.90% | 5.80%  | %     |
| Nominal value of GDP (billion €, current prices)          | 204.5  | 223.2 | 218.9  | 5.40% |
| Nominal value of GDP/capita (thousand €, current prices)  | 8.7  | 9.12  | 8.82   | 239.6 |
| Inflation/(deflation) (% , annual average)                | 4.10%  | 3.90% | 2.30%  | 9.38  |

Source: Eurostat.

<sup>1</sup>The unemployment rate is calculated by reporting the number of unemployed people to the total population in Romania.

Between December 31, 2018 and December 31, 2021, the Romanian economy registered an increase in gross domestic product ("GDP"), with a RCAC of 4.04%, exceeding the average of the RCAC in the European Union, which recorded an increase of 1.6% over the same period (Source: Eurostat). This increase was mainly due to lower tax rates, as well as positive developments in the labour market, which resulted in the expansion of the middle class.

In the year ended on December 31, 2021, the Romanian economy recorded an estimated increase of 5.9% of GDP compared to the year ended on December 31, 2020, amid the economic stimulus measures launched during the Covid-19 pandemic (which brought a revival in household consumption, a driving force for generating multiannual economic growth, as well as increasing public spending to support the medical system in the context of the pandemic), compared to an increase of 5.3%, representing the European Union media (EU27) (Source: Eurostat).

Although initial estimates of economists indicated a much larger economic growth (FMI 7%), they have not materialized, amid the accelerating energy price rises in the last quarter of 2021. In particular, the construction and real estate sectors, together with the IT and Telecom sectors, recorded significant increases compared to the year ended 31 December 2020, as shown in the table below.:

| (million RON, current prices)  | On the date and for the year ended December 31 |          |
|--------------------------------|--|----------|
|                                | 2020   | 2021     |
| Construction                   | 69,421.2                                       | 77,391.7 |
| Real estate transactions       | 84,281.0                                       | 87,771.0 |
| Information and communications | 66,944.7                                       | 75,010.7 |

Source: National Institute for Statistics.

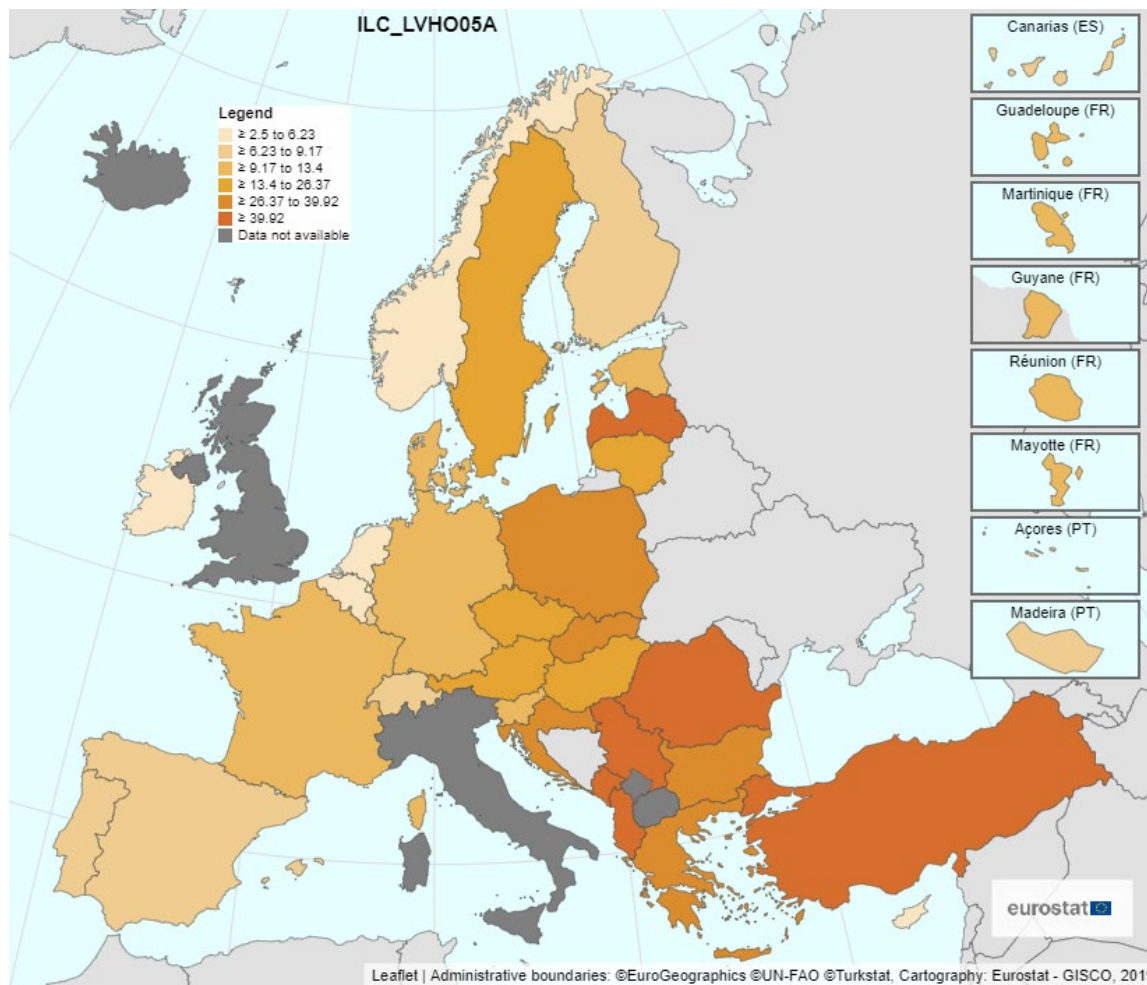
In the draft budget for 2022, the Romanian Government estimated an economic growth of 4.6%, at a projected GDP of RON 1.317 billion.. The budget planning for 2022 and the estimates for the period 2023-2025 set the budget deficit in 2022 at 6.24% of GDP, and it will reach 2.02% of GDP in 2025. Further, the Romanian government expects the construction sector to grow much faster in 2022 (9%) than the industrial sector (4.4%) and the services sector (4.3%). The vision on the construction of the national budget for 2022 is also shared by the NBR, which estimates a slowdown in economic growth according to the minutes of the meeting of 9 February 2022 (*Source: NBR*).

The forecasts for Romania's economic growth in the near future also take into account the financing obtained at European Union level following the adoption of the Regulation on the new Multiannual Financial Framework (MFF) 2021-2027 (amounting to EUR 1,074.3 billion) and the Relaunch Package Next Generation EU (NGEU) (worth EUR 750 billion). The European Resilience and Recovery Mechanism is the central element of the NGEU, with EUR 672.5 billion in loans and grants available to support reforms and investments undertaken by European Union countries. The aim is to mitigate the economic and social impact of the pandemic and to make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities offered by the transition to a green economy and the digital transition. By decision of the Council of Europe, the allocation for Romania on this program is worth EUR 29.2 billion. As a result of this allocation, the Romanian Government has developed the National Recovery and Resilience Plan (NRRP), which provides for expenditures of EUR 41.1 billion for the mentioned period, by supplementing the resources allocated by the EU with resources from the national budget. For the year 2022, the Romanian Government forecasts investment expenditure of about 88.4 billion lei, representing 6.7% of GDP. Significant budgetary allocations in the NRRP will be heavily targeted towards digitalization and the transition to a green economy, and other growth pillars contributing to economic recovery will be smart, sustainable and inclusive growth, including economic cohesion, jobs, productivity, competitiveness, research, development and innovation, as well as a well-functioning internal market with strong small and medium-sized enterprises (SMEs), social and territorial cohesion, health, and economic, social and institutional resilience, as well as policies for the next generation, children and youth, such as education and skills (*Source: Ministry of European Investments and Projects* ).

Romania's economic evolution in recent years has also contributed to an increase in population income, with the average gross monthly salary registering an increase with a RCAC of 8.61% for the period between January 1, 2019 and December 31, 2021. According to the latest statistical data, the average monthly gross salary (February 2022) in Romania amounts to RON 6,059 (*Source: INS*) or approximately EUR 1,224.

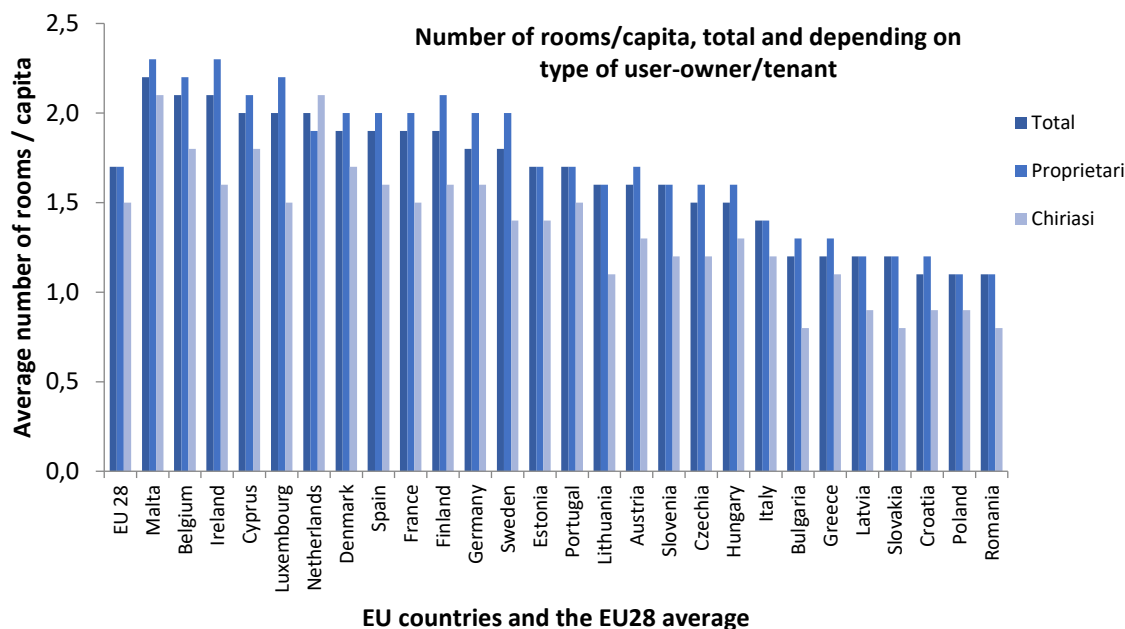
### **Housing conditions and congestion rate**

Romania has an overcrowding rate of 45.1% (the highest rate in the European Union) both in urban areas (the highest overcrowding rate being recorded in large cities, where the overcrowding rate exceeds 50%), peripheral and small urban as well as in rural areas (*Source: Eurostat*). By comparison, the overcrowding rate at EU level is around 17% (ranging from a minimum of 2.5% in Cyprus, Ireland, Belgium or the Netherlands to over 35% in Hungary, Slovakia, Poland, Croatia and Romania).



Source: Eurostat

The above statistics are also reflected in the graph below, which shows information on the average number of rooms per capita (general and by type of user), with the vertical axis showing the average number of rooms per capita and the horizontal axis showing the EU28 (pre-Brexit) countries in descending order of average number of rooms per capita by type of user.



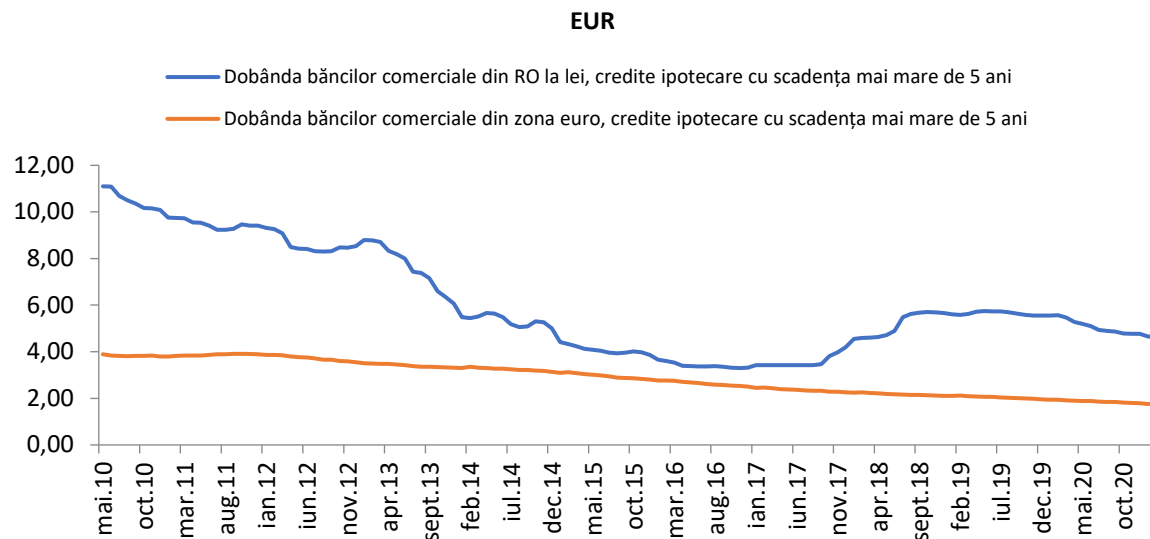
Source: Eurostat

### Evolution of interest rates on mortgages

While in the EUR area the interest rate at which the population has access to credit to finance real estate purchases was between 1.24% and 2.15% per annum in March 2022 (depending on the lending period), the trend has been slightly upwards over the last months (Source: ECB ), the average interest rates (DAE) charged by local commercial banks for this type of loans have been on a consolidation trend in recent months, and in January 2022 the amount was 3.75% for housing loans granted with a maturity of more than 10 years, down 0.78% compared to the same period in 2020 (Source: The NBR Monthly Report).

The share of mortgage loans granted in lei in the balance sheet of the domestic banking sector is the most important, taking into account the NBR's policy to discourage lending in EUR or other foreign currencies in Romania, following the financial crisis of 2007-2009.

The decrease in interest rates, corroborated with the increase of the population's income in recent years, has led to an increased lending capacity of the population.



Source: ECB, NBR

### The degree of indebtedness of the population

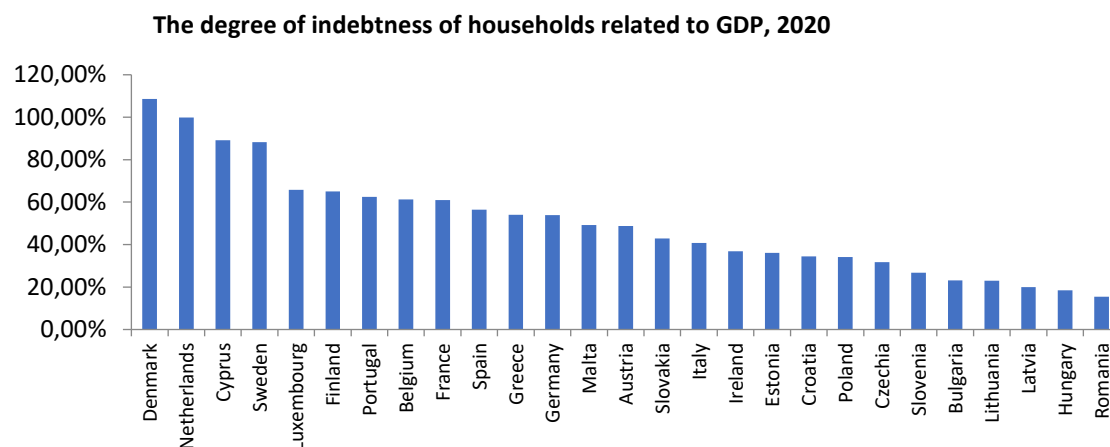
At the level of the European Union countries, the degree of indebtedness of the population is the main indicator of the involvement of the population in the acquisition of real estate, especially in the residential segment.

The indebtedness of the population can be influenced by the volume of real estate transactions in a given period, but also by the average price of a housing unit, and the adjustment to nominal GDP for each Member State allows an appreciation of the real estate market in that country, as well as the potential to increase prices or volumes traded in the future.

If the countries with a developed economy record high levels of this indicator (for example, in Denmark this indicator stands at 111.7%, in the Netherlands at 103% and in Cyprus at 91%), Romania recorded, at the end year 2020 the lowest level of this indicator, of 16.2% (Source: Eurostat), including in comparison with other former communist bloc countries (debt ratio over the same period was 20.9% in Hungary, 24.4% in Bulgaria, 34% in the Czech Republic and 34.8 % in Poland).

Source: Eurostat

The graph below shows the indebtedness of households relative to GDP in EU27 countries:



Source: Eurostat

Regarding the evolution over time of this indicator in Romania, there is a decreasing trend by the end of 2019, synonymous rather with a slower evolution of the credit balance of the population compared to the evolution of GDP and earnings between 2013 and 2019. The pandemic year 2020 brought a slight change in this downward trend, with an increase in this indicator from 15.5% in 2019 to 16.2% at the end of 2020.

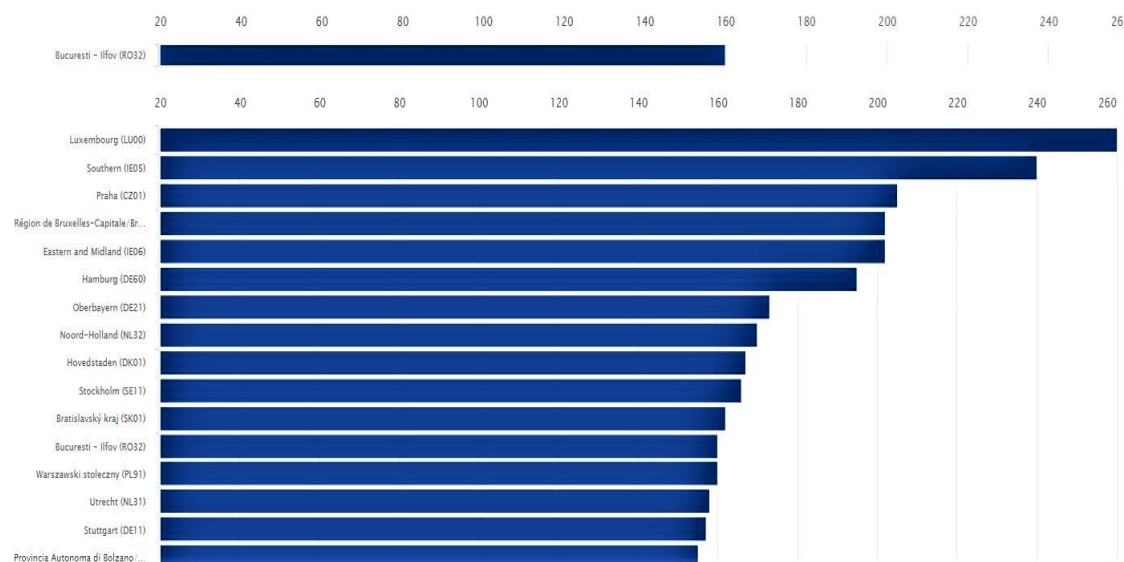
The dynamics of housing loans has remained high in recent years, with the growth rate reaching 12.8% in February 2022 (Source: NBR). Exposures of credit institutions in relation to the residential real estate market amounted to RON 107.5 billion at the end of September 2021, up 12% compared to the same period of the previous year, the acceleration in residential market activity has been driven by both supply and demand factors. At the same time, these exposures represent the equivalent of 68% of the total stock of loans granted to the population as of September 2021. Strong lending growth in recent times has also been supported by home purchase lending. Loans granted through the “Noua Casa” (“New Home”) programme have increased substantially, but their share in the credit flow continues to be moderate (22% at the end of September 2021). The mortgage market access index increased slightly to 0.98 in Q3 2021, from 0.94 in the previous quarter, amid modest residential price increase and falling interest rates. (Source: The NBR Report).

### Bucharest-Ilfov Development Region

Romania is divided into eight development regions.

According to the Bucharest-Ilfov Regional Development Agency (ADRBI), the Bucharest-Ilfov region, composed of the municipality of Bucharest and Ilfov county, has a population of 2,315,173 inhabitants (July 2021) and an area of 1,804 km<sup>2</sup>. This region is the most developed in Romania, with a GDP per capita of EUR 49,200 (expressed in purchasing power of money in the local economy) representing 164% of the EU average (EU27) calculated by Eurostat at the end of 2020, ranking 14<sup>th</sup> out of 218 development regions in the European Union and thus surpassing regions such as Budapest (153%), Vienna (148%), Helsinki (144%) or Berlin (128%), Rome (109%) or Lisbon (98%). The economy of the region is largely dominated by the functions of the capital, the active population of the region being linked to the units that operate here. In 2021, five out of the eight regions in Romania recorded an increase in Gross Domestic Product (GDP) of more than 3%, with the Bucharest-Ilfov region leading the way with a per capita GDP increase of 8.82% last year. (Source: European Commission)

### GDP/capita expressed in PPS by development regions EU27, 2020



Source: Eurostat

The Bucharest-Ilfov region represents the largest industrial agglomeration of Romania, in which all the industrial branches are present. The trade, the activities of storage, distribution, communal administration-household, constructions had a rapid evolution, so that the region distances itself as a level of development from the other regions in Romania. The Bucharest-Ilfov region is responsible for 27.5% of the total national economy, according to reports for 2019 (Source: Eurostat). The explanation for this phenomenon also comes from the fact that most multinational companies with a local presence have chosen this region to set up their local subsidiaries. However, the production activity is also an important one here, with the Bucharest-Ilfov Region having the largest share in Romania's exports, that of 21.8% (Source: Eurostat).

From the point of view of infrastructure, the Municipality of Bucharest is the most important national and international road-railway-air transport node of the country, it is characterized by a high degree of accessibility, being located on the two European multi-modal corridors: European Priority Axis no. 7 (Nădlac-Constanța) and the European Priority Axis Giurgiu-Albița planned to be built in the next period, as well as in the vicinity of the Danube (European Priority Axis No. 18). Air and multi-modal accessibility is ensured by the international airport “Henri Coandă” (Otopeni), the largest international airport in Romania.

### The residential real estate market in Bucharest

According to a ValorEasy analysis of the residential market in Romania published in the second part of January 2022, during 2021, at national level, a number of 183,000 residential units were sold (+49% compared to 2020), while the Bucharest-Ilfov region recorded a number of about 52,000 residential units sold in 2021, marking an increase of 41% compared to the previous year. According to the same sources and based on the INS statistics, the supply of new housing units completed on the Romanian territory increased by 2% in the first 9 months of 2021 compared to the same period of 2020 to approx. 50,000 units while in the same period the number of completed housing units at the Bucharest-Ilfov region level remained relatively constant at 14,500.

Also, an analysis by SVN on the Residential Market in Bucharest in Q4 2021 reveals that 2021 was the best year in modern history for the local residential market, with an absolute record of completed transactions, a possible record in deliveries and the best time to contract a mortgage and buy a new home. The record sales are due to the best period in history for mortgage take-up, the high inflationary backdrop, and the general desire of the population following the Covid-19 pandemic to move into larger homes. In terms of deliveries, SVN estimates that the number of units delivered in 2021 was similar to 2020, as developers' activity remained at the same intense level over the past year as it was in 2020, when record deliveries were seen.

For the last quarter of 2021, JLL estimates that 8,700 new rental units were sold in Bucharest and 2,183 units in the Ilfov County. At the same time, the housing supply for the Bucharest - Ilfov region increased by approx. 6,200 new units in Q4 2021, of which 4,570 new units in Bucharest and 1,630 new units in the Ilfov County. For the whole of 2021, it is assessed that more than 17,000 new units were delivered to the market in Bucharest and Ilfov, the highest level of supply ever recorded on the market since 2004. Moreover, the supply of new housing is 25% ahead of the existing supply at the end of 2020.

As for prices in the residential segment, the increasing shortage of available homes for sale has again led to significant price increases in 2021. The average transaction price of apartments in the secondary markets permanently monitored by ValorEasy (Bucharest and the ten main local real estate markets) increased in the fourth quarter of 2021 by up to 10% compared to the previous year, after a somewhat more moderate increase at the end of 2020 due to the Covid-19 pandemic. The low mortgage interest rates, the high percentage of the population already owning a home and personal savings have led to rapid price growth in 2021. According to data collected by ValorEasy, the average transaction price of apartments in the secondary market in Bucharest reached EUR 1,500 /sqm (+11% compared to 2020).

According to the SVN estimates the average price of new residential units increased in 2021 by 15% compared to 2020, and there is a high probability that this growth rate will continue in 2022. At the same time, SVN estimates that growth will be felt less in the mid-market segment, which owned more than 40% of new supply in 2021, amid an increase in the price cap for which 5% VAT is applied.

In the figure below you can find the average rental price requested per usable sqm, expressed in EUR, as well as the average selling price requested, using the same units of measurement, differentiated by areas of Bucharest, in December 2021.





Source: JLL.

The average price per square meter of a standard apartment of 120 sqm is 1,701 EUR, in the case of Bucharest. Referring to the Spanish capital, Madrid, where the average price per usable square meter of an apartment is EUR 4,978, to the capital of Hungary, Budapest, which is also an emerging country, where the same average price is 2,515 EUR, or to Warsaw, the capital of Poland, where the average price is 2,793 EUR, we notice another major percentage difference between the value of residential properties at the level of European capitals, to the detriment of Romania (Source: Global Property Guide).

### Bucharest office market

#### Office market information in 2021

After a very difficult period in the pandemic year 2020, demand for office space started to recover gradually during 2021. According to the analysis carried out by JLL on the real estate market in Romania, during 2021, in the office space segment in Bucharest, about 244,300 sqm were delivered, an increase of 57% compared to 2020, but below the approximately 286,000 sqm delivered in 2019.

The latest statistics published by JLL reveal that the total volume of gross transactions in Bucharest in Q4 2021 reached 84,300 sqm, up by 17.6% compared to the previous quarter of 2021 and by over 53.5% higher than in Q4 2020.

According to Cushman & Wakefield Echinox Bucharest Office Q4 2021 Marketbeat, in Q4 2021 two new office

buildings were delivered in Bucharest in Q4 2021, one of the two being the first phase of the One Cotroceni Park mixed-use development (46,000 sqm GLA). Taking into account all the additional modern office space delivered during 2021, the aggregate leasable area of offices in Bucharest is approaching the threshold of 3.2 million sqm, (excluding owner-occupied buildings), the vacancy rate increased slightly to 14.9%. A large gap is still observed for Class A and Class B office buildings, with a vacancy rate of 12.5% for Class A offices and a vacancy rate of 23% for Class B offices respectively.

Consultants at real estate consultancy company *Colliers* believe that the low supply of modern office space in Bucharest, at only approx. 1,300 square meters per 1,000 inhabitants (even without considering that the metropolitan area has probably more than 2.4 million inhabitants), is an isolating factor in the long term and they rather expect the modern office stock to start growing again in a few years. For comparison, Warsaw has about 2,000 square meters of office space per 1,000 inhabitants, and Amsterdam - 1,800 square meters of office space. The data cited by *Colliers* is based on figures obtained by the *Bucharest Research Forum*.

Total leasing activity of 85,400 sqm was recorded in Q4 2021, bringing total demand for 2021 to 298,300 sqm, up by 26% from 2020. Net occupancy (excluding renewals) had an annual share of 57%, higher than in 2020 (54%). The most active tenants in 2021 came from Transportation & Telecommunications (31% market share of the total absorption), Healthcare & Pharmaceuticals (14%) and Manufacturing/Industry (7%).

#### *Expectations regarding the deliveries of office space in Bucharest in 2022.*

According to the real estate consultancy company, *Colliers*, key real estate market trends in 2022 include the return of the office segment as employees return to the office, a much greater focus on building sustainability, which has long been a necessity rather than a fad, another good period for the industrial and logistics segment, and the return of the retail segment, with a focus on regional centres and secondary or tertiary cities (*Source: Colliers*).

New office buildings totalling approximately 224,000 sqm are currently under construction and are expected to be delivered in 2022 and 2023, a slightly reduced pipeline compared to 2020 - 2021. Note that One Cotroceni Park Phase II is one of the most important deliveries announced in the next two years.

Given the existing projects in progress and the absorption potential of office space currently available, there is a strong indication that annual absorption volumes of over 300,000 sqm will become the norm in the next 4-5 years.

*Colliers* specialists predict that the vacancy rate for office space will probably peak at over 20% for Bucharest in 2022 and it will take at least a few years for the market to return to a more neutral position compared to today's tenant market, but the recovery will be uneven. As the big global companies show clear signs that they want to get their employees back in the office and local firms are expected to do the same. *Colliers* consultants point out that good, well-located and well-connected buildings will fare much better, while the rest will be forced to compensate by offering bigger rent discounts, widening the gap between the best buildings and the rest. There are also signs that new (large) tenants will enter the Bucharest office market, which will, over time, compensate for the fact that some (not all) companies are reducing their occupied office space due to hybrid working. (*Source: Colliers*)

#### *The level of rents in office buildings in Bucharest*

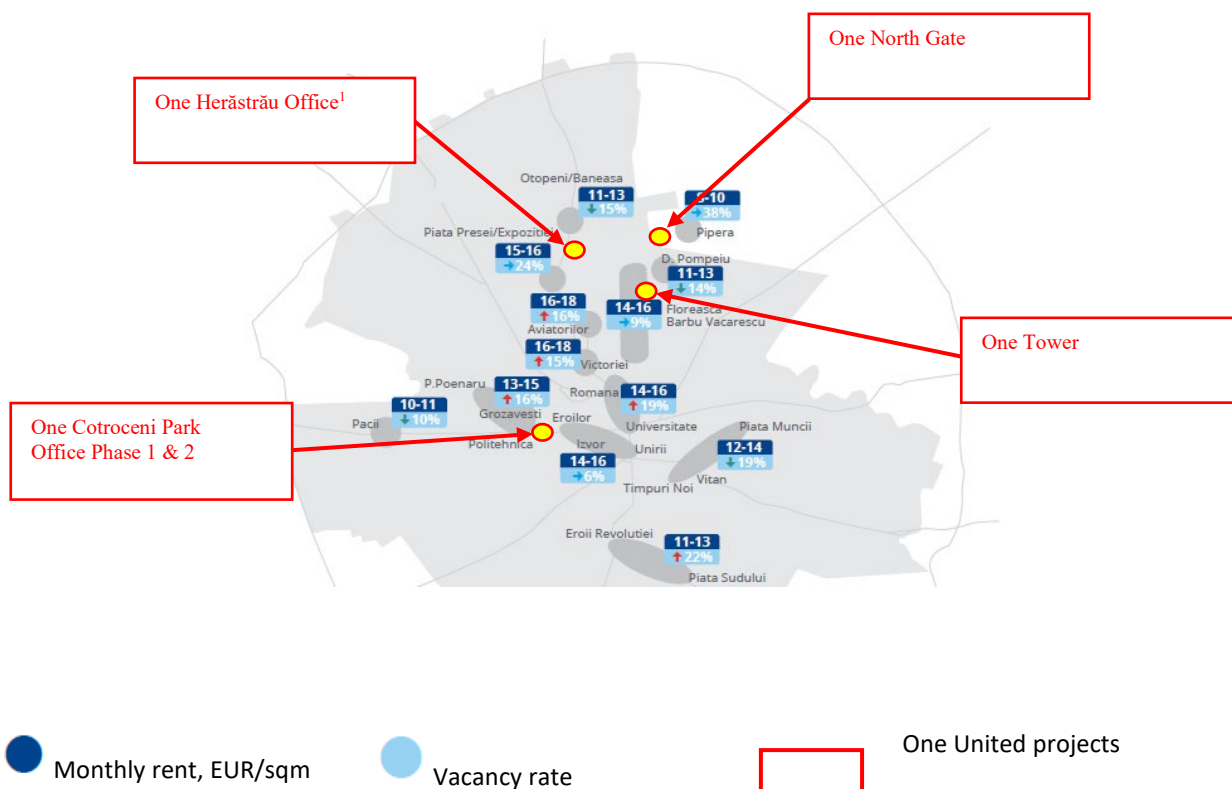
After the outbreak of the SarsCov2 virus, rent levels on the office space market were dictated by tenants. Thus, office landlords were faced with the pressing situation of accepting contracts for less than five years (considered standard) or with unilateral termination options from tenants.

The level of rents has also been under pressure in terms of the emergence and growth of the sub-leasing market, which offers potential tenants offices already arranged for attractive rents and in flexible conditions. However, premium buildings do not experience major disruptions in rents, as they are able to attract large tenants and historically these types of buildings have had significantly lower vacancy rates than older and/or non-premium buildings. The risk of falling rents is more pronounced for older, poorly positioned buildings, where landlords may have to reduce rents by 5-10% in order to remain competitive with newer, premium buildings. In fact, the vacancy rate for office buildings in 2020 has been recorded mainly in older, B or C category buildings.

As for rents in the main areas of Bucharest, Cushman & Wakefield assesses that they remained stable in Q4, ranging between 18.00-18.50 Euro/sqm/month in the CBD area, while values of 17.50-18.00 euro/sqm/month are recorded in downtown and in the Floreasca - Barbu Văcărescu sub-markets, as a small increase is expected for the CBD area by the end of 2022.

The graph below shows the average value of the monthly rent in EUR per square meter, in various office poles in

Bucharest, in January 2022, as well as the vacancy rate of the buildings, at the same reference time. The Issuer's office projects, as well as its average monthly rent, are also highlighted.



Source: Colliers, the Issuer.

<sup>1</sup> 20% owned and operated by the Group

## PART 11

### ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT AND THEIR PRACTICES

#### BOARD OF DIRECTORS

The Issuer has an administrative structure in a unitary system composed of seven (7) directors.

The Board of Directors comprises the executive members ("**Executive Directors**") and the non-executive members ("**Non- Executive Directors**"). The members of the Board of Directors are appointed and revoked by the GMS. On the date of this Prospectus, the Board of Directors is composed of the Directors mentioned below. The composition of the Board of Directors will be the same at the closing of the Offer and at the time of Admission:

| Name                     | Age | Title  | Date of expiry of the mandate |
|--------------------------|-----|--|-------------------------------|
| Victor Căpitanu          | 42  | Executive Director (Co-General Manager)                    | 26.04.2023                    |
| Andrei-Liviu Diaconescu  | 46  | Executive Director (Co-General Manager)                    | 26.04.2023                    |
| Claudio Cisullo          | 58  | Non-Executive Director, Chairman of the Board of Directors | 26.04.2023 <sup>2</sup>       |
| Magdalena Součková       | 60  | Non-executive Director                                     | 26.04.2023                    |
| Dragoș-Horia Manda       | 61  | Non-executive Director                                     | 26.04.2023                    |
| Dragic Valeria - Augusta | 55  | Non-executive Director                                     | 26.04.2023                    |
| Marius-Mihail Diaconu    | 48  | Non-executive Director                                     | 26.04.2023                    |

The official correspondence address of the members of the Board of Directors is the working point of the Issuer, located at ONE Tower, 165 Calea Floreasca, District 1, 014459, Bucharest, Romania.

#### ***Victor Căpitanu (Founding Shareholder, Manager)***

Mr. Căpitanu is one of the two Founding Shareholders. He is a graduate of the Faculty of Finance - Banking within the Academy of Economic Studies in Bucharest and holds a CFA<sup>®</sup> Institute<sup>3</sup> degree since 2005. He attended an Executive Private Equity Program at Harvard University and an Executive Program at Singularity University in Silicon Valley.

He started his career in 2000, at Alpha Bank, where he met Mr. Diaconescu, continuing his career at Bancpost from 2003 to 2005, when he founded Capital Partners company with Mr. Diaconescu (independent investment banking company, fully acquired by Banca Transilvania in 2016).

#### ***Andrei-Liviu Diaconescu (Co-General Manager)***

Mr. Diaconescu is one of the two Founding Shareholders. He holds an Executive EMBA from ASEBUSS<sup>4</sup> and a degree in International Law from the University of Macedonia in Thessaloniki.

Mr. Diaconescu began his career in 1997 at Alpha Bank and held several management positions within it, until 2003 when he took over the position of Large Corporates Division Manager at Bancpost. In 2005 he founded the company Capital Partners with Mr. Victor Căpitanu, (independent investment banking company, fully acquired by Banca Transilvania in 2016).

#### ***Claudio Cisullo (Chairman of the Board of Directors, independent Non-executive Director)***

Mr. Claudio Cisullo is the founder and president of CC Trust Group AG, a company active internationally in investments in biotechnology, goods, leisure, pharmaceuticals, professional services, real estate and technology sectors. Mr. Cisullo has over 30 years of experience, being one of the most successful Swiss entrepreneurs, being the

<sup>3</sup> <https://www.cfainstitute.org/en/>

<sup>4</sup> <https://www.asebuss.ro>

founder and executive chairman of Chain IQ Group AG, the chairman of ACC One Holding AG, a board member of Ringier AG, a member of the board of the Swiss Foundation for Entrepreneurs, founder and chairman of the global network the Circle. He holds an MBA from St. Gallen, Switzerland.

Starting with 2017, he is an active investor on the residential and commercial real estate market in Romania

Mr. Cisullo joined the Issuer's Board of Directors in September 2020, being appointed Chairman of the Issuer's Board of Directors on May 20, 2021.

***Dragoș-Horia Manda (independent Non-Executive Director)***

Mr. Manda has over 23 years of experience in the field of "private equity" in South-Eastern Europe and has held and continues to hold a significant number of positions as chairman or board director in portfolio companies of the three investment funds managed by Axxess Capital, namely RAEF (Romanian American Enterprise Fund), BAF (Balkan Accession Fund) and EEAF (Emerging Europe Accession Fund), mainly in financial services companies, banks and NFIs.

Throughout his career, Mr. Manda has personally overseen capital investments of over EUR 200 million, with successful projects in various industries such as IT, retail, financial services, energy and manufacturing.

Mr. Manda holds a PhD in Mathematics from the University of Paris VII, France (1993), an MBA (summa cum laude) from the Romanian-Canadian MBA Program (McGill, University of Quebec - Montreal, ASE Bucharest, 1996) and an MSc in Theoretical Physics from the University of Bucharest (1984).

Mr. Manda joined the Board of Directors of the Issuer in April 2019.

***Magdalena Součková (independent Non-Executive Director)***

Mrs. Součková has over 30 years of experience in providing audit and advisory services, having served as Country Managing Partner for EY (Ernst & Young) in the Czech Republic from 2008 until December 2021. From 2011 to 2020 she was also a Managing Partner of Central Cluster (Czech Republic, Slovakia, Hungary, Slovenia, Serbia, Croatia, Bosnia and Herzegovina and Montenegro) and represented Central Cluster in the Board of Directors of the CESA region (Central, Eastern and Southern Europe and Central Asia). She is also a board member of numerous institutions and organizations, such as the American Chamber of Commerce in the Czech Republic, CARE, the Czech National Trust, the University of New York in Prague and Espira Investment.

In terms of education, Ms. Součková graduated from the University of Massachusetts - USA and holds a certificate of completion from the Harvard - Journey to the Boardroom program. Mrs. Součková is also a registered statutory auditor in the Czech Republic.

Ms. Součková joined the Issuer's Board of Directors in April 2022.

***Dragic Augusta Valeria (independent Non-Executive Director)***

Ms. Dragic is one of the founders of Superbet group, one of the market leaders in Romania. Ms. Dragic has served as Chief Human Resources Officer of the Superbet Group and is currently Chairman of the Board of Directors of the Superbet Foundation.

Throughout her career, she has held the position of Country Manager at Mozart Services, as well as HR and Legal Director at Woodex S.A.

She holds a degree from Carol Davila University of Medicine and Pharmacy, Bucharest.

Ms. Dragic joined the Issuer's Board of Directors in April 2022.

***Marius-Mihail Diaconu (independent Non-Executive Director)***

Mr. Diaconu is an investor with over 20 years of experience, having invested in areas such as animal health, real estate, IT, agriculture, entertainment, industrial services that were developed in Europe, Asia and the USA. Mr. Diaconu founded Altius SA in 1999, being at the same time the company's General Manager, market leader for animal health products and the largest importer in Romania in this area, with a regional presence, including Bulgaria and Moldova.

Mr. Diaconu is an economist by profession and holds a degree in Marketing from the Academy of Economic Studies in Bucharest (1997).

Mr. Diaconu joined the Issuer's Board of Directors in September 2020.

## MANAGEMENT TEAM

The Directors of the Issuer are:

| Name                          | Age | Title                   | Expiry date<br>of term of office |
|-------------------------------|-----|-------------------------|----------------------------------|
| Victor Căpitanu .....         | 42  | Chief Executive Officer | 26.04.2023                       |
| Andrei-Liviu Diaconescu.....  | 46  | Chief Executive Officer | 26.04.2023                       |
| Valentin Cosmin Samoilă ..... | 39  | Financial Manager       | 26.04.2023                       |

The address where the Board of Directors regularly carries out its activity is the Issuer's working point located at ONE Tower, 165 Calea Floreasca, District 1, 014459, Bucharest, Romania.

Also included below are the biographical details of key persons in the Group, namely Ms. Beatrice-Georgeta Dumitrașcu (CEO of the Residential Sales Division), Mr. Mihai-Armand Păduroiu (CEO Office Leasing) and of Mr. Alexandru Victor Savi-Nims (Chief Legal Officer).

### Biographical details of the Issuer's management team

The biographical details of Mr. Diaconescu and Mr. Căpitanu were presented above.

#### *Valentin Cosmin Samoilă (Chief Financial Officer)*

Mr. Samoilă has been the Issuer's Chief Financial Officer since 2021. Before joining the Issuer, he was for 4 years the financial director of Sixt Romania Group one of the most important companies active on the car rental market and for 10 years an employee of Adama Holding Group (part of the Immofinanz group), an important developer, where, as head of Control and director, he coordinated all financial aspects of more than 60 assets, located in Romania and in several countries in South-Eastern Europe. During this period, he oversaw the development of over 2000 residential units and the management of commercial and industrial assets of Adama Holding Group (part of Immofinanz).

Mr. Samoilă began his professional career at Ernst & Young, where he was a senior auditor. He graduated from the Academy of Economic Studies in Bucharest, is an accounting expert in Romania and a member of ACCA.

### Biographical details of other persons with important positions at Group level

#### *Beatrice-Georgeta Dumitrașcu (CEO of the Residential Sales Division)*

Ms. Dumitrașcu joined the Group in 2013, as Sales Manager, being responsible for managing the sales processes of the entire residential portfolio of the Group, generating significant revenue for the Group and maintaining quality services for both customers and owners.

Ms. Dumitrașcu graduated from the Faculty of Journalism. She has a 20-year career in sales and marketing and has dedicated her last 17 years to the real estate industry, collaborating with most of the important companies on the market. Such as Forum Invest Romania, Anchor Group, Eurisko Consulting, Tiriac Imobiliare, Coldwell Banker. Ms. Dumitrașcu has built her professional skills over the years in projects involving sales, marketing, communication, project management, events and real estate sales.

#### *Mihai-Armand Păduroiu (CEO Office Leasing)*

Mr. Păduroiu joined the Group starting with November 2019. Mr. Păduroiu has a long career in the local real estate market, in some of the largest international consulting companies. During the 14 years of activity in this field, he was involved in numerous relocation, consolidation and entry processes on the Romanian market, both for multinational and local companies, trading over 500,000 sqm of office premises throughout this period.

In his current role, Mr. Păduroiu coordinates the rental of all office projects owned or managed by the Issuer, as well as strengthening the relationship with tenants, in order to maximize the satisfaction of all occupants in commercial developments under the ONE brand.

Mr. Păduroiu holds a degree in International Economic Relations from the Academy of Economic Studies and has been a member of the RICS (Royal Institution of Chartered Surveyors) since 2016.

### ***Alexandru Victor Savi-Nims (Chief Legal Officer)***

Mr. Alexandru-Victor Savi-Nims has been the Group's Chief Legal Officer since December 2019. Mr. Savi-Nims is an experienced lawyer with extensive experience in business law, gained by coordinating integrated legal services in real estate development and construction, M&A, banking and financing law, but also in corporate and commercial law in general. He collaborated with the law firm Mitel & Asociații, managing a portfolio of international clients with projects in the real estate and M&A field, and then with Alexandrion Group, where he coordinated the Legal Department. He is a graduate of Nicolae Titulescu University of Bucharest (2000) and holds a Master's degree in Business Law (2006) and a Master's degree in Science - Ecology and Sustainable Development from the University of Bucharest - UNESCO Cousteau Chair (2004). He has been a member of the Bucharest Bar and of the National Union of Romanian Bars since November 2003.

### ***Details about the nature of any kinship relationship***

From the information available to the Issuer, there are currently no kinship relations between any of the members of the Board of Directors and / or its Directors.

### ***Details of disputes relating to Managers and Directors***

During the five years prior to the date of this document, none of the Directors and/or Managers:

- (i) has been convicted of fraud;
- (ii) has been a member of the administrative, management or supervisory bodies or director or member of the management of any company on the date on which they went bankrupt, judicial administration or liquidation; or
- (iii) has been prosecuted and/or has been sanctioned by any statutory or regulatory body (including professional bodies designated for the application of sanctions) and has never been barred by the court from serving as a member of a administration, management or supervision of a company or to be involved in the management or conduct of the business of a company.

### ***Functions held by the members of the Board of Directors and the Managers***

In addition to the management positions held at the level of the Issuer, the Directors and Managers of the Issuer hold or have held, in the last five (5) years, the following positions:

| <b>Name</b>             | <b>Entity</b>                               | <b>Title</b>                            | <b>Current position<br/>(yes/no)</b> |
|-------------------------|---|---|--------------------------------------|
| Andrei-Liviu Diaconescu | One Holding OA S.R.L.                       | Director                                | Yes                                  |
|                         | One Energy Division S.R.L.                  | Director                                | Yes                                  |
|                         | Blue Capital S.A.                           | Director                                | No                                   |
|                         | Ploiești Logistics S.R.L.                   | Director                                | No                                   |
|                         | OA Liviu Holdings Invest S.R.L.             | Director                                | Yes                                  |
| Victor Căpitanu         | Vinci Ver Holding SRL                       | Director                                | Yes                                  |
|                         | OLTV SAS (France)                           | Chairman                                | Yes                                  |
|                         | One Holding Investments SRL                 | Director                                | Yes                                  |
|                         | One Holding VER SRL                         | Director                                | Yes                                  |
|                         | CCT & ONE AG (Switzerland)                  | Vice-Chairman of the Board of Directors | Yes                                  |
| Claudio Cisullo         | One Long Term Investments S.R.L.            | Director                                | Yes                                  |
|                         | CCT & ONE AG (Switzerland)                  | Chairman of the Board of Directors      | Yes                                  |
|                         | ACC One Holding AG (Switzerland)            | Chairman of the Board of Directors      | Yes                                  |
|                         | Swiss Entrepreneurs Foundation, Switzerland | Member of the Board of Trustees         | Yes                                  |
|                         | ACC Investments S.R.L.                      | Chairman of the Board of Directors      | Yes                                  |

| <b>Name</b>            | <b>Entity</b>   | <b>Title</b>                        | <b>Current position<br/>(yes/no)</b> |
|------------------------|---|-------------------------------------|--------------------------------------|
| Dragoș-Horia Manda     | Admeira AG (Switzerland)  | Member of the Board of Directors    | No                                   |
|                        | Ringier Axel Springer Schweiz AG, (Switzerland)                   | Member of the Board of Directors    | No                                   |
|                        | Law and Economics Foundation, University St. Gallen (Switzerland) | Member of the Board of Trustees     | Yes                                  |
|                        | The Center for Global Enterprise (United States)                  | Member of the Board of Directors    | No                                   |
|                        | Chain IQ Group AG (Switzerland)                                   | Executive Chairman                  | Yes                                  |
|                        | Ringier AG (Switzerland)  | Member of the Board of Directors    | Yes                                  |
|                        | UBS Industrialization Advisory Board                              | Chairman                            | No                                   |
|                        | ValuePlus AG (Switzerland)  | Chairman of the Board of Directors  | Yes                                  |
|                        | CC Trust Group AG (Switzerland)                                   | Chairman of the Board of Directors  | Yes                                  |
|                        | ACC Investments S.R.L.  | Director                            | Yes                                  |
|                        | ACC One Residences Green S.R.L.                                   | Director                            | Yes                                  |
|                        | ACC One Residences Lux Proximus S.R.L.                            | Director                            | Yes                                  |
|                        | ACC One Residences Lux Prime S.R.L.                               | Director                            | Yes                                  |
|                        | ACC One Residences S.R.L.   | Director                            | Yes                                  |
|                        | Chain IQ Services S.R.L.  | Director                            | Yes                                  |
|                        | Axxess Capital Partners SA  | Director                            | Yes                                  |
|                        | Patria Bank S.A.  | Chairman of the Board of Directors  | Yes                                  |
|                        | Bitdefender B.V.  | Member of the Board of Directors    | Yes                                  |
|                        | Seacorn LLP, UK   | Managing Partner                    | Yes                                  |
|                        | South - Eastern Europe Capital Partner LLP                        | Managing Partner                    | Yes                                  |
| Marius-Mihail Diaconu  | ROPEA (Romanian Private Equity Association)                       | Chairman of the Board of Directors  | Yes                                  |
|                        | Deutek S.A.   | Member of the Board of Directors    | No                                   |
|                        | Altius Group S.R.L.   | Director                            | Yes                                  |
| Dragic Augusta-Valeria | Altius S.A.   | Director                            | Yes                                  |
|                        | Praxis Trading S.R.L.   | Director                            | Yes                                  |
|                        | Advanced Biz Solutions S.R.L.                                     | Director                            | Yes                                  |
|                        | Anima Proprietati S.R.L.  | Director                            | Yes                                  |
|                        | Asa Best Investments S.R.L.                                       | Director                            | Yes                                  |
|                        | Asa Imobiliare 1 S.R.L.   | Director                            | Yes                                  |
|                        | Asa Imobiliare First S.R.L.                                       | Director                            | Yes                                  |
|                        | Asa Proprietati S.R.L.  | Director                            | Yes                                  |
|                        | Cyclical Pictures S.R.L.  | Director                            | Yes                                  |
|                        | D Craig Finance S.A.  | Director                            | Yes                                  |
| Magdalena Součková     | D Craig Holding S.A.  | Director                            | Yes                                  |
|                        | Ernst & Young Ltd. (the Czech Republic)                           | Country Managing Partner            | Yes                                  |
|                        | Central Cluster   | Managing Partner and Representative | Yes                                  |
|                        | American Chamber of Commerce in the Czech Republic                | Member of the Board of Directors    | Yes                                  |



| <b>Name</b>             | <b>Entity</b>                 | <b>Title</b>                          | <b>Current position<br/>(yes/no)</b> |
|-------------------------|-------------------------------|---------------------------------------|--------------------------------------|
|                         | CARE                          | Member of the Board of Directors      | Yes                                  |
|                         | Czech National Trust          | Member of the Supervisory board       | Yes                                  |
|                         | University of New York Prague | Member of the External Advisory Board | Yes                                  |
|                         | Espira Investments            | Member of the Advisory Board          | Yes                                  |
| Valentin Cosmin Samoilă | Union Motors Car Sales S.R.L. | Representative                        | No                                   |
|                         | New Kopel Car Sales S.R.L.    | Representative                        | No                                   |
|                         | New Kopel Romania S.R.L.      | Representative                        | No                                   |
|                         | Union Motors Romana S.R.L.    | Representative                        | No                                   |
|                         | Roua Vest S.R.L.              | Director                              | No                                   |
|                         | Bucur Obor S.A.               | Director, Chairman of the Board       | Yes                                  |

## MANAGEMENT

The Board of Directors is collectively responsible for the general activities of the Issuer, for fulfilling all the necessary and useful acts for the achievement of the Issuer's object of activity, except those reserved by law to the GMS, and the Issuer's management is delegated to the Executive Administrators, who are also the Issuer's Directors. The directors are responsible for taking all measures related to the management of the Issuer, within the limits of the Issuer's object of activity and for observing the limits imposed by the Board of Directors.

The Board of Directors may not delegate the following powers to a Director: (i) the establishment of the Issuer's principal areas of activity and development, (ii) the establishment of accounting policies and the financial control system, as well as the approval of financial planning, (iii) the appointment and revocation of Directors, the supervision of Directors' activity and their remuneration, (iv) approval of the mandate contracts of the Directors, (v) preparing the annual report, organizing the GMS and implementing its decisions, (vi) introducing the request for opening the insolvency procedure of the Issuer, (vii) fulfilling the duties delegated by the Board of Directors to the GMS, (viii) the representation of the Issuer in its relationships with the Directors, (ix) the relocation of the Issuer's headquarters, (x) the change of the Issuer's object of activity (except for the Issuer's main field and activity which can be modified only by extraordinary GMS).

The Board of Directors is jointly and severally liable to the Issuer for: (i) making the payments made by the Issuer's shareholders, (ii) the actual existence of the dividends paid, (iii) the existence of the registers required by law and their correct keeping, (iv) the exact fulfillment of the GMS decisions and (v) the strict fulfillment of the duties the law and the Articles of Incorporation impose.

The Executive Directors, respectively the Directors of the Issuer, are responsible for managing the day-to-day activities of the Issuer and are responsible for meeting the objectives and strategy of the Issuer, the appropriate risk profile, performance trends and results and corporate social responsibility issues relevant to the activity of the Group. Non-Executive Directors are, inter alia, responsible for overseeing the management of Executive Directors and the overall conduct of the Issuer's activities, providing assistance to Executive Directors by providing advice. In addition, both Executive and Non-Executive Directors must perform their duties as specifically assigned to them by the Articles of Incorporation. Each Director has the duty to properly perform the duties assigned to him and to act in the interest of the Issuer. Tasks that have not been specifically allocated fall within the remit of the Board of Directors as a whole. All Directors remain collectively responsible for good management as a whole, regardless of the allocation of tasks. The Board of Directors will be composed of seven (7) members, of which two (2) members are Executive Directors and five (5) members will be Non-Executive Directors. A number of five (5) Non-Executive Directors are independent, within the meaning of the Corporate Governance Code of BVB.

Candidates for membership positions on the Board of Directors may be nominated by shareholders or other members of the Board of Directors in office. The Chairman of the Board of Directors is appointed by the members of the Board of Directors, with a simple majority of the members present. In the event of a vacancy for a member of the Board of

Directors, it shall meet and elect a interim member until the OGMS meeting, with the appointment of a member of the Board of Directors on the agenda.

Each member of the Board of Directors will conclude with the Issuer a mandate contract for the duration of his term of office as a member of the Board of Directors, which will stipulate the rights and obligations of that member towards the Issuer and the remuneration received by that member. The current contracts concluded by the non-executive members of the Board of Directors, respectively Managers that do not hold the capacity as member of the Board of Directors, provide in case of early termination of the mandate, compensations of up to three (3) times their monthly remuneration. Compensation on termination will not be granted if the contract is terminated at the initiative of the person concerned or in the event of gross negligence or significant misconduct on the part of the relevant non-executive member of the Board of Directors/relevant director. The Board of Directors will negotiate the compensation, up to the limit so determined.

## **Functioning of the Board of Directors**

### ***Meetings of the Board of Directors***

The Board of Directors will meet in regular meetings, convened by the Chairman of the Board of Directors, once every three (3) months. The convocation for the regular meetings shall be sent to all members of the Board of Directors at least three (3) calendar days before the proposed date for the regular meeting.

When the situation so requires, special meetings of the Board of Directors may be convened, either by the Chairman of the Board of Directors or at the reasoned request of two members of the Board of Directors or any of the Issuer's General Managers, in each case by written notice, transmitted to each member of the Board of Directors at least one (1) calendar day before the date of the meeting.

Notices of meetings of the Board of Directors will be sent in writing, by courier, registered letter with acknowledgment of receipt or e-mail and will include the proposed agenda with supporting materials, location of the meeting and any other additional documentation, as the Chairman of the Board will considered necessary.

Meetings of the Board of Directors may be held at any time without notice if all members of the Board of Directors are present or if those who are not present have expressly waived in writing the requirement to receive a notice of meeting.

The Board of Directors may hold meetings by telephone or video conference or by correspondence. The content of the minutes drawn up following such a meeting of the Board of Directors shall be confirmed in writing by all members who attended the meeting.

Mr. Daniel Dines, founder and CEO of UiPath or a person designated by Mr. Daniel Dines has the right to participate, as permanent guest, at the meetings of the Board of Directors.

### ***Voting during the meetings of the Board of Directors***

The Board of Directors is legally convened if at least four (4) of its members are present or represented, and decisions can be taken in this case with the affirmative vote of at least three (3) members of the Board of Directors, present or represented at the meeting.

The members of the Board of Directors may be represented by other members of the Board of Directors, by a special power of attorney. A member of the Board of Directors may represent only one other member of the Board of Directors at a meeting.

### ***The Issuer's Managers***

The Managers of the Issuer are appointed by the Board of Directors for a term of two (2) years, with the possibility of being re-elected for subsequent terms.

The Managers of the Issuer are responsible for taking all measures related to the management of the Issuer, within the limits of the Issuer's object of activity and in compliance with the exclusive competencies reserved by law and by the Articles of Incorporation to the GMS and the Board of Directors.

The Managers of the Issuer, respectively the General Manager and the other Managers, represent separately the Issuer in relation to third parties and in court, each of them acting separately in the name and on behalf of the Issuer with full powers.

### ***Committees of the Board of Directors***

The Board of Directors has set up three (3) committees of the Board of Directors: the risk and audit committee ("**Risk and Audit Committee**") and the nomination and remuneration committee ("**Nomination and Remuneration Committee**") and the environmental, social and corporate governance committee ("**Environmental, Social and Corporate Governance Committee**"). The Committees of the Board of Directors have a preparatory and / or advisory role for the Board of Directors.

#### ***Risk and Audit Committee***

The Risk and Audit Committee consists of at least two (2) Non-executive Directors, being currently composed of three (3) members. The members of the Risk and Audit Committee are Horia Dragos Manda, Magdalena Součková and Marius-Mihail Diaconu. Mr. Horia-Dragos Manda is the Chairman of the Committee. Messrs. Andrei Diaconescu and Cosmin Samoilă are permanent guests.

The Risk and Audit Committee assists the Board of Directors in carrying out its duties on the internal audit, as well as an advisory function on the Issuer's strategy and policy on the internal control system, internal audit and external audit, as well as controlling how significant risks are managed.

#### ***Terms of Reference of the Risk and Audit Committee***

The following is a summary of the terms of reference of the Risk and Audit Committee.

The Risk and Audit Committee has the role of assisting the Board of Directors in achieving its internal audit duties as well as an advisory role in relation to the Company's internal control strategy and policy, internal and external audit as well as material risk management control. The purpose of the Risk and Audit Committee is as follows: to supervise all the audit and risk related matters at Company level:

- (a) to verify and control the adequacy, independence and effectiveness of the internal audit department
- (b) to review and verify the accuracy of the Company's financial statements and other material reports;
- (c) to monitor and verify the independence, objectiveness and efficiency of the external auditor;
- (d) review and control the adequacy, independence and effectiveness of the risk management department;
- (e) closely monitor the Company's risk profile and key exposures and report relevant information to the Board of Directors on a regular basis.

The Risk and Audit Committee also makes recommendations to the Board of Directors regarding the nomination it makes to the OGMS regarding the persons from whom the external auditor of the Issuer will be appointed and prepares the meetings of the Board of Directors, during which the Board of Directors' Report, the annual financial statements of the Issuer, the half-yearly financial information and the quarterly financial reports of the Issuer will be discussed.

In addition, the Risk and Audit Committee will conduct an annual evaluation of the Issuer's internal control system, assessing the effectiveness of this system, the adequacy of the risk management and internal control reports submitted to the Risk and Audit Committee, as well as the promptness and the effectiveness of management in addressing the deficiencies or weaknesses found in terms of internal control.

The Risk and Audit Committee will also evaluate the effectiveness of the Issuer's risk management system, monitor the application of the statutory and generally accepted internal audit standards and will evaluate the situations of conflicts of interest within the transactions concluded by the Issuer and / or any of its subsidiaries with affiliated parties.

The Risk and Audit Committee will meet whenever necessary for its proper functioning, at least four (4) times a year, so that the dates of the meetings coincide with the key dates in the financial reporting and audit cycle.

#### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee is composed of at least two (2) Non-executive Directors, being currently formed of three (3) members. The members of the Nomination and Remuneration Committee are Claudio Cisullo (Chairman of the Board of Directors), Victor Capitanu and Dragic Augusta-Valeria. Mr. Claudio Cisullo is Chairman of the Nomination and Remuneration Committee.

The purpose of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its

responsibilities, by establishing the principles for selecting candidates for the position of member of the Board of Directors, selecting candidates for election or re-election as a member of the Board of Directors, involvement in the selection process of the directors, remuneration of the administrators and directors of the Issuer and formulation of proposals to be submitted to the decision of the Board of Directors.

*Terms of Reference of the Nomination and Remuneration Committee*

Below is a summary of the terms of reference of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee shall assist the Board of Directors in supervising, inter alia:

- (a) the preparing and establishing of the criteria for selecting the members of the Board of Directors, including the criteria for assessing their independence;
- (b) the evaluation and proposal of candidates by the Board of Directors in order to appoint, reappointment or revoke them in / from the position of member of the Board of Directors;
- (c) the ensuring that the candidates for the position of member of the Board of Directors have the necessary training and experience to perform their duties;
- (d) establishing and submitting for the approval of the Board of Directors of the selection procedure for the directors; establishing selection criteria for directors; final evaluation of the candidates for the position of directors in order to appoint and conclude the mandate contract;
- (e) the drafting of a proposal on the remuneration policy to be followed, a policy that will be adopted by the OGMS;
- (f) the issuing of recommendations and the formulation of a proposal on the remuneration of each member of the Board of Directors and the directors, within the limits of the remuneration policy. That proposal shall in any case contain:
  - remuneration structure; and
  - the amount of fixed remuneration, the shares and / or options to be granted and / or other components of variable remuneration, the performance criteria used, the analyzes performed on the working assumptions and the ratio to the maximum and minimum salary limits within the Issuer and its affiliated companies;

When drafting the proposal on the remuneration of Directors, the Nomination and Remuneration Committee will take into account the individual opinions of the Directors regarding the value and structure of their own remuneration. The Nomination and Remuneration Committee will ask the Directors to pay attention to the aspects included in the remuneration policy;

- (g) elaboration of the remuneration report;
- (h) informing and advising the Board of Directors on any major changes in the employee benefit structures at the level of the Issuer or its subsidiaries; and
- (i) managing all aspects related to any share subscription program operated by the Issuer or to be established by the Issuer and intended for the persons holding management positions.

The Nomination and Remuneration Committee shall meet at least twice (2) a year on such dates as may be agreed by its members or established by the Chairman of the Committee.

***Environmental, Social and Corporate Governance Committee***

The Environmental, Social and Corporate Governance Committee is formed of three (3) members. The members of the Environmental, Social and Corporate Governance Committee are Victor Căpitanu, Andrei – Liviu Diaconescu and

Zuzanna Kurek. Mr. Victor Căpitanu is the chairman of the Environmental, Social and Corporate Governance Committee.

The purpose of the Environmental, Social and Corporate Governance Committee is to assist the Board of Directors in defining the Issuer's strategy on environmental, social and corporate governance issues by understanding how the Issuer's ability to create value is influenced by these issues, monitoring external environmental, social and corporate governance trends and understanding the associated risks and opportunities, as well as understanding the expectations of key stakeholders.

*The reference terms of the Environmental, Social and Corporate Governance Committee.*

Please find below a summary of the terms of reference of the Environmental, Social and Corporate Governance Committee.

The duties of the Environmental, Social and Corporate Governance Committee are:

- (a) to recommend to the Board of Directors of the Issuer an overall strategy on environmental, social, and corporate governance issues;
- (b) oversee the Issuer's policies, practices, and performance with respect to environmental, social, and corporate governance issues;
- (c) to oversee the Issuer's reporting standards (annual sustainability report) in relation to environmental, social, and corporate governance issues;
- (d) report to the Board of Directors on current and emerging issues related to environmental, social, and corporate governance matters that may affect the Issuer's business, operations, performance or public image or that are relevant to the Issuer and shareholders and, if appropriate, detail the actions taken in relation thereto;
- (e) monitor and review, as appropriate, any audit review or work carried out by external auditors, regulators or key rating agencies on environmental, social and corporate governance issues in relation thereto;
- (f) to assist the Board of Directors on shareholder proposals and other significant concerns of other stakeholders related to environmental, social and corporate governance issues;
- (g) to monitor and provide guidance on actions or initiatives taken to prevent, mitigate and manage risks related to environmental, social and corporate governance issues that may have a significant negative impact on the Issuer or are otherwise relevant to shareholders; and
- (h) to coordinate with the other Board Committees on specific overlapping environmental, social and corporate governance issues, e.g. risk reporting on these issues with the Risk and Audit Committee or targets on these issues in the Issuer's management and staff incentive plans with the Nomination and Remuneration Committee.

The Environmental, Social and Corporate Governance Committee shall meet at least twice a year.

### **Conflicts of Interest**

The members of the Board of Directors and the Directors of the Issuer hold various other functions within the Group, as well as in companies with which the Group enters into or may enter into transactions (such transactions being reported as related party transactions). In view of the above, in certain situations the members of the Board of Directors and the Directors of the Issuer may be in a situation of conflict of interest between their obligations towards the Issuer and their private interests and other obligations.

In the event of a conflict of interest, the respective members of the Board of Directors and Directors have the obligation to abstain from deliberations and voting, respectively to abstain in any other decision-making process or in connection with any act or fact, on which the respective conflict was born, as well as to report / reveal the respective conflict of interests.

Any transaction concluded between the Issuer and the persons mentioned above is concluded in terms equivalent to those prevailing in the transactions that take place at the market level, in compliance with the applicable legal and statutory provisions. See also Part 5 – "Selected Financial Information — Related Party Transactions".

**Information regarding any agreement or arrangement with the Main Shareholders, customers, suppliers or other persons, under which any of the members of the Board of Directors or the Directors has been elected / appointed.**

According to the agreement concluded between the Main Shareholders and the shareholder IceVulcan Properties Ltd. (controlled by Mr. Daniel Dines, founder and CEO of UiPath), Mr. Daniel Dines, founder and CEO of UiPath or a representative of that shareholder may attend the meetings of the Board of Directors, as a permanent guest. Up to the date of this Prospectus, this right has not been exercised.

**Details of any restriction accepted by any of the members of the Board of Directors or Directors regarding the sale, within a certain period of time, of the securities of the Issuer held by them.**

Not applicable

**REMUNERATION AND BENEFITS**

Amount of net remuneration paid to the members of the Board of Directors and to the Directors of the Issuer for the year ended December 31, 2021 was equal to RON 552,179, as compared to the year ended at 31 December 2020, when such amount was equal to RON 593,593:

On April 26, 2022, the Issuer's OGMS approved the remuneration of the non-executive members of the Board of Directors in a net amount of EUR 1,500 per month, to which the net amount of EUR 500 per month shall be added, as a case may be, payable in order to hold the position as Committee Chairman created at the level of the Board of Directors.

For the year ended 31 December 2021, the Issuer and its subsidiaries did not provide any conditional or deferred remuneration or benefits in kind for services of any kind provided for their benefit by the members of the Board of Directors and the Directors of the Issuer,

**SHARES AND SHARE OPTIONS**

Under the OGMS no. 54 of 19 April 2021, the Issuer approved the establishment of a stock option plan for the executive members of the Board of Directors, Victor Capitanu and Andrei-Liviu Diaconescu ("SOP"). On 26 April 2022, under the OGMS, the SOP was updated.

The SOP regards the granting of shares under the following conditions:

- the date on which the options for acquiring shares in the Issuer's share capital ("**the Options**"), considering the SOP update, is April 26, 2022;
- no amount will be paid by the beneficiaries for granting and / or exercising an Option;

In case of exercising the Options, newly issued shares will be allocated by the Issuer;

The performance conditions that must be met in order to exercise the Options are:

- (a) holding the position of executive member of the Board of Directors at the Performance Measurement Date (as defined below); and
- (b) reaching a price per share according to an algorithm established by the decision of the Board of Directors (hereinafter "**Performance Conditions**").

The fulfillment of the Performance Conditions will be evaluated by the non-executive members of the Issuer's Nomination and Remuneration Committee, at the latest by March 31 of the following year, for which the achievement of the target value of the price per share will be confirmed ("**Performance Measurement Date**"). The number of shares transferred to each participant under the allocation plan for each year for which the Performance Conditions were met is 11,701,200 ordinary shares (in case the conditions are accomplished with anticipation, the exercising of the options being able to be also anticipated), the total number of shares that can be transferred to both participants is thus equal to 58,506,000 ordinary shares.

In addition to the stock option plan referred to above, the Issuer also granted a number of 1,226,123 options for ordinary shares to Ms. Alexandra-Andreea Dinu, employee of the Issuer. The options of Ms. Dinu have become exercisable (free of charge) on October 5, 2021 and may be exercised until June 30, 2022, provided that it holds the status of employee of the Issuer on the date of exercise.

## **CORPORATE GOVERNANCE**

The Issuer complies with the Corporate Governance Code of BVB, as it applies to companies listed on the Securities Regulated Market of the Bucharest Stock Exchange, with the following difference:

The Nomination and Remuneration Committee has an executive member, Mr. Victor Căpitanu. The good corporate governance pursued by the Corporate Governance Code of BVB is achieved by the fact that Mr. Victor Căpitanu, in his capacity as founder of the Issuer, proved that his involvement is essential in the recruitment process of any members of the Board of Directors and Managers, but also in what concerns their remuneration for the positions held, by reference to the financial situation and strategy of the Issuer. The benefits of his presence on the Nomination and Remuneration Committee are therefore compatible with the Committee's mission.

The BVB Corporate Governance Code requires all companies listed on the Bucharest Stock Exchange to include a statement in their annual report on their compliance with the BVB Corporate Governance Code. Any non-compliance with the provisions of the Corporate Governance Code of BVB must be declared in a current report submitted to the Bucharest Stock Exchange, the principle applied being "apply or explain".

The Corporate Governance Code of BVB contains several principles and provisions that must be observed by the companies listed on the Bucharest Stock Exchange, regarding, among others, the composition, role, functioning and remuneration of management bodies, risk management and internal control, reporting financial information and disclosure of information.

## PART 12 MAJOR SHAREHOLDERS

The Issuer is controlled by OA Liviu Holding Invest S.R.L., a company controlled by the founding shareholder Mr. Andrei-Liviu Diaconescu and Vinci Ver Holding S.R.L., a company controlled by the founding shareholder Mr. Victor Căpitanu..

The table below indicates the participations of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. before the Offer and after the Offer.

| Shareholder                    | Participation immediately prior to the Offer | Participation immediately after the Offer <sup>1</sup> | Power to vote immediately after Offer <sup>2</sup> | Participation immediately after the Offer <sup>3</sup> | Power to vote immediately after the Offer <sup>4</sup> |
|--------------------------------|--|--|--|--|--|
| Vinci VER Holding S.R.L.       | 29.758%                                      | 29.58%   | 29.58%   | 26.376%  | 26.376%  |
| OA Liviu Holding Invest S.R.L. | 29,758%                                      | 29.758%  | 29.758%  | 26.376%  | 26.376%  |

<sup>1</sup>) Assuming that all the New Shares will be subscribed in the Offer and each of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. will subscribe for the maximum number of New Shares to which they would be entitled under the Preference Rights.

<sup>2</sup> The voting power is given by the Issuer's shares, held by each of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. immediately after the Offer and Admission, in the event that the Offer Size is set to the Maximum Offer Size and is determined based on the voting rights of each of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L., offered by the shares held, from the total voting rights of the issued shares of the Issuer, in the event that each of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. subscribe for the maximum number of New Shares to which they would be entitled under the Preference Rights.

<sup>3</sup> In the event that all New Shares are subscribed for under the Offer and none of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. subscribe for any New Shares.

<sup>4</sup> The voting power is given by the Issuer's shares held by each of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. immediately after the Offer and Admission, assuming that the Offer Size is set at the Maximum Offer Size and is determined on the basis of the voting rights of each of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L., conferred by the shares held, out of the total voting rights of the Issuer's issued shares, in the event that none of OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. subscribes for any New Shares.

At the date of the Prospectus, each of OA Liviu Holding Invest S.R.L., a company controlled by the founding shareholder Mr. Andrei-Liviu Diaconescu and Vinci Ver Holding S.R.L., a company controlled by the founding shareholder Mr. Victor Căpitanu, holds 766,012,422 shares, representing 29.7579% of the Issuer's share capital (representing a share of 29.7579% in the Issuer's profit or loss and 29.7579% of the total voting rights). OA Liviu Holding Invest S.R.L. and Vinci VER Holding S.R.L. thus hold together a number of 1,532,024.844 ordinary shares, representing 59.5159% of the Issuer's share capital (representing a share of 59.5159% in the Issuer's profit or loss and 59.5159% of the total voting rights), exercising control over the Issuer.

### AGREEMENTS WITH MAIN SHAREHOLDERS

At the date of this Prospectus, there are no agreements concluded by the Founding Shareholders whose application may generate, at a later date, a change of control over the Issuer.

### DILUTION

If all the New Shares are subscribed, the share capital of the Issuer will be increased by a number of 330,017,986 ordinary shares, with a nominal value of RON 0.2 each and a total nominal value of RON 66,033,597.2, representing a increase of approximately 12% compared to the level of the Issuer's share capital at the date of this Prospectus. The Offer is conducted in accordance with the exercising of the preference rights held by the Issuer's Preference Rights Holders registered in the Issuer's shareholders registry on the Registration Date. Consequently, if all registered Preference Rights Holders on the Registration Date would exercise their preference rights, no participation of any Preference Rights Holder would be diluted.



## PART 13

### REGULATORY FRAMEWORK

The main legal provisions applicable to the residential, commercial and office real estate market in which the Group operates are presented below. The purpose of the presentation below is only to introduce the general legal framework applicable to the real estate market, and not to be exhaustive or to include all applicable laws and regulations.

The development of residential and commercial real estate projects is subject to several legal regulations. In particular, this section is intended to be an introduction to the applicable legal framework regarding: (a) the system of ownership, the main arrangements for the acquisition of immovable property and the system of real estate advertising; (b) the planning and construction regime in connection with the development of residential and commercial real estate projects; (c) the main operating authorizations; and (d) key rental regulations.

#### 1. Property regime

Real estate in Romania can be owned either on the basis of public property rights or on the basis of private property rights. Most real estate in Romania is owned under the right of private property.

Real estate that is not declared under the Romanian Constitution or the applicable legislation as an object of public property and that is not of public use or utility may be the object of private property of any natural or legal person, including the Romanian State or administrative-territorial units.

Private property rights include the right to use and dispose of real estate. Depending on the nature of the property, the law may establish limitations either on the right of use or on the right to freely dispose of such real estate.

In Romania, between 1945 and 1989, there were massive transfers of real estate assets from private property (either of individuals or legal entities) to the property of the Romanian state, resulting in a limitation of private property over real estate assets. Following the change in the political regime at the end of 1989, private property was restored as a rule, while public property was defined as an exception and several laws were adopted to establish the conditions for restitution of real estate to former owners.

The legal framework was further supported by a new Constitution and the reinstatement of the old Civil Code of 1864 and several laws adopted on private and public property, administrative decentralization and measures for a new system of cadastre and real estate advertising. However, these regulations have not been properly correlated and often provide for conditions of adoption that could not be publicly verified, and these inconsistencies can give rise to difficulties in proving and registering of the property title or management and alienation of real estate. These difficulties can have an impact on any operation carried out in order to acquire land rights.

Following this context, currently the main regulations in force for the area of real estate are:

- i. Law no. 287/2009 on the Civil Code ("**New Civil Code**") which includes, inter alia, the rules on the establishment, transfer, registration, limits and characteristics of the property right;
- ii. Law no. 7/1996 regarding cadastre and real estate publicity ("**Law no. 7/1996**") which includes the norms regarding the registration in the Land Book registers of the real estate buildings and the included rights on these;
- iii. Law no. 50/1991 regarding the authorization of the execution of construction works ("**Construction Law**") and the norms of application of this law that regulate regarding the process of obtaining the construction authorization;
- iv. Law no. 350/2001 on landscaping and urbanism ("**Law on Urbanism**") and the norms for the application of this law, which include the norms on urbanism and the process of elaboration and approval of urban plans; and
- v. Law no. 134/2010 on the Civil Procedure Code.

According to the law, the right of private property over a real estate can be obtained through several ways, such as sale, exchange, contribution in kind, inheritance or court decision.

The contract of sale is the most common method of alienation of real estate (*for* land, land with buildings, apartments, etc.). For the purpose of validity, the contract of sale must be concluded in front of a notary public, in authentic form. The authentication and registration fees in the records of the Land Registry represent approximately 1% of the value of the purchase price.

In addition to the presentation requirements, certain formalities and requirements prior to the transfer of ownership of the buildings must be complied with, such as obtaining a tax certificate issued by local authorities, certifying that all amounts due to the local budget have been paid by the owner, certificate of energy performance (for buildings), compliance with legal or conventional preference rights, etc. Failure to comply with the conditions regarding the form or formalities and preconditions may lead to the cancellation of the contract of sale and loss of ownership of the property.

#### The need for a proper due diligence analysis

The validity of an owner's title is conditional on the validity of all previous transfers of ownership. Consequently, it is necessary and common to carry out a due diligence analysis to assess the validity of all previous transfers related to such ownership, going as far back as possible in the property rights chain.

Any claim for restitution or ongoing litigation affecting immovable property may lead to a possible loss of title on such property or a part of it in favor of the entitled persons who have filed such restitution claims, depending on the rights of the claimants and the procedural status of these refund requests.

## **2. Real estate advertising system**

According to Law no. 7/1996, the property rights (as well as other real rights) obtained by the acquirer of real estate must be registered in the Land Book in order to be opposable to third parties.

The real estate advertising system is important, among others, because, in the event that a property is sold to two or more persons by the same seller, the provisions of Law 7/1996 give priority to the bona fide acquirer (e.g. who did not have knowledge of any previous sale) who registered first his property right in the Land Book, regardless of the date on which the sale-purchase contracts were concluded.

Following the entry into force of the New Civil Code on October 1, 2011, the registration in the Land Book will be modified so that the registration is a condition of the effective transfer of rights over a real estate. This change will be applied only in the administrative-territorial units (e.g., city or village) in which the cadastral registration works will be completed. Until the completion of the cadastral works, the registration in the Land Book will be further made only for the purpose of opposability.

## **3. The regime of urbanism and constructions**

The urban planning regime of the lands is essential in determining the type of development that can be undertaken regarding the respective property. As a rule, the urban regime is regulated by the provisions of the general urban plan applicable in the locality where the property is located.

According to the Law on Urbanism, land, regardless of the form of ownership, has urbanistic parameters (e.g., land use coefficient, land occupation percentage, maximum height) that may limit the Issuer's options regarding the nature of the constructions made on the land.

These urbanistic parameters are regulated by urban planning documentation approved by the local council, respectively by the General Council of Bucharest. The general urbanistic framework is regulated by the general urbanistic plan of the locality ("**PUG**") from which derogation can be obtained, within certain limits provided by law, by zonal urban plans ("**PUZ**"). Also, without derogating from the PUG and PUZ, investors can detail certain aspects such as car accesses, withdrawals, architectural compliance, etc. through detailed urban plans ("**PUD**").

Thus, in some cases, in order to ensure the most efficient construction opportunities, it is necessary to develop a PUZ before obtaining the building authorization. The PUZ elaboration process involves the elaboration of a technical documentation that will be annexed to the decision of the local council, respectively that of the General Council of Bucharest, its approval by the relevant public authorities and subsequent approval by the local council, respectively by the General Council of Bucharest. Moreover, the process involves four phases of consultation and informing the public about the need and effects of PUZ.

The process of issuing the building authorization is carried out based on the urbanistic parameters of the land, either the initial ones or the ones modified by PUZ. The content, characteristics and issuance procedure are provided in the Construction Law, a law originally adopted in 1991, which has undergone several changes over the years.

The process of obtaining the building authorization involves: (a) obtaining an urbanistic planning certificate containing the urbanistic planning parameters approved by the PUG, PUZ or PUD, as the case may be, the legal and technical parameters of the land; (b) the preparation of technical documentation by approved design engineers for the new

construction; (c) obtaining the approvals of the relevant public authorities indicated in the urbanistic planning certificate; and (d) the issuance of the building authorization.

After obtaining the construction authorization, the beneficiary can execute the construction works within the term established by the construction authorization, a term that can be extended only once. Once the construction works are completed, the beneficiary of the permit, together with the contractor, with the participation of a representative of the mayor's office and a number of representatives of certain authorities, depending on the specifics of the building (State Inspectorate for Construction or Emergency Inspectorate), shall conclude the minutes upon the end of the works. These minutes certifies the execution of the works in accordance with the building permit and the applicable regulations.

Based on the urbanism certificate, the building permit and the reception report at the end of the works, the beneficiary shall be issued by the mayor's office a building certificate, based on which the beneficiary can tabulate the new construction in the Land Register.

#### The rights of third parties to challenge administrative acts

Third parties which can prove a legitimate interest have the right to challenge administrative acts by means of a direct application governed by partially different rules, depending on their individual nature (for example, building permit) or regulation (such as urbanism) of the administrative act whose legality is verified. Alternatively, individual administrative acts may be challenged by way of exception of illegality.

The interest in challenging generally derives from the fact that the rights and legitimate interests of the third party concerned are affected by the relevant administrative act and are usually assessed by the courts on a case-by-case basis.

#### **4. Operating licenses**

Depending on the specifics and destination of the construction, different operational authorizations may be required such as:

- a) fire safety permit - allows the operation and operation of buildings from the perspective of fire safety requirements, meeting certain criteria (*for example*, commercial or office buildings with an area of at least 600 sqm);
- b) voluntary service contracts for emergencies - required for certain constructions (for example, office buildings with a height of at least 28 m);
- c) civil protection authorization - necessary for the operation of certain constructions (*e.g.*, commercial or office buildings with an area of at least 600 sq m) in terms of civil protection requirements; this permit is only required for buildings that have an underground level;
- d) energy performance certificate - required for most types of buildings;
- e) ISCIR permits - depending on the type and components of the building, various permits must be obtained from the State Inspection for the Control of Boilers, Pressure Vessels and High Lifting - ISCIR (for example, permits for elevator and heating system installed and operated in the building).

The lack of these authorizations may lead to the civil/contraventional/criminal liability of the owner/tenant (in some cases), and the sanctions may be pecuniary, such as a fine, or may materialize, in certain cases provided by law, in the suspension of activity in the building for a certain period.

#### **5. Leases**

According to the New Civil Code, by concluding the lease contract, the landlord ensures the tenant the use of a property, for a limited period of time (maximum 49 years). The lease is an open contract in which the parties have the opportunity to negotiate many issues without being excessively limited by law (*e.g.*, permitted use of the property, rent, duration, rights and obligations, etc.).

The parties to the lease are free to agree on the level of rent and its increase. In terms of market practices, the parties generally also include provisions for indexing the rent. Leases concluded in an authentic form in front of a notary public or leases registered with the tax authorities are enforceable titles for the payment of rent, as well as for the eviction of the tenant at the expiration of the lease.

Leases concluded for a specified fixed term may not be terminated by unilateral termination before their expiry date, except for leases for residential premises or unless the parties agree otherwise.

However, either party may terminate the lease if the co-contractor has failed to fulfill an essential obligation (*e.g.*, rent payment, guarantee of the quiet use of the property). Termination can operate:

- f) automatically, if the parties have expressly agreed on the events triggering the termination of the lease, by the effect of a *commissoria lex*;
- g) by a written notice of unilateral termination sent by the party which has complied with its obligations if: (a) the parties have included this possibility in the lease, or (b) the party who has not complied with the provisions of the contract is rightfully in default by law with regard to the performance of its obligations or has not fulfilled its obligations within the time limit remedy sent by the party which complied with its obligations; or
- h) by court decision, if the conditions for automatic or unilateral termination are not met.

Upon termination of the lease, the tenant must return the leased space in a condition similar to that of its handover, except for normal wear and tear. Nevertheless, the parties may agree that the tenant shall return the space as it was at the time of termination of the contract, without any obligation to restore it to its original condition.

**PART 14**  
**REASONS FOR THE OFFERING AND USE OF PROCEEDS**

By OFFERING the New Shares in conformity with the Offer, it is expected that the Issuer shall receive, in total, net proceeds in the amount of approximately RON 469 million (assuming that all the New Shares are subscribed) without considering the commissions and expenses. The total brokerage fees, expenses and amounts related to the fees charged by the FSA, Bucharest Stock Exchange and Depozitarul Central S.A., due by the Issuer in connection with the Offer are estimated to be approximately RON 7.5 million.

The Issuer considers that the Offer shall allow the Issuer to obtain funds to finance the current activity of the Group, namely to finance ongoing projects and/or new real estate development projects, as well as to finance the expansion of the Group's activity in other countries, through equity participations or direct development. As at the date of this Prospectus, the Issuer has not made a breakdown by use (the funds raised are to be used in the ordinary course of business).

## PART 15 EXPECTED CALENDAR OF MAIN EVENTS

| <b>Event</b>  | <b>Time and date<sup>1</sup></b> |
|---|----------------------------------|
| Opening of the stage for the exercising of the preference rights by the Preference Rights Holder    | On 27 June 2022                  |
| Closing the exercising of the preference rights by the Preference Rights Holder                     | On 26 July 2022                  |
| Opening of the Private Placement  | On 29 July 2022                  |
| Closing the Private Placement <sup>2</sup>  | On or around 1 November 2022     |
| Starting the trading of the New Shares on the Spot Regulated Market of the Bucharest Stock Exchange | On or around 18 November 2022    |

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<sup>1</sup> All time references in this calendar take into account Eastern European Time (EET).

<sup>2</sup> The Board of Directors may decide to close the Private Placement early or, if necessary, extend the period of the Private Placement, under the terms of the applicable law, taking into account the applicable market conditions

**PART 16**  
**INFORMATION ON THE SECURITIES TO BE OFFERED, INFORMATION ON THE OFFER**

**1. CONTEXT AND GENERAL PRESENTATION OF THE OFFER**

The Issuer shall offer a maximum number of 330.017.986 New Shares for which it will collect expected net revenues of up to RON 468,625,540 in total. The Issuer shall collect all the amounts obtained from the sale of the New Shares, as a result of the action to increase the share capital with cash contribution.

Subsequent to the registration of the Share Capital Increase with the Bucharest Trade Registry, FSA and the Central Depository, the New Shares will be traded on the Bucharest Stock Exchange, having the ISIN number ROJ8YZPDHW8 (the same as the Shares) and traded under the symbol "ONE".

**2. GENERAL INFORMATION ON THE OFFERED SHARES**

**Type and class:** The New Shares are ordinary, registered, freely transferable shares, issued in dematerialised form, with a nominal value of RON 0.20 each. The offer is addressed exclusively to the Preference Rights Holders.

**Register of the Shareholders:** The register of the Issuer's shareholders is kept by Depozitarul Central S.A. ("Central Depository"), with its registered office in no. 34-36, Carol I Boulevard floors 3, 8 and 9, District 2, postal code 020922, Bucharest, Romania.

**Currency:** The New Shares are issued in RON and have a face value of 0.20 RON each.

**Approval of the Offer:** The offer was approved by the decision of the extraordinary general meeting of the Issuer's shareholders on May 5, 2022 and by the decision of the Board of Directors dated May 5, 2022.

**Expected Date of Issue of the New Shares:** 18 November 2021.

**Related legislation:** The New Shares are issued and offered in compliance with the relevant legislation in Romania. Any dispute arising out of or in connection with the New Shares shall be resolved by the competent authorities in Romania.

**Intermediary:** SSIF BRK FINANCIAL GROUP S.A., a joint stock company organised and operating under the laws of Romania, registered with FSA Registry under no. PJR01SSIF/120072, registered with the Trade Registry under no. J12/3038/1994, having the sole registration code 6738423, headquartered in 119 Calea Mosilor, Cluj-Napoca, Cluj county.

**Intermediation method:** Best efforts method.

**Preference rights:** i.e. 2,574,140,294 preference rights. A Preference Rights Holder may acquire a maximum number of New Shares calculated as the ratio of the number of Preference Rights held to the number of Preference Rights required to subscribe for one New Share. Accordingly, a number of 7.8 Preference Rights ("**Subscription Ratio**") is required to subscribe for a single New Share. If the maximum number of New Shares which may be subscribed for during the Subscription Period (as calculated above) is not an integer, the maximum number of New Shares which may actually be subscribed for shall be obtained by rounding down to the nearest whole number.

Preference Rights shall not be traded.

**Subscription period for the New Shares:** The time period in which the New Shares may be subscribed by the Preference Rights Holders by exercising their Preference Rights is of 30 calendar days, starting with the first Business Day following the Business Day in which the Prospectus is published, and namely as of 27 June 2022 to 26 July 2022.

**Subscription withdrawal**

Subscriptions made under the Offer are irrevocable. If the Prospectus is amended, subscriptions may be withdrawn within a maximum of 3 (three) Business Days from the date on which the respective amendment to the Prospectus was published. Subscriptions under the Offer are irrevocable, except as provided for in art. 23 para. (2a) of the Prospectus Regulation. In this case, Investors who have already agreed to purchase or subscribe for the New Shares prior to the publication of the supplement have the right to withdraw their acceptance within three Business Days of the publication of the supplement, provided that the material new factor, material error or material inaccuracy which led to the publication of the supplement has arisen or has been discovered prior to the expiry of the relevant offer period. Where the Investors have the right of withdrawal referred to above, the Intermediary/ Participant through which they subscribed will contact those Investors by the end of the first Business Day following the day on which

the supplement is published. Withdrawal of subscriptions shall be effected by means of a Withdrawal of Subscription Approval Form sent in accordance with the procedures described in this Part 16 to the Intermediary/ Participant so that such notification is received no later than the third Business Day after the date on which the prospectus supplement was published (or such later date as may be specified in the prospectus supplement). A withdrawal of subscriptions sent by any other means, or which is sent or received after the expiry of this period shall not constitute a valid withdrawal.

Within a maximum of 1 Business Day as of the end of the Subscription Period, the Board of Directors shall publish on the BVB website (<http://www.bvb.ro>) and on the Issuer's website ([www.one.ro](http://www.one.ro)) a report on the subscription results made within the Subscription Period.

The New Shares remaining unsubscribed after the exercise period of the Preference Rights during the Subscription Period will be offered for subscription under the Private Placement, which is not the subject of this Prospectus. The New Shares remaining unsubscribed after the Offer and the Private Placement will be cancelled by decision of the Board of Directors.

The Board of Directors will ascertain, under a decision, the actual results of the Issuer's Share Capital Increase depending on the exercising of the Preference Rights within the Subscription Period and the Private Placement, as well as depending on the New Shares cancelled, as the case may be.

Based on the results of the Issuer's Share Capital Increase as determined by decision of the Board of Directors, the Intermediary shall notify the FSA of the results of the Share Capital Increase within a maximum of five (5) Business Days calculated from the last Business Day following the Private Placement Closing Date.

The Issuer shall take all necessary steps to complete the Share Capital Increase, namely the registration of the Share Capital Increase with the Trade Registry Office for the issuance of the certificate of registration of the new share capital, the request for the issuance by the ASF of the certificate of registration of the securities and the request for the registration of the New Shares subscribed and allotted under the Offer and under the Private Placement in the Register of Shareholders kept at the Central Depository.

After registration of the Share Capital Increase with the Central Depository, the New Shares will be traded on the Regulated Sight Market administered by the BVB.

**Provisions of Annex 11 to Delegated Regulation 980/2019 which are not applicable to the Share Capital Increase transaction which is the subject of this Prospectus**

3. The following sections of Annex 11 to Delegated Regulation 980/2019 which are not applicable to the Share Capital Increase transaction which is the subject of this Prospectus: (i) Section 4.9, the part regarding the Issuer's declaration as to the existence of any national acquisition legislation applicable to the Issuer which may prevent such acquisitions, (ii) Section 4. 10 relating to takeover bids made by third parties for the Issuer's capital during the previous or current financial year, (iii) Section 5.1.6 relating to the minimum and/or maximum amount of a subscription, (iv) Section 5.2 relating to the plan of distribution and allotment of securities, (v) Section 6 relating to admission to trading and the terms of trading, and (vi) Section 7 relating to holders of securities wishing to sell. **RIGHTS RELATED TO THE NEW SHARES**

Each New Share grants equal rights and obligations to shareholders holding ordinary shares and confers its holder all the rights provided by the Companies Act, in conformity with the regulations applicable to the capital market and the provisions of the Articles of Incorporation. In accordance with Companies Act no. 31/1990, as amended and republished (the “**Companies Act**”), the shareholders must exercise their rights in good faith, considering the legitimate interests and rights of the Issuer and of the other shareholders.

Below are presented the main rights attached to the ordinary shares of the Issuer and which will be attached to the New Shares to be issued within the Share Capital Increase, as follows:

*i. The right to participate and vote at the general meeting of the shareholders*

The right to participate and vote in the general meetings of the shareholders are fundamental rights of the shareholders. Shareholders have, among others, the right to have access to sufficient information regarding the items on the proposed agenda to be discussed within the general meetings.

Any holder of ordinary shares issued by the Issuer registered in the register of the shareholders kept by the Central Depository at the reference date set by the Board of Directors may attend the general meetings of shareholders, each



share subscribed and paid granting the right to vote (except for the cases when the vote is suspended), the right to vote and to be elected in the management bodies of the Issuer, the right to participate at the distribution of dividends and the share due in the event of the Issuer's liquidation. Shareholders may attend and vote at meetings in person or by representation, by a general power of attorney or a special power of attorney granted for that meeting or by mail. The formalities to be completed for participating at the general meetings of the Issuer, including ways of obtaining and the deadline for submitting new items on the agenda, draft decisions, general and special power of attorney and ballot papers shall be mentioned in the convocation of the assembly. A shareholder which, in a particular transaction, has, either personally or as a proxy of another person, an interest contrary to that of the company, shall have to refrain from deliberations on that operation, being liable for damages to the company, if without its vote, the required majority would not have been obtained. The right to vote cannot be assigned, any agreement by which the shareholder undertakes to exercise the right to vote in a certain manner is void.

In addition to the provisions of the Articles of Incorporation and the Companies Act, being admitted to trading on the regulated market, the Issuer complies with the specific provisions of the capital market and issuers, which establish certain rights of the shareholders, which can be exercised at a general meeting of shareholders and, implicitly, certain obligations of the Issuer in relation to them:

- a) the right of one or more shareholders representing severally or jointly at least 5% of the share capital:
  - to enter items on the agenda of the general meeting of the Issuer's shareholders, provided that each item is accompanied by a justification or a draft resolution proposed for adoption by the general meeting of the Issuer's shareholders; and
  - to present draft decisions for the items included or proposed to be included on the agenda of the general meeting of the Issuer's shareholders;
- b) the right of all shareholders to receive equal treatment as regards to the participation and exercise of voting rights at the general meeting of the Issuer's shareholders;
- c) the right of all shareholders to have access to sufficient information and documents regarding the points subject to debate by the general meeting of the Issuer's shareholders, as well as to those that would allow them to exercise their rights at the general meeting of the Issuer's shareholders;
- d) the right of all shareholders to have quick and non-discriminatory access to the convocation of the general meeting of the Issuer's shareholders;
- e) the right of each shareholder to ask questions about the items on the agenda of the general meeting of the Issuer's shareholders and to receive an answer from the Issuer; and
- f) the right to attend the general meeting of the Issuer's shareholders directly or indirectly, including by electronic means, by mail or by representative.

*ii. The right to dividends*

The general meeting of shareholders is the main management body of the Issuer, which decides on aspects such as: the annual financial statements, the appointment of members on the Board of Directors, the distribution of dividends, the activity program and various corporate actions. The general meeting of shareholders shall meet at least once a year, mandatory at the latest 4 months after the end of the financial year. For financial years with a profit for the issuer, the general meeting of shareholders shall decide on the distribution of the net profit as dividends, if the case. If a loss of net assets is found, the subscribed share capital shall have to be replenished or reduced before any profit allocation or distribution is made. The general meeting of shareholders deciding on the distribution of dividends shall also set a registration date, which will be at least 10 working days following meeting's the date and which will serve to identify the shareholders to benefit from the dividends. Dividends shall be paid on the date set by the general meeting of shareholders in which the dividend is fixed, which may not exceed 15 working days from the registration date. In any case, the dividend payment period shall not exceed 6 months from the date of the meeting deciding the dividend distribution. Dividends are distributed to shareholders in proportion to the number of shares held with the Issuer. Dividends may be distributed only if the Issuer makes a profit, in conformity with the annual financial statements approved by the general meeting of the Issuer's shareholders and only if the ordinary general meeting of shareholders decides to distribute the dividends.

Before paying the dividends, the Issuer must publish a press release in a national newspaper and a current report on the website of the Bucharest Stock Exchange to detail i) the value of the dividend per share; ii) the ex-date; iii) the registration date and iv) the date of dividends payment. The Issuer must also publish the means of paying the dividends and the identification of the paying agent. The payment of dividends is limited by the three-years general limitation period, which means that dividends distributed but not paid at the end of this period shall remain at the Issuer's disposal.

*iii. Preference right*

The preference right is a right associated, as a rule, with a share capital increase operation and offers all shareholders registered in the Issuer's shareholder register on the registration date set by the meeting of shareholders approving the share capital increase the right to subscribe for shares issued in within a share capital increase, proportional to the share capital participation in order to maintain its share capital participation. Consequently, any such newly issued shares shall be offered primarily for subscription by all existing shareholders in proportion to the number of preference rights held at the date of registration. The period for exercising the preference right to subscribe newly issued shares must be at least one month from the date mentioned in the simplified prospectus, which may not be earlier than the registration date set for the respective share capital increase or the date of publication of the resolution issued by the extraordinary general meeting of the shareholders/board of directors on the increase of the share capital in the Official Gazette of Romania, Part IV. If, upon term expiration, the newly issued shares have not been fully subscribed, the new shares which have not been subscribed may be canceled or offered to other investors, in accordance with the decisions of the competent statutory body.

According to the regulations applicable to the capital market, in case of increase of the share capital, the lifting of the right of preference must be decided in the extraordinary general meeting of shareholders, attended by shareholders representing at least 85% of the subscribed share capital and with the approval of shareholders holding at least 3/4 of the voting rights. After raising the rights of preference, these new shares shall be listed for public subscription to the public in compliance with the provisions on public tenders.

*iv. Right to information*

The shareholders have the right to a correct and complete information on the Issuer's situation within the general meeting of the Issuer's shareholders. Specifically, in connection with any general meeting of the Issuer's shareholders, shareholders have the right to receive documents supporting each item on the meeting's agenda, including, for the ordinary general meeting of shareholders approving the annual financial statements, copies of the financial statements, the annual reports, the proposal of the Board of Directors on the distribution of dividends, as well as information regarding the exercise of the voting rights at least 30 days before the date of the general meeting. The Issuer must also inform shareholders of the results of the vote.

At the same time, shareholders have the right to receive information on the structure of the Issuer's shareholders and to consult the registers kept by the Issuer, such as the one kept for the registration of the general meetings of the Issuer's shareholders. In addition, the Issuer must make available to shareholders various information in the event of certain corporate events, for the dissemination of this information benefiting from technical support provided by the Central Depository.

*v. The right to elect and to be elected to the governing bodies*

In compliance with the Companies Act and the Articles of Incorporation, the general meeting of shareholders appoints and revokes the members of the Board of Directors.

According to the legislation on capital markets, the members of the Board of Directors may be elected by simple vote (provided that the exercise of that right is not suspended, applying the quorum and majority requirements provided by the Companies Act and/or the Articles of Incorporation) or cumulative vote. For the cumulative vote, a shareholder or group of shareholders acting in common and holding directly or indirectly at least 10% of a company or the voting rights may request for the elections to be based on this method. Based on the cumulative vote, each shareholder has the right to assign his/her votes in full to one or more persons nominated to be elected to the Board of Directors.

*vi. The right of withdrawal in certain cases and conditions provided by law*

According to the law, shareholders who have not voted in favor of a certain corporate share proposed for adoption at the general meeting of shareholders have the right to withdraw from the shareholder structure of the Issuer and to

request the purchase of their shares by the Issuer. This right can only be exercised if the corporate actions mentioned above refer to:

- a) the change of the main object of activity of the Issuer, as provided in the Articles of Incorporation;
- b) the moving of the Issuer's registered office to another country;
- c) the change of the legal form of the Issuer, or
- d) the merger or division of the Issuer.

The right of withdrawal also applies if, as a result of a public offer of purchase/takeover carried out by a shareholder of the Issuer, he/she gets to hold a certain participation with the Issuer. In this case, the other shareholders have the right to request that bidder to purchase their shares with the Issuer, under certain conditions (to see point xiii below).

*vii. The right to participate at the distribution of assets in case of liquidation*

Once the liquidation is completed, the liquidators prepare a final financial statement, indicating what is due to each share in the distribution of the Issuer's assets. Amounts owed to shareholders that are not collected within two months from the publication of the financial statement shall be deposited with a bank on behalf of the shareholder. Liquidators should not pay shareholders any amount into the account of the parties that would be due to them from the liquidation, before the payment of the Issuer's creditors.

*viii. The right to challenge the decisions of the general meeting*

According to the Companies Act, a shareholder who did not attend a general meeting of shareholders or voted against a certain decision of the shareholders and requested that his/her vote be expressly mentioned in the minutes of that general meeting of shareholders of the Issuer, has the right to challenge the respective decision within 15 days from its publication in the Official Gazette of Romania, Part IV, if that decision was taken in violation of the provisions of the Articles of Incorporation or the legal regulations in force. Applications for a declaration of the absolute nullity of a decision issued by the general meeting of shareholders may be submitted to court at any time, without any time limit.

*ix. The right to secure mechanisms for registration and confirmation of ownership of the shares issued by the Issuer*

The Register of the Shareholders of the Issuer is kept by an independent company - the Central Depository S.A.- authorized and supervised by the FSA, in order to ensure the transparency of share transactions and the protection of shareholders and the shares held by them.

*x. Other rights of the shareholders*

The Companies Act, Law 24/2017 and Regulation 5/2018 provide, for certain categories of shareholders, the following rights, the observance of which is carefully monitored by the Issuer:

- a) the right of the shareholder/shareholders, holding separately or together at least 5% of the Issuer's share capital, to request the internal auditors to investigate the Issuer's claims;
- b) the right of the shareholder/shareholders, holding separately or together at least 5% of the share capital of the Issuer, to request the convening of a general meeting of shareholders, to propose new items on the agenda of the meeting and to propose draft resolutions for the agenda of the general meeting of shareholders; if this request is not complied with, the shareholders in question have the additional right to request the court to convene a general meeting immediately;
- c) the right of the shareholder/shareholders, holding separately or together at least 5% of the Issuer's share capital, to request the court to appoint one or more experts to investigate certain operations of the Issuer's management and to prepare a report in this case;
- d) the right of the shareholder/shareholders, holding directly or indirectly at least 10% of the share capital of the Issuer or of the voting rights to request the election of the members of the Board of Directors by a cumulative vote;
- e) the general meeting of shareholders may decide to bring an action against the founders, managers, directors, namely members of the Board of Directors as well as auditors or financial auditors, for damages caused to the company of their fault, in violation of their duties to the Issuer. If the general meeting does not decide to bring

an action for liability and does not comply with the proposal of one or more shareholders to initiate such an action, the shareholders representing, individually or together, at least 5% of the share capital have the right to bring an action for damages, in a personal capacity, but on behalf of the Issuer, against any person mentioned above.

*xi. The obligation to report a significant participation*

According to Law 24/2017, if a shareholder acquires or sells shares of the Issuer in a percentage that reaches, exceeds or decreases below 5%, 10%, 15%, 20%, 25%, 33%, 50% or 75% of the total voting rights with the Issuer, as well as the total voting rights attached to all the shares in the same class (as applicable), the shareholder in question must immediately notify the Issuer of the percentage of voting rights he/she holds following the acquisition or sale at issue. Voting rights are calculated based on the total number of voting rights of the shares, even if the exercise of these rights shall be suspended.

In order to calculate the above-mentioned thresholds, the Issuer shall make public the total number of shares issued and the voting rights associated with them at the end of each calendar month, if during that time there was an increase or decrease in share capital or number of voting rights (when appropriate, on each class of shares, including the conversion of shares from one class to another).

*xii. The obligation to carry out a mandatory takeover bid*

Law 24/2017 stipulates the obligation of any person who, as a result of his/her purchases or the purchases of persons with whom he/she acts in common, holds more than 33% of the voting rights of an issuer, to launch a public bid addressed to all holders of securities. This mandatory takeover bid must aim to obtain all holdings and be carried out at a fair price as soon as possible, but no later than two months after reaching the 33% threshold.

There is no obligation to launch a mandatory takeover bid for shareholders who already hold shares of over 33% of the voting rights before the entry into force of Law 24/2017 and in compliance with the legal provisions in force on the date such a threshold was reached.

The provisions on the mandatory takeover bid do not apply if the 33% shareholding of the voting rights on the Issuer was acquired as a result of an exempt transaction. Exempt transaction means obtaining such a position:

- a) in a privatization process;
- b) by the acquisition of shares from the Ministry of Public Finance or from other entities with legal rights in the procedure of execution of budgetary receivables;
- c) following the transfer of shares between a parent company and its subsidiaries or between subsidiaries of the same parent company;
- d) following a voluntary takeover bid addressed to all holders of these securities and in terms of all such securities held.

Until the launch of a mandatory takeover bid, the voting rights related to the securities exceeding the 33% threshold are suspended and that shareholder (and any person with whom he/she acts in common) can no longer acquire by other means shares of the same issuer.

If the holding of shares representing more than 33% of the voting rights within the Issuer is unintentionally affected, the holder of these shares may either make a takeover bid or waive the number of shares that triggered this obligation. It is assumed that the acquisition of shares representing more than 33% of the voting rights with the Issuer is unintentional if it is the result of an operation such as:

- a) the reduction of the share capital by the Issuer redeeming its own shares after their cancellation;
- b) the exercise of the right of preference, subscription or conversion of the rights initially granted, as well as the conversion of the preferential shares into ordinary shares;
- c) the merger/division or succession.

*xiii. Provisions on the withdrawal of shareholders*

In compliance with Law 24/2017, a shareholder which has made a public takeover bid, addressed to all shareholders and for all their holdings, has the right to request shareholders which have not subscribed within the offer to sell those shares to it, at a fair price, if it is in one of the following situations:

- a) holds shares representing at least 95% of the total number of shares in the share capital that confer voting rights and at least 95% of the voting rights that can be effectively exercised;
- b) has acquired, within the public takeover bid addressed to all shareholders and for all their holdings, shares representing at least 90% of the total number of shares in the share capital conferring the voting right and at least 90% of the voting rights targeted within the offer.

The bidder may exercise this right within three (3) months from the date of closing the public bid. In addition, if a shareholder makes a public takeover bid, the minority shareholder has the right to request that a bidder who falls into one of the above situations buy his/her shares at a fair price, calculated in line with the legal provisions. This right must also be exercised within three (3) months from the date of closing of the public bid.

The right of withdrawal is also granted to shareholders who do not agree with the decision adopted by the extraordinary general meeting of shareholders of the Issuer of withdrawal from trading, if the conditions of the regulations issued by FSA are met. The price paid to withdrawing shareholders may not be less than the market value of their shares determined in accordance with international valuation standards by an independent authorized assessor registered with the FSA.

#### **4. SALE RESTRICTIONS**

The distribution of this document and the offering of New Shares in certain jurisdictions may be restricted by law and, accordingly, persons in possession of this document should be informed of and comply with these restrictions, including those set out in the following paragraphs. Any breach of these restrictions may represent a violation of the securities law of any such jurisdiction.

##### ***4.1. No public bid shall be made outside Romania***

No action has been taken and no action shall be taken in another jurisdiction (other than Romania) that could allow an offer to the public of the New Shares, or the possession or distribution of this document or any other offer material in any country or jurisdiction in which any action is sought for that purpose or in which such action could be restricted by law. Therefore, the New Shares may not be offered or sold, directly or indirectly, and neither this document nor any offer or advertising material in connection with the New Shares may be distributed or published in or from any other country or jurisdiction, except in circumstances that shall be consistent with the rules and regulations applicable in such a country or jurisdiction. The persons in possession of this document should be informed of and comply with any restrictions related to the distribution of this document and the offering of the New Shares contained in this document. Any breach of these restrictions may represent a violation of the securities law of any such jurisdiction. This document does not constitute an offer to purchase any New Shares that are offered to any person in any jurisdiction where it is illegal to make such an offer or request in that jurisdiction.

This Prospectus may be distributed to the public and the New Shares may be offered for sale or purchase only in Romania in conformity with the Law no. 24/2017, Regulation 5/2018 and the Prospectus Regulation.

##### ***4.2. European Economic Area***

By reference to each Member State of the European Economic Area ("EEA"), no New Share has been or shall be offered, in line with the Offer, to the public in that Member State before the publication of a prospectus in relation to the New Shares, approved by the competent authority of that Member State or, where necessary, approved in another Member State and notified to the competent authority of that Member State, in line with the Prospectus Regulation.

For the purposes of this provision, the expression "public offer" in relation to any New Shares in any Member State means the communication, in any form and by any means, of sufficient information regarding the terms of the offer and any New Shares to be offered to allow an investor to decide to acquire any New Shares, as this expression may vary in that Member State due to any measure implementing the Prospectus Regulation in that Member State.

If any New Shares are offered to a financial intermediary, as is the term used in the Prospectus Regulation, it shall be deemed that such financial intermediary has declared, acknowledged and accepted that the New Shares purchased by it under the Offer have not have been acquired in a non-discretionary manner and have not been acquired for the purpose of being offered or resold to persons who are not entitled to do so. The Issuer and the Intermediary and others

shall rely on the veracity and accuracy of the above statements, confirmations and agreement.

#### **4.3. Notice addressed to foreign investors**

Due to the following restrictions prospective investors are advised to consult legal counsel prior to making any resale, pledge or transfer of New Shares.

The New Shares have not been, and will not be, registered under the Securities Act, or the securities laws of any state in the United States, and such securities may be offered or sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. The New Shares may only be transferred (i) outside the United States in compliance with Rule 903 or 904 of Regulation S, or (ii) pursuant to an available exemption from registration under the Securities Act.

Each person who subscribes for New Shares will be deemed to represent and warrant to the Issuer that it can lawfully subscribe for the New Shares and, in particular, that it and the person, if any, for whose account or benefit it is acquiring such Rights or subscribing for such New Shares (i) unless agreed with the Issuer (based on an undertaking provided by the Issuer upon request), it is subscribing for the New Shares in an offshore transaction meeting the requirements of Regulation S and (ii) is aware that the New Shares have not been and will not be registered under the Securities Act and such New Shares are being offered and sold outside the United States in reliance on Regulation S. Each investor that subscribes for New Shares shall be deemed to acknowledge and agree that the Issuer, its financial and other advisors, their respective affiliates and others may rely upon the truth and accuracy of the foregoing representation and warranty.

The New Shares have not been and will not be registered according to the securities laws in Australia, Canada or Japan. Subject to certain exceptions, the New Shares may not be offered or sold in any jurisdiction or to or on behalf of any resident or citizen of Australia, Canada or Japan. The New Shares have not been recommended by any federal or statal commission in the United States of America or any other regulatory authority. In addition, the above-mentioned authorities have not confirmed the correctness or the compliant nature of this Prospectus. Any statement to the contrary is an offense in the United States of America.

The distribution of this Prospectus and the offer and sale of New Shares in certain jurisdictions may be restricted by law. No action has been nor will be taken by the Issuer or the Intermediary to allow a public offering of the New Shares in accordance with securities laws in other jurisdictions. Other than in Romania, no action has been nor will be taken to allow the holding or distribution of this Prospectus (or any other offer material or advertising release regarding the New Shares) in any jurisdiction where an action is required in this sense or where such action is restricted by law. Therefore, neither this Prospectus nor any advertising release and other offer material may be distributed or published in any jurisdiction except in circumstances that would lead to compliance with any applicable laws or regulations. The persons in possession of this Prospectus must be informed of and comply with these restrictions. Any breach of these restrictions may result in a violation of the laws applicable in these jurisdictions.

#### **Notice addressed to UK investors**

This Prospectus and any other material in relation to the New Shares described herein is only being distributed in the United Kingdom to, and is only directed at, persons that are qualified investors (“qualified investors”) within the meaning of Article 2(e) of the Prospectus Regulation that also: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”); or (ii) who fall within Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as the “relevant persons”). The New Shares are only available in the United Kingdom to, and any invitation, offer or agreement to purchase or otherwise acquire the New Shares will be engaged in only with, the relevant persons. This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this Prospectus or any of its contents.

#### **Notice addressed to investors in the United Arab Emirates**

The Offering has not been approved or licensed by the Central Bank of the United Arab Emirates (“UAE”), Securities and Commodities Authority of the UAE and/or any other relevant licensing authority in the UAE including any licensing authority incorporated under the laws and regulations of any of the free zones established and operating in the territory of the UAE, in particular the Dubai Financial Services Authority (“DFSA”), a regulatory authority of the Dubai International Financial Centre (“DIFC”). This Offering does not constitute a public offer of units in the UAE,

DIFC and/or any other free zone in accordance with the Commercial Companies Law, Federal Law No. 8 of 1984 (as amended) or the DFSA Markets Rules, accordingly, or otherwise. The New Shares may not be offered to the public in the UAE and/or any of the free zones.

The New Shares may be offered and issued only to a limited number of investors in the UAE or any of its free zones who qualify as sophisticated investors under the relevant laws and regulations of the UAE, or the free zone concerned. The Issuer represents and warrants that the shares will not be offered, sold, transferred or delivered to the public in the UAE or any of its free zones.

None of the Issuer or the Intermediary is a licensed broker, dealer, investment adviser or financial adviser under the laws of the UAE and/or any of the free zones established and operating in the UAE, in particular, the DFSA a regulatory authority of the DIFC and none of the Issuer or the Intermediary provides in the UAE and/or any of the free zones operating in the UAE, any brokerage, dealer, investment advisory or financial advisory services.

## **5. TERMS AND CONDITIONS OF THE OFFER**

### **5.1. Offer Terms**

The offer is initiated and conducted in line with the terms, specifications and requirements under:

- Resolution of the General Extraordinary Meeting of the Issuer's Shareholder of 26 April 2022, published in the Official Gazette of Romania, part IV, no. 2049 of 16 May 2022;
- Decision of the Issuer's Board of Directors of 5 May 2022, published in the Official Gazette of Romania, part IV, no. 2062 of 16 May 2022;
- Decision of the Issuer's Board of Directors of 9 June 2022;
- Law no. 24/2017 on the issuers of financial instruments and market operations, republished;
- Companies law no. 31/1990 republished, as further amended and supplemented;
- FSA Regulation no. 5/2018 on the issuers of financial instruments and market operations, as further amended and supplemented;
- Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market supplemented by Delegated Regulation (EU) 2019/979 and Delegated Regulation (EU) 2019/980 on the rules for drawing up the summary and contents of the prospectus, as amended and supplemented

### ***Validity duration of the offer, including any possible amendment***

The Offer Period (the period throughout which the preference rights are exercised) is of one (1) month (30 calendar days), namely between: 27 June 2022 and 26 July 2022; the subscription within the Offer will be conducted during the time interval 9:30 – 17:00 of each Business Day, except for the last Business Day when the subscription program ends at 12:00 – for the investors holding Preference Rights in Section I of the Central Depository, respectively at 13:00 for the other investors. During the Preference Rights phase, only the Preference Rights Holders will be able to subscribe.

### **5.2. Subscription proceedings**

By subscribing for New Shares, each Preference Rights Holder confirms that it has read this Prospectus, that it has unconditionally accepted the terms and conditions set out in this Prospectus and that it has subscribed for the New Shares in accordance with the terms contained in this Prospectus and warrants to the Issuer and the Intermediary that it is an investor who may lawfully subscribe for New Shares (without being subject to any restrictions or limitations) in its jurisdiction of residence. Any subscription made in breach of this Prospectus or applicable law will not be deemed valid and will be void.

The subscription during the Offer is carried out as follows:

- The investors who hold Preference Rights registered at the time the subscription is made in Section I of the Central Depository may subscribe only by means of the Intermediary at its locations, a list of which is being included as Annex A - Distribution Network and by e-mail, signed with a qualified electronic signature in

compliance with the provisions of Regulation (EU) no. 910/2014 on electronic identification and reliable services for electronic transactions on the internal market; Preference Rights Holders who have sent the subscription form by e-mail will be notified of the receipt of the e-mail within one working day of its receipt, namely within two working days of the validation of their subscription by Intermediary. The Intermediary will confirm receipt of the electronically signed Subscription Form sent by e-mail.

- Investors who hold Preference Rights registered at the time the subscription is made in Section II (global accounts) and Section III of the Central Depository will be able to subscribe through the Intermediary or the Participant which manages the financial instrument account where the exercised Preference Rights are registered. These subscriptions shall be made in accordance with the provisions of this Prospectus, and the internal regulations of each Participant applicable to the taking, validation and transmission of orders relating to subscriptions received, as well as those relating to the management of settlement in the system of the Central Depository of the subscription instructions. Moreover, the payment for the subscribed shares shall be made in accordance with the regulations of the Central Depository and the procedures of the intermediary through which the investor subscribes.

No placement of subscription/purchase orders to participants other than the Intermediary and/or to Participants in the case of subscriptions made by holders of Preference Rights registered under Sections II and III shall be taken into account and the Issuer and the Intermediary shall not be liable for any such subscription/purchase order.

**a) Subscription of New Shares by the Preference Rights Holders that have a valid contract for financial investment services concluded with a Participant, including the Intermediary, and that, at the time the subscription is made, have their Preference Rights registered in an account opened by that Participant in Section II and the Preference Rights registered in Section III**

The Preference Rights Holders may validly subscribe the New Shares by exercising the Preference Rights, without being necessary to submit the identification documents mentioned below, unless changes have occurred with respect to identification data from the date of the last update.

The subscription is made by sending a subscription instruction according to the provisions of a valid contract for financial investment services/custody concluded with the Participant/ Intermediary, by any communication means included in the respective contract. In this case, it is not mandatory for the Preference Rights Holders to fill in a Subscription Form.

The Participant/ Intermediary will accept the subscriptions according to the present Prospectus and the internal regulations applicable for receiving, validating and sending for execution the subscriptions received, as well as the ones pertaining to managing the settlement of subscription instructions.

The validation of subscriptions by the Participant/ the Intermediary includes also checking the fact that the Preference Rights Holder has not subscribed a number of New Shares larger than it was entitled based on the number of Preference Rights held. After checking each subscription, the Intermediary or the Participant, as the case may be, will register the respective subscription in the Central Depository's system. Subscription instructions are placed based on the Preference Rights held by the Preference Rights Holders, and the funds are settled using the settlement mechanism managed by the Central Depository, within the daily settlement sessions.

During the Subscription Period, the Participant/ Intermediary taking over the subscription will receive the subscription instructions and will process, validate and register, in the shortest time possible, all the subscriptions validly received. The subscriptions for the New Shares shall not be validated if the subscription procedures included in the present Prospectus were not observed. The subscriptions for New Shares that were not validated will be cancelled, and the Preference Rights Holders will be informed accordingly, as per the conditions included in the contract for investment/custody contract concluded with the Participant/Intermediary. The liability for the funds necessary for the settlement of the subscription instructions lies completely with the Participant/ Intermediary through which subscriptions were made under the Offering. The subscribed New Shares will have to be paid according to the



procedures communicated by the Participant/ Intermediary. The subscription of New Shares during the Subscription Period shall be made by observing the regulations and procedures of the Central Depository, as well as the internal procedures of the Participant/ Intermediary by which the subscription of New Shares is made.

Participants must inform the Preference Rights Holders about the conditions for implementing the Offering and are solely responsible for implementing the Offering and for complying with this Prospectus and the FSA regulations, including, but not limited to, the settlement of the underwriting instructions validated and recorded in the Central Depository's system.

**b) Subscription of New Shares by the Preference Rights Holders that, at the time the subscription is made, have their Preference Rights registered in Section I**

Subscription shall be made exclusively through the Intermediary, at the locations specified in Annex A "Distribution Network", and by e-mail, signed with a qualified electronic signature in accordance with the provisions of Regulation (EU) No 910/2014 on electronic identification and trust services for electronic transactions in the internal market, throughout the Offer Period on each Business Day between 9:00 a.m. and 5:00 p.m. Romanian time, respectively between 9:00 a.m. and 12:00 p.m., Romanian time, on the last Business Day of the Offer Period.

The Intermediary will validate the subscriptions on condition that the Preference Rights Holders subscribing New Shares observes all the requirements below:

- a) hold Preference Rights registered in Section I;
- b) submit/ send the Subscription Form signed in two original copies for the number of New Shares it wished to subscribe and up to the limit of the maximum number of New Shares it is entitled to subscribe based on the Preference Rights it holds. The Subscription Form shall be available on the Manager's website ([www.brk.ro](http://www.brk.ro)) and the Issuer's website ([www.one.ro](http://www.one.ro));
- c) submit the document confirming the payment of the subscribed New Shares, according to the requirements included in the section "Payment for subscriptions made in the Offering" within this section of the Prospectus;
- d) submit/send together with the Subscription Form the documents necessary for subscribing, mentioned in the section "Subscription Documents" of this section of the Prospectus.

**c) Common provisions**

Irrespective of the means chosen to send/submit the documents, a subscription for the New Shares by a Preference Rights Holder means that the subscribing investor agrees to purchase the New Shares at the Maximum Subscription Price. Each investor must comply with the appropriate money laundering controls requested by the relevant Intermediary or the Participant through which it has subscribed for the New Shares.

Irrespective of the manner in which the subscription was made, at the time of making the subscription, each Preference Rights Holder represents and warrants to the Issuer that it may lawfully subscribe for New Shares and, in particular, that it and the person, if any, on whose behalf or for whose benefit it acquires such rights or subscribes for such New Shares (i) unless it has agreed with the Issuer (pursuant to an undertaking provided by the Issuer on request), subscribes for the New Shares in an offshore transaction that meets the requirements of Regulation S and (ii) is aware that the New Shares have not been and will not be registered under the Securities Act and that such New Shares are being offered and sold outside the United States pursuant to Regulation S. Each investor subscribing for New Shares is deemed to acknowledge and agree that the Issuer, its financial and other advisers, their respective affiliates and other persons may rely on the truth and accuracy of the foregoing representation and warranty.

It shall be considered that each Preference Rights Holder who subscribes for the New Shares has confirmed and agreed that said investor may not rely on information or statements other than those contained in this Prospectus or any supplement to the prospectus, that, if the laws of any jurisdiction outside Romania are applicable to the contract of that investor with the Intermediary or Eligible Participant by which the Subscription for the New Shares was made,

that investor complied with all those laws and the Issuer or Intermediary shall not breach any law of any jurisdiction outside Romania as a result of the rights and obligations of that investor resulting from that investor's contract, and that the personal information of that investor may be held or used by the Intermediary or Eligible Participant or Issuer for purposes related to the Offer, which may include providing its data to third parties to perform checks on previous credit references, money laundering checks and to file tax returns, and also to keep a record of subscriptions based on the Offer for a reasonable period of time.

It shall be considered that the Preference Rights Holder have invested exclusively on the basis of the Prospectus, together with any supplements thereof and their respective subscription for the New Shares.

The Subscriptions of New Shares by the Preference Rights Holders shall not be validated if:

- the amount transferred to the Collector Accounts is less than the Maximum Subscription Price multiplied by the number of New Shares subscribed by the respective investor; or
- the subscription procedures were not followed.

The validation of subscriptions made by shareholders with holdings in Section I of the Central Depository through the Intermediary will be made after verification of the documents submitted or presented by the Preference Rights Holder and after verification of the existence of the Preference Rights and of the receipt of the consideration for the New Shares subscribed for in the Issuer's account. The shareholders registry with holdings registered in Section I of the Central Depository and the number of Preference Rights allotted to them will be communicated to the Intermediary by the Issuer.

Validation of subscriptions made by shareholders with holdings in Section II and III of the Central Depository will be carried out by the Intermediary/Participants only after verification of the holding of Preference Rights by each Preference Rights Holder. Subscription instructions are entered by the Preference Rights Holders on the basis of Preference Rights held by investors and the funds are settled through the settlement mechanism administered by the Central Depository during the daily settlement session. The responsibility for validating and settling subscriptions lies with the Intermediary and the other Participants through which investors will make subscriptions. A subscription for the purchase of New Shares cannot be covered by a combination of amounts available in the client account(s) and direct payment orders into a bank account for the remaining amounts. Cash held in a client account with the Intermediary or Participant which is intended for payment of New Shares may not be used by the Preference Holder for other transactions.

The subscriptions made by the Preference Rights Holders with holdings registered in Section I of the Central Depository shall be validated, provided that, by the end of 26 July 2022, the subscription is accompanied by the subscription documents (if applicable) and the proof of payment of the Maximum Subscription Price multiplied by the number of New Shares subscribed for (the “**Proof of Payment**”), representing the bank transfer to the Collector Account, opened in RON, with IBAN RO08BTRLRONDIB000720001, opened at Banca Transilvania, beneficiary of One United Properties S.A. (the only Proof of Payment accepted for Preference Rights Holders holding shares of the Issuer in Section I of the Central Depository), provided that such account is credited no later than 15:00 EET on 26 July 2022.

The payment order must include the personal numeric code/passport series/identification code of the investor. The account number to be completed by an investor in the subscription form must be the account number from which the subscription amount is actually transferred. The amounts transferred to the bank account or to the client account will not bear interest in favor of that investor.

Combining multiple payment orders for a single valid subscription is not allowed. The price for the New Shares purchased does not include bank charges or other applicable fees, including any applicable fees or charges of relevant capital market institutions. Investors should consider the fees applicable to bank transfers and their duration.

Subscriptions will be considered only for the amount actually transferred to the relevant Collector Account or to the respective customer account(s).

If the amount transferred by a Preference Rights Holder to the relevant Collector Account or to the respective client account(s) is greater than the Maximum Subscription Price multiplied by the number of New Shares mentioned in the subscription form/order, the subscription will be validated only for the number of New Shares mentioned in the respective form/order.

If the amount transferred by a Preference Rights Holder to the relevant Collector Account or to the respective client account(s) is less than the Maximum Subscription Price multiplied by the number of New Shares mentioned in the subscription form/order, or if the subscription procedures in this document were not met, the subscription shall be invalidated for the total number of subscribed New Shares, and the investor will be refunded the amount transferred within 5 (five) Working Days from the end of the subscription for the respective category of investors.

If a Preference Rights Holder subscribed a higher number of New Shares than it could subscribe according to the Preference Rights it holds and transferred to the Collector Account a higher amount, the subscription shall be validated only for the number of New Shares that could be subscribed according to the number of Preference Rights held by the respective Preference Rights Holder.

Subscriptions for New Shares that are not validated shall not be considered. Subscriptions for New Shares will not be validated if the subscription procedures set out in this Prospectus have not been complied with. Subscriptions for New Shares which have not been validated will be cancelled and investors will be notified accordingly under the terms of the investment services/custody agreement with the Participant or the Intermediary respectively. Subscriptions made on the basis of documents received outside the Subscription Period or which do not comply with the conditions set out in this Prospectus will not be validated.

Any refunds to investors shall be made without interest and net of any bank transfer fees and any applicable fees of market institutions, in the bank account specified by each investor in the subscription form submitted in relation with the purchase of the New Shares, in the contract of financial investment services or otherwise agreed with the Intermediary or Participant through which the subscription was made, as the case may be. No interest shall be paid to investors in respect of those amounts. If an investor has indicated more than one account for the refund of any such amounts, the full amount may be refunded only in one of the accounts indicated by the investor, at the free choice of the Intermediary or Participant, as the case may be.

The price of the New Shares does not include bank charges or other applicable fees. Investors should consider the fees applicable to bank transfers and their duration.

### **5.3. Subscription documentation**

In case of a Preference Holder whose Preference Rights, at the time of subscription, have been registered in an account of a Participant, including the Intermediary, opened in Section II or Section III, the Preference Rights Holder may validly subscribe through that Participant/Intermediary if it has entered into an investment services agreement with that Participant/Intermediary without being required to submit the identification documentation set out below, unless there has been a change in its identification details since the last update date.

In case of subscriptions made through the Intermediary corresponding to Preference Rights registered in Section I at the time of subscription, the Preference Rights Holder shall submit or forward to the Intermediary the Subscription Form duly completed by the Preference Rights Holder in two original copies (or sent by e-mail in accordance with the procedures in this Prospectus), accompanied by a Proof of Payment and the documents listed below, which shall be provided in English or Romanian.

For the avoidance of doubt, the Intermediary is responsible for verifying the documents corresponding to the subscriptions it receives and will not be responsible for verifying or validating subscriptions for New Shares made by Participants, for the latter the responsibility laying with the Participant through whom the subscription was made.

The subscription form is available at the Intermediary's authorized locations, a list of which is included as Annex A – Distribution Network, as well as online, on the Intermediary's website at <https://www.brk.ro/>. The subscription form shall be sent in original, completed, handwritten by the investor, or by e-mail, signed with a qualified electronic signature in line with the provisions of Regulation (EU) no. 910/2014 on electronic identification and reliable services for electronic transactions on the internal market, accompanied by Proof of Payment and the following documentation:

- |           |   |  |
|-----------|---|--|
| <b>A.</b> | <b>Natural persons resident who subscribe for New Shares in their own name:</b> | Identity card/ID card (original and copy);   |
| <b>B.</b> | <b>Natural persons resident who subscribe for New</b>                           | Identity card/ID card (in original and copy) of the representative and ID card/ID card (copy) of the represented natural person; |

|           |  |   |
|-----------|--|---|
|           | <b>Shares on behalf of other natural persons:</b>  | Proxy in authentic form given to the representative (in original and copy)  |
| <b>C.</b> | <b>Natural persons incapable of residence (without discernment) or under guardianship:</b> | <p>Identity card/card (original and copy) of the resident natural person subscribing for the represented natural person and identity card/copy (copy) of the incapable person</p> <p>Passport (original and copy) and/or residence permit (original and copy) of the natural person subscribing for the incapacitated person – applicable only to foreign citizens</p> <p>The legal act establishing the guardianship or, as the case may be, the document establishing the guardianship</p>  |
| <b>D.</b> | <b>Non-resident natural persons who subscribe in their own name:</b>                       | Passport and proof of residence, if not mentioned in the passport, or identity card issued by an EEA Member State (original and copy)   |
| <b>E.</b> | <b>Non-resident natural persons who subscribe by resident authorized representatives:</b>  | <p>Passport and proof of domicile, if not mentioned in the passport, or identity card of the represented natural person issued by an EEA Member State (copy)</p> <p>Authorized representative's identity card (original and copy)</p> <p>Power of attorney in authentic form (and, if the case, apostille) for the representative (copy)</p>  |
| <b>F.</b> | <b>Resident legal entities subscribing in their own name:</b>                              | <p>Registration Certificate issued by the Trade Register (copy)</p> <p>Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the legal person)</p> <p>Confirmation of company details issued by the Trade Register no later than 30 Working Days before the date of subscription (in original)</p> <p>Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)</p> <p>Identity card (in original and copy) of the person subscribing on behalf of the legal entity</p> |
| <b>G.</b> | <b>Non-resident legal persons subscribing in their own name:</b>                           | <p>Registration Certificate or deed of incorporation issued by the Trade Register or an equivalent institution in the jurisdiction of establishment, if any (copy)</p> <p>Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the non-resident legal person)</p> <p>Confirmation of company details/certificate on the current situation or equivalent documents issued by the Trade Register or an equivalent institution in the jurisdiction of establishment or, if no institution is</p>   |

authorized to issue such a certificate, any other document proving the quality of legal representatives of that entity (in original), and to be issued no later than 30 Business Days before the date of subscription (in original); such a corporate document of the non-resident legal person shall clearly state whether the legal representatives have the right to act separately or together

If the subscriptions are carried out by a person other than the legal representative(s) of the non-resident legal person(s), the power of attorney/mandate signed by the legal representatives of the non-resident legal person authorizing that person to subscribe the New Shares on behalf of the non-resident legal person (original and copy)

Identity card of the subscriber acting as legal representative or agent of the non-resident legal person: passport and proof of domicile, if not mentioned in the passport, identity card (for EU/EEA citizens) (copy)

**H. Non-resident legal persons subscribing by a resident legal person**

Registration Certificate or deed of incorporation issued by the Trade Register or an equivalent institution in the jurisdiction of establishment, if any (copy)

Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the non-resident legal person)

Confirmation of company details/certificate on the current situation or equivalent documents issued by the Trade Register or an equivalent institution in the jurisdiction of establishment or, if no institution is authorized to issue such a certificate, any other document proving the quality of legal representatives of that entity (in original), and to be issued no later than 30 Business Days before the date of subscription (in original); such a corporate document of the non-resident legal person shall clearly state whether the legal representatives have the right to act separately or together

Registration Certificate of the resident legal person representative issued by the Trade Register (copy)

Up-to-date Articles of Incorporation/Statute of the resident legal person representative (certified true copy to the original certified for conformity with the original by the legal representative of the legal person)

Confirmation of company details for the resident legal person representative issued by the Trade Register no later than 30 Working Days before the date of subscription (in original)

Identity card of the legal representative of the resident legal person who subscribes acting as representative on behalf of the non-resident legal person (in original and copy);

Power of attorney signed by the legal representative(s) of the non-resident legal person empowering the resident legal person to subscribe within the Offer;

**I. International Financial Institutions (IFIs)**

Articles of Incorporation/Statute of the IFI or a copy of the Romanian law by which Romania accepted or adhered to the constitutive act of the IFI in question

|           |  |   |
|-----------|--|---|
|           |  | <p>Power of attorney/certificate empowering the person who will sign the subscription form for subscription on behalf of IFI (in original or certified copy)</p> <p>Identity card of the person who will sign the subscription form on behalf of IFI (copy)</p>   |
| <b>J.</b> | <p><b>Resident/non-resident natural persons represented by an asset management company by a portfolio management mandate.</b></p> <p><b>Documents for the asset management company</b></p> | <p>Identity card (copy), for resident natural persons;</p> <p>Passport and proof of domicile, if not mentioned in the passport, or identity card for citizens of an EU/EEA Member State (copy), in the case of non-resident natural persons</p> <p>Power of representation (original and copy)</p> <p>Registration Certificate issued by the Trade Register (copy)</p> <p>Articles of Incorporation/up-to-date statute (copy in accordance with the original certified by the legal representative of the legal person)</p> <p>Confirmation of company details issued by the Trade Register no later than 30 Working Days before the date of subscription (in original)</p> <p>Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)</p> <p>Identity card (in original and copy) of the person subscribing on behalf of the legal entity</p> |
| <b>K.</b> | <p><b>Entities managed by other resident/non-resident legal persons (e.g. investment funds, pension funds)</b></p>   | <p>The documents listed below shall be submitted to the legal person that manages that entity and shall be accompanied by the authorization obtained by that entity from the competent supervisory authority</p> <p>Registration Certificate issued by the Trade Register (copy)</p> <p>Articles of Incorporation/up-to-date statute (copy in accordance with the original certified by the legal representative of the legal person)</p> <p>Confirmation of company details issued by the Trade Register no later than 30 Working Days before the date of subscription (copy)</p> <p>Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)</p> <p>Identity card (in original and copy) of the person subscribing on behalf of the legal entity</p>  |

The Intermediary or Participant, as the case may be, through which an investor subscribes for the purchase of the New Shares may request additional documents necessary to fulfill its obligations on compliance with the rules of “customer knowledge” and customer identification procedures, in accordance with its internal procedures. The Offer Intermediary or the Participant, as the case may be, shall verify the subscription forms received and the related documentation, and shall validate them in accordance with the terms and conditions of this Prospectus. The investors who have sent the subscription form by e-mail shall be notified of the receipt of the e-mail within one working day of its receipt, namely within two working days of the validation of their subscription by Intermediary.

All documents submitted by investors in relation with their subscription for the purchase of the New Shares will be in English or Romanian or accompanied by a legalized translation copy into English or Romanian.

#### **5.4. New Shares Price**

The subscription price of the New Shares offered in the preference rights exercising stage will be equal to maximum RON 1.42 per New Share (“**Maximum Subscription Price**”). At the time of completion of the Private Placement, the final subscription price for the New Shares offered under the exercise of preference rights (“**Final Subscription Price**”) will be announced. The subscription price per New Share under the Private Placement will be equal to or higher than the Final Subscription Price. In the event that the Final Subscription Price is lower than the Maximum Subscription Price, the Preference Rights Holders who subscribed for New Shares in the first round will be refunded the difference between the Maximum Subscription Price and the Final Subscription Price, within 5 Business Days from the date the Final Subscription Price is announced to the bank account indicated by each investor in the subscription form submitted at the time of subscription for New Shares under the financial investment services agreement entered into (or otherwise agreed) with the Offer Intermediary or the Participant through which he subscribed, as the case may be. In any event, the amounts will be repaid without interest and net of any bank transfer fees and any fees of the relevant market institutions.

The banking fees or any other taxes, including any other fees charged by the relevant market institutions, in relation to the payment of the Maximum Subscription Price, respectively of the Final Subscription Price will be borne separately by the investors. Such taxes cannot be quantified by the Issuer or the Offer Intermediary. Investors will not incur any additional costs or fees in connection with the submission of subscriptions for the New Shares, other than the costs (if any) of opening and administering a securities account (if such investor does not already have an account) and any fees of the Intermediary or Participants payable under any relevant contracts or pursuant to any regulations issued by the entity accepting such subscriptions.

Each investor who has subscribed for New Shares in the Offer will be refunded the full amount paid by that investor for the New Shares if:

- (i) an investor’s subscription is not validated; and/or
- (ii) an investor’s subscription is withdrawn in case a supplement to the prospectus is published in accordance with the provisions herein.

In any case, the amounts shall be reimbursed without interest and net of any bank transfer fees and any fees of the relevant market institutions. The resulting amount shall be refunded to the bank account indicated by each investor in the subscription form submitted on the occasion of subscribing the New Shares, under the financial investment services contract concluded (or otherwise agreed) with the Offer Intermediary or the Participant by which subscribed, as appropriate, and the refund shall be made within 5 (five) Business Days from the expiry of the relevant offer period.

If an investor has indicated more than one account for the refund of any such amounts, the full amount may be refunded only in one of these accounts, at the free choice of the Offer Intermediary or the Participant, as applicable. Payments to investors' bank accounts shall be made first to investors who have made valid subscriptions and only later to investors who have made invalid subscriptions. The Offer Intermediary shall not be held liable if those amounts are not transferred due to the fact that the information provided by an investor for the purpose of the transfer is incomplete or incorrect.

## **6. LISTING, TRADING AND SETTLEMENT ARRANGEMENTS**

After the closing of the Offer and the registration of the Share Capital Increase with the Bucharest Trade Registry Office attached to the Bucharest Tribunal, FSA and the Central Depository, the New Shares issued under the Share Capital increase shall be traded on the Regulated Sight Market of the Bucharest Stock Exchange.

The settlement of transactions within the Offer shall be done through RoClear (the Settlement and Clearing System, Custody, Deposit and Registry), managed by the Central Depository.

## **7. CENTRAL DEPOSITORY**

All classes of securities (except for derivatives) traded on a regulated market in Romania or in an alternative trading system, including New Shares after the Date of Admission, are obligatorily deposited with the Central Depository for centralized execution of securities transactions and ensuring a unitary record of these operations. All securities admitted to the Romanian Central Depository system are dematerialised and highlighted by registering in the account.

The New Shares are issued in dematerialised form and highlighted by registration in the account and shall be registered with the FSA and the Central Depository. The Central Depository shall keep records of all holdings of New Shares.

The Central Depository is a joint stock company organized and operating in compliance with the Romanian law, having its registered office located at Bd. Carol I no. 34-36, floor 3, floors 8 and 9, Bucharest, 020922, District 1, Romania, sole registration code RO9638020, registered at the Trade Register under no. J40/5890/1997, which is authorized and supervised by FSA and provides deposit, registration, clearing and settlement services and other related services in respect to the securities (except for derivatives) traded on the Bucharest Stock Exchange.

The ownership right over the securities listed on the Bucharest Stock Exchange is transferred to the buyer on the settlement date. Settlement is generally made at time T+2, by debiting/crediting the relevant accounts, based on the delivery against payment mechanism (for example, the securities being delivered only if the corresponding purchase price is paid).

Exceptionally, there are certain cases in which the Central Depository may operate direct transfers of ownership of securities listed on the Bucharest Stock Exchange, subject to the conditions provided in the regulations of the Central Depository, as a result, inter alia, of: (i) a final judgment issued by a court; (ii) succession; (iii) the transfer of shares between the issuer and its employees; (iv) the transfer of shares as a result of the merger, division or liquidation; (v) the transfer of shares between a parent company and its subsidiaries or between subsidiaries of the same parent company, with the prior agreement of the FSA; or (vi) other transfers, in compliance with applicable laws and regulations.

Although the above establishes the procedures of the Central Depository which, in principle, shall apply to transfers of New Shares after their Admission to trading on the Regulated Market of the Bucharest Stock Exchange, in certain cases, the Central Depository reserves the right to suspend or cancel the registration of an instruction, if there are doubts about its content, the authority of the person who initiated this instruction or if it finds that the provisions of its regulations or related contracts have been violated, or to ignore instructions containing errors or other defects or which are not properly performed by authorized persons. The Issuer, the Intermediary, or their respective agents shall not be liable for the fulfillment or non-fulfillment by the Central Depository or other participants of their obligations under the rules, procedures and contracts governing their operations on the date on which those obligations are or should have been met.

The Issuer shall not impose any commission in connection with the holdings of the New Shares; however, the holders of New Shares may incur commissions that are normally paid for the maintenance and operation of the accounts in the Romanian Central Depository system.

## **8. WITHDRAWAL RIGHTS**

Preference Rights Holders may not modify or withdraw any subscription regarding the New Shares, other than in accordance with the provisions of this section.

The subscriptions within the Offer are irrevocable, except for the provisions of art. 23 para. (2a) of the Prospectus Regulation. In this case, Investors which have already agreed to purchase or subscribe for the New Shares prior to the publication of the Supplement have the right to withdraw their acceptance, within three Business Days of the publication of the Supplement, provided that the new significant factor, material error or material inaccuracy led to the publication of the supplement to have appeared or been found before the relevant offer period expires. If the Investors have the withdrawal right mentioned above, the Intermediary / Participant through which they have subscribed will contact the respective Investors by the end of the first Business Day following the day on which the supplement is published. The withdrawal of the subscription is made through the Withdrawal of the Subscription Approval Form, sent according to the procedures described in this “Part 16” to the Intermediary/Eligible Participant, so that this notification is received no later than the third Business Day after the date on which the prospectus



supplement was published (or any other later date specified in the prospectus supplement). Withdrawal of the subscription sent by any other means or which is sent or received after the expiration of this period shall not constitute a valid withdrawal

#### **9. SETTLEMENT**

For the Preference Rights Holders who subscribed based on the Preference Rights registered in Section II or Section III at the time the subscription was made, the New Shares shall be settled according to the Central Depository's regulations on processing corporate events.

For the Preference Rights Holders who subscribed through the Intermediary, based on the Preference Rights registered in Section I at the time the subscription was made, a list of the validated subscriptions shall be sent to the Central Depository around 7:00 pm, Romanian time on the last Business Day of the Subscription Period.

#### **10. WARNING REGARDING FISCAL ASPECTS**

Potential holders of the New Shares should be aware that they may incur an obligation to pay fees or taxes under the laws and tax practices of the jurisdictions in which the New Shares will be transferred or from other relevant jurisdictions. Each potential investor should consult its own tax advisor in each state regarding the tax implications resulting from the acquisition or holding of New Shares. Only such a consultant can make a complete and correct analysis of the specific situation of the potential investor.

## PART 17 ADDITIONAL INFORMATION

### 1. ESTABLISHMENT AND SHARE CAPITAL

#### 1.1. General Information

On 16 November 2007, the Issuer was established as a limited liability company, according to the laws of Romania, under the name of “Munifin SRL”. The name of the Issuer was subsequently changed to “Municipality Finance SRL” and later, in 2013, to “One United Properties SRL”. In 2016, the Issuer was transformed into a joint stock company.

At the date of incorporation, the share capital of the Issuer was RON 200 divided into 20 shares, with a rated value of RON 10 each.

The issuer is a tax resident in Romania.

#### 1.2. History of the Issuer's share capital

1.2.1 The history of the Issuer's share capital in the period covered by the historical financial information is as follows:

- 1.2.1.1 On 26 October 2020, the share capital increase was registered up to the value of RON 165,918,705.04, divided into 1,061,743 shares, with a rated value of RON 156.27 each.
- 1.2.1.2 On 23 December 2020, the share capital increase was registered up to the value of RON 259,824,598.32, by increasing the rated value of a share from the rated value of RON 156.27 to the rated value of 260.41 RON each.
- 1.2.1.3 On 29 April 2021, the increase of the Issuer's share capital was registered from the amount of RON 259,824,598.32 to the amount of RON 260,014,171.2, by increasing the rated value of the shares from the amount of RON 260.41/share to the amount of RON 260.60/share, by incorporating the reserves in the amount of RON 189,572.88, as well as the modification of the rated value of a share, from the value of RON 260.60 to the value of RON 0.2 and the total number of shares of the Issuer, respectively 1,300,070,856 shares, approved according to the EGMS decision of 19 April 2021. On 8 June 2021, the Issuer's extraordinary general meeting of shareholders has approved (i) the Issuer's share capital increase from the nominal value of RON 260,014,171.2 and until the maximum nominal value of RON 286,015,588.2, by the issuance of a number of up to 130,007,085 new ordinary, registered, dematerialised shares having a nominal value of RON 0.20 each and a total nominal value of RON 26,001,417, in view of conducting a public offering that took place during the period 22.06.2021 – 02.07.2021 (“**Initial Public Offering**”). Following this offer, the Issuer's share capital was increased to the amount of RON 286,015,588.2, divided into 1,430,077,941 shares, having an individual nominal value of RON 0.2.
- 1.2.1.4 On 10 September 2021, the Issuer's extraordinary general meeting of shareholders has approved, among others, the share capital increase with an amount up to RON 228,812,470.60, by the issuance of a number of up to 1,144,062,353 new shares. With a nominal value of RON 0.20 per share following the incorporation of approximately 80% of the issuance premiums resulting following the Initial Public Offer. On 6 December 2022, the Board of Directors has confirmed the share capital increase to the amount of RON 228,812,470.60, by the issuance of a number of 1,144,062,353 new ordinary, registered and dematerialised shares, each having a nominal value of RON 0.20.

According to the decision of the extraordinary general meeting of the Issuer's shareholders of 26 April, 2022 and the resolution of the Issuer's Board of Directors of May 5, 2022, it was approved (i) the increase of the share capital of the Issuer with the nominal value of up to RON 66,003,597.2 (“**Share Capital Increase**”), by issuing a number of up to 330,017,986 new ordinary, registered, dematerialised shares, each with a nominal value of RON 0.20 and a total nominal value of RON 66,003,597.2, in view of the Offer and (ii) the delegation of the duties held by the extraordinary general meeting of shareholders in relation to the decision to increase the Company's share capital towards the Company's Board of Decisions, with the power to increase or restrict the shareholders' preference right, for a period of three (3) years, through one or more issues of ordinary, registered and dematerialised shares, with a nominal value not exceeding Lei 23,647,626.

### 2. SPECIFIC INFORMATION ON THE NEW SHARES

## **2.1 Form**

The Shares (including the New Shares) are subject to and have been issued in accordance with the laws of Romania. All Shares are registered, ordinary, freely transferable shares, issued in dematerialised form by registration in the Issuer's shareholders' register, kept by the Central Depository.

## **2.2 Transfer of Shares**

When admitted for trading on the Regulated Market of Bucharest Stock Exchange, the New Shares will be registered under an ISIN number ROJ8YZPDHWW8 and traded under the symbol "ONE", just as the existing shares.

The New Shares will be issued only by registration in the account and, on the settlement date, they will be registered in the investors' securities accounts, through RoClear (Romanian Clearing-Settlement, Custody, Depository and Registration System), which is administered by the Central Depository. The New Shares traded on the Regulated Market of Bucharest Stock Exchange will be transferred by registration in the accounts of the investors opened with participants in the RoClear System or intermediaries holding, directly or indirectly, accounts opened with participants in the RoClear System.

## **2.3 Dividends and distributions**

Shares (including New Shares) entitle to dividends and other distributions, if and when approved. Any such distributions will be made for each Share (including the New Shares), equally, regardless the rated value. All Shares (including New Shares) are of equal rank in all respects and will be eligible for any distribution of dividends, if and when they are approved, in the future. The tax implications of dividend distribution need to be considered very carefully.

# **3. SPECIFIC ASPECTS OF CORPORATE GOVERNANCE**

## **3.1 General Information**

Below is a summary of certain relevant information regarding the Articles of Incorporation, the Corporate Governance Code and certain provisions of Romanian law in force at the date of this Prospectus.

This summary does not aim to provide a complete picture of the Articles of Incorporation or the relevant provisions of Romanian law and must be read in the light of the provisions of the Articles of Incorporation as in force at the close of the Offering. This summary does not constitute a legal opinion on these matters and should not be considered as such. The full text of the Articles of Incorporation will be available free of charge, in Romanian and English, at the Issuer's headquarters, during normal business hours and in electronic format, on the Issuer's website ([www.one.ro](http://www.one.ro)) as well as on the Intermediary's website ([www.brk.ro](http://www.brk.ro)).

## **3.2 Scope of Activity**

The main object of activity of the Issuer is represented by "Holding company activities". The issuer may also carry out any or all of the secondary activities included in Article 3 of the Articles of Incorporation.

## **3.3 Share Register**

According to the Romanian law and the Articles of Incorporation, the Issuer must keep a register of shareholders. The Issuer's register of shareholders must be accurate and up-to-date and include records of the names and addresses of all holders of Shares, indicating the date the Shares were acquired, the date of confirmation by the Issuer or notification of the Issuer and the amount paid for each Share. The register also includes information on any mortgage rights established on the Shares.

According to the Romanian legislation and the Articles of Incorporation, the register of the Issuer's shareholders is kept, on behalf of the Board of Directors, by a register company designated for this purpose, respectively by the Central Depository. The Register of Issuer's shareholders is kept by the Board of Directors of the Issuer.

## **3.4 Transfer of Shares**

There are no restrictions on the transferability of Shares in the Articles of Incorporation.

## **3.5 Increase of the Share Capital**

The share capital can be increased by the EGMS decision. The EGMS decision approving the share capital increase is adopted by a majority of at least two thirds of the voting rights held by the Shareholders present or represented in the General Meeting.

The Share Capital can be increased by issuing new Shares or by increasing the rated value of existing Shares in exchange for new cash and/or in-kind contributions. Also, the Share Capital may be increased by incorporating the reserves, except for the legal reserves, as well as the benefits or issue premiums, or by compensating certain, liquid and due receivables on the Issuer with its Shares.

The shares issued for the increase of the Share Capital will be offered for subscription primarily to the existing Shareholders, in proportion to the number of shares they own, and they may exercise the right of first refusal. The General Meeting may approve the limitation or suspension of the rights of first refusal of the Shareholders in case of increase of the Share Capital by cash contribution through a decision adopted in the presence of Shareholders representing 85% plus one of the share capital, with a majority of at least three quarters of the voting rights. The Board of Directors will make a written report available to the extraordinary general meeting of shareholders, specifying the reasons for limiting or cancelation of the right of first refusal. This report will also explain how to determine the issue value of the Shares.

The Articles of Incorporation or the decision of the Extraordinary General Meeting may authorize the increase of the Share Capital up to a maximum level. Within the limits of the set level, the Board of Directors may decide, following the delegation of powers, to increase the Share Capital. This competence is granted to the Directors for a maximum period of 3 years and may be renewed by the General Meeting for a period which, for each renewal, may not exceed 3 years. The Board of Directors may be delegated by decision of the Extraordinary General Meeting also the task of limiting or cancelling the right of first refusal in the respective operation, subject to the quorum and majority conditions stipulated above.

The decisions made by the Board of Directors, in the exercise of the attributions delegated by the Extraordinary General Meeting, have the same regime as the decisions of the General Meeting regarding their publicity and the possibility of appealing in court.

### **3.6 Acquisition of own shares**

The Issuer may not subscribe for its own Shares. The Issuer may acquire its own Shares, either directly or through a person acting in its own name, but on behalf of the Issuer, subject to the following conditions: (i) the authorization to acquire its own Shares is granted by the General Meeting, which will establish the conditions of such acquisition, in particular the maximum number of Shares to be acquired, the duration for which the authorization is granted and which may not exceed 18 months from the date of publication of the decision in the Official Gazette of Romania, Part IV, and, in case of an acquisition for consideration, their minimum and maximum equivalent value; (ii) the nominal value of the Own Shares acquired by the Issuer, including those already in its portfolio, may not exceed 10% of the subscribed share capital; (iii) the transaction may have as object only fully paid-up Shares; and (iv) the payment of the Shares thus acquired will be made only from the distributable profit or from the available reserves of the Issuer, accounted in the last approved annual financial statement, except for the legal reserves.

Under the EGMS Resolution no. 62 of 26 April 2022, it was approved the redemption by the Issuer of its own shares, on the market where the shares are listed or by means of public offerings, in accordance with the applicable legal provisions, under the following conditions:

- The redemption program will be conducted at the minimum price of RON 0.2 per share and at a maximum price of RON 1.75 per share;
- the aggregate value of the redemption program is up to RON 10,000,000;
- the redemption program will consider the redemption of no more than 10,000,000 shares;
- the redemption program will be carried out for a maximum period of 18 months from the publication date of the resolution adopted in this respect in Part IV of the Official Gazette of Romania;
- redemption transactions may only relate to fully paid shares and will be carried out only out of the distributable profits or available reserves of the Company as shown in the last approved annual financial statements, except for legal reserves;

- the redemption program will have as purpose the operations described in article 5 par. (2) of MAR or, if the redemption transactions do not benefit from the exemptions set out in the Market Abuse Regulation and Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council as regards regulatory technical standards for conditions applicable to repurchase programmes and stabilisation measures, subject to compliance (in relation to each redemption transaction) with the provisions of articles 14 and 15 of MAR; and
- The Board of Directors is authorized to issue any resolution and to do all legal acts and things necessary, useful and/or expedient to carry out the resolutions to be adopted by the EGMS in relation to this item on its agenda, including (but not limited to) with respect to appropriate disclosure prior to the commencement of trading under the redemption program of the purpose of such program.

The shares held by the Issuer in the share capital do not confer the right to dividends during the period of their holding by the Issuer. In addition, the voting rights conferred by these Shares will be suspended during their holding by the Issuer.

Any tax implications arising from the acquisition of own shares and subsequent transactions (including cancellation or redemption) must be considered in the light of the specific circumstances of each transaction.

### **3.7 Reduction of share capital**

The General Meeting may decide to reduce the subscribed share capital by (i) decreasing the number of shares; reducing the rated value of the shares; or (i) the acquisition of its own shares, followed by their cancellation. In any case, the reduction will be subject to the applicable legal provisions.

A decision to reduce the share capital requires a majority of at least two-thirds of the voting rights held by the Shareholders present or represented at the General Meeting and must include the reasons for the reduction and the procedure to be used. In addition, in accordance with Romanian law, a reduction of the share capital implies a period of opposition of two months, during which the creditors have the right to oppose the reduction of the share capital, under certain conditions.

From the perspective of Romanian tax law, any distribution in cash or in kind made to Shareholders based on the reduction of share capital, which is made according to the shareholding of each Shareholder in share capital, is not considered dividend distribution and should therefore not fall within the scope of the withholding tax.

### **3.8 Annual financial statements and auditors**

The financial year of the Issuer coincides with the calendar year. Each year, within four months as of the end of the financial year, the Board of Directors must publish the annual financial statements and make them available to the public, and also submit them to the FSA. The annual financial statements must be accompanied by a report of the independent auditor, a report of the Board of Directors and certain other information required in accordance with Romanian law.

The financial statements of the Issuer will be audited by financial auditors, individuals or legal entities, under the conditions provided by law.

The financial auditor prepares the audit report on the annual financial statements, in which he/she presents his/her opinion, showing whether the annual financial statements present a true and fair view of the financial position, financial performance and other information related to the work carried out, according to the professional standards of the Romanian Chamber of Financial Auditors.

The financial auditor's report, together with his/her opinion, will be presented to the General Meeting and will be published together with the annual financial statements of the Issuer. The General Meeting may not approve the annual financial statements unless they are accompanied by the financial auditor's report.

### **3.9 Dividends and other distributions**

In accordance with Romanian law and the Articles of Incorporation, dividends are distributed to Shareholders prorated to the paid-in share capital, optionally quarterly based on interim and annual financial statements, after regularization through annual financial statements. Dividends may be distributed only from the Issuer's profits determined according to Romanian law.

The Issuer applies a policy regarding the annual distribution of dividends or other benefits to Shareholders, proposed by the Board of Directors, in the form of a set of guidelines that the Issuer follows regarding the distribution of net profit.

### **3.10 General Meeting**

See section 4 below, which provides a more detailed description of General Meetings.

### **3.11 Amendment of the Articles of Incorporation**

The General Meeting may decide to amend the Articles of Incorporation. When the agenda of the General Meeting includes proposals for amending the Articles of Incorporation, the summoning will have to include the full text of the proposals.

A decision adopted by the General Meeting to amend the Articles of Incorporation requires a simple majority of the votes cast. The exercise of this powers may be delegated to the Board of Directors.

### **3.12 Dissolution and liquidation**

The General Meeting may decide to disband the Issuer, decided by a majority of at least two thirds of the voting rights held by the Shareholders present or represented in the General Meeting. If the General Meeting has decided to disband the Issuer, the dissolution of the Issuer has the effect of opening the liquidation procedure. From the moment of dissolution, the Directors and Administrators can no longer undertake new operations, otherwise, being personally and jointly and severally liable for the actions taken. The fiscal consequences of the division and liquidation will be determined in accordance with Romanian tax law and the legislation of the country in which each investor is a tax resident.

## **4. GENERAL MEETING**

### **4.1 Ordinary General Meetings**

The Ordinary General Meeting meets at least once a year, within four (4) months as of the end of the financial year, to approve, inter alia, the annual financial statements and to establish the work program and budget for the current year.

### **4.2 Extraordinary General Meetings**

Extraordinary General Meetings are convened whenever necessary, under the conditions provided by law.

The Board of Directors immediately convenes the General Meeting, at the request of the Shareholders representing, individually or together, at least 5% of the Share Capital, if the request contains provisions falling within the attributions of the General Meeting, so that the General Meeting is held, upon the first or second summoning, within 60 days from the date of the request.

### **4.3 The convening notice and the agenda**

The General Meetings will be convened by the Board of Directors, based on a convening notice that must be published in the Official Gazette of Romania, Part IV, and in one of the widely circulated newspapers in the locality where the Issuer's headquarters are located or in the nearest town. The sitting term of the General Meeting may not be less than 30 days from the publication of the convening notice in the Official Gazette of Romania, part IV. This time limit shall not apply to the second or subsequent convening of the General Meeting due to the failure to meet the quorum required for the first convened meeting, provided that the applicable provisions have been met regarding the first convening, no new points are added on the agenda and at least 10 days pass between the final convening and the date of the General Meeting sitting.

The convening will include, among others: information on the following issues: (i) the place, date and time of the General Assembly; (ii) the agenda, with an explicit indication of all issues that will be the subject of the GMS debates; (iii) the reference date set by the Board of Directors (i.e. the date set by the Board of Directors which serves to identify the shareholders entitled to participate in and vote at the GMS), as well as the fact that only persons who are Shareholders at such time have the right to participate and vote in the General Meeting; (iv) a clear and precise description of the procedures to be followed by Shareholders in order to participate and vote in the General Meeting; (v) the place where it is possible to obtain the full text of the documents and draft decisions and the date from which they are available, as well as the procedure followed in this regard; (vi) issuer's website address and issuer's contact details; (vii) the proposal of the Board of Directors on the details of the corporate event, such as, and depending on the event, the date of registration, ex date, the date of guaranteed participation and the date of payment; (viii) the express specification that the right to vote can be exercised directly, through a representative or by correspondence and the conditions under which it is exercised; and (ix) the manner in which the ballot paper and the special power of attorney form for the representation in the GMS are distributed, as well as the date from which they are available.

One or more Shareholders representing at least 5% of the Share Capital, may request by a written request addressed to the Board of Directors the supplementation of the agenda with new items, provided that each item is accompanied by a justification or a draft decision. proposed for adoption by the General Meeting, as well as within 15 days from the date of publication of the convening. Under the same conditions, one or more Shareholders representing at least 5% of the Share Capital may present draft decisions for the items included or proposed to be included on the agenda of the General Meeting.

Each Shareholder may address written questions regarding the Issuer's activity to the Board of Directors by sending them to the e-mail address intended for the relationship with investors, before the date of the General Meeting, to be answered at the general meeting. The issuer can formulate a general answer to questions with the same content. Also, the answer is considered given if the requested information is published on the Issuer's website, in the "Frequently Asked Questions" section.

The General Meeting is chaired by the Chairman of the Board of Directors or by a member of the Board of Directors appointed for this purpose by the Chairman of the Board of Directors. Minutes of the meetings will be drawn up.

Only Shareholders registered in the Register of Shareholders on the reference date established by the Board of Directors have the right to participate and vote in the General Meeting. Shareholders may attend the General Meeting in person (in the case of legal entities through the legal representative or legal representatives, as the case may be) or through representative, based on a general or special power of attorney, the special power of attorney being expressly granted for that General Meeting.

#### **4.4 Voting rights**

Each Share confers the right to one vote. Unless Romanian law or the Articles of Incorporation provide for higher requirements, the general quorum and majority requirements for the General Assembly at the first and second convening are as follows: (i) The Ordinary General Meeting at the first convocation is legally convened if the Shareholders representing at least half plus one (50% + 1) of the total number of voting rights are present in person or represented in the Ordinary General Meeting and the decisions are adopted by at least half plus one (50% + 1) of the votes cast; (ii) The Ordinary General Meeting at the second convening is legally convened regardless of the number of Shareholders present in person or represented and decisions are adopted by a majority of the votes cast (50% + 1); (iii) The Extraordinary General Meeting at the first as well as at the second convening is legally convened if the Shareholders representing at least half (50% + 1) of the total number of voting rights are present in person or represented in the Extraordinary General Meeting and decisions are adopted by at least 50% (50% + 1) of the votes of the shareholders present or represented at the Extraordinary General Meeting (higher quorum and majority requirements apply in cases expressly provided by law).

The Secretary of the General Meeting draws up the minutes of the meeting which are signed by the Chairman of the Board of Directors or by the person who chairs the General Meeting, as well as by the Secretary of the General Meeting. The minutes ascertain the fulfillment of the convening formalities, the date and place of the General Meeting, the Shareholders present or represented, the number of shares held by the Shareholders present or represented, the summary of the debates and decisions adopted and, at the Shareholders' request, the statements made by them in the meeting. All the documents related to the convening of the General Meeting, as well as the list of attendance of the Shareholders are attached to the minutes. These minutes are entered in the register of General Meetings.

## **5. OBLIGATIONS OF SHAREHOLDERS, OF THE COMPANY AND OF THE DIRECTORS TO NOTIFY HOLDERS OF SHARES AND VOTING RIGHTS**

According to Law 24/2017, if after the acquisition or sale of Shares, the proportion of voting rights held by a person reaches, exceeds or decreases below one of the levels of 5%, 10%, 15%, 20%, 25%, 33%, 50 % or 75% of the total voting rights, that person must notify the Issuer, FSA and the Bucharest Stock Exchange, within a maximum of 4 trading days from the confirmation of this operation. The relevant percentages will be calculated by reference to all voting rights in a given class of shares, regardless of whether all or certain voting rights in that class are suspended.

For the purpose of calculating the percentage of voting rights, the following holdings must, inter alia, be taken into account: (i) voting rights held directly by any person; (ii) voting rights held or exercisable by an entity controlled by that person or by a third party on behalf of that person or by another person acting with that person; (iii) voting rights held by a third party with whom that person has concluded an agreement on the concerted exercise of voting rights; (iv) voting rights held by a third party with whom that person has entered into an agreement on the temporary transfer, for consideration, of those voting rights; (v) the voting rights attached to the Shares held by that person which are provided as security, provided that he/she controls the voting rights and that he/she states his/her intention to exercise them; (vi) the voting rights attached to the Shares, the usufruct right belonging to that person; (vii) the voting rights attached to the Shares held by that person, which he/she may, in the absence of instructions to the contrary from the owners of the Shares, exercise without restriction; (viii) the voting rights exercised by that natural or legal person as a proxy which, in the absence of specific instructions from the owners of the shares, he/she may exercise without restriction; and (ix) the voting rights attached to the shares issued that may be acquired by such person on the basis of other financial instruments held by him/her.

Failure to comply with these notification obligations constitutes a contravention. FSA may request the above persons to make the related disclosures, it may also request additional information regarding such disclosures. FSA may impose administrative sanctions for non-compliance and may make such non-compliance public.

Shareholders are advised to consult with legal advisers to determine whether notification obligations apply to them.

## **6. OBLIGATIONS OF SHAREHOLDERS TO MAKE PUBLIC OFFERINGS**

According to Directive 2004/25/EC ("**Takeover directive**"), each Member State must ensure the protection of minority shareholders by requiring any person acquiring control of a company to make an offer to all holders of securities voting rights of that company, for all their holdings, at a fair price.

The takeover directive applies to all companies governed by the laws of a Member State, for which all or certain securities conferring voting rights are admitted to trading on a regulated market in one or more Member States.

According to Romanian law, respectively according to Law 24/2017 and Regulation 5/2018, mandatory takeover public offerings must be launched immediately but, as a rule, no later than two months from the date on which the bidder has reached the threshold that gives him control. Until the public offering takes place, the voting rights related to the securities exceeding the threshold of 33% of the voting rights over the Issuer are suspended, and the respective shareholder and the persons with whom he acts together can no longer acquire, through other operations, shares of the Issuer.

The price of a mandatory takeover public offering will be at least equal to the highest price paid for shares by the bidder or by the persons acting together with the bidder, within 12 months before the submission of the documentation related to the approval of the public offering with FSA.

If the mandatory takeover offering is not launched within the deadline provided by Romanian law, the offer price is at least equal to the highest price of the following values: (i) the highest price paid by the bidder or the persons with whom he/she acts together during the 12 months preceding the date of submission of the offering documents with FSA; (ii) the highest price paid by the bidder or by the persons with whom he/she acts together in the last 12 months preceding the date on which the position conferring control of the voting rights in the company was reached; (iii) the trading weighted average price, corresponding to the last 12 months prior to the date of submission to the FSA of the offering documentation; (iv) the trading weighted average price, corresponding to the last 12 months prior to the date on which the position representing more than 33% of the voting rights was reached.

If the mandatory takeover public offering is launched within the deadline provided by Romanian law, but the bidder or persons acting together with it have not purchased shares of the company subject to takeover within 12 months prior to the date of submission to FSA of the offering documentation for its approval, or in the situation where FSA



considers that the operations through which shares were purchased are likely to influence the correctness of the pricing method, the offer price within the mandatory takeover public offering is at least equal with the highest price of the following values determined by an authorized appraiser, according to the law, and designated by the bidder, as follows: (i) the trading weighted average price for the last 12 months prior to the date of submission of the offering documents to FSA; (ii) the value of the company's net assets, divided by the number of shares subscribed, according to the last audited financial statement; and (iii) the value of the shares resulting from an expertise performed in accordance with international valuation standards. If the mandatory takeover public offering is not launched within the deadline provided by Romanian law, and the bidder or persons acting together with it have not purchased shares of the company subject to takeover within 12 months prior to the date of submission to FSA of the offering documentation for its approval, or in the situation where FSA considers that the operations through which shares were purchased are likely to influence the correctness of the pricing method, the offer price within the mandatory takeover public offering is at least equal with the highest price of the following values determined by an authorized appraiser, according to the law, and designated by the bidder, as follows: (i) the trading weighted average price for the last 12 months prior to the date of submission of the offering documents to FSA; (ii) the trading weighted average price, for the last 12 months prior to the date on which the position representing more than 33% of the voting rights was reached; (iii) the highest price paid by the bidder or by the persons with whom he acts together in the last 12 months preceding the date on which the position representing more than 33% of the voting rights was reached; (iv) the value of the company's net assets, divided by the number of shares subscribed, according to the last financial statement prior to the date of submission to FSA of the offering documentation; (v) the amount of the company's net assets, divided by the number of shares subscribed, according to the last audited financial statement prior to the date on which the position representing more than 33% of the voting rights was reached; and (vi) the value of the shares resulting from an expertise performed in accordance with international valuation standards.

## **7. MARKET ABUSE RULES**

As of 3 July 2016, the national legislation previously applicable in EU Member States has been repealed, the Market Abuse Regulation (Regulation (EU) No 596/2014) (“**MAR**”) provides for special rules to prevent market abuse, such as insider dealing, disclosure of inside information and unauthorized disclosure and market manipulation. The issuer, members of the Board of Directors and other inside information holders as well as persons carrying out transactions with financial instruments of the issuer, where applicable, shall be subject to the prohibition on insider dealing, the prohibition on the disclosure of inside information and its unauthorized transmission to certain persons, and the prohibition on market manipulation. In certain circumstances, Issuer’s investors may also be subject to market abuse rules.

Inside information means any information of a certain nature, which relates (directly or indirectly) to the Issuer or to Issuer’s shares or other financial instruments, which have not been made public and which, if made public, could have a significant impact on the price of the Shares or on the other financial instruments or on the price of the derivative financial instruments.

According to MAR, a person is prohibited from having inside information and using that information by acquiring or disposing, in his own name or on behalf of a third party, directly or indirectly, of Shares of the Issuer and other financial instruments to which that information relates. A person is also prohibited from using inside information by canceling or amending an Order on Shares of the issuer or other financial instruments to which the information relates, if the order was issued before that person had inside information. In addition, a person is also prohibited from recommending another person to engage in insider dealing or to induce another person to engage in insider trading when that person has information and (a) recommends, on the basis of such information, that such other person acquire or dispose of Shares of the Issuer or other financial instruments to which that information relates or cause that other person to make such a purchase or alienation; or (b) recommends, on the basis of such information, that such other person cancels or amends an order concerning the Shares or other instruments to which such information relates or causes that person to make such a cancellation or change.

The issuer will have the obligation to make public any inside information immediately. However, the issuer may delay the publication of inside information if it can ensure the confidentiality of the information. This delay is only possible if the publication of such information could harm the legitimate interests of the Issuer, if there is no risk that the delay will mislead the market and subject to the Issuer being able to ensure the confidentiality of the respective information. The Issuer will be subject to Romanian legislation regarding the publication of inside information. Also, the Issuer must immediately inform FSA of any information whose publication was postponed, as soon as such was made public.

The directors, other persons with management responsibilities and persons in close relations with them are subject to the notification obligations provided by MAR. The directors and other persons with management responsibilities as well as the persons in close relations with them, must notify FSA of each transaction carried out in their own name in connection with the Shares or debt securities of the Issuer or with derivative instruments or other financial instruments related to these Shares or debt securities. The notification must be made within three Business Days from the date of the transaction. According to MAR, it is not necessary to make any notification of a transaction if the transactions in a calendar year carried out by that Director, the persons with management responsibilities or the persons in close relations with them do not exceed the threshold of EUR 5,000 (without netting). Once the threshold has been reached, all transactions will have to be notified, regardless of the value and the place where they were concluded.

Failure to comply with these reporting obligations could lead to criminal sanctions, fines and cessation and termination orders (and their publication), imprisonment or other sanctions.

## **8. TRANSPARENCY REQUIREMENTS**

According to Law 24/2017, the Issuer must publish its audited annual financial statements within four months as of the end of each financial year and its half-yearly financial statements within three months as of the end of the first financial semester of the year.

In accordance with Law 24/2017, the Issuer shall publish its annual report, including its annual financial statements, together with a report and a statement of the Board of Directors and the independent auditor's report, within four months as of the end of each financial year. The same documents must be submitted to FSA and the Bucharest Stock Exchange, within the same term.

Furthermore, Regulation 5/2018 and Law 24/2017, provide that the Issuer will have to make public the inside information about the Issuer, as well as information about important recent events in the activity of the Issuer, which could have an impact on the price of the New Shares. E.g., the Issuer will need to submit information such as:

- convening of general meetings of shareholders;
- the decisions adopted by the general meeting of shareholders or, as the case may be, information relating to the non-fulfillment of the quorum or majority required for the adoption of a decision;
- changes in control of the company, including indirect change of control over the company;
- changes in management;
- replacement of the company's auditor and the reason for this replacement;
- termination or reduction of contractual relations that generated at least 10% of the company's revenues during the previous financial year;
- changes in the characteristics and/or rights related to the different classes of securities issued by the company, including changes in the rights related to the derivative instruments issued by the company that confer rights on the shares issued by it;
- disputes in which the company is involved;
- initiating of a procedure for cessation, respectively for resumption of the company's activity, initiation and conclusion of the insolvency/bankruptcy procedure, judicial reorganization or dissolution;
- off-balance sheet operations with significant effects on the company's financial results;
- changes in the company's obligations, with a significant effect on its business and financial position;
- substantial acquisitions or disposals of assets (acquisitions or disposals of assets will be considered substantial if the assets represent at least 10% of the total value of the company's assets either before or after the respective transaction);
- contracts concluded by the company the value of which exceeds 10% of the net turnover related to the last annual financial statements or contracts concluded outside the current activity of the company; and
- the realization of a product or the introduction of a new service or a development process that affects the company's resources.

## **9. INTERMEDIATION CONTRACTS**

On 23 May 2022, the Issuer concluded an Intermediation Agreement with the Intermediary. According to the Intermediation Contract:

- The Issuer agreed, under certain conditions, to sell the Shares included in the Offering at the Offer Price; and
- The Intermediary will receive from the Issuer, a total fee of up to RON 7,029,383.

## **10. SIGNIFICANT CONTRACTS**

During the reference period indicated in Annex 1, section 20 of the Delegated Regulation 2019/980, i.e. the last two years preceding the date of this Prospectus, the Issuer and the members of the Group, respectively, have not concluded significant contracts other than those concluded in the normal framework of the activity and referred to in this Prospectus.

## **11. WORKING CAPITAL**

In the Issuer's opinion, the Group has sufficient working capital for its current requirements, i.e. for at least the next 12 months after the date of this Prospectus, this statement being made without disclaimers. For the purposes of this statement, the Issuer has not included in the calculation of the working capital the proceeds of the Offer.

## **12. NO SIGNIFICANT CHANGE**

There were no significant changes in the Group's financial or trading position as of 31 December 2021, the date on which the Issuer's last audited consolidated financial statements were prepared. For recent developments (since the date of the Annual Financial Statements), please see Part 7 "*Operating and Financial Review*".

## **13. CONSENT**

Deloitte Audit SRL has given its written consent and has not withdrawn it, for the inclusion of its independent auditor's reports and for references to them in the form and context in which they appear and approved the content of those parts of this Prospectus which contain its reports for the purpose of the Prospectus Regulation.

The Intermediary has given and has not withdrawn its consent for the inclusion in this Prospectus of its name in the form and context in which they appear.

## **14. EXPENDITURE RELATED TO THE ISSUE/OFFERING**

The fees and expenses that will be borne by the Issuer in connection with the Offering, the Admission respectively, including the fees to FSA, the professional fees and expenses and the costs of printing and distributing the documents are estimated at approximately RON 7.69 million. In addition, the total amount of subscription fees, expenses and other amounts related to stamp duties, to be paid by the Issuer in connection with the Offering is estimated at 0 RON.

## **15. DOCUMENTS AVAILABLE FOR CONSULTATION**

Copies of the following documents will be available for consultation during normal business hours on any day of the week (except Saturdays, Sundays and public holidays) for a period of 12 months after the date of this Prospectus at the Issuer's premises:

- (a) The Articles of Incorporation of the Issuer;
- (b) the audited consolidated financial statements of the Issuer for the three financial years ended on 31 December 2019, 2020 and 2021, together with the related audit reports, respectively the unaudited, unreviewed interim consolidated financial statements of the Issuer for the three months period ending on 31 March 2022; and
- (c) this Prospectus.

Those documents will also be made available on the Issuer's website at [www.one.ro](http://www.one.ro), as well as on the Intermediary's website at [www.brk.ro](http://www.brk.ro).

Date: 9 June 2021

**ISSUER**

ONE UNITED PROPERTIES S.A.

By: VICTOR CĂPITANU

Executive Member and Director

**INTERMEDIARY**

SSIF BRK FINANCIAL GROUP S.A.

By: Monica Ivan

General Manager

## PART 18 DEFINITIONS AND GLOSSARY

|                                   |  |
|-----------------------------------|--|
| “ACCA” .....                      | Association of Certified Public Accountants;   |
| “Admission” .....                 | Approval of and submission to FSA for the purpose of the Offering and admission to trading of the New Shares on the Regulated Market administered by the Bucharest Stock Exchange;   |
| “ANAF” .....                      | Romanian National Agency for Fiscal Administration;  |
| “Annual Financial Statements” ..  | Financial Statements of the Issuer for the respective annual financial year, prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as subsequently amended, for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union, as subsequently amended, on and for the financial years ended on December 31, 2019, 2020 and 2021, accompanied by the independent auditor's report, prepared in accordance with the IFRS standards,; |
| “Articles of Incorporation” ..... | The Articles of Incorporation of the Issuer;   |
| “ASPAAS” .....                    | Authority for Public Supervision of the Statutory Audit Activity;  |
| “BAF” .....                       | Fund for accession to the Balkans;   |
| “Board of Directors” .....        | The Board of Directors of the Issuer;  |
| “Brexit” .....                    | the referendum in Great Britain which resulted in the vote for Britain's exit from the European Union;   |
| “BVB Corporate Governance Code”   | Corporate Governance Code of the Bucharest Stock Exchange;   |
| “BVB” .....                       | Bucharest Stock Exchange;  |
| “Capital Increase” .....          | The increase of the share capital of the Issuer, as decided by the EGMS decision no. [●] of 26 April 2022 and the BoD Decision of 05.05.2022;  |
| “CAR” .....                       | CAR type insurance policy, for all types of constructions;   |
| “CBRE” .....                      | CB Richard Ellis;  |
| “Central Depository” .....        | Depozitarul Central SA, a joint stock company, having its registered office in 34-36 Carol I Boulevard, pp. IBC modern, et. 3,8,9, Sector 2, registered with the Bucharest Trade Register under no. J40/5890/1997, having the sole registration code 9638020;  |
| “CEO” .....                       | Executive Manager;   |

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|--|--|
| “CFA” .....                                | Certified financial analyst;   |
| “CFM” .....                                | Multiannual Financial Framework  |
| “CFO” .....                                | Financial Manager;   |
| “CFR” .....                                | Romanian National Railway Company „CFR " SA  |
| “Chairman of the Board of Directors” ..... | The Chairman of the Board of Directors, respectively Mr. Claudio Cisullo;  |
| “Civil Code” .....                         | Law no. 287/2009 on the Civil Code, as subsequently amended and supplemented;  |
| “Closing Date” .....                       | The last day of the offering, 26 July 2022;  |
| “Construction Law”                         | Law no. 350/2001 on spatial planning and urbanism, as subsequently amended and supplemented;   |
| “Covid-19” .....                           | The pandemic spread by the SARS-VOC-2 virus;   |
| “DAE” .....                                | Effective annual interest rate;  |
| “Delegated Regulation 2019/980”            | Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004; |
| “Deloitte Audit S.R.L.” .....              | Deloitte Audit SRL, a limited liability company, having its registered office in 84-98 and 100-102 Calea Grivitei, bl. The Mark Building, et. 8-9, Bucharest Sector 1, registered with the Trade Register under no. J40/6775/1995, sole registration code 7756924;   |
| “Directors” .....                          | Members of the Issuer's Board of Directors;  |
| “EBITDA” .....                             | Operating profit before interest, profit tax and depreciation;   |
| “EEAF” .....                               | Emerging Europe Accession Fund;  |
| “EU” .....                                 | European Union;  |
| “EUR” .....                                | It means the euro, the single currency introduced in the Member States of the European Union which have adopted such a single currency in the third stage of the European Economic and Monetary Union under the Treaty establishing the European Community, as amended;  |
| “Excessive Deficit Procedure (EDP)” .....  | The excessive deficit procedure, as governed by Article 126 of the Treaty on the Functioning of the European Union;  |
| “Executive Directors” .....                | Executive members of the Board of Directors;   |

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|---|---|
| “Extraordinary General Meeting” or “EGMS” ..... | Extraordinary general meeting of shareholders;  |
| “Financial statements” .....                    | Statutory financial statements, prepared in accordance with Romanian accounting legislation;  |
| “Fitch” .....                                   | Fitch Ratings Rating Agency;  |
| “Forte Partners” .....                          | Forte Partners SRL, a limited liability company, having its registered office in 212-214 Țițeica Gheorghe Street, Bl. Ethos House, 6th floor, ap. Office 9, Bucharest Sector 2, registered with the Trade Register under no. J40/13713/2013, sole registration code 32435860;   |
| “Founding Shareholders” .....                   | Mister. Victor Căpitanu and Mr. Andrei Diaconescu;  |
| “FSA” .....                                     | Romanian Financial Supervisory Authority;   |
| “GDP” .....                                     | GDP;  |
| “GDP” .....                                     | Gross domestic product;   |
| “GDV” .....                                     | The gross value of the project;   |
| “General Manager” .....                         | The person holding the position of General Manager of the Issuer;   |
| “General Meeting” or “GMS” ...                  | General meeting of shareholders;  |
| “General Urban Planning of Bucharest” .....     | The general urban plan of the municipality of Bucharest, approved by the Decision of the General Council of the Municipality of Bucharest no. 269/21.12.2020;   |
| “GLA” .....                                     | Total leasable area;  |
| “Glass Rom Impex S.R.L.” .....                  | Glass Rom Impex SRL, a limited liability company, having its registered office in 452 Metalurgiei avenue (zone A), Bucharest Sector 4, registered with the Trade Register under no. J40/3758/1995, sole registration code 7318312;  |
| “Group companies” .....                         | the subsidiaries owned, in whole or in part, by the Issuer, as presented in “Part 3 - Description of the Issuer and organizational structure”;  |
| “Group” .....                                   | The Issuer and the Group Companies;   |
| “IFRS” .....                                    | International financial reporting standards adopted by the European Union;  |
| “Intermediary” .....                            | SSIF BRK Financial Group SA, a joint stock company, having its registered office in 119 Calea Moșilor, Cluj Napoca, Romania, registered with the Cluj Trade Register under no. J12/3038/1994, sole registration code 6738423, legally authorized by the National Securities Commission (currently the Romanian Financial Supervisory Authority) and registered in the Public Register of the Romanian Financial Supervisory Authority under no. PJR01SSIF/120072; |
| “Interim Financial Statements”                  | the interim consolidated condensed financial statements of the Group as at 31 March 2022 and for the three months period ended 31 March 2022,   |

prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as subsequently amended, for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union, as subsequently amended, as at 31 March 2022 and for the three months ended 31 March 2022, accompanied by the independent auditor's report, prepared in accordance with the IFRS standards,;

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| “Intermediation Contract” .....                | The financial investment services contract concluded between the Intermediary and the Issuer on 23 May 2022;  |
| “International WELL Building Institute “ ..... | International WELL Building Institute Group, the entity issuing the “WELL certificates”;  |
| “ISCIR” .....                                  | State Inspection for the Control of Boilers, Pressure Vessels and Lifting Installations;  |
| “ISIN” .....                                   | International securities identification number;   |
| “Issuer” .....                                 | One United Properties SA, a joint stock company with its registered office located in 20 Maxim Gorki Street, District 1, Bucharest, Romania, registered with the Bucharest Trade Registry Office under no. J40/21705/2007, sole registration code 22767862; |
| “JLL” .....                                    | Jones Lang LaSalle Incorporated   |
| “Labor Code” .....                             | Law no. 53/2003 on the Labor Code, as subsequently amended and supplemented;  |
| “Land Registry” .....                          | The public register in Romania which includes the complete and exact legal record of the real estates, the property of the natural and legal persons from the same locality;  |
| “Law 24/2017” .....                            | Law no. 24/2017 on issuers of financial instruments and market operations, as subsequently amended and supplemented;  |
| “Law no. 7/1996” .....                         | Law no. 7/1996 regarding cadastre and real estate publicity, as subsequently amended and supplemented;  |
| “Law of Urbanism”                              | Law no. 350/2001 on spatial planning and urbanism, as subsequently amended and supplemented;  |
| “Lemon Interior Design” .....                  | Lemon Interior Design SRL, a limited liability company having its registered office in 20 Maxim Gorki Street, Bucharest, Sector 1, registered with the Trade Register under no. J40/21256/2004, sole registration code 17056286;                            |
| “Lugano Convention of 2007” ..                 | Convention on Jurisdiction, Recognition and Enforcement of Judgments in Civil and Commercial Matters, published in the Official Journal no. L 339 on 21 December 2007;  |
| “Manager” .....                                | The person holding the position of manager of the Issuer;   |



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| “MAR” .....  | Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as subsequently amended and supplemented; |
| “Maximum Offering Size” .....                        | The Offering Size will be up to 330,017,986 New Shares;  |
| “Member State” .....                                 | Member State of the European Union;  |
| “Moody’s” .....                                      | Moody’s Investors Service rating agency;   |
| “NBR” .....  | The National Bank of Romania;  |
| “New Shares” .....                                   | The New Shares for sale, within this Offering, respectively a number of 330,017,986 shares;  |
| “Next Generation EU Economic Recovery Package” ..... | The package of economic measures for the recovery of the European Union economy following the SARS-VOC-2 pandemic, as included in Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility;  |
| “NGEU” .....   | Next Generation EU economic recovery package;  |
| “Nomination and Remuneration Committee” .....        | The Nomination and Remuneration Committee set up by the Issuer's Board of Directors;   |
| “Non-Executive Directors” .....                      | Non-executive members of the Board of Directors;   |
| “Maximum Subscription Price”.                        | The price which each New Share will be subscribed at during the exercising of the Preference Rights by the Preference Rights Holders;  |
| “Offering Size” .....                                | Number of New Shares to be sold under the Offer;   |
| “Offering” .....                                     | The Offering initiated by the Issuer, respectively the issue of the New Shares, in the terms and conditions provided under this Prospectus;  |
| “One Charles de Gaulle Residence S.R.L”. .....       | One Charles de Gaulle Residences S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/12245/2013, sole registration code 32316045;  |
| “One Charles de Gaulle” .....                        | The real estate project developed by the Issuer, in the Primaverii area, Bucharest;  |
| “One Cotroceni Park Office Faza 2 S.A.” .....        | One Cotroceni Park Office Faza 2 S.A., a joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6838/2020, sole registration code 42671346;   |
| “One Cotroceni Park Office Faza 3 S.A.” .....        | One Cotroceni Park Office Faza 3 S.A., a joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6901/2020, sole registration code 42674881;   |

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| “One Cotroceni Park Office S.A.”             | One Cotroceni Park Office S.A., a joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/7032/2020, sole registration code 42688380;     |
| “One Cotroceni Park S.R.L.” ....             | One Cotroceni Park S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/16080/2017, sole registration code 38236441;   |
| “One Cotroceni Park” .....                   | The real estate project developed by the Issuer, located in 1 Progresului Street, sector 2, Bucharest;  |
| “One Floreasa Vista” .....                   | The real estate project developed by the Issuer, located in 1 Zăgazului Street, Bucharest 014261, sector 1;   |
| “One Floreasca City” .....                   | The real estate project developed by the Issuer, located in the Floreasca area, Bucharest;  |
| “One Floreasca Towers S.R.L.”                | One Floreasca Towers S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/9705/2019, sole registration code 41434708;  |
| “One Floreasca Towers” .....                 | The real estate project developed by the Issuer, located in the Floreasca area, Bucharest;  |
| “One Herastrau Office Properties S.A.” ..... | One Herastrau Office Properties S.A., joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/5201/2020, sole registration code 42510471; |
| “One Herastrau Plaza S.R.L.” ..              | One Herăstrău Plaza S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6186/2014, sole registration code 33202987;   |
| “One Herastrau Plaza” .....                  | The real estate project developed by the Issuer, in 21-25 Zăgazului street, Aviation area, sector 1, Bucharest;   |
| “One Herăstrău Park” .....                   | The real estate project developed by the Issuer, located in 12 Nicolae G. Caramfil Street, sector 1, Bucharest;   |
| “One Herăstrău Towers S.R.L.”                | One Herăstrău Towers S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/4242/2015, sole registration code 34339541;               |
| “One Herăstrău Towers” .....                 | The real estate project developed by the Issuer, in 74A Nicolae G. Caramfil street, sector 1, Bucharest;  |
| “One Herăstrău Vista” .....                  | The real estate project developed by the Issuer, located at 65 Grigore Gafencu Street, Bucharest 014132 sector 1;   |
| “One Lake District S.R.L.” .....             | One Lake District S.R.L. a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/16082/2017, sole registration code 38236450;                  |

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| “One Lake District” .....                   | real estate project developed by One Lake District S.R.L.;   |
| “One Long Term Investments S.R.L.” .....    | One Long Term Investments S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/9555/2019, sole registration code 41422240;                 |
| “One Long Term Value S.R.L.”                | One Long Term Value S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6494/2016, sole registration code 36038650;          |
| “One Madrigalului” .....                    | The real estate project developed by the Issuer, in 42 Madrigalului street, sector 1, Bucharest;   |
| “One Mamaia Nord S.R.L.”                    | Neo Mamaia SRL, a limited liability company, having its registered office in 20 Gorki Maxim Street, Bucharest sector 1, registered with the Trade Register under no. J40/15882/2017, sole registration code 38224218;                    |
| “One Mamaia Nord” .....                     | The real estate project developed by the Issuer located in 4 Aleea Lamia, Mamaia 900001;   |
| “One Mamaia S.R.L.” .....                   | One Mamaia S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/7003/2020, sole registration code 42687237;                   |
| “One Mircea Eliade Properties S.R.L.” ..... | One Mircea Eliade Properties S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/7492/2016, sole registration code 36134550; |
| “One Mircea Eliade” .....                   | The real estate project developed by the Issuer, in 16B Mircea Eliade avenue, sector 1, Bucharest;   |
| “One Modrogan S.R.L.” .....                 | One Modrogan S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/3313/2014, sole registration code 32941698;                 |
| “One Modrogan” .....                        | The real estate project developed by the Issuer, in 1A al. Modrogan, sector 1, Bucharest;  |
| “One North Gate S.A.” .....                 | One North Gate S.A., a joint stock company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/390/2017, sole registration code 36927076;                                     |
| “One North Gate” .....                      | The real estate project developed by the Issuer, in 2 Pipera avenue, sector 1, Bucharest;  |
| “One Peninsula S.R.L.” .....                | One Peninsula S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/5520/2014, sole registration code 33142150;                             |
| “One Peninsula” .....                       | The real estate project developed by the Issuer, in 25 Navigators street, sector 1, Bucharest;   |

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| “One Property Support Services S.R.L.” ..... | One Property Support Services S.R.L., a limited liability company, headquartered in 202 Spl. Independentei, room C10B1, sector 6, Bucharest, registered with the Trade Register under no. J40/4901/2019, sole registration code 40951374;                                  |
| “One Timpuri Noi” .....                      | The real estate project developed by the Issuer, located in 13 Ion Minulescu Street, Sector 3, Bucharest;  |
| “One Tower” .....                            | The real estate project developed by the Issuer, in 159-165 Floreasca street, sector 1, Bucharest;   |
| “One United Tower S.A.” .....                | One United Tower S.A., a joint stock company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/20317/2017, sole registration code 38586064;   |
| “One Verdi Park S.R.L.” .....                | One Verdi Park S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/9541/2015, sole registration code 34850537;  |
| “One Verdi Park” .....                       | The real estate project developed by the Issuer, in 164 Barbu Văcărescu street, Floreasca area, sector 2, Bucharest;   |
| “Opening the Offer”                          | means 27 June 2022, being the first day of the Offering;   |
| “Ordinary General Meeting” or “OGMS” .....   | Ordinary general meeting of shareholders;  |
| “OSIM” .....                                 | State Office for Inventions and Trademarks;  |
| “PAD” .....                                  | Compulsory home insurance policies;  |
| “Participant” .....                          | means a participant to the Central Depository’s system, the Preference Rights being registered in an account opened by the respective Participant in Section II, respectively in Section III of the registry held by the Central Depository;                               |
| “Patria Bank” .....                          | Patria Bank S.A., a joint stock company, with its registered office in 42 Șoseaua Pipera, Globalworth Plaza building, 8 and 10 floor, Bucharest, sector 2, registered with the Trade Register under no. J40/9252/2016, sole registration code 11447021;                    |
| “PD” .....                                   | Property damage insurance policies;  |
| “PNRR” .....                                 | National Recovery and Resilience Plan;   |
| “Preference Rights” .....                    | The preference rights issued in connection with the Share Capital Increase equal to the number of shares issued by the Issuer, registered in the Shareholders’ Registry kept by the Central Depository on the Date of Registration, i.e., 2,574,140,294 preference rights; |
| “Preference Rights Holders” .....            | Means the persons who can subscribe New Shares on the basis of the Preference Rights;  |
| “Private Placement” .....                    | The private placement within which the New Shares remaining unsubscribed after the exercise period of the preference rights will be  |

offered for subscription, addressed to certain persons in the European Union on the basis of permitted exceptions from the publication of a prospectus, including those set out in Article 1(4)(a) to (d) of the Prospectus Regulation and/or investors to whom such private placements may lawfully be addressed and directed, pursuant to the exemptions of Regulation S (“Regulation S”) of the United States Securities Act of 1933 (“Securities Act”) and without any obligation to comply with any other formalities under any applicable law, only if and to the extent that an investment in the New Shares does not constitute a violation of any applicable law by such investor;

|  |  |
|--|--|
| “Prospectus Regulation” .....  | Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;            |
| “Prospectus” .....   | This Prospectus regarding the primary public offering for the sale of the New Shares under the preference right, approved by FSA in order to carry out the Offering;   |
| “PUD” .....  | Detailed urban planning;   |
| “PUG” .....  | General urban planning;  |
| “PUZ” .....  | Area Urban Planning;   |
| “RAEF” .....   | Fund for Romanian American enterprises;  |
| “RCAC” .....   | Compound annual growth rate;   |
| “Register of Shareholders” .....   | Register of shareholders of the Issuer;  |
| “Regulated Market or Regulated Market of the Bucharest Stock Exchange” ..... | The regulated market under the administration of the Bucharest Stock Exchange;   |
| “Regulation 5/2018” .....  | Regulation no. 5/2018 on issuers of financial instruments and market operations, issued by FSA, as subsequently amended and published;   |
| “Reinvent Energy S.R.L.” .....   | Reinvent Energy SRL, a limited liability company, having its registered office in 8A Baba Novac street, cam. 22105, block C, floor 2, ap. 221, sector 3, Bucharest, registered with the Trade Register under no. J40/4935/2017, sole registration code 37358718; |
| “Report of the Board of Directors”   | Annual activity report of the Board of Directors;  |
| “Subscription Consent Withdrawal Form” .....                                 | Investor Subscription Withdrawal Form;   |
| “Ringier AG” .....   | Ringer AG, a company from Switzerland, with its registered office in Zurich, 23 Dofourstrasse street, 8008, Switzerland;   |
| “Risk and Audit Committee” .....   | The risk and audit committee set up by the Issuer's Board of Directors;  |

|   |   |
|---|---|
| “RoClear” .....                                   | The Romanian Clearing Settlement, Custody, Depository and Registration System, administered by the Central Depository;  |
| “Romanian Civil Procedure Code”                   | Law no. 134/2010 on the Civil Procedure Code, as subsequently amended and supplemented;   |
| “RON” .....                                       | Romanian lei;   |
| “S&P” .....                                       | Standard & Poor's rating agency;  |
| “Securities Law” .....                            | The Securities Act of the United States of America of 1933, as subsequently amended and supplemented;   |
| “Share” .....                                     | The ordinary shares of the Issuer;  |
| “Share Capital Increase” .....                    | The share capital increase at the level of the Issuer, as approved by EGMS Resolution dated 26 April 2022, respectively by the Board of Directors’ Decision dated 5 May 2022;   |
| “Skanska” .....                                   | Real estate developer Skanska, active on the Romanian market;   |
| “Skia Real Estate S.R.L.” .....                   | Skia Real Estate S.R.L, a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/16212/2017, sole registration code 38248640;   |
| “SSIF BRK Financial Group” ...                    | SSIS BRK Financial Group S.A., a joint stock company, headquartered in Cluj County, loc. Cluj-Napoca, 119 Moșilor street, registered with the Trade Register under no. J12/3038/1994, sole registration code 6738423;                                       |
| “SWOT” .....                                      | SWOT analysis taking into account the strengths, weaknesses, opportunities and threats present;   |
| “Takeover Directive” .....                        | Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, as amended and supplemented;  |
| “Telecom” .....                                   | Telecommunications sector;  |
| “The New Civil Code” .....                        | Law no. 287/2009 on the Civil Code, as subsequently amended and supplemented;   |
| “The Old Civil Code” .....                        | The Civil Code of 26 November 1864;   |
| “Titan Mar S.A. (currently Theda Mar S.A.)” ..... | Theda Mar S.A. (former name Titan Mar S.A.), a joint stock company, with its registered office in Chiajna, 1bis Sos de centura, Ilfov county, registered with the Trade Register Office under no. J23/1846/2009, having the sole registration code 6243289; |
| “TP” .....  | Terrorism policies;   |
| “U.S. Green Building Council”                     | The non-profit association U.S. Green Building Council, headquartered in 2101 L Street, NW, Suite 600, Washington, DC 20037, USA;   |
| “USR” .....                                       | The „Uniunea Salvați România” party;  |

|   |   |
|---|---|
| “VAT” .....   | Value added tax;  |
| “Working day” .....                                 | Any day that is not a Saturday, Sunday or a public holiday in Romania.  |
| “X Architecture & Engineering Consult S.R.L.” ..... | X Architecture & Engineering Consult S.R.L. a limited liability company, having its registered office in 20 Gorki Maxim street, Bucharest, sector 1, registered with the Trade Register Office under no. J40/9199/2014, having the sole registration code 33454143; and |
| „ YR-WNT S.R.L.” .....                              | YR-WNT S.R.L., a limited liability company, having its registered office in 20 Gorki Maxim Street, Bucharest sector 1, registered with the Trade Register under no. J40/7618/2013, sole registration code 31850419;   |

**PART 19**  
**HISTORICAL FINANCIAL INFORMATION**

|   |           |
|---|-----------|
| <b>The consolidated financial statements of the Group as at 31 December 2021 and for the year ended 31 December 2021</b>                            | <b>F-</b> |
| <b>The consolidated financial statements of the Group as at 31 December 2020 and for the year ended 31 December 2020</b>                            | <b>F-</b> |
| <b>The consolidated financial statements of the Group as at 31 December 2019 and for the year ended 31 December 2019</b>                            | <b>F-</b> |
| <b>The interim consolidated condensed financial statements of the Group as at 31 March 2022 and for the three months period ended 31 March 2022</b> | <b>F-</b> |



## ANNEX A - DISTRIBUTION NETWORK

### **Bucharest Agency**

Bucharest, Sector2, 7 Bocsă Street, ap.1

Tel: 0364260762

[officebucuresti@brk.ro](mailto:officebucuresti@brk.ro)

### **Iasi Agency**

Iași, 4 Calea Chișinăului, building Plomba, entrance D, ap.1

Tel: 0242234569

[iasi@brk.ro](mailto:iasi@brk.ro)

### **Suceava Agency**

Suceava, 53 Ștefan cel Mare street, building G, entrance B

Tel:0330401092

[suceava@brk.ro](mailto:suceava@brk.ro)

### **Timisoara Agency**

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