

one

UNITED PROPERTIES

2022

PRELIMINARY FINANCIAL RESULTS



# TABLE OF CONTENTS

*Preliminary financial results as of December 31<sup>st</sup>, 2022*

<b>FINANCIAL RESULTS HIGHLIGHTS</b>	<b>3</b>
<b>KEY EVENTS</b>	<b>5</b>
<b>ANALYSIS OF THE FINANCIAL RESULTS</b>	<b>9</b>
<b>CONSOLIDATED PROFIT&amp;LOSS STATEMENT (RON)</b>	<b>12</b>
<b>CONSOLIDATED PROFIT&amp;LOSS STATEMENT (EUR)</b>	<b>13</b>
<b>CONSOLIDATED BALANCE SHEET (RON)</b>	<b>14</b>
<b>CONSOLIDATED BALANCE SHEET (EUR)</b>	<b>15</b>
<b>ABOUT ONE UNITED PROPERTIES</b>	<b>17</b>
<b>DECLARATION OF THE MANAGEMENT</b>	<b>19</b>



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

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The preliminary consolidated financial statements presented on the following pages are prepared in accordance with International Financial Reporting Standards applicable to interim reporting, as applied in the European Union ("IFRS"). The preliminary consolidated financial statements as of December 31<sup>st</sup>, 2022, **are not audited**.

The financial figures presented in the descriptive part of the report that are expressed in million RON are rounded off to the nearest integer. This may result in small reconciliation differences.



# FINANCIAL RESULTS HIGHLIGHTS

## Key financial figures for 2022

- **A 4% increase in the consolidated turnover** of One United Properties in 2022 vs 2021, as the Group reached a turnover of RON 1.2 billion.
- **EBITDA** decreased 6% YoY, reaching **RON 575.7 million** in 2022, while **gross result** amounted to **RON 573.2 million** in 2022, a **5% YoY decline**. The bottom line reached **RON 502.6 million**. **EPS** in 2022 of **0,14**, representing 15% earnings yield for 2022.
- Revenues from the **residential segment** reached **RON 769.5 million** in 2022, a 9% YoY increase. **Net margin** of the residential segment reached **41%**, a 6pp increase vs 2021.
- **Rental income** registered a 9-fold increase, reaching **RON 60.3 million**, driven by revenues from tenants at One Tower, One Cotroceni Park Office Phase 1, Bucur Obor (Q1'22 acquisition) and One Victoriei Plaza (Q3'22 acquisition).
- **G&A expenses** grew 206% to **RON 99.7 million**, due to the larger scale of operations and the non-cash SOP allocation for the executive BoD members following the meeting of the performance criteria related to the growth of the value of the company in 2021, as previously reported.
- Strong **cash position** of **RON 567 million**, +12% since the beginning of the year, due to capital increase contribution which brought RON 253.7 million in Q3'22 and despite continuous investments and dividend payout of RON 78.6 million in the course of 2022.
- **Gross loan to value** ratio of **28%** as of the end of 2022, increased with the acquisition loan for One Victoriei Plaza (EUR 19 million) and other drawdowns for various developments, proving solid financials and low leverage of the Group compared with the European peers. **Net debt** is **RON 263.3 million**, only 6% from the total assets of RON 4.2 billion.

## Key events in 2022

- **599 apartments** with a total surface of 52,724 sqm, 978 parking spaces and other unit types, as well as early-stage units were sold and pre-sold for a total of EUR 169.2 million in the 2022.
- Excellent sales kick-off at **One High District**, where 35% of units were sold between November-December 2022, becoming the best-selling development of 2022.
- As of December 31<sup>st</sup>, 2022, 62% of apartments under development were sold out. Excluding the 1,080 residential units added in Q4 2022 to sales portfolio, 82% of apartments were contracted. Amounts to be received under contracts concluded with customers as of December 31<sup>st</sup>, 2022, are **EUR 231 million in additional cash by 2025**.
- Acquisition of **One Downtown** and **One Plaza Athénée** as part of the strategy to continue the urban regeneration of the center of Bucharest, plots of land for **One City Club** and **One Herastrau City**, as well as **Eliade Tower**.

## Perspectives for 2023

- The unrealized revenues from sales of residential property due to delays in permitting the new developments, will be **realized in 2023**. The **2023 budget** subject to the shareholders' vote will be published via current report ahead of the annual GSM, which will take place on 25.04.2023.
- Between Q4 2022 and Q1 2023, One United Properties received permits for **One Mamaia Nord 2**, **One High District**, **One Floreasca Towers**, **One Lake Club** (Phase 1) and **One Lake District**, where a total of 3,733 apartments will be developed over the next 3-4 years.
- In February 2023, One United Properties acquired a plot of land for **One Cotroceni Towers**, a new mixed-use development with 1,296 residential units, 48,000 sqm office GLA, and est. GDV of EUR 400 million, which will continue the success of One Cotroceni Park, and combined will create one of the largest developments in Romania, One Cotroceni City.



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## 2022 Preliminary Results Call

01.03.2023 | 10:00 & 11:00 AM

Join the preliminary results calls with One United Properties top management to discuss the performance in 2022 as well as the prospects for 2023. The call will be hosted by Victor Capitanu (co-CEO), Cosmin Samoila (CFO) and Zuzanna Kurek (IR Manager).

The call in English language will take place at 10:00 AM Bucharest time (09:00 AM CET | 08:00 AM UK) and in Romanian at 11:00 AM. Register to receive ZOOM log-in details [HERE](#).



## KEY EVENTS

### BUSINESS HIGHLIGHTS

#### Residential sales

599 apartments with a total surface of 52,724 sqm, 978 parking spaces and other unit types, as well as early-stage apartments were sold and pre-sold for a total of EUR 169.2 million in 2022. For comparison, in 2021, the Group sold and pre-sold 699 apartments, with a total surface of 62,514 sqm, 995 parking spaces, and other unit types, as well as early-stage apartments for a total of EUR 255.8 million. The total value of the residential sales includes the early-stage sales, which are lower margin sales that help finance land acquisition. These are the units that the Group pre-sold to early clients in developments that still need to receive building permits. The total value of these sales in 2022 was EUR 18.1 million, vs EUR 53.6 million in 2021.

The decrease in the number of units sold in 2022 compared to 2021 was the result of the lack of available stock throughout most of the year, due to significant delays from authorities in approving the building permits. The situation however got resolved in the last quarter of the year, as One United Properties received building permits for all the developments that were pending the authorities. Out of the developments permitted in Q4 2022, One United Properties started sales at One Mamaia Nord 2 in October 2022, One High District in November 2022, and One Floreasca Towers also in November 2022. Consequently, 1,080 residential units were added to sales' team portfolio in Q4 2022, of which 28% were already sold in less than a quarter. Particularly exceptional sales were registered at One High District, where 35% of units were sold within first two months since the launch. It is important to mention that the sales that were not realized in 2022 due to delayed permitting, at developments such as One Lake District or One Lake Club (Phase 1) will be made in 2023, therefore transferring the unrealized revenue from 2022, to 2023.

As of December 31<sup>st</sup>, 2022, 62% of apartments under development were sold out; excluding the newly added 1,080 residential units from OMN2, OFT and OHD, the contracted apartments amounted to 82% of units. Out of developments already delivered, there are only 21 units of finalized stock available for purchase. Amounts due under contracts concluded with customers as of December 31<sup>st</sup>, 2022, are EUR 231 million in additional cash by 2025 (EUR 170 million in 2023, EUR 47 million in 2024 and EUR 14 million in 2025).

In Q1 2023, One United Properties received permit for One Lake District, a residential development which will host a total of 2,076 residential units. The sales at One Lake District are expected to start within the end of this quarter, therefore resolving the permitting issue at least for the remainder of 2023.

More than half of the apartments sold by One United Properties in 2022 were two-room apartments, with a total sellable area of 22,486 sqm. This demand was particularly visible in 2022 at One High District. The significant demand was also registered for 3-room apartments, particularly at One High District, One Verdi Park, One Cotroceni Park, and One Herastrau Vista. In addition, it is important to mention that in 2022, the company also sold two high-value penthouses at One Verdi Park. The sales per apartment type in 2022, including the total saleable area of the sold units, are presented below:

Apartment type	Units sold	Saleable area (sqm)
Studio	41	2,152
2 rooms	343	22,486
3 rooms	112	10,677
4 rooms	82	11,549
5+ rooms & villas	21	5,860
<b>TOTAL UNITS SOLD</b>	<b>599</b>	<b>52,724</b>



The permitting of and subsequent sales kick-off at One High District resulted in excellent pre-sales of residential units at that development, where within two months, One United Properties sold 274 residential units, which amounts to 46% of all units sold in 2022. At One Cotroceni Park, in 2022 the Group pre-sold 101 residential units. Given the high demand for this development, on October 4<sup>th</sup>, 2022, One United Properties agreed with CCT&ONE Properties S.A. the buy-back of 67 residential units and 67 parking spaces that were previously sold on May 19<sup>th</sup>, 2021 (more information [HERE](#)). Following this transaction, in Q4 2022, One United Properties had additional 67 apartments, of which 64 were already sold during that quarter. This operation generated an additional profit of approximately EUR 1.6 million for these re-sold units. Please note that these 64 resold units were not included in the sales from 2022.

Another remarkable performance was registered at One Verdi Park, a development due in Q1 2023, where 92 units were sold during 2022, as well as One Herastrau Vista where within 6 months since starting sales, 64% of residential units are already sold. The developments that were already delivered or are currently in advanced stages of delivery registered a varying degree of a year-on-year slowdown in sales due to the low availability of the stock as developments such as One Timpuri Noi, One Floreasca Vista or One Modrogan are close to being fully sold out. The sales per development in 2022, together with the total number of units sold from the launch of the sales until December 31<sup>st</sup>, 2022, are presented below:

Development	Delivery	Units sold in 2022	Total units sold from project start	Total units developed
One Mircea Eliade	Q4 2020	4	235*	244
One Mamaia Nord 1	Q1 2021	-1	48	50
One Herastrau Towers	Q4 2021	3	137	147
One Verdi Park	H1 2023	92	288	324
One Timpuri Noi	2023	0	132	147
One Floreasca Vista	2023	4	54	63
One Cotroceni Park	Q4 2023	101**	829	900
One Peninsula	Q4 2023	3	104	167
One Modrogan	2024	-1	36	48
One Lake Club (Phase 2)	Q3 2024	47	47	137
One Herastrau Vista	Q3 2024	50	78	121
One Mamaia Nord 2	Q1 2025	4	4	86
One Floreasca Towers	Q2 2025	19	19	208
One High District	Q4 2025	274	274	786
<b>TOTAL UNITS SOLD</b>		<b>599</b>	<b>2,285</b>	<b>3,428</b>

**NOTE:** There were 43 out of 137 residential units at One North Lofts that were pre-sold in 2022. These units will only be recognized following the obtaining of the building permit, estimated for 2023.

\* Units sold includes the 31 residential units at One Mircea Eliade that were reclassified to investment property and are currently rented out by One United Properties.

\*\* The units that were bought back from CC&ONE Properties in Q4 2022 and subsequently sold within that quarter are **not** included in this number.

## New developments

In February 2023, One United Properties informed the market about obtaining the building permit for **One Lake District**, the company's largest residential development to date, which will host a total of 2,076 apartments. With a Gross Development Value (GDV) of EUR 337.7 million, the development will be delivered in three stages, all expected to be finalized before the end of 2026. [More information HERE.](#)



## Landbank

As of December 31<sup>st</sup>, 2022, One United Properties had 61,108 sqm of land plots for further residential development in Bucharest, with total above-ground gross building rights (GBA) of 248,950 sqm (105,971 sqm of land plots with above-ground GBA of 434,939 sqm as of the date of publishing this report). All these plots are currently in planning phase. The Group estimates construction of around 1,500 apartments and commercial spaces on these plots (2,800 apartments and commercial spaces as of the date of publishing this report). Additionally, One United Properties has approximately 40,000 sqm of buildings for restauration and further development.

In February 2023, the company informed the market about the conclusion of an agreement for the acquisition of a plot of land of 44,863 sqm on Soseaua Progresului 56-80, in Bucharest district 5, where the company intends to build a mixed-use development, **One Cotroceni Towers**. With estimated GDV in the range of EUR 400 million, One Cotroceni Towers will be an important mixed-use development and a landmark example of urban regeneration that will increase the attractiveness of living, working, and spending leisure time in Bucharest. It will accommodate 1,296 residential units spread over five towers. Additionally, the mixed-use development will also include a standalone AAA-class, environmentally friendly office building with a Gross Leasable Area (GLA) of approximately 48,000 sqm, which will be named One Cotroceni Park Offices Phase III, continuing the success story of the first two phases that have a joint GLA of 81,000 sqm. [More information HERE.](#)

Besides the owned landbank, the company has a strong pipeline of new plots of land for further development. One United Properties is currently in advanced negotiations for four future developments as well as it is in early discussion or negotiation stages for more than 20 other developments. Six locations out of the ten announced at the time of the capital increase in August 2022 were already acquired and made public: One City Club, One Herastrau City, One Cotroceni Towers, One Plaza Athénée, One Downtown and Eliade Tower.

## Commercial segment

In October 2022, One United Properties informed the market about the acquisition of **Eliade Tower**, office building located at 18 Mircea Eliade Boulevard, Bucharest, Romania. The total value of the transaction was approx. EUR 9.5 million. The office building has a total GLA of over 8,000 sqm spread over 10 floors and is currently approx. 50% leased; it sits on a land plot of 4,224 sqm. The future potential of this property is still under internal analysis of the company, considering that the plot is adjacent to One Floreasca City. [More information HERE.](#)

In December 2022, One United Properties made two acquisitions that fuel the company's strategy of investing in urban regeneration and protection of the cultural heritage of Bucharest. The company concluded SPA for the acquisition of three buildings located in Bucharest sector 1, at no. 19, 21 and 23 Academiei street. Following the total, full renovation, the three buildings will represent a new development of the company, **One Downtown**. The final use of the buildings will be decided later, with residential and hotel options currently being considered. The GDV is estimated at EUR 35 million. [More information HERE.](#)

Thirdly, the company signed SPA for a building located in Bucharest, District 1, at no. 8-10 Georges Clemenceau Street, near the Romanian Athenaeum – a unique location in the heart of the city. Following the reauthorization and completion, the building will represent a new development of the company – **One Plaza Athénée**, with GDV estimated at EUR 48 million. The final use of the building will be a five-star lifestyle hotel with 100 rooms and related services of the highest quality, such as swimming pool, spa, restaurants, and other facilities on the ground floor. The inauguration is estimated to take place in 2025. [More information HERE.](#)



As of December 31<sup>st</sup>, 2022, the company's office portfolio counts GLA of 138,000 sqm of office space, and it includes One Tower (GLA of 24K sqm, leased out 100%), One Cotroceni Park Phase 1 (GLA of 46K sqm, leased out 87%), One Cotroceni Park Phase 2 (GLA of 35K sqm, leased out 55%), One Victoriei Plaza (GLA of 12K sqm, leased out 100%), One North Gate (GLA of 4.5K sqm, leased out 73%), One Herastrau Office (GLA of 8K sqm, leased out 100%) and Eliade Tower (GLA of 8K sqm). Together with the retail portfolio (including mainly, Bucur Obor and One Gallery), the total commercial rental portfolio of One United Properties has a GLA of over 180,000 sqm.

## GOVERNANCE HIGHLIGHTS

### Dividend payment

On November 3<sup>rd</sup>, 2022, One United Properties paid the half-year dividend amounting to RON 0.013 per share, and on November 9<sup>th</sup> the company allotted the shareholders bonus shares in proportion of one bonus share for every three shares held. One United Properties' dividend policy includes the payment of dividends on a semi-annual basis, with the first tranche being approved in the General Meeting of Shareholders held in September of each year based on half-year audited results and the second tranche approved in April of the following year, together with the audited annual report. In total, in 2022, One United Properties paid to its shareholders dividends amounting to RON 78.6 million, resulting in a 2.5% dividend yield.

### ESG Materiality Assessment

In December 2022, One United Properties published the 2022 ESG materiality survey, inviting stakeholders to join it to outline the economic, environmental, social and governance issues that could influence the company's ability to create value in the short, medium, and long term and its impact on the community. The survey is available [HERE](#) and the results thereof will be used to outline the structure of the 2022 Sustainability Report of One United Properties.

## CAPITAL MARKET HIGHLIGHTS

### Liquidity

In 2022, ONE was the **9<sup>th</sup> most traded stock on BVB** in terms of absolute liquidity and **11<sup>th</sup> most traded by liquidity to free float**. The average daily traded value for ONE shares between January 1<sup>st</sup> and December 31<sup>st</sup>, 2022 was RON 1 million. In a volatile 2022, ONE shares performed in line with the benchmark index BET, registering a decline of -11,9%, versus BET index which recorded a -10.7% drop, and significantly better performance than the key real estate indices FTSE EPRA Nareit Developed Europe index -36.5%, FTSE EPRA Nareit UK (ELUK) index -31.9%, STOXX Europe 600 Real Estate (SX86P) index -42.1%. The market capitalization as of December 31<sup>st</sup>, 2022 was RON 3.2 billion; the company had 6,373 shareholders (+101% compared to the situation post-IPO).

As of September 19<sup>th</sup>, 2022, One United Properties shares were upgraded within the FTSE Global Equity Index Series for Emerging Europe, moving from the small cap to mid-cap category, reflecting the increased market capitalization as well as the solid liquidity of ONE stock. In February 2023, this position was reconfirmed by FTSE Russell.



# ANALYSIS OF THE FINANCIAL RESULTS

## EARNINGS ANALYSIS

The consolidated turnover of One United Properties grew 4% in 2022 compared to 2021, reaching RON 1.2 billion. The increase in the turnover was supported by a 9% increase in revenues from sales of residential property, which reached RON 769.5 million in 2022 vs RON 703.3 million in 2021. The net income from residential property increased by 29% YoY, reaching RON 318.9 million due to the major developments getting closer to the completion, however the relative percentual margin decreased compared to result for 9 months due to the sales of developments where the construction begun in Q4 2022. This generated a 41% net margin for 2022, a 6pp increase compared to the 2021 result.

The rental income, which includes the income generated by the office as well as retail divisions, registered a 9-fold increase, reaching RON 60.3 million. The effect has been driven by the revenues coming from tenants at One Tower (leased out 100% as of December 31<sup>st</sup>, 2022), One Cotroceni Park Phase 1 (leased out at 87% as of December 31<sup>st</sup>, 2022 however not yet generating full income since some tenants are still in the fit-out phase), One Victoriei Plaza (acquisition finalized in Q3 2022, 100% leased out), as well as the impact of the results generated by Bucur Obor, consolidated under the retail division. The management estimates that the revenues from rental income will continue to grow QoQ, bringing even more significant weight in 2023 due to delivery of One Cotroceni Park Phase 2 as well as larger overall commercial portfolio, including One Victoriei Plaza and Bucur Obor.

In 2022, the Group recorded a decline of 78% in the gains from office building under development, due to the reclassification of One Cotroceni Park (Phase 1) to the completed investment property category. As of the end of 2022 the gain was RON 67.1 million, representing in principle the only development in progress in the office segment, One Cotroceni Park (Phase 2). On the other hand, the Group recorded gains from bargain purchase in amount of RON 94.1 million, which represent the gain from the transaction of purchasing a majority stake in Bucur Obor, at a deeply discounted price versus the value of the buildings, as they were appraised by Colliers. In addition, in 2022, the Group recorded RON 90.3 million in gains from completed investment property, representing the development of rental residential investment properties, corresponding to rental apartments at One Mircea Eliade, in line with the strategy of the company to generate more long-term profit from rental income, as well as One Tower and OCP Phase 1 gains. The Group also recorded gains from investment property for further development, which amounted to RON 62.9 million, representing adjustment on fair value mostly due to obtaining construction permits in 2022.

G&A expenses increased 206%, to RON 99.7 million, driven by the larger scale of operations and the extraordinary event of recognizing the expense related to the Stock Option Plan in Q2 2022 to be granted to the executive members of the Board of Directors, following the meeting of the performance criteria outlined in the SOP program for the 2021 performance. The expense was recognized in Q2, Q3 and Q4 2022 in a total non-cash value of RON 46 million (RON 42 million in Q2 2022, RON 2 million in Q3 2022 and RON 2 million in Q4 2022), in line with the IFRS reporting standards. In terms of operating expenses, these amounted to RON 15.5 million in 2022, a 92% increase from RON 8.1 million registered in 2021. Out of the amount registered under this category in 2022, RON 7.3 million are sponsorships related to CSR activities, which are expected to be generally deducted from the profit tax, while other items include expense with provisions and allowance for impairment.

Other property operating expenses for commercial segment doubled, reaching RON 10.9 million in 2022. Other property operating expenses for residential segment, which includes the property expenses for residential developments completed and not yet fully delivered to clients, reached RON 5.1 million in 2022, a 2% increase. Please note that this category was introduced with Q3 2022 report, and thus the company reclassified this category of costs for 2021 and restated them in this report for comparability.



EBITDA decreased 6%, amounting to RON 575.7 million, primarily due to a decrease in the overall gains as well as the non-cash SOP implementation as described above. The gross result reached RON 573.2 million, a 5% decrease compared to 2021, while the bottom-line amounted RON 502.6 million, a 1% decline YoY. The income tax for 2022 amounted to RON 70.6 million, of which RON 10.8 million is the actual expenditure and the remaining RON 59.8 million represents the deferred tax on profit, generated by gains from fair value adjustment, which will become taxable only upon the sale of respective assets.

Selected P&L positions (RON)	2022	2021	Δ %
Revenues from sales of residential property	769,518,382	703,317,672	9%
<i>Cost of sales of residential property</i>	(445,459,287)	(451,583,531)	-1%
<i>Other property operating expenses - residential</i>	(5,133,247)	(5,046,897)	2%
<b>Net income from residential property</b>	<b>318,925,848</b>	<b>246,687,244</b>	<b>29%</b>
Rental income incl. revenues from tenant services	76,919,361	11,821,887	551%
<i>Other property operating expenses - commercial</i>	(10,864,265)	(5,345,444)	103%
Gains from office buildings under development	67,082,980	298,636,043	-78%
Gains from bargain purchase	94,079,969	-	100%
Gains from completed investment property	90,271,713	44,364,366	103%
Gains from investment property for further development	62,943,419	56,187,770	12%
<i>G&amp;A Expenses</i>	(99,725,139)	(32,578,454)	206%
<i>Other operating expenses</i>	(15,492,593)	(8,065,542)	92%
EBITDA	575,724,843	612,655,241	-6%
EBT	573,176,253	604,418,805	-5%
<b>Net profit</b>	<b>502,551,846</b>	<b>509,687,153</b>	<b>-1%</b>

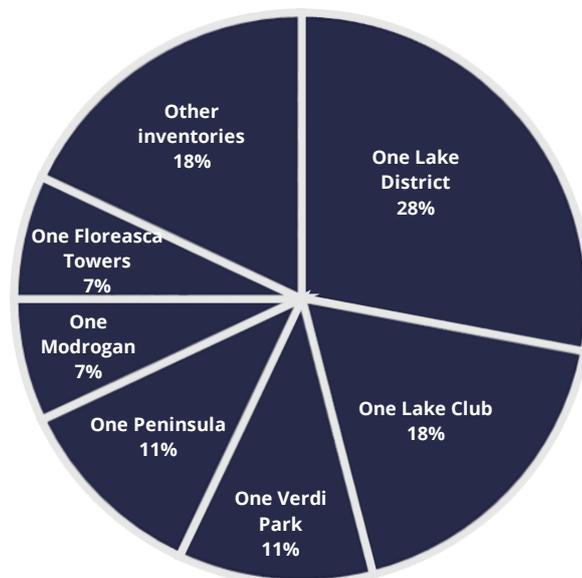
## ASSETS

Total assets grew 52% in 2022, reaching RON 4.2 billion. The non-current assets increased 57%, reaching RON 2.3 billion, increase driven primarily by a 55% increase in investment properties (RON 2.3 billion in 2022 vs. RON 1.5 billion in 2021), representing the commercial segment and the landbank. Almost all developments under investment properties increased their value, most notably One Cotroceni Park Office 2 (+92%), One Athénée (+50%), One Cotroceni Park Office 1 (+29%). Moreover, multiple new commercial developments (Bucur Obor, One Victoriei Plaza, One Plaza Athénée, One Downtown, Eliade Tower) as well as 31 apartments at One Mircea Eliade and two units at One Mamaia Nord were also included in this category. Property, plant and equipment tripled in 2022, representing the offices occupied by the company at One Tower as of the end of 2022, difference reflecting the lower value of the property in 2021, when ONE offices were located in One North Gate. There was also an increase in the intangible assets, which reached RON 15.3 million, representing the Bucur Obor brand, following the finalization of the acquisition and the Purchase Price Allocation report.

Current assets grew 45%, reaching RON 1.9 billion due to 96% increase in trade receivables due to larger scale of business, up to RON 394.6 million, and a 93% increase in inventories (residential properties), which reached RON 663.3 million. The significant increase in the inventory represents the reclassification of One Lake District, One Lake Club, One High District and One Floreasca Towers following the obtaining of the building permits. Due to the successful closing of the share capital increase during which the company raised RON 253.7 million, and despite the continuous investments as well as dividend payout in two tranches in the course of 2022 in the total amount of RON 78.6 million, the cash position increased 12% since the beginning of the year, up to RON 567 million.



Residential Property in '000 RON	31.12.2022	31.12.2021
One Verdi Park	72,017	105,693
One Cotroceni Park - Residential	39,809	35,007
One Modrogan	43,432	29,866
One Mircea Eliade	15,862	45,598
One Peninsula	75,136	60,217
One Herastrau Towers	19,660	23,738
One Floreasca Vista	14,603	17,041
One Timpuri Noi	8,964	10,949
One Mamaia Nord 2	11,083	2,793
One Herastrau Vista	4,587	4,818
One Mamaia Nord 1	-	7,152
One High District	4,353	-
One Lake Club	117,969	-
One Lake District	188,991	-
One Floreasca Towers	45,499	-
Other inventories	1,376	1,107
<b>TOTAL</b>	<b>663,341</b>	<b>343,978</b>



## EQUITY AND LIABILITIES

Equity grew 54% in 2022, reaching RON 2.5 billion. The increase was driven by the increase with 50% in retained earnings, which amounted to RON 1.2 billion as of the end of 2022, as well as increase in the share capital (+44%) and share premiums (+550%) due to the capital increase carried out in Q3 2022 as well as the distribution of the bonus shares in Q4 2022, resulting in transfer of a part of share premiums to share capital.

The liabilities increased 49% in 2022, amounting to RON 1.7 billion as of December 31<sup>st</sup>, 2022, as long-term liabilities grew 61%, up to RON 933.5 million, while current liabilities increased 36% up to RON 774.9 million. The increase in the non-current liabilities was driven by a 67% growth of the loans and borrowings, representing a major part of long-term bank loan amounting to approx. RON 806.2 million, which mainly represents the amounts drawn from bank loans in subsidiaries One Victoriei Plaza, One Cotroceni Park Office (Phase I and II), One Tower and One Verdi Park. This is driven, on one hand, by the office and commercial buildings which require more debt than residential developments and are finalized using long-term loans. These loans do not impact the cash-flow since they are primarily paid with rents and they are amortizing each year. On the other hand, the developments targeting mid- and mid-high income, where the clients have opportunity to contract apartments using 30% advance and 70% payment upon delivery, require more debt than high and very high-income developments where clients pay the full amount over the construction period (100% prepayment or 5 equal installments of 20%). Nonetheless, even with the growing office portfolio as well as decision to expand to new client segment, One United Properties maintained loan-to-value of 28%, and a net debt of RON 263.3 million, only 6% from the total assets of RON 4.2 billion.

The increase in the current liabilities was, on the other hand, driven by a 407% increase in short-term loans, which amounted to RON 173.8 million as well as 138% increase in trade and other payables, which reached RON 295.5 million, both increases being driven by larger scale of the business, developments approaching completion stage and related financing loans becoming repayable on short term.



## CONSOLIDATED PROFIT&LOSS STATEMENT (RON)

PROFIT & LOSS STATEMENT (RON)	2022 P*	2021 A**	Δ %
<b>Revenues from sales of residential property</b>	<b>769,518,382</b>	<b>703,317,672</b>	<b>9%</b>
Cost of sales of residential property	(445,459,287)	(451,583,531)	-1%
Other property operating expenses - residential	(5,133,247)	(5,046,897)	2%
<i>Net income from residential property</i>	<i>318,925,848</i>	<i>246,687,244</i>	<i>29%</i>
<b>Gains from office buildings under development</b>	<b>67,082,980</b>	<b>298,636,043</b>	<b>-78%</b>
<b>Gains from bargain purchase</b>	<b>94,079,969</b>	<b>-</b>	<b>100%</b>
<b>Rental income</b>	<b>60,330,311</b>	<b>6,544,367</b>	<b>822%</b>
<b>Revenues from services to tenants</b>	<b>16,589,050</b>	<b>5,277,520</b>	<b>214%</b>
Expenses from services to tenants	(16,589,050)	(5,277,520)	214%
Other property operating expenses - commercial	(10,864,265)	(5,345,444)	103%
<i>Net rental income</i>	<i>49,466,046</i>	<i>1,198,923</i>	<i>4026%</i>
Commissions for brokerage real estate	(9,255,427)	(4,641,595)	99%
Administrative expenses	(90,469,712)	(27,936,859)	224%
Other operating expenses	(15,492,593)	(8,065,542)	92%
Profit on disposal of investment property	768	536,526	-100%
<b>Other operating income</b>	<b>8,171,832</b>	<b>5,688,365</b>	<b>44%</b>
<b>Gains from completed investment property</b>	<b>90,271,713</b>	<b>44,364,366</b>	<b>103%</b>
<b>Gains from investment property for further development</b>	<b>62,943,419</b>	<b>56,187,770</b>	<b>12%</b>
<b>Result from operating activity (EBITDA)</b>	<b>575,724,843</b>	<b>612,655,241</b>	<b>-6%</b>
Financial income	18,316,869	12,139,089	51%
Financial expenses	(21,935,380)	(21,903,343)	0%
Share of result of associates	1,069,921	1,527,818	-30%
<b>Gross profit</b>	<b>573,176,253</b>	<b>604,418,805</b>	<b>-5%</b>
Income tax	(70,624,407)	(94,731,652)	-25%
<b>Net profit</b>	<b>502,551,846</b>	<b>509,687,153</b>	<b>-1%</b>

\*P = Preliminary unaudited

\*\*A = Audited



## CONSOLIDATED PROFIT&LOSS STATEMENT (EUR)

PROFIT & LOSS STATEMENT (EUR)	2022 P*	2021 A**	Δ %
<b>Revenues from sales of residential property</b>	<b>156,041,444</b>	<b>142,939,123</b>	<b>9%</b>
Cost of sales of residential property	(90,329,370)	(91,777,809)	-2%
Other property operating expenses - residential	(1,040,910)	(1,025,709)	1%
<i>Net income from residential property</i>	<i>64,671,164</i>	<i>50,135,605</i>	<i>29%</i>
<b>Gains from office buildings under development</b>	<b>13,602,957</b>	<b>60,693,448</b>	<b>-78%</b>
<b>Gains from bargain purchase</b>	<b>19,077,354</b>	-	
<b>Rental income</b>	<b>12,233,663</b>	<b>1,330,048</b>	<b>820%</b>
<b>Revenues from services to tenants</b>	<b>3,363,895</b>	<b>1,072,579</b>	<b>214%</b>
Expenses from services to tenants	(3,363,895)	(1,072,579)	214%
Other property operating expenses - commercial	(2,203,035)	(1,086,384)	103%
<i>Net rental income</i>	<i>10,030,628</i>	<i>243,664</i>	<i>4017%</i>
Commissions for brokerage real estate	(1,876,798)	(943,337)	99%
Administrative expenses	(18,345,273)	(5,677,762)	223%
Other operating expenses	(3,141,558)	(1,639,205)	92%
Profit on disposal of investment property	156	109,041	-100%
<b>Other operating income</b>	<b>1,657,068</b>	<b>1,156,080</b>	<b>43%</b>
<b>Gains from completed investment property</b>	<b>18,305,123</b>	<b>9,016,415</b>	<b>103%</b>
<b>Gains from investment property for further development</b>	<b>12,763,544</b>	<b>11,419,350</b>	<b>12%</b>
<b>Result from operating activity (EBITDA)</b>	<b>116,744,365</b>	<b>124,513,299</b>	<b>-6%</b>
Financial income	3,714,259	2,467,094	51%
Financial expenses	(4,448,014)	(4,451,537)	0%
Share of result of associates	216,957	310,507	-30%
<b>Gross profit</b>	<b>116,227,567</b>	<b>122,839,363</b>	<b>-5%</b>
Income tax	(14,321,080)	(19,252,836)	-26%
<b>Net profit</b>	<b>101,906,488</b>	<b>103,586,527</b>	<b>-2%</b>



## CONSOLIDATED BALANCE SHEET (RON)

BALANCE SHEET (RON)	31.12.2022 P*	31.12.2021 A**	Δ %
<b>NON-CURRENT ASSETS</b>	<b>2,344,356,384</b>	<b>1,492,831,494</b>	<b>57%</b>
Goodwill	19,256,076	19,256,076	0%
Intangible assets	15,259,605	597,608	2453%
Investment properties	2,251,984,947	1,449,465,190	55%
Right of use assets	2,687,154	3,505,452	-23%
Investments in associates	4,037,079	2,967,158	36%
Property, plant, and equipment	51,131,523	17,040,010	200%
<b>CURRENT ASSETS</b>	<b>1,895,502,291</b>	<b>1,304,327,994</b>	<b>45%</b>
Inventories	663,340,967	343,977,627	93%
Advance payments to suppliers	116,316,909	93,266,448	25%
Trade receivables	394,569,485	201,369,543	96%
Other receivables	129,623,778	128,441,029	1%
Prepayments	24,691,109	19,517,269	27%
Other financial assets	-	9,408,917	-100%
Cash and cash equivalents	566,960,043	508,347,161	12%
<b>TOTAL ASSETS</b>	<b>4,239,858,675</b>	<b>2,797,159,488</b>	<b>52%</b>
<b>EQUITY</b>	<b>2,531,396,569</b>	<b>1,646,957,218</b>	<b>54%</b>
Share capital	740,563,717	514,828,059	44%
Share premium	27,981,399	4,307,782	550%
Legal reserves	17,430,094	11,437,359	52%
Treasury shares	1,029	-	
Other capital reserves	51,848,900	1,390,179	3630%
Retained earnings	1,184,025,920	791,788,303	50%
Non-controlling interests	509,545,510	323,205,536	58%
<b>LIABILITIES</b>	<b>1,708,462,106</b>	<b>1,150,202,270</b>	<b>49%</b>
<b>NON-CURRENT LIABILITIES</b>	<b>933,547,689</b>	<b>581,000,467</b>	<b>61%</b>
Loans and borrowings	652,793,173	390,342,321	67%
Loans and borrowings from minority shareholders	3,535,959	7,472,207	-53%
Provisions	1,450,526	564,912	157%
Lease liabilities	2,646,947	2,646,947	0%
Deferred tax liabilities	273,121,084	179,974,080	52%
<b>CURRENT LIABILITIES</b>	<b>774,914,417</b>	<b>569,201,803</b>	<b>36%</b>
Loans and borrowings	173,835,043	34,260,754	407%
Loans and borrowings from minority shareholders	47,528	87,028	-45%
Lease liabilities	778,490	1,282,387	-39%
Trade and other payables	295,522,177	124,138,768	138%
Accrued income	11,472,673	1,145,855	901%
Current tax liabilities	617,057	2,023,447	-70%
Advance payments from customers	292,641,449	406,263,564	-28%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,239,858,675</b>	<b>2,797,159,488</b>	<b>52%</b>

\*P = Preliminary unaudited

\*\*A = Audited



## CONSOLIDATED BALANCE SHEET (EUR)

BALANCE SHEET (EUR)	31.12.2022 P*	31.12.2021 A**	Δ %
<b>NON-CURRENT ASSETS</b>	<b>473,856,245</b>	<b>301,697,923</b>	<b>57%</b>
Goodwill	3,892,161	3,891,610	0%
Intangible assets	3,084,369	120,775	2454%
Investment properties	455,185,541	292,933,690	55%
Right of use assets	543,145	708,444	-23%
Investments in associates	816,000	599,656	36%
Property, plant, and equipment	10,335,029	3,443,748	200%
<b>CURRENT ASSETS</b>	<b>383,130,996</b>	<b>263,601,786</b>	<b>45%</b>
Inventories	134,078,701	69,517,113	93%
Advance payments to suppliers	23,510,715	18,848,942	25%
Trade receivables	79,752,897	40,696,337	96%
Other receivables	26,200,384	25,957,646	1%
Prepayments	4,990,724	3,944,397	27%
Other financial assets	-	1,901,521	-100%
Cash and cash equivalents	114,597,575	102,735,830	12%
<b>TOTAL ASSETS</b>	<b>856,987,241</b>	<b>565,299,709</b>	<b>52%</b>
<b>EQUITY</b>	<b>511,661,998</b>	<b>332,846,389</b>	<b>54%</b>
Share capital	149,687,455	104,045,605	44%
Share premium	5,655,779	870,593	550%
Legal reserves	3,523,082	2,311,465	52%
Treasury shares	208	-	
Other capital reserves	10,480,030	280,952	3630%
Retained earnings	239,322,860	160,018,654	50%
Non-controlling interests	102,992,584	65,319,120	58%
<b>LIABILITIES</b>	<b>345,325,243</b>	<b>232,453,320</b>	<b>49%</b>
<b>NON-CURRENT LIABILITIES</b>	<b>188,694,606</b>	<b>117,418,901</b>	<b>61%</b>
Loans and borrowings	131,946,714	78,887,315	67%
Loans and borrowings from minority shareholders	714,711	1,510,116	-53%
Provisions	293,190	114,167	157%
Lease liabilities	535,018	534,942	0%
Deferred tax liabilities	55,204,973	36,372,361	52%
<b>CURRENT LIABILITIES</b>	<b>156,630,637</b>	<b>115,034,419</b>	<b>36%</b>
Loans and borrowings	35,136,646	6,924,022	407%
Loans and borrowings from minority shareholders	9,607	17,588	-45%
Lease liabilities	157,353	259,168	-39%
Trade and other payables	59,732,825	25,088,169	138%
Accrued income	2,318,930	231,575	901%
Current tax liabilities	124,723	408,934	-70%
Advance payments from customers	59,150,553	82,104,963	-28%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>856,987,241</b>	<b>565,299,709</b>	<b>52%</b>

\*P = Preliminary unaudited

\*\*A = Audited



## KEY FINANCIAL RATIOS

The main financial ratios of One United Properties, based on the preliminary consolidated results as of December 31<sup>st</sup>, 2022, are presented below.

<i>Financial data in RON</i>	<b>31 December 2022</b>	
<b>Liquidity ratio</b>		
Current assets	1,895,502,291	= <b>2.45</b>
Current liabilities	774,914,417	
<b>Gearing ratio</b>		
Interest-bearing debt	830,211,703	= <b>32.8%</b>
Equity	2,531,396,569	
<b>Trade receivables turnover</b>		
Average receivables :2	297,969,514	= <b>0.25</b>
Turnover	1,168,987,656	
<b>Fixed asset turnover</b>		
Turnover	1,168,987,656	= <b>0.50</b>
Net fixed assets	2,344,356,384	
<b>Loan to value</b>		
	<b>31 December 2022</b>	<b>31 December 2021</b>
Financial debt	830,211,703	432,162,310
Real estate assets	2,915,325,914	1,793,442,817
	= <b>28%</b>	= <b>24%</b>



## ABOUT ONE UNITED PROPERTIES

One United Properties is the largest residential and mixed-use real estate developer and investor in Romania, listed on the Bucharest Stock Exchange since July 2021. The company has a track record of having developed sustainable residential, mixed-use and office real estate in Bucharest and in Constanta (Mamaia). With unparalleled reputation of a premium developer, ONE develops apartments for *medium*, *medium-high*, *high*, and *very high* income clients. ONE is a high-end brand and represents quality, design, community, sustainability, and finally, very desired locations. All ONE buildings have superior certifications of sustainability, energy efficiency and wellness, and the developer is awarded at numerous galas and conferences in the field, both internationally and locally.



### RESIDENTIAL

Landmark developments, premium locations, quality, focus on design, great communities and sustainability are at the core of ONE's residential developments.



### OFFICE

ONE's office developments integrate an energetically efficient plan, being healthy and environmentally sustainable buildings, with emphasis on the employee experience and wellness.



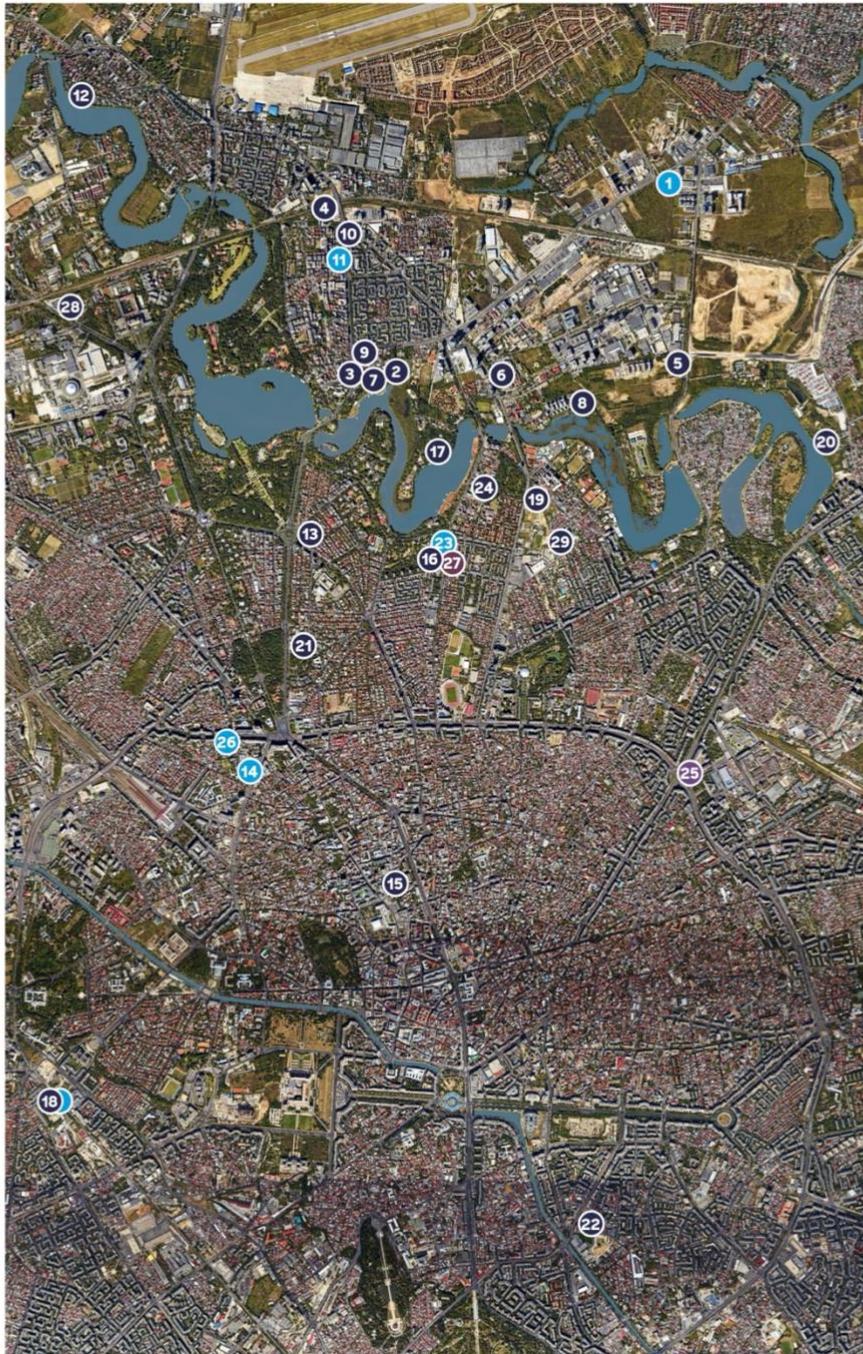
### RETAIL

Retail spaces bring value to the ample rich communities One United Properties is developing, offering all the facilities and services only a few steps away.

Interior design is at the core of ONE's business. All of One United Properties developments are distinguishable by the exceptional design made possible by the partnership with Lemon Interior Design, probably the best interior design studio in Romania.

# ONE UNITED PROPERTIES DEVELOPMENTS IN BUCHAREST

- 1 ONE NORTH GATE
- 2 ONE FLOREASCA LAKE
- 3 ONE HERASTRAU PARK
- 4 ONE HERASTRAU VISTA
- 5 ONE HIGH DISTRICT
- 6 ONE FLOREASCA TOWERS
- 7 ONE FLOREASCA VISTA
- 8 ONE LAKE CLUB
- 9 ONE HERASTRAU PLAZA
- 10 ONE HERASTRAU TOWERS
- 11 ONE HERASTRAU OFFICE
- 12 ONE MADRIGALULUI
- 13 ONE CHARLES DE GAULLE
- 14 ONE VICTORIEI CENTER
- 15 ONE ATHENEE



- 16 ONE MIRCEA ELIADE
- 17 ONE PENINSULA
- 18 ONE COTROCENI PARK
- 19 ONE VERDI PARK
- 20 ONE LAKE DISTRICT
- 21 ONE MODROGAN
- 22 ONE TIMPURI NOI
- 23 ONE TOWER
- 24 ONE RAHMANINOV
- 25 ONE BUCUR OBOR
- 26 ONE VICTORIEI PLAZA
- 27 ONE GALLERY
- 28 ONE HERASTRAU CITY RENDERINGS IN PROGRESS
- 29 ONE CITY CLUB RENDERINGS IN PROGRESS

For more details about One United Properties past, present and future projects check our updated info on [one.ro](http://one.ro)



# DECLARATION OF THE MANAGEMENT

Bucharest, February 28<sup>th</sup>, 2023

The undersigned, based on the best available information, hereby confirm that:

- a) the preliminary condensed consolidated financial statements for the twelve-month period ended December 31<sup>st</sup>, 2022, provide an accurate and real image regarding the assets, obligations, financial position, the financial performance and the cash flows of the company One United Properties S.A., as well as of the group to which it belongs, as required by the applicable accounting standards; and
- b) the preliminary report attached to these statements, prepared in accordance with art. 67 of the Law no. 24/2017 on issuers of financial instruments and market operations for the twelve-month period ended December 31<sup>st</sup>, 2022, comprises accurate and real information regarding the development and performance of the company One United Properties S.A., as well as of the group to which it belongs.

Chairman of the Board of Directors

Claudio Cisullo

Executive Member of the Board of Directors

Victor Capitanu

Executive Member of the Board of Directors

Andrei-Liviu Diaconescu