

one

UNITED PROPERTIES

H1 REPORT

2022



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Financial report as of June 30th, 2022

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The interim condensed consolidated financial statements and the condensed individual financial statements presented on the following pages are prepared in accordance with International Financial Reporting Standards applicable to interim reporting, as applied in the European Union (“IFRS”). The interim condensed consolidated financial statements as of June 30th, 2022, **are revised by the auditor**, while the condensed individual financial statements are **audited**.

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



FINANCIAL RESULTS HIGHLIGHTS

Key financial figures for H1 2022

- A **56% increase in consolidated turnover** of One United Properties in H1'22 vs H1'21, as the Group reached turnover of RON 675.9 million.
- Revenues from **residential segment** reached **RON 386.8 million** in H1'22, a 16% YoY increase. **Net margin** of residential segment reached **49%**, a 17pp increase vs H1'21.
- **Rental income** registered 30-fold increase, reaching **RON 23.4 million**, driven by revenues from tenants at One Tower, One Cotroceni Park Office Phase 1 (still limited impact due to most tenants still doing fit-out works in H1'22), as well as by revenues generated from Bucur Obor.
- **G&A expenses** grew 345% to **RON 60.3 million**, mainly due to the non-cash SOP allocation for the executive BoD members following the meeting of the performance criteria related to the growth of the value of the company. Excluding this extraordinary event, the G&A expenses increased 35% YoY.
- **EBITDA** raised 107% YoY, reaching **RON 392.7 million** in H1'22. **Gross result** reached **RON 389.8 million**, 114% YoY increase, while the bottom line increased 136% YoY, reaching **RON 347.8 million**.
- Strong **cash position** maintained, of **RON 467.5 million**, excluding the effect of the share capital increase which brought another RON 253.7 million in Q3'22.
- **Loan to value** ratio of **25%** as of the end of H1'22, stable since beginning of the year, proving solid financials and low leverage of the Group compared with the European peers.

Key events in H1 2022

- **167 apartments** with a total surface of 15,892 sqm, 419 parking spaces and 32 commercial spaces and other units were sold and pre-sold in H1'22 for a total of EUR 66.5 million.
- As of June 30th, 2022, **80% of apartments** under development were sold out (85% excluding One Lake Club Phase 2, where sales kicked-off at the end of Q2'22). Amounts due under contracts concluded with customers as of June 30th, 2022, are **EUR 168.2 million in additional cash until end of 2023** (EUR 57.1 million in 2022 and EUR 111.1 million in 2023).
- Finalization of the acquisition of controlling stake **Bucur Obor S.A.** with 26K sqm of GLA and announcement of the acquisition of the **Ford Factory**, development with an estimated 13K sqm of retail GLA upon completion. Acquisition of the plot of land for **One City Club** in Bucharest sector 2, which will host approximately 200 apartments.

Perspectives for H2 2022

- The management maintains the 2022 budget, targeting net profit of **RON 548.7 million** and investments of RON 1.163 billion.
- Acquisitions in Q3'22 of **One Victoriei Plaza** office building with GLA of approx. 12,000 sqm, land for new development **One Herastrau City**. Further acquisitions of eight new plots of lands to follow in the next 12 months, using the freshly raised capital of **RON 253.7 million**.
- Sales kickoff at new developments: **One Lake Club (Phase 2)** at the end of Q2'22 and **One Herastrau Vista** in Q3'22, further four developments, One Lake District, One High District, One Lake Club (Phase 1) and One Floreasca Towers awaiting permitting to kick-start the sales.



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H1 2022 Results Call

23.08.2022 | 10:00 & 11:00 AM

Join the H1 2022 results calls with One United Properties top management to discuss the performance in the first half of the year as well as prospects for H2 2022. The call will be hosted by Victor Capitanu (co-CEO), Cosmin Samoila (CFO) and Zuzanna Kurek (IR Manager).

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



KEY EVENTS

BUSINESS HIGHLIGHTS

Residential sales

167 apartments with a total surface of 15,892 sqm, 419 parking spaces and 32 commercial spaces and other units were sold and pre-sold for a total of EUR 66.5 million in the first half of 2022. In the same period of 2021, the Group sold and pre-sold 261 apartments, with a total surface of 26,309 sqm, 345 parking spaces and 8 commercial spaces and other units for a total of EUR 96.3 million.

The decrease in unit sales in H1 2022 compared to same period of 2021 has been primarily driven by the lack of available stock and the fact that only a limited number of the apartments is available at each of the developments. As of June 30th, 2022, 80% of apartments currently being under development were sold out. Excluding the newly added development, One Lake Club (Phase 2), the sold-out apartments amounted to 85% of the stock. On the other hand, the value per unit sold and per square meter sold increased in H1 2022 compared to H1 2021.

This results in the situation that sales naturally slow down closer to the completion of the development due to limited choice for future buyers. The Company's focus before the yearend is to ramp up the permitting of new developments. During Q3 2022, the sales at two new developments, One Lake Club (Phase 2) and One Herastrau Vista were kicked off. Before the yearend, One United Properties wants to kick-start sales at the following developments: One Lake District, One Lake Club (Phase 1), One High District and One Floreasca Towers, subject to obtaining building permits from the relevant authorities. At the date of the publishing this report, the files for these developments were submitted to the relevant authorities and were confirmed to be 100% complete.

Most of the apartments sold by One United Properties in H1 2022 were two-rooms apartments, due to a high demand of such apartments at One Cotroceni Park, nonetheless registering a decrease of 19% YoY due to limited stock. The second most sought-after apartments were three-rooms, primarily at One Verdi Park and One Cotroceni Park, followed by four-rooms as well as penthouses and villas. In Q2 2022, the Company sold two penthouses at One Verdi Park.

The sales per apartment type are presented below:

Apartment type	30.06.2022	30.06.2021	Δ %
Studio	1	6	-83%
2 rooms	112	138	-19%
3 rooms	26	73	-64%
4 rooms	23	38	-39%
5+ rooms & villas	5	6	-17%
TOTAL UNITS SOLD	167	261	-36%

Like in the previous two quarters, most of the apartments sold were part of One Cotroceni Park, One United Properties' largest development to date. In H1 2022, the Group pre-sold 102 residential units and as of the end of Q1 2022, there were 70 units remaining available for sale. Even though there has been a slight decline of sales YoY, it is important to underline that One United Properties sold in May 2021, 124 units at One Cotroceni Park in a single transaction to ACC Investment, an investment company which purchases apartments for future rental or resale. That transaction took place prior to the formal sales



kickoff, which happened in Q3 2021. Excluding this one-off event, the Group has registered a 22% increase in unit sales in H1 2022 compared to H1 2021.

The second largest sales were registered in H1 2022 at One Verdi Park, a development due to be delivered in Q4 2022 and where 80 units were remaining available for sale as of June 30th, 2022. The rest of the developments registered a varying degree of a year-on-year slowdown in sales due to the low availability of the stock as majority of the developments are close to being fully sold out. This is particularly visible for the developments that have already been delivered such as One Mircea Eliade, One Herastrau Towers or close to finalized developments such, One Timpuri Noi or One Floreasca Vista. An extraordinary event was registered for One Mamaia Nord, where the contract for 10 apartments was cancelled. These apartments will be back in the market for sale in the coming period.

The sales per development are presented below:

Development	Delivery	30.06.2022	30.06.2021	Δ %
One Mircea Eliade	Q4 2020	4	14	-71%
One Mamaia Nord	Q1 2021	0	0	-
One Herastrau Towers	Q4 2021	2	5	-60%
One Timpuri Noi	Q3 2022	2	9	-78%
One Floreasca Vista	Q3 2022	3	11	-73%
One Verdi Park	Q4 2022	48	57	-16%
One Modrogan	Q4 2022	1	8	-88%
One Peninsula	Q2 2023	0	25	-100%
One Cotroceni Park	Q4 2023	102	132	-23%
One Lake Club (Phase 2)	Q3 2024	5	-	-
TOTAL UNITS SOLD		167	261	-36%

The total value of residential sales of EUR 66.5 million includes the pre-sales to early clients (lower margin sales that help finance land acquisition). These are units that the Group pre-sold to early clients on developments that still need to receive building permits. The total value of these sales in H1 2022 was EUR 8.7 million, vs EUR 13.7 million in H1 2021.

New sales kickoff

In July 2022, One United Properties kicked off the sales for a new residential development, **One Lake Club (Phase 2)**, having GDV of EUR 35.3 million. Phase 2 will host two buildings with 119 residential units. One Lake Club Phase 2 is part of a One Lake Club development, with total GDV of EUR 214.9 million. Phase 1 is currently under permitting, while the land for Phase 2 was acquired in April 2022 with all the necessary permits. The construction works at Phase 2 begun in Q2 2022 and are currently covering the underground levels and the structure. [More information HERE.](#)

In August 2022, together with the construction kick-off, One United Properties started sales for **One Herastrau Vista**, a residential development which will host 117 units, with a GDV of EUR 38.1 million. [More information HERE.](#)

The clients can purchase apartments at One Lake Club and at One Herastrau Vista using either of the three payment options (30% upon signing and 70% at delivery, 5 equal tranches or full prepayment).

Landbank

As of June 30th, 2022, One United Properties had 180,000 sqm of land plots for further residential development under permitting and in the planning phase (the latter with an estimated start of construction in 2022 and 2023), in Bucharest and in Constanta (Mamaia). The Group estimates



construction of over 4,200 apartments and commercial spaces on these land plots. At the time of publishing this report, the landbank further increased to 217,000 sqm, with total aboveground construction rights of 750,000 sqm, where over 5,200 apartments and commercial spaces will be built.

On June 30th, 2022, One United Properties expanded the landbank through acquisition of a plot of land on 3 Ramuri Tei Street in Bucharest, with an area of 10,710 sqm, where the company intends to build a predominantly residential development called **One City Club**. The new development will have approximately 200 apartments organized in low-rise compounds, with GBA of 37,000 sqm, of which 27,000 sqm above ground and 10,000 sqm underground. [More information HERE.](#)

On July 26th, 2022, the Company acquired a 36,869 sqm plot of land on Poligrafiei Boulevard no. 50 and 52-54, in Bucharest, where it will build a predominantly residential development **One Herastrau City**. The new development will have an estimated 900 apartments organized in seven high-rise towers, with a GBA of up to 150,000 sqm above ground and 70,000 sqm underground. [More information HERE.](#)

Besides the owned landbank, the company has a strong pipeline of new plots of land for further development. One United Properties is currently in advanced negotiations for eight future developments as well as it is in early discussion or negotiation stages for more than 20 other developments. The eight developments in negotiations are primarily focused on medium and medium-high income residential properties and will be financed using the capital raised during the share capital increase operation.

Commercial segment

On January 17th, 2022, the Group informed the market about the handover of One Cotroceni Park Office Phase 1, a commercial and office development located in Bucharest. The development has a total GLA of 46,000 sqm. At the time of publishing this report, 83% of the office and commercial spaces at Phase 1 and 50% at Phase 2 have been leased. [More information HERE.](#)

Following the Competition Council clearance, on February 8th, 2022, One United Properties closed the transaction of the acquisition of direct sole control over BO Retail Invest S.R.L., and indirectly the control over Bucur Obor, a shopping center in Bucharest with a total GLA of 26,000 sqm. [More information HERE.](#)

On March 24th, 2022, One United Properties announced the acquisition of the former **Ford Factory**, located within the One Floreasca City development. One Gallery will host retail with high-end shops and restaurants. The building, which is estimated to be commissioned in 2 years, will have a GLA of approx. 13,000 sqm and 400 parking spaces built on 2 underground floors. The estimated GDV upon completion is estimated at EUR 82 million. The construction works at Ford Factory begun in July 2022. [More information HERE.](#)

On July 25th, One United Properties informed the market that **One Tower**, an office building that is part of One Floreasca City development, with a GLA of 23,750 sqm, has reached 100% occupancy. [More information HERE.](#)

On July 27th, 2022, the Group informed the market about a takeover of a 100% stake in a company that owns and operates an office building located at 29-31 Nicolae Titulescu Boulevard in Bucharest, called **One Victoriei Plaza**. The office building has a total GLA of app. 12,000 sqm and it is fully leased to First Bank as a tenant for a remaining period of app. 12 years, with a break option after 7 years. The annual rental income generated by the building is approximately EUR 1.9 million and it is indexed with the yearly inflation. [More information HERE.](#)

Following the above acquisition, the Group's commercial portfolio will reach GLA of almost 190,000 sqm by the yearend, of which office portfolio will be 148,000 sqm after delivery of One Cotroceni Park Office Phase 2.



GOVERNANCE HIGHLIGHTS

Favorable court decisions related to One Floreasca City

On April 1st, 2022, One United Properties informed the market about the favorable decision by Bucharest Court of Appeal related to One Floreasca City, which confirms the validity of the acts and actions that constituted the basis for the development and rejected the plaintiff's appeal. The court's ruling is final. [More information HERE.](#)

On April 15th, 2022, the Company informed the market about another favorable decision by Bucharest Court of Appeal related to One Floreasca City, which rejected plaintiff's appeal related to invalidation of environmental agreement. The court's ruling is final. [More information HERE.](#)

Favorable court decisions related to One Peninsula

On May 25th, 2022, One United Properties informed the market about the favorable decision by Bucharest Court of Appeal related to One Peninsula, which confirms the validity of the acts and actions that constituted the basis for the development and rejected the plaintiff's appeals. The court's ruling is final. [More information HERE.](#)

Decision of the Bucharest Court of Appeal regarding One Modrogan

On July 8th, 2022, One United Properties informed the market about the decision of the Bucharest Court of Appeal regarding One Modrogan, suspending the construction on site temporarily, until the first ruling in the main case regarding this development. The ruling of the court in the main case will be issued in case file 11527/3/2022, registered with the Bucharest Tribunal, for which the first hearing has been scheduled on September 6th, 2022. [More information HERE.](#)

ESG Updates

On April 12th, 2022, One United Properties announced the creation of the **Environmental, Social and Governance Committee** that will assist the Board of Directors in defining the sustainability strategy. It is the first-ever ESG Committee appointed by the Board of Directors of a Romanian blue-chip company. [More information HERE.](#)

On July 7th, 2022, One United Properties published the **2021 Sustainability Report**, prepared using the GRI standards. The 2021 Sustainability Report builds on the Company's ESG strategy, and the information provided in the Company's Sustainability Report for 2020, published in December 2021. Following the publishing of the report, the Company kicked off the ESG rating process with one of the major specialized rating agencies, which will be made public. [The 2021 Sustainability Report is available HERE.](#)

OGSM & EGSM from April 26th, 2022

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 on May 30th, 2022. The GMS approved the buyback of shares for treasury purposes with a total limit of RON 10 million, at a maximum acquisition price of RON 1.75 per share, a share capital increase operation with cash contributions or



through the issuance of convertible bonds. The GSM also approved the framework for the implementation of the SOP for the benefit of the executive members of the Board of Directors.

The GMS also elected, as of April 26th, 2022, a new Board of Directors of One United Properties, comprising of seven Members: Claudio Cisullo (elected by the Board as the Chairman of the Board of Directors), Victor Capitanu, Andrei-Liviu Diaconescu, Marius Diaconu, Augusta Dragic, Dragos Manda, and Magdalena Souckova. [More information HERE.](#)

Share capital increase operation

On August 3rd, 2022, One United Properties announced the closing of the share capital increase operation during which the Company raised RON 253.7 million. The process consisted of two stages – first, where existing shareholders subscribed based on preference rights, and second, with new investors participating in a private placement. The final price per share for both stages was established at RON 1.25. The operation was finalized on August 19th, 2022, when the ONE shares that were subscribed in the operation were handed over into the investors' accounts.

The capital raised will strengthen the growth strategy of One United Properties, allowing the company to seize additional opportunities in the market. The new equity will be invested with priority in new residential developments located primarily in Bucharest. The company targets to invest the capital raised in ten new developments. The first agreements, for two locations based in Bucharest, One City Club and One Herastrau City were already signed in July 2022. The agreements for the remaining eight new developments are expected to be signed over the next 12 months.

CAPITAL MARKET HIGHLIGHTS

Liquidity

In H1 2022, ONE was the 9th most traded stock on BVB. The average daily traded value for ONE shares between January 1st and June 30th, 2022 was RON 1,1 million. As of June 30th, 2022, One United Properties had 5,510 shareholders, a 74% increase compared to the date of the IPO. In a volatile H1 2022, ONE shares outperformed the benchmark index BET, delivering a +1.6% share price appreciation vs an -8.7% decline of BET index.

Moreover, ONE shares were included, as of June 20th, 2022, in the FTSE EPRA Nareit EMEA Emerging Index, designed to track the performance of listed real estate companies and REITS in emerging markets. Apart from FTSE EPRA Nareit EMEA Emerging Index, ONE shares are also included in other FTSE indices (FTSE Global All Cap, Small Cap/Mid Cap*, Total Cap), BVB indices (BET, BET-TR, BET-TRN, BET-XT, BET-XT-TR, BET-XT-TRN, BET-BK, BET Plus) as well as multiple STOXX indices (STOXX All Europe Total Market, Balkan Total Market, Balkan Total Market ex Greece & Turkey, EU Enlarged Total Market, Eastern Europe 300, Eastern Europe 300 Real Estate, Eastern Europe Mid 100, Eastern Europe Total Market, Eastern Europe Total Market Mid, Global Total Market, Romania Total Market).

*On August 19th, 2022, FTSE Russell announced that One United Properties shares were upgraded within the FTSE Global Equity Index Series for Emerging Europe, moving from the small cap to mid cap category, reflecting the increased market capitalisation as well as the solid liquidity of ONE stock. The index change will be effective as of September 19th, 2022.



ANALYSIS OF THE FINANCIAL RESULTS

EARNINGS ANALYSIS

Consolidated turnover of One United Properties grew 56% in H1 2022 compared to H1 2021, reaching RON 675.9 million. The increase in the turnover was supported by a 16% increase in revenues from sales of residential property, which reached RON 386.8 million in H1 2022 vs RON 332.8 million in H1 2021. The net income from residential property increased significantly, by 76% YoY, reaching RON 189.9 million due to most of the developments getting closer to the completion. This generated a 49% net margin, a 17pp appreciation compared to H1 2021.

In H1 2022, the Group recorded a decline of 44% in the gains from office building under development, due to the reclassification of One Cotroceni Park (Phase 1) to the completed investment property category. As of the end of H1 2022, the gain was RON 39.3 million, representing in principle the only development in progress in the office segment, One Cotroceni Park (Phase 2). On the other hand, the Group recorded the gains from bargain purchase in the total amount of RON 94.1 million, which represents the gain from the transaction of purchasing a majority stake in Bucur Obor, at a discounted price versus the value of the buildings, as they were appraised by Colliers. In addition, in H1 2022, the Group recorded RON 92.9 million in gains from development of rental residential investment properties, corresponding to 29 rental apartments at One Mircea Eliade, in line with the strategy of the company to generate more long-term profit from rental income, as well as One Tower and OCP Phase 1 gains. The Group also recorded gains from investment property for further development, which amounted to RON 29.2 million.

The rental income, which includes the income generated by the office as well as retail divisions, registered a significant, 30-fold increase, reaching RON 23.4 million. The effect has been driven by the revenues coming from tenants at One Tower (leased out approx. 100% as of June 30th, 2022), One Cotroceni Park Phase 1 (leased out at 85% as of June 30th, 2022, however not yet generating full income since significant part of tenants are still in the fit-out phase), as well as the impact of results generated by Bucur Obor and consolidated under the retail division. The management estimates that the revenues from rental income will continue to grow QoQ, bringing more significant weight in the second half of 2022, given the full occupancy of One Tower, the acquisition of fully leased One Victoriei Plaza, as well as starting from 2023, when One Cotroceni Park Phase 1 will start to generate the full lease as well as tenants will start to move in to One Cotroceni Park Phase 2.

G&A expenses increased 345%, to RON 60.3 million, driven primarily by the extraordinary event of recognizing the expense related to the Stock Option Plan to be granted to the executive members of the Board of Directors, following the meeting of the performance criteria outlined in the SOP program. The plan was approved in the OGSM from April 19th, 2021, and reconfirmed in the OGSM from April 26th, 2022. The expense was recognized in Q2 2022 in a total value of approximately RON 42 million, in line with IFRS reporting standards. Excluding the effect of the SOP, which is a one-off, non-cash expense without effect on the equity of the Company, then the administrative costs have increased 37%, representing the costs due to larger scale of business and being a public entity. In terms of operating expenses, these amounted to RON 11.6 million in H1 2022, from RON 1.9 million in H1 2021. Out of the amount registered in H1 2022, RON 5.1 million are sponsorships related to CSR activities, which are expected to be fully deducted from the profit tax. Other items under this position include the costs attached to property expenses for residential developments completed and not yet delivered to clients.

EBITDA doubled, reaching RON 392.7 million due to excellent margin from sales of residential property and despite the non-cash SOP implementation, and impacted positively the bottom-line in H1 2022. The gross result reached RON 389.8 million, a 114% increase compared to H1 2021, while the bottom line increased 136% reaching RON 347.8 million. The profit tax for H1 2022 amounted to RON 42 million, of



which RON 8.7 million is the actual expenditure and the remaining RON 33.3 million represents the deferred tax of profit, generated by gains from fair value adjustment, which will become taxable only upon their sale.

Selected P&L positions (RON)	H1 2022	H1 2021	Δ %
Revenues from sales of residential property	386,763,374	332,758,053	16%
Gains from office buildings under development	39,340,938	69,708,159	-44%
Gains from bargain purchase	94,079,969	-	-
Rental income	23,351,395	766,171	2948%
Revenues from services to tenants	5,349,961	2,433,242	120%
Other operating income	5,029,211	1,730,667	191%
Gains from completed investment property	92,852,941	18,758,668	395%
Gains from investment property for further development	29,169,878	7,703,216	279%
Cost of sales of residential property	(196,885,219)	(224,628,655)	-12%
G&A Expenses	(60,287,933)	(13,540,357)	345%
Other operating expenses	(11,609,412)	(1,944,244)	497%
EBITDA	392,661,759	189,417,253	107%
EBT	389,832,043	182,223,063	114%
Net profit	347,805,834	147,538,052	136%

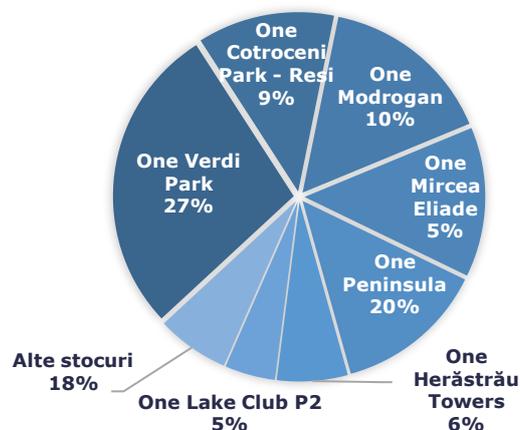
ASSETS

Total assets grew 27% since the beginning of 2022, reaching RON 3.5 billion. The non-current assets increased 42%, reaching RON 2.1 billion, increase driven primarily by a 42% increase in investment properties, representing the commercial segment and the landbank. All the developments under investment properties increased their value, most notably One Athenee (+50%) and One Cotroceni Park Office 2 (+43%). Moreover, Bucur Obor, acquisition finalized in Q1 2022, as well as the 29 apartments bought at One Mircea Eliade were also included. There was also an increase in the intangible assets, which reached RON 15.3 million, representing the Bucur Obor brand, following the finalization of the acquisition and the Purchase Price Allocation report.

Current assets grew 9%, reaching RON 1.4 billion due to 61% increase in trade receivables and 40% increase in advance payments to suppliers – both result of larger scale of operations. Due to investments in landbank and capital deployment in developments under construction, the cash position decreased slightly, by 8% since the beginning of the year, reaching RON 467.5 million. This cash position does not include the capital that the company raised during the share capital increase operation, which amounts to RON 253.7 million and which will be visible in Q3 2022. The inventory (residential properties) decreased 2% in the analyzed period, reaching RON 337.9 million since 80% of the apartments at developments under construction were already sold. In Q2 2022, a new development entered the inventory – One Lake Club (Phase 2) as well as there was increase in the inventory at One Mamaia Nord Phase 1 due to contract cancellation.



Residential Property in '000 RON	30.06.2022	31.12.2021
One Verdi Park	91,129	105,693
One Cotroceni Park - Residential	30,156	35,007
One Modrogan	34,750	29,866
One Mircea Eliade	16,798	45,598
One Peninsula	68,591	60,217
One Herăstrău Towers	20,836	23,738
One Floreasca Vista	15,204	17,041
One Timpuri Noi	11,602	10,949
One Mamaia Nord 2	7,019	2,793
One Herastrau Vista	5,046	4,818
One Mamaia Nord 1	20,330	7,152
One Lake Club (Phase 2)	15,405	-
Other inventories	1,039	1,107
TOTAL	337,905	343,978



EQUITY AND LIABILITIES

Equity grew 29% in H1 2022, reaching RON 2.1 billion. The increase was driven primarily by the increase in retained earnings.

The liabilities increased 24% in the first half 2022, amounting to RON 1.4 billion as of June 30th, 2022, driven primarily by a 35% increase in long-term liabilities, which reached RON 786.8 million as a result of 33% increase in loans and borrowings, representing primarily the long-term bank loan amounting to approx. RON 509 million, which mainly represents the amounts drawn from bank loans in subsidiaries One Cotroceni Park Office, One Verdi Park and One United Tower. The increase in the current liabilities of 13% in H1 2022, was driven, inter alia, by 19% increase in trade and other payables and a 3% increase in advance payments from customers due to larger scale of the business, developments approaching completion stage and related financing loans becoming repayable on short term.



CONSOLIDATED FINANCIAL STATEMENTS

PROFIT & LOSS STATEMENT (RON)	H1 2022	H1 2021	Δ %
Revenues from sales of residential property	386,763,374	332,758,053	16%
Cost of sales of residential property	(196,885,219)	(224,628,655)	-12%
<i>Net income from residential property</i>	<i>189,878,155</i>	<i>108,129,398</i>	<i>76%</i>
Gains from office buildings under development	39,340,938	69,708,159	-44%
Gains from bargain purchase	94,079,969	-	-
Rental income	23,351,395	766,171	2948%
Revenues from services to tenants	5,349,961	2,433,242	120%
Expenses from services to tenants	(5,349,961)	(2,433,242)	120%
Other property operating expenses	(4,114,940)	(163,757)	2413%
<i>Net rental income</i>	<i>19,236,455</i>	<i>602,414</i>	<i>3093%</i>
Commissions for brokerage real estate	(3,396,282)	(760,657)	346%
Administrative expenses	(61,920,862)	(14,510,367)	327%
Other operating expenses	(11,609,412)	(1,944,244)	497%
Profit on disposal of investment property	768	-	-
Other operating income	5,029,211	1,730,667	191%
Gains from completed investment property	92,852,941	18,758,668	395%
Gains from investment property for further development	29,169,878	7,703,216	279%
Result from operating activity (EBITDA)	392,661,759	189,417,253	107%
Financial income	7,207,797	7,341,885	-2%
Financial expenses	(11,115,240)	(14,796,170)	-25%
Share of result of associates	1,077,727	260,095	314%
Gross profit	389,832,043	182,223,063	114%
Income tax	(42,026,209)	(34,685,011)	21%
Net profit	347,805,834	147,538,052	136%



CONSOLIDATED BALANCE SHEET

BALANCE SHEET (RON)	30.06.2022	31.12.2021	Δ %
NON-CURRENT ASSETS	2,122,320,937	1,492,831,494	42%
Goodwill	19,256,076	19,256,076	0%
Intangible assets	15,252,399	597,608	2452%
Investment properties	2,059,201,203	1,449,465,190	42%
Right of use assets	3,096,303	3,505,452	-12%
Investments in associates	4,044,885	2,967,158	36%
Property, plant and equipment	21,470,071	17,040,010	26%
CURRENT ASSETS	1,426,364,318	1,304,327,994	9%
Inventories	337,905,238	343,977,627	-2%
Advance payments to suppliers	130,668,572	93,266,448	40%
Trade receivables	323,846,424	201,369,543	61%
Other receivables	106,059,472	128,441,029	-17%
Prepayments	50,970,956	19,517,269	161%
Other financial assets	9,408,917	9,408,917	0%
Cash and cash equivalents	467,504,739	508,347,161	-8%
TOTAL ASSETS	3,548,685,255	2,797,159,488	27%
EQUITY	2,121,178,433	1,646,957,217	29%
Share capital	514,828,059	514,828,059	0%
Share premium	-	4,307,782	-
Other capital reserves	47,730,734	1,390,179	3333%
Legal reserves	11,437,359	11,437,359	0%
Retained earnings	1,058,911,455	803,225,661	32%
Non-controlling interests	488,270,826	323,205,536	51%
LIABILITIES	1,427,506,822	1,150,202,271	24%
NON-CURRENT LIABILITIES	786,796,833	581,000,467	35%
Loans and borrowings	528,823,055	397,814,528	33%
Loans and borrowings from minority shareholders	7,774,878	7,472,207	4%
Provisions	897,573	564,912	59%
Lease liabilities	2,646,947	2,646,947	0%
Deferred tax liabilities	246,654,380	179,974,080	37%
CURRENT LIABILITIES	640,709,989	569,201,804	13%
Employee benefits	-	553,841	-
Loans and Borrowings	62,806,837	34,347,782	83%
Loans and Borrowings from minority shareholders	47,876	-	-
Lease liabilities	1,030,438	1,282,387	-20%
Trade and other payables	147,240,830	123,584,928	19%
Accrued income	7,747,845	1,145,855	576%
Current tax liabilities	2,316,051	2,023,447	14%
Advance payments from customers	419,520,112	406,263,564	3%
TOTAL EQUITY AND LIABILITIES	3,548,685,255	2,797,159,488	27%



INDIVIDUAL FINANCIAL STATEMENTS

PROFIT & LOSS STATEMENT (RON)	H1 2022	H1 2021	Δ %
Revenues from services delivered	13,653,323	29,737,224	-54%
Revenues from rentals, service charge and similar	121,848	310,156	-61%
Other Revenues	486,512	680,242	-28%
Total operating revenues	14,261,684	30,727,622	-54%
Amortization, depreciation and impairment, net	(1,941,702)	(790,706)	146%
Administrative Expenses	(7,855,491)	(2,279,158)	245%
Other operating expenses	(5,578,895)	(1,948,541)	186%
Total operating expenses	(18,399,450)	(5,018,406)	267%
Result from operating activity	(4,137,767)	25,709,216	-116%
Revenues from dividends	50,918,000	1,881,012	2607%
Revenues from interest	5,657,948	2,974,676	90%
Other financial revenues	770,462	3,650,542	-79%
Total financial income	57,346,410	8,506,230	574%
Interest expenses	(432,487)	(713,927)	-39%
Total financial expenses	(432,487)	(713,927)	-39%
Net financial result	56,913,924	7,792,303	630%
Gross profit	52,776,157	33,501,518	58%
Tax expenses	(6,700,247)	(7,198,837)	-7%
Net profit	46,075,910	26,302,682	75%



INDIVIDUAL BALANCE SHEET

BALANCE SHEET (RON)	30.06.2022	31.12.2021	Δ %
NON-CURRENT ASSETS	522,041,508	435,069,008	20%
Property, plant and equipment	4,688,183	1,293,679	262%
Intangible assets	888,562	567,455	57%
Investments in subsidiaries & associates	96,535,654	90,497,644	7%
Loans granted to subsidiaries & associates	400,645,965	338,295,046	18%
Right of use asset	21,300,043	3,393,204	528%
Deferred tax assets	43,873	59,389	-26%
Other non-current assets	962,592	962,592	0%
CURRENT ASSETS	251,144,921	277,357,390	-9%
Cash and cash equivalents	97,948,865	121,682,382	-20%
Loans granted to subsidiaries & associates	21,845,002	24,724,694	-12%
Inventories	6,103	-	100%
Trade receivables	92,473,632	102,053,110	-9%
Other receivables	37,939,959	28,753,389	32%
Prepayments	931,360	143,815	548%
TOTAL ASSETS	773,186,429	712,426,398	9%
EQUITY	592,362,356	582,034,517	2%
Share capital	514,828,059	514,828,059	0%
Share premium	-	4,307,782	-100%
Other capital reserves	12,423,205	1,390,179	794%
Legal reserves	11,437,359	11,437,359	0%
Retained earnings	53,673,733	50,071,138	7%
LIABILITIES	180,824,073	130,391,881	39%
NON-CURRENT LIABILITIES	48,931,257	30,494,160	60%
Loans and borrowings	27,906,716	27,921,952	0%
Lease liability	20,917,073	2,464,740	749%
Other non-current liabilities	107,468	107,468	0%
CURRENT LIABILITIES	131,892,816	99,897,721	32%
Lease liability	2,840,718	1,299,647	119%
Trade payables	1,974,578	1,880,800	5%
Other payables	125,740,371	96,575,919	30%
Current tax liabilities	1,336,361	-	100%
Deferred income	788	141,356	-99%
TOTAL EQUITY AND LIABILITIES	773,186,429	712,426,398	9%



KEY FINANCIAL RATIOS

The main financial ratios of One United Properties, consolidated result, as of June 30th, 2022, are presented below.

<i>Financial data in RON '000</i>	30 June 2022	
Liquidity ratio		
<u>Current assets</u>	1,426,364,318	= 2.23
Current liabilities	640,709,989	
Gearing ratio		
Interest-bearing debt (long term) $\times 100$	599,452,646	= 28.26%
Equity	2,121,178,433	
Trade receivables turnover		
<u>Average receivables</u> :2	262,607,984	= 0.19
Turnover	675,937,667	
Fixed asset turnover		
<u>Turnover</u> $\times 2$	675,937,667	= 0.64
Net fixed assets	2,122,321,000	
Loan to value		
	30 June 2022	31 December 2021
<u>Financial debt</u>	599,452,646	432,162,310
Real estate assets	2,397,106,441	1,793,442,817
	= 25%	= 24%



OUTLOOK AND RISKS FOR 2022

On April 26th, 2022, the annual General Meeting of Shareholders of One United Properties Group took place, which approved the 2022 consolidated Revenue and Expense Budget, as presented below in the table. The management maintains this budget as of the date of publishing this report.

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

As of June 30th, 2022, One United Properties has been on track with the realization of the budget, having registered results in line with expectations: EBITDA 11% above the value budgeted for H1 2022, EBT higher with 13% and the net profit bigger with 23% than what was budgeted for the first half of the year.

For 2022, One United Properties targets investments of RON 1.163 billion. The Company estimates the completion of the following residential developments by the yearend: One Verdi Park, One Timpuri Noi, and One Floreasca Vista, which will contribute significantly to the net income. Moreover, the company estimates the completion of Phase 2 of One Cotroceni Park Office before the yearend, which will further drive recurring revenues in the coming years.

*The rental income estimate excludes the impact generated by One Victoriei Plaza, transaction which was concluded on July 27th, 2022.

RISKS AND ELEMENTS OF UNCECRTAINTY

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

For the effects of capital expenditures, current and anticipated (including information on the purpose and the financing source for such expenditures) on the Company's business, the investors are invited to consult the Prospectus, as linked above.



ABOUT ONE UNITED PROPERTIES

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



RESIDENTIAL

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



OFFICE

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



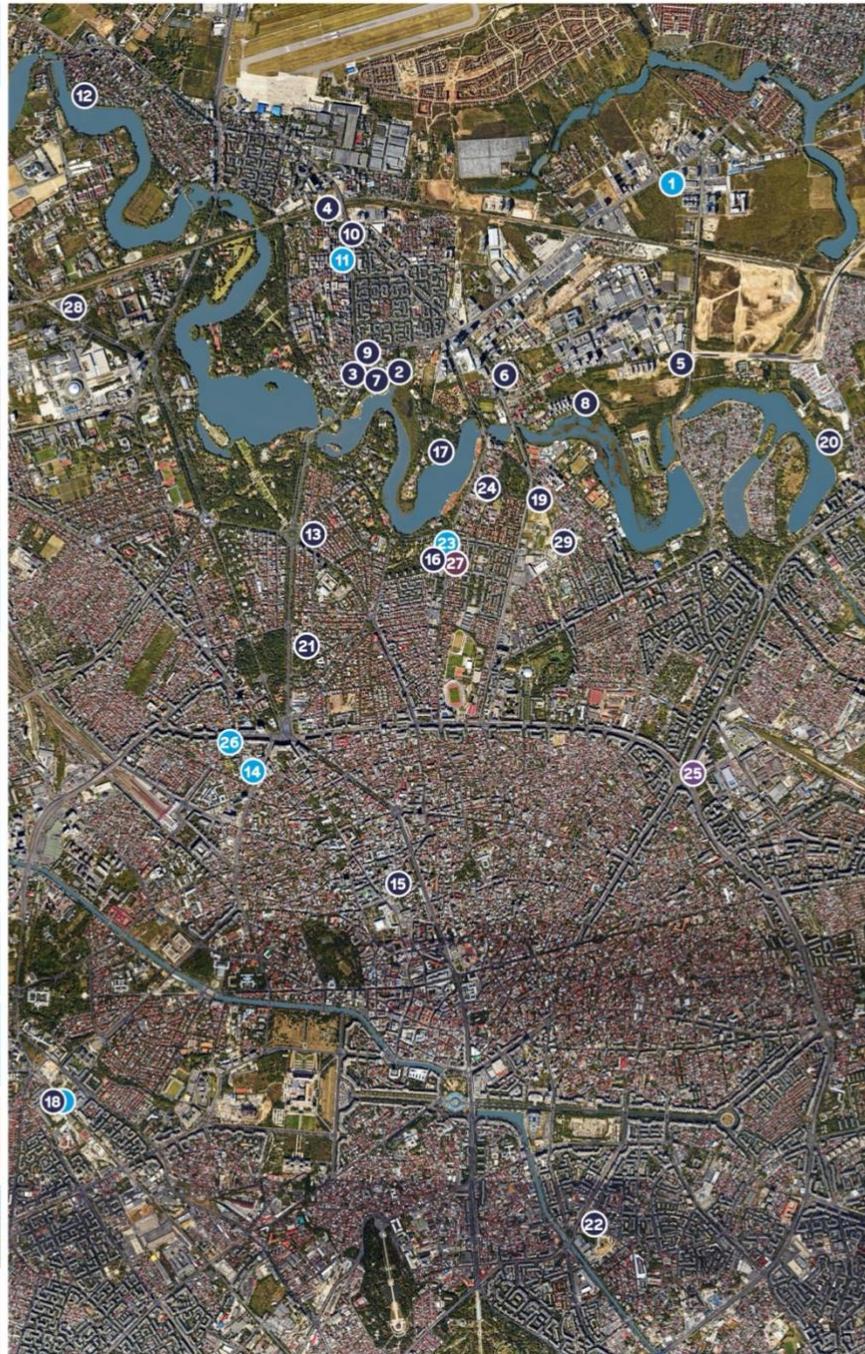
RETAIL

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

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

ONE UNITED PROPERTIES DEVELOPMENTS

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



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

For more details about One United Properties past, present and future projects check our updated info on one.ro



DECLARATION OF THE MANAGEMENT

Bucharest, August 22nd, 2022

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

- a) the interim condensed consolidated financial statements and the condensed individual financial statements for the six-month period ended June 30th, 2022, provide an accurate and real image regarding the assets, obligations, financial position, the financial performance and the cash flows of the company One United Properties S.A., as well as of the group to which it belongs, as required by the applicable accounting standards; and
- b) the report attached to this statement, prepared in accordance with art. 67 of the Law no. 24/2017 on issuers of financial instruments and market operations and to annex no. 14 to FSA Regulation no. 5/2018 on issuers of financial instruments and market operations for the six-month period ended June 30th, 2022, comprises accurate and real information regarding the development and performance of the company One United Properties S.A., as well as of the group to which it belongs.

Chairman of the Board of Directors

Claudio Cisullo

Executive Member of the Board of Directors

Victor Capitanu

Executive Member of the Board of Directors

Andrei-Liviu Diaconescu



**ONE UNITED PROPERTIES SA
and subsidiaries**

**Interim condensed consolidated financial
statements for the period ended
30 June 2022**

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REPORT ON THE REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders,
One United Properties S.A.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of One United Properties S.A. (the "Company") and its subsidiaries (together "the Group") for the period from 1 January 2022 to 30 June 2022. These interim condensed consolidated financial statements comprise (i) the interim condensed consolidated statement of financial position as of 30 June 2022, (ii) the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows, each for the period from 1 January 2022 to 30 June 2022 and the comparative information for the period from 1 January 2021 to 30 June 2021, and (iii) other explanatory notes.

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

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

Scope of Review

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements do not present fairly, in all material respects, the financial position of the entity as at June 30, 2022, and of its financial performance and its cash flows for the six-month period then ended in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union.

On behalf of:
Deloitte Audit SRL

Alina Mirea

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

Bucharest, Romania
August 22, 2022

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 6 months ended 30 June 2022

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2022	31 December 2021
ASSETS			
Non-current assets			
Goodwill	6	19,256,076	19,256,076
Intangible assets	6	15,252,399	597,608
Investment properties	7	2,059,201,203	1,449,465,190
Right of use assets	5	3,096,303	3,505,452
Investments in associates	8	4,044,885	2,967,158
Property, plant and equipment	4	21,470,071	17,040,010
Total non-current assets		2,122,320,937	1,492,831,494
Current assets			
Inventories	9	337,905,238	343,977,627
Advance payments to suppliers	10	130,668,572	93,266,448
Trade receivables	11	323,846,424	201,369,543
Other receivables	11	106,059,472	128,441,029
Prepayments		50,970,956	19,517,269
Other financial assets		9,408,917	9,408,917
Cash and cash equivalents	12	467,504,739	508,347,161
Total current assets		1,426,364,318	1,304,327,994
TOTAL ASSETS		3,548,685,255	2,797,159,488
EQUITY AND LIABILITIES			
Equity			
Share capital	14	514,828,059	514,828,059
Share premium	14	-	4,307,781
Other capital reserves	14	47,730,734	1,390,179
Legal reserves	14	11,437,359	11,437,359
Retained earnings		1,058,911,455	791,788,303
Equity attributable to owners of the Group		1,632,907,607	1,323,751,681
Non-controlling interests		488,270,826	323,205,535
Total equity		2,121,178,433	1,646,957,216
Non-current liabilities			
Loans and borrowings from bank and others	15	528,823,055	390,342,321
Loans and borrowings from minority shareholders	15	7,774,878	7,472,207
Provisions		897,573	564,912
Lease liabilities - long term portion	5	2,646,947	2,646,947
Deferred tax liabilities	13	246,654,380	179,974,080
Total non-current liabilities		786,796,833	581,000,467

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	30 June 2022	31 December 2021
Current liabilities			
Loans and borrowings from bank and others	15	62,806,837	34,260,754
Loans and borrowings from minority shareholders	15	47,876	87,028
Lease liabilities	5	1,030,438	1,282,387
Trade and other payables	16	147,240,830	124,138,768
Deferred income		7,747,845	1,145,855
Current tax liabilities	13	2,316,051	2,023,447
Advance payments from customers	17	419,520,112	406,263,566
Total current liabilities		640,709,989	569,201,805
Total liabilities		1,427,506,822	1,150,202,272
TOTAL EQUITY AND LIABILITIES		3,548,685,255	2,797,159,488

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 19 August 2022 and signed on its behalf by:

VICTOR CAPITANU
 Administrator

VALENTIN-COSMIN SAMOILA
 Chief Financial Officer

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

	Notes	30 June 2022	30 June 2021
Revenues from sales of residential property	18	386,763,374	332,758,053
Cost of sales of residential property	18	(196,885,219)	(224,628,655)
Net income from residential property		189,878,155	108,129,398
Gains from office buildings under development	7	39,340,938	69,708,159
Gains from completed investment property	7	92,852,941	18,758,668
Gains from investment property for further development		29,169,878	7,703,216
Gains on the bargain purchase	7	94,079,969	-
Rental income		23,351,395	766,171
Revenues from service to tenants		5,349,961	2,433,242
Expenses from services to tenants		(5,349,961)	(2,433,242)
Other property operating expenses		(4,114,940)	(163,757)
Net rental income		19,236,455	602,414
Commissions for brokerage real estate	19	(3,396,282)	(760,657)
Administrative expenses	20	(61,920,862)	(14,510,367)
Other operating expenses	21	(11,609,412)	(1,944,244)
Profit on disposal of investment property		768	-
Other operating income		5,029,211	1,730,667
Result from operating activity		392,661,759	189,417,254
Financial income	22	7,207,797	7,341,885
Financial expenses	22	(11,115,240)	(14,796,170)
Net financial result		(3,907,443)	(7,454,285)
Share of result of associates		1,077,727	260,095
Result before tax		389,832,043	182,223,064
Tax on profit	13	(42,026,209)	(34,685,011)
Net result of the period		347,805,834	147,538,053
Total comprehensive income for the period		347,805,834	147,538,053
Net result attributable to:			
Owners of the Group		308,610,711	129,064,256
Non-controlling interests		39,195,123	18,473,797
Total comprehensive income attributable to:			
Owners of the Group		308,610,711	129,064,256
Non-controlling interests		39,195,123	18,473,797
Basic/diluted earnings per share attributable to equity holders	24	0.54	0.28

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 19 August 2022 and signed on its behalf by:

VICTOR CAPITANU
Administrator

VALENTIN-COSMIN SAMOILA
Chief Financial Officer

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 6 months ended 30 June 2022

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

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

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

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

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 6 months ended 30 June 2022

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2021

	Share capital	Share premiums	Legal reserves	Other capital reserves	Own shares	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2021	259,824,598	9,192	-	463,393	(26,765,560)	498,235,187	92,264,592	824,031,402
Profit of the year	-	-	-	-	-	129,064,256	18,473,797	147,538,053
Other comprehensive income	-	-	-	-	-	-	-	-
Dividends allocated from the statutory profit	-	-	-	-	-	(49,243,000)	(328,836)	(49,571,836)
Issue of ordinary shares	-	-	-	-	-	-	-	-
Issue of ordinary shares- premium shares conversion	-	-	-	-	-	-	-	-
Issue of ordinary shares - other reserves conversion	189,573	-	-	-	-	(189,573)	-	-
Employee share scheme	-	-	-	926,786	-	-	-	926,786
Transfer of legal reserve in/from retained earnings	-	-	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	345,695	(355,597)	(9,902)
Acquisition of own shares	-	-	-	-	-	-	-	-
Sale of own shares	-	-	-	-	26,765,560	9,269,654	-	36,035,214
Non-controlling interest on incorporation of subsidiary or on increase in share capital of subsidiary	-	-	-	-	-	-	-	-
Balance as at 30 June 2021	260,014,171	9,192	-	1,390,179	-	587,482,219	110,053,956	958,949,717

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

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 6 months ended 30 June 2022

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	30 June 2022	30 June 2021
Cash flows from operating activities		
Result for the period	347,805,834	147,538,053
Adjustments for:		
Depreciation and amortization	1,152,874	946,741
Share of result of associates	(1,077,727)	(260,095)
Increase/(decrease) in provisions	332,661	15,834
Provisions for untaken holiday	-	(219,929)
Gain/Loss on sale of property, plant and equipment	(1,501)	-
Interest expenses	8,191,527	4,989,523
Interest income	(1,645,585)	(756,011)
Income tax expenses	42,026,209	34,685,011
Unrealised foreign exchange loss/(gain)	(247,791)	4,475,425
Increase in fair value of investment property	(161,363,757)	(96,170,043)
Profit on disposal of investment property	(768)	-
Gain on the bargain purchase	(94,079,969)	-
Share-based payments	42,032,774	926,786
Changes in working capital:		
(Increase)/Decrease in trade and other receivables	(236,954,529)	(79,922,215)
(Increase)/Decrease in inventory property	(15,388,193)	83,334,797
Increase/(Decrease) in trade and other payables	(3,035,752)	4,895,071
Increase/(Decrease) in advance payments from customers	13,255,546	135,092,184
Income tax paid	(4,409,861)	(4,634,573)
Working capital from acquisition of new subsidiaries	11,656,689	-
Net cash from operating activities	(51,751,319)	234,936,559
Acquisition of property, plant and equipment	(4,350,869)	(915,792)
Proceeds from sale of property, plant and equipment	5,043	313,213
Acquisition of intangible assets	(378,828)	(626,116)
Expenditure on investment property under development	(49,021,311)	(78,658,462)
Expenditure on completed investment property	(47,137,201)	-
Proceeds from sale of investment property	3,756,376	(36,263)
Acquisition of investment property	(4,482,398)	-
Amounts paid for transactions with non-controlling interest	(5,817,310)	(9,900)
Interest received	1,645,585	756,011
Net cash flows from used in investing activities	(105,780,913)	(79,177,309)
Proceeds from loans and borrowings	177,076,992	217,777,917
Repayment of borrowings	(9,494,445)	(199,548,057)
Dividends paid	(42,443,954)	(23,821,935)
Interest paid	(8,182,824)	(6,605,309)
Sale of own shares	-	36,035,213
Principal elements of lease payments	(265,959)	(531,917)
Net cash from financing activities	116,689,810	23,305,912
Net changes in cash and cash equivalents	(40,842,422)	179,065,162
Cash and cash equivalents at the beginning of the period	508,347,161	170,971,646
Cash and cash equivalents at the end of the period	467,504,739	350,036,808

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

1. CORPORATE INFORMATION

These financial statements are the interim condensed consolidated financial statements of One United Properties S.A. and its subsidiaries (collectively, the “Group”) for the period from 1 January 2022 to 30 June 2022 in agreement with the International Financial Reporting Standards (IFRS) applicable to interim reporting, as applied in the EU.

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

The share capital of the Company is RON 514,828,058.8 divided into 2,574,140,294 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 29.7580% each and other shareholders holding 40.4840%. 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 Company had the following subsidiaries undertakings as at 30 June 2022 and 31 December 2021. Their registered office, activity and Group holding percentage is shown below:

Name of the subsidiary	Activity	% ownership as at 30 June 2022	% ownership as at 31 December 2021	Registered office
One Modrogan SRL	Real estate developer in Bucharest	99.99%	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	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Plaza SRL	Real estate developer in Bucharest	98.00%	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	98.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One North Gate SA	Real estate developer in Bucharest	62.41%	62.41%	Maxim Gorki street 20, Bucharest, district 1
One United Tower SA (former One United Tower SRL)	Real estate developer in Bucharest	70.24%	70.24%	Maxim Gorki street 20, Bucharest, district 1
Neo Floreasca Lake SRL	Real estate developer in Bucharest	95.00%	80.58%	Maxim Gorki street 20, Bucharest, district 1

1. CORPORATE INFORMATION (continued)

Group companies	Activity	% ownership as at 30 June 2022	% ownership as at 31 December 2021	Registered office
One Mamaia Nord SRL (former Neo Mamaia SRL)	Real estate developer in Bucharest	95.00%	82.33%	Maxim Gorki street 20, Bucharest, district 1
Neo Timpuri Noi SRL	Real estate developer in Bucharest	95.00%	82.33%	Maxim Gorki street 20, Bucharest, district 1
Neo Herastrau Park SRL (former Neo Dorobanti SRL)	Real estate developer in Bucharest	95.00%	82.00%	Maxim Gorki street 20, Bucharest, district 1
One Floreasca Towers SRL (former One Herastrau IV SRL)	Real estate developer in Bucharest	99.99%	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	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 2 SA	Real estate developer in Bucharest	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 3 SA (former One Verdi Park Office SA)	Real estate developer in Bucharest	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Mamaia SRL	Real estate developer in Bucharest	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One High District 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 4 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 Lake Club SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 7 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Carpathian Lodge Magura SRL (former Carpathian Estate S.R.L.)	Real estate developer in Bucharest	66.72%	66.72%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 8 SRL	Real estate developer in Bucharest	100.00%	-	Maxim Gorki street 20, Bucharest, district 1
One Proiect 9 SRL	Real estate developer in Bucharest	100.00%	-	Maxim Gorki street 20, Bucharest, district 1
One Proiect 10 SRL	Real estate developer in Bucharest	100.00%	-	Maxim Gorki street 20, Bucharest, district 1
One United Italia SRL	Real estate developer in Bucharest	100.00%	-	Maxim Gorki street 20, Bucharest, district 1
Bo Retail Invest SRL	Real estate developer in Bucharest	100.00%	-	Maxim Gorki street 20, Bucharest, district 1
Bucur Obor SA	Lease of retail space	54.44%	-	Colentina street 2, Bucharest, district 2
One United Management Services SRL	Management services	100.00%	-	Maxim Gorki street 20, Bucharest, district 1

1. CORPORATE INFORMATION (continued)

In the first two quarters of 2022, five new subsidiaries were established within the One group: One Proiect 8 SRL, One Proiect 9 SRL, One Proiect 10 SRL, One United Management Services SRL and One United Italia SRL which are 100% owned by the Company.

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

- One Mamaia Nord SRL (former Neo Mamaia SRL) from 82.33% to 95.00%, the total consideration price for the shares acquired is RON 808,349.
- Neo Floreasca Lake SRL from 80.58% to 95.00%, the total consideration price for the shares acquired is RON 2,063,158.
- Neo Timपुरi Noi SRL from 82.33% to 95.00%, the total consideration price for the shares acquired is RON 902,834.
- Neo Herastrau Park SRL from 82.00% to 95.00%, the total consideration price for the shares acquired is RON 2,042,970.

On 8 February 2022, the Company directly acquired 100% of the shares of BO Retail Invest SRL a subsidiary which has previously acquired a controlling stake of 54.4351% in Bucur Obor SA, a company listed on the Multilateral Trading System of the Bucharest Stock Exchange, under symbol BUCU. The transaction was subject to Competition Council clearance, which the Company received on 4 February 2022. The total amount paid for the transaction was of RON 65,4 million, representing the consideration of the acquisition of the shares.

2. BASIS OF PREPARATION

The condensed scope of reporting in these interim condensed consolidated financial statements reflects the requirements of the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union. Information on the application of IFRS, on the significant accounting policies and on further disclosures is provided in the consolidated financial statements of Group as of 31 December 2021 and forms the basis for these consolidated interim financial statements.

However, some notes are included to explain events and transactions that are material to understanding the changes in the Group's financial position and performance from the latest consolidated annual financial statements at and for the year ended 31 December 2021.

The interim condensed consolidated financial statements for the six-month period ended 30 June 2022 were reviewed by Deloitte Audit SRL, which also audited the annual consolidated financial statements as of 31 December 2021.

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

In contrast to the interim condensed consolidated financial statements as of 30 June 2021, the Group has presented in more granularity some of the information in the current period to increase the level of relevance. Where applicable, the Group has reclassified the comparative information for consistency purposes. The following captions from the interim condensed consolidated statement of profit or loss and other comprehensive income and interim condensed consolidated statement of financial position were changed due to such reclassifications: the expenses related to properties which are available for lease were included in administrative line as of 30 June 2021, while in current period were reclassified under the rental activity, the employee benefits were included under trade and other payables line.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective and anticipates that the adoption of these new standards and amendments to the existing standards will have no material impact on the financial statements of the Group in the period of initial application.

- **Amendments to IFRS 3: Definition of a Business** – The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all the inputs and processes needed to create outputs.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

These amendments had no impact on the consolidated financial statements of the Group but may impact future periods should the Group enter into any business combinations.

- **Amendments to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform** – The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.
- **Amendments to IAS 1 and IAS 8 Definition of Material** – The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.”
The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.
- **Conceptual Framework for Financial Reporting issued on 29 March 2018** – The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the consolidated financial statements of the Group.
- **Amendments to IFRS 16 Covid-19 Related Rent Concessions** - On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the consolidated financial statements of the Group.

ONE UNITED PROPERTIES SA AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 6 months ended 30 June 2022

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

4. PROPERTY, PLANT AND EQUIPMENT

Description	Land, Buildings, barracks	Technological equipment	Measurement apparatus and devices	Vehicles	Furniture and other non-current assets	Total
Cost						
31 December 2021	15,791,459	758,632	809,577	1,175,717	3,165,923	21,701,308
Additions	-	337,898	112,361	471,338	4,504,074	5,425,671
Disposals	-	-	(24,931)	(18,750)	(4,866)	(48,547)
30 June 2022	15,791,459	1,096,530	897,007	1,628,305	7,665,131	27,078,432
Depreciation and impairment						
31 December 2021	2,309,430	425,316	654,918	685,855	585,779	4,661,298
Depreciation charge for the year	346,318	337,898	(300,268)	299,981	297,274	981,203
Disposals	-	-	-	(32,068)	(2,072)	(34,140)
30 June 2022	2,655,748	763,214	354,650	953,768	880,981	5,608,361
Net book value						
31 December 2021	13,482,029	333,316	154,659	489,862	2,580,144	17,040,010
30 June 2022	13,135,711	333,316	542,357	674,537	6,784,150	21,470,071

The Group performed its annual impairment test in December or more frequently if there are indications that property, plant and equipment might be impaired. At 31 December 2021, the impairment in value registered was of kRON 954 and as at 30 June 2022, the Group has indications that no significant change in the value of the tangible assets was recorded.

5. LEASES

Group as a lessor

The Group has entered into leases on its office property portfolio

Group as a lessee

The Group leases various land, building and equipment. Rental contracts are typically made for fixed periods of 1 to 2 years but may have extension options. Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group’s operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

The Group has lease contracts with lease terms of 12 months or less and has certain leases of equipment with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

5. LEASES (CONTINUED)

	Land	Buildings	Equipment	Total
At 1 January 2022	30,923	3,426,862	47,667	3,505,452
Additions	-	-	-	-
Depreciation expense	(93,335)	(279,577)	(36,237)	(409,149)
At 30 June 2022	(62,412)	3,147,285	11,430	3,096,303

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2022	2021
As at 1 January	3,929,334	1,208,149
Additions	-	3,566,471
Accretion of interest	5,894	82,799
Payments	8,115	(939,449)
Translation difference	(265,958)	11,364
As at 30 June 2022/31 December 2021	3,677,385	3,929,334

The following are the amounts recognised in profit or loss:

	6 months ended 30 June 2022	6 months ended 30 June 2021
Depreciation expense of right-of-use assets	(241,115)	(180,451)
Interest expense on lease liabilities	(7,333)	(14,666)
Currency translation gain / (loss)	(5,894)	(11,789)
Expense relating to leases of low-value assets	(5,016)	(6,700)
Expense relating to short-term leases	(31,303)	(56,668)
Total amount recognised in profit or loss	(290,661)	(270,274)

6. INTANGIBLE ASSETS

Description	Goodwill	Concessions patents, licenses	Development costs	Other intangible assets	Total
Cost					
As at 31 December 2021	19,256,076	335,502	355,010	849,840	20,796,428
Additions	-	14,381,420	371,862	16,516	14,769,798
As at 30 June 2022	19,256,076	14,716,922	726,872	866,356	35,566,226
Amortization and impairment					
As at 31 December 2021	-	193,706	-	749,038	942,744
Depreciation charge	-	34,665	-	80,342	115,007
As at 30 June 2022	-	228,371	-	829,380	1,057,751
Net book value					
As at 31 December 2021	19,256,076	141,796	355,010	100,802	19,853,684
As at 30 June 2022	19,256,076	14,488,551	726,872	36,976	34,508,475

6. INTANGIBLE ASSETS (CONTINUED)

Goodwill

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

As at 31 December 2021, the Group performed the assessment of the recoverable amount of goodwill allocated to One Peninsula based on a value in use calculation taking in consideration the financial budget approved by the management which comprise forecasts of revenue, construction development costs and overheads based on current and anticipated market conditions and a discount rate of 3.30%. Following the impairment test performed for One Peninsula, the Group assessed the recoverable amount of the identified CGU to which the goodwill relates to be higher than its carrying amount, therefore no impairment loss was recognized.

7. INVESTMENT PROPERTY

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

The fair value measurement of the investment properties was performed at 30 June 2022 and will be also done at year end.

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

Completed investment property (IPC):

- Land in surface area of 12,000 sqm and office building in surface area of 34,628 sqm located at Sos Pipera Tunari, 2III, owned by subsidiary One North Gate SA;
- 3 apartments and 4 parking spaces owned by subsidiary One Long Term Value SA;
- Land in surface area of 6,096 sqm and office building with a total GLA of 23,800 sqm located at Calea Floreasca, Nr. 159-165, owned by subsidiary One United Tower SA;
- Land plot and two office building in total surface area of 46,253 sqm located at 44 Sergent Nutu Ion Street, owned by subsidiary One Cotroceni Park Office SA;
- Property located in Buzau County acquired during September, owned by subsidiary One Carpathian Lodge Magura SRL comprising of a boutique hotel together with a 56ha of forest and land. The Group targets further investments on short and medium-term.
- 29 apartments and 35 parking spaces owned by subsidiary One Mircea Eliade Properties SRL. During Q1-2022, the Group started the activities with the view to rental of several apartments and related parking spaces owned by subsidiary One Mircea Eliade Properties SRL and therefore changes the presentation from apartments available for sale to apartments available for rental. At the date of changing the destination, the Group have performed the valuation of the assets with an independent evaluator, Colliers Romania and recognized a gain from fair value adjustment of RON 43,8 million.
- Retail building acquired through business combination with Bucur Obor SA. The subject property has a total leasable area of 20,868 sqm of retail and 2,386 sqm storages. The investment property was valued at fair value at the date of acquisition at RON 307,1 million.

On November 19th, 2021, One United Properties announced the intention to acquire (indirectly, through BO Retail Invest S.R.L.) a controlling stake in Bucur Obor SA, a company listed on the Multilateral Trading System of the Bucharest Stock Exchange, under symbol BUCU. On the same date, by means of the loan made available by the company One United Properties SA, BO Retail Invest S.R.L. acquired a 54.4351% of the share capital of Bucur Obor, against a sum of RON 65 million. The transaction was subject to Competition Council clearance, which the Company received on February 4th, 2022.

On February 8th, 2022, One United Properties closed the transaction of the acquisition by the Company of direct sole control over BO Retail Invest S.R.L., and indirectly the control over Bucur Obor SA. Bucur Obor S.A. carries out its activity within the Bucur Commercial Complex Obor, located in Bucharest, Sos. Colentina no. 2, in the building from Sos. Mihai Bravu no. 2 and in the building from Sos. Colentina no. 6A. All these properties are owned by the company. Bucur Obor has as main activity the renting of commercial spaces, in which the clients retail goods. The shopping complex offers a multitude of stores, in a unique mix in Bucharest, a combination of family business such as haberdashery, fabrics, footage, windows & mirrors, leather goods, gold, jewelry and more, along with international brands consecrated.

- Land and related building located in District 1, Bucharest owned by subsidiary One Peninsula SRL acquired during May 2022.

7. INVESTMENT PROPERTY (CONTINUED)

Investment property under development (IPUC):

- Land in surface area of 5,563 sqm owned by subsidiary One Verdi Park SRL and related construction in progress which were transferred to inventories as of 30 June 2021 following the issue of the new building permit for the change in destination from office to residential development;
- Land in surface area of 8,847 sqm located at Sergent Nutu Ion Street and Calea 13 Septembrie, owned by subsidiary One Cotroceni Park Office Faza 2 SA and related construction in progress;
- Land in surface area of 37,796 sqm located at Sergent Nutu Ion Street and Calea 13 Septembrie, owned by subsidiary One Cotroceni Park SRL and related construction in progress which were transferred to inventories as of 30 June 2021 following the issue of the building permit for a residential development;

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

- Land in surface area of 82,734 sqm owned by subsidiary One Lake District SRL;
- Land in surface area of 5,627 sqm owned by subsidiary One Floreasca Towers SRL;
- Property acquired by subsidiary One Plaza Athenee SRL (former One Proiect 3 SRL) located in the central of the Bucharest, district 1 comprising of: a plot of land in surface area of 521 sqm and related construction with a total gross built area of 2,896 sqm; The property is classified as a historical monument by local authorities.

Changes in investment property are as follows:

Completed investment property

	30 June 2022	31 December 2021
At 1 January	549,398,406	144,581,151
Capital expenditure on owned property	42,411,253	8,144,441
Acquisition of investment property	4,482,398	12,442,650
Fair value of investment property of Bucur Obor acquired	307,120,316	-
Transfer from inventories	21,795,374	-
Disposals	(3,755,608)	(9,287,515)
Fair value adjustment during the year	92,852,941	44,364,366
Transfer from investment property under development	454,265,348	331,527,462
Lease incentive	27,245,161	17,625,851
At 30 June 2022 / 31 December 2021	1,495,815,589	549,398,406

Investment property under development (office buildings)

	30 June 2022	31 December 2021
At 1 January	650,175,262	720,733,992
Capital expenditure	44,220,584	190,927,581
Interest capitalized	-	491,773
Transfer (to)/from inventories	-	(234,275,661)
Transfer to completed investment property	(454,265,348)	(331,527,462)
Lease incentive	-	5,188,996
Fair value adjustment during the year	39,340,938	298,636,043
At 30 June 2022 / 31 December 2021	279,471,436	650,175,262

7. INVESTMENT PROPERTY (CONTINUED)**Investment property for further development (landbank)**

	30 June 2022	31 December 2021
At 1 January	249,891,522	145,100,833
Capital expenditure	4,852,778	11,079,774
Acquisition	-	37,523,145
Fair value adjustment during the year	29,169,878	56,187,770
At 30 June 2022 / 31 December 2021	283,914,178	249,891,522
Grand Total Investment Property at 30 June 2022 / 31 December 2021	2,059,201,203	1,449,465,190

Valuation processes

The Company’s investment properties were valued at 30 June 2022 and 31 December 2021 by Colliers Romania, external, independent evaluator, authorized by ANEVAR, having recent experience regarding the location and nature of the properties evaluated. The valuation models in accordance with those recommended by the International Valuation Standards Committee have been applied and are consistent with the principles in IFRS 13. Also the Group’s assets - 29 apartments and 31 parking spaces owned by subsidiary One Mircea Eliade Properties SRL were valued at 31 March 2022 for change in destination from sale to lease. The new acquired building owned by the subsidiary Bucur Obor SA was also valued at fair value as at 31 January 2022, date of acquisition and a Purchase Price Allocation report was performed by an independent evaluator.

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

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

Fair value hierarchy

Based on the inputs to the valuation technique, the fair value measurement for investment property has been categorized as Level 3 fair value at 30 June 2022 and 31 December 2021. This assessment is deemed appropriate considering the adjustments of the date for comparable lands and of the construction assessments, including future level of net operating revenues of the investment properties. These adjustments are based on location and condition and are not directly observable. There were no transfers from levels 1 and 2 to level 3 during the year.

Sensitivity analysis at 30 June 2022 and 31 December 2021

A quantitative sensitivity analysis for the properties where discounted cash-flows (DCF) method was used in the valuation report at 30 June 2022 and 31 December 2021, is presented below:

7. INVESTMENT PROPERTY (CONTINUED)

30 June 2022	Effect on fair value			
	Sensitivity used	Completed Investment Property	Investment Property under development	Investment Property for further development (landbank)
Decrease in Estimated Rental Value (ERV)	5%	(27,199,699)	n/a	n/a
Increase in Discount Rate/yield	0.25%	(38,491,645)	n/a	n/a

31 December 2021	Effect on fair value			
	Sensitivity used	Completed Investment Property	Investment Property under development	Investment Property for further development (landbank)
Decrease in Estimated Rental Value (ERV)	5%	(17,590,327)	(15,833,920)	n/a
Increase in Discount Rate/yield	0.25%	(10,224,645)	(9,647,152)	n/a

A quantitative sensitivity analysis for the properties where residual approach of valuation or market comparison techniques were used in the valuation report performed at 30 June 2022 and 31 December 2021, is presented below:

30 June 2022	Effect on fair value			
	Sensitivity used	Completed Investment Property	Investment Property under development	Investment Property for further development (landbank)
Decrease with 1% of Fair Value	1%	(655,636)	(2,794,443)	(2,667,229)

31 December 2021	Effect on fair value			
	Sensitivity used	Completed Investment Property	Investment Property under development	Investment Property for further development (landbank)
Decrease with 1% of Fair Value	1%	(193,817)	(1,959,099)	(2,375,525)

The Group have accounted for the business combination resulted from the acquisition of an interest of 54.4351% in Bucur Obor SA and in which control was obtained. Colliers, independent evaluator have performed the valuation of the net assets of the business acquired for the scope of purchase price allocation at 31 January 2022. The results of the valuation are presented below:

Description	Amount in “RON”
Net assets at Fair Value	293,013,115
% of Ownership	54.4351%
Consideration paid	65,422,013
Gain resulted from acquisition	227,591,102
<i>From which:</i>	
<i>Non controlling interest recognized in retained earnings</i>	133,511,133
<i>Owner’s gain related to % of ownership acquired – included in profit and loss account under “Gain on the bargain purchase” line</i>	94,079,969

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8. INVESTMENT IN ASSOCIATES

As at 30 June 2022 and 31 December 2021, the Group has interests in a number of individually immaterial associates that are accounted for using the equity method:

Name of the entity	Place of business/ country of incorporation	% of ownership interest		Carrying amount	
		30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Reinvent Energy SRL	Romania	20%	20%	2,441,012	1,937,759
CCT & ONE AG	Switzerland	49.9%	49.9%	675,656	675,656
Glass Rom Invest SRL	Romania	20%	20%	269,621	269,621
One Property Support Services SRL	Romania	20%	20%	626,684	81,622
One Herastrau Office Properties S.A.	Romania	30%	30%	29,412	-
One Herastrau Office S.A.	Romania	20%	20%	-	-
Others	Romania	20%	20%	2,500	2,500
Total equity-accounted investments				4,044,885	2,967,158
				30-June-22	30-June-21
Aggregate amounts of the Group's share of:					
Profit from continuing operations				1,077,727	260,095
Total comprehensive income				1,077,727	260,095

9. INVENTORIES

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

Developer	Project name	30 June 2022	31 December 2021
One Peninsula SRL (former One Herastrau Park Residence SRL)	One Peninsula	68,591,486	60,216,695
One Verdi Park SRL	One Verdi Park	91,128,602	105,692,534
One Mircea Eliade Properties SRL	One Floreasca City	16,798,298	45,598,156
One Herastrau Towers SRL	Herastrau Towers	20,836,187	23,737,633
Neo Floreasca Lake SRL	Neo Floreasca Lake	15,203,943	17,041,339
One Mamaia Nord SRL (former Neo Mamaia SRL)	One Mamaia Nord	20,330,114	2,793,126
Neo Timpuri Noi SRL	Neo Timpuri Noi	11,601,558	10,948,885
Neo Herastrau Park SRL (former Neo Herastrau Towers SRL)	Neo Herastrau Park	5,045,637	4,817,770
One Modrogran SRL	One Modrogran	34,749,524	29,865,921
Neo Mamaia SRL - phase 2	Neo Mamaia	7,019,443	7,151,736
One Cotroceni Park SRL	One Cotroceni	30,156,292	35,007,147
One Lake Club SRL (former One Proiect 6 SRL)	One Lake Club	15,405,217	-
Other inventories		1,038,937	1,106,685
Total		337,905,238	343,977,627

10. ADVANCE PAYMENTS TO SUPPLIERS

As at 30 June 2022 and 31 December 2021, advances to suppliers are detailed as follows:

Description	30 June 2022	31 December 2021
Advances to suppliers for acquisition of goods	51,410,196	35,921,773
Advances to suppliers for acquisition of services	79,258,376	57,344,675
Total	130,668,572	93,266,448

On 21 March 2022 the Company, through its subsidiary One Mircea Eliade Properties SRL signed a presale purchase agreement for acquiring 10,880 sqm of land and construction erected on it, located in Bucharest, 159-165 Calea Floreasca, adjacent to the existing development One Floreasca City. The subsidiary paid for securing the transaction an advance of RON 9,4 million, the rest of the amount being payable the latest on 15 December 2023.

11. TRADE AND OTHER RECEIVABLES

As at 30 June 2022 and 31 December 2021 trade and other receivables are detailed as follows:

Description	30 June 2022	31 December 2021
Trade receivables – customers	115,049,118	65,072,007
Loss allowances for trade receivables	(7,288,099)	(220,608)
Accrued receivables	606,769	247,640
Contract assets	215,478,636	136,270,504
Total trade receivables	323,846,424	201,369,543
VAT receivable	78,707,362	44,446,223
Various debtors	1,844,646	2,542,296
Loans granted to related parties	13,383,750	11,453,361
Loans granted to others	9,977,330	68,811,377
Income tax receivables	935,348	935,348
Interest receivable	166,888	-
Other receivables	1,476,554	459,032
Loss allowances for other receivables	(432,406)	(206,608)
Total other receivables	106,059,472	128,441,029
Total	429,905,896	329,810,572

Balances in relation to related parties are disclosed in Note 23.

At the beginning of February, 2022, the Group have acquired a new business - Bucur Obor SA, and therefore have performed the purchase price allocation, process of assigning a fair value to all the assets and liabilities associated with the acquired company, Bucur Obor SA. The fair value of the receivables of Bucur Obor SA are included in total trade receivables and are detailed below:

Description	30 June 2022
Trade receivables – customers	8,985,248
Loss allowances for trade receivables	(6,973,745)
Accrued receivables	86,274
Total trade receivables of Bucur Obor SA	2,097,777

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

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

Developer	Project Name	30 June 2022	31 December 2021
One Modrogan SRL	One Modrogan	11,639,116	17,968,612
One Herastrau Towers SRL	One Herastrau Towers	36,983,857	36,770,981
One Peninsula SRL	One Peninsula	-	-
One Mircea Eliade Properties SRL	One Mircea Eliade	8,065,025	27,696,205
One Verdi Park SRL	One Verdi Park	105,489,986	18,634,074
Neo Floreasca Lake SRL	Neo Floreasca Lake	17,893,502	2,034,029
One Mamaia Nord SRL (former Neo Mamaia SRL)	One Mamaia Nord	4,782,820	10,176,583
Neo Timpuri Noi SRL	Neo Timpuri Noi	30,624,330	22,990,020
Total		215,478,636	136,270,504

As at 30 June 2022 and 31 December 2021, for the VAT recoverable, the Group filed refund applications. Parent company One United Properties SA acts as the representative of the single tax VAT group.

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

The allowance for expected credit losses of trade receivables, except Bucur Obor SA’s receivables which fair value was established by the evaluator through PPA report, as at 30 June and 31 December 2021 was determined as follows:

RON	30-Jun-22				Total
	Current	< 90 days	91 - 365 days	> 365 days	
Expected loss rate	0%	0%	0.5%	2.0%	
Gross carrying amount - trade receivables	29,081,881	24,901,058	48,484,289	3,596,642	106,063,870
Allowance for doubtful receivables	-	-	242,421	71,933	314,354
	31-Dec-21				
RON	Current	< 90 days	91 - 365 days	> 365 days	Total
Expected loss rate	0%	0%	0.5%	2.0%	
Gross carrying amount - trade receivables	12,232,903	24,370,496	23,250,954	5,217,654	65,072,007
Allowance for doubtful receivables	-	-	116,255	104,353	220,608

The expected loss rate for the trade receivable overdue over 90 days as at 30 June 2022 and 31 December 2021 were established based on historical credit losses adjusted for any known factors that would influence the future amount to be received in relation to the receivable. The Group have also taken in consideration the subsequent collections procedures performed until the date of issue of these financial statements and creditworthiness analysis made by the Group’s sales team at individual client level.

By using the simplified expected credit loss model, the Group assessed its receivables for allowance and concluded that a net amount of expected credit losses of RON 314,354 (31 December 2021: RON 220,608) are unlikely to be recovered.

In loans granted to related parties are included mainly the loans granted to One Herastrau Office Properties SA with a maximum period of reimbursement of 5 years, depending on the cash flows availability of the borrower. The interest loan is 3.25% p.a. The loan outstanding balance as at 30 June 2022 is of RON 12,94 million (31 December 2021: RON 10,97 million) and related interest of RON 191,240 (31 December 2021: 106,867 RON).

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

In the loans granted to others is included the loan granted by the subsidiary, One Long Term Investments SRL to Agro-Mixt Avero Prod SRL with a maximum credit facility of 2 million EUR and an interest loan of 3.25% p.a. The period of reimbursement is depending on the cash flows availability of the borrower. The loan outstanding balance as at 30 June 2022 is of RON 9,64 million (31 December 2021: RON 1,5 million) and related interest of RON 92,759.

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

Description	30 June 2022	31 December 2021
Bank deposits in EUR	176,980,129	235,613,850
Bank deposits in RON	102,008,950	51,138,976
Bank accounts in EUR	167,401,869	204,701,288
Bank accounts in USD	3,343	647,998
Other cash items	138	-
Bank accounts in RON	20,906,864	16,061,810
Petty cash – RON	203,446	183,239
Total	467,504,739	508,347,161

Also, the maturity of bank deposits is as follows:

Description	30 June 2022	Maturity	31 December 2021	Maturity
Bank deposits in EUR	176,980,129	2022	235,613,850	2022
Bank deposits in RON	102,008,950	2022	51,138,976	2022
Total	278,989,079		286,752,826	

The ECLs relating to cash and short-term deposits of the Group is determined as not material. The cash and cash equivalent amounts are deposited in banks from Romania that belong to banking Groups at European level or state-owned banks and in the recognizable past in Romania there were no cases of bank defaults.

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

13. PROFIT TAX

The Group's current profit tax for the years 2021-2022 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 30 June 2022 and 31 December 2021 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:

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13. PROFIT TAX (CONTINUED)

Description	<u>30 June 2022</u>	<u>31 December 2021</u>
Current profit tax liabilities	(2,316,051)	(2,023,447)
Deferred tax liabilities	(246,654,380)	(179,974,080)
Total assets /(liabilities)	(248,970,431)	(181,997,527)

The profit tax expense for the years ended 30 June 2022 and 30 June 2021 is detailed as follows:

Description	<u>30 June 2022</u>	<u>30 June 2021</u>
Current profit tax expenses	8,731,824	6,584,060
Deferred profit tax expenses	33,294,385	28,100,951
Income tax expense recognised in statement of profit or loss	42,026,209	34,685,011

Deferred tax balance movements

As at 30 June 2022 and 31 December 2021, the net deferred tax assets or liabilities related to taxable differences are as follows:

	<u>Consolidated statement of financial position</u>		<u>Consolidated profit or loss</u>	
	31 December		6 months 2022	6 months 2021
	30 June 2022	2021		
Construction contracts – IFRS15 effect	(75,947,962)	(54,692,419)	21,255,543	12,662,071
Fair value increase of investment property and effect of amortization	(148,628,316)	(122,374,775)	26,253,541	1,179,548
Inventories	(20,988,602)	(21,388,653)	(400,051)	14,267,327
Trade and other receivables	(5,746)	(5,746)	-	-
Fiscal losses	14,917,492	12,195,781	(2,721,711)	-
Sponsorship	9,467,408	6,115,959	(3,351,449)	-
Leases	3,504	(21,747)	(25,251)	(2,217)
Prepayments	78,305	129,756	51,451	-
Acquisition of Bucur Obor – recognized in retained earnings	(33,385,915)	-	-	-
Stock option plan	6,725,244	-	(6,725,244)	-
Investment property for Bucur Obor - effect of amortization	1,021,781	-	(1,021,781)	-
Property, plant and equipment	88,427	67,764	(20,663)	(5,778)
Deferred tax expenses / (income)			33,294,385	28,100,951
Deferred tax assets / (liabilities) net	(246,654,380)	(179,974,080)		

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.

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

(i) Share capital

As at 30 June 2022 the Group’s share capital is RON 514,828,058.8 (31 December 2021: RON 514,828,058.8) divided into 2,574,140,294 shares (31 December 2021: 2,574,140,294 shares) at a nominal value of RON 0.2 each (31 December 2021: RON 0.2 each). All issued shares are fully paid.

Name of shareholder	30 June 2022			31 December 2021		
	Number of shares	Nominal value [RON]	Holding [%]	Number of shares	Nominal value [RON]	Holding [%]
OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu)	766,012,669	153,202,534	29.7580%	766,012,669	153,202,534	29.7580%
Vinci Ver Holding SRL (represented by Mr. Victor Capitanu)	766,012,669	153,202,534	29.7580%	766,012,669	153,202,534	29.7580%
Others	1,042,114,956	208,422,991	40.4840%	1,042,114,956	208,422,991	40.4840%
Total	2,574,140,294	514,828,059	100.00%	2,574,140,294	514,828,059	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 19 April 2021, the extraordinary general meeting of the shareholders have approved to increase the Company share capital from the amount of RON 259,824,598 to the amount of RON 260,014,171, by increasing the nominal value of the shares from the amount of RON 260.41/share to the amount of RON 260.60/share, by incorporating the reserves of RON 189,573. Also have approved to amend the nominal value of one share from the amount of RON 260.60/share to RON 0.2/share. The total number of shares following this change is of 1,300,070,856 shares.

On 16 July 2021, the Board of Directors have approved to increase the share capital of the Company up to the amount of RON 286,015,588 by issuing of a number of 130,007,085 new ordinary, nominative, dematerialized shares at a nominal value of 0.2/share. The share capital increase took place in the context of listing the Company on the regulated market operated by the Bucharest Stock Exchange, as approved by the EGMS Resolution no 55/19 April 2021.

The amount of RON 233,111,060 representing the difference between the total amount of the subscription price paid for all new shares and the total nominal value of all new shares subscribed in the share capital increase was recognized as share premium.

On 6 December 2021, the Board of Directors have approved to increase the Company’s share capital with the amount of up to RON 228,812,471 by issuance of a number of 1,144,062,353 new ordinary shares with a nominal value of RON 0.2 per share by incorporating approximately 80% of the share premiums resulted from the public offering conducted between 22 June and 2 July 2021.

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

14. EQUITY (CONTINUED)

(i) Share capital (continued)

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. Please refer to Note 28, for the results of the procedure of capital increase.

(ii) Legal reserve

The legal reserve of RON 11,437,359 as at 30 June 2022 (2021: RON 11,437,359) is established in accordance with the Company Law, according to which 5% of the statutory annual accounting profit is transferred to legal reserves until their balance reaches 20% of the company's share capital. If this reserve is used wholly or partially to cover losses or to distribute in any form (such as the issuance of new shares under the Company Law), it becomes taxable.

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

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

(iii) Own shares

During Q4 2020, the Company has repurchased a number of 18,243 own shares in amount of RON 26,765,560 which were resold during Q1 2021 for a total price value of RON 36,035,214, the equivalent of EUR 7,371,267.

(iv) Other reserves – share based payments

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

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

On 19 April 2021, the General Shareholder Meeting (GSM) approved an algorithm proposed by the Board of Directors of the Company with respect to awarding certain bonifications to two executive members of the Board of Directors of One United Properties SA, which will materialize in granting a package of shares of maximum 5% of the share capital of the Company, no amount will be paid by the beneficiaries for granting and / or exercising an Option. This stock option plan (“SOP”) will be vested in the following 5 years, following the fulfilment of the performance conditions assessed on a yearly bases 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.

During the year 2022, the Group and the beneficiaries have confirmed that all terms and conditions have been established for the stock option plan described above, the grant date have occurred and therefore the Group have accounted for an expense of RON 42 million and in correspondence the related capital reserve.

15. LOANS AND BORROWINGS

The loans outstanding as at 30 June 2022 and 31 December 2021 are detailed as follows:

Description	Original Currency	30 June 2022	31 December 2021
<i>Secured loans</i>			
Bank loans due in one year	EUR	62,771,651	34,225,549
Bank loans due in more than one year	EUR	508,895,502	378,766,739
<i>Unsecured loans</i>			
Loans received from minority shareholders due in one year	EUR	15,933	103,812
Loans received from minority shareholders due in more than one year	EUR	7,531,158	7,228,487
Loans received from minority shareholders due in one year	RON	31,943	(16,784)
Loans received from minority shareholders due in more than one year	RON	243,720	243,720
Loans received from related parties due in one year	EUR	35,186	35,205
Loans received from related parties due in more than one year	EUR	19,559,512	11,380,630
Loans received from related parties due in more than one year	RON	368,041	194,952
Total		599,452,646	432,162,310
<i>Of which:</i>			
Long-term		536,597,933	397,814,528
Short-term		62,854,713	34,347,782

The balances and transactions with related parties are presented in Note 23.

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

The bank loan contracts contain pledges on the real estate developments (land and construction in progress), as well as receivables from customers and bank accounts. In addition, in the subsidiary One Verdi Park bank loan there is a pledge on the holding company's shares in the subsidiary One North Gate SA for a number of 5,104 shares before the issuing of new shares in One North Gate SA.

On 19 January 2021, the subsidiary One United Towers SA has signed the loan agreement with Black Sea Trade and Development Bank for an amount of maximum EUR 50,000,000. As at 30 June 2022, the subsidiary have withdrawn the amount of EUR 43.6 million. The loan agreement requires the observance of some financial indicators such as: financial debt less restricted cash to value ratio, forward-looking debt service coverage ratio, debt service coverage ratio, loan-to-value. The Group has complied with the financial covenants of its borrowing facility as at 30 June 2022. The loan balance as of 30 June 2022 is RON 210,9 million (31 December 2021: RON 217,1 million) from which due on short term – RON 13,4 million.

In March 2021, the subsidiary One Verdi Park SRL has obtained the re-authorization for change in destination from a mixt development, including office to a residential development. As a consequence, the subsidiary has signed an addendum to the existing bank loan contract in order to accommodate the change in destination of the development. The credit facility period was reduced from 144 to 28 months. The subsidiary performs withdrawals from the credit line in order to finance the development of the residential project which construction is in progress, the balance of the loan as of 30 June 2022 is of RON 76,58 million (31 December 2021: RON 53,07 million).

On 23 July 2021, the subsidiaries One Cotroceni Park Office SA and One Cotroceni Park Office Faza 2 SA have signed the loan agreement with Banca Comerciala Romana SA, BRD Groupe Societe Generale SA and Erste Group Bank AG for an amount of maximum EUR 78,000,000. The loan agreement requires the observance of some financial indicators. The bank loan contract contains pledges on land and construction in progress, as well as receivables from leasing contracts, insurance policies and shareholder loan, bank account and 100% of the share capital of the borrowers. The holding Company guarantees to each finance party the punctual performance which will cover costs differences or cash flows deficit related.

15. LOANS AND BORROWINGS (CONTINUED)

During the first semester of 2022, the subsidiary One Cotroceni Park Office SA have withdrawn the amount of RON 68,22 million, therefore the loan balance as of 30 June 2022 is RON 147,06 million (31 December 2021: RON 78,91 million) from which on short term the amount of RON 27,68 million.

On 30 September 2021, the subsidiary One Peninsula SRL have signed the loan agreement with First Bank SA for a maximum amount of EUR 15,000,000. The loan period is for 36 months starting with 01 October 2021. The loan balance as at 30 June 2022 is of RON 44,02 million (31 December 2021: RON 19,30 million). The bank loan contract contains pledges on land and construction in progress, as well as receivables from customers and bank accounts. Also, the loan has attached a corporate guarantee issued by the holding Company which will cover costs differences or cash flows deficit related to project completion for 15% of total development costs (EUR 7,47 million).

On September 2021, the subsidiary Neo Timpuri Noi SRL have obtained a new credit facility for a maximum amount of EUR 4,049,314. The loan balance as at 30 June 2022 is of RON 15,11 million (31 December 2021: RON 8,48 million). The bank loan contract contains pledges on land and construction in progress, as well as receivables from customers and insurance policies and bank accounts.

On 15 February 2022, the Company, through its subsidiary One Mircea Eliade Properties SRL contracted a bank loan from Garanti Bank in total value of RON 44,5 million (equivalent of EUR 9 million) and fully utilized this amount. The loan has a maturity of 10 years. The bank loan contract contains pledges over 29 apartments and 35 parking places, as well as bank accounts and a corporate guarantee issued by the holding Company. The subsidiary have reimbursed until 30 June 2022 the amount of RON 1,35 million, therefore the loan balance as at 30 June 2022 is RON 43,16 million, from which on short term 4,05 million.

The subsidiaries One United Tower SA and One Cotroceni Park Office SA have withdraw during first 6 months of 2022 RON 3,7 million, respectively 4,5 million RON from Element Invest Partners, related party.

16. TRADE AND OTHER PAYABLES

Trade and other payables are detailed as follows:

Description	30 June 2022	31 December 2021
Suppliers	45,668,688	58,659,711
Accrued payables	41,021,411	16,565,766
Performance guarantees retained from suppliers	48,768,726	41,852,148
Dividends	2,870,074	679,899
Other taxes and duties	3,099,872	16,789
Employee benefits	532,863	553,841
Other creditors	5,279,196	5,810,614
Total trade and other payables	147,240,830	124,138,768

The normal operating cycle of the Group is three years. As a result, current assets and liabilities include items whose realization is intended and / or anticipated to occur during the normal operating cycle of the group.

Accrued payables represent the value of accepted services rendered by entrepreneurs and contractors for which invoices have not yet been received at the reporting date.

17. ADVANCE PAYMENTS FROM CUSTOMERS

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

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17. ADVANCE PAYMENTS FROM CUSTOMERS (CONTINUED)

Developer	Project Name	Description	30-Jun-22	31-Dec-21
One Floreasca Towers	One Floreasca Towers	Investment property	29,711,635	29,711,635
One Herastrau Plaza SRL	One Herastrau Plaza	Residential	79,394	79,393
One Peninsula SRL	One Peninsula	Residential	52,103,060	61,126,149
One Cotroceni Park SRL	One Cotroceni Park	Residential	110,001,122	158,125,865
One Lake District SRL	One District Properties	Investment property	115,360,328	115,360,327
One Plaza Athenee SRL (former One Project 3 SRL)	One Project 3	Investment property	39,552,200	9,896,600
One Lake Club SRL (former One Project 6 SRL)	One Lake Club SRL	Residential	57,660,831	16,841,955
One Mamaia Nord SRL (former Neo Mamaia SRL)	One Mamaia Nord	Residential	7,197,946	7,251,338
Neo Timpuri Noi SRL	Neo Timpuri Noi	Residential	-	876
Neo Herastrau Park SRL	Neo Herastrau Park	Residential	7,852,596	7,869,428
Bucur Obor SA	Bucur Obor	Investment property	1,000	-
Total			419,520,112	406,263,566

Description	30 June 2022	31 December 2021
Advances received from clients in relation to residential portfolio (contract liabilities)	234,894,949	251,295,004
Advances received from clients in relation to investment property	184,625,163	154,968,562
Total	419,520,112	406,263,566

18. NET INCOME FROM RESIDENTIAL PROPERTY

Contract revenue results from the development of apartments.

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

Development	30 June 2022	30 June 2021
Sales of completed inventory property		
<i>Sales – One Mircea Eliade Properties</i>	19,538,566	53,918,508
<i>Sales – One Mamaia Nord (former Neo Mamaia)</i>	(22,915,525)	-
Sales of residential property under development from which:		
<i>Contract revenues – One Herastrau Towers</i>	8,515,920	33,348,857
<i>Contract revenues - One Peninsula</i>	46,235,189	60,381,376
<i>Contract revenues - One Verdi Park</i>	143,229,313	50,721,795
<i>Contract revenues - Neo Floreasca Lake</i>	26,393,713	23,570,657
<i>Contract revenues - Neo Timpuri Noi</i>	11,601,682	14,282,884
<i>Contract revenues - Neo Mamaia</i>	-	3,271,026
<i>Contract revenues - Neo Herastrau Park</i>	16,832	(7,753)
<i>Contract revenues – One Modrogan</i>	54,333,428	25,071,762
<i>Contract revenues – One Cotroceni Park</i>	99,760,864	68,198,941
<i>Contract revenues - Neo Mamaia - faza 2</i>	53,392	-
Total revenues from contracts with customers	386,763,374	332,758,053

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18. NET INCOME FROM RESIDENTIAL PROPERTY (CONTINUED)

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

As at 30 June 2022, the construction at One Mircea Eliade Properties and One Mamaia Nord (former Neo Mamaia) were completed and therefore the residential property under development was transferred in completed inventory property.

The cost of sales of residential property is detailed below:

	30 June 2022	30 June 2021
Cost of sales of completed inventory property		
<i>Cost of sales – One Mircea Eliade</i>	12,033,424	23,953,562
<i>Cost of sales – One Mamaia Nord (former Neo Mamaia)</i>	(17,102,729)	-
Cost of sales of residential property under development from which:		
<i>Contract cost - One Herastrau Towers</i>	2,994,025	18,015,230
<i>Contract cost - One Peninsula</i>	22,663,384	34,780,627
<i>Contract cost - One Verdi Park</i>	65,306,373	37,188,048
<i>Contract cost - Neo Floreasca Lake</i>	12,114,081	12,695,036
<i>Contract cost - Neo Timpuri Noi</i>	7,623,254	10,035,554
<i>Contract cost - Neo Mamaia</i>	-	6,662,006
<i>Contract cost - Neo Herastrau Park</i>	158,452	97,039
<i>Contract cost – One Modrogan</i>	20,243,482	13,637,032
<i>Contract cost – One Cotroceni Park</i>	70,719,180	67,564,521
<i>Contract cost - Neo Mama - faza 2</i>	132,293	-
Total cost of sales	196,885,219	224,628,655

19. SALES BROKERAGE EXPENSES AND OVERHEAD EXPENSES

Description	6 months ended	
	30 June 2022	30 June 2021
Sales brokerage commissions	(3,396,282)	(760,657)
Total	(3,396,282)	(760,657)

Sales brokerage commissions are recorded and paid mainly for contracting inventory property.

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20. GENERAL AND ADMINISTRATIVE EXPENSES

The overheads are detailed as follows:

Description	30 June 2022	30 June 2021
Bank commissions and similar charges	991,736	336,532
Commissions, fees and legal consultancy	2,403,312	1,099,889
Repairs and maintenance	34,175	-
Fuel, office equipment and similar	677,371	935,235
Amortization of fixed assets	966,132	766,289
Marketing, advertising and publicity	3,910,082	2,185,565
Taxes and duties	913,498	939,084
Accounting, audit and consultancy services	840,936	363,019
Consultancy in intermediation of purchase and rent of investment property	526,867	652,472
Other consultancy services	1,239,219	891,115
Administration services	328,333	1,490,922
Other expenses with third party services	147,732	215,313
Salaries and similar contributions	4,742,153	2,558,555
Share based payment transactions and stock option plan	42,032,774	926,786
Postage and telecommunication expenses	50,370	51,431
Transport and travels	1,102,466	385,975
Sundry rentals	335,043	134,323
Depreciation of right of use assets	241,115	180,451
Insurance	235,088	100,244
Valuation services	159,000	232,445
Recruitment	43,460	64,722
Total	61,920,862	14,510,367

21. OTHER OPERATING EXPENSES

Other operating expenses are detailed as follows:

Description	6 months ended	
	30 June 2022	30 June 2021
Donations and sponsorships	5,114,346	623,505
Movement in provisions and allowance for impairment	(6,094)	27,136
Bad debts written off	28,324	-
Contractual penalties	881,837	114,662
Power and water	2,305,156	125,545
Fit out expenses not included in cost of sales	198,016	80,806
Property and asset management	2,857,893	446,086
Other operating expenses	229,934	526,504
Total	11,609,412	1,944,244

Donations and sponsorships expenses are planned to be deducted from future profit tax expenses of the Group or it's subsidiaries according to the fiscal legislation applicable.

22. NET FINANCIAL RESULT

The financial income and expenses are detailed as follows:

Description	6 months ended	
	30 June 2022	30 June 2021
Interest income	(1,907,756)	(756,011)
Foreign exchange income	(5,300,041)	(6,585,874)
Total financial income	(7,207,797)	(7,341,885)
Interest expenses	8,191,527	4,989,523
Foreign exchange expenses	2,923,713	9,806,647
Total financial expenses	11,115,240	14,796,170
Total net financial result – gain/(loss)	3,907,443	7,454,285

23. RELATED PARTIES

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

Key management personnel compensation	30 June 2022	30 June 2021
Short - term employee benefits	240,278	437,945

The Group’s related parties at 30 June 2022 are:

Name	Country	Type of affiliation
Andrei Liviu Diaconescu	Romania	Shareholder and key management personnel
Victor Capitanu	Romania	Shareholder and key management personnel
Vinci Invest SRL	Romania	Other related party
Liviu Investments SRL	Romania	Other related party
Lemon Interior Design SRL	Romania	Other related party
Lemon Office Design SRL	Romania	Other related party
Blue Capital SA (former Smart Capital Investments SA)	Romania	Other related party
Ploiesti Logistics SRL	Romania	Other related party
Element Investments SRL	Romania	Other related party
Element Invest Partners SRL	Romania	Other related party
DR Consulting & Other Services SRL	Romania	Other related party
Samoila Valentin-Cosmin PFA	Romania	Other related party
One Energy Division SRL	Romania	Other related party
One Holding Investments SRL	Romania	Other related party
One Holding Ver SRL	Romania	Other related party
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
Reinvent Energy SRL	Romania	Associate
One Property Support Services SRL	Romania	Associate
One Herastrau Office Properties SA	Romania	Associate
One Herastrau Office SA	Romania	Associate
Glass Rom Invest SRL	Romania	Associate
CTT & ONE AG	Switzerland	Associate
CC Trust Group AG	Switzerland	Associate
CCT & One Properties SA	Switzerland	Associate
Vinci Ver Holding SRL	Romania	Other related party
OA Liviu Holding SRL	Romania	Other related party

Name	Country	Type of affiliation
Dragos-Horia Manda	Romania	Key management personnel, minority shareholder of the Group
Claudio Cisullo	Switzerland	Key management personnel, minority shareholder of the Group
Gabriel-Ionut Dumitrescu	Romania	Key management personnel, starting 2022 exit the Board
Adriana-Anca Anton	Romania	Key management personnel, starting 26.04.2022 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
	Czech	
Magdalena Souckova	Republic	Key management personnel

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended 30 June 2022 and 30 June 2021, as well as balances with related parties as at 30 June 2022 and 31 December 2021:

Nature of balances	Related party categories	Statement of financial position (Amounts owing (to)/from)	
		30 June 2022	31 December 2021
Receivables and other receivables related to goods and services sold	Key management personnel of the Group	2,482	2,482
	Associates	4,639,188	4,135,900
	Other related parties	11,015,697	11,171,879
Advances paid for purchases of goods and services	Key management personnel of the Group	-	-
	Associates	8,463,059	12,266,422
	Other related parties	33,216,084	24,677,386
Payables related to goods and services paid	Key management personnel of the Group	3,305	3,305
	Associates	7,791,327	6,681,849
	Other related parties	6,603,518	4,042,747
Dividends paid during the year, net of tax	Key management personnel of the Group	24,014,497	35,064,786
	Other related parties	2,520,807	2,841,692
Advance payments received	Other related parties	147,580,884	15,950,589
	Associates	14,087,013	161,854,758
Nature of transactions	Related party categories	Income statement (Income/(expense))	
		6 months 2022	6 months 2022
Sales of goods and services	Key management personnel of the Group	-	86
	Associates	15,762,149	4,020,334
	Other related parties	4,890,867	16,972,917
Purchases of various goods and services	Key management personnel of the Group	-	-
	Associates	41,332,752	8,756,861
	Other related parties	9,488,279	484,434
Loans from related parties		Interest expenses	Amounts owed to related parties
	2022	-	19,962,739
Companies – Other related parties	2021	64,334	11,610,787

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23 RELATED PARTIES (CONTINUED)

Loans granted related parties		Amounts granted to related parties	
		Interest income	
	2022	84,432	13,383,750
Loans granted to associates	2021	39,986	11,453,361
	2022	-	-
Loans granted to other related parties	2021	-	-
Total loans from related parties	2022	84,432	13,383,750
	2021	39,986	11,453,361

24. EARNING PER SHARE

The calculation of earnings per share at 30 June 2022 and 30 June 2021 was based on the profit attributable to equity holders of RON 347,805,834 (30 June 2021: RON 147,538,053) and the weighted average ordinary shares in issue during the year.

RON	30 June 2022	30 June 2021
Profit for the year attributable to equity holders	347,805,834	147,538,053
Weighted average number of shares in issue	647,837,366	520,618,793
Basic/diluted earnings per share attributable to equity holders	0.54	0.28

25. SEGMENT REPORTING

Reporting segments are residential, office&landbank, and corporate and the Group manages operations in accordance with this classification. There are no sales between segments. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

The operating costs and net financial result classified on segment reporting are not analyzed by the chief decision makers on a quarterly basis but on an annual basis.

Segment results resulted from transactions with external customers - 30 June 2022	Residential	Office	Corporate	Total
<i>RON</i>				
Revenues from sales of inventory property	386,763,374			386,763,374
Revenues from rentals, service charge and similar		28,701,356		28,701,356
Cost of sales of inventory property	(196,885,219)			(196,885,219)
Cost of rental revenues, service charge and similar		(9,464,901)		(9,464,901)
Net income	189,878,155	19,236,455	-	209,114,610
Segment results resulted from transactions with external customers - 30 June 2021	Residential	Office	Corporate	Total
<i>RON</i>				
Revenues from sales of inventory property	332,758,053			332,758,053
Revenues from rentals, service charge and similar		3,199,413		3,199,413
Cost of sales of inventory property	(224,628,655)			(224,628,655)
Cost of rental revenues, service charge and similar		(2,596,999)		(2,596,999)
Net income	108,129,398	602,414	-	108,731,812

25. SEGMENT REPORTING (CONTINUED)

Segment assets and liabilities 30 June 2022	Residential	Office & landbank	Corporate	Total
<i>RON</i>				
Goodwill	19,256,076	-	-	19,256,076
Intangible assets	64	14,398,982	853,353	15,252,399
Investment properties	65,579,550	1,993,621,653	-	2,059,201,203
Investments in associates	-	-	4,044,885	4,044,885
Right of use assets	2,639,058	457,245	-	3,096,303
Property, plant and equipment	3,074,440	1,983,119	16,412,512	21,470,071
Total non-current assets	90,549,188	2,010,460,999	21,310,750	2,122,320,937
Inventories	337,771,505	128,175	5,558	337,905,238
Advance payments to suppliers	101,084,666	21,992,680	7,591,226	130,668,572
Trade receivables	316,061,346	7,235,791	549,287	323,846,424
Other receivables	7,331,723	40,793,268	57,934,481	106,059,472
Prepayments	32,292,653	18,165,399	512,904	50,970,956
Other financial assets	-	-	9,408,917	9,408,917
Cash and cash equivalents	243,308,567	118,626,241	105,569,931	467,504,739
Total current assets	1,037,850,460	206,941,554	181,572,304	1,426,364,318
Total assets	1,128,399,648	2,217,402,553	202,883,054	3,548,685,255
Loans and borrowings - long term	162,285,131	374,312,802	-	536,597,933
Provisions	564,911	332,662	-	897,573
Lease liabilities - long term portion	2,646,947	-	-	2,646,947
Deferred tax liabilities	71,830,113	174,267,206	557,061	246,654,380
Total non-current liabilities	237,327,102	548,912,670	557,061	786,796,833
Loans and borrowings - short term	19,166,488	43,688,225	-	62,854,713
Trade and other payables	89,271,440	52,367,966	5,601,424	147,240,830
Accrued income	318,031	7,429,026	788	7,747,845
Lease liabilities	584,938	445,500	-	1,030,438
Current tax liabilities	-	1,070,166	1,245,885	2,316,051
Advance payments from customers	234,894,949	184,625,163	-	419,520,112
Total current liabilities	344,235,846	289,626,046	6,848,097	640,709,989
Total liabilities	581,562,948	838,538,716	7,405,158	1,427,506,822

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25 SEGMENT REPORTING (CONTINUED)

Segment assets and liabilities 31 December 2021	Residential	Office & landbank	Corporate	Total
<i>RON</i>				
Goodwill	19,256,076	-	-	19,256,076
Intangible assets	1,698	1,568	594,342	597,608
Investment properties	-	1,449,465,190	-	1,449,465,190
Investments in associates	-	-	2,967,158	2,967,158
Right of use assets	3,048,207	457,245	-	3,505,452
Property, plant and equipment	2,738,225	1,107,589	13,194,196	17,040,010
Total non-current assets	25,044,206	1,451,031,592	16,755,696	1,492,831,494
Inventories	343,439,523	-	538,104	343,977,627
Advance payments to suppliers	60,958,349	25,040,780	7,267,319	93,266,448
Trade receivables	195,777,677	4,377,652	1,214,214	201,369,543
Other receivables	2,846,770	25,292,932	100,301,327	128,441,029
Prepayments	779,589	18,737,680	-	19,517,269
Other financial assets	-	-	9,408,917	9,408,917
Cash and cash equivalents	257,181,313	123,684,667	127,481,181	508,347,161
Total current assets	860,983,221	197,133,711	246,211,062	1,304,327,994
Total assets	886,027,426	1,648,165,304	262,966,758	2,797,159,488
Loans and borrowings - long term	74,637,587	323,176,941	-	397,814,528
Provisions	564,912	-	-	564,912
Lease liabilities - long term portion	2,646,947	-	-	2,646,947
Deferred tax liabilities	51,166,157	129,669,782	(861,859)	179,974,080
Total non-current liabilities	129,015,603	452,846,723	(861,859)	581,000,467
Loans and borrowings - short term	8,526,478	25,821,304	-	34,347,782
Trade and other payables	69,598,658	50,466,678	4,037,432	124,138,768
Accrued income	263,449	882,406	-	1,145,855
Lease liabilities	836,887	445,500	-	1,282,387
Current tax liabilities	2,760,093	2,839	(739,485)	2,023,447
Advance payments from customers	234,453,049	171,810,517	-	406,263,566
Total current liabilities	316,438,614	249,429,245	3,333,947	569,201,805
Total liabilities	445,454,217	702,275,967	2,472,088	1,150,202,272

26. COMMITMENTS

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

27. CONTINGENCIES

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

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

28. SUBSEQUENT EVENTS

In July 2022, the Company established four new subsidiaries owned 100%, One Proiect 11 SRL, One Proiect 12 SRL, One Proiect 14 SRL and One Proiect 15 SRL.

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, until a first ruling will be issued in the main case. The first hearing of the main case has already been scheduled for September 6, 2022.

On July 26, 2022, the Company subsidiary Neo Herastrau Park SRL (development name One Herastrau Vista) obtained the building permit for a residential development that includes a tower of 12 floors and a total build surface of 19.000 square meters.

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 253,717,057.50 RON divided into share capital nominal value of 40,594,729.2 RON respectively 0.2 RON per each share and share premium of 213,122,328.30 RON. The share capital of the Company is thus increased from the nominal value of 514,828,058.80 RON to the nominal value of 555,422,788 RON.

In August 2022 the Company acquired 100% shares in a new subsidiary MAM IMOB BUSINESS CENTER S.R.L. that owns and operates the office building located at 29-31 Nicolae Titulescu Boulevard, Bucharest, Romania (One Victoriei Plaza). The total value of the transaction is approximately 28 million EUR, comprising of an equity component in amount of approximately 9 million EUR and a bank loan of approximately 19 million EUR, granted for a period of 15 years. The office building is fully leased to First Bank as a tenant.

In August 2022 the Company signed a presale purchase agreement for a plot of land of 36,869 sqm on Poligrafiei Boulevard no. 50 and 52-54, in Bucharest Sector 1, together with 19 old buildings constructed thereon, which will be demolished. The Company intends to develop on this land a predominantly residential development, called One Herastrau City.

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 19 August 2022 and signed on its behalf by:

VICTOR CAPITANU
Administrator

VALENTIN-COSMIN SAMOILA
Chief Financial Officer



ONE UNITED PROPERTIES SA

**Interim condensed separate financial statements
for the period ended 30 June 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders,
One United Properties S.A.

Report on the Audit of the Interim condensed separate financial statements

Opinion

1. We have audited the Interim condensed separate financial statements of One United Properties S.A. ("the Company"), with registered office in Bucharest District 1, Maxim Gorki 20, identified by unique tax registration code 22767862, which comprise (i) the interim condensed statement of financial position as of 30 June 2021, (ii) the interim condensed separate statement of profit or loss and other comprehensive income, the interim condensed separate statement of changes in equity and the interim condensed separate statement of cash flows, each for the period from 1 January 2022 to 30 June 2022, and (iii) other explanatory notes.
2. The interim condensed separate financial statements as at June 30, 2022 are identified as follows:
 - Net assets / Equity RON 592,362,356
 - Net profit for the financial year RON 46,075,910
3. In our opinion, the accompanying interim condensed separate financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2022, and its financial performance and its cash flows for the 6-month period ended at such date in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" adopted by the European Union.

Basis for Opinion

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

Other aspects

5. These interim condensed separate financial statements are special purpose financial statements, intended for the partial allocation of dividends amongst the Company's shareholders during the financial year, according to Law no. 163/2018.
6. The comparative information's of the Company for the period from 1 January 2021 to 30 June 2021 presented in these interim condensed separate financial statements were not audited nor reviewed.

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

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

9. Those charged with governance are responsible for overseeing the Company's financial reporting process.

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

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

Report on Other Legal and Regulatory Requirements

14. We have been appointed by the General Assembly of Shareholders on April 26, 2022 to audit the Interim condensed separate financial statements of One United Properties S.A. for the financial year ended June 30, 2022. The uninterrupted total duration of our commitment, including previous reappointments for statutory auditor, has lasted for 5 year and the 6 months financial exercise ended June 30, 2022, covering the financial periods end December 31, 2017, until June 30, 2022.

We confirm that:

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

For the financial year to which our audit relates, in addition to the statutory audit services, we have provided to the Company and entities controlled by it the following services not disclosed in the annual report and in the interim condensed separate financial statements: consent letter on the Company's offer document ("the Prospectus") approved by Decision no. 27 of 9 June 2022 of the Board of Directors regarding the prospectus prepared in relation to the increase of share capital of One United Properties SA.

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

Alina Mirea, Audit Partner

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

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

On behalf of:

DELOITTE AUDIT SRL

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

The Mark Building, 84-98 and 100-102 Calea Grivitei, 9th Floor, District 1
Bucharest, Romania
August 22, 2022

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2022

(Amounts are expressed in RON, unless otherwise mentioned)

Interim condensed separate statement of financial position	Note	30 June 2022	31 December 2021
ASSETS			
Non-current assets			
Intangible assets	5	888,562	567,455
investments in subsidiaries and associates	6	93,512,291	90,497,644
Loans granted to subsidiaries, associates and others	7	400,645,965	338,295,046
Right of use assets	8	21,300,043	3,393,204
Deferred tax assets	11	43,872	59,389
Property, plant and equipment	4	4,688,183	1,293,679
Other non-current assets		962,592	962,591
Total non-current assets		522,041,508	435,069,008
Current assets			
Trade receivables	9	92,473,632	102,053,110
Other receivables	9	37,939,959	28,753,389
Inventories		6,103	-
Prepayments		931,360	143,815
Loans granted to subsidiaries, associates and others	7	21,845,002	24,724,694
Cash and cash equivalents	10	97,948,865	121,682,382
Total current assets		251,144,921	277,357,390
TOTAL ASSETS		773,186,429	712,426,398
EQUITY AND LIABILITIES			
Equity			
Share capital	12	514,828,059	514,828,059
Share premium	12	-	4,307,781
Other capital reserves	12	12,423,205	1,390,179
Legal Reserves	12	11,437,359	11,437,359
Retained earnings		53,673,733	50,071,138
Total equity		592,362,356	582,034,516
Non-current liabilities			
Loans and borrowings	13	27,906,716	27,921,952
Lease liabilities	14	20,917,073	2,464,740
Other non-current liabilities		107,468	107,468
Total non-current liabilities		48,931,257	30,494,160
Current liabilities			
Lease liabilities	14	2,840,718	1,299,647
Trade payables	15	1,974,578	1,880,800
Other payables	15	125,740,371	96,575,919
Current tax liabilities		1,336,361	-
Deferred income		788	141,356
Total current liabilities		131,892,816	99,897,722
Total liabilities		180,824,073	130,391,882
TOTAL EQUITY AND LIABILITIES		773,186,429	712,426,398

The interim condensed separate financial statements were approved by the Management of the Company, authorized for issue on 19 August 2022 and signed on its behalf by:

Victor Capitanu
Administrator

Valentin-Cosmin Samoila
Chief Financial Officer

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AT 30 JUNE 2022
(Amounts are expressed in RON, unless otherwise mentioned)

Interim condensed separate statement of profit or loss and other comprehensive income	Note	30 June 2022	30 June 2021
Revenues from services rendered	16	13,653,323	29,737,224
Revenues from rentals, service charge and similar	16	121,849	310,156
Other revenues	16	486,512	680,242
Total operating revenues		14,261,684	30,727,622
Amortisation, depreciation and impairment of net reversals	17	(1,941,702)	(790,707)
Administrative expenses	17	(7,855,491)	(2,279,158)
Other operating expenses	17	(8,602,258)	(1,948,541)
Total operating expenses		(18,399,451)	(5,018,406)
Result from operating activity		(4,137,767)	25,709,216
Revenues from dividends	18	50,918,000	1,881,012
Revenues from interest	18	5,657,948	2,974,676
Other financial revenues	18	770,462	3,650,542
Total financial income		57,346,410	8,506,230
Interest expenses	19	(432,486)	(713,927)
Total financial expenses		(432,486)	(713,927)
Net financial result		56,913,924	7,792,303
Result before tax		52,776,157	33,501,519
Tax expenses	11	(6,700,247)	(7,198,837)
Net result of the period		46,075,910	26,302,682
Total comprehensive income for the period			
<i>Basic/diluted earnings per share attributable to equity holders</i>		<i>0.09</i>	<i>0.06</i>

The interim condensed separate financial statements were approved by the Management of the Company, authorized for issue on 19 August 2022 and signed on its behalf by:

Victor Capitanu
Administrator

Valentin-Cosmin Samoila
Chief Financial Officer

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2022
(Amounts are expressed in RON, unless otherwise mentioned)

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

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2022
(Amounts are expressed in RON, unless otherwise mentioned)

Interim condensed separate statement of changes in equity	Share Capital	Share premiums	Other capital reserves	Own shares	Legal Reserves	Retained earnings	Total equity
Balance as at 1 January 2021	259,824,598	9,192	463,393	(26,765,560)	9,009,562	90,543,697	333,084,882
Profit for the period	-	-	-	-	-	26,302,682	26,302,682
Dividends allocated from the statutory profit	-	-	-	-	-	(49,243,000)	(49,243,000)
Legal Reserves	-	-	-	-	-	-	-
Issue of ordinary shares	-	-	-	-	-	-	-
Issue of ordinary shares - premium shares conversion	-	-	-	-	-	-	-
Issue of ordinary shares - other reserves conversion	189,573	-	-	-	-	(189,573)	-
Employee share scheme	-	-	926,786	-	-	-	926,786
Sale of own shares	-	-	-	26,765,560	-	9,269,654	36,035,214
IPO costs	-	-	-	-	-	(3,296,316)	(3,296,316)
Balance as at 30 June 2021	260,014,171	9,192	1,390,179	-	9,009,562	73,387,144	343,810,248

ONE UNITED PROPERTIES SA
INTERIM CONDENSED SEPARATE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED AT 30 JUNE 2022
(Amounts are expressed in RON, unless otherwise mentioned)

	30 June 2022	30 June 2021
Cash flows from operating activities		
Result for the year	46,075,910	26,302,682
Adjustments for:		
Depreciation and amortization	1,941,702	220,733
Allowances and write off - assets	3,023,363	-
Share-based payments/stock option plan	6,725,245	926,786
Unrealised foreign exchange loss/(gain)	250,923	(206,874)
Interest expenses	432,120	708,938
Interest income	(5,657,948)	(2,974,676)
Income tax expenses	5,746,277	6,572,643
Income from dividends	(50,918,000)	(1,881,012)
<i>Changes in working capital</i>		
(Increase)/Decrease in trade and other receivables	408,424	(739,737)
Increase/(Decrease) in trade and other payables	29,258,230	10,180,173
(Increase)/Decrease in other non-current assets	(793,648)	582,542
Increase/(Decrease) in other non-current liabilities	(4,550,484)	97,273
Income tax paid	-	-
Net cash from operating activities	31,942,114	39,789,471
Additional loans granted	(205,612,663)	(96,163,558)
Repayment of loans granted	150,747,800	128,498,406
Acquisition of property, plant and equipment	(1,736,486)	(130,518)
Proceeds from sale of property, plant and equipment	3,541	1,008
Acquisition of intangible assets	(374,186)	(503,001)
Acquisition/Investment of/in subsidiaries and associates	(6,038,010)	(280,820)
Interest received	771,675	2,974,676
Net cash flows used in investing activities	(62,238,329)	34,396,193
Proceeds from loans and borrowings	-	-
Repayment of borrowings	-	(83,612,058)
Dividends paid	(42,473,315)	(49,243,000)
Dividends received	50,918,000	1,881,012
Interest paid	-	5,985,155
Acquisition of own shares	-	36,035,214
Principal elements of lease payments	(1,881,987)	(665,192)
Net cash from financing activities	6,562,698	(89,618,869)
Net changes in cash and cash equivalents	(23,733,517)	(15,433,205)
Cash and cash equivalents at the beginning of the year	121,682,382	55,816,083
Cash and cash equivalents at the end of the year	97,948,865	40,382,878

NOTE 1. CORPORATE INFORMATION

The separate financial statements of One United Properties SA for the year ended 30 June 2022 were authorized for issue on 19 August 2022.

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 514,828,059 divided into 2,574,140,294 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 29.758% each and other shareholders holding 40.484%. 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 Company is a holding having as main CAEN code according to the Romania law, 642 “Holding Activities”. The revenues generated by the Company are mainly related to secondary activities such as administrative support offered to its subsidiaries and associates. These are regrouped under the CAEN code 7022 “Activities related to business and management advisory services”.

The Company had the following subsidiaries and associates undertakings as at 30 June 2022 and 31 December 2021:

Name of the subsidiary and associates	Activity	% ownership as at 30 June 2022	% ownership as at 31 December 2021	Registered office
One Modrogan SRL	Real estate developer in Bucharest	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Peninsula SRL (former One Herastrau Park Residence SA)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Charles de Gaulle Residence SRL	Real estate developer in Bucharest	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Plaza SRL	Real estate developer in Bucharest	98.00%	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%	100%	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%	100%	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	98.00%	98.00%	Maxim Gorki street 20, Bucharest, district 1
One North Gate SA	Real estate developer in Bucharest	62.41%	62.41%	Maxim Gorki street 20, Bucharest, district 1
One United Tower SA (former One United Tower SRL)	Real estate developer in Bucharest	70.24%	70.24%	Maxim Gorki street 20, Bucharest, district 1
Neo Floreasca Lake SRL	Real estate developer in Bucharest	95.00%	80.58%	Maxim Gorki street 20, Bucharest, district 1
One Mamaia Nord SRL (former Neo Mamaia SRL)	Real estate developer in Bucharest	95.00%	82.33%	Maxim Gorki street 20, Bucharest, district 1
Neo Timpuri Noi SRL	Real estate developer in Bucharest	95.00%	82.33%	Maxim Gorki street 20, Bucharest, district 1

ONE UNITED PROPERTIES SA
NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT 30 JUNE 2022
(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 1. CORPORATE INFORMATION (continued)

Name of the subsidiary and associates	Activity	% ownership as at 30 June 2022	% ownership as at 31 December 2021	Registered office
Neo Herastrau Park SRL (former Neo Dorobanti SRL)	Real estate developer in Bucharest	95.00%	82.00%	Maxim Gorki street 20, Bucharest, district 1
One Floreasca Towers SRL (former One Herastrau IV SRL)	Real estate developer in Bucharest	99.99%	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%	100%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office SA	Real estate developer in Bucharest	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 2 SA	Real estate developer in Bucharest	57.25%	57.25%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Park Office Faza 3 SA (former One Verdi Park Office SA)	Real estate developer in Bucharest	80.00%	80.00%	Maxim Gorki street 20, Bucharest, district 1
One Mamaia SRL	Real estate developer in Bucharest	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 4 SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Plaza Athenee (former One Proiect 3 SRL)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 5 SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 7 SRL	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One High District S.R.L. (former One Proiect 1 SRL)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Lake Club S.R.L. (former One Proiect 6 SRL)	Real estate developer in Bucharest	100%	100%	Maxim Gorki street 20, Bucharest, district 1
One Carpathian Lodge Magura S.R.L (former Carpathian Estate S.R.L.)	Real estate developer in Bucharest	66.72% (indirect subsidiary)	66.72% (indirect subsidiary)	Maxim Gorki street 20, Bucharest, district
Reinvent Energy SRL	Electric and sanitary Installations for real estate	20.00%	20.00%	Street. Baba Novac, no.8A, Bucharest, district 3
One Herastrau Office Properties SA	Lease of office space	30.00%	30.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Office SA	Lease of office space	20.00% (indirect associate)	20.00% (indirect associate)	Maxim Gorki street 20, Bucharest, district 1
Glass Rom Impex SRL	Construction	20.00%	20.00%	Bucharest, district 4, street Metalurgiei no. 452
One Property Support Services SRL	Property management	20.00%	20.00%	Bucharest district 6, Spl. Independentei, no. 202
CCT & ONE AG	Equity Investment	49.90% (indirect associate)	49.90% (indirect associate)	Switzerland
One Proiect 8 SRL	Real estate developer in Bucharest	100%	-	Maxim Gorki street 20, Bucharest, district 1
One Proiect 9 SRL	Real estate developer in Bucharest	100%	-	Maxim Gorki street 20, Bucharest, district 1
One Proiect 10 SRL	Real estate developer in Bucharest	100%	-	Maxim Gorki street 20, Bucharest, district 1
One United Italia SRL	Real estate developer in Bucharest	100%	-	Maxim Gorki street 20, Bucharest, district 1
One United Management Services SRL	Management services	100%	-	Maxim Gorki street 20, Bucharest, district 1
Bo Retail Invest SRL	Real estate developer in Bucharest	100%	-	Maxim Gorki street 20, Bucharest, district 1
Bucur Obor SA	Lease of retail space	54.44% (indirect subsidiary)	-	Colentina street 2, Bucharest, district 2

NOTE 2. GENERAL INFORMATION

2.a Basis of preparation

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

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

For all periods up to and including the year ended 31 December 2020, the Company prepared its financial statements in accordance with Romanian generally accepted accounting principles. The separate financial statements for the year ended 31 December 2021 were the first the Company has prepared in accordance with IFRS. The interim condensed 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 interim condensed separate financial statements are presented in RON, except where otherwise indicated.

2.b Going concern

In February 2022, an armed conflict has started between Russia and Ukraine, that affected the economies of the two countries and resulted, among others, in massive flows of refugees from Ukraine towards neighbouring countries (including Romania), as well as in a number of sanctions imposed by the international community against Russia, Belarus and some Russian companies. The medium- and long-term impact of this conflict and of the sanctions imposed against Russia cannot be currently anticipated sufficiently accurately. 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

Standards and amendments to the existing standards issued by IASB and adopted by the EU but not yet effective

At the date of authorisation of these financial statements, the following amendments to the existing standards were issued by IASB and adopted by the EU and which are not yet effective:

- **Amendments to IAS 16 "Property, Plant and Equipment"** - Proceeds before Intended Use adopted by the EU on 28 June 2021, effective for annual periods beginning on or after 1 January 2022. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.
- **Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** - Onerous Contracts - Cost of Fulfilling a Contract adopted by the EU on 28 June 2021, effective for annual periods beginning on or after 1 January 2022. The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.
- **Amendments to IFRS 3 "Business Combinations"** - effective for annual periods beginning on or after 1 January 2022. Reference to the Conceptual Framework with amendments to IFRS 3 issued by IASB on 14 May 2020. The amendments: (a) update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework; (b) add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and (c) add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

NOTE 2. GENERAL INFORMATION (continued)

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

- **Amendments to various standards due to “Improvements to IFRSs (cycle 2018 -2020)”** issued by IASB on 14 May 2020. Amendments to various standards resulting from the annual improvement project of IFRS (IFRS 1, IFRS 9, IFRS 16 and IAS 41) primarily with a view to removing inconsistencies and clarifying wording. The amendments: (a) clarify that subsidiary which applies paragraph D16(a) of IFRS 1 is permitted to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to IFRSs (IFRS 1); (b) clarify which fees an entity includes when it applies the ‘10 per cent’ test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf (IFRS 9); (c) removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example (Illustrative Example 13 accompanying IFRS 16); and (d) removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique (IAS 41).

New standards and amendments to the existing standards issued by IASB but not yet adopted by the EU

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except for the following new standards and amendments to the existing standards, which were not endorsed for use in EU as at [date of publication of financial statements] (the effective dates stated below is for IFRS as issued by IASB):

- **IFRS 14 “Regulatory Deferral Accounts”** - effective for annual periods beginning on or after 1 January 2016, the European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard. 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 IAS 1 “Presentation of Financial Statements”** - Classification of Liabilities as Current or Non-Current issued by IASB on 23 January 2020. The amendments provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. Amendments to IAS 1 issued by IASB on 15 July 2020 defer the effective date by one year to annual periods beginning on or after 1 January 2023.
- **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, effective for annual periods beginning on or after 1 January 2023. 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 effective for annual periods beginning on or after 1 January 2023. 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.

The Company 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.

NOTE 3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

3.a Judgements

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

3.a.1 Revenue from contracts – management fees

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

Determination of performance obligations

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

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

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

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

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

Determining the timing of revenue recognition

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

An entity transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time as the Company considers that the customer simultaneously receives and consumes the benefits provided by the Company's performance as the entity performs. The Company has determined that the output method is the best method for measuring progress for these contracts.

Output methods include, in general, methods such as surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed and units produced, or units delivered. As described above, the Company has used several outputs when determining the amount to be invoiced, for services rendered to the legal entities.

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

3.a Judgements (continued)

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

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.

3.b Estimates and assumptions

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

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

3.b.1 Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in leases where it is the lessee, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency).

The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Company's stand-alone credit rating).

3.b.2 IPO associated costs

The costs of an IPO that involves both issuing new shares and a stock market listing are accounted for as follows:

- Incremental costs that are directly attributable to issuing new shares are deducted from equity (net of any income tax benefit) in line with, IAS 32.37
- Costs that relate to the stock market listing, or are otherwise not incremental and directly attributable to issuing new shares, are recorded as an expense in the statement of comprehensive income
- Costs that relate to both share issuance and listing are allocated between those functions on a rational and consistent basis in line with IAS 32.38. In the absence of a more specific basis for apportionment, an allocation of common costs based on the proportion of new shares issued to the total number of (new and existing) shares represent an acceptable approach.

As at December 31, 2021 the Company has performed this analysis and has booked, in Equity, incremental costs directly attributable to issuing new shares, gross of tax, of RON 7,257,571. The current income tax associated to these costs amounts to RON 1,161,211. From a tax perspective, these costs are entirely deductible the year they are incurred.

ONE UNITED PROPERTIES SA
NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED AT 30 JUNE 2022
(Amounts are expressed in RON, unless otherwise mentioned)

NOTE 4. PROPERTY, PLANT AND EQUIPMENT

Description	Land, Buildings, barracks	Equipment measurement apparatus and vehicles	Furniture and other non- current assets	Tangible under development	Total
Cost					
As at 1 January 2021	1,197,549	245,859	429,687	46,719	1,919,814
Additions	-	129,962	125,067	-	255,029
Disposals	-	2,815	3,376	46,719	52,910
As at 31 December 2021	1,197,549	373,006	551,378	-	2,121,933
Additions	-	37,995	2,511,470	1,192,967	3,742,432
Disposals	-	18,750	-	-	18,750
As at 30 June 2022	1,197,549	392,251	3,062,848	1,192,967	5,845,615
Depreciation and impairment					
As at 1 January 2021	225,268	140,004	64,908	-	430,180
Depreciation charge for the year	244,219	79,058	79,980	-	403,257
Disposals	-	2,463	2,720	-	5,183
As at 31 December 2021	469,487	216,599	142,168	-	828,254
Depreciation charge for the year	122,110	46,771	175,505	-	344,386
Disposals	-	15,208	-	-	15,208
As at 30 June 2022	591,597	248,162	317,673	-	1,157,432
Net book value					
As at 31 December 2021	728,062	156,407	409,210	-	1,293,679
As at 30 June 2022	605,952	144,089	2,745,175	1,192,967	4,688,183

NOTE 5. INTANGIBLE ASSETS

Description	Development costs	Concessions, patents, licenses	Other intangible assets	Total
Cost				
As at 01 January 2021	-	159,827	49,059	208,886
Additions	355,010	110,132	164,712	629,854
Disposals	-	-	72,299	72,299
As at 31 December 2021	355,010	269,959	141,472	766,441
Additions	371,862	-	2,324	374,186
Disposals	-	-	-	-
As at 30 June 2021	726,872	269,959	143,796	1,140,627
Amortization and impairment				
As at 1 January 2021	-	79,930	37,579	117,509
Amortization	-	45,389	36,088	81,477
Disposals	-	-	-	-
As at 31 December 2021	-	125,319	73,667	198,986
Amortization	-	28,421	24,658	53,079
Disposals	-	-	-	-
As at 30 June 2022	-	153,740	98,325	252,065
Net value				
As at 31 December 2021	355,010	144,640	67,805	567,455
As at 30 June 2022	726,872	116,219	45,471	888,562

NOTE 6. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Subsidiary / Associate	Ownership right	Ownership right	Investment value	Investment value
	31-Dec-21	30-Jun-22	31-Dec-21	30-Jun-22
One Charles de Gaulle Residence SRL	99.99%	99.99%	3,189,302	165,939
One Modrogan SRL	99.99%	99.99%	89,990	89,990
One Mircea Eliade Properties SRL	100.00%	100.00%	45,000	45,000
One Floreasca Towers SRL	99.99%	99.99%	44,990	44,990
One Long Term Investments SRL	100.00%	100.00%	45,000	45,000
One Lake District SRL	98.00%	98.00%	44,100	44,100
One Herastrau Plaza SRL	98.00%	98.00%	44,100	44,100
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	70.24%	70.24%	3,176,548	3,176,548
One Peninsula SRL	100.00%	100.00%	25,240,826	25,240,826
One Verdi Park SRL	95.00%	95.00%	7,729,600	7,729,600
One Cotroceni Park SRL	80.00%	80.00%	36,010	36,010
X Architecture Engineering Consult SRL	80.00%	80.00%	160	160
One North Gate SA	62.41%	62.41%	21,607,152	21,607,152
Skia Real Estate SRL	51.00%	51.00%	510	510
Neo Floreasca Lake SRL	80.58%	95.00%	3,199,348	5,262,506
One Cotroceni Park Office SA	57.25%	57.25%	17,657,519	17,657,519
One Cotroceni Park Office Faza 2 SA	57.25%	57.25%	6,394,657	6,394,657
One Mamaia SRL	99.99%	99.99%	44,990	44,990
One Cotroceni Park Office Faza 3 SA	80.00%	80.00%	72,000	72,000
Reinvent Energy SRL	20.00%	20.00%	240,000	240,000
Glass Rom Impex SRL	20.00%	20.00%	300	300
One Herastrau Office Properties SA	30.00%	30.00%	27,000	27,000
One Property Support Services SRL	20.00%	20.00%	40	40
Neo Herastrau Park SRL	82.00%	95.00%	671,784	2,714,754
Neo Timpuri Noi SRL	82.33%	95.00%	305,928	1,208,762
One Mamaia Nord SRL (former Neo Mamaia SRL)	82.33%	95.00%	273,910	1,082,258
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 Proiect 7 SRL	100.00%	100.00%	45,000	45,000
One Proiect 8 SRL	-	100.00%	-	45,000
One Proiect 9 SRL	-	100.00%	-	45,000
One Proiect 10 SRL	-	100.00%	-	45,000
One United Italia SRL	-	100.00%	-	40,500
One United Management Services SRL	-	100.00%	-	45,000
Bo Retail invest SRL	-	100.00%	-	200
One High District S.R.L. (former One Proiect 1 S.R.L.)	100.00%	100.00%	45,000	45,000
One Lake Club S.R.L. (former One Proiect 6 S.R.L.)	100.00%	100.00%	45,000	45,000
			90,497,644	93,512,291

Financial assets – investments in subsidiaries and associates

On 26 January 2021, the general meeting of shareholders has approved the sale of shares held in share capital of a subsidiary with no activity, Neo Downtown SRL with a nominal value of RON/shares 10, therefore the entity exits the Group.

In 2022, five new subsidiaries were established: One Proiect 8 SRL, One Proiect 9 SRL, One Proiect 10 SRL, One United Italia SRL and One United Management Services SRL, which are 100% owned by the Company.

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

- One Mamaia Nord SRL (former Neo Mamaia SRL) from 82.33% to 95.00%, the total consideration price for the shares acquired is RON 808,349.
- Neo Floreasca Lake SRL from 80.58% to 95.00%, the total consideration price for the shares acquired is RON 2,063,158.
- Neo Timpuri Noi SRL from 82.33% to 95.00%, the total consideration price for the shares acquired is RON 902,834.
- Neo Herastrau Park SRL from 82.00% to 95.00%, the total consideration price for the shares acquired is RON 2,042,970.

NOTE 6. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES (continued)

On 8 February 2022, the Company directly acquired 100% of the shares of BO Retail Invest SRL a subsidiary which has previously acquired a controlling stake of 54.4351% in Bucur Obor SA, a company listed on the Multilateral Trading System of the Bucharest Stock Exchange, under symbol BUCU.

The transaction was subject to Competition Council clearance, which the Company received on 4 February 2022. The total amount paid for the transaction was of RON 65,4 million, representing the consideration of the acquisition of the shares.

There are several subsidiaries in which the Company own investments which have in place bank loan contracts, as described in note 7.

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

- in the subsidiary One Verdi Park bank loan there is a pledge on the holding company's shares in the subsidiary One North Gate SA for a number of 5,104 shares before the issuing of new shares in One North Gate SA;
- the subsidiaries One Cotroceni Park Office SA and One Cotroceni Park Office Faza 2 SA have signed the loan agreement with Banca Comerciala Romana SA, BRD Groupe Societe Generale SA and Erste Group Bank AG which have also additional pledges on shareholder loan and 100% of the share capital of the borrowers;
- One United Tower SA 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 29 apartments and 35 parking places.

NOTE 7. LOANS GRANTED TO SUBSIDIARIES, ASSOCIATES AND OTHERS

As at 31 December 2021	Less than 1 year	1 to 5 years	Total
Financial assets – loans granted to subsidiaries, associates and others	24,724,694	338,295,046	363,019,740

As at 30 June 2022	Less than 1 year	1 to 5 years	Total
Financial assets – loans granted to subsidiaries, associates and others	21,845,002	400,645,965	422,490,967

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

Description	30 June 2022	31 December 2021
Loans granted for acquiring new subsidiaries or associates	115,543,527	106,373,824
Loans granted to subsidiaries for development of office buildings	157,596,183	135,045,054
Loans granted to subsidiaries for development of residential projects	100,625,064	82,472,332
Loans granted to subsidiaries for further development of real estate projects	47,866,719	35,086,759
Loans granted to subsidiary which deliver architecture services for group and non-group projects	464,117	3,421,175
Other loans	395,357	620,596
Total	422,490,967	363,019,740

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, and we have not identified any material default risk. The Company collects the amounts subsequent to the date of completion of the development of the real estate project and based on past history for the finalized projects and fair value assessment performed for investment properties at the group level as at 30 June 2022 and 31 December 2021, no indicators of impairment were identified.

NOTE 7. 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 43,2 million), One Peninsula SRL (RON 44 million), One Verdi Park SRL (RON 76,6 million), Neo Timpuri Noi SRL (RON 15,1 million), One United Tower SA (RON 210,9 million), One North Gate SA (RON 34,9 million) and One Cotroceni Park Office SA (RON 147,1 million).

NOTE 8. RIGHT OF USE ASSETS

The Company has entered into one operating lease agreement related to the rental of office surfaces with One North Gate SA (lessor) started on 20 December 2019 and with the subsidiary One United Tower SA. The lease contract with One United Tower SA have started as of 01 January 2022 for a lease period of 10 years and for which the Company have received 10 months of lease incentives. The monthly rent is of kEUR 46. The table bellow presents the evolution of the right of use for the periods 1 January 2021 – 30 June 2021.

Refer to Notes 14 for further information.

Description	Right of use
Cost at 01 January 2021	5,716,810
Additions	-
Disposals	-
Cost at 31 December 2021	5,716,810
Additions	19,451,075
Disposals	-
Cost at 30 June 2022	25,167,885
Amortisation at 01 January 2021	1,180,244
Additions	1,143,362
Disposals	-
Amortisation at 31 December 2021	2,323,606
Additions	1,544,236
Disposals	-
Amortisation at 30 June 2022	3,867,842
NET VALUE	
At 31 December 2021	3,393,204
At 30 June 2022	21,300,043

NOTE 9. TRADE AND OTHER RECEIVABLES

As at 30 June 2022 and 31 December 2021 trade and other receivables are detailed as follows:

Description	30 June 2022	31 December 2021
Trade receivables – customers	255,018	452,464
Trade receivables – subsidiaries and related parties	85,122,374	93,616,281
Accrued receivables - subsidiaries	7,096,030	7,984,365
Accrued receivable - other third party customers	210	-
Total trade receivables	92,473,632	102,053,110
VAT receivable	33,843,004	19,353,518
Amounts to be collected from related parties / affiliates	997,132	2,949,570
Other receivables	216,804	112,653
Various debtors	2,865,694	5,673,276
Other tax receivables	17,325	664,372
Total other receivables	37,939,959	28,753,389
Total	130,413,591	130,806,499

Description	30 June 2022	31 December 2021
Trade receivable - from management fee provided to subsidiaries	84,914,087	93,254,851
Trade receivable - subsidiaries	208,287	264,250
Trade receivable - other related parties	151,056	153,491
Trade receivable - other third party customers	103,962	396,153
Total	85,377,392	94,068,745

% of Trade receivable - from management fee provided to subsidiaries in total trade receivables	99%	99%
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Most of the balance of trade receivables are related to management fees invoiced to subsidiaries. The balances related to management fees are collected in general subsequent to the completion of the real estate project for which these services are rendered. The normal operating cycle of the subsidiaries is three years, but may be longer depending on the size of the project. As a result, current assets include items whose realization is intended and / or anticipated to occur during the normal operating cycle of the development of real estate projects by the Group.

We have performed an analysis of each individual counterparty and project attached in order to assess if an impairment would be needed. Based on our analysis, all projects are profitable, and we have not identified any default risk related to the counterparties.

NOTE 10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

Description	30 June 2022	31 December 2021
Cash and cash equivalents denominated in EUR	96,089,766	115,471,120
Cash and cash equivalents denominated in RON	1,853,204	6,205,367
Petty Cash - RON	5,265	5,895
Other cash equivalents	630	-
Total	97,948,865	121,682,382

NOTE 10. CASH AND CASH EQUIVALENTS (continued)

The ECLs relating to cash and short-term deposits of the Company is determined as not material. 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.

For the bank loan from CEC Bank related to the subsidiary, One North Gate SA, the Company has a collateral deposit of kEUR 500.

NOTE 11. PROFIT TAX

The Company's current profit tax for the six months period ended June 30, 2022 and year 2021 is determined at a rate of 16% based on the profit adjusted by non-deductible expenses and non-taxable revenues. The deferred profit tax as at 30 June 2022 and 31 December 2021 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	<u>30 June 2022</u>	<u>31 December 2021</u>
Deferred tax assets related to leasing liabilities	586,785	602,302
Deferred tax liabilities related to Right of Use – leases	(542,913)	(542,913)
Total assets /(liabilities)	<u>43,872</u>	<u>59,389</u>

The breakdown of tax expenses is detailed below:

Description	<u>30 June 2022</u>	<u>30 June 2021</u>
Current income tax expense	(6,684,730)	(7,200,513)
Deferred tax impact	(15,517)	1,676
Total expense/revenue	<u>(6,700,247)</u>	<u>(7,198,837)</u>

NOTE 12. EQUITY

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

(i) Share capital

As at 30 June 2023 the Company's share capital is RON 514,828,059 (31 December 2021: RON 514,828,059) divided into 2,574,140,294 shares (31 December 2021: 2,574,140,294 shares) at a nominal value of RON 0.2 each (31 December 2021: 0.2, 31). All issued shares are fully paid.

On April 26th, 2022, held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of the second tranche of the dividends of RON 42,5 million (with first tranche paid in October 2021, full gross dividend for 2021 is RON 75 million). The gross dividend of RON 0.0165 per share was paid until June 30th, 2022. Company's dividend policy includes the payment of dividends on a semi-annual basis.

NOTE 12. EQUITY (continued)

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. Please refer to Note 22, for the results of the procedure of capital increase.

Structure of share capital

Name of shareholder	30 June 2022			31 December 2021		
	Number of shares	Nominal value [RON]	Holding [%]	Number of shares	Nominal value [RON]	Holding [%]
Vinci Ver Holding SRL (represented by Mr. Victor Capitanu)	766,012,422	153,202,534	29.7580%	766,012,422	153,202,534	29.7580%
OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu)	766,012,422	153,202,534	29.7580%	766,012,422	153,202,534	29.7580%
Others	1,042,115,450	208,422,991	40.4840%	1,042,115,450	208,422,991	40.4840%
Total	2,574,140,294	514,828,059	100.00%	2,574,140,294	514,828,059	100.00%

(ii) Legal reserve

The legal reserve amounts to RON 11,437,359 at 30 June 2022, and at 31 December 2021. The legal reserve is established in accordance with the Company Law, according to which 5% of the statutory annual accounting profit is transferred to legal reserves until their balance reaches 20% of the company's share capital. If this reserve is used wholly or partially to cover losses or to distribute in any form (such as the issuance of new shares under the Company Law), it becomes taxable.

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

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

(iii) Own shares

During Q4 2020, the Company has repurchased a number of 18,243 own shares in amount of RON 26,765,560. The parties have agreed, along with the transfer of shares, to transfer any right over or in relation thereto, including, but not limited to the dividends of the Company related to the shares for the financial year 2020. All own shares were sold during 2021.

(iv) Other reserves – share based payments

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

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

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

NOTE 12. EQUITY (continued)

(iv) Other reserves – share based payments (continued)

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.

During the year 2022, the Group and the beneficiaries have confirmed that all terms and conditions have been established for the stock option plan described above, the grant date have occurred.

The holding entity, One United Properties is responsible for fulfilling the promise to provide the stock option plan but based on the financial results generated by the all Group. The fair value of the stock option plan is determined based on the valuation of the Group at a certain moment in time which is directly influenced by the performance of the Group as a whole. Therefore, the holding entity don't have the discretion in establishing the price for the specified stock option plan and act as an agent. The Group has controls over the specified stock option plan before it is transferred to the executive members. 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 all subsidiaries within a group, therefore the stock option plan value is divided based on net assets of the group for each segment reporting, therefore all One United Group companies that generate net positive IFRS assets at the end of each reporting period will incur an expense.

At the individual level, the value of the SOP is divided according to the contribution of each company in the total net assets of the group for each reporting period, each company in the One United group will record an expense based on the percentage of net assets in net assets as calculated in the consolidated financial statements prepared by One United Properties S.A. Based on the algorithm described above, as at 30 June 2022, the Group, at consolidated level, have recognized in current period a stock option plan of RON 42 million from which the holding Company have accounted for an expense of RON 6,7 million and in correspondence the related capital reserve.

NOTE 13. LOANS AND BORROWINGS

Description	30 June 2022	31 December 2021
Other loans received from subsidiaries	(27,906,716)	(27,921,952)
Total assets /(liabilities)	(27,906,716)	(27,921,952)

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

The other long-term loans amounting to RON 27,906,715 at 30 June 2022 are related to a loan in EUR received from One Cotroceni Park SRL.

NOTE 14. LEASE LIABILITIES

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

	2022	2021
As at 1 January	3,764,387	4,939,563
Additions	21,457,021	-
Accretion of interest	432,120	154,452
Payments	(1,881,987)	(1,403,507)
Translation difference	(13,750)	73,879
As at 30 June/ 31 December	23,757,791	3,764,387
Long term	20,917,073	2,464,740
Short term	2,840,718	1,299,647

NOTE 14. LEASE LIABILITIES (continued)

	30 June 2022	30 June 2021
Depreciation expense of right-of-use assets	1,544,236	571,681
Interest expense on lease liabilities	432,120	82,215
Currency translation gain / (loss)	(13,751)	52,571
Other expenses - indexation difference	-	1,758
Total amount recognised in profit or loss	1,962,605	708,225

NOTE 15. TRADE AND OTHER PAYABLES

Description	30 June 2022	31 December 2021
Trade payables - affiliated entities and other related parties	1,231,685	910,305
Trade payables - Other	742,893	970,495
Total Trade payables	1,974,578	1,880,800
Other taxes and duties	2,364,510	370,504
Settlements between affiliated entities	118,141,377	88,933,711
Capital recharges with shareholders	39,962	-
Dividends	1,547,160	679,899
Other creditors	3,647,362	6,591,805
Total Other payables	125,740,371	96,575,919
Total Trade and other payables	127,714,949	98,456,719

NOTE 16. OPERATING REVENUES

Description	30 June 2022	30 June 2021
Revenues from services rendered	13,653,323	29,737,224
Revenues from rentals, service charge and similar	121,849	310,156
Other Revenues	486,512	680,242
Total operating revenues	14,261,684	30,727,622

The “Revenues from services rendered” and “Revenues from rentals, service charge and similar” are mainly in connection with management fees and rent (in connection with the utilized surfaces) invoiced to subsidiaries. Detailed information about the balances and transactions with related parties are presented in Note 20.

NOTE 17. OPERATING EXPENSES

Description	30 June 2022	30 June 2021
Other external expenses	333,705	102,670
Other operating expenses	7,540,928	1,825,172
Staff expenses	1,130,247	2,279,158
Other expenses	727,624	20,699
Depreciation expenses	1,941,702	790,707
Stock option plan	6,725,245	-
Total operating expenses	18,399,451	5,018,406

NOTE 17. OPERATING EXPENSES (continued)

Description	30 June 2022	30 June 2021
Expenses with maintenance and repair	2,637	3,882
Expenses with royalties and rents	338,677	231,987
Insurance premiums expenses	66,401	27,226
Expenses with collaborators	249,740	170,649
Expenses regarding commissions and fees	241,676	243,583
Protocol, advertising and marketing expenses	1,146,309	376,786
Transport expenses	100,015	2,261
Postal and telecommunications expenses	22,593	21,796
Banking and similar fees expenses	8,402	6,286
Other expenses with services performed by third parties	5,364,478	740,716
Total Other operating expenses	7,540,928	1,825,172

Description	30 June 2022	30 June 2021
Audit, limited review and valuation expenses	133,691	94,294
Other professional services, consultancy and accounting	1,326,224	395,615
Administration services	131,000	58,130
Other expenses (service fees, etc.)	3,039,167	9,444
Other services (IT, security, maintenance, recruitment etc.)	734,396	183,233
Total Other expenses with services performed by third parties	5,364,478	740,716

NOTE 18. FINANCIAL INCOME

Description	30 June 2022	30 June 2021
Revenues from dividends	50,918,000	1,881,012
Revenues from interest	5,657,948	2,974,676
Other financial revenues	770,462	3,650,542
Total financial revenues	57,346,410	8,506,230

In current period the Company have received dividends from the subsidiary One Mircea Eliade Properties SRL in amount of RON 50 million, as the residential project was completed and statutory accounting profit was recorded and Skia Real Estate – dividends of RON 918,000. All the dividends were collected in full.

Description	30 June 2022	30 June 2021
FX net gain	770,462	3,650,542
Total other financial revenues	770,462	3,650,542

NOTE 19. FINANCIAL EXPENSES

Description	30 June 2022	30 June 2021
Interest expenses	432,486	713,927
Total financial expenses	432,486	713,927

NOTE 20. RELATED PARTIES

The Entity's affiliates and other related parties with which have incurred transactions at 30 June 2022 and 31 December 2021:

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
Neo Mamaia SRL	Romania	Subsidiary - Affiliate
Neo Timpuri Noi SRL	Romania	Subsidiary - Affiliate
Neo Herastrau Park SRL (former Neo Dorobanti SRL)	Romania	Subsidiary - Affiliate
Neo Downtown SRL	Romania	Other related party
One Floreasca Towers SRL (former One Herastrau IV SRL)	Romania	Subsidiary - Affiliate
One Long Term Investments SRL (former One Herastrau Real Estate SRL)	Romania	Subsidiary - Affiliate
One Cotroceni Park Office SA	Romania	Subsidiary - Affiliate
One Cotroceni Park Office Faza 2 SA	Romania	Subsidiary - Affiliate
One Cotroceni Park Office Faza 3 SA (former One Verdi Park Office SA)	Romania	Subsidiary - Affiliate
One Mamaia SRL	Romania	Subsidiary - Affiliate
Reinvent Energy SRL	Romania	Associate
One Plaza Athene SRL	Romania	Subsidiary - Affiliate
One Proiect 4 SRL	Romania	Subsidiary - Affiliate
One Proiect 5 SRL	Romania	Subsidiary - Affiliate
One Proiect 7 SRL	Romania	Subsidiary - Affiliate
One Proiect 8 SRL	Romania	Subsidiary - Affiliate
One Proiect 9 SRL	Romania	Subsidiary - Affiliate
One Proiect 10 SRL	Romania	Subsidiary - Affiliate
One United Italia SRL	Romania	Subsidiary - Affiliate
Bo Retail invest SRL	Romania	Subsidiary - Affiliate
One High District S.R.L.	Romania	Subsidiary - Affiliate
One Lake Club S.R.L.	Romania	Subsidiary - Affiliate
One United Management Services SRL	Romania	Subsidiary - Affiliate
One Carpathian Lodge Magura SRL (former Carpathian Estate S.R.L.)	Romania	Indirect Subsidiary
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
Andrei Liviu Diaconescu	Romania	Shareholder and key management personnel
Victor Capitanu	Romania	Shareholder and key management personnel
Vinci Invest SRL	Romania	Other related party
Liviu Investments SRL	Romania	Other related party
Lemon Interior Design SRL	Romania	Other related party
Lemon Office Design SRL	Romania	Other related party
Blue Capital SA (former Smart Capital Investments SA)	Romania	Other related party
Ploiesti Logistics SRL	Romania	Other related party
Element Investments SRL	Romania	Other related party
Element Invest Partners SRL	Romania	Other related party

ONE UNITED PROPERTIES SA
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(Amounts are expressed in RON, unless otherwise mentioned)

DR Consulting & Other Services SRL	Romania	Other related party
Samoilă Valentin-Cosmin PFA	Romania	Other related party
One Energy Division SRL	Romania	Other related party
One Holding Investments SRL	Romania	Other related party
One Holding Ver SRL	Romania	Other related party
One Holding OA SRL	Romania	Other related party
ACC Investments SRL	Romania	Other related party
CTT & ONE AG	Switzerland	Associate
CC Trust Group AG	Switzerland	Associate
CCT & One Properties SA	Switzerland	Associate
Bucur Obor SA	Romania	Indirect Subsidiary
Dragos-Horia Manda	Romania	Key management personnel, Minority shareholder
Claudio Cisullo	Switzerland	Key management personnel, Minority shareholder
Gabriel-Ionut Dumitrescu	Romania	Key management personnel, starting 2022 exit the Board
Adriana-Anca Anton	Romania	Key management personnel, starting 26.04.2022 exit the Board
Valentin-Cosmin Samoilă	Romania	Key management personnel
Marius-Mihail Diaconu	Romania	Key management personnel, Minority shareholder
Augusta Dragic	Romania	Key management personnel
Magdalena Souckova	Czech Republic	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	2022	2021
Employee benefits	240,278	437,945

The following tables provides the total amount of transactions that have been entered into with affiliates and other related parties during 2022 and 2021 and as well as balances with related parties as at 30 June 2021 and 31 December 2021:

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2022	31 December 2021
Receivables and other receivables related to goods and services sold	Key management personnel	-	-
	Affiliates - Subsidiaries	93,159,009	103,567,267
	Other related parties and associates	2,961,052	153,491

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2022	31 December 2021
Payables related to goods and services paid	Key management personnel	-	-
	Affiliates - Subsidiaries	122,864,835	97,345,816
	Other related parties and associates	118,827	22,767

Nature of balances	Affiliates and other related party categories	Statement of financial position	
		30 June 2022	31 December 2021
Prepayments and advance payments	Key management personnel	-	-
	Affiliates - Subsidiaries	495,302	-
	Other related parties and associates	-	-

NOTE 20. RELATED PARTIES (continued)

Nature of transactions	Affiliates and other related party categories	Income statement (Income/(expense))	
		30 June 2022	30 June 2021
Interest income and other financial income	Key management personnel	-	-
	Affiliates - Subsidiaries	5,418,340	2,786,285
	Other related parties and associates	66,085	-
Dividends income	Key management personnel	-	-
	Affiliates - Subsidiaries	50,918,000	1,881,012
	Other related parties and associates	-	-
Rent and royalties income	Key management personnel	-	-
	Affiliates - Subsidiaries	192,038	346,168
	Other related parties and associates	16,909	-
Management and administration income	Key management personnel	-	-
	Affiliates - Subsidiaries	13,900,753	29,737,224
	Other related parties and associates	-	-
Rent and utilities expenses	Key management personnel	-	-
	Affiliates - Subsidiaries	2,006,444	641,040
	Other related parties and associates	-	-
Management and administration expenses	Key management personnel	-	-
	Affiliates - Subsidiaries	441,420	288,064
	Other related parties and associates	115,351	-

Loans granted to affiliates and other related parties		Amounts granted to affiliates and other related parties	
		Interest balance	
Loans granted to affiliates- subsidiaries	2022	18,927,902	389,935,977
	2021	13,895,502	270,358,882
Loans granted to other related parties and associates	2022	343,259	13,040,491
	2021	487,038	10,966,323
Key management personnel of the Group:	2022	-	-
	2021	-	-
Total loans granted to affiliates and other related parties	2022	19,271,161	402,976,468
	2021	14,382,540	281,325,205

Loans received from affiliates and other related parties		Amounts due to affiliates	
		Interest balance	
Loans received from affiliates- subsidiaries	2022	-	27,906,716
	2021	-	27,921,952

NOTE 21. CONTINGENCIES

Starting with October 2019, the Romanian tax authorities carried out a control for the VAT refund that covers the amounts requested for refund until 31 May 2019 inclusive. This control was completed in April 2020 and the Company is in process of collecting the amounts approved for reimbursement. The amounts declined are insignificant, representing approximately 1% from the total amount requested for refund, however the Company intends to challenge them in front of the authorities.

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.

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

On 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.

On 8 July 2022, the Bucharest Court of Appeal suspended the building permit of the development One Modrojan, issued by the General Mayor of the Municipality of Bucharest, until a first ruling will be issued in the main case. The first hearing of the main case has already been scheduled for September 6, 2022.

NOTE 22. EVENTS AFTER THE REPORTING PERIOD

In July 2022, the Company established four new subsidiaries owned 100%, One Proiect 11 SRL, One Proiect 12 SRL, One Proiect 14 SRL and One Proiect 15 SRL.

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 253,717,057.50 RON divided into share capital nominal value of 40,594,729.2 RON respectively 0.2 RON per each share and share premium of 213,122,328.30 RON. The share capital of the Company is thus increased from the nominal value of 514,828,058.80 RON to the nominal value of 555,422,788 RON.

In August 2022 the Company acquired 100% shares in a new subsidiary MAM IMOB BUSINESS CENTER S.R.L. that owns and operates the office building located at 29-31 Nicolae Titulescu Boulevard, Bucharest, Romania (One Victoriei Plaza). The total value of the transaction is approximately 28 million EUR, comprising of an equity component in amount of approximately 9 million EUR and a bank loan of approximately 19 million EUR, granted for a period of 15 years. The office building is fully leased to First Bank as a tenant.

In August 2022 the Company, through its subsidiary signed a presale purchase agreement for a plot of land of 36,869 sqm on Poligrafiei Boulevard no. 50 and 52-54, in Bucharest Sector 1, together with 19 old buildings constructed thereon, which will be demolished. The Company intends to develop on this land a predominantly residential development, called One Herastrau City.

The interim condensed separate financial statements were approved by the Management of the Company, authorized for issue on 19 August 2022 and signed on its behalf by:

Victor Capitanu
Administrator

Valentin-Cosmin Samoila
Chief Financial Officer