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**SECURITY COVER**

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

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

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

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

**PROSPECTUS REGARDING THE PRIMARY OFFERING OF UP TO 130,007,085 ORDINARY SHARES, WITH A NOMINAL VALUE OF 0.20 RON EACH, AT AN OFFER PRICE WHICH IS EXPECTED TO BE BETWEEN RON 1.93 AND RON 2.12 PER SHARE AND ADMISSION OF SHARES TO TRADING ON THE REGULATED MARKET OPERATED BY THE BUCHAREST STOCK EXCHANGE**

**Offer period: 22.06.2021 – 02.07.2021**

**Approved by the Financial Supervisory Authority ("FSA") by decision no. 774 of 16.06.2021**

**INTERMEDIARY:**

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



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

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

## NOTICE TO INVESTORS

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

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

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

This Prospectus concerns an offering (the “**Offering**”) initiated by One United Properties S.A., a joint stock company incorporated in accordance with the laws of Romania, with its registered office located in Str. Maxim Gorki no. 20, District 1, Bucharest, Romania, registered with the Bucharest Trade Registry Office under no. J40 / 21705/2007, (EUID): ROONRC. J40 / 21705/2007, sole registration code 22767862 (hereinafter referred to as the “**Issuer**”) to be addressed (i) to the public, in Romania (the “**Retail Tranche**”) and (ii) to institutional and professional investors (the “**Institutional Tranche**”) (the “**Offering**”) of ordinary, registered and dematerialised shares (the “**Offered Shares**”) and was approved by and submitted to the Romanian Financial Supervisory Authority (the “**FSA**”) for the purpose of the Offering and admission to trading of all Shares on the Regulated Market operated by the Bucharest Stock Exchange (the “**Admission**”). The FSA will assume no responsibility as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer.

It is expected that the Admission and trading on the Bucharest Stock Exchange of the Offered Shares will start on or around July 15, 2021. **No application is currently intended to be made for the Offered Shares to be admitted to listing or dealt with on any other exchange.**

The price at which each Offered Share will be sold in the Offering (the “**Offer Price**”) and the number of Offered Shares to be sold in the Offering (the “**Offer Size**”) will be determined by the Issuer, after consultation with SSIF BRK FINANCIAL GROUP S.A. (the “**Intermediary**”), taking into account several factors, including the market conditions existing at the time of the Offering, which may not be representative for the subsequent evolutions of the price of the Offered Shares. At this date it is expected that the Offer Price will be between 1.93 RON and 2.12 RON per Offered Share (the “**Price Range**”) and that the Offer Size will be up to 130,007,085 Offered Shares (“**Maximum Offer Size**”). When determining the Offer Price, the Size of the Offer and the allocation basis, several factors will be taken into account, including the level of demand for Offered Shares during the book-building process, the level of demand within the Retail Tranche, prevailing market conditions and the objective of establishing an orderly secondary market for the Offered Shares. Unless required, under applicable laws or regulations, the Issuer does not intend to publish a supplement to the prospectus or an announcement that would confer the right to withdraw subscriptions for the Offered Shares in determining the Offer Price or Offer Size. If the Offer Price is set in the Price Range and the Offer Size is at or below the Maximum Offer Size, a statement containing the Offer Price and confirming the Offer Size and related information is expected to be published on or in around the date of July 2, 2021 (“**Allocation Date**”) through a press release (the “**Pricing Statement**”), which will be available on the Issuer’s website at <https://one.ro/>, on the website of the Bucharest Stock Exchange, at [www.bvb.ro](http://www.bvb.ro), on the Intermediary's website at <https://www.brk.ro/>. The Pricing Statement will also be submitted to the FSA.

The Institutional Tranche will be addressed to (i) certain persons from Member States of the European Union (including Romania) where the regulations allow the offer, who are “qualified investors” within the meaning of Article 2 (1) (e) of the Prospectus and Persons Outside the United States Regulations under Regulation S of the United States Securities Act, 1933, as subsequently amended (“**Securities Act**”), respectively (ii) to less than 150 persons, other than Qualified Investors per Member State (except Romania), in accordance with the provisions of art. 1 (4) (b) of the Prospectus Regulation (“**Institutional Investors**”). The Retail Tranche will be addressed to any natural or legal person, other than an Institutional Investor, in Romania (“**Retail Investors**”).

Subscriptions for Offered Shares under the Retail Tranche can be made from June 22, 2021 up to July 2, 2021 (“**Offer Period**”).

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

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

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

The Offered Shares have not been and will not be registered according to the Securities Act. The Offered Shares covered by this Prospectus may not be offered or sold in the United States. No action has been taken to allow a public offering of Offered Shares in accordance with securities laws of any jurisdiction, including Australia, Canada or Japan. This Prospectus does not constitute an offer or offer to purchase any Offered Shares to any person in any jurisdiction in which such an offer or proposal would be illegal.

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

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

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

### **Withdrawal of subscriptions**

The subscriptions within the Offer are irrevocable during the entire Offer Period, except for the provisions of art. 23 para. (2) lit. (a) of the Prospectus Regulation. In this case, Investors which have already agreed to purchase or subscribe for the Offered Shares prior to the publication of the Supplement have the right to withdraw their acceptance, within three Business Days of the publication of the Supplement, provided that the new significant factor, material error or material inaccuracy led to the publication of the supplement to have appeared or been found before the Offer Period expires. If the Investors have the withdrawal right mentioned above, the Intermediary / Eligible Participant through which they have subscribed will contact the respective Investors by the end of the first business day following the day on which the supplement is published. The revocation of the subscription is made through the Revocation Form, submitted according to the procedures described in Part 15 of this Prospectus, respectively “*Information on the securities to be offered / admitted to trading. Offer and Admission Information*” to the Intermediary / Eligible Participant, so that this notification is received no later than the third business day after the date on which the prospectus supplement was published (or any other subsequent date specified in leaflet supplement). Withdrawal of the subscription sent by any other means or which is sent or received after the expiration of this period will not constitute a valid withdrawal.

## IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

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

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

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

### Financial information

Unless otherwise indicated, the financial information in this Prospectus, relating to the Issuer, has been extracted from the audited consolidated financial statements prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as subsequently amended, for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union, as subsequently amended, on and for the financial years ended on December 31, 2019 and 2020, accompanied by the independent auditor's report, such as and the consolidated financial statements for the financial year ended on 31 December 2018 which were prepared in accordance with International Financial Reporting Standards ("**IFRS**") adopted by the European Union (issued by the International Accounting Standards Committee) accompanied by the independent auditor's report. The financial statements on and for the financial years ended on December 31, 2018, 2019 and 2020 are hereinafter collectively referred to as the "**Annual Financial Statements**".

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

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

### Currency presentation

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

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

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

Average exchange rate compared to RON

Year	Euro			At the end of the period
	The highest	The lowest	Average	
2018.....	4.6695	4.6206	4.6535	4.6639
2019.....	4.7808	4.7182	4.7452	4.7793
2020.....	4.8750	4.7642	4.8371	4.8694

Source: The National Bank of Romania

Year	The US dollar			At the end of the period
	The highest	The lowest	Average	
2018.....	4.1469	3.7170	3.9416	4.0736
2019.....	4.3605	4.0573	4.2379	4.2608
2020.....	4.5316	3.966	4.2440	3.9660

Source: The National Bank of Romania

### Rounding

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

### Economic, market and industry information

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

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

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

### Communication of procedural documents and execution of civil obligations

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

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

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

### **Definitions and glossary**

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

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

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

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

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

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

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

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

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## SUMMARY

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

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

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

<b>Section A – Introduction and warnings</b>	
<b>Element</b>	
<b>A.1</b>	<p>This summary must be read as an introduction to the Prospectus.</p> <p>Any decision to subscribe the Offer Shares should be based on a consideration of this Prospectus as a whole by the investor.</p> <p>Given the characteristics of the shares as securities, an investment in the shares, regardless of the issuer, gives rise to the risk of losing all invested capital in the event of bankruptcy or insolvency of the company, or of a part of such invested capital, respectively, in the event of a negative evolution on the capital market of the price of the Offer Shares, due to causes that are internal or external to the Issuer. Where a claim relating to information contained in the Prospectus is brought before a court, the plaintiff might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
<b>A.2</b> The name of securities and the international securities identification number (ISIN)	<p>The Offer Shares are ordinary, nominative and dematerialised shares.</p> <p>On the date of their admission to trading on the Bucharest Stock Exchange, the Offer Shares will be registered with the ISIN number ROJ8YZPDHW8 and traded under the symbol “ONE”.</p>
<b>A.3</b> The identity and contact details of the issuer, including its legal entity identifier (“LEI”)	<p>The Issuer is a joint-stock company incorporated under the Romanian laws, with its registered office at 20 Maxim Gorki Street, District 1, Bucharest, Romania, registered with the Trade Registry Office attached to the Bucharest Court under no. J40/21705/2007, (EUID): ROONRC. J40/21705/2007, sole registration code 22767862;</p> <p>The LEI Code of the Issuer is: 254900MLAOUEFANMAD86</p> <p>The Issuer’s website-ul is <a href="http://www.one.ro">www.one.ro</a>.</p>
<b>A.4</b> The identity and contact details of the competent authority approving the prospectus and, where different, of the competent authority that approved the registration document or the universal registration	<p>The Romanian Financial Supervisory Authority (“FSA”), with its registered office at 15 Splaiul Independenței, District 5, postal code 050092, Bucharest, Romania.</p> <p>Fax: 021.659.60.51</p> <p>Telephone: 021.659.64.36</p>

document.	
<b>A.5</b> The date of approval of the Prospectus	_____ June 2021
<b>Section B - Issuer</b>	
<b>Element</b>	
<i>Who is the issuer of the securities?</i>	
<b>B.1</b> Domicile and legal form, LEI code, the law under which it operates and its country of incorporation	<p>One United Properties S.A. is a joint-stock company incorporated under the Romanian laws, with its registered office at 20 Maxim Gorki Street, District 1, Bucharest, Romania, registered with the Trade Registry Office attached to the Bucharest Court under no. J40/21705/2007, (EUID): ROONRC. J40/21705/2007, sole registration code 22767862;</p> <p>The LEI Code of the Issuer is: 254900MLAOUEFANMAD86.</p>
<b>B.2</b> Principal activities	According to its Articles of Association, the Issuer has as its main object of activity the activities of holding companies (NACE code 6420).
<b>B.3</b> Major shareholders, including whether it is directly or indirectly owned or controlled and by whom	<p>At the date of this Prospectus, a number of 1,300,070,856 ordinary, nominative, dematerialised shares, each with a nominal value of RON 0.20 have been issued in the share capital of the Issuer.</p> <p>At the date of this Prospectus, each of Mr. Victor Căpitanu and Mr. Andrei-Liviu Diaconescu, holds a number of 425,161,602 Shares, representing 32.7030% of the Issuer's share capital (representing a 32.7030% participation in the Issuer's profit or loss and 32.7030% of the total voting rights in the Issuer). Thus, the Founding Shareholders hold together 850,323,204 ordinary shares, representing 65.4059% of the Issuer's share capital (representing a 65.4059% participation in the Issuer's profit or loss) and 65.4059% of the total voting rights in the Issuer), jointly exercising control over the Issuer.</p> <p>Other shareholders with significant holdings are CC Trust Group AG (holder of 89,189,830 ordinary shares, representing 6.8604% of the Issuer's share capital and of the total voting rights in the Issuer), Marius-Mihai Diaconu (holder of 72,713,915 ordinary shares, representing 5.5931% of the Issuer's share capital and of the total voting rights in the Issuer) and Icevulcan Properties Ltd (holder of 65,003,544 ordinary shares, representing 5% of the Issuer's share capital and of the total voting rights in the Issuer). The remaining 222,840,063 shares are held by 21 other shareholders.</p>
<b>B.4</b> The identity of its key managing directors	The Issuer's board of directors is composed of the following members: Victor Căpitanu, Andrei-Liviu Diaconescu, Claudio Cisullo, Dragoș-Horia Manda, Gabriel-Ionuț Dumitrescu, Adriana-Anca Damour and Marius-Mihail Diaconu. The Issuer's executive management is composed of: Victor Căpitanu, Andrei-Liviu Diaconescu and Cosmin Samoilă.
<b>B.5</b> The identity of its statutory auditors	Deloitte Audit S.R.L., with its registered office at 84-98 Calea Grivitei, The Mark Building, 8-9 <sup>th</sup> Floors, District 1, Bucharest, Romania, is registered with the Trade Registry under no. J40/6775/1995, having sole registration code 7756924, and is member of the Chamber of Financial Auditors of Romania, registered in the Public Registry of Financial Auditors under number 25/2001.

*What is the key financial information regarding the Issuer?*

**B.6 Selected financial information**

**Consolidated Statement of Profit or Loss**

The consolidated statement of profit or loss for the financial years ended 31 December 2020, 31 December 2019 and 31 December 2018, respectively, as extracted from the Annual Financial Statements:

	<b>For the financial year ended</b>		
	<b>31 December 2020</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>Total revenues</b>	541,967,973	400,971,419	318,026,722
<b>Operating profit/loss</b>	217,325,786	252,778,611	137,996,387
<b>Profit attributable to:</b>			
- the owners of the Group	168,679,112	180,467,600	100,419,744
- non-controlling interests	8,257,231	16,939,076	5,699,793
<b>Net profit for the period</b>	176,936,343	197,406,676	106,119,537

*Source: Annual Financial Statements*

**Consolidated Statement of Financial Position**

The consolidated statement of financial position as at 31 December 2020, 31 December 2019 and 31 December 2018, respectively, as extracted from the Annual Financial Statements:

	<b>31 December 2020</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>Total assets</b>	1,703,754,599	1,314,915,973	951,547,790
<b>Total equity</b>	824,031,402	553,628,441	356,019,624
<b>Total liabilities</b>	879,723,197	761,287,532	595,528,166

*Source: Annual Financial Statements*

During the period between 31 December 2020 and the date of approval of the Prospectus, there has been no material adverse change of the Group's perspectives, financial or commercial position, except for the legislative and regulatory changes relevant for the Group's activities, presented in the Prospect.

**Consolidated Statement of Cash Flows**

	<b>For the financial year ended</b>		
	<b>31 December 2020</b>	<b>31 December 2019</b>	<b>31 December 2019</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Cash flow from operating activities	9,952,234	71,789,518	71,281,227
Net cash flow used in investing activities	(153,760,458)	(104,775,933)	(156,771,616)
Net cash flow from financing activities	223,031,914	29,255,428	56,915,924
<b>Net increase/(decrease) in cash and cash equivalents</b>	79,223,690	(3,730,987)	(28,574,465)
Cash and cash equivalents as at 1 January	91,747,956	95,478,943	124,053,408
<b>Cash and cash equivalents at the end of the period</b>	170,971,646	91,747,956	95,478,943

*Source: Annual Financial Statements*

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

- The Group may encounter difficulties in purchasing real estate that complies with its quality standards;
- The revenues obtained by the Group from the ongoing or planned residential projects could be lower than the estimated gross development values (GDV);

- The Group's ability to raise funds for the acquisition of real estate and for the development of real estate projects may be affected, which could have a material adverse effect on its business activity;
- The Group may encounter difficulties in implementing its strategy and in completing real estate projects;
- The costs and period of development of the real estate projects may exceed the Group's initial expectations;
- The ownership titles over certain real estate properties owned or that may be acquired in the future by the Group's entities could be uncertain;
- The Group may base its decisions to purchase certain real estate properties on incomplete, incorrect or inadequate information; the assessment of such properties may also turn out to be incorrect;
- The crisis generated by the coronavirus pandemic is unprecedented and may have significant negative consequences for the Group's activity;
- The Group may face a shortage of available labour force, which could hinder the smooth running of the business;
- The Group's activity could be affected by errors of the authorities in issuing endorsement and authorisation documents for the developed projects;
- The Group may incur significant costs to ensure the compliance with the laws regarding its real estate projects;
- The Group's member companies are subject to the risk of default or non-fulfillment of the contractual obligations by the contractual partners;
- The terms and conditions considered in the pre-sale activity might not materialize or undergo adjustments;
- There is a risk that the Group will not be able to attract or retain key staff, directors, officers, employees and other persons without whom it would not be able to effectively manage its business; and
- If the Group does not maintain its reputation for the quality of its products and services, the Group's ability to attract new customers and retain the existing customers may be affected.

### Section C – Securities

*What are the main features of the securities?*

<b>C.1</b> Type, class and ISIN code	The Offer Shares are ordinary, nominative and dematerialised shares. The ISIN code for the Shares: ROJ8YZPDHWW8
<b>C.2</b> Their currency, denomination per unit, the number of securities issued and the term of the securities	The currency of the Offer Shares is RON, the national currency of Romania. The denomination per unit of the Offer Shares is RON 0.20 and the number of Offer Shares is up to 130,007,085.
<b>C.3</b> The rights attached to the securities	<ul style="list-style-type: none"> <li>• Right to participate and to vote within the general meeting of shareholders (each Offered Share attaching one (1) vote);</li> <li>• Right to dividends, namely to participate in the distribution of the Issuer's net profit;</li> <li>• Preference right;</li> <li>• Right to information;</li> <li>• Right to elect, and be elected to, the management bodies;</li> <li>• Right of withdrawal in certain cases and conditions provided by law;</li> <li>• Right to participate in the distribution of assets in case of liquidation;</li> <li>• The right to challenge the decisions of the general meeting of shareholders;</li> <li>• The right to secure registration and confirmation of the ownership of shares issued by the Issuer;</li> <li>• Other shareholders' rights;</li> </ul>

	<ul style="list-style-type: none"> <li>• Obligation to report an important shareholding;</li> <li>• Obligation to make a mandatory takeover offer; and</li> <li>• Provisions regarding shareholders' squeeze-out from the Issuer.</li> </ul>
<b>C.4</b> The relative seniority of the securities in the issuer's capital structure in the event of insolvency, inclusively	Not applicable.
<b>C.5</b> Any restrictions on the free transferability of the securities	The Offer Shares will be freely transferable, in accordance with the Romanian applicable laws and regulations. Certain transfer restrictions may apply depending on the Investor's jurisdiction.
<b>C.6</b> The dividend or payout policy	<p>The dividend distribution policy that the Board of Directors will consider in formulating the proposal to the Issuer's OGMS will be of up to 35% of its distributable net profit obtained by the Issuer at individual level, but in any case, in compliance with any provisions regarding the distribution of dividends, contained in the financing agreements to which the Issuer or any Group member is a party.</p> <p>In case there are deviations outside this range, such deviations will be substantiated and explained to the shareholders during the periods of their occurrence.</p> <p>The Issuer may pay out the dividends in the form of shares of the same class as the shares in respect of which such dividends are paid.</p> <p>In selecting a certain dividend pay-out ratio according to the Issuer's dividend policy, the Board of Directors shall take into consideration the following:</p> <ul style="list-style-type: none"> <li>• reducing the fluctuations in dividend yield from one period to the next, as well as the absolute dividend per share value;</li> <li>• the Issuer's investment needs and opportunities;</li> <li>• any contributions of non-monetary items to net reported profit;</li> <li>• cash resources available for dividend distribution as well as the Issuer's indebtedness;</li> <li>• establishing a dividend yield comparable to the yield of other listed companies in the same activity sector or related sectors.</li> </ul>
<i>Where will the securities be traded?</i>	
<b>C.7</b> Indication as to whether the securities are or will be subject to an application for admission to trading on a regulated market or for trading on an MTF and the identity of all the markets where the securities are or are to be traded;	<p>The Bucharest Stock Exchange has issued an approval in principle for the admission of the Shares to trading on the Regulated Spot Market of the Bucharest Stock Exchange.</p> <p>After the closing of the Offering, the Issuer intends to apply for final approval of the Bucharest Stock Exchange for the admission of the Shares to trading on the Spot Regulated Market of the Bucharest Stock Exchange, in the Premium category.</p>
<i>Is there a guarantee attached to the securities? - Not applicable</i>	
<b>C.8</b> <i>What are the key risks that are specific to the securities?</i>	
<ul style="list-style-type: none"> <li>• <b>The Offer Shares may not be a suitable investment for all investors.</b> Each potential subscriber in the Offer Shares must determine the suitability of that investment in light of its own circumstances.</li> <li>• <b>Certain shareholders will keep a significant holding at the level of the Group and will continue to</b></li> </ul>	

**exercise a substantial influence over the Group.** Their interests may differ from the interests of other shareholders or may conflict with such.

- **The holders of the Shares may have fewer voting rights per share than the holders of the shares with multiple voting right, to the extent the EGMS approves the establishing a new class of shares.** This circumstance may influence the trading price of the Offered Shares, as well as the control over the Issuer.
- **The Offer Shares may not become, or remain, listed.** Should the admission/listing conditions change, there can be no assurance that all such listing and/or trading conditions will be met, in which case the Shares may not be admitted to trading on the Regulated Spot Market of the BSE.
- **Trading on the BSE may be suspended.** The FSA is authorized to suspend securities from trading or to request the BSE to suspend the trading of securities of a company listed on the BSE if such continuation of trading would negatively affect investors' interests, which could affect the securities' trading price and would impair their transfer.
- **Fluctuations of the price of the Shares or lack of liquidity may impact the performance of an investment in the Offer Shares.** The trading price of the Shares may be extremely volatile, considering the current low liquidity. Thus, the market price for the Shares may not reflect the Issuer's real market value, and external factors could have an adverse impact on the trading price of the Shares, which may trigger losses for investors, regardless of the Issuer's activity.

#### **Section D – Offer and admission to trading**

*Under which conditions and timetable can I invest in this security?*

**D.1 Distribution plan:** Investors may subscribe the Offer Shares through the Intermediary and any other Eligible Participant.

The Offer is divided into two tranches:

- The Institutional Tranche, which will be addressed to (i) certain persons in the European Union (including Romania) who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Regulation and to persons outside the United States under Regulation S of the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), respectively (ii) to a number of less than 150 persons, other than Qualified Investors per Member State (except Romania), in accordance with the provisions of art. 1(4)(b) of the Prospectus Regulation (“**Institutional Investors**”), which will consist of an initial number of 78,004,251 Offer Shares, representing 60% of the maximum number of Offer Shares; and
- The Retail Tranche, which will be addressed to Retail Investors (meaning any natural or legal person, other than Institutional Investors) through a public offering in Romania, which will consist of an initial number of 52,002,834 Offer Shares, representing 40% of the maximum number of Offer Shares. In turn, the Retail Tranche will consist of the Retail Tranche with guaranteed allocation, which will consist of an initial number of 26,001,417 Offer Shares and of the Retail Tranche with pro-rata allocation, which will consist of an initial number of 26,001,417 Offer Shares.

The final size of each tranche will be determined by the Issuer, in consultation with the Intermediary, based on the volume and price of subscriptions received from Investors, on the Allocation Date.

The Offer Price will be set within the Price Range, i.e., between RON 1.93 and RON 2.12 per Offer Share. The Offer Price will be established by the Issuer, after the completion of a book-building process for Institutional Investors.

**Admission to trading on a regulated market:** The Bucharest Stock Exchange has issued an approval in principle for the admission of the Shares to trading on the Regulated Spot Market of the Bucharest Stock Exchange (i.e. the Regulated Market). After the closing of the Offering, the Issuer intends to apply for final approval of the Bucharest Stock Exchange for the admission of the Shares to trading in the Premium category on the Regulated Spot Market of the Bucharest Stock Exchange.

**Amount and percentage of immediate dilution resulting from the Offering:** If all the Offer Shares are subscribed, the Issuer's share capital will be increased by a number of 130,007,085 ordinary shares, with a nominal value of RON 0.2 each and a total nominal value of RON 26,001,417, representing an increase of approximately

10% compared to the level of the Issuer's share capital at the date of this Prospectus. The holdings of the current shareholders in the share capital of the Issuer will be diluted by a percentage of 9.09%.

**Estimation of the total cost of the Offering, including the estimated costs charged to investors by the Issuer/offoror:** The fees and expenses to be borne by the Issuer in connection with the Offering and Admission, including the FSA's fees, professional fees and expenses and the costs of printing and distribution of documents are estimated at approximately RON 7.5 million (assuming that the Offer Size is the Maximum Offer Size, and the Offer Price is set at the maximum price within the Price Range).

The Offer timetable:

<b>Event</b>	<b>Time and date</b>
First day of the Offering	On 22 June 2021
Latest time and date for receipt of completed application forms by the Retail Investors in the Retail Tranche	12 p.m. on 2 July 2021
Latest time and date for receipt of subscriptions in the Institutional Tranche	3 p.m. on 2 July 2021
Allocation Date (announcement of the Offer Price, publication of the Pricing Statement and notification of allocations of Offer Shares)	On 2 July 2021
Transaction Date	On 2 July 2021
Settlement Date (the settlement of transactions through the Central Depository system)	On 6 July 2021
Commencement of trading of the Offer Shares on the Regulated Spot Market of the Bucharest Stock Exchange	On or around 15 July 2021

*Who is the person asking for the admission to trading?*

<b>D.2</b>	The person asking for the admission to trading is the Issuer.
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*Why is this prospectus being produced?*

<b>D.3</b>	In the opinion of the Board of Directors, the Offering (i) will allow the Issuer to obtain funds to finance the current activity of the Group and to finance ongoing projects and/or new real estate development projects, respectively; (ii) will raise the profile, brand recognition and credibility of the Group among its customers, business partners and employees; (iii) will support the process of attracting, recruiting, retaining and motivating employees and personnel holding key management positions; and (iv) will allow for easier valorisation (subsequent to the Admission and, as the case may be, the expiration of any trading restrictions) of the investment made in the Issuer's shares by some of the existing shareholders.
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<b>D.4</b> Use and estimated net amount of proceeds	By selling the Offer Shares in accordance with the Offering, it is expected that the Issuer will collect, in total, a net value of approximately RON 274.05 million (assuming that the Offer Price is set at the upper limit of the Offer Price Range and the Offer Size is set at the value of the Maximum Offer Size).  The proceeds obtained from the Offering will be used to finance the current activity of the Group and its ongoing projects and/or new real estate development projects.
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<b>D.5</b> Indication of whether the offer is subject to an underwriting	Not applicable.
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<p>agreement on a firm commitment basis, stating any portion not covered</p>	
<p><b>D.6</b> Interests having an impact on the Offering</p>	<p>On the date of this Prospectus, the Issuer is not aware of any interest, including conflict of interest, which is relevant for the Offering.</p>
<p><b>D.7</b> Who is the offeror?</p>	<p>The offeror is the Issuer.</p>

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

**1. Responsible persons**

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

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

- (a) Victor Căpitanu;
- (b) Andrei-Liviu Diaconescu;
- (c) Claudio Cisullo;
- (d) Dragoș-Horia Manda;
- (e) Valentin-Cosmin Samoilă;
- (f) Gabriel-Ionuț Dumitrescu;
- (g) Adriana-Anca Damour; and
- (h) Marius-Mihail Diaconu.

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

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

**2. Statements of responsible persons**

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

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

**3. Expert statements / reports**

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

The Issuer auditor is **Deloitte Audit SRL**, an independent audit firm, which audited the Issuer's consolidated financial statements for the financial years ended December 31, 2018, December 31, 2019 and December 31, 2020.

Deloitte Audit SRL has its registered office in Calea Griviței no. 84-98 and 100-102, The Mark building, floors 8-9, sector 1, Bucharest, Romania, it is registered with the Trade Register under no. J40 / 6775/1995, with the sole

registration code 7756924, it is a member of the Romanian Chamber of Financial Auditors, registered in the Public Register of Financial Auditors number 25/2001 and it is registered in the Electronic Public Register of the Authority for Public Oversight of the Statutory Audit Activity ("**ASPAAS**") under no. FA25, based on visa no. 123601/2019.

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

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

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

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

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

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

Except those expressly provided in this Prospectus, the information found on the Issuer's website, on any website referred to in this Prospectus or on any website containing direct or indirect links to the Issuer's website is not

incorporated by reference to this Prospectus and any decision to subscribe the Offered Shares should not be based on this information.

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

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

#### **4. Statement**

The responsible persons declare that this Prospectus was approved by the Financial Supervisory Authority, as the competent Romanian authority for the purpose of the Prospectus Regulation, by decision no. 774 of June 16, 2021. The Financial Supervisory Authority approves this Prospectus only from the point of view of meeting the standards of completeness, intelligibility and coherence imposed by the Prospectus Regulation, and such approval should not be considered an approval of the Issuer or the securities which is / are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities that are the subject of this Prospectus.

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

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

## **PART 2 RISK FACTORS**

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

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

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

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

***The Group may encounter difficulties in purchasing real estate that meets its quality standards.***

The identification and acquisition of real estate that can be used for the development of new real-estate projects and that are in line with the vision, plans and high quality standards of the Group and of its management is an important condition for the further development of the Group. The Group develops properties in premium areas, and land available or potentially available in such areas for projects such as those of the Group represent a limited resource. Non-identification, or difficulties in identifying such properties, the fact that once identified, such lands may not fully meet the requirements outlined by the selection criteria defined by the Group, as well as the increase in the price of such properties could substantially affect the Group's activity.

Moreover, the Group is 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 favourable conditions for potential acquisitions than the Group would. The Group's failure to purchase at favourable prices real-estate identified for the development of its projects could affect the Group's prospects and, on medium term, the possibility of generating good financial results.

***The Group's revenues from ongoing or planned residential projects could be lower than the estimated gross development values (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 (as included in this Prospectus) 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.

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

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

New real-estate development projects, as well as those currently under construction, require significant financial resources.

The development of the Group's activity is dependent on the pre-sale of a significant proportion of the developed areas and apartments and on obtaining financing under acceptable conditions. A reduction in the volume of pre-sales or an overall increase in interest rates could lead to an increase in the financing costs of the acquisition of real estate by the Group companies and in the development costs of real estate projects (insofar as the cost of financing impacts the cost of developed projects, viewed globally) as well as their execution and completion deadlines. The inability of the relevant companies in the Group to obtain funds to finance real-estate projects or to refinance debts or to obtain such funds at an acceptable cost could adversely affect the Group's financial situation and development prospects.

The cash availabilities of the companies within the Group may also be adversely affected by late payments by third parties, such as customers or other persons with whom the Group has a contractual relationship. Also, the Issuer, as a representative of the single VAT tax group or the companies in the Group that are not part of the single VAT tax group may request a refund of the balance of the negative amount of VAT (if the amount of VAT collected is higher than the amount of deductible VAT), provided that certain conditions are met. Delays in the refund of VAT from the state budget may affect the cash position and activity of the Group.

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

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

The Group may face difficulties in implementing its strategy, as well as in completing current or future real-estate projects, in current or future market conditions. It is also not certain at this time whether the implementation of 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 disclosed in this Prospectus.

Factors such as costs and inability to obtain the necessary authorizations for the development of the Group's projects could affect the 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.

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

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

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

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

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

Disputing property titles over real estate that the Group has developed, is in the process of, or plans to develop may significantly adversely affect the Group's activities, including through legal expenses, uncertainty or slow recovery of investments in such properties, decrease in profit margins, impossibility of issuance or significant delays in issuing building permits and / or other necessary permits, approvals and plans, or inability to comply with obligations under contracts with customers or suppliers.

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

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

Taking into consideration the above, it is possible that the Group may acquire certain properties at prices that subsequently prove to be excessive, which would affect the Group's financial situation and could affect the development of real estate projects on such properties.

***The crisis generated by the coronavirus pandemic is unprecedented, and could have significant negative consequences on the Group's activity.***

The crisis generated by the Covid-19 pandemic is unprecedented, both in terms of cause and consequences, affecting many businesses in most economic sectors. Because of this, it is difficult for the Issuer to anticipate with certainty the evolution of the pandemic and its consequences on the global political, social and economic climate. A possible social and / or economic crisis may have serious negative consequences for the Group's business. Moreover, the crisis generated by the Covid-19 pandemic may have unpredictable consequences on liquidity availability at national level, at the level of the companies with which the Group is in business relations and at the level of potential customers. The

possible insolvency of the Group's business partners or the lack of financial resources at the level of the Group's potential customers may adversely affect the Group's activity.

Also, the crisis generated by the Covid-19 pandemic had and has a negative effect on the office space rental market, by reducing demand. The measures taken by the authorities, but also the measures taken directly by many of the businesses that carry out or could carry out their activity in the Group's office buildings have led to the temporary closure or substantial reduction of the use of office space and the increase of remote work. The duration and extent of these measures cannot be predicted with certainty, nor can it be predicted to what extent and at what rate the quantum of remote work will decrease after the end of the health crisis. In this context, leases are negotiated more intensely than in the pre-Covid-19 period, with tenants seeking to gain as much flexibility as possible in terms of the contract, from shorter terms, unilateral termination rights or space reduction options during the contract. The average time to negotiate and conclude office space leases has also increased.

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

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

At the date of this Prospectus, the Covid-19 pandemic is ongoing and its magnitude and economic impact remain unknown. There is no guarantee that governmental or other actions will lead to a prompt and adequate improvement of these market conditions in the future, should the situation continue to deteriorate or if additional restrictions are imposed, or if the current or new restrictions will persist for an extended period of time.

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

The general labour shortage in Romania and in particular the shortage of skilled / specialized labour in the construction sector, as well as the growing demand for skilled / skilled labour could limit the development prospects of the Group. In addition, the labour shortage could lead to macroeconomic imbalances and can affect the business environment, 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.

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

If the Group, as well as its construction business partners, fail to manage the existing workforce and / or recruit sufficient staff in a timely manner (usually, as well as in the pandemic context caused by Covid-19), the Group's activity, prospects, results and / or financial situation at Group level could be significantly affected.

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

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.

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

The Group and its properties must comply with various local, national and European laws, as well as decisions / rulings / orders of the authorities regarding planning, zoning, environment, occupational health and safety, taxes and other matters. In the event of non-compliance with these laws, the Group may be required to pay fines, penalties and damages. In addition, changes in existing legislation or new interpretations or applications of it may lead to additional costs to ensure compliance with them, to a change in investment strategy, accounting or reporting operations or systems, or to a decrease in the Group's profit.

The buildings owned by the Group must have building permits, town planning certificates and permits to carry out the activities necessary for the construction and development of buildings. Where area planning is not appropriate or has not been carried out, the Group will need to request its implementation and the necessary approvals. The issuer cannot be sure that the process of obtaining building permits, town planning certificates and other permits will be completed quickly enough and at reasonable costs so as to allow the Group's projects to be developed before other competing companies, without delay or to be completed, in general.

Potential unexpected, untimely and / or arbitrary changes in territorial planning can jeopardize projects that have already been started. Therefore, if the Group does not obtain the planning certificates or if the processes for obtaining them and / or building permits are delayed, its costs may increase, which may have a significant adverse effect on the Group's business, financial condition and operating results.

***The Group companies are subject to the risk of payment default or breach of contractual obligations by contractual partners.***

When an activity associated with the development activity is entrusted to third parties (e.g. construction activity), the Group is exposed to the risk that those persons may not be able to fulfil their obligations for various reasons, including their insolvency. The Group may suffer losses if the contractual partners do not comply with their obligations. If a significant percentage of the Group's counterparties fail to meet their obligations or if the losses incurred as a result of default are significant, the results of operations will be adversely affected. If the losses caused by the breach of the contractual partners' obligations significantly exceed the values of the Group's provisions or require an increase in them, there could be a negative effect on the activity, financial situation and results of the Group's operations.

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

Revenues considered by the Group as a result of the conclusion of pre-sale contracts may be modified as a result of the withdrawal of buyers and termination of existing contracts, due to reasons attributable to either customers (such as lack of financial resources or subjective changes in intent). to contract) or for external reasons (such as the modification of projects as a result of compliance with the opinions and authorizations obtained by the Group for the projects considered).

Thus, the companies in the Group could be put in a position to return advanced funds to customers or customers to terminate contracts or try to renegotiate the terms of their contracts in order to obtain more favourable terms. The occurrence of any of the following events could have a material adverse effect on the Group's business, operations results, financial condition, prospects or reputation.

***There is a risk that the Group 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.***

The Group depends on the availability and uninterrupted service of key managers, employees and others, including Founding Shareholders. These key people are heavily involved in the day-to-day work of the Group and, at the same time, are responsible for strategic decisions, to ensure their implementation and to manage and supervise real estate development projects. The loss of any of these key people can significantly affect the ability to develop real estate projects, business plans and financial projections or marketing capacity effectively and to high quality standards. In particular, the continuous involvement of Victor Căpitanu and Andrei Diaconescu in pursuing the strategic objectives of the Issuer is a key factor for the continuous development of the Group and for its competitive position. The future results of the Group's operations depend to a large extent on the uninterrupted contribution of the Group's existing management and its ability to expand its management team by attracting new qualified members, who may be difficult

to identify and recruit. If any of the Group's executives or other key persons terminate their employment or collaboration with the Group, the Group's business, prospects, operations results and financial condition could be materially adversely affected. Moreover, the loss of key people within the Group would mean that their experience could be used by competitors in the market.

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

The Group's ability to attract new customers partially on brand recognition and its reputation for the quality of its products and services. The Group's reputation and brand may be affected if the Group encounters difficulties in meeting the quality standards promised in due time, either caused by technical failures, lack of necessary equipment, changes in offers, financial difficulties, defamatory public campaigns, actions led by the authorities, or any other reason.

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

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

The Group has substantial 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 favourable 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 as a result of bankruptcy or for other reasons and the Group could not obtain satisfactory replacement products, these circumstances could have a significant adverse effect on the Group's business, results of operations and financial condition.

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

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.

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

In the future, the Group could make active acquisitions as appropriate, in its areas of activity or in other areas complementary to them. However, the Group's efforts to estimate the financial effects of any such transaction on the Group's business may not be successful, and there can be no assurance that future acquisitions will be able to leverage the Group's business. In addition, acquisitions may distract management or divert financial or other resources from the Group's existing business or may require additional expenses. Such developments could have a material adverse

effect on the Group's business, results of operations and financial condition.

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

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

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

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

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

## **RISKS RELATED TO LEGAL AND REGULATORY ISSUES AND DISPUTES**

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

The Group's operations and property are subject to the regulations of various entities, government agencies and local public authorities in connection with obtaining and renewing various licenses, permits, approvals and authorizations, as well as permanent compliance with, inter alia, environmental, health and security, labor law, construction and urban planning, protection of personal data, money laundering, combating terrorist financing and consumer protection laws, regulations and standards. Regulators shall exercise considerable discretion in enforcing and interpreting applicable laws, regulations and standards, as well as in issuing and renewing licenses, permits, notices, authorizations and monitoring compliance by licensees. The Group may sometimes disagree with the way in which legal provisions are interpreted or applied by regulators, and it may from time to time challenge regulatory decisions in the course of its business, which could affect the Group's relationship with the authorities. Competent authorities have the right to conduct regular inspections of the Group's operations and properties and do so frequently. Any such future inspection may lead to the conclusion that the Group has violated laws, decrees or regulations. There is a possibility that the Group will not be able to successfully challenge such findings or will not be able to remedy the identified breaches.

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

***The real estate development activity may be hampered by the obligations to comply with the requirements imposed by public authorities.***

The real estate development activity involves the observance of numerous local, national and European regulations, as well as 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 (such as One Floreasca Towers and One Lake District). 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 as a result of the cancellation of these PUZs. In any of these situations the Group could find itself in a position to resume the authorization process, generating delays in execution and delivery or even the need for redesign based on other urban parameters and losses for the Group and potentially affecting sales promises in connection with the projects affected.

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.

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

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

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

It is also possible that during the execution of 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. This happens, for example, in the Neo Timpuri Noi project, where construction works are partially suspended during the obtaining of a new urbanism certificate, in order to complete the project in a more favorable height regime than initially planned. Delays in the completion of projects may lead to delays in receiving money from customers, the need to pay additional amounts by the Issuer, increases in project costs and damage to our reputation.

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

***The real estate of certain companies in the Group may be expropriated.***

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

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

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

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

In addition, the tax authorities may regularly exercise their powers of control over the Group companies. The identification of deficiencies and the application of any sanctions or tax decisions could affect a different amount than anticipated by the Group's management, which could have a significant negative effect on cash flows, business, prospects, results of operations and of the financial statement for any reporting period affected.

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

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

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

Furthermore, the Group may be required to comply with stricter environmental, health and safety laws or sanctioning policies than at present, or to be involved in environmental disputes or disputes. Compliance with higher standards or the defenses that the Group will have to make in potential litigation may significantly adversely affect the results of the Group's operations.

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

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

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

Although in its activity, the Group is dedicated to complying with anti-corruption laws and those to prevent money

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

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

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

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

***The Group may be subject to fines, damages or other penalties and may be subject to negative publicity as a result of legal proceedings, contractual claims and disputes.***

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

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

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

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

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

The main trademarks of the Group (such as ONE UNITED PROPERTIES, ONE VERDI PARK, ONE COTROCENI PARK, ONE TOWER, ONE FLOREASCA TOWERS etc.) are significant assets of its business, and the success of

the Group depends on its ability to protect its intellectual property rights, including the rights to those assets.

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

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

## **RISKS RELATED TO INVESTMENTS IN ROMANIA**

***Romania's economy is more vulnerable to fluctuations in the global economy than developed markets. Negative economic developments globally could have a significant negative effect on the value of the Offered Shares.***

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

In addition to the above, Britain's exit from the EU ("**Brexit**") has created volatility in global financial markets and could contribute to prolonging uncertainty about certain aspects of European and global economies as well as companies and European consumers. Brexit took place on 31 January 2020, and the transitional period ended on 31 December 2020. Brexit is likely to adversely affect the economic situation in Europe and the world and could contribute to exacerbating instability in global financial markets. Brexit could affect the general political environment in the European Union, as well as the stability and position of the European Union as a single market. In addition, Brexit has led to a state of general volatility in the foreign exchange market.

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

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

Romania's long-term sovereign rating in both national and foreign currency currently has the ratings BBB- (stable) given by S&P, Baa3 (negative) given by Moody's and BBB- (negative) given by Fitch. The decrease in Romania's credit rating given to debt in national or international currency by these international rating agencies (especially in the event of a significant downgrade) may have a negative impact on the Group's ability to obtain additional financing as well as on interest and other interest margins and other commercial conditions under which such subsequent financing would be available. Negative effects on the Group's ability to obtain financing may also have a negative effect on the Group's business, prospects, operating results and financial condition.

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

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

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

The direction in which the Romanian economy is heading in the future remains largely dependent on the effectiveness

of economic, financial and monetary measures adopted at government level, as well as on developments in the fiscal, legal, regulatory and political fields. Unfavorable economic conditions in Romania, fiscal uncertainty and increased taxation could ultimately have a direct and/or indirect negative impact on the prices we can charge for the Group's products and services, especially by declining demand in the real estate market.

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

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

Corruption is one of the main risks faced by companies whose operations take place in Romania. The international and local media, as well as international organizations, have issued numerous alert reports on the level of corruption in Romania. For example, Transparency International's 2020 Corruption Perceptions Index, which assesses corruption data in countries around the world and ranks it on a scale from 1 (least corrupt) to 100 (most corrupt), ranked Romania on the 69th place (2019: 70; 2018: 61), with a rating of 44 points.

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

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

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

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

***The legal and judicial system in Romania is less developed than those in other European countries, which makes an investment in the Offered Shares riskier than the investments in securities of an issuer operating in a developed legal and judicial system.***

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

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

The uncertainty that characterizes the Romanian judicial system could have a negative effect on the economy and

could thus determine an unsafe environment for investments and, consequently, on the activity, operating results, financial situation and prospects of the Group.

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

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

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

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

Political and military instability in the region (crisis in Ukraine due to loss of control over the Crimean Peninsula in favor of the Russian Federation, as well as the conflict in Eastern Ukraine with pro-Russian separatists, intensification in April 2021 of tensions in the eastern border area of Ukraine, in the Crimea and the Black Sea between Ukraine and in the context of the actions of the troops of the Russian Federation), 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.

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

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

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

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

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

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

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

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

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

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

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

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

Assuming that the Size of the Offer is equal to the Maximum Size of the Offer, immediately after Admission, the Founding Shareholders, through their holdings will continue to jointly control 59.4599% of the total voting rights of the Issuer (each controlling 29.7300% of the total voting rights of the Issuer).

On May 26, 2021, the Issuer's shareholders unanimously approved: (i) the establishment of a new class of multi-voting shares, each share of that class granting five (5) voting rights; (ii) the conversion of a number of 162,508,857 ordinary shares held by each of the Founding Shareholders into multiple voting shares, thus converting a total of 325,017,714 ordinary shares into multiple voting shares, each with a nominal value of RON 0.20 each and a total nominal value of RON 65,003,542.80, representing 25% of the Issuer's share capital and 62.5% of the total voting rights in the Issuer (both at the date hereof); and (iii) imposing conditions on the transferability of multi-voting shares, which will be freely transferable only to and between the Founding Shareholders and any of their affiliates, the transfer to any other person resulting in their conversion into ordinary shares (granting a single right of vote per share). The Bucharest Trade Registry Office twice rejected the registration in the trade register of the mentions correlative to these decisions of the Issuer's shareholders, motivating that the company law admits only two classes of shares, ordinary and with priority dividend and without voting rights, despite the Issuer's arguments regarding the legality of the decision, supported both by arguments of Romanian and European law, and by the applicable practice of the High Court of Cassation and Justice. Against this rejection, at the date of this Prospectus, the Issuer's shareholders who had voted in favor of the decision of May 26, 2021 agreed to postpone the amendment of the Issuer's articles of association, but expressed their intention to request inclusion on the agenda of the next EGMS and to vote in favor of the same points as previously approved. In case the EGMS issues a new favorable decision, the Issuer intends to use all the means at its disposal to obtain its registration in accordance with the law.

To the extent that the EGMS approves the above points, each of the Founding Shareholders will hold (assuming that their holdings at the date of the Prospectus remain unchanged) 262,652,745 ordinary shares and 162,508,857 multiple-voting shares, thus jointly controlling 78.7648 % of the total voting rights within the Issuer (each controlling 39.3824% of the total voting rights of the Issuer), assuming that the Offer Size is the Maximum Offer Size.

According to the Articles of Incorporation, the quorum requirements for both convocations of the EGMS, respectively for the first convocation of the OGMS is 50% + 1 of the total number of voting rights (present or represented), the decisions being adopted with the majority of voting rights expressed higher quorum and majority requirements in cases expressly provided by law). According to the applicable laws, at the second convocation of the OGMS, the assembly may deliberate on the items on the agenda of the first assembly, regardless of the quorum, taking decisions by a majority of the votes cast. Therefore, decisions cannot be adopted within the EGMS, respectively within the OGMS at the first convocation, if the Founding Shareholders are not present or represented.

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

***Shareholders may have fewer voting rights per share than holders of multiple-voting shares, to the extent that the EGMS decides to establish a class of multi-voting shares, which may influence the trading price of the Offered Shares and control on the Issuer.***

To the extent that the EGMS approves the establishment of a new class of multi-voting shares, each share of that class granting five (5) voting rights, respectively the conversion of a number of 162,508,857 ordinary shares held by each of the Founding Shareholders into multi-voting shares, thus being a total converted 325,017,714 ordinary shares into shares with multiple voting, each with a nominal value of RON 0.20 each and a total nominal value of RON 65,003,542.80, representing 25% of the Issuer's share capital and 62.5% of the total voting rights in the Issuer (at the date of this Prospectus), according to the intention expressed at the date of this Prospectus by the shareholders representing a large majority of the Issuer's share capital (see also "*Certain Shareholders will hold a significant stake in the Group and will continue to have a substantial influence over the Group as a result of the Offer, and their interests may differ from those of the other Shareholders or may enter into in conflict with these*" above), the total voting rights for ordinary shares (such as the Offered Shares) will be less than the total voting rights for the class of multi-voting shares.

The establishment of the class of multiple voting shares will have as a consequence the reduction of the voting weight of the Offered Shares in the EGMS and OGMS of the Issuer, having an impact not only on the formation of majorities (simple or qualified) in case of voting, but also on meeting quorum requirements. Thus, holders of multiple-vote shares will, in this case, have more control over the outcome of voting and the decision-making process. Including the application of the cumulative vote to the election of the members of the Board of Directors will be less efficient in the case of the Issuer than in the case of other companies that have a single class of shares. In this case, the value of the Offered Shares may be adversely affected, given the distribution of voting rights and control.

The structure of the Issuer's share capital in the case of a multi-voting share class may reduce the interest of third parties in making public takeover bids, may reduce the value of the Offered Shares and may make it difficult or prevent third parties to take control even if this could at that time be considered beneficial to the Issuer's shareholders. The existence of various classes of shares with different voting rights limits the level of control that holders of (ordinary) Shares have over the Issuer.

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

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

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

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

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

- have sufficient knowledge and experience to make a proper assessment of the advantages and benefits of investing in the Offered Shares;
- have access to, and knowledge of, the appropriate analytical tools to assess, in the context of its specific financial statement, an investment in the Offered Shares as well as the impact that such investment will have on its investment portfolio;
- have sufficient financial resources and liquidity to bear all the risks of an investment in the Offered Shares;

- be able to assess (alone, or with the help of a financial consultant) possible scenarios on the factors that could affect the investment and its ability to bear the associated risks.

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

***The Offered Shares may not be admitted to trading on the Bucharest Stock Exchange or may not remain listed on the Bucharest Stock Exchange.***

Although the Bucharest Stock Exchange has approved in principle the admission of Offered Shares on trading on the Bucharest Stock Exchange Regulated Market, for the admission of Offered Shares on trading on the Bucharest Stock Exchange Regulated Market their trading on this market. The admission of the Offered Shares for trading on the Regulated Spot Market of the Bucharest Stock Exchange is subject to certain requirements. We intend to take all necessary measures to ensure that the Offered Shares are admitted to trading on the Regulated Spot Market of the Bucharest Stock Exchange, as soon as possible after the closing of the Offer. However, there is no guarantee that, if the conditions of admission for approval by the Bucharest Stock Exchange change, all these conditions regarding listing and/or trading conditions will be met. Consequently, there is no guarantee that the Offered Shares will be admitted to trading on the Regulated Market on the Bucharest Stock Exchange or that they will be admitted on the estimated date. If the Offered Shares will not be admitted to trading on the Regulated Spot Market of the Bucharest Stock Exchange, the price of the Offered Shares and the possibility to transfer them will be significantly affected.

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

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

***The trading market for the Offered Shares may not be developed or maintained.***

Prior to Admission, there was no trading market for the Offered Shares. Although we applied for admission to the Bucharest Stock Exchange, there was no guarantee that an active trading market would be developed for the Offered Shares or that, if it developed, it could be maintained after the close of the Offer. Therefore, the liquidity of the Offered Shares is uncertain. If an active trading market is not developed or maintained, the liquidity and trading price of the Offered Shares could be adversely affected.

Also, the Offer Price will be determined by the Issuer in consultation with the Intermediary, taking into account a number of factors, including the level of demand for Offered Shares during the Offer process, the type of demand within the Retail Tranche (ie, with guaranteed allocation or pro-rata), the prevailing market conditions and the objective of establishing an orderly trading of the Offered Shares on the secondary market. Thus, the Offer Price may not reflect future performance. In addition, the market price of the Offered Shares may fall below the Offer Price. Also, the market price of the Offered Shares may fluctuate substantially due to various factors, some of which may be specific to the Issuer and its operations, and others may be related to the real estate developers' market and capital markets in general. There is no guarantee that investors will be able to resell the Offered Shares at the Offer Price or at a higher price than this.

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

The Offer Price does not indicate the market price of the Offered Shares after Admission. The market price of the Offered Shares may be volatile and may be affected by large fluctuations. The market price of the Offered Shares may fluctuate due to a large number of factors, including, but not limited to, the factors mentioned in these “Risk Factors”, as well as due to variations from one period to another of the operating results or changes in revenue or any profit estimates made by the Issuer, industry participants or financial analysts. Also, the market price could be adversely affected by events unrelated to the performance of the Group's business, such as, for example, the performance and

share price of other companies that investors may consider comparable to the Group, media speculation or in the investor community regarding the Group, unfavorable press articles, strategic actions of competitors (including acquisitions and restructurings), changes in market and legislative conditions. Any of these factors can cause significant fluctuations in the price of the Offered Shares, which could lead to a negative return for investors.

***The market price of the Offered Shares could be adversely affected by the sale of a large number of Shares on public markets, including as a result of the expiry of the lock-in period or the perception that such sales may take place.***

Shareholders holding 95.2865% of the total shares are subject to restrictions on the sale and/or transfer of their holdings to the subscribed share capital of the Issuer for a period of up to six months from the date of Admission. The sale of a significant number of Shares after the expiration of the restrictions on the sale or the perception that such sales may occur in the future, may decrease the market price of the Offered Shares and may affect the Issuer's ability to raise capital by selling additional equity securities.

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

The Group may seek to attract funding for future acquisitions and other growth opportunities, may issue actions to implement option plans for the actions of members of the Group's management or employees, or to obtain financing to reduce indebtedness. To achieve these and other purposes, it is possible to issue additional equity securities or convertible securities. Therefore, the percentage of ownership of existing shareholders may be diluted or the market price of the Shares may be adversely affected. As a result, the shares of those shareholders in the Issuer's share capital may be diluted.

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

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

***The Issuer will comply with additional regulatory obligations and will incur additional costs as a result of the Admission.***

In addition to the non-recurring costs, the Admission will generate additional administrative costs for the Issuer. Following Admission, the Issuer will be required to comply with the regulatory requirements applicable to entities with shares admitted to trading on the Bucharest Stock Exchange, in particular with respect to disclosure, corporate governance and financial reporting, as well as to allocate personnel and resources for such of purposes. These increased costs may have a material adverse impact on the Issuer's business, prospects, results of operations and financial condition. In addition, the regulations and requirements applicable to companies listed on the Bucharest Stock Exchange may change and any future changes may be difficult to predict, as the risk of the Issuer violating these rules and regulations in the future is increased, which may result in fines and considerable administrative fees. In addition, the Board of Directors and management may be required to devote time and effort to ensuring compliance with such laws and regulations, which may result in less time and effort being devoted to other aspects of the business.

### PART 3 ISSUER DESCRIPTION AND ORGANIZATIONAL STRUCTURE

#### Identification data

The Issuer's name is One United Properties SA

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

The share capital of the Issuer is RON 260,014,171.2, divided into a number of 1,300,070,856 registered, dematerialised shares, with a nominal value of RON 0.20/share.

At the date of the Prospectus, each of the Founding Shareholders, Mr. Victor Căpitanu and Mr. Andrei-Liviu Diaconescu, holds 425,161,602 shares, representing 32.7030% of the Issuer's share capital (representing a share of 32.7030% in the Issuer's profit or loss and 32.7030% of the total voting rights). The Founding Shareholders thus hold together a number of 850,323,204 ordinary shares, representing 65.4059% of the Issuer's share capital (representing a share of 65.4059% in the Issuer's profit or loss and 65.4059% of the total voting rights), jointly exercising control over the Issuer.

Other shareholders with significant holdings are CC Trust Group AG (which holds 89,189,830 ordinary shares, representing 6.8604% of the Issuer's share capital and total voting rights), Marius-Mihai Diaconu (which holds 72,713,915 shares) ordinary shares, representing 5.5931% of the Issuer's share capital and total voting rights) and Icevulcan Properties Ltd (holding 65,003,544 ordinary shares, representing 5% of the Issuer's share capital and total voting rights). The difference of 222,840,363 ordinary shares is held by other 21 shareholders.

According to the decision of the extraordinary general meeting of the Issuer's shareholders of June 8, 2021, it was approved (i) the increase of the share capital of the Issuer from the nominal value of RON 260,014,171.2 and up to the maximum nominal value of RON 286,015,588.2 ("**Share Capital Increase**"), by issuing a number of up to 130,007,085 new ordinary, registered, dematerialised shares, each with a nominal value of RON 0.20 and a total nominal value of RON 26,001,417, in view of the Offer and (ii) the authorization of the Board of Directors of the Issuer for a period of five (5) years to decide to increase the share capital of the Issuer, through one or more issues of ordinary, registered and dematerialised shares, with a nominal value not exceeding Lei 13,246,558.6.

The email address of the Issuer is [office@one.ro](mailto:office@one.ro), and the Issuer's website is [www.one.ro](http://www.one.ro). Please note that the information found on the Issuer's website is not part of the Prospectus.

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

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

Name	Country of establishment and registered office	Percentage of participation	Field of activity
One Mircea Eliade Properties S.R.L.	Romania	100%	Real estate development
One United Tower S.A.	Romania	70.24%	Real estate development
One Herastrau Towers SRL	Romania	100%	Real estate development
One Peninsula S.R.L.	Romania	100%	Real estate development
One Modrogan S.R.L.	Romania	99.99%	Real estate development
One Verdi Park S.R.L.	Romania	90%	Real estate development
One Cotroceni Park S.R.L.	Romania	80%	Real estate development
One Lake District S.R.L.	Romania	98%	Real estate development
One Floreasca Towers S.R.L.	Romania	99.99%	Real estate development
One Mamaia S.R.L.	Romania	97.98%	Real estate development
One North Gate S.A.	Romania	56.74%	Real estate development
One Charles de Gaulle Residence S.R.L.	Romania	99.99%	Real estate development
Neo Properties Development S.A.	Romania	82.35%	Holding
Neo Mamaia S.R.L.	Romania	82.33%	Real estate development

Neo Timpuri Noi S.R.L.	Romania	82.33%	Real estate development
Neo Floreasca Lake SRL	Romania	80.58%	Real estate development
Neo Herăstrău Park SRL	Romania	81.52%	Real estate development
One Herastrau Plaza SRL	Romania	98%	Real estate development
One Cotroceni Park Office S.A.	Romania	72% <sup>i</sup>	Real estate development
One Cotroceni Park Office Faza 2 S.A.	Romania	72% <sup>ii</sup>	Real estate development
One Cotroceni Park Office Faza 3 S.A.	Romania	80%	Real estate development
One Long Term Value S.R.L.	Romania	98%	Holding
X Architecture & Engineering Consult S.R.L.	Romania	80%	Architectural and planning services
Skia Real Estate S.R.L.	Romania	51%	Real estate agency
One Long Term Investments S.R.L.	Romania	100%	Holding

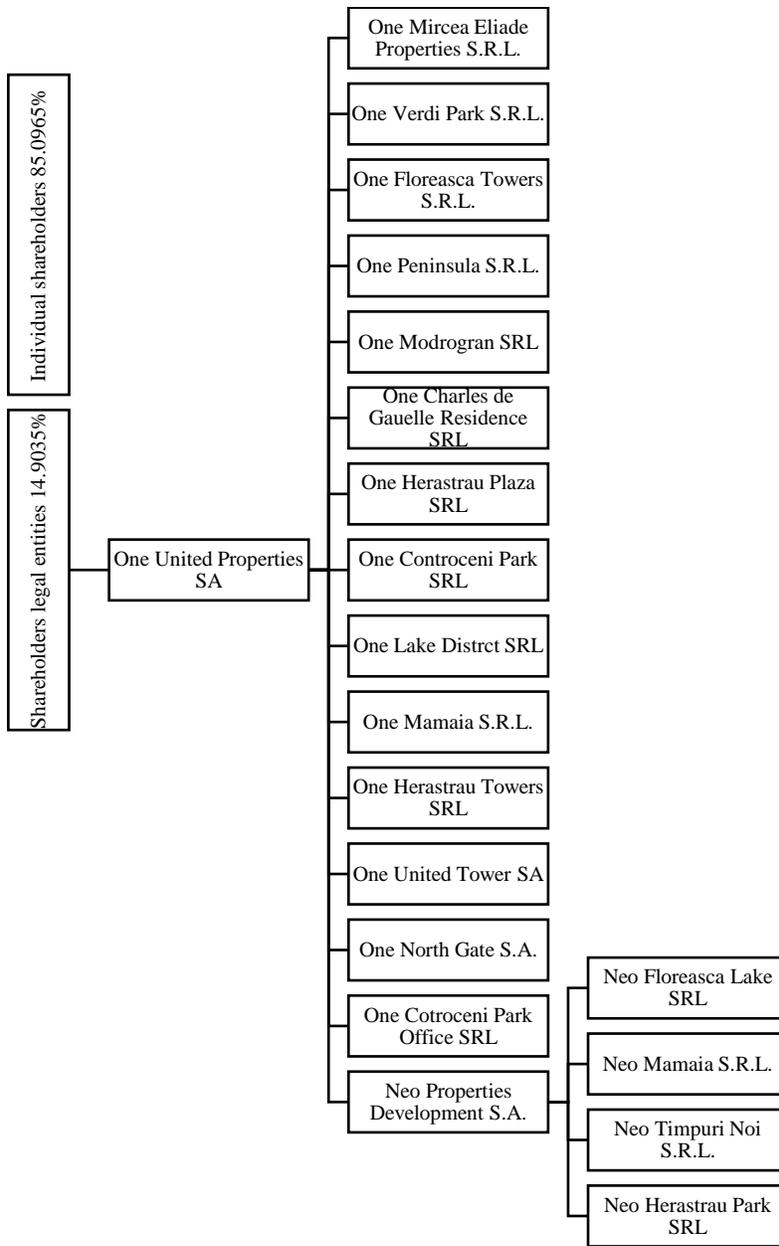
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<sup>i</sup> At the date of the Prospectus, the process of modifying the structure of the company's share capital by converting the loans granted by minority shareholders is underway; as a result of this change, the Issuer's participation will be reduced to 57.25%.

<sup>ii</sup> Ditto Note 1 above.

In addition to the majority holdings indicated above, the Issuer holds interests in CCT & ONE AG (indirect participation of 49.9%), as well as in the companies One Herăstrău Office Properties SA (a participation of 30%), Reinvent Energy SRL, Glass Rom Impex SRL, One Herăstrău Office SA and One Property Support Services SRL (a 20% stake in each of the above-mentioned companies).

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



## PART 4 BUSINESS OVERVIEW

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

### GENERAL PRESENTATION

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

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

- *the activity of development and sale of residential properties* - this consists in the acquisition of land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the real estate construction process (residential or mixed residential-commercial), respectively of the related infrastructure; coordinating marketing campaigns and the sale of residential units and the sale of commercial premises within mixed-use projects; the income related to this activity is mainly generated by the sale of the real estate thus developed;
- *office property development activity* - this includes the acquisition of relevant land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the process of building buildings for office buildings; coordinating marketing campaigns and renting office space; this activity generates gains from the development activity as the difference between the value invested at cost and the market value of the project;
- *investment activity* - this consists in the acquisition of assets (land or office buildings) identified as having good value for money; after the acquisition, as a result of the improvement of the rental level (including as a result of the improvements and renovations undertaken by the Group) or the reduced acquisition cost, a gain on real estate investments is generated for further development or gains on completed real estate investments. the nature of the property; and
- *the activity of renting the properties owned by the Group* - it is carried out through the commercial leasing of spaces in office buildings and those for commercial use within mixed-use projects and generates repetitive rental income.

The main product of the Group, which generated revenues amounting to RON 219.7 million, RON 147.4 million and RON 437.5 million in the years ended December 31, 2018, 2019 and 2020 are the housing units (mainly apartments) in the categories “medium”, “medium-high”, “high” and “very high” prices, located in exclusive / high interest areas for residential spaces in Bucharest and Constanța (including Mamaia), the targeted customers being mainly those who purchase housing units respectively for their own use, to a significantly more reduced extent being those who purchase these units for rent or buy them as an investment. Overall, the Issuer has a portfolio of completed residential projects with a gross development value (GDV) of over EUR 222.6 million and other projects under development / planning of EUR 939.4 million ( *Source: Issuer* ), both values as of December 31, 2020. As of the date of this Prospectus, the Issuer has completed residential projects that include 687 housing units, with another 4,000 units under development, of which over 900 are under construction ( *Source: Issuer* ).

In the activity of developing office properties, the Issuer develops Class A offices, located in areas of Bucharest that are attractive for business. For the financial years 2018, 2019 and 2020, the three projects that make up this category are One Tower (which was completed at the end of 2020) and One Cotroceni Park Office (Phase 1 and Phase 2). The value increases associated with the development of these projects have resulted in revenues of RON 42 million, RON 165 million and RON 55.4 million . In its investment activity, the Issuer acquired, in 2017, the One North Gate project and in 2020 a minority stake in One Herăstrău Office, a project currently managed by the Issuer. Also, the Issuer acquired a significant number of lands during this period, lands that experienced valuable appreciations. The increases in value associated with the real estate acquired in the investment activity of the Issuer resulted in revenues of RON 4 million, RON 36 million and 34 RON million in the years ended December 31, 2018, 2019 and 2020. The One Cotroceni Park project was fully classified in 2018 as a real estate investment held for further development, and in 2019 the part related to the office project was reclassified into office building development activity.

The land portfolio in the planning phase owned by the Group represents an important source of real estate development projects for the future, with an area of approximately 133,000 sqm. *Source: Issuer*). For all lands owned by the Group either the building permit was obtained or the town planning certificate was obtained in order to obtain the building permit. The Issuer is also in the process of evaluating and discussing the acquisition of additional land for its future developments.

Regarding the Group's activity in the office rental segment, the rental income amounted to RON 24.6 million, RON 16.5 million and RON 1.7 million in the years ended December 31, 2018, 2019 and 2020), the office rental segment is not a main line generating income in these periods (it is anticipated that this segment will become a main line starting with 2022, once the development of the Issuer's large office projects is completed). Through the majority participations in the four (4) projects on the office segment (acquired, developed or under construction), as well as the minority participation in One Herăstrău Office, the Issuer has at its disposal a total leasable area of over 135,000 sqm (*Source: Issuer*). In 2020 and 2021, the Issuer entered into a number of significant leases for its completed or in the process of completing office buildings, such as One United Tower and One Cotroceni Park. It is estimated that these new leases will generate significant rental income from the 2022 financial year.

The Issuer has implemented a disciplined and analytical internal process regarding the acquisition of land, each acquisition being negotiated in detail, being subject to a thorough assessment of the associated costs and potential revenues generated by each land, with the aim of ensuring that a building that meets the profitability and liquidity requirements outlined in the Group's strategy (i.e. mainly taking into account a gross margin of at least 30%) can be built on the ground. In particular, the Issuer considers the acquisition of well-positioned land, taking into account factors such as exclusivity of the area, available infrastructure, connections to transport networks, proximity to green spaces, schools, offices, locations for recreation, which represent, in the Issuer's view, significant factors taken into account by customers when choosing a home, respectively an office space. Also, the Issuer has solid and time-tested relationships with companies that provide services in the field of construction and related fields in the locations where the Issuer operates.

The table below presents a summary of the projects in the planning and development phase on 31 December 2020:

	<b>Under construction<sup>3</sup></b>	<b>In planning</b>
<b><i>Residential projects</i></b>		
GDV <sup>4</sup>	EUR 447.9 million	EUR 491.5 million
Estimated gross profit on residential projects <sup>5</sup>	EUR 222.9 million	EUR 200.5 million
Number of units <sup>6</sup>	955	3,183
Pre-sales percentage of number of apartments/ planned area	53% <sup>7</sup>	14% <sup>8</sup>
<b><i>Office projects</i></b>		
Market value <sup>9</sup>	EUR 169 million	-
Gross leasable area	80,708 mp	-

*Source: Issuer*

<sup>3</sup> Includes Neo Mamaia - Phase 1, which was completed in February 2021

<sup>4</sup> "Gross Development Value"; for the main assumptions that the Issuer relied on to calculate this indicator, please see the "Estimates and other indicators used" section below.

<sup>5</sup> For the main assumptions that the Issuer relied on to calculate this indicator, please see the "Estimates and other indicators used" section below.

<sup>6</sup> Estimate; the number of units within the developing and planned projects may vary, as a result of the requirements imposed by the urban and construction documentation, of the modification of the project, respectively of the clients' preferences.

<sup>7</sup> Reported to the number of apartments.

<sup>8</sup> Compared to the planned area.

<sup>9</sup> Calculated for the completion of buildings under development and a rental rate of 100%.

As of May 31, 2021, the percentage of pre-sold apartments amounts to 61% for residential projects under construction, while the percentage of the planned area for which pre-sale contracts were concluded amounts to 21% for planned residential projects.

## **COMPETITIVE ADVANTAGES**

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

The Issuer is one of the main developers of *premium* housing in Romania, a country that has registered a considerable positive economic evolution in recent years (except for 2020, marked by the crisis generated by the COVID-19 pandemic). In the period 2016-2020, Romania's GDP per capita increased with a compound annual growth rate (RCAC) of 2.74%, significantly exceeding the growth of GDP per capita in the European Union, with a 0.11% negative RCAC. The economic growth trend is even more pronounced in the Bucharest-Ilfov region, which recorded in 2019 a GDP per capita of 160% (expressed in the purchasing power of money in the local economy) compared to the EU average (*Source: Eurostat*).

In Bucharest, the aggregate demand for the whole year 2020 was approximately 22,300 transactions with new housing units, while Ilfov County totaled around 5,800 new units, equivalent to an annual increase of 4.5% compared to 2019. The growth trend of demand in this segment continued in the first quarter of 2021, when 33.6% more new housing units were sold, compared to the first quarter of 2020, the total number of new housing units traded in the first quarter of 2021 in the Bucharest-Ilfov region being estimated at 3,450 (*Source: JLL*). Compared to the demand for new homes, the number of new homes delivered in Bucharest in 2020 is 10,000, and for the first quarter of 2021 it is estimated that the number of new homes delivered amounted to 2,700 units (*Source: JLL*). There is an undersizing of the supply of new housing compared to existing demand. The region is also experiencing accelerated growth in both population and per capita income (*Source: Eurostat, INS*), therefore, the demand for new housing is expected to continue to grow in the future.

A number of trends are likely to further support the increased demand for new homes, for example: high levels of employment; the continuous reduction of the average household size, which causes an increase in the number of households; an adequate level of mortgage availability for a wide range of home purchase prices and a housing availability per capita lower than the EU average - 434 units/1,000 inhabitants, compared to 483 units/1,000 inhabitants (*Source: Eurostat*), which causes a deficit of about 200,000 units. The demand is also stimulated by the fact that 84% of the total residential properties in Bucharest are older than 30 years (*Source: Cushman & Wakefield Echinox*) and therefore do not adequately meet the demand of the relatively prosperous young urban generation, who aspire to live in modern, Western-style apartments, such as those in the Group's offer. Prices for residential homes in Bucharest increased by 3.5% in 2020 compared to 2019, to an average price of 1,465 EUR per usable sqm, continuing the same upward trend started in 2015, registering an increase with a RCAC of 6.11% for the period 2015 - 2020. The price per usable sq m continued to increase slightly in the first quarter of 2021 (by about 1.3%), to EUR 1,485 (*Source: JLL*).

The demand for Class A office space in Bucharest remains significant, despite the Covid-19 pandemic (*Source: Colliers*), being stimulated by the booming economy and the hope of returning to the office as the vaccination campaign progresses. The Group's experience in 2020 and the first quarter of 2021, as well as the information published by the profile entities show that there is a significant demand for relocations from existing offices to other more attractive properties (this amounting to 17% in 2020 and about 34% in the first quarter of 2021) (*Source: JLL*), this is also reflected in the fact that the Group managed to rent about 30% of the office space rented following the relocations in 2020 (*Source: CBRE*). The Group has a diversified portfolio of office space, offering solutions to the entire spectrum of customers in Bucharest: both "prime rent" spaces and space areas for the technology industry and the mid-market or boutique area. Also, the Issuer's office spaces are located both in the North area and in the western hub of Bucharest. Whereas an important proportion of office space in Bucharest is relatively old buildings (by reference to modern standards of equipment and facilities offered to tenants), as well as taking into account the fact that the supply is relatively low if we consider the number of square meters per capita, new office buildings have enjoyed market demand, including in 2020 (*Source: Colliers*).

The yields that are offered by the premium office real estate market in Bucharest are about 7% (*Source: JLL*). This yield is higher than that associated with relatively comparable external markets. For example, the average yield on the premium office real estate market in Warsaw (Poland) is 4.50%, in Budapest (Hungary) it is 5.25% (*Source: JLL*), while the average yield on the premium office real estate market in Prague (Czech Republic) is 4.10% (*Source: Savills*). The Issuer has a competitive advantage in this respect, as it operates in a real estate market which, compared to the European capitals mentioned above, does not seem to have yet reached its maximum potential. As the premium real estate market in Bucharest becomes more mature, it is expected that the difference between yields will decrease. While the rental income was maintained, this could have resulted in an appreciation of the price of the premium real estate, the Issuer having a significant opportunity to record gains from the revaluation of its real estate investments.

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

The Issuer has developed seven residential projects, all of which are among the residential complexes in Bucharest in

the last 10 years that have enjoyed wide recognition and appreciation. The Issuer has won numerous awards, such as: “Residential Developer of the Year” (in 2017 and 2018) and Leader Green Developer and Development (in 2020) at CIJ Awards Romania, Forbes Green Award, “Residential Project of the Year” (in 2018 and 2019) at SEE Real Estate Awards Gala, “Best Residential Redevelopment”, “Best Mixed-Use Development”, “Best Sustainable Residential Development” and “Best Residential High-Rise Development” (2020) at the European Property Awards.

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

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

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

The Issuer's long experience in the development of real estate projects has allowed it to accumulate expertise in the field of design and execution of such complex and large-scale projects. The Issuer's experience and high degree of sophistication make the One brand one of the most appreciated brands on the Romanian residential market, generating the sale of larger volumes of residential units at higher prices than those of the main competitors. Being one of the leaders of the residential market and having a large volume of sales and customer interactions, the Issuer accesses in real time an important amount of information about customer preferences and market trends. This information is especially useful in its design and planning processes, as well as in its marketing and sales strategy. Despite the scale and complexity of the projects developed by the Issuer, its strategy for developing real estate projects is dynamic, which allows it to keep pace with changing trends in demand to meet the needs and preferences of its customers and maintain profit margins for its entire project portfolio.

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

The Group has a history of profitability at project level. The annual results are influenced by the non-linear nature of the revenues associated with the real estate development activity in the residential segment and by the impact of revaluation revenues. Thus, the Issuer's gross profit was RON 128,961,447 for the year ended December 31, 2018, RON 242,793,847 for the year ended December 31, 2019 (being significantly influenced by revaluation revenues in the amount of RON 231 million) and RON 206,658,661 for the year ended 31 December 2020.

The value of the Group's total assets increased constantly, from RON 952 million at December 31, 2018, to 1.315 billion at December 31, 2019 (representing an increase of 38% compared to the previous year) to 1.704 billion at December 31, 2020 (representing an increase of 23% compared to the previous year). In its activity, the Issuer also seeks to maintain prudent levels of liquidity that increase its ability to react quickly to investment opportunities or unforeseen situations. As of June 4, 2021, the position of cash and cash equivalents at the Group level was approximately RON 366,000,000.

The Issuer also has a dividend policy that considers annual distributions to shareholders, distributing for each of the years ended December 31, 2020, 2019 and 2018 gross dividends amounting to RON 41,682,627, RON 44,058,800 and RON 13,252,028. In the future, the Issuer intends to continue the annual distribution of dividends as presented in its dividend policy.

### **Proactive risk reduction through the good pre-sale capacity of the Issuer**

From a historical point of view, the Issuer financed the development of residential projects in a significant proportion from pre-sales. The well-established project development process allows the Issuer to transform its high-quality land portfolio into cash-generating real estate projects, while maintaining significant profit margins and minimizing capital investment. Prior to the start of construction of a real estate project, a significant percentage of the built-up areas and/or residential units within it are pre-sold, the Group thus receiving significant amounts as an advance. Sometimes, the built-up areas and/or the future apartments within certain projects are offered in exchange for the lands purchased for the development of some residential units. Financing the development of projects using cash obtained from the pre-sale/offering of built-up areas/apartments in exchange for land reduces the risks of unavailability of financing for the Issuer's business model and provides increased visibility of revenues. The Issuer's ability to pre-sell and capitalize

on an important part of its projects before they are completed is based on both a strong brand image and reputation, as well as experienced and trained sales force. The Issuer's ongoing projects continue to demonstrate good pre-sale performance, with significant levels of areas/units sold and revenue generated prior to completion.

#### **Unique land portfolio, able to generate significant added value and disciplined land acquisition process**

The Issuer has an important portfolio of land in the planning phase, which amounts to more than 133,000 square meters, all properties being located in locations that enjoy high demand in Bucharest and Constanța (including Mamaia), on the Black Sea coast. The Issuer's unique and exclusive land portfolio represents a significant competitive advantage, an important source of future developments, as well as a significant source of unrealized surplus value. Due to the Issuer's reputation in the market, it is often contacted about land acquisition opportunities, which allows it to analyze numerous acquisition opportunities each year and select those that it believes are of superior quality. The Issuer has a disciplined approach to land acquisition and focuses on the acquisition of each land at prices that accurately reflect current and potential value. The Issuer's review process includes a detailed assessment of the future potential revenues and associated costs of each potential land to ensure that the land purchased for its portfolio will be able to, when the projects eventually develop and sell on those lands, to meet the objectives of the Profitability Issuer.

The Issuer's total land portfolio includes 13 locations (representing land that can be developed in one or more phases), which allows it to develop a large part of the projects planned for the next five years and gives it a high degree of predictability on the future activity. The Issuer has extensive experience in obtaining all necessary approvals for the lands in its portfolio. For all the locations, either the building permit or the town planning certificate was obtained in order to obtain the building permit. The carrying amount of the land portfolio under construction or planning (residential and office) held at December 31, 2020 was EUR 133 million, which represents the cost of the land and the costs of acquiring it, which were committed until currently for owned land. According to the Issuer's estimate, the expected gross development value (GDV) of residential buildings under construction as of December 31, 2020 is 447.9 million Euros, and that of planned residential complexes is EUR 491.5 million, while the value of office buildings under development (once developed) is estimated by the Issuer at EUR 169 million, and the rental income (for all Office projects of the Issuer, once completed, as well as for the One Herăstrău Office project where the Issuer has minority stake, but manages and operates the project) is estimated by the Issuer at EUR 25 million.

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

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

#### **Management team with proven experience and skills**

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

#### **STRATEGY**

The Issuer's strategy is to invest in premium development opportunities with sustained profitability prospects and to

continue to be a leader in the premium residential market.

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

The Issuer also intends to continue and develop office property development activity, investment activity, as well as office rental activity (regarding the latter segment, the Issuer has started to develop it in recent years, the expectation being that it will obtain results on this segment starting with 2022, after the completion of all office projects under construction).

From the point of view of the competitive strategy, the Issuer opted for a strategy based on differentiation, the image gained (brand notoriety and the degree of its recognition) representing one of the most important strengths of the Issuer. Increased attention given to every detail of developed projects, the high number of types of housing units in residential projects and compliance with the highest quality standards in terms of execution, in conjunction with the use of the latest architectural and design concepts both in construction as well as at the level of projects, they bring to the Issuer's projects a high degree of uniqueness and desirability.

The main directions of action for achieving the above are:

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

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

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

The Issuer is of the opinion that its reputation and the success of the One brand represent a very good basis to continue its growth, both by developing premium projects and by expanding on the market of middle and high income customers. The solid internal processes implemented at the Issuer's level, the relatively large portfolio of well-located land, as well as the emphasis on quality will allow it to come up with a convincing proposal on this significantly larger and growing market, with good profit margins. In the short and medium term, the Issuer intends to expand its footprint in the development of residential projects, relying on an extension in other areas of Bucharest, but also developing projects in other important cities in Romania and possibly in other parts of Central and Eastern Europe.

**Increasing the portfolio of new and well-located Class A offices**

The Issuer will continue to strike a balance between residential development projects and a Class A office portfolio, which will generate relatively constant annual revenue. The Issuer remains focused on new, well-located, Class A office buildings, as it considers that demand will remain at a good level for this type of property, stimulated by a migration from older, lesser-known and less-known and not-so-well-located buildings. The Issuer prefers to use its significant experience and skills to develop iconic properties, but, depending on the opportunities, may also consider purchasing existing buildings.

**Maintaining a business model based on low-risk cash flows. Maintaining a low level of indebtedness that provides good economic returns for shareholders**

The Issuer intends to maintain the pre-sale financing model, which significantly reduces the risks related to the cash requirements for the development of residential projects. The Issuer's sales and marketing strategy is the basis of its business model and aims to ensure a constant flow of new customers to increase the available cash, to provide visibility on revenues and to support the development of projects. The Issuer's sales staff has significant experience in its core markets and uses the One and Neo brands to optimize sales prices, which further support operating margins. The Issuer

has implemented and will continue to implement cost optimization and value-generating engineering initiatives to optimize its cost base. The Issuer intends to maintain a conservative capital structure with sufficient flexibility to take advantage of growth opportunities when they arise, while maintaining prudent levels of indebtedness.

#### **Commitment to green and sustainable development**

In its developments, the Issuer always considers reducing carbon emissions to minimize climate change, as well as streamlining its activities to ensure that the Issuer's operations and developed constructions will maintain the qualities that ensure the sustainability of projects throughout their lifetime. The Issuer will continue to focus on developing projects that are in line with the best environmental and sustainability practices that enjoy market recognition. The Issuer intends to continue to develop projects that obtain prestigious certifications in the field of sustainability and environmental protection.

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

The Issuer's openness to customers or potential customers brought an important image capital to it. The Issuer wants to maintain a constant and efficient communication for the benefit of both the Issuer and its customers, and with the expansion of the activity to develop new lines and directions of communication, by using the best marketing tools in this direction. The Issuer wishes to establish the ONE community in the next period, which will offer certain specific benefits to all members for various services offered following partnerships with suppliers selected by the Issuer.

#### **TRACK RECORD**

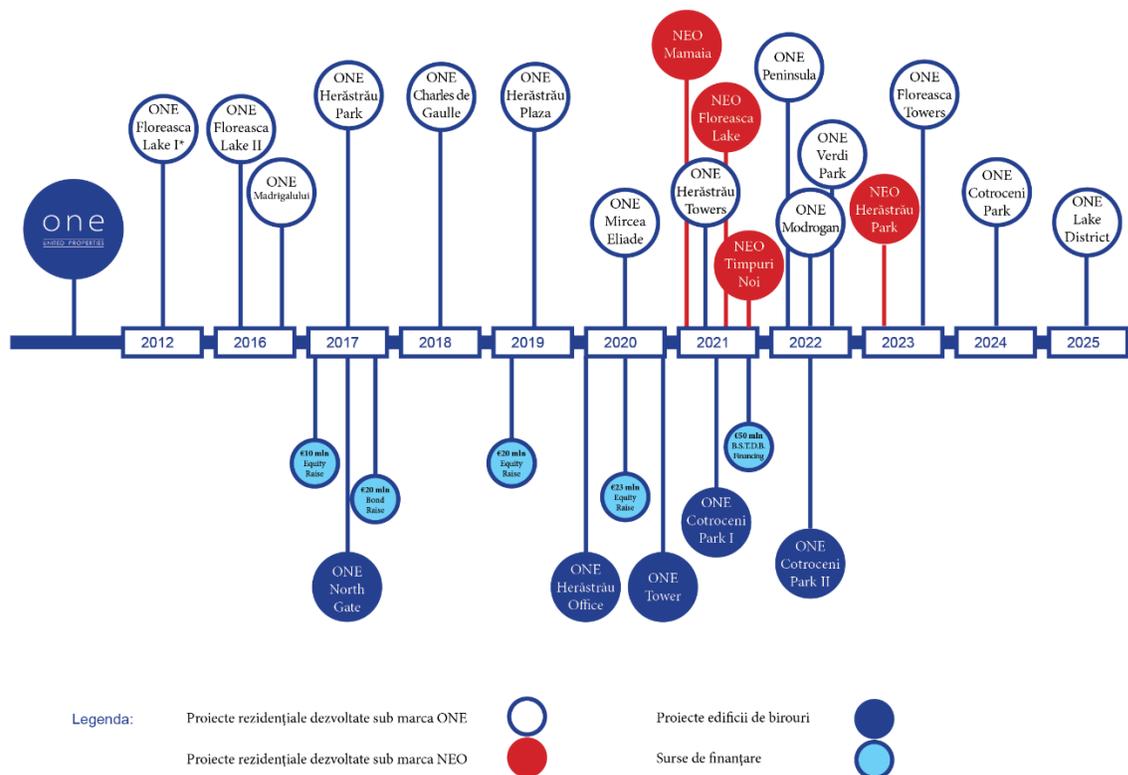
The Founding Shareholders, respectively Mr. Victor Căpitanu and Mr. Andrei-Liviu Diaconescu started their real estate investment activity in 2000 and developed the first residential project in 2006. Starting with 2013, the Issuer started the development of real estate projects under the "One" brand.

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

The Issuer registered a rapid growth, being the author of some reference real estate projects on the Romanian market (for example, One Floreasca City, internationally awarded project at the International Property Awards 2019-2020 with "Best Sustainable Residential Development", a multifunctional landmark project, an expression of contemporary vision, sustainability and community integration, with increased focus on facilities offered to residents and the community).

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

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



\* One Floreasca Lake I was not developed by Issuer.

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

Source: Issuer

## MAIN MARKETS AND COMPETITIVE POSITION

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

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

At the date of this prospectus, the Group owns a number of 12 plots of land, intended for residential real estate development, with a total GDV estimated by the Issuer at EUR 939.4 million (as estimated at 31 December 2020). For all lands owned by the Group either the building permit was obtained or the town planning certificate was obtained in order to obtain the building permit.

According to the Issuer's estimates as of 31 December 2020, the Group's ongoing projects (at that time) had a GDV of EUR 447.9 million, while the residential projects that are planned had an estimated GDV of EUR 491.5 million. The gross profit estimated by the Issuer for projects under development and planning at 31 December 2020 was EUR 423.4 million.

Unless otherwise indicated, the table below contains information on residential projects developed by the Group, updated to 31 May 2021:

Project Name	Start date <sup>1</sup>	Completion date <sup>2</sup>	Total apartments <sup>3</sup>	Apartments/areas sold/pre-sold on December 31, 2020 <sup>4</sup>	Apartments/areas sold/pre-sold on May 31, 2021 <sup>5</sup>	Built parking spaces	Total built area (sqm)	Residential built area (sqm)	Commercially built area (sqm) <sup>6</sup>	GDV <sup>789</sup>	Gross profit <sup>10</sup>
<b>Developing projects</b>											
<b>(A) Projects in progress</b>											
One Herăstrău Towers	Oct'18	July '21	147	89%	91%	255	33,007	16,985	4,996	54.2	22.4
Neo Floreasca Lake	Apr'20	Mar'22	63	46%	56%	73	11,719	9,232	-	31.4	16.5
Neo Timpuri Noi	Apr'19	Dec'21	147	82%	88%	173	18,372	13,149	964	26.4	9.5
One Verdi Park	Nov'19	Sep'22	328	29%	38%	492	62,722	35,135	3,127	118.9	59.3
One Modrogan	Oct'20	Oct'22	48	35%	44%	90	14,803	9,739	-	63.8	42.5
One Peninsula	Oct'20	Jun'23	172	40%	53%	287	52,959	35,372	-	136.9	69.1
<b>(B) Projects in progress</b>											
One Cotroceni Park	July '21	Dec'23	832	26%	38%	1,301	132,960	66,846	15,545	140.9	51.4
One Floreasca Towers	June'21	June'23	174	19%	20%	266	31,228	18,545	1,090	51.6	18.6
Neo Herastrau Park	Sep'21	Sep'23	117	23%	24%	179	18,031	10,665	2,088	31.1	11.4
Neo Mamaia - phase 2	Nov'21	Nov'23	60	25%	25%	71	13,680	10,260	-	24.6	11.7
One Lake District	Oct'21	Dec'24	2,000	5%	12%	1,993	199,271	166,059	-	243.3	107.5
<b>(C) Completed projects</b>											
Madrigalului Residence	Oct'13	Sep'14	14	100%	100%	12	3,130	2,271	-	3.2	0.9
One Floreasca Lake	Sep'11	May '15	68	100%	100%	86	15,000	8,333	-	14.8	5.7

Project Name	Start date <sup>1</sup>	Completion date <sup>2</sup>	Total apartments <sup>3</sup>	Apartments/areas sold/pre-sold on December 31, 2020 <sup>4</sup>	Apartments/areas sold/pre-sold on May 31, 2021 <sup>5</sup>	Built parking spaces	Total built area (sqm)	Residential built area (sqm)	Commercially built area (sqm) <sup>6</sup>	GDV <sup>789</sup>	Gross profit <sup>10</sup>
One Herăstrău Park	Aug'15	Mai'17	109	100%	100%	155	27,050	17,806	-	34.4	6.9
One Charles de Gaulle	Oct'15	June'18	33	100%	100%	55	9,197	5,378	-	22.7	5.9
One Herăstrău Plaza	Jun'16	Jan. 19	169	100%	100%	243	32,414	15,494	2,507	33.5	3.2
One Mircea Eliade	Mar'18	Dec'20	244	73%	77%	546	60,735	30,949	1,185	114.1	49.7
Neo Mamaia - phase 1	Sep'18	Feb'21	50	94%	92% <sup>11</sup>	68	8,523	6,285	-	16.3	3.6
<b>Total residential units</b>			<b>4.775</b>			<b>6,345</b>	<b>744,801</b>	<b>478,503</b>	<b>31,501</b>	<b>1,162.1</b>	<b>495.6</b>

Source: Issuer

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

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

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

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

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

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

<sup>7</sup> In EUR million at 31 December 2021.

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

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

<sup>10</sup> In EUR million at 31 December 2021.

<sup>11</sup> The decrease compared to December 31, 2021 is caused by the termination of a pre-sale contract.

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

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

The Issuer, through the residential projects developed by its subsidiaries, addresses mainly two customer segments, namely: (a) clients looking for projects located in premium areas of Bucharest (Herăstrău, Floreasca, Primăverii, Dorobanți and Victoriei Square), projects with a very good reputation, built by developers with significant expertise on the residential market, with a special architecture and design such as and a superior quality of finishes, composed of families with monthly incomes of over EUR 8,000-10,000 and (b) clientele looking for projects with average added value, located in central and semi-central areas of Bucharest, projects with a good reputation and in some cases a well-known brand, a consistent experience on the residential market, very good quality of finishes, composed of families with monthly incomes between EUR 3,000 and 5,000.

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

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

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

The Executive Management of the Issuer carefully analyzes each potential opportunity, sometimes with the help of external partners, in order to determine even from this incipient phase with the greatest precision, the real development parameters of each studied location.

The identified investment opportunities are subject to a preliminary analysis after which only those that meet the Issuer's internal investment criteria are accepted for the next analysis stages.

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

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

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

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

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

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

The Issuer through its branch specialized in architectural and urbanism services (X Architecture & Engineering Consult) organizes architectural contests (sometimes with international participation) for the project, and in partnership with the Executive Management of the Issuer selects the architectural concept that best meets the vision and the brand identity of the Issuer.

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

months.

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

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

#### Land acquisition

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

#### Carrying out the design

After acquiring the land, the Issuer ensures (usually through its subsidiary specialized in architectural and urban services - X Architecture & Engineering Consult, but also through the involvement of specialized service providers, depending on the specifics of the project) the preparation of technical documentation necessary to obtain the building permit. In some particular situations, it is also possible to adapt a technical documentation taken from the seller by purchasing the land. This stage lasts on average 6-9 months and is completed once the building permit is issued by the competent authorities.

#### Execution of construction works

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

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

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

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

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

#### The process of selling housing units

The sale process of the housing units is started by the Issuer as soon as possible after the acquisition of the land destined for development. There are cases in which certain areas of a project are sold prior to the acquisition of land for development, in order to attract the capital needed for the development of that project. Sales made in the early stages of construction are used to supplement the financial resources needed in the execution of construction works. Prices are set in EUR, with payment in lei at the exchange rate applicable at the time of payment, in order to avoid the risks associated with a potential devaluation of the leu. Promises of sale concluded by the Issuer's subsidiaries with promising buyers usually provide for the payment of the price in equal installments of 20% each, divided over the entire construction, so that in most cases full payment of the price occurs before signing the sales contract for completed housing units. The sales strategy of the Issuer's subsidiaries usually aims at the progressive increase of the sale price as the project reaches certain stages in the authorization and execution of construction works, reflecting the increase in value associated with the respective housing units.

The sales process is coordinated through the combined and sustained effort of the Issuer's internal sales team and marketing and communication team. In order to maximize the sphere of potential customers, the sales process begins simultaneously with the realization of the design, on which occasion the sales team brings a significant creative contribution, by collecting relevant information from the market, which often lead to adapting the design to the real requirements of the potential customers.

The sale process in the execution stage of the construction works starts from the fencing of the site which includes distinctive elements of the "One" brand and includes the creation of a presentation space within each site, with a specific and customized design for each project, but consistent in all cases with the "One" brand.

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

#### Reception and delivery of housing units

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

#### After sales services

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

#### Financing of residential projects

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

The financing structure of each project is defined by the Issuer's executive management together with the Issuer's specialized department in the field of bank financing, based on the financial projections prepared by the finance department to ensure a good balance between maximizing profit margins and taking financial risk. The financing is committed on the basis of a process that considers the analysis of potential sources of financing in good market conditions and the obtaining of several offers negotiated with the banking institutions. See also Part 7 - "*Capital Resources*".

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

##### **Completed projects**

##### Madrigalului Residence

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

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



### One Floreasca Lake

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

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

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

### One Herăstrău Park

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

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

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

### One Charles De Gaulle

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

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

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

### One Herăstrău Plaza

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

An element that gives identity and distinctive character to the One Herăstrău Plaza project is represented by the common space developed within and around the project that takes the form of an inner courtyard open to the public (plaza). In 2020, at the Europa Property SEE Real Estate Awards gala, One Herăstrău Plaza was awarded the title of Residential Project of 2020.

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



### One Mircea Eliade

One Mircea Eliade is the residential and commercial component of the multifunctional project One Floreasca City, together with the office component, One Tower. 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 and 20 floors, with a total built area of approximately 61,000 sqm. The apartments are positioned to maximize views of Floreasca Park, Lake Floreasca, offering mostly spectacular panoramic views over Bucharest. The residential complex, together with the One Tower office building, offers green spaces, a playground, but also restaurants and cafes, wellness club, all facilities being accessible to both residents/tenants and the general public.



The construction of the ensemble was completed in December 2020.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 114.1 million. By May 31, 2021, 77% of the apartments in this project were sold.

### Neo Mamaia (Phase I)

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



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

Phase I of the Neo Mamaia project was completed in February 2021.

The gross development value of the project (GDV) for Phase 1 is estimated by the Issuer at EUR 16.3 million. By May 31, 2021, 92% of the apartments in this project were sold.

### **Developing/ planned projects**

#### One Herăstrău Towers

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



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

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

The project completion date is estimated to be July 2021.

Gross project development value (GDV) is estimated by the Issuer at 54.2 million Euro. By May 31, 2021, 91% of the apartments in this project were pre-sold.

### One Verdi Park

The One Verdi Park project includes both a residential component and 328 housing units (from two rooms with 60 sqm to 5 penthouse rooms with an area of up to 612 sqm) located in two cannons of 19 and, respectively, of 20 floors, as well as a commercial component of over 3,000 square meters built, in the area of the ground floor of the two towers. The project has spectacular panoramic views and the immediate proximity to the business area in the north of the city, Verdi Park, shopping malls, wellness clubs, sports facilities and restaurants.

The construction of the One Verdi Park project is estimates, according to the current calendar, for September 2022.

Gross project development value (GDV) is estimated by the Issuer at EUR 118.9 million. By May 31, 2021, 38% of the apartments in this project were pre-sold.



### One Modrogan

Located near Kiseleff Park and Aviatorilor Boulevard, the One Modrogan project is designed as a boutique residence, shaping the definition of a unique concept in Bucharest especially through the location chosen but also through design details. The project includes 48 apartments located in three buildings. Construction works of the project began in October 2020. The issuer paid special attention to the integration of the One Modrogan project in the specifics of the area, which includes numerous historical buildings and architectural symbols of the capital.

The project completion date is estimated for the month of October 2022.

Gross project development value (GDV) is estimated by the Issuer at EUR 63.8 million. By May 31, 2021, 44% of the apartments in this project were pre-sold.



### One Peninsula

The One Peninsula project is located on the shores of Lake Floreasca, in a privileged area and isolated from the noise of the city, although it is close to the Floreasca neighborhood, the business area north of the city, the Promenada shopping area, being at the same time very close to three parks - Floreasca, Herăstrău and the pedestrian promenade along Floreasca Road, going up to the intersection with Mircea Eliade Blvd. The project includes 172 apartments and 287 parking spaces, with a total built area of approximately 53,000 square meters.

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

The construction of the One Peninsula project started in October 2020, the completion date of the project being estimated for December 2022. The gross development value of the project (GDV) is estimated by the Issuer at EUR 136.9 million. By May 31, 2021, 53% of the apartments in this project were pre-sold.



### One Floreasca Towers

The One Floreasca Towers project is currently in the design phase, and is expected to include buildings with a predominantly residential component (comprising an estimated number of 174 apartments and 266 parking spaces), with commercial and service spaces on the ground floor, and a height capacity of 14 floors. The project is located in the heart of the business area in the north of the city, in the immediate proximity to the Promenada shopping area, with easy access to the subway and several surface public transport lines. At the same time, the project has easy access to the A3 highway, through the recently modernized connection offered by Șoseaua Fabrica de Glucoză.

The start of the construction works of the One Floreasca Towers project is planned for June 2021 and the estimated



completion deadline according to the current calendar is the summer of 2023.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 51.6 million. By May 31, 2021, pre-sale contracts were concluded for a percentage of 20% of the total planned area.

#### One Cotroceni Park

One Cotroceni Park is a multifunctional real estate project that combines a residential component with commercial and office premises. Developed on a part of the total land area of 5.3 hectares, the residential component of the One Cotroceni Park project will have approximately 832 apartments to which an area of approximately 16,000 sqm dedicated to spaces with complementary functions (trade and offices) is added. This second part of the project will be used for the purpose of developing projects for commercial and office premises One Cotroceni Park Office - Phase 1 and One Cotroceni Park Office - Phase 2; for more details, see section “*Real estate development / rental activity in the office premises field*” below.



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

The residential component of the One Cotroceni Park project approaches a global concept of underground parking, with multiple access and exit ways, thus allowing green spaces and various facilities to be arranged at ground level.

The construction of the residential component of the One Cotroceni Park project will start in July 2021 and the completion deadline according to the current calendar is the end of 2023.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 140.9 million. By May 31, 2021, pre-sale contracts were concluded for a percentage of 38% of the total planned area.

#### One Lake District

The One Lake District project is expected to become the largest residential project in the Issuer's current portfolio. Currently, the One Lake District project is in the process of completing its design, obtaining a town planning certificate that provides the construction of a set of buildings with the function of collective housing, commercial premises and services, as well as other complementary facilities, with a height capacity of 11 floors.



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

The start of construction of the One Lake District project is planned for October 2021 and the expected completion deadline according to the current calendar is the end of 2024.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 243.3 million. By May 31, 2021, pre-sale contracts were concluded for a percentage of 12% of the total planned area.

#### Neo Floreasca Lake

For the development of the Neo Floreasca Lake project, the Issuer chose an area in which it previously developed and successfully delivered three other projects (One Floreasca Lake, One Herăstrău Plaza and One Herăstrău Park), currently being practically a community of the projects of the Issuer. The location is found on the shores of Lake Floreasca, with a spectacular and open view of the lake, the project comprising 63 apartments defined by a elegant architecture.



The construction of the Neo Floreasca Lake project started in April 2020 and the expected completion deadline according to the current calendar is in the spring of 2022.

The gross development value of the project is estimated by the Issuer at EUR 31.4 million. By May 31, 2021, 56% of the apartments in this project were pre-sold.

#### Neo Timpuri Noi

The issuer decided to approach through the Neo Timpuri Noi project the central area of Bucharest, the location of the project being near the Union Square. The project includes a building with a predominantly residential function, but with commercial and service spaces on the ground floor and benefits from an elegant contemporary design, with high quality finishes and the advantages implied by green buildings: sustainable materials, energy efficiency, low pollution installation systems. The project includes 147 apartments and 173 parking spaces, as well as an area of approximately 1,000 square meters of commercial premises.



The construction of the Neo Timpuri Noi project started in April 2019 and is expected to be completed according to the current calendar in December 2021. The construction works are partially suspended during the procedure of obtaining a new town planning certificate, in order to complete the project with a more favourable height capacity than the one initially estimated.; for more details on suspension, see section '*Authorization documents for the Group's real estate projects may be the subject of appeals from third parties.*' from Part 2 - "*Risk Factors*".

The gross development value of the project (GDV) is estimated by the Issuer at EUR 26.4 million. By May 31, 2021, 88% of the apartments in this project were pre-sold.

#### Neo Herastrau Park

For the development of the Neo Herăstrău Park project, the Issuer has chosen an area in which it had previously developed and will deliver the One Herăstrău Towers project in the near future. Neo Herăstrău Park is a residential project developed in the immediate vicinity of King Mihai I Park (former Herăstrău Park), the largest park in the northern part of Bucharest, comprising an estimated number of 117 apartments and 179 parking spaces, as well as approximately 2,000 sqm of commercial space.



The start of construction works at the Neo Herăstrău Park complex is planned for September 2021, and the estimated completion deadline according to the current calendar is September 2023.

In order to benefit from the image leverage gained through the development of the One Herăstrău Towers project, the Issuer decided to start the process of changing the name of the project into One Herăstrău Vista, in order to include it under the brand name One.

The gross development value of the project (GDV) is estimated by the Issuer at EUR 31.1 million. By May 31, 2021, pre-sale contracts were concluded for a percentage of 24% of the total planned area.

#### Neo Mamaia (Phase II)

The Neo Mamaia project (Phase II) is a continuation of the success of the Neo Mamaia project. The project is currently in the design phase, being estimated to include buildings having a predominantly residential component, comprising an estimated number of 60 apartments and 71 parking spaces.



Construction work is expected to begin in November 2021 and is expected to take about two years.

The gross development value (GDV) of the Neo Mamaia Phase II project is estimated by the Issuer at EUR 24.6 million. By May 31, 2021, pre-sale contracts were concluded for a percentage of 25% of the total planned area.

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

The residential market segment is a highly competitive and highly segmented market, being divided between large real estate developers (with the ability to carry out multiple projects), real estate developers developing individual projects, often successive and small / medium size and real estate developers of small size, which either develop small

individual projects or come together in partnerships to build small residential projects in various areas of Bucharest.

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

- **High value-added projects** have the following features: they are projects located in premium areas of Bucharest (Herastrau, Floreasca, Primaverii, Dorobanti and Victoriei Square), have a very good reputation, built by developers with significant expertise on the residential market, with a special architecture and design and a superior quality of finishes, the target clientele being the people with very high income gaining more than 8,000-10,000 Euro per family monthly.
- **Projects with average added value** have the following characteristics: they are projects located in central and semi-central areas of Bucharest, have a good reputation and in some cases a well-known brand, a consistent experience on the residential market, very good quality finishes, target customers being high-income people gaining monthly between 3,000-5,000 Euro per family.
- **Accessible projects** have the following characteristics: they are projects located in semi-central and peripheral areas of Bucharest or the metropolitan area, with or without experience on the residential market, average quality of finishes, the target clientele being people with an income over 1,500 Euro per family.

The Issuer's offer consists of developed projects covering the first two categories of projects.

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

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

Currently, completed office projects (including those purchased for investment purposes) and ongoing ones of the subsidiaries are estimated by the Issuer to have a market value of EUR 352 million, with two projects completed and operational, while two projects ( One Cotroceni Park Office - Phase 1 and One Cotroceni Park Office - Phase 2) are under development, benefiting from a building permit issued by the competent authorities. In addition to the four office projects mentioned above, the Group also runs a project in which it has a minority stake of 20%, with a market value of EUR 22 million.

Although the year of 2020 registered a decrease in the occupancy rate of office premises, up to the level of vacancy of 13.75% on the Bucharest market, it was mainly generated by old or lower category office premises, a segment on which the subsidiaries of the Issuer are not present. Despite the fact that the COVID-19 pandemic caused significant changes in the labor market, Colliers' estimates remain optimistic for the Bucharest office premises market, with a resumption of the demand growth trend based on an accelerated development of the labor market.

The table below contains information on office building projects owned / developed / operated by the Issuer's subsidiaries as of May 31, 2021:

Project Name	Locality	Status	Total leasable area (sqm) <sup>1</sup>	Leasable offices area (sqm) <sup>2</sup>	Estimated market value of the Issuer (m EUR) <sup>3</sup>	Issuer holding percentage <sup>4</sup>	
						31 May 2021	Estimated percentage <sup>5</sup>
One Tower	Bucharest	Completed	24,039	23,287	76.52	70.24%	70.24%
One North Gate	Bucharest	Completed	23,024	22,545	28.59	56.74%	56.74%
One Herăstrău Office <sup>6</sup>	Bucharest	Completed	8,074	7,673	15.00	20%	20%

One Cotroceni Park Office - phase 1	Bucharest	Under construction	46,252	43,261	97.50	72%	57.25%
One Cotroceni Park Office - phase 2	Bucharest	Under construction	34,456	32,075	71.50	72%	57.25%
Total number of offices			135,845	128,841	289.11		

Source: Issuer

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

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

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

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

<sup>5</sup> For projects in which, at the date of the Prospectus, the process of modifying the structure of the share capital of the project company is ongoing.

<sup>6</sup> 20% owned by the Group and operated by the Group.

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

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

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

The real estate development process in the office premises segment is in many ways similar to that described for the residential segment (see section "*Main markets and competitive position - The residential real estate development process*"). By way of comparison, the development of the office premises segment is differentiated by a faster pace of design and completion of basic construction works, which are followed by adaptations / customizations of each rented space (fit-out) for the needs of each tenant. Also, the customer contracting phase is differentiated by the fact that it envisages the medium and long-term renting of spaces in office buildings, and not the sale of housing units, as it is in the case in the residential segment.

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

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

### **One Tower**

Located in the premium business area of Bucharest and in the immediate vicinity of Floreasca Park, One Tower is one of the 4 towers that form the One Floreasca City project. Although all 4 buildings have underground parking, green areas and common pedestrian spaces, each of them is designed to operate independently.

One Tower is included in the category of Class A office buildings and is arranged on 16 floors, with an innovative structure without interior pillars and beams and with a total area (GLA) of 24,039 sqm, respectively approximately 1,400 sqm per floor. The office building is built using the latest technologies, having a regular shape and allowing a good use of natural light, as well as efficient space planning. The building offers a spectacular view of the parks close by with a 360° panorama of Bucharest, having also co-working (common workspaces) and conference facilities.

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

Construction of the One Tower building began in 2018 and was completed in December 2020. The market value of the building is estimated by the Issuer, on a full lease basis, at EUR 76,520,000. As of May 31, 2021, approximately 58% of the total leasable area within the One Tower project is leased / pre-leased.

### **One Herăstrău Office**

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

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

The market value of the building is estimated by the Issuer on a full lease basis at 15,000,000 Euros. As of May 31, 2021, approximately 59% of the total leasable area within the One Herăstrău Office project is leased / pre-leased.

### **One North Gate**

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

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

The market value of the building is estimated by the Issuer on a full lease basis at 28,590,000 Euro. As of May 31, 2021, approximately 20% of the total leasable area within the One North Gate project is leased / pre-leased. The issuer is currently identifying the optimal solutions for capitalizing on this project).

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

One Cotroceni Park is a multifunctional real estate project that combines a residential component with commercial and office premises. Developed on a total land area of 5.3 hectares, One Cotroceni Park will have approximately 80,000 sqm of offices (developed within the One Cotroceni Park Office - Phase 1 and Phase 2), 15,000 sqm of commercial spaces and 800 apartments.

One Cotroceni Park Office is a project located near the Polytechnic University and the related university campus, next to the new metro station Academia Militară. The project offers tenants versatile spaces, from 1,000 sqm to 9,000 sqm, having a special component consisting of green spaces integrated in the construction in the form of spacious terraces, part of the spaces offered to



tenants, offering flexibility to the staff to carry out their activity as they choose to and in outdoor spaces arranged as gardens. The project includes both LEED Platinum certification and WELL certification (including Health-Safety).

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

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

The One Cotroceni Park Office project involves two-stage development, the first phase of construction began in the fall of 2019 and is expected to be completed according to the current schedule by the end of 2021 and construction works for Phase 2 began in 2021 with a completion term according to the current calendar estimated at the end of 2022.

The market value of the One Cotroceni Park - Phase 1 project is estimated by the Issuer on the basis of completed development and full lease at 97,500,000 Euro. At the end of May 2021, approximately 62% of the total leasable area was contracted for rent.

The market value of the One Cotroceni Park - Phase 2 project is estimated by the Issuer on the basis of completed development and full lease at 71,500,000 Euro. The pre-rental activity started in May 2021.

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

In 2020, in the segment of office spaces in Bucharest, a number of 155,000 sqm were delivered for rent, of which 23,900 sqm were delivered through the project of the Issuer, One Tower, representing a market share of 15.4% ( *Source: JLL*).

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

The Issuer, through the 4 office buildings in the portfolio held by its subsidiaries and through One Herastrau Office, owned by a minority but managed by the Issuer, will offer (with the completion of the One Cotroceni Park project) approximately 128,000 sqm of Class A office space, representing a market share of approx. 4% of the total office space in Bucharest and approx. 5.5% of Class A offices in Bucharest.

The level of competition is high, with several multinational companies present on the office space market in Bucharest, most of them adopting an expansion policy. Thus, for the year 2021, it is estimated that approximately 250,000 sqm will be delivered in the office space segment ( *Source: JLL*).

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

The issuer, despite of being a new player on the office premises market, has a number of competitive advantages, such as:

- **Portfolio distribution** - through the location of office buildings, the Issuer covers the four most important areas of the office market in Bucharest, covering all categories of customer requests.
- **Quality standards** - The issuer promotes the service of renting office spaces included in a wider package of services and facilities made available to customers, so that both the quality of the work environment and the quality of life of customer staff are at the highest standards possible. The office buildings owned by the Issuer are mostly new buildings, thus offering additional facilities and more modern spaces.
- **Flexibility** - The issuer configures its range of services to meet the needs of customers, finding customized solutions for them, while also providing support in terms of space design.
- **Technology and innovation** - The Issuer has successfully implemented the Bright Spaces platform, which offers a complete digital solution for presenting and offering office buildings and available spaces, through 3D visualizations and various modules for automation, optimization and digitization of actions that are specific to the process of leasing office space.
- **Response time** - The issuer adopts an efficient communication policy with customers and potential customers, the response time being one of the most important factors analysed and monitored by them. The organizational

structure of the Issuer ensures great flexibility and a fast response time to any request received from customers.

- **High-standard certified office premises portfolio** - Office buildings developed and owned by the Issuer have been designed to meet the latest and most innovative international certification standards, such as Leed Platinum v4 (One Tower) and Leed Platinum (One Cotroceni Park).

- **ESTIMATES AND OTHER INDICATORS USED**

This Prospectus does not include any estimate, respectively forecast regarding the profit within the meaning of art. 1 points (c) and (d) of Delegated Regulation 980/2019 and the Issuer has not previously published any such estimate or forecast, thus not applying the provisions of section 11 of Annex 1 to Delegated Regulation 980/2019.

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

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

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

**The estimated market value of the office projects** is based on the information extracted from the independent valuation reports of the respective buildings to which the Issuer has access, except for the One Herăstrău Office building for which the acquisition cost from 2020 was used.

The estimated market value of office projects should not be mistaken for the fair value measurement of the Group's real estate investments (comprising mainly offices, commercial real estate and retail real estate that are not substantially occupied for use or in the Group's operations; and nor for sale in the ordinary course of business, but are held primarily for rental income and capital appreciation), used to prepare the Annual Financial Statements. According to the Annual Financial Statements, real estate investments are initially measured at cost, including transaction costs (which include transfer fees, professional fees for legal services and, in the case of real estate investments are held under a lease agreements, initial leasing fees to bring the property in the condition necessary for it to function). Subsequent to initial recognition, investment property is measured at fair value, which reflects market conditions at the reporting date. As opposed to the estimated market value, for determining the fair value of real estate investments, their current use is equivalent to the best and highest level of use. For more information on how to determine fair value, see Note 8 to the Annual Financial Statements.

## **MARKETING AND SALES**

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

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

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

- Promoting the brands owned by the Issuer, in particular by increasing the visibility of the "ONE" component as the main brand name of the Issuer's subsidiaries and assimilating it by the target audience with the vision of a real estate developer focused on customer proximity, community building, urban regeneration, sustainability and environmental protection, all these being key elements of communication defined by the Issuer, communicated consistently and permanently in an improved manner over time.
- Press campaigns regarding the achievements of the Issuer and its subsidiaries, concrete events being especially targeted, which mark key moments in the development of projects built by the Issuer's subsidiaries, but also

special distinctions in the field of real estate development, architecture, sustainability, environmental protection, etc .;

- Communication campaigns aimed at increasing the public visibility of the key persons within the Issuer and the assimilation of their image leverage to the Issuer's image, the executive management of the Issuer (Mr. Victor Căpitanu and Andrei-Liviu Diaconescu) being especially targeted but also the sales, respectively rental process coordinators.

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

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

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

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

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

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

In addition to the Group's own projects, the Group's marketing and sales activities also include the provision of *branding* and sales services for projects that have not been developed by the Group, such as the One Rahmaninov project (which, prior to entering the Group's management and sales portfolio, was called Rahmaninov Residence).

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

The marketing budgets are proposed by the marketing department, based on the marketing plan, being approved by the Executive management of the Issuer. The marketing department aims at implementing the marketing plan, achieving the proposed objectives and monitoring the effectiveness and efficiency of the campaigns carried out.

#### **ACTIVITIES CARRIED OUT IN ASSOCIATION WITH OTHER ENTERPRISES**

The issuer (through a vehicle company), together with CC Trust Group AG, a company controlled by Mr. Claudio Cisullo, Chairman of the Board of Directors, set up the private equity fund company CCT & ONE AG (Swiss company). The issuer holds (indirectly) a 49.9% stake in CCT & ONE AG, while CC Trust Group AG holds a 50.1% majority stake. CCT & ONE AG on the other hand is the sole shareholder of CCT & ONE Properties SA (joint stock company incorporated and operating under the laws of Luxembourg).

CCT & ONE AG was established in order to facilitate investments in residential, office and commercial real estate

projects developed by the Issuer. The target investors of the project are the institutional investors who want to diversify their portfolio from a geographical point of view (on the territory of the European Union) or from the perspective of the type of investment (on the real estate segment). The investments attracted by CCT & ONE AG can represent an important advantage in diversifying and increasing the demand for the Group's projects, from the initial stages of their development. By the date of the Prospectus, CCT & ONE AG has successfully completed the private placement of a guaranteed financial instrument. With a part of the funds attracted as a result of the investment, CCT & ONE AG, through CCT & ONE Properties SA, concluded pre-sale contracts with the Issuer's subsidiary, One Cotroceni Park SRL, with a total value of EUR 20,016,501, whose object is represented by apartments and parking spaces within the One Cotroceni Park project, as well as with the One Lake District SRL subsidiary, with a total value of EUR 14,916,000, whose object is represented by apartments and parking spaces within the One Lake District project. The activity of CCT&ONE AG continues and it is possible that, in the future, including after attracting new funds from investors, there may be other similar transactions.

The relationship with CCT&ONE AG and CCT & ONE Properties SA takes place under normal market conditions, taking into account the volume of transactions and the project development stage.

### **ARCHITECTURE AND DESIGN ACTIVITY**

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

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

### **INTELECTUAL PROPERTY**

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

At the date of the Prospectus, the Issuer and its subsidiaries registered at the State Office for Inventions and Trademarks 45 trademarks, while another 38 trademarks are being currently registered.

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

### **IT INFRASTRUCTURE**

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

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

However, the modernization and development of the IT infrastructure remains a priority for the Issuer, which, at the beginning of 2021, concluded a contract with an ERP (Enterprise Resource Planning) IT solutions distributor, about the implementation of the Microsoft Dynamics NAV (Navision) platform. This IT solution will be integrated at the Issuer's level in order to increase the operational performance, through complete modules that will be used for the management of financial-accounting transactions, the operational management of acquisitions and projects, respectively of sales and rentals. The solution also involves the implementation of a communication portal with customers, suppliers of materials and services (related to the development industry) and with brokers and collaborating agents (related to the sales and rental segment). According to the planning taken into account, the full implementation and operationalization of this solution will be completed by the end of October 2021.

## **INSURANCE**

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

Insurance policy values structured according to the type of property:

<b>Property type</b>	<b>Insured Amount (EUR)</b>
Office	285,800,000
Residential	262,853,179

*Source: Issuer*

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

<b>Insurance policy type</b>	<b>Insured Amount (EUR)</b>
244 PAD policies (Compulsory home insurance)	
CAR (All risks in construction)	267,009,886
PD (Property damage)	93,941,300
RCT (Third Party Liability)	50,201,993
Title Insurance	98,000,000
TP (Terrorism policy)	39,500,000

*Source: Issuer*

## **Staff**

As of December 31, 2020, the Group had 80 employees. Most employees within the Issuer or its subsidiaries that are part of the Group have higher education. The average age of employees is 35-40 years. (22% under 30, 73% between 30 and 50 years and 5% over 50 years). The personnel turnover stays around 15%, the dynamics of the number of employees is a positive one, registering an increase of approximately 20% compared to the previous year.

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

The remuneration policy of the members of the Board of Directors and of the directors of the Issuer will be defined by the Nomination and Remuneration Committee, constituted at the level of the Board of Directors and periodically reviewed in accordance with the provisions of Law 24/2017.

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

## **ENVIRONMENTAL ASPECTS**

We consider that the activity of the Issuer and its subsidiaries generally does not have a significant 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.

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

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

## **LITIGATION AND LEGAL PROCEEDINGS**

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

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

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

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

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

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

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

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

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

suspension of the contested administrative acts. There are currently four pending disputes concerning the cancellation of PUZ, AM, AC1 and AC2. AC1 is currently being contested in two separate disputes (in a separate dispute, but also in the dispute seeking the annulment of PUZ).

Up until now, there have been two solutions in favor of the Group's subsidiaries at first instance in the disputes concerning the annulment of the administrative authorization documents mentioned above (see " *Dispute concerning the annulment of AM* " and " *Dispute concerning the annulment of PUZ and AC1* ").

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

*a) Dispute concerning the annulment of the MA (environmental agreement)*

In July 2018, the Association Salvați Bucureștiul and the Association Mișcarea Civică Miliția Spirituală initiated a procedure to cancel the environmental agreement issued by the local authorities in order to carry out the real estate project in Calea Floreasca. In practice, the associations complained to the court about the illegality of the environmental agreement, given that the regional town planning under which it was issued had expired, but also as a result of the violation of procedural rules, regarding the discussion and adoption of the agreement itself. Last but not least, the complainants claimed that certain data in the agreement, such as pollution indices, groundwater data or traffic impact data and noise pollution, had been incorrectly indicated in the agreement or proved to be exceeding maximum legal provisions.

The request was rejected in the first instance by the Bucharest Regional Court on August 25, 2020, maintaining the environmental agreement valid. The applicant associations appealed against the solution spoken for the members of the Group. The appeal file has not yet been submitted to the Bucharest Court of Appeal.

In the event this dispute was lost, a cancellation decision would increase the chances of unfavourable solutions spoken against the members of the Group and in the other disputes pending. This is due to the fact that the environmental agreement is part of the documentation on the basis of which AC1 was issued, and the annulment of the MA could also lead to the annulment of subsequent acts.

*b) Litigation against AC1*

In September 2018, the Association Mișcarea Civică Miliția Spirituală brought an action for the cancellation of AC1, based on which the construction of the real estate project in Calea Floreasca had started. The claimants sought the annulment of the building permit, but also the verification of the documents prior to its issuance. In essence, the claimants claimed that the building permit had been issued on the basis of an invalid town planning certificate (its duration would have exceeded the validity period of the regional town planning), that the building permit would not comply with the General Town Planning of Bucharest, the only town planning valid for that area at that time (the regional town planning had expired when the permit was issued), that the environmental agreement that was the basis of the building permit was obtained illegally, and the necessary prior approvals were requested by several persons (several members of the Group).

The court of first instance ordered the suspension of the case, until the settlement of disputes concerning the annulment of the MA (see '*Dispute concerning the annulment of the MA*') and the annulment of the regional town planning and AC1 (see '*The dispute concerning the annulment of the regional town planning and AC1*').

*c) Dispute concerning the annulment of the PUZ and AC1*

In February 2019, the Save Bucharest Association and the SOS City Association challenged in court the Decision of the Local Council by which the regional town planning related to the real estate project area was issued, as well as AC1.

As regards the illegality of the regional town planning, the claimants claimed, inter alia, that it did not comply with the maximum urban indicators for the area of the building project under the General Town Planning, which allowed only low-rise constructions. The claimants also claimed that certain mandatory opinions had not been obtained, such as that of the Legal Affairs Committee or the environmental assessment, but also that the provisions on the public

debate on the regional town planning draft had not been complied with.

As regards AC1, the claimants resumed the arguments put forward in the dispute over the annulment of the first building permit ( *see paragraph b above* ).

On December 30, 2019 the court of first instance rejected as unjustified the applicants' action, essentially on the grounds that the regional town planning was legal, that it had not expired, and that AC1 was legally issued according to the regulations established through the regional town planning, not by the General Town Planning. The claimants filed an appeal, which is being settled by the Bucharest Court of Appeal.

*d) AC2 annulment dispute*

In October 2019, the Association Salvați Bucureștiul and the Association SOS Orașul also challenged in court the second building permit issued for the real estate project, authorizing a change of theme from AC1. The arguments of illegality set out in this action are identical to those raised in the *regional town planning and AC1 annulment dispute* .

The court of first instance suspended this case pending the settlement of the PUZ annulment case (see " *PUZ and AC1 annulment dispute* ").

*3. Litigation initiated against Neo Mamaia*

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

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

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

The request of the Association Constanța Altfel regarding the cancellation of the town planning documents studying Mamaia Resort was fully rejected in first instance by the Constanța Regional Court, on October 26, 2020. The claimant lodged an appeal which is being settled by the Constanța Court of Appeal.

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

*4. Litigation against One Modrogan*

One Modrogan is responsible for a real estate project consisting of a residential complex developed on a plot of land adjacent to the historical monument "Casa Filipescu" in the Aviatorilor neighborhood in Bucharest. The Party Uniunea Salvați Români (USR) initiated a litigation against the member of the Group in August 2020, requesting the cancellation of the regional town planning based on which the real estate project was started.

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

On March 4, 2021 the Regional Court of Bucharest rejected in the first instance the sue petition, approving the exception of the lack of active capacity to stand trial of the claimants belonging to USR (political party). The claimant appealed against this solution. The appeal file has not yet been submitted to the Bucharest Court of Appeal.

One Modrogan was also the subject of administrative complaints and public statements of the Mayor of the District 1

of Bucharest, where the project is located. Until the date of the Prospectus, these actions did not have the effect of hindering or delaying the development initiated by the Group.

Overall, the damages that One Modrogan could suffer as a result of the invalidation of the regional town planning include the difference between the price of the land and the market value of a similar framed land, expenses with the implementation of the project, obtaining the regional town planning documentation and authorizations, penalties paid or to be paid to promissory buyers, as well as unrealized profits - calculated as the difference between the expected revenue and the cost of the project. In order to cover these possible damages, which could be activated only in case the litigations were definitively lost by One Modrogan, a request for bail was registered against the issuing authorities and Bucharest.

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

Currently, One Peninsula is carrying out a real estate project in the Floreasca neighborhood area, consisting of a residential complex. The building permit issued for the realization of the real estate project (together with the town planning certificates and the deforestation permit) were contested by several individuals, who live in the surrounding area by filing a prior complaint, a request for cancellation and a request for suspension. The number of claimants decreased progressively from the time of the previous complaint (28) to the action for annulment (24) and the action for suspension (14). The first term of the suspension case was waived by 4 more persons, the number of claimants being reduced to 10. The claimants claim that the building permit is illegal, claiming, inter alia, that it will lead to traffic congestion in the area and that certain town planning parameters are not being complied with. A first instance solution has not yet been ruled in any of the two existing cases (cancellation and suspension).

Overall, the damages that One Peninsula could suffer as a result of the invalidation of the building permit include the difference between the price of the land and the market value of a similar framed land, expenses with the implementation of the project, obtaining town planning documentation and permits, penalties paid or to be paid to promissory buyers, as well as unrealized profits - calculated as the difference between the expected revenue and the cost of the project. In order to cover these possible damages, which could be activated only in case the litigations were definitively lost by One Peninsula, a request for bail was registered against the issuing authorities and the Municipality of Bucharest.

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

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

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

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

The considered lands are at the edge of the real estate project and will be used for the construction of access roads from the main boulevard next to the real estate project. In connection with these plots of land, there is also the possibility of expropriation in order to extend the main boulevard. There are currently three litigations pending:

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

A first litigation in which One Cotroceni Park SA was attracted refers to the annulment of the first purchase contract from the series of contracts through which the lots in the real estate project area were transferred. Calor SRL challenges the validity of this first purchase contract. In case of cancellation of this contract, all subsequent documents could be invalidated, including the purchase contract where the buyer is One Cotroceni Park SA.

The dispute is currently suspended pending the resolution of the dispute set out below (see ' *The dispute concerning the validity of the title of Theda Mar SA* ').

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

The second litigation represents a complex dispute regarding the validity of several property titles of Theda Mar SA.

on some lots from the real estate project area, including the lots bought by One Cotroceni Park SA. These titles resulted from several dismantling operations, the legality of which is challenged by Calor S.R.L. The National Company of Rail Transport „CFR Călători” S.A. was included in this dispute, taking in mind the existence of certain decommissioned (unfunctional) railways on the field.

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

The third dispute concerns directly the purchase contract between Theda Mar SA and One Cotroceni Park SA, concerning the lots attached to the real estate project. Calor SRL uses as arguments the same claims as those in the other litigations, regarding the way of sharing the properties, as well as the public property right of the National Company of Rail Transport „CFR Călători” SA on some lots. The National Company of Rail Transport "CFR Călători" SA was forced to become party in this litigation.

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

**PART 5**  
**SELECTED FINANCIAL INFORMATION**

The financial information in the Prospectus consists of the audited consolidated financial statements of the Issuer and its subsidiaries (together with the “**Group**”) for the financial years ended on December 31, 2018, 2019 and 2020 (the “**Annual Financial Statements**”). The financial information was extracted from were extracted from the audited consolidated financial statements prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016, as subsequently amended, for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union, as subsequently amended, on and for the financial years ended on December 31, 2019 and 2020 , accompanied by the independent auditor's report, as well as from the consolidated financial statements for the financial year ended on December 31, 2018 that have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) adopted by the European Union (issued by the International Accounting Standards Committee), accompanied by the independent auditor's report .

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

**Functional and presentation currency**

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

**EXTRACT FROM CONSOLIDATED ANNUAL FINANCIAL INFORMATION**

*Consolidated statement of the Group's financial position*

	<b>31-Dec-20</b>	<b>31-Dec-19</b>	<b>31-Dec-18</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	19,256,076	19,256,076	22,436,396
Intangible assets	164,707	240,736	229,062
Investment properties	1,010,415,976	790,855,879	454,183,676
Right of use assets	1,221,167	-	-
Investments in associates	1,439,340	2,550	3,569
Property, plant and equipment	16,077,142	17,049,948	2,967,285
<b>Total non-current assets</b>	<b>1,048,574,408</b>	<b>827,405,189</b>	<b>479,819,988</b>
<b>Current Assets</b>			
Inventories	257,348,157	173,210,870	164,035,958
Advance payments to suppliers	50,890,026	45,805,125	25,994,610
Trade receivables	104,643,962	129,071,523	145,167,523
Other receivables	70,781,030	46,963,473	40,777,231
Prepayments	545,370	711,837	273,537
Cash and cash equivalents	170,971,646	91,747,956	95,478,943
<b>Total Current Assets</b>	<b>655,180,191</b>	<b>487,510,784</b>	<b>471,727,802</b>
<b>TOTAL ASSETS</b>	<b>1,703,754,599</b>	<b>1,314,915,973</b>	<b>951,547,790</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	259,824,598	146,964,903	9,073,720
Share premium	9,192	5,658	93,693,129
Legal reserves	-	4,250,630	1,876,220
Own shares	(26,765,560)	-	-
Other reserves	463,393	-	-

	<b>31-Dec-20</b>	<b>31-Dec-19</b>	<b>31-Dec-18</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Retained earnings	498,235,187	377,494,034	244,390,045
<b>Equity attributable to owners of the Group</b>	<b>731,766,810</b>	<b>528,715,225</b>	<b>349,033,114</b>
Non-controlling interests	92,264,592	24,913,216	6,986,510
<b>Total equity</b>	<b>824,031,402</b>	<b>553,628,441</b>	<b>356,019,624</b>
<b>Non-current liabilities</b>			
Loans and borrowings from bank and others	70,659,819	146,167,499	145,829,983
Loans and borrowings from minority shareholders	120,076,805	-	-
Provisions	734,913	114,310	97,970
Deferred tax liabilities	100,904,737	75,741,596	37,507,469
<b>Total non-current liabilities</b>	<b>292,376,274</b>	<b>222,023,405</b>	<b>183,435,422</b>
<b>Current liabilities</b>			
Employee benefits	444,628	396,029	260,283
Loans and borrowings from bank and others	156,083,575	38,754,613	8,919,783
Loans and borrowings from minority shareholders	37,547,728	23,428,476	28,498,699
Lease liabilities	1,208,149	-	-
Trade and other payables	96,243,622	47,538,775	42,854,612
Accrued income	-	11,823	1,313,760
Current tax liabilities	1,964,019	2,572,757	5,388,780
Advance payments from customers	293,855,202	426,561,654	324,856,827
<b>Total current liabilities</b>	<b>587,346,923</b>	<b>539,264,127</b>	<b>412,092,744</b>
<b>Total liabilities</b>	<b>879,723,197</b>	<b>761,287,532</b>	<b>595,528,166</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,703,754,599</b>	<b>1,314,915,973</b>	<b>951,547,790</b>

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

*Consolidated statement of profit or loss at Group level*

	<b>31 Dec - 20</b>	<b>31 Dec - 19</b>	<b>31 Dec - 2018</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenues from sales of residential property	437,503,724	147,426,152	219,669,494
Cost of sales of residential property	(284,286,135)	(110,948,983)	(152,603,609)
<b>Net income from residential property</b>	<b>153,217,589</b>	<b>36,477,169</b>	<b>67,065,885</b>
Gains from office buildings under development	58,349,105	189,551,990	11,379,774
Gains from completed investment property	3,739,093	5,122,612	19,207,891
Gains from investment property for further development (landbank)	34,165,272	36,268,915	34,296,540
<b>Gains from investment property<sup>1</sup></b>	<b>96,253,470</b>	<b>230,943,517</b>	<b>64,884,205</b>
Rental income	1,313,724	11,973,375	16,477,081
Revenues from services to tenants	355,719	4,554,754	8,110,483
Expenses from services to tenants	(355,719)	(4,554,754)	(8,110,483)
Other property operating expenses	(684,749)	-	-
<b>Net rental income</b>	<b>628,975</b>	<b>11,973,375</b>	<b>16,477,081</b>
Commissions for brokerage real estate	(1,093,357)	(2,111,831)	(2,626,147)
Administrative expenses	(29,952,793)	(20,709,582)	(8,810,170)
Other operating expenses	(3,737,757)	(5,269,008)	(3,486,935)
Earnings from the sale of financial assets	-	-	4,232,892
Profit on disposal of investment property	632,372	-	-
Other operating income	1,377,287	1,474,971	259,576
<b>Result from operating activity</b>	<b>217,325,786</b>	<b>252,778,611</b>	<b>137,996,387</b>
Financial income	3,797,874	4,598,650	4,392,992
Financial expenses	(15,198,802)	(14,583,414)	(13,427,932)
<b>Net financial result</b>	<b>(11,400,928)</b>	<b>(9,984,764)</b>	<b>(9,034,940)</b>
Share of result of associates	733,803	-	-
<b>Result before tax</b>	<b>206,658,661</b>	<b>242,793,847</b>	<b>128,961,447</b>
Tax on profit	(29,722,318)	(45,387,171)	(22,841,910)
<b>Net result of the period</b>	<b>176,936,343</b>	<b>197,406,676</b>	<b>106,119,537</b>
<b>Total comprehensive income for the period</b>	<b>176,936,343</b>	<b>197,406,676</b>	<b>106,119,537</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Group	168,679,112	180,467,600	100,419,744
Non-controlling interests	8,257,231	16,939,076	5,699,793

Source: The information was extracted from the Annual Financial Statements

<sup>1</sup> As of December 31, 2018, the line "Gains from investment property" was not classified into the 3 categories: "Gains from office buildings under development", "Gains from completed investment property", "Gains from investment property for further development (landbank)", but for the purpose of comparability of financial information, it was split into the three categories in the Prospectus.

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

	<b>31 December 2020</b>	<b>31 December 2019</b>
<b>Cash flows from operating activities</b>		
Result for the year	<b>176,936,343</b>	<b>197,406,676</b>
Adjustments for:		
Depreciation and amortization	1,577,459	4,082,671
Share of result of associates	(733,803)	-
Allowances for current assets - receivables	26,413	206,299
Increase/(decrease) in provisions	620,603	16,340
Provisions for untaken holidays	(19,704)	45,980
Increase in fair value of investment property	(96,253,470)	(230,943,517)
Profit on disposal of investment property	(632,372)	-
Share-based payments	463,393	-
(Gain)/Loss on sale of property, plant and equipment	131,512	(11,738)
Unrealised foreign exchange loss/(gain)	4,147,142	3,792,328
Interest expenses	8,602,102	6,989,214
Interest income	(1,029,602)	(284,755)
Income tax expenses	29,722,318	45,387,171
<b>Changes in working capital</b>		
(Increase)/Decrease in trade and other receivables	14,702,812	(23,653,272)
(Increase)/Decrease in inventories	(8,988,944)	(9,174,912)
Increase/(Decrease) in trade and other payables	18,554,399	3,471,990
Increase/(Decrease) in advance payments from customers	(132,706,452)	82,183,444
Income tax paid	(5,167,915)	(7,724,401)
<b>Net cash from operating activities</b>	<b>9,952,234</b>	<b>71,789,518</b>
Acquisition of property, plant and equipment	(706,563)	(2,716,931)
Acquisition of intangible assets	(124,792)	(185,513)
Acquisition of investment property	(34,364,756)	(42,161,872)
Expenditure on investment property under development	(148,584,177)	(58,490,860)
Expenditure on completed investment property	(870,671)	-
Proceeds from sale of property, plant and equipment	104,716	-
Proceeds from sale of investment property	4,720,275	-
Amounts paid for transactions with non-controlling interests	(22,350,036)	(1,505,512)
Consideration received for transaction with non-controlling interests	48,088,931	-
Acquisition of associates	(702,987)	-
Interest received	1,029,602	284,755
<b>Net cash flows used in investing activities</b>	<b>(153,760,458)</b>	<b>(104,775,933)</b>
Proceeds from loans and borrowings	290,059,196	38,028,286
Repayment of borrowings	(89,748,396)	(16,858,917)
Dividends paid	(62,050,137)	(30,810,755)
Proceeds from issue of share capital and share premium	112,863,229	44,203,712
Acquisition of own shares	(19,328,247)	-
Cash proceeds from sale of own shares	-	1,541,892

Interest paid	(7,849,774)	(6,848,790)
Principal elements of lease payments	(913,957)	-
<b>Net cash from financing activities</b>	<b>223,031,914</b>	<b>29,255,428</b>
Net changes in cash and cash equivalents	79,223,690	(3,730,987)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>91,747,956</b>	<b>95,478,943</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>170,971,646</b>	<b>91,747,956</b>

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

	<b>31-Dec-2018</b>
<b>Cash flows from operating activities</b>	<b>(audited)</b>
Result for the year	<b>106,119,537</b>
Adjustments for:	
Depreciation of property, plant and equipment	1,294,268
Amortization of intangible assets	109,197
Allowances for current assets - receivables	17,155
Allowances for current assets - inventories	2,301,053
Increase / (decrease) in provisions	97,970
Increase in fair value of investment property	(64,884,205)
Gains on the sale of financial assets	(4,232,892)
Gains on sale of property, plant and equipment	(12,551)
Interest expense	8,706,976
Interest income	(135,435)
Income tax expenses	22,841,910
<i>Changes in working capital</i>	
(Increase) / Decrease in trade and other receivables	(121,967,532)
(Increase) / Decrease in inventories	(55,843,713)
Increase / (Decrease) in trade and other payables	185,914,555
Income tax paid	(9,045,066)
<b>Net cash flows from operating activities</b>	<b>71,281,227</b>
Acquisition of property, plant and equipment	(3,290,324)
Acquisition of intangible assets	(278,526)
Acquisition of investment property	(154,390,773)
Proceeds from the sale of available-for-sale financial assets	4,232,892
Acquisition of shares in subsidiaries	(3,180,320)
Interest received	135,435
<b>Net cash flow used in investing activities</b>	<b>(156,771,616)</b>
Proceeds from loans and borrowings	105,494,138
Repayment of borrowings	(75,269,820)
Dividends paid	(13,252,028)
Proceeds from issue of share capital and share premium	48,957,442
Interest paid	(9,013,808)

**Net cash from financing activities** **56,915,924**

Net changes in cash and cash equivalents (28,574,465)

Cash and cash equivalents at the beginning of the year 124,053,408

**Cash and cash equivalents at the end of the year** **95,478,943**

*Source: The information was extracted from the Annual Financial Statements.*

**Status of changes in equity**

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

*Source: The information was extracted from the Annual Financial Statements.*

	Share capital	Share premiums	Legal reserves	Other equity	Other reserves	Retained earnings	Non-controlling interests	Total equity
<b>Balance as at January 1, 2019</b>	<b>9,073,720</b>	<b>93,693,129</b>	<b>1,876,220</b>	-	-	<b>244,390,045</b>	<b>6,986,510</b>	<b>356,019,624</b>
Profit of the year	-	-	-	-	-	180,467,600	16,939,076	<b>197,406,676</b>
Other comprehensive income	-	-	-	-	-	-	-	-
Dividends allocated from the statutory profit	-	-	-	-	-	(43,753,912)	(304,888)	<b>(44,058,800)</b>
Issue of ordinary shares	330,831	43,872,881	-	-	-	-	-	<b>44,203,712</b>
Issue of ordinary shares-premium shares conversion	137,560,352	(137,560,352)	-	-	-	-	-	-
Legal reserve	-	-	2,374,410	-	-	(2,374,410)	-	-
Net gain from sale of own shares	-	-	-	-	-	1,541,892	-	<b>1,541,892</b>
Non-controlling interest without change in control	-	-	-	-	-	(2,777,181)	1,292,518	<b>(1,484,663)</b>
<b>Balance as at December 31, 2019</b>	<b>146,964,903</b>	<b>5,658</b>	<b>4,250,630</b>	-	-	<b>377,494,034</b>	<b>24,913,216</b>	<b>553,628,441</b>

Source: The information was extracted from the Annual Financial Statements

	Share capital	Share premiums	Legal reserves	Fair value reserves	Retained earnings	Non-controlling interests	Total equity
<b>Balance as at December 31, 2017</b>	<b>8,707,920</b>	<b>45,101,487</b>	<b>1,354,736</b>	-	<b>184,124,766</b>	<b>2,370,332</b>	<b>241,659,241</b>
Effect of restatement *	-	-	-	-	(26,648,874)	(830,452)	(24,479,326)
<b>Balance as at December 31, 2017 (restated *)</b>	<b>8,707,920</b>	<b>45,101,487</b>	<b>1,354,736</b>	-	<b>157,475,892</b>	<b>1,539,880</b>	<b>214,179,915</b>
<b>Total comprehensive income</b>							
Profit of period	-	-	-	-	100,419,744	5,699,793	106,119,537
<b>Transactions with the owners of the Group</b>							
Dividends	-	-	-	-	(13,252,028)	-	(13,252,028)
Issue of ordinary shares	365,800	48,591,642	-	-	-	-	48,957,442
Legal reserves	-	-	521,484	-	(521,484)	-	-
<b>Changes in non-controlling interests</b>							
Non-controlling interest without change in control	-	-	-	-	267,921	(253,163)	14,758
Non-controlling interests related to acquisition of subsidiaries	-	-	-	-	-	-	-
<b>Balance as at December 31, 2018</b>	<b>9,073,720</b>	<b>93,693,129</b>	<b>1,876,220</b>	-	<b>244,390,045</b>	<b>6,986,510</b>	<b>356,019,624</b>

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

**Significant accounting policies**

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

**Change in the accounting reference date**

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

**Change in the accounting framework**

Not applicable.

**Date of financial information (according to Section 5.1.7 of Annex 24 to Delegated Regulation 2019/980)**

The balance sheet for the last financial year for which the financial information was audited ended on 31 December 2020.

**Interim financial information and other financial information**

Not applicable.

**Audit of annual financial information**

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

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

**Pro forma financial information**

Not applicable.

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

Not applicable.

**Related parties transactions**

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

These transactions with related parties mainly represent: commissions received by companies owned by related parties to the Founding Shareholders from intermediaries in the sale of housing units, the sale of residential properties to related parties, the value of design and interior design services provided by Lemon Interior Design and Lemon Office Design, owned by affiliated shareholders and various assets purchased from it for the purpose of arranging the Group's projects, as well as contracts with Reinvent Energy S.R.L. and Glass Rom Impex S.R.L., in which the Issuer holds minority interests in providing construction and development services in connection with the Group's projects. All these transactions took place under market conditions.

The status of transactions with related parties for the period from January 1, 2021 to 30 April 2021 (the date on which the most recent consolidated information is available) is set out in the table below:

<b>Statement of financial position (Amounts owing (to)/from)</b>	<b>Related party categories</b>	<b>RON (unaudited)</b>
Receivables and other receivables related to goods and services sold	Key management personnel of the Group	2,482
Receivables and other receivables related to goods and services sold	Associates	5,914,815
Receivables and other receivables related to goods and services sold	Other related parties	8,591,511
Advances paid for purchases of goods and services	Key management personnel of the Group	-
Advances paid for purchases of goods and services	Associates	14,618,442
Advances paid for purchases of goods and services	Other related parties	19,839,492
Payables related to goods and services paid	Key management personnel of the Group	5,612
Payables related to goods and services paid	Associates	17,233,298
Payables related to goods and services paid	Other related parties	2,792,036
Advance payments received	Key management personnel of the Group	-
Advance payments received	Associates	-
Advance payments received	Other related parties	2,405,048
Dividends paid during the year, net of tax	Key management personnel of the Group	16,659,227
Dividends paid during the year, net of tax	Associates	-
Dividends paid during the year, net of tax	Other related parties	-
<b>Income statement (Income/expenses)</b>		
	<b>Related party categories</b>	<b>RON (unaudited)</b>
Sales of goods and services	Key management personnel of the Group	-
Sales of goods and services	Associates	685,979
Sales of goods and services	Other related parties	9,900,946
Purchases of various goods and services	Key management personnel of the Group	-
Purchases of various goods and services	Associates	13,828,053
Purchases of various goods and services	Other related parties	1,955,448
<b>Loans from related parties</b>		
	<b>Related party categories</b>	<b>RON (unaudited)</b>
Interest expense	Companies - other related parties	64,839
Interest expense	Key management personnel of the Group	-
Amounts owed to related parties	Companies - other related parties	5,463,747
Amounts owed to related parties	Key management personnel of the Group	2,550

<b>Loans granted to related parties</b>	<b>Related party categories</b>	<b>RON (unaudited)</b>
Interest income	Associates	55,887
Amounts granted to related parties	Associates	9,735,690
Interest income	Other related parties	-
Amounts granted to related parties	Other related parties	-
Interest income	Key management personnel of the Group	-
Amounts granted to related parties	Key management personnel of the Group	-

*Source: Issuer*

In addition to the above, in May 2021 (i) the subsidiary One Cotroceni Park S.R.L. concluded a pre-sale transaction with CCT & One Properties S.A. for a total value of EUR 20,016,501 for the purpose of selling apartments and parking spaces located in the One Cotroceni Park residential project that is under construction; and (ii) the subsidiary of One Lake District S.R.L. concluded a pre-sale transaction with CCT & One Properties S.A. for a total value of EUR 14,916,000 for the purpose of selling apartments and parking spaces located in the One Lake District residential project which is under construction on the plot of land located in Bucharest.

## PART 6 OPERATING AND FINANCIAL REVIEW

*The presentation and analysis of the financial statements and results of the Group's operations presented below should be read in conjunction with the Annual Financial Statements, together with the related notes and included in "Part 5 - Selected Financial Information" of this Prospectus. The terms used in this section have the meaning set out in the Audited Financial Statements. The following presentation includes forward-looking statements based on assumptions about our future business. Our actual results may differ materially from those included in these forward-looking statements due to a number of factors, including, but not limited to, the factors described in the "Prospective Statements" and "Risk Factors" sections of this Prospectus.*

### GENERAL PRESENTATION

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

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

- *the activity of development and sale of residential properties* - this consists in the acquisition of land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the real estate construction process (residential or mixed residential-commercial), respectively of the related infrastructure; coordinating marketing campaigns and the sale of residential units and the sale of commercial premises within mixed-use projects; the income related to this activity is mainly generated by the sale of the real estate thus developed;
- *office property development activity* - this includes the acquisition of relevant land; obtaining building permits, authorizations, permits and agreements; planning and design, coordination and supervision of the process of building buildings for office buildings; coordinating marketing campaigns and renting office space; this activity generates gains from the development activity as the difference between the value invested at cost and the market value of the project;
- *investment activity* - this consists in the acquisition of assets (land or office buildings) identified as having good value for money; after the acquisition, as a result of the improvement of the rental level (including as a result of the improvements and renovations undertaken by the Group) or the reduced acquisition cost, a gain on real estate investments is generated for further development or gains on completed real estate investments. the nature of the property; and
- *the activity of renting the properties owned by the Group* - it is carried out through the commercial leasing of spaces in office buildings and those for commercial use within mixed-use projects and generates repetitive rental income.

The main product of the Group, which generated revenues amounting to RON 219.7 million, RON 147.4 million and RON 437.5 million in the years ended December 31, 2018, 2019 and 2020 are the housing units (mainly apartments) in the categories "medium", "medium-high", "high" and "very high" prices, located in exclusive / high interest areas for residential spaces in Bucharest and Constanța (including Mamaia), the targeted customers being mainly those who purchase housing units respectively for their own use, to a significantly more reduced extent being those who purchase these units for rent or buy them as an investment. Overall, the Issuer has a portfolio of completed residential projects with a gross development value (GDV) of over EUR 222.6 million and other projects under development / planning of EUR 939.4 million ( *Source: Issuer* ), both values as of December 31, 2020. As of the date of this Prospectus, the Issuer has completed residential projects that include 687 housing units, with another 4,000 units under development, of which over 900 are under construction ( *Source: Issuer* ).

In the activity of developing office properties, the Issuer develops Class A offices, located in areas of Bucharest that are attractive for business. For the financial years 2018, 2019 and 2020, the three projects that make up this category are One Tower (which was completed at the end of 2020) and One Cotroceni Park Office (Phase 1 and Phase 2). The value increases associated with the development of these projects have resulted in revenues of RON 42 million, RON 165 million and RON 55.4 million . In its investment activity, the Issuer acquired, in 2017, the One North Gate project

and in 2020 a minority stake in One Herăstrău Office, a project currently managed by the Issuer. Also, the Issuer acquired a significant number of lands during this period, lands that experienced valuable appreciations. The increases in value associated with the real estate acquired in the investment activity of the Issuer resulted in revenues of RON 4 million, RON 36 million and 34 RON million in the years ended December 31, 2018, 2019 and 2020. The One Cotroceni Park project was fully classified in 2018 as a real estate investment held for further development, and in 2019 the part related to the office project was reclassified into office building development activity.

The land portfolio in the planning phase owned by the Group represents an important source of real estate development projects for the future, with an area of approximately 133,000 sqm. *Source: Issuer*). All the lands owned by the Group have regional town planning or town planning certificates for construction issued. The Issuer is also in the process of evaluating and discussing the acquisition of additional land for its future developments.

Regarding the Group's activity in the office rental segment, rental income amounted to RON 24.6 million, RON 16.5 million and RON 1.7 million in the years ended on December 31, 2018, 2019 and 2020). Through the majority participations in the four (4) projects on the office segment (acquired, developed or under construction), as well as the minority participation in One Herăstrău Office, the Issuer has at its disposal a total leasable area of over 135,000 sqm (*Source: Issuer*). In 2020 and 2021, the Issuer entered into a series of leases of significant value for its completed or almost completed office buildings, such as One United Tower and One Cotroceni Park. It is estimated that these new leases will generate significant rental income from the 2022 financial year.

Until the date of this Prospectus, The Issuer has developed seven residential projects (six in Bucharest and one in Mamaia), with an aggregate profit of EUR 76 million. The Issuer has won numerous awards, such as: "Residential Developer of the Year" (in 2017 and 2018) and Leader Green Developer and Development (in 2020) at CIJ Awards Romania, Forbes Green Award, "Residential Project of the Year" (in 2018 and 2019) at SEE Real Estate Awards Gala, "Best Residential Redevelopment", "Best Mixed-Use Development", "Best Sustainable Residential Development" and "Best Residential High-Rise Development" (2020) at the European Property Awards.

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

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

As of June 4, 2021, the position of cash and cash equivalents at the Group level was approximately RON 366,000,000.

## **RECENT EVOLUTION**

During the first quarter of the financial year 2021, the Issuer repurchased in advance a number of 17 bonds amounting to EUR 1 million each. These bonds had a maturity of 48 months from the date of signing the contract in October 2017.

On January 19, 2021, the subsidiary of One United Towers SA signed the loan agreement with Black Sea Trade and Development Bank, with a maturity of 11 years, until December 31, 2031 for a maximum amount of EUR 50,000,000 of which the amount of EUR 43,626,667 was used. The loan agreement requires compliance with financial indicators, such as: coverage with collateral, financial debt adjusted for cash in relation to the value of the property and coverage of the debt service. See the " *Financial obligations* " section for details on this contract.

On January 26, 2021, the general meeting of shareholders approved the sale of the 99 shares held in the share capital of the subsidiary Neo Downtown SRL with a nominal value of 10 RON / share. This subsidiary had no real estate assets or other significant assets at the date of sale.

During February 2021, the subsidiary One United Tower SA fully repaid the loans received from minority shareholders and related parties in the total amount of RON 54,003,847.

Between March and April 2021, the subsidiary One Mircea Eliade SRL fully reimbursed the balance related to the investment bank loan granted by Patria Bank (balance at December 31, 2020: 28,394,767 RON).

Between January and May 2021, the branch of One Herastrau Towers SRL fully reimbursed in advance, in full, the balance of the non-revolving bank loan granted by Garanti Bank SA (balance as of December 31, 2020: 20,315,126 RON).

In March 2021, the branch of One Verdi Park SRL obtained the authorization to change the destination from a mixed

project, including office to a residential project. Accordingly, the subsidiary signed an addendum to the existing bank loan agreement to accommodate the change of destination of the project. The credit facility period was reduced from 144 to 28 months.

The reception procedures for the residential project of the Neo Mamaia S.R.L. branch were completed in the first quarter of 2021.

In April 2021, the branch of One Cotroceni Park S.R.L. received the authorization for the development of the One Cotroceni Park residential project.

On April 19, 2021, the extraordinary general meeting of shareholders approved (i) the listing of the Issuer on the regulated market of the Bucharest Stock Exchange; (ii) the increase of the Issuer's share capital from the amount of RON 259,824,598.32 to the amount of RON 260,014,171.2, by increasing the nominal value of the shares from the amount of RON 260.41 / share to the amount of RON 260.60 / action; (iii) approving the change of the nominal value of a share, from the value of RON 260.60 to the value of RON 0.20, as well as the total number of shares of the Issuer.

On April 22, 2021, the Founding Shareholders, Victor Căpitanu and Andrei Diaconescu, concluded a contract for the sale of shares representing 5% of the subscribed and paid-in share capital of the Issuer to CC Trust Group AG.

In May 2021, the subsidiary One Cotroceni Park S.R.L. concluded a pre-sale transaction with CCT & One Properties SA for a total value of EUR 20,016,501 for the purpose of selling apartments and parking spaces located in the One Cotroceni Park residential project which is under construction.

In May 2021, the subsidiary of One Lake District S.R.L. concluded a pre-sale transaction with CCT & One Properties SA for a total value of EUR 14,916,000 for the purpose of selling apartments and parking spaces located in the One Lake District residential project which is under construction on the plot of land located in Bucharest.

In May 2021, the Issuer appointed a new Chairman of the Board in the person of Mr. Claudio Cisullo.

On May 26, 2021, the general meeting of shareholders approved, among other things:

- (a) the confirmation of the change in the nominal value per share corresponding to any share options granted within a stock allocation plan (of the “*stock option plan*” type), taking into account the nominal value of RON 260.60 per share issued; and
- (b) the approval of the conclusion by the subsidiaries One Cotroceni Park Office S.A. and One Cotroceni Park Office Faza 2 S.A. of a credit agreement with BRD - Groupe Société Générale S.A., Erste Bank AG and Banca Comercială Română SA, as creditors, regarding two facilities with a total amount of up to EUR 69 million (EUR 40 million and EUR 29 million respectively), but not more than 60% of the costs of each project, two long-term investment credit facilities to refinance the above-mentioned facilities within the limits of the loans granted, two VAT credit facilities up to the equivalent in RON of EUR 6 million and EUR 3 million respectively.

On May 31, 2021, the Founding Shareholders, Victor Căpitanu and Andrei Diaconescu, concluded a contract for the sale of a number of ordinary shares representing 5% of the subscribed and paid-in share capital of the Issuer with Icevulcan Properties Ltd. On the same date, the Founding Shareholders granted an option to purchase 6,500,355 shares representing 0.5% from the subscribed and paid-in share capital of the Issuer (a total of 13,000,710 ordinary shares, representing 1% from the subscribed and paid-in share capital of the Issuer) to Icevulcan Properties Ltd. The option is exercisable between 6 months and 2 years after the admission to trading of the Shares.

On May 31, 2021, the Issuer entered into an agreement with Icevulcan Properties Ltd. by which the latter enjoys a right of first refusal to grant financing to the Issuer, in a maximum amount of EUR 50,000,000, thus benefiting from the right to grant loans to the Issuer with priority under conditions similar to those offered by others creditors. This agreement creates the potential of a new important source of financing the Issuer's activity under conditions no less favorable than the market ones.

On May 31, 2021, the Founding Shareholders concluded a contract with the shareholder Gabriel - Ionuț Dumitrescu through which each of them acquired a number of 1,134,913 ordinary shares, representing 0.0873% from the subscribed and paid-in share capital of the Issuer.

On June 2, 2021, The Founding Shareholders concluded a contract with Ms. Oana-Adela De Lucia-Barbu through which each of them sold a number of 1,134,913 ordinary shares, representing 0.0873% from the subscribed and paid-in share capital of the Issuer.

Thus, on the date of the Prospectus, each of the Founding Shareholders, Mr. Victor Căpitanu and Mr. Andrei-Liviu Diaconescu, holds 425,161,602 shares, representing 32.7030% of the Issuer's share capital (representing a share of 32.7030% in the Issuer's profit or loss and 32.7030% of the total voting rights). The Founding Shareholders thus hold together a number of 850,323,204 ordinary shares, representing 65.4059% of the Issuer's share capital (representing a share of 65.4059% in the Issuer's profit or loss and 65.4059% of the total voting rights), jointly exercising control over the Issuer.

In June 2021, the branch One Long Term Value SRL repaid in full the balance of the investment loans granted to it by Garanti Bank SA (balance at 31 December 2020 for both loans: 9,856,992 RON).

On June 8, the Issuer's EGMS approved (i) the increase of the Issuer's share capital from the nominal value of RON 260,014,171.2 and up to the maximum nominal value of RON 286,015,588.2, by issuing a number of up to 130,007,085 new ordinary, registered, dematerialised shares, each with a nominal value of RON 0.20 and a total nominal value of RON 26,001,417, in view of the Offer and (ii) the authorization of the Issuer's Board of Directors for a period of five (5) years to decide to increase the share capital of the Issuer, through one or more issues of ordinary, registered and dematerialised shares, with a nominal value not exceeding 13,246,558.6 lei.

## **BASIS OF FINANCIAL PRESENTATION**

The Group has prepared its Annual Financial Statements for the years ended on December 31, 2018, 2019 and 2020 in accordance with IFRS. For the periods mentioned in this Prospectus, the functional and presentation currency of the Group was RON. The financial year of the Group shall end on 31 December of each calendar year.

## **STRUCTURE OF REVENUES AND EXPENDITURE RELATING TO OPERATIONAL SEGMENTS**

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

### **Residential segment**

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

### **Office space segment**

This operating segment considers the following revenue categories:

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

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

### **The corporate segment**

This operating segment consists of the “holding” activities of the Issuer. Specifically, activities that are not included in the segments described above are included in the corporate segment. In this segment, the Issuer reported revenues of RON 2,154,477, RON 3,253,216 and RON 6,865,312, respectively expenses of RON 18,051,213, RON 14,133,950

and RON 11,315,027 in this segment for the years ended on December 31 2020, 2019 and 2018.

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

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

### **General market conditions and financing conditions**

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

In the period between December 31, 2018 and December 31, 2020, the Romanian economy registered an increase in GDP, with a RCAC of 2.4%, exceeding the average of the RCAC in the European Union, which registered a contraction of 0.6% in same period (Source: Eurostat). This increase was due to lower tax rates, as well as positive developments in the labor market, which resulted in the expansion of the middle class.

In the year ended on December 31, 2020, the Romanian economy recorded a contraction of 3.9% of GDP compared to the year ended on December 31, 2019, amid the crisis generated by the Covid-19 pandemic (which led to lower consumption, a driving force for generating multiannual economic growth, as well as increasing public spending to support the medical system in the context of the pandemic) and measures taken by public authorities to stop the spread of SARS VOC 2 virus, compared to a contraction of 6.1%, representing the European Union media (Source: Eurostat). Initial estimates of a contraction in GDP of around 6% (Source: NBR) did not prove, amid the strong recovery of economic activity in the second half of 2020, in particular, the construction sector (which recorded an increase of 9.15% compared to the year ended on December 31, 2019) and the real estate (which increased by 3.31% compared to the year ended December 31, 2019) (Source: INS).

In the first quarter of 2021, Romania's GDP increased by 2.8% compared to the fourth quarter of 2020 (thus registering the highest growth in the European Union) (Source: Eurostat), with the projected GDP growth for 2021 being 7% (Source: IMF).

The evolution registered by the Romanian economy was also reflected in the prices per sqm on the residential segment. Thus, in Bucharest (which is the main location of the Issuer, being part of the Bucharest-Ilfov development region, which has a GDP per capita 160% compared to the EU average, according to Eurostat), prices increased by 3.5% in 2020 compared to 2019, to an average price of EUR 1,465 per usable sqm, continuing the same upward trend started in 2015, registering an increase with an RCAC of 6.11% for the period 2015 - 2020 (Source: JLL).

Romania's economic evolution in recent years has also contributed to an increase in population income, with the average gross monthly salary registering an increase with a RCAC of 12.55% for the period between January 1, 2018 and December 31, 2020. According to the latest statistical data, the average gross salary in Romania amounts to 5,785 lei (Source: INS) or approximately EUR 1,175.

According to statistical data, the number of employees in Romania earning over 10,000 lei gross / month increased by 37% in 2020 compared to 2019. At the level of Bucharest, over 127,000 employees have a gross salary, higher than 10,000 lei gross / month, out of a total number of approximately 1,000,000 employees (Source: Work inspection). Such an increase in the number of middle- and high-income employees can contribute to an improvement in the dynamics of demand for new housing units, including premium ones. Currently, the premium housing units represent only 3.5% of the total housing units built in and around Bucharest (Source: SVN Romania).

Regarding the lending activity on the mortgage lending segment, the interest rates charged by local commercial banks on this type of loan were on a slightly downward trend, and in March 2021 this interest rate was 3.57% for home loans, with a maturity of over 5 years, registering a decrease of 0.27% compared to the same period in 2019 (Source: NBR). The decrease of interest rates, in conjunction with the increase of the population's income in the last years, creates the premises for maintaining an ascending trend on the residential segment. Thus, the indicator on the number of years required to purchase a new 50 sqm apartment in Bucharest has significantly improved in the last 12 years, from 32.8 years in 2008 to 8.4 years in 2020 (Source: SVN Romania).

### **Real estate development**

The results of operations and the profitability of the Issuer are significantly influenced by the number of residential units and office areas in view of the rent it builds, buys and sells / rents, the purchase / sale / rental price, land costs

and development costs, and the profit margin associated with these transactions.

#### Number of residential units and leasable areas and prices

The total number of residential units built depends on the number of active developments. While these variables are largely under the control of the Issuer, the number of residential units is also affected by external factors beyond the Issuer's control, in particular the availability of building permit approvals and the authorities' housing and construction policies and regulations. housing and office buildings, such as town planning factors and environmental regulations, as well as overcoming possible situations of contesting / suspending administrative acts by third parties.

The number of residential and office real estate development projects that the Issuer may undertake in a given period is also affected by the ability to finance these projects, ie the planning, design and construction costs associated with the development, both to external financiers as well as through the use of equity.

Furthermore, the results of the Issuer's operations, sources and cash in operations may vary significantly from one period to another, depending on the number of residential units and other properties that are available for sale or that have been sold and delivered, as well as price changes on the residential real estate market.

The Issuer has a portfolio of residential projects completed with a value gross development value (GDV) of over 222.6 MILLION EUR and others project under development / planning of EUR 939.4 million ( *Source: Issuer* ), both values as of December 31, 2020. By the date of this Prospectus, the Issuer has completed residential projects that include 687 housing units, with another 4000 units under development, of which over 900 are under construction ( *Source: Issuer*).

The average sales prices of the Issuer per built square meter, at project level are between EUR 1,500 and EUR 5,600. In 2020, the average selling price at the level of all units sold was about 3,000 EUR per built square meter.

#### Profit margins, land acquisition and development costs

The Issuer's profit margins depend on a variety of factors, including the selling price, the cost of the land, and the construction and operating costs.

The issuer aims in its activity that the gross margins for the projects that are in the sale phase or for which lands are already purchased to be over 30% of the total income. For office buildings in the portfolio, their yields are between 6% and 9%. The expected yield is in line with the average yield for buildings located in the areas where the Group owns, develops or operates its office buildings, according to the JLL analysis report (Bucharest City Report Q1 2021).

The cost of the land includes the price of the land, the fees related to the transaction, the notary costs and the legal expenses. The cost of land varies depending on the location and depending on specific factors, such as urban parameters, land shape, neighborhoods, access.

The Issuer intends to make land acquisitions including for the development of medium-term projects, which should improve the development capacity in the future.

The table below shows information on the lands owned by the Issuer, for which on December 31, 2020 no apartments were delivered to customers:

Project	Location	Destination	Status	Land area (sqm)
<b>One Herăstrău Towers</b>	Bucharest - District 1	Residential	Under construction	5,375
<b>One Mircea Eliade</b>	Bucharest - District 1	Residential	Completed <sup>1</sup>	10,206
<b>One Verdi Park</b>	Bucharest - District 2	Residential	Under construction	8,183
<b>One Peninsula</b>	Bucharest - District 1	Residential	Under construction	25,857
<b>One Modrogan</b>	Bucharest - District 1	Residential	Under construction	4,200
<b>One Lake District</b>	Bucharest - District 2	Residential	In planning	82,734
<b>One Floreasca Towers</b>	Bucharest - District 2	Residential	In planning	5,627
<b>One Cotroceni Park - Residential</b>	Bucharest - District 5	Residential	In planning	38,549
<b>Neo Floreasca Lake</b>	Bucharest - District 1	Residential	Under	3,440

			construction	
<b>Neo Mamaia - phase 1</b>	Bucharest - Mamaia	Residential	Under construction	2,348
<b>Neo Timpuri Noi</b>	Bucharest - District 3	Residential	Under construction	3,835
<b>Neo Herastrau Park</b>	Bucharest - District 1	Residential	In planning	3,358
<b>Neo Mamaia - phase 2</b>	Constanța - Mamaia	Residential	In planning	2,858
<b>One Cotroceni Park - Offices</b>	Bucharest - District 5	Offices	Under construction	19,832
				<b>216,402</b>

<sup>1</sup> As of December 31, 2020, the administrative procedures for allowing the apartments to be handed over to customers were not completed.

In addition to the cost of the land, the Issuer's other development costs include planning, construction, infrastructure, sales and marketing, and general administrative costs.

Construction costs include site costs for employees, services of contractors and subcontractors and material costs. Planning costs are primarily the cost of architects and the costs of building permits and permits. Infrastructure costs include roads, connections and landscaping. Sales and marketing costs include the costs of sales / rental agents and brokers and the cost of product promotion.

Approximately 2% to 6% of total revenue is attributed to sales and marketing costs, which consist mainly of sales agent commissions, which depend on sales prices and are completely variable and the costs related to showrooms, brochures and advertising traditional and online.

Factors affecting costs include the type of projects built (which determines the composition of the materials needed), the prices of land and construction materials, wages and costs with contractors and subcontractors.

The issuer monitors and maintains some control over construction costs by developing long-term partnership relationships with local contractors and subcontractors, as well as by organizing tenders for services before hiring contractors and subcontractors.

The issuer expects the costs of contractors to increase on the medium term given the upward trends in commodity prices and labor costs.

In addition to the costs directly associated with the development of the Issuer's projects and their sale, there are also general administrative costs, which are associated with the Issuer's headquarters or activities, and primarily reflect the costs of staff and other professionals (lawyers, auditors, etc.) with whom the Issuer collaborates.

### **Variations in the value of real estate investments**

Another significant factor that influences the Issuer's results is the gain from real estate investments, which can vary from one period to another depending on several parameters.

For real estate investments, assets are valued mainly using the market approach or the income-based approach, based on the discounted cash flow technique. For the market approach, the key assumptions underlying the market value of the Group's land assets are: the resulting selection of comparable land to determine the 'bid price', which is taken as a basis to form an illustrative price and the amount of adjustments to be applied to the bid price to reflect transaction prices and differences in location and condition. For the revenue-based approach based on the discounted cash flow technique, valuations are prepared taking into account the total amount of net annual rents receivable for properties and, where applicable, the associated costs. A return that reflects the risks inherent in net cash flows is then applied to net annual rents to arrive at the valuation of the property.

The real estate investments of the Issuer were evaluated on December 31, 2020 and December 31, 2019 by Cushman & Wakefield, external, independent appraisers, authorized by ANEVAR, with recent experience regarding the location and nature of the appraised properties. For the respective years, the Issuer recorded gains from the appreciation of real estate investments in the total amount of RON 96,253,470 (of which RON 58,349,105 representing gains from the development of office buildings, RON 3,739,093 representing completed real estate investment gains and RON 34,165,272 representing real estate investment gains held for further development) and RON 230,943,517 (of which

RON 189,551,990 representing gains from the activity of office building development, RON 5,122,612 representing completed real estate investment gains and RON 36,268,915 representing real estate investment gains held for further development).

The Issuer will continue to collaborate with independent external appraisers to evaluate its real estate investments and the results of these appraisals will be reflected in the Issuer's annual financial statements. Depending on the variation of the factors analyzed in the assessment, it is possible that the value associated with real estate investments may experience significant fluctuations that may not always be directly correlated with the results of the Issuer's operational activity.

#### **Seasonality and non-linear nature of income associated with residential development activity**

Revenues, development costs and margins vary both during the year and over a 3-year cycle, due to the differentiation of projects under development, their type and number of units.

During a calendar year, the dynamics and volume of sales are lower in December-January and in June-August.

Moreover, even for periods exceeding one financial year, as revenues from the sale of residential properties are recognized on the basis of the degree of sales / receipts and the degree of evolution of the construction they may be non-linear. Therefore, factors affecting these peak sales periods may have a disproportionate impact on the Issuer's performance over a period of time. As a result of this seasonality, the Issuer's results from the beginning of a real estate project, in particular revenues and margins, are usually lower than the results from the completion and post-completion of the construction. The non-linear nature of the income associated with the residential development activity can be amplified by the fact that the Issuer may have, depending on the strategic decisions, periods in which several projects begin and periods in which it focuses on the completion of some started projects. Also, the Issuer's projects may vary in size, execution time, margin and addressable market. Sometimes, the Issuer's projects may experience delays that may affect the dates on which certain revenues associated with these projects are recognized (see also Part 2 " *Risk Factors - The costs and duration of the development of real estate projects may exceed the Group's initial expectations.* "). All these and other factors can affect the timing of the recognition of income associated with the residential development activity, their size, as well as the timing and size of the collection of relevant amounts.

Regarding the cyclicity of the financial performance, the normal operating cycle of the Issuer's projects is of 3 years. The results and performance during this period can be significantly influenced by the mix of projects being constructed and sold, respectively by the volume of investments and the margin of these projects. Thus, in the periods when the Issuer has large-scale projects developing quickly, the development revenues and costs are higher and the margin is influenced by the individual profitability of each project.

### **ANALYSIS OF DATA RELATED TO FINANCIAL STATEMENTS THAT HAVE A SIGNIFICANT IMPACT**

#### **BALANCE SHEET**

This section includes an analysis of the evolution of some of the data related to the Issuer's balance sheet as at 31 December 2018, 31 December 2019 and 31 December 2020.

#### **ASSETS**

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	19,256,076	19,256,076	22,436,396
Intangible assets	164,707	240,736	229,062
Investment properties	1,010,415,976	790,855,879	454,183,676
Right of use assets	1,221,167	-	-
Investments in associates	1,439,340	2,550	3,569
Property, plant and equipment	16,077,142	17,049,948	2,967,285
<b>Total non-current assets</b>	<b>1,048,574,408</b>	<b>827,405,189</b>	<b>479,819,988</b>

*Source: The information was extracted from the Annual Financial Statements*

#### *Goodwill*

In the financial year 2020, the Issuer did not register any change in goodwill, its value being RON 19.3 million. As of December 31, 2019, the Issuer registered a decrease of 14.2% in terms of goodwill compared to December 31, 2018. Thus, the value reached RON 19.3 million from RON 22.4 million, the decrease resulting after the impairment test of the goodwill related to the One Charles de Gaulle Residence SRL subsidiary.

#### *Intangible assets*

The Issuer's intangible assets decreased in 2020 by 31.6% mainly due to the depreciation of the assets of the respective class, the value reaching RON 164,708 on December 31, 2020 from RON 240,736 on December 31, 2019. As of December 31, 2019, the Issuer registered an increase of intangible assets by 5.1% from RON 229,062 to December 31, 2018.

#### *Real estate investments*

On December 31, 2020, the Issuer registered an increase compared to December 31, 2019 of 27.8%, thus reaching a value of real estate investments of approximately RON 1 billion from RON 790.9 million. On December 31, 2019, the Issuer registered an increase of 74.1% compared to December 31, 2018 in terms of real estate investments, reaching a value of RON 790.9 million. The main properties included at the end of 2020 in this category are One United Tower (RON 321.7 million), One Cotroceni Park (RON 317.6 million) and One North Gate (RON 124.3 million).

#### *Right of use assets*

On December 31, 2020, the Issuer reported right of use assets amounting to RON 1.2 million. The Issuer did not report any such assets in the financial years 2019 and 2018, respectively, because during these periods IFRS standards did not require the reporting of these assets.

#### *Investments in associates*

The extension of the Issuer's activity can also be noticed by analyzing the shares held in affiliated entities, where the Issuer registered a total value of RON 1.4 million as of December 31, 2020 on the basis of acquisitions of shares in Reinvent Energy S.R.L., Glass Rom S.R.L., CCT & One AG, One Herăstrău Office Properties SA, One Herăstrău Office SA and One Property Support Services S.R.L. On December 31, 2019, the Issuer reported investments in associates amounting to RON 2,550, and on December 31, 2018 this value was 3,569 RON.

#### *Property, plant and equipment*

Regarding the property, plant and equipment, the Issuer registered on December 31, 2020 slight decrease of 5.7% compared to December 31, 2019, due to depreciation and amortization, from RON 17 million to RON 16 million. Compared to December 31, 2018, the Issuer reported an increase on December 31, 2019 of 474.6% in terms of property, plant and equipment, from RON 2.97 million to RON 17.05 million due to the reclassification of part of the One North Gate project from the category of real estate investments in the category of property, plant and equipment for the part used by the Issuer in order to ensure the development of its own activity.

#### *Non-current assets*

The value of the Issuer's total non-current assets increased by 26.7% on December 31, 2020 compared to December 31, 2019, from RON 827 million to RON 1 billion and an increase of 72.4% on December 31, 2019 compared to December 31, 2018 from RON 480 million to RON 827 million, the increase being largely due to the increase of investment properties, in projects such as One United Tower or One Cotroceni Park.

The distribution of the values of non-current assets in each of the reporting segments is reflected in the table below. Thus, a significant share of non-current assets is recorded in the investment properties segment, generated by the value of developed office projects that are kept in the Issuer's assets and which show a significant increase in each of the periods presented below compared to the previous one, as opposed to the residential segment where the developed buildings are sold, thus being presented in the category of current assets in the form of inventories and residential properties. Thus, the situation of non-current assets related to the residential segment does not change significantly from one period to another.

**31-Dec-2020                      31-Dec-2019                      31-Dec-2018**

(expressed in RON, audited)

**Non-current assets**

Residential	21,676,182	21,467,783	24,684,191
Offices	1,011,898,173	792,091,664	454,899,015
Corporate	15,000,053	13,845,742	236,783
Total	1,048,574,408	827,405,189	479,819,988

Source: The information was extracted from the Annual Financial Statements

**31-Dec-2020**      **31-Dec-2019**      **31-Dec-2018**  
(expressed in RON, audited)

**Current Assets**

Inventories	257,348,157	173,210,870	164,035,958
Advance payments to suppliers	50,890,026	45,805,125	25,994,610
Trade receivables	104,643,962	129,071,523	145,167,523
Other receivables	70,781,030	46,963,473	40,777,231
Prepayments	545,370	711,837	273,537
Cash and cash equivalents	170,971,646	91,747,956	95,478,943
<b>Total Current Assets</b>	<b>655,180,191</b>	<b>487,510,784</b>	<b>471,727,802</b>
<b>TOTAL ASSETS</b>	<b>1,703,754,599</b>	<b>1,314,915,973</b>	<b>951,547,790</b>

Source: The information was extracted from the Annual Financial Statements

*Inventories and residential properties*

The 2020 financial year meant for the Issuer an increase in inventories of approximately 48.6%, thus reaching a value reported at December 31, 2020 of RON 257 million, including projects such as One Mircea Eliade (RON 59 million), One Modrogan (RON 58 million) or One Peninsula (RON 52 million), from a value of RON 173 million as of December 31, 2019. Also, compared to December 31, 2018, the Issuer registered an increase of 5.6% of inventories on December 31, 2019, from RON 164 million to RON 173 million. Residential unit inventories represent the value that is found in the Issuer's balance sheet assets and for which the income and costs related to their capitalization have not yet been recognized. These increases in properties built for sale highlight the expansion of the Issuer's business.

*Advance payments to suppliers*

On December 31, 2020, the Issuer reported advance payments to suppliers amounting to RON 50.9 million, representing an increase of 11.1% in relative terms compared to December 31, 2019. As of December 31, 2019, the Issuer reported an increase of 76.2% compared to December 31, 2018, the registered value being RON 45.8 million compared to RON 26 million. These increases are justified by the start of several real estate projects in 2019 and 2020, such as One Mircea Eliade, One United Tower and One Cotroceni Park.

*Trade receivables*

As of December 31, 2020, the Issuer did not classify any receivable as due for a period longer than one calendar year. At the same date, trade receivables decreased by 18.9% compared to December 31, 2019, reaching a value of RON 104.6 million from RON 129.1 million, signaling a faster cash conversion and an increase in the Issuer's liquidity. For the same reasons, on December 31, 2019, the Issuer registered a value of trade receivables decreasing by 11.1% compared to December 31, 2018, when their value was RON 145.2 million.

*Other receivables*

As of December 31, 2020, the Issuer reported other receivables amounting to RON 70.8 million, an increase by 50.7% compared to December 31, 2019, when the reported value was RON 47 million. The value reported on December 31, 2019 registered a marginal increase of 15.2% compared to December 31, 2018, when they were worth RON 40.8 million. The increase in 2020 compared to 2019 was significantly determined by the interim dividends paid in advance in the amount of RON 24 million. The variation in other receivables in 2020, respectively 2019 is also influenced by the balance of the VAT position to be recovered from the state.

*Prepayments*

On December 31, 2020, the Issuer reported advance expenses of RON 545,370, meaning a decrease of 23.4% compared to the similar date in 2019, generated by the variation in advance expenses paid for various services and

insurance. On December 31, 2019, the Issuer reported an increase in advance expenses of 160.2%, reaching a value of RON 711,837 from RON 273,537 as of December 31, 2018, generated by the assistance services invoiced in advance in connection with the contracting of the works. finishes for the One Mircea Eliade project.

#### *Cash and cash equivalents*

For the financial year 2020, the Issuer's cash at the end of the financial year increased by 86.3% compared to December 31, 2019 due to the increase in sales volume, attracting equity from shareholders and attracting new sources of financing. Thus, the Issuer obtained financing in the amount of RON 290 million through loans and a financing of approximately RON 113 million as a result of the issue of share capital and issue premiums. On December 31, 2020, the Issuer reported cash and cash equivalents in the amount of RON 171 million, increasing by 86.3% compared to December 31, 2019, thus increasing the proportion in total current assets to 26% from 19% in 2019 and 20% in 2018. As of December 31, 2019, the Issuer reported a decrease of 3.9% compared to December 31, 2018, decrease generated by investment and financing flows. Thus, cash and cash equivalents were RON 95.5 million as of December 31, 2018 and RON 91.7 million as of December 31, 2019.

The value of the Issuer's bank deposits in EUR reached RON 44.7 million on December 31, 2020 from RON 42.4 million on December 31, 2019, registering an increase of 5.6%, and the value of RON bank deposits reached RON 88.1 million from RON 15.1 million as of December 31, 2019, registering an increase of 484.8%. Moreover, the Issuer's EUR bank accounts reached RON 30.7 million from RON 16.7 million as of December 31, 2019, registering an increase of 83.8%, and the RON bank accounts reached the value of RON 7.2 million on December 31, 2019 from RON 17.4 million, registering a decrease of 58.7%. Compared to the values recorded on December 31, 2018, the value of bank deposits in EUR on December 31, 2019 of the Issuer registered an increase of 333.4% from RON 9.8 million, the value of bank deposits in RON on December 31, 2019 increased of 479% from RON 2.6 million, the value of bank accounts in EUR on December 31, 2019 registered a decrease of 73.4% from RON 62.8 million, and the value of bank accounts in RON on December 31, 2019 registered a decrease of 13.4% from RON 20.1 million. The issuer constantly monitors currency risk and maintains cash and cash equivalents in a mix of currencies that are intended to reduce that risk.

#### *Current assets*

The value of the Issuer's current assets at December 31, 2020 increased by 34.4% compared to December 31, 2019, from RON 487.5 million to RON 655.2 million, mainly due to the increase in residential property stocks and cash position. The value of current assets as of December 31, 2019 registered an increase of 3.3% compared to December 31, 2018, generated by advances to suppliers amid the intensification of construction activity and the multiplication of the number of projects under construction. The breakdown of current assets by each of the reporting segments is reflected in the table below. Thus, the value of current assets related to the residential segment is significantly higher, an aspect generated by the sale of residential units developed by the Issuer.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Current Assets</b>			
Residential	458,333,197	383,131,914	365,492,849
Offices	75,836,035	32,044,006	18,764,022
Corporate	121,010,958	72,334,863	87,470,932
<b>Total</b>	<b>655,180,191</b>	<b>487,510,783</b>	<b>471,727,802</b>

*Source: The information was extracted from the Annual Financial Statements*

#### *Total assets*

Against the background of the evolutions presented above, the value of the Issuer's total assets at December 31, 2020 increased by approximately 29.6% compared to December 31, 2019, from RON 1.3 billion to RON 1.7 billion. The Issuer also recorded an increase in total assets as of December 31, 2019 of 38.2% compared to the value of RON 951.5 million on December 31, 2018.

#### **EQUITY AND LIABILITIES**

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Equity</b>			

Share capital	259,824,598	146,964,903	9,073,720
Share Premiums	9,192	5,658	93,693,129
Legal reserves <sup>1</sup>	-	4,250,630	1,876,220
Own Shares <sup>2</sup>	(26,765,560)	-	-
Other reserves	463,393	-	-
Retained earnings	498,235,187	377,494,034	244,390,045
<b>Equity attributable to owners of the Group</b>	<b>731,766,810</b>	<b>528,715,225</b>	<b>349,033,114</b>
Non-controlling interests	92,264,592	24,913,216	6,986,510
<b>Total equity</b>	<b>824,031,402</b>	<b>553,628,441</b>	<b>356,019,624</b>

Source: The information was extracted from the Annual Financial Statements

<sup>1</sup> Although the Issuer constituted legal reserves in 2020, the differences that can be observed in terms of legal reserves in the financial year 2020 compared to other financial years are due to a difference in the methodology of the International Financial Reporting Standards, by including them in the result reported.

<sup>2</sup> The shares repurchased in 2020 were capitalized by sale in 2021 at a price higher than the purchase price, in total EUR 7.4 million (approximately RON 36,259,262).

#### *Share capital*

As of December 31, 2020, the Issuer reported a value of the share capital of RON 259.8 million, representing an increase of 76.8% compared to the value of RON 147 million, reported on December 31, 2019, as a result of the increase of share capital and of issue premiums from 2020 amounting tot RON 113 million, of which RON 103.9 million by incorporating the issue premiums paid to the share capital increases and RON 8.95 million by issuing new shares. Also, the value of the share capital on December 31, 2019 increased by 1519.7% compared to the value of the share capital of RON 9.1 million as of December 31, 2018, of which RON 137.6 million by incorporating the issue premiums and RON 330,831 by issue of new shares.

#### *Share premium*

As of December 31, 2020, the Issuer reported share premiums amounting to RON 9,192, increasing by 62.5% compared to December 31, 2019, when the value of share premiums was RON 5,658. As of December 31, 2018, the Issuer reported share premiums amounting to RON 93.7 million. The significant decrease in the value of share premiums during 2019 was generated by the conversion of capital premiums into share capital.

#### *Legal reserves*

As of December 31, 2020, the Issuer included legal reserves in the retained earnings section, according to international financial reporting standards. As of December 31, 2019, the Issuer reported legal reserves amounting to RON 4.25 million, increasing by 126.6% compared to December 31, 2018, when the value of legal reserves was RON 1.88 million, as a result of applying the legal provisions regarding the establishment of reserves for the profit generated during the period. Although the Issuer established legal reserves in the financial year 2020, the differences that can be noticed in terms of legal reserves in the financial year 2020 compared to other financial years are due to a difference in methodology of international financial reporting standards, by including them in the result carried forward.

#### *Own Shares*

As of December 31, 2020, the Issuer reported own shares amounting to approximately RON 26.77 million. The reason is due to the repurchase of 18,243 shares from shareholders at a total value of RON 26.77 million during 2020. On December 31, 2019 and December 31, 2018, the Issuer did not hold any shares of his own. The shares repurchased in 2020 were capitalized by sale in 2021 at a higher price than the purchase price, for a total price of EUR 7.4 million (approximately RON 36.5 million), thus making a profit of EUR 1.9 million (approximately RON 9.3 million).

#### *Other reserves*

On December 31, 2020, the Issuer reported other reserves amounting to RON 463,393 in connection with commitments related to potential vesting related to the *stock option plan*. In the financial years 2019 and 2018, the Issuer did not report any other reserves.

#### *Retained earnings*

On December 31, 2020, the Issuer recorded retained earnings in the amount of RON 498 million, increased by 32%

compared to December 31, 2019, when the Issuer recorded retained earnings in the amount of RON 377.5 million. The increase is due to the increase in profit during that period. At the same time, due to the increase of the profit related to 2019, the Issuer registered an increase of 54.5% of the retained earnings on December 31, 2019 compared to December 31, 2018, when the Issuer had registered retained earnings in the amount of RON 244.4 million.

#### *Equity attributable to owners of the Group*

On December 31, 2020, the Issuer reported equity attributable to owners of the Group in the amount of RON 731.8 million, increased by 38.4% when compared to December 31, 2019, when the value of equity attributable to owners of the Group was of RON 528.7 million. The variation between the value reported on December 31, 2019 and the one on December 31, 2018 of RON 349.0 million was 51.5%.

#### *Non-controlling Interests*

On December 31, 2020, the Issuer reported a non-controlling interest value of RON 92.3 million, meaning a significant increase of 270.3% compared to December 31, 2019, when the Issuer reported a value of RON 24.9 million. As of December 31, 2019, the value of non-controlling interests increased by 256.6% compared to that of December 31, 2018 of RON 7 million. The increases are explained by the inclusion of additional investors and by the increase of the participations of the minority investors, both at the level of the Issuer and at the level of its subsidiaries, as well as the increase of the total equity of the Issuer.

#### *Total equity*

Following the increase of the share capital to the value of approximately RON 260 million, the increase of the result carried forward to the value of approximately RON 498 million and the increase of the non-controlling interests up to the value of approximately RON 92 million, the total value of equity reached RON 824 million on December 31, 2020, meaning an increase of 49% compared to the value of RON 554 million recorded on December 31, 2019, which represents an increase of 55.5% compared to the value of RON 356 million on December 31, 2018. Equity rate in total assets, an important indicator in assessing financial soundness increased in 2020 to 48%, from 42% in 2019 and 37% in 2018.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Non-current liabilities</b>			
Loans and borrowings from bank and others	70,659,819	146,167,499	145,829,983
Loans and borrowings from minority shareholders	120,076,805	-	-
Provisions	734,913	114,310	97,970
Deferred tax liabilities	100,904,737	75,741,596	37,507,469
<b>Total non-current liabilities</b>	<b>292,376,274</b>	<b>222,023,405</b>	<b>183,435,422</b>

*Source: The information was extracted from the Annual Financial Statements*

#### *Loans and borrowings from bank and others*

Regarding loans and borrowings from bank and others, on December 31, 2020, the Issuer reported a value of RON 70.7 million, which means a decrease of 51.7% compared to December 31, 2019, when it reported loans and borrowings from bank and others of RON 146.2 million, the decrease is due to the inclusion in short-term loans of the bond loan subscribed by CVI, EUR 17 million, loan due in the 3rd quarter of the year 2021, but which was fully reimbursed in the first quarter of 2021. As of December 31, 2019, the Issuer reported loans and borrowings from bank and others of RON 146.1 million, thus registering a minor increase compared to the value reported on December 31, 2018.

#### *Loans and borrowings from minority shareholders*

Regarding the loans and borrowings from minority shareholders, on December 31, 2020, the Issuer reported a value of RON 120.1 million, compared to December 31, 2019 and December 31, 2018 when it did not report such amounts. The increase is related to accessing loans from minority shareholders in the One Cotroceni Park project (RON 114.6 million).

In the future, the Group companies and the minority shareholders intend to convert some loans from the minority shareholders into share capital of the subsidiaries One Cotroceni Park Office S.A. and One Cotroceni Park Office

## Phase 2 S.A.

### *Provisions*

On December 31, 2020, the Issuer reported provisions amounting to RON 734,913, meaning an increase of 542.9%, compared to the previous financial year, when the Issuer reported provisions of RON 114,310 on December 31, 2019, an increase generated by the establishment of a provision in connection with a contractual partner. Reported on December 31, 2018, when the Issuer reported provisions amounting to RON 97,970, their value on December 31, 2019 underwent a minor increase of 16.7% on December 31, 2019. Although provisions have increased significantly, their value remains relatively small compared to the issuer's cash flow generation capacity.

### *Deferred tax liabilities*

On December 31, 2020, the Issuer reported deferred tax liabilities in the amount of RON 100.9 million, which means an increase of 33.2% compared to December 31, 2019, when the Issuer reported tax liabilities amounting to RON 75.7 million. As of December 31, 2019, the increase compared to December 31, 2018, when the Issuer reported deferred tax liabilities amounting to RON 37.5 million, was 101.9%. The increases are mainly due to the increase in the values of investment properties following their re-evaluation during the period.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Current liabilities</b>			
Employee benefits	444,628	396,029	260,283
Loans and borrowings from bank and others	156,083,575	38,754,613	8,919,783
Loans and borrowings from minority shareholders	37,547,728	23,428,476	28,498,699
Lease liabilities	1,208,149	-	-
Trade and other payables	96,243,622	47,538,775	42,854,612
Accrued income	-	11,823	1,313,760
Current tax liabilities	1,964,019	2,572,757	5,388,780
Advance payments from customers	293,855,202	426,561,654	324,856,827
<b>Total current liabilities</b>	<b>587,346,923</b>	<b>539,264,127</b>	<b>412,092,744</b>

*Source: The information was extracted from the Annual Financial Statements*

### *Employee benefits*

On December 31, 2020, the Issuer reported employee benefits amounting to RON 444,628, increasing by 12.3% compared to December 31, 2019, when the Issuer reported employee benefits amounting to RON 396,029. The variation between the value of employee benefits reported on December 31, 2018, of RON 260,283 and that of December 31, 2019 was 52.2%. The variations were mainly due to the increase of the Issuer's salary fund.

### *Loans and borrowings from bank and others*

On December 31, 2020, the Issuer recorded current loans and borrowings from bank and others amounting to RON 156.1 million, which means an increase of 302.7% compared to December 31, 2019 due to the impact of the reclassification of the CVI bond loan, as due to its approach to maturity.

An amount of RON 129.8 million from current loans and borrowings from bank and others as of December 31, 2020 was repaid in advance by the Issuer in the first 4 months of 2021 (the parent company fully repaid in advance the bond loan amounting to 83 million RON, the subsidiary of One United Tower S.A. fully repaid the loans received from the affiliated parties in the total amount of RON 18.4 million and the subsidiary One Mircea Eliade Properties SRL repaid the bank loan in the amount of RON 28.4 million). As of December 31, 2019, the value of current loans and borrowings from bank and others was 334.5% higher than that of December 31, 2018, when the Issuer reported current loans from banks and other entities amounting to RON 8.9 million as a result of contracting financing from related parties to finance real estate investments.

### *Loans and borrowings from minority shareholders*

On December 31, 2020, the Issuer recorded current loans and borrowings from minority shareholders in the amount of RON 37.6 million, increasing by 60.3% compared to the value reported on December 31, 2019, respectively RON 23.4 million, the difference being generated in the meaning of the increase of contracting loans amounting to RON 34.7 million in order to finance the One United Tower office project and in the sense of decreasing the reclassification

or repayment of loans in the One North Gate, One Modrogan and One Cotroceni Park branches.

The value itself registered on December 31, 2019 a decrease by 17.8% compared to current loans and borrowings from minority shareholders reported on December 31, 2018, respectively RON 28.5 million, generated mainly by the repayment of 4, RON 7 million from the One Cotroceni Park subsidiary.

During February 2021, the One United Tower S.A. subsidiary fully repaid the loans received from minority shareholders amounting to a total of RON 35.6 million.

#### *Lease liabilities*

At the end of the financial year for 2020, the Issuer reported a value of lease liabilities of RON 1.2 million. In 2019 and 2018, respectively, the Issuer did not report any lease liabilities, the difference being generated due to the application of the IFRS 16 standard for the financial year 2020.

#### *Trade and other payables*

On December 31, 2020, the Issuer reported trade payables amounting to RON 96.2 million, which means an increase of 102.5% compared to December 31, 2019, when the Issuer reported trade payables amounting to RON 47.5 million. Also, the Issuer registered an increase of 10.9% on December 31, 2019 compared to the value of RON 42.9 million of commercial debts on December 31, 2018. The variations mainly reflect the increase in the size of the Group's business.

#### *Accrued income*

As of December 31, 2019, the Issuer reported accrued income amounting to RON 11,823. Also, the Issuer reported accrued income amounting to RON 1.3 million for December 31, 2018. The decrease of 99.1% is due to the advance invoicing of rental income in the One North Gate project.

#### *Current tax liabilities*

The Issuer recorded tax liabilities for the financial year 2020 in the amount of RON 2 million as of December 31, 2020. On December 31, 2019, the Issuer reported debts regarding the respective profit tax amounting to RON 2.6 million, and on December 31, 2018, it reported debts regarding the respective profit tax amounting to RON 5.4 million. The tax liabilities related to the analysed financial years are calculated based on the individual financial statements, prepared according to the applicable Romanian accounting standards and the provisions of the Fiscal Code, and there is no good correlation between profit recognition according to those standards and IFRS.

#### *Advance payments from customers*

As of December 31, 2020, the Issuer reported advance payments from customers amounting to RON 293.9 million, mainly being advance payments received in the One Cotroceni Park (RON 106 million) and One Peninsula (RON 74 million) projects and decreasing by 31.1% compared to the value as of December 31, 2019, of RON 426.6 million. The decrease in the absolute value of advance payments received from customers is generated by the recognition of a significant part of these advance payments in revenues realized during 2020, and the differences can be seen in revenues from the sale of inventories, where the Issuer reported a significant increase compared to previous financial years. Thus, some of the Issuer's projects were nearing the end of the construction cycle, and others were registered in the pre-sale period. The value of advance payments received from customers for December 31, 2019 increased by 31.3% compared to the value as of December 31, 2018, of RON 324.9 million, generated by the fact that a large part of the units sold were in a less advanced stage of realization, which implies the registration of a larger part of the revenues associated with them in the advance payment received from customers.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Total non-current liabilities</b>	292,376,274	222,023,405	183,435,422
<b>Total current liabilities</b>	587,346,923	539,264,127	412,092,744
<b>Total liabilities</b>	879,723,197	761,287,532	595,528,166
<b>TOTAL EQUITY AND LIABILITIES</b>	1,703,754,599	1,314,915,973	951,547,790

*Source: The information was extracted from the Annual Financial Statements*

Against the background of the developments presented above, the non-current liabilities of the Issuer increased by 31.7% from RON 222 million at December 31, 2019 to RON 292 million at December 31, 2020, and the long-term debts also increased from December 31, 2018, when the registered value was of RON 183 million, on December 31, 2019, by 21%. The division of these values into reporting segments is reflected in the table below. This division indicates an increased share of non-current liabilities in the office premises segment, generated by the business model used by the Issuer, namely the financing of office building projects in part from long-term financing (corresponding to their operating activity, which generates relatively constant income).

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Total non-current liabilities</b>			
Residential	31,334,496	10,200,155	9,671,873
Offices	261,067,590	116,169,919	80,434,248
Corporate	(25,812)	95,653,326	93,329,301
Total	292,376,274	222,023,405	183,435,422

*Source: The information was extracted from the Annual Financial Statements*

The Issuer's current liabilities increased by 8.9% from RON 539 million as of December 31, 2019 to RON 587 million as of December 31, 2020. Current liabilities also increased from December 31, 2018, when the registered value was RON 412 million, to December 31, 2019, by 30.9%. The division of current debt values into the three reporting segments is reflected in the table below. This division indicates a higher share of current liabilities related to the residential segment on December 31, 2019 and 2018 (thus reflecting the higher level of advances received from customers and for which at the date of the Annual Financial Statements no income was recognized in the account of profit and loss of the Issuer) respectively an increase in the share of current debts on the office and corporate segment as of December 31, 2020, generated by the recognition of income in the profit and loss account of the Issuer, recognition that decreased the balance of advances from customers and at the same time the granting of loans by the minority shareholders of the Group companies developing office projects (these loans were repaid in 2021 or are intended to be converted into share capital).

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Total current liabilities</b>			
Residential	236,717,701	342,848,550	284,536,328
Offices	251,468,361	185,385,807	119,071,002
Corporate	99,160,861	11,029,770	8,485,414
Total	587,346,923	539,264,127	412,092,744

*Source: The information was extracted from the Annual Financial Statements*

As a result, the Issuer's total liabilities increased by 27.8% from RON 596 million on December 31, 2018 to RON 761 million on December 31, 2019, increasing by 15.6%, reaching the value of RON 880 million on December 31, 2020.

## **INCOME AND EXPENDITURE**

This section includes an analysis of the evolution of some of the data related to the results of the Issuer's operations for the financial years 2018, 2019 and 2020.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
Revenues from sales of residential property	437,503,724	147,426,152	219,669,494
Cost of sales of residential property	(284,286,135)	(110,948,983)	(152,603,609)
<b>Net income from residential property</b>	<b>153,217,589</b>	<b>36,477,169</b>	<b>67,065,885</b>

*Source: The information was extracted from the Annual Financial Statements*

### *Revenues from sales of residential property*

During the financial year for 2020, the Issuer recorded revenues from sales of residential properties amounting to RON 437.5 million, mainly generated by the One Mircea Eliade (RON 189 million), One Herăstrău Towers (RON 81 million) and Neo Mamaia (RON 44 million) projects, meaning an increase of 196.8% compared to the financial year ended on December 31, 2019, when the Issuer recorded revenues from sales of residential properties amounting to

RON 147.4 million. In 2018, the Issuer recorded revenues from sales of residential properties amounting to RON 219.7 million. The decrease of 32.9% between 2018 and 2019 is caused by the fact that a larger part of the housing units sold in 2019 were in a less advanced stage of completion, which implies a lower recognition of the amounts collected as income from the sale of properties.

#### *Cost of sales of residential property*

For the financial year ended December 31, 2020, the Issuer reported the cost of sales of residential property as RON 284.3 million, mainly generated by the One Mircea Eliade (RON 104 million), One Herăstrău Towers (RON 50 million) and Neo Mamaia projects (RON 38 million), an increase of 156.2% compared to the financial year 2019, when the Issuer reported the cost of sales of residential property as RON 110.9 million. The cost of sales of residential property registered for the financial year 2019 represents a decrease of 27.3% compared to the cost of sales of residential property for the financial year 2018 (of RON 152.6 million). The cost of sales of residential property is recognized in relation to the revenues from sales of residential property and therefore has a variation proportional to its variation, explained above.

As a result of the evolutions analyzed above, the Issuer reported a net income from residential property of RON 153.2 million for the financial year 2020, mainly generated by the projects One Mircea Eliade (RON 85 million), One Herăstrău Towers (RON 31 million) and Neo Timpuri Noi (RON 12 million) and representing an increase of 320% compared to the net income of RON 36.5 million reported for the financial year 2019. In turn, the result from 2019 represents a decrease of 45.6% compared to the result from the financial year 2018, when the Issuer reported a net income of RON 67.1 million.

Thus, the net margin from the sale of residential property, representing the net income from residential property by reference to revenues from sales of residential property increased in the financial year 2020 to 35%, from 25% in the financial year 2019 and 31% in the financial year 2018.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018<sup>1</sup></b>
	<i>(expressed in RON, audited)</i>		
Rental income	1,313,724	11,973,375	16,477,081
Revenues from services to tenants	355,719	4,554,754	8,110,483
Expenses from services to tenants	(355,719)	(4,554,754)	(8,110,483)
Other property operating expenses	(684,749)	-	-
<b>Net rental income</b>	<b>628,975</b>	<b>11,973,375</b>	<b>16,477,081</b>

*Source: The information was extracted from the Annual Financial Statements*

<sup>1</sup> As at 31 December 2018, the line "Net rental income" was not structured similarly to the structure of the reporting years ended 31 December 2020 and 2019, but for the purpose of comparability of financial information it was determined for the three categories presented above.

#### *Rental income*

The Issuer did not have an intense activity on the office rental market, this activity will be significant starting with 2022 (considering that during this year the One Tower project will start generating rental income; starting with 2022 the One Cotroceni Park project will also generate rental income).

The rental income that the Issuer reported in the financial year 2020 is RON 1.3 million, which represents a decrease of 89% compared to the financial year 2019. In the financial year 2019, the Issuer reported rental income of RON 12 million, decreasing by 27.3% compared to the financial year 2018, when the Issuer reported rental income amounting to RON 16.5 million. The decrease in rental income recorded in 2020 compared to 2019 is due to the conclusion of the main lease on June 30, 2019 in the case of the One North Gate project, a project purchased by the Issuer for investment purposes in 2017 and which, as the only office project completed from the Issuer's portfolio at the time, was the only project that generated rental income until the end of that financial year.

#### *Revenue from services to tenants*

Directly proportional to the evolution of rental income, the Issuer recorded revenues from services to tenants amounting to RON 355,719 in the financial year 2020, decreasing by 92.2% compared to 2019, when the Issuer recorded revenues from services to tenants amounting to RON 4.6 million. The decrease was recorded as a result of the termination in the second half of 2019 of the lease for most of the leasable space in the One North Gate building. On December 31, 2018, the Issuer recorded revenues from services to tenants amounting to RON 8.1 million.

### *Other property operating expenses*

In the financial year 2020, the Issuer reported other property operating expenses amounting to RON 684,749. In 2019 and 2018, respectively, the expenses with the operation of office buildings were included in the total expenses with office spaces and were not highlighted separately in the financial statements.

### *Net rental income*

As a result of those described above, the Issuer's net rental income was RON 628,975 in 2020, decreasing by 94.7% compared to the net rental income in the financial year 2019, of RON 12 million. Net rental income in 2019 represents a decrease of 27.3% compared to the Issuer's net rental income for the financial year 2018, amounting to RON 16.5 million.

The breakdown of net income (obtained from both property sales and rents) into the three reporting segments is reflected in the table below.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Net income</b>			
Residential	153,217,589	36,477,169	67,065,885
Offices	628,975	11,973,375	16,477,081
Corporate	-	-	-
Total	153,846,564	48,450,544	83,542,966

*Source: The information was extracted from the Annual Financial Statements*

	<b>31-Dec-2020<sup>1</sup></b>	<b>31-Dec-2019<sup>2</sup></b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
Gains from completed investment property	3,739,093	5,122,612	19,207,891 <sup>3</sup>
Gains from investment property for further development (landbank)	34,165,272	36,268,915	34,296,540 <sup>4</sup>
Gains from office buildings under development	58,349,105	189,551,990	11,379,774 <sup>5</sup>
<b>Gains from investment property</b>	<b>96,253,470</b>	<b>230,943,517</b>	<b>64,884,205<sup>6</sup></b>

<sup>1</sup> Source: The information was extracted from the Annual Financial Statements

<sup>2</sup> Source: Idem note 1

<sup>3</sup> Source: Issuer (Annual Financial Statements for the years ended December 31, 2019 and 2018 do not contain a division of real estate investment earnings)

<sup>4</sup> Source: Idem note 3

<sup>5</sup> Source: Idem note 3

<sup>6</sup> Source: Idem note 1

### *Gains from completed investment property*

In the financial year 2020, the Issuer reported gains from completed investment property amounting to RON 3.7 million, down 27% compared to the financial year 2019, when the Issuer reported gains from completed investment property of RON 5.1 million. The variation is mainly the result of appreciating the value of the One North Gate project. In 2018, the Issuer reported gains from completed investment property amounting to RON 19.2 million and were mainly due to the appreciation of the value of the One North Gate project, but also of the residential units owned by the One Long Term Value subsidiary.

### *Gains from investment property for further development (landbank)*

In 2020, the Issuer reported gains from investment property for further development (landbank) of RON 34.2 million, generated mainly by the appreciation of the One Lake District project due to the improvement of urbanism parameters. In 2019, the Issuer reported gains from investment property for further development (landbank) of RON 36.3 million, increasing by 5.8% compared to 2018, when the Issuer gains from investment property for further development (landbank) of RON 34.3 million, due to the appreciation in 2018 of the value of the One Cotroceni Park project.

### *Gains from office buildings under development*

The Issuer recorded a decrease in both the gains from office buildings under development and the net rental income due to the health crisis and the transition of companies to remote work, as well as an extended period to ensure the replacement of tenants for some of the Issuer's properties, at the same time the valuator's approach was more prudent with more conservative valuation parameters. Therefore, the Issuer recorded gains from office buildings under development of RON 58.3 million in 2020, decreasing by 69.2% compared to 2019 when the Issuer recorded gains from office buildings under development of 189,6 million RON. The result from 2019 represents an increase of 1565.7% compared to 2018, when the Issuer registered gains from office buildings under development of RON 11.4 million. This variation is mainly due to the growth and number and stage of office buildings included in the Issuer's portfolio.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
Commissions for brokerage real estate	(1,093,357)	(2,111,831)	(2,626,147)
Administrative expenses	(29,952,793)	(20,709,582)	(8,810,170)
Other operating expenses	(3,737,757)	(5,269,008)	(3,486,935)
Earnings from the sale of financial assets	632,372	-	-
Profit on disposal of investment property	-	-	4,232,892
Other operating income	1,377,287	1,474,971	259,576

*Source: The information was extracted from the Annual Financial Statements*

#### *Commissions for brokerage real estate*

Commissions for brokerage real estate decreased by approximately 48.2% in the financial year 2020, reaching the value of RON 1.1 million, from RON 2.1 million in 2019. The result from the financial year 2019 also represents a 19.6% decrease compared to the result from the financial year 2018, when commissions for brokerage real estate amounted to RON 2.6 million. The variation is due to the fact that these expenses through sales are recognized in the result when the apartment is completed and delivered to the final customer. Thus, the evolution of these costs is directly related to the completion of projects. In 2018, commissions were recognized for projects delivered almost entirely to One Herastrau Park and One Charles de Gaulle, in 2019 project delivered almost entirely to One Herastrau Plaza and partial deliveries to One Charles de Gaulle, and in 2020 only residential units remaining in One Herastrau Plaza and One Charles de Gaulle.

#### *Administrative expenses*

In the financial year 2020, the Issuer reported a total value of administrative expenses of RON 29.95 million, increasing by 44.6% compared to the value of administrative expenses of RON 20.71 million for 2019. In turn, the result for 2019 represents an increase of 135.1% compared to 2018, when the Issuer reported a total value of administrative expenses of RON 8.81 million. The variations took place against the background of the general increase of the Issuer's activity. Administrative expenses also include depreciation and amortization costs.

#### *Other operating expenses*

The Issuer includes other operating expenses as those expenses that do not appear in the main activity of the Issuer. These expenses consist of donations, expenses on provisions and adjustments for depreciation and contractual penalties. In 2020, the Issuer recorded other operating expenses amounting to RON 3.7 million, decreasing by 29% compared to 2019 when the Issuer recorded other operating expenses amounting to RON 5.3 million, a variation resulting mainly from the adjustment of the goodwill in the One Charles de Gaulle project amounting to RON 3.2 million, which was registered in 2019. Also, the result from 2019 represented a 51.1% increase due to the same adjustment in 2019 of goodwill in the One Charles de Gaulle project compared to 2018 when the Issuer recorded other operating expenses amounting to RON 3.5 million.

#### *Profit on disposal of investment property*

In 2020, the Issuer registered a profit on disposal of investment property of RON 632,372. In 2019, the Issuer did not register any profit on disposal of investment property, while in 2018, the Issuer reported earnings from the sale of financial assets of RON 4.2 million (these were generated by the sale of shares in the One Herăstrău Park branch Residence, now called One Peninsula). The disposal of investment property in 2020 is represented by the sale of apartments owned by One Long Term Value SRL. These apartments were owned for subsequent sale or rent.

#### *Other operating income*

In 2020, the Issuer reported other operating income amounting to RON 1.4 million, mainly from the recovery of demolition waste and the provision of property sales intermediation services, down 6.6% compared to 2019, when the Issuer reported other operating income amounting to RON 1.5 million as a result of revenues from the provision of property sales intermediation services and the collection of insurance indemnities, representing an increase of 468.2% compared to 2018, when the Issuer reported other operating income in the amount of RON 259,576 in revenues from the provision of property sales intermediation services.

#### *Result from operating activity*

As a result of the above, the Issuer reported a result from operating activities of RON 217.3 million in 2020, representing a decrease of 14% compared to 2019, when the Issuer reported a result from operating activities of RON 252.8 million. Also, the result in 2019 represents an increase of 83.2% compared to 2018, when the Issuer reported a result from operating activities of RON 138 million.

The breakdown of the result from the operating activity for each segment is shown in the table below.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Result from operating activity</b>			
Residential	139,618,597	20,176,273	55,483,335
Offices	88,125,074	238,318,219	80,127,175
Corporate	(10,417,885)	(5,715,881)	2,385,877
<b>Total</b>	<b>217,325,786</b>	<b>252,778,611</b>	<b>137,996,387</b>

*Source: The information was extracted from the Annual Financial Statements*

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
Financial income	3,797,874	4,598,650	4,392,992
Financial expenses	(15,198,802)	(14,583,414)	(13,427,932)
Share of result of associates	733,803	-	-
<b>Result before tax</b>	<b>206,658,661</b>	<b>242,793,847</b>	<b>128,961,447</b>

*Source: The information was extracted from the Annual Financial Statements*

#### *Financial income*

The Issuer's financial income was RON 3.8 million, of which RON 2.8 million was exchange rate income and RON 1 million was interest income, decreasing by 17.4% in 2020 compared to the financial year ended on of December 31, 2019, when the Issuer reported financial income amounting to RON 4.6 million, of which RON 4.3 million income from exchange rate differences and RON 0.3 million interest income. Also, the result from the financial year 2019 represents an increase of 4.7% as a result compared to 2018, in which the Issuer reported financial revenues amounting to RON 4.4 million, of which RON 4.3 million revenues from exchange rate differences and RON 0.1 million interest income.

#### *Financial expenses*

In 2020, the Issuer reported financial expenses amounting to RON 15.2 million, of which RON 8.6 million interest expenses and RON 6.6 million expenses with exchange rate differences. In the financial year 2019, the Issuer reported financial expenses amounting to RON 14.6 million, of which RON 7.0 million interest expenses and RON 7.6 million expenses with exchange rate differences. Also, an increase of 8.6% was registered between 2018, when the Issuer reported financial expenses amounting to RON 13.4 million, of which RON 8.7 million interest expenses and RON 4.7 million expenses with exchange rate differences currency and the financial year 2019.

#### *Share of result of associates*

In 2020, the Issuer registered a share of result of associates of RON 733,803. In 2019 and 2018, respectively, the Issuer did not register any such amount because there were no participations that would generate such income. The share of result of associates is represented by the share of the earnings of the companies in which the Issuer holds interests but with which it does not consolidate.

### Result before tax

As a result of the developments described above, the pre-tax result for the financial year ended December 31, 2020 was RON 206.7 million, down 14.9% compared to the pre-tax result for the financial year ended December 31, 2019, which amounted to RON 242.8 million, which in turn represents an increase of 88.3% compared to the result before tax related to the financial year ended on December 31, 2018, of RON 128.96 million. The distribution of pre-taxable income by reporting segment is reflected in the table below.

	31-Dec-2020	31-Dec-2019	31-Dec-2018
	<i>(expressed in RON, audited)</i>		
<b>Result before tax</b>			
Residential	139,041,207	20,049,594	55,405,371
Offices	83,514,190	233,624,986	78,005,790
Corporate	(15,896,736)	(10,880,734)	(4,449,714)
Total	206,658,661	242,793,846	128,961,447

Source: The information was extracted from the Annual Financial Statements

	31-Dec-2020	31-Dec-2019	31-Dec-2018
	<i>(expressed in RON, audited)</i>		
Tax on profit	(29,722,318)	(45,387,171)	(22,841,910)
<b>Net result of the period</b>	<b>176,936,343</b>	<b>197,406,676</b>	<b>106,119,537</b>
<b>Total comprehensive income for the period</b>	<b>176,936,343</b>	<b>197,406,676</b>	<b>106,119,537</b>

### Net result attributable to:

Owners of the Group	168,679,112	180,467,600	100,419,744
Non-controlling interests	8,257,231	16,939,076	5,699,793

### Total comprehensive income attributable to:

Owners of the Group	168,679,112	180,467,600	100,419,744
Non-controlling interests	8,257,231	16,939,076	5,699,793

Source: The information was extracted from the Annual Financial Statements

### Tax on profit

The amount of tax on profit for the year 2020 is of RON 29.8 million, of which an amount of RON 4.6 million is the actual expenditure of 2020, and the remaining RON 25.2 million represents the deferred tax on profit, generated especially by earnings from the valuation of real estate, earnings that become taxable at the time these properties are capitalized. The result from the financial year 2020 represents a decrease of 34.5% compared to 2019, when the tax on profit amounted to RON 45.4 million, of which RON 7.2 million represented the actual expenditure and 38, RON 2 million represented the deferred tax on profit. The variation between the financial periods is mainly due to the impact of the revaluation of the Issuer's assets, which generated a significant amount in the deferred tax on profit. Also, as a result of the impact of the revaluation of the Issuer's real estate assets, the tax on profit in 2019 was 98.7% higher than in 2018, when it amounted to RON 22.8 million, of which RON 9.7 million represented the actual expenditure and RON 13.1 million represented the deferred tax on profit.

### Net result of the period

Against the background of the above developments, the net profit related to the financial year ended December 31, 2020 decreased by 10.4% compared to the financial year ended December 31, 2019, to the value of RON 176.9 million. The net profit related to the financial year ended December 31, 2019 was RON 197.4 million, increasing by 86% compared to the net profit for the financial year ended December 31, 2018, of RON 106.1 million.

### Net attributable result

The net attributable result is divided into two categories. Thus, the net result attributable to the owners of the Group in 2020 was RON 168.7 million, representing a decrease by 6.5% compared to the financial year 2019, and the net

result attributable to non-controlling interests was RON 8.3 million, representing a decrease by 51.3% compared to the financial year 2019. In the financial year 2019, the net result attributable to the owners of the Group amounted to RON 180.5 million, representing an increase by 79.7% compared to the financial year 2018, and the net result attributable to non-controlling interests amounted to RON 16.9 million, representing an increase by 197.2% compared to the financial year 2018. In the financial year 2018, the net result attributable to group owners was RON 100.4 million, and the net result attributable to non-controlling interests was RON 5.7 million.

The variations are generated by the evolution of the net results of the Issuer and of its subsidiaries, respectively by the structure of the minority participations at the level of the Issuer and its subsidiaries. The significant impact in the net result attributable to non-controlling interests is achieved in those subsidiaries that also have minority shareholders, so in the three years analyzed, the significant impact is generated in 2020 by the revaluation of the One Cotroceni Park project, in 2019 by the revaluation of One Cotroceni Park projects. One North Gate and One Verdi Park, and in 2018 the revaluation of One North Gate.

## **LIQUIDITY AND CASH FLOWS**

### **Liquidity**

The necessary liquidity of the Group is mainly associated with the need to finance the Group's activity and the investments it undertakes. During the periods discussed below, the Group was generally able to meet its liquidity needs from business results (including pre-sales of units or residential areas) and from loans from shareholders or financial institutions (including bonds).

### **Cash flows**

The following section discusses the main developments associated with the Issuer's cash flows for the financial years 2018, 2019 and 2020.

	<b>31-Dec-2020</b>	<b>31-Dec-2019</b>	<b>31-Dec-2018</b>
	<i>(expressed in RON, audited)</i>		
<b>Net cash from operating activities</b>	9,952,234	71,789,518	71,281,227
<b>Net cash flows used in investment activities</b>	(153,760,458)	(104,775,933)	(156,771,616)
<b>Net cash from financing activities</b>	223,031,914	29,255,428	56,915,924
<b>Net changes in cash and cash equivalents</b>	79,223,690	(3,730,987)	(28,574,465)
<b>Cash and cash equivalents at the beginning of the year</b>	91,747,956	95,478,943	124,053,408
<b>Cash and cash equivalents at the end of the year</b>	170,971,646	91,747,956	95,478,943

*Source: The information was extracted from the Annual Financial Statements*

#### *Net cash from operating activities*

The issuer reported on December 31, 2020 net cash from operating activities in the amount of RON 10.0 million, decreasing by 86.1% compared to the value reported on December 31, 2019, of RON 71.8 million, decrease generated by massive investments in the development of residential properties. The value reported on December 31, 2019 is relatively close to the value reported on December 31, 2018, amounting to RON 71.3 million.

#### *Net cash flows used in investment activities*

The issuer had a net cash flow used in investing activities of RON 153.8 million in the financial year 2020, an increase by 46.8% compared to the value for 2019 of RON 104.8 million, which in turn was down 33.2% compared to the 2018 value of RON 156.8 million. These high values demonstrate the Issuer's commitment to continuously invest in the acquisition and development of real estate, and the year-over-year variations are due to land acquisitions and investments in projects classified as real estate investments, mainly offices, as in 2020 One United Tower (RON 57.6

million), One Cotroceni Park (RON 54.1 million) or One Verdi Park (RON 30.5 million), in 2019 land acquisition of One Lake District (RON 38 million) and investments in the development of One United Tower (RON 44.0 million), and in 2018 acquisition of land One Cotroceni Park (RON 117.6 million).

*Net cash from financing activities*

The Issuer reported on December 31, 2020 net cash from financing activities amounting to RON 223 million, increasing by 662.4% compared to the value reported on December 31, 2019, of RON 29.3 million, increase due amounts from the share capital issue and issue premiums at the level of the Issuer in the amount of RON 112.9 million and the loans from minority shareholders in the One United Tower (RON 34.7 million) and One Cotroceni Park (RON 109.2 million) projects. The value reported on December 31, 2019 decreased by 48.6% compared to the value reported on December 31, 2018, of RON 56.9 million, a decrease generated by lower amounts of loans from banks and other entities.

**PLANNED CASH REQUIREMENTS AND CAPITAL EXPENDITURE PLAN**

The Issuer anticipates that the Group's short- and medium-term cash requirements will consist primarily of expenses related to its financial obligations, expenses incurred in the real estate development business (ongoing or planned), and the acquisition of development land.

In addition to the expenses incurred and those estimated at Group level (related to developing projects, respectively planned projects), the Issuer's short and medium-term investment plan is largely discretionary.

The Group will finance its investments from advances from customers in connection with the residential property portfolio (following the signing of pre-sale contracts), respectively from bank financing (for a description of the financing contracted at Group level, see Section “*Financial Obligations*” below).

**FINANCIAL OBLIGATIONS**

***OUT Credit Facility Agreement from 2021***

On January 19, 2021, One United Tower SA, together with the Issuer, as guarantor, concluded the 2021 OUT Credit Facility Agreement with Black Sea Trade and Development Bank, for a total amount of EUR 50 million, granted in two installments, as follows: (i) EUR 45 million, in an initial installment, and (ii) EUR 5 million, in an additional installment, for the purpose of financing the One Tower project, available until 30 December 2021.

The OUT Credit Facility Agreement from 2021 is mainly guaranteed by a real estate mortgage on the lands related to the One Tower project, from Calea Floreasca no. 165, sector 1, Bucharest, as well as the buildings erected on these lands. Other warranties include: (i) movable mortgage on the accounts, (ii) an assignment of indemnities paid under the 2021 Credit Facility Agreement insurance policy, (iii) movable mortgage on the tangible and intangible movable property of One United Tower SA, (iv) mortgage securities on receivables, including rents, and (v) mortgage on the shares held by the Issuer in One United Tower SA (currently and/or in the future). In order to guarantee the OUT Credit Facility Agreement of 2021, the Issuer accepted the subordination of its claims on One United Tower SA

At the date of the Prospectus, One United Tower SA withdrew EUR 43,626,667 from the amounts available under the 2021 OUT Credit Facility Agreement. The interest rate related to the OUT Credit Facility Agreement of 2021 is variable, being calculated according to the EURIBOR 6M index to which a margin is added.

The table below shows the repayment schedule for the amounts drawn from the initial installment of EUR 45 million:

	<b>Reimbursement rate (represents a percentage of the amount due)</b>
<b>Payment date</b>	
31 December 2021.....	2.50%
30 June 2022.....	2.75%
31 December 2022.....	2.75%
30 June 2023.....	3.25%
31 december 2023.....	3.25%
30 June 2024.....	3.25%
31 december 2024.....	3.25%
30 June 2025.....	3.35%

**Reimbursement rate**  
**(represents a percentage of the amount due)**

31 december 2025.....	3.35%
30 June 2026.....	3.50%
31 december 2026.....	3.50%
30 June 2027.....	5.50%
31 december 2027.....	5.50%
30 June 2028.....	5.50%
31 december 2028.....	5.50%
30 June 2029.....	5.50%
31 december 2029.....	5.50%
30 June 2030.....	6.15%
31 december 2030.....	6.15%
30 June 2031.....	10%
30 december 2031.....	10%

**Total**

**100%**

***OVP Credit Facility Agreement from 2020***

On August 24, 2020, One Verdi Park SRL, as a borrower, together with the Issuer, as guarantor and joint and several debtor, concluded the 2020 OVP Credit Facility Agreement with CEC Bank SA, for the amount of EUR 12 million, in the form of a mortgage facility, available from 24 August 2020 to 23 August 2022, maturing on 31 December 2022, for the purpose of financing Phase I of the One Verdi Park project, as follows: (i) the amount of EUR 4,317,139.79 for the financing of building A under the project and (ii) the amount of EUR 7,682,860.21 for the financing of building B under the project.

The 2020 Credit Facility contract is mainly guaranteed by a real estate mortgage on the land related to the One Verdi Park project, as well as on the constructions erected on this land. Other warranties include: (i) a movable mortgage on the shares held by the Issuer in One North Gate S.A., (ii) a movable mortgage on the accounts, (iii) a movable mortgage on the receivables under the lease agreements entered into by One Verdi Park S.R.L., (iv) an assignment of certain rights of One Verdi Park S.R.L. arising from a contract for the execution of construction works in order to carry out the respective real estate project and (v) a bank deposit.

At the date of this Prospectus, One Verdi Park SRL drew the amount of the financing balance is EUR 4,753,284 from the amounts available under the 2020 Credit Facility Agreement. The interest rate related to the 2020 OVP Credit Facility Agreement is variable, being calculated according to the EURIBOR 6M index to which a margin is added. The repayment of the OVP Credit Facility Agreement from 2020 is made in monthly equal principal installments, according to the receipts from the clients and with the benefit of a grace period.

***The NGO Credit Facility Agreement from 2018***

On January 23, 2018, One North Gate SA, as a borrower, together with One United Properties SA, as guarantor and joint and several debtor, concluded the 2018 NGO Credit Facility Agreement with CEC Bank SA, for the amount of EUR 12 million in the form of a term credit facility for investments for a period of 180 months, from 23 January 2018 to 22 January 2033, for the purpose of refinancing loans granted by the Issuer under contracts relating to acquisition of the North Gate office building.

The 2018 NGO Credit Facility contract is mainly guaranteed by a real estate mortgage on the land in plots A974, strip ground 48, Voluntari, Șos. Pipera-Tunari no. 2/III, Ilfov, building registered in the Land Book under no. 105451, on the North Gate building, respectively. Other warranties include: (i) a mortgage on the accounts, (ii) two mortgages on the receivables from the leases, and (iv) a bank deposit.

The NGO Credit Facility Agreement provides for the use of excess cash accumulated in the current account/rental sub-account of One North Gate SA for the early repayment of the credit facility.

On the date of this Prospectus, in One North Gate SA the financing balance is EUR 7,584,586 from the amounts available according to the 2018 NGO Credit Facility Agreement. The interest rate related to the 2018 NGO Credit Facility Agreement is variable, being calculated according to the EURIBOR 6M index, plus a margin that also varies depending on the degree of occupancy of the buildings. Reimbursement is monthly and the due date is January 22, 2033.

### **CONTINGENT LIABILITIES**

The Group, in the normal course of business, has granted guarantees for the quality of the apartments for a period of three (3) years and is bound, by national law, to guarantee the design of the building for the entire life of the building. The Group establishes provisions for the best management estimate of all known legal claims and ongoing legal actions. The Group receives legal advice on the chances of success for these claims and actions and has not made provisions where management considers, based on the opinions of legal advisers, that the action is unlikely to be successful. For a description of the most important disputes in which the Group is involved, see Part 4 “*Business Overview*”, Section “*Disputes*”.

Starting with October 2019, the Romanian tax authorities have carried out a control for the VAT refund that covers the amounts requested for refund until May 31, 2019, inclusive. This control ended in April 2020, and the Issuer has already collected the amounts approved for reimbursement. The amounts refused are not significant for the Group, accounting for approximately 1% of the total amount requested for reimbursement. However, the Issuer intends to challenge them before the authorities.

### **OFF BALANCE SHEET COMMITMENTS**

On the date of this Prospectus, the Issuer has provided guarantees (such as commitments/letters of guarantee/comfort in connection with projects developed by Group members) to third parties in the total amount of EUR 1,955,000, as well as other eviction guarantee commitments, and payment of damages, respectively (the amount not being established by those instruments).

### **QUANTITATIVE AND QUALITATIVE MARKET RISK INFORMATION**

The Group's activities may give rise to various risks. The Group's management is aware of and monitors the effects of these risks and events that may have adverse effects on the Group's operations. For a classification of the main risks to which the Group is exposed, as well as a description of how the Group's management manages those risks, please see Note 5 to the Annual Financial Statements for the year ended 31 December 2020.

### **CRITICAL/ESSENTIAL ACCOUNTING ESTIMATES**

The preparation of the Group's consolidated financial statements requires management to use professional reasoning, estimates and assumptions that affect the application of accounting policies, as well as the recognized value of assets, liabilities, income and expenses and related disclosures. Actual results may differ from estimated values. The estimates and assumptions associated with them are based on historical experience and other factors, including expectations of future events considered reasonable in the given situations. The estimates and underlying assumptions are reviewed periodically. The revision of accounting estimates is recognized from the period in which the estimates are revised.

For the preparation of the consolidated financial statements, the Group makes estimates and assumptions regarding future developments that may have a significant effect on the recognition of the value of reported assets and liabilities, presentation of contingent liabilities on the date of preparation of the consolidated financial statements and reported income and expenses for that period. For a description of the main reasoning, estimates and assumptions used in preparing the Group's consolidated financial statements, please see Note 3 to the Annual Financial Statements for the year ended 31 December 2020.

**PART 7**  
**CAPITALISATION AND INDEBTEDNESS**

The tables below show the capitalization and indebtedness of the Group on the date indicated below, on a historical basis, by extracting from the audited financial statements as of December 31, 2020 and adjusted for the effect of the capital increase in which the shares sold in the Offer are issued.

This table should be read in conjunction with Part 5 “*Selected financial information*” and Part 6 “*Operating and Financial Review*” of this Prospectus.

	<b>31 December 2020</b>	<b>Adjusted to reflect the effect of the capital increase in which the shares sold through the Public Offering are issued</b>
<b>Equity</b>	<b>(RON, audited)</b>	<b>(RON, unaudited)</b>
Share capital	259,824,598	286,015,588.2 <sup>1</sup>
Share premiums	9,192	249,622,795.2 <sup>2</sup>
Legal reserves <sup>3</sup>	-	-
Own shares	(26,765,560)	- <sup>4</sup>
Other reserves	463,393	463,393
Retained earnings	498,235,187	498,235,187
Non-controlling interests	92,264,592	92,264,592
<b>Total equity</b>	<b>824,031,402</b>	<b>1,126,601,555.4</b>
<b>Non-current liabilities</b>		
Loans and borrowings from banks and others <sup>5</sup>	70,659,819	70,659,819
Loans and borrowings from minority shareholders	120,076,805	120,076,805
Provisions	734,913	734,913
Deferred tax liabilities	100,904,737	100,904,737
<b>Total non-current</b>	<b>292,376,274</b>	<b>292,376,274</b>
<b>Current liabilities</b>		
Employee benefits	444,628	444,628
Loans and borrowings from bank and others	156,083,575	156,083,575
Loans and borrowings from minority shareholders	37,547,728	37,547,728
Lease liabilities	1,208,149	1,208,149
Trade and other payables	96,243,622	96,243,622
Accrued income	-	-
Current tax liabilities	1,964,019	1,964,019
Advance payments from customers	293,855,202	293,855,202
<b>Total current liabilities</b>	<b>587,346,923</b>	<b>587,346,923</b>
<b>Total liabilities</b>	<b>879,723,197</b>	<b>879,723,197</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,703,754,599</b>	<b>2,006,324,752.4</b>

<sup>1</sup>Given (i) the fact that on April 19, 2021, the increase of the share capital of the Issuer was approved from the amount of RON 259,824,598.32 to the amount of RON 260,014,171.2, by increasing the nominal value of the shares from the amount of RON 260.41/share

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to the amount of RON 260.60 / share, by incorporating the reserves in the amount of RON 189,572.88, as well as the modification of the nominal value of a share, from the value of RON 260.60 to the value of RON 0.2 and the total number of shares of the Issuer, respectively 1,300,070,856 shares and (ii) the Offer Size is the Maximum Offer Size.

<sup>2</sup> Assuming that the Offer Price is at the upper limit of the Price Range.

<sup>3</sup> Although the Issuer constituted legal reserves in 2020, the differences that can be observed in terms of legal reserves in the financial year 2020 compared to other financial years are due to a difference in methodology of international financial reporting standards by passing their inclusion in the result reported.

<sup>4</sup> The shares repurchased in 2020 were capitalized by sale in 2021 at a higher price than the purchase price by approximately EUR 1.9 million (approximately RON 9.4 million), in total EUR 7.4 million (approximately RON 36.5 million), thus making a profit of EUR 1.9 million (approximately RON 9.3 million).

<sup>5</sup> Includes long-term liabilities under the 2020 OVP Credit Facility Agreement and the 2018 NGO Credit Facility Agreement (as described in Part 6 - “*Operating and Financial Review*”), and those according to the investment credit contract granted by Patria Bank SA to the One Mircea Eliade subsidiary (balance as of December 31, 2020: RON 28,394,767) (repaid between March and April 2021), of the credit facility contract granted by Garanti Bank SA to the subsidiary One Herastrau Towers SRL (balance at December 31, 2020: RON 20,315,126) (repaid in advance during January - May 2021) and of the investment credit contracts granted by Garanti Bank SA to the subsidiary One Long Term Value SRL (balance at December 31, 2020 for both loans: 9,856,992 RON).

The following events (with an impact on the capitalization and the level of indebtedness of the Group) took place after December 31, 2020:

- During the first quarter of the financial year 2021, the Issuer repurchased in advance a number of 17 bonds amounting to EUR 1 million each. These bonds had a maturity of 48 months from the date of signing the contract in October 2017;
- On 19 January 2021, the subsidiary One United Towers SA signed a loan agreement with the Black Sea Trade and Development Bank with a maturity of 11 years until 31 December 2031 for a maximum amount of EUR 50,000,000 of which EUR 43,626,667 was drawn down. The loan agreement requires compliance with financial indicators, such as: coverage with collateral, financial debt adjusted for cash in relation to the value of the property and the coverage of the debt service. See the “*Financial obligations*” section for details on this agreement;
- during February 2021, the subsidiary One United Tower SA repaid in full the loans received from minority shareholders and related parties in the total amount of RON 54,003,847;
- between March and April 2021, the subsidiary One Mircea Eliade SRL fully reimbursed the balance related to the investment bank loan granted by Patria Bank (balance at December 31, 2020: 28,394,767 RON);
- between January and May 2021, the branch of One Herăstrău Towers SRL repaid in advance, in full, the balance related to the non-revolving bank loan granted by Garanti Bank SA (balance at December 31, 2020: 20,315,126 RON);
- in June 2021, the subsidiary One Long Term Value S.R.L. prepaid in full the balance related to the investment loans granted to it by Garanti Bank S.A. (balance at 31 December 2020 for both loans: RON 9,856,992); and
- the shares repurchased in 2020 were capitalized by sale in 2021 at a price higher than the purchase price by approximately EUR 1.9 million (approximately RON 9.4 million), in total EUR 7.4 million (approximately RON 36.5 million), thus making a profit of EUR 1.9 million (approximately RON 9.3 million).

As of June 4, 2021, the position of cash and cash equivalents at the Group level was approximately RON 366,000,000.

Except for the above, there were no other significant changes in the Issuer's capitalization as of December 31, 2020.

## **PART 8 DIVIDEND POLICY**

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

Shareholders receive dividends in proportion to their participation in the paid-up share capital of the Issuer and there is no right of priority or preference over the distribution of dividends in 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 OGM, as a rule, at the same meeting at which the Issuer's audited financial statements are approved, i.e. no later than four (4) months after the end of the financial year.

The Board of Directors will take into account in formulating the proposal to the Issuer's OGMS the principle of distributing up to 35% of the net distributable profit obtained individually by the Issuer, but in any case in compliance with any provisions regarding the distribution of dividends included in financing contracts. The issuer or any member of the Group is a party.

If there are deviations outside this range, they will be justified and explained to the shareholders during the periods when they will take place.

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

In selecting a specific dividend distribution rate in accordance with the Issuer's dividend policy, the Board of Directors will take into account the following:

- reducing fluctuations in dividend yields from one period to another, as well as the absolute value of the dividend per share;
- the investment needs and opportunities of the Issuer;
- 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 Issuer; and
- establishing a dividend yield comparable to that of other listed companies in the same industry or related sectors.

The issuer distributed in each of the years ended December 31st 2020, 2019 and 2018 gross dividends worth RON 41,682,627, RON 44,058,800 and RON 13,252,028. In the future, the Issuer intends to continue the annual distribution of dividends as presented in its dividend policy.

## PART 9 INDUSTRY OVERVIEW

*This section includes information from third parties, identified in the text. Such information may be subject to change and may not be verified with certainty. In particular, we calculated the Group's market share using its internal sales and rental records, based on information on the aggregate level of such transactions concluded in Bucharest in the year ended December 31, 2020 included in specialized studies. The issuer cannot guarantee that the information included in such sources is correct. Also, the Issuer cannot guarantee that the estimates made with respect to its competitors, as included in these sources, are correct or identical to those in the internal records of its competitors. Therefore, the Issuer requires investors to carefully analyze all this information and not to rely on it unreasonably. Please also refer to "Important Information about this Prospectus" and "Part 2 - Risk Factors" of this Prospectus.*

### Macroeconomic considerations on Romania

#### Population and key economic indicators

Romania is located in Southeast Europe and borders Hungary, the Republic of Serbia, the Republic of Moldova, Ukraine and Bulgaria. As of 1 January 2020, it had a population of approximately 19.3 million (of which 56.4% were urban population) (Source: Eurostat, INS ). Despite the downward demographic trend recorded in recent years, the number of households in Romania increased by over 36,200 in the period between January 1, 2018 and January 1, 2021, reaching 7.52 million households ( Source: Eurostat).

The table below highlights the evolution of certain key economic indicators for Romania in the period between December 31, 2018 and December 31, 2020:

	<b>On the date and for the year ended December 31</b>		
<b>Key economic indicators</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Real GDP growth (%)	4.5%	4.1%	-3.9%
Unemployment rate at the end of the year (%) <sup>(1)</sup>	4.2%	3.9%	5.8%
Nominal value of GDP (billion €, current prices)	204.5	223	218.2
Nominal value of GDP/capita (€, current prices)	8,700	9,110	8,780
Inflation/(deflation) (% , annual average)	4.1%	3.9%	2.3%

Source: Eurostat

(1) The unemployment rate is calculated by reporting the number of unemployed people to the total population in Romania.

Between December 31, 2018 and December 31, 2020, the Romanian economy registered an increase in gross domestic product ("GDP"), with a RCAC of 2.4%, exceeding the average of the RCAC in the European Union, which recorded a contraction of 0.6% over the same period (Source: Eurostat). This increase was mainly due to lower tax rates, as well as positive developments in the labor market, which resulted in the expansion of the middle class.

In the year ended on December 31, 2020, the Romanian economy recorded a contraction of 3.9% of GDP compared to the year ended on December 31, 2019, amid the crisis generated by the Covid-19 pandemic (which led to lower consumption , a driving force for generating multiannual economic growth, as well as increasing public spending to support the medical system in the context of the pandemic ) and measures taken by public authorities to stop the spread of SARS VOC 2 virus, compared to a contraction of 6.1% , representing the European Union media (Source: Eurostat).

Although initial estimates indicated a contraction of about 6% (Source: NBR), they did not come true, amid the strong recovery of economic activity in the second half of 2020. In particular, the construction and real estate sectors, together with the IT and Telecom sectors, recorded significant increases compared to the year ended 31 December 2019, as shown in the table below.:

	<b>On the date and for the year ended December 31</b>	
<i>(million RON, current prices)</i>	<b>2019</b>	<b>2020</b>
Construction	<b>64,130.1</b>	<b>69,997.7</b>
Real estate transactions	<b>82,008.2</b>	<b>84,720.6</b>
Information and communications	<b>61,566.3</b>	<b>71,759.3</b>

Source: National Institute for Statistics

In the draft budget for 2021, the Romanian Government estimated an economic growth of 4.3%, at a projected GDP of RON 1.116 billion, increasing by 7% compared to 2020 and at a level similar to that of 2019. The vision on the construction of the national budget for 2021 is also shared by the NBR, which relies on a “return of the annual dynamics of GDP in positive territory in 2021” (Source: NBR). In the first quarter of 2021, Romania's GDP increased by 2.8% compared to the fourth quarter of 2020 (thus recording the highest growth in the European Union) (Source: Eurostat), with the projected GDP growth for 2021 being 7% (Source: IMF).

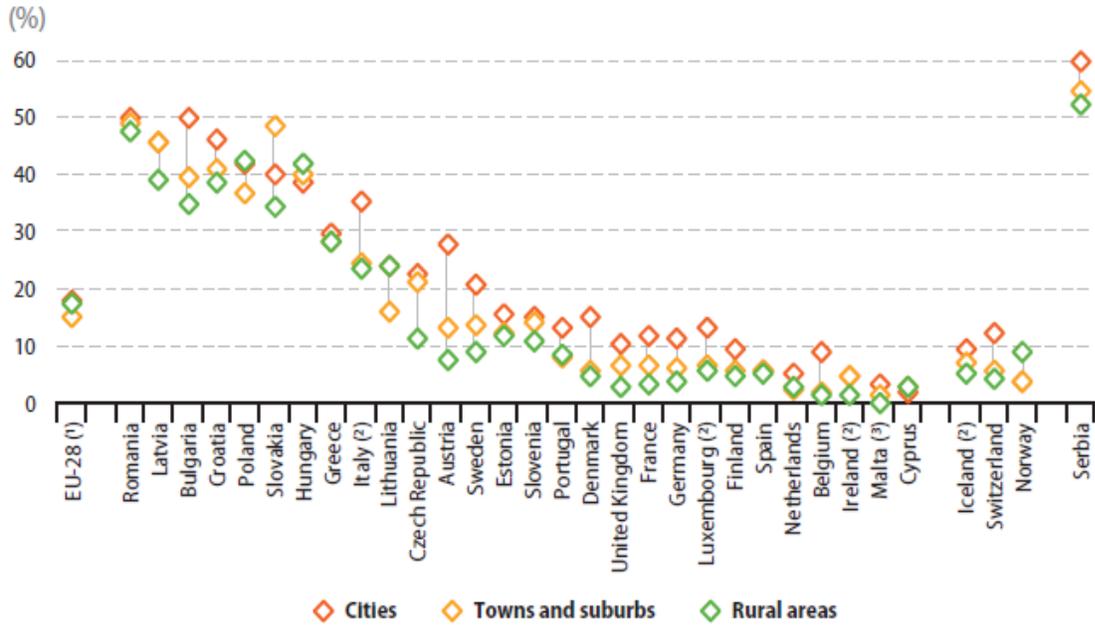
The forecasts for Romania's economic growth in the near future also take into account the financing obtained at European Union level following the adoption of the Regulation on the new Multiannual Financial Framework (MFF) 2021-2027 (amounting to EUR 1,074.3 billion) and the Relaunch Package Next Generation EU (NGEU) (worth EUR 750 billion). The European Resilience and Recovery Mechanism is the central element of the NGEU, with EUR 672.5 billion in loans and grants available to support reforms and investments undertaken by European Union countries. The aim is to mitigate the economic and social impact of the pandemic and to make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities offered by the transition to a green economy and the digital transition. By decision of the Council of Europe, the allocation for Romania on this program is worth EUR 29.2 billion. As a result of this allocation, the Romanian Government has developed the National Recovery and Resilience Plan (NRRP), which provides for expenditures of EUR 41.1 billion for the mentioned period, by supplementing the resources allocated by the EU with resources from the national budget. Significant budgetary allocations in the NRRP will be heavily targeted towards digitalization and the transition to a green economy, and other growth pillars contributing to economic recovery will be smart, sustainable and inclusive growth, including economic cohesion, jobs, productivity, competitiveness, research, development and innovation, as well as a well-functioning internal market with strong small and medium-sized enterprises (SMEs), social and territorial cohesion, health, and economic, social and institutional resilience, as well as policies for the next generation, children and youth, such as education and skills (Source: *Ministry of European Investments and Projects* ).

Romania's economic evolution in recent years has also contributed to an increase in population income, with the average gross monthly salary registering an increase with a RCAC of 12.55% for the period between January 1, 2018 and December 31, 2020. According to the latest statistical data, the average gross salary in Romania amounts to RON 5,785 (Source: *INS*) or approximately EUR 1,175.

### **Housing conditions and congestion rate**

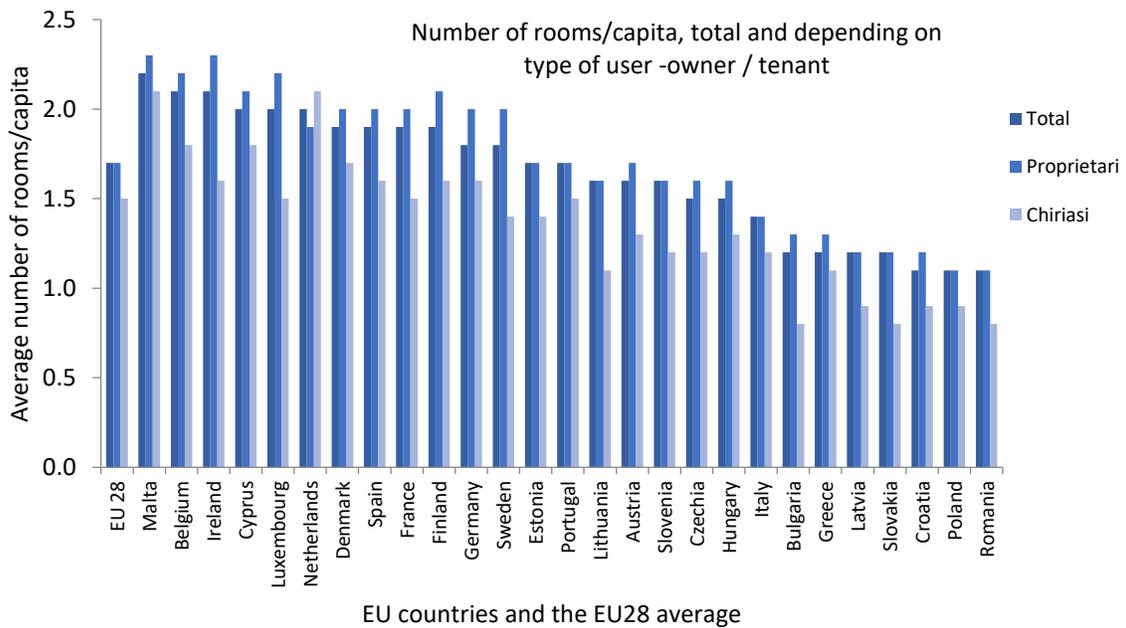
Romania has an overcrowding rate of 48% (the highest rate in the European Union) both in urban areas (the highest overcrowding rate being recorded in large cities, where the overcrowding rate exceeds 50%), peripheral and small urban as well as in rural areas ( Source: *Eurostat*). By comparison, the overcrowding rate at EU level is around 16.6% (ranging from a minimum of 5% in Cyprus, Ireland, Belgium or the Netherlands to over 40% in Hungary, Slovakia, Poland, Croatia and Romania).

The graph below shows the degree of overcrowding on the vertical axis, and on the horizontal axis are ordered the EU 28 countries (before Brexit), as well as other relevant countries in Europe, in descending order of overcrowding rate, on the three components: urbanization (red-cities, suburbs and small-yellow, rural-green cities).



Source: Eurostat

The above statistics are also reflected in the graph below, which shows information on the average number of rooms per capita (general and by type of user), with the vertical axis showing the average number of rooms per capita and the horizontal axis showing the EU28 (pre-Brexit) countries in descending order of average number of rooms per capita by type of user.



Source: Eurostat

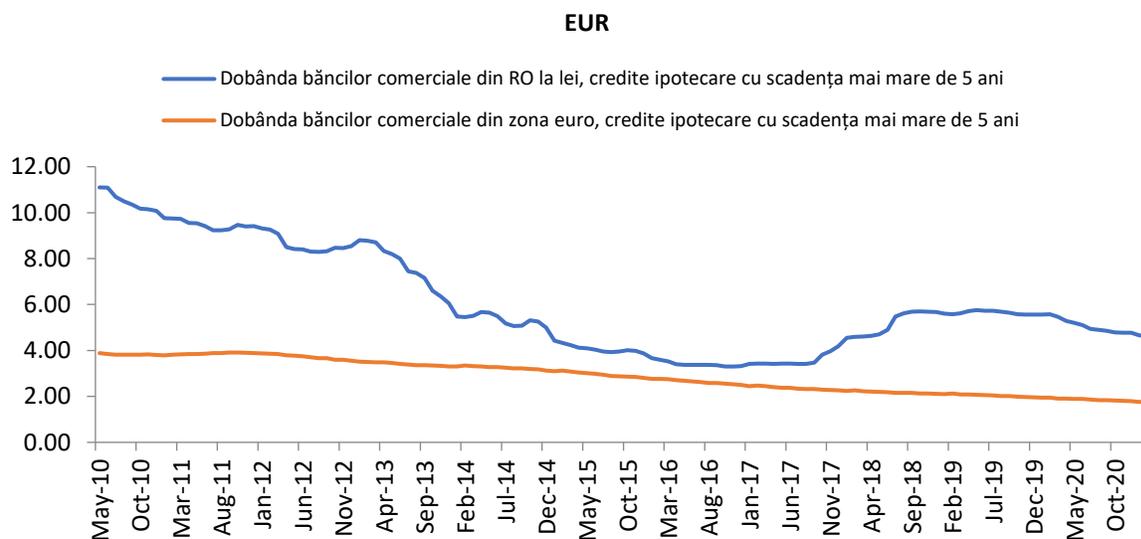
### Evolution of interest rates on mortgages

While in the EUR area the interest rate at which the population has access to credit to finance real estate purchases

was between 1.24% and 1.51% per annum in March 2021 (depending on the lending period), the trend has been downwards over the last 10 years (*Source: ECB*), interest rates charged by local commercial banks for this type of loans were on a slight downward trend, and in March 2021 this interest level was 3.57% for housing loans with a maturity of more than 5 years, down 0.27% compared to the same period in 2019 (*Source: NBR*).

The share of mortgage loans granted in lei in the balance sheet of the domestic banking sector is the most important, taking into account the NBR's policy to discourage lending in EUR or other foreign currencies in Romania, following the financial crisis of 2007-2009.

The decrease in interest rates, corroborated with the increase of the population's income in recent years, has led to an increased lending capacity of the population.



*Source: ECB, NBR*

### The degree of indebtedness of the population

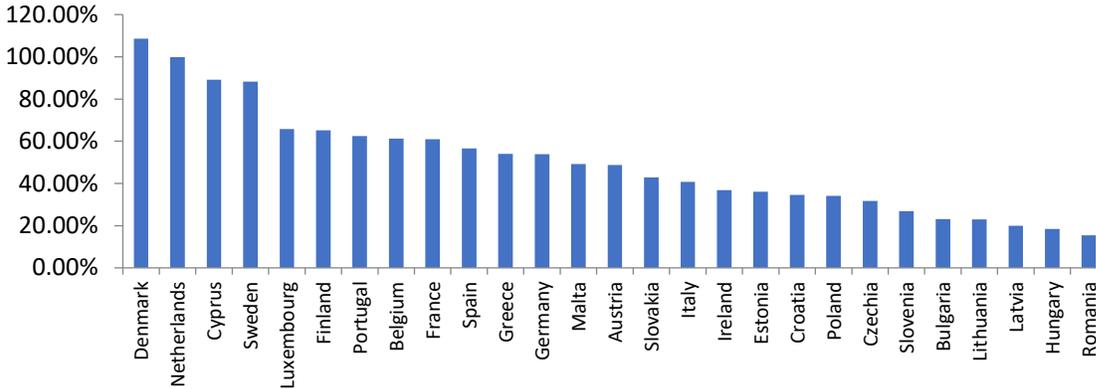
At the level of the European Union countries, the degree of indebtedness of the population is the main indicator of the involvement of the population in the acquisition of real estate, especially in the residential segment.

The indebtedness of the population can be influenced by the volume of real estate transactions in a given period, but also by the average price of a housing unit, and the adjustment to nominal GDP for each Member State allows an appreciation of the real estate market in that country, as well as the potential to increase prices or volumes traded in the future.

If the countries with a developed economy record high levels of this indicator (for example, in Denmark this indicator stands at 108.6%, in the Netherlands at 99.9% and in Cyprus at 89.1%), Romania recorded, at the end year 2019 the lowest level of this indicator, of 15.4% (*Source: Eurostat*), including in comparison with other former communist bloc countries (debt ratio over the same period was 18.4% in Hungary, 23.1% in Bulgaria, 31.7% in the Czech Republic and 34.1% in Poland).

The graph below shows the indebtedness of households relative to GDP in EU27 countries:

The degree of indebtedness of households related to GDP, 2019



Source: Eurostat

Regarding the evolution over time of this indicator in Romania, there is a decreasing trend, synonymous rather with a slower evolution of the credit balance of the population compared to the evolution of GDP and earnings in recent years.

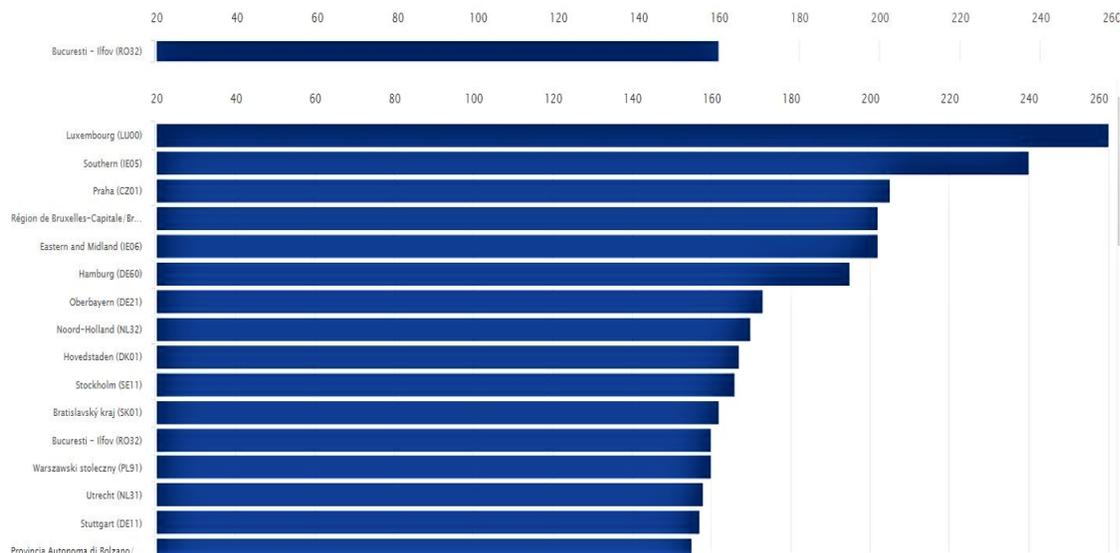
However, the share of mortgages increased robustly (by 10.4% in March 2020, compared to the same period of the previous year). Exposures of credit institutions in relation to the residential real estate market amounted to RON 96 billion at the end of April 2020, up 8% compared to the same period of the previous year. At the same time, these exposures represent the equivalent of 68% of the total stock of loans granted to the population as of April 2020 (Source: NBR).

### Bucharest-Ilfov Development Region

Romania is divided into eight development regions.

The Bucharest-Ilfov region, composed of the municipality of Bucharest and Ilfov county, has a population of 2,315,173 inhabitants and an area of 1,804 km<sup>2</sup> (Source: Eurostat). The region is the most developed in Romania, with a GDP per capita (expressed in purchasing power of money in the local economy) of 160% in relation to the EU average (EU27), ranking 12<sup>th</sup> out of 218 development regions in the European Union (thus surpassing regions such as Budapest (151%), Vienna (149%), Helsinki (144%) or Berlin (123%). The economy of the region is largely dominated by the functions of the capital, the active population of the region being linked to the units that operate here.

### GDP/capita expressed in PPS by development regions EU27, 2019



*Source: Eurostat*

The Bucharest-Ilfov region represents the largest industrial agglomeration of Romania, in which all the industrial branches are present. The trade, the activities of storage, distribution, communal administration-household, constructions had a rapid evolution, so that the region distances itself as a level of development from the other regions in Romania. The Bucharest-Ilfov region is responsible for 27.5% of the total national economy, according to reports for 2019 (*Source: Eurostat*). The explanation for this phenomenon also comes from the fact that most multinational companies with a local presence have chosen this region to set up their local subsidiaries. However, the production activity is also an important one here, with the Bucharest-Ilfov Region having the largest share in Romania's exports, that of 21.8% (*Source: Eurostat*).

From the point of view of infrastructure, the Municipality of Bucharest is the most important national and international road-railway-air transport node of the country, it is characterized by a high degree of accessibility, being located on the two European multi-modal corridors: European Priority Axis no. 7 (Nădlac-Constanța) and the European Priority Axis Giurgiu-Albița planned to be built in the next period, as well as in the vicinity of the Danube (European Priority Axis No. 18). Air and multi-modal accessibility is ensured by the international airport "Henri Coandă" (Otopeni), the largest international airport in Romania.

### **The residential real estate market in Bucharest**

According to JLL's latest analysis of the residential market in Bucharest, the fourth quarter of the year ended with a market recovery, with increased transactional activity, recorded mainly during October-December.

According to the same analysis, the decisive factor that determined the performance of this market in the last quarter of the year was the transformation of the household into a multidimensional space, adapted to the new needs of distance work or distance learning, with buyers being determined to ensure access to a home, in order to increase comfort, either by modernizing existing homes or by a new residential purchase.

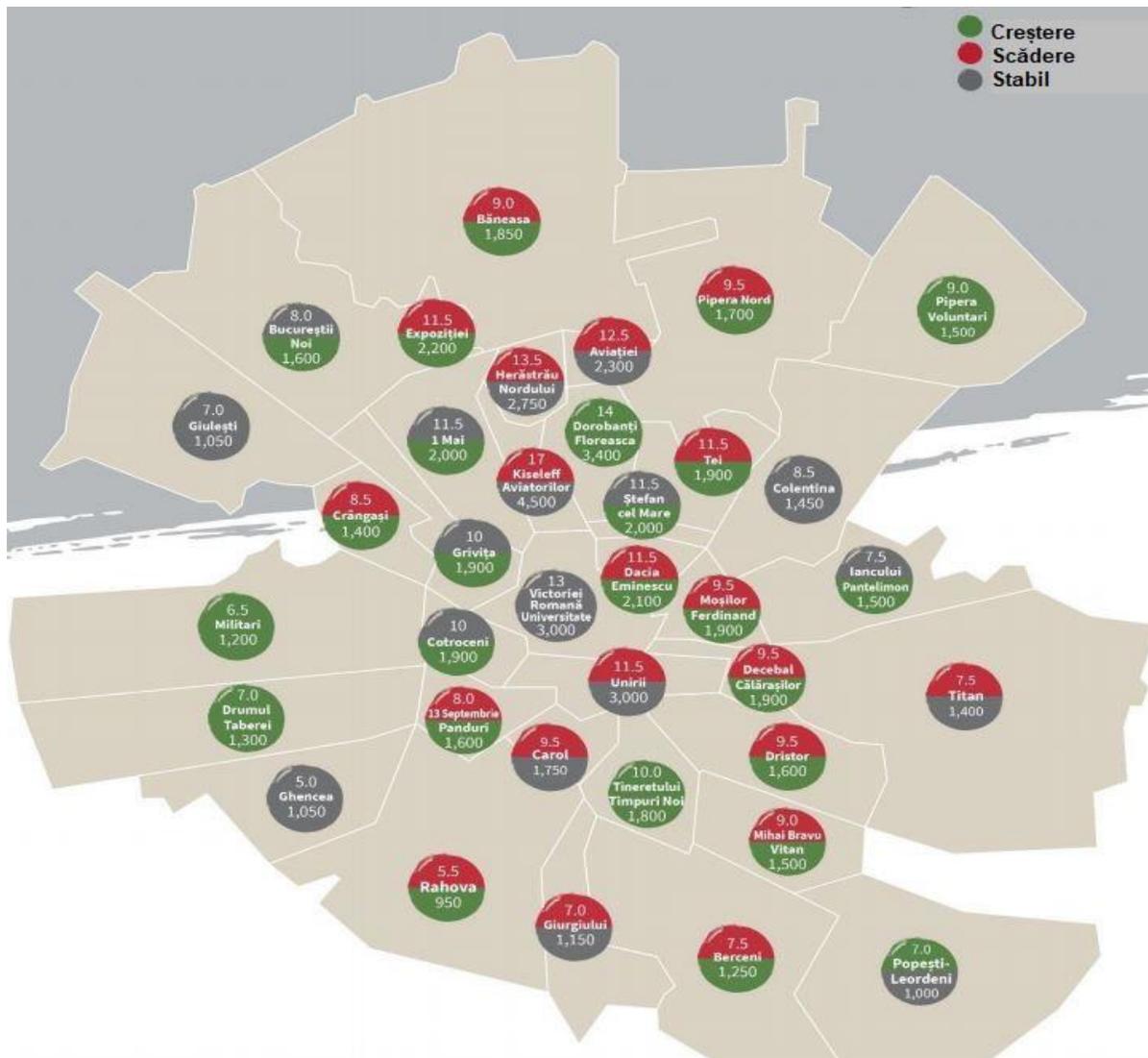
At the level of Bucharest Municipality, the supply of new housing during 2020 was 10,000 units, an increase of approximately 860 new housing units compared to 2019 (*Source: JLL*).

The delivery of residential projects has been postponed from 2020 to the first half of 2021 or even 2022, as traffic restrictions imposed by the authorities have led to a slowdown in construction on most construction sites in the second quarter of 2020 (*Source: JLL*). Construction activity and new housing deliveries accelerated in the second half of 2020 (3,900 new housing units were delivered in Bucharest in the last quarter of the year), and new development phases were launched for large projects, with developers encouraged by high demand for housing. This evolution was also reflected in the activity of identification and acquisition of land for residential development. For 2021, the expectations regarding the offer of new residential units is higher, namely 11,420 new homes in Bucharest and 2,700 in Ilfov County, proving once again the resilience of this market segment (*Source: JLL*).

The aggregate demand at the level of the residential market in Bucharest and Ilfov County for the first quarter of 2021 stood at approximately 10,700 new housing units, of which approximately 9,000 units in Bucharest and 1,700 units in Ilfov County (*Source: JLL, ANCPPI*). According to the JLL analysis, it is presumed that approximately 60% of the above-mentioned transactions that took place in Bucharest were with new units. This is an increase of 69% compared to the previous quarter and an increase of 33.5% compared to the fourth quarter of 2019. For the whole of 2020, Bucharest recorded around 22,300 transactions of new rental units, while Ilfov county totalled around 5,800 new units sold, equivalent to an annual increase of 4.5% compared to 2019. And these demand indicators reveal that 2020, despite the pandemic generated by the SARS-COV-2 virus, was a year of growth in residential property transactions (*Source: JLL*).

Prices in the residential segment in Bucharest increased by 3.5% in 2020 compared to 2019, to an average price of EUR 1,465 per usable square meter, continuing the same upward trend started in 2015. JLL's forecast for 2021 indicates moderate price growth or even stagnation, also due to the Romanian Government's decision to postpone by one year the implementation of the reduced VAT rate of 5% applicable to real estate transactions up to the upper threshold of EUR 140,000, postponed to the beginning of 2022 (*Source: JLL*).

In the figure below you can find the average rental price requested per usable sqm, expressed in EUR, as well as the average selling price requested, using the same units of measurement, differentiated by areas of Bucharest, in December 2020.



Source: JLL

The average price per square meter of a standard apartment of 120 sqm is 1,701 EUR, in the case of Bucharest. Referring to the Spanish capital, Madrid, where the average price per usable square meter of an apartment is EUR 4,978, to the capital of Hungary, Budapest, which is also an emerging country, where the same average price is 2,515 EUR, or to Warsaw, the capital of Poland, where the average price is 2,793 EUR, we notice another major percentage difference between the value of residential properties at the level of European capitals, to the detriment of Romania (Source: Global Property Guide).

### Bucharest office market

#### Office market information in 2020

According to the analysis carried out by Colliers on the real estate market in Romania, during 2020, approximately 156,000 sqm of new offices were delivered in Bucharest, thus recording a decrease of approximately 23% compared to the estimates from the beginning of 2020 and representing a decrease of approximately 45% compared to the approximately 286,000 sqm delivered in 2019.

However, the new offices delivered in 2020 represent around 5% of the current stock of modern offices in Bucharest. The most relevant entrances of new spaces on this market were represented by the One Tower buildings developed by the Issuer in the Floreasca/Barbu Văcărescu area, Ana Tower in the Press Square area/Exhibition Boulevard, the third

development phase of the Globalworth Campus project in the Dimitrie Pompeiu area, an additional building from the Campus 6 Project developed by Skanska and the final phase of The Bridge project, in the central area, developed by Forte Partners *Source: Colliers*).

Taking into account all the additional modern office space delivered during 2020, the aggregate leasable area of offices in Bucharest is approaching the threshold of 3 million sqm, it is estimated that this threshold will be exceeded in 2021 (*Source: Colliers*).

Whereas an important proportion of office space in Bucharest is relatively old buildings (by reference to modern standards of equipment and facilities offered to tenants), as well as taking into account the fact that the supply is relatively low if we consider the number of square meters per capita, new office buildings have enjoyed market demand. The aggregate demand for office space stood in 214,000 sqm in 2020, representing a decrease of approximately 40% compared to the demand registered in 2019 (*Source: Colliers*), of which only 70,000 sqm is the actual new demand for office space (thus registering a decrease of approximately 50% compared to 2019) (*Source: Colliers*).

Among the trends in the office market was that tenant companies that were not in advanced stages of negotiation, or that did not have an immediate need for space, were postponing all major decisions on contracting office space until they had more certainty about whether employees would return to the office from work at home, or about the mix of office/home time these companies would adopt in the future. In the first part of 2021, no major developments were yet to be made in clarifying these issues, with companies still awaiting the evolution of the national vaccination campaign against Covid 19, the evolution of the pandemic and the clarification of trends among their employees regarding their desire to return to office, compared to a continuation of work from home ( *Source: Colliers*).

An interesting manifestation of the market during 2020 was that the pandemic led to the emergence of a secondary rental market, consisting of surplus space leased by large corporations (leased by them to meet the need for future space, taking into account their forecasts of increasing the number of employees), which provided spaces for sub-leasing. Colliers' estimate of the still uncovered sublease offer at the end of 2020 is approximately 60,000 sq m, i.e. more than 2% of the total stock of modern office space in Bucharest. This secondary market may become a long-term opportunity for the sector, as a significant proportion of new office building tenants have concluded such subleases, some of whom are unlikely to be accustomed to the facilities offered by modern offices until this time may become after the expiry of these short-term contracts, a primary engine of demand growth in the coming years (*Source: Colliers*).

#### *Expectations regarding the deliveries of office space in Bucharest in 2021*

Compared to 2020, the deliveries of new office space estimated for 2021 on this market are increasing, respectively 250,000 sqm in new office space. At the level of pre-lease agreements, it is estimated that only 40% of these new projects are already contracted. In the event of low pre-rental rates, some of these buildings could be delayed by 2022 (*Source: Colliers*).

Another disruptive factor can be the lease contracts that will expire during this year (such contracts amounting to about 400,000 sqm per year), the tenants may target smaller areas for the new contract periods in the current pandemic context and as a result of changing the mix long term office/home time. A survey of 80 companies that occupied office space for rent in 2020 revealed the following conclusions about their intentions for the current year and the following:

- (i) almost all companies participating in the survey will implement a remote working scheme, with the majority of employers wishing to organise around 2-3 working days per week in the office and the remainder to be allocated to remote working, with an additional weighting in favour of office working; and
- (ii) Regarding the areas rented by these companies at that time, 47% of respondents said they would keep them the same, while 43% said they would seek to reduce them by up to 30% in the future.

The above could lead to an 18% increase in the vacancy rate of office space in Bucharest in 2021 ( *Source: Colliers*).

The positive factors identified that could mitigate such a negative scenario would be a much faster economic recovery after the pandemic than after the 2007-2009 financial crisis, the fact that the actors in the national economy among the users of these buildings are mostly large companies, with a solid reputation, which is very much based on corporate culture and superior office working conditions, these companies will not be able to rely mainly or entirely on remote work, without having negative effects on team productivity and cohesion. Consequently, the baseline scenario for the coming years is related to the implementation by companies of a hybrid work regime, with calibrations between the proportion of remote and office work depending on the industry profile and the individual preferences of employees

*(Source: Colliers).*

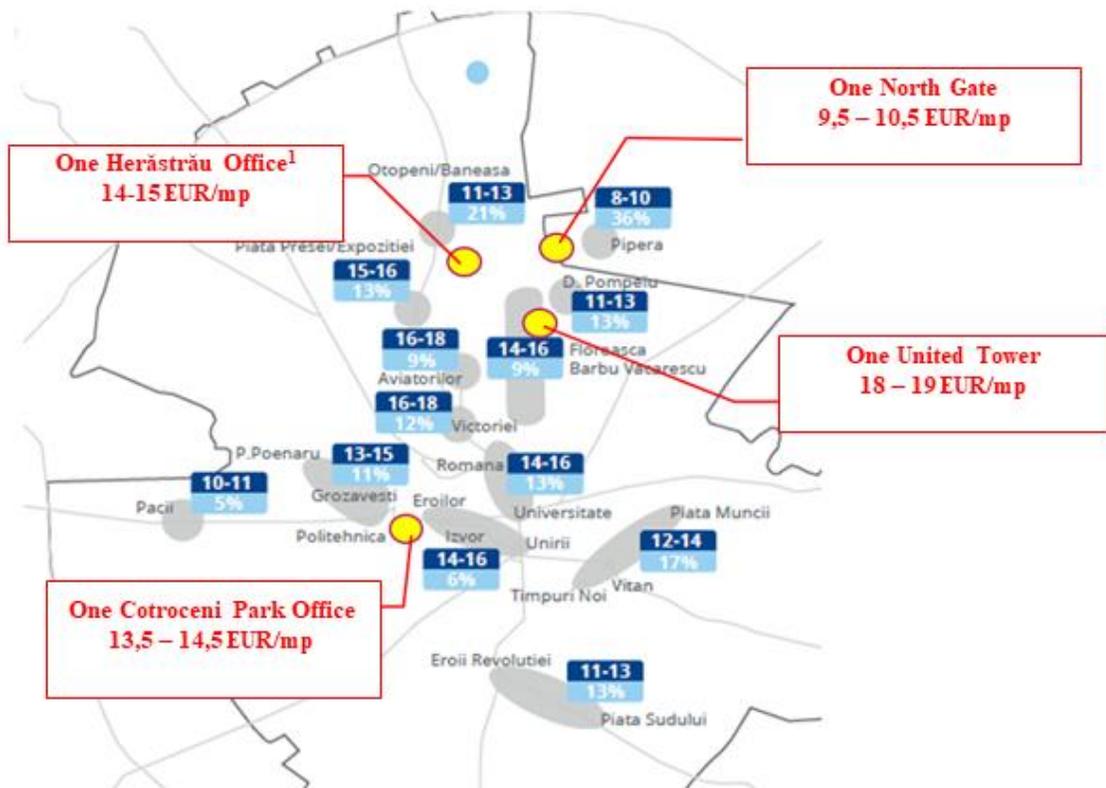
As the vaccination campaign continues at a brisk pace, the scenario relies on a possible return to office of at least 50% of employees in the second half of 2021. Although in the medium term the expectation is that the office market in Bucharest will remain tenant-led until the excess of space delivered for rent is eliminated, in the long term the vision is an optimistic one, driven by a growing labour market in the capital with high added value and the fact that the city is not facing a problem generated by an oversupply of new office space (*Source: Colliers*).

#### *The level of rents in office buildings in Bucharest*

At present, the market is run by tenants. Thus, there is pressure on landlords to accept contracts for less than five years (considered standard) or unilateral termination options from tenants.

The level of rents is also under pressure in terms of the emergence and growth of the sub-leasing market, which offers potential tenants offices already arranged for attractive rents and in flexible conditions. However, premium buildings are not expected to experience major disruptions in rents, as they are able to attract large tenants and historically these types of buildings have had significantly lower vacancy rates than older and/or non-premium buildings. The risk of falling rents is more pronounced for older, poorly positioned buildings, where landlords may have to reduce rents by 5-10% in order to remain competitive with newer, premium buildings. In fact, the vacancy rate for office buildings in 2020 has been recorded mainly in older, B or C category buildings.

The graph below shows the average value of the monthly rent in EUR per square meter, in various office poles in Bucharest, in January 2021, as well as the vacancy rate of the buildings, at the same reference time. The Issuer's office projects, as well as its average monthly rent, are also highlighted.



● Monthly rent, EUR/sqm  
 Source: Colliers, the Issuer

● Vacancy rate

□ One United projects, Monthly rent EUR/sqm

<sup>1</sup> 20% owned and operated by the Group

**PART 10**  
**ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR**  
**MANAGEMENT AND THEIR PRACTICES**

**BOARD OF DIRECTORS**

The Issuer has an administrative structure in a unitary system composed of seven (7) directors.

The Board of Directors comprises the executive members ("**Executive Directors**") and the non-executive members ("**Non- Executive Directors**"). The members of the Board of Directors are appointed and revoked by the GMS. On the date of this Prospectus, the Board of Directors is composed of the Directors mentioned below. The composition of the Board of Directors will be the same at the closing of the Offer and at the time of Admission:

<u>Name</u>	<u>Age</u>	<u>Title</u>	<u>Date of expiry of the mandate</u>
Victor Căpitanu .....	41	Executive Director (Co-General Manager)	31.05.2022
Andrei-Liviu Diaconescu .....	45	Executive Director (Co-General Manager)	31.05.2022
Claudio Cisullo .....	57	Non-Executive Director, Chairman of the Board of Directors	31.05.2022
Gabriel-Ionuț Dumitrescu .....	50	Non-executive Director	31.05.2022
Dragoș-Horia Manda .....	60	Non-executive Director	31.05.2022
Adriana-Anca Damour .....	44	Non-executive Director	31.05.2022
Marius-Mihail Diaconu .....	48	Non-executive Director	31.05.2022

The business address of the members of the Board of Directors is the working point of the Issuer, located at One North Gate, Bulevardul Pipera nr. 2, clădirea NG2, etaj 4, 077190 Voluntari, județul Ilfov, Romania.

***Victor Căpitanu (Co-General Manager)***

Mr. Căpitanu is one of the two Founding Shareholders. He is a graduate of the Faculty of Finance - Banking within the Academy of Economic Studies in Bucharest and holds a CFA degree since 2005. He attended the Executive Private Equity Program at Harvard University and an Executive Program at Singularity University in Silicon Valley.

He started his career in 2000, at Alpha Bank, where he met Mr. Diaconescu, continuing his career at Bancpost from 2003 to 2005, when he founded Capital Partners with Mr. Diaconescu (independent investment banking company, taken over by Banca Transilvania in 2016).

***Andrei-Liviu Diaconescu (Co-General Manager)***

Mr. Diaconescu is one of the two Founding Shareholders. He holds an EMBA from ASEBUSS and a degree in International Law from the University of Macedonia in Thessaloniki.

Mr. Diaconescu began his career in 1997 at Alpha Bank and held several management positions within it, until 2003 when he took over the position of Large Corporates Division Manager at Bancpost. In 2005 he founded Capital Partners with Mr. Victor Căpitanu, (independent investment banking company, taken over by Banca Transilvania in 2016).

***Claudio Cisullo (Non-Executive Director, Chairman of the Board of Directors)***

Mr. Claudio Cisullo is the founder and president of CC Trust Group AG, a company active internationally in investments in biotechnology, goods, leisure, pharmaceuticals, professional services, real estate and technology sectors. Mr. Cisullo has 30 years of experience, being one of the most successful Swiss entrepreneurs. Mr. Cisullo is the founder and executive chairman of Chain IQ Group AG, the chairman of ACC One Holding AG, a board member

of Ringier AG, a member of the Law and Economics Foundation at the University of St. Louis, Gallen and member of the board of the Swiss Foundation for Entrepreneurs.

Starting with 2017, he is an active investor on the residential and commercial real estate market in Romania

Mr. Cisullo joined the Issuer's Board of Directors in September 2020, being appointed Chairman of the Issuer's Board of Directors on May 20, 2021.

***Dragoș-Horia Manda (Non-Executive Director)***

Mr. Manda has over 23 years of experience in the field of "private equity" in South-Eastern Europe and has held and continues to hold a significant number of positions as chairman or board director in portfolio companies of the three investment funds managed by the investment management company Axxess Capital, namely RAEF (Romanian American Enterprise Fund), BAF (Balkan Accession Fund) and EEAF (Emerging Europe Accession Fund), mainly in financial services companies, banks and NFIs.

Throughout his career, Mr. Manda has personally overseen capital investments of over € 200 million, with successful projects in various industries such as IT, retail, financial services, energy and manufacturing.

Mr. Manda holds a PhD in Mathematics from the University of Paris VII, France (1993), an MBA (summa cum laude) from the Romanian-Canadian MBA Program (McGill, University of Quebec - Montreal, ASE Bucharest, 1996) and an MSc in Theoretical Physics from the University of Bucharest (1984).

Mr. Manda joined the Board of Directors of the Issuer in April 2019, serving as Chairman of the Board of Directors of the Issuer until May 20, 2021.

***Gabriel-Ionuț Dumitrescu (Non-Executive Director)***

Mr. Dumitrescu is the founder and owner of Element Group, a real estate development consortium (industrial, office and retail) with over 20 years of experience in real estate.

Mr. Dumitrescu is the founder of Eurisko (sold in 2008 to CBRE, a global leader in real estate services) and Building Support Services, one of the largest property and facility management companies in Romania (acquired by a consortium of international investors in 2006). Mr. Dumitrescu is the developer behind HQ Victoriei (sold to Zeus Capital) and a shareholder in Forte Partners (the developer of The Bridge office complex, bought by Dedeman Group). In the logistics sector, under the Element Industrial brand, Eli Parks has developed a series of industrial parks with locations in Bucharest, Craiova, Bacău, Brăila, Iași, Brașov and Ploiești.

Mr. Dumitrescu has a degree in engineering. He joined the Issuer's Board of Directors in July 2016.

***Adriana-Anca Damour (Non-Executive Director)***

Ms. Damour is currently an executive member of Carrefour Romania's board of directors, coordinating two key areas: expansion (real estate developments, acquisitions, leases, mergers and acquisitions) and corporate reputation (corporate social responsibility, communication).

Previously, Ms. Damour held the position of General Manager of Carrefour Property Romania for 7 years, coordinating the expansion and development teams in support of one of the largest increases recorded by the Carrefour Group.

Ms. Damour holds an MBA from IMD in 2012, after graduating from Science PO (IEP Paris) in 2002 and obtaining a *summa cum laude* degree from the French Romanian Institute of Business International Law in 2002. Previously, Ms. Damour graduated from the Faculty of Law - University of Bucharest.

Ms. Damour joined the Issuer's Board of Directors in May 2017.

***Marius-Mihail Diaconu (Non-Executive Director)***

Mr. Diaconu is an investor with over 20 years of experience. His projects cover animal health, real estate, IT, agriculture, entertainment, industrial services and have been developed in Europe, Asia and the USA. Mr. Diaconu is the founder (1999) and CEO of Altius SA, market leader for animal health products and the largest importer in Romania, with a regional presence, including Bulgaria and Moldova.

Mr. Diaconu is an economist by profession and holds a degree in Marketing from the Academy of Economic Studies in Bucharest (1997).

M. Diaconu joined the Issuer's Board of Directors in September 2020.

## MANAGEMENT TEAM

The Directors of the Issuer are:

<b>Name</b>	<b>Age</b>	<b>Title</b>	<b>Expiry date of term of office</b>
Victor Căpitanu .....	41	Chief Executive Officer	09.05.2022
Andrei-Liviu Diaconescu.....	45	Chief Executive Officer	09.05.2022
Valentin Cosmin Samoilă .....	39	Financial Manager	09.05.2022

The address of the Directors' place of work is the Issuer's office, located at One North Gate, Bulevardul Pipera nr. 2, clădirea NG2, etaj 4, 077190 Voluntari, județul Ilfov, Romania.

Also included below are the biographical details of key persons in the Group, namely Ms. Beatrice Dumitrașcu (CEO of the Residential Sales Division), Mr. Mihai Păduroiu (CEO Office Leasing), Mr. Octavian Avrămoiu (CEO of Neo Division) and of Mr. Alexandru Victor Savi-Nims (Chief Legal Officer).

### Biographical details of the Issuer's management team

The biographical details of Mr. Diaconescu and Mr. Căpitanu were presented above.

#### *Valentin Cosmin Samoilă (Chief Financial Officer)*

Mr. Samoilă has been the Issuer's Chief Financial Officer since 2021. Before joining the Issuer, he was for 4 years the financial director of Sixt Romania Group one of the most important companies active on the car rental market and for 10 years an employee of Adama Holding Group (part of the Immofinanz group), an important developer, where, as head of control and administrator, he coordinated all financial aspects of more than 60 assets, located in Romania and in several countries in South-Eastern Europe. During this period he oversaw the development of over 2000 residential units and the management of commercial and industrial assets.

Mr. Samoilă began his professional career at Ernst & Young, where he was a senior auditor. He graduated from the Academy of Economic Studies in Bucharest, is an accounting expert in Romania and a member of ACCA.

### Biographical details of other persons with important positions at Group level

#### *Beatrice Dumitrașcu (CEO of the Residential Sales Division)*

Ms. Dumitrașcu joined the Group in 2013, as Sales Manager. She is responsible for managing the Group's largest sales portfolio, generating significant revenue for the Group and maintaining quality services for both customers and owners.

Ms. Dumitrașcu graduated from the Faculty of Journalism. She has a 20-year career in sales and marketing and has dedicated her last 17 years to the real estate industry, collaborating with most of the important players on the market. She has worked for important companies such as Forum Invest Romania, Anchor Group, Eurisko Consulting, Tiriac Imobiliare, Coldwell Banker and has built her professional skills over the years in projects involving sales, marketing, communication, project management, events and real estate sales.

#### *Mihai Păduroiu (CEO Office Leasing)*

Mr. Păduroiu joined the Group starting with November 2019. Mr. Păduroiu has a long career in the local real estate market, in some of the largest international consulting companies. During the 14 years of activity in this field, he was involved in numerous relocation, consolidation and entry processes in Romania, both for multinational and local companies, trading over 500,000 sqm of offices throughout this period.

In his current role, Mr. Păduroiu coordinates the rental of all office projects owned or managed by the Issuer, as well as strengthening the relationship with tenants, in order to maximize the satisfaction of all occupants in commercial developments under the One brand.

Mr. Păduroiu holds a degree in International Economic Relations from the Academy of Economic Studies and has been a member of the RICS (Royal Institution of Chartered Surveyors) since 2016.

### ***Octavian Avrămoiu (CEO of Neo Division)***

Mr. Octavian Avramoiu has over 20 years of experience in law, holding positions in various executive government structures within the Ministry of Public Finance, as well as the position of Executive Investment Manager within SIF Banat-Crișana.

Mr. Avrămoiu also held non-executive member positions within the board of directors of CEC Bank SA, SIF Hoteluri SA, Administrare Imobiliare SA, Vrancart SA and Brainconf SA. Within the Group, Mr. Avrămoiu holds the position of CEO of the NEO Division, joining the Group in 2019.

Mr. Avrămoiu is a graduate of the Faculty of Law - University of Bucharest, holding a Master's Degree in Trade Conflict Mediation. Mr. Avrămoiu is a member of the Bucharest Bar.

### ***Alexandru Victor Savi-Nims (Chief Legal Officer)***

Mr. Alexandru-Victor Savi-Nims has been the Group's Chief Legal Officer since December 2019. Mr. Savi-Nims is an experienced lawyer with extensive experience in business law, gained by coordinating integrated legal services in real estate development and construction, M&A, banking and financing law, but also in corporate and commercial law in general. He collaborated with the law firm Mitel & Asociații, managing a portfolio of international clients with projects in the real estate and M&A field, but also with Alexandrion Group, where he coordinated the Legal Department. He is a graduate of Nicolae Titulescu University of Bucharest (2000) and holds a Master's degree in Business Law (2006) and a Master's degree in Science - Ecology and Sustainable Development from the University of Bucharest - UNESCO Cousteau Chair (2004). He has been a member of the Bucharest Bar and of the National Union of Romanian Bars since November 2003.

### ***Details about the nature of any kinship relationship***

From the information available to the Issuer, there are currently no kinship relations between any of the members of the Board of Directors and / or its Directors.

### ***Details of disputes relating to Managers and Directors***

During the five years prior to the date of this document, none of the Directors and/or Managers:

- (i) has been convicted of fraud;
- (ii) has been a member of the administrative, management or supervisory bodies or director or member of the management of any company on the date on which they went bankrupt, judicial administration or liquidation; or
- (iii) has been prosecuted and/or has been sanctioned by any statutory or regulatory body (including professional bodies designated for the application of sanctions) and has never been barred by the court from serving as a member of a administration, management or supervision of a company or to be involved in the management or conduct of the business of a company.

### ***Functions held by the Board of Directors and the Directors***

In addition to the management positions held at the level of the Issuer, the Directors and Managers of the Issuer hold or have held, in the last five (5) years, the following positions:

<b>Name</b>	<b>Entity</b>	<b>Title</b>	<b>Current position (yes/no)</b>
Andrei-Liviu Diaconescu	One Holding OA S.R.L.	Director	Yes
	One Energy Division S.R.L	Director	Yes
	Smart Capital Investments S.A.	Director	Yes
	Ploiești Logistics S.R.L.	Director	No
Victor Căpitanu	OLTV SAS (France)	Chairman	Yes
	One Holding Investments SRL	Director	Yes
	One Holding VER SRL	Director	Yes
	Societatea de Investiții Financiare Oltenia SA	Member of the Board of Directors	No

<b>Name</b>	<b>Entity</b>	<b>Title</b>	<b>Current position (yes/no)</b>
Claudio Cisullo	CCT & ONE AG (Switzerland)	Vice-Chairman of the Board of Directors	Yes
	CCT & ONE AG (Switzerland)	Chairman of the Board of Directors	Yes
	ACC One Holding AG (Switzerland)	Chairman of the Board of Directors	Yes
	Swiss Entrepreneurs Foundation, Switzerland	Member of the Board of Trustees	Yes
	ACC Investments S.R.L.	Chairman of the Board of Directors	Yes
	Admeira AG (Switzerland)	Member of the Board of Directors	No
	Ringier Axel Springer Schweiz AG, (Switzerland)	Member of the Board of Directors	No
	Law and Economics Foundation, University St. Gallen (Switzerland)	Member of the Board of Trustees	Yes
	The Center for Global Enterprise (United States)	Member of the Board of Directors	No
	Chain IQ Group AG (Switzerland)	Executive Chairman	Yes
	Ringier AG (Switzerland)	Member of the Board of Directors	Yes
	UBS Industrialization Advisory Board	Chairman	No
	ValuePlus AG (Switzerland)	Chairman of the Board of Directors	Yes
	CC Trust Group AG (Switzerland)	Chairman of the Board of Directors	Yes
Dragoș-Horia Manda	Axxess Capital Partners SA	Director	Yes
	Patria Bank S.A.	Chairman of the Board of Directors	Yes
	Bitdefender B.V.	Member of the Board of Directors	Yes
	Seacorn LLP, UK	Managing Partner	Yes
	South - Eastern Europe Capital Partner LLP	Managing Partner	Yes
	ROPEA (Romanian Private Equity Association)	Chairman of the Board of Directors	Yes
	Deutek S.A.	Member of the Board of Directors	No
Gabriel-Ionuț Dumitrescu	Element Investments S.R.L.	Director	Yes
	Element Development S.R.L.	Director	Yes
	Camino Real Estate SRL	Director	Yes
	Bistrita Retail Park S.R.L.	Director	Yes
	Latina Development S.R.L.	Director	Yes
Adriana-Anca Damour	Kiseleff Development S.R.L.	Director	No
	Carrefour Romania S.A.	Executive member of the Board of Directors	Yes
	Ploiesti Shopping City S.R.L.	Permanent representative of the legal entity administrator	Yes
	Amcham Romania	Member of the Board and vice-president	Yes

<u>Name</u>	<u>Entity</u>	<u>Title</u>	<u>Current position (yes/no)</u>
	The Foundation for Agricultural Development (FAGriD)	Member of the Board	Yes
	Hospice Casa Speranței	Member of the Board	Yes
Marius-Mihail Diaconu	Altius Group S.R.L.	Director	Yes
	Altius S.A.	Director	Yes
	Praxis Trading S.R.L.	Director	Yes
Valentin Cosmin Samoilă	Union Motors Car Sales S.R.L.	Representative	No
	New Kopel Car Sales S.R.L.	Representative	No
	New Kopel Romania S.R.L.	Representative	No
	Union Motors Romana S.R.L.	Representative	No
	Roua Vest S.R.L.	Director	No

## MANAGEMENT

The Board of Directors is collectively responsible for the general activities of the Issuer, for fulfilling all the necessary and useful acts for the achievement of the Issuer's object of activity, except those reserved by law to the GMS, and the Issuer's management is delegated to the Executive Administrators, who are also the Issuer's Directors. The directors are responsible for taking all measures related to the management of the Issuer, within the limits of the Issuer's object of activity and for observing the limits imposed by the Board of Directors.

The Board of Directors may not delegate the following powers to a Director: (i) the establishment of the Issuer's principal areas of activity and development, (ii) the establishment of accounting policies and the financial control system, as well as the approval of financial planning, (iii) the appointment and revocation of Directors, the supervision of Directors' activity and their remuneration, (iv) approval of the mandate contracts of the Directors, (v) preparing the annual report, organizing the GMS and implementing its decisions, (vi) introducing the request for opening the insolvency procedure of the Issuer, (vii) fulfilling the duties delegated by the Board of Directors to the GMS, (viii) the representation of the Issuer in its relationships with the Directors, (ix) the relocation of the Issuer's headquarters, (x) the change of the Issuer's object of activity (except for the Issuer's main field and activity which can be modified only by extraordinary GMS).

The Board of Directors is jointly and severally liable to the Issuer for: (i) making the payments made by the Issuer's shareholders, (ii) the actual existence of the dividends paid, (iii) the existence of the registers required by law and their correct keeping, (iv) the exact fulfillment of the GMS decisions and (v) the strict fulfillment of the duties the law and the Articles of Association impose.

The Executive Directors, respectively the Directors of the Issuer, are responsible for managing the day-to-day activities of the Issuer and are responsible for meeting the objectives and strategy of the Issuer, the appropriate risk profile, performance trends and results and corporate social responsibility issues relevant to the activity of the Group. Non-Executive Directors are, inter alia, responsible for overseeing the management of Executive Directors and the overall conduct of the Issuer's activities and associated operations and provide assistance to Executive Directors by providing advice. In addition, both Executive and Non-Executive Directors must perform their duties as specifically assigned to them by the Articles of Incorporation. Each Director has the duty to properly perform the duties assigned to him and to act in the interest of the Issuer.

Tasks that have not been specifically allocated fall within the remit of the Board of Directors as a whole. All Directors remain collectively responsible for good management as a whole, regardless of the allocation of tasks. At the close of the Offer, the Board of Directors will be composed of seven (7) members, of which two (2) members will be Executive Directors and five (5) members will be Non-Executive Directors. A number of four (4) Non-Executive Directors are independent, within the meaning of the Corporate Governance Code of BVV.

Candidates for membership positions on the Board of Directors may be nominated by shareholders or other members of the Board of Directors in office. The Chairman of the Board of Directors is appointed by the members of the Board of Directors, with a simple majority of the members present. In the event of a vacancy for a member of the Board of Directors, it shall meet and elect a interim member until the OGMS meeting, with the appointment of a member of the Board of Directors on the agenda. In addition, the Articles of Association provide for the possibility for the Board of Directors to confer functions on Executive Directors, including, but not limited to, the position of Chief Executive

Officer (CEO) or Chief Financial Officer (CFO).

Each member of the Board of Directors will conclude with the Issuer a mandate contract for the duration of his term of office as a member of the Board of Directors, which will stipulate the rights and obligations of that member towards the Issuer and the remuneration received by that member. The current contracts concluded by the members of the Board of Directors, respectively Directors, do not provide for the granting of benefits at the expiration of the mandate.

### **Functioning of the Board of Directors**

#### ***Meetings of the Board of Directors***

The Board of Directors will meet in regular meetings, convened by the Chairman of the Board of Directors, once every three (3) months. The convocation for the regular meetings shall be sent to all members of the Board of Directors at least three (3) calendar days before the proposed date for the regular meeting.

When the situation so requires, special meetings of the Board of Directors may be convened, either by the Chairman of the Board of Directors or at the reasoned request of two members of the Board of Directors or any of the Issuer's General Managers, in each case by written notice, transmitted to each member of the Board of Directors at least one (1) calendar day before the date of the meeting.

Notices of meetings of the Board of Directors may be sent in writing, by courier, registered letter with acknowledgment of receipt or e-mail and will include the proposed agenda with supporting materials, location of the meeting and any other additional documentation, as the Chairman of the Board will consider necessary.

Meetings of the Board of Directors may be held at any time without notice if all members of the Board of Directors are present or if those who are not present have expressly waived in writing the requirement to receive a notice of meeting.

The Board of Directors may hold meetings by telephone or video conference or by correspondence. The content of the minutes drawn up following such a meeting of the Board of Directors shall be confirmed in writing by all members who attended the meeting.

At the meetings of the Board of Directors participates, as a permanent guest, Mr. Daniel Dines, founder and CEO of UiPath or a representative of the shareholder of Icevulcan Properties Ltd. (controlled by Mr. Daniel Dines).

#### ***Voting during the meetings of the Board of Directors***

The Board of Directors is legally convened if at least four (4) of its members are present or represented, and decisions can be taken with the affirmative vote of at least three (3) members of the Board of Directors, present or represented at the meeting.

The members of the Board of Directors may be represented by other members of the Board of Directors, by a special power of attorney. A member of the Board of Directors may represent only one other member of the Board of Directors at a meeting.

#### ***The Issuer's Directors***

The Directors of the Issuer are appointed by the Board of Directors for a term of two (2) years, with the possibility of being re-elected for subsequent terms.

The Directors of the Issuer are responsible for taking all measures related to the management of the Issuer, within the limits of the Issuer's object of activity and in compliance with the exclusive competencies reserved by law and by the Articles of Incorporation to the GMS and the Board of Directors.

The Directors of the Issuer, respectively the General Managers and the other Director, represent separately the Issuer in relation to third parties and in court, each of them acting separately in the name and on behalf of the Issuer with full powers.

#### ***Committees of the Board of Directors***

The Board of Directors has set up two (2) committees of the Board of Directors: a risk and audit committee ("**Risk and Audit Committee** ") and a nomination and remuneration committee ("**Nomination and Remuneration Committee** "). The Committees of the Board of Directors have a preparatory and / or advisory role for the Board of Directors.

### ***Risk and Audit Committee***

The Risk and Audit Committee is composed of three (3) members. The members of the Risk and Audit Committee are Adriana-Anca Damour, Horia Manda and Marius-Mihail Diaconu. Mr Horia Manda is the Chairman of the Committee. Messrs. Andrei Diaconescu and Cosmin Samoilă are permanent guests.

The Risk and Audit Committee assists the Board of Directors in carrying out its duties on the internal audit, as well as an advisory function on the Issuer's strategy and policy on the internal control system, internal audit and external audit, as well as controlling how significant risks are managed. .

#### ***Terms of Reference of the Risk and Audit Committee***

The following is a summary of the terms of reference of the Risk and Audit Committee.

The Risk and Audit Committee assists, supervises, reviews and advises the Board of Directors, as well as discusses its assumptions and makes alternative proposals to those introduced by the Board of Directors regarding, inter alia:

- (a) the correctness and quality of the financial reports of the Issuer and its subsidiaries;
- (b) operation of risk management and internal control systems;
- (c) the provision of financial information by the Issuer (including the choice of accounting policies, the implementation and assessment of the effects of the new rules and the approach to the elements estimated in the Issuer's annual financial statements);
- (d) compliance with the recommendations and observations of the internal and external auditors of the Issuer;
- (e) the role and functioning of the Issuer's internal auditors;
- (f) the Issuer's fiscal policy;
- (g) the Issuer's relationship with its external auditor, including the independence and remuneration of the external auditor;
- (h) the Issuer's financing; and
- (i) the assessment of any situation that may generate a conflict of interest in the transactions to which the Issuer, its subsidiaries and their affiliates are a party of.

The Risk and Audit Committee also makes recommendations to the Board of Directors regarding the nomination it makes to the OGMS regarding the persons from whom the external auditor of the Issuer will be appointed and prepares the meetings of the Board of Directors, during which the Board of Directors' Report, the annual financial statements of the Issuer, the half-yearly figures and the quarterly commercial updates of the Issuer will be discussed.

In addition, the Risk and Audit Committee will conduct an annual evaluation of the Issuer's internal control system, assessing the effectiveness of this system, the adequacy of the risk management and internal control reports submitted to the Risk and Audit Committee, as well as the promptness and the effectiveness of management in addressing the deficiencies or weaknesses found in terms of internal control.

The Risk and Audit Committee will also evaluate the effectiveness of the Issuer's risk management system, monitor the application of the statutory and generally accepted internal audit standards and will evaluate the situations of conflicts of interest within the transactions concluded by the Issuer and / or any of its subsidiaries with affiliated parties.

The Risk and Audit Committee will meet whenever necessary for its proper functioning, but not less than five (5) times a year, so that the dates of the meetings coincide with the key dates in the financial reporting and audit cycle. The Risk and Audit Committee will meet with the Issuer's external auditor at least four times a year.

### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee is composed of three (3) members. The members of the Nomination and Remuneration Committee are Victor Căpitanu, Claudio Cisullo (Chairman of the Board of Directors) and Marius-Mihail Diaconu. Mr Claudio Cisullo is Chairman of the Nomination and Remuneration Committee.

The purpose of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its responsibilities, by establishing the principles for selecting candidates for the position of member of the Board of

Directors, selecting candidates for election or re-election as a member of the Board of Directors, involvement in the selection process of the directors, remuneration of the administrators and directors of the Issuer and formulation of proposals to be submitted to the decision of the Board of Directors.

*Terms of Reference of the Nomination and Remuneration Committee*

Below is a summary of the terms of reference of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee shall assist the Board of Directors in supervising, inter alia:

- (a) the preparing and establishing of the criteria for selecting the members of the Board of Directors, including the criteria for assessing their independence;
- (b) the evaluation and proposal of candidates by the Board of Directors in order to appoint, reappointment or revoke them in / from the position of member of the Board of Directors;
- (c) the ensuring that the candidates for the position of member of the Board of Directors have the necessary training and experience to perform their duties;
- (d) establishing and submitting for the approval of the Board of Directors of the selection procedure for the directors; establishing selection criteria for directors; final evaluation of the candidates for the position of directors in order to appoint and conclude the mandate contract;
- (e) the drafting of a proposal on the remuneration policy to be followed, a policy that will be adopted by the OGMS;
- (f) the issuing of recommendations and the formulation of a proposal on the remuneration of each member of the Board of Directors and the directors, within the limits of the remuneration policy. That proposal shall in any case contain:
  - remuneration structure; and
  - the amount of fixed remuneration, the shares and / or options to be granted and / or other components of variable remuneration, the performance criteria used, the analyzes performed on the working assumptions and the ratio to the maximum and minimum salary limits within the Issuer and its affiliated companies;
- (g) when drafting the proposal on the remuneration of Directors, the Nomination and Remuneration Committee will take into account the individual opinions of the Directors regarding the value and structure of their own remuneration. The Nomination and Remuneration Committee will ask the Directors to pay attention to the aspects included in the remuneration policy;
- (h) elaboration of the remuneration report;
- (i) informing and advising the Board of Directors on any major changes in the employee benefit structures at the level of the Issuer or its subsidiaries; and
- (j) managing all aspects related to any share subscription program operated by the Issuer or to be established by the Issuer.

The Nomination and Remuneration Committee shall meet whenever necessary for its proper functioning, but at least twice (2) a year.

**Conflicts of Interest**

The members of the Board of Directors and the Directors of the Issuer hold various other functions within the Group, as well as in companies with which the Group enters into or may enter into transactions (such transactions being reported as related party transactions). In view of the above, in certain situations the Members of the Board of Directors and the Directors of the Issuer may be in a situation of conflict of interest between their obligations towards the Issuer and their private interests and other obligations.

In the event of a conflict of interest, the respective members of the Board of Directors and Directors have the obligation to abstain from deliberations and voting, respectively to abstain in any other decision-making process or in connection with any act or fact. on which the respective conflict was born, as well as to report / reveal the respective conflict of interests.

Any transaction concluded between the Issuer and the persons mentioned above is concluded in terms equivalent to those prevailing in the transactions that take place at the market level, in compliance with the applicable legal and statutory provisions. See also Part 5 – "*Selected Financial Information – Related Party Transactions*".

**Information regarding any agreement or arrangement with the main shareholders, customers, suppliers or other persons, under which any of the members of the Board of Directors or the Directors has been elected / appointed.**

According to the agreement concluded between the Founding Shareholders and the shareholder IceVulcan Properties Ltd. (controlled by Mr. Daniel Dines, founder and CEO of UiPath), at the meetings of the Board of Directors participates, as a permanent guest, Mr. Daniel Dines, founder and CEO of UiPath or a representative of that shareholder.

**Details of any restriction accepted by any of the members of the Board of Directors or Directors regarding the assignment, within a certain period of time, of the securities of the Issuer held by them.**

Victor Căpitanu, Andrei-Liviu Diaconescu, Claudio Cisullo (for CC Trust Group AG), Dragoș Horia Manda and Marius-Mihail Diaconu concluded a "lock-up" agreement with the Issuer, by which they are restricted from trading the shares held by them for a period of 6 months from Admission.

**REMUNERATION AND BENEFITS**

Amount of net remuneration paid to the members of the Board of Directors and to the Directors of the Issuer for the year ended December 31, 2020:

- (a) Adriana-Anca Damour - 83,904 RON
- (b) Dragoș-Horia Manda - 81,000 RON

No remuneration or benefits were granted to other members of the Board of Directors and to the Directors of the Issuer for the year ended December 31, 2020 (it is noted that in the case of Mr. Valentin Cosmin Samoila, his term began in 2021).

On April 19, 2021, the Issuer's OGMS approved the remuneration of Mr. Dragoș-Horia Manda, in a net amount of 2,000 EUR per month.

On May 26, 2021, the Issuer's OGMS approved the remuneration of Mr. Claudio Cisullo, Chairman of the Board of Directors, in the net amount of EUR 2,000 per month.

For the year ended 31 December 2020, the Issuer and its subsidiaries did not provide any conditional or deferred remuneration or benefits in kind for services of any kind provided for their benefit by the members of the Board of Directors and the Directors of the Issuer,

**SHARES AND SHARE OPTIONS**

The Issuer approved the establishment of a stock option plan for the executive members of the Board of Directors (General Co-Directors), Victor Capitanu and Andrei-Liviu Diaconescu, under the following conditions:

- the date on which the options for acquiring shares in the Issuer's share capital ("**the Options**") are granted is April 15, 2021 (the date of adoption of the program);
- no amount will be paid by the beneficiaries for granting and / or exercising an Option;

In case of exercising the Options, newly issued shares will be allocated by the Issuer;

The performance conditions that must be met in order to exercise the Options are:

- (a) holding the position of executive member of the Board of Directors at the Performance Measurement Date (as defined below); and
- (b) reaching a price per share according to an algorithm established by the decision of the Board of Directors (hereinafter "**Performance Conditions**").

The fulfillment of the Performance Conditions will be evaluated by the non-executive members of the Issuer's Remuneration Committee, at the latest by March 31 of the following year, for which the achievement of the target value of the price per share will be confirmed ("**Performance Measurement Date**"). The number of shares transferred

to each participant under the allocation plan for each evaluated year for which the Performance Conditions were met is 13,001,334 ordinary shares, the total number of shares that can be transferred to a participant is thus equal to 65,006,670 ordinary shares.

In addition to the stock option plan referred to above, the Issuer also granted a number of 1,226,123 options for ordinary shares to Ms. Alexandra-Andreea Dinu, employee of the Issuer. The options of Ms. Dinu will become exercisable (free of charge) on October 5, 2021, provided that it holds the status of employee of the Issuer on the date of exercise.

## **CORPORATE GOVERNANCE**

From the date of this Prospectus and after Admission, we will comply with the Corporate Governance Code of BVB, as it applies to companies listed on the Securities Regulated Market of the Bucharest Stock Exchange, with the following difference:

The Nomination and Remuneration Committee has an executive member, Mr. Victor Căpitanu. The good corporate governance pursued by the Corporate Governance Code of BVB is achieved by the fact that Mr. Victor Căpitanu, in his capacity as founder of the Issuer, proved that his involvement is essential in the recruitment process of any members of the Board of Directors and directors, but also regarding the regime of rewarding them for their functions, related to the financial situation and strategy of the Issuer. The benefits of his presence on the Nomination and Remuneration Committee are therefore compatible with the Committee's mission.

The BVB Corporate Governance Code requires all companies listed on the Bucharest Stock Exchange to include a statement in their annual report on their compliance with the BVB Corporate Governance Code. Any non-compliance with the provisions of the Corporate Governance Code of BVB must be declared in a current report submitted to the Bucharest Stock Exchange, the principle applied being "apply or explain".

The Corporate Governance Code of BVB contains several principles and provisions that must be observed by the companies listed on the Bucharest Stock Exchange, regarding, among others, the composition, role, functioning and remuneration of management bodies, risk management and internal control, reporting financial information and disclosure of information.

**PART 11**  
**MAJOR SHAREHOLDERS**

The Issuer is controlled by the Founding Shareholders, Victor Căpitanu and Andrei-Liviu Diaconescu.

The table below indicates the participations of each of the Founding Shareholders before the Offer and after the Offer.

<b>Shareholder</b>	<b>Participation immediately prior to the Offer</b>	<b>Participation immediately after the Offer <sup>(1)</sup></b>	<b>Power to vote immediately after Offer <sup>(2)</sup></b>
Victor Căpitanu	32.7030%	29.7300%	29.7300%
Andrei-Liviu Diaconescu	32.7030%	29.7300%	29.7300%

(1) Assuming that the Bid Size is set to the Maximum Bid Size.

(2) The voting power is given by the Issuer's shares, held by each Founding Shareholder immediately after the Offer and Admission, in the event that the Offer Size is set to the Maximum Offer Size and is determined based on the voting rights of each Founding Shareholder, offered by the shares held, from the total voting rights of the issued shares of the Issuer.

At the date of the Prospectus, each of the Founding Shareholders, Mr. Victor Căpitanu and Mr. Andrei-Liviu Diaconescu, holds 425,161,602 shares, representing 32.7030% of the Issuer's share capital (representing a share of 32.7030% in the Issuer's profit or loss and 32.7030% of the total voting rights). The Founding Shareholders thus hold together a number of 850,323,204 ordinary shares, representing 65.4059% of the Issuer's share capital (representing a share of 65.4059% in the Issuer's profit or loss and 65.4059% of the total voting rights), jointly exercising control over the Issuer.

Other shareholders with significant holdings are CC Trust Group AG (which holds 89,189,830 ordinary shares, representing 6.8604% of the Issuer's share capital and total voting rights), Marius-Mihai Diaconu (which holds 72,713,915 shares) ordinary shares, representing 5.5931% of the Issuer's share capital and total voting rights) and Icevulcan Properties Ltd (holding 65,003,544 ordinary shares, representing 5% of the Issuer's share capital and total voting rights). The difference of 222,840,363 ordinary shares is held by other 21 shareholders.

**AGREEMENTS WITH MAIN SHAREHOLDERS**

At the date of this Prospectus, there are no agreements concluded by the Founding Shareholders whose application may generate, at a later date, a change of control over the Issuer.

**DILUTION**

If all the Offered Shares are subscribed, the share capital of the Issuer will be increased by a number of 130,007,085 ordinary shares, with a nominal value of RON 0.2 each and a total nominal value of RON 26,001,417, representing an increase of approximately 10% compared to the level of the Issuer's share capital at the date of this Prospectus. The holdings of the current shareholders in the share capital of the Issuer will be diluted by a percentage of 9.09%.

## PART 12 REGULATORY FRAMEWORK

The main legal provisions applicable to the residential, commercial and office real estate market in which the Group operates are presented below. The purpose of the presentation below is only to introduce the general legal framework applicable to the real estate market, and not to be exhaustive or to include all applicable laws and regulations.

The development of residential and commercial real estate projects is subject to several legal regulations. In particular, this section is intended to be an introduction to the applicable legal framework regarding: (a) the system of ownership, the main arrangements for the acquisition of immovable property and the system of real estate advertising; (b) the planning and construction regime in connection with the development of residential and commercial real estate projects; (c) the main operating authorizations; and (d) key rental regulations.

### 1. Property regime

Real estate in Romania can be owned either on the basis of public property rights or on the basis of private property rights. Most real estate in Romania is owned under the right of private property.

Real estate that is not declared under the Romanian Constitution or the applicable legislation as an object of public property and that is not of public use or utility may be the object of private property of any natural or legal person, including the Romanian State or administrative-territorial units.

Private property rights include the right to use and dispose of real estate. Depending on the nature of the property, the law may establish limitations either on the right of use or on the right to freely dispose of such real estate.

In Romania, between 1945 and 1989, there were massive transfers of real estate assets from private property (either of individuals or legal entities) to the property of the Romanian state, resulting in a limitation of private property over real estate assets. Following the change in the political regime at the end of 1989, private property was restored as a rule, while public property was defined as an exception and several laws were adopted to establish the conditions for restitution of real estate to former owners.

The legal framework was further supported by a new Constitution and the reinstatement of the old Civil Code of 1864 and several laws adopted on private and public property, administrative decentralization and measures for a new system of cadastre and real estate advertising. However, these regulations have not been properly correlated and often provide for conditions of adoption that could not be publicly verified, and these inconsistencies can give rise to difficulties in proving and registering of the property title or management and alienation of real estate. These difficulties can have an impact on any operation carried out in order to acquire land rights.

Following this context, currently the main regulations in force for the area of real estate are:

- i. Law no. 287/2009 on the Civil Code ("**New Civil Code**") which includes, inter alia, the rules on the establishment, transfer, registration, limits and characteristics of the property right;
- ii. Law no. 7/1996 regarding cadastre and real estate publicity ("**Law no. 7/1996**") which includes the norms regarding the registration in the Land Book registers of the real estate buildings and the included rights on these;
- iii. Law no. 50/1991 regarding the authorization of the execution of construction works ("**Construction Law**") and the norms of application of this law that regulate regarding the process of obtaining the construction authorization;
- iv. Law no. 350/2001 on landscaping and urbanism ("**Law on Urbanism**") and the norms for the application of this law, which include the norms on urbanism and the process of elaboration and approval of urban plans; and
- v. Law no. 134/2010 on the Civil Procedure Code.

According to the law, the right of private property over a real estate can be obtained through several ways, such as sale, exchange, contribution in kind, inheritance or court decision.

The contract of sale is the most common method of alienation of real estate (*for* land, land with buildings, apartments, etc.). For the purpose of validity, the contract of sale must be concluded in front of a notary public, in authentic form. The authentication and registration fees in the records of the Land Registry represent approximately 1% of the value of the purchase price.

In addition to the presentation requirements, certain formalities and requirements prior to the transfer of ownership of the buildings must be complied with, such as obtaining a tax certificate issued by local authorities, certifying that all amounts due to the local budget have been paid by the owner, certificate of energy performance (for buildings), compliance with legal or conventional pre-emption rights, etc. Failure to comply with the conditions regarding the form or formalities and preconditions may lead to the cancellation of the contract of sale and loss of ownership of the property.

#### The need for a proper due diligence analysis

The validity of an owner's title is conditional on the validity of all previous transfers of ownership. Consequently, it is necessary and common to carry out a due diligence analysis to assess the validity of all previous transfers related to such ownership, going as far back as possible in the property rights chain.

Any claim for restitution or ongoing litigation affecting immovable property may lead to a possible loss of title on such property or a part of it in favor of the entitled persons who have filed such restitution claims, depending on the rights of the claimants and the procedural status of these refund requests.

## **2. Real estate advertising system**

According to Law no. 7/1996, the property rights (as well as other real rights) obtained by the acquirer of real estate must be registered in the Land Book in order to be opposable to third parties.

The real estate advertising system is important, among others, because, in the event that a property is sold to two or more persons by the same seller, the provisions of Law 7/1996 give priority to the bona fide acquirer (e.g. who did not have knowledge of any previous sale) who registered first his property right in the Land Book, regardless of the date on which the sale-purchase contracts were concluded.

Following the entry into force of the New Civil Code on October 1, 2011, the registration in the Land Book will be modified so that the registration is a condition of the effective transfer of rights over a real estate. This change will be applied only in the administrative-territorial units (e.g., city or village) in which the cadastral registration works will be completed. Until the completion of the cadastral works, the registration in the Land Book will be further made only for the purpose of opposability.

## **3. The regime of urbanism and constructions**

The urban planning regime of the lands is essential in determining the type of development that can be undertaken regarding the respective property. As a rule, the urban regime is regulated by the provisions of the general urban plan applicable in the locality where the property is located.

According to the Law on Urbanism, land, regardless of the form of ownership, has urbanistic parameters (e.g., land use coefficient, land occupation percentage, maximum height) that may limit the Issuer's options regarding the nature of the constructions made on the land.

These urbanistic parameters are regulated by urban planning documentation approved by the local council, respectively by the General Council of Bucharest. The general urbanistic framework is regulated by the general urbanistic plan of the locality ("**PUG**") from which derogation can be obtained, within certain limits provided by law, by zonal urban plans ("**PUZ**"). Also, without derogating from the PUG and PUZ, investors can detail certain aspects such as car accesses, withdrawals, architectural compliance, etc. through detailed urban plans ("**PUD**").

Thus, in some cases, in order to ensure the most efficient construction opportunities, it is necessary to develop a PUZ before obtaining the building authorization. The PUZ elaboration process involves the elaboration of a technical documentation that will be annexed to the decision of the local council, respectively that of the General Council of Bucharest, its approval by the relevant public authorities and subsequent approval by the local council, respectively by the General Council of Bucharest. Moreover, the process involves four phases of consultation and informing the public about the need and effects of PUZ.

The process of issuing the building authorization is carried out based on the urbanistic parameters of the land, either the initial ones or the ones modified by PUZ. The content, characteristics and issuance procedure are provided in the Construction Law, a law originally adopted in 1991, which has undergone several changes over the years.

The process of obtaining the building authorization involves: (a) obtaining an urbanistic planning certificate containing the urbanistic planning parameters approved by the PUG, PUZ or PUD, as the case may be, the legal and technical parameters of the land; (b) the preparation of technical documentation by approved design engineers for the new

construction; (c) obtaining the approvals of the relevant public authorities indicated in the urbanistic planning certificate; and (d) the issuance of the building authorization.

After obtaining the construction authorization, the beneficiary can execute the construction works within the term established by the construction authorization, a term that can be extended only once. Once the construction works are completed, the beneficiary of the permit, together with the contractor, with the participation of a representative of the mayor's office and a number of representatives of certain authorities, depending on the specifics of the building (State Inspectorate for Construction or Emergency Inspectorate), shall conclude the minutes upon the end of the works. This minutes certifies the execution of the works in accordance with the building permit and the applicable regulations.

Based on the urbanism certificate, the building permit and the reception report at the end of the works, the beneficiary shall be issued by the mayor's office a building certificate, based on which the beneficiary can tabulate the new construction in the Land Register.

#### The rights of third parties to challenge administrative acts

Third parties which can prove a legitimate interest have the right to challenge administrative acts by means of a direct application governed by partially different rules, depending on their individual nature (for example, building permit) or regulation (such as urbanism) of the administrative act whose legality is verified. Alternatively, individual administrative acts may be challenged by way of exception of illegality.

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

#### **4. Operating licenses**

Depending on the specifics and destination of the construction, different operational authorizations may be required such as:

- a) fire safety permit - allows the operation and operation of buildings from the perspective of fire safety requirements, meeting certain criteria (*for example*, commercial or office buildings with an area of at least 600 sqm);
- b) voluntary service contracts for emergencies - required for certain constructions (for example, office buildings with a height of at least 28 m);
- c) civil protection authorization - necessary for the operation of certain constructions (*e.g.*, commercial or office buildings with an area of at least 600 sq m) in terms of civil protection requirements; this permit is only required for buildings that have an underground level;
- d) energy performance certificate - required for most types of buildings;
- e) ISCIR permits - depending on the type and components of the building, various permits must be obtained from the State Inspection for the Control of Boilers, Pressure Vessels and High Lifting - ISCIR (for example, permits for elevator and heating system installed and operated in the building).

The lack of these authorizations may lead to the civil/contraventional/criminal liability of the owner/tenant (in some cases), and the sanctions may be pecuniary, such as a fine, or may materialize, in certain cases provided by law, in the suspension of activity in the building for a certain period.

#### **5. Leases**

According to the New Civil Code, by concluding the lease contract, the landlord ensures the tenant the use of a property, for a limited period of time (maximum 49 years). The lease is an open contract in which the parties have the opportunity to negotiate many issues without being excessively limited by law (*e.g.*, permitted use of the property, rent, duration, rights and obligations, etc.).

The parties to the lease are free to agree on the level of rent and its increase. In terms of market practices, the parties generally also include provisions for indexing the rent. Leases concluded in an authentic form in front of a notary public or leases registered with the tax authorities are enforceable titles for the payment of rent, as well as for the eviction of the tenant at the expiration of the lease.

Leases concluded for a specified fixed term may not be terminated by unilateral termination before their expiry date,

except for leases for residential premises or unless the parties agree otherwise.

However, either party may terminate the lease if the co-contractor has failed to fulfill an essential obligation (*e.g.*, rent payment, guarantee of the quiet use of the property). Termination can operate:

- f) automatically, if the parties have expressly agreed on the events triggering the termination of the lease, by the effect of a commissoria lex;
- g) by a written notice of unilateral termination sent by the party which has complied with its obligations if: (a) the parties have included this possibility in the lease, or (b) the party who has not complied with the provisions of the contract is rightfully in default by law with regard to the performance of its obligations or has not fulfilled its obligations within the time limit remedy sent by the party which complied with its obligations; or
- h) by court decision, if the conditions for automatic or unilateral termination are not met.

Upon termination of the lease, the tenant must return the leased space in a condition similar to that of its handover, except for normal wear and tear. Nevertheless, the parties may agree that the tenant shall return the space as it was at the time of termination of the contract, without any obligation to restore it to its original condition.

**PART 13**  
**REASONS FOR THE OFFERING AND USE OF PROCEEDS**

By OFFERING the Offered Shares in conformity with the Offer, it is expected that the Issuer shall receive, in total, net proceeds in the amount of approximately RON 274.05 million (assuming that the Offer Price is set at the upper limit of the Offer Price Range and the Offer Size is set at the value of the Maximum Offer Size) without considering the commissions and expenses. The total brokerage fees, expenses and amounts related to the fees charged by the FSA, Bucharest Stock Exchange and Depozitarul Central S.A., due by the Issuer in connection with the Offer are estimated to be approximately RON 7.5 million.

The Issuer considers that the Offer:

- shall allow the Issuer to obtain funds to finance the current activity of the Group, namely to finance ongoing projects and/or new real estate development projects;
- shall raise the profile, brand recognition and credibility of the Group among its clients, business partners and employees;
- shall support the process of drawing, recruiting, retaining and motivating employees and staff in key management positions; and
- shall allow certain shareholders (following Admission and, as the case may be, the expiration of any trading restrictions) to realise their investment made in shares of the Issuer by selling them.

The proceeds obtained from the Offer shall be used to finance the current activity of the Group and its ongoing projects and/or new real estate development projects.

**PART 14**  
**EXPECTED CALENDAR OF MAIN EVENTS**

<b>Event</b>	<b>Time and date<sup>1</sup></b>
Opening the Offer	On June 22, 2021
Time and deadline for receiving a complete request from Retail Investors in the Retail Tranche	12 p.m. on July 2, 2021
Time and deadline for receiving subscriptions under the Institutional Tranche	3 p.m. on July 2, 2021
Allocation Date (when the Offer Price is announced , when the publication of the Pricing Statement will take place and notification of the allocation of the Offered Shares)	On July 2, 2021
Transaction Date	On July 5, 2021
Settlement Date (settlement of transactions through the Central Depository system)	On July 7, 2021
Starting the trading of the Offered Shares on the Regulated Market of the Bucharest Stock Exchange	On or around July 15, 2021

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<sup>1</sup> All time references in this calendar take into account Eastern European Time (EET).

**PART 15**  
**INFORMATION ON THE SECURITIES TO BE OFFERED/ADMITTED TO TRADING,**  
**INFORMATION ON THE OFFER AND ADMISSION**

**1. CONTEXT AND GENERAL PRESENTATION OF THE OFFER**

The Issuer shall offer a maximum number of 130,007,085 Offered Shares for which it will collect expected net revenues of up to RON 274.05 million in total. The Issuer shall collect all the amounts obtained from the sale of the Offered Shares, as a result of the action to increase the share capital with cash contribution.

On the date of admission to trading on the Bucharest Stock Exchange, the Offered Shares shall be registered with the ISIN number ROJ8YZPDHW8 and traded under the symbol "ONE".

Immediately following Admission, it is expected that 100% of the Offered Shares shall be distributed to the public (within the meaning of Romanian law).

The successful closing of the Offer shall depend, among other things, on the establishment of the Offer Price and on the decision of the Issuer.

The rights attached to the Offered Shares sold under the Offer shall be the same, including the right to vote and the right to collect all dividends and other distributions declared, made or paid in connection with the share capital of the Issuer following Admission. Immediately on and following Admission, the Offered Shares shall be freely transferable in line with the Articles of Incorporation and applicable laws.

**2. GENERAL INFORMATION ON THE OFFERED SHARES**

**Type and class:** The Offered Shares are ordinary, registered, freely transferable shares, issued in dematerialised form, with a nominal value of RON 0.20 each.

**Register of the Shareholders:** The register of the Issuer's shareholders will be kept by Depozitarul Central S.A. ("Central Depository"), with its registered office in no. 34-36, Carol I Boulevard floors 3, 8 and 9, District 2, postal code 020922, Bucharest, Romania.

**Currency:** The Offered Shares are issued in RON and have a face value of 0.20 RON each.

**Approval of the Offer:** The offer was approved by the decision of the extraordinary general meeting of the Issuer's shareholders on June 8, 2021. The characteristics of the Offer were approved by the decision of the Board of Directors dated June 15, 2020.

**Expected Date of Issue of the Offered Shares:** July 2, 2021.

**Related legislation:** The Offered Shares are issued and offered in compliance with the relevant legislation in Romania. Any dispute arising out of or in connection with the Offered Shares shall be resolved by the competent authorities in Romania.

**3. RIGHTS RELATED TO THE OFFERED SHARES**

Each Offered Share grants equal rights and obligations to shareholders holding ordinary shares and confers its holder all the rights provided by the Companies Act, in conformity with the regulations applicable to the capital market and the provisions of the Articles of Incorporation. In accordance with Companies Act no. 31/1990, as amended and republished (the "Companies Act"), the shareholders must exercise their rights in good faith, considering the legitimate interests and rights of the Issuer and of the other shareholders.

Below are presented the main rights attached to the ordinary shares of the Issuer and which will be attached to the Offered Shares to be issued within the Share Capital Increase, as follows:

*i. The right to participate and vote at the general meeting of the shareholders*

The right to participate and vote in the general meetings of the shareholders are fundamental rights of the shareholders. Shareholders have, among others, the right to have access to sufficient information regarding the items on the proposed agenda to be discussed within the general meetings.

Any holder of ordinary shares issued by the Issuer registered in the register of the shareholders kept by the Central Depository at the reference date set by the Board of Directors may attend the general meetings of shareholders, each share subscribed and paid granting the right to vote (except for the cases when the vote is suspended), the right to vote

and to be elected in the management bodies of the Issuer, the right to participate at the distribution of dividends and the share due in the event of the Issuer's liquidation. Shareholders may attend and vote at meetings in person or by representation, by a general power of attorney or a special power of attorney granted for that meeting or by mail. The formalities to be completed for participating at the general meetings of the Issuer, including ways of obtaining and the deadline for submitting new items on the agenda, draft decisions, general and special power of attorney and ballot papers shall be mentioned in the convocation of the assembly. A shareholder which, in a particular transaction, has, either personally or as a proxy of another person, an interest contrary to that of the company, shall have to refrain from deliberations on that operation, being liable for damages to the company, if without its vote, the required majority would not have been obtained. The right to vote cannot be assigned, any agreement by which the shareholder undertakes to exercise the right to vote in a certain manner is void.

In addition to the provisions of the Articles of Incorporation and the Companies Act, being admitted to trading on the regulated market, the Issuer complies with the specific provisions of the capital market and issuers, which establish certain rights of the shareholders, which can be exercised at a general meeting of shareholders and, implicitly, certain obligations of the Issuer in relation to them:

- a) the right of one or more shareholders representing severally or jointly at least 5% of the share capital:
  - to enter items on the agenda of the general meeting of the Issuer's shareholders, provided that each item is accompanied by a justification or a draft resolution proposed for adoption by the general meeting of the Issuer's shareholders; and
  - to present draft decisions for the items included or proposed to be included on the agenda of the general meeting of the Issuer's shareholders;
- b) the right of all shareholders to receive equal treatment as regards to the participation and exercise of voting rights at the general meeting of the Issuer's shareholders;
- c) the right of all shareholders to have access to sufficient information and documents regarding the points subject to debate by the general meeting of the Issuer's shareholders, as well as to those that would allow them to exercise their rights at the general meeting of the Issuer's shareholders;
- d) the right of all shareholders to have quick and non-discriminatory access to the convocation of the general meeting of the Issuer's shareholders;
- e) the right of each shareholder to ask questions about the items on the agenda of the general meeting of the Issuer's shareholders and to receive an answer from the Issuer; and
- f) the right to attend the general meeting of the Issuer's shareholders directly or indirectly, including by electronic means, by mail or by representative.

*ii. The right to dividends*

The general meeting of shareholders is the main management body of the Issuer, which decides on aspects such as: the annual financial statements, the appointment of members on the Board of Directors, the distribution of dividends, the activity program and various corporate actions. The general meeting of shareholders shall meet at least once a year, mandatory at the latest 4 months after the end of the financial year. For financial years with a profit for the issuer, the general meeting of shareholders shall decide on the distribution of the net profit as dividends, if the case. If a loss of net assets is found, the subscribed share capital shall have to be replenished or reduced before any profit allocation or distribution is made. The general meeting of shareholders deciding on the distribution of dividends shall also set a registration date, which will be at least 10 working days following meeting's the date and which will serve to identify the shareholders to benefit from the dividends. Dividends shall be paid on the date set by the general meeting of shareholders in which the dividend is fixed, which may not exceed 15 working days from the registration date. In any case, the dividend payment period shall not exceed 6 months from the date of the meeting deciding the dividend distribution. Dividends are distributed to shareholders in proportion to the number of shares held with the Issuer. Dividends may be distributed only if the Issuer makes a profit, in conformity with the annual financial statements approved by the general meeting of the Issuer's shareholders and only if the ordinary general meeting of shareholders decides to distribute the dividends.

Before paying the dividends, the Issuer must publish a press release in a national newspaper and a current report on the website of the Bucharest Stock Exchange to detail i) the value of the dividend per share; ii) the ex-date; iii) the

registration date and iv) the date of dividends payment. The Issuer must also publish the means of paying the dividends and the identification of the paying agent. The payment of dividends is limited by the three-years general limitation period, which means that dividends distributed but not paid at the end of this period shall remain at the Issuer's disposal.

*iii. Pre-emptive right*

The pre-emptive right is a right associated, as a rule, with a share capital increase operation and offers all shareholders registered in the Issuer's shareholder register on the registration date set by the meeting of shareholders approving the share capital increase the right to subscribe for shares issued in within a share capital increase, proportional to the share capital participation in order to maintain its share capital participation. Consequently, any such newly issued shares shall be offered primarily for subscription by all existing shareholders in proportion to the number of preference rights held at the date of registration. The period for exercising the pre-emptive right to subscribe newly issued shares must be at least one month from the date mentioned in the simplified prospectus, which may not be earlier than the registration date set for the respective share capital increase or the date of publication of the resolution issued by the extraordinary general meeting of the shareholders/board of directors on the increase of the share capital in the Official Gazette of Romania, Part IV. If, upon term expiration, the newly issued shares have not been fully subscribed, the new shares which have not been subscribed may be canceled or offered to other investors, in accordance with the decisions of the competent statutory body.

According to the regulations applicable to the capital market, in case of increase of the share capital, the lifting of the right of preference must be decided in the extraordinary general meeting of shareholders, attended by shareholders representing at least 85% of the subscribed share capital and with the approval of shareholders holding at least 3/4 of the voting rights. After raising the rights of preference, these new shares shall be listed for public subscription to the public in compliance with the provisions on public tenders.

*iv. Right to information*

The shareholders have the right to a correct and complete information on the Issuer's situation within the general meeting of the Issuer's shareholders. Specifically, in connection with any general meeting of the Issuer's shareholders, shareholders have the right to receive documents supporting each item on the meeting's agenda, including, for the ordinary general meeting of shareholders approving the annual financial statements, copies of the financial statements, the annual reports, the proposal of the Board of Directors on the distribution of dividends, as well as information regarding the exercise of the voting rights at least 30 days before the date of the general meeting. The Issuer must also inform shareholders of the results of the vote.

At the same time, shareholders have the right to receive information on the structure of the Issuer's shareholders and to consult the registers kept by the Issuer, such as the one kept for the registration of the general meetings of the Issuer's shareholders. In addition, the Issuer must make available to shareholders various information in the event of certain corporate events, for the dissemination of this information benefiting from technical support provided by the Central Depository.

*v. The right to elect and to be elected to the governing bodies*

In compliance with the Companies Act and the Articles of Incorporation, the general meeting of shareholders appoints and revokes the members of the Board of Directors.

According to the legislation on capital markets, the members of the Board of Directors may be elected by simple vote (provided that the exercise of that right is not suspended, applying the quorum and majority requirements provided by the Companies Act and/or the Articles of Incorporation) or cumulative vote. For the cumulative vote, a shareholder or group of shareholders acting in common and holding directly or indirectly at least 5% of a company or the voting rights may request for the elections to be based on this method. Based on the cumulative vote, each shareholder has the right to assign his/her votes in full to one or more persons nominated to be elected to the Board of Directors.

*vi. The right of withdrawal in certain cases and conditions provided by law*

According to the law, shareholders who have not voted in favor of a certain corporate share proposed for adoption at the general meeting of shareholders have the right to withdraw from the shareholder structure of the Issuer and to request the purchase of their shares by the Issuer. This right can only be exercised if the corporate actions mentioned above refer to:

- a) the change of the main object of activity of the Issuer, as provided in the Articles of Incorporation;

- b) the moving of the Issuer's registered office to another country;
- c) the change of the legal form of the Issuer, or
- d) the merger or division of the Issuer.

The right of withdrawal also applies if, as a result of a public offer of purchase/takeover carried out by a shareholder of the Issuer, he/she gets to hold a certain participation with the Issuer. In this case, the other shareholders have the right to request that bidder to purchase their shares with the Issuer, under certain conditions (to see point xiii below).

*vii. The right to participate at the distribution of assets in case of liquidation*

Once the liquidation is completed, the liquidators prepare a final financial statement, indicating what is due to each share in the distribution of the Issuer's assets. Amounts owed to shareholders that are not collected within two months from the publication of the financial statement shall be deposited with a bank on behalf of the shareholder. Liquidators should not pay shareholders any amount into the account of the parties that would be due to them from the liquidation, before the payment of the Issuer's creditors.

*viii. The right to challenge the decisions of the general meeting*

According to the Companies Act, a shareholder who did not attend a general meeting of shareholders or voted against a certain decision of the shareholders and requested that his/her vote be expressly mentioned in the minutes of that general meeting of shareholders of the Issuer, has the right to challenge the respective decision within 15 days from its publication in the Official Gazette of Romania, Part IV, if that decision was taken in violation of the provisions of the Articles of Incorporation or the legal regulations in force. Applications for a declaration of the absolute nullity of a decision issued by the general meeting of shareholders may be submitted to court at any time, without any time limit.

*ix. The right to secure mechanisms for registration and confirmation of ownership of the shares issued by the Issuer*

The Register of the Shareholders of the Issuer is kept by an independent company - the Central Depository - authorized and supervised by the FSA, in order to ensure the transparency of share transactions and the protection of shareholders and the shares held by them.

*x. Other rights of the shareholders*

The Companies Act, Law 24/2017 and Regulation 5/2018 provide, for certain categories of shareholders, the following rights, the observance of which is carefully monitored by the Issuer:

- a) the right of the shareholder/shareholders, holding separately or together at least 5% of the Issuer's share capital, to request the internal auditors to investigate the Issuer's claims;
- b) the right of the shareholder/shareholders, holding separately or together at least 5% of the share capital of the Issuer, to request the convening of a general meeting of shareholders, to propose new items on the agenda of the meeting and to propose draft resolutions for the agenda of the general meeting of shareholders; if this request is not complied with, the shareholders in question have the additional right to request the court to convene a general meeting immediately;
- c) the right of the shareholder/shareholders, holding separately or together at least 5% of the Issuer's share capital, to request the court to appoint one or more experts to investigate certain operations of the Issuer's management and to prepare a report in this case;
- d) the right of the shareholder/shareholders, holding directly or indirectly at least 5% of the share capital of the Issuer or of the voting rights to request the election of the members of the Board of Directors by a cumulative vote;
- e) the general meeting of shareholders may decide to bring an action against the founders, managers, directors, namely members of the Board of Directors as well as auditors or financial auditors, for damages caused to the company of their fault, in violation of their duties to the Issuer. If the general meeting does not decide to bring an action for liability and does not comply with the proposal of one or more shareholders to initiate such an action, the shareholders representing, individually or together, at least 5% of the share capital have the right to bring an action for damages, in a personal capacity, but on behalf of the Issuer, against any person mentioned above.

*xi. The obligation to report a significant participation*

According to Law 24/2017, if a shareholder acquires or sells shares of the Issuer in a percentage that reaches, exceeds or decreases below 5%, 10%, 15%, 20%, 25%, 33%, 50% or 75% of the total voting rights with the Issuer, as well as the total voting rights attached to all the shares in the same class (as applicable), the shareholder in question must immediately notify the Issuer of the percentage of voting rights he/she holds following the acquisition or sale at issue. Voting rights are calculated based on the total number of voting rights of the shares, even if the exercise of these rights shall be suspended.

In order to calculate the above-mentioned thresholds, the Issuer shall make public the total number of shares issued and the voting rights associated with them at the end of each calendar month, if during that time there was an increase or decrease in share capital or number of voting rights (when appropriate, on each class of shares, including the conversion of shares from one class to another).

*xii. The obligation to carry out a mandatory takeover bid*

Law 24/2017 stipulates the obligation of any person who, as a result of his/her purchases or the purchases of persons with whom he/she acts in common, holds more than 33% of the voting rights of an issuer, to launch a public bid addressed to all holders of securities. This mandatory takeover bid must aim to obtain all holdings and be carried out at a fair price as soon as possible, but no later than two months after reaching the 33% threshold.

There is no obligation to launch a mandatory takeover bid for shareholders who already hold shares of over 33% of the voting rights before the entry into force of Law 24/2017 and in compliance with the legal provisions in force on the date such a threshold was reached.

The provisions on the mandatory takeover bid do not apply if the 33% shareholding of the voting rights on the Issuer was acquired as a result of an exempt transaction. Exempt transaction means obtaining such a position:

- a) in a privatization process;
- b) by the acquisition of shares from the Ministry of Public Finance or from other entities with legal rights in the procedure of execution of budgetary receivables;
- c) following the transfer of shares between a parent company and its subsidiaries or between subsidiaries of the same parent company;
- d) following a voluntary takeover bid addressed to all holders of these securities and in terms of all such securities held.

Until the launch of a mandatory takeover bid, the voting rights related to the securities exceeding the 33% threshold are suspended and that shareholder (and any person with whom he/she acts in common) can no longer acquire by other means shares of the same issuer.

If the holding of shares representing more than 33% of the voting rights within the Issuer is unintentionally affected, the holder of these shares may either make a takeover bid or waive the number of shares that triggered this obligation. It is assumed that the acquisition of shares representing more than 33% of the voting rights with the Issuer is unintentional if it is the result of an operation such as:

- a) the reduction of the share capital by the Issuer redeeming its own shares after their cancellation;
- b) the exercise of the right of preference, subscription or conversion of the rights initially granted, as well as the conversion of the preferential shares into ordinary shares;
- c) the merger/division or succession.

*xiii. Provisions on the withdrawal of shareholders*

In compliance with Law 24/2017, a shareholder which has made a public takeover bid, addressed to all shareholders and for all their holdings, has the right to request shareholders which have not subscribed within the offer to sell those shares to it, at a fair price, if it is in one of the following situations:

- a) holds shares representing at least 95% of the total number of shares in the share capital that confer voting rights and at least 95% of the voting rights that can be effectively exercised;

- b) has acquired, within the public takeover bid addressed to all shareholders and for all their holdings, shares representing at least 90% of the total number of shares in the share capital conferring the voting right and at least 90% of the voting rights targeted within the offer.

The bidder may exercise this right within three (3) months from the date of closing the public bid. In addition, if a shareholder makes a public takeover bid, the minority shareholder has the right to request that a bidder who falls into one of the above situations buy his/her shares at a fair price, calculated in line with the legal provisions. This right must also be exercised within three (3) months from the date of closing of the public bid.

The right of withdrawal is also granted to shareholders who do not agree with the decision adopted by the extraordinary general meeting of shareholders of the Issuer of withdrawal from trading, if the conditions of the regulations issued by FSA are met. The price paid to withdrawing shareholders may not be less than the market value of their shares determined in accordance with international valuation standards by an independent authorized assessor registered with the FSA.

#### **4. SALE RESTRICTIONS**

The distribution of this document and the offering of Offered Shares in certain jurisdictions may be restricted by law and, accordingly, persons in possession of this document should be informed of and comply with these restrictions, including those set out in the following paragraphs. Any breach of these restrictions may represent a violation of the securities law of any such jurisdiction.

##### **4.1. *No public bid shall be made outside Romania***

No action has been taken and no action shall be taken in another jurisdiction (other than Romania) that could allow an offer to the public of the Offered Shares, or the possession or distribution of this document or any other offer material in any country or jurisdiction in which any action is sought for that purpose or in which such action could be restricted by law. Therefore, the Offered Shares may not be offered or sold, directly or indirectly, and neither this document nor any offer or advertising material in connection with the Offered Shares may be distributed or published in or from any other country or jurisdiction, except in circumstances that shall be consistent with the rules and regulations applicable in such a country or jurisdiction. The persons in possession of this document should be informed of and comply with any restrictions related to the distribution of this document and the offering of the Offered Shares contained in this document. Any breach of these restrictions may represent a violation of the securities law of any such jurisdiction. This document does not constitute an offer to purchase any Offered Shares that are offered to any person in any jurisdiction where it is illegal to make such an offer or request in that jurisdiction.

This Prospectus may be distributed to the public and the Offered Shares may be offered for sale or purchase only in Romania in conformity with the Law on issuers of financial instruments and market operations no. 24/2017, Regulation 5/2018 on issuers of financial instruments and market operations and the Prospectus Regulation.

##### **4.2. *European Economic Area***

By reference to each Member State of the European Economic Area (“EEA”) (including Romania), no Offered Share has been or shall be offered, in line with the Offer, to the public in that Member State before the publication of a prospectus in relation to the Offered Shares, approved by the competent authority of that Member State or, where necessary, approved in another Member State and notified to the competent authority of that Member State, in line with the Prospectus Regulation.

For the purposes of this provision, the expression “public offer” in relation to any Offered Shares in any Member State means the communication, in any form and by any means, of sufficient information regarding the terms of the offer and any Offered Shares to be offered to allow an investor to decide to acquire any Offered Shares, as this expression may vary in that Member State due to any measure implementing the Prospectus Regulation in that Member State.

If any Offered Shares are offered to a financial intermediary, as is the term used in the Prospectus Regulation, it shall be deemed that such financial intermediary has declared, acknowledged and accepted that the Offered Shares purchased by it under the Offer have not have been acquired in a non-discretionary manner and have not been acquired for the purpose of being offered or resold to persons who are not entitled to do so. The Issuer and the Intermediary and others shall rely on the veracity and accuracy of the above statements, confirmations and agreement.

##### **4.3. *United States***

The Offered Shares have not been and shall not be registered under the Securities Act, as amended, or under the

securities laws of any state or jurisdiction of the United States of America and may not be offered or sold, directly or indirectly, in the United States of America or to or on behalf of or for the benefit of persons in the United States, except by way of an exception to, or in connection with, a transaction that is not subject to the registration requirements of the Securities Act. The Offered Shares are offered and sold outside the United States of America to non-US persons under Regulation S. The words used in this paragraph have the meaning assigned to them in Regulation S of the Securities Act.

## 5. OFFER SIZE, OFFER SETTINGS AND OFFER PRICE

### 5.1. Offer Size

The Offer consists in the sale of up to 130,007,085 Offered Shares.

The number of Offered Shares to be actually issued and sold by the Issuer in the Offer shall be decided by the Issuer, on the date of establishing the Offer Price. When determining the number of Offered Shares to be actually issued and sold by the Issuer within the Offer and the allocation criteria, several factors shall be considered, including the level of demand for Offered Shares during the bookbuilding process, the level of demand within the Retail Tranche, the prevailing market conditions and the objective of developing an orderly secondary market for the Offered Shares. The number of Offered Shares to be actually issued and sold within the Offer shall be determined at a level established in line with these criteria, taking into account the expressions of interest expressed (before or after the indicated hours and/or dates).

### 5.2. Offer Tranches

Any Romanian or foreign investor, natural or legal person (with or without legal personality), may participate in the Offer, except for those investors whose subscriptions under the Offer would constitute violations of any applicable legislation (including persons under the age of 18 years). Investors intending to subscribe for Offered Shares must be aware of and comply with the laws, restrictions and limitations applicable to the Offer in the jurisdictions in which they are located, as well as the restrictions and limitations set forth above in Section 4 “*Sale Restrictions*”. By purchasing the Offered Shares, investors assume any responsibility in the event that such a purchase is considered illegal in their country of residence.

The offer is divided into two tranches:

- The Institutional Tranche, which will be addressed to (i) certain persons in the European Union (including Romania) who are “qualified investors” for the purpose of Article 2 (1) (e) of the Prospectus and Persons Outside the United States pursuant to Regulation S of the United States Securities Act of 1933, as subsequently amended (the “**Securities Act**”), respectively (ii) a number of less than 150 persons other than Qualified Investors per Member State (except for Romania), in accordance with the provisions of art. 1 (4) (b) of the Prospectus Regulation (“**Institutional Investors**”), which will consist of an initial number of 78,004,251 Offered Shares, representing 60% of the maximum number of Offered Shares; and
- The Retail Tranche, which will be addressed to Retail Investors (meaning any natural or legal person, other than Institutional Investors) through public offering in Romania, which will consist of an initial number of 52,002,834 Offered Shares, representing 40% of the maximum number of Offered Shares. In turn, the Retail Tranche shall consist of:
  - (a) The Retail Tranche with guaranteed allocation of subscriptions made according to the provisions of Section 6.3 below, on the principle of first income-first served, which will consist of an initial number of 26,001,417 Offered Shares; and
  - (b) The Retail Tranche with pro-rata allocation of subscriptions made according to the provisions of Section 6.3 below, which will consist of an initial number of 26,001,417 Offered Shares.

On the Allocation Date, a maximum of 15% of the total number of Offered Shares may be reallocated from the Institutional Tranche to the Retail Tranche or vice versa, at the free choice of the Issuer, following consultation with the Intermediary. The Issuer shall adopt a decision, following consultation with the Intermediary, regarding an additional reallocation of the Offered Shares from the Institutional Tranche to the Retail Tranche or vice versa, on the Allocation Date.

A reallocation between tranches shall not require and shall not be considered as an amendment to the Prospectus.

The Offered Shares of each of the installment tranches mentioned above belong to the same class (ordinary shares), are subject to the same legal regime and confer the same rights and obligations to their holders.

There are no tranches specifically reserved for certain markets.

### 5.3. Offer Price

The Offer Price shall be set in the Price Range, *i.e.*, between RON 1.93 and RON 2.12 per Offered Share.

The Offer Price shall be established by the Issuer, upon completion of a bookbuilding process for Institutional Investors and after consultation with the Intermediary.

The bookbuilding process shall take place between June 22, 2021 - July 2, 2021, as provided in "*Part 14 - Expected Calendar of Major Events*" ). During the bookbuilding process, the Intermediary shall ask potential investors to express their interest in acquiring the Offered Shares within the Institutional Tranche. Potential Institutional Investors shall be asked to indicate the number of Offered Shares they would be willing to purchase and the price related to them, within the Price Range. There is no maximum or minimum number of Offered Shares that can be subscribed within the Institutional Tranche.

Several factors shall be taken into account when determining the Offer Price, the Size of the Offer and the allocation criteria, including the level of demand for Offered Shares during the bookbuilding process, the level of demand within the Retail Tranche, existing market conditions and the objective on the development of an orderly secondary market for the Offered Shares. The Offer Price shall be established considering the expressions of interest expressed before or until the indicated hours and dates. The Offered Shares under the Institutional Tranche shall be sold only at the Offer Price and only to those investors who have subscribed for the Offered Shares under this Tranche at a price equal to or higher than the Offer Price.

Retail investors shall subscribe for the Offered Shares at the price of 2.12 RON, the upper limit of the Offer Price Range.

Retail Investors have the right to:

- In the case of the Guaranteed Retail Tranche, a full allocation of subscription orders, which must have a minimum volume of 2,500 Offered Shares and a maximum volume of 100,000 Offered Shares, on a "*first come, first served*" basis, without any reduction in the Offer Price for subscriptions validly made during the Offer Period, until the time of exhaustion of the Offered Shares under this Tranche or until the end of the Offer Period (depending on which of the two situations occurs first);
- In the case of the Retail Tranche with pro-rata allocation, a 3% discount shall be applied to the Offer Price for subscriptions validly made in the first three working days of the Offer Period. For subscriptions made from the fourth working day of the Offer Period and until the last day of the Offer Period, no discount shall be applied to the Offer Price. Subscription orders shall have a minimum volume of 2,500 Offered Shares.

The application of the discount for the Offered Shares purchased within the Retail Tranche with pro-rata allocation shall depend on the registration moment of the trading order in the trading system of the Bucharest Stock Exchange, in line with the above provisions. As a result of this reduction, the Offer Price per Offer Share, for subscriptions made by Retail Investors in the first 3 working days of the Offer Period, may be lower than the lower limit of the Price Range. This shall not require and shall not be considered as an amendment to the Prospectus.

The price per share resulting from the application of the discount for Retail Investors with pro-rata allocation shall be rounded up to two decimal places, *for example*, up to the price of 2.06 RON per Offered Share. Institutional Investors may indicate their interest in purchasing the Offered Shares at any price within the Offer Price Range, including the lower and upper limit of the Price Range. The price step related to the expression of interest by Institutional Investors for the Offered Shares is 0.01 RON.

- In the Retail Tranche, the Offered Shares shall be sold at the Offer Price (if necessary, reduced as provided above). In the Institutional Tranche, the Offered Shares shall be sold at the Offer Price, but only to those Institutional Investors which have expressed an interest in purchasing the Offered Shares at a price at least equal to, or greater than, the Offer Price.
- Payment of the subscription price for the Offered Shares by Retail Investors must be made in compliance with the provisions of Section 7.2 of this Part 15".

Bank charges or any other fees, including any other fees applicable by relevant market institutions, regarding the payment of the Offer Price shall be borne separately by investors. Such fees cannot be quantified by the Issuer or the Offer Intermediary. Investors will not incur any additional costs or fees in connection with the submission of subscriptions for the Offered Shares, except for the costs (if any) of opening and administering a securities account (if the investor does not already have an account) and any commissions of the Intermediary or Eligible Participants due under any relevant contracts or according to any regulations issued by the entity accepting such subscriptions.

If the Offer Price (reduced or not, as the case may be) is lower than the price paid by an investor for each Subscribed Offered Share, then that investor shall be reimbursed an amount equal to the difference between:

- (i) the total price paid in advance by the investor in question for the Offered Shares it has subscribed; and
- (ii) the number of Offered Shares sold to that investor multiplied by the Offer Price (reduced or not, as the case may be).

Each investor who has subscribed for Offered Shares under the Offer shall be refunded the full amount paid in advance by that investor for the Offered Shares, if:

- (i) Admission was denied;
- (ii) the subscription of a Retail Investor is not validated; and/or
- (iii) the subscription of a Retail Investor is withdrawn if a supplement to the prospectus is published in compliance with the provisions of this Prospectus.

In any case, the amounts shall be reimbursed without interest and net of any bank transfer fees and any fees of the relevant market institutions. The resulting amount shall be refunded to the bank account indicated by each investor in the subscription form submitted on the occasion of subscribing the Offered Shares, under the financial investment services contract concluded (or otherwise agreed) with the Offer Intermediary or the Eligible Participant by which subscribed, as appropriate, and the refund shall be made within 5 (five) Business Days from the expiration of the Offer Period or from the date on which all subscriptions were rejected (due to the fact that the Offer was not successfully closed) (as the case may be). If the application for Admission is rejected, the amounts invested shall be refunded to investors in line with Regulation 5/2018 on issuers of financial instruments and market operations (as amended). In no event shall the resulting amount be refunded no later than 3 (three) Business Days from the date on which the request for refund is received. No interest shall be paid to investors in respect of those amounts.

If an investor has indicated more than one account for the refund of any such amounts, the full amount may be refunded only in one of these accounts, at the free choice of the Intermediary of the Offer or the Eligible Participant, if applicable. Payments to investors' bank accounts shall be made first to investors who have made valid subscriptions and only later to investors who have made invalid subscriptions. The Offer Intermediary shall not be held liable if those amounts are not transferred due to the fact that the information provided by an investor for the purpose of the transfer is incomplete or incorrect.

#### **5.4. Pricing Statement**

The Offer Price shall be set by the Issuer and shall be announced on the Allocation Date, via the Pricing Statement. It shall be equal to the price calculated within the Institutional Tranche. The Pricing Statement, which will also contain the number of Offered Shares allotted to each of the two tranches of the Offer and, in the case of the Retail Tranche, the pro-rata allocation factor calculated for Retail Investors in the pro-rata allotment tranche (if applicable), shall be published through a press release in printed form and shall be available free of charge at the Issuer's registered office at no. 20 Maxim Gorki Street, District 1, Bucharest, Romania, as well as in electronic format on the Issuer's website at [www.one.ro](http://www.one.ro), on the website of the Bucharest Stock Exchange at [www.bvb.ro](http://www.bvb.ro) and on the Intermediary's website at [www.brk.ro](http://www.brk.ro).

### **6. THE INSTITUTIONAL TRANCHE**

Within the Institutional Tranche, the Offered Shares shall be offered to Institutional Investors.

The deadline and time for expressing the interest to acquire the Offer Shares within the Institutional Tranche are set out in "*Part 14 - Expected Calendar of Main Events*", but that hour may be extended at the choice of the Issuer. Each investor within the Institutional Tranche shall have the obligation to undertake to pay the Offer Price for the Offered Shares sold to that investor in the manner indicated by the Intermediary.

If an Institutional Investor has entered into a financial investment services contract with the Eligible Intermediary/Participant, that Institutional Investor may validly subscribe for Offered Shares on the basis of orders given in the ordinary course of business of financial investment services and by any means of communication provided in the respective contract without the need to submit any Subscription Form or identification documents. Institutional Investors who have not concluded a financial investment services contract with the Intermediary/Eligible Participant may validly subscribe only by submitting a Subscription Form, together with the applicable identification documents, as provided in section 7.3 “Retail Tranche - Subscription Documentation” below.

The value of the Offered Shares allocated to an Institutional Investor must be guaranteed by:

- (i) payment order proving that the price for the allotted Offered Shares has been transferred to the Collector Account, opened in RON, with IBAN RO69BTRLRONCRT00R1814006, opened at Banca Transilvania, beneficiary of S.S.I.F. BRK Financial Group S.A. or
- (ii) bank transfer or cash, if the subscription is made through an Eligible Participant, according to the internal procedures of the respective Eligible Participants, as the case may be, as communicated by each Eligible Participant to the Institutional Investors; or, if applicable, or
- (iii) bank transfer, into the client account opened with the Intermediary or the Eligible Participant by which the subscription for the Offered Shares is made, in case the respective investor has concluded a financial investment services contract valid with the respective Intermediary or Eligible Participant.

In the case of payments by bank transfer, the condition of the validity of the subscriptions is that the recipient account be credited at 15:00 EET at the latest on the last Business Day of the Offer Period.

The payment order must include the name and sole registration code of the Institutional Investor.

The price for the Offered Shares purchased does not include bank charges or other applicable fees, including any applicable fees or charges of relevant capital market institutions. Investors should consider the fees applicable to bank transfers and their duration.

The Intermediary or Eligible Participant shall not be held liable if, for reasons beyond its control, the relevant bank or customer account or accounts are not actually credited with the amounts representing the value of subscriptions until 15.00 (EET) on the last banking day of the Offer Period; or

- (iv) a statement of the settlement commitment issued by the custodian agent assuming responsibility for the settlement; or
- (v) a letter of bank guarantee issued by a credit institution in the European Union in order to cover the settlement risk assumed by the Intermediary or the Eligible Participant, as the case may be, by which the subscription was made; or
- (vi) a written statement from the Intermediary or Eligible Participant, if applicable, by which the subscription was made, which assumes responsibility for the settlement of the amount representing the value of the subscription, in line with the limitations provided by the FSA.

Participants in the Institutional Tranche shall be notified verbally, by e-mail or by other means by the Intermediary or Eligible Participant of the number of Offered Shares allocated to them, as soon as possible after the pricing and completion of the process. allocation, and in any case is expected to be notified by 8.00 p.m. on July 2, 2021. Each potential investor in the Institutional Tranche shall contractually undertake to acquire the number of Offered Shares allocated to it at the Offer Price and, to the maximum extent permitted by law, shall be deemed to have agreed that it will not be able to exercise any right to cancel or terminate or, subject to any statutory withdrawal rights, otherwise withdraw from this undertaking.

## **7. RETAIL TRANCHE**

### **7.1. General information**

The Retail Tranche is addressed exclusively to Retail Investors in Romania. Individuals who have reached at least the age of 18, companies and other bodies such as legal entities, partnerships, trusts, associations and other organizations not incorporated as legal entities have the right to subscribe for the purchase of Offered Shares under the Retail Tranche.

Subscriptions for Offered Shares under the Retail Tranche may be made during the Offer Period, from June 22, 2021 until the July 2, 2021, namely in 9 (nine) Business Days, every Business Day in the working hours of the Intermediary or Eligible Participants, as the case may be, and between 9:00 a.m. and 12:00 p.m. (EET) on the last day of the Offer Period. The Intermediary and the Eligible Participants may enter the orders in the relevant market of the Bucharest Stock Exchange related to the subscriptions of the Retail Tranche with pro-rata allocation or the Retail Tranche with guaranteed allocation, if the latter has not already been exhausted, until the last day of the Offer Period, at 18:00 p.m. (EET).

Retail Investors can subscribe for the Offered Shares through:

- Intermediary - at its locations a list of which is being included as Annex A - Distribution Network for Retail Investors, subject to conditions imposed by the authorities to prevent the spread of the SARS-COV-2 virus, and by e-mail, signed with a qualified electronic signature in compliance with the provisions of Regulation (EU) no. 910/2014 on electronic identification and reliable services for electronic transactions on the internal market; Retail investors who have sent the subscription form by e-mail will be notified of the receipt of the e-mail within one working day of its receipt, namely within two working days of the validation of their subscription by Intermediary; and
- at the authorized locations of any Eligible Participant (as defined below), in compliance with the conditions imposed by the authorities to prevent the spread of the SARS-COV-2 virus, and by e-mail, signed with a qualified electronic signature in accordance with the provisions of Regulation (EU) no. 910/2014 on electronic identification and reliable services for electronic transactions on the internal market; Retail investors who have sent the subscription form by e-mail will be notified of the receipt of the e-mail within one working day of its receipt, namely within two working days of the validation of their subscription by Eligible Participant.

Eligible Participants means any intermediaries (other than the Intermediary), which are investment companies or credit institutions qualified as participants in the trading system of the Bucharest Stock Exchange and which (i) have signed a Commitment Letter and (ii) submitted that Commitment Letter to SSIF BRK Financial Group S.A. A list of Eligible Participants will be published on the website of the Bucharest Stock Exchange [www.bvb.ro](http://www.bvb.ro).

Eligible Participants may not accept, register, process and validate the subscriptions for the Offered Shares before signing and submitting the Commitment Letter to the Intermediary. Each Eligible Participant must comply with and ensure that its internal systems enable it to comply with the requirements set out in this Prospectus including, but not limited to, the requirements for the availability of funds and the settlement of transactions following the acceptance of subscriptions by the Eligible Participant in question. The Intermediary shall not be liable in the event of non-compliance with any of the requirements of this Prospectus by any of the Eligible Participants.

Any subscription/purchase order with participants who are not Eligible Participants shall not be considered and the Issuer and the Intermediary shall not be liable for any such subscription/purchase order.

Trading orders corresponding to each subscription of Offered Shares made by Retail Investors shall be registered, during the Offer Period, in the Bucharest Stock Exchange system dedicated to public offerings, by the Intermediary or by the Eligible Participant who received and validated the respective subscription, as the case may be.

A subscription for the Offered Shares under the Retail Tranche means that the subscribing investor agrees to purchase the Offered Shares at the Offer Price (subject to any applicable reductions as set forth in this Part 15). Each investor must comply with the appropriate money laundering controls requested by the relevant Intermediary or the Eligible Participant through which it has subscribed for the Offered Shares.

At the time of subscription, each Retail Investor shall also be required to declare and warrant, among other things, that it is not in the United States and is not acting for any person in the United States.

Eligible Participants may prepare certain materials for distribution or otherwise provide information to Retail Investors, subject to the provisions of the Terms and Conditions relating to the Retail Tranche (further details of which are provided in this “Part 15”). Any such materials, information are the sole responsibility of the Eligible Participants shall not be reviewed or approved by any Intermediary or Issuer. Any liability in connection with such documents shall be the sole responsibility of the Eligible Participants.

It shall be considered that each investor who subscribes for the Offered Shares within the Retail Tranche, by submitting a subscription for the Offered Shares, has confirmed and agreed that said investor may not rely on information or

statements other than those contained in this Prospectus, the Pricing Statement or any supplement to the prospectus, that, if the laws of any jurisdiction outside Romania are applicable to the contract of that investor with the Intermediary or Eligible Participant by which the Subscription for the Offered Shares was made, that investor complied with all those laws and the Issuer or Intermediary shall not breach any law of any jurisdiction outside Romania as a result of the rights and obligations of that investor resulting from that investor's contract, and that the personal information of that investor may be held or used by the Intermediary or Eligible Participant or Issuer for purposes related to the Offer, which may include providing its data to third parties to perform checks on previous credit references, money laundering checks and to file tax returns, and also to keep a record of subscriptions based on the Offer for a reasonable period of time.

## **7.2. Subscription procedures**

**By subscribing to the Offered Shares in the Retail Tranche, each Retail Investor confirms that has read this Prospectus, that has unconditionally accepted the terms and conditions set forth in this Prospectus and has subscribed for the Offered Shares in compliance with the terms included in this Prospectus, and warrants to the Issuer and the Intermediary that it is an investor which can legally subscribe for the Offered Shares (without being subject to any restrictions or limitations) in its jurisdiction of residence. No subscription made in violation of this Prospectus or applicable law shall be considered valid and shall be canceled.**

It shall be considered that the Retail Investors have invested exclusively on the basis of the Prospectus, together with any supplements thereof and their respective subscription for the Offered Shares.

Retail Investors which are non-resident legal entities, whether or not they use the services of a custodian, may subscribe for the Offered Shares only at the Intermediary's premises as set forth above in this "Part 15" and/or Eligible Participants which accept the subscription and not through the respective units of the Intermediary listed in Annex A - Distribution Network for Retail Investors.

The subscription of the Offered Shares by the Retail Investors is carried out by submitting a subscription form, together with the proof of payment and the documents required for the subscription.

The Subscriptions of Offered Shares shall not be validated if:

- the amount transferred to the Collector Accounts or indicated in the settlement commitment or the bank guarantee letter is less than the number of Offered Shares subscribed by the respective Retail Investor multiplied by the upper limit of the Offer Price Range; or
- the subscription procedures were not followed.

The subscriptions made by the Retail Investors shall be registered, during the Offer Period, in the electronic system of the Bucharest Stock Exchange, in the "Public Offer Market" segment by the Intermediary or Eligible Participant, as the case may be, who received and validated the respective subscription, provided that, by the end of the last banking day of the Offer Period, the subscription is accompanied by the subscription documents (if applicable) and one of the following documents (each representing a "**Proof of Payment for Retail Investors**"):

- (vii) Proof of payment of the amount equal to the upper limit of the Price Range multiplied by the number of Offered Shares indicated in the subscription made by the investor by:
- a) bank transfer to the Collector Account, opened in RON, with IBAN RO69BTRLRONCRT00R1814006, opened at Banca Transilvania, beneficiary of S.S.I.F. BRK Financial Group S.A.;
  - b) bank transfer or cash, if the subscription is made through an Eligible Participant, according to the internal procedures of the respective Eligible Participants, as the case may be, as communicated by each Eligible Participant to the Retail Investors; or, if applicable
  - c) bank transfer to the client account opened with the Intermediary or Eligible Participant by which the Subscription for the Offered Shares is made, if the investor in question concluded a financial investment services contract valid with the respective Intermediary or Eligible Participant,

provided that the account is credited no later than 15:00 EET on the last Business Day of the Offer Period.

The payment order must include the personal numeric code/passport series/identification code of the Retail Investor. The account number to be completed by a Retail Investor in the subscription form must be the account number from which the subscription amount is actually transferred, unless the subscription amount is transferred directly in cash

(in case of subscription through an Eligible Participant whose internal procedures allow cash payments). The amounts transferred by the Retail Investor to the bank account or to the client account will not bear interest in favor of that investor.

A Retail Investor's subscription to purchase the Offered Shares cannot be covered by a combination of amounts available in the client's account(s) and payment order directly into a bank account for the remaining amounts. Cash in the customer account opened with an Intermediary or Eligible Participant that is intended to pay for the Offered Shares may not be used by the Retail Investor for other transactions.

Combining multiple payment orders for a single valid subscription is not allowed. The price for the Offered Shares purchased does not include bank charges or other applicable fees, including any applicable fees or charges of relevant capital market institutions. Investors should consider the fees applicable to bank transfers and their duration.

The Intermediary shall not be held liable if, for reasons beyond its control, the relevant bank or customer account or accounts are not actually credited with the amounts representing the value of subscriptions until 15.00 (EET) on the last banking day of the Offer Period; or

- (viii) a statement of the settlement commitment issued by the custodian agent assuming responsibility for the settlement; or
- (ix) a letter of bank guarantee issued by a credit institution in the European Union in order to cover the settlement risk assumed by the Intermediary or the Eligible Participant, as the case may be, by which the subscription was made; or
- (x) a written statement from the Intermediary or Eligible Participant, if applicable, by which the subscription was made, which assumes responsibility for the settlement of the amount representing the value of the subscription, in line with the limitations provided by the FSA.

Subscriptions will be considered only for the amount actually transferred to the relevant Collector Account or to the respective customer account(s) or validly mentioned in the commitments referred to in points (viii) - (x) above.

If the amount transferred by a Retail Investor to the relevant Collector Account or to the respective client account(s) or mentioned in the commitments referred to in points (viii) to (x) above is greater than the upper limit of the Price Range multiplied by the number of Offered Shares mentioned by the Retail Investor in the subscription form/order, the subscription will be validated only for the number of Offered Shares mentioned in the respective form/order.

If the amount transferred by a Retail Investor to the relevant Collector Account or to the respective client account(s) or referred to in the commitments set out in points (viii) to (x) above is less than the upper limit of the multiplied Offer Price Range with the number of Offered Shares mentioned by the Retail Investor in the subscription form/order, or if the subscription procedures in this document were not met, the subscription of the respective Retail Investor shall be invalidated for the total number of subscribed Offered Shares, and the investor will be refunded the amount transferred within 5 (five) Working Days from the end of the Offer Period.

Subscriptions for Offered Shares that are not validated shall not be considered in the allocation process.

Any refunds to investors shall be made without interest and net of any bank transfer fees and any applicable fees of market institutions, in the bank account specified by each investor in the subscription form submitted in relation with the purchase of the Offered Shares, in the contract of financial investment services or otherwise agreed with the Intermediary or Eligible Participant through which the subscription was made, as the case may be. No interest shall be paid to investors in respect of those amounts. If an investor has indicated more than one account for the refund of any such amounts, the full amount may be refunded only in one of the accounts indicated by the investor, at the free choice of the Intermediary or Eligible Participant, as the case may be.

The price of the Offered Shares does not include bank charges or other applicable fees. Investors should consider the fees applicable to bank transfers and their duration.

### **7.3. Subscription documentation**

If a Retail Investor has entered into a financial investment services contract with the Intermediary through which subscriptions may be made in the Retail Tranche in accordance with this Prospectus or an Eligible Participant, as the case may be, such investor may validly subscribe for the Offered Shares on the basis of orders given under that contract and by any means of communication provided therein, accompanied by Proof of Payment for Retail Investors, without the need to submit any subscription form or other documents mentioned below, unless changes have occurred in its

identification data from the date of the last update sent to the relevant Intermediary or Eligible Participant, as the case may be.

In all other situations where a Retail Investor has not entered into a financial investment services contract with the Intermediary through which subscriptions may be made in the Retail Tranche in line with this Prospectus or with an Eligible Participant, as the case may be, such investor may subscribe validly for the purchase of the Offered Shares by completing and signing a subscription form, in 2 (two) original copies, accompanied by Proof of Payment for Retail Investors and the documents mentioned below.

The subscription form is available at the Intermediary's authorized locations, a list of which is included as Annex A - Distribution Network for Retail Investors, and of Eligible Participants, as well as online, on the Intermediary's website at <https://www.brk.ro/>. The subscription form shall be sent in original, completed, handwritten by the investor, or by e-mail, signed with a qualified electronic signature in line with the provisions of Regulation (EU) no. 910/2014 on electronic identification and reliable services for electronic transactions on the internal market, accompanied by Proof of Payment for Retail Investors and the following documentation:

- |           |  |   |
|-----------|--|---|
| <b>A.</b> | <b>Natural persons resident who subscribe for Offered Shares in their own name:</b>                  | Identity card/ID card (original and copy);  |
| <b>B.</b> | <b>Natural persons resident who subscribe for Offered Shares on behalf of other natural persons:</b> | Identity card/ID card (in original and copy) of the representative and ID card/ID card (copy) of the represented natural person;<br>Proxy in authentic form given to the representative (in original and copy)  |
| <b>C.</b> | <b>Natural persons incapable of residence (without discernment) or under guardianship:</b>           | Identity card/card (original and copy) of the resident natural person subscribing for the represented natural person and identity card/copy (copy) of the incapable person<br>Passport (original and copy) and/or residence permit (original and copy) of the natural person subscribing for the incapacitated person - applicable only to foreign citizens<br>The legal act establishing the guardianship or, as the case may be, the document establishing the guardianship |
| <b>D.</b> | <b>Non-resident natural persons who subscribe in their own name:</b>                                 | Passport and proof of residence, if not mentioned in the passport, or identity card issued by an EEA Member State (original and copy)   |
| <b>E.</b> | <b>Non-resident natural persons who subscribe by resident authorized representatives:</b>            | Passport and proof of domicile, if not mentioned in the passport, or identity card of the represented natural person issued by an EEA Member State (copy)<br>Authorized representative's identity card (original and copy)<br>Power of attorney in authentic form (and, if the case, apostille) for the representative (copy)   |
| <b>F.</b> | <b>Resident legal entities subscribing in their own name:</b>  | Registration Certificate issued by the Trade Register (copy)<br>Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the legal person)<br>Confirmation of company details issued by the Trade Register no later than 30 Working Days before the date of subscription (in original)  |

Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)

Identity card (in original and copy) of the person subscribing on behalf of the legal entity

**G. Non-resident legal persons subscribing in their own name:**

Registration Certificate or deed of incorporation issued by the Trade Register or an equivalent institution in the jurisdiction of establishment, if any (copy)

Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the non-resident legal person)

Confirmation of company details/certificate on the current situation or equivalent documents issued by the Trade Register or an equivalent institution in the jurisdiction of establishment or, if no institution is authorized to issue such a certificate, any other document proving the quality of legal representatives of that entity (in original), and to be issued no later than 30 Business Days before the date of subscription (in original); such a corporate document of the non-resident legal person shall clearly state whether the legal representatives have the right to act separately or together

If the subscriptions are carried out by a person other than the legal representative(s) of the non-resident legal person(s), the power of attorney/mandate signed by the legal representatives of the non-resident legal person authorizing that person to subscribe the Offered Shares on behalf of the non-resident legal person (original and copy)

Identity card of the subscriber acting as legal representative or agent of the non-resident legal person: passport and proof of domicile, if not mentioned in the passport, identity card (for EU/EEA citizens) (copy)

**H. Non-resident legal persons subscribing by a resident legal person**

Registration Certificate or deed of incorporation issued by the Trade Register or an equivalent institution in the jurisdiction of establishment, if any (copy)

Articles of Incorporation/up-to-date statute (copy in compliance with the original certified for conformity with the original by the legal representative of the non-resident legal person)

Confirmation of company details/certificate on the current situation or equivalent documents issued by the Trade Register or an equivalent institution in the jurisdiction of establishment or, if no institution is authorized to issue such a certificate, any other document proving the quality of legal representatives of that entity (in original), and to be issued no later than 30 Business Days before the date of subscription (in original); such a corporate document of the non-resident legal person shall clearly state whether the legal representatives have the right to act separately or together

- Registration Certificate of the resident legal person representative issued by the Trade Register (copy)
- Up-to-date Articles of Incorporation/Statute of the resident legal person representative (certified true copy to the original certified for conformity with the original by the legal representative of the legal person)
- Confirmation of company details for the resident legal person representative issued by the Trade Register no later than 30 Working Days before the date of subscription (in original)
- Identity card of the legal representative of the resident legal person who subscribes acting as representative on behalf of the non-resident legal person (in original and copy);
- Power of attorney signed by the legal representative(s) of the non-resident legal person empowering the resident legal person to subscribe within the Offer;
- I. International Financial Institutions (IFIs)**
- Articles of Incorporation/Statute of the IFI or a copy of the Romanian law by which Romania accepted or adhered to the constitutive act of the IFI in question
- Power of attorney/certificate empowering the person who will sign the subscription form for subscription on behalf of IFI (in original or certified copy)
- Identity card of the person who will sign the subscription form on behalf of IFI (copy)
- J. Resident/non-resident natural persons represented by an asset management company by a portfolio management mandate.**
- Documents for the asset management company**
- Identity card (copy), for resident natural persons;
- Passport and proof of domicile, if not mentioned in the passport, or identity card for citizens of an EU/EEA Member State (copy), in the case of non-resident natural persons
- Power of representation (original and copy)
- Registration Certificate issued by the Trade Register (copy)
- Articles of Incorporation/up-to-date statute (copy in accordance with the original certified by the legal representative of the legal person)
- Confirmation of company details issued by the Trade Register no later than 30 Working Days before the date of subscription (in original)
- Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)
- Identity card (in original and copy) of the person subscribing on behalf of the legal entity
- K. Entities managed by other resident/non-resident legal persons**
- The documents listed below shall be submitted to the legal person that manages that entity and shall be accompanied by the authorization obtained by that entity from the competent supervisory authority

**(e.g. investment funds,  
pension funds)**

Registration Certificate issued by the Trade Register (copy)

Articles of Incorporation/up-to-date statute (copy in accordance with the original certified by the legal representative of the legal person)

Confirmation of company details issued by the Trade Register no later than 30 Working Days before the date of subscription (copy)

Original power of attorney/mandate for the person or persons signing the subscription form, issued in the form provided by the Articles of Incorporation or proof that the person in question legally represents the legal person subscribing, with the right of representation individual (if the company is collectively represented by two or more persons who are all present for the signing of the subscription form, such proof shall be provided for all such persons) (power of attorney in original and any other documents certified in accordance with the original by the legal representative of the entity)

Identity card (in original and copy) of the person subscribing on behalf of the legal entity

The Intermediary or Eligible Participant, as the case may be, through which an investor subscribes for the purchase of the Offered Shares may request additional documents necessary to fulfill its obligations on compliance with the rules of "customer knowledge" and customer identification procedures, in accordance with its internal procedures. The Offer Intermediary or the Eligible Participant, as the case may be, shall verify the subscription forms received and the related documentation, and shall validate them in accordance with the terms and conditions of this Prospectus. Retail investors who have sent the subscription form by e-mail shall be notified of the receipt of the e-mail within one working day of its receipt, namely within two working days of the validation of their subscription by Intermediary.

The Intermediary and the Eligible Participants shall accept, validate, transmit and execute the purchase orders in the electronic system of the Bucharest Stock Exchange in line with the internal rules and regulations on the management of settlement risks and with the requirements provided in this Prospectus and in the applicable legislation.

All documents submitted by investors in relation with their subscription for the purchase of the Offered Shares will be in English or Romanian or accompanied by a legalized translation copy into English or Romanian.

## **8. ALLOCATION**

### **8.1. *General principles***

The Offered Shares shall be allocated to investors from Romania and other countries, based on the criteria established by the Issuer in consultation with the Intermediary, on the Allocation Date, July 2, 2021.

The number of Offered Shares to be actually sold, as well as the allocation of the Offered Shares between the two tranches of the Offer shall be established by the Issuer, upon consultation with the Intermediary.

### **8.2. *Allocation of Offered Shares within the Institutional Tranche***

The Offered Shares shall be allocated to Institutional Investors on the basis established by the Issuer upon consultation with the Intermediary, on the Allocation Date.

By subscribing to the Offer, Institutional Investors understand and agree that they may be allocated a smaller number of Offered Shares than the number for which they have subscribed or that they may not receive any Offered Shares. Institutional Investors understand and agree that they may not refuse the Offered Shares that have been allocated to them and will have no right to challenge or oppose such allocation.

Institutional Investors also understand and agree that they will not have the right to ask in order to find out, and the Issuer will not be obliged to disclose the reasons for allocation and pricing decisions and will not assume any liability in relation to that allocation.

### **8.3. *Allocation of Offered Shares within the Retail Tranche***

If the number of Offered Shares validly subscribed by Retail Investors, given the characteristics/initial size of the sub-tranches is smaller than, or equal to the number of Offered Shares allocated to the Retail Tranche (as is set on the

Allocation Date), each Retail Investor who has made a valid subscription or subscriptions pursuant to this “Part 15” will receive the number of Offered Shares subscribed by it.

If the number of Offered Shares validly subscribed by Retail Investors is greater than the number of Offered Shares allocated to the Retail Tranche (as is set on the Allocation Date), Retail Investors who have made a valid subscription or subscriptions pursuant to this “Part 15” above will be allocated Offered Shares as follows:

- Retail Investors which have subscribed to the Retail Tranche with Guaranteed Allocation will receive a 100% Guaranteed Allocation, based on the “first come, first served” principle based on the time of order registration in the BVB system, up to a total number of 100,000 Offered Shares and subject to compliance with the minimum subscription of 2,500 Offered Shares.

Retail Investors who have subscribed to the Retail Tranche with Guaranteed Allocation may make multiple subscriptions, but these are only allowed through the same Intermediary/Eligible Participant. For the avoidance of doubt, only subscriptions of up to 100,000 Offered Shares per Retail Investor (in the case of multiple subscriptions this threshold is applicable to the cumulative value of subscriptions), can benefit from guaranteed allocation, within the maximum size of the Retail Tranche with allocation guaranteed. Any subscription of a Retail Investor in the Retail Tranche with Guaranteed Allocation that:

(i) is performed for more than 100,000 Offered Shares is canceled in full;

(ii) cumulated together with the other subscriptions of the Retail Investor exceeds the number of 100,000 Offered Shares, leads to the cancellation of the order or orders related to the multiple subscriptions that generated this situation, the previous orders of those that generated this situation remain valid;

(iii) is made after the full subscription of the Retail Tranche with Guaranteed Allocation is canceled in full; and/or

(iv) together with all other subscriptions registered in the Retail Tranche with Guaranteed Allocation exceeds the number of 26,001,417 Offered Shares, will be partially executed, up to the number 26,001,417 Offered Shares within this sub-tranche, by cumulation with the subscription orders of all valid Retail Investors expressed prior to this subscription, following for the remaining difference unexecuted to be canceled.

- Regarding the subscriptions that do not receive a guaranteed allocation, Retail Investors will not be allocated a pro-rata number of Offered Shares, the orders related to these unpaid subscriptions within the guaranteed allocation mechanism will be canceled from the Bucharest Stock Exchange system at the end of the working day on which the Offered Shares within the Retail Tranche with Guaranteed Allocation are exhausted, by the Intermediary or Eligible Participant through which the subscription was made.
- All Offered Shares within the Retail Tranche with Guaranteed Allocation remaining unsubscribed at the closing date of the Offer, are reallocated to the Retail Tranche with pro-rata allocation, and will be reallocated to Retail Investors who have made valid subscriptions in that tranche, with the application of its corresponding rules.
- Retail Investors who have subscribed to the Retail Tranche with pro-rata allocation may make multiple subscriptions, but these are only allowed through the same Intermediary/Eligible Participant. Retail Investors shall be allocated a number of Offered Shares equal to the number of Offered Shares validly subscribed by them, multiplied by the pro-rata factor.

Within the Retail Tranche, subscriptions can be made in both allocation categories. If the number of Offered Shares allotted to a Retail Investor after applying the pro-rata factor is not an integer, the number of Offered Shares allotted to that Retail Investor shall be rounded down to the next lower whole number. For the purpose of allocating any fractions resulting from this pro-rata allocation process, Retail Investors will be ranked in descending order according to the number of Offered Shares subscribed by each of them and, if one or more Retail Investors have subscribed exactly the same number of Offered Shares, they will be classified in ascending order based on the time of order registration in the BVB system, and the resulting unallocated Offered Shares will be allocated one for each Retail Investor (so that the number of Offered Shares allocated in total to a Retail Investor does not exceed the number of Offered Shares initially subscribed by the Retail Investor in question), starting with the Retail Investor ranked first.

If the Retail Tranche with pro-rata allocation is oversubscribed, the Retail Investors will receive the difference between the amount paid for the Offered Shares subscribed by them and the value of the allotted Offered Shares, within 5 (five) Business Days from the end of the Period of Offer.

By subscribing to the Offer, Retail Investors understand and agree that they may be allocated a smaller number of Offered Shares than the number for which they have subscribed, in line with the paragraphs above. Also, Retail Investors understand and agree that they may not refuse the Offered Shares that have been allocated to them in accordance with this Prospectus, and will have no right to challenge or oppose such allocation.

The performance of subscriptions by the Intermediary or an Eligible Participant shall not have any influence on the treatment applied to the subscriptions made by the Retail Investors within the allocation procedure.

For the avoidance of doubt, Retail Investors whose subscriptions are not validated in compliance with this paragraph of this "Part 15 " shall not be allocated Offered Shares and shall be refunded the amounts (if any) paid for the Subscribed Offered Shares, within of 5 (five) Business Days from the close of the Offer Period.

Any refunds to investors shall be made without granting interest and net of any bank transfer fees and any applicable fees of market institutions, in the bank account specified by each investor in the subscription form submitted in relation with the purchase of the Offered Shares, in the service contract of financial investments or otherwise agreed with the Intermediary or the Eligible Participant through which the subscription is made, as the case may be. No interest shall be paid to investors in respect of those amounts. If an investor has indicated more than one account for the refund of any such amounts, the full amount may be refunded only in one of these accounts, at the free choice of the Intermediary or the Eligible Participant, if applicable.

Factors independent of the control of the Issuer or the Intermediary may cause delays in data processing and the elaboration, transmission and publication of the notification regarding the results of the Offer. Consequently, the Issuer and the Intermediary shall not be held liable for the late repayment of the amounts due to investors in such situations.

## **9. STABILISATION**

In connection with the Offer, the Intermediary has the right (but not the obligation), to the extent permitted by the applicable law, to conduct Stabilisation transactions in order to support the market price of the Offered Shares at a higher level than would prevail on the open market under other conditions. The Intermediary has no obligation to conclude such transactions, and such transactions may be performed at the Bucharest Stock Exchange and may be undertaken at any time during the period beginning on the first trading day of the Offered Shares on the Regulated Market of the Bucharest Stock Exchange and ends within 30 calendar days from their trading. Nevertheless, the Intermediary shall not be obliged to carry out Stabilisation transactions and there is no guarantee that Stabilisation transactions shall be undertaken. In no case shall measures be taken in order to stabilize the market price of the Offered Shares at a level higher than the Offer Price. Such stabilisation, if initiated, may be interrupted at any moment without prior notice. Except as provided by law or regulation, the Intermediary does not intend to disclose the size of any Stabilisation transactions carried out in connection with the Offer.

## **10. LISTING, TRADING AND SETTLEMENT ARRANGEMENTS**

The Bucharest Stock Exchange issued an approval in principle for the admission of the Offered Shares for trading on the Regulated Market of the Bucharest Stock Exchange (for example, the regulated market). After closing the Offer, the Issuer intends to request the Bucharest Stock Exchange the final agreement for the admission of the Offered Shares for trading in the category Premium of the Regulated Market of the Bucharest Stock Exchange.

The settlement of transactions within the Offer shall be done through RoClear (the Settlement and Clearing System, Custody, Deposit and Registry), managed by the Central Depository.

In connection with the Offer, the Intermediary and any affiliate acting as an investor in personal capacity may take over the Offered Shares and, in such capacity, may hold, buy or sell in its own name such securities and any securities of the Issuer or related investments and may offer or sell such securities or other investments other than in connection with the Offer. Consequently, references in this Prospectus to the offering or placement of Offered Shares should be construed as including any offering or placement of securities to the Intermediary and any affiliate acting in that capacity. The Intermediary does not intend to disclose the size of any such investment or transaction, other than in compliance with any legal or regulatory obligation to that end.

## **11. CENTRAL DEPOSITORY**

All classes of securities (except for derivatives) traded on a regulated market in Romania or in an alternative trading system, including Offered Shares after the Date of Admission, are obligatorily deposited with the Central Depository for centralized execution of securities transactions and ensuring a unitary record of these operations. All securities admitted to the Romanian Central Depository system are dematerialised and highlighted by registering in the account.

The Offered Shares are issued in dematerialised form and highlighted by registration in the account and shall be registered with the FSA and the Central Depository. The Central Depository shall keep records of all holdings of Offered Shares.

The Central Depository is a joint stock company organized and operating in compliance with the Romanian law, having its registered office located at Bd. Carol I no. 34-36, floor 3, floors 8 and 9, Bucharest, 020922, District 1, Romania, sole registration code RO9638020, registered at the Trade Register under no. J40/5890/1997, which is authorized and supervised by FSA and provides deposit, registration, clearing and settlement services and other related services in respect to the securities (except for derivatives) traded on the Bucharest Stock Exchange.

The ownership right over the securities listed on the Bucharest Stock Exchange is transferred to the buyer on the settlement date. Settlement is generally made at time T+2, by debiting/crediting the relevant accounts, based on the delivery against payment mechanism (for example, the securities being delivered only if the corresponding purchase price is paid).

Exceptionally, there are certain cases in which the Central Depository may operate direct transfers of ownership of securities listed on the Bucharest Stock Exchange, subject to the conditions provided in the regulations of the Central Depository, as a result, inter alia, of: (i) a final judgment issued by a court; (ii) succession; (iii) the transfer of shares between the issuer and its employees; (iv) the transfer of shares as a result of the merger, division or liquidation; (v) the transfer of shares between a parent company and its subsidiaries or between subsidiaries of the same parent company, with the prior agreement of the FSA; or (vi) other transfers, in compliance with applicable laws and regulations.

Although the above establishes the procedures of the Central Depository which, in principle, shall apply to transfers of Offered Shares after their Admission to trading on the Regulated Market of the Bucharest Stock Exchange, in certain cases, the Central Depository reserves the right to suspend or cancel the registration of an instruction, if there are doubts about its content, the authority of the person who initiated this instruction or if it finds that the provisions of its regulations or related contracts have been violated, or to ignore instructions containing errors or other defects or which are not properly performed by authorized persons. The Issuer, the Intermediary, or their respective agents shall not be liable for the fulfillment or non-fulfillment by the Central Depository or other participants of their obligations under the rules, procedures and contracts governing their operations on the date on which those obligations are or should have been met.

The Issuer shall not impose any commission in connection with the holdings of the Offered Shares; however, the holders of Offered Shares may incur commissions that are normally paid for the maintenance and operation of the accounts in the Romanian Central Depository system.

## **12. WITHDRAWAL RIGHTS**

Institutional Investors may not modify or withdraw their subscription for the Offered Shares after the allotment of the Offered Shares on the Allocation Date. Retail Investors may not modify or withdraw any subscription regarding the Offered Shares, other than in accordance with the provisions of this section.

The subscriptions within the Offer are irrevocable during the entire Offer Period, except for the provisions of art. 23 para. (2) lit. (a) of the Prospectus Regulation. In this case, Investors which have already agreed to purchase or subscribe for the Offered Shares prior to the publication of the Supplement have the right to withdraw their acceptance, within three Business Days of the publication of the Supplement, provided that the new significant factor, material error or material inaccuracy led to the publication of the supplement to have appeared or been found before the Offer Period expires. If the Investors have the withdrawal right mentioned above, the Intermediary / Eligible Participant through which they have subscribed will contact the respective Investors by the end of the first business day following the day on which the supplement is published. Revocation of the subscription is made through the Revocation Form, sent according to the procedures described in this Part 15 to the Intermediary/Eligible Participant, so that this notification is received no later than the third Business Day after the date on which the prospectus supplement was published (or any other later date specified in the prospectus supplement). Withdrawal of the subscription sent by any other means or which is sent or received after the expiration of this period shall not constitute a valid withdrawal

## **13. TERMS AND CONDITIONS RELATING TO THE INSTITUTIONAL INVESTOR TRANCHE**

These terms and conditions apply to investors which agree to purchase Offered Shares under the Institutional Tranche. Each Institutional Investor agrees with the Issuer and the Intermediary to be bound by these terms and conditions as the terms and conditions under which the Offered Shares shall be sold under the Offer.

### **13.1. Agreement to purchase the Offered Shares**

Provided that, inter alia, the Offered Shares are allocated to the Institutional Investor, each Institutional Investor agrees to become a shareholder of the Issuer and agrees to acquire the Offered Shares at the Offer Price. The number of Offered Shares allocated to the investor in question under the Offer shall be in line with the arrangements described in this Part 15. To the fullest extent permitted by law, each investor confirms and agrees that it will not be entitled to exercise any right of cancellation or termination or, subject to any legal rights, to withdraw the subscription for the Offered Shares under the Offering, or otherwise withdraw from this commitment.

### **13.2. Representations and guarantees**

Without prejudice to any other representations or guarantees deemed to be made by investors elsewhere in this Prospectus, each Institutional Investor declares, warrants and confirms to the Issuer and the Intermediary that:

- a) if the investor is a natural person, the respective investor is not less than the age of majority (18 years in Romania) at the date of the agreement of the respective investor to buy the Offered Shares based on the Offer;
- b) the contents of this document are the sole responsibility of the Directors and of the Issuer and neither the Intermediary nor any person acting on their behalf is responsible for or shall not be liable for any information, claim or statement contained in this document or any information previously published by or on behalf of the Issuer or any member of the Group and shall not be liable for any decision of an investor to participate in the Offering on the basis of any information, claims or statements contained hereunder or otherwise;
- c) agreeing to purchase the Offered Shares under the Offer, the investor relies on this document and any supplement to the prospectus that may be issued by the Issuer, and not on any other information or statements regarding the Group, the Offered Shares or the Offering. The respective investor agrees that neither the Issuer, the Intermediary, nor any of their respective directors, partners or directors shall be liable for any such information or statements and waives irrevocably and unconditionally any rights they may have in connection with any other such information or statements. This paragraph shall not exclude liability for any fraudulent misrepresentation;
- d) The Intermediary does not make any recommendations to investors or advise any of them on the opportunity or benefits of any transaction they may enter into in connection with the Offering, and each investor acknowledges that participation in the Offering is based on the Intermediary's acting on behalf of the Issuer and no other person, and they will not be liable to any other person for the protection afforded to their respective customers;
- e) has complied with all laws applicable to the purchase of the Offered Shares and the Issuer or Intermediary shall not breach any law outside Romania as a result of the respective investor's agreement to purchase the Offered Shares or any shares resulting from its rights and obligations under the respective investor's agreement to buy the Offered Shares also under the Articles of Incorporation (and, by giving this representation and guarantee, it confirms that it is aware of the restrictions on sale and transfer provided for in this *Part 15*);
- f) understands that no action has been taken and shall not be taken by the Issuer or any other person in a jurisdiction other than Romania, which could allow the offering of the Offered Shares to the public, or the possession or distribution of this document, in any country or jurisdiction in which any action is sought for that purpose;
- g) as it has been able to obtain and read the Prospectus, the Pricing Statement and any supplement to the prospectus, it shall be deemed that the investor has read all these documents in their entirety and noted all information relating to the Issuer or any member of the Group and the Offering contained in the Prospectus, the Pricing Statement and/or any supplement to the prospectus;
- h) no person is authorized in connection with the Offering to provide any information or make any statement other than that contained in the Prospectus, the Pricing Statement and any supplement to the prospectus and, if such information or statement has been given or done, it must not be considered as authorized by the Issuer, Directors, Intermediary or any other person;
- i) the investor is liable for any capital duty, stamp duty and all other taxes or stamp duties, issuance, securities, transfer, registration, on documents or otherwise (including any interest, fines or related penalties) due outside Romania by it or by any other person in connection with the acquisition by it of any Offered Shares or its agreement to acquire any Offered Shares;

- j) the investor has complied with its obligations in relation to the prevention of money laundering and terrorist financing under applicable law and, if it makes payments on behalf of a third party, has obtained and registered satisfactory evidence to verify the identity of the third party, as required by Law 129/2019 on prevention and combating money laundering and terrorist financing, as well as for amending and supplementing some normative acts;
- k) if they acquire the Offered Shares as a trustee or agent for one or more investor accounts, they declare to have discretionary and exclusive decision-making power with regard to the investment concerning each of these accounts and have full powers to give confirmation, the above statements and agreements regarding each of these accounts; and
- l) in the case of a person confirming to the Intermediary, on behalf of an investor which is an entity other than a natural person, an agreement to purchase the Offered Shares and/or to authorize the notification of that investor's name to the Central Depository, that person guarantees that has the authority to do this on behalf of the investor; and
- m) The Issuer and the Intermediary shall rely on the veracity and accuracy of the above statements, warranties and commitments.

### **13.3. Miscellaneous**

- a) The rights and reparation of the Issuer and the Intermediary based on these terms and conditions complement any rights and remedial measures they would otherwise have, and the exercise or partial exercise of any of these rights and measures shall not prevent the exercise of the others.
- b) At the time of the subscription, each Institutional Investor may be asked to disclose, in writing or orally, to the Intermediary:
  - if is a natural person, his/her nationality;
  - if is a discretionary fund manager, the jurisdiction in which the funds are administered or held.
- c) All documents submitted by, to, from or on behalf of the Institutional Investor shall be submitted at the investor's risk. They may be sent by post to that investor at an address notified to the Intermediary.
- d) Each Institutional Investor agrees to comply with the provisions of the Articles of Incorporation (as amended from time to time) once the Offered Shares that the respective investor has agreed to purchase have been issued or transferred to such Investor.
- e) In the case of a joint agreement to purchase the Offered Shares, references to an investor in these terms and conditions will be to each of those investors and the liability of any investors will be joint and several.

The Issuer expressly reserves the right to change the Offering (including, but not limited to, the timing and settlement period) at any time before the Offer Price and allocations are established, subject to the approval of the Supplement to the Prospectus by FSA.

## **14. TERMS AND CONDITIONS RELATING TO RETAIL INVESTORS' TRANCH**

Subject to certain conditions, each Retail Investor agrees to become a shareholder of the Issuer and agrees to purchase the Offered Shares at the Offer Price (discounted or not, as the case may be). The number of Offered Shares allocated to that investor under the Offering will be in accordance with the arrangements described in this "Part 15". To the fullest extent permitted by law, each Retail Investor confirms and agrees that it will not be entitled to exercise any right of cancellation or termination or, subject to any legal rights, of withdraw of the subscription for the Offered Shares under the Offering, or to otherwise withdraw from this commitment.

By subscribing for the Offered Shares within the Retail Tranche, the respective Retail Investor agrees to the Issuer and the Intermediary to comply with the terms and conditions set out below.

### **14.1. Offer to Buy the Offered Shares**

By subscribing for the Offered Shares within the Retail Tranche, the Retail Investor, as a subscriber (or, if it signs or submits the subscription form on behalf of another person, that person will have the capacity of Retail Investor) undertakes:

- a) to purchase at the Offer Price (discounted or not, as the case may be) the number of Offered Shares allocated, subject to the provisions of the Prospectus, these terms and conditions, the terms of your subscription, the Pricing Statement, any supplement to the prospectus and the Articles of Incorporation;
- b) to confirm and agree that, if the Issuer is required to publish a supplement to the prospectus, the investors which have subscribed for Offered Shares within the Offering will have a period of at least three Business Days after the publication of the supplement to the prospectus in which they may withdraw their offer to acquire Offered Shares under the Offering, but if such subscription is not withdrawn within the appropriate withdrawal period, then any offer to subscribe for Offered Shares under the Offering shall be deemed valid and binding;
- c) agree that if the Retail Investor's subscription is diminished as a result of a pro-rata allocation, it may not receive Offered Shares representing all or any value (based on the Offer Price, whether or not discounted as the case may be) the amount it invested;
- d) to empower the Intermediary to take all necessary steps and, if necessary, to take all necessary actions to ensure that the name of the Retail Investor is entered in the Issuer's shareholder register in connection with the Offered Shares for which the subscription of the Retail Investor is accepted;
- e) considering that the Issuer has agreed not to sell to any person or to facilitate the sale to any person of any of the Offered Shares contained in the Offering, prior to the Date of Admission to trading (or any later date set by the Issuer), other than through the procedures mentioned in the Prospectus, the Retail Investor:
  - (i) agrees that, subject to any legal rights of withdrawal, the Retail Investor's subscription for the Offered Shares is irrevocable, cannot be revoked or withdrawn by the Retail Investor;
  - (ii) agrees, at the request of the Issuer or the Intermediary, to immediately disclose in writing to the Issuer, or the Intermediary any information they may request in connection with the subscription of the Retail Investor and authorizes the Issuer and the Intermediary to disclose any information related to the Retail Investor's subscription that they may deem appropriate;
  - (iii) agrees that any future communication sent by the Issuer to the Retail Investor as a shareholder of the Issuer should be in Romanian and English;
  - (iv) agrees that, by submitting a subscription form, personal information may be held and used by the Issuer and the Intermediary for Offer purposes, which may include providing Retail Investor data to third parties to verify previous credit references, checks on money laundering and tax returns, as well as for keeping records of subscribers based on the Offering for a reasonable period of time. It is also agreed that, if Offered Shares under the Retail Tranche are assigned to it, personal information will be disclosed to the Issuer and held and used by the Issuer and the Intermediary for purposes related to the Offering and for their ongoing purposes which requires a record of and interaction with the Issuer's shareholders in the normal course of business (which may involve providing your personal information to third parties).

If the Retail Investor's subscription for the Offered Shares is made on the basis of a subscription form and (a) the subscription form is not completed correctly, or the pre-printed name and/or address (if applicable) are changed, (b) the subscription form is filled in with information other than that specifically required for the subscription form, (c) the subscription form is received at the respective units of the Intermediary or Eligible Participant after 12 PM (EET) on the last day of the Offer Period, or Proof of Payment for Retail Investors is for an amount less than the number of Offered Shares subscribed by that Retail Investor multiplied by the upper limit of the Offer Price Range, (d) the subscription form is not accompanied by the subscription documents that the Retail Investor was required to submit or (e) filed, or is suspected of having filed, more than one subscription under the Retail Tranche with guaranteed allocation to the Intermediary and/or Eligible Participants, the Retail Investor's subscription may be rejected by the Intermediary or the Eligible Participant through which the subscription was made. Under these circumstances, the decision of the Intermediary or Eligible Participant to reject or consider the subscription as invalid will be final and binding on the Retail Investor. Neither the Issuer nor the Intermediary will assume any responsibility for any such decision and no claim will be made against these persons in connection with the non-delivery to the Retail Investor of the Offered Shares, or for any loss resulting from such non-delivery.

#### **14.2. Representations and guarantees**

Without prejudice to any other representations or guarantees given by the Retail Investor elsewhere in this Prospectus, by subscribing to the Offered Shares under the Retail Tranche, the Retail Investor represents, warrants and confirms to the Issuer and the Intermediary that:

- a) he/she is not younger than the age of majority (18 years in Romania) on the date of subscription for the Offered Shares based on the Offering;
- b) the contents of this document are the sole responsibility of the Directors and of the Issuer and neither the Intermediary nor any person acting on their behalf is responsible for or shall not be liable for any information, claim or statement contained in this document or any information previously published by or on behalf of the Issuer or any member of the Group and shall not be liable for any decision of an investor to participate in the Offering on the basis of any information, claims or statements contained hereunder or otherwise;
- c) agreeing to purchase the Offered Shares under the Offering, relies on this document and any supplement to the prospectus that may be issued by the Issuer, and not on any other information or statements regarding the Group, the Offered Shares or the Offering. He/she agrees that neither the issuer, the Intermediary, nor any of their managers, partners or directors shall be liable for any such information or statements and shall irrevocably and unconditionally waive any rights they may have in connection with any other information or statements. This paragraph shall not exclude liability for any fraudulent misrepresentation;
- d) The Intermediary does not make any recommendations to investors or advise any of them on the opportunity or benefits of any transaction they may enter into in connection with the Offering, and each investor acknowledges that participation in the Offering is based on the Intermediary's acting on behalf of the Issuer and no other person, and they will not be liable to any other person for the protection afforded to their respective customers;
- e) has complied with all laws applicable to the purchase of the Offered Shares and the Issuer or Intermediary will not breach any law outside Romania as a result of the Retail Investor's agreement to purchase the Offered Shares or any shares resulting from its rights and obligations under the investor's agreement to buy the Offered Shares also under the Articles of Incorporation (and, by giving this representation and guarantee, it confirms that it is aware of the restrictions on sale and transfer provided for in this Part 15);
- f) understands that no action has been taken and will not be taken by the Issuer or any other person in a jurisdiction other than Romania, which could allow the offering of the Offered Shares to the public, or the possession or distribution of this document, in any country or jurisdiction in which any action is sought for that purpose;
- g) as it has been able to obtain and read the Prospectus, the Pricing Statement and any supplement to the prospectus, it shall be deemed to have read all these documents in their entirety and noted all information relating to the Issuer or any member of the Group and the Offering contained in the Prospectus, the Pricing Statement and/or any supplement to the prospectus;
- h) no person is authorized in connection with the Offering to provide any information or make any statement other than that contained in the Prospectus, the Pricing Statement and any supplement to the prospectus and, if such information or statement has been given or done, it must not be considered as authorized by the Issuer, Directors, Intermediary or any other person;
- i) all documents related to the Offering may be sent by e-mail or post to the e-mail address or physical address communicated to the Intermediary or to the Eligible Participant through which the subscription was made and any sums returned shall be transferred to the bank account mentioned in the subscription form and any such documents and refunded amounts will be sent at the risk of the Retail Investor;
- j) the Retail Investor's subscription for the Offered Shares is not and will not be funded using funds provided by another person on the basis of an agreement by which any Offered Shares allocated to the Retail Investor or all or a significant part of the total value of these Offered Shares will be transferred to this other person;
- k) is not and does not subscribe on behalf of a person employed in, or about whom it knows or has reason to believe that it is, engaged in money laundering operations; and
- l) agrees that the Issuer and/or the Intermediary shall not be liable for any loss of data during the receipt and/or processing of subscription forms or shall not be liable for the accidental loss or destruction of any subscription form or any personal data relating to investors or any loss or financial or other damage that may result, directly

or indirectly, from them, including any loss in connection with the non-allocation or non-delivery of any Offered Shares as a result of such loss or destruction.

**15. WARNING REGARDING FISCAL ASPECTS**

Potential holders of the Offered Shares should be aware that they may incur an obligation to pay fees or taxes under the laws and tax practices of the jurisdictions in which the Offered Shares will be transferred or from other relevant jurisdictions. Each potential investor should consult its own tax advisor in each state regarding the tax implications resulting from the acquisition or holding of Offered Shares. Only such a consultant can make a complete and correct analysis of the specific situation of the potential investor.

**PART 16**  
**THE POTENTIAL CREATION OF A CLASS OF SHARES WITH MULTIPLE VOTING RIGHTS**

On May 26, 2021, the Issuer's shareholders unanimously approved: (i) the CREATION of a new class of shares with multiple voting rights, each share of that class granting five (5) voting rights; (ii) the conversion of a number of 162,508,857 ordinary shares held by each of the Founding Shareholders into multiple voting shares, thus converting a total of 325,017,714 ordinary shares into shares with multiple voting rights, each with a nominal value of RON 0.20 each and a total nominal value of RON 65,003,542.80, representing 25% of the Issuer's share capital and 62.5% of the total voting rights in the Issuer (both at the date hereof); and (iii) imposing conditions on the transferability of shares with multiple voting rights, which will be freely transferable only to and between the Founding Shareholders and any of their affiliates, the transfer to any other person resulting in their conversion into ordinary shares (granting one vote per share). The Bucharest Trade Registry Office rejected twice the registration in the trade register of the amendments correlative to these decisions of the Issuer's shareholders, arguing that company law allows only two classes of shares, ordinary and ones with a priority dividend and without voting rights, despite the Issuer's arguments regarding the legality of the decision, supported both by arguments of Romanian and European law, and by the applicable practice of the High Court of Cassation and Justice. Against this rejection, at the date of this Prospectus, the Issuer's shareholders who had voted in favor of the decision of May 26, 2021 agreed to postpone the amendment of the Issuer's articles of association, but expressed their intention to request inclusion on the agenda of the next EGMS and to vote in favor of the same points as previously approved. In case the EGMS issues a new favorable decision, the Issuer intends to use all the means at its disposal to obtain its registration in accordance with the law.

To the extent that the EGMS approves the above points, each of the Founding Shareholders will hold (assuming that their holdings at the date of the Prospectus remain unchanged) 262,652,745 ordinary shares and 162,508,857 multiple-voting shares, thus jointly controlling 78.7648 % of the total voting rights within the Issuer (each controlling 39.3824% of the total voting rights of the Issuer), assuming that the Offer Size is the Maximum Offer Size.

**PART 17**  
**ADDITIONAL INFORMATION**

**1. ESTABLISHMENT AND SHARE CAPITAL**

**1.1. General Information**

On 16 November 2007, the Issuer was established as a limited liability company, according to the laws of Romania, under the name of "Munifin SRL" The name of the Issuer was subsequently changed to "Municipality Finance SRL" and later, in 2013, to "One United Properties SRL". In 2016, the Issuer was transformed into a joint stock company.

At the date of incorporation, the share capital of the Issuer was RON 200 divided into 20 shares, with a rated value of RON 10 each.

The issuer is a tax resident in Romania.

**1.2. History of the Issuer's share capital**

1.2.1 The history of the Issuer's share capital in the period covered by the historical financial information is as follows:

1.2.1.1 On 3 January 2018, the share capital was RON 8,707,920, divided into RON 870,792, with a rated value of RON 10 each.

1.2.1.2 On 3 January 2019, the share capital increase was registered up to the value of RON 9,073,720, divided into 907,372 shares, with a rated value of RON 10 each.

1.2.1.3 On 7 May 2019, the share capital increase was registered up to the value of RON 9,331,800, divided into 933,180 shares, with a rated value of RON 10 each.

1.2.1.4 On 22 May 2019, the share capital increase was registered up to the value of RON 9,404,550, divided into 940,455 shares, with a rated value of RON 10 each.

1.2.1.5 On 26 June 2019, the share capital increase was registered up to the value of RON 146,964,902.85, divided into 940,455 shares, with a rated value of RON 156.27 each.

1.2.1.6 On 26 October 2020, the share capital increase was registered up to the value of RON 165,918,705.04, divided into 1,061,743 shares, with a rated value of RON 156.27 each.

1.2.1.7 On 23 December 2020, the share capital increase was registered up to the value of RON 259,824,598.32, by increasing the rated value of a share from the rated value of RON 156.27 to the rated value of 260.41 RON each.

After 31 December 2020, on 29 April 2021, the increase of the Issuer's share capital was registered from the amount of RON 259,824,598.32 to the amount of RON 260,014,171.2, by increasing the rated value of the shares from the amount of RON 260.41/share to the amount of RON 260.60/share, by incorporating the reserves in the amount of RON 189,572.88, as well as the modification of the rated value of a share, from the value of RON 260.60 to the value of RON 0.2 and the total number of shares of the Issuer, respectively 1,300,070,856 shares, approved according to the EGMS decision of 19 April 2021.

According to the decision of the extraordinary general meeting of the Issuer's shareholders of June 8, 2021, it was approved (i) the increase of the share capital of the Issuer from the nominal value of RON 260,014,171.2 and up to the maximum nominal value of RON 286,015,588.2 ("**Share Capital Increase**"), by issuing a number of up to 130,007,085 new ordinary, registered, dematerialised shares, each with a nominal value of RON 0.20 and a total nominal value of RON 26,001,417, in view of the Offer and (ii) the authorization of the Board of Directors of the Issuer for a period of five (5) years to decide to increase the share capital of the Issuer, through one or more issues of ordinary, registered and dematerialised shares, with a nominal value not exceeding Lei 13,246,558.6.

**2. SPECIFIC INFORMATION ON THE OFFERED SHARES**

**2.1 Form**

The Shares (including the Offered Shares) are subject to and have been issued in accordance with the laws of Romania. All Shares are registered, ordinary, freely transferable shares, issued in dematerialised form by registration in the Issuer's shareholders' register, kept by the Central Depository.

## 2.2 **Transfer of Shares**

The Bucharest Stock Exchange issued an approval in principle for the admission of the Offered Shares for trading on the Regulated Market of the Bucharest Stock Exchange. After closing the Offer, the Issuer intends to request to the Bucharest Stock Exchange the final approval for the admission of the Offered Shares for trading on the Regulated Market of the Bucharest Stock Exchange. When admitted for trading on the Regulated Market of Bucharest Stock Exchange, the Offered Shares will be registered under an ISIN number ROJ8YZPDHWW8 and traded under the symbol "ONE".

The Offered Shares will be issued only by registration in the account and, on the settlement date, they will be registered in the investors' securities accounts, through RoClear (Romanian Clearing-Settlement, Custody, Depository and Registration System), which is administered by the Central Depository. The Offered Shares traded on the Regulated Market of Bucharest Stock Exchange will be transferred by registration in the accounts of the investors opened with participants in the RoClear System or intermediaries holding, directly or indirectly, accounts opened with participants in the RoClear System.

## 2.3 **Dividends and distributions**

Shares (including Offered Shares) entitle to dividends and other distributions, if and when approved. Any such distributions will be made for each Share (including the Offered Shares), equally, regardless the rated value. All Shares (including Offered Shares) are of equal rank in all respects and will be eligible for any distribution of dividends, if and when they are approved, in the future. The tax implications of dividend distribution need to be considered very carefully.

# 3. **SPECIFIC ASPECTS OF CORPORATE GOVERNANCE**

## 3.1 **General Information**

Below is a summary of certain relevant information regarding the Articles of Incorporation, the Corporate Governance Code and certain provisions of Romanian law in force at the date of this Prospectus.

This summary does not aim to provide a complete picture of the Articles of Incorporation or the relevant provisions of Romanian law and must be read in the light of the provisions of the Articles of Incorporation as in force at the close of the Offering. This summary does not constitute a legal opinion on these matters and should not be considered as such. The full text of the Articles of Incorporation will be available free of charge, in Romanian and English, at the Issuer's headquarters, during normal business hours and in electronic format, on the Issuer's website ([www.one.ro](http://www.one.ro)) as well as on the Intermediary's website ([www.brk.ro](http://www.brk.ro)).

## 3.2 **Scope of Activity**

The main object of activity of the Issuer is represented by "Holding company activities". The issuer may also carry out any or all of the secondary activities included in Article 3 of the Articles of Incorporation.

## 3.3 **Share Register**

According to the Romanian law and the Articles of Incorporation, the Issuer must keep a register of shareholders. The Issuer's register of shareholders must be accurate and up-to-date and include records of the names and addresses of all holders of Shares, indicating the date the Shares were acquired, the date of confirmation by the Issuer or notification of the Issuer and the amount paid for each Share. The register also includes information on any mortgage rights established on the Shares.

According to the Romanian legislation and the Articles of Incorporation, the register of the Issuer's shareholders is kept, on behalf of the Board of Directors, by a register company designated for this purpose, respectively by the Central Depository. The Register of Issuer's shareholders is kept by the Board of Directors of the Issuer.

## 3.4 **Transfer of Shares**

There are no restrictions on the transferability of Shares in the Articles of Incorporation.

## 3.5 **Increase of the Share Capital**

The share capital can be increased by the EGMS decision. The EGMS decision approving the share capital increase is adopted by a majority of at least two thirds of the voting rights held by the Shareholders present or represented in the General Meeting.

The Share Capital can be increased by issuing new Shares or by increasing the rated value of existing Shares in exchange for new cash and/or in-kind contributions. Also, the Share Capital may be increased by incorporating the reserves, except for the legal reserves, as well as the benefits or issue premiums, or by compensating certain, liquid and due receivables on the Issuer with its Shares.

The shares issued for the increase of the Share Capital will be offered for subscription primarily to the existing Shareholders, in proportion to the number of shares they own, and they may exercise the right of first refusal. The General Meeting may approve the limitation or suspension of the rights of first refusal of the Shareholders in case of increase of the Share Capital by cash contribution through a decision adopted in the presence of Shareholders representing 85% plus one of the share capital, with a majority of at least three quarters of the voting rights. The Board of Directors will make a written report available to the extraordinary general meeting of shareholders, specifying the reasons for limiting or cancellation of the right of first refusal. This report will also explain how to determine the issue value of the Shares.

The Articles of Incorporation or the decision of the Extraordinary General Meeting may authorize the increase of the Share Capital up to a maximum level. Within the limits of the set level, the Board of Directors may decide, following the delegation of powers, to increase the Share Capital. This competence is granted to the Directors for a maximum period of 3 years and may be renewed by the General Meeting for a period which, for each renewal, may not exceed 3 years. The Board of Directors may be delegated by decision of the Extraordinary General Meeting also the task of limiting or cancelling the right of first refusal in the respective operation.

The decisions made by the Board of Directors, in the exercise of the attributions delegated by the Extraordinary General Meeting, have the same regime as the decisions of the General Meeting regarding their publicity and the possibility of appealing in court.

### **3.6 Acquisition of own shares**

The Issuer may not subscribe for its own Shares. The Issuer may acquire its own Shares, either directly or through a person acting in its own name, but on behalf of the Issuer, subject to the following conditions: (i) the authorization to acquire its own Shares is granted by the General Meeting, which will establish the conditions of such acquisition, in particular the maximum number of Shares to be acquired, the duration for which the authorization is granted and which may not exceed 18 months from the date of publication of the decision in the Official Gazette of Romania, Part IV, and, in case of an acquisition for consideration, their minimum and maximum equivalent value; (ii) the nominal value of the Own Shares acquired by the Issuer, including those already in its portfolio, may not exceed 10% of the subscribed share capital; (iii) the transaction may have as object only fully paid-up Shares; and (iv) the payment of the Shares thus acquired will be made only from the distributable profit or from the available reserves of the Issuer, accounted in the last approved annual financial statement, except for the legal reserves.

The shares held by the Issuer in the share capital do not confer the right to dividends during the period of their holding by the Issuer. In addition, the voting rights conferred by these Shares will be suspended during their holding by the Issuer.

Any tax implications arising from the acquisition of own shares and subsequent transactions (including cancellation or redemption) must be considered in the light of the specific circumstances of each transaction.

### **3.7 Reduction of share capital**

The General Meeting may decide to reduce the subscribed share capital by (i) decreasing the number of shares; reducing the rated value of the shares; or (ii) the acquisition of its own shares, followed by their cancellation. In any case, the reduction will be subject to the applicable legal provisions.

A decision to reduce the share capital requires a majority of at least two-thirds of the voting rights held by the Shareholders present or represented at the General Meeting and must include the reasons for the reduction and the procedure to be used. In addition, in accordance with Romanian law, a reduction of the share capital implies a period of opposition of two months, during which the creditors have the right to oppose the reduction of the share capital, under certain conditions.

From the perspective of Romanian tax law, any distribution in cash or in kind made to Shareholders based on the reduction of share capital, which is made according to the shareholding of each Shareholder in share capital, is not considered dividend distribution and should therefore not fall within the scope of the withholding tax.

### **3.8 Annual financial statements and auditors**

The financial year of the Issuer coincides with the calendar year. Each year, within four months as of the end of the financial year, the Board of Directors must publish the annual financial statements and make them available to the public, and also submit them to the FSA. The annual financial statements must be accompanied by a report of the independent auditor, a report of the Board of Directors and certain other information required in accordance with Romanian law.

The financial statements of the Issuer will be audited by financial auditors, individuals or legal entities, under the conditions provided by law.

The financial auditor prepares the audit report on the annual financial statements, in which he/she presents his/her opinion, showing whether the annual financial statements present a true and fair view of the financial position, financial performance and other information related to the work carried out, according to the professional standards of the Romanian Chamber of Financial Auditors.

The financial auditor's report, together with his/her opinion, will be presented to the General Meeting and will be published together with the annual financial statements of the Issuer. The General Meeting may not approve the annual financial statements unless they are accompanied by the financial auditor's report.

### **3.9 Dividends and other distributions**

In accordance with Romanian law and the Articles of Incorporation, dividends are distributed to Shareholders prorated to the paid-in share capital, optionally quarterly based on interim and annual financial statements, after regularization through annual financial statements. Dividends may be distributed only from the Issuer's profits determined according to Romanian law.

The Issuer applies a policy regarding the annual distribution of dividends or other benefits to Shareholders, proposed by the Board of Directors, in the form of a set of guidelines that the Issuer follows regarding the distribution of net profit.

### **3.10 General Meeting**

See section 4 below, which provides a more detailed description of General Meetings.

### **3.11 Amendment of the Articles of Incorporation**

The General Meeting may decide to amend the Articles of Incorporation. When the agenda of the General Meeting includes proposals for amending the Articles of Incorporation, the summoning will have to include the full text of the proposals.

A decision adopted by the General Meeting to amend the Articles of Incorporation requires a simple majority of the votes cast. The exercise of this powers may be delegated to the Board of Directors.

### **3.12 Dissolution and liquidation**

The General Meeting may decide to disband the Issuer, decided by a majority of at least two thirds of the voting rights held by the Shareholders present or represented in the General Meeting. If the General Meeting has decided to disband the Issuer, the dissolution of the Issuer has the effect of opening the liquidation procedure. From the moment of dissolution, the Directors and Administrators can no longer undertake new operations, otherwise, being personally and jointly and severally liable for the actions taken. The fiscal consequences of the division and liquidation will be determined in accordance with Romanian tax law and the legislation of the country in which each investor is a tax resident.

## **4. GENERAL MEETING**

### **4.1 Ordinary General Meetings**

The Ordinary General Meeting meets at least once a year, within four (4) months as of the end of the financial year, to approve, inter alia, the annual financial statements and to establish the work program and budget for the current year.

### **4.2 Extraordinary General Meetings**

Extraordinary General Meetings are convened whenever necessary, under the conditions provided by law.

The Board of Directors immediately convenes the General Meeting, at the request of the Shareholders representing, individually or together, at least 5% of the Share Capital, if the request contains provisions falling within the attributions of the General Meeting, so that the General Meeting is held, upon the first or second summoning, within 60 days from the date of the request.

#### **4.3 The convening notice and the agenda**

The General Meetings will be convened by the Board of Directors, based on a convening notice that must be published in the Official Gazette of Romania, Part IV, and in one of the widely circulated newspapers in the locality where the Issuer's headquarters are located or in the nearest town. The sitting term of the General Meeting may not be less than 30 days from the publication of the convening notice in the Official Gazette of Romania, part IV. This time limit shall not apply to the second or subsequent convening of the General Meeting due to the failure to meet the quorum required for the first convened meeting, provided that the applicable provisions have been met regarding the first convening, no new points are added on the agenda and at least 10 days pass between the final convening and the date of the General Meeting sitting.

The convening will include, among others: information on the following issues: (i) the place, date and time of the General Assembly; (ii) the agenda, with an explicit indication of all issues that will be the subject of the GMS debates; (iii) the reference date set by the Board of Directors (i.e. the date set by the Board of Directors which serves to identify the shareholders entitled to participate in and vote at the GMS), as well as the fact that only persons who are Shareholders at such time have the right to participate and vote in the General Meeting; (iv) a clear and precise description of the procedures to be followed by Shareholders in order to participate and vote in the General Meeting; (v) the place where it is possible to obtain the full text of the documents and draft decisions and the date from which they are available, as well as the procedure followed in this regard; (vi) issuer's website address and issuer's contact details; (vii) the proposal of the Board of Directors on the details of the corporate event, such as, and depending on the event, the date of registration, ex date, the date of guaranteed participation and the date of payment; (viii) the express specification that the right to vote can be exercised directly, through a representative or by correspondence and the conditions under which it is exercised; and (ix) the manner in which the ballot paper and the special power of attorney form for the representation in the GMS are distributed, as well as the date from which they are available.

One or more Shareholders representing at least 5% of the Share Capital, may request by a written request addressed to the Board of Directors the supplementation of the agenda with new items, provided that each item is accompanied by a justification or a draft decision. proposed for adoption by the General Meeting, as well as within 15 days from the date of publication of the convening. Under the same conditions, one or more Shareholders representing at least 5% of the Share Capital may present draft decisions for the items included or proposed to be included on the agenda of the General Meeting.

Each Shareholder may address written questions regarding the Issuer's activity to the Board of Directors by sending them to the e-mail address intended for the relationship with investors, before the date of the General Meeting, to be answered at the general meeting. The issuer can formulate a general answer to questions with the same content. Also, the answer is considered given if the requested information is published on the Issuer's website, in the "Frequently Asked Questions" section.

The General Meeting is chaired by the Chairman of the Board of Directors or by a member of the Board of Directors appointed for this purpose by the Chairman of the Board of Directors. Minutes of the meetings will be drawn up.

Only Shareholders registered in the Register of Shareholders on the reference date established by the Board of Directors have the right to participate and vote in the General Meeting. Shareholders may attend the General Meeting in person (in the case of legal entities through the legal representative or legal representatives, as the case may be) or through representative, based on a general or special power of attorney, the special power of attorney being expressly granted for that General Meeting.

#### **4.4 Voting rights**

Each Share confers the right to one vote. Unless Romanian law or the Articles of Incorporation provide for higher requirements, the general quorum and majority requirements for the General Assembly at the first and second convening are as follows: (i) The Ordinary General Meeting at the first convocation is legally convened if the Shareholders representing at least half plus one (50% + 1) of the total number of voting rights are present in person or represented in the Ordinary General Meeting and the decisions are adopted by at least half plus one (50% + 1) of the votes cast; (ii) The Ordinary General Meeting at the second convening is legally convened regardless of the number

of Shareholders present in person or represented and decisions are adopted by a majority of the votes cast (50% + 1); (iii) The Extraordinary General Meeting at the first as well as at the second convening is legally convened if the Shareholders representing at least half (50% + 1) of the total number of voting rights are present in person or represented in the Extraordinary General Meeting and decisions are adopted by at least 50% (50% + 1) of the votes of the shareholders present or represented at the Extraordinary General Meeting (higher quorum and majority requirements apply in cases expressly provided by law).

The Secretary of the General Meeting draws up the minutes of the meeting which are signed by the Chairman of the Board of Directors or by the person who chairs the General Meeting, as well as by the Secretary of the General Meeting. The minutes ascertain the fulfillment of the convening formalities, the date and place of the General Meeting, the Shareholders present or represented, the number of shares held by the Shareholders present or represented, the summary of the debates and decisions adopted and, at the Shareholders' request, the statements made by them in the meeting. All the documents related to the convening of the General Meeting, as well as the list of attendance of the Shareholders are attached to the minutes. These minutes are entered in the register of General Meetings.

## **5. OBLIGATIONS OF SHAREHOLDERS, OF THE COMPANY AND OF THE DIRECTORS TO NOTIFY HOLDERS OF SHARES AND VOTING RIGHTS**

According to Law 24/2017, if after the acquisition or sale of Shares, the proportion of voting rights held by a person reaches, exceeds or decreases below one of the levels of 5%, 10%, 15%, 20%, 25%, 33%, 50 % or 75% of the total voting rights, that person must notify the Issuer, FSA and the Bucharest Stock Exchange, within a maximum of 4 Working Days from the confirmation of this operation. The relevant percentages will be calculated by reference to all voting rights in a given class of shares, regardless of whether all or certain voting rights in that class are suspended.

For the purpose of calculating the percentage of voting rights, the following holdings must, inter alia, be taken into account: (i) voting rights held directly by any person; (ii) voting rights held or exercisable by an entity controlled by that person or by a third party on behalf of that person or by another person acting with that person; (iii) voting rights held by a third party with whom that person has concluded an agreement on the concerted exercise of voting rights; (iv) voting rights held by a third party with whom that person has entered into an agreement on the temporary transfer, for consideration, of those voting rights; (v) the voting rights attached to the Shares held by that person which are provided as security, provided that he/she controls the voting rights and that he/she states his/her intention to exercise them; (vi) the voting rights attached to the Shares, the usufruct right belonging to that person; (vii) the voting rights attached to the Shares held by that person, which he/she may, in the absence of instructions to the contrary from the owners of the Shares, exercise without restriction; (viii) the voting rights exercised by that natural or legal person as a proxy which, in the absence of specific instructions from the owners of the shares, he/she may exercise without restriction; and (ix) the voting rights attached to the shares issued that may be acquired by such person on the basis of other financial instruments held by him/her.

Failure to comply with these notification obligations constitutes a contravention. FSA may request the above persons to make the related disclosures, it may also request additional information regarding such disclosures. FSA may impose administrative sanctions for non-compliance and may make such non-compliance public.

Shareholders are advised to consult with legal advisers to determine whether notification obligations apply to them.

## **6. OBLIGATIONS OF SHAREHOLDERS TO MAKE PUBLIC OFFERINGS**

According to Directive 2004/25/EC ("**Takeover directive**"), each Member State must ensure the protection of minority shareholders by requiring any person acquiring control of a company to make an offer to all holders of securities voting rights of that company, for all their holdings, at a fair price.

The takeover directive applies to all companies governed by the laws of a Member State, for which all or certain securities conferring voting rights are admitted to trading on a regulated market in one or more Member States.

According to Romanian law, more specifically, Law 24/2017 and Regulation 5/2018, mandatory takeover public offerings must be launched immediately but, as a rule, no later than two months from the date on which the bidder has reached the threshold that gives him control. Until the public offering takes place, the voting rights related to the securities exceeding the threshold of 33% of the voting rights over the Issuer are suspended, and the respective shareholder and the persons with whom he acts together can no longer acquire, through other operations, shares of the Issuer.

The price of a mandatory takeover public offering will be at least equal to the highest price paid for shares by the bidder or by the persons acting together with the bidder, within 12 months before the submission of the documentation related to the approval of the public offering with FSA.

If the mandatory takeover offering is not launched within the deadline provided by Romanian law, the offer price is at least equal to the highest price of the following values: (i) the highest price paid by the bidder or the persons with whom he/she acts together during the 12 months preceding the date of submission of the offering documents with FSA; (ii) the highest price paid by the bidder or by the persons with whom he/she acts together in the last 12 months preceding the date on which the position conferring control of the voting rights in the company was reached; (iii) the trading weighted average price, corresponding to the last 12 months prior to the date of submission to the FSA of the offering documentation; (iv) the trading weighted average price, corresponding to the last 12 months prior to the date on which the position representing more than 33% of the voting rights was reached.

If the mandatory takeover public offering is launched within the deadline provided by Romanian law, but the bidder or persons acting together with it have not purchased shares of the company subject to takeover within 12 months prior to the date of submission to FSA of the offering documentation for its approval, or in the situation where FSA considers that the operations through which shares were purchased are likely to influence the correctness of the pricing method, the offer price within the mandatory takeover public offering is at least equal with the highest price of the following values determined by an authorized appraiser, according to the law, and designated by the bidder, as follows: (i) the trading weighted average price for the last 12 months prior to the date of submission of the offering documents to FSA; (ii) the value of the company's net assets, divided by the number of shares subscribed, according to the last audited financial statement; and (iii) the value of the shares resulting from an expertise performed in accordance with international valuation standards. If the mandatory takeover public offering is not launched within the deadline provided by Romanian law, and the bidder or persons acting together with it have not purchased shares of the company subject to takeover within 12 months prior to the date of submission to FSA of the offering documentation for its approval, or in the situation where FSA considers that the operations through which shares were purchased are likely to influence the correctness of the pricing method, the offer price within the mandatory takeover public offering is at least equal with the highest price of the following values determined by an authorized appraiser, according to the law, and designated by the bidder, as follows: (i) the trading weighted average price for the last 12 months prior to the date of submission of the offering documents to FSA; (ii) the trading weighted average price, for the last 12 months prior to the date on which the position representing more than 33% of the voting rights was reached; (iii) the highest price paid by the bidder or by the persons with whom he acts together in the last 12 months preceding the date on which the position representing more than 33% of the voting rights was reached; (iv) the value of the company's net assets, divided by the number of shares subscribed, according to the last financial statement prior to the date of submission to FSA of the offering documentation; (v) the amount of the company's net assets, divided by the number of shares subscribed, according to the last audited financial statement prior to the date on which the position representing more than 33% of the voting rights was reached; and (vi) the value of the shares resulting from an expertise performed in accordance with international valuation standards.

## **7. MARKET ABUSE RULES**

As of 3 July 2016, the national legislation previously applicable in EU Member States has been repealed, the Market Abuse Regulation (Regulation (EU) No 596/2014) ("**MAR**") provides for special rules to prevent market abuse, such as insider dealing, disclosure of inside information and unauthorized disclosure and market manipulation. The issuer, members of the Board of Directors and other inside information holders as well as persons carrying out transactions with financial instruments of the issuer, where applicable, shall be subject to the prohibition on insider dealing, the prohibition on the disclosure of inside information and its unauthorized transmission to certain persons, and the prohibition on market manipulation. In certain circumstances, Issuer's investors may also be subject to market abuse rules.

Inside information means any information of a certain nature, which relates (directly or indirectly) to the Issuer or to Issuer's shares or other financial instruments, which have not been made public and which, if made public, could have a significant impact on the price of the Shares or on the other financial instruments or on the price of the derivative financial instruments.

According to MAR, a person is prohibited from having inside information and using that information by acquiring or disposing, in his own name or on behalf of a third party, directly or indirectly, of Shares of the Issuer and other financial instruments to which that information relates. A person is also prohibited from using inside information by canceling or amending an Order on Shares of the issuer or other financial instruments to which the information relates,

if the order was issued before that person had inside information. In addition, a person is also prohibited from recommending another person to engage in insider dealing or to induce another person to engage in insider trading when that person has information and (a) recommends, on the basis of such information, that such other person acquire or dispose of Shares of the Issuer or other financial instruments to which that information relates or cause that other person to make such a purchase or alienation; or (b) recommends, on the basis of such information, that such other person cancels or amends an order concerning the Shares or other instruments to which such information relates or causes that person to make such a cancellation or change.

The issuer will have the obligation to make public any inside information immediately. However, the issuer may delay the publication of inside information if it can ensure the confidentiality of the information. This delay is only possible if the publication of such information could harm the legitimate interests of the Issuer and if there is no risk that the delay will mislead the market. The Issuer will be subject to Romanian legislation regarding the publication of inside information. Also, the Issuer must immediately inform FSA of any information that is made public.

The directors, other persons with management responsibilities and persons in close relations with them are subject to the notification obligations provided by MAR. The directors and other persons with management responsibilities as well as the persons in close relations with them, must notify FSA of each transaction carried out in their own name in connection with the Shares or debt securities of the Issuer or with derivative instruments or other financial instruments related to these Shares or debt securities. The notification must be made within three Business Days from the date of the transaction. According to MAR, it is not necessary to make any notification of a transaction if the transactions in a calendar year carried out by that Director, the persons with management responsibilities or the persons in close relations with them do not exceed the threshold of 5,000 € ( without netting). Once the threshold has been reached, all transactions will have to be notified, regardless of the value and the place where they were concluded.

Failure to comply with these reporting obligations could lead to criminal sanctions, fines and cessation and termination orders (and their publication), imprisonment or other sanctions.

## **8. TRANSPARENCY REQUIREMENTS**

According to Law 24/2017, The Issuer must publish its audited annual financial statements within four months as of the end of each financial year and its half-yearly financial statements within three months as of the end of the first financial semester of the year.

In accordance with Law 24/2017 on issuers of financial instruments and market operations, the Issuer shall publish its annual report, including its annual financial statements, together with a report and a statement of the Board of Directors and the independent auditor's report, within four months as of the end of each financial year. The same documents must be submitted to FSA and the Bucharest Stock Exchange, within the same term.

Furthermore, Regulation 5/2018 and Law 24/2017 on issuers of financial instruments and market operations , provide that the Issuer will have to make public the inside information about the Issuer , as well as information about important recent events in the activity of the Issuer , which could have an impact on the price of the Offered Shares. E.g., the Issuer will need to submit information such as:

- convening of general meetings of shareholders;
- the decisions adopted by the general meeting of shareholders or, as the case may be, information relating to the non-fulfillment of the quorum or majority required for the adoption of a decision;
- changes in control of the company, including indirect change of control over the company;
- changes in management;
- replacement of the company's auditor and the reason for this replacement;
- termination or reduction of contractual relations that generated at least 10% of the company's revenues during the previous financial year;
- changes in the characteristics and/or rights related to the different classes of securities issued by the company, including changes in the rights related to the derivative instruments issued by the company that confer rights on the shares issued by it;
- disputes in which the company is involved;

- initiating of a procedure for cessation, respectively for resumption of the company's activity, initiation and conclusion of the insolvency/bankruptcy procedure, judicial reorganization or dissolution;
- off-balance sheet operations with significant effects on the company's financial results;
- changes in the company's obligations, with a significant effect on its business and financial position;
- substantial acquisitions or disposals of assets (acquisitions or disposals of assets will be considered substantial if the assets represent at least 10% of the total value of the company's assets either before or after the respective transaction);
- contracts concluded by the company the value of which exceeds 10% of the net turnover related to the last annual financial statements or contracts concluded outside the current activity of the company; and
- the realization of a product or the introduction of a new service or a development process that affects the company's resources.

## **9. INTERMEDIATION CONTRACTS**

On 31 March 2021, the Issuer concluded an Intermediation Agreement with the Intermediary, which was subsequently amended by the Addendum of 15 June 2021. According to the Intermediation Contract:

- The Issuer agreed , under certain conditions, to sell the Shares included in the Offering at the Offer Price; and
- The Intermediary will receive from the Issuer, a total fee of up to RON 6,851,373.

## **10. SIGNIFICANT CONTRACTS**

During the reference period indicated in Annex 1, section 14, point 20 of the Delegated Regulation 2019/980, i.e. the last two years preceding the date of this Prospectus, the Issuer and the members of the Group, respectively, have not concluded significant contracts other than those concluded in the normal framework of the activity and referred to in this Prospectus.

## **11. WORKING CAPITAL**

In the Issuer's opinion, the Group has sufficient working capital for its current requirements, i.e. for at least the next 12 months after the date of this Prospectus.

## **12. NO SIGNIFICANT CHANGE**

There were no significant changes in the Group's financial or trading position as of 31 December 2020, the date on which the Issuer's last audited consolidated financial statements were prepared. For recent developments (since the date of the Annual Financial Statements), please see Part 6 "*Operating and Financial Review*".

## **13. CONSENT**

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

The Intermediary has given and has not withdrawn its consent for the inclusion in this Prospectus of its name in the form and context in which they appear.

## **14. EXPENDITURE RELATED TO THE ISSUE/OFFERING**

The fees and expenses that will be borne by the Issuer in connection with the Offering, the Admission respectively, including the fees to FSA, the professional fees and expenses and the costs of printing and distributing the documents are estimated at approximately RON 7.53 million. In addition, the total amount of subscription fees, expenses and other amounts related to stamp duties, to be paid by the Issuer in connection with the Offering is estimated at approximately 0.01 million. RON.

## **15. DOCUMENTS AVAILABLE FOR CONSULTATION**

Copies of the following documents will be available for consultation during normal business hours on any day of the week (except Saturdays, Sundays and public holidays) for a period of 12 months after the date of this Prospectus at the Issuer's premises:

- (a) The Articles of Incorporation of the Issuer;
- (b) the audited consolidated financial statements of the Issuer for the three financial years ended on 31 December 2018, 2019 and 2020, together with the related audit reports; and
- (c) this Prospectus.

Those documents will also be made available on the Issuer's website at [www.one.ro](http://www.one.ro) , as well as on the Intermediary's website at [www.brk.ro](http://www.brk.ro).

Date: 15 June 2021

**ISSUER**

ONE UNITED PROPERTIES S.A.

By: VICTOR CĂPITANU

Executive Member and Director

**INTERMEDIARY**

SSIF BRK FINANCIAL GROUP S.A.

By: Monica Ivan

General Manager

**PART 18**  
**DEFINITIONS AND GLOSSARY**

"ACCA" .....	Association of Certified Public Accountants;
"Founding Shareholders" .....	Mister. Victor Căpitanu and Mr. Andrei Diaconescu;
“Share” .....	The ordinary shares of the Issuer;
"Offered Shares" .....	The offered shares for sale, within this Offering, respectively a number of 130,007,085 shares;
"Articles of Incorporation" .....	The Articles of Incorporation of the Issuer;
“Directors” .....	Members of the Issuer's Board of Directors;
"Executive Directors" .....	Executive members of the Board of Directors;
"Non-Executive Directors" .....	Non-executive members of the Board of Directors;
"Admission" .....	Approval of and submission to FSA for the purpose of the Offering and admission to trading of all Shares on the Regulated Market administered by the Bucharest Stock Exchange;
"Extraordinary General Meeting" or "EGMS" .....	Extraordinary general meeting of shareholders;
"General Meeting" or "GMS" .....	Ordinary general meeting of shareholders;
"Ordinary General Meeting" or "OGMS" .....	Ordinary general meeting of shareholders;
"ANAF" .....	Romanian National Agency for Fiscal Administration;
“FSA” .....	Romanian Financial Supervisory Authority;
"ASPAAS" .....	Authority for Public Supervision of the Statutory Audit Activity;
"BAF" .....	Fund for accession to the Balkans;
„NBR” .....	The National Bank of Romania;
„Brexit” .....	the referendum in Great Britain which resulted in the vote for Britain's exit from the European Union;
"BVB" .....	Bucharest Stock Exchange;
"CAR" .....	CAR type insurance policy, for all types of constructions;

"Land Registry" .....	The public register in Romania which includes the complete and exact legal record of the real estates, the property of the natural and legal persons from the same locality;
„CBRE” .....	CB Richard Ellis;
"CEO" .....	Executive Manager;
"CFA" .....	Certified financial analyst;
"CFM" .....	Multiannual Financial Framework
"CFO" .....	Financial Manager;
"CFR" .....	Romanian National Railway Company „CFR " SA
"Civil Code" .....	Law no. 287/2009 on the Civil Code, as subsequently amended and supplemented;
"Romanian Civil Procedure Code"	Law no. 134/2010 on the Civil Procedure Code, as subsequently amended and supplemented;
"Labor Code" .....	Law no. 53/2003 on the Labor Code, as subsequently amended and supplemented;
"BVB Corporate Governance Code" .....	Corporate Governance Code of the Bucharest Stock Exchange;
"Nomination and Remuneration Committee" .....	The Nomination and Remuneration Committee set up by the Issuer's Board of Directors;
"Risk and Audit Committee" .....	The risk and audit committee set up by the Issuer's Board of Directors;
„Board of Directors” .....	The Board of Directors of the Issuer;
"Intermediation Contract" .....	The financial investment services contract concluded between the Intermediary and the Issuer on 31 March 2021, as subsequently amended;
"Lugano Convention of 2007" ...	Convention on Jurisdiction, Recognition and Enforcement of Judgments in Civil and Commercial Matters, published in the Official Journal no. L 339 on 21 December 2007;
"Covid-19" .....	The pandemic spread by the SARS-VOC-2 virus;
„DAE” .....	Effective annual interest rate;
„Allocation Date”	2 July 2021, date when the Offer Price is announced , when the publication of the Pricing Statement will take place and notification of the allocation of the Offered Shares;
"Settlement Date"	means 7 July 2021, given a T + 2 settlement cycle;
"Closing Date" .....	The last day of the offering, 2 July 2021;

"Transaction Date"	5 July 2021, meaning the date on which the subscription orders related to the Offering are registered in the system of the Bucharest Stock Exchange;
"Pricing Statement" .....	Publication of a statement containing the Offer Price and confirming the Offer Size and related information that is expected to be published on 2 July 2021;
„Deloitte Audit S.R.L.” .....	Deloitte Audit SRL, a limited liability company, having its registered office in 84-98 and 100-102 Calea Grivitei, bl. The Mark Building, et. 8-9, Bucharest Sector 1, registered with the Trade Register under no. J40/6775/1995, sole registration code 7756924;
"Central Depository" .....	Depozitarul Central SA, a joint stock company, having its registered office in 34-36 Carol I Boulevard, pp. IBC modern, et. 3,8,9, Sector 2, registered with the Bucharest Trade Register under no. J40/5890/1997, having the sole registration code 9638020;
"Opening the Offer"	means 22 June 2021, being the first day of the Offering;
“Takeover Directive” .....	Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, as amended and supplemented;
“Manager” .....	The person holding the position of manager of the Issuer;
“General Manager” .....	The person holding the position of General Manager of the Issuer;
„EBITDA” .....	Operating profit before interest, profit tax and depreciation;
„EEAF” .....	Emerging Europe Accession Fund;
"Issuer" .....	One United Properties SA, a joint stock company with its registered office located in 20 Maxim Gorki Street, District 1, Bucharest, Romania, registered with the Bucharest Trade Registry Office under no. J40/21705/2007, sole registration code 22767862;
"EUR" .....	It means the euro, the single currency introduced in the Member States of the European Union which have adopted such a single currency in the third stage of the European Economic and Monetary Union under the Treaty establishing the European Community, as amended;
"Fitch" .....	Fitch Ratings Rating Agency;
"Revocation Form" .....	Investor Subscription Withdrawal Form;
„Forte Partners” .....	Forte Partners SRL, a limited liability company, having its registered office in 212-214 Țițeica Gheorghe Street, Bl. Ethos House, 6th floor, ap. Office 9, Bucharest Sector 2, registered with the Trade Register under no. J40/13713/2013, sole registration code 32435860;
"GDP" .....	GDP;
"GDV" .....	The gross value of the project;
"GLA" .....	Total leasable area;

„Glass Rom Impex S.R.L.” .....	Glass Rom Impex SRL, a limited liability company, having its registered office in 452 Metalurgiei avenue (zone A), Bucharest Sector 4, registered with the Trade Register under no. J40/3758/1995, sole registration code 7318312;
"Group" .....	The Issuer and the Group Companies;
„IFRS” .....	International financial reporting standards;
“Intermediary” .....	SSIF BRK Financial Group SA, a joint stock company, having its registered office in 119 Calea Motilor, Cluj Napoca, Romania, registered with the Cluj Trade Register under no. J12/3038/1994, sole registration code 6738423, legally authorized by the National Securities Commission (currently the Romanian Financial Supervisory Authority) and registered in the Public Register of the Romanian Financial Supervisory Authority under no. PJR01SSIF/120072;
"Price Range" .....	The offer price range for the Offered Securities;
"Investors" .....	Institutional Investors and Retail Investors;
"Institutional Investors" .....	Means: (a) credit institutions, (b) financial investment services companies, (c) insurance companies, (d) collective investment undertakings and their management companies, (e) pension funds and the directors of such pension funds, (f) commodity and commodity derivatives dealers, (g) <i>trust companies</i> , (i) international financial institutions (IFIs) and (j) other financial institutions.
"Retail Investors" .....	any natural or legal person, other than an Institutional Investor, in Romania;
„ISCIR” .....	State Inspection for the Control of Boilers, Pressure Vessels and Lifting Installations;
„ISIN” .....	International securities identification number;
"JLL" .....	Jones Lang LaSalle Incorporated
"Law 24/2017" .....	Law no. 24/2017 on issuers of financial instruments and market operations, as subsequently amended and supplemented;
"Law of Urbanism"	Law no. 350/2001 on spatial planning and urbanism, as subsequently amended and supplemented;
“Construction Law"	Law no. 350/2001 on spatial planning and urbanism, as subsequently amended and supplemented;
„Law no. 7/1996” .....	Law no. 7/1996 regarding cadastre and real estate publicity, as subsequently amended and supplemented;
“Securities Law” .....	The Securities Act of the United States of America of 1933, as subsequently amended and supplemented;
"Lemon Interior Design" .....	Lemon Interior Design SRL, a limited liability company having its registered office in 81 Drumul Taberei, pp. TD3, et. 6, ap. 37, Bucharest

	Sector 6, registered with the Trade Register under no. J40/21256/2004, sole registration code 17056286;
"Capital increase" .....	The increase of the share capital of the Issuer, as decided by the EGMS decision no. 58 of 8 June 2021;
„MAR” .....	Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as subsequently amended and supplemented;
"Maximum Offering Size" .....	The Offering Size will be up to 130,007,085 Offered Shares;
“Offering Size” .....	Number of Offered Shares to be sold under the Offer;
„Moody’s” .....	Moody’s Investors Service rating agency;
„Neo Downtown SRL” .....	Neo Downtown SRL, a limited liability company, having its registered office in 20 Gorki Maxim Street, Bucharest sector 1, registered with the Trade Register under no. J40/7618/2013, sole registration code 31850419;
„Neo Floreasa Lake” .....	The real estate project developed by the Issuer, located in 1 Zăgazului Street, Bucharest 014261, sector 1;
„Neo Herăstrău Park” .....	The real estate project developed by the Issuer, located at 65 Grigore Gafencu Street, Bucharest 014132 sector 1;
„Neo Mamaia” .....	The real estate project developed by the Issuer located in 4 Aleea Lamia, Mamaia 900001;
„Neo Mamaia S.R.L.” .....	Neo Mamaia SRL, a limited liability company, having its registered office in 20 Gorki Maxim Street, Bucharest sector 1, registered with the Trade Register under no. J40/15882/2017, sole registration code 38224218;
„Neo Properties Development S.A.” .....	Neo Properties Development SA, a joint stock company, having its registered office in 20 Gorki Maxim Street, Bucharest sector 1, registered with the Trade Register under no. J40/7797/2017, sole registration code 37647716;
„Neo Timpuri Noi” .....	The real estate project developed by the Issuer, located in 13 Ion Minulescu Street, Sector 3, Bucharest;
"NGEU" .....	Next Generation EU economic recovery package;
"The New Civil Code" .....	Law no. 287/2009 on the Civil Code, as subsequently amended and supplemented;
“Offering” .....	The Offering initiated by the Issuer, respectively the issue of the Offered Shares, in the terms and conditions provided under this Prospectus;
„One Charles de Gaulle Residence S.R.L.” .....	One Charles de Gaulle Residences S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/12245/2013, sole registration code 32316045;

„One Charles de Gaulle” .....	The real estate project developed by the Issuer, in the Primaverii area, Bucharest;
„One Cotroceni Park” .....	The real estate project developed by the Issuer, located in 1 Progresului Street, sector 2, Bucharest;
„One Cotroceni Park Office Faza 2 S.A.” .....	One Cotroceni Park Office Faza 2 S.A., a joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6838/2020, sole registration code 42671346;
„One Cotroceni Park Office Faza 3 S.A.” .....	One Cotroceni Park Office Faza 3 S.A., a joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6901/2020, sole registration code 42674881;
„One Cotroceni Park Office S.A.”	One Cotroceni Park Office S.A., a joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/7032/2020, sole registration code 42688380;
„One Cotroceni Park S.R.L.” ....	One Cotroceni Park S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/16080/2017, sole registration code 38236441;
„One Floreasca City” .....	The real estate project developed by the Issuer, located in the Floreasca area, Bucharest;
„One Floreasca Towers” .....	The real estate project developed by the Issuer, located in the Floreasca area, Bucharest;
„One Floreasca Towers S.R.L.”	One Floreasca Towers S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/9705/2019, sole registration code 41434708;
„One Herastrau Office Properties S.A.” .....	One Herastrau Office Properties S.A., joint stock company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/5201/2020, sole registration code 42510471;
„One Herăstrău Park” .....	The real estate project developed by the Issuer, located in 12 Nicolae G. Caramfil Street, sector 1, Bucharest;
„One Herastrau Plaza” .....	The real estate project developed by the Issuer, in 21-25 Zăgazului street, Aviation area, sector 1, Bucharest;
„One Herastrau Plaza S.R.L.” ...	One Herăstrău Plaza S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6186/2014, sole registration code 33202987;
„One Herăstrău Towers” .....	The real estate project developed by the Issuer, in 74A Nicolae G. Caramfil street, sector 1, Bucharest;

„One Herăstrău Towers S.R.L.”	One Herăstrău Towers S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/4242/2015, sole registration code 34339541;
„One Lake District S.R.L.” .....	One Lake District S.R.L. a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/16082/2017, sole registration code 38236450;
„One Lake District” .....	real estate project developed by One Lake District S.R.L.;
„One Long Term Investments S.R.L.” .....	One Long Term Investments S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/9555/2019, sole registration code 41422240;
„One Long Term Value S.R.L.”	One Long Term Value S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/6494/2016, sole registration code 36038650;
„One Madrigalului” .....	The real estate project developed by the Issuer, in 42 Madrigalului street, sector 1, Bucharest;
„One Mamaia S.R.L.” .....	One Mamaia S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/7003/2020, sole registration code 42687237;
„One Mircea Eliade” .....	The real estate project developed by the Issuer, in 16B Mircea Eliade avenue, sector 1, Bucharest;
„One Mircea Eliade Properties S.R.L.” .....	One Mircea Eliade Properties S.R.L, a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/7492/2016, sole registration code 36134550;
„One Modrogan” .....	The real estate project developed by the Issuer, in 1A al. Modrogan, sector 1, Bucharest;
„One Modrogan S.R.L.” .....	One Modrogan S.R.L., a limited liability company, with its registered office in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/3313/2014, sole registration code 32941698;
„One North Gate” .....	The real estate project developed by the Issuer, in 2 Pipera avenue, sector 1, Bucharest;
„One North Gate S.A.” .....	One North Gate S.A., a joint stock company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/390/2017, sole registration code 36927076;
„One Peninsula” .....	The real estate project developed by the Issuer, in 25 Navigators street, sector 1, Bucharest;

„One Peninsula S.R.L.” .....	One Peninsula S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/5520/2014, sole registration code 33142150;
„One Property Support Services S.R.L.” .....	One Property Support Services S.R.L., a limited liability company, headquartered in 202 Spl. Independentei, room C10B1, sector 6, Bucharest, registered with the Trade Register under no. J40/4901/2019, sole registration code 40951374;
„One Tower” .....	The real estate project developed by the Issuer, in 159-165 Floreasca street, sector 1, Bucharest;
„One United Tower S.A.” .....	One United Tower S.A., a joint stock company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/20317/2017, sole registration code 38586064;
„One Verdi Park” .....	The real estate project developed by the Issuer, in 164 Barbu Văcărescu street, Floreasca area, sector 2, Bucharest;
„One Verdi Park S.R.L.” .....	One Verdi Park S.R.L., a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/9541/2015, sole registration code 34850537;
"OSIM" .....	State Office for Inventions and Trademarks;
"Next Generation EU Economic Recovery Package" .....	The package of economic measures for the recovery of the European Union economy following the SARS-VOC-2 pandemic, as included in Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility;
"PAD" .....	Compulsory home insurance policies;
„Patria Bank” .....	Patria Bank S.A., a joint stock company, with its registered office in 42 Șoseaua Pipera, Globalworth Plaza building, 8 and 10 floor, Bucharest, sector 2, registered with the Trade Register under no. J40/9252/2016, sole registration code 11447021;
"PD" .....	Property damage insurance policies;
"Offer Period" .....	The period for the Offered Shares within the Retail Tranche, respectively the period between June 22 - July 2, 2021;
"Regulated Market or Regulated Market of the Bucharest Stock Exchange" .....	The regulated market under the administration of the Bucharest Stock Exchange;
"GDP" .....	Gross domestic product;
"General Urban Planning of Bucharest" .....	The general urban plan of the municipality of Bucharest, approved by the Decision of the General Council of the Municipality of Bucharest no. 269/21.12.2020;
"PNRR" .....	National Recovery and Resilience Plan;

"Chairman of the Board of Directors" .....	The Chairman of the Board of Directors, respectively Mr. Dragoș Horia Manda;
"Offer Price" .....	The price at which each Offered Share in the Offering will be sold;
"Excessive Deficit Procedure (EDP)" .....	The excessive deficit procedure, as governed by Article 126 of the Treaty on the Functioning of the European Union;
"Campus 6 Project" .....	The real estate project developed by Skanska in the Grozăvești area, 6 Iuliu Maniu avenue, sector 6, Bucharest;
"Globalworth Campus Project" .	The real estate project developed by Globalworth, in the Pipera area, Bd. 4-6 Dimitrie Pompeiu avenue, sector 2, Bucharest;
"The Bridge Project" .....	The real estate project developed by Forte Partners, in the central area of Bucharest;
"Prospectus" .....	This Prospectus regarding the initial primary public offering for the sale of the Offered Shares, approved by FSA in order to carry out the Offering;
"PUD" .....	Detailed urban planning;
"PUG" .....	General urban planning;
"PUZ" .....	Area Urban Planning;
"RAEF" .....	Fund for Romanian American enterprises;
"Report of the Board of Directors"	Activity report of the Board of Directors;
"RCAC" .....	Compound annual growth rate;
"Register of Shareholders" .....	Register of shareholders of the Issuer;
"Regulation 5/2018" .....	Regulation no. 5/2018 on issuers of financial instruments and market operations, issued by FSA, as subsequently amended and published;
"Delegated Regulation 2019/980"	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004;
"Prospectus Regulation" .....	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;
„Reinvent Energy S.R.L.” .....	Reinvent Energy SRL, a limited liability company, having its registered office in 8A Baba Novac street, cam. 22105, block C, floor 2, ap. 221, sector 3, Bucharest, registered with the Trade Register under no. J40/4935/2017, sole registration code 37358718;

„Ringier AG” .....	Ringer AG, a company from Switzerland, with its registered office in Zurich, 23 Dofourstrasse street, 8008, Switzerland;
„RoClear” .....	The Romanian Clearing Settlement, Custody, Depository and Registration System, administered by the Central Depository;
„RON” .....	Romanian lei;
"S&P" .....	Standard & Poor's rating agency;
"Financial statements" .....	Statutory financial statements, prepared in accordance with Romanian accounting legislation;
"Annual Financial Statements" ..	Financial Statements for the respective annual financial year;
"Skanska" .....	Real estate developer Skanska, active on the Romanian market;
„Skia Real Estate S.R.L.” .....	Skia Real Estate S.R.L, a limited liability company, headquartered in 20 Maxim Gorki Street, sector 1, Bucharest, registered with the Trade Register under no. J40/16212/2017, sole registration code 38248640;
"Group companies" .....	the subsidiaries owned, in whole or in part, by the Issuer, as presented in <i>“Part 3 - Description of the Issuer and organizational structure”</i> ;
„SSIF BRK Financial Group” ...	SSIS BRK Financial Group S.A., a joint stock company, headquartered in Cluj County, loc. Cluj-Napoca, 119 Moșilor street, registered with the Trade Register under no. J12/3038/1994, sole registration code 6738423;
"Member State" .....	Member State of the European Union;
„SWOT” .....	SWOT analysis taking into account the strengths, weaknesses, opportunities and threats present;
„Telecom” .....	Telecommunications sector;
"Titan Mar S.A. (currently Theda Mar S.A.)" .....	Theda Mar S.A. (former name Titan Mar S.A.), a joint stock company, with its registered office in Chiajna, 1bis Sos de centura, Ilfov county, registered with the Trade Register Office under no. J23/1846/2009, having the sole registration code 6243289;
"TP" .....	Terrorism policies;
"Retail Tranche" .....	The offering initiated by the Issuer to be addressed to the public, in Romania;
"Institutional Tranche" .....	The offer initiated by the Issuer to be addressed to institutional and professional investors;
„VAT” .....	Value added tax;
"EU" .....	European Union;
"USR" .....	The „Uniunea Salvați România” party;

"The Old Civil Code" .....	The Civil Code of 26 November 1864;
„X Architecture & Engineering Consult S.R.L.” .....	X Architecture & Engineering Consult S.R.L. a limited liability company, having its registered office in 20 Gorki Maxim street, Bucharest, sector 1, registered with the Trade Register Office under no. J40/9199/2014, having the sole registration code 33454143; and
"Working day" .....	Any day that is not a Saturday, Sunday or a public holiday in Romania.

**PART 19**  
**HISTORICAL FINANCIAL INFORMATION**

<b>The consolidated financial statements of the Group as at 31 December 2020 and for the year ended 31 December 2020</b>	F1-F73
<b>The consolidated financial statements of the Group as at 31 December 2019 and for the year ended 31 December 2019</b>	F74-F127
<b>The consolidated financial statements of the Group as at 31 December 2018 and for the year ended 31 December 2018</b>	F127-F189

## ANNEX A - DISTRIBUTION NETWORK FOR RETAIL INVESTORS

### **Bucharest Agency**

Bucharest, Sector2, 7 Bocsă Street, ap.1

Tel: 0364260762

[officebucuresti@brk.ro](mailto:officebucuresti@brk.ro)

### **Iasi Agency**

Iași, 4 Calea Chișinăului, bl. Plomba, entrance D, ap.1

Tel: 0242234569

[iasi@brk.ro](mailto:iasi@brk.ro)

### **Suceava Agency**

Suceava, Str. Ștefan cel Mare, nr.53, bl.G, sc.B

Tel:0330401092

[suceava@brk.ro](mailto:suceava@brk.ro)

### **Timisoara Agency**

Timisoara, 6 Simion Bărnuțiu street, comp.2

Tel:0356401257

[timisoara@brk.ro](mailto:timisoara@brk.ro)