

one

UNITED PROPERTIES

2023

H I R E P O R T



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The interim condensed consolidated financial statements and the condensed individual 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 interim condensed consolidated financial statements as of June 30th, 2023, **are revised by the auditor**, while the condensed individual financial statements are **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 H1 2023

- A **25% increase in the consolidated turnover** of One United Properties in H1'23 vs H1'22, as the Group reached a turnover of **RON 843.5 million**.
- **Gross result** reached **RON 344.5 million** in H1'23, a 12% YoY decline (a **16%** increase excluding one-off gain from Bucur Obor's bargain purchase recognized in H1'22), while the bottom line reached **RON 286.9 million** (17% YoY decline; **13%** increase excluding the one-off gain). **EBITDA** declined 10% YoY, reaching **RON 353.1 million** in H1'23 (**18%** increase excluding the one-off gain).
- Revenues from the **residential segment** reached **RON 604.1 million** in H1'23, a **56% YoY increase** driven by enlarged and more diverse residential offering. **Net margin** of the residential segment reached **29.5%** for H1'23, decrease vs 48.2% registered in H1'22 due to the revenue recognition applied by the Group, as a significant number of new developments under construction was added to the sales portfolio, while the units One Verdi Park and One Floreasca Vista were completed and handed over to the clients.
- **Rental income** increased 119% up to **RON 62.8 million** in H1'23, driven by revenues from tenants at One Tower, One Cotroceni Park Office 1, One Victoriei Plaza as well as Bucur Obor. One Cotroceni Park Office 2, delivered in February 2023, will generate more significant revenues in H2'23, after fit-outs are completed.
- **Administrative expenses** decreased 37% to **RON 37.9 million** due to the largest part of the non-cash SOP allocation being recognized in H1'22.
- Annualized **EPS of RON 0.15**, representing an **Earnings Yield of 16%** at RON 0.935 price per share.
- Strong **cash position** of **RON 398.2 million**, down 30% since the beginning of the year due to significant development activity carried out in H1'23 as well as payment of the second tranche of 2022 dividend.
- **Gross loan to value** ratio of **25%** as of the end of H1'23, a 3pp decrease compared to the end of 2022, proving solid financials and low leverage of the Group compared with the European peers. **Net debt** is **RON 468 million**, 9.9% from the total assets of RON 4.7 billion.

Key events in H1 2023

- **466 apartments with** a total surface of 39,082 sqm, 794 parking spaces and other unit types were sold and pre-sold in H1'23 for a total of **EUR 152.4 million**.
- Delivery of **One Verdi Park** and **One Floreasca Vista** to clients.
- Sales kick-off in June 2023 at **One Lake District**, One United Properties' largest development to-date, where in less than 1 month, the sales team sold 108 residential units.
- As of June 30th, 2023, **65% of available apartments** were sold out, with One High District being the most sought-after development in H1 2023 with 214 units sold. Amounts to be received under contracts concluded with customers as of June 30th, 2023 are **EUR 281 million in additional cash by 2025** (EUR 100 million in H2 2023, EUR 119 million in 2024 and EUR 62 million in 2025).
- Sale in H1'23 of **One Herastru Office** and pre-SPA signed for **One North Gate** – two small and non-core office buildings.

Perspectives for 2023

- The management maintains the 2023 budget, targeting turnover of **RON 1.43 billion** and a net profit of **RON 530 million**.
- In line with the dividend strategy of the company, the Board of Directors will make a proposal to the shareholders regarding the distribution of the **2023 half-year dividend**.



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H1 2023 Results Call

30.08.2023 | 10:00 & 11:00 AM

Join the H1 2023 results calls with One United Properties top management to discuss the performance in the first six months of 2023 as well as the prospects for the remainder of the year. The call will be hosted by Victor Capitanu (co-CEO), Cosmin Samoila (CFO) and Zuzanna Kurek (IR Manager).

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



KEY EVENTS

BUSINESS HIGHLIGHTS

Residential sales

466 apartments with a total surface of 39,082 sqm and 794 parking spaces and other unit types were sold and pre-sold for a total of EUR 152.4 million in the first six months of 2023. In the same period of 2022, the Group sold and pre-sold 167 apartments with a total surface of 15,892 sqm, 419 parking spaces and other units for a total of EUR 66.5 million. The total value of the residential sales includes the pre-sales to early clients (lower margin sales that help finance land acquisition). These are units that the Group pre-sold to early clients on developments that still need to receive building permits. The total value of these sales in H1 2023 was EUR 31.6 million, vs EUR 9.4 million in H1 2022.

The significant increase in number of units sold in H1 2023 is due to a larger and more diverse portfolio of residential units compared to the same period of the last year. In H1 2023, sales at phase 1 of One Lake Club and One Lake District began. Moreover, the total number of units available for sale increased significantly due to the addition of One Lake District, the Group's largest development to date, to the sales team's portfolio.

Due to excellent sales, as of June 30th, 2023, 65% of available apartments were already sold out. Out of developments already delivered, there are only 43 units of finalized stock available for purchase (less than 3% of units developed at these developments). Amounts due under contracts concluded with customers as of June 30th, 2023 are EUR 281 million in additional cash by 2025 (EUR 100 million in H2 2023, EUR 119 million in 2024 and EUR 62 million in 2025).

More than half of the apartments sold by One United Properties in H1 2023 were two-room apartments, with a total sellable area of 15,821 sqm, with the demand for these units increasing 120% vs H1 2022. This demand was particularly visible at One High District, which was One United Properties' best-selling development in Q4 2022 and Q1 2023. In Q2 2023, One Lake District, the Group's largest and most affordable development where the sales launched in June 2023, overpassed One High District with sales reaching 108 units in less than a month.

The significant uptick in the demand was also registered for 3-room apartments, particularly at One High District and One Lake Club. Notably, also the sales of studios increased significantly, from 1 to 54 units, with the demand for these units being mainly at One High District.

The sales per apartment type in H1 2023 including the total saleable area of the sold units, are presented below:

Apartment type	H1 2023	Total saleable area (m ²)
Studio	54	2,780
2 rooms	246	15,821
3 rooms	92	8,715
4 rooms	70	10,377
5+ rooms & villas	4	1,389
TOTAL UNITS SOLD	466	39,082

In H1 2023, the large-scale development One High District, which will host 786 units, continued excellent pre-sales started in Q4 2022. 46% of the units sold in H1 2023 were located at One High District, with a total of 62% of units being pre-sold at this development as of June 30th, 2023. The development is due to be delivered in Q4 2025. The second most-sought after development was One Lake District, where 108



units were sold as of June 30th, 2023, followed by One Lake Club with sales of 70 units.

In H1 2023, One United Properties delivered to its clients the developments of One Verdi Park and One Floreasca Vista, with One Timpuri Noi being finalized at the beginning of Q3 2023. Consequently, the sales at these developments registered a varying degree of a year-on-year slowdown in sales due to the low availability of the stock.

The sales per development in H1 2023, where 5 or more units were sold within the reporting period, together with the total number of units sold from the launch of the sales at individual developments, until June 30th, 2023, are presented below:

Development	Delivery	Units sold in H1 2023	Total units sold from project start	Total units developed
One High District	Q4 2025	214	488	812
One Lake District	Q1 2027	108	366	793 ¹
One Lake Club (P1+P2)	Q3 2025	70	192	723
One Floreasca Towers	Q2 2025	33	104	208
One Cotroceni Park	Q4 2023	12	841	900
One Mircea Eliade	Q4 2020	11	244 ³	244
One North Lofts ²	Q1 2024	8	51	137
One Herastrau Towers	Q1 2022	5	148 ⁴	148
Other developments		5	775	1,006
TOTAL UNITS SOLD		466	3,209	4,971

NOTE:

¹ At One Lake District will be developed a total of 2,076 units however currently only 793 units from the first phase of the development are available for sale.

² The units sold at One North Lofts will be recognized following the obtaining of the building permit, estimated for 2023, however in this report, they are included in the number of units sold in H1 2023 and total units sold.

³ Units sold includes the 29 residential units at One Mircea Eliade that were reclassified to investment property and are currently rented out by One United Properties.

⁴ Units sold includes 5 residential units at One Herastrau Towers that were reclassified to investment property and are currently rented out by One United Properties.

New sales kickoff in H1 2023

In Q1 2023, One United Properties kicked-off sales at the first phase of One Lake Club, which will host 544 residential units with GDV of EUR 179.6 million. Together with Phase 2, where the sales kicked off in July 2022, One Lake Club will host a total of 723 apartments, with development's GDV being estimated at EUR 214.9 million. [More information HERE.](#)

Additionally, in Q2 2023, One United Properties started sales at the first phase of One Lake District, an exclusive residential development located on a plot of land of approximately 9.2 hectares on the shores of Plumbuita Lake. One Lake District is the Company's largest development to date, with GDV of EUR 337.7 million, hosting a total of 2,076 apartments, which will be delivered in 3-4 phases. [More information HERE.](#)

Landbank

As of June 30th, 2023, One United Properties had 105,971 sqm of land plots for further residential development in Bucharest, with total above-ground gross building rights (GBA) of 434,939 sqm. All these plots are currently in planning phase. The Group estimates construction of around 2,900 apartments, commercial spaces and three office buildings with 63,000 sqm of GLA on these plots. Additionally, One United Properties has approximately 40,000 sqm of buildings for restauration and further development.

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

At the beginning of April 2023, One United Properties informed the market about the signing of an agreement for the sale of all the shares held in **One Herastrau Office S.A.** The Company held a 30% stake in One Herastrau Office Properties S.A., which in turn held a 66.67% stake in One Herastrau Office S.A. The participation in One Herastrau Office S.A. was acquired by One Herastrau Office Properties S.A. in June 2020, at a EUR 15 million valuation for the whole business. One Herastrau Office S.A. was sold in its entirety to a private investor for EUR 21.4 million. One Herastrau Office S.A.'s key asset was the commercial development of One Herastrau Office, with a total GLA of 8,074 sqm, distributed over GF+7 floors and additional 3 floors of underground parking. [More information HERE.](#)

On May 23rd, 2023, One United Properties informed the market about the signing of an asset sale pre-agreement for an office building owned by **One North Gate S.A.**, an entity in which the Company holds a 76.395% stake. The transaction, valued at EUR 6 million, represented roughly 20% of all assets held by One North Gate S.A. The asset sold to Element Investitii Imobiliare S.R.L. represented an office building known as One North Gate, with Gross Leasable Area (GLA) of 4,500 sqm, spread across GF+4 floors, and 131 parking spaces. [More information HERE.](#)

The sale of One Herastrau Office and One North Gate office buildings aligns with the Group's strategy to consolidate its office portfolio around large, landmark mixed-use and urban regeneration developments, such as One Floreasca City and One Cotroceni City. After the sale of the two office buildings, as of June 30th, 2023, the Company's office portfolio GLA totals 118,000 sqm, and it includes One Tower, One Cotroceni Park Office Phase 1 and Phase 2, and One Victoriei Plaza. Together with the retail component, One United Properties' commercial portfolio, which also includes Bucur Obor and One Gallery, will reach a GLA of approximately 160,000 sqm.

GOVERNANCE HIGHLIGHTS

OGSM & EGSM from April 25th, 2023

On April 25th, 2023, One United Properties held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of the second tranche of the dividends of RON 37.5 million (with first tranche paid in November 2022, the full gross dividend for 2022 is RON 73.1 million). The gross dividend of RON 0.01 per share was paid on May 30th, 2023. One United Properties' dividend policy includes the payment of dividends on a semi-annual basis.

The shareholders further re-elected the existing Board of Directors of One United Properties, comprising of seven Members: Claudio Cisullo, Victor Capitanu, Andrei-Liviu Diaconescu, Dragos Manda, Marius Diaconu, Augusta Dragic, and Magdalena Souckova (Soucek), as well as approved the 2023 budget. [The GSM resolutions are available HERE.](#)



SUSTAINABILITY HIGHLIGHTS

Partnership with Veolia

On June 19th, 2023, One United Properties announced the conclusion of a partnership with Veolia Romania Solutii Integrate (VRSI), for the implementation of geoexchange-type energy efficiency solutions for the One Lake Club and One High District developments, which will avoid emissions of approximately 2,000 tons of CO₂/year. The total value of the investment amounts to EUR 6.7 million, the partnership representing expansion of previous agreement which covered developments One Lake District and One Peninsula. [More information HERE.](#)

Sustainability Report

On August 7th, 2023, One United Properties released its 2022 Sustainability Report. The report was prepared using Global Reporting Initiative (GRI) standards and its preparation was overseen by the ESG Committee to the Board of Directors. [2022 Sustainability Report can be accessed HERE.](#)

CAPITAL MARKET HIGHLIGHTS

Indices

As of June 1st, 2023, ONE shares were included in the MSCI Frontier Markets Small Cap index and MSCI Romania Small Cap index. On August 10th, 2023, MSCI announced that effective August 31st, 2023, ONE shares will be promoted from Small Cap to Mid Cap category, becoming part of the MSCI Frontier and MSCI Romania indices, which exclusively feature Mid Cap and Large Cap companies. [More information HERE.](#)

Liquidity

Liquidity of ONE shares increased 66% in Q2 2023 versus Q1 2023. Consequently, in H1 2023, ONE was the 7th most traded stock on BVB in terms of absolute liquidity and 6th most tradeable by liquidity to free-float, registering trades of RON 81.1 million, and, additional RON 24.5 million trade executed through POF market. The market capitalization as of June 30th, 2023, was RON 3.5 billion, while the Company had 7,740 shareholders (+123% since IPO).

The average daily traded value for ONE shares in H1 2023 was RON 0.65 million (excluding POF trade of RON 24.5 million). In H1 2023, ONE shares grew 9.23%, overpassing the performance of BET index, which increased 7%, while total return for ONE amounted to 10.4% vs 10% for BET-TR.



ANALYSIS OF THE FINANCIAL RESULTS

EARNINGS ANALYSIS

The consolidated turnover of One United Properties grew 25% in H1 2023 compared to H1 2022, reaching RON 843.5 million. The increase in the turnover was supported by a 56% increase in revenues from sales of residential property, which reached RON 604.1 million in H1 2023 vs RON 386.8 million in H1 2022. The net income from residential property decreased 4% YoY, reaching RON 178.1 million due to the revenue recognition of the new developments where construction began between H2 2022 and H1 2023. Consequently, the net margin naturally decreased from 48.2% as recorded for H1 2022, to 29.5% for H1 2023.

The rental income, which includes the income generated by the commercial division together with the revenues from the tenant services, registered a 119% increase, reaching RON 62.8 million vs RON 28.7 million in H1 2022, amounting to approximately 80% of the total rental revenues generated in the course of 2022. The effect has been driven by the revenues coming from the entire portfolio, but particularly tenants at the largest developments: One Tower (leased out 100%), One Cotroceni Park 1 (leased 88% as of June 30th, 2023), One Victoriei Plaza (100% leased out), as well as the impact of the results generated by Bucur Obor, consolidated under the retail division. The revenues from rental income will continue to grow QoQ due to more significant commercial portfolio, particularly following the delivery of One Cotroceni Park 2 in Q1 2023 (leased 55% as of June 30th, 2023, however with most tenants still in the fit-out phase throughout Q2 2023).

It is important to mention that in H1 2022, One United Properties recorded the one-off gain from bargain purchase in the amount of RON 94.1 million, representing the gain from the transaction of purchasing a majority stake in Bucur Obor, at a deeply discounted price vs the market value of the buildings, as appraised by Colliers. Moreover, in H1 2022 the Group also saw a RON 39.3 million gain from office buildings under development, representing the development progress at One Cotroceni Park Office 2, which was delivered in Q1 2023. In contrast, in H1 2023 the Group did not record gains from office buildings under development since it currently does not have any office developments under construction.

However, the Group recorded RON 140.1 million in gains from completed investment property, representing the reclassification of the apartments for rental purpose, corresponding to rental apartments at One Mircea Eliade and One Herastrau Towers, held primarily for the purpose of price appreciation, as well as the start of operations of the commercial space of 2,000 sqm located within One Verdi Park, and rented to Lidl for 9+9 years (sold in Q3 2023 for EUR 8.8 million). Gains from investment property for further development, as appraised by Colliers, saw a 17% increase to RON 34.3 million, representing the Group's landbank.

Administrative expenses decreased 37% in H1 2023 vs H1 2022, amounting to RON 37.9 million. This decrease was due to the recognition, in H1 2022, of the major part of expense related to the Stock Option 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 total non-cash value of SOP in H1 2023 is RON 12.6 million, vs RON 42 million in H1 2022. Excluding the SOP impact, the administrative expenses increased 37% in H1 2023 vs H1 2022, reflecting a much larger scale of operations. In terms of other operating expenses, these increased 14%, amounting to RON 7.1 million. Out of this amount RON 4.7 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 increased by 36%, to RON 5.7 million in H1 2023 due to the addition of the operating costs at Cotroceni Park Office 2. Other property operating



expenses for residential segment, which include the property expenses for residential developments completed and not yet fully delivered to clients, increased 14%, to RON 4 million due to developments, primarily One Verdi Park, reaching completion and starting the handover to the clients.

Result from operating activity (EBITDA) amounted to RON 353.1 million in H1 2023, registering a 10% decline due to the one-off gains' recognition in H1 2022, attributable to bargain purchase of Bucur Obor, and the lack of gains from office buildings under development. Excluding the extraordinary event of the bargain purchase of Bucur Obor, the EBITDA increased in 18% H1 2023 vs H1 2022. The gross result reached RON 344.5 million in H1 2023, a 12% decrease compared to H1 2022 (+16% excluding Bucur Obor impact from H1 2022), while the bottom-line amounted RON 286.9 million, a 17% decline YoY (+13% increase excluding Bucur Obor). The income tax for H1 2023 amounted to RON 57.6 million, of which RON 9.9 million is the actual expenditure and the remaining RON 47.7 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.

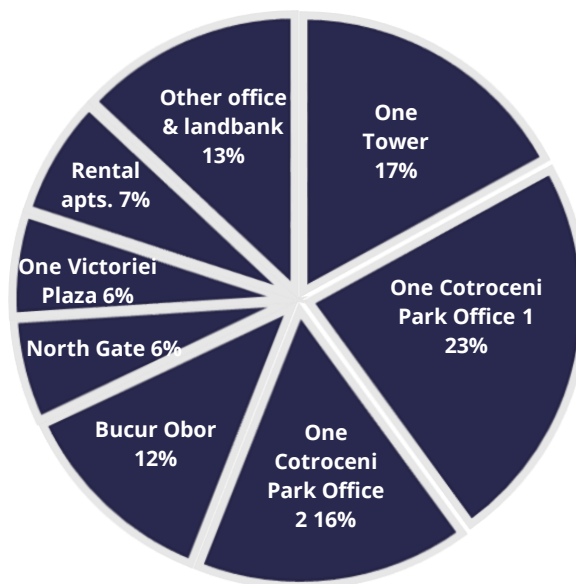
Selected P&L positions (RON)	H1 2023	H1 2022	Δ %
Revenues from sales of residential property	604,119,671	386,763,374	56%
Cost of sales of residential property	(422,023,829)	(196,885,219)	114%
Other property operating expenses - residential	(4,029,596)	(3,530,940)	14%
Net income from residential property	178,066,246	186,347,215	-4%
Rental income incl. revenues from tenant services	62,831,420	28,701,356	119%
Expenses from services to tenants	(14,402,078)	(5,349,961)	169%
Other property operating expenses - commercial	(5,728,207)	(4,201,030)	36%
Net rental income	42,701,135	19,150,365	123%
Gains from office buildings under development	0	39,340,938	-100%
Gains from bargain purchase	0	94,079,969	-100%
Gains from completed investment property	140,110,450	92,852,941	51%
Gains from investment property for further development	34,258,171	29,169,878	17%
Administrative Expenses	(37,858,800)	(60,470,911)	-37%
Other operating expenses	(7,137,774)	(6,265,461)	14%
Result from operating activity (EBITDA)	353,052,283	392,661,759	-10%
EBT	344,538,154	389,832,043	-12%
Net profit	286,943,120	347,805,834	-17%

ASSETS

Total assets grew 12% in H1 2023, reaching RON 4.7 billion. The non-current assets increased 11%, reaching RON 2.6 billion, growth driven primarily by a 11% increase in investment properties to 2.5 billion as of the end of H1 2023, representing the commercial segment and the landbank. The appreciation is primarily due to inclusion of One Cotroceni Office 4 in the landbank following land acquisition in Q1 2023, as well as the inclusion in Q1 2023 of commercial space rented to Lidl at One Verdi Park (sold in Q3 2023). In terms of appreciation, the largest increase was seen for rental apartments (+61%) due to expansion of the apartment rental portfolio, followed by One Downtown (+18%), and One Cotroceni Park Office 2 (+12%).

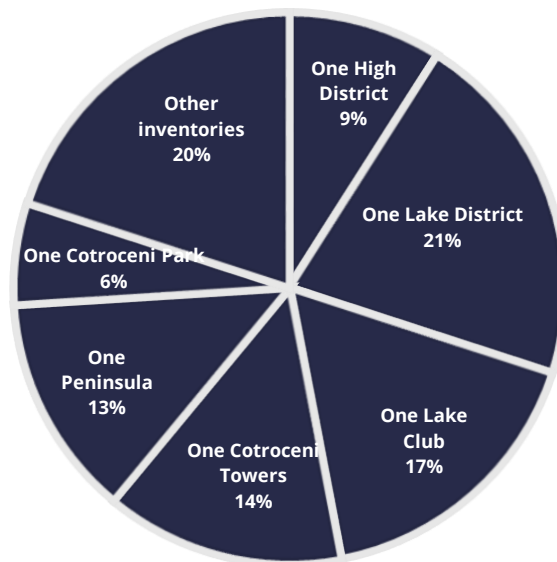


Office & landbank '000 RON	30.06.2023	31.12.2022
One Tower	411,372	387,166
One Cotroceni Park Office 1	583,854	569,891
One Cotroceni Park Office 2	389,879	349,442
One Cotroceni Park Office 3	28,992	28,992
One Cotroceni Park Office 4	79,545	-
One Victoriei Plaza	138,527	138,527
One North Gate	145,507	131,420
Eliade Tower	45,518	45,021
Bucur Obor	307,460	307,460
One Verdi Park Commercial (Lidl)	43,678	-
One Athénée	-	50,197
One Downtown	22,203	18,846
One Athénée Plaza	70,001	68,066
One Carpathian	8,040	7,708
Other	53,894	47,551
Apartments for rental	164,217	101,698
TOTAL	2,492,687	2,251,985



Current assets grew 13% in H1 2023, reaching RON 2.1 billion due to a 38% increase in inventories (residential properties), which reached RON 917.6 million. The significant increase in the inventory represents the addition of One Cotroceni Towers, following the acquisition of the already permitted land plot for the development. Due to the delivery of One Verdi Park to customers in H1 2023, the inventory for this development decreased significantly, with 77%. The rest of the developments saw a varying degree of appreciation or depreciation, aligned with the residential sales as presented in the business updates section.

Residential Property in '000 RON	30.06.2023	31.12.2022
One Verdi Park	16,436	72,017
One Cotroceni Park - Residential	59,542	39,809
One Cotroceni Towers	132,960	-
One Modrogan	43,033	43,432
One Mircea Eliade	174	15,862
One Peninsula	122,731	75,136
One Herastrau Towers	61	19,660
One Floreasca Vista	11,005	14,603
One Timpuri Noi	12,203	8,964
One Mamaia Nord 2	23,200	11,083
One Herastrau Vista	10,830	4,587
One High District	83,056	4,353
One Lake Club (P1 & P2)	157,857	117,969
One Lake District	195,995	188,991
One Floreasca Towers	47,557	45,499
Other inventories	927	1,029
TOTAL	917,567	662,994



The trade receivables saw an increase of 45% up to RON 569.1 million due to larger scale of business. Due to significant development activity in H1 2023 as well as payment of the second tranche of the 2022 dividend in the amount of RON 37.5 million on May 30th, 2023, the cash position declined 30%, down to RON 398.2 million.



EQUITY AND LIABILITIES

Equity grew 8% in H1 2023, reaching RON 2.7 billion. The increase was driven by a 16% increase in retained earnings, which amounted to RON 1.4 billion as of the end of H1 2023, as well as 16% increase in other capital reserves, to RON 60.1 million.

The liabilities increased 16% in H1 2023, amounting to RON 2 billion as of June 30th, 2023, as the long-term liabilities grew 12%, up to RON 1.1 billion, while current liabilities increased 22% up to RON 912 million. The increase in the non-current liabilities was driven by a 12% growth of the loans and borrowings, representing a major part of long-term bank loan amounting to RON 712 million, the increase being driven by the new loan for One Athénée Plaza and drawings for financing of One Cotroceni Park Office 2, Eliade Tower and One Cotroceni Park Residential.

Overall, the increase in the long-term loans for One United Properties is driven, on the one hand, by the office and commercial buildings which require more debt than the 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 can contract apartments using a 30% down payment and a 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 a new client segment, One United Properties decreased in 2023 its loan-to-value indicator, from 28% as recorded at the end of 2022 to 25% as of June 30th, 2023, as the net debt amounted to RON 468 million, 9.9% from the total assets of RON 4.7 billion. The increase in the current liabilities was, on the other hand, driven by a 59% increase in advance payments from customers, which amounted to RON 464.7 million as of the end of H1 2023, representing the advance payments on pre-sold apartments, and a 10% increase in the trade and other payables, which amounted to RON 297.2 million, increase due to significantly larger scale of business vs a year prior.



CONSOLIDATED PROFIT&LOSS STATEMENT (RON)

PROFIT & LOSS STATEMENT (RON)	H1 2023	H1 2022	Δ %
Revenues from sales of residential property	604,119,671	386,763,374	56%
Cost of sales of residential property	(422,023,829)	(196,885,219)	114%
Other property operating expenses - residential	(4,029,596)	(3,530,940)	14%
<i>Net income from residential property</i>	<i>178,066,246</i>	<i>186,347,215</i>	<i>-4%</i>
Gains from office buildings under development	0	39,340,938	-100%
Gains from bargain purchase	0	94,079,969	-100%
Rental income	48,429,342	23,351,395	107%
Revenues from services to tenants	14,402,078	5,349,961	169%
Expenses from services to tenants	(14,402,078)	(5,349,961)	169%
Other property operating expenses - commercial	(5,728,207)	(4,201,030)	36%
<i>Net rental income</i>	<i>42,701,135</i>	<i>19,150,365</i>	<i>123%</i>
Commissions for brokerage real estate	(4,675,519)	(3,923,149)	19%
Administrative expenses	(37,858,800)	(60,470,911)	-37%
Other operating expenses	(7,137,774)	(6,265,461)	14%
Profit on disposal of investment property	5,384,465	768	701002%
Other operating income	2,203,909	2,379,206	-7%
Gains from completed investment property	140,110,450	92,852,941	51%
Gains from investment property for further development	34,258,171	29,169,878	17%
Result from operating activity (EBITDA)	353,052,283	392,661,759	-10%
Financial income	12,879,690	4,284,084	201%
Financial expenses	(26,314,089)	(8,191,527)	221%
Share of result of associates	4,920,270	1,077,727	357%
Gross profit	344,538,154	389,832,043	-12%
Income tax	(57,595,034)	(42,026,209)	37%
Net profit	286,943,120	347,805,834	-17%



CONSOLIDATED PROFIT&LOSS STATEMENT (EUR)

PROFIT & LOSS STATEMENT (EUR)	H1 2023	H1 2022	Δ %
Revenues from sales of residential property	122,452,553	78,203,527	57%
Cost of sales of residential property	(85,542,481)	(39,810,179)	115%
Other property operating expenses - residential	(816,782)	(713,956)	14%
<i>Net income from residential property</i>	<i>36,093,290</i>	<i>37,679,392</i>	<i>-4%</i>
Gains from office buildings under development	0	7,954,735	-100%
Gains from bargain purchase	0	19,022,964	-100%
Rental income	9,816,427	4,721,651	108%
Revenues from services to tenants	2,919,241	1,081,762	170%
Expenses from services to tenants	(2,919,242)	(1,081,762)	170%
Other property operating expenses - commercial	(1,161,084)	(849,448)	37%
<i>Net rental income</i>	<i>8,655,342</i>	<i>3,872,203</i>	<i>124%</i>
Commissions for brokerage real estate	(947,708)	(793,260)	19%
Administrative expenses	(7,673,822)	(12,227,214)	-37%
Other operating expenses	(1,446,797)	(1,266,876)	14%
Profit on disposal of investment property	1,091,409	155	704035%
Other operating income	446,720	481,077	-7%
Gains from completed investment property	28,399,807	18,774,859	51%
Gains from investment property for further development	6,943,989	5,898,147	18%
Result from operating activity (EBITDA)	71,562,230	79,396,182	-10%
Financial income	2,610,660	866,242	201%
Financial expenses	(5,333,757)	(1,656,326)	-222%
Share of result of associates	997,318	217,916	358%
Gross profit	69,836,451	78,824,014	-11%
Income tax	(11,674,274)	(8,497,696)	37%
Net profit	58,162,177	70,326,318	-17%

The Consolidated Statement of Profit or Loss was translated to EUR from the consolidated financial statements in RON using the average exchange rate for the H1 as published by the National Bank of Romania, 4.9335 RON / EUR for H1 2023 and 4.9456 for H1 2022.



CONSOLIDATED BALANCE SHEET (RON)

BALANCE SHEET (RON)	30.06.2023	31.12.2022	Δ %
NON-CURRENT ASSETS	2,590,818,914	2,343,689,182	11%
Goodwill	19,256,076	19,256,076	0%
Intangible assets	16,832,058	15,259,605	10%
Investment properties	2,492,687,179	2,251,984,947	11%
Right of use assets	2,278,006	2,687,154	-15%
Investments in associates	8,290,147	3,369,877	146%
Property, plant, and equipment	51,475,448	51,131,523	1%
CURRENT ASSETS	2,137,740,263	1,893,061,301	13%
Inventories	917,566,592	662,994,340	38%
Advance payments to suppliers	123,738,075	116,316,909	6%
Trade receivables	569,072,248	392,002,622	45%
Other receivables	93,737,417	129,862,443	-28%
Prepayments	35,472,832	24,924,944	42%
Cash and cash equivalents	398,153,099	566,960,043	-30%
TOTAL ASSETS	4,728,559,177	4,236,750,483	12%
EQUITY	2,743,902,707	2,531,326,688	8%
Share capital	740,563,717	740,563,717	0%
Share premium	27,981,399	27,981,399	0%
Legal reserves	17,452,635	17,452,635	0%
Treasury shares	1,029	1,029	0%
Other capital reserves	60,103,177	51,848,900	16%
Retained earnings	1,376,556,035	1,184,656,306	16%
Non-controlling interests	521,244,715	508,822,702	2%
LIABILITIES	1,984,656,470	1,705,423,795	16%
NON-CURRENT LIABILITIES	1,072,702,655	956,652,728	12%
Loans and borrowings from bank and others	732,624,263	654,206,589	12%
Loans and borrowings from minority shareholders	2,586,016	3,528,882	-27%
Trade and other payables	14,286,825	23,442,273	-39%
Lease liabilities	2,646,947	2,646,947	0%
Deferred tax liabilities	320,558,604	272,828,037	17%
CURRENT LIABILITIES	911,953,815	748,771,067	22%
Loans and borrowings from bank and others	130,892,134	172,421,627	-24%
Loans and borrowings from minority shareholders	50,417	47,528	6%
Lease liabilities	526,541	778,490	-32%
Trade and other payables	297,243,893	271,065,556	10%
Accrued income	12,612,270	11,099,273	14%
Current tax liabilities	5,965,021	717,144	732%
Advance payments from customers	464,663,539	292,641,449	59%
TOTAL EQUITY AND LIABILITIES	4,728,559,177	4,236,750,483	12%



CONSOLIDATED BALANCE SHEET (EUR)

BALANCE SHEET (EUR)	30.06.2023	31.12.2022	Δ %
NON-CURRENT ASSETS	521,984,711	473,721,386	10%
Goodwill	3,879,614	3,892,161	0%
Intangible assets	3,391,235	3,084,369	10%
Investment properties	502,213,640	455,185,541	10%
Right of use assets	458,961	543,145	-15%
Investments in associates	1,670,256	681,141	145%
Property, plant, and equipment	10,371,005	10,335,029	0%
CURRENT ASSETS	430,700,782	382,637,608	13%
Inventories	184,866,541	134,008,639	38%
Advance payments to suppliers	24,930,103	23,510,715	6%
Trade receivables	114,653,715	79,234,067	45%
Other receivables	18,885,727	26,248,624	-28%
Prepayments	7,146,882	5,037,988	42%
Cash and cash equivalents	80,217,814	114,597,575	-30%
TOTAL ASSETS	952,685,493	856,358,994	11%
EQUITY	552,827,236	511,647,873	8%
Share capital	149,204,923	149,687,455	0%
Share premium	5,637,547	5,655,779	0%
Legal reserves	3,516,266	3,527,638	0%
Treasury shares	207	208	0%
Other capital reserves	12,109,275	10,480,030	16%
Retained earnings	277,341,346	239,450,278	16%
Non-controlling interests	105,017,672	102,846,485	2%
LIABILITIES	399,858,257	344,711,121	16%
NON-CURRENT LIABILITIES	216,122,548	193,364,744	12%
Loans and borrowings from bank and others	147,605,324	132,232,403	12%
Loans and borrowings from minority shareholders	521,017	713,280	-27%
Trade and other payables	2,878,435	4,738,302	-39%
Lease liabilities	533,293	535,018	0%
Deferred tax liabilities	64,584,479	55,145,741	17%
CURRENT LIABILITIES	183,735,709	151,346,377	21%
Loans and borrowings from bank and others	26,371,466	34,850,957	-24%
Loans and borrowings from minority shareholders	10,158	9,607	6%
Lease liabilities	106,085	157,353	-33%
Trade and other payables	59,887,153	54,789,497	9%
Accrued income	2,541,055	2,243,456	13%
Current tax liabilities	1,201,801	144,954	729%
Advance payments from customers	93,617,991	59,150,553	58%
TOTAL EQUITY AND LIABILITIES	952,685,493	856,358,994	11%

The Consolidated Balance Sheet was translated to EURO from the consolidated balance sheet in RON using the period end exchange rate as published by the National Bank of Romania, 4.9634 RON / EUR for 30.06.2023 and 4.9474 RON / EUR for 31.12.2022.



INDIVIDUAL PROFIT&LOSS STATEMENT (RON)

PROFIT & LOSS STATEMENT (RON)	H1 2023	H1 2022	Δ %
Revenues from services delivered	0	13,653,323	-100%
Revenues from rentals, service charge and similar	649	121,848	-99%
Other Revenues	359,655	486,512	-26%
Total operating revenues	360,304	14,261,684	-97%
Amortization, depreciation and impairment, net	113,492	(4,965,064)	-102%
Administrative Expenses	(2,160,714)	(7,855,491)	-72%
Other operating expenses	(2,371,371)	(5,578,896)	-57%
Total operating expenses	(4,418,593)	(18,399,451)	-76%
Result from operating activity	(4,058,289)	(4,137,767)	-2%
Revenues from dividends	(450,000)	50,918,000	-101%
Revenues from interest	21,435,952	5,657,948	279%
Other financial revenues	3,384,170	770,462	339%
Total financial income	24,370,122	57,346,410	-58%
Interest expenses	0	(432,486)	-100%
Total financial expenses	0	(432,486)	-100%
Gross profit	20,311,833	52,776,157	-62%
Tax expenses	(3,412,027)	(6,700,247)	-49%
Net profit	16,899,806	46,075,910	-63%



INDIVIDUAL BALANCE SHEET (RON)

BALANCE SHEET (RON)	30.06.2023	31.12.2022	Δ %
NON-CURRENT ASSETS	894,939,760	842,462,074	6%
Property, plant and equipment	371,064	2,291,888	-84%
Intangible assets	64,000	59,668	7%
Financial assets - investments	222,779,464	209,382,429	6%
Financial assets - loans granted	623,808,659	571,982,357	9%
Right of use asset	0	17,640,137	-100%
Deferred tax assets	1,167,931	1,167,931	0%
Other non-current assets	46,748,642	39,937,664	17%
CURRENT ASSETS	193,042,743	267,885,990	-28%
Cash and cash equivalents	18,309,442	137,504,656	-87%
Financial assets - loans granted	98,321,638	29,095,328	238%
Trade receivables	305,302	726,283	-58%
Other receivables	75,490,969	100,314,789	-25%
Prepayments	615,392	244,934	151%
TOTAL ASSETS	1,087,982,503	1,110,348,064	-2%
EQUITY	911,062,763	954,731,514	-5%
Share capital	740,563,717	740,563,717	0%
Own shares	1,029	1,029	0%
Share premium	27,981,399	27,981,399	0%
Legal reserve	17,452,635	17,452,635	0%
Retained earnings	64,960,806	116,883,834	44%
Other capital reserves	60,103,177	51,848,900	-16%
LIABILITIES	176,919,740	155,616,550	14%
NON-CURRENT LIABILITIES	9,699,545	37,411,529	-74%
Lease liability	0	17,864,412	-100%
Other non-current liabilities	9,699,545	19,547,117	-50%
CURRENT LIABILITIES	167,220,195	118,205,021	41%
Lease liability	0	1,901,977	-100%
Trade payables	663,700	933,976	-29%
Other payables	163,783,132	115,104,814	42%
Current tax liability	2,773,363	227,623	1118%
Deferred income	0	36,631	-100%
TOTAL EQUITY AND LIABILITIES	1,087,982,503	1,110,348,064	-2%



KEY FINANCIAL RATIOS

The main financial ratios of One United Properties, consolidated result, as of June 30th, 2023, are presented below.

Financial data in RON

30 June 2023

Liquidity ratio

Current assets	2,137,740,263	= 2.34
Current liabilities	911,953,815	

Gearing ratio

Interest-bearing debt	866,152,830	= 31.6%
Equity	2,743,902,707	

Trade receivables turnover

Average receivables	480,537,435	= 0.28
Turnover x 2	843,523,621 x 2	

Non-current asset turnover

Turnover x2	843,523,621 x 2	= 0.65
Non-current assets	2,590,818,914	

Loan to value

	30 June 2023		31 December 2022
Financial debt	866,152,830	= 25%	830,204,626
Real estate assets	3,410,253,771		2,914,979,287
			= 28%



OUTLOOK AND RISKS FOR 2023

The results generated in H1 2023 are in line with the management's estimates for that period, therefore the management maintains the 2023 budget, as approved by the General Meeting of Shareholders from April 25th, 2023. The budget for 2023 restated in the table below and includes the results estimated to be generated by the Company at the consolidated level.

Values in RON	2023 Budgeted	2022	Δ%
Turnover	1,433,376,083	1,166,115,861	23%
Revenues from sales of residential property	1,011,304,781	769,518,382	31%
Rental income and revenues from services to tenants	164,236,483	78,909,622	108%
Result from operating activity	643,849,185	576,124,706	12%
Net Profit	529,999,290	502,477,465	5%
Investments & CAPEX	1,163,839,418	1,010,441,161	15%

For 2023, One United Properties consolidated gross turnover of RON 1.4 billion, a 23% increase compared to the 2022 result, and a consolidated gross profit of RON 622.1 million, 9% higher than the result for 2022. The net profit is estimated to reach RON 530 million in 2023, a 5% increase vs 2022, with the net margin expected at 37%. The total investments and CAPEX costs for 2023, including land acquisitions and development costs, are estimated at RON 1.2 billion.

The revenues from residential property sales are targeted to reach RON 1 billion in 2023, a 31% increase compared to the 2022 result due to the rich portfolio of units available for sale. The following developments are estimated to generate the most sales in 2023: One Lake District, One High District, One Lake Club, One Floreasca Towers, and One North Lofts.

The rental revenues, including rental income and revenues from services to tenants, are estimated to amount RON 164.2 million in 2023, a 108% increase compared to 2022 result. Revenues from One Cotroceni Park Phase 1, delivered in December 2021 and estimated to be fully leased out this year, will significantly increase the rental income in 2023. One Cotroceni Park Phase 2, delivered in Q1 2023, will start to generate more substantial results in the course of 2023. Additionally, the rental income in 2023 will include the results generated by the assets acquired in 2022: One Victoriei Plaza and Bucur Obor.

RISKS AND ELEMENTS OF UNCECERTAINTY

The key risks and elements of uncertainty related to the activity of the Company, which remain valid for the second half of 2023, were previously identified and detailed in the Prospectus for the share capital increase from June 2022, available [HERE](#).

In the current context, the management would like to draw particular attention to the increased risks arising from sudden modifications in fiscal regulations and codes. Unexpected and unanticipated shifts in tax legislation, or even variations in how the laws are applied and interpreted, have the potential to detrimentally affect the Group's operational expenditure and the profitability ratios. Such unpredicted variations can lead to a significant increase in the Group's tax obligations, thereby placing strain on the carefully crafted business strategies. Moreover, these alterations introduce a heightened level of



uncertainty concerning projected revenues and profitability due to potential effect on the demand for Group's products. Consequently, the management urges stakeholders to be aware of these potential challenges, as they can have substantial implications for the Group's overall performance, strategic outlook and may result in a decline in future profits.

DISCLAIMER: Management advises investors to consult the more detailed risk list pertaining to the Group as mentioned in the recent Prospectus linked above, as well as the risk list provided in the 2022 Annual Report, accessible [HERE](#). However, it's crucial to note that even when combined with these additional sources, the list and descriptions of risks are not comprehensive. As such, the risks detailed in these documents may not encompass all challenges related to the issuer's activities for H2 2023. Unforeseen risk factors and uncertainties might exist that the Group or its affiliated companies are currently unaware of. These could later affect the actual outcomes, financial health, performances, and achievements of the issuer, potentially leading to a decline in the Group's share price. Investors should undertake pre-requisite checks to prepare their investment opportunity assessment.



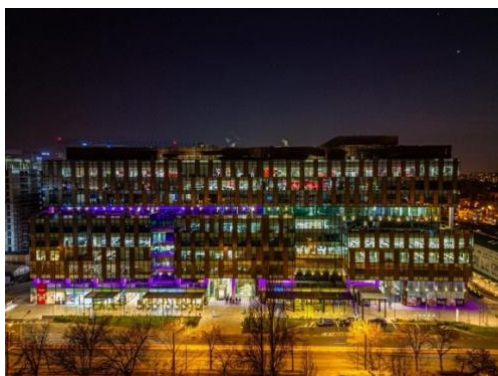
ABOUT ONE UNITED PROPERTIES

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, safety and sustainability are at the core of ONE's residential developments.



OFFICE

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

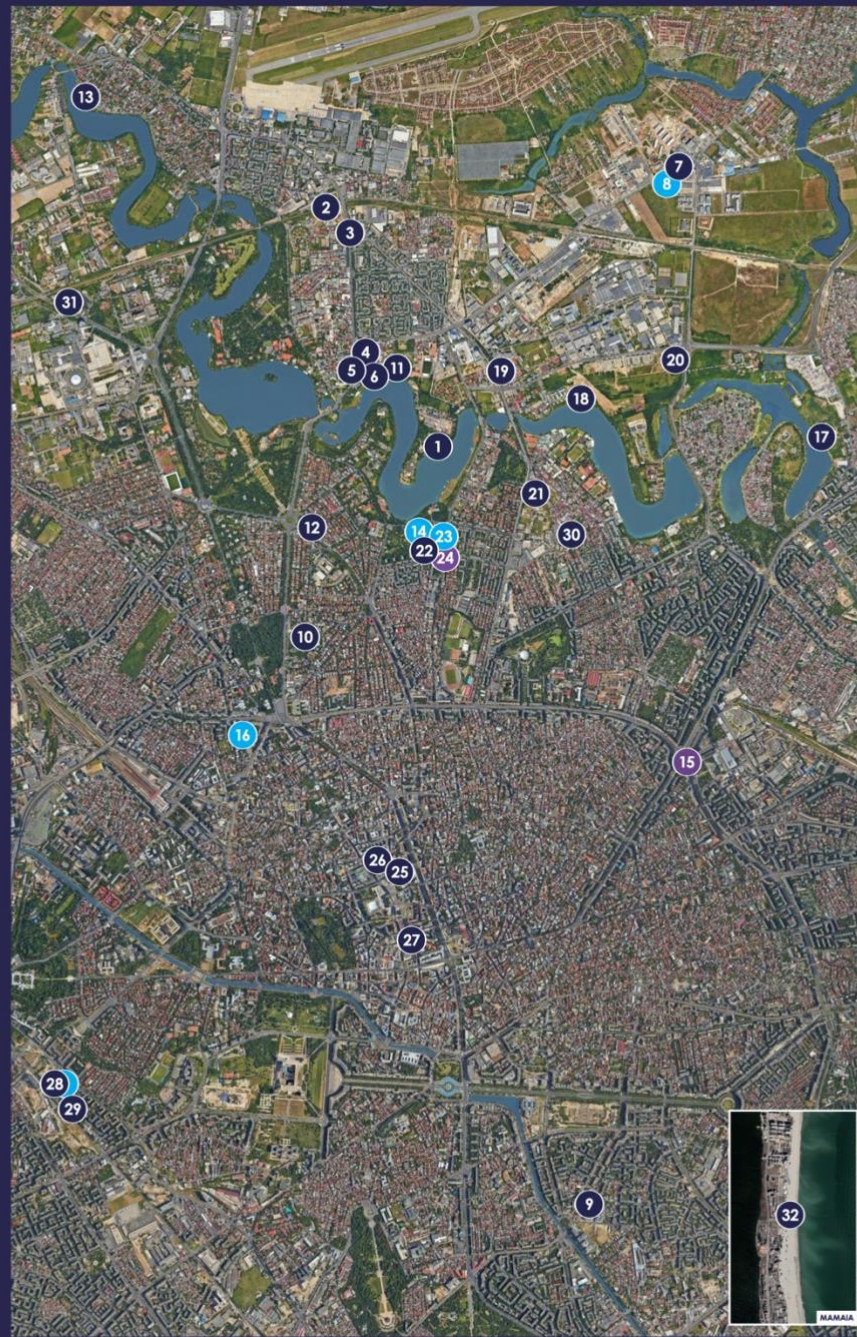


RETAIL

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





DECLARATION OF THE MANAGEMENT

Bucharest, August 29th, 2023

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

- a) the interim condensed consolidated financial statements and the condensed individual financial statements for the six-month period ended June 30th, 2023, 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 report attached to this statement, prepared in accordance with art. 67 of the Law no. 24/2017 on issuers of financial instruments and market operations and to annex no. 14 to FSA Regulation no. 5/2018 on issuers of financial instruments and market operations for the six-month period ended June 30th, 2023, 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



ONE UNITED PROPERTIES SA and subsidiaries

**Interim condensed consolidated financial
statements for the period ended
30 June 2023**

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REPORT ON THE REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders,
One United Properties S.A.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of One United Properties S.A. (the "Company") and its subsidiaries (together "the Group") for the period from 1 January 2023 to 30 June 2023. These interim condensed consolidated financial statements comprise (i) the interim condensed consolidated statement of financial position as of 30 June 2023, (ii) the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows, each for the period from 1 January 2023 to 30 June 2023 and the comparative information for the period from 1 January 2022 to 30 June 2022, and (iii) other explanatory notes.

Management is responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union.

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects, the financial position of the entity as at June 30, 2023, and of its financial performance and its cash flows for the six-month period then ended in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union.

Other matters

We draw attention to the fact that we have not audited nor reviewed the accompanying interim condensed consolidated statements of profit or loss and condensed consolidated statement of comprehensive income for the three months period ended June 30, 2023 and June 30, 2022 and accordingly, we do not express an opinion nor a conclusion on them.

This report is made solely to the Group's shareholders, as a body. Our review work has been undertaken so that we might state to the Group's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's shareholders as a body, for our review work, for this report, or for the conclusion we have formed.

On behalf of:
Deloitte Audit SRL

Alina Mirea

*For signature, please refer to the original signed
Romanian version.*

Bucharest, Romania
August 24, 2023

Numele Deloitte se referă la organizația Deloitte Touche Tohmatsu Limited, o companie cu răspundere limitată din Marea Britanie, la firmele membre ale acesteia, în cadrul căreia fiecare firmă membră este o persoană juridică independentă. Pentru o descriere amănunțită a structurii legale a Deloitte Touche Tohmatsu Limited și a firmelor membre, vă rugăm să accesați www.deloitte.com/ro/despre.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2023 (reviewed)	31 December 2022 (audited)
ASSETS			
Non-current assets			
Goodwill	7	19,256,076	19,256,076
Intangible assets	7	16,832,058	15,259,605
Property, plant and equipment	5	51,475,448	51,131,523
Right of use assets		2,278,006	2,687,154
Investment properties	8	2,492,687,179	2,251,984,947
Investments in associates	9	8,290,147	3,369,877
Total non-current assets		2,590,818,914	2,343,689,182
Current assets			
Inventories	10	917,566,592	662,994,340
Advance payments to suppliers	11	123,738,075	116,316,909
Trade receivables	12	569,072,248	392,002,622
Other receivables	12	93,737,417	129,862,443
Prepayments	6	35,472,832	24,924,944
Cash and cash equivalents	13	398,153,099	566,960,043
Total current assets		2,137,740,263	1,893,061,301
TOTAL ASSETS		4,728,559,177	4,236,750,483
EQUITY AND LIABILITIES			
Equity			
Share capital	15	740,563,717	740,563,717
Share premium	15	27,981,399	27,981,399
Own shares		1,029	1,029
Other capital reserves	15	60,103,177	51,848,900
Legal reserves	15	17,452,635	17,452,635
Retained earnings		1,376,556,035	1,184,656,306
Equity attributable to owners of the Group		2,222,657,992	2,022,503,986
Non-controlling interests		521,244,715	508,822,702
Total equity		2,743,902,707	2,531,326,688
Non-current liabilities			
Loans and borrowings from bank and others	16	732,624,263	654,206,589
Loans and borrowings from minority shareholders	16	2,586,016	3,528,882
Trade and other payables	17	14,286,825	23,442,273
Lease liabilities		2,646,947	2,646,947
Deferred tax liabilities	14	320,558,604	272,828,037
Total non-current liabilities		1,072,702,655	956,652,728

Notes attached form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	30 June 2023 (reviewed)	31 December 2022 (audited)
Current liabilities			
Loans and borrowings from bank and others	16	130,892,134	172,421,627
Loans and borrowings from minority shareholders	16	50,417	47,528
Lease liabilities		526,541	778,490
Trade and other payables	17	297,243,893	271,065,556
Accrued income		12,612,270	11,099,273
Current tax liabilities	14	5,965,021	717,144
Advance payments from customers	18	464,663,539	292,641,449
Total current liabilities		911,953,815	748,771,067
Total liabilities		1,984,656,470	1,705,423,795
TOTAL EQUITY AND LIABILITIES		4,728,559,177	4,236,750,483

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 24 August 2023 and signed on its behalf by:

VICTOR CAPITANU
Administrator

VALENTIN-COSMIN SAMOILA
Chief Financial Officer

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

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

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

	Note	Six month period ended 30 June 2023	Six month period ended 30 June 2022	Three month period ended 30 June 2023 (Q2)	Three month period ended 30 June 2022 (Q2)
Revenues from sales of residential property	19	604,119,671	386,763,374	275,083,358	189,585,901
Cost of sales of residential property	19	(422,023,829)	(196,885,219)	(197,607,682)	(83,522,784)
Other property operating expenses - residential		(4,029,596)	(3,530,940)	(863,019)	(1,660,766)
Net income from residential property		178,066,246	186,347,215	76,612,657	104,402,351
Gains from office buildings under development	8	-	39,340,938	-	39,340,938
Gains from completed investment property	8	140,110,450	92,852,941	61,878,699	49,068,766
Gains from investment property for further development	8	34,258,171	29,169,878	34,258,171	29,169,878
Gains on the bargain purchase	8	-	94,079,969	-	(2,906,520)
Rental income	20	48,429,342	23,351,395	24,349,297	16,716,613
Revenues from service to tenants	20	14,402,078	5,349,961	7,018,042	3,355,792
Expenses from services to tenants		(14,402,078)	(5,349,961)	(7,018,042)	(3,355,792)
Other property operating expenses		(5,728,207)	(4,201,030)	(3,432,839)	(1,950,253)
Net rental income		42,701,135	19,150,365	20,916,458	14,766,360
Commissions for brokerage real estate	21	(4,675,519)	(3,923,149)	(2,921,526)	(2,428,711)
Administrative expenses	22	(37,858,800)	(60,470,911)	(19,322,073)	(50,399,928)
Other operating expenses	23	(7,137,774)	(6,265,461)	(3,683,223)	(2,427,183)
Profit/(Loss) on disposal of investment property		5,384,465	768	5,460,474	768
Other operating income		2,203,909	2,379,206	1,432,355	1,408,076
Result from ordinary activities		353,052,283	392,661,759	174,631,992	179,994,795
Financial income		12,879,690	4,284,084	7,063,811	3,835,628
Financial expenses		(26,314,089)	(8,191,527)	(15,282,955)	(2,350,377)
Net financial result	24	(13,434,399)	(3,907,443)	(8,219,144)	1,485,251
Share of result of associates	9	4,920,270	1,077,727	270,686	379,370
Result before tax		344,538,154	389,832,043	166,683,534	181,859,416
Tax on profit	14	(57,595,034)	(42,026,209)	(31,417,750)	(435,158)
Net result of the period		286,943,120	347,805,834	135,265,784	181,424,258
Total comprehensive income for the period		286,943,120	347,805,834	135,265,784	181,424,258
Net result attributable to:					
Owners of the Group		261,995,072	308,610,711	115,170,123	144,416,496
Non-controlling interests		24,948,048	39,195,123	20,095,661	37,007,762
Total comprehensive income attributable to:					
Owners of the Group		261,995,072	308,610,711	115,170,123	144,416,496
Non-controlling interests		24,948,048	39,195,123	20,095,661	37,007,762
Basic/diluted earnings per share attributable to equity holders	26	0.10	0.54	0.05	0.28

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 24 August 2023 and signed on its behalf by:

VICTOR CAPITANU
Administrator

VALENTIN-COSMIN SAMOILA
Chief Financial Officer

Notes attached form an integral part of these interim condensed consolidated financial statements.

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2023

	Note	Share capital	Share premiums	Legal reserves	Other capital reserves	Own shares	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2023		740,563,717	27,981,399	17,452,635	51,848,900	1,029	1,184,656,306	508,822,702	2,531,326,688
Profit of the year		-	-	-	-	-	261,995,072	24,948,048	286,943,120
Dividends allocated from the statutory profit	15	-	-	-	-	-	(73,130,616)	(1,926,000)	(75,056,616)
Transfer of other capital reserve in/from retained earnings		-	-	-	(4,307,782)	-	4,307,782	-	-
Transactions with non-controlling interests		-	-	-	-	-	(1,272,509)	(10,600,035)	(11,872,544)
Stock option plan	15	-	-	-	12,562,059	-	-	-	12,562,059
Balance as at 30 June 2023		740,563,717	27,981,399	17,452,635	60,103,177	1,029	1,376,556,035	521,244,715	2,743,902,707

Notes attached form an integral part of these interim condensed consolidated financial statements.

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2022

		Share capital	Share premiums	Legal reserves	Other capital reserves	Own shares	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2022		514,828,059	4,307,781	11,437,359	1,390,179	-	791,788,303	323,205,535	1,646,957,216
Profit of the year		-	-	-	-	-	308,610,711	39,195,123	347,805,834
Dividends allocated from the statutory profit	15	-	-	-	-	-	(42,473,315)	(837,900)	(43,311,215)
Issue of ordinary shares		-	-	-	-	-	-	-	-
Issue of ordinary shares- premium shares conversion		-	-	-	-	-	-	-	-
Issue of ordinary shares - other reserves conversion		-	-	-	-	-	-	-	-
Employee share scheme		-	-	-	-	-	-	-	-
Transfer from share premiums in other reserves		-	(4,307,781)	-	4,307,781	-	-	-	-
Transfer of legal reserve in/from retained earnings		-	-	-	-	-	-	-	-
Transactions with non-controlling interests		-	-	-	-	-	985,756	(6,803,065)	(5,817,309)
Acquisition of own shares		-	-	-	-	-	-	-	-
Sale of own shares		-	-	-	-	-	-	-	-
Stock option plan	15	-	-	-	42,032,774	-	-	-	42,032,774
Non-controlling interest on incorporation of subsidiary or on increase in share capital of subsidiary		-	-	-	-	-	-	133,511,133	133,511,133
Balance as at 30 June 2022		514,828,059	-	11,437,359	47,730,734	-	1,058,911,455	488,270,826	2,121,178,433

Notes attached form an integral part of these interim condensed consolidated financial statements.

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

6 months period ended– 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	30 June 2023	30 June 2022
Cash flows from operating activities		
Result for the period	286,943,120	347,805,834
Adjustments for:		
Depreciation and amortization	1,968,351	1,152,874
Share of result of associates	(4,920,270)	(1,077,727)
Other financial income	(367,996)	-
Allowances for current assets – receivables and other provisions	1,033,717	332,661
(Gain)/Loss on sale of property, plant and equipment	(13,464)	(1,501)
Profit/(Loss) on disposal of investment property	(5,384,465)	(768)
Interest expenses	23,969,097	8,191,527
Interest income	(12,511,694)	(1,645,585)
Income tax expenses	57,595,034	42,026,209
Unrealised foreign exchange loss/(gain)	3,034,822	(247,791)
Increase in fair value of investment property	(174,368,621)	(161,363,757)
Gain on the bargain purchase	-	(94,079,969)
Share-based payments	12,562,059	42,032,774
Changes in working capital:		
(Increase)/Decrease in trade and other receivables	(198,006,203)	(236,954,529)
(Increase)/Decrease in inventory property	(213,437,386)	(15,388,193)
Increase/(Decrease) in trade and other payables	(4,826,550)	(3,035,752)
Increase/(Decrease) in advance payments from customers	143,692,655	13,255,546
Income tax paid	(2,613,694)	(4,409,861)
Working capital from acquisition of new subsidiaries	-	11,656,689
Net cash from operating activities	(85,651,488)	(51,751,319)
Investing activities		
Acquisition of property, plant and equipment	(2,389,037)	(4,350,869)
Proceeds from sale of property, plant and equipment	261,508	5,043
Acquisition of intangible assets	(1,643,185)	(378,828)
Expenditure on investment property under development	(4,866,707)	(49,021,311)
Expenditure on completed investment property	(29,915,456)	(47,137,201)
Acquisition of investment property	(54,698,548)	(4,482,398)
Proceeds from sale of investment property	37,882,570	3,756,376
Amounts paid for transactions with non-controlling interest	(11,872,544)	(5,817,310)
Other financial income	367,996	-
Interest received	12,511,694	1,645,585
Net cash flows from used in investing activities	(54,361,709)	(105,780,913)
Financing activities		
Proceeds from loans and borrowings	139,297,439	177,076,992
Repayment of borrowings	(105,855,207)	(9,494,445)
Interest paid	(24,483,934)	(8,182,824)
Dividends paid	(37,486,085)	(42,443,954)
Principal elements of lease payments	(265,960)	(265,959)
Net cash from financing activities	(28,793,747)	116,689,810
Net changes in cash and cash equivalents	(168,806,944)	(40,842,422)
Cash and cash equivalents at the beginning of the period	566,960,043	508,347,161
Cash and cash equivalents at the end of the period	398,153,099	467,504,739

Notes attached form an integral part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

1. CORPORATE INFORMATION

These financial statements are the interim condensed consolidated financial statements of One United Properties S.A. and its subsidiaries (collectively, the “Group”) for the period from 1 January 2023 to 30 June 2023 in agreement with the International Financial Reporting Standards (IFRS) applicable to interim reporting, as applied in the EU.

The parent company, One United Properties S.A. (the “Company”), was established in 2007 according to Law no. 31/1990, having as object of activity real estate development and sale. The Company has fiscal code RO22767862 and is registered with the Trade Registry under no. J40/21705/2007. The registered office of the Company is at Maxim Gorki street 20, Bucharest, district 1 and second office at Calea Floreasca no 159, Building One Tower, Bucharest, district 1.

The share capital of the Company is RON 740,563,717.2 divided into 3,702,818,586 shares at a nominal value of RON 0.2/each. One United Properties SA is owned by OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu) and Vinci Ver Holding SRL (represented by Mr. Victor Capitanu) holding 27.5830% each and other shareholders holding 44.8340%. All shares are paid in full.

The Company shares floated on Bucharest Stock Exchange (BVB) on 12 July 2021, following an initial public offering that took place between 22 June 2021 and 02 July 2021, during which the company raised RON 259,112,477.28 for further developments and investments in both the residential and office segments. As of 20 September 2021, the Company shares are included in the BET index, which follows the evolution of the 19 most liquid companies listed on the Bucharest Stock Exchange. On 20 December 2021, the Company shares entered the FTSE Global All Cap index. The global index provider FTSE Russell announced, following the quarterly review, that the Company’s shares are included, as of 20.06.2022, in the FTSE EPRA Nareit EMEA Emerging Index.

The object of activity of the Group consists in the development and sale/lease of residences, offices and retail in Bucharest, Romania.

The Company had the following subsidiaries undertakings as at 30 June 2023 and 31 December 2022. Their registered office, activity and Group holding percentage is shown below:

Name of the subsidiary	Activity	% ownership as at 30 June 2023	% ownership as at 31 December 2022	Registered office
One Modrogan SRL	Real estate developer in Romania	100.00%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Peninsula SRL (former One Herastrau Park Residence SA)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Charles de Gaulle Residence SRL	Real estate developer in Romania	100.00%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Plaza SRL	Real estate developer in Romania	100.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One Verdi Park SRL	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
X Architecture & Engineering Consult SRL	Architecture services for group and non-group projects	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Mircea Eliade Properties SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Long Term Value SRL	Real estate developer in Romania	98.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Towers SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park SRL (former One Herastrau Properties SRL)	Real estate developer in Romania	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
Skia Real Estate SRL	Operational services – project development	51.00%	51.00%	Maxim Gorki street 20, Bucharest, district 1
One Lake District SRL (former One District Properties SRL)	Real estate developer in Romania	100.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

1. CORPORATE INFORMATION (continued)

Group companies	Activity	% ownership as at 30 June 2023	% ownership as at 31 December 2022	Registered office
One North Gate SA	Real estate developer in Romania	76.39%	67.69%	Maxim Gorki street 20, Bucharest, district 1
One United Tower SA (former One United Tower SRL)	Real estate developer in Romania	71.46%	70.24%	Maxim Gorki street 20, Bucharest, district 1
Neo Floreasca Lake SRL	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Mamaia Nord SRL (former Neo Mamaia SRL)	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
Neo Timपुरi Noi SRL	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Floreasca Towers SRL (former One Herastrau IV SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office SA	Real estate developer in Romania	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 2 SA	Real estate developer in Romania	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 3 SA (former One Verdi Park Office SA)	Real estate developer in Romania	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 19 SRL (former One Mamaia SRL)	Real estate developer in Romania	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One High District S.R.L. (former One Proiect 1 SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Plaza Athenee SRL (former One Proiect 3 SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 4 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 5 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Lake Club SRL (former One Proiect 6 SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau City SRL (former One Proiect 7 SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Carpathian Lodge Magura SRL (former Carpathian Estate SRL)	Real estate developer in Romania	66.72%	66.72%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 8 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One City Club SRL (former One Proiect 9 SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 10 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One United Italia SRL	Real estate developer in Romania	90.00%	90.00%	Maxim Gorki street 20, Bucharest, district 1
Bo Retail Invest SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

1. CORPORATE INFORMATION (continued)

Group companies	Activity	% Ownership as at 30 June 2023	% Ownership as at 31 December 2022	Registered office
Bucur Obor SA	Lease of retail space	54.44%	54.44%	Colentina street 2, Bucharest, district 2
One United Management Services SRL	Management services	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 11 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 12 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Towers SRL (former One Proiect 14 SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 15 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Victoriei Plaza SRL (former Mam Imob Business Center SRL)	Renting office premises in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
Eliade Tower SRL	Renting office premises in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 16 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 17 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 18 SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 2 SRL	Real estate developer in Romania	0.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 20 SRL	Real estate developer in Romania	100.00%	0.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 22 SRL	Real estate developer in Romania	100.00%	0.00%	Maxim Gorki street 20, Bucharest, district 1

During 2023, two new subsidiaries were established within the One group: One Proiect 20 SRL and One Proiect 22 SRL.

The Company have increased its ownership in the share capital of the subsidiaries, as follows:

- One North Gate SA from 67.69% to 76.395%, the total consideration price for the shares acquired is RON 9,112,073.
- One United Tower SA from 70.24% to 71.46%, the total consideration price for the shares acquired is RON 2,758,672.
- One Herastrau Plaza SRL from 98.00% to 100.00%, the total consideration price for the shares acquired is RON 900.
- One Lake District SRL from 98.00% to 100.00%, the total consideration price for the shares acquired is RON 900.

2. BASIS OF PREPARATION

2.a Basis of preparation

The condensed scope of reporting in these interim condensed consolidated financial statements reflects the requirements of the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union. Information on the application of IFRS, on the significant accounting policies and on further disclosures is provided in the consolidated financial statements of Group as of 31 December 2022 and forms the basis for these consolidated interim financial statements.

However, some notes are included to explain events and transactions that are material to understanding the changes in the Group's financial position and performance from the latest consolidated annual financial statements at and for the year ended 31 December 2022.

The interim condensed consolidated financial statements for the six-month period ended 30 June 2023 were reviewed by Deloitte Audit SRL, which also audited the annual consolidated financial statements as of 31 December 2022.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

2. BASIS OF PREPARATION (CONTINUED)

The consolidated interim financial statements are presented in romanian new leu (“RON”, rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

In contrast to the interim condensed consolidated financial statements as of 30 June 2022, the Group has presented in more granularity some of the information in the current period to increase the level of relevance. Where applicable, the Group has reclassified the comparative information for consistency purposes. The following captions from the consolidated statement of profit or loss and other comprehensive income were changed due to such reclassifications: the costs related to fit out, power and water, property management which were not included in cost of sales were included under other operating expenses line in prior period, while in current period were reclassified in “Other property operating expenses – residential” line, the costs incurred after the reception of the residential projects were reclassified from administrative expenses to Other property operating expenses – residential and the broker commissions for rental activity were reclassified from administrative expenses to “Commissions for brokerage real estate”.

2.b Going concern

The Management have considered the appropriateness of adopting the going concern basis in preparing the condensed consolidated interim financial statements. The Group’s going concern assessment covers the period to 30 June 2024 (the “going concern period”), being at least 12 months from the date of authorisation of these condensed consolidated interim financial statements.

The Group has prepared forecasts, including certain sensitivities, considering the potential impact on the business considering current economic factors, such as inflation raise, post covid-19 influence and the armed conflict between Russia and Ukraine. Having considered these forecasts and that the Group has no activities that are significantly dependant of the area affected by the conflict or by sanctions (particularly Russia, Ukraine, Belarus), neither in respect of acquisitions, nor concerning sales or investments, the Directors remain of the view that the Group’s financing arrangements and capital structure provide both the necessary facilities and covenant headroom to enable the Group to conduct its business for at least the next 12 months, although there are still uncertainties regarding the evolution of the conflict and the potential impact on the countries that are close to the conflict zone and on the global economy in general. Accordingly, the consolidated financial statements have been prepared on a going concern basis, which means that the Group will continue its activity in the foreseeable future, the current results estimated by the management of the companies and shareholders being considered solid.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective and anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Group in the period of initial application.

- **IFRS 17 “Insurance Contracts”** issued by IASB on 18 May 2017. The new standard requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 “Insurance Contracts” and related interpretations while applied. Amendments to IFRS 17 “Insurance Contracts” issued by IASB on 25 June 2020 defer the date of initial application of IFRS 17 by two years to annual periods beginning on or after 1 January 2023. Additionally, the amendments issued on 25 June 2020 introduce simplifications and clarifications of some requirements in the Standard and provide additional reliefs when applying IFRS 17 for the first time.
- **Amendments to IFRS 16 “Leases”** - Lease Liability in a Sale and Leaseback issued by IASB on 22 September 2022. Amendments to IFRS 16 require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.
- **Amendments to IFRS 17 “Insurance contracts”** - Initial Application of IFRS 17 and IFRS 9 – Comparative Information issued by IASB on 9 December 2021. It is a narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

- **Amendments to IAS 1 “Presentation of Financial Statements”** - Disclosure of Accounting Policies issued by IASB on 12 February 2021. Amendments require entities to disclose their material accounting policies rather than their significant accounting policies and provide guidance and examples to help preparers in deciding which accounting policies to disclose in their financial statements.
- **Amendments to IAS 1 “Presentation of Financial Statements”** - Classification of Liabilities as Current or Non-Current issued by IASB on 23 January 2020 and Amendments to IAS 1 “Presentation of Financial Statements” - Non-current Liabilities with Covenants issued by IASB on 31 October 2022. Amendments issued on January 2020 provide more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Amendments issued on October 2022 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability and set the effective date for both amendments to annual periods beginning on or after 1 January 2024.
- **Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”** - Supplier Finance Arrangements issued by IASB on 25 May 2023. Amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements to provide qualitative and quantitative information about supplier finance arrangements.
- **Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”** - Definition of Accounting Estimates issued by IASB on 12 February 2021. Amendments focus on accounting estimates and provide guidance how to distinguish between accounting policies and accounting estimates.
- **Amendments to IAS 12 “Income Taxes”** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction issued by IASB on 6 May 2021. According to amendments, the initial recognition exemption does not apply to transactions in which both deductible and taxable temporary differences arise on initial recognition that result in the recognition of equal deferred tax assets and liabilities.
- **Amendments to IAS 12 “Income Taxes”** - International Tax Reform — Pillar Two Model Rules issued by IASB on 23 May 2023. The amendments introduced a temporary exception to the accounting for deferred taxes arising from jurisdictions implementing the global tax rules and disclosure requirements about company’s exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect.
- **IFRS 14 “Regulatory Deferral Accounts”** issued by IASB on 30 January 2014. This standard is intended to allow entities that are first-time adopters of IFRS, and that currently recognise regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRS.
- **Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”** - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture issued by IASB on 11 September 2014. The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group’s condensed consolidated interim financial statements requires management to make professional judgments, estimates and assumptions that affect the application of accounting policies, as well as the recognized value of assets, liabilities, revenue and expenses, and the accompanying disclosures. The actual results may vary from the estimated values. The estimates and assumptions are based on the historical experience and other elements, including the expectations regarding the future events considered reasonable in the existing circumstances. The underlying estimates and assumptions are periodically revised. The revision of accounting estimates is recognized starting with the period in which the estimates are revised.

For preparing the condensed consolidated interim financial statements according to IFRS adopted by the EU, the Group makes estimates and assumptions related to future developments that might have a significant effect on the recognition of the value of the reported assets and liabilities, presentation of contingent liabilities as at the preparation date of the condensed consolidated interim financial statements and the revenue and expenses reported for the respective period.

NOTE 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

4.a Judgements

In the process of applying the Group accounting policies, the management made the following judgments, which have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements:

4.a.1 Revenue from contracts with customers

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determination of performance obligations

With respect to the sale of property, the Group concluded the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property under development mainly include design work, procurement of materials and development of the property. Generally, the Group is responsible for all these goods and services and the overall management of the project.

Although these goods and services are capable of being distinct, the Group accounts for them as a single performance obligation because they are not distinct in the context of the contract. The Group uses those goods and services as inputs and provides a significant service of integrating them into a combined output i.e., the completed property for which the customer has contracted.

In relation to the services provided to tenants of investment property (such as cleaning, security, landscaping, reception services, catering) as part of the lease agreements into which the Group enters as a lessor, the Group has determined that the promise is the overall property management service and that the service performed each day is distinct and substantially the same.

Although the individual activities that comprise the performance obligation vary significantly throughout the day and from day to day, the nature of the overall promise to provide management service is the same from day to day. Therefore, the Group has concluded that the services to tenants represent a series of daily services that are individually satisfied over time, using a time-elapsed measure of progress, because tenants simultaneously receive and consumes the benefits provided by the Group.

Principal versus agent considerations – services to tenants

The Group arranges for certain services provided to tenants of investment property included in the contract the Group enters into as a lessor, to be provided by third parties. The Group has determined that it controls the services before they are transferred to tenants, because it has the ability to direct the use of these services and obtain the benefits from them. In making this determination, the Group has considered that it is primarily responsible for fulfilling the promise to provide these specified services because it directly deals with tenants' complaints and it is primarily responsible for the quality or suitability of the services. In addition, the Group has discretion in establishing the price that it charges to the tenants for the specified services.

Therefore, the Group has concluded that it is the principal in these contracts. In addition, the Group has concluded that it transfers control of these services over time, as services are rendered by the third-party service providers, because this is when tenants receive and at the same time, consume the benefits from these services.

Determining the timing of revenue recognition on the sale of property

The Group has evaluated the timing of revenue recognition on the sale of property based on an analysis of the rights and obligations under the terms of the contract.

The Group has generally concluded that contracts relating to the sale of completed property are recognised at a point in time when control transfers. For unconditional exchanges of contracts, control is generally expected to transfer to the customer together with the legal title. For conditional exchanges, this is expected to take place when all the significant conditions are satisfied.

For contracts relating to the sale of property under development, the Group has generally concluded that the overtime criteria are met and, therefore, recognises revenue over time. The Group's performance does not create an asset with alternative use to the Group. Furthermore, the Group has generally an enforceable right to payment for performance completed to date. It has considered the factors that indicate that it is restricted (contractually or practically) from readily directing the property under development for another use during its development.

NOTE 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

4.a Judgements (continued)

4.a.1 Revenue from contracts with customers (continued)

In making this determination, the Group has considered the contractual terms as well as any legislation or legal precedent that could supplement or override those contractual terms.

The Group has determined that the input method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Group and the transfer of goods and services to the customer.

4.a.2 Transfers of assets both from and to investment property

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

Transfers are made to (or from) investment property only when there is evidence of a change in use (such as commencement of development with the view to sale or inception of an operating lease to another party). For a transfer from investment property to inventories, the deemed cost for subsequent accounting is the fair value at the date of change in use.

If an inventory property becomes an investment property, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss. The Group considers as evidence the receiving of the construction permit (for a transfer from investment property to inventories) or inception of an operating lease to another party or change in the construction permit scope (for a transfer from inventories to investment property).

4.b Estimates and assumptions

The key assumptions concerning future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the condensed consolidated interim financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4.b.1 Measurement of progress when revenue is recognised over time

For those contracts involving the sale of property under development that meet the overtime criteria of revenue recognition, the Group's performance is measured using an input method, by reference to the inputs towards satisfying the performance obligation relative to the total expected inputs to satisfy the performance obligation, i.e., the completion of the property. The Group generally uses the costs incurred method as a measure of progress for its contracts because it best depicts the Group's performance.

Under this method of measuring progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. The Group adjusts the input method for any cost incurred that are not proportionate to the Group's progress in satisfying the performance obligation.

4.b.2 Valuation of investment property

Valuation and recoverable amounts of the property developed for sale and investment property.

The Company has obtained a report from an international valuation company, Colliers Romania, setting out the estimated market values for the Company's investment property. The most recent real estate investment assessment took place on 30 June 2023. Colliers Romania is an independent professionally qualified valuation specialist who holds a recognized relevant professional qualification and has recent experience in the locations and categories of the valued properties. The valuation was based on the assumption as to the best use of each property by a third-party developer.

For investment property assets are mainly valued using the market approach or income approach based on the discounted cash flow technique.

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(Amounts are expressed in “RON”, unless otherwise stated)

NOTE 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

4.b Estimates and assumptions (continued)

4.b.2 Valuation of investment property (continued)

For market approach the key assumptions underlying the market value of the groups land assets are: the selection of comparable land plots resulting in order to determine the “offer price” which is taken as the basis to form an indicative price and the quantum of adjustments to apply against the offer price to reflect deal prices, and differences in location and condition.

For income approach based on the discounted cash flow technique the valuations are prepared by considering the aggregate of the net annual rents’ receivable from the properties, and where relevant, associated costs. A yield which reflects the risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation. The prospective period used in valuation is 10 years.

The key assumptions used to determine the fair value of the properties and sensitivity analyses are summarized in note 8. The valuation is highly sensitive to these variables and adjustments to these inputs would have a direct impact on the resulting valuation. The fair value measurement for all the investment properties has been categorized as a Level 3 fair value.

The management considers that the valuation of its property developed and investment property is currently subject to an increased degree of judgment and an increased likelihood that actual proceeds on a sale may differ from the carrying value.

4.b.3 Operating cycle

The normal operating cycle of the Group is of three years for inventories (residential projects). As a result, the current assets and liabilities contain elements whose realization is designed and/or anticipated to take place during the normal operating cycle of the Group.

5. PROPERTY, PLANT AND EQUIPMENT

Description	Land, Buildings, barracks	Technological equipment	Measurement apparatus and devices	Vehicles	Furniture and other non-current assets	Total
Cost						
01 January 2023	44,025,501	1,285,242	770,395	1,879,387	9,234,420	57,194,945
Additions	250,391	95,305	118,833	277,049	1,540,067	2,281,645
Disposals	-	(24,091)	-	(149,966)	(248,265)	(422,322)
Transfer from/(to) inventories	(50,392)	-	-	-	-	(50,392)
Transfer between categories	(319,059)	-	-	-	319,059	-
30 June 2023	43,906,441	1,356,456	889,228	2,006,470	10,845,281	59,003,876
Depreciation and impairment						
01 January 2023	2,220,550	722,894	719,047	995,978	1,404,953	6,063,422
Depreciation charge for the year	717,883	101,012	60,548	147,709	590,095	1,617,247
Disposals	-	-	-	(22,743)	(129,498)	(152,241)
30 June 2023	2,938,433	823,906	779,595	1,120,944	1,865,550	7,528,428
Net book value						
31 December 2022	41,804,951	562,348	51,348	883,409	7,829,467	51,131,523
30 June 2023	40,968,008	532,550	109,633	885,526	8,979,731	51,475,448

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5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Under the “land, buildings and barracks” are presented the Group assets from which the main amount is related to the own office space occupied. At 31 December 2019, the Company has reclassified part of the land and building owned by the subsidiary One North Gate SA from investment property in property, plant and equipment for the value of RON 12,156,938, following the occupancy of the own office space. In 2022, the Group have moved the office from the building owned by the subsidiary, One North Gate SA to the building One Tower, developed by the subsidiary One United Tower SA, therefore have transferred from property, plant and equipment to investment property the office space occupied in North Gate and in the same time transferred from investment property to property, plant and equipment the new office space located in One Tower building for the fair value of RON 38,860,861.

The Group performed its annual impairment test in December or more frequently if there are indications that property, plant and equipment might be impaired. At 31 December 2022 and as at 30 June 2023, no indication of impairment was identified for the property, plant and equipment in balance.

6. PREPAYMENTS

	30 June 2023	31 December 2022
Prepayments in respect to financing commissions	12,140,686	12,255,102
Taxes	4,014,372	3,879
Insurance	886,614	801,576
Development costs	16,928,682	10,738,248
Other prepayments	1,502,478	1,126,139
Total amount	35,472,832	24,924,944

In the category of "Prepayments in respect to financing commissions" are included the costs incurred to obtain bank financing. These costs are recognized on a straight-line basis over the term of the bank financing agreement.

7. INTANGIBLE ASSETS

Description	Goodwill	Concessions patents, licenses	Other intangible assets	Total
Cost				
As at 31 December 2022	19,256,076	14,699,660	1,159,376	35,115,112
Additions	-	1,991	1,641,193	1,643,184
Disposals	-	-	-	-
As at 30 June 2023	19,256,076	14,701,651	2,800,569	36,758,296
Amortization and impairment				
As at 31 December 2022	-	225,397	374,034	599,431
Depreciation charge	-	13,388	57,343	70,731
Impairment	-	-	-	-
Disposals	-	-	-	-
As at 30 June 2023	-	238,785	431,377	670,162
Net book value				
As at 31 December 2022	19,256,076	14,474,263	785,342	34,515,681
As at 30 June 2023	19,256,076	14,462,866	2,369,192	36,088,134

7. INTANGIBLE ASSETS (CONTINUED)*Goodwill*

The Group performed its annual impairment test in December and when circumstances indicated that the carrying value may be impaired. The goodwill in balance refers to developments of subsidiary One Peninsula.

As at 31 December 2022, the Group performed the assessment of the recoverable amount of goodwill allocated to One Peninsula based on a value in use calculation taking in consideration the financial budget approved by the management which comprise forecasts of revenue, construction development costs and overheads based on current and anticipated market conditions and a discount rate of 3.30%. Following the impairment test performed for One Peninsula, the Group assessed the recoverable amount of the identified CGU to which the goodwill relates to be higher than its carrying amount, therefore no impairment loss was recognized. There are no indications that the assumptions used in the impairment test performed at 31 December 2023 were changed at 30 June 2023, therefore the Group will perform for 2023 the impairment test at the year end.

Under the category "Concessions patents, licenses" is included the identifiable intangible asset acquired in 2022 in a business combination, related to Bucur Obor Brand, and which was recognized at fair value of RON 14,4 million. The brand "Bucur Obor" has been officially registered by the Bucur Obor SA since 2011, its first appearance being in 1975 when the Bucur Obor store was opened. The phrase "Bucur Obor" is associated with the location of the Bucur Obor commercial store, which is a commercial landmark of Bucharest. Part of the revenues generated by renting commercial spaces in the complex are directly attributable to the "Bucur Obor" brand.

As at 31 December 2022, the Group performed the assessment of the recoverable amount of the Bucur Obor Brand, considering a WACC rate of 13.77% and a risk premium of 2%. No indicators of impairment were identified.

8. INVESTMENT PROPERTY

The Group prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) and arranges for the regular valuation of its properties by independent experts. These external appraisals are carried out each year as 31 December and also during the year when there are indicators that the fair value is substantially changed.

After internal assessment the fair value measurement of the investment properties was performed at 30 June 2023 using independent appraiser only for the significant assets where changes in fair value were identified. For the remaining investment property assets the management considers no significant changes in fair value occurred compare to prior year-end valuation. At 31 March 2023, the Group have performed the valuation of the assets transferred from inventories to investment properties, as described below.

The adopted valuations at 30 June 2023 for investment properties are a combination of the valuations determined using the discounted cash flow (DCF) method, the income capitalisation method, the market comparison method, residual approach and transaction prices where relevant. The internal valuation was performed only for the retail space owned by the subsidiary One Verdi Park SRL, determining the fair value amount at the transaction price of EUR 8,8 million related to sales contract signed in July 2023 and paid in full by the buyer.

The Group holds mainly office and retail buildings, residential properties held to earn rentals and undeveloped land,:

Completed investment property (IPC):

- Land in surface area of 12,000 sqm and office building in surface area of 34,628 sqm located at Sos Pipera Tunari, 2III, owned by subsidiary One North Gate SA;
- 3 apartments and 4 parking spaces owned by subsidiary One Long Term Value SA;
- Land in surface area of 6,096 sqm and office building with a total GLA of 23,800 sqm located at Calea Floreasca, Nr. 159-165, owned by subsidiary One United Tower SA;
- Land plot and one office building in total surface area of 46,253 sqm located at 44 Sergent Nutu Ion Street, owned by subsidiary One Cotroceni Park Office SA;
- Property located in Buzau County, owned by subsidiary One Carpathian Lodge Magura SRL comprising of a boutique hotel together with a 56ha of forest and land. The Group targets further investments on short and medium-term;
- 28 apartments and 25 parking spaces owned by subsidiary One Mircea Eliade Properties SRL. During the first six month of 2023, the Group started the activities with the view to rental of 9 apartments owned by subsidiary One Mircea Eliade Properties SRL and therefore changes the presentation from apartments available for sale to apartments available for rental. The Group have performed the valuation of the assets with an independent evaluator, Colliers Romania and recognized a gain from fair value adjustment of RON 43,6 million;

8. INVESTMENT PROPERTY (CONTINUED)

- Retail building acquired through business combination with Bucur Obor SA in 2022. The subject property has a total leasable area of 24,325 sqm of retail and 2,452 sqm storages. The investment property was valued at fair value at the date of acquisition at RON 307,1 million; On November 19th, 2021, One United Properties announced the intention to acquire (indirectly, through BO Retail Invest S.R.L.) a controlling stake in Bucur Obor SA, a company listed on the Multilateral Trading System of the Bucharest Stock Exchange, under symbol BUCU. On the same date, by means of the loan made available by the company One United Properties SA, BO Retail Invest S.R.L. acquired a 54.4351% of the share capital of Bucur Obor, against a sum of RON 65 million. The transaction was subject to Competition Council clearance, which the Company received on February 4th, 2022. On February 8th, 2022, One United Properties closed the transaction of the acquisition by the Company of direct sole control over BO Retail Invest S.R.L., and indirectly the control over Bucur Obor SA. Bucur Obor S.A. carries out its activity within the Bucur Commercial Complex Obor, located in Bucharest, Sos. Colentina no. 2, in the building from Sos. Mihai Bravu no. 2 and in the building from Sos. Colentina no. 6A. All these properties are owned by the company. Bucur Obor has as main activity the renting of commercial spaces, in which the clients retail goods. The shopping complex offers a multitude of stores, in a unique mix in Bucharest, a combination of family business such as haberdashery, fabrics, footage, windows & mirrors, leather goods, gold, jewelry and more, along with international brands consecrated;
- Office building owned by the subsidiary, One Victoriei Plaza SRL with a total GLA of app. 12,000 square meters and 4 underground levels with 93 parking spaces, and it is fully leased to First Bank as a tenant for a remaining period of app. 12 years with a break option after 7 years;
- Office building located at 18 Mircea Eliade Boulevard, Bucharest, Romania, owned by the subsidiary Eliade Tower SRL. The office building has a total GLA of over 8,000 square meters spread over 10 floors and also has a parking;
- 2 apartments and related parking spaces owned by subsidiary One Mamaia Nord SRL;
- The Group started the activities with the view to rental of 5 apartments owned by subsidiary One Herastrau Towers SRL and therefore changes the presentation from apartments available for sale to apartments available for rental. The Group have performed the valuation of the assets with an independent evaluator, Colliers Romania and recognized a gain from fair value adjustment of RON 21,2 million;
- The retail space of 1,974 sqm and 85 related parking spaces owned by the subsidiary One Verdi Park SRL has started to be leased to Lidl in 2023, therefore the Group reclassified from inventories to investment property and performed the valuation of the asset and recognized a gain from fair value adjustment of RON 29 million;
- Land in surface area of 8,847 sqm located at Sergent Nutu Ion Street and Calea 13 Septembrie, owned by subsidiary One Cotroceni Park Office Faza 2 SA and related construction in progress.

Investment property for further development (landbank) (IPFD):

- Land in surface area of 82,734 sqm owned by subsidiary One Lake District SRL which were transferred to inventories as of 31 December 2022 following the issue of the building permit;
- Land in surface area of 5,627 sqm owned by subsidiary One Floreasca Towers SRL transferred to inventories as of 31 December 2022 following the issue of the building permit for a residential development;
- Vacant land plot with a surface area of 4,688 sqm located at 44 Sergent Nutu Ion Street and 164C 13 Septembrie Road, District 5, Bucharest, Romania, owned by One Cotroceni Park SRL;
- Property acquired by subsidiary One Plaza Athenee SRL (former One Proiect 3 SRL) located in the central of the Bucharest, district 1 comprising of: a plot of land in surface area of 521 sqm and related construction with a total gross built area of 2,896 sqm, which fair value was determined at RON 50,2 million. The property is classified as a historical monument by local authorities. Building permit was issued in Q1 2023 and therefore the Group have changed the presentation from investment properties to inventories.
- Land in surface area of 801,028 sqm owned by the subsidiary One Proiect 11 SRL, located in Ilfov county. The total acquisition price is of EUR 9,330,000 from which the Group have paid until 30 June 2023 the amount of EUR 3,732,000, while the remaining amount will be paid in 3 equal instalments of EUR 1,866,000 each, according to the schedule established in the acquisition contract. The last instalment is due in 24 months from the signing date of the acquisition contract, 24 August 2022; On 04 April 2023, through addendum no 1 at the contract, the acquisition price was increased by RON 1,5 million (equivalent of EUR 300,000).
- An under development hotel project located at 8-10 Georges Clemenceau street, Bucharest, Romania owned by the subsidiary One Proiect 12 SRL;

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8. INVESTMENT PROPERTY (CONTINUED)

- Three buildings located in Bucharest sector 1, at no. 19, 21 and 23 Academiei street, near the Odeon Theater and the Ion Mincu University of Architecture and Urbanism owned by the subsidiary One Proiect 10. Following the renovation, the three buildings will represent a new development of the Company - One Downtown. The total surface of the land is approximately 1,300 sqm and the gross buildable area is 7,100 sqm. The final use of the buildings will be decided later, with residential and hotel options currently being considered.
- Land in surface area of 12,318 sqm owned by subsidiary, One Cotroceni Park Office Faza 3, acquired in Q1 2023 for a transaction price of EUR 9,6 million.

Changes in investment property are as follows:

Completed investment property

	30 June 2023	31 December 2022
At 1 January	1,688,891,360	549,398,406
Capital expenditure on owned property	29,292,745	54,590,744
Acquisition	311,434	4,816,997
Fair value of investment property of Bucur Obor acquired	-	307,120,316
Fair value of investment property of Eliade Tower acquired	-	47,104,439
Investment property acquired (One Victoriei Plaza)	-	138,118,400
Transfer from inventories	37,705,329	27,507,442
Transfer to fixed assets	-	(38,860,861)
Transfer from fixed assets	-	11,382,107
Transfer from investment property under development	360,006,680	454,265,348
Disposals	(32,497,105)	(8,165,678)
Fair value adjustment during the year	140,110,450	88,485,173
Lease incentive	14,232,030	53,128,527
At 30 June 2023 / 31 December 2022	2,238,052,923	1,688,891,360

Investment property under development

	30 June 2023	31 December 2022
At 1 January	349,441,856	650,175,262
Capital expenditure	10,564,824	95,644,331
Interest capitalized	-	156,298
Transfer to completed investment property	(360,006,680)	(454,265,348)
Lease incentive	-	2,847,626
Fair value adjustment during the year	-	54,883,687
At 30 June 2023 / 31 December 2022	-	349,441,856

Investment property for further development (landbank)

	30 June 2023	31 December 2022
At 1 January	213,651,731	249,891,522
Capital expenditure	2,562,887	12,945,058
Acquisition	54,387,114	131,919,218
Transfer from inventories	-	16,792,471
Transfer to inventories	(50,225,647)	(272,994,250)
Fair value adjustment during the year	34,258,171	75,097,712
At 30 June 2023 / 31 December 2022	254,634,256	213,651,731
Grand Total Investment Property at 30 June 2023 / 31 December 2022	2,492,687,179	2,251,984,947

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(Amounts are expressed in “RON”, unless otherwise stated)

8. INVESTMENT PROPERTY (CONTINUED)

	Type	Object	Valuation Method	30 June 2023
One United Tower	IPC	Office	Income approach**	411,371,607
Eliade Tower	IPC	Office	DCF**	45,517,670
One Victoriei Plaza	IPC	Office	Market approach*	138,527,200
Bucur Obor	IPC	Office	DCF**	307,459,982
One North Gate	IPC	Office	DCF and Residual approach**	145,506,760
One Carpathian Lodge-Magura	IPC	Accommodation unit area and the land in excess and forest	Market approach**	8,040,385
One Long Term Value	IPC	Apartments and parking lots	Market approach**	17,517,892
One Mircea Eliade	IPC	Apartments and parking lots	Market approach**	109,094,899
One Mamaia Nord	IPC	Apartments and parking lots	Market approach**	9,065,516
One Cotroceni Park Office	IPC	Office	DCF**	583,853,838
One Cotroceni Park Office Faza 2	IPC	Office	DCF**	389,878,797
One Cotroceni Park	IPFD	Office	Market approach**	28,991,764
One Proiect 10	IPFD	Hotel	Market approach**	22,202,530
One Proiect 11	IPFD	Residential	Market approach**	53,894,477
One Proiect 12	IPFD	Hotel	Income and Residual approach**	70,000,620
One Verdi Park	IPC	Retail	Transaction price*	43,677,920
One Herastrau Towers	IPC	Residential	Market approach**	28,540,460
One Cotroceni Park Office Faza 3	IPFD	Office	Market approach**	79,544,862
				2,492,687,179

* Internal assessment

** External valuation by Colliers

	Type	Object	Valuation Method	31 December 2022
One United Tower	IPC	Office	DCF**	387,165,700
Eliade Tower	IPC	Office	DCF**	45,021,340
One Victoriei Plaza	IPC	Office	Market approach *	138,527,200
Bucur Obor	IPC	Office	DCF**	307,459,982
One North Gate	IPC	Office	DCF and Residual approach**	131,419,899
One Carpathian Lodge-Magura	IPC	Accommodation unit area and the land in excess and forest	Market approach**	7,708,049
One Long Term Value	IPC	Apartments and parking lots	Market approach**	17,517,892
One Mircea Eliade	IPC	Apartments and parking lots	Market approach**	75,873,326
One Mamaia Nord	IPC	Apartments and parking lots	Market approach**	8,306,685
One Cotroceni Park Office	IPC	Office	DCF**	569,891,286
One Cotroceni Park Office Faza 2	IPUC	Office	DCF**	349,441,859
One Plaza Athenee (former Proiect 3)	IPFD	Construction classified as a historical monument and associated land plot	Income and market approach**	50,196,612
One Cotroceni Park	IPFD	Office	Market approach**	28,991,764
One Proiect 10	IPFD	Hotel	Market approach**	18,845,554
One Proiect 11	IPFD	Residential	Market approach**	47,551,470
One Proiect 12	IPFD	Hotel	Income and Residual approach**	68,066,329
				2,251,984,947

* Internal assessment

** External valuation by Colliers

8. INVESTMENT PROPERTY (CONTINUED)**Valuation processes**

The Company's investment properties were valued at 31 December 2022 and several of assets also at 31 March 2023 and 30 June 2023 by Colliers Romania, external, independent evaluator, authorized by ANEVAR, having recent experience regarding the location and nature of the properties evaluated. The valuation models in accordance with those recommended by the International Valuation Standards Committee have been applied and are consistent with the principles in IFRS 13.

For all investment properties, their current use equates to the highest and best use. The valuation techniques used in determination of the fair value of investment property are:

- The fair values are determined through the application of the market comparison technique. The valuation model is based on a price per square meter for both land and buildings, derived from data observable in the market, in an active and transparent market;
- Discounted cash-flows (DCF) method. The valuation model based on the DCF method estimates the present value of net cash flows to be generated by a rented building considering occupancy rate and costs to be paid by the tenants. The discount rate estimation considers, inter alia, the quality of a building and its location;
- The Residual Approach of valuation is used when a property has development or redevelopment potential, and it is needed when there is an element of latent value that can be released by the expenditure of money on a property. This approach assumes that a potential buyer, who normally would be a developer, will acquire the subject property as at the date of valuation in its current condition and will develop it till completion and sell.
- The Income Approach-Direct Capitalization method provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. A fundamental basis for the income approach is that investors expect to receive a return on their investments and that such a return should reflect the perceived level of risk in the investment.

Fair value hierarchy

Based on the inputs to the valuation technique, the fair value measurement for investment property has been categorized as Level 3 fair value at 30 June 2023 and 31 December 2022. This assessment is deemed appropriate considering the adjustments of the date for comparable lands and of the construction assessments, including future level of net operating revenues of the investment properties. These adjustments are based on location and condition and are not directly observable. There were no transfers from levels 1 and 2 to level 3 during the year.

Sensitivity analysis at 30 June 2023 and 31 December 2022

A quantitative sensitivity analysis for the properties where discounted cash-flows (DCF) method was used in the valuation report at 30 June 2023 and 31 December 2022, is presented below:

		Effect on fair value		
		Completed Investment Property	Investment Property under development	Investment Property for further development (landbank)
30 June 2023	Sensitivity used			
Decrease in Estimated Rental Value (ERV)	5%	(22,142,983)	n/a	n/a
Increase in Discount Rate/yield	0.25%	(36,869,053)	n/a	n/a
		Effect on fair value		
		Completed Investment Property	Investment Property under development	Investment Property for further development (landbank)
31 December 2022	Sensitivity used			
Decrease in Estimated Rental Value (ERV)	5%	(44,527,004)	(4,705,210)	n/a
Increase in Discount Rate/yield	0.25%	(49,465,479)	(15,519,771)	n/a

The main assumptions used in DCF method were: Exit yield: 6.5% - 8.5% (31 December 2023: 6.5% - 8.5%), discount rate 8.25% - 10.5% (31 December 2022: 8.25% - 10.5%), NOI EUR 2,043,731-9,703,174 (31 December 2022: EUR 1,629,340-9,642,277).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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(Amounts are expressed in “RON”, unless otherwise stated)

9. INVESTMENT IN ASSOCIATES

As at 30 June 2023 and 31 December 2022, the Group has interests in a number of individually immaterial associates that are accounted for using the equity method:

Name of the entity	Place of business/ country of incorporation	Object of activity	% of ownership interest		Carrying amount	
			30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
Reinvent Energy SRL	Romania	Constructions	20%	20%	2,157,759	2,157,759
CCT & ONE AG	Switzerland	Investment	49.90%	49.9%	675,656	675,656
Glass Rom Invest SRL	Romania	Constructions	20%	20%	288,956	288,956
One Property Support Services SRL	Romania	Property management	20%	20%	301,200	245,006
One Herastrau Office Properties SA	Romania	Holding	30%	30%	4,864,076	-
Asociatia ASAR	Romania	Architecture	20%	20%	2,500	2,500
Total equity-accounted investments					8,290,147	3,369,877
					30-Jun-23	30-Jun-22
Aggregate amounts of the Group's share of:						
Profit from continuing operations					4,920,270	1,077,727
Total comprehensive income					4,920,270	1,077,727

10. INVENTORIES

Most of the Company's subsidiaries have as object of activity the development of residential real estate developments that are sold in the normal course of business. Depending on the estimated completion and sales dates of each real estate development, considering the Group's operating cycle (a period of approximately three years), inventory is detailed as follows:

Developer	Project name	30 June 2023	31 December 2022
One Peninsula SRL (former One Herastrau Park Residence SRL)	One Peninsula	122,731,418	75,136,000
One Verdi Park SRL	One Verdi Park	16,435,584	72,017,173
One Mircea Eliade Properties SRL	One Floreasca City	174,203	15,861,977
One Herastrau Towers SRL	One Herastrau Towers	60,877	19,660,230
Neo Floreasca Lake SRL	One Floreasca Vista	11,004,914	14,603,243
Neo Timpuri Noi SRL	One Timpuri Noi	12,202,726	8,963,730
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	One Herastrau Vista	10,830,271	4,586,823
One Modrogran	One Modrogran	43,032,844	43,432,300
One Mamaia Nord SRL - phase 2	One Mamaia Nord 2	23,200,023	11,082,766
One Cotroceni Park	One Cotroceni Park	59,542,041	39,808,973
One High District (former One Proiect 1)	One High District	83,055,506	4,352,515
One Lake Club (former One Proiect 6)	One Lake Club	157,856,742	117,968,858
One Lake District	One Lake District	195,994,965	188,991,343
One Floreasca Towers	One Floreasca Towers	47,557,018	45,499,262
One Cotroceni Towers	One Cotroceni Towers	132,959,746	-
Other inventories		927,714	1,029,147
Total		917,566,592	662,994,340

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(Amounts are expressed in “RON”, unless otherwise stated)

10. INVENTORIES (CONTINUED)

In February 2023, the Group through its subsidiaries, One Cotroceni Towers and One Cotroceni Park Office Faza 3 have concluded the agreement for the acquisition of a plot of land of 44,863 sqm on Soseaua Progresului 56-80, in Bucharest district 5. The value of the transaction is EUR 35 million, from which related to One Cotroceni Towers, a plot of land of 32,555 sqm valued at EUR 25,4 million, out of which EUR 10,4 million is paid in cash and the rest of EUR 15 million is exchanged with future apartments and commercial spaces. The remaining amount of EUR 9,6 million related to One Cotroceni Park Office Faza 3 is included in investment property. Please see Note 8 for further details.

11. ADVANCE PAYMENTS TO SUPPLIERS

As at 30 June 2023 and 31 December 2022, advances to suppliers are detailed as follows:

Description	30 June 2023	31 December 2022
Advances to suppliers for acquisition of goods	42,727,069	31,083,375
Advances to suppliers for acquisition of services	81,011,006	85,233,534
Total	123,738,075	116,316,909

12. TRADE AND OTHER RECEIVABLES

As at 30 June 2023 and 31 December 2022 trade and other receivables are detailed as follows:

Description	30 June 2023	31 December 2022
Trade receivables – customers	121,702,244	130,752,011
Loss allowances for trade receivables	(9,678,672)	(8,692,226)
Accrued receivables	86,734	2,047,439
Contract assets	456,961,942	267,895,398
Total trade receivables	569,072,248	392,002,622
VAT receivable	60,233,254	63,746,367
Various debtors	7,520,426	3,842,428
Loans granted to related parties	598,482	7,060,180
Loans granted to others	22,895,837	17,189,519
Prepaid interim dividends	-	36,102,481
Income tax receivables	1,214,513	1,214,513
Interest receivable	345,625	374,070
Other receivables	1,388,487	791,367
Loss allowances for other receivables	(459,207)	(458,482)
Total other receivables	93,737,417	129,862,443
Total	662,809,665	521,865,065

Balances in relation to related parties are disclosed in Note 25.

Contract assets represents the amounts estimated by the management of the Group based on the application of IFRS 15 *Revenue from Contracts with Customers* provisions. For contracts relating to the sale of property under development, the Group has generally concluded that the overtime criteria are met and, therefore, recognises revenue over time with reference to the stage of completion of the contract activity at the balance sheet date.

As at 30 June 2023 and 31 December 2022, for the VAT recoverable, the Group filed refund applications. Parent company One United Properties SA acts as the representative of the single tax VAT group. The tax authorities have approved the fund application and after the control performed, the Group collecting the amounts approved for reimbursement and also the vat recoverable amounts incurred after the period verified.

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(Amounts are expressed in “RON”, unless otherwise stated)

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

On 28 September 2022, through Decision of the Ordinary General Meeting of Shareholders it was approved the distribution of interim dividends from the Company's profit corresponding to the first six months of the financial year ending on 31 December 2022 in value of RON 36,102,481 (gross amount), from the distributable net profit of RON 46,075,910 for the first half of the financial year ending 31 December 2022. The proposed final dividend was subject to approval by shareholders at the annual general meeting that took place in 25 April 2023.

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

The Group have recorded loss allowance for trade receivables and contract assets at 30 June 2023, as follow:

	Customers	Customers related to Bucur Obor – resulted from business combination	Doubtful customers	Contract assets	Total
Gross amount	115,825,453	4,293,550	1,583,241	456,961,942	578,664,186
Allowance for expected credit losses	(863,778)	(2,185,081)	(1,583,241)	(5,046,572)	(9,678,672)

The allowance for expected credit losses related to customers as at 30 June 2023 and 31 December 2022 was determined as follows:

30-Jun-23						
RON		Current	< 90 days	91 - 365 days	> 365 days	Total
Expected loss rate		0%	0.25%	0.5%	2.0%	
Gross carrying amount - trade receivables		33,596,057	32,743,907	27,257,177	22,228,312	115,825,453
Allowance for doubtful receivables		-	83,170	149,914	630,694	863,778

31-Dec-22						
RON		Current	< 90 days	91 - 365 days	> 365 days	Total
Expected loss rate		0%	0.25%	0.5%	2.0%	
Gross carrying amount - trade receivables		39,387,136	27,423,889	49,803,133	9,212,617	125,826,775
Allowance for doubtful receivables		-	68,560	249,016	184,252	501,828

The expected loss rate for the trade receivable overdue over 90 days and contract assets as at 30 June 2023 and 31 December 2022 were established based on historical credit losses adjusted for any known factors that would influence the future amount to be received in relation to the receivable. The Group have also taken in consideration the subsequent collections procedures performed until the date of issue of these financial statements and creditworthiness analysis made by the Group's sales team at individual client level.

By using the simplified expected credit loss model, the Group assessed its receivables for allowance and concluded that a net amount of expected credit losses of RON 9,678,672 (31 December 2022: RON 8,692,226) are unlikely to be recovered.

At 31 December 2022, in loans granted to related parties were included mainly the loans granted to One Herastrau Office Properties SA with a maximum period of reimbursement of 5 years, depending on the cash flows availability of the borrower. During Q2 2023, the loan balance from 31 December 2022 in amount of RON 6,13 million was reimbursed by One Herastrau Office Properties SA.

In the loans granted to others is included the loan granted by the subsidiary, One Long Term Investments SRL to Agro-Mixt Avero Prod SRL. The period of reimbursement is depending on the cash flows availability of the borrower. The loan outstanding balance as at 30 June 2023 is of RON 21,7 million (31 December 2022: RON 16,6 million) and related interest of RON 892,371 (31 December 2022: RON 303,958).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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(Amounts are expressed in “RON”, unless otherwise stated)

13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

Description	30 June 2023	31 December 2022
Bank deposits in EUR	182,113,162	194,593,878
Bank deposits in RON	119,767,587	287,986,090
Bank accounts in EUR	51,201,532	59,569,684
Bank accounts in USD	2,384	2,557
Bank deposits in GBP	-	-
Bank accounts in RON	45,043,497	24,603,987
Petty cash – RON	24,769	203,709
Other cash items	168	138
Total	398,153,099	566,960,043

Also, the maturity of bank deposits is as follows:

Description	30 June 2023	Maturity	31 December 2022	Maturity
Bank deposits in EUR	182,113,162	2023	194,593,878	2023
Bank deposits in RON	119,767,587	2023	287,986,090	2023
Total	301,880,749		482,579,968	

The Company have determined the ECLs relating to the net exposure for cash and short-term deposits of the Group at the amount of RON 3,5 million. The cash and cash equivalent amounts are deposited in banks from Romania that belong to banking Groups at European level or state-owned banks and in the recognizable past in Romania there were no cases of bank defaults.

The Group's exposure to credit risk associated cash and cash equivalents is limited using financial institutions of good standing for investment and cash handling purposes.

14. PROFIT TAX

Starting with 2022, the parent company, One United Properties SA have established a fiscal group for profit taxpayer which include the following subsidiaries as at 30 June 2023: One Mamaia Nord SRL, Neo Timpuri Noi SRL, One Cotroceni Park SRL, One Floreasca Towers SRL, One Herastrau Towers SRL, One Lake District SRL, One Long Term Value SRL, One Mircea Eliade Properties SRL, One Modrogan SRL, One Peninsula SRL, One Verdi Park SRL, X Architecture Engineering Consult SRL, One Plaza Athenee SRL and One Lake Club SRL.

The other subsidiaries which are not included in the fiscal group and are not micro-entities are profit tax payers as of 30 June 2023, while the subsidiaries which are micro-entities are paying income tax, according to the provisions of Law no. 571/2003 regarding the Fiscal Code and the application rules.

The tax rates for 2023 and 2022 are 16% for taxable profit and 1% for micro entities of total revenues.

The Group's current profit tax for the years 2022-2023 is determined at a statutory rate of 16% based on the statutory profit adjusted by non-deductible expenses and non-taxable revenues.

The deferred profit tax as at 30 June 2023 and 31 December 2022 is determined based on the 16% tax rate, which is expected to be effective when temporary differences are reversed.

The current and deferred tax assets and liabilities are detailed as follows:

Description	30 June 2023	31 December 2022
Current profit tax liabilities	(5,965,021)	(717,144)
Deferred tax liabilities	(320,558,604)	(272,828,037)
Total assets /(liabilities)	(326,523,625)	(273,545,181)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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14. PROFIT TAX (CONTINUED)

The profit tax expense for the period ended 30 June 2023 and 30 June 2022 is detailed as follows:

Description	30 June 2023	30 June 2022
Current profit tax expenses	9,864,468	8,731,824
Deferred profit tax expenses	47,730,566	33,294,385
Income tax expense recognised in statement of profit or loss	57,595,034	42,026,209

Deferred tax balance movements

As at 30 June 2023 and 31 December 2022, the net deferred tax assets or liabilities related to taxable differences are as follows:

	Consolidated statement of financial position		Consolidated profit or loss	
	30 June 2023	31 December 2022	6 months 2023	6 months 2022
Construction contracts – IFRS15 effect	(114,205,650)	(93,397,982)	20,807,668	21,255,543
Fair value increase of investment property and effect of amortization	(183,928,567)	(157,412,416)	26,516,151	25,231,760
Inventories	(20,389,863)	(22,275,211)	(1,885,348)	(400,051)
Trade and other receivables	(838,653)	(838,653)	-	-
Fiscal losses	20,282,537	21,780,916	1,498,379	(2,721,711)
Sponsorship	4,774,718	5,049,609	274,891	(3,351,449)
Leases	54,006	28,755	(25,251)	(25,251)
Prepayments	129,621	129,621	-	51,451
Acquisition of Bucur Obor – recognized in retained earnings	(33,385,915)	(33,385,915)	-	-
Stock Option Plan	7,384,150	7,384,150	-	(6,725,244)
Property, plant and equipment	(434,987)	109,089	544,076	(20,663)
Deferred tax expenses / (income)			47,730,566	33,294,385
Deferred tax assets / (liabilities) net	(320,558,603)	(272,828,037)		

15. EQUITY

Management monitors capital, which includes all components of equity (i.e., share capital, retained earnings and reserves). The primary objective of the parent company is to protect its capital and ability to continue its business so that it can continue to provide benefits to its shareholders and other stakeholders.

The parent company establishes the amount of capital that it imposes pro rata with risk. The parent company manages the capital structure and makes adjustments according to the evolution of the economic conditions and the risk characteristics of the underlying assets.

(i) Share capital

As at 30 June 2023 the Group's share capital is RON 740,563,717.20 (31 December 2022: RON 740,563,717.20) divided into 3,702,818,586 shares (31 December 2022: 3,702,818,586 shares) at a nominal value of RON 0.2 each (31 December 2022: RON 0.2 each). All issued shares are fully paid.

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15. EQUITY (CONTINUED)

Structure of share capital

Name of shareholder	30 June 2023			31 December 2022		
	Number of shares	Nominal value [RON]	Holding [%]	Number of shares	Nominal value [RON]	Holding [%]
OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu)	1,021,349,895	204,269,979	27.5830%	1,021,349,895	204,269,979	27.5830%
Vinci Ver Holding SRL (represented by Mr. Victor Capitanu)	1,021,349,895	204,269,979	27.5830%	1,021,349,895	204,269,979	27.5830%
Others	1,660,118,796	332,023,759	44.8340%	1,660,118,796	332,023,759	44.8340%
Total	3,702,818,586	740,563,717	100.00%	3,702,818,586	740,563,717	100.00%

On 19 April 2021, the extraordinary general meeting of the shareholders have approved to list the holding company One United Properties SA on the regulated market of the Bucharest Stock Exchange.

On 26 April 2022, the Extraordinary General Meeting of Shareholders and subsequent on 5 May 2022, the Board of Directors have approved the share capital increase in order to raise funds to finance the current activity of the Company and its group, respectively to finance developments and acquisitions, through one or more issues of ordinary, registered and dematerialized shares.

On April 26th, 2022, held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of the second tranche of the dividends of RON 42.5 million (with first tranche paid in October 2021, full gross dividend for 2021 is RON 75 million). The gross dividend of RON 0.0165 per share was paid until June 30th, 2022. Company' dividend policy includes the payment of dividends on a semi-annual basis.

On August 3, 2022, the Board of Directors approved the results of the Share Capital Increase, respectively the subscription of a number of 202,973,646 new shares offered at a price of 1,25 RON / share representing a total gross capital raise of RON 253,717,057.50 divided into share capital nominal value of RON 40,594,729.2, respectively 0,2 RON per each share and share premium of RON 213,122,328.30. The share capital of the Company is thus increased from the nominal value of RON 514,828,058.80 to the nominal value of RON 555,422,788.

Decision of the Board of Directors no. 34/1 November 2022 have approved, in accordance with the Resolution of the Extraordinary General Meeting of the Shareholders no. 64/28 September 2022, the increase of the share capital with the amount of RON 185,140,929.20 by issuance of a number of 925,704,646 new ordinary, nominative and dematerialised shares with a nominal value of RON 0.2 per share, by incorporating approximately 87% of the share premiums resulted from the share capital increase operation conducted between 27 June 2022 – 3 August 2022. Following the Share Capital Increase, the share capital of the Company will be of RON 740,563,717.2, fully subscribed and paid up by the shareholders, divided into 3,702,818,586 nominative shares, dematerialised, with a nominal value of RON 0.2 /share.

On April 25th, 2023, held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of dividends in value of RON 73,130,615.64 (gross dividend amount), corresponding to the financial year 2022, as follows: (i) the amount of RON 36,102,481.22 (gross dividend amount) has been distributed in advance as a result of the Resolution of the Company's Ordinary General Meeting of Shareholders no. 63 of 28 September 2022, respectively (ii) the amount of RON 37,028,134.42 gross dividend amount), representing a gross dividend per share of RON 0.01 which was distributed according to this resolution. Company' dividend policy includes the payment of dividends on a semi-annual basis.

By Decision of the Board of Directors no. 43 dated 12 May 2023 the increase of the Company's share capital with the amount of RON 18,967,145.8 (nominal value) was approved, by issuance of 94,835,729 new shares having a nominal value of RON 0.2 per share, by converting certain, liquid and due receivables held against the Company by the beneficiaries of the stock option plan already approved by decision of the Extraordinary General Meeting of Shareholders of the Company no. 50 of 18 May 2020, respectively by decision of the Ordinary General Meeting of Shareholders of the Company of 19 April 2021, each as supplemented and amended.

15. EQUITY (CONTINUED)

The Share Capital Increase was registered with the Bucharest Trade Registry pursuant to Resolution no. 70931 on 17 May 2023, the decision of the Board of Directors no. 43 dated 12 May 2023 being published in the Official Gazette Part IV no. 2378 dated 26 May 2023. The Romanian Financial Supervisory Authority has issued the certificate of registration for financial instruments (CIIF) no. AC-5334-5 on 03 August 2023. The registration of the new shares with the Central Depository was performed on 04 August 2023. The Company registered the share capital increase in August, after the all legal procedures were finalized.

(ii) Legal reserve

The legal reserve of RON 17,452,635 as at 30 June 2023 (31 December 2022: RON 17,452,635) is established in accordance with the Company Law, according to which 5% of the statutory annual accounting profit is transferred to legal reserves until their balance reaches 20% of the company's share capital. If this reserve is used wholly or partially to cover losses or to distribute in any form (such as the issuance of new shares under the Company Law), it becomes taxable.

The management of the Group does not expect to use the legal reserve in a way that it becomes taxable (except as provided by the Fiscal Code, where the reserve constituted by the legal entities providing utilities to the companies that are being restructured, reorganized or privatized can be used to cover the losses of value of the share package obtained as a result of the debt conversion procedure, and the amounts intended for its subsequent replenishment are deductible when calculating taxable profit).

The accounting profit remaining after the distribution of the legal reserve is transferred to retained earnings at the beginning of the financial year following the year for which the annual financial statements are prepared, from where it will be distributed.

(iii) Other reserves – share based payments

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to senior employees, as part of their remuneration.

A share-based payment plan was set up during Q4 2020 by which a number of 941 shares of the holding company were granted to an employee. The vesting period is of minimum 12 months and the option can be exercised up to 15 months from the granting date. According to the resolution of the Board of Directors no 20/30 December 2021 and pursuant to the resolution of the extraordinary general meeting of the Company's shareholders no 55/19 April 2021, the Company approved the “split” of shares, by decreasing the nominal value of a share from RON 260.60 to RON 0.2, and pursuant to the resolution of the extraordinary general meeting of the Company's shareholders no 56/26 May 2021, the “split” of shares has been confirmed to apply to any share options granted prior to the “split” operation. Therefore, it was approved the amendment of the contract in order to reflect the “split”, as well as to extend the term for exercising the share options granted to the beneficiary. The Group has estimated the reserve by taking into account the fair value of the instrument and the vesting period.

On 19 April 2021, the General Shareholder Meeting (GSM) approved an algorithm proposed by the Board of Directors of the Company with respect to awarding certain bonifications to two executive members of the Board of Directors of One United Properties SA, which will materialize in granting a package of shares of maximum 5% of the share capital of the Company, no amount will be paid by the beneficiaries for granting and / or exercising an Option. This stock option plan (“SOP”) will be vested in the following 5 years, following the fulfilment of the performance conditions assessed on a yearly basis by the remuneration committee. In case of exercising the Options, newly issued shares will be allocated by the holding company. 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 and (b) reaching a price per share according to an algorithm established by the decision of the Board of Directors and subsequently approved by the General Shareholder Meeting.

Based on the conditions described above, the Group and the beneficiaries have confirmed that all terms and conditions have been established for the stock option plan described above, the grant date have occurred and therefore the Group have accounted for an expense of RON 12,6 million in the first six months of 2023 and RON 46 million during 2022 and in correspondence the related capital reserve.

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16. LOANS AND BORROWINGS

The loans outstanding as at 30 June 2023 and 31 December 2022 are detailed as follows:

Description	Original Currency	30 June 2023	31 December 2022
<i>Secured loans</i>			
Bank loans due in one year	EUR	130,856,820	172,386,427
Bank loans due in more than one year	EUR	712,497,219	633,776,316
<i>Unsecured loans</i>			
Loans received from minority shareholders due in one year	EUR	22,717	22,652
Loans received from minority shareholders due in more than one year	EUR	2,586,016	3,528,882
Loans received from minority shareholders due in one year	RON	27,700	24,876
Loans received from related parties due in one year	EUR	35,314	35,200
Loans received from related parties due in more than one year	EUR	20,127,044	20,062,162
Loans received from related parties due in more than one year	RON	-	368,111
Total		866,152,830	830,204,626
<i>Of which:</i>			
Long-term		735,210,279	657,735,471
Short-term		130,942,551	172,469,155

The balances and transactions with related parties are presented in Note 25.

Interest rates for bank loans are based on EURIBOR plus margins that vary from 2% to 4%.

The bank loan contracts contain pledges on the real estate developments (land and construction in progress), as well as receivables from customers and bank accounts.

On 19 January 2021, the subsidiary One United Towers SA has signed the loan agreement with Black Sea Trade and Development Bank for an amount of maximum EUR 50,000,000. As at 30 June 2023, the subsidiary have withdrawn the amount of EUR 43,6 million. The loan agreement requires the observance of some financial indicators such as: financial debt less restricted cash to value ratio, forward-looking debt service coverage ratio, debt service coverage ratio, loan-to-value. The Group has complied with the financial covenants of its borrowing facility as at 30 June 2023. The loan balance as of 30 June 2023 is RON 198,2 million (31 December 2022: RON 204,8 million) from which due on short term – RON 14,5 million.

In March 2021, the subsidiary One Verdi Park SRL has obtained the re-authorization for change in destination from a mixt development, including office to a residential development. As a consequence, the subsidiary has signed an addendum to the existing bank loan contract in order to accommodate the change in destination of the development. The credit facility period was reduced from 144 to 28 months. The subsidiary performs withdrawals from the credit line in order to finance the development of the residential project, the balance of the loan as of 30 June 2023 is of RON 36,49 million (31 December 2022: RON 98,36 million) and is in full due on short term.

On 23 July 2021, the subsidiaries One Cotroceni Park Office SA and One Cotroceni Park Office Faza 2 SA have signed the loan agreement with Banca Comerciala Romana SA, BRD Groupe Societe Generale SA and Erste Group Bank AG for an amount of maximum EUR 78,000,000. The loan agreement requires the observance of some financial indicators. The bank loan contract contains pledges on land and construction in progress, as well as receivables from leasing contracts, insurance policies and shareholder loan, bank account and 100% of the share capital of the borrowers. The holding Company guarantees to each finance party the punctual performance which will cover costs differences or cash flows deficit related. As of 30 June 2023, the loan balance related to the subsidiary One Cotroceni Park Office SA is RON 189,68 million (31 December 2022: RON 211,52 million) from which on short term the amount of RON 11,75 million. As of 30 June 2023, the loan balance related to the subsidiary One Cotroceni Park Office SA Faza 2 is RON 115,37 million (31 December 2022: RON 49,25 million) from which on short term the amount of RON 9,04 million.

On 30 September 2021, the subsidiary One Peninsula SRL have signed the loan agreement with First Bank SA for a maximum amount of EUR 15,000,000. The loan period is for 36 months starting with 01 October 2021. The loan balance as at 30 June 2023 is of RON 59,56 million (31 December 2022: RON 59,37 million), from which on short term RON 23,2 million.

16. LOANS AND BORROWINGS (CONTINUED)

The bank loan contract contains pledges on land and construction in progress, as well as receivables from customers and bank accounts. Also, the loan has attached a corporate guarantee issued by the holding Company which will cover costs differences or cash flows deficit related to project completion for 15% of total development costs (EUR 7,47 million).

On September 2021, the subsidiary Neo Timpuri Noi SRL have obtained a new credit facility for a maximum amount of EUR 4,049,314. The loan balance as at 30 June 2023 is of RON 18,85 million (31 December 2022: RON 18,55 million) and is due on short term. The bank loan contract contains pledges on land and construction in progress, as well as receivables from customers and insurance policies and bank accounts.

On 15 February 2022, the Company, through its subsidiary One Mircea Eliade Properties SRL contracted a bank loan from Garanti Bank in total value of RON 44,5 million (equivalent of EUR 9 million) and fully utilized this amount. The loan has a maturity of 10 years. The loan balance as at 30 June 2023 is RON 39,25 million (31 December 2022: RON 41,16 million), from which on short term RON 4,15 million.

On 27 July 2022, the Company, through its subsidiary One Victoria Plaza SRL (former MAM Imob Business Center SRL) contracted a bank loan from Garanti Bank in total value of EUR 18,43 million and fully utilized this amount, therefore the loan balance as at 30 June 2023 is RON 86,88 million (31 December 2022: RON 89,18 million), from which on short term RON 5 million. The loan will be fully repaid until June 2037. The bank loan contract contains pledges the Office building located in Sos. Nicolae Titulescu No.29-31.

The subsidiaries One United Tower SA and One Cotroceni Park Office Faza2 SA have withdraw during 2022 RON 3,7 million, respectively RON 8,37 million from Element Invest Partners, related party. The loan is granted for undefined period of time, depending on the cash resources of the borrower. The group loan balance, including interest with Element Invest Partners is RON 20,16 million (31 December 2022: RON 20,46 million), from which short term RON 35,314.

In Q1 2023, the Group, through its subsidiary, One Proiect 12 SRL, contracted a bank loan from First Bank in total value of EUR 6,8 million. The loan has a maturity of 6 years. The bank loan contract contains pledges over the building and land held by the company on Georges Clemenceau street, no 8-10 and also over the building and land held by One Proiect 10 SRL on Academiei street no 21, as well as bank accounts and a corporate guarantee issued by the holding Company. The loan balance as of 30 June 2023 is RON 33,5 million from which on short term RON 0,6 million.

In Q1 2023, the Group, through its subsidiary Eliade Tower SRL contracted a bank loan from Garanti Bank in total value of EUR 5 million and fully utilized in January 2023. The loan has a maturity of 5 years. The bank loan contract contains pledges the Office building “Eliade Tower” located in Bd. Mircea Eliade No.18, Bucharest and receivables. The due date for reimbursement is 19 January 2028. The loan balance as of 30 June 2023 is RON 23 million from which on short term RON 4,55 million.

On 2 March 2023, subsidiary One Cotroceni Park SRL contracted a bank loan from Transilvania Bank in total value of EUR 20 million for a period of 42 months. The loan due date for reimbursement is August 30th 2026. The bank loan contract contains pledges over land plot 239866 and construction, as well as bank accounts and future receivables from presales, 100% of the share capital and a corporate guarantee issued by the holding Company. As at 30 June 2023, the subsidiary have withdrawn the amount of EUR 2 million. The loan balance as of 30 June 2023 is RON 10,2 million and is all amount on long term.

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17. TRADE AND OTHER PAYABLES

Trade and other payables are detailed as follows:

Description	30 June 2023	Short Term	Long term	31 December 2022	Short Term	Long term
Suppliers	123,013,973	123,013,973	-	163,841,716	163,841,716	-
Accrued payables	46,484,158	46,484,158	-	28,602,207	28,602,207	-
Performance guarantees retained from suppliers	60,672,684	60,672,684	-	48,722,743	48,722,743	-
Dividends	2,085,434	2,085,434	-	2,806,389	2,806,389	-
Other taxes and duties	780,367	780,367	-	1,326,580	1,326,580	-
Sundry creditors	47,438,420	38,176,716	9,261,704	43,166,659	24,703,167	18,463,492
Provisions	1,497,071	-	1,497,071	1,450,526	-	1,450,526
Employee benefits	1,394,011	1,394,011	-	1,062,754	1,062,754	-
Liabilities for acquisitions of investments	24,636,550	24,636,550	-	-	-	-
Other creditors	3,528,050	-	3,528,050	3,528,255	-	3,528,255
Total trade and other payables	311,530,718	297,243,893	14,286,825	294,507,829	271,065,556	23,442,273

The normal operating cycle of the Group is three years. As a result, current assets and liabilities include items whose realization is intended and / or anticipated to occur during the normal operating cycle of the group. Accrued payables represent the value of accepted services rendered by entrepreneurs and contractors for which invoices have not yet been received at the reporting date.

In Sundry creditors line is included the amount outstanding to be paid (RON 27,8 million) for the acquisition of land in surface area of 801,028.380 sqm owned by the subsidiary One Proiect 11 SRL, located in Ilfov county.

18. ADVANCE PAYMENTS FROM CUSTOMERS

At the moment of signing the bilateral sales undertakings between the promissory-seller and the promissory-purchaser, the promissory-seller undertakes not to sell, not to encumber, promise or offer for sale the apartments (with / without parking spaces) to a third party. The advances received from customers are decreasing over time in line with the increase in the percentage of completion of the residential developments.

Developer	Project Name	Description	30-Jun-23	31-Dec-22
One Floreasca Towers	One Floreasca Towers	Residential	37,116,717	15,530,020
One Herastrau Plaza SRL	One Herastrau Plaza	Residential	79,393	79,393
One Cotroceni Towers SRL	One Cotroceni Towers	Residential	138,298,343	-
One North Gate SRL	One North Lofts	Investment property	19,303,195	8,165,132
One Cotroceni Park SRL	One Cotroceni Park	Residential	-	30,377,463
One Lake District SRL	One District Properties	Residential	93,701,453	88,640,773
One Plaza Athenee SRL (former One Proiect 3 SRL)	One Athenee	Residential	-	39,552,200
One Lake Club SRL (former One Proiect 6 SRL)	One Lake Club SRL	Residential	53,037,768	53,182,697
One Lake Club (Phase 2)	One Lake Club (Phase 2)	Residential	-	5,226,929
One City Club SRL (former One Proiect 9 SRL)	One City Club	Investment property	5,088,154	5,088,154
One Mamaia Nord SRL (former Neo Mamaia SRL)	One Mamaia Nord	Residential	5,149,654	6,992,261
One Long Term Value SRL	One Long Term Value	Investment property	103,705	-
One Herastrau Vista (former Neo Herastrau Park SRL)	One Herastrau Vista	Residential	22,394,642	26,634,795
One High District SRL	One High District	Residential	68,202,755	10,209,552
Eliade Tower SRL	Eliade Tower	Investment property	22,186,760	2,961,080
Bucur Obor SA	Bucur Obor	Investment property	1,000	1,000
Total			464,663,539	292,641,449

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18. ADVANCE PAYMENTS FROM CUSTOMERS (CONTINUED)

Description	30 June 2023	31 December 2022
Advances received from clients in relation to residential portfolio (contract liabilities)	417,980,725	276,426,083
Advances received from clients in relation to investment property	46,682,814	16,215,366
Total	464,663,539	292,641,449

The Company, through its subsidiary, One North Gate SA have signed an asset sale agreement for an office building owned by the subsidiary for a transaction value of EUR 6 million. The buyer is Element Investiții Imobiliare S.R.L. Following this transaction, One North Gate S.A. retains a second building within the development, which will be transformed into a residential development called One North Lofts. As of 30 June 2023, an advance payment of RON 7 million was performed by the buyer in relation to this agreement.

19. NET INCOME FROM RESIDENTIAL PROPERTY

Contract revenue results from the development of apartments.

The revenues from sales of inventory property and residential property under development are detailed below:

Development	30 June 2023	30 June 2022
Sales of completed inventory property		
<i>Sales – One Mircea Eliade Properties</i>	995,790	19,538,566
<i>Sales – One Mamaia Nord (former Neo Mamaia)</i>	(238,164)	(22,915,525)
<i>Sales - One Herastrau Towers</i>	29,072,903	-
<i>Sales - One Verdi Park</i>	41,481,446	-
Sales of residential property under development from which:		
<i>Contract revenues – One Herastrau Towers</i>	-	8,515,920
<i>Contract revenues - One Peninsula</i>	43,374,070	46,235,189
<i>Contract revenues - One Verdi Park</i>	-	143,229,313
<i>Contract revenues - Neo Floreasca Lake</i>	8,949,644	26,393,713
<i>Contract revenues - Neo Timपुरi Noi</i>	5,696,853	11,601,682
<i>Contract revenues - One Herastrau Vista</i>	17,197,037	16,832
<i>Contract revenues – One Modrogan</i>	5,381,541	54,333,428
<i>Contract revenues – One Cotroceni Park</i>	161,735,854	99,760,864
<i>Contract revenues - One Mamaia Nord - faza 2</i>	4,706,860	53,392
<i>Contract revenues - One High District</i>	93,363,956	-
<i>Contract revenues - One Floreasca Towers</i>	27,103,607	-
<i>Contract revenues - One Lake District</i>	13,461,315	-
<i>Contract revenues - One Lake Club</i>	42,247,035	-
<i>Contract revenues - One Cotroceni Towers</i>	27,552,208	-
<i>Contract revenues - One Plaza Athenee</i>	82,037,716	-
Total revenues from contracts with customers	604,119,671	386,763,374

The Group's revenue includes revenue from construction contracts that are recognised over time by reference to the stage of completion of the contract with the customer.

In prior period, the construction at One Mircea Eliade Properties, One Mamaia Nord (former Neo Mamaia), One Herastrau Towers were completed and therefore the residential property under development was transferred in completed inventory property. At 30 June 2023, the construction of One Verdi Park was completed and therefore the residential property under development was transferred in completed inventory property.

The Group through its subsidiary, One Plaza Athenee have obtained the building permit for a building located in the central of the Bucharest, district 1 comprising of: a plot of land in surface area of 521 sqm and related construction with a total gross built area of 2,896 sqm. The property is classified as a historical monument by local authorities. The Group have reclassified the asset from investment property to inventories and started to recognize contract revenue according to IFRS 15. Please see Note 8 for further details.

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19. NET INCOME FROM RESIDENTIAL PROPERTY (CONTINUED)

On 8 July 2022, the Bucharest Court of Appeal suspended the building permit of the development One Modrogan, issued by the General Mayor of the Municipality of Bucharest. The litigation case is on-going.

The cost of sales of residential property are detailed below:

	30 June 2023	30 June 2022
Cost of sales of completed inventory property		
<i>Cost of sales – One Mircea Eliade</i>	684,867	12,033,424
<i>Cost of sales – One Mamaia Nord (former Neo Mamaia)</i>	66,721	(17,102,729)
<i>Cost of sales – One Herastrau Towers</i>	9,844,633	-
<i>Cost of sales – One Verdi Park</i>	27,529,708	-
Cost of sales of residential property under development from which:		
<i>Contract cost – One Herastrau Towers</i>	-	2,994,025
<i>Contract cost – One Peninsula</i>	19,077,603	22,663,384
<i>Contract cost – One Verdi Park</i>	-	65,306,373
<i>Contract cost – Neo Floreasca Lake</i>	6,307,500	12,114,081
<i>Contract cost – Neo Timpuri Noi</i>	3,497,935	7,623,254
<i>Contract cost – One Herastrau Vista</i>	10,611,914	158,452
<i>Contract cost – One Modrogan</i>	1,383,671	20,243,482
<i>Contract cost – One Cotroceni Park</i>	110,248,239	70,719,180
<i>Contract cost – One Mamaia Nord – faza 2</i>	6,646,696	132,293
<i>Contract cost – One High District</i>	86,172,556	-
<i>Contract cost – One Floreasca Towers</i>	19,381,971	-
<i>Contract cost – One Lake District</i>	12,760,422	-
<i>Contract cost – One Lake Club</i>	27,809,218	-
<i>Contract cost – One Cotroceni Towers</i>	27,560,206	-
<i>Contract cost – One Plaza Athenee</i>	52,439,969	-
Total cost of sales	422,023,829	196,885,219

20. NET INCOME FROM RENTAL ACTIVITY

The Group has entered into leases on its office property portfolio. The office property leases typically have lease terms of between 5 and 10 years and include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. Some leases contain options to break before the end of the lease term.

Details about the net annual rent are presented below:

As at 30 June 2023	Rental income	% share of rental income	Revenues from services to tenants	Total	% share in total
Office	31,717,181	66%	11,268,784	42,985,965	68.4%
Retail	15,229,470	31%	3,119,531	18,349,001	29.2%
Other	1,482,691	3%	13,763	1,496,454	2.4%
Total	48,429,342	100%	14,402,078	62,831,420	100.0%

As at 30 June 2022	Rental income	% share of rental income	Revenues from services to tenants	Total	% share in total
Office	10,803,969	46%	3,014,980	13,818,949	48.1%
Retail	12,226,435	53%	2,283,743	14,510,178	50.6%
Other	320,991	1%	51,238	372,229	1.3%
Total	23,351,395	100%	5,349,961	28,701,356	100%

Under the office activity, are mainly included the revenues generated by One United Tower, One Cotroceni Park Office and One Victoriei Plaza with a share of 94% in total office rental revenues as of 30 June 2023. The rental activity increased as One Tower and One Cotroceni Park Office buildings started to generate revenues as the development were finalized.

Under the retail activity, are included the revenues generated by Bucur Obor.

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21. SALES BROKERAGE EXPENSES AND OVERHEAD EXPENSES

Description	6 months ended	
	30 June 2023	30 June 2022
Sales brokerage commissions	4,675,519	3,923,149
Total	4,675,519	3,923,149

Sales brokerage commissions are recorded and paid for signing bilateral purchase undertakings of apartments or rental contracts.

22. GENERAL AND ADMINISTRATIVE EXPENSES

The overheads are detailed as follows:

Description	30 June 2023	30 June 2022
Bank commissions and similar charges	1,106,700	991,736
Commissions, fees and legal consultancy	3,701,218	2,403,312
Repairs and maintenance	46,936	30,384
Fuel, office equipment and similar	533,525	636,919
Amortization of fixed assets	1,727,237	966,132
Marketing, advertising and publicity	5,780,525	3,908,669
Taxes and duties	120,178	117,457
Accounting, audit and consultancy services	1,192,933	840,936
Other consultancy services	1,983,447	1,237,219
Administration services	1,051,720	328,333
Other expenses with third party services	635,467	147,732
Salaries and similar contributions	5,440,472	4,742,153
Share based payment transactions	12,562,059	42,032,774
Postage and telecommunication expenses	88,493	49,868
Transport and travels	551,053	1,102,466
Sundry rentals	493,554	335,043
Depreciation of right of use assets	241,115	241,115
Insurance	301,980	156,203
Valuation services	174,838	159,000
Recruitment	125,350	43,460
Total	37,858,800	60,470,911

23. OTHER OPERATING EXPENSES

Other operating expenses are detailed as follows:

Description	6 months ended	
	30 June 2023	30 June 2022
Donations and sponsorships	4,745,390	5,114,346
Movement in provisions and allowance for impairment	1,034,119	(6,094)
Bad debts written off	204,155	28,324
Contractual penalties	200,387	881,837
Other operating expenses	953,723	247,048
Total	7,137,774	6,265,461

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24. NET FINANCIAL RESULT

The financial income and expenses are detailed as follows:

Description	6 months ended	
	30 June 2023	30 June 2022
Interest income	12,511,694	1,907,756
Other financial income	367,996	-
Foreign exchange net impact	(2,344,992)	2,376,328
Interest expenses	(23,969,097)	(8,191,527)
Total net financial result – gain/(loss)	(13,434,399)	(3,907,443)

25. RELATED PARTIES

In its normal course of business, the Group carries out transactions with the key management personnel (executive management and directors). The volume of such transactions is presented in the table below:

Key management personnel compensation	30 June 2023	30 June 2022
Short - term employee benefits	591,687	240,278

The Group's related parties at 30 June 2023 are:

Name	Country	Type of affiliation
Andrei Liviu Diaconescu	Romania	Shareholder and key management personnel
Victor Capitanu	Romania	Shareholder and key management personnel
Vinci Invest SRL	Romania	Other related party
Liviu Investments SRL	Romania	Other related party
Lemon Interior Design SRL	Romania	Other related party
Lemon Office Design SRL	Romania	Other related party
Blue Capital SA (former Smart Capital Investments SA)	Romania	Other related party
Ploiesti Logistics SRL	Romania	Other related party
Element Investments SRL	Romania	Other related party
Element Invest Partners SRL	Romania	Other related party
One Energy Division SRL	Romania	Other related party
One Holding Investments SRL	Romania	Other related party
AV Holding SRL (former One Holding Ver SRL)	Romania	Other related party
Park Lane Investments SRL (former One Holding OA SRL)	Romania	Other related party
One Proiect 2 SRL	Romania	Other related party
YR-WNT SRL (former Neo Downtown SRL)	Romania	Other related party
ACC Investments SRL	Romania	Other related party
Reinvent Energy SRL	Romania	Associate
One Property Support Services SRL	Romania	Associate
One Herastrau Office Properties SA	Romania	Associate
One Herastrau Office SA	Romania	Associate, the shares were sold
Glass Rom Invest SRL	Romania	Associate
CCT & ONE AG	Switzerland	Associate
CC Trust Group AG	Switzerland	Other related party
CCT & One Properties SA	Luxembourg	Associate
Vinci Ver Holding SRL	Romania	Other related party
OA Liviu Holding SRL	Romania	Other related party
Equity Partners SRL	Romania	Other related party
Dragos-Horia Manda	Romania	Key management personnel, minority shareholder of the Group
Claudio Cisullo	Switzerland	Key management personnel, minority shareholder of the Group

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Name	Country	Type of affiliation
Gabriel-Ionut Dumitrescu	Romania	Key management personnel, starting 2022 exit the Board
Adriana-Anca Anton	Romania	Key management personnel, starting 2022 exit the Board
Valentin-Cosmin Samoila	Romania	Key management personnel
Marius-Mihail Diaconu	Romania	Key management personnel, minority shareholder of the Group
Augusta Dragic	Romania	Key management personnel
Magdalena Souckova	Czech Rep.	Key management personnel

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2023 and 30 June 2022, as well as balances with related parties as at 30 June 2023 and 31 December 2022:

Nature of balances	Related party categories	Statement of financial position (Amounts owing (to)/from)	
		30 June 2023	31 December 2022
Receivables and other receivables related to goods and services sold	Key management personnel of the Group	2,482	2,482
	Associates	3,886,322	4,744,972
	Other related parties	13,512,122	12,050,587
Advances paid for purchases of goods and services	Key management personnel of the Group	-	-
	Associates	5,628,488	10,869,424
	Other related parties	23,893,001	21,883,513
Payables related to goods and services paid	Key management personnel of the Group	3,755	3,305
	Associates	17,335,044	10,270,577
	Other related parties	6,378,021	8,850,374
Dividends paid during the year, net of tax	Key management personnel of the Group	1,988,914	4,309,192
	Other related parties	22,439,070	48,473,059
Advance payments received	Other related parties	17,958,142	10,999,262
	Associates	78,822,869	102,004,454
Nature of transactions	Related party categories	Income statement (Income/(expense))	
		6 months 2023	6 months 2022
Sales of goods and services	Key management personnel of the Group	-	-
	Associates	8,735,215	15,762,149
	Other related parties	6,848,425	4,890,867
Dividends income	Associates	76,000	-
Purchases of various goods and services	Key management personnel of the Group	-	-
	Associates	41,645,172	41,332,752
	Other related parties	10,563,779	9,488,279
Loans from related parties		Amounts owed to related parties	
		Interest expenses	
	2023	-	20,162,358
Companies – Other related parties	2022	-	20,465,473
Total loans from related parties	2023	-	20,162,358
	2022	-	20,465,473

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6 months period ended – 30 June 2023

(Amounts are expressed in “RON”, unless otherwise stated)

25. RELATED PARTIES (CONTINUED)

Loans granted related parties		Amounts granted to	
		Interest income	related parties
Loans granted to associates	2023	1,553	598,482
	2022	84,432	7,060,180
Total loans from related parties	2023	1,553	598,482
	2022	84,432	7,060,180

26. EARNING PER SHARE

The calculation of earnings per share at 30 June 2023 and 30 June 2022 was based on the profit attributable to equity holders of RON 286,943,120 (30 June 2022: RON 347,805,834) and the weighted average ordinary shares in issue during the year.

RON	30 June 2023	30 June 2022
Profit for the year attributable to equity holders	286,943,120	347,805,834
Weighted average number of shares in issue	2,812,996,754	647,837,366
Basic earnings per share attributable to equity holders	0.10	0.54

27. COMMITMENTS

Through the contracts concluded with the clients, the Group undertakes to deliver on time, state-of-the-art apartments forming the object of the concluded contracts. Other obligations resulting from the contracts concluded with clients: the apartments were not and are not removed from the civil circuit; are not the subject of any rental agreement; are not the subject of any litigation; are not subject to any form of forced execution; does not constitute contribution to the set-up of any commercial company; are not alienated or mortgaged; are free from any liens.

The Company, have signed a pre-agreement for sale of shares held in the subsidiary, One Proiect 12 SRL. The Company undertakes to sell and transfer to the promissory purchaser the ownership right over the shares until February, 2024 and the promissory purchaser irrevocably undertakes to acquire the ownership over the shares under the terms, conditions, representations and warranties of the Company, as agreed in the shares sale pre-agreement.

28. CONTINGENCIES

There are several law suits in which the Group entities are involved in the normal course of business, which in case of negative outcome, may have an effect on the Group's operations. However, the Group does not anticipate significant impact based on the status of these law suits at the issue date.

The Group in the normal course of business has given warranties for the quality of the apartments for 3 years and is obliged by the local legislation to guarantee the construction design on the entire lift time of the construction. Provision is made for the Directors' best estimate of all known legal claims and all legal actions in progress. The Group takes legal advice as to the likelihood of success of claims and actions and no provision is made where the Directors consider, based on that advice, that the action is unlikely to succeed.

The Romanian tax system is under continuous development, being subject to constant interpretations and changes, sometimes retrospectively applied. The statute of limitation for tax periods is 5 years. The Group management consider that the tax liabilities of the Group have been calculated and recorded according to the legal provisions.

29. SUBSEQUENT EVENTS

The Romanian Financial Supervisory Authority has issued the certificate of registration for financial instruments (CIIF) no. AC-5334-5/03.08.2023. The CIIF certifies the registration of share capital increase with 94,835,729 new shares that were issued as a result of the Decision of the Board of Directors no. 43 dated 12 May 2023 according to the delegation of such prerogative approved by the Resolution of the Extraordinary General Meeting of Shareholders no. 62 dated 26 April 2022.

The shares resulted from the share capital increase have been allotted to the beneficiaries of the stock options plans approved by decision of the Extraordinary General Meeting of Shareholders of the Company no. 50 of 18 May 2020, respectively by decision of the Ordinary General Meeting of Shareholders of the Company of 19 April 2021, each as supplemented and amended. After this transaction, One United Properties S.A.’s share capital is of RON 759,530,863 divided into 3,797,654,315 nominative shares with a nominal value of 0.2 lei per share.

On 04 August 2023, the company have also finalized the process of the registration of the new shares with the Central Depository and allocation to the stock option plan beneficiaries.

The Company, through its subsidiary, One Verdi Park SRL have signed an asset sale agreement for a retail space of 1,990 sqm, together with 85 parking spaces, owned by the subsidiary and previously leased to Lidl Discount SRL for a transaction value of EUR 8,8 million.

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 24 August 2023 and signed on its behalf by:

VICTOR CAPITANU
Administrator

VALENTIN-COSMIN SAMOILA
Chief Financial Officer

ONE UNITED PROPERTIES SA

Interim condensed separate financial statements
for the period ended 30 June 2023

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders,
One United Properties S.A.

Report on the Audit of the Interim condensed separate financial statements

Opinion

1. We have audited the Interim condensed separate financial statements of One United Properties S.A. ("the Company"), with registered office in Bucharest District 1, Maxim Gorki 20, identified by unique tax registration code 22767862, which comprise (i) the interim condensed statement of financial position as of 30 June 2023, (ii) the interim condensed separate statement of profit or loss and other comprehensive income, the interim condensed separate statement of changes in equity and the interim condensed separate statement of cash flows, each for the period from 1 January 2023 to 30 June 2023, and (iii) other explanatory notes.
2. The interim condensed separate financial statements as at June 30, 2023 are identified as follows:

• Net assets / Equity	RON 911,062,763
• Net profit for the financial year	RON 16,899,806
3. In our opinion, the accompanying interim condensed separate financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2023, and its financial performance and its cash flows for the 6-month period ended at such date in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union.

Basis for Opinion

4. We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation (EU) No. 537/2014 of the European Parliament and the Council (forth named "the Regulation") and Law 162/2017 ("the Law"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Interim condensed separate financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), in accordance with ethical requirements relevant for the audit of the interim condensed separate financial statements in Romania including the Regulation and the Law and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other aspects

6. These interim condensed separate financial statements are special purpose financial statements, intended for the partial allocation of dividends amongst the Company's shareholders during the financial year, according to Law no. 163/2018.

Responsibilities of Management and Those Charged with Governance for the Interim condensed separate financial statements

7. Management is responsible for the preparation and fair presentation of the interim condensed separate financial statements in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of interim condensed separate financial statements that are free from material misstatement, whether due to fraud or error.
8. In preparing the interim condensed separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim condensed separate financial statements

10. Our objectives are to obtain reasonable assurance about whether the interim condensed separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim condensed separate financial statements.
11. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the interim condensed separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim condensed separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the interim condensed separate financial statements, including the disclosures, and whether the interim condensed separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We confirm that:

- Our audit opinion is consistent with the additional report submitted to the Audit Committee of the Company that we issued the same date we issued this report. Also, in conducting our audit, we have retained our independence from the audited entity.
- No non-audit services referred to in Article 5 (1) of EU Regulation no. 537/2014 were provided.

The engagement partner on the audit resulting in this independent auditor's report is Alina Mirea.

Alina Mirea, Audit Partner

*For signature, please refer to the original signed
Romanian version.*

*Registered in the Electronic Public Register of Financial
Auditors and Audit Firms under no. AF 1504*

On behalf of:

DELOITTE AUDIT SRL

*Registered in the Electronic Public Register of Financial
Auditors and Audit Firms under no. FA 25*

The Mark Building, 84-98 and 100-102 Calea Grivitei, 9th Floor, District 1
Bucharest, Romania
August 24, 2023

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2023

(Amounts are expressed in RON, unless otherwise mentioned)

Interim condensed separate statement of financial position	Note	30 June 2023	31 December 2022
ASSETS			
Non-current assets			
Intangible assets	5	64,000	59,668
Property, plant and equipment	4	371,064	2,291,888
Right of use assets	8	-	17,640,137
investments in subsidiaries and associates	6	222,779,464	209,382,429
Loans granted to subsidiaries, associates and others	7	623,808,659	571,982,357
Deferred tax assets	12	1,167,931	1,167,931
Other non-current assets	9	46,748,642	39,937,664
Total non-current assets		894,939,760	842,462,074
Current assets			
Trade receivables	10	305,302	726,283
Other receivables	10	75,490,969	100,314,789
Prepayments		615,392	244,934
Loans granted to subsidiaries, associates and others	7	98,321,638	29,095,328
Cash and cash equivalents	11	18,309,442	137,504,656
Total current assets		193,042,743	267,885,990
TOTAL ASSETS		1,087,982,503	1,110,348,064
EQUITY AND LIABILITIES			
Equity			
Share capital	13	740,563,717	740,563,717
Share premium	13	27,981,399	27,981,399
Own shares		1,029	1,029
Other capital reserves	13	60,103,177	51,848,900
Legal Reserves	13	17,452,635	17,452,635
Retained earnings		64,960,806	116,883,834
Total equity		911,062,763	954,731,514
Non-current liabilities			
Lease liabilities	14	-	17,864,412
Other non-current liabilities	15	9,699,545	19,547,117
Total non-current liabilities		9,699,545	37,411,529
Current liabilities			
Lease liabilities	14	-	1,901,977
Trade payables	15	663,700	933,976
Other payables	15	163,783,132	115,104,814
Current tax liabilities	12	2,773,363	227,623
Deferred income		-	36,631
Total current liabilities		167,220,195	118,205,021
Total liabilities		176,919,740	155,616,550
TOTAL EQUITY AND LIABILITIES		1,087,982,503	1,110,348,064

The interim condensed separate financial statements were approved by the Management of the Company, authorized for issue on 24 August 2023 and signed on its behalf by:

Victor Capitanu
Administrator

Valentin-Cosmin Samoila
Chief Financial Officer

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
6 months period ended 30 June 2023

(Amounts are expressed in RON, unless otherwise mentioned)

Interim condensed separate statement of profit or loss and other comprehensive income	Note	30 June 2023	30 June 2022
Revenues from services rendered	16	-	13,653,323
Revenues from rentals, service charge and similar	16	649	121,849
Other revenues	16	359,655	486,512
Total operating revenues		360,304	14,261,684
Amortisation, depreciation and impairment of net reversals	17	113,492	(4,965,064)
Administrative expenses	17	(2,160,714)	(7,855,491)
Other operating expenses	17	(2,371,371)	(5,578,896)
Total operating expenses		(4,418,593)	(18,399,451)
Result from operating activity		(4,058,289)	(4,137,767)
Revenues from dividends	18	(450,000)	50,918,000
Revenues from interest	18	21,435,952	5,657,948
Other financial revenues	18	3,384,170	770,462
Total financial income		24,370,122	57,346,410
Interest expenses	19	-	(432,486)
Total financial expenses		-	(432,486)
Net financial result		24,370,122	56,913,924
Result before tax		20,311,833	52,776,157
Tax expenses	12	(3,412,027)	(6,700,247)
Net result of the period		16,899,806	46,075,910
Total comprehensive income for the period		16,899,806	46,075,910
<i>Basic/diluted earnings per share attributable to equity holders</i>		<i>0.006</i>	<i>0.071</i>

The interim condensed separate financial statements were approved by the Management of the Company, authorized for issue on 24 August 2023 and signed on its behalf by:

Victor Capitanu
Administrator

Valentin-Cosmin Samoila
Chief Financial Officer

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2023
(Amounts are expressed in RON, unless otherwise mentioned)

Interim condensed separate statement of changes in equity	Notes	Share Capital	Share premiums	Other capital reserves	Own shares	Legal Reserves	Retained earnings	Total equity
Balance as at 1 January 2023		740,563,717	27,981,399	51,848,900	1,029	17,452,635	116,883,834	954,731,514
Profit for the period		-	-	-	-	-	16,899,806	16,899,806
Dividends allocated from the statutory profit	13	-	-	-	-	-	(73,130,616)	(73,130,616)
Transfer from other capital reserves in retained earnings		-	-	(4,307,782)	-	-	4,307,782	-
Stock option plan	13	-	-	12,562,059	-	-	-	12,562,059
Balance as at 30 June 2023		740,563,717	27,981,399	60,103,177	1,029	17,452,635	64,960,806	911,062,763

Interim condensed separate statement of changes in equity	Notes	Share Capital	Share premiums	Other capital reserves	Own shares	Legal Reserves	Retained earnings	Total equity
Balance as at 1 January 2022		514,828,059	4,307,781	1,390,179	-	11,437,359	50,071,138	582,034,516
Profit for the period		-	-	-	-	-	46,075,910	46,075,910
Dividends allocated from the statutory profit	13	-	-	-	-	-	(42,473,315)	(42,473,315)
Transfer from share premiums in other reserves		-	(4,307,781)	4,307,781	-	-	-	-
Stock option plan	13	-	-	6,725,245	-	-	-	6,725,245
Balance as at 30 June 2022		514,828,059	-	12,423,205	-	11,437,359	53,673,733	592,362,356

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOW FOR THE 6 MONTHS PERIOD ENDED AT 30 JUNE 2023
(Amounts are expressed in RON, unless otherwise mentioned)

	30 June 2023	30 June 2022
Cash flows from operating activities		
Result for the year	16,899,806	46,075,910
Adjustments for:		
Amortization	121,001	1,941,702
Depreciation, impairment, provision net of reversals	(234,493)	3,023,363
Share-based payments	1,986,906	6,725,245
Unrealised foreign exchange loss/(gain)	(2,782,927)	250,923
Interest expenses	-	432,120
Interest income	(21,435,952)	(5,657,948)
Other financial revenues	(85,000)	
Income tax expenses	3,412,027	5,746,277
Income from dividends	450,000	(50,918,000)
<i>Changes in working capital</i>		
(Increase)/Decrease in trade and other receivables	(4,865,396)	408,424
Increase in trade and other payables	46,061,508	29,258,230
(Increase)/Decrease in other non-current assets	17,646,328	(793,648)
Increase/ in other non-current liabilities	(29,650,592)	(4,550,484)
Income tax paid	-	-
Net cash from operating activities	27,523,216	31,942,114
Additional loans granted	(368,651,919)	(205,612,663)
Repayment of loans granted	269,094,194	150,747,800
Interest collected for loan	62,556	-
Acquisition of property, plant and equipment	(5,529)	(1,736,486)
Proceeds from sale of property, plant and equipment	-	3,541
Acquisition of intangible assets	(4,332)	(374,186)
Acquisition/Investment of/in subsidiaries and associates	(13,397,035)	(6,038,010)
Interest received	2,262,547	771,675
Other financial revenues	85,000	-
Net cash flows used in investing activities	(110,554,518)	(62,238,329)
Dividends paid	(35,713,912)	(42,473,315)
Net movement on dividends received	(450,000)	50,918,000
Principal elements of lease payments	-	(1,881,987)
Net cash from financing activities	(36,163,912)	6,562,698
Net changes in cash and cash equivalents	(119,195,214)	(23,733,517)
Cash and cash equivalents at the beginning of the year	137,504,656	121,682,382
Cash and cash equivalents at the end of the year	18,309,442	97,948,865

NOTE 1. CORPORATE INFORMATION

These separate financial statements are the interim condensed financial statements of One United Properties S.A. for the period from 1 January 2023 to 30 June 2023 and were authorized for issue on 21 August 2023.

One United Properties SA (the “Company”), was established in 2007 according to Law no. 31/1990, having as object of activity real estate development and sale. The Company has fiscal code RO22767862 and is registered with the Trade Registry under no. J40/21705/2007. The registered office of the Company is at Maxim Gorki Street 20, Bucharest, district 1 and second office at Calea Floreasca no 159, Building One Tower, Bucharest, district 1.

The share capital of the Company is RON 740,563,717.2 divided into 3,702,818,586 shares at a nominal value of RON 0.2/each. One United Properties SA is owned by OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu) and Vinci Ver Holding SRL (represented by Mr. Victor Capitanu) holding 27.5830% each and other shareholders holding 44.8340%. All shares are paid in full.

The Company shares floated on Bucharest Stock Exchange (BVB) on 12 July 2021, following an initial public offering that took place between 22 June 2021 and 02 July 2021, during which the company raised RON 259,112,477.28 for further developments and investments in both the residential and office segments. As of 20 September 2021, the Company shares are included in the BET index, which follows the evolution of the 19 most liquid companies listed on the Bucharest Stock Exchange. On 20 December 2021, the Company shares entered the FTSE Global All Cap index. The global index provider FTSE Russell announced, following the quarterly review, that the Company’s shares are included, as of 20.06.2022, in the FTSE EPRA Nareit EMEA Emerging Index.

The Company is a holding having as main CAEN code according to the Romania law, 642 “Holding Activities”. The revenues generated by the Company are mainly related to secondary activities such as administrative support offered to its subsidiaries and associates. These are regrouped under the CAEN code 7022 “Activities related to business and management advisory services”.

The Company had the following subsidiaries and associates undertakings as at 30 June 2023 and 31 December 2022:

Name of the subsidiary and associates	Activity	% ownership as at 30 June 2023	% ownership as at 31 December 2022	Registered office
One Modrogan SRL	Real estate developer in Romania	100%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Peninsula SRL (former One Herastrau Park Residence SA)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Charles de Gaulle Residence SRL	Real estate developer in Romania	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Plaza SRL	Real estate developer in Romania	100%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One Verdi Park SRL	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
X Architecture & Engineering Consult SRL	Architecture services for group and non-group projects	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Mircea Eliade Properties SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Long Term Value SRL	Real estate developer in Romania	98.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Towers SRL	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park SRL (former One Herastrau Properties SRL)	Real estate developer in Romania	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
Skia Real Estate SRL	Operational services – project development	51.00%	51.00%	Maxim Gorki street 20, Bucharest, district 1
One Lake District SRL (former One District Properties SRL)	Real estate developer in Romania	100%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One North Gate SA	Real estate developer in Romania	76.395%	67.69%	Maxim Gorki street 20, Bucharest, district 1

NOTE 1. CORPORATE INFORMATION (continued)

Name of the subsidiary and associates	Activity	% ownership as at 30 June 2023	% ownership as at 31 December 2022	Registered office
One United Tower SA (former One United Tower SRL)	Real estate developer in Romania	71.46%	70.24%	Maxim Gorki street 20, Bucharest, district 1
Neo Floreasca Lake SRL	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Mamaia Nord SRL (former Neo Mamaia SRL)	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
Neo Timpuri Noi SRL	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	Real estate developer in Romania	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Floreasca Towers SRL (former One Herastrau IV SRL)	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	Real estate developer in Romania	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office SA	Real estate developer in Romania	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 2 SA	Real estate developer in Romania	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 3 SA (former One Verdi Park Office SA)	Real estate developer in Romania	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 19 SRL (former One Mamaia SRL)	Real estate developer in Romania	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 4 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Plaza Athenee SRL (former One Proiect 3 SRL)	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 5 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau City SRL (former One Proiect 7 SRL)	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One High District S.R.L. (former One Proiect 1 SRL)	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Lake Club S.R.L. (former One Proiect 6 SRL)	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Carpathian Lodge Magura SRL (former Carpathian Estate SRL)	Real estate developer in Romania	66.72% (indirect subsidiary)	66.72% (indirect subsidiary)	Maxim Gorki street 20, Bucharest, district
Reinvent Energy SRL	Electric and sanitary Installations for real estate	20.00%	20.00%	Str. Baba Novac, nr.8A, București, sector 3
One Herastrau Office Properties SA	Real estate developer	30.00%	30.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Office SA	Real estate developer	0.00%	20.00% (indirect associate)	Maxim Gorki street 20, Bucharest, district 1
Glass Rom Impex SRL	Construction	20.00%	20.00%	BUCURESTI sect. 4 str. Metalurgiei nr. 452
One Property Support Services SRL	Property management	20.00%	20.00%	Bucuresti Sectorul 6, Spl. Independentei, Nr. 202

NOTE 1. CORPORATE INFORMATION (continued)

Name of the subsidiary and associates	Activity	% ownership as at 30 June 2023	% ownership as at 31 December 2022	Registered office
One Proiect 8 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One City Club (former One Proiect 9 SRL)	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 10 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One United Italia SRL	Real estate developer in Romania	90%	90%	Maxim Gorki street 20, Bucharest, district
One United Management Services SRL	Management services	100%	100%	Maxim Gorki street 20, Bucharest, district
Bo Retail Invest SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 11 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 12 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Cotroceni Towers SRL (former One Proiect 14 SRL)	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 15 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 16 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 17 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 18 SRL	Real estate developer in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 2 SRL	Real estate developer in Romania	0%	100%	Maxim Gorki street 20, Bucharest, district
Bucur Obor SA	Lease of retail space	54.44% (indirect subsidiary)	54.44% (indirect subsidiary)	Colentina, street 2, Bucharest, district 2
Eliade Tower SA	Renting office premises in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Victoriei Plaza SRL (former Mam Imob Business Center SRL)	Renting office premises in Romania	100%	100%	Maxim Gorki street 20, Bucharest, district
One Proiect 20 SRL	Renting office premises in Romania	100%	0%	Maxim Gorki street 20, Bucharest, district
One Proiect 22 SRL	Renting office premises in Romania	100%	0%	Maxim Gorki street 20, Bucharest, district

NOTE 2. GENERAL INFORMATION

2.a Basis of preparation

The interim condensed separate financial statements ("financial statements") of the Company have been prepared in accordance with the provisions of the Ministry of Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards ("IFRS") as adopted by the European Union, with all subsequent modifications and clarifications. The condensed scope of reporting in these interim condensed separate financial statements reflects also the requirements of the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union.

The Company also prepares consolidated financial statements in accordance with the Ministry of Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards ("IFRS") as adopted by the European Union, with all subsequent modifications and clarifications.

NOTE 2. GENERAL INFORMATION (continued)

The accompanying interim condensed separate financial statements are based on the statutory accounting records of the Company, adjusted and reclassified in order to obtain a fair presentation, according to IFRS. The interim condensed separate financial statements provide comparative information in respect of the previous period.

For all periods up to and including the year ended 31 December 2020, the Company prepared its financial statements in accordance with Romanian generally accepted accounting principles. Starting 31 December 2021, the Company has prepared separate financial statements in accordance with IFRS.

The Company's financial statements have been prepared on a historical cost basis, except for financial assets and liabilities (where the case) at fair value through profit or loss which are measured at fair value. The interim condensed separate financial statements are presented in RON, except where otherwise indicated.

The Company has prepared IFRS interim condensed financial statements which comprise the interim condensed statement of financial position, interim condensed statement of profit or loss and other comprehensive income, interim condensed statement of cash flows and interim condensed statement of changes in equity for the period ended 30 June 2023, notes comprising a summary of significant accounting policies and other explanatory information. The interim condensed separate financial statements have been prepared on the basis of the valuation principles allowed by IFRS.

In contrast to the interim condensed separate financial statements as of 30 June 2022, the Company has presented in more granularity some of the information in the current period to increase the level of relevance. Where applicable, the Group has reclassified the comparative information for consistency purposes. The following captions from the interim condensed separate statement of profit or loss and other comprehensive income were changed due to such reclassifications: impairment for investment were reclassified from other operating expenses to Amortisation, depreciation and impairment of net reversals line.

2.b Going concern

In February 2022, an armed conflict has started between Russia and Ukraine, that affected the economies of the two countries and resulted, among others, in massive flows of refugees from Ukraine towards neighbouring countries (including Romania), as well as in a number of sanctions imposed by the international community against Russia, Belarus and some Russian companies. The medium- and long-term impact of this conflict and of the sanctions imposed against Russia cannot be currently anticipated sufficiently accurate. Considering that the Company has no activities that are significantly dependant of the area affected by the conflict or by sanctions (particularly Russia, Ukraine, Belarus), neither in respect of acquisitions, nor concerning sales or investments, we consider that the Company's ability to continue as a going concern over the foreseeable future shall not be significantly affected, although there are still uncertainties regarding the evolution of the conflict and the potential impact on the countries that are close to the conflict zone and on the global economy in general.

2.c Standards, amendments and new interpretations of the standards

The accounting policies adopted in the preparation of the interim condensed separate financial statements are consistent with those followed in the preparation of the Company's annual separate financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective and anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application.

- **IFRS 17 "Insurance Contracts"** issued by IASB on 18 May 2017. The new standard requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 "Insurance Contracts" and related interpretations while applied. Amendments to IFRS 17 "Insurance Contracts" issued by IASB on 25 June 2020 defer the date of initial application of IFRS 17 by two years to annual periods beginning on or after 1 January 2023. Additionally, the amendments issued on 25 June 2020 introduce simplifications and clarifications of some requirements in the Standard and provide additional reliefs when applying IFRS 17 for the first time.
- **Amendments to IFRS 16 "Leases"** - Lease Liability in a Sale and Leaseback issued by IASB on 22 September 2022. Amendments to IFRS 16 require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

NOTE 2. GENERAL INFORMATION (continued)

- **Amendments to IFRS 17 “Insurance contracts”** - Initial Application of IFRS 17 and IFRS 9 – Comparative Information issued by IASB on 9 December 2021. It is a narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time.
- **Amendments to IAS 1 “Presentation of Financial Statements”** - Disclosure of Accounting Policies issued by IASB on 12 February 2021. Amendments require entities to disclose their material accounting policies rather than their significant accounting policies and provide guidance and examples to help preparers in deciding which accounting policies to disclose in their financial statements.
- **Amendments to IAS 1 “Presentation of Financial Statements”** - Classification of Liabilities as Current or Non-Current issued by IASB on 23 January 2020 and Amendments to IAS 1 “Presentation of Financial Statements” - Non-current Liabilities with Covenants issued by IASB on 31 October 2022. Amendments issued on January 2020 provide more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Amendments issued on October 2022 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability and set the effective date for both amendments to annual periods beginning on or after 1 January 2024.
- **Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”** - Supplier Finance Arrangements issued by IASB on 25 May 2023. Amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements to provide qualitative and quantitative information about supplier finance arrangements.
- **Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”** - Definition of Accounting Estimates issued by IASB on 12 February 2021. Amendments focus on accounting estimates and provide guidance how to distinguish between accounting policies and accounting estimates.
- **Amendments to IAS 12 “Income Taxes”** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction issued by IASB on 6 May 2021. According to amendments, the initial recognition exemption does not apply to transactions in which both deductible and taxable temporary differences arise on initial recognition that result in the recognition of equal deferred tax assets and liabilities.
- **Amendments to IAS 12 “Income Taxes”** - International Tax Reform — Pillar Two Model Rules issued by IASB on 23 May 2023. The amendments introduced a temporary exception to the accounting for deferred taxes arising from jurisdictions implementing the global tax rules and disclosure requirements about company’s exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect.
- **IFRS 14 “Regulatory Deferral Accounts”** issued by IASB on 30 January 2014. This standard is intended to allow entities that are first-time adopters of IFRS, and that currently recognise regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRS.
- **Amendments to IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”** - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture issued by IASB on 11 September 2014. The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.
These amendments had no impact on the separate financial statements of, nor is there expected to be any future impact to the Company.

NOTE 3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company’s interim condensed separate financial statements requires management to make professional judgments, estimates and assumptions that affect the application of accounting policies, as well as the recognized value of assets, liabilities, revenue and expenses, and the accompanying disclosures. The actual results may vary from the estimated values. The estimates and assumptions are based on the historical experience and other elements, including the expectations regarding the future events considered reasonable in the existing circumstances. The underlying estimates and assumptions are periodically revised. The revision of accounting estimates is recognized starting with the period in which the estimates are revised.

NOTE 3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

For preparing the interim condensed separate financial statements according to IFRS adopted by the EU, the Company makes estimates and assumptions related to future developments that might have a significant effect on the recognition of the value of the reported assets and liabilities, presentation of contingent liabilities as at the preparation date of the separate financial statements and the revenue and expenses reported for the respective period.

3.a Judgements

In the process of applying the Company accounting policies, the management made the following judgments, which have the most significant effect on the amounts recognized in the separate financial statements:

3.a.1 Revenue from contracts – management fees

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with related parties which are mainly linked to the invoicing of management fees:

Determination of performance obligations

Management fees are invoiced by the Company to other legal entities which are related parties. Management fees are related to several type of services provided such as: the use of the brand, support offered for various administrative tasks in connection with the projects under development. Management fees are invoiced according to the contractual terms and conditions and are, in general, based on a percentage of the estimated value, at invoicing date, of the projects under development.

In line with the contractual terms and conditions, for all companies, the management fees invoiced include the following:

- Services related to support in respect of the implementation of the real estate projects of the subsidiaries or associates. These services are invoiced based on a percentage of the investment value booked by the legal entity in its ledger, at the moment the invoice is issued
- Success fees related to the sale or rental of the units built by subsidiaries or associates. These success fees are invoiced based on a percentage of the accounting profit generated by the legal entity at the moment the invoice is issued
- The right of use of the One United Properties brand by its subsidiaries or associates. This fee is invoiced based on a percentage of the turnover generated by the legal entity at the moment the invoice is issued

With respect to these management fees, based on the analysis performed the series of distinct services has the same pattern of transfer to the customer.

For each performance obligation identified the Company determined at contract inception that it satisfies the performance obligation over time.

Determining the timing of revenue recognition

The Company has evaluated the timing of revenue recognition of management fees based on a careful analysis of the rights and obligations under the terms of the contract.

An entity transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time as the Company considers that the customer simultaneously receives and consumes the benefits provided by the Company's performance as the entity performs.

The Company has determined that the output method is the best method for measuring progress for these contracts. Output methods include, in general, methods such as surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed and units produced, or units delivered. As described above, the Company has used several outputs when determining the amount to be invoiced, for services rendered to the legal entities. They are based on the performance completed to date based on results achieved by the legal entities such as the value of the current investment, accounting profits and turnover generated. Given the nature of services rendered, the Company considers that the output selected would faithfully depict the entity's performance towards complete satisfaction of the performance obligation.

Starting with November 2022, the management fee activity was transferred to One United Management Services SRL.

NOTE 4. PROPERTY, PLANT AND EQUIPMENT

Description	Land, Buildings, barracks	Equipment measurement apparatus and vehicles	Furniture and other non- current assets	Tangible under development	Total
Cost					
As at 31 December 2022	1,160,796	-	2,009,164	4,203	3,174,163
Additions	-	-	5,529	-	5,529
Disposals	-	-	2,005,946	-	2,005,946
As at 30 June 2023	1,160,796	-	8,747	4,203	1,173,746
Depreciation and impairment					
As at 31 December 2022	681,547	-	200,728	-	882,275
Depreciation charge for the year	119,812	-	1,189	-	121,001
Disposals	-	-	200,594	-	200,594
As at 30 June 2023	801,359	-	1,323	-	802,682
Net book value					
As at 31 December 2022	479,249	-	1,808,436	4,203	2,291,888
As at 30 June 2023	359,437	-	7,424	4,203	371,064

NOTE 5. INTANGIBLE ASSETS

Description	Development costs	Concessions, patents, licenses	Other intangible assets	Total
Cost				
As at 31 December 2022	14,546	-	45,122	59,668
Additions	4,332	-	-	4,332
Disposals	-	-	-	-
As at 30 June 2023	18,878	-	45,122	64,000
Amortization and impairment				
As at 31 December 2022	-	-	-	-
Amortization	-	-	-	-
Disposals	-	-	-	-
As at 30 June 2023	-	-	-	-
Net value				
As at 31 December 2022	14,546	-	45,122	59,668
As at 30 June 2023	18,878	-	45,122	64,000

NOTE 6. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Subsidiary / Associate	Ownership right	Ownership right	Investment value	Investment value
	31-Dec-22	30-Jun-23	31-Dec-22	30-Jun-23
One Charles de Gaulle Residence SRL	99.99%	99.99%	165,938	165,938
One Modrogan SRL	99.99%	100.00%	89,990	90,000
One Mircea Eliade Properties SRL	100.00%	100.00%	45,000	45,000
One Floreasca Towers SRL (former One Herastrau IV SRL)	100.00%	100.00%	44,990	44,990
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	100.00%	100.00%	45,000	45,000
One Lake District SRL (former One District Properties SRL)	98.00%	100.00%	44,100	45,000
One Herastrau Plaza SRL	98.00%	100.00%	44,100	45,000
One Herastrau Towers SRL	100.00%	100.00%	45,900	45,900
One Long Term Value SRL	98.00%	98.00%	980	980
One United Tower SA (former One United Tower SRL)	70.24%	71.46%	3,176,548	5,935,220
One Peninsula SRL (former One Herastrau Park Residence SA)	100.00%	100.00%	26,740,826	26,740,826
One Verdi Park SRL	95.00%	95.00%	7,729,600	7,729,600
One Cotroceni Park SRL (former One Herastrau Properties SRL)	80.00%	80.00%	36,010	36,010
X Architecture & Engineering Consult SRL	80.00%	80.00%	160	160
One North Gate SA	67.69%	76.395%	25,831,080	34,943,153
Skia Real Estate SRL	51.00%	51.00%	510	510
Neo Floreasca Lake SRL	95.00%	95.00%	5,262,506	5,262,506
One Cotroceni Park Office SA	57.25%	57.25%	17,657,519	17,657,519
One Cotroceni Park Office Faza 2 SA	57.25%	57.25%	6,394,657	6,394,657
One Proiect 19 SRL (former One Mamaia SRL)	99.98%	99.98%	44,990	44,990
One Cotroceni Park Office Faza 3 SA (former One Verdi Park Office SA)	80.00%	80.00%	72,000	72,000
Reinvent Energy SRL	20.00%	20.00%	240,000	240,000
Glass Rom Impex SRL	20.00%	20.00%	300	300
One Herastrau Office Properties SA	30.00%	30.00%	27,000	27,000
One Property Support Services SRL	20.00%	20.00%	40	40
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	95.00%	95.00%	2,714,754	2,714,754
Neo Timpuri Noi SRL	95.00%	95.00%	1,208,762	1,208,762
One Mamaia Nord SRL (former Neo Mamaia SRL)	95.00%	95.00%	1,082,259	1,082,259
One Proiect 4 SRL	100.00%	100.00%	45,000	45,000
One Plaza Athenee SRL (former One Proiect 3 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 5 SRL	100.00%	100.00%	45,000	45,000
One Herastrau City SRL (former One Proiect 7 SRL)	100.00%	100.00%	45,000	45,000
One High District S.R.L. (former One Proiect 1 SRL)	100.00%	100.00%	45,000	45,000
One Lake Club S.R.L. (former One Proiect 6 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 8 SRL	100.00%	100.00%	45,000	45,000
One City Club (former One Proiect 9 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 10 SRL	100.00%	100.00%	45,000	45,000
One United Italia SRL	90.00%	90.00%	40,500	40,500
One United Management Services SRL	100.00%	100.00%	45,000	45,000
Bo Retail invest SRL	100.00%	100.00%	200	200
One Proiect 11 SRL	100.00%	100.00%	45,622,983	47,102,463
One Proiect 12 SRL	100.00%	100.00%	500,000	500,000
One Cotroceni Towers SRL (former One Proiect 14 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 15 SRL	100.00%	100.00%	45,000	45,000
One Proiect 16 SRL	100.00%	100.00%	45,000	45,000
One Proiect 17 SRL	100.00%	100.00%	45,000	45,000
One Proiect 18 SRL	100.00%	100.00%	45,000	45,000
One Proiect 2 SRL	100.00%	0%	45,000	0
Eliade Tower SRL	100.00%	100.00%	22,344,994	22,344,994
One Victoriei Plaza SRL (former Mam Imob Business Center SRL)	100.00%	100.00%	41,408,233	41,408,233
One Proiect 20 SRL	0%	100.00%	0	45,000
One Proiect 22 SRL	0%	100.00%	0	45,000
			209,382,429	222,779,464
Financial assets – investments in subsidiaries and associates				

NOTE 6. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES (continued)

In 2023, two new subsidiaries were established: One Proiect 20 SRL and One Proiect 22 SRL, which are 100% owned by the Company.

The Company have increased its ownership in the share capital of the subsidiaries as follows:

- One Modrogan SRL from 99.99% to 100.00%, the total consideration price for the shares acquired is RON 10;
- One Lake District SRL (former One District Properties SRL) from 98% to 100.00%, the total consideration price for the shares acquired is RON 900;
- One Herastrau Plaza SRL from 98% to 100.00%, the total consideration price for the shares acquired is RON 900;
- One United Tower SA (former One United Tower SRL) from 70.24% to 71.46%, the total consideration price for the shares acquired is RON 2,758,672;
- One North Gate SA from 67.69% to 76.395%, the total consideration price for the shares acquired is RON 9,112,073;
- On 04 April 2023, through addendum no 1 at the contract, the consideration price for the shares acquired in One Proiect 11 SRL was increased by RON 1,5 million (equivalent of EUR 300,000).

During 2023, the general meeting of shareholders has approved the sale of shares in share capital of a subsidiary One Proiect 2 SRL (the ownership decreased from 100.00% to 0%).

There are several subsidiaries in which the Company own investments which have in place bank loan contracts.

The bank loan contracts contain pledges on the real estate and office developments (land and construction in progress), as well as receivables from customers, insurance policies and bank accounts. In addition:

- in the subsidiary One Verdi Park bank loan there is a pledge on the holding company's shares in the subsidiary One North Gate SA for a number of 5,104 shares before the issuing of new shares in One North Gate SA;
- the subsidiaries One Cotroceni Park Office SA and One Cotroceni Park Office Faza 2 SA have signed the loan agreement with Banca Comerciala Romana SA, BRD Groupe Societe Generale SA and Erste Group Bank AG which have also additional pledges on shareholder loan and 100% of the share capital of the borrowers;
- One United Tower SA (former One United Tower SRL) bank loan have pledges on shareholder loans and over shares 100%;
- One Mircea Eliade Properties SRL have a bank loan signed with real estate mortgage over 21 apartments and 34 parking places.
- One Cotroceni Park SRL (former One Herastrau Properties SRL) bank loan have pledges over shares 100%;

NOTE 7. LOANS GRANTED TO SUBSIDIARIES, ASSOCIATES AND OTHERS

As at 31 December 2022	Less than 1 year	1 to 5 years	Total
Financial assets – loans granted to subsidiaries and associates	29,352,204	573,917,031	603,269,235
Financial assets – loans granted to others	-	252,238	252,238
Allowance for expected credit losses	(256,876)	(2,186,912)	(2,443,788)
Financial assets – loans granted to subsidiaries and associates	29,095,328	571,982,357	601,077,685

As at 30 June 2023	Less than 1 year	1 to 5 years	Total
Financial assets – loans granted to subsidiaries and associates	98,833,891	625,849,317	724,683,208
Financial assets – loans granted to others	-	289,766	289,766
Allowance for expected credit losses	(512,253)	(2,330,424)	(2,842,677)
Financial assets – loans granted to subsidiaries and associates	98,321,638	623,808,659	722,130,297

We have performed an analysis of each individual project in order to assess if an impairment would be needed. Based on our analysis, all projects are profitable. Nevertheless, the Company has booked an Expected Credit Loss provision in amount of RON 2,842,677 at 30 June 2023 (31 December 2022: 2,443,788). The reimbursement are performed by subsidiaries in general subsequent to the completion of the real estate project for which these services are rendered. The loans are granted with interest which is in line with market.

NOTE 7. LOANS GRANTED TO SUBSIDIARIES, ASSOCIATES AND OTHERS (continued)

We have presented below a decomposition of the loans granted at a segment level:

Description	30 June 2023	31 December 2022
Loans granted for acquiring new subsidiaries or associates	125,934,191	149,081,665
Loans granted to subsidiaries for development of office buildings	219,947,565	159,721,129
Loans granted to subsidiaries for development of residential projects	265,615,991	264,426,959
Loans granted to subsidiaries for further development of real estate projects	83,561,128	24,291,279
Loans granted to subsidiary which deliver architecture services for group and non-group projects	1,201,748	-
Loans granted to subsidiaries for operational activity	27,824,103	5,101,759
Other loans	888,248	898,682
Total	724,972,974	603,521,473

The following subsidiaries which have received loans from the holding company, One United Properties SA have also signed bank loans contracts: One Mircea Eliade Properties SRL (RON 39.3 million), One Peninsula SRL (former One Herastrau Park Residence SA) (RON 59.6 million), One Verdi Park SRL (RON 36.5 million), Neo Timpuri Noi SRL (RON 18.8 million), One United Tower SA (former One United Tower SRL) (RON 198.2 million), One North Gate SA (RON 32.4 million), One Cotroceni Park Office SA (RON 189.7 million) and One Cotroceni Park Office Faza 2 SA (RON 115.4 million), One Victoriei Plaza SRL (former Mam Imob Business Center SRL) (RON 86.9 million), One Cotroceni Park SRL (former One Herastrau Properties SRL) (RON 10.2 million), One Proiect 12 SRL (RON 33.5 million).

NOTE 8. RIGHT OF USE ASSETS

The Company has entered into one operating lease agreement related to the rental of office surfaces with One United Tower SA (lessor) started on 01 January 2022 and ended at the beginning of 2023, as the lease contract was transferred to other Group's subsidiary, One United Management Services SRL. The monthly rent is of kEUR 46. The table below presents the evolution of the right of use for the periods 1 January 2023 – 30 June 2023.

Refer to Notes 14 for further information.

Description	Right of use
Cost at 01 January 2023	19,600,153
Additions	-
Disposals	19,600,153
Cost at 30 June 2023	-
Amortisation at 01 January 2023	1,960,015
Additions	-
Disposals	1,960,015
Amortisation at 30 June 2023	-
NET VALUE	
At 31 December 2022	17,640,137
At 30 June 2023	-

NOTE 9. OTHER NON-CURRENT ASSETS

Description	30 June 2023	31 December 2022
Warranties for headquarter rental activity	270	1,086,291
Amounts to be collected from related parties / affiliates	46,748,372	38,851,373
Total	46,748,642	39,937,664

NOTE 9. OTHER NON-CURRENT ASSETS (continued)

On 19 April 2021, the General Shareholder Meeting (GSM) approved an algorithm proposed by the Board of Directors of the Company with respect to awarding certain bonifications to two executive members of the Board of Directors of One United Properties SA, which will materialize in granting a package of shares of maximum 5% of the share capital of the Company, no amount will be paid by the beneficiaries for granting and / or exercising an Option. This stock option plan ("SOP") will be vested in the following 5 years, following the fulfilment of the performance conditions assessed on a yearly basis by the remuneration committee. In case of exercising the Options, newly issued shares will be allocated by the holding company. 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 and (b) reaching a price per share according to an algorithm established by the decision of the Board of Directors and subsequently approved by the General Shareholder Meeting. The variation in price per share of the holding Company is directly related to the performance of the Group, whether the scheme covers the financial results of number of subsidiaries within a group, therefore the stock option plan value is divided based on net assets of the group for each segment reporting, the amount of RON 49,4 million (from which on short term RON 2,7 million) from the total SOP expense of RON 58,7 million is allocated to subsidiaries.

NOTE 10. TRADE AND OTHER RECEIVABLES

As at 30 June 2023 and 31 December 2022 trade and other receivables are detailed as follows:

Description	30 June 2023	31 December 2022
Trade receivables – customers	98,689	100,230
Trade receivables – subsidiaries and related parties	195,902	625,712
Accrued receivables - subsidiaries	10,501	-
Accrued receivable - other third party customers	210	341
Total trade receivables	305,302	726,283
VAT receivable	53,056,749	25,563,900
Amounts to be collected from related parties / affiliates	22,234,236	35,639,533
Other receivables	180,492	203,507
Receivables representing dividends distributed during the financial year	-	36,102,481
Various debtors - Other related parties	-	2,798,430
Various debtors	19,492	6,938
Other tax receivables	-	-
Total other receivables	75,490,969	100,314,789
Total	75,796,271	101,041,072

Description	30 June 2023	31 December 2022
Trade receivable - from management fee provided to subsidiaries	-	-
Trade receivable - subsidiaries	62,690	492,950
Trade receivable - other related parties	133,212	132,762
Trade receivable - other third party customers	98,898	100,571
Total	294,800	726,283

The amounts presented above as *Amounts to be collected from related parties/affiliates* are represented mainly by: VAT and Income Tax receivables of RON 15,9 million (31 December 2022: RON 13,5 million) generated from the fiscal groups where One United Properties SA acts as the representative of the single tax group and the receivable from One United Management Services SRL resulted from the transfer of management fee activity of RON 1,1 million (31 December 2022: 20,6 million Ron).

On 28 September 2022, through Decision of the Ordinary General Meeting of Shareholders it was approved the distribution of interim dividends from the Company's profit corresponding to the first six months of the financial year ending on 31 December 2022 in value of RON 36,102,481 (gross amount), from the distributable net profit of RON 46,075,910 for the first half of the financial year ending 31 December 2022. The proposed final dividend was subject to approval by shareholders at the annual general meeting that took place in 25 April 2023.

NOTE 11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

Description	30 June 2023	31 December 2022
Cash and cash equivalents denominated in EUR	16,113,639	46,085,692
Cash and cash equivalents denominated in RON	2,190,061	91,413,157
Cash and cash equivalents denominated in USD	346	411
Petty Cash - RON	5,396	5,396
Other cash equivalents	-	-
Total	18,309,442	137,504,656

The Company have determined the ECLs relating to the net exposure for cash and short-term deposits of the Group at the amount of RON 0,37 million (31 December 2022: RON 1 million). The cash and cash equivalent amounts are deposited in banks from Romania that belong to banking Groups at European level or state-owned banks and in the recognizable past in Romania there were no cases of bank defaults.

The Company's exposure to credit risk associated cash and cash equivalents is limited using financial institutions of good standing for investment and cash handling purposes.

NOTE 12. PROFIT TAX

The Company's current profit tax for the six months period ended June 30, 2023 and year 2022 is determined at a rate of 16% based on the profit adjusted by non-deductible expenses and non-taxable revenues. The deferred profit tax as at 30 June 2023 and 31 December 2022 is determined based on the 16% tax rate, which is expected to be effective when temporary differences are reversed.

The current and deferred tax assets and liabilities are detailed as follows:

Description	30 June 2023	31 December 2022
Deferred tax assets	1,167,931	1,167,931
Total assets /(liabilities)	1,167,931	1,167,931

The breakdown of tax expenses is detailed below:

Description	30 June 2023	30 June 2022
Current income tax expense	(3,412,027)	(6,684,730)
Deferred tax impact	0	(15,517)
Total expense/revenue	(3,412,027)	(6,700,247)

NOTE 13. EQUITY

Management monitors capital, which includes all components of equity (i.e., share capital, retained earnings and reserves). The primary objective of the parent company is to protect its capital and ability to continue its business so that it can continue to provide benefits to its shareholders and other stakeholders.

(i) Share capital

As at 30 June 2023 the Group's share capital is RON 740,563,717.20 (31 December 2022: RON 740,563,717.20) divided into 3,702,818,586 shares (31 December 2022: 3,702,818,586 shares) at a nominal value of RON 0.2 each (31 December 2022: RON 0.2 each). All issued shares are fully paid.

NOTE 13. EQUITY (continued)

Structure of share capital

Name of shareholder	30 June 2023			31 December 2022		
	Number of shares	Nominal value [RON]	Holding [%]	Number of shares	Nominal value [RON]	Holding [%]
Vinci Ver Holding SRL (represented by Mr. Victor Capitanu	1,021,349,895	204,269,979	27.5830%	1,021,349,895	204,269,979	27.5830%
OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu)	1,021,349,895	204,269,979	27.5830%	1,021,349,895	204,269,979	27.5830%
Others	1,660,118,796	332,023,759	44.8340%	1,660,118,796	332,023,759	44.8340%
Total	3,702,818,586	740,563,717	100.00%	3,702,818,586	740,563,717	100.00%

On 19 April 2021, the extraordinary general meeting of the shareholders have approved to list the holding company One United Properties SA on the regulated market of the Bucharest Stock Exchange.

On 26 April 2022, the Extraordinary General Meeting of Shareholders and subsequent on 5 May 2022, the Board of Directors have approved the share capital increase in order to raise funds to finance the current activity of the Company and its group, respectively to finance developments and acquisitions, through one or more issues of ordinary, registered and dematerialized shares.

On April 26th, 2022, held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of the second tranche of the dividends of RON 42.5 million (with first tranche paid in October 2021, full gross dividend for 2021 is RON 75 million). The gross dividend of RON 0.0165 per share was paid until June 30th, 2022. Company' dividend policy includes the payment of dividends on a semi-annual basis.

On August 3, 2022, the Board of Directors approved the results of the Share Capital Increase, respectively the subscription of a number of 202,973,646 new shares offered at a price of 1.25 RON/share representing a total gross capital raise of RON 253,717,057.50 divided into share capital nominal value of RON 40,594,729.2, respectively 0.2 RON per each share and share premium of RON 213,122,328.30. The share capital of the Company is thus increased from the nominal value of 514,828,058.80 RON to the nominal value of RON 555,422,788.

Decision of the Board of Directors no. 34/1 November 2022 have approved, in accordance with the Resolution of the Extraordinary General Meeting of the Shareholders no. 64/28 September 2022, the increase of the share capital with the amount of RON 185,140,929.20 by issuance of a number of 925,704,646 new ordinary, nominative and dematerialised shares with a nominal value of RON 0.2 per share, by incorporating approximately 87% of the share premiums resulted from the share capital increase operation conducted between 27 June 2022 – 3 August 2022. Following the Share Capital Increase, the share capital of the Company will be of RON 740,563,717.2, fully subscribed and paid up by the shareholders, divided into 3,702,818,586 nominative shares, dematerialised, with a nominal value of RON 0.2 /share.

On April 25th, 2023, held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of dividends in value of RON 73,130,615.64 (gross dividend amount), corresponding to the financial year 2022, as follows: (i) the amount of RON 36,102,481.22 (gross dividend amount) has been distributed in advance as a result of the Resolution of the Company's Ordinary General Meeting of Shareholders no. 63 of 28 September 2022, respectively (ii) the amount of RON 37,028,134.42 gross dividend amount), representing a gross dividend per share of RON 0.01 which was distributed according to this resolution. Company' dividend policy includes the payment of dividends on a semi-annual basis.

By Decision of the Board of Directors no. 43 dated 12 May 2023 the increase of the Company's share capital with the amount of RON 18,967,145.8 (nominal value) was approved, by issuance of 94,835,729 new shares having a nominal value of RON 0.2 per share, by converting certain, liquid and due receivables held against the Company by the beneficiaries of the stock option plan already approved by decision of the Extraordinary General Meeting of Shareholders of the Company no. 50 of 18 May 2020, respectively by decision of the Ordinary General Meeting of Shareholders of the Company of 19 April 2021, each as supplemented and amended.

The Share Capital Increase was registered with the Bucharest Trade Registry pursuant to Resolution no. 70931 on 17 May 2023, the decision of the Board of Directors no. 43 dated 12 May 2023 being published in the Official Gazette Part IV no. 2378 dated 26 May 2023. The Romanian Financial Supervisory Authority has issued the certificate of registration for financial instruments (CIIF) no. AC-5334-5 on 03 August 2023. The registration of the new shares with the Central Depository was performed on 04 August 2023. The Company registered the share capital increase in August, after all legal procedures were finalized.

NOTE 13. EQUITY (continued)**(ii) Legal reserve**

The legal reserve amounts to RON 17,452,635 at 30 June 2023, and at 31 December 2022. The legal reserve is established in accordance with the Company Law, according to which 5% of the statutory annual accounting profit is transferred to legal reserves until their balance reaches 20% of the company's share capital. If this reserve is used wholly or partially to cover losses or to distribute in any form (such as the issuance of new shares under the Company Law), it becomes taxable.

The management of the Company does not expect to use the legal reserve in a way that it becomes taxable (except as provided by the Fiscal Code, where the reserve constituted by the legal entities providing utilities to the companies that are being restructured, reorganized or privatized can be used to cover the losses of value of the share package obtained as a result of the debt conversion procedure, and the amounts intended for its subsequent replenishment are deductible when calculating taxable profit).

The accounting profit remaining after the distribution of the legal reserve is transferred to retained earnings at the beginning of the financial year following the year for which the annual financial statements are prepared, from where it will be distributed.

(iii) Other reserves – share based payments

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to senior employees, as part of their remuneration.

A share-based payment plan was set up during Q4 2020 by which a number of 941 shares of the holding company were granted to an employee. The vesting period is of minimum 12 months and the option can be exercised up to 15 months from the granting date. According to the resolution of the Board of Directors no 20/30 December 2021 and pursuant to the resolution of the extraordinary general meeting of the Company's shareholders no 55/19 April 2021, the Company approved the "split" of shares, by decreasing the nominal value of a share from RON 260.60 to RON 0.2, and pursuant to the resolution of the extraordinary general meeting of the Company's shareholders no 56/26 May 2021, the "split" of shares has been confirmed to apply to any share options granted prior to the "split" operation. Therefore, it was approved the amendment of the contract in order to reflect the "split", as well as to extend the term for exercising the share options granted to the beneficiary. The Company has estimated the reserve by taking into account the fair value of the instrument and the vesting period.

On 19 April 2021, the General Shareholder Meeting (GSM) approved an algorithm proposed by the Board of Directors of the Company with respect to awarding certain bonifications to two executive members of the Board of Directors of One United Properties SA, which will materialize in granting a package of shares of maximum 5% of the share capital of the Company, no amount will be paid by the beneficiaries for granting and / or exercising an Option. This stock option plan ("SOP") will be vested in the following 5 years, following the fulfilment of the performance conditions assessed on a yearly basis by the remuneration committee. In the event of exercising the Options, newly issued shares will be allocated by the holding company. The performance conditions that must be met to exercise the Options are: (a) holding the position of executive member of the Board of Directors at the Performance Measurement Date and (b) reaching a price per share according to an algorithm established by the decision of the Board of Directors and subsequently approved by the General Shareholder Meeting.

The Company and the beneficiaries have confirmed that all terms and conditions have been established for the stock option plans described above, the grant date have occurred and therefore the Company have accounted for an amount of RON 60,1 million at 30 June 2023 (31 December 2022: RON 47,5 million) in the capital reserve.

NOTE 14. LEASE LIABILITIES

The Company have leased the administrative office space from the subsidiary One United Tower starting with January 2022 until January 2023. Refer to Note 8 for further information.

	30 June 2023	31 December 2022
As at 1 January	19,766,389	3,764,387
Additions	-	21,606,099
Accretion of interest	-	789,063
Payments	-	(3,278,473)
Translation difference	-	3,851
Disposals	(19,766,389)	(3,118,538)
As at 30 June/ 31 December	-	19,766,389
Long term	-	17,864,412
Short term	-	1,901,977

NOTE 14. LEASE LIABILITIES (continued)

	30 June 2023	30 June 2022
Depreciation expense of right-of-use assets	-	1,544,236
Interest expense on lease liabilities	-	432,120
Currency translation gain / (loss)	-	(13,751)
Other expenses - indexation difference	-	-
Total amount recognised in profit or loss	-	1,962,605

NOTE 15. TRADE AND OTHER PAYABLES

Description	30 June 2023	Below 1 year	1 to 5 years	31 December 2022	Below 1 year	1 to 5 years
Trade payables - affiliated entities and other related parties	494,327	494,327	-	201,904	201,904	-
Trade payables - Other	169,373	169,373	-	732,072	732,072	-
Total Trade payables	663,700	663,700	-	933,976	933,976	-
Other taxes and duties	186,634	186,634	-	978,235	978,235	-
Settlements between affiliated entities	117,219,164	117,219,164	-	93,194,708	93,194,708	-
Liabilities for acquisitions of investments	27,785,113	18,523,409	9,261,704	36,927,394	18,463,697	18,463,697
Advance payments from sale of shares	24,636,550	24,636,550	-	-	-	-
Warranties	66,253	-	66,253	67,254	-	67,254
Dividends	1,547,413	1,547,413	-	1,547,160	1,547,160	-
Other creditors - affiliated entities and other related parties	1,538,661	1,538,661	-	592,741	592,741	-
Other creditors	502,889	131,301	371,588	1,344,439	328,273	1,016,166
Total Other payables	173,482,677	163,783,132	9,699,545	134,651,931	115,104,814	19,547,117
Total Trade and other payables	174,146,377	164,446,832	9,699,545	135,585,907	116,038,790	19,547,117

Detailed information about the balances and transactions with related parties are presented in Note 20.

The amounts presented above as *Settlements between affiliated entities* are represented mainly by VAT and Income Tax payables from the fiscal groups where One United Properties SA is the representative (RON 117,2 million at 30 June 2023 and RON 92.5 million Ron at 31 December 2022).

The amounts presented above as *Liabilities for acquisitions of investments* are related to the amount outstanding to be paid (RON 27,8 million at 30 June 2023 and RON 36,9 million at 31 December 2022) for the acquisition of shares in the subsidiary One Proiect 11 SRL which own a land in surface area of 801,028.380 sqm, located in Ilfov county.

NOTE 16. OPERATING REVENUES

Description	30 June 2023	30 June 2022
Revenues from services rendered	-	13,653,323
Revenues from rentals, service charge and similar	649	121,849
Other Revenues	359,655	486,512
Total operating revenues	360,304	14,261,684

In prior period, the "Revenues from services rendered" and "Revenues from rentals, service charge and similar" are mainly in connection with management fees and rent (in connection with the utilized surfaces) invoiced to subsidiaries.

NOTE 16. OPERATING REVENUES (continued)

Starting with November 2022, the management fee activity was transferred to One United Management Services SRL, a new subsidiary owned 100% by the Company.

Detailed information about the balances and transactions with related parties are presented in Note 20.

NOTE 17. OPERATING EXPENSES

Description	30 June 2023	30 June 2022
Depreciation expenses	121,001	1,941,702
Provision and allowance adjustments	(234,493)	-
Impairment for financial assets	-	3,023,362
Amortisation, depreciation, provisions and impairment net of reversals	(113,492)	4,965,064
Staff expenses	173,808	1,130,247
Stock option plan	1,986,906	6,725,244
Administrative Expenses	2,160,714	7,855,491
Expenditures on raw materials and consumables	584	5,262
Other material expenses	2,065	202,615
Other external expenses	41,660	125,828
Other operating expenses	2,197,363	4,431,831
Tax expenses	33,517	85,735
Other expenses	96,182	727,625
Total Other operating expenses	2,371,371	5,578,896
Total operating expenses	4,418,593	18,399,451

Description	30 June 2023	30 June 2022
Expenses with maintenance and repair	20	2,637
Expenses with royalties and rents	(291,225)	338,677
Insurance premiums expenses	180,968	66,401
Training expenses	6,666	-
Expenses with collaborators	440,919	249,740
Expenses regarding commissions and fees	80,149	241,676
Protocol, advertising and marketing expenses	75,300	1,146,309
Transport expenses	558	100,015
Postal and telecommunications expenses	467	22,593
Banking and similar fees expenses	16,352	8,402
Other expenses with services performed by third parties	1,687,189	2,255,381
Expenditures on raw materials and consumables	584	5,262
Other material expenses	2,065	202,615
Other external expenses	41,660	125,828
Tax expenses	33,517	85,735
Other expenses	96,182	727,625
Total Other operating expenses	2,371,371	5,578,896

Description	30 June 2023	30 June 2022
Audit, limited review and valuation expenses	486,222	133,691
Other professional services, consultancy and accounting	1,095,504	1,168,258
Administration services	28,400	108,930
Other expenses (service fees, etc.)	46,398	77,311
Other services (IT, security, maintenance, recruitment etc.)	30,665	767,191
Total Other expenses with services performed by third parties	1,687,189	2,255,381

NOTE 18. FINANCIAL INCOME

Description	30 June 2023	30 June 2022
Revenues from dividends	(450,000)	50,918,000
Revenues from interest	21,435,952	5,657,948
Other financial revenues	3,384,170	770,462
Total financial revenues	24,370,122	57,346,410

Description	30 June 2023	30 June 2022
FX net gain	3,384,170	770,462
Total other financial revenues	3,384,170	770,462

NOTE 19. FINANCIAL EXPENSES

Description	30 June 2023	30 June 2022
Interest expenses	-	432,486
Total financial expenses	-	432,486

NOTE 20. RELATED PARTIES

The Entity's affiliates and other related parties with which have incurred transactions at 30 June 2023 and 31 December 2023:

Name of the subsidiary and other related party	Country	Relationship nature
One Modrogan SRL	Romania	Subsidiary - Affiliate
One Peninsula SRL (former One Herastrau Park Residence SA)	Romania	Subsidiary - Affiliate
One Charles de Gaulle Residence SRL	Romania	Subsidiary - Affiliate
One Herastrau Plaza SRL	Romania	Subsidiary - Affiliate
One Verdi Park SRL	Romania	Subsidiary - Affiliate
X Architecture & Engineering Consult SRL	Romania	Subsidiary - Affiliate
One Mircea Eliade Properties SRL	Romania	Subsidiary - Affiliate
One Long Term Value SRL	Romania	Subsidiary - Affiliate
One Herastrau Towers SRL	Romania	Subsidiary - Affiliate
One Cotroceni Park SRL (former One Herastrau Properties SRL)	Romania	Subsidiary - Affiliate
Skia Real Estate SRL	Romania	Subsidiary - Affiliate
One Lake District SRL (former One District Properties SRL)	Romania	Subsidiary - Affiliate
One North Gate SA	Romania	Subsidiary - Affiliate
One United Tower SA (former One United Tower SRL)	Romania	Subsidiary - Affiliate
Neo Floreasca Lake SRL	Romania	Subsidiary - Affiliate
One Mamaia Nord SRL (former Neo Mamaia SRL)	Romania	Subsidiary - Affiliate
Neo Timpuri Noi SRL	Romania	Subsidiary - Affiliate
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	Romania	Subsidiary - Affiliate
One Floreasca Towers SRL (former One Herastrau IV SRL)	Romania	Subsidiary - Affiliate
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	Romania	Subsidiary - Affiliate
One Cotroceni Park Office SA	Romania	Subsidiary - Affiliate
One Cotroceni Park Office Faza 2 SA	Romania	Subsidiary - Affiliate
One Cotroceni Park Office Faza 3 SA (former One Verdi Park Office SA)	Romania	Subsidiary - Affiliate
One Proiect 19 SRL (former One Mamaia SRL)	Romania	Subsidiary - Affiliate
Bucur Obor SA	Romania	Indirect Subsidiary

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(Amounts are expressed in RON, unless otherwise mentioned)

One Proiect 4 SRL	Romania	Subsidiary - Affiliate
One Plaza Athenee SRL (former One Proiect 3 SRL)	Romania	Subsidiary - Affiliate
One Proiect 5 SRL	Romania	Subsidiary - Affiliate
One Herastrau City SRL (former One Proiect 7 SRL)	Romania	Subsidiary - Affiliate
One High District S.R.L. (former One Proiect 1 SRL)	Romania	Subsidiary - Affiliate
One Lake Club S.R.L. (former One Proiect 6 SRL)	Romania	Subsidiary - Affiliate
One Proiect 8 SRL	Romania	Subsidiary - Affiliate
One City Club (former One Proiect 9 SRL)	Romania	Subsidiary - Affiliate
One Proiect 10 SRL	Romania	Subsidiary - Affiliate
One United Italia SRL	Romania	Subsidiary - Affiliate
One United Management Services SRL	Romania	Subsidiary - Affiliate
Bo Retail invest SRL	Romania	Subsidiary - Affiliate
One Proiect 11 SRL	Romania	Subsidiary - Affiliate
One Proiect 12 SRL	Romania	Subsidiary - Affiliate
One Cotroceni Towers (former One Proiect 14 SRL)	Romania	Subsidiary - Affiliate
One Proiect 15 SRL	Romania	Subsidiary - Affiliate
One Proiect 16 SRL	Romania	Subsidiary - Affiliate
One Proiect 17 SRL	Romania	Subsidiary - Affiliate
One Proiect 18 SRL	Romania	Subsidiary - Affiliate
One Proiect 2 SRL	Romania	Subsidiary – Affiliate, sold in H2 2023, subsequent the sale is related party
Eliade Tower SA	Romania	Subsidiary - Affiliate
One Victoriei Plaza SRL (former Mam Imob Business Center SRL)	Romania	Subsidiary - Affiliate
One Proiect 20 SRL	Romania	Subsidiary - Affiliate
One Proiect 22 SRL	Romania	Subsidiary - Affiliate
One Carpathian Lodge Magura S.R.L.	Romania	Indirect Subsidiary
Reinvent Energy SRL	Romania	Associate
One Herastrau Office Properties SA	Romania	Associate
Glass Rom Impex SRL	Romania	Associate
One Property Support Services SRL	Romania	Associate
One Herastrau Office Properties SA	Romania	Associate (sold as of 27 March 2023)
Andrei Liviu Diaconescu	Romania	Shareholder and key management personnel
Victor Capitanu	Romania	Shareholder and key management personnel
Vinci Invest SRL	Romania	Other related party
Liviu Investments SRL	Romania	Other related party
Lemon Interior Design SRL	Romania	Other related party
Lemon Office Design SRL	Romania	Other related party
Blue Capital SA (former Smart Capital Investments SA)	Romania	Other related party
Ploiesti Logistics SRL	Romania	Other related party
Element Investments SRL	Romania	Other related party
Element Invest Partners SRL	Romania	Other related party
One Energy Division SRL	Romania	Other related party
One Holding Investments SRL	Romania	Other related party
AV Holding SRL (former One Holding Ver SRL)	Romania	Other related party
Park Lane Investments SRL (former One Holding OA SRL)	Romania	Other related party
YR-WNT SRL (former Neo Downtown SRL)	Romania	Other related party
ACC Investments SRL	Romania	Other related party
CCT & ONE AG	Switzerland	Other related party
CC Trust Group AG	Switzerland	Other related party
CCT & One Properties SA	Luxembourg	Other related party
Vinci Ver Holding SRL	Romania	Other related party
OA Liviu Holding SRL	Romania	Other related party
Equity Partners	Romania	Other related party
Dragos-Horia Manda	Romania	Key management personnel, minority shareholder of the Group
Claudio Cisullo	Switzerland	Key management personnel, minority shareholder of the Group
Gabriel-Ionut Dumitrescu	Romania	Key management personnel, starting 2022 exit the Board
Adriana-Anca Anton	Romania	Key management personnel, starting 2022 exit the Board
Valentin-Cosmin Samoila	Romania	Key management personnel

Marius-Mihail Diaconu	Romania	Key management personnel, minority shareholder of the Group
Augusta Dragic	Romania	Key management personnel
Magdalena Souckova	Czech Rep.	Key management personnel

In its normal course of business, the entity carries out transactions with the key management personnel (executive management and directors). The volume of such transactions is presented in the table below:

Key management personnel compensation	2023	2022
Employee benefits	440,919	240,278

The following tables provides the total amount of transactions that have been entered into with affiliates and other related parties during 2023 and 2022 and as well as balances with related parties as at 30 June 2023 and 31 December 2022:

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2023	31 December 2022
Receivables and other receivables related to goods and services sold	Key management personnel	-	-
	Affiliates - Subsidiaries	18,085,948	36,119,617
	Other related parties and associates	1,676,538	2,944,058

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2023	31 December 2022
Deferred income	Key management personnel	-	-
	Affiliates - Subsidiaries	166,689	-
	Other related parties and associates	9,958	-

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2023	31 December 2022
Payables related to goods and services paid	Key management personnel	900	-
	Affiliates - Subsidiaries	119,228,465	93,948,785
	Other related parties and associates	22,787	40,566

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2023	31 December 2022
Prepayments and advance payments	Key management personnel	-	-
	Affiliates - Subsidiaries	293,729	56,325
	Other related parties and associates	-	-

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2023	31 December 2022
Other non-current liabilities	Key management personnel	-	-
	Affiliates - Subsidiaries	12,301	-
	Other related parties and associates	-	-

NOTE 20. RELATED PARTIES (continued)

Nature of transactions	Affiliates and other related party categories	Income statement (Income/(expense))	
		30 June 2023	30 June 2022
Interest income and other financial income	Key management personnel	-	-
	Affiliates - Subsidiaries	19,164,863	5,418,340
	Other related parties and associates	1,553	66,085
Dividends income	Key management personnel	-	-
	Affiliates - Subsidiaries	(526,000)	50,918,000
	Other related parties and associates	76,000	-
Rent and royalties income	Key management personnel	-	-
	Affiliates - Subsidiaries	-	192,038
	Other related parties and associates	-	16,909
Management and administration income	Key management personnel	-	-
	Affiliates - Subsidiaries	-	13,900,753
	Other related parties and associates	359,655	-
Rent and utilities expenses	Key management personnel	-	-
	Affiliates - Subsidiaries	(258,271)	2,006,444
	Other related parties and associates	-	-
Management and administration expenses	Key management personnel	-	-
	Affiliates - Subsidiaries	-	441,420
	Other related parties and associates	30,116	115,351
Other income	Key management personnel	-	-
	Affiliates - Subsidiaries	10,575,153	-
	Other related parties and associates	-	-

Loans granted to affiliates and other related parties		Amounts granted to affiliates and other related parties		Total
		Interest balance		
Loans granted to affiliates- subsidiaries	2023	45,704,796	678,379,930	724,084,726
	2022	26,466,348	569,722,549	596,188,897
Loans granted to other related parties and associates	2023	102,142	496,340	598,482
	2022	438,235	6,642,103	7,080,338
Key management personnel of the Group:	2023	-	-	-
	2022	-	-	-
Total loans granted to affiliates and other related parties	2023	45,806,938	678,876,270	724,683,208
	2022	26,904,583	576,364,652	603,269,235

NOTE 21. CONTINGENCIES

On 23 July 2021, the subsidiaries One Cotroceni Park Office SA and One Cotroceni Park Office Faza 2 SA have signed the loan agreement with Banca Comerciala Romana SA, BRD Groupe Societe Generale SA and Erste Group Bank AG for an amount of maximum EUR 78,000,000. The holding Company guarantees to each finance party the punctual performance which will cover costs differences or cash flows deficit related. The given guarantee covers the time until maturity of underlying bank loan.

On 30 September 2021, the subsidiary One Peninsula SRL (former One Herastrau Park Residence SA) have signed the loan agreement with First Bank SA for a maximum amount of EUR 15,000,000. The loan period is for 36 months starting with 01 October 2021. The loan has attached a corporate guarantee issued by the holding Company which will cover costs differences or cash flows deficit related to project completion for 15% of total development costs (EUR 7.47 million). The given guarantee covers the time until maturity of underlying bank loan.

On 15 February 2022, the subsidiary One Mircea Eliade Properties SRL contracted a bank loan from Garanti Bank in total value of EUR 9,000,000 and fully utilized this amount. The loan has a maturity of 10 years. The bank loan contract contains a corporate guarantee issued by the holding Company. The given guarantee covers the time until maturity of underlying bank loan.

On 8 July 2022, the Bucharest Court of Appeal suspended the building permit of the development One Modrogan, issued by the General Mayor of the Municipality of Bucharest. The litigation case is on-going.

In Q1 2023, the Group, through its subsidiary, One Proiect 12 SRL, contracted a bank loan from First Bank in total value of EUR 6,8 million. The loan has a maturity of 6 years. The bank loan contract contains a corporate guarantee issued by the holding Company.

On 2 March 2023, subsidiary One Cotroceni Park SRL (former One Herastrau Properties SRL) contracted a bank loan from Transilvania Bank in total value of EUR 20 million for a period of 42 months. The loan due date for reimbursement is August 30th, 2026. The bank loan contract contains pledges over 100% of the share capital and a corporate guarantee issued by the holding Company. As at 30 June 2023, the subsidiary have withdrawn the amount of EUR 2 million.

At the end of the reporting period, the directors of the Company have assessed the past due status of the debts under guarantee, the financial position of the debtors as well as the economic outlook of the industries in which the debtors operate and concluded that there has not been a significant increase in the credit risk since initial recognition of the financial guarantee contract.

The Company, have signed a pre-agreement for sale of shares held in the subsidiary, One Proiect 12 SRL. The Company undertakes to sell and transfer to the promissory purchaser the ownership right over the shares until February, 2024 and the promissory purchaser irrevocably undertakes to acquire the ownership over the shares under the terms, conditions, representations and warranties of the Company, as agreed in the shares sale pre-agreement.

The Romanian tax system is under continuous development, being subject to constant interpretations and changes, sometimes retrospectively applied. The statute of limitation for tax periods is 5 years. The Company management consider that the tax liabilities of the Company have been calculated and recorded according to the legal provisions.

NOTE 22. EVENTS AFTER THE REPORTING PERIOD

The Romanian Financial Supervisory Authority has issued the certificate of registration for financial instruments (CIIF) no. AC-5334-5/03.08.2023. The CIIF certifies the registration of share capital increase with 94,835,729 new shares that were issued as a result of the Decision of the Board of Directors no. 43 dated 12 May 2023 according to the delegation of such prerogative approved by the Resolution of the Extraordinary General Meeting of Shareholders no. 62 dated 26 April 2022.

The shares resulted from the share capital increase have been allotted to the beneficiaries of the stock options plans approved by decision of the Extraordinary General Meeting of Shareholders of the Company no. 50 of 18 May 2020, respectively by decision of the Ordinary General Meeting of Shareholders of the Company of 19 April 2021, each as supplemented and amended. After this transaction, One United Properties S.A.'s share capital is of RON 759,530,863 divided into 3,797,654,315 nominative shares with a nominal value of 0.2 lei per share.

On 04 August 2023, the company have also finalized the process of the registration of the new shares with the Central Depository and allocation to the stock option plan beneficiaries.

The interim condensed separate financial statements were approved by the Management of the Company, authorized for issue on 24 August 2023 and signed on its behalf by:

Victor Capitanu
Administrator

Valentin-Cosmin Samoila
Chief Financial Officer