

ANNUAL

REPORT

one.ro

one

UNITED PROPERTIES

2021



**One Tower**

165 Calea Floreasca, 12th floor, Bucharest, Romania, 014459



+40 31 22 51 000



investors@one.ro



www.one.ro

**ONE UNITED PROPERTIES S.A**

Registered office: 20 Maxim Gorki Street, District 1, Bucharest, Romania
(EUID) ROONRC.J40/21705/2007, RO 22767862

The consolidated and individual financial statements presented on the following pages are prepared in accordance with International Financial Reporting Standards, as adopted by European Union ("IFRS"). The consolidated and individual financial information as of December 31st, 2021, **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.

TABLE OF CONTENTS

2021 Annual Report of One United Properties S.A.

MESSAGE FROM THE FOUNDERS	4
MESSAGE FROM THE CHAIRMAN	5
COMPANY INFORMATION	6
SCOPE OF BUSINESS	8
GROUP STRUCTURE	14
SHAREHOLDERS AND ISSUED CAPITAL	16
ONE ON THE BUCHAREST STOCK EXCHANGE	17
ORGANIZATIONAL STRUCTURE	19
KEY EVENTS IN 2021	24
SALES ACTIVITY IN 2021	28
CONSOLIDATED FINANCIAL RESULTS	30
KEY FINANCIAL RATIOS	33
DIVIDEND POLICY	34
ESG MATTERS	35
2022 PROSPECTS	37
KEY FACTORS AFFECTING GROUP RESULTS	38
CONSOLIDATED STATEMENT OF PROFIT OR LOSS	44
CONSOLIDATED STATEMENT OF PROFIT OR LOSS – IN EURO	45
CONSOLIDATED BALANCE SHEET	46
CONSOLIDATED BALANCE SHEET – IN EURO	47
INDIVIDUAL STATEMENT OF PROFIT OR LOSS	48
INDIVIDUAL BALANCE SHEET	49
BVB CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT	50
DECLARATION OF THE MANAGEMENT	56

MESSAGE FROM THE FOUNDERS

Dear Stakeholders,

From the delivery of One Floreasca City and finalization of the first phase of One Cotroceni Park, the acquisition of landmark historical building for One Athénée, announcement of the new residential developments of One Lake Club and One High District, to our successful listing on the Bucharest Stock Exchange - 2021 was a year of milestones for One United Properties. We closed 2021 with historical annual turnover of RON 1.1 billion and a gross profit of RON 0.6 billion, with ambitious targets for 2022 to outperform these numbers.

We debuted on the stock exchange having a solid development plan based on the significant potential of the Bucharest residential and office market, with the intention to continue growing and seize a good part of this potential. The 2021 results validate the leading position that One United Properties holds in the market for premium residential and mixed-use developments. Bucharest continues to show extraordinary development potential. The excellent kick-off of One Cotroceni Park in the second half of 2021 proved the opportunity that One United Properties has in expanding its high-end brand into larger-scale medium to medium-high income developments. We will continue to invest in similar developments, such as One Lake District and One High District, where we will start construction in 2022.

In parallel, our office division continues growing strong as we have reached at the end of 2021 almost full occupancy of One Tower and 78% lease for the first office phase of One Cotroceni Park, which was completed in December 2021. Today, our office portfolio has a GLA of 101K square meters and we plan to reach by this yearend GLA of 136K sqm. We target RON 72 million in rental income in 2022, a significant increase compared to 2021, driven by our growing office portfolio and supported by the commercial component, represented by the majority stake we hold as of 2022 in Bucur Obor S.A.

One United Properties thrived last year, and the boost we got from our IPO is setting excellent premises for continued, strong performance in the years to come. The exceptional performance of our team is a confirmation to all our stakeholders that we are determined to maintain the leading position in the market for premium residential and mixed-use developments and to keep delivering consistent returns to our shareholders. In line with our dividend policy, the Board of Directors is proposing to the Annual General Meeting of Shareholders a distribution RON 75 million in gross dividends for 2021. In line with our dividend policy and considering the 36% net margin on residential developments in 2021, we will focus on the reinvestment of most of the profits to benefit from the market's growth opportunities and build additional value for all of you - our stakeholders.

We invite you to read our 2021 Annual Report, where you will find details about our activity last year. As a continuation to this report, in the first half of 2022, we will publish an additional report - the 2021 Sustainability Report, where you will get an insight on how One United Properties performed from the ESG-standpoint. Thank you for being **ONE** in 2021 and we look forward to an excellent 2022 on the Bucharest Stock Exchange!

Victor Capitanu
co-CEO



Andrei-Liviu Diaconescu
co-CEO



MESSAGE FROM THE CHAIRMAN

Dear shareholders, clients and colleagues,

2021 was an outstanding year for One United Properties, during which our company thrived in numerous regards, including its strategic and organizational development, business growth and profitability. While reporting four consecutive record-breaking quarters, we have succeeded in attracting both significant talents and direct investment at home and from abroad, while further reducing our group's leverage.

We have set ourselves the highest standards for sustainability, environmental impact and quality of both materials and architecture across all our projects. As a result of this commitment, our clients, investors, and staff look back on an exceptionally successful twelve-month period and the Board of Directors together with the group's management are ensuring that the periods ahead will be a continuation thereof.

Our confidence in the future of green, sustainable real estate has made ONE a frontrunner in this segment. While we are reaping the benefits thereof, we are equipping our business for the next growth chapter.

There were several important milestones in 2021, which have confirmed our confidence in our business model and showed the vast appreciation of our work by our clients and the financial markets. First, we have successfully completed an IPO and became the third largest Romanian entrepreneurial company listed on the Bucharest Stock Exchange. The IPO was oversubscribed in both institutional and retail tranches, with the guaranteed allocation retail tranche fully subscribed within less than one minute. Shortly thereafter, we were admitted to several indices of the Bucharest Stock Exchange, including the BET index, which follows the most liquid listed companies. Later in the year, the shares of One United Properties entered the FTSE Global All Cap and the FTSE Global Small Cap indices. Today, One United Properties is one of the most covered Romanian stocks.

Second, our business has reported an outstanding performance. Notably, we were able to increase our turnover by 109% year-on-year, reaching a historical milestone of RON 1.120 billion (EUR 228 million) in consolidated annual revenue. In both residential and office segments, revenue and profits grew significantly, enabling a nearly tripling of our consolidated gross profit to RON 604.4 million (EUR 122.9 million), while net profit reached RON 509.7 million (EUR 103.6 million). Importantly, our growth and performance were enabled by our exceptionally strong business and financial health. We have almost tripled our cash position to RON 508.4 million (EUR 102.7 million) and reduced our loan-to-value ratio by 6%, down to 24%.

Ultimately, an essential area that we have successfully addressed in 2021 was the enhancement of our internal corporate governance structures and processes. As a world-class corporation, we take the matters of corporate governance and investor relations with greatest responsibility. Accordingly, we have introduced a comprehensive framework to ensure that best-practice governance is thoroughly implemented and diligently managed across our group.

Looking ahead, our expertise in residential, mixed-use, and office real estate development and our focus and persistence in terms of both quality and sustainability of our developments, will continue to serve as our long-term foundation. These exceptional, invaluable assets will allow us to bring unique homes to families and sustainable spaces to businesses, while continuously delivering outstanding performance for our shareholders.

On behalf of the Board of Directors, we are proud to serve the ONE brand today and going forward, and we thank our clients, staff and investors for their continued support and dedication.

Claudio Cisullo

Chairman



COMPANY INFORMATION

One United Properties S.A. is the largest residential and mixed-use real estate developer 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 last but not least, very desired locations. All ONE buildings have superior certifications of sustainability, energy efficiency and wellness, and the developer is awarded at numerous galas and conferences in the field, both internationally and locally.



RESIDENTIAL

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



OFFICE

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



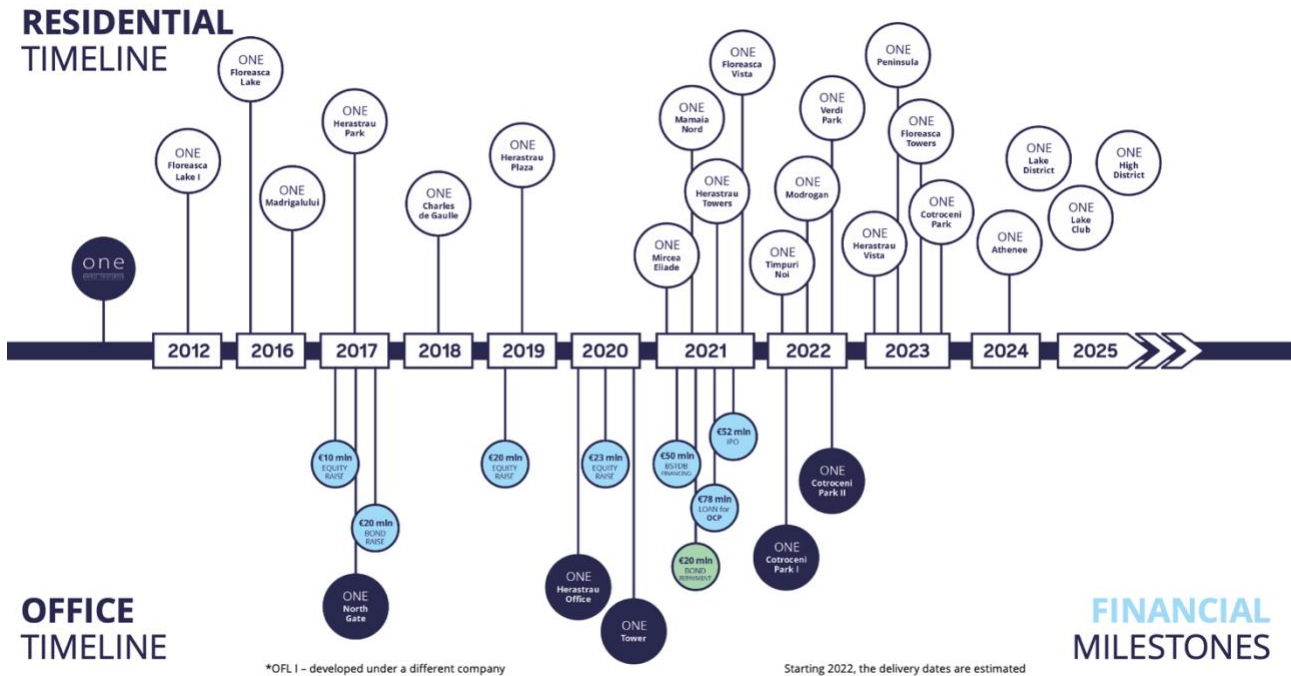
COMMERCIAL

Commercial 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 success. 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.

KEY MILESTONES

Victor Căpitanu and Andrei-Liviu Diaconescu started their real estate investment activity in 2000 and developed their first residential project in 2006. Starting with 2013, the Company started the real estate developments under the "One" brand.



SCOPE OF BUSINESS

STRATEGY OF PROFITABLE GROWTH

One United Properties' strategy is to invest in premium development opportunities with prospects of sustained returns and to consolidate the position of the ONE high-end brand on both the residential and offices market.

The main directions of action to achieve this are:

- Maintain leadership position in the residential, mixed-use and office real estate market in Romania;
- Leverage the strong high-end brand and reputation to expand addressable market into the medium-income customer segment while keeping strong margins and expanding geographically into all areas of Bucharest, and potentially into other major cities in Romania or in Europe;
- Continue to build revenue generating portfolio through development and, opportunistically, acquisition of premium office properties to benefit from the shift towards new, well located Class A offices;
- Maintain low-risk cash generation business model, while optimizing capital structure and enhancing returns to shareholders;
- Maintain the commitment to green and sustainable developments;
- Be one of the most active issuers listed on the Bucharest Stock Exchange, having contribution to bringing liquidity to the local capital market and supporting its reclassification to the Emerging Market.

RESIDENTIAL MARKET IN 2021

According to SVN's Bucharest Residential Market Q4 2021 Snapshot, issued in January 2022, 2021 was the best year in the modern history for the local residential market, with an absolute record of completed transactions, a probable record in deliveries and the best moments for contracting a mortgage loan and buying a new home. The market registered a 40% y-o-y increase in the number of residential units sold in 2021 in Bucharest and Ilfov and a 49% increase in the number of residential units sold in Romania overall. The record-high sales are due to the best in history accessibility of mortgage loans, the high inflationary context as well as overall desire of the population following the COVID-19 pandemic to move into larger homes.

In terms of deliveries, SVN estimates that the number of units delivered is similar to that in 2020, as the activity of developers remained at the same intense level during last year compared to 2020, when a record of deliveries was registered. SVN estimates that in 2021, the average price of new residential units increased 15% compared to 2020 and is expected to grow at the same rate in 2020. SVN estimates that the increase will be less felt on the middle market segment, which held over 40% of the new offer in 2021, because of the increase of price ceiling for which 5% VAT is applied.

RESIDENTIAL DEVELOPMENTS

As of December 31st, 2021, One United Properties had in construction phase developments with a total of 1,766 residential units, with a total estimated Gross Development Value (GDV) of EUR 606 million, which are estimated to bring gross profit of EUR 285 million. In parallel, as of December 31st, 2021, One United Properties had in planning phase developments with a total of 4,087 residential units, with a total estimated GDV of EUR 759 million, which are estimated to bring gross profit of EUR 304 million.

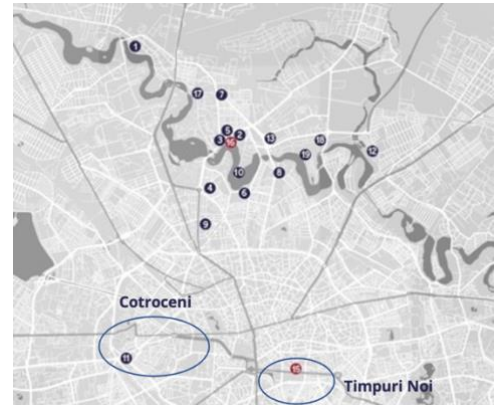
The target clients of One United Properties for the residential segment are:

- clients looking for developments located in the most exclusive areas of Bucharest (Herăstrău, Floreasca, Primăverii, Dorobanți, Kisseleff), built by developers with excellent reputation, significant expertise on the residential market, offering unique architecture and design and a superior quality of the product. These clients have monthly incomes of €5,000-10,000 per family, or more.
- clients looking for premium developments, located in central and semi-central areas of Bucharest, built by developers with excellent reputation, ideally a well-known brand, a consistent experience on the residential market, and offering very good quality of the product. These clients have monthly incomes between €2,000 -5,000 per family.

The residential market is divided into the following 4 tiers: ultra-high-end, high-end, premium (medium income) and affordable. One United Properties operates on the first 3 tiers. The developments of One United Properties are known for the quality of the buildings, premium finishing, impeccable design as well as excellent infrastructure and prime location. These are the key reasons why One United Properties is a sought-after brand by the clients who wish to find quality and healthy developments where they can settle with their families.

To diversify the client structure, One United Properties decided to develop in other sought-after districts, such as Cotroceni or Timpuri Noi. In these areas, the units are sold at lower prices per sqm compared to the Northern area of Bucharest, however still offering to clients the landmark design and quality for which One United Properties is known.

Superior interior design is at the core of ONE's business. All of One United Properties developments are distinguishable by the exceptional interior design, made by Lemon Interior Design. Lemon is a multi-award-winning interior design and fit-out company based in Bucharest. Lemon received awards such as: "Best Interior Design Private Residence Romania" and "Best Interior Design Apartment Romania" at European Property Awards 2019, "Visionary Design" at Casa de Lux Awards Gala, or "Best Design for Living Space" at 2014 ELLE Decoration Design Awards Gala. One United Properties has a strategic partnership with Lemon Interior Design through which all of ONE's clients, both on residential as well as office segment, benefit from complimentary interior design services offered by Lemon.



To serve all the market segments, One United Properties offers to clients three payment options for apartments that are under development at the time of signing the promise of sale – payment in full, equal instalments of 20% each, divided over the entire construction, or payment of 30% upon signing followed by 70% upon the completion of the development. The last option allows clients to access mortgages to finance the acquisitions, thus significantly widening the pool of potential clients.

RESIDENTIAL DEVELOPMENT PROCESS

Prior to deciding to acquire land for development, the management carries out a thorough analysis on the investment opportunity, which can last between 2-6 months. Only after the feasibility analysis, urban and legal due diligence, defining and seeking feedback from the market on the architectural concept, the decision on the investment is made.

The sale process of the housing units begins as soon as possible after the permitting of the land for development. There are cases when certain areas of a project are sold prior to the acquisition of the land for development, to attract the capital needed for the acquisition of the land. Sales made in the early stages of construction are used to supplement the financial resources needed in the execution of construction works and to boost the return on equity.

Promises of sale concluded with promising buyers include one of the following two payment options: a 30% advance upon signing and 70% payment upon delivery, well fitted for customers who want to access bank financing, or a payment of the price in equal instalments of 20% each, divided over the entire construction, with the latter resulting in almost full payment of the price after the signing of the sales contract for completed housing units. The option of 100% payment upon signing is also available. The sales strategy of the Group's subsidiaries usually aims at the progressive increase of the sale price as the development reaches certain stages in the execution of the construction works, reflecting the increase in value associated with the respective housing units.

One United Properties has proven experience in managing and controlling all stages of development and sale of a project and relies on a strict verification process before investing in a property and initiating the design and construction of a project. This experience is further enhanced by:

- the subsidiary real estate agency, Skia Real Estate, which is involved in each stage of the development of a residential project, primarily managing the sale, rental, and customer support in connection with the properties of One United Properties and its subsidiaries, and
- integrated architecture practice, provided by X Architecture and Engineering Consult, a One United Properties subsidiary, known as an innovative architecture firm in Romania, which allows it to combine intelligent design with business and technology management, both in the operational model and in developed buildings.

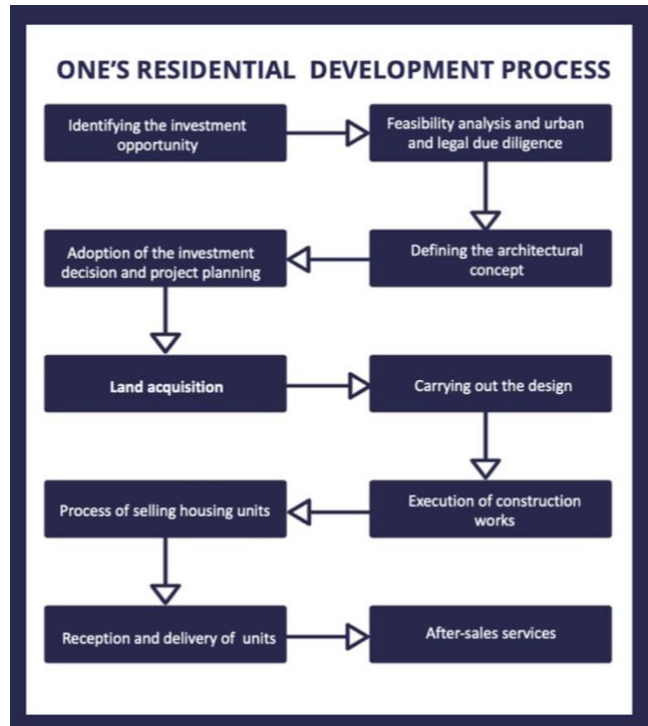
The business model of One United Properties includes the disciplined and systematized use of external contractors and subsidiaries, which allows the Company to have an increased capacity to absorb cyclical market movements, combined with control mechanisms that allow it to supervise and monitor external suppliers. The development process is organically embedded in the Company's values and is essential for its ability to deliver high quality products on time and cost-effectively.

SUSTAINABILITY OF THE RESIDENTIAL DEVELOPMENTS

One United Properties' priority is the constant improvement of ONE's developments' parameters to better serve the environment and consequently the communities. Each year the Company invests in reducing the negative environmental impact of its developments and to optimize environmental compliance. One United Properties innovates by using refined materials, improving its processes and always striving to educate its partners and inhabitants.

One United Properties is a member of Romanian Green Building Council (RGGC), an organization promoting environmental responsibility and energy efficiency. Since 2017, all residential developments of One United Properties are "Green Homes" certified by the RGGC, which require the full compliance with the following environmental criteria:

- sorting for recycling in site;
- reducing the heat effect through light-colored roofing and terraced spaces;
- the optimization of water consumption through efficient irrigation;
- connected to smart BMS systems;
- efficient low-flow sanitary units;
- the elimination of light pollution by the installation of LED lamps;



- the use of sustainable building materials such as brick (Caparol <1 g / l compared to the standard 30 g/l);
- education for sustainable operating scales of the building (energy efficiency, waste sorting, compost etc.).

OFFICE MARKET IN 2021

According to Cushman & Wakefield Echinox Bucharest Office Q4 2021 Marketbeat, in Q4 2021, there have been two new office buildings delivered in Bucharest, one of the two being the first phase of the One Cotroceni Park mixed-use development (46,000 sq. m GLA). This brought the total new supply in 2021 at 244,300 sq. m, corresponding to an increase of 57% compared with 2020.

Therefore, the office stock in Bucharest reached 3.19 million sq. m (excluding owner-occupier buildings), as the vacancy rate has slightly increased to 14.9%. There is still a wide gap pertaining to A and B class office buildings, with vacancy rates of 12.5% and 23% for A and B-class offices respectively.

A total leasing activity of 85,400 sq. m has been recorded in Q4 2021, thus bringing the total demand for 2021 to 298,300 sq. m, up 26% compared with 2020. Net take-up (excluding renewals) had an yearly share of 57%, a higher level than in the previous year (54%). The most active tenants in 2021 came from the Transport & Telecoms (31% market share of the total take-up), Medical & Pharma (14%) and Manufacturing / Industrial (7%). Considering the existing pipeline and the absorption potential of the currently available office spaces, there is a strong indication that yearly take-up volumes in excess of 300,000 sq. m will be the norm during the next 4- 5 years.

New office buildings totaling around 224,000 sq. m are currently under construction and are expected to be delivered in 2022 and 2023, a slightly reduced pipeline when compared with the 2020 – 2021 period. One Cotroceni Park Phase II is one of the most important deliveries announced for the following two years.

Regarding the prime headline rents in Bucharest, Cushman & Wakefield estimates these remained stable in Q4, ranging between €18.00-18.50/ sq. m/month in the CBD area, while values of €17.50-18.00/ sq. m/month are recorded in the Center and Floreasca - Barbu Vacarescu submarkets, as a small increase for the CBD area is expected by the end of 2022.

OFFICE DEVELOPMENTS

Building on its residential success, One United Properties entered the office segment in November 2017 through the acquisition of One North Gate. ONE focuses on development of Grade A offices, targeting a GLA of 136K sqm by the end of 2022. Out of that, 101K sqm were finished as of December 31st, 2021, and is represented by the leasable office space at: One Cotroceni Park Phase 1, One Tower, One North Gate and One Herăstrău Office. The total market value of the office segment as of December 31st, 2021 is EUR 279 million. Another 35K sqm are scheduled for completion at the end of 2022, following the delivery of One Cotroceni Park Phase II. The company estimates that on completion, the consolidated portfolio will have an estimated total market value of over €374m and will generate approx. €25m of rental income.

The growth within the ONE office portfolio is generated by three vectors:

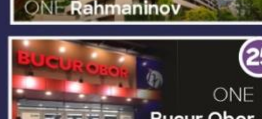
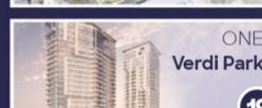
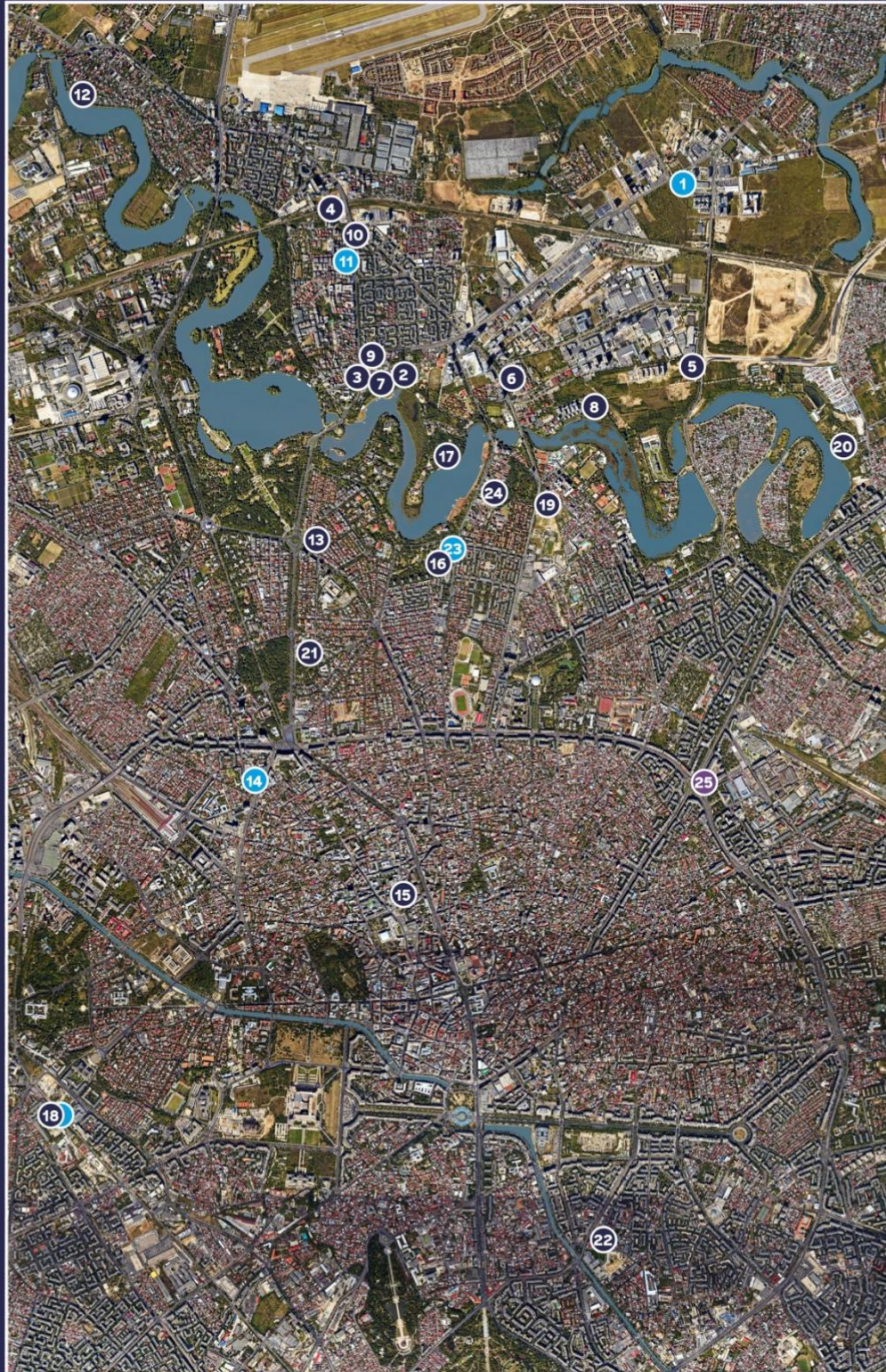
- The strong trend of corporates that are taking the opportunity of the pandemic period to redraw their entire corporate real estate strategy and to relocate from older generation buildings to new, modern ones, to upgrade;
- The need to provide sanitary comfort to talent, in order to attract them back to the office, hence the prioritizing of LEED and WELL certified properties;
- The need to access integrated functions like residential and commercial within the same development, thus reducing commute time and offering near house amenities;
- The strategy to follow a hub and spoke office distribution throughout the city, opening several new satellite offices to dramatically reduce commute time of the employees, promoting a near home office environment.

The office segment is of strategic importance for One United Properties as it envisages the medium to long-term rental of spaces (minimum 5 years, preferred 7-10 years contracts), offering a predictable recurrent revenue, complementing the residential development business model.

SUSTAINABILITY OF THE OFFICE DEVELOPMENTS

All office buildings developed by One United Properties are certified or pre-certified under WELL Health and Safety and LEED Platinum certification by the US Green Building Council, one of the most demanding certifications on the environmental impact and performance. In addition, the sustainability goal of the office portfolio is to become fully carbon neutral by end of 2022, undergoing LEED ZERO CARBON certification for all new office assets.

ONE UNITED PROPERTIES DEVELOPMENTS



GROUP STRUCTURE

One United Properties S.A. is the holding company of the Group. The Group's activity is carried out through the subsidiaries. The mother company supervises, co-implements as well as raises and provides funds for the implementation of the development projects.

The main subsidiaries of One United Properties S.A. are presented below. These companies were established or acquired with the purpose of performing certain tasks – either implementing specific developments, or assisting in the process of developing, leasing and/or selling apartments or office properties. As of December 31st, 2021, the Group consisted of 31 subsidiaries of full consolidation.

Name of the subsidiary	Activity	Ownership as of 31.12.2021
One Modrogan SRL	Real estate developer in Bucharest	99.99%
One Peninsula SRL	Real estate developer in Bucharest	100%
One Charles de Gaulle Residence SRL	Real estate developer in Bucharest	99.99%
One Herastrau Plaza SRL	Real estate developer in Bucharest	98.00%
One Verdi Park S.A.	Real estate developer in Bucharest	95.00%
X Architecture & Engineering Consult SRL	Architecture services for group and non-group projects	80.00%
One Mircea Eliade Properties SRL	Real estate developer in Bucharest	100%
One Long Term Value SRL	Real estate developer in Bucharest	98.00%
One Herastrau Towers SRL	Real estate developer in Bucharest	100.00%
One Cotroceni Park SRL	Real estate developer in Bucharest	80.00%
Skia Real Estate SRL	Operational services – project development	51.00%
One Lake District SRL	Real estate developer in Bucharest	98.00%
One North Gate SA	Real estate developer in Bucharest	62,405%
One United Tower SA	Real estate developer in Bucharest	70.24%
Neo ¹ Floreasca Lake SRL	Real estate developer in Bucharest	80.59%
Neo Mamaia SRL	Real estate developer in Constanta	82.33%
Neo Timpuri Noi SRL	Real estate developer in Bucharest	82.33%
Neo Herastrau Park SRL	Real estate developer in Bucharest	82.00%
One Floreasca Towers SRL	Real estate developer in Bucharest	99.98%
One Long Term Investments SRL	Real estate developer in Bucharest	100.00%
One Carpathian Lodge – Magura SRL	Boutique Hotel	66.72% ²
One Cotroceni Park Office SA	Real estate developer in Bucharest	57.25%
One Cotroceni Park Office Faza 2 SA	Real estate developer in Bucharest	57.25%
One Cotroceni Park Office Faza 3 SA	Real estate developer in Bucharest	80.00%
One Mamaia SRL	Real estate developer in Constanta	99.98%
One Lake Club SRL	Real estate developer in Bucharest	100%
One High District SRL	Real estate developer in Bucharest	100%
One Proiect 3 SRL	Real estate developer in Bucharest	100%

¹ As of November 2021, One United Properties decided to drop the NEO brand due to difficulty to position it at a competing level with ONE, despite the high quality and the design of the product. Consequently, all the developments that used NEO name were rebranded. New names are as follows: One Mamaia Nord (former Neo Mamaia), One Floreasca Vista (former Neo Floreasca Lake), One Timpuri Noi (former Neo Timpuri Noi).

² Stake held by One Long Term Investments SRL.

One Proiect 4 SRL	Real estate developer in Bucharest	100%
One Proiect 5 SRL	Real estate developer in Bucharest	100%
One Proiect 7 SRL	Real estate developer in Bucharest	100%

There were seven subsidiaries established in 2021: One High District SRL, One Lake Club SRL, One Carparhian Lodge-Magura SRL, One Proiect 3 SRL (to be renamed to One Athenee SRL) as well as three shell companies for future projects One Proiect 4, One Proiect 5 and One Proiect 7. Neo Properties Development SA was dissolved and consequently, One United Properties holds directly shares in former NEO subsidiaries to simplify the holding structure. Neo Downtown Properties SRL, a shell company, was sold.

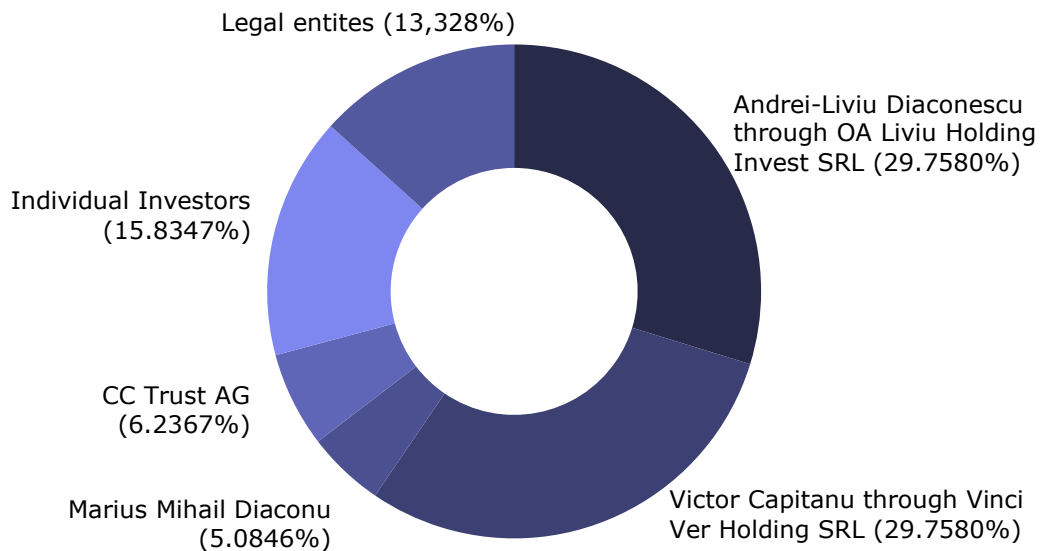
SHAREHOLDERS AND ISSUED CAPITAL

One United Properties S.A. is a joint-stock company incorporated in accordance with the laws of Romania. Following a successful IPO, during which the company raised RON 260 million, One United Properties listed on the Main Market of the Bucharest Stock Exchange on July 12th, 2021.

In 2021, the share capital of One United Properties was raised due to the IPO, which took place between June 22nd and July 2nd, 2021. Following the IPO, the share capital of One United Properties was increased with 130,007,085 ordinary shares, with a nominal value of RON 0.2 each, and a total nominal value of RON 26,001,417.

On December 20th, 2021, the bonus shares, distributed in proportion of 4 new shares allotted for every 5 ONE shares held, were loaded in the shareholders' accounts. Pursuant to this operation, the share capital of One United Properties is RON 514,828,058.80 divided into 2,574,140,294 ordinary shares with a nominal value of RON 0.2 per share.

Consequently, the share capital of One United Properties as of December 31st, 2021, was RON 514,828,058.80 divided into 2,574,140,294 shares with a nominal value of RON 0.2 per share. As of December 31st, 2021, One United Properties had 4,775 shareholders. The shareholding structure of the company was as follows:



Andrei-Liviu Diaconescu and Victor Capitanu, the founding shareholders of One United Properties are jointly the majority shareholders of One United Properties, each of them holding 29.7580% of the Company, with the free-float being 29.1627%. One United Properties held 791 shares, representing 0.00003% of share capital, as of December 31st, 2021.

This increase was due to the share capital increase operation and the payment of the bonus shares on December 20th, 2021. The 791 shares were attributed to One United Properties automatically by accumulating share fragments resulting from the algorithm used for the increase (5 to 4), which were paid in cash to shareholders. Therefore, One United Properties did not acquire these shares as they were loaded automatically because of the share capital increase operation. All shares were paid in full.

ONE ON THE BUCHAREST STOCK EXCHANGE

The Initial Public Offering for One United Properties shares took place between June 22nd and July 2nd, 2021. At the end of trading session on July 2nd, the final offer price per share was established, at RON 2.00 per share, thus setting the company's valuation post-IPO at RON 2.86 billion. During the IPO, One United Properties attracted RON 260 million from investors on the Bucharest Stock Exchange. The Company's shares floated on the Main Market of the stock exchange under symbol ONE on July 2nd, 2021.

Since the IPO on July 12th, 2021, ONE shares are consistently amongst the most traded financial instruments on the Bucharest Stock Exchange. The average daily traded value for ONE shares between July 12th and December 31st, 2021 was RON 1,858,448. As of December 31st, 2021, One United Properties had 4,775 shareholders, a 50% increase compared to the IPO.

The increase in the trading activity with ONE shares during 2021 was driven by multiple factors, such as inclusion of the shares in the local and the regional indices of reference, extensive research coverage of the company by local and international analysts and was further supported by Market Making services delivered by BRK Financial Group.

BET & FTSE indices inclusion

On September 20th, 2021, shares of One United Properties entered several indices of the Bucharest Stock Exchange: BET, BET-TR, BET-BK, BET-XT, BET-XT-TR and BET Plus. The most important of them, BET index, follows the evolution of most liquid companies listed on the Bucharest Stock Exchange (BVB), and it includes 20 blue-chip companies. The weight of One United Properties shares in the BET index is currently 1.68%. [More information HERE.](#)

On December 20th, 2021, the shares of One United Properties entered the FTSE Global All Cap index. The FTSE Global All Cap Index is a market capitalization-weighted index representing the performance of the large, mid, and small-cap stocks from global developed and emerging markets. Additionally, ONE shares were also added in the composition of FTSE Global Small Cap, the small-cap segment within the FTSE Global Equity Index universe, and FTSE Global Total Cap, which includes large, medium, small, and micro-companies. [More information HERE.](#)

Research Coverage

One United Properties is one of the most covered Romanian stocks, having 6 financial analysts: Dumitru Procopovici (BT Capital Partners), Camil Apostol (Goldring), Florin-Adrian Ciocoi, (Ipopema Securities), Adrian-Cosmin Patruti (Raiffeisen Bank), Alina David, (Swiss Capital) and Jakub Caithaml (Wood & Co).

Partnership with Raiffeisen Bank

As of January 3rd, 2022, One United Properties benefits from the market maker services Raiffeisen Bank International AG. The minimum volume corresponding to the firm bid-ask quotes provided by Raiffeisen Bank International is 100,000 shares, with the maximum spread between the bid and ask being 1.75%. Raiffeisen delivers the market making services during a minimum of 70% of a trading session. One United Properties continues to also benefit from MM services delivered by BRK Financial Group. [More information HERE.](#)

Moreover, under the agreement, Raiffeisen Bank International's affiliate Raiffeisen Centrobank AG also launched four structured products – two turbo certificates and two warrants with ONE shares acting as underlying. [More information HERE.](#)

In 2021, One United Properties did not buy back own shares. None of the subsidiaries of One United Properties held ONE shares as of December 31st, 2021.

One United Properties does not have any corporate bonds issued as of December 31st, 2021. In Q1 2021, One United properties repaid, 10 months before the maturity, unlisted corporate bonds in the amount of EUR 17 million to private debt fund CVI Dom Maklerski, along with Noble Funds TFI. The bonds had 4-year maturity and were repaid 10 months before reaching maturity. **[More information HERE.](#)**

ORGANIZATIONAL STRUCTURE

The General Shareholders Meeting is the highest decision body of the Company. The company is managed by a Board of Directors consisting of seven Members of the Board of Directors who are collectively responsible for the Company's strategy and development as well as oversee the Executive Management team.

The Company's operations are divided into several departments: Project Development, Architecture, Urbanism, Design, Financial, Legal, Sales, Leasing, Marketing, Aftersales, Investor Relations, Investments, Asset Management and Human Resources. One United Properties' organizational structure is presented below:



BOARD OF DIRECTORS

The Board of Directors of One United Properties consists of five non-executive members as well as two executive members, Victor Capitanu and Andrei-Liviu Diaconescu, the company's co-founders. Four members of the Board are independent, thus forming a majority.

The position of the Chairman of the Board of Directors was held by Mr. Dragos-Horia Manda until May 20th, 2021, when Mr. Claudio Cisullo was appointed the Chairman of the Board of Directors.

The Members of the Board of Directors as of December 31st, 2021, are presented below. The mandates of all the Members of the Board of Directors are set to expire on 31.05.2022.

CLAUDIO CISULLO

Chairman of the Board of Directors, independent



Born in 1964, Mr. Cisullo is the founder and Chairman of CC Trust Group AG, an internationally active family office invested in biotech, private aviation, leisure, pharmaceuticals, professional services, real estate, and technology sectors. With over 30 years of experience in corporate finance, M&A, venture capital and private equity, Mr. Cisullo ranks among the 300 wealthiest people in Switzerland and is an active investor on the Romanian residential and commercial property market.

Mr. Cisullo was appointed as Member of the Board of Directors of One United Properties on 28.09.2020 and President of the Board of Directors of One United Properties on 20.05.2021 and his current mandate is until 31.05.2022.

Number of ONE shares held on 31.12.2021: 160,541,694, held through CC Trust Group AG.

VICTOR CAPITANU

Executive Member of the Board of Directors



Born in 1979, Victor is the co-founder and Executive Member of the Board of Directors at One United Properties, coordinating Sales, Marketing, and Investments.

Victor is a CFA charter holder, with a degree in Financing & Banking from Bucharest Academy of Economic Studies and has attended an Executive Private Equity Program at Harvard University and an Executive program at Singularity University in Silicon Valley.

Victor Căpitanu was appointed as Member of the Board of Directors at One United Properties on 09.05.2016.

Number of ONE shares held on 31.12.2021: 766,012,422, held through Vinci Ver Holding SRL.

ANDREI-LIVIU DIACONESCU

Executive Member of the Board of Directors



Born in 1975, Andrei is the co-founder and Executive Member of the Board of Directors of One United Properties, coordinating Operations, Financial and Legal. Andrei holds an EMBA from ASEBUSS and an International Law Degree from the University of Macedonia, Thessaloniki.

Andrei Diaconescu was appointed as Member of the Board of Directors at One United Properties on 09.05.2016

Number of ONE shares held on 31.12.2021: 766,012,422, held through OA Liviu Holding Invest SRL.

MARIUS MIHAIL DIACONU

Non-executive Member of the Board of Directors, independent



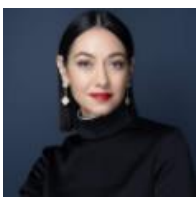
Born in 1973, Mr. Diaconu is an active investor and executive with an experience of 20+ years. His projects cover animal health, real estate, IT, agriculture, entertainment, industrial services, and have been developed in Europe, Asia, and the US. Marius is the founder (1999) and CEO of Altius SRL, a market leader for animal health products and the largest importer in Romania, with a regional presence including Bulgaria and Moldova. Mr. Diaconu holds a degree in Marketing from Bucharest Academy for Economic Studies (1997).

Mr. Diaconu was appointed as Member of the Board of Directors of One United Properties on 28.09.2020.



Number of ONE shares held on 31.12.2021: 130,885,047.

ADRIANA-ANCA DAMOUR

Non-executive Member of the Board of Directors, independent



Born in 1976, Ms. Damour is the CEO at DCraig Real Estate. A former Member of the Executive Board of Carrefour Romania, she coordinated the company's business expansion activities. Previously, she held various director positions at Carrefour Property Romania, leading the expansion & development teams in supporting one of the fastest expansions of Carrefour Group. Ms. Damour earned an MBA at IMD in 2012, after graduating Science PO (IEP Paris) in 2002, and a Summa cum Laude degree at French Romanian Institute of Business International Law in 2000.

	<p>Mrs. Damour was appointed as Member of the Board of Directors of One United Properties on 09.05.2016</p> <p>Mrs. Damour did not hold any ONE shares on 31.12.2021.</p>
	<p>GABRIEL-IONUT DUMITRESCU</p> <p>Non-executive Member of the Board of Directors</p> <p>Born in 1970, Mr. Dumitrescu is a pioneer in the Romanian real estate industry and one of the most experienced office RE specialists in the country. He founded Eurisko (1997), a local RE broker that grew in ten years to \$14m in revenues, and BSS (2003), the largest RE management firm in Romania. After exiting these businesses, Mr. Dumitrescu set up Element Development (2008), one of the most active RE developers in Romania, and partnered with OUP to build the firm's office division.</p> <p>Mr. Dumitrescu was appointed as Member of the Board of Directors of One United Properties on 09.05.2016.</p> <p>Mr. Dumitrescu did not hold any ONE shares on 31.12.2021.</p>
	<p>DRAGOS-HORIA MANDA</p> <p>Non-executive Member of the Board of Directors, independent</p> <p>Born in 1960, Mr. Manda is chairman of Patria Bank's Board of Directors and Managing Partner of Axxess Capital. He has 17+ years of private equity experience in S-E Europe and an impressive track record as Chairman / member of the Board of various PE funds such as the Romanian American Enterprise Fund, Balkan Accession Fund and Emerging Europe Accession Fund. In his career, Mr. Manda has overseen capital investments of €200+ million in industries such as IT, retail, financial services, energy, and manufacturing.</p> <p>Mr. Manda was appointed as Member of the Board of Directors of One United Properties on 24.04.2019.</p> <p>Number of ONE shares held on 31.12.2021: 6,642,958.</p>

None of the Board Members of One United Properties were banned by a court from serving as a member of the board of directors or supervisory board of a company in the last 5 years, nor has there been any cases of insolvency, liquidation, bankruptcy or special administration of in any of the Companies where the above persons were members of the board of directors or supervisory board. In the last 5 years, there have been no litigations or administrative procedures in which the Board Members of One United Properties has been involved in the context of their activity within the issuer, or regarding their ability to fulfil their duties within the issuer. There is no agreement, understanding or family connection between any of the Board Members and any other person due to whom he was appointed as the administrator of the company.

CONSULTATIVE COMMITTEES

The Board of Directors established the Remuneration & Compensation Committee, Risk & Audit Committee as well as Internal Audit in 2021, ahead of the IPO.

Both the Remuneration & Compensation Committee and the Risk & Audit Committee comprise of three members of the Board of Directors, of which one is elected chairman.

The members of the Risk and Audit Committee as of December 31st, 2021, were:

- Dragos-Horia Manda, Chairman
- Marius-Mihail Diaconu, Member
- Adriana-Anca Damour, Member

The members of the Nomination and Remuneration Committee as of December 31st, 2021, were:

- Claudio Cisullo, Chairman
- Victor Capitanu, Member
- Marius-Mihail Diaconu, Member

EXECUTIVE MANAGEMENT

The bios of Victor Căpitanu and Andrei-Liviu Diaconescu, who act as co-CEOs of One United Properties, are presented above.



COSMIN SAMOILA

Chief Financial Officer

Cosmin is One United Properties' CFO since 2021. He has over 17 years of experience in multiple regions and business lines. He was for 4 years the CFO of Sixt Romania Group and 10 years at Adama Holding Group (part of Immofinanz AG) where, as Head of Controlling and Managing Director he has coordinated all financial aspects of more than 60 assets, located in Romania and several countries in SE Europe. Cosmin began his professional career at Ernst & Young, where he was a senior auditor. He graduated the Academy of Economic Studies, is a certified expert accountant in Romania and a fellow member of ACCA.

Number of ONE shares held on 31.12.2021: 275,535.



BEATRICE DUMITRASCU

CEO Residential Division

Beatrice joined One United Properties in 2013 as the sales manager. She is a highly skilled real estate executive. She started her real estate career in 2005 at Eurisko, as Residential Broker. Two years later, she became the Head of the Residential Department, with a portfolio of over 5,000 residential units for sale. Eurisko was acquired by CB Richard Ellis in 2008 for \$35 million. Since then, Beatrice built a career with some of the largest Romanian residential developers, such as Conarg Real Estate, Adama, Sirius International, Tiriac Imobiliare, RO-IS International Development, Romconsulting, Anchor Group and even acting independently for two years.

Number of ONE shares held on 31.12.2021: 272,397.



MIHAI PADUROIU

CEO Office Division

Mihai joined One United Properties in November 2019. He has a long career in the local real estate market, in some of the largest international consulting companies. During his 13-year activity in real estate, he was involved in numerous relocation processes for both multinational and local companies, trading over 500,000 sqm of offices throughout this period.

Mihai holds a degree in International Economic Relations from the Academy of Economic Studies and is a member of the 2016 RICS (Royal Institution of Chartered Surveyors).

Number of ONE shares held on 31.12.2021: 126,000 held through PMA PRIME PROPERTY CONSULTING SRL.

VICTOR SAVI-NIMS

Chief Legal Officer



Victor has been One United Properties Chief Legal Officer since December 2019. He is a seasoned lawyer with a strong business acumen gained by coordinating integrated real estate and construction, M&A, banking/financing as well as corporate & commercial legal services. He worked with Mitel & Partners, handling international clients in real estate and M&A projects, and with the Alexandrion Group, coordinating the Legal Department. He graduated from the Bucharest Nicolae Titulescu Law School and holds an LLM degree in Business Law and an MSc degree in Ecology and Sustainable Development from the University of Bucharest – UNESCO Cousteau Chair. Victor is a member of the Bucharest Bar and of the Romanian National Bar Association.

Number of ONE shares held on 31.12.2021: 277,920.

None of the members of executive team were in the past 5 years forbidden by the court to fulfil the position of a Member of a Board of Directors or Supervisory Board. In past 5 years, there were no cases of insolvency, liquidation, bankruptcy, or special administration of companies where the executive members sat on the Board of Directors or Supervisory Board. None of the executive managers carries professional activity which would compete with that of the issuer.

EMPLOYEES

As of December 31st, 2021, the Group had 88 employees (out of that 83 FTE), all of whom are based in One United Properties' head office in Bucharest, Romania. Out of all employees, 95% had a university degree, with 5% holding as of end of 2021 the high school diploma. One United Properties has among its employees University students who hold junior roles within the company, who are currently in the process of obtaining their university degree.

At the level of One United Properties and its subsidiaries there are no organized unions and no collective bargaining agreements have been concluded.

The Group also had 65 collaborators.

BUSINESS PARTNER RELATIONS

In its day-to-day activity, One United Properties collaborates with many contractors. In 2021, One United Properties collaborated with approximately 850 third-party suppliers, out of which approximately 11% were important suppliers.

On operations & development side, these include construction companies, architects and building planners, building material, furniture and fit-out companies, technical consultants, real estate agents, utility providers, facility providers and other specialist providers (security, waste removal, etc.). Out of all these partners, a particularly important group are the contractors who develop One United Properties projects. On the corporate side, One United Properties collaborates on a regular basis with lawyers, auditors, evaluators, corporate and business advisors, and specialists in particular areas. In 2021, there were no particular changes to the supply chain of One United Properties.

KEY EVENTS IN 2021

BUSINESS HIGHLIGHTS

Acquisition of land for One Lake Club

In June 2021, One United Properties acquired a land with surface of 2.1 ha with direct opening to Lake Tei and close to Floreasca Quarter and One Verdi Park, where One Lake Club - a high-end gated residential compound - will be built. So far the Group made the down payment of EUR 3 million. The remaining sum will be paid in maximum 2 years, but not later than after the issuance of the building permit. [More information HERE.](#)

Conclusion of a pre-SPA for land for One High District

In June 2021, One United Properties concluded pre-SPA for land plot of 2.5 ha, where will be built One High District a new high-rise compound in the heart of Bucharest's 2nd District, with easy access to the Floreasca quarter, situated on the newly enlarged Fabrica de Glucoza road. The land will be paid partially in cash and mostly in exchange for apartments, upon the completion of the development. [More information HERE.](#)

Completion and start of delivery to final clients of One Mircea Eliade

In the second quarter of 2021, One Mircea Eliade, the residential component of the mixed-use development One Floreasca City, together with the office component, One Tower were delivered. One Mircea Eliade comprises 244 apartments, over 1,000 sqm of commercial spaces and over 540 parking spaces, located in 3 towers with a height regime of 15 floors (2 towers) and 20 floors (1 tower), with a total built area of approximately 61,000 sqm.

Tenants started to move into their new offices at One Tower

In H1 2021, One Tower was delivered. Located in the center of the Floreasca Quarter of Bucharest and in the immediate vicinity of Floreasca Park, One Tower is one of the 4 towers that form the One Floreasca City development. All 4 buildings have underground parking, green areas and common pedestrian spaces, high-end restaurants and bistros. Each of the buildings is designed to operate independently. As of December 31st, 2021, One Tower was 85% leased.

One Tower is included in the category of Class AAA office buildings and has GF+16 floors, with an innovative post-tensioned structure (without interior pillars and beams), and also it is pre-certified LEED Platinum v4, the highest Green and Sustainability certification level in the world.

Completion of the construction of One Mamaia Nord – Phase I

In H1 2021, the construction of One Mamaia Nord, one of the most exclusive residential developments on the Black Sea, located in the Northern part of Mamaia (Constanța), the most sought-after holiday resort on the Romanian coast, was completed. The residences include 50 apartments with direct opening to the beach, underground parking and a signature lobby. Land plots for the next 5 phases were secured in H1 2021, and we are in process of permitting the second phase.

Building permit for the residential development issued for One Cotroceni Park

In April 2021, One United Properties received the construction permit for the residential component of One Cotroceni Park, a mixed-use real estate development that includes residences, commercial spaces, and offices. Developed on a part of the total land area of 5.8 hectares, One Cotroceni Park will have over 800 apartments and approx. 16,000 sqm of commercial spaces on their ground and first floors. Currently this is the largest development under construction in Romania. [More information HERE.](#)

Acquisition of One Athénée historical monument

On September 2nd, 2021, One United Properties announced the acquisition of a building located at 2 Georges Clemenceau Street, District 1, Bucharest, near the Romanian Athenaeum for EUR 4.9 million plus VAT. The building will be used for a new development of the Company - One Athénée, with estimated gross development value of EUR 24 million. Classified as a historical monument, the building will be entirely renovated by the Group. One Athénée is the first development of One United Properties where the company purchased a cultural monument with a goal to protect and rehabilitate the cultural heritage of the center of Bucharest. [More information HERE.](#)

Acquisition of One Carpathian Lodge

On October 1st, 2021, One United Properties announced the acquisition of a majority stake in a boutique hotel located in Buzau country, One Carpathian Lodge. The lodge has a unique location surrounded 360 degrees only by forest for as far as the eyes can see. One Carpathian Lodge, together with a 49ha of forest and 7ha of land for development, will be operated on a 10-year lease by Le Manoir, a fine gastronomy business group. The medium-term target is to transform it into the first Relais & Châteaux lodge in Romania, after new investments will be made. The value of the transaction amounted to EUR 2.27 million euro. The lodge is expected to be operational for guests before the end of 2023. The Group targets further investments to increase the room capacity of the lodge. [More information HERE.](#)

Financing agreement for OCP

On July 26th, 2021, the Group announced the conclusion of a financing agreement up to EUR 78 million for the office component at One Cotroceni Park project. The financing banks are BCR, BRD Group Société Générale and Erste Bank A.G., and the loan maturity is 7 years. The loan has been granted to One Cotroceni Park Office S.A. (c. EUR 40 million) and One Cotroceni Park Office Phase 2 S.A. (c. EUR 28 million) as borrowers. A VAT facility of EUR 9 million was also part of the agreement. [More information HERE.](#)

Indirect acquisition of a controlling stake in Bucur Obor S.A.

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, 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, BO Retail Invest S.R.L. acquired a 54.4351% of the share capital of Bucur Obor, against a sum of RON 64,935,000 (price per share: RON 8.918). 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. The acquisition of a majority stake in Bucur Obor is in line with One United Properties' strategy to increase the share of the profits from rental activity in the total profits of the Company. [More information HERE.](#)

Handover One Cotroceni Park Office Phase 1

On January 17th, 2022, the Group informed the market about the handover of One Cotroceni Park Office Phase I, a commercial and office development located in Bucharest. The development has a total Gross Leasable Area (GLA) of 46,000 sqm. At the time of publishing this report, 78% of the office and commercial spaces have been leased. [More information HERE.](#)

The Company's current portfolio includes 101,000 sqm of office space, and it includes One Tower, One Cotroceni Park Office Phase 1, One Herastrau Office and One North Gate, and will reach GLA of 136,000 sqm after delivery of One Cotroceni Park Office Phase 2.

GOVERNANCE HIGHLIGHTS

OGSM & EGSM from April 19th, 2021

The key items voted in the OGSM included (a) the approval individual statutory financial statements for the financial year concluded on 31.12.2020, the consolidated financial statements at group level for the year concluded on December 31, 2020 as well as of the related administrators' reports, (b) the approval distribution of dividends of RON 49,243,000 for fiscal year 2020, (c) the approval of the algorithm proposed by the Board of Directors with respect to awarding of certain bonifications to the executive members of the Board of Directors materialized in granting a package of shares of maximum 5 % of the share capital, which will be vested in the following 5 years.

The key items voted in the EGSM included (a) the approval of the listing of the company on the regulated market of the Bucharest Stock Exchange, initially as a secondary offering of shares and (b) conclusion by One Peninsula S.R.L., a subsidiary of the company, of the credit facility amounting to EUR 15,000,000.

OGSM & EGSM from May 26th, 2021

The key item voted in the OGSM included the approval of the consolidated financial statements at group level for the year concluded on December 31, 2020, adjusted to the requirements and auditor's standards of in relation to the listing.

The key items voted in the EGSM included the (a) approval of the creation of two classes of shares within the company, Class A and Class B (which was meant to offer 5 votes per share for a package of shares representing 25 % of the share capital of the company) [this operation was retracted by the EGMS held on 8 June 2021] and (b) approval of contracting a loan facility amounting to EUR 78 million by One Cotroceni Park Office S.A. and One Cotroceni Park Office Faza 2 S.A. two subsidiaries of the company.

Appointment on Mr Claudio Cisullo as Chairman of the Board of Directors

In May 2021, the Company announced the election of Claudio Cisullo as Chairman of the Board of Directors starting with May 20th, 2021. [More information HERE.](#)

EGSM from June 8th, 2021

The key item voted in the EGSM was the approval of the share capital increase of the Company in the context of the listing on the regulated market of the Bucharest Stock Exchange.

OGSM & EGSM from September 10th, 2021

On September 10th, 2021, One United Properties held the Ordinary and Extraordinary Meetings of the Shareholders. The key items approved in the OGMS included the distribution of dividends in the aggregate amount of RON 32.5 million to the Company's shareholders, from the profit undistributed for the previous financial years, and the appointment of Mr. Daniel Dines or a suitable representative as a permanent invitee to the Board of Directors Meetings.

In the EGMS, the shareholders approved the share capital increase operation with the amount up to RON 228.8 million and issuance of up to 1,144,062,353 new shares with a nominal value of RON 0.2 per share through the incorporation of approximately 80% of the share premiums from the IPO that took place between June 22nd and July 2nd, 2021. The new shares were distributed in a proportion of 4 new shares for every 5 shares held, to shareholders who held ONE shares on the registration date of December 17th, 2021. [More information HERE.](#)

Dividend payment

On October 11th, 2021, the Company paid to its shareholders dividend for H1 2021 in the total amount of RON 32.5 million (gross dividend of RON 0.022726034 per share, annualized dividend yield of 2.3%), from the profit undistributed for the previous financial years. One United Properties has a dividend policy of distribution of up to 35% of gross consolidated profit to the shareholders. The company has paid out dividend to the shareholders in the last 5 years and intends to continue to pay dividends, semi-annually.

Maintenance of the single class share structure

On November 4th, Victor Capitanu and Andrei-Liviu Diaconescu informed the Board of Directors of the Company that they decided to waive their right to be awarded the B class shares. The Board of Directors acknowledged this decision, and, on the same day, informed the market that the Company will maintain the existing, single class-share structure, which confers all shareholders one voting right per each share held. [More information HERE.](#)

Joining UN Global Compact

On December 6th, 2021, One United Properties informed the market about joining United Nations Global Compact, the largest corporate sustainability initiative in the world. By joining the UN Global Compact, One United Properties pledged to support the Ten Principles of the UN Global Compact on human rights, labor, environment, and anti-corruption, as well as committed to regular reporting on progress. [More information HERE.](#)

One of the first initiatives signed taking into consideration the UN Global Compact, was the partnership signed by One United Properties with Veolia Romania Solutii Integrate S.A. to implement sustainable energy solutions in One United Properties' residential developments. The first two developments to benefit from this partnership are One Lake District and One Peninsula. [More information HERE.](#)

Publishing of the first Sustainability Report

Joining UN Global Compact is part of a larger sustainability strategy of One United Properties, Romania's leading green developer. In this context, at the end of December 2021, One United Properties issued its first Sustainability Report, for 2020. The Report aims to provide all the Company's stakeholders with an insight and a reference point on the Environmental, Social and Governance aspects in the year preceding the IPO on the Bucharest Stock Exchange. One United Properties will publish Sustainability Report on an annual basis. [Read the 2020 report HERE.](#)

SALES ACTIVITY IN 2021

RESIDENTIAL SALES

699 apartments with a total surface of 62,514 sqm, 926 parking spaces and 69 commercial spaces and other units were sold and pre-sold for a total of EUR 202.2 million in 2021. In the same period of 2020, the Group pre-sold 184 apartments, with a total surface of 28,915 sqm, 249 parking spaces and 7 commercial spaces and other units for a total of EUR 94 million.

In 2021, the most sought-after apartments were 2 rooms apartments, which registered a 630% surge in demand, followed by 3 rooms flats, for which the demand increased 137%. The increase for these two types of apartment flats was driven by the excellent sales in One Cotroceni Park. The sales per apartment type is presented below:

Apartment type	31.12.2020	31.12.2021	Δ %
Studio	0	11	100%
2 rooms	64	467	630%
3 rooms	57	135	137%
4 rooms	49	74	51%
5+ rooms / villas	14	12	-14%
TOTAL UNITS SOLD⁴	184	699	280%

The sales have taken off in 2021 primarily due to the kick-off of sales in the second half of year for One Cotroceni Park. In H2 2021, the Group sold⁴ 479 out of 868 residential units available, significant majority of the units being two-room flats. The development has estimated completion date in Q4 2023, and it is the largest development to date of One United Properties and currently the most important one in the promising medium- to medium-high client segment.

Moreover, in 2021 the Group registered an almost 10-fold increase in sales⁴ of apartments at One Verdi Park, a project with 334 residential units, estimated to be delivered in Q4 2022. A significant uptake in sales was also registered for other developments set to be delivered in 2022: 69% increase in sales at One Modrogan and 44% at One Floreasca Vista (former Neo Floreasca Lake³) as well as 43% increase for One Peninsula, which is due in Q2 2023. These increases were offset by the slowdown in sales of already delivered or soon-to-be delivered developments that are in majority already sold, namely One Mircea Eliade, One Mamaia Nord (former Neo Mamaia¹), One Herastrau Towers and One Timpuri Noi¹.

Development	Delivery	31.12.2020	31.12.2021	Δ %
One Mircea Eliade	Q4 2020	28	22	-21%
One Mamaia Nord	Q1 2021	15	1	-93%
One Herastrau Towers	Q4 2021	11	4	-64%
One Timpuri Noi	Q1 2022	49	12	-76%
One Floreasca Vista	Q2 2022	16	23	44%
One Verdi Park	Q4 2022	11	103	836%
One Modrogan	Q4 2022	13	22	69%
One Peninsula	Q2 2023	23	33	43%
One Cotroceni Park	Q4 2023	18	479	2561%
TOTAL UNITS SOLD⁴		184	699	280%

Residential sales presented above do not include the pre-sales to early clients (lower margin sales that help finance land acquisition). Those are units (apartments, parking spaces and commercial spaces) that the Group pre-sold to early clients on developments that still need to receive building permits. The total value of these sales in 2021 was EUR 53.6 million, vs. EUR

³ As of November 2021, One United Properties decided to drop the NEO brand due to difficulty to position it at a competing level with ONE, despite the high quality and the design of the product. Consequently, all the developments that used NEO name were rebranded. New names are as follows: One Mamaia Nord (former Neo Mamaia), One Floreasca Vista (former Neo Floreasca Lake), One Timpuri Noi (former Neo Timpuri Noi).

⁴ Sales and sold units contain both sold and pre-sold units

8.6 million in 2020, a 522% increase.

LANDBANK

As of December 31st, 2021, One United Properties had 159,000 sqm of land plots for further residential development under permitting and in the planning phase (the latter with an estimated start of construction in 2022), in Bucharest and in Constanta (Mamaia). The Group estimates construction of more than 4,000 apartments on these land plots.

Besides the owned landbank, the company has a strong pipeline of new plots of land for further development.

CONSOLIDATED FINANCIAL RESULTS

KEY FINANCIAL HIGHLIGHTS

- **A 109% increase in consolidated turnover⁴** of One United Properties compared to 2020, as the Group reached historical milestone of annual **RON 1.120 billion** in revenues.
- Annual revenues from **residential segment** reached **RON 703.3 million** in 2021, a 61% increase. **Net margin** of residential segment reached **36%**, a 1pp increase vs 2020.
- Revenue and profits from the development of **office buildings** increased 412% in 2021, reaching **RON 298.6 million** due to advanced development of office buildings and increase in lease and prelease of office spaces. The income from the office division reached RON 11.8 million, a 608% increase.
- **Net G&A expenses** grew 21%, from RON 33.4 to RON 40.5 million, driven by operating costs of finalized residential buildings and by increase in CSR activities (sponsorships, fully deductible from taxes). **Administrative expenses** grew only 8%, reaching RON 32.4 million, despite a significantly larger scale of business and operations. **EBITDA** surged 182%, reaching **RON 612.7 million** in 2021.
- **Gross result** reached **RON 604.4 million** in 2021, 192% increase compared to 2020 while bottom line increased 188%, reaching **RON 509.7 million**.
- **Cash position** increased 197% 2021, to **RON 508.4 million** as of the end 2021.
- **Loan to value** ratio amounted to 24% at the end of 2021, a 6pp decrease compared to December 31st, 2020, proving solid financials and low leverage of the Group compared to European peers.

EARNINGS ANALYSIS

Consolidated annual turnover of One United Properties reached the historical milestone of RON 1.120 billion, a 109% increase compared to 2020. The doubling of the turnover was driven primarily by a 61% increase in the revenues from the sale of residential properties, which reached RON 703.3 million in 2021. The net income from residential sales amounted to RON 251.7 million in 2021, a 64% increase compared to 2020, generating a net margin for the residential segment of 36%, a 1pp increase compared to 2020.

Revenue and profits from the development of office buildings increased 412% in 2021, reaching RON 298.6 million due to the advanced development of office buildings, with the main impact being generated by the reception of One Cotroceni Park Office Phase 1, finalization of structural works for OCP Office Phase 2, One Tower starting to bring significant rental income as well as increase in leased and preleased surfaces. The value is appraised by the independent evaluator Colliers.

The income from the office division reached RON 11.8 million, a 608% increase. Most of the revenue was generated in H2 2021 alone due to the tenants moving to the One Tower office building. As of 31.12.2021, One Tower had 85% occupancy. The rental income will continue to grow in 2022 following the reception in December 2021 of One Cotroceni Park Phase 1 (at the time of publishing this report, leased at 78%), almost full lease of One Tower (at the time of publishing this report, leased at 94%) as well as the consolidation of the results of Bucur Obor.

Net G&A expenses grew 21%, from RON 33.4 to RON 40.5 million, driven by operating costs of finalized buildings and the increase in CSR activities. Administrative expenses increased only 8%, reaching RON 32.4 million, despite a significantly larger scale of business and operations, while other operating expenses increased 185%, amounting to RON 10.7 million, increase driven

⁴ Turnover includes revenues from sales of residential property, rental income, revenues from services to tenants, gains from investment property and other operating income.

primarily by the property costs of the finalized residential buildings and the donations and sponsorships that are fully deductible from income tax. The inclusion of running costs of residential developments in other operating expenses is caused by the fact that One Mircea Eliade has not yet been fully sold.

EBITDA grew 182%, from RON 217.3 to RON 612.7 million. The gross result reached RON 604.4 million, a 192% increase compared to 2020 while the bottom line increased 188%, reaching RON 509.7 million. The income tax for 2021 amounted to RON 94.7 million, of which RON 15.7 million is the actual expenditure and the remaining amount represents the deferred tax on profit, generated primarily by earnings from the valuation of the real estate, which will become taxable only upon sale of these properties, if the case may be.

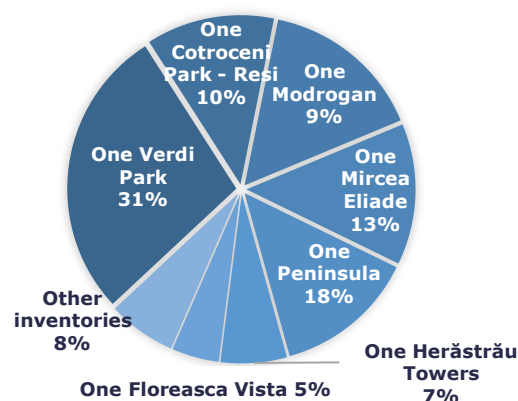
Selected P&L positions (RON)	2020	2021	Δ %
Revenues from sales of inventory property	437,503,724	703,317,672	61%
Gains from development of office buildings	58,349,105	298,636,043	412%
Rental income	1,313,724	6,544,367	398%
Revenues from services to tenants	355,719	5,277,520	1384%
Other operating income	1,377,287	5,688,365	313%
Gains from increase of value of office buildings	3,739,093	44,364,366	1087%
Gains from increase of value of landbank	34,165,272	56,187,770	64%
Cost of sales of residential property	(284,286,135)	(451,583,531)	59%
G&A Expenses	33,406,620	40,497,150	21%
EBITDA	217,325,786	612,655,241	182%
EBT	206,658,661	604,418,805	192%
Net profit	176,936,343	509,687,153	188%

ASSETS

Total assets increased 64% in 2021, reaching RON 2.797 billion. The non-current assets increased 42%, reaching RON 1.493 billion, driven by a 43% increase in investment properties which reached RON 1.449 billion as of 31.12.2021 due to the reception of One Cotroceni Park Office Phase 1, finalization of the structure on OCP Office Phase 2 as well as reaching almost 90% occupancy in One Tower (all these items also impacting the gains from the development of the office buildings in the financial statements). The current assets almost doubled, reaching RON 1.304 billion, driven primarily by tripling of the cash and cash equivalents (RON 508.3 million as of 31.12.2021), 92% increase in trade receivables (RON 201.4 million) and 34% increase in residential properties.

The increase in the residential properties, from RON 257.3 million, to RON 344 million was generated by construction of residential developments and the partial reclassification from investment properties of One Cotroceni Park and the reclassification of the office component of One Verdi Park, where the second of the two towers was authorized for residential development.

Residential Property in '000 RON	31.12.2020	31.12.2021
One Verdi Park	10.459	105.693
One Cotroceni Park - Residential	-	35.007
One Modrogan	57.636	29.866
One Mircea Eliade	58.825	45.598
One Peninsula	52.067	60.217
One Herăstrău Towers	36.271	23.738
One Floreasca Vista	13.457	17.041
One Timpuri Noi	11.277	10.949
One Mamaia Nord 2	7.401	2.793
One Herastrau Vista	5.519	4.818
One Mamaia Nord 1	3.303	7.152
Other inventories	1.131	1.107
TOTAL	257.348	343.978



The cash position surged 197% in 2021, reaching RON 508.3 million at the end of 2021, driven by the net cash proceeds from the IPO, in the amount of RON 252 million and positive cash flows generated from sales and rental activity. QoQ, the cash position decreased 16% driven by the

continuous investments in the developments as well as in the landbank, as well as the indirect acquisition of a controlling stake in Bucur Obor for RON 64.9 million.

EQUITY AND LIABILITIES

Equity doubled in 2021, reaching RON 1.647 billion. The increase was driven mainly by the profits generated by the company (the retained earnings and reserves that reached RON 803.2 million at the end of 2021), and by the RON 252 million proceeds from the IPO which took place in Q3 2021.

The liabilities increased 31% in 2021, amounting to RON 1.150 billion at the end of 2021 driven primarily by a 99% increase in long-term liabilities (RON 581 million as of 31.12.2021) and marginally offset by a 3% decrease in short-term liabilities (RON 569.2 million as of 31.12.2021). This evolution was primarily driven by the replacement of the selected short-term liabilities as of H1 2021 with a long-term investment loan from the Black Sea Trade and Development Bank, as reported in the H1 2021 report. Moreover, in Q3 2021, the Group converted long-term debt from minority shareholders in the total amount of RON 114.5 million into equity in One Cotroceni Park. This decrease was however offset by a long-term bank loan amounting to approx. RON 80 million, which mainly represents the amounts drawn from bank loans in One Cotroceni Park Office Phase 1 and One Peninsula in Q4 2021.

KEY FINANCIAL RATIOS

The main financial ratios of One United Properties, consolidated result, as of December 31st, 2021, are presented below.

<i>Financial data in RON '000</i>	31st December 2021	
Liquidity ratio		
<u>Current assets</u>	<u>1,304,327,994</u>	= 2.3
Current liabilities	569,201,804	
Gearing ratio		
<u>Interest-bearing debt</u> x100	<u>432,162,310</u>	= 26.2%
Equity	1,646,957,217	
Trade receivables turnover		
<u>Average receivables</u>	<u>153,006,753</u>	= 0.14
Turnover	1,120,016,103	
Fixed asset turnover		
<u>Turnover</u>	<u>1,120,016,103</u>	= 0.75
Net fixed assets	1,492,831,494	
Loan to value		
	31st December 2021	31st December 2020
<u>Financial debt</u>	<u>432,162,310</u>	<u>384,367,927</u>
Real estate assets	1,793,442,817	1,267,764,133
	= 24%	= 30%

DIVIDEND POLICY

One United Properties dividends are distributed from the net annual profit distributable based on the individual annual financial statements audited, after their approval by the Ordinary General Meeting, and after the approval of the dividend proposal by the OGMS. Distributable profit is the part of the net profit for the financial year that can be distributed as dividends after the legal and statutory distributions have been made, such as the distribution for the legal reserve and, where applicable, the use of net profit for other purposes provided by law (for example, coverage of accounting losses from the previous year, if applicable).

Shareholders receive dividends in proportion to their participation in the paid-up share capital of the Company and there is no right of priority or preference over the distribution of dividends in favor of any shareholder.

The proposal for the distribution of dividends made by the Board of Directors will be subject to a vote at the OGMS, as a rule, at the same meeting at which the Company's audited financial statements are approved.

The Board of Directors will consider in formulating the proposal to the Company's OGMS the principle of distributing of up to 35% of the consolidated gross profit obtained by the Company, but, in any case, in compliance with any provisions regarding the distribution of dividends included in financing contracts. If there are deviations outside this range, they will be justified and explained to the shareholders during the periods when they will take place.

In selecting a specific dividend distribution rate in accordance with the Company's dividend policy, the Board of Directors will consider the following:

- reducing fluctuations in dividend yields from one period to another, as well as the absolute value of the dividend per share;
- the investment needs and opportunities of the Company;
- possible contributions of non-monetary items to net profit reporting;
- the financial resources for the payment of dividends, as well as the degree of indebtedness of the Company; and
- establishing a dividend yield comparable to that of other listed companies in the same industry or related sectors.

The Company will also be able to pay dividends in the form of shares of the same class as those granting rights to these dividends.

One United Properties distributed for each of the years ended December 31st 2020, 2019 and 2018 gross dividends worth RON 49,243,000, RON 41,016,046, and RON 43,753,912.

For 2021, One United Properties proposes to pay a total gross dividend of RON 74,973,314.85. A first tranche of gross dividends in amount of RON 32,500,000 was approved in AGA in September 2021 and paid in October 2021, and the Board of Directors proposed to the shareholders the approval of a second tranche in amount of RON 42,473,314.85 in the AGA from April 26th, 2022. The distribution is subject to the approval of the shareholders in the annual GSM, which will take place on 26.04.2022.

At the same GSM from April 26th, 2022, the Board of Directors proposed to the shareholders to approve the buyback of shares for treasury purposes with a total limit of RON 10 million, at maximum acquisition price of RON 1.75 per share.

ESG MATTERS

One United Properties has always strived to ensure the sustainability of its developments throughout their lifetime. Considering the global impact that the real estate industry has on the environment, there was always a particular attention paid to reducing carbon emissions to minimize climate change, as well as streamlining the operational activities to ensure that the developed constructions will maintain their qualities years after their completion. In this context, since its early beginnings, One United Properties has delivered projects developed in line with the best environmental and sustainability practices, enjoying vast market recognition. As the sustainability aspects grow in importance, One United Properties maintains its dedication to developing projects that obtain prestigious certifications in the field of sustainability and environmental protection.

One United Properties' sustainability strategy is cored at the following principles that have the most material environmental, social and governance impact on people, communities and the environment:

- **Good health and well-being:** One United Properties develops healthy residential and office buildings where customers and tenants can live a healthy life.
- **Gender quality:** One United Properties ensures equal opportunities for all our employees, regardless of their gender, and promotes women advancement in a workplace.
- **Affordable and clean energy:** One United Properties invests in innovative energy solutions, such as geothermal pumps, to build sustainable buildings. Aligning to the new applicable regulations, the Company makes sure that all our developments have minimum 30% of energy coming from renewable sources.
- **Decent work and economic growth:** One United Properties carefully selects contractors and suppliers, in order to work with partners that adhere to Company's values. To all employees, One United Properties offer full and productive employment under equal pay.
- **Industry, Innovation, and Infrastructure:** One United Properties builds modern and accessible developments. Where the infrastructure is lacking, the Company develops it on its own – One United Properties ensures that the road infrastructure benefits the whole neighborhood, but also promotes pedestrian, bike, and scooter travel. Bucharest, Romania's capital, is consistently included in world's most congested capital, with Bucharest citizens loosing on average 98 hours per year in traffic. The Company believes in building well-connected communities where our customers can give up on cars for the benefit of healthier alternatives, such as bikes, scooters, but also walking. One United Properties ensure the use of innovative green energy and technology solutions in our developments.
- **Reduce inequalities:** One United Properties promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or any other status.
- **Sustainable cities and communities:** One United Properties builds buildings with limited environmental impact, located in safe, green communities. The management believes that our developments are the landmarks of urban regeneration, sustainability, and positive environmental impact. One United Properties invest in regeneration of cities' landmarks, protecting Romania's cultural heritage.
- **Responsible consumption and production:** One United Properties builds buildings that last, using quality materials that are made to withstand the test of time. The Company invests in innovative energy, water and sewage management solutions that help our customers cut future costs, while ensuring responsible management of waste – at the stage of construction as well as after delivery to the customer.

- **Climate action:** One United Properties realizes the impact that real estate sector has on the climate, therefore it make sure that all our developments implement solutions that limit the CO2 emissions and optimize water management. The Company invests in the education of employees, customers, and business partners so they build knowledge and capacity to meet the challenges and opportunities brought by climate change.

Key areas of sustainability strategy at One United Properties, organized per Environmental, Social and Governance criteria, include:

Environmental Activities



- Reducing CO2 emissions at development stage, and after delivery;
- Using the best materials for environment;
- Lowering waste production;
- Protecting trees and green spaces;
- Optimizing water and energy usage;
- Using modern technologies;
- Preventing uncontrolled urban sprawl;
- Delivering mixed-use developments that lower the traffic congestion within the districts;
- Receiving top certifications for all the developments as part of our mission to educate current and prospective tenants and residents about the buildings' environmental impact.

Social Activities



- Ensuring employee health and safety;
- Promoting equality and diversity;
- Ensuring tenants' and clients health and safety by proving the best indoor & outdoor environment;
- Delivering good community relations for our clients, tenants, and local communities, offering safe and healthy surroundings;
- Regenerating and revitalizing urban areas, delivering landmark developments that are incorporated into the cityscape;
- Engaging environmentally responsible behaviors within the communities;
- Promoting concept of mixed-use developments;
- Providing charitable support to those in need.

Corporate Governance



- Ensuring ethical business conduct;
- Implementing strong anti-corruption rules;
- Setting high standards in business for subcontractors;
- Educating and enabling our employees, partners & customers about how we can work together to achieve our sustainability goals;
- Measuring and transparently disclosing our sustainability performance.

The activity of One United Properties and its subsidiaries generally does not have a significant impact on the environment. However, the Group has an obligation to comply with a large number of laws and regulations in the field of environmental protection. These laws and regulations largely concern the management and disposal of hazardous materials, emissions into the atmosphere, accidental discharges, clean-up of contaminated areas and, in general, health and safety issues. Also, depending on the specifics of each project that the Group develops, there is an obligation to obtain opinions on agreements and / or environmental permits or, as the case may be, to send a prior notification to the competent authorities.

As of December 31st, 2021, there were no major lawsuits related to breaches of environmental laws or regulations.

In 2022, One United Properties will pay particular attention to sustainability, continuing an ESG strategy implemented following adherence to UN Global Compact in December 2021. The **2021 Sustainability Report** will be published in H1 2022.

2022 PROSPECTS

On January 11th, 2022, One United Properties published the Revenue & Expense Budget for 2022, which was adopted by the Board of Directors on January 10th, 2022 and which is subject to approval by the shareholders in the General Meeting of Shareholders, which will take place on April 26th, 2022.

The budget for 2022 is presented in the table below and includes the results expected to be generated by the Company at the consolidated level.

2022 Budget One United Properties	RON	Δ% vs. 2021
Turnover	1,523,119,444	36%
Revenues from sales of residential property	1,217,899,669	73%
Rental income from commercial segment	71,778,670	997%
Profit from operating activity	663,366,162	8%
Net Profit	548,709,933	8%
Investments	1,162,506,607	

For 2022, One United Properties targets turnover of RON 1.523 billion, net profit of RON 548.7 million and investments of RON 1.163 billion.

In 2022, One United Properties estimates the completion of the following residential developments: One Verdi Park, One Modrogan, One Timpuri Noi, and One Floreasca Vista, which will contribute significantly to the net income. The rental income is estimated to reach RON 71.78 million in 2022, driven by a full occupancy of One Tower, the reception of One Cotroceni Park Phase 1 and its lease, as well as includes the rental income of Bucur Obor, where One United Properties holds a majority stake. Moreover, the company estimates the completion of Phase 2 of One Cotroceni Park before the yearend, which will further drive recurring revenues in the coming years. **[More information HERE](#) as well as [HERE](#).**

KEY FACTORS AFFECTING GROUP RESULTS

One United Properties results can be affected by several key factors, some of them being presented below. Investors should consider that the factors presented above are the most significant risks that One United Properties is aware of at the time of redacting this report. However, the risks presented in this section do not include all the risks associated with the Company's activity, and the Group cannot guarantee that it includes all the relevant risks for 2022. There may be other risk factors and uncertainties of which the Group or the companies from the Group is not aware at the time of preparing this report and which may in future modify the actual results, financial conditions, performances, and achievements of the Company and may lead to a decrease in the price of the Group's shares. Investors should undertake pre-requisite checks to prepare their investment opportunity assessment. The management recommends investors to read a more elaborated list of risks that One United Properties is subject to, that was included in the Listing Prospectus, available [HERE](#), which nonetheless cannot be treated as exhaustive.

GENERAL ECONOMIC ENVIRONMENT - The results of the Group can be directly affected by economic conditions, especially employment levels, inflation, real disposable income, access to mortgage loans, consumer confidence, and applicable taxes. In an unfavorable or volatile economic environment with a decrease in disposable income, the interest in purchasing apartments might decrease. This risk continues to be significant for 2022 due to the estimated high inflation as well as growing energy costs, both particularly heightened because of the geopolitical conflict caused by the war in Ukraine. The deterioration of Romania's economy may lead to a reduction in the number of customers, a higher number of bad-paying customers and/or may lead to an increase in unrented space or a decrease in rents for office buildings and a deterioration in Group's results, in context of dissatisfaction or late payment.

POLITICAL AND MILITARY INSTABILITY IN THE REGION - Political and military instability in the region such as the invasion of Ukraine by the Russian Federation and the subsequent war in the Ukraine, can lead to deeply unfavorable economic conditions, social unrest or, in the worst case, military confrontations in the region. The effects are largely unpredictable but may include a decrease in investment, significant currency fluctuations, increases in interest rates, reduced credit availability, trade and capital flows, and increases in energy prices. These effects and other unforeseen adverse effects of the crises in the region could have a significant negative effect on the Group's business, prospects, results of operations and financial position.

COMPETITION IN THE MARKETS IN WHICH THE GROUP OPERATES - The Group is in competition with various entities in connection with potential real-estate acquisitions. Such entities could have an advantage from the following perspectives: have stronger pre-existing relationships with potential sellers / customers, financial, technical, or other resources, or have more relaxed corporate governance and integrity rules, which could put the Group at a disadvantage in terms of acquisition opportunities. Some of the Group's competitors may have lower capital costs or easier access to financing sources which may allow them to respond more quickly to acquisition opportunities or may have a greater risk tolerance or perform risk analyses other than those of the Group which they may allow them to accept less favorable conditions for potential acquisitions than the Group would.

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

Factors such as costs and inability to obtain the necessary authorizations for the development of the Group's projects could affect the Group's plans to obtain added value from the projects it

envisages. Even if implemented, there is no guarantee that the Group's plans will be successful. Failure to successfully implement the considered strategies (or to exceed the costs and timetable envisaged) as well as not obtaining the anticipated benefits from the implementation of these strategies may have negative effects on the Group's business, financial condition, operating results, or prospects.

DURATION OF DEVELOPMENT MAY EXCEED INITIAL EXPECTATIONS - The Group faces the risk that certain projects will require more funding or more time to complete than anticipated in the initial plans. The increase in costs can be caused by the variation of the costs in construction materials, design or execution errors, the increase of salary costs, the increase of energy costs or delays in the project's execution schedule. Also, construction activities, essential for the work of the Real Estate Development Group, could be adversely affected by a variety of natural or man-made events, including human error, theft or vandalism, adverse weather conditions, earthquakes, storms or other natural disasters and other natural phenomena or force majeure events, which may stop or delay the construction activity. The Covid-19 pandemic has also contributed and is likely to contribute to such delays in the future. These phenomena may adversely affect the Group's business depending on their intensity and frequency.

Given that the Group pre-sells a proportion of the areas and apartments in the projects it develops, at the price set by pre-contracts, with a significant advance compared to the time of their completion, the increase in costs during the projects has a negative impact on profit margins and may lead, in the event of significant delays to the loss of customers, contractual penalties or termination of relevant contracts.

REVENUE MAY BE LOWER THAN ESTIMATED GDV - Estimating the future value of a property is inherently subjective, due to the individual nature of each property, as well as the fact that this value may be affected by market conditions or other aspects beyond the Group's control. Factors such as changes in applicable legal requirements (in areas such as urban planning, construction, environment, and taxation), political conditions, financial market condition, financial condition of customers, applicable tax regimes and interest rate fluctuations also contribute to a possible change in forward valuations.

The estimated gross development values for residential projects are only estimates and are based on assumptions (including elements such as construction costs, housing demand, average selling price, price increase and number estimated by units in developments), which may prove inaccurate. There is no assurance that the gross development values thus estimated, and the developments proposed by the Group will reflect the actual selling prices achieved for the projects under development or planned. Failure to sell the number of residential units or the sales prices envisaged by the Group could lead to the loss of the estimated gross development values.

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

SUPPLIER RISK - The Group has substantial relationships with certain suppliers of materials and services. These suppliers may, inter alia, extend delivery time, supply unreliable equipment, increase prices, and limit or discontinue supply due to deficits, own business requirements or for other reasons. Although the Group is not totally dependent on the products, materials and services provided by certain suppliers, in many cases it has made substantial investments in relation to a particular supplier, which makes it difficult to quickly find replacement suppliers if a supplier refuses to offer favorable prices to the Group, ceases to produce the materials and products that the Group uses or no longer provides the services that the Group needs. If the materials, products, or services are not provided to the high standards specific to the Group or if the suppliers are insolvent, the total or partial execution of the claims against the suppliers may be difficult or impossible. The occurrence of any of these risks may generate technical

problems, damage the Group's reputation, lead to the loss of customers, and may have a significant negative effect on the Group's business, prospects, results of operations and financial position. In addition, the Group's contractual obligations to its customers may exceed the scope of the guarantees that the Group has obtained from suppliers.

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

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

OCCUPATIONAL SAFETY AND HEALTH RISKS – An accident at work on one of the sites where the Group carries out its real estate development activity (which may involve its own staff or the staff of the entities contracted by the Group) or the deterioration of the Group's standards in the field of occupational safety and health could expose employees, subcontractors or the general public to risk of accident, and could lead to significant sanctions and damages, as well as damage to the Group's reputation. Compliance with operational, occupational safety, health and safety requirements is important for the success of the Group's business. Any deficiency in this matter, including any delay in changing occupational safety and health practices following the detection of any deficiency or change in any legal requirements, may lead to sanctions for non-compliance with the relevant legal requirements. Moreover, any serious work-related injury can lead to significant costs for the Group, i.e. it can damage the Group's reputation, having a significant negative effect on the Group's business, prospects, results of operations and financial position.

REQUIREMENTS IMPOSED BY PUBLIC AUTHORITIES - The real estate development activity involves the observance of numerous local, national, and European regulations, as well as decisions/decisions/orders of public authorities regarding urbanism, environment, health and safety at work, taxes and duties and other aspects. Where urban planning parameters are not appropriate or have not been regulated, it is necessary to develop a new urban planning documentation, obtain opinions from the relevant authorities and entities and approve this urban planning documentation by the competent local councils, respectively by the general council of Bucharest. Furthermore, for the execution of construction works it is necessary to obtain a building permit, a process that in turn involves obtaining a set of approvals from public authorities and the development of technical documentation. For the operation of the buildings, a series of authorizations issued by the public authorities are required, such as the fire safety authorization, ISCIR, civil protection, etc.

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

A possible cancellation of some coordinating PUZs could affect the authorization regime of some of the Group's projects for which building permits have not yet been obtained. Also, in case the building permits for these projects were obtained before a possible cancellation of some coordinating CPUs, the building permits already obtained, if they were contested by the time of issuing the decision to cancel those PUZs could be canceled because of the cancellation of these

PUZs. In any of these situations the Group could find itself in a position to resume the authorization process, generating delays in execution and delivery or even the need for redesign based on other urban parameters and losses for the Group and potentially affecting sales promises in connection with the projects affected.

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

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

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

Any delay, cost or modification of a project due to an error committed by the authorities in issuing documents for the approval and authorization of projects developed by the Group may have negative effects on the business, financial situation, prospects and operational results of the Group.

AUTHORIZATIONS MAY BE SUBJECT OF APPEALS FROM THIRD PARTIES - To the extent that they can justify a legitimate interest, third parties have the possibility to challenge individual administrative acts or normative administrative acts by means of a direct action which is governed by partially different regulations, depending on the individual character (such as an authorization construction) or normative (such as urban plans) of the respective administrative act. The interest in challenging an administrative act generally derives from the fact that the rights and legitimate interests of that third party are affected by that administrative act, which is usually assessed by the courts on a case-by-case basis.

It is also possible that during the execution of some projects, they may undergo changes that require changes to the authorization documents or additional authorizations. Sometimes these modifications may lead to the need to suspend the construction during the obtaining of the modified or new authorizations, which leads to delays in the completion of the construction and the achievement of the final acceptance. Delays in the completion of projects may lead to delays in receiving money from customers, the need to pay additional amounts by the Company, increases in project costs and damage to our reputation.

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

The low liquidity of these assets can affect the Company's ability to sell them in a relatively fast time and at a satisfactory price when needed, which can affect the activity in the short and medium term. Due to the low liquidity of the Group's assets and other factors, if the Company is unable to generate positive cash flows from its operating activities, it may be unable to sell assets in its portfolio on advantageous terms.

There is no guarantee that the Group will be able to generate or accumulate sufficient funds to cover the long-term capital expenditures envisaged or that it will be able to cover them at a reasonable cost. The terms and conditions under which future funding will be made available to

the Group may not be acceptable to the Group or there may not even be any funding available. Moreover, if the level of contracted loans increases in the long run, the Group may be subject to additional financial restrictions. The long-term inability to raise sufficient funds to finance the Group's projects could have a negative effect on its ability to grow and achieve its performance objectives and could result in unforeseen costs or delays in implementing the Group's projects.

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

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

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

FAKE NEWS – The nature of the Group's business and the highly covered sector of the real estate industry can expose One United Properties to claims related to defamation, dissemination of misinformation or news hoaxes (also referred to as 'fake news'), or other types of content that can harm, temporarily or on a long-term, the reputation of the business. The Group or its developments may also be negatively affected by the actions or statements of different individuals, acting under false or inauthentic identities, that can disseminate information that is deemed to be misleading or intending to manipulate opinions about the Group, the brands or the products offered by the Group. Any such situation can potentially lead to a decline in the willingness of the customers to buy products from the Group, thus leading to the decline in sales, and / or a decline in the price of the financial instruments issued by the Group.

CYBERSECURITY RISK - Cybersecurity risk is determined by the likelihood of exposure, critical asset or sensitive information loss, or reputational harm stemming from a cyberattack or breach within an organization's network. The steps in mitigating such risk are: 1. Identify Most Valuable Digital Assets, 2. Audit Organization's Data and Intellectual Property, 3. Perform A Cyber Risk Assessment, 4. Analyze Security And Threat Levels, 5. Establish Cyber Risk Management Responsible, 6. Automate Risk Mitigation & Prevention Tasks, 7. Create An Incident Response Plan, 8. Educate Employees On Cybersecurity Policies.

LITIGATIONS – On November 18th, 2021, One United Properties published a current report 33/2021 in which the management included an overview of the status of all the material litigation in which the Company and the Company's subsidiaries are involved. The status of these respective litigations remains viable as of December 31st, 2021 and the shareholders are invited to **consult the full list of lawsuits HERE.**

Also there can be other risks such as:

- The Company may encounter difficulties in purchasing real estate that meets its quality standards;
- The revenues from ongoing or planned residential projects could be lower than the estimated;
- The ability to raise funds for the acquisition of real estate and the development of real estate projects could be affected, which could significantly adversely affect business activity;
- The costs and duration of development real-estate projects may exceed the Company's

initial expectations;

- Ownership over certain real estate owned or likely to be acquired in the future by the Company entities may be uncertain;
- The Company may face a labor shortage, which could impede the proper course of business;
- The Company may incur costs to ensure compliance of its real estate projects with the applicable laws;
- There is a risk that the Company will not be able to attract or retain key personnel, directors, officers, employees and others without whom it would not be able to effectively manage its business;
- If the Company does not maintain its reputation for the quality of its products and services, the Company's ability to attract new customers and retain existing customers may be affected;
- The Company's activity is based on materials and services provided by third parties. These suppliers may choose to discontinue the supply of their products or services or try to impose uncompetitive prices;
- Real estate development activity involves occupational safety and health risks;
- Authorization documents for Company's real estate projects may be the subject of appeals from third parties;
- Unfavorable decisions by tax authorities or changes in tax laws or interpretations could have a material adverse effect on the results of the Company's operations and on cash flows;
- The Company could face problems related to environmental protection, as well as restrictions imposed by environmental legislation and specific environmental protection costs in terms of purchased real estate and real estate projects developed by the Company;
- Failure to comply with anti-corruption laws or allegations of non-compliance could have a material adverse effect on the Company's reputation and activity;
- The Company may be subject to fines, damages or other penalties and may be subject to negative publicity as a result of legal proceedings, contractual claims and disputes;
- Land and real estate are low-liquidity assets that may substantially limit the Group's financial liquidity;
- The crisis generated by the coronavirus pandemic is unprecedented and could have significant negative consequences on the Company's activity.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

PROFIT & LOSS STATEMENT (RON)	2020	2021	Δ %
Revenues from sales of residential property	437,503,724	703,317,672	61%
Cost of sales of residential property	(284,286,135)	(451,583,531)	59%
Net income from residential property	153,217,589	251,734,141	64%
Gains from office buildings under development	58,349,105	298,636,043	412%
Rental income	1,313,724	6,544,367	398%
Revenues from services to tenants	355,719	5,277,520	1384%
Expenses from services to tenants	(355,719)	(5,277,521)	1384%
Other property operating expenses	(684,749)	(4,850,821)	608%
Net rental income	628,975	1,693,545	169%
Commissions for brokerage real estate	(1,093,357)	(3,142,561)	187%
Administrative expenses	(29,952,793)	(32,387,474)	8%
Other operating expenses	(3,737,757)	(10,655,480)	185%
Profit on disposal of investment property	632,372	536,526	-15%
Other operating income	1,377,287	5,688,365	313%
Gains from completed investment properties	3,739,093	44,364,366	1087%
Gains from investment property for further development (landbank)	34,165,272	56,187,770	64%
Result from operating activity (EBITDA)	217,325,786	612,655,241	182%
Financial income	3,797,874	12,139,089	220%
Financial expenses	(15,198,802)	(21,903,343)	44%
Share of result of associates	733,803	1,527,818	108%
Gross profit	206,658,661	604,418,805	192%
Income tax	(29,722,318)	(94,731,652)	219%
Net profit	176,936,343	509,687,153	188%

CONSOLIDATED STATEMENT OF PROFIT OR LOSS– IN EURO

PROFIT & LOSS STATEMENT (EUR)	2020	2021	Δ %
Revenues from sales of residential property	90,447,525	142,939,125	58%
Cost of sales of residential property	(58,772,019)	(91,777,809)	56%
Net income from residential property	31,675,506	51,161,316	62%
Gains from office buildings under development	12,062,828	60,693,448	403%
Rental income	271,593	1,330,048	389%
Revenues from services to tenants	73,540	1,072,579	1350%
Expenses from services to tenants	(73,540)	(1,072,580)	1350%
Other property operating expenses	(141,562)	(985,859)	594%
Net rental income	130,031	344,188	165%
Commissions for brokerage real estate	(226,036)	(638,680)	183%
Administrative expenses	(6,192,304)	(6,582,285)	6%
Other operating expenses	(772,727)	(2,165,572)	166%
Profit on disposal of investment property	130,734	109,041	-20%
Other operating income	284,734	1,156,078	179%
Gains from completed investment properties	773,003	9,016,415	1066%
Gains from investment property for further development (landbank)	7,063,173	11,419,350	62%
Result from operating activity (EBITDA)	44,928,942	124,513,299	177%
Financial income	785,155	2,467,094	214%
Financial expenses	(3,142,131)	(4,451,537)	42%
Share of result of associates	151,703	310,507	105%
Gross profit	42,723,669	122,839,364	188%
Income tax	(6,144,657)	(19,252,836)	213%
Net profit	36,579,012	103,586,528	183%

The Consolidated Statement of Profit or Loss was translated to EURO from the audited consolidated financial statements in RON using the average exchange rate in the year as published by the National Bank of Romania, 4.9204 RON / EUR for 2021 and 4.8371 RON / EUR for 2020.

CONSOLIDATED BALANCE SHEET

BALANCE SHEET (RON)	31.12.2020	31.12.2021	Δ %
NON-CURRENT ASSETS	1,048,574,408	1,492,831,494	44%
Goodwill	19,256,076	19,256,076	0%
Intangible assets	164,707	597,608	263%
Investment properties	1,010,415,976	1,449,465,190	44%
Right of use assets	1,221,167	3,505,452	-63%
Investments in associates	1,439,340	2,967,158	106%
Property, plant, and equipment	16,077,142	17,040,010	6%
CURRENT ASSETS	655,180,191	1,304,327,994	96%
Inventories	257,348,157	343,977,627	34%
Advance payments to suppliers	50,890,026	93,266,448	83%
Trade receivables	104,643,962	201,369,543	83%
Other receivables	70,781,030	128,441,029	81%
Other financial assets	-	9,408,917	100%
Prepayments	545,370	19,517,269	3479%
Cash and cash equivalents	170,971,646	508,347,161	197%
TOTAL ASSETS	1,703,754,599	2,797,159,488	64%
EQUITY	824,031,402	1,646,957,217	99%
Share capital	259,824,598	514,828,059	98%
Share premium	9,192	4,307,782	46764%
Treasury shares	(26,765,560)	0	-100%
Other capital reserves	463,393	1,390,179	200%
Retained earnings	498,235,187	803,225,661	60%
Non-controlling interests	92,264,592	323,205,536	253%
LIABILITIES	879,723,197	1,150,202,271	31%
NON-CURRENT LIABILITIES	292,376,274	581,000,467	98%
Loans and borrowings from bank and others	120,076,805	390,342,321	225%
Loans and borrowings from minority shareholders	70,659,819	7,472,207	-89%
Provisions	734,913	564,912	-23%
Lease liabilities - long term portion	-	2,646,947	-
Deferred tax liabilities	100,904,737	179,974,080	80%
CURRENT LIABILITIES	587,346,923	569,201,804	-3%
Employee benefits	444,628	553,841	25%
Loans and Borrowings from bank and others	37,547,728	34,260,754	-9%
Loans and borrowings from minority shareholders	156,083,575	87,028	-100%
Lease liabilities	-	1,282,387	100%
Trade and other payables	96,243,622	123,584,928	28%
Accrued income	1,208,149	1,145,855	-5%
Current tax liabilities	1,964,019	2,023,447	54%
Advance payments from customers	293,855,202	406,263,564	38%
TOTAL EQUITY AND LIABILITIES	1,703,754,599	2,797,159,488	64%

CONSOLIDATED BALANCE SHEET – IN EURO

BALANCE SHEET (EUR)	31.12.2020	31.12.2021	Δ %
NON-CURRENT ASSETS	215,339,551	301,697,923	40%
Goodwill	3,954,507	3,891,610	-2%
Intangible assets	33,825	120,775	257%
Investment properties	207,503,178	292,933,690	41%
Right of use assets	250,784	708,444	182%
Investments in associates	295,589	599,656	103%
Property, plant, and equipment	3,301,668	3,443,748	4%
CURRENT ASSETS	134,550,497	263,601,786	96%
Inventories	52,850,075	69,517,113	32%
Advance payments to suppliers	10,450,985	18,848,942	80%
Trade receivables	21,490,114	40,696,337	89%
Other receivables	14,535,884	25,957,646	79%
Other financial assets	111,999	3,944,397	3421%
Prepayments	-	1,901,521	-
Cash and cash equivalents	35,111,440	102,735,830	193%
TOTAL ASSETS	349,890,048	565,299,709	62%
EQUITY	169,226,476	332,846,389	97%
Share capital	53,358,647	104,045,605	95%
Share premium	1,888	870,593	46012%
Legal reserves	-	2,311,465	-
Other capital reserves	(5,401,521)	280,952	-105%
Retained earnings	102,319,626	160,018,654	56%
Non-controlling interests	18,947,836	65,319,120	245%
LIABILITIES	180,663,572	232,453,320	29%
NON-CURRENT LIABILITIES	60,043,594	117,418,901	96%
Loans and borrowings	39,170,457	80,397,431	105%
Provisions	150,925	114,167	-24%
Lease liabilities	-	534,942	-
Deferred tax liabilities	20,722,212	36,372,361	76%
CURRENT LIABILITIES	120,619,978	115,034,419	-5%
Employee benefits	91,311	111,930	23%
Loans and Borrowings	39,764,920	6,941,610	-83%
Lease liabilities	248,110	259,168	4%
Trade and other payables	19,764,986	24,976,240	26%
Accrued income	-	231,575	-
Current tax liabilities	403,339	408,934	1%
Advance payments from customers	60,347,312	82,104,962	36%
TOTAL EQUITY AND LIABILITIES	349,890,048	565,299,709	62%

The Consolidated Statement of Profit or Loss was translated to EURO from the audited consolidated financial statements in RON using the year end exchange rate as published by the National Bank of Romania, 4.9481 RON / EUR for year ended 31.12.2021 and 4.8694 RON / EUR for year ended 31.12.2020.

INDIVIDUAL STATEMENT OF PROFIT OR LOSS

PROFIT & LOSS STATEMENT (RON)	2020	2021	Δ %
Revenues from services delivered	31,975,434	44,837,975	40%
Revenues from rentals, service charge and similar	565,537	630,559	11%
Other Revenues	533,598	784,769	47%
Total operating revenues	33,074,569	46,253,303	40%
Amortization, depreciation and impairment net	(1,522,151)	(1,628,096)	7%
Administrative Expenses	(3,301,303)	(3,645,630)	10%
Other operating expenses	(4,278,706)	(7,814,775)	83%
Adjustments related to provisions	(19,140)	84,255	-
Total operating expenses	(9,121,300)	(13,004,245)	43%
Result from operating activity	23,953,268	33,249,058	39%
Revenues from dividends	20,567,563	1,881,012	-91%
Revenues from interest	10,240,258	7,436,521	-27%
Other financial revenues	48,072,196	6,780,726	-86%
Total financial income	78,880,017	16,098,259	-80%
Interest expenses	(5,272,556)	(786,291)	-85%
Other financial expenses	(1,521,125)	-	-
Total financial expenses	(6,793,682)	(786,291)	-88%
Gross profit	96,039,603	48,561,025	-49%
Tax expenses	(3,339,840)	(7,846,508)	135%
Net profit	92,699,763	40,714,517	-56%

INDIVIDUAL BALANCE SHEET

BALANCE SHEET (RON)	31.12.2020	31.12.2021	Δ %
NON-CURRENT ASSETS	308,951,503	435,069,008	41%
Property, plant and equipment	1,489,634	1,293,679	-13%
Intangible assets	91,377	567,455	521%
Financial assets - investments	55,545,123	90,497,644	63%
Financial assets - loans granted	246,315,351	338,295,046	37%
Right of use asset	4,536,566	3,393,204	-25%
Deferred tax assets	64,480	59,389	-8%
Other non-current assets	908,973	962,592	6%
CURRENT ASSETS	170,698,008	277,357,390	62%
Cash and cash equivalents	55,816,083	121,682,382	118%
Financial assets - loans granted	-	24,724,694	100%
Trade receivables	61,102,515	102,053,110	67%
Other receivables	53,620,999	28,753,389	-46%
Prepayments	158,411	143,815	-9%
TOTAL ASSETS	479,649,511	712,426,398	49%
EQUITY	333,084,882	582,034,517	75%
Share capital	259,824,598	514,828,059	98%
Own shares	(26,765,560)	-	-100%
Share premium	9,192	4,307,782	46765%
Legal reserve	9,009,562	11,437,359	27%
Retained earnings	90,543,697	50,071,138	-45%
Other capital reserves	463,393	1,390,179	200%
LIABILITIES	146,564,629	130,391,881	-11%
NON-CURRENT LIABILITIES	3,857,784	30,494,160	690%
Financial liabilities - loans and borrowings	-	27,921,952	100%
Lease liability	3,704,514	2,464,740	-33%
Provisions	84,255	-	-100%
Other non-current liabilities	69,015	107,468	56%
CURRENT LIABILITIES	142,706,844	99,897,721	-30%
Financial liabilities - loans and borrowings	82,980,346	-	-100%
Lease liability	1,235,049	1,299,647	5%
Trade payables	915,955	1,880,800	105%
Other payables	57,504,434	96,575,919	68%
Deferred income	71,060	141,356	99%
TOTAL EQUITY AND LIABILITIES	479,649,511	712,426,398	49%

BVB CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

PROVISION OF THE BUCHAREST STOCK EXCHANGE CORPORATE GOVERNANCE CODE ⁵	COMPLIANT	PARTIALLY COMPLIANT	NON-COMPLIANT	COMMENT
Section A - Responsibilities				
A.1. All companies shall have Internal Rules for the Board of Directors (the "Board"), which shall include the terms of reference/responsibilities of the Board and the key management functions of the Company and which shall apply, inter alia, the General Principles of this Section.	X			The Company has adopted the Corporate Governance Code, which includes also Internal Rules for the Board of Directors.
A.2. Provisions for the management of conflicts of interest shall be included in the Rules of the Board. In any event, Board members shall notify the Board of any conflicts of interest that have arisen or may arise and shall refrain from taking part in the discussions (including by non-attendance, unless the failure to attend prevents the establishment of the quorum) and from voting for passing a resolution on the issue giving rise to the relevant conflict of interest.	X			The Board members have, under the law, duties of care and loyalty to the Company, stipulated not only in the Articles of Association of the Company, but also in other internal regulations of the Company. Provisions for the management of conflicts of interest are included in the Corporate Governance Code of One United Properties.
A.3. The Board shall consist of at least 5 (five) members.	X			The Board consists of 7 (seven) members elected by the Ordinary General Shareholders' Meeting (OGSM), in accordance with the provisions of the Companies Act and the Articles of Association of the Company.
A.4. Most Board members shall not have an executive function. In the case of companies in the Premium Category, no less than two non-executive members of the Board shall be independent. Each independent Board member shall issue a statement at the time of nomination thereof for election or re-election, and whenever any change arises in the status thereof, indicating the elements on the basis of which the same is to be deemed independent in terms of character and judgment.	X			Five out of seven Board members are non-executive, and four out of seven are independent. On the occasion of each appointment of a Board member, the Company performs an assessment of the independence of its members on the basis of the independence criteria set out in the Corporate Governance Code (which are essentially similar to those laid down in the Companies Act), consisting of an individual assessment conducted by the relevant Board member, followed by an external assessment.

⁵ The Statement summarizes the principles of the Corporate Governance Code; the full version of the Code may be read on the website of the Bucharest Stock Exchange: www.bvb.ro.

A.5. Any other relatively permanent professional commitments and obligations of a member of the Board, including executive and non-executive positions in the Board of companies and non-profit institutions, shall be disclosed to the shareholders and prospective investors prior to nomination and during the term of office thereof.	X			Information on the permanent professional commitments and obligations of the Board members, including executive and non-executive positions within companies and non-profit institutions, can be found in the CVs of the Board members, available at the Company headquarters.
A.6. Any member of the Board shall present the Board with information on any relation with a shareholder holding, either directly or indirectly, shares representing more than 5% of all voting rights.	X			The information is included in the annual reports issued by the Company.
A.7. The Company shall appoint a Secretary of the Board to be in charge of supporting the activity of the Board.	X			The Company has a General Secretary who supports the Board activities.
A.8. The Corporate Governance Statement shall stipulate whether a Board assessment has taken place under the direction of either the Chairperson or the Nomination Committee and, if so, shall summarize the key measures and the resulting changes. The Company shall have a policy/guide regarding Board assessment, including the purpose, criteria and frequency of the assessment process.			X	The Company did not have in 2021 policy nor guide on the Board assessment. There was no formal Board self-assessment made for 2021.
A.9. The Corporate Governance Statement shall contain information on the number of Board and Committee meetings over the past year, the participation of the directors (in person and in default) and a Report by the Board and Committees on their activities.	X			The Board of Directors of One United Properties shall meet whenever necessary, but at least once every three months. During 2021, 12 Board meetings took place (8 meetings held with full attendance and 4 meetings held with 6 out of 7 members), 2 meetings for Audit Committee (full attendance) and 1 meeting for Nomination and Remuneration Committee (full attendance).
A.10. The Corporate Governance Statement shall include information on the exact number of independent members of the Board.	X			In 2021, four (4) Board members met all the criteria of independence provided for by the Corporate Governance Code of One United Properties.
A.11. The Board of companies in the Premium Category shall set up a Nomination Committee, consisting of non-executive members, to direct the nomination of any new Board members and to submit recommendations to the Board. Most members of the Nomination Committee shall be independent.		X		One United Properties has established in 2021, ahead of the IPO, the Nomination and Remuneration Committee. The Committee consists of three members, out of whom one member is executive Board Member.
Section B – The risk management and internal control system				
B.1. The Board shall set up an Audit Committee, in which at least one member shall be independent and non-executive. Most members, including the Chair, shall	X			One United Properties has established in 2021, ahead of the IPO, the Risk & Audit Committee. The Committee consists of three members, out of

have proven appropriate qualification relevant to the functions and responsibilities of the Committee. At least one member of the Audit Committee shall have proven adequate experience in auditing or accounting. In the case of companies in the Premium Category, the Audit Committee shall consist of at least three members and most members of the Audit Committee shall be independent.				whom all three members are non-executive and independent. All members of the Risk & Audit Committee, including the Chairman, have proven appropriate qualifications, as per internal rules established by the Company.
B.2. The Chair of the Audit Committee shall be an independent non-executive member.	X			The Chair of the Risk & Audit Committee is an independent non-executive member.
B.3. As part of its responsibilities, the Audit Committee shall carry out an annual assessment of the internal control system.	X			The Risk and Audit Committee conducts an annual evaluation of the Company's internal control system.
B.4. The assessment shall take into account the effectiveness and scope of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Board Audit Committee, the promptness and effectiveness with which the executive management addresses any deficiencies or weaknesses identified as a result of the internal control and the submission of relevant reports to the Board.	X			In the annual assessment, the Risk and Audit Committee assesses the effectiveness of this system, the adequacy of the risk management and internal control reports submitted to the Risk and Audit Committee, as well as the promptness and the effectiveness of management in addressing the deficiencies or weaknesses found in terms of internal control.
B.5. The Audit Committee shall assess any conflicts of interest in connection with the transactions of the Company and its subsidiaries with related parties.	X			The Risk and Audit Committee evaluates the effectiveness of the Group's risk management system, monitor the application of the statutory and generally accepted internal audit standards and will evaluate the situations of conflicts of interest within the transactions concluded by the Group and / or any of its subsidiaries with affiliated parties.
B.6. The Audit Committee shall assess the effectiveness of the internal control and risk management systems.	X			
B.7. The Audit Committee shall monitor the application of the legal standards and generally accepted internal audit standards. The Audit Committee shall receive and assess the reports of the internal audit team.	X			
B.8. Whenever the Code mentions reports or analyses initiated by the Audit Committee, these shall be followed by regular reports (at least annual reports) or ad hoc reports to be subsequently submitted to the Board.	X			The Risk and Audit Committee regularly presents the Board with reports on the specific issues that have been assigned to it.
B.9. No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements entered into by the Company with the shareholders and affiliates thereof.	X			The Company grants equal treatment to all its shareholders. Related party transactions are treated objectively, in accordance with the usual industry standards, and the applicable laws and corporate regulations.

B.10. The Board shall adopt a policy to ensure that any transaction of the Company with any of the companies with which it has close ties, whose value is equal to or greater than 5% of the Company net assets (according to the latest financial report), is approved by the Board following a binding opinion of the Board Audit Committee and is properly disclosed to the shareholders and prospective investors to the extent that such transactions fall within the category of events subject to reporting requirements.	X			<p>In certain situations, the Members of the Board of Directors and the Directors of One United Properties may be in a situation of conflict of interest between their obligations towards the Company and their private interests and other obligations. In the event of a conflict of interest, the respective members of the Board of Directors and Directors have the obligation to abstain from deliberations and voting, respectively to abstain in any other decision-making process or in connection with any act or fact. on which the respective conflict was born, as well as to report / reveal the respective conflict of interests.</p> <p>Any transaction concluded between One United Properties and the persons mentioned above is concluded in terms equivalent to those prevailing in the transactions that take place at the market level, in compliance with the applicable legal and statutory provisions. The management of such conflicts of interest is included in the Corporate Governance Code of One United Properties.</p>
B.11. Internal audits shall be performed by a structurally separate division (the Internal Audit Department) within the Company or by hiring an independent third party.	X			The company had in 2021 the Internal Audit function.
B.12. In order to ensure the fulfilment of the primary functions of the Internal Audit Department functionally speaking, it shall report to the Board by means of the Audit Committee. For administrative purposes and as part of the responsibilities of the management to monitor and reduce risks, it shall report directly to the Chief Executive Officer.	X			The Internal Audit reports to the Risk and Audit Committee.
Section C – Fair reward and motivation				
C.1. The Company shall publish the Remuneration Policy on its website and shall include a statement on the implementation of the Remuneration Policy in the Annual Report during the annual period under review. Any key change in the Remuneration Policy shall be published on the Company website in a timely manner.		X		Considering that the Company listed in July 2021, the Company will adopt the Remuneration Policy in the annual GSM which will take place in April 2022. After the approval, the Policy will be published on the Company's website.
Section D – Adding value by way of the investor relations				
D.1. The Company shall organize an Investor Relations Service - indicating to the general public the officer(s) in charge or the relevant organizational unit. In addition to the information required by law, the Company shall include on its website a section dedicated to Investor	X			All the information as specified by the D1 provision is provided on the Company's website.

<p>Relations, in both Romanian and English, with all the relevant information of interest to investors, including:</p> <ul style="list-style-type: none"> • The main corporate regulations: Articles of Association, the procedures regarding the General Shareholders' Meetings (GSM); • The professional CVs for the members of the Company management bodies, other professional commitments of the Board members, including executive and non-executive positions in the Boards of Directors of companies or non-profit institutions; • Current and regular reports (quarterly, half-yearly and annual); • Information on the General Shareholders' Meetings; • Information on the corporate events; • The name and contact details of a person who can provide relevant information, on request; • Company presentations (e.g., investor presentations, quarterly result presentations, etc.), financial statements (quarterly, half-yearly, annual), Audit Reports, and Annual Reports. 				
<p>D.2. The Company shall have a policy on the annual distribution of dividends or other benefits to the shareholders. The principles of the policy of annual distribution to the shareholders shall be published on the Company website.</p>	X			<p>The Company's dividend policy is included in the Corporate Governance Code, which is published on the Company website, in the Investor Relations section.</p>
<p>D.3. The Company shall adopt a policy regarding forecasts, whether they are made public or not. Forecasts mean quantified conclusions of various studies aimed at determining the overall impact of a number of factors for a future period (the so-called assumptions): by its nature, a forecast has a high level of uncertainty, and the actual results can vary significantly from the original forecasts. The Forecast Policy shall determine the frequency, period considered and content of the forecasts. If published,</p>			X	<p>The Company does not have adopted a formal forecast policy.</p>

the forecasts may only be included in the annual, half-yearly or quarterly reports. The Forecast Policy shall be published on the Company website.				
D.4. The rules of the General Shareholders' Meetings shall not limit the participation of shareholders in the general meetings or the exercise of their rights. Any amendments to these rules take effect, at the earliest, starting with the next Shareholders' Meeting.	X			Information on the organization of the General Shareholders' Meetings is mentioned in the Company's Articles of Association, as well as the Corporate Governance Code, and are in line with provision D.4.
D.5. Independent financial auditors shall be present at the General Shareholders' Meeting when their reports are presented at these meetings.	X			The independent financial auditors participate in the Ordinary General Shareholders' Meetings where the individual and consolidated annual financial statements are subject to approval.
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.		X		The information about the internal controls and significant risk management system is provided in the Annual Report. Shall the question related to the internal control and significant risk management system be asked during the annual meeting, the question will be addressed by the Board.
D.7. Any specialist, consultant, expert, or financial analyst may take part in Shareholders' Meetings on the basis of a prior invitation from the Chairperson of the Board. Accredited journalists may also attend General Shareholders' Meetings, unless otherwise decided by the Chairperson of the Board.	X			There is a possibility for any specialist, consultant, expert, financial analyst or accredited journalist to participate in the GSM on the basis of a prior invitation from the Chairperson of the Board.
D.8. The quarterly and half-yearly financial reports shall include information in both Romanian and English on the key factors that influence change in terms of sales levels, operating profit, net profit and other relevant financial indicators, from one quarter to the next, and from one year to the next.	X			The quarterly and half-yearly financial reports include information in both Romanian and English on the key factors that cause changes in terms of sales levels, operating profit, net profit and other relevant financial indicators, from one quarter to the next, and from one year to the next.
D.9. A Company shall hold at least two meetings/teleconferences with analysts and investors each year. The information presented on these occasions shall be published in the Investor Relations section of the Company website at the time of the meetings/teleconferences.	X			One United Properties holds two teleconferences – one in English, and another one in Romanian, each quarter. The recording of each of the teleconferences is published on BVB website as well as on the Company's website.
D.10. If a Company supports various forms of artistic and cultural expression, sporting, educational or scientific activities and deems their impact on the Company innovation and competitiveness to be part of its mission and development strategy, it will publish its policy on its activity in this field.	X			The Company includes this information in the annual Sustainability Report, which is published on the BVB website as well as on the Company's website.

DECLARATION OF THE MANAGEMENT

Bucharest, March 24th, 2022

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

- a) the consolidated and individual financial statements for the twelve-month period ended December 31st, 2021, 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. 63 of the Law no. 24/2017 on issuers of financial instruments and market operations and to annex no. 15 to FSA Regulation no. 5/2018 on issuers of financial instruments and market operations for the twelve-month period ended December 31st, 2021, 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