ONE UNITED PROPERTIES SA

Separate financial statements for the year ended 31 December 2023

Prepared in accordance with the Ministry of Finance Order no. 2844/2016 for the approval of accounting regulations compliant with the International Financial Reporting Standards

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(Amounts are expressed in RON, unless otherwise mentioned)

Separate financial statements	Note	31 December 2023	31 December 2022
ASSETS			
Non-current assets			
Intangible assets		73,436	59,668
Property, plant and equipment	**6**	245,783	2,291,888
Right of use assets	**9**	-	17,640,137
Investments in subsidiaries and associates	**7**	426,552,763	209,382,429
Loans granted to subsidiaries, associates and others	**8**	582,735,536	571,982,357
Deferred tax assets	**13**	2,020,616	1,167,931
Other non-current assets	**10**	25,192,154	39,937,664
Total non-current assets		**1,036,820,288**	**842,462,074**
Current assets			
Trade receivables	**11**	50,800,423	726,283
Other receivables	**11**	130,315,249	100,314,789
Prepayments		316,022	244,934
Loans granted to subsidiaries, associates and others	**8**	126,216,672	29,095,328
Cash and cash equivalents	**12**	36,741,303	137,504,656
Total current assets		**344,389,669**	**267,885,990**
TOTAL ASSETS		**1,381,209,957**	**1,110,348,064**
EQUITY AND LIABILITIES			
Equity			
Share capital	**14**	759,530,863	740,563,717
Share premium	**14**	91,530,821	27,981,399
Own shares		(3,468,115)	1,029
Other capital reserves	**14**	21,140,590	51,848,900
Legal Reserves	**14**	25,028,088	17,452,635
Retained earnings		159,003,580	116,883,834
Total equity		**1,052,765,827**	**954,731,514**
Non-current liabilities			
Lease liabilities	**15**	-	17,864,412
Other payables	**16**	470,194	19,547,117
Total non-current liabilities		**470,194**	**37,411,529**
Current liabilities			
Lease liabilities	**15**	-	1,901,977
Trade payables	**16**	271,276	933,976
Other payables	**16**	327,612,848	115,104,814
Current tax liabilities	**13**	89,812	227,623
Deferred income		-	36,631
Total current liabilities		**327,973,936**	**118,205,021**
Total liabilities		**328,444,130**	**155,616,550**
TOTAL EQUITY AND LIABILITIES		**1,381,209,957**	**1,110,348,064**

The separate financial statements were approved by the Management of the Company, authorized for issue on 22 March 2024 and signed on its behalf by:

Victor Capitanu	*Valentin-Cosmin Samoila*
Administrator	*Chief Financial Officer*

Separate financial statements	**Note**	**31 December 2023**	**31 December 2022**
Revenues from services rendered	**17**	-	15,905,553
Revenues from rentals, service charge and similar	**17**	649	169,485
Other revenues	**17**	12,477,662	10,235,197
Total operating revenues		**12,478,311**	**26,310,235**
Amortisation, depreciation and impairment of net reversals	**18**	(9,885,950)	(9,750,133)
Administrative expenses	**18**	(4,333,918)	(9,423,744)
Other operating expenses	**18**	(4,986,824)	(11,558,259)
Total operating expenses		**(19,206,692)**	**(30,732,136)**
Result from operating activity		**(6,728,381)**	**(4,421,901)**
Revenues from dividends	**19**	111,172,666	100,918,000
Revenues from interest	**19**	42,166,892	18,829,563
Other financial revenues	**19**	4,897,895	4,753,118
Total financial income		**158,237,453**	**124,500,681**
Interest expenses	**20**	-	(789,429)
Total financial expenses		**-**	**(789,429)**
Net financial result		**158,237,453**	**123,711,252**
Result before tax		**151,509,072**	**119,289,351**
Tax expenses	**13**	(1,999,117)	(2,473,355)
Net result of the period		**149,509,955**	**116,815,996**
Total comprehensive income for the period		**149,509,955**	**116,815,996**
Basic earnings per share attributable to equity holders	**25**	*0.040*	*0.042*
Diluted earnings per share attributable to equity holders	**25**	*0.040*	*0.040*

The separate financial statements were approved by the Management of the Company, authorized for issue on 22 March 2024 and signed on its behalf by:

Victor Capitanu
Administrator

Valentin-Cosmin Samoila
Chief Financial Officer

(Amounts are expressed in RON, unless otherwise mentioned)

Separate financial statements	Notes	Share Capital	Share premiums	Other capital reserves	Own shares	Legal Reserves	Retained earnings	Total equity
Balance as at 1 January 2023		**740,563,717**	**27,981,399**	**51,848,900**	**1,029**	**17,452,635**	**116,883,834**	**954,731,514**
Profit for the period		-	-	-	-	-	149,509,955	**149,509,955**
Dividends allocated from the statutory profit	**14**	-	-	-	-	-	(73,130,616)	**(73,130,616)**
Issue of ordinary shares	**14**	18,967,146	63,549,422	-	-	-	-	**82,516,568**
Issue of ordinary shares - premium shares conversion		-	-	-	-	-	-	**-**
Transfer of legal reserves in/to retained earnings	**14**	-	-	-	-	7,575,453	(7,575,453)	**-**
Acquisition of own shares		-	-	-	(3,469,144)	-	-	**(3,469,144)**
Stock option plan	**14**	-	-	(30,708,310)	-	-	(26,684,140)	**(57,392,450)**
Balance as at 31 December 2023		**759,530,863**	**91,530,821**	**21,140,590**	**(3,468,115)**	**25,028,088**	**159,003,580**	**1,052,765,827**

(Amounts are expressed in RON, unless otherwise mentioned)

Separate financial statements	Notes	Share Capital	Share premiums	Other capital reserves	Own shares	Legal Reserves	Retained earnings	Total equity
Balance as at 1 January 2022		**514,828,059**	**4,307,781**	**1,390,179**	**-**	**11,437,359**	**50,071,138**	**582,034,516**
Profit for the period		-	-	-	-	-	116,815,996	**116,815,996**
Dividends allocated from the statutory profit	**14**	-	-	-	-	-	(42,473,315)	**(42,473,315)**
Issue of ordinary shares	**14**	40,594,729	213,122,328	-	-	-	-	**253,717,057**
Issue of ordinary shares - premium shares conversion	**14**	185,140,929	(185,140,929)	-	-	-	-	**-**
Transfer of share premiums in other reserves		-	(4,307,781)	4,307,781	-	-	-	**-**
Transfer of legal reserves in/to retained earnings	**14**	-	-	-	-	6,015,276	(6,015,276)	**-**
Acquisition of own shares		-	-	-	1,029	-	-	**1,029**
Stock option plan	**14**	-	-	46,150,940	-	-	-	**46,150,940**
IPO costs	**3**	-	-	-	-	-	(1,514,709)	**(1,514,709)**
Balance as at 31 December 2022		**740,563,717**	**27,981,399**	**51,848,900**	**1,029**	**17,452,635**	**116,883,834**	**954,731,514**

(Amounts are expressed in RON, unless otherwise mentioned)

	31 December 2023	31 December 2022
Cash flows from operating activities		
Result for the year	**149,509,955**	**116,815,996**
Adjustments for:		
Amortization	242,078	3,258,932
Depreciation, impairment, provision net of reversals	9,643,872	6,491,200
Share-based payments	25,124,118	46,150,940
Unrealised foreign exchange loss/(gain)	(4,148,413)	(911,254)
Interest expenses	-	789,061
Interest income	(42,166,892)	(18,829,563)
Other financial revenues	(85,000)	(3,679,850)
Income tax expenses	1,999,117	2,473,355
Dividends income	(111,172,666)	(100,918,000)
Changes in working capital		
(Increase)/Decrease in trade and other receivables	(54,299,685)	72,971,722
Increase/(Decrease) in trade and other payables	92,056,214	15,323,525
(Increase)/Decrease in other non-current assets	(7,790,776)	(68,234,229)
Increase/(Decrease) in other non-current liabilities	(20,416,246)	37,822,485
Net cash from operating activities	**38,495,676**	**109,524,320**
Additional loans granted	(692,823,888)	(605,039,995)
Repayment of loans granted	462,281,558	365,159,542
Interest collected for loan	7,560,872	-
Acquisition of property, plant and equipment	(5,529)	(3,790,041)
Proceeds from sale of property, plant and equipment	-	2,961,115
Acquisition of intangible assets	(46,509)	(388,731)
Acquisition/Investment of/in subsidiaries and associates	(35,918,233)	(121,908,147)
Sale/Investment of/in subsidiaries and associates	44,513,870	-
Dividends received	111,172,666	100,918,000
Interest received	1,165,480	19,123,448
Other financial revenue	85,000	3,679,850
Net cash flows used in investing activities	**(102,014,713)**	**(239,284,959)**
Repayment of borrowings	-	(27,921,952)
Dividends paid	(37,244,316)	(76,933,659)
Proceeds from issue of share capital and share premium	-	253,717,057
Principal elements of lease payments	-	(3,278,533)
Net cash from financing activities	**(37,244,316)**	**145,582,913**
Net changes in cash and cash equivalents	(100,763,353)	15,822,274
Cash and cash equivalents at the beginning of the year	**137,504,656**	**121,682,382**
Cash and cash equivalents at the end of the year	**36,741,303**	**137,504,656**

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 1. CORPORATE INFORMATION

The separate financial statements of One United Properties SA for the year ended 31 December 2023 were approved by the boad of directors and authorized for issue on 22 March 2024.

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

The share capital of the Company is RON 759,530,863 divided into 3,797,654,215 shares at a nominal value of RON 0.2/each. One United Properties SA is owned by OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu) and Vinci Ver Holding SRL (represented by Mr. Victor Capitanu) holding 27.7159% each and other shareholders holding 44.5682%. All shares are paid in full.

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

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

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

Name of the subsidiary and associates	Activity	% ownership as at 31 December 2023	% ownership as at 31 December 2022	Registered office
One Modrogan SRL	Real estate developer in Bucharest	100.00%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Peninsula SRL (former One Herastrau Park Residence SA)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Charles de Gaulle Residence SRL	Real estate developer in Bucharest	100.00%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Plaza SRL	Real estate developer in Bucharest	100.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One Verdi Park SRL	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
X Architecture & Engineering Consult SRL	Architecture services for group and non-group projects	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Mircea Eliade Properties SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Long Term Value SRL	Real estate developer in Bucharest	98.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Towers SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park SRL (former One Herastrau Properties SRL)	Real estate developer in Bucharest	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
Skia Real Estate SRL	Operational services – project development	51.00%	51.00%	Maxim Gorki street 20, Bucharest, district 1
One Lake District SRL (former One District Properties SRL)	Real estate developer in Bucharest	100.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One North Gate SA	Real estate developer in Bucharest	85.218%	67.69%	Maxim Gorki street 20, Bucharest, district 1

(Amounts are expressed in RON, unless otherwise mentioned)

Name of the subsidiary and associates	Activity	% ownership as at 31 December 2023	% ownership as at 31 December 2022	Registered office
One United Tower SA (former One United Tower SRL)	Real estate developer in Bucharest	71.46%	70.24%	Maxim Gorki street 20, Bucharest, district 1
Neo Floreasca Lake SRL	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Mamaia Nord SRL (former Neo Mamaia SRL)	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Timpuri Noi (former Neo Timpuri Noi SRL)	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Floreasca Towers SRL (former One Herastrau IV SRL)	Real estate developer in Bucharest	100.00%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office SA	Real estate developer in Bucharest	67.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 2 SA	Real estate developer in Bucharest	67.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 4 SA (former One Cotroceni Park Office Faza 3 SA)	Real estate developer in Bucharest	100.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 19 (former One Mamaia SRL)	Real estate developer in Bucharest	100.00%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 4 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Plaza Athenee SRL (former One Proiect 3 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 5 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau City (former One Proiect 7 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One High District S.R.L. (former One Proiect 1 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Lake Club S.R.L. (former One Proiect 6 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Carphatian Lodge Magura SRL (former Carpathian Estate SRL)	Real estate developer in Bucharest	66.72% (indirect subsidiary)	66.72% (indirect subsidiary)	Maxim Gorki street 20, Bucharest, district 1
Reinvent Energy SRL	Electric and sanitary Installations for real estate	20.00%	20.00%	Baba Novac street no. 8A, Bucharest, district 3
One Herastrau Office Properties SA	Real estate developer	30.00%	30.00%	Maxim Gorki street 20, Bucharest, district 1
Glass Rom Impex SRL	Construction	20.00%	20.00%	Metalurgiei street no. 452, Bucharest, district 4
One Property Support Services SRL	Property management	20.00%	20.00%	Spl. Independentei street no. 202, Bucharest, district 6
CCT & ONE AG	Investment	49.90%	49.90%	Switzerland
One Proiect 8 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1

(Amounts are expressed in RON, unless otherwise mentioned)

Name of the subsidiary and associates	Activity	% ownership as at 31 December 2023	% ownership as at 31 December 2022	Registered office
One City Club (former One Proiect 9 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Downtown SRL (former One Proiect 10 SRL)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 24 (former One United Italia SRL)	Real estate developer in Bucharest	90%	90%	Maxim Gorki street 20, Bucharest, district 1
One United Management Services SRL	Management services	100%	100%	Maxim Gorki street 20, Bucharest, district 1
Bo Retail Invest SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 11 SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 12 SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Towers SRL (former One Proiect 14 SRL)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 15 SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Park Line SRL (former One Proiect 16 SRL)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Technology Division SRL (former One Proiect 17 SRL)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 18 SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 2 SRL	Real estate developer in Bucharest	0%	100%	Maxim Gorki street 20, Bucharest, district 1
Bucur Obor SA	Lease of retail space	54.44% (indirect subsidiary)	54.44% (indirect subsidiary)	Colentina, street 2, Bucharest, district 2
Eliade Tower SRL	Renting office premises in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Victoriei Plaza SRL (former Mam Imob Business Center SRL)	Renting office premises in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 20 SRL	Real estate developer in Bucharest	100%	0%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 22 SRL	Real estate developer in Bucharest	100%	0%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 21 SRL	Real estate developer in Bucharest	100%	0%	Maxim Gorki street 20, Bucharest, district 1
One Baneasa Airpark SRL (former One Proiect 23 SRL)	Real estate developer in Bucharest	100%	0%	Maxim Gorki street 20, Bucharest, district 1

The holding company are consolidated the subsidiaries, as per table below:

Scope of consolidation	Subsidiaries full consolidation	Associates at equity	Total
Balance on 31 December 2022	49	7	56
Acquisitions	-	-	-
New foundations	4	-	4
Disposal	(1)	(1)	(2)
Balance on 31 December 2023	**52**	**6**	**58**

NOTE 2. GENERAL INFORMATION

2.a Basis of preparation

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

The Company also prepares consolidated financial statements in accordance with the Ministry of Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent modifications and clarifications.

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

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

The Company has prepared IFRS financial statements which comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the year ended 31 December 2023, notes comprising a summary of significant accounting policies and other explanatory information.
The separate financial statements have been prepared on the basis of the valuation principles allowed by IFRS.

2.b Going concern

The Management have considered the appropriateness of adopting the going concern basis in preparing the separate financial statements. The Company's going concern assessment covers the period to 31 December 2024 (the "going concern period"), being at least 12 months from the date of authorisation of these separate financial statements.

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

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

The accounting policies adopted are consistent with those of the previous financial year except for the following amended IFRSs which have been adopted by the Company as of 1 January 2023. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective and anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Company in the period of initial application.

New and amended standards and interpretations effective for the current reporting period

The following new standards, amendments to the existing standards and new interpretation issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period and their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements:

NOTE 2. GENERAL INFORMATION (continued)

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

- **New standard IFRS 17 "Insurance Contracts" including the June 2020 and December 2021 Amendments to IFRS 17"** issued by IASB on 18 May 2017. The new standard requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 "Insurance Contracts" and related interpretations while applied. Amendments to IFRS 17 "Insurance Contracts" issued by IASB on 25 June 2020 defer the date of initial application of IFRS 17 by two years to annual periods beginning on or after 1 January 2023. Additionally, the amendments issued on 25 June 2020 introduce simplifications and clarifications of some requirements in the Standard and provide additional reliefs when applying IFRS 17 for the first time.
- **Amendments to IAS 1 "Presentation of Financial Statements" - Disclosure of Accounting Policies** issued by IASB on 12 February 2021. Amendments require entities to disclose their material accounting policies rather than their significant accounting policies and provide guidance and examples to help preparers in deciding which accounting policies to disclose in their financial statements.
- **Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" - Definition of Accounting Estimates** issued by IASB on 12 February 2021. Amendments focus on accounting estimates and provide guidance how to distinguish between accounting policies and accounting estimates.
- **Amendments to IAS 12 "Income Taxes" - Deferred Tax related to Assets and Liabilities arising from a Single Transaction** issued by IASB on 6 May 2021. According to amendments, the initial recognition exemption does not apply to transactions in which both deductible and taxable temporary differences arise on initial recognition that result in the recognition of equal deferred tax assets and liabilities.
- **Amendments to IAS 12 "Income Taxes" - International Tax Reform — Pillar Two Model Rules** issued by IASB on 23 May 2023. The amendments introduced a temporary exception to the accounting for deferred taxes arising from jurisdictions implementing the global tax rules and disclosure requirements about company's exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect.

New and revised IFRS Accounting Standards in issue and adopted by the EU but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued and adopted by the EU but are not yet effective:

- **Amendments to IFRS 16 "Leases" - Lease Liability in a Sale and Leaseback** issued by IASB on 22 September 2022. Amendments to IFRS 16 require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.
- **Amendments to IAS 1 "Presentation of Financial Statements" - Classification of Liabilities as Current or Non-Current** issued by IASB on 23 January 2020 and **Amendments to IAS 1 "Presentation of Financial Statements" - Non-current Liabilities with Covenants** issued by IASB on 31 October 2022. Amendments issued on January 2020 provide more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Amendments issued on October 2022 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability and set the effective date for both amendments to annual periods beginning on or after 1 January 2024.

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

New and revised IFRS Accounting Standards in issue but not adopted by the EU

- **Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" - Supplier Finance Arrangements** issued by IASB on 25 May 2023. Amendments add disclosure requirements, and 'signposts' within existing disclosure requirements to provide qualitative and quantitative information about supplier finance arrangements.
- **Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" - Lack of Exchangeability** issued by IASB on 15 August 2023. Amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

NOTE 2. GENERAL INFORMATION (continued)

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

New and revised IFRS Accounting Standards in issue but not adopted by the EU (continued)

- **IFRS 14 "Regulatory Deferral Accounts"** issued by IASB on 30 January 2014. This standard is intended to allow entities that are first-time adopters of IFRS, and that currently recognise regulatory deferral accounts in accordance with their previous GAAP, to continue to do so upon transition to IFRS.
- **Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures"** - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture issued by IASB on 11 September 2014. The amendments address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business.

The Company do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

NOTE 3. ACCOUNTING POLICIES

The accounting policies presented below were consistently applied for all periods shown in these separate financial statements by the Company.

3.1 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.2 Revenue

Revenue is recognised when the performance obligation associated with the sale is completed. The transaction price comprises the fair value of the consideration received or receivable, net of value added tax, rebates and discounts and after eliminating sales within the Company.
The Company's key sources of income include:

- Revenues from services delivered
- Revenues from rentals, service charge and similar
- Other revenues

NOTE 3. ACCOUNTING POLICIES (continued)

3.2 Revenue (continued)

3.2.1 Revenues from services delivered

Services delivered are related to management fees reinvoiced by the Company to related parties and were valued based on IFRS 15 as described in 3.a.1 "Revenue from contracts – management fees".

3.2.2 Revenues from rentals, service charge and similar

The Company earned revenue from acting as a lessor by subletting to other subsidiaries and/or associates a part of the surfaces rented out directly from the subsidiary One North Gate SA until the Company has moved the office to One Tower building related to One United Tower SA (former One United Tower SRL), subsidiary. Starting 01 January 2023, the rental contract with One United Tower was transferred to the subsidiary One United Management Services.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

3.2.3 Other revenues

Other revenues are mainly related to invoicing of costs associated to consultancy and management services provided to its subsidiaries and related parties.

3.3 Foreign currencies

The Company's separate financial statements are presented in RON, which is also the functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

In determining the spot exchange rate to use on initial recognition of the related asset, liability, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

3.4. Investment in subsidiaries and associates

A subsidiary is an entity over which the Company has control. An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies.

Investments in subsidiaries and associates follow the principles and accounting treatment indicated in IAS 27 "Separate Financial Statements". This standard applies when an entity prepares separate financial statements that comply with International Financial Reporting Standards.

NOTE 3. ACCOUNTING POLICIES (continued)

3.4 Investment in subsidiaries and associates (continued)

Initial recognition and measurement

Investments in subsidiaries and associates are booked at the purchase date, at their acquisition cost.

Subsequent measurement

For purposes of subsequent measurement, the Company measures investments in subsidiaries and associates at cost. The Company assess at the end of each reporting period whether there is any indication that the investment in subsidiaries and associates may be impaired. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiaries and associates. An annual impairment test is performed. For the impairment test, for each investment, the Company obtains the fair value, based on external valuation reports. For subsidiaries and associates for which there is no external valuation report, the Company uses the most reliable fair value proxy, such as its share in the IFRS net assets. An impairment loss is booked in the profit and loss and corresponds to the amount by which the carrying amount exceeds its recoverable amount.

Upon loss of significant influence over the associate, the Company measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Dividends from subsidiaries and associates

In line with IAS 27, dividends from a subsidiary or an associate are recognised in the separate financial statements of an entity when the entity's right to receive the dividend is established. The dividend is recognised in profit or loss.

3.5 Intangible assets

i) Licences
Separately acquired licences are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

ii) Software
Separately acquired software is measured at cost. After initial recognition, the software is carried at cost less any accumulated amortization and any accumulated impairment losses, if any.

Costs associated with maintaining software programmes are recognized as an expense as incurred.

iii) Amortisation method and period
Software is amortized on a straight-line basis for a period of maximum 3 years and licenses are amortized over their validity periods, which in general do not exceed 5 years.

The amortization period and amortization method for an intangible asset with a determined useful life are reviewed at least at the end of each reporting period. Changes in expected useful lives or expected future economic benefits embodied in assets are accounted for by changes in the method or the amortization period as appropriate and are treated as changes in accounting estimates.

Gains or losses arising from the derecognition of an intangible asset are calculated as difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss when the asset is derecognized.

3.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and/or accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance costs are recognized in profit or loss when incurred.

NOTE 3. ACCOUNTING POLICIES (continued)

3.6 Property, plant and equipment (continued)

Depreciation

The economic useful life is the amount of time that the asset is expected to be used by the Company. Depreciation is calculated using the straight-line method over the life of the asset.

Type	Useful life
Light constructions (shacks, etc.)	8 years
Office set-up	5 years
Technological equipment	4 years
Vehicles	4 years
Other fixed assets and IT equipment	2-8 years

The useful life and depreciation method are reviewed periodically and, if necessary, adjusted prospectively, so that there is a consistency with the expected economic benefits of those assets.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefit is expected from its use or disposal. Any gain or loss resulting from the derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement when the asset is derecognized.

Impairment

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. Refer to accounting policies on impairment on non-financial assets in this note.

3.7 Impairment of non-financial assets

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Company’s business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. As the Company’s trade and other receivables do not contain a significant financing component, they are measured at the transaction price determined under IFRS 15.

NOTE 3. ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding.

This assessment is referred to as the SPPI test and is performed at an instrument level. This analysis was performed for all financial assets held by the Company and all financial assets have passed the SPPI test.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows. This is the case of loans granted to subsidiaries or associates.

Subsequent measurement

For purposes of subsequent measurement, the Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.
Since the Company's financial assets (loans issued, trade and other receivables, cash and short-term deposits) meet these conditions, they are subsequently measured at amortised cost.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's separate statement of financial position) when:

- The rights to receive cash flows from the asset have expired

Or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

- *Impairment of financial assets*

The impairment of financial assets is done in two steps: analysis of third party expected credit loss and analysis of financial assets related to intra-group entities, namely subsidiaries and associates.

- *Impairment of third-party related financial assets*

NOTE 3. ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

The Company recognises an allowance for expected credit losses (ECLs) for all third-party receivables held by the Company. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade and other receivables related to third party customers, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date (i.e., a loss allowance for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default). The Company has established a provision matrix that is based on its historical credit loss experience, specific to the debtors and the economic environment.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. Financial assets are written off when there is no reasonable expectation of recovery.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset related to third parties is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. For these financial assets related to third parties which are due more than 90 days, the Company performs cash collection procedures. Most part of the financial assets are represented by intra-group balances.

- *Impairment of intra-group financial assets*

Intra-group balances are mainly related to loans granted to subsidiaries and associates and trade & other receivables with companies from the group.

Exposures classified as Stage 1

In order to assess the expected credit losses (ECLs) for these balances the Company proceeds to an analysis line by line of the risk attached to each counterparty. All financial assets are systematically classified at the initial stage in “Stage 1”. In general, all amounts are settled in maximum one year after the finalization of the projects. Furthermore, historical data shows that no intra-group company has been in default.

Exposures classified as Stage 2

To identify Stage 2 exposures, the significant increase in credit risk compared to the date of initial recognition is assessed by the Company using all available past and forward-looking data (past track record in respect of payments, macroeconomic forecast scenarios, sector analyses, cash flow projections for some counterparties, etc.).
The Company uses one main criteria to assess the significant changes in the credit risk: the change of the classification of the counterparty in “sensitive” which will be the case when the Company identifies significant changes in its operating sector, in macroeconomic conditions and in the expected profitability of the project of the counterparty. This is an indication of a deterioration in the credit risk.

Once this criteria is met, the relevant outstanding exposure is transferred from Stage 1 to Stage 2 and related impairments or provisions are adjusted accordingly. Furthermore, the Company carries out an assessment of a significant increase in credit risk for all loans, at each reporting date.

Exposures classified as Stage 3

The Company considers a financial asset to be in default, and thus, in Stage 3, when internal or external information indicates that the counterparty is unlikely to receive the outstanding contractual amounts in full. Indicators that there is no reasonable expectation of recovery include, among others, the probability of insolvency or significant financial difficulties of the debtor. In this case, the relevant outstanding exposure is transferred from Stage 1 or Stage 2 to Stage 3 and related impairments or provisions are adjusted accordingly.

For the year ended 31 December 2023 and 31 December 2022, an ECL provision has been booked for intra-group financial assets, as based on the analysis performed by the Company.

NOTE 3. ACCOUNTING POLICIES (continued)

3.8 Financial instruments (continued)

Financial liabilities

Initial recognition and measurement

The Company's financial liabilities comprise interest-bearing loans and borrowings, lease liabilities and trade and other payables.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Refer to the accounting policy on lease for the initial recognition and measurement of finance lease liabilities, as this is not in the scope of IFRS 9.

All financial liabilities are recognized initially at fair value and, in the case of all financial liabilities except derivative financial instruments, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, all financial liabilities, except derivative financial instruments, are subsequently measured at amortised cost using the effective interest rate method (EIR). Gains and losses are recognized in profit or loss when the liabilities are derecognized, as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.
Refer to the accounting policy on lease for the subsequent measurement of finance lease liabilities.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the separate statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.9 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

NOTE 3. ACCOUNTING POLICIES (continued)

3.9 Leases (continued)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to accounting policies on impairment on non-financial assets in this note.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. IFRS 16 requires certain adjustments to be expensed, while others are added to the cost of the related right-of-use asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor

Refer to the accounting policies on rental income.

3.10 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the separate statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.11 Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer also to the accounting policies on financial assets in this note for more information.

3.12 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date.

NOTE 3. ACCOUNTING POLICIES (continued)

3.12 Taxes (continued)

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in OCI or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

NOTE 3. ACCOUNTING POLICIES (continued)

3.13 Provisions (continued)

The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.14 Share-based payments

Employees (senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized in administrative expenses, together with a corresponding increase in other reserves in equity, over the period in which the service conditions and, where applicable, the performance conditions are fulfilled (the vesting period).

The cumulative expense recognized for equity- settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in administrative expenses.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

3.15 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

NOTE 3. ACCOUNTING POLICIES (continued)

3.15 Fair value measurements (continued)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

3.16 Expenses

Typically, the expenses are recognized and recorded in the same period as the revenues associated with those expenses (under accrual accounting). The Company classifies expenses by the nature of expenses.

3.17 Dividends and share capital increase

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

Shareholders receive dividends in proportion to their share in the paid-up share capital of the Company, no right of priority or preference over the distribution of dividends in favour of any shareholder being applicable.
The proposal regarding the distribution of dividends made by the Board of Directors will be submitted to the vote of the OGMS, as a rule, in the same meeting in which the Company's audited financial statements are approved, respectively no later than within four (4) months from the end of the financial year, respectively during the third quarter of the year in respect of any interim dividend distributions or distributions from retained earnings. The Company will be able to pay the dividends also in the form of shares of the same class as those giving the right to these dividends.

The Company is carrying out share capital increase operation to diversify the shareholders base, increase liquidity and raise capital for further expanding the pipeline. The decision of the Board of Directors, in accordance with the Resolution of the Extraordinary General Meeting of the Shareholders approve the increase of the share capital. The participants to the share capital increase are existing shareholders, local and international institutional investors, qualified investors, retail investors.

3.18 Contingencies

Contingent liabilities represent possible or existing obligations arising from past events, in cases where it is not probable that an outflow of resources will be required to settle the obligation. The contingent liabilities that are not recognised on Company’s balance sheet are evaluated with respect to the probability of their occurrence. If an outflow of resources embodying economic benefits is neither sufficiently probable to require the recognition of a provision nor improbable, the obligations are recognised as contingent liabilities.

NOTE 4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Company's accounting policies, which are described in note 3, the management are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

4.a Judgements

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

4.a.1 Revenue from contracts – management fees

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

Determination of performance obligations

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

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

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

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

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

Determining the timing of revenue recognition

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

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

(Amounts are expressed in RON, unless otherwise mentioned)

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

4.a Judgements (continued)

4.a.1 Revenue from contracts – management fees (continued)

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

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

NOTE 5. RISK MANAGEMENT

5.1. General objectives, policies and processes

The Company's activities may give rise to various risks. Management is aware of and monitors the effects of those risks and events that may have adverse effects on the entity's operations. The main risks to which the Company is exposed may be classified as follows:

Financial risks:

- Credit risk
- Liquidity risk
- Market risk, which includes interest rate risk, foreign exchange risk and price risk

Other risks:

- Operating risk
- Strategic risk

5.2. Financial risks

This note provides information on the Company's exposure to the risks mentioned above, the Company's objectives, policies and processes to manage the risks and the methods used to measure them. More quantitative information on these risks is presented in these separate financial statements.
There were no material changes in the entity's exposure to the risks of a financial instrument, objectives, policies, and processes to manage those risks, or the methods used to measure them in prior periods, unless otherwise specified in this note.

The Entity is primarily exposed to risks arising from the use of financial instruments. A summary of the financial instruments held by the entity, depending on the classification category, is presented below:

	Long term financial assets	
Description	**31 December 2023**	**31 December 2022**
Investments in subsidiaries and associates	426,552,763	209,382,429
Loans granted to subsidiaries, associates and others	582,735,536	571,982,357
Total	**1,009,288,299**	**781,364,786**

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 5. RISK MANAGEMENT (continued)

5.2. Financial risks (continued)

	Trade receivables, short-term deposits and loans and cash and cash equivalents	
Description	**31 December 2023**	**31 December 2022**
Trade receivables	50,800,423	726,283
Other receivables	130,315,249	100,314,789
Loans granted to subsidiaries, associates and others	126,216,672	29,095,328
Cash and cash equivalents	36,741,303	137,504,656
Total	**344,073,647**	**267,641,056**

	Financial liabilities at amortised cost	
Description	**31 December 2023**	**31 December 2022**
Trade and other payables	328,354,318	135,585,907
Lease liabilities	-	19,766,389
Total	**328,354,318**	**155,352,296**

Management has the overall responsibility for determining risk management objectives, policies and processes while retaining ultimate responsibility in this respect.

The overall objective of management is to set policies that aim at mitigating risks as much as possible without unjustifiably affecting the Entity's competitiveness and flexibility. Further details on these policies are provided below:

5.2.1. Credit risk

The carrying amounts of financial assets represent the Company's maximum exposure to credit risk for existing receivables.

Credit risk is the risk that the Company will incur a financial loss as a result of non-fulfilment of the contractual obligations by a client or counterparty to a financial instrument, and this risk arises mainly from the Company's trade receivables, cash and cash equivalents, and short-term deposits.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with its policies.

The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2023 and 31 December 2022, respectively, is the carrying amounts of each class of financial instruments.

In the course of its business, the Company is subject to credit risk, particularly due to trade receivables and bank deposits. The Company management constantly and closely monitors exposure to credit risk.

The intra-group customers' outstanding balances were also analysed individually for creditworthiness and after the assessment performed, management considers that the credit quality of the various receivables is good in respect of the amounts outstanding and therefore credit risk is considered to be low and therefore immaterial.

As required by IFRS 9, the Company used the simplified approach in calculating ECL for trade receivables related to third parties and that did not contain a significant financing component. The Company performed the allowance trade receivable analysis taking in consideration historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Also, the outstanding balances from customers at 31 December were analysed for collections in the subsequent period until the issue of these financial statements and minimal risk of non-collection was identified. There is no significant concentration of risk.

The Company policy is that surplus cash is placed on deposit with the Company's main relationship banks and with other banks. The arrangements in place result in a favourable mix between flexibility and interest earnings. The Company's exposure to credit risk associated cash and cash equivalents is limited using different financial institutions of good standing for investment and cash handling purposes.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 5. RISK MANAGEMENT (continued)

5.2. Financial risks (continued)

5.2.2. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company's approach to liquidity management is to ensure, as far as possible, that it will have sufficient liquidity to meet its outstanding obligations under both normal and crisis conditions, without incurring major losses or risking affecting the Company's reputation. The Company prepares budgets, cash flow analyses and forecasts, which enable the Directors to assess the level of financing required for future periods. Budgets and projections are used to assess any future potential investments and are compared to existing funds held on deposit to evaluate the nature, and extent of any future funding requirements.

Currently the Company's liquidity enables it to meet the committed and due payments. During 2023, the focus of the business was on operations, liquidity and capital allocation. The Company has access to a sufficient variety of sources of funding which enable it to meet its financial obligations when they become due. The table below shows the remaining contractual maturities for financial liabilities:

As at 31 December 2023	Less than 1 year	1 to 5 years
Trade and other payables	327,884,124	470,194
Total	**327,884,124**	**470,194**

As at 31 December 2022	Less than 1 year	1 to 5 years
Trade and other payables	116,038,790	19,547,117
Lease liabilities	1,901,977	17,864,412
Total	**117,940,767**	**37,411,529**

The following table details the due date for the Company's financial assets The table below was based on the remaining maturities of the financial assets, including the interest earned on these assets, except for those in which the Company anticipates that the cash flow will take place in a different period.

As at 31 December 2023	Less than 1 year	1 to 5 years
Cash and cash equivalents	36,741,303	-
Trade and other receivables	181,115,672	-
Loans granted to subsidiaries, associates and others (*)	126,216,672	582,735,536
Total	**344,073,647**	**582,735,536**

As at 31 December 2022	Less than 1 year	1 to 5 years
Cash and cash equivalents	137,504,656	-
Trade and other receivables	101,041,072	-
Loans granted to subsidiaries, associates and others (*)	29,095,328	571,982,357
Total	**267,641,056**	**571,982,357**

(*) Please note that loans granted to subsidiaries and associates have an undetermined reimbursement date. The classification above was made based on the completion date of the development projects.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 5. RISK MANAGEMENT (continued)

5.2. Financial risks (continued)

5.2.3. Market risk

Market risk is the possibility of recording losses or not realizing the estimated profits that result, directly or indirectly, from market price fluctuations, the interest rate or exchange rate related to the Company's assets and liabilities. Consequently, the main sub-categories of market risk are the following:

- ***(i)*** ***Interest rate risk:*** the risk that the fair value of future cash flows or future cash flows for financial instruments will fluctuate in line with interest rate variations;

- ***(ii)*** ***Foreign currency risk:*** the risk that the fair value of future cash flows or future cash flows associated with financial instruments will fluctuate in line with exchange rate fluctuations;

The financial instruments held by the Company that are affected by market risk are principally loans and borrowings

(i) Interest rate risk

Interest rate risk is the risk that the future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates is limited by the fact that almost the entire exposures are bearing a fixed interest rate.

Financial assets – loans granted

The Company has granted several loans to subsidiaries, associates and others. The loans are bearing a fixed interest rate of:
- 2023: 6.00%
- 2022: 3.25%

Bank deposits held by the Company are short-term deposits, which makes them sensitive to changes in interest rates on the market. The Company's estimates that the interest rate risk is limited given the fact that almost the entire portfolio of financial assets and liabilities bearing interest are remunerated based on a fixed interest rate. Consequently, no sensitivity analysis has been performed.

(ii) Foreign exchange risk

Currency risk is the risk that the fair value or future cash flows for financial instruments will fluctuate due to exchange rate fluctuations.

The Company is exposed to foreign exchange risk on loans that are denominated in a currency other than the functional currency of the Company. The currency used on the domestic market is the Romanian leu (RON). The currency that exposes the Company to this risk is mainly EUR.
The Company's exposure to the risk of changes in foreign exchange rates relates also to its operating activities (when revenue or expense is denominated in a foreign currency).

The carrying amounts of monetary assets and liabilities denominated in foreign currency at the reporting date are as follows:

31 December 2023	**EUR**	**USD**	**TOTAL in RON**
Monetary assets			
Cash and cash equivalents	3,022,708	1,183	15,042,079
Loans granted to subsidiaries, associates and others	142,541,293	-	705,208,795
Monetary liabilities			
Loans and borrowings	-	-	-
Trade and other payables	(34,748)	-	(172,859)
Lease liabilities	-	-	-
Net excess/(exposure)	**145,529,253**	**1,183**	**720,078,014**

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 5. RISK MANAGEMENT (continued)

5.2. Financial risks (continued)

5.2.3. Market risk (continued)

31 December 2022	**EUR**	**USD**	**TOTAL in RON**
Monetary assets			
Cash and cash equivalents	9,315,134	89	46,086,103
Loans granted to subsidiaries, associates and others	121,208,816	-	599,668,495
Monetary liabilities			
Loans and borrowings	-	-	-
Trade and other payables	(121,324)	-	(600,240)
Lease liabilities	(3,995,308)	-	(19,766,389)
Net excess/(exposure)	**126,407,316**	**89**	**625,387,969**

Sensitivity analysis for foreign exchange risk

- 31 December 2023: A 5% appreciation of the RON against the EUR would increase the Company's profit by RON 36,003,901, while a 5% depreciation of the RON against the EUR as of 31 December 2023 would have a similar, but opposite effect. The 5% sensitivity is the reasonable estimate of management of possible changes in foreign exchange rates.
- 31 December 2022: A 5% appreciation of the RON against the EUR would increase the Company's profit by RON 31,269,398, while a 5% depreciation of the RON against the EUR as of 31 December 2022 would have a similar, but opposite effect. The 5% sensitivity is the reasonable estimate of management of possible changes in foreign exchange rates.

Sensitivity analysis includes only monetary elements denominated in foreign currency and adjusts their translation at the end of the period for a 5% change in foreign exchange rates. This analysis assumes that all other variables, especially interest rates, remain constant.

5.3. Other risks

Management cannot anticipate all the developments that could have an impact on the financial market liquidity, depreciation of financial assets and increased volatility on foreign exchange markets and the effect, if any, which it could have on the separate financial statements.

The management of the Company believes that it has taken all the necessary measures to support the sustainability and growth of the company's business in the current circumstances through:

- preparing a liquidity crisis strategy and laying down specific measures together with shareholders' support to address potential liquidity crises;
- constant monitoring of its liquidity position;
- short-term forecasting of its liquidity position.

(i) Operating risk

The process of risk assessment over the last few years on the international financial markets has affected the performance of these markets, including the Romanian financial and banking market, and raises an increased uncertainty about the future economic development. Determining the compliance with the lending agreement and other contractual obligations, as well as assessing significant uncertainties, including uncertainties associated with the Company's ability to continue its activity for a reasonable amount of time, have their own challenges.

The Company's debtors could also be affected by the low liquidity level, which could also have an impact on their ability to pay their overdue loans.

NOTE 5. RISK MANAGEMENT (continued)

5.3. Other risks (continued)

(ii) Strategic risk

Strategic risk is the risk that one or more assumptions on which the Company's business strategy is based are no longer valid due to internal and / or external changes. Strategic risk is difficult to quantify because it refers to:

- the strategic decisions of the Company's management;
- uncertainties related to the external environment;
- the management's response level and time to changes in the internal and/or external environment;
- the quality of the IT systems etc.

(iii) Ownership title risk

In Romania, title to private property is guaranteed by the Constitution. However, under the Roman Civil Code, if the ownership title to an immovable property is cancelled, all subsequent acts of transfer of ownership may, under certain circumstances, also be cancelled.

Therefore, in theory, almost any ownership title in Romania could be exposed to a third-party risk through a litigation or claims for property restitution (either before or after the transfer of the ownership title). For the Company's management, the Company's title risk is low in the light of past history.

(iv) Legislative risk

The Company's economic environment is also influenced by the legislative environment.

In addition, obtaining building permits and other documents required to start residential projects can be affected by political instability as well as possible changes in the administrative organizational structure at the level of local governments where the Company intends to develop its projects.

(v) Taxation risk

The Romanian tax system is subject to many constant interpretations and changes. In Romania, the prescription for tax audits is 5 years. However due to state of emergency from 2020, the prescription period for financial years 2015-2019 was prolonged with 9 months and for the financial years starting 2016 the prescription period of 5 years starts at July 1 of the next financial year.

The legislation and fiscal framework in Romania and their implementation are subject to frequent changes. Tax audits, by their nature, are similar to tax audits carried out by designated tax authorities in many countries, but may extend not only to tax issues, but also to other legislative or regulatory aspects in which the agency in question might be interested.

Moreover, tax returns are subject to verification and correction by the tax authorities for a period of five years after their registration (and following the general rules described above), and therefore the Company's tax returns from 2018 to 2023 are still subject to such verifications.

In accordance with the relevant tax laws, the tax assessment of a transaction conducted between affiliates is based on the concept of the market price pertaining to the respective transaction. Based on this concept, transfer pricing needs to be adjusted such as to reflect the market rates set between non-affiliates acting independently in an arm's length transaction.

It is likely that the tax authorities should conduct verifications of the transfer pricing to determine whether the respective prices are arm's length, and the taxable base of the Romanian taxpayer is not distorted. In case of an audit, tax authorities may request a transfer pricing file also for taxpayers not classified as large taxpayers, but which carry out transactions with affiliates, in order to determine whether the arm's length principle has been complied with.

5.4. Capital management

The objectives of the Company's management regarding capital management are to protect the Company's ability to continue its activity in order to share profit to shareholders, provide benefits to other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 5. RISK MANAGEMENT (continued)

5.4. Capital management (continued)

Debt is defined as long- and short-term borrowings and lease liabilities. The net debt is computed as debt less cash and cash equivalents. Equity includes all capital and reserves of the Company that are managed as capital.

In order to maintain or adjust the capital structure, the Company's management can adjust the shareholders' share of profitability or may issue new shares to reduce debts.

NOTE 6. PROPERTY, PLANT AND EQUIPMENT

Description	Land, Buildings, barracks	Furniture and other non-current assets	Tangible under development	Total
Cost				
As at 01 January 2023	**1,160,796**	**2,009,165**	**4,203**	**3,174,164**
Additions	-	5,529	-	5,529
Disposals	-	(2,005,946)	(4,203)	(2,010,149)
As at 31 December 2023	**1,160,796**	**8,748**	**-**	**1,169,544**
Depreciation and impairment				
As at 01 January 2023	**681,547**	**200,729**	**-**	**882,276**
Depreciation charge for the year	239,625	2,454	-	242,079
Disposals	-	(200,594)	-	(200,594)
As at 31 December 2023	**921,172**	**2,589**	**-**	**923,761**
Net book value				
As at 31 December 2022	**479,249**	**1,808,436**	**4,203**	**2,291,888**
As at 31 December 2023	**239,624**	**6,159**	**-**	**245,783**

During 2022 the company transferred to One United Management Services the management fee activity. As part of this transfer, tangible assets with a net book value of RON 2,099,207 were transferred.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Subsidiary / Associate	Ownership right 31.dec.22	Ownership right 31.dec.23	Investment value 31.dec.22	Investment value 31.dec.23
One Charles de Gaulle Residence SRL	99.99%	100.00%	165,938	165,949
One Modrogan SRL	99.99%	100.00%	89,990	90,000
One Mircea Eliade Properties SRL	100.00%	100.00%	45,000	45,000
One Floreasca Towers SRL (former One Herastrau IV SRL)	100.00%	100.00%	44,990	44,990
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	100.00%	100.00%	45,000	45,000
One Lake District SRL (former One District Properties SRL)	98.00%	100.00%	44,100	45,000
One Herastrau Plaza SRL	98.00%	100.00%	44,100	45,000
One Herastrau Towers SRL	100.00%	100.00%	45,900	45,900
One Long Term Value SRL	98.00%	98.00%	980	980
One United Tower SA (former One United Tower SRL)	70.24%	71.46%	3,176,548	5,935,220
One Peninsula SRL (former One Herastrau Park Residence SA)	100.00%	100.00%	26,740,826	26,740,826
One Verdi Park SRL	95.00%	95.00%	7,729,600	7,729,600
One Cotroceni Park SRL (former One Herastrau Properties SRL)	80.00%	80.00%	36,010	36,010
X Architecture Engineering Consult SRL	80.00%	80.00%	160	160
One North Gate SA	67.69%	85.22%	25,831,080	54,457,153
Skia Real Estate SRL	51.00%	51.00%	510	510
Neo Floreasca Lake SRL(control prin detinere indirecta)	95.00%	95.00%	5,262,506	5,262,506
One Cotroceni Park Office SA	57.25%	67.25%	17,657,519	52,958,719
One Cotroceni Park Office Faza 2 SA	57.25%	67.25%	6,394,657	24,293,857
One Proiect 19 SRL (former One Mamaia SRL)	99.98%	100.00%	44,990	45,000
One Cotroceni Park Office Faza 4 SA (former One Cotroceni Park Office Faza 3 SA)	80.00%	100.00%	72,000	39,459,311
Reinvent Energy SRL	20.00%	20.00%	240,000	240,000
Glass Rom Impex SRL	20.00%	20.00%	300	300
One Herastrau Office Properties SA	30.00%	30.00%	27,000	27,000
One Property Support Services SRL	20.00%	20.00%	40	40
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	95.00%	95.00%	2,714,754	2,714,754
One Timpuri Noi SRL (former Neo Timpuri Noi SRL)	95.00%	95.00%	1,208,762	1,208,762
One Mamaia Nord SRL (former Neo Mamaia SRL)	95.00%	95.00%	1,082,259	1,082,259
One Proiect 4 SRL	100.00%	100.00%	45,000	45,000
One Plaza Athenee SRL (former One Proiect 3 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 5 SRL	100.00%	100.00%	45,000	45,000
One Herastrau City SRL (former One Proiect 7 SRL)	100.00%	100.00%	45,000	45,000
One High District S.R.L. (former One Proiect 1 SRL)	100.00%	100.00%	45,000	45,000
One Lake Club S.R.L. (former One Proiect 6 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 8 SRL	100.00%	100.00%	45,000	45,000
One City Club (former One Proiect 9 SRL)	100.00%	100.00%	45,000	45,000
One Downtown SRL (former One Proiect 10 SRL)	100.00%	100.00%	45,000	19,915,000
One Proiect 24 SRL (former One United Italia SRL)	90.00%	90.00%	40,500	40,500
One United Management Services SRL	100.00%	100.00%	45,000	45,000
Bo Retail invest SRL	100.00%	100.00%	200	40,000,200
One Proiect 11 SRL	100.00%	100.00%	45,622,983	47,102,463
One Proiect 12 SRL	100.00%	100.00%	500,000	40,500,000
One Cotroceni Towers SRL (former One Proiect 14 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 15 SRL	100.00%	100.00%	45,000	45,000
One Park Line SRL (former One Proiect 16 SRL)	100.00%	100.00%	45,000	45,000
One Technology Division (former One Proiect 17 SRL)	100.00%	100.00%	45,000	45,000
One Proiect 18 SRL	100.00%	100.00%	45,000	45,000
One Proiect 2 SRL	100.00%	0.00%	45,000	-
Eliade Tower SRL	100.00%	100.00%	22,344,994	22,344,994
One Victoriei Plaza (former Mam Imob Business Center SRL)	100.00%	100.00%	41,408,233	41,877,315
One Proiect 20 SRL	0.00%	100.00%	-	45,000
One Proiect 21 SRL	0.00%	100.00%	-	45,000
One Proiect 22 SRL	0.00%	100.00%	-	45,000
One Baneasa Airpark SRL (former One Proiect 23 SRL)	0.00%	100.00%	-	45,000
Impairment of financial assets			-	(8,757,515)
Financial assets – investments in subsidiaries and associates			**209,382,429**	**426,552,763**

NOTE 7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES (continued)

During 2023, four new subsidiaries were established: One Proiect 20 SRL, One Proiect 21 SRL, One Proiect 22 SRL and One Baneasa Airpark SRL (former of One Proiect 23 SRL).

The Company have increased its ownership in the share capital of the subsidiaries and through loan converted into equity as follows:

- One Modrogan SRL from 99.99% to 100.00%, the total consideration price for the shares acquired is RON 10;
- One Lake District SRL (former One District Properties SRL) from 98% to 100.00%, the total consideration price for the shares acquired is RON 900;
- One Herastrau Plaza SRL from 98% to 100.00%, the total consideration price for the shares acquired is RON 900;
- One United Tower SA (former One United Tower SRL) from 70.24% to 71.46%, the total consideration price for the shares acquired is RON 2,758,672;
- One North Gate SA from 67.69% to 85.218%, the total consideration price for the shares acquired is RON 9,112,073 and the loan converted into equity - RON 19,514,000 ;
- One Charles de Gaulle Residence SRL from 99.99% to 100.00%, the total consideration price for the shares acquired is RON 10;
- One Cotroceni Park Office SA from 57.25% to 67.25%, the total consideration price for the shares acquired is RON 35,301,200;
- One Cotroceni Park Office Faza 2 SA from 57.25% to 67.25%, the total consideration price for the shares acquired is RON 17,899,200;
- One Proiect 19 SRL (former One Mamaia SRL) from 99.98% to 100.00%, the total consideration price for the shares acquired is RON 10;
- One Cotroceni Park Office Faza 4 SA (former One Cotroceni Park Office Faza 3 SA) from 80.00% to 100.00%, the total consideration price for the shares acquired is RON 18,000 and the loan converted into equity of RON 39,369,311;
- On 04 April 2023, through addendum no 1 at the contract, the consideration price for the shares acquired in One Proiect 11 SRL was increased by RON 1,5 million (equivalent of EUR 300,000);
- One Downtown SRL (former One Proiect 10 SRL) share capital have increased by RON 19,87 million through loan coversion into equity, no change in ownership, as being owned 100% by the holding Company;
- Bo Retail Invest SRL share capital have increased by RON 40 million through loan coversion into equity, no change in ownership, as being owned 100% by the holding Company;
- One Proiect 12 SRL share capital have increased by RON 40 million through loan coversion into equity, no change in ownership, as being owned 100% by the holding Company.

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

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

As at 31 December 2023, the Group performed the assessment for impairment test of investments in subsidiaries and associates taking in consideration the recoverable amount of net assets of these entities. As at 31 December 2023, following the impairment test performed the Company assessed the recoverable amount of the identified investments, relates to be lower than its carrying amount, therefore an impairment loss of RON 8,7 million) is recognized.

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

- the subsidiaries One Cotroceni Park Office SA and One Cotroceni Park Office Faza 2 SA have signed the loan agreement with Banca Comerciala Romana SA, BRD Groupe Societe Generale SA and Erste Group Bank AG which have also additional pledges on shareholder loan and 100% of the share capital of the borrowers;
- One United Tower SA (former One United Tower SRL) bank loan have pledges on shareholder loans and over shares 100%;
- One Mircea Eliade Properties SRL have a bank loan signed with real estate mortgage over 21 apartments and 34 parking places;
- One Herastrau Towers SRL have a bank loan signed with real estate mortgage over 5 apartments and 12 parking places;
- One Cotroceni Park SRL (former One Herastrau Properties SRL) bank loan have pledges over shares 100%;
- One Verdi Park SRL have a bank loan signed with real estate mortgage over 12 apartments and 3 commercial spaces.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 8. LOANS GRANTED TO SUBSIDIARIES, ASSOCIATES AND OTHERS

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

As at 31 December 2023	Less than 1 year	1 to 5 years	Total
Financial assets – loans granted to subsidiaries and associates	126,769,073	585,839,378	712,608,451
Financial assets – loans granted to others	31,819	259,174	290,993
Allowance for expected credit losses	(584,220)	(3,363,016)	(3,947,236)
Financial assets – loans granted to subsidiaries and associates	**126,216,672**	**582,735,536**	**708,952,208**

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

Description	31 December 2023	31 December 2022
Loans granted for acquiring new subsidiaries or associates	88,274,226	149,081,665
Loans granted to subsidiaries for development of office buildings	181,848,971	159,721,129
Loans granted to subsidiaries for development of residential projects	391,499,678	264,426,959
Loans granted to subsidiaries for further development of real estate projects	37,183,628	24,291,279
Loans granted to subsidiary which deliver architecture services for group and non-group projects	1,515,031	-
Loans granted to subsidiaries for operational activity	11,637,353	5,101,759
Other loans	940,557	898,682
Total	**712,899,444**	**603,521,473**

	1-Jan-23	Additional loans granted	Interest revenue	Repayment of loans granted	Payment of interest	Foreign exchange	Loan converted into equity	31-Dec-23
Financial assets – loans granted to subsidiaries and associates	603,269,235	692,794,031	40,992,589	(462,281,558)	(7,560,496)	4,147,961	(158,753,311)	712,608,451
Financial assets – loans granted to others	252,237	29,857	8,823	-	(376)	452	-	290,993
Total assets from financing activities	**603,521,472**	**692,823,888**	**41,001,412**	**(462,281,558)**	**(7,560,872)**	**4,148,413**	**(158,753,311)**	**712,899,444**

	1-Jan-22	Additional loans granted	Interest revenue	Repayment of loans granted	Payment of interest	Foreign exchange	31-Dec-22
Financial assets – loans granted to subsidiaries and associates	362,779,315	605,039,995	13,641,041	(365,159,542)	(13,934,926)	903,352	603,269,235
Financial assets – loans granted to others	240,425	-	-	-	-	11,812	252,237
Total assets from financing activities	**363,019,740**	**605,039,995**	**13,641,041**	**(365,159,542)**	**(13,934,926)**	**915,164**	**603,521,472**

We have performed an analysis of each individual project in order to assess if an impairment would be needed. Based on our analysis, all projects are profitable. Nevertheless, the Company has booked an Expected Credit Loss provision in amount of RON 3,947,236 at 31 December 2023 (31 December 2022: RON 2,443,788).

NOTE 8. LOANS GRANTED TO SUBSIDIARIES, ASSOCIATES AND OTHERS (continued)

The following subsidiaries which have received loans from the holding company, One United Properties SA have also signed bank loans contracts: One Mircea Eliade Properties SRL (RON 37,3 million), One Peninsula SRL (RON 59,7 million), One Verdi Park SRL (RON 25 million), One United Tower SA (former One United Tower SRL) (RON 191,4 million), One North Gate SA (RON 31,4 million), One Cotroceni Park Office SA (RON 184,2 million) and One Cotroceni Park Office Faza 2 SA (RON 139,8 million), One Victoriei Plaza SRL (former Mam Imob Business Center SRL) (RON 84,8 million), One Proiect 12 SRL (RON 33,7 million), Eliade Tower SRL (RON 20,8 million).

NOTE 9. RIGHT OF USE ASSETS

The Company has entered into one operating lease agreement related to the rental of office surfaces with One United Tower SA (former One United Tower SRL) (lessor) started on 01 January 2022 and ended at the beginning of 2023, as the lease contract was transferred to other Group's subsidiary, One United Management Services SRL. The monthly rent is of kEUR 46. The table below presents the evolution of the right of use for the periods 1 January 2023 – 31 December 2023.

Refer to Notes 15 for further information.

Description	**Right of use**
Cost at 31 December 2022	**19,600,153**
Additions	-
Disposals	19,600,153
Cost at 31 December 2023	**-**
Amortisation at 31 December 2022	**1,960,016**
Additions	-
Disposals	1,960,016
Amortisation at 31 December 2023	**-**
NET VALUE	
At 31 December 2022	**17,640,137**
At 31 December 2023	**-**

NOTE 10. OTHER NON-CURRENT ASSETS

Description	**31 December 2023**	**31 December 2022**
Warranties for headquarter rental activity	270	1,086,291
Amounts to be collected from related parties / affiliates	25,191,884	38,851,373
Total	**25,192,154**	**39,937,664**

On 19 April 2021, the General Shareholder Meeting (GSM) approved an algorithm proposed by the Board of Directors of the Company with respect to awarding certain bonifications to two executive members of the Board of Directors of One United Properties SA, which will materialize in granting a package of shares of maximum 5% of the share capital of the Company, no amount will be paid by the beneficiaries for granting and / or exercising an Option. This stock option plan ("SOP") will be vested in the following 5 years, following the fulfilment of the performance conditions assessed on a yearly basis by the remuneration committee. In case of exercising the Options, newly issued shares will be allocated by the holding company. The performance conditions that must be met in order to exercise the Options are: (a) holding the position of executive member of the Board of Directors at the Performance Measurement Date and (b) reaching a price per share according to an algorithm established by the decision of the Board of Directors and subsequently approved by the General Shareholder Meeting. The variation in price per share of the holding Company is directly related to the performance of the Group, whether the scheme covers the financial results of number of subsidiaries within a group, therefore the stock option plan value is divided based on net assets of the group for each segment reporting, the amount of RON 29,6 million (31 December 2022: RON 38,8 million) (from which on short term RON 4,4 million) from the total SOP is allocated to subsidiaries.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 11. TRADE AND OTHER RECEIVABLES

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

	31 December 2023	31 December 2022
Description		
Trade receivables – customers	99,138	100,230
Trade receivables – subsidiaries and related parties	50,690,573	625,712
Accrued receivables – subsidiaries	10,502	-
Accrued receivable – other third party customers	210	341
Total trade receivables	**50,800,423**	**726,283**
VAT receivable	38,466,376	25,563,900
Amounts to be collected from related parties / affiliates	53,666,884	35,639,533
Other receivables	205,497	210,445
Receivables representing dividends distributed during the financial year	37,976,492	36,102,481
Various debtors – related parties	-	2,798,430
Total other receivables	**130,315,249**	**100,314,789**
Total trade and other receivables	**181,115,672**	**101,041,072**

The amounts presented above as *Amounts to be collected from related parties/affiliates* are represented mainly by the amount of approx. 47,4 million RON (31 December 2022: RON 13,5 million) related to VAT and Income Tax receivables generated from the fiscal groups where One United Properties SA acts as the representative of the single tax group. Also, in prior year in this line was included the receivable from One United Management Services SRL resulted from the transfer of management fee activity (approx. 20,6 million Ron).

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

On 9 October 2023, through Decision of the Ordinary General Meeting of Shareholders it was was approved the distribution of interim dividends from the Company's profit corresponding to the first six months of the financial year ending on 31 December 2023 in value of RON 37,976,491.71 (gross amount), from the distributable net profit of RON 64,960,806 for the first half of the financial year ending 31 December 2023. The proposed final dividend is subject to approval by shareholders at the annual general meeting that take place in 25 April 2024.

Description	31 December 2023	31 December 2022
Trade receivable - subsidiaries	50,568,312	492,950
Trade receivable - other related parties	132,763	132,762
Trade receivable - other third party customers	99,348	100,571
Total	**50,800,423**	**726,283**

Most of the balance of trade receivables are related to management services invoiced to subsidiaries as of 31 December 2023.

NOTE 12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

Description	31 December 2023	31 December 2022
Cash and cash equivalents denominated in EUR	15,036,762	46,085,692
Cash and cash equivalents denominated in RON	21,694,053	91,413,157
Cash and cash equivalents denominated in USD	5,317	411
Petty Cash - RON	5,171	5,396
Total	**36,741,303**	**137,504,656**

The Company have determined the ECLs relating to the net exposure for cash and short-term deposits at the amount of RON 403,941 (31 December 2022: RON 1 million).
The cash and cash equivalent amounts are deposited in banks from Romania that belong to banking Groups at European level or state-owned banks and in the recognizable past in Romania there were no cases of bank defaults. The Company's exposure to credit risk associated cash and cash equivalents is limited using financial institutions of good standing for investment and cash handling purposes.

NOTE 13. PROFIT TAX

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

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

Description	31 December 2023	31 December 2022
Deferred tax assets	2,020,616	1,167,931
Total assets /(liabilities)	**2,020,616**	**1,167,931**

The breakdown of tax expenses is detailed below:

Description	31 December 2023	31 December 2022
Current income tax expense	(2,851,802)	(3,641,284)
Deferred tax impact	852,685	1,167,929
Total assets /(liabilities)	**(1,999,117)**	**(2,473,355)**

(i) Reconciliation of effective tax rate

	2023	2022
Gross result	**151,509,072**	**119,289,351**
16% rate	**24,241,452**	**19,086,296**
Effect of taxable elements similar to revenues	(18,482,258)	(16,170,019)
Effect of non-deductible elements	2,156,483	2,398,473
Legal reserve	(1,212,072)	(962,444)
Other tax effects	(3,367,942)	3,218
Profit tax decrease due to sponsorship expenses	(95,017)	(121,473)
Profit tax decrease due to bonification OUG 153/2020	(388,844)	(592,767)
Total profit tax expenses	**2,851,802**	**3,641,284**

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 13. PROFIT TAX (continued)

Starting with 2022, the parent company, One United Properties SA have established a fiscal group for profit taxpayer which include the following subsidiaries as at 31 December 2023: One Mamaia Nord SRL (former Neo Mamaia SRL), One Timpuri Noi (former Neo Timpuri Noi SRL), One Cotroceni Park SRL (former One Herastrau Properties SRL), One Floreasca Towers SRL (former One Herastrau IV SRL), One Herastrau Towers SRL, One Lake District SRL (former One District Properties SRL), One Long Term Value SRL, One Mircea Eliade Properties SRL, One Modrogan SRL, One Peninsula SRL (former One Herastrau Park Residence SA), One Verdi Park SRL, X Arhitecture Engineering Consult SRL, One Plaza Athenee SRL (former One Proiect 3 SRL) and One Lake Club SRL (former One Proiect 6 SRL).

NOTE 14. EQUITY

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

(i) Share capital

As at 31 December 2023 the Company’s share capital is RON 759,530,863 (31 December 2022: RON 740,563,717.2) divided into 3,797,654,315 shares (31 December 2022: 3,702,818,586 shares) at a nominal value of RON 0.2 each (31 December 2022: 0.2). All issued shares are fully paid.

Structure of share capital

	31 December 2023			31 December 2022		
Name of shareholder	**Number of shares**	**Nominal value [RON]**	**Holding [%]**	**Number of shares**	**Nominal value [RON]**	**Holding [%]**
Vinci Ver Holding SRL (represented by Mr. Victor Capitanu	1,052,553,846	210,510,769	27.7159%	1,021,349,895	204,269,690	27.5830%
OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu)	1,052,553,846	210,510,769	27.7159%	1,021,349,895	204,269,690	27.5830%
Others	1,692,546,623	338,509,325	44.5682%	1,660,118,796	332,024,337	44.8340%
Total	**3,797,654,315**	**759,530,863**	**100.00%**	**3,702,818,586**	**740,563,717**	**100.00%**

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

On April 26th, 2022, held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of the second tranche of the dividends of RON 42.5 million (with first tranche paid in October 2021, full gross dividend for 2021 is RON 75 million). The gross dividend of RON 0.0165 per share was paid until September 30th, 2022. Company’ dividend policy includes the payment of dividends on a semi-annual basis.
On 26 April 2022, the Extraordinary General Meeting of Shareholders and subsequent on 5 May 2022, the Board of Directors have approved the share capital increase in order to raise funds to finance the current activity of the Company and its group, respectively to finance developments and acquisitions, through one or more issues of ordinary, registered and dematerialized shares.

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

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

NOTE 14. EQUITY (continued)

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

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

The Share Capital Increase was registered with the Bucharest Trade Registry pursuant to Resolution no. 70931 on 17 May 2023, the decision of the Board of Directors no. 43 dated 12 May 2023 being published in the Official Gazette Part IV no. 2378 dated 26 May 2023. The Romanian Financial Supervisory Authority has issued the certificate of registration for financial instruments (CIIF) no. AC-5334-5 on 03 August 2023. The registration of the new shares with the Central Depository was performed on 04 August 2023. The Company registered the share capital increase in August, after all legal procedures were finalized. After this transaction, One United Properties S.A.'s share capital is of RON 759,530,863 divided into 3,797,654,315 nominative shares with a nominal value of 0.2 lei per share.

On 9 October 2023, through Decision of the Ordinary General Meeting of Shareholders it was was approved the distribution of interim dividends from the Company's profit corresponding to the first six months of the financial year ending on 31 December 2023 in value of RON 37,976,491.71 (gross amount), from the distributable net profit of RON 64,960,806 for the first half of the financial year ending 31 December 2023. The interim dividends were paid subsequent to the end of reporting year 2023, in January 2024. The proposed final dividend is subject to approval by shareholders at the annual general meeting that take place in 25 April 2024.

(ii) Legal reserve

The legal reserve amounts to RON 25,028,088 at 31 December 2023 and RON 17,452,635 at 31 December 2022.

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

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

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

(iii) Other capital reserves – share based payments

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

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 14. EQUITY (continued)

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

Based on the conditions described above, the Company and the beneficiaries have confirmed that all terms and conditions have been established for the stock option plan described above, the grant date have occurred and therefore the Company have accounted in capital reserve for an amount of RON 25,1 million during 2023 and RON 46 million during 2022 and in correspondence the related capital reserve.

The shares resulted from the share capital increase which was registered on 04 August 2023 have been allotted to the beneficiaries of the stock options plans approved by decision of the Extraordinary General Meeting of Shareholders of the Company no. 50 of 18 May 2020, respectively by decision of the Ordinary General Meeting of Shareholders of the Company of 19 April 2021, each as supplemented and amended. The Share Capital Increase was performed by converting certain, liquid and due receivables held against the Company in shares issued by the Company, in accordance with art. 210 para. (2) of the Companies' Law and art. 89 of Law no. 24/2017 on issuers of financial instruments and market operations. The SOP Receivables converted in the Share Capital Increase have a total value of RON 82,516,567.8 determined by multiplying the number of New Shares (i.e., 94,835,729) with RON 0,8701 per share (this represents the weighted average trading price for the 12 months period prior to the date of the BoD decision), such value per share being approved under item 1 letter c) of the Decision of the Board of Directors no. 43 dated 12 May 2023 and being determined in compliance with art. 174 of Regulation 5/2018. Out of the total amount of the SOP Receivables RON 18,967,145.8 represents the nominal value of the New Shares and RON 63,549,422 represents the share premium. Holders of SOP Receivables do not pay any price for the New Shares.
From the total SOP receivable amount of RON 82,5 million, the amount of RON 55,8 million was deducted from the capital reserve,while the difference of RON 26,7 million is covered from retained earnings. After this transaction, the stock option plan balance recorded in equity is RON 16,8 million, related to SOP 4 and 5 not exercised until 31 December 2023.

NOTE 15. LEASE LIABILITIES

The Company have leased the administrative office space from the subsidiary One United Tower SA (former One United Tower SRL) starting with January 2022 until January 2023. Refer to Note 9 for further information.

	2023	2022
As at 1 January	**19,766,389**	**3,764,387**
Additions	-	21,606,099
Accretion of interest	-	789,063
Payments	-	(3,278,473)
Translation difference	-	3,851
Disposals	(19,766,389)	(3,118,538)
As at 31 December	**0**	**19,766,389**
Long term	**-**	**17,864,412**
Short term	**-**	**1,901,977**

	2023	2022
Depreciation expense of right-of-use assets	-	2,531,696
Interest expense on lease liabilities	-	789,063
Currency translation gain / (loss)	-	3,851
Total amount recognised in profit or loss	**-**	**3,324,610**

The reconciliation of the changes in liabilities arising from financing activities is provided in Note 22.

NOTE 16. TRADE AND OTHER PAYABLES

Description	31 December 2023	*Below 1 year*	*1 to 5 years*	31 December 2022	*Below 1 year*	*1 to 5 years*
Trade payables - affiliated entities and other related parties	2,141	*2,141*	-	201,904	*201,904*	-
Trade payables - Other	269,135	*269,135*	-	732,072	*732,072*	-
Total Trade payables	**271,276**	***271,276***	**-**	**933,976**	***933,976***	**-**
Other taxes and duties	1,611,531	*1,611,531*	-	978,235	*978,235*	-
Settlements between affiliated entities	173,554,832	*173,554,832*	-	93,194,708	*93,194,708*	-
Liabilities for acquisitions of investments	18,565,207	*18,565,207*	-	36,927,394	*18,463,697*	*18,463,697*
Advance payments from sale of shares	44,513,870	*44,513,870*	-	-	-	-
Warranties	66,253	-	*66,253*	67,254	-	*67,254*
Dividends	36,666,297	*36,666,297*	-	1,547,160	*1,547,160*	-
Other creditors - affiliated entities and other related parties	52,558,401	*52,558,401*	-	592,741	*592,741*	-
Other creditors	546,651	*142,710*	*403,941*	1,344,439	*328,273*	*1,016,166*
Total Other payables	**328,083,042**	***327,612,848***	***470,194***	**134,651,931**	***115,104,814***	***19,547,117***
Total Trade and other payables	**328,354,318**	***327,884,124***	***470,194***	**135,585,907**	***116,038,790***	***19,547,117***

Detailed information about the balances and transactions with related parties are presented in Note 21.

The amounts presented above as *Settlements between affiliated entities* are represented mainly by VAT and Income Tax payables from the fiscal groups where One United Properties SA is the representative (RON 173,5 million at 31 December 2023 and RON 92,5 million Ron at 31 December 2022).

The amounts presented above as *Liabilities for acquisitions of investments* are related to the amount outstanding to be paid (RON 18,6 million at 31 December 2023 and RON 36,9 million at 31 December 2022) for the acquisition of shares in the subsidiary One Proiect 11 SRL which own a land in surface area of 801,028.380 sqm, located in Ilfov county.

Under the *Dividends* line are mainly included the amount to be paid in relation to the interim dividends of the holding Company for the first six months of the financial year ended 31 December 2023 (RON 36,6 mil). The payment was performed in January 2024.

The amounts presented above as *Advance payments from sale of shares* are related to:

- Pre agreement for sale the ownership right over a number of 2,025,000 shares with a nominal value of RON 10/share, representing 50% of the subsidiary One Proiect 12 SRL's share capital until 8 February 2025. The purchase price is EUR 5 million at 31 December 2023 and supplemented with KEUR 600 by addendum 1 signed in February 2024.
- Pre agreement for sale the ownership right over a number of 2,250 shares with a nominal value of RON 10/share, representing 50% of the subsidiary One Downtown SRL's (former One Proiect 10 SRL) share capital until 1 October 2025. The purchase price is EUR 4 million.

The management consider that the carrying amount of trade payables approximates to their fair value.

NOTE 17. OPERATING REVENUES

Description	2023	2022
Revenues from services rendered	-	15,905,553
Revenues from rentals, service charge and similar	649	169,485
Other Revenues	12,477,662	10,235,197
Total operating revenues	**12,478,311**	**26,310,235**

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 17. OPERATING REVENUES (continued)

In prior period, the “Revenues from services rendered” and “Revenues from rentals, service charge and similar” are mainly in connection with management fees and rent invoiced to subsidiaries.

Starting with November 2022, the management fee activity was transferred to One United Management Services SRL, a new subsidiary owned 100% by the Company. The Company have recognized in Other revenues line a gain of RON 9,2 million from the transfer of the activity. An evaluation report was performed by an independent evaluator.

In 2023, the amount of RON 12,4 million is in relation to services invoiced to subsidiaries.

Detailed information about the balances and transactions with related parties are presented in Note 21.

NOTE 18. OPERATING EXPENSES

Description	**2023**	**2022**
Depreciation expenses	242,078	3,258,933
Provision and allowance adjustments	886,359	3,467,837
Impairment for financial assets	8,757,513	3,023,363
Amortisation, depreciation, provisions and impairment net of reversals	**9,885,950**	**9,750,133**
Staff expenses	360,106	2,124,177
Stock option plan	3,973,812	7,299,567
Administrative Expenses	**4,333,918**	**9,423,744**
Expenditures on raw materials and consumables	584	10,364
Other material expenses	2,571	230,202
Other external expenses	41,660	208,249
Other operating expenses	4,743,241	9,719,272
Tax expenses	97,994	147,493
Other expenses	100,774	1,242,679
Total Other operating expenses	**4,986,824**	**11,558,259**
Total operating expenses	**19,206,692**	**30,732,136**

Description	**2023**	**2022**
Expenses with royalties and insurance	65,155	981,264
Expenses with collaborators	869,994	769,062
Expenses regarding commissions and fees	448,372	1,305,463
Protocol, advertising and marketing expenses	193,120	2,175,557
Other expenses with services performed by third parties	3,132,350	4,253,820
Expenditures on raw materials and consumables	3,154	240,566
Other external expenses	75,911	442,355
Tax expenses	97,994	147,493
Other expenses	100,774	1,242,679
Total Other operating expenses	**4,986,824**	**11,558,259**

Description	**2023**	**2022**
Audit, valuation and other professional services, consultancy and accounting	2,932,331	3,606,296
Administration services	28,400	149,130
Other expenses (service fees, etc.)	91,055	123,275
Other services (IT, security, maintenance, recruitment etc.)	80,564	375,119
Total Other expenses with services performed by third parties	**3,132,350**	**4,253,820**

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 19. FINANCIAL INCOME

Description	2023	2022
Revenues from dividends	111,172,666	100,918,000
Revenues from interest	42,166,892	18,829,563
Other financial revenues	4,897,895	4,753,118
Total financial revenues	**158,237,453**	**124,500,681**

Description	2023	2022
FX net gain	4,812,895	1,073,268
Other financial revenues	85,000	3,679,850
Total other financial revenues	**4,897,895**	**4,753,118**

NOTE 20. FINANCIAL EXPENSES

Description	2023	2022
Interest expenses	-	789,429
Total financial expenses	**-**	**789,429**

NOTE 21. RELATED PARTIES

The Entity's affiliates and other related parties with which have incurred transactions at 31 December 2023 and 31 December 2022 are:

Name of the subsidiary and other related party	Country	Relationship nature
One Modrogan SRL	Romania	Subsidiary - Affiliate
One Peninsula SRL (former One Herastrau Park Residence SA)	Romania	Subsidiary - Affiliate
One Charles de Gaulle Residence SRL	Romania	Subsidiary - Affiliate
One Herastrau Plaza SRL	Romania	Subsidiary - Affiliate
One Verdi Park SRL	Romania	Subsidiary - Affiliate
X Architecture & Engineering Consult SRL	Romania	Subsidiary - Affiliate
One Mircea Eliade Properties SRL	Romania	Subsidiary - Affiliate
One Long Term Value SRL	Romania	Subsidiary - Affiliate
One Herastrau Towers SRL	Romania	Subsidiary - Affiliate
One Cotroceni Park SRL (former One Herastrau Properties SRL)	Romania	Subsidiary - Affiliate
Skia Real Estate SRL	Romania	Subsidiary - Affiliate
One Lake District SRL (former One District Properties SRL)	Romania	Subsidiary - Affiliate
One North Gate SA	Romania	Subsidiary - Affiliate
One United Tower SA (former One United Tower SRL)	Romania	Subsidiary - Affiliate
Neo Floreasca Lake SRL	Romania	Subsidiary - Affiliate
One Mamaia Nord SRL (former Neo Mamaia SRL)	Romania	Subsidiary - Affiliate
One Timpuri Noi (former Neo Timpuri Noi SRL)	Romania	Subsidiary - Affiliate
One Herastrau Vista (former Neo Herastrau Park SRL)	Romania	Subsidiary - Affiliate
One Floreasca Towers SRL (former One Herastrau IV SRL)	Romania	Subsidiary - Affiliate
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	Romania	Subsidiary - Affiliate
One Cotroceni Park Office SA	Romania	Subsidiary - Affiliate
One Cotroceni Park Office Faza 2 SA	Romania	Subsidiary - Affiliate
One Cotroceni Park Office Faza 4 SA (former One Cotroceni Park Office Faza 3 SA)	Romania	Subsidiary - Affiliate

(Amounts are expressed in RON, unless otherwise mentioned)

Name of the subsidiary and other related party	Country	Relationship nature
One Proiect 19 (former One Mamaia SRL)	Romania	Subsidiary - Affiliate
Bucur Obor SA	Romania	Indirect Subsidiary
One Proiect 4 SRL	Romania	Subsidiary - Affiliate
One Plaza Athenee SRL (former One Proiect 3 SRL)	Romania	Subsidiary - Affiliate
One Proiect 5 SRL	Romania	Subsidiary - Affiliate
One Herastrau City SRL (former One Proiect 7 SRL)	Romania	Subsidiary - Affiliate
One High District SRL (former One Proiect 1 SRL)	Romania	Subsidiary - Affiliate
One Lake Club SRL (former One Proiect 6 SRL)	Romania	Subsidiary - Affiliate
One Proiect 8 SRL	Romania	Subsidiary - Affiliate
One City Club (former One Proiect 9 SRL)	Romania	Subsidiary - Affiliate
One Downtown SRL (former One Proiect 10 SRL)	Romania	Subsidiary - Affiliate
One Proiect 24 SRL (former One United Italia SRL)	Romania	Subsidiary - Affiliate
One United Management Services SRL	Romania	Subsidiary - Affiliate
Bo Retail invest SRL	Romania	Subsidiary - Affiliate
One Proiect 11 SRL	Romania	Subsidiary - Affiliate
One Proiect 12 SRL	Romania	Subsidiary - Affiliate
One Cotroceni Towers SRL (former One Proiect 14 SRL)	Romania	Subsidiary - Affiliate
One Proiect 15 SRL	Romania	Subsidiary - Affiliate
One Park Line SRL (former One Proiect 16 SRL)	Romania	Subsidiary - Affiliate
One Technology Division SRL (former One Proiect 17 SRL)	Romania	Subsidiary - Affiliate
One Proiect 18 SRL	Romania	Subsidiary - Affiliate
One Proiect 2 SRL	Romania	Subsidiary – Affiliate, sold in H2 2023, subsequent the sale is related party
Eliade Tower SRL	Romania	Subsidiary - Affiliate
One Victoriei Plaza (former Mam Imob Business Center SRL)	Romania	Subsidiary - Affiliate
One Proiect 20 SRL	Romania	Subsidiary - Affiliate
One Proiect 22 SRL	Romania	Subsidiary - Affiliate
One Proiect 21 SRL	Romania	Subsidiary - Affiliate
One Baneasa Airpark SRL (former One Proiect 23 SRL)	Romania	Subsidiary - Affiliate
One Carpathian Lodge Magura SRL (former Carpathian Estate SRL)	Romania	Indirect Subsidiary
Reinvent Energy SRL	Romania	Associate
One Herastrau Office Properties SA	Romania	Associate
Glass Rom Impex SRL	Romania	Associate
One Property Support Services SRL	Romania	Associate
One Herastrau Office SA	Romania	Associate (sold as of 27 March 2023)
Andrei Liviu Diaconescu	Romania	Shareholder and key management personnel
Victor Capitanu	Romania	Shareholder and key management personnel
Vinci Invest SRL	Romania	Other related party
Liviu Investments SRL	Romania	Other related party
Lemon Interior Design SRL	Romania	Other related party
Lemon Office Design SRL	Romania	Other related party
Ploiesti Logistics SRL	Romania	Other related party
Element Investments SRL	Romania	Other related party
Element Invest Partners SRL	Romania	Other related party
One Energy Division SRL	Romania	Other related party
One Holding Investments SRL	Romania	Other related party
AV Holding SRL (former One Holding Ver SRL)	Romania	Other related party
Park Lane Investments SRL (former One Holding OA SRL)	Romania	Other related party
YR-WNT SRL (former Neo Downtown SRL)	Romania	Other related party
ACC Investments SRL	Romania	Other related party
CCT & ONE AG	Switzerland	Indirect associate
CC Trust Group AG	Switzerland	Other related party
CCT & One Properties SA	Luxembourg	Other related party
Vinci Ver Holding SRL	Romania	Other related party
OA Liviu Holding SRL	Romania	Other related party
Dragos-Horia Manda	Romania	Key management personnel, minority shareholder of the Group
Claudio Cisullo	Switzerland	Key management personnel, minority shareholder of the Group

Name of the subsidiary and other related party	**Country**	**Relationship nature**
Gabriel-Ionut Dumitrescu	Romania	Key management personnel, starting 2022 exit the Board
Adriana-Anca Anton	Romania	Key management personnel, starting 2022 exit the Board
Valentin-Cosmin Samoila	Romania	Key management personnel
Marius-Mihail Diaconu	Romania	Key management personnel, minority shareholder of the Group
Augusta Dragic	Romania	Key management personnel
Magdalena Souckova	Czech Rep.	Key management personnel

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

Key management personnel compensation	**2023**	**2022**
Employee benefits	2,273,902	769,062
Share - based payments	81,449,718	-

Share - based payments represent the equivalent of 93,609,606 ordinary shares of the Company granted free of charge under the SOP Plan. Please refer to Note 14 for disclosure of share-based payments to key management personnel.

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

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

		Statement of financial position	
Nature of balances	**Affiliates and other related party categories**	**31 December 2023**	**31 December 2022**
Receivables and other receivables related to goods and services sold	Key management personnel	-	-
	Affiliates - Subsidiaries	104,223,131	36,119,617
	Other related parties and associates	144,828	2,944,058

		Statement of financial position	
Nature of balances	**Affiliates and other related party categories**	**31 December 2023**	**31 December 2022**
Payables related to goods and services paid	Key management personnel	900	-
	Affiliates - Subsidiaries	226,089,487	93,948,785
	Other related parties and associates	24,987	40,566

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

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 21. RELATED PARTIES (continued)

Nature of transactions	Affiliates and other related party categories	Income statement (Income/(expense)) 2023	2022
Interest income and other financial income	Key management personnel	-	-
	Affiliates - Subsidiaries	39,282,256	13,475,382
	Other related parties and associates	32,548	160,260
Dividends income	Key management personnel	-	-
	Affiliates - Subsidiaries	107,124,666	100,918,000
	Other related parties and associates	4,048,000	-
Rent and royalties income	Affiliates - Subsidiaries	-	192,038
	Other related parties and associates	-	597
Management fee	Key management personnel	-	-
	Affiliates - Subsidiaries	-	15,871,578
	Other related parties and associates	-	-
Rent and utilities expenses	Affiliates - Subsidiaries	(258,271)	3,964,999
	Other related parties and associates	-	-
Management and administration expenses	Key management personnel	2,273,902	769,062
	Affiliates - Subsidiaries	-	-
	Other related parties and associates	30,116	157,747
Other income	Key management personnel	-	-
	Affiliates - Subsidiaries	12,113,493	9,252,998
	Other related parties and associates	359,655	307,706
Other capital reserves	Key management personnel	25,124,118	46,150,940
Dividends paid during the year, net of tax	Key management personnel	1,988,914	4,309,192
	Other related parties and associates	22,439,070	48,473,059

Loans granted to affiliates and other related parties		Interest balance	Amounts granted to affiliates and other related parties
Loans granted to affiliates- subsidiaries	2023	57,760,425	654,166,643
	2022	26,466,348	569,722,549
Loans granted to other related parties and associates	2023	183,923	497,460
	2022	438,235	6,642,103
Total loans granted to affiliates and other related parties	**2023**	**57,944,348**	**654,664,103**
	2022	**26,904,583**	**576,364,652**

NOTE 22. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company’s cash flow statement as cash flows from financing activities.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 22. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

	1-Jan-22	New leases	Interest charge	Cash flows payments	Foreign exchange movements	Other movements	31-Dec-22
Lease liabilities	3,764,387	21,606,099	789,062	(3,278,473)	3,852	(3,118,538)	19,766,389
Total liabilities from financing activities	**3,764,387**	**21,606,099**	**789,062**	**(3,278,473)**	**3,852**	**(3,118,538)**	**19,766,389**

	1-Jan-23	New leases	Interest charge	Cash flows payments	Foreign exchange movements	Other movements	31-Dec-23
Lease liabilities	19,766,389	-	-	-	-	(19,766,389)	-
Total liabilities from financing activities	**19,766,389**	**-**	**-**	**-**	**-**	**(19,766,389)**	**-**

NOTE 23. CONTINGENCIES

On 19 January 2021, the subsidiary One United Towers SA (former One United Tower SRL) has signed the loan agreement with Black Sea Trade and Development Bank for an amount of maximum EUR 50,000,000. As at 31 December 2023, the subsidiary have withdrawn the amount of EUR 43,6 million. The loan has attached a corporate guarantee issued by the holding Company which covers the time until maturity of underlying bank loan.

On 23 January 2018, the subsidiary One North Gate SA has signed the loan agreement with CEC Bank for an amount of maximum EUR 12,000,000. The loan has attached a corporate guarantee issued by the holding Company which covers the time until maturity of underlying bank loan.

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

On 30 September 2021, the subsidiary One Peninsula SRL (former One Herastrau Park Residence SA) have signed the loan agreement with First Bank SA for a maximum amount of EUR 15,000,000. The loan period is for 36 months starting with 01 October 2021. The loan has attached a corporate guarantee issued by the holding Company which will cover costs differences or cash flows deficit related to project completion for 15% of total development costs (EUR 7,47 million). The given guarantee covers the time until maturity of underlying bank loan.

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

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

On 27 July 2022, the Company, through its subsidiary One Victoria Plaza SRL (former MAM Imob Business Center SRL) contracted a bank loan from Garanti Bank in total value of EUR 18,43 million and fully utilized this amount. The loan has attached a corporate guarantee issued by the holding Company which covers the time until maturity of underlying bank loan.

In Q1 2023, the Group, through its subsidiary Eliade Tower SRL contracted a bank loan from Garanti Bank in total value of EUR 5 million and fully utilized in January 2023. The loan has attached a corporate guarantee issued by the holding Company which covers the time until maturity of underlying bank loan.

On 21 August 2023, subsidiary One Herastrau Towers SRL contracted a bank loan from Garanti Bank in total value of EUR 4,900,000 for a period of 3 years. The loan due date for reimbursement is 30 August 2026. The loan has attached a corporate guarantee issued by the holding Company which covers the time until maturity of underlying bank loan.

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 23. CONTINGENCIES (continued)

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

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

The Company, have signed a pre-agreement for sale of shares held in the subsidiary, One Proiect 12 SRL. The Company undertakes to sell and transfer to the promissory purchaser the ownership right over the shares until February, 2025 and the promissory purchaser irrevocably undertakes to acquire the ownership over the shares under the terms, conditions, representations and warranties of the Company, as agreed in the shares sale pre-agreement.

The Company, have signed a pre-agreement for sale of shares held in the subsidiary, One Downtown SRL (former One Proiect 10 SRL). The Company undertakes to sell and transfer to the promissory purchaser the ownership right over the shares until October, 2024 and the promissory purchaser irrevocably undertakes to acquire the ownership over the shares under the terms, conditions, representations and warranties of the Company, as agreed in the shares sale pre-agreement.

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

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

NOTE 24. FAIR VALUE HIERARCHY

The Company holds financial instruments that are not measured at fair value in the separate statement of financial position. For financial instruments such as cash and cash equivalents, trade and other receivables, the management of the Company has estimated that their carrying amount is an approximation of their fair value. The fair value of these types of instruments was determined as level 3 in the fair value hierarchy.

Financial liabilities that are not measured at fair value are loans with a contractual maturity of less than one year, debts to employees, trade payables and other debts and qualify for level 3 in the fair value hierarchy.

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying amount		**Fair value**	
	31 December 2023	**31 December 2022**	**31 December 2023**	**31 December 2022**
Financial assets for which fair values are disclosed:				
Loans granted to subsidiaries, associates and others	712,899,444	603,521,473	619,852,248	438,631,169

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets for which fair values are disclosed:				
Loans granted to subsidiaries, associates and others	-	-	619,852,248	619,852,248

31 December 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets for which fair values are disclosed:				
Loans granted to subsidiaries, associates and others	-	-	438,631,169	438,631,169

(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 24. FAIR VALUE HIERARCHY (continued)

There were no transfers between Level 1 and 2 during 2023 or 2022.

Management has assessed that the fair values of cash and short-term deposits, trade and other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer, and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the estimated losses of these receivables. As at 31 December 2023, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

- Fair values of the Company's interest-bearing borrowings and loans are determined by using the DCF method, using a discount rate that reflects the issuer's borrowing rate including its own non-performance risk as at 31 December 2023.

NOTE 25. EARNING PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2023 was based on the profit attributable to equity holders of RON 149,509,955 (31 December 2022: RON 116,815,996) and the weighted average ordinary shares in issue during the year.

RON	**31 December 2023**	**31 December 2022**
Profit for the year attributable to equity holders	149,509,955	116,815,996
Weighted average number of shares in issue	3,742,333,473	2,812,996,754
Basic earnings per share attributable to equity holders	0.040	0.042
Diluted earnings per share attributable to equity holders	0.040	0.040

NOTE 26. EVENTS AFTER THE REPORTING PERIOD

Following the resolution of the Ordinary General Meeting of the Shareholders no. 67 dated 09.10.2023 the Company paid the dividends through the Central Depositary S.A. and the payment agent Banca Transilvania S.A. – payment agent, starting 31.01.2024, to Company's shareholders registered in the Shareholder's Registry held by the Central Depositary S.A. on the registration date 16.01.2024. The gross dividend is of RON 0.01 per share and the dividends tax was withheld at the statutory rates, were applicable.

On 22 March 2024, the Revenue & Expense Budget for 2023 is approved by the Board of Directors and will subsequently be subject to approval in the annual Ordinary General Meeting of the Shareholders that will take place on 25 April 2024.