Perspectives and Income and Expense Budget for 2025

Macroeconomic indicators for 2025 of the National Commission for Strategy and Prognosis

The below analysis is based on the Autumn report released in December 2024 by the National Commission for Strategy and Prognosis. The data provided may be revised in light the fiscal measures to be implemented in Romania to achieve a 7% GDP deficit for 2025 (8.65% in 2024), and global and EU-level political and economic developments.

In 2024, the economy grew at a slower rate than anticipated, by approx. 1% compared to the 3.4% initially projected by the Romanian Government. Additionally, the inflation rate decreased more gradually than expected, standing around 5% at the end of the year, instead of the 4.6% originally forecasted.

		2023	2024	2025	2026	2027	2028
						- percentage change from previous year% -	
GROSS DOMESTIC PRODUCT	- billion ron	1,604.6	1,764.5	1,912.6	2,067.1	2,218.6	2,373.0
	- real growth %	2.4	1.0	2.5	3.0	2.6	2.4
of which gross value added in:							
- Industry		-2.2	-0.2	0.5	2.3	2.5	2.4
- Agriculture, forestry, fishing		9.6	-11.0	3.9	3.1	1.4	1.1
- Constructions		12.0	-0.4	4.8	6.8	5.2	4.1
- Services		2.0	1.3	2.5	2.8	2.4	2.2
Net taxes on the product		5.5	8.5	3.0	3.2	2.6	2.5
Final consumption		3.7	4.0	2.1	2.3	2.2	2.1
Private consumption		3.0	5.4	2.5	2.9	2.7	2.5
Government consumption		6.3	-1.0	0.4	0.3	0.5	0.6
Gross fixed capital formation		14.5	2.1	5.9	7.0	4.7	3.5
Export of goods and services		-0.8	-2.4	2.3	3.2	3.6	3.1
Import of goods		-1.1	3.5	3.8	4.2	4.0	3.2
Export of goods (FOB)	-millions of euros	93	93	96	100	106	111
	- %	1.2	-0.4	3.1	4.8	5.3	4.8
Import of goods (CIF)	-millions of euros	122	126	132	138	145	151
	- %	-3.2	3.3	4.3	4.7	4.9	4.3
Trade balance - (FOB-CIF)	-millions of euros	-29	-33	-36	-38	-39	-40
Current account balance	-millions of euros	-23	-28	-28	-28	-28	-26
	-% in GDP	-7.0	-7.9	-7.4	-6.9	-6.3	-5.7
Consumer Price Index (CPI)							
- end of the year		6.6	5.0	3.8	2.9	2.7	2.5
- annual average		10.4	5.6	4.4	3.3	3.0	3.0

Source: Autumn Prognosis 2024 – 2028 elaborated by National Commission for Strategy and Prognosis.

		2023	2024	2025	2026	2027	2028
GDP deflator		12.8	8.8	5.8	4.9	4.6	4.5
Average exchange rate	- ron/euro	4.95	4.98	5.01	5.06	5.11	5.16
Average number of employees	- thous. pers.	5,364.9	5,412.0	5,475.0	5,554.0	5,622.0	5,685.0
	- %	3.0	0.9	1.2	1.4	1.2	1.1
Number of registered unemployed (end of year)	- thous. pers.	235.6	255.0	250.0	230.0	225.0	220.0
- Unemployment rate recorded at the end of the	- %	3.0	3.2	3.1	2.9	2.8	2.7
Total employed population (according to AMIGO)	- thous. pers.	7,697	7,855	7,885	7,925	7,950	7,965
	- %	-1.4	2.1	0.4	0.5	0.3	0.2
BIM unemployed (according to AMIGO)	- thous. pers.	455.6	450.0	445.0	438.0	430.0	425.0
- BIM unemployment rate	- %	5.6	5.4	5.3	5.2	5.1	5.1
Gross average earnings	- ron/month.	7,042.0	8,118.0	8,620.0	9,195.0	9,786.0	10,381.0
	- %	15.0	15.3	6.2	6.7	6.4	6.1
Net monthly average earnings	- ron/month.	4,412.0	5,047.0	5,355.0	5,712.0	6,079.0	6,449.0
	- %	16.1	14.4	6.1	6.7	6.4	6.1
Real earnings	- %	5.0	8.3	1.6	3.3	3.3	3

Source: Autumn Prognosis 2024 – 2028 elaborated by National Commission for Strategy and Prognosis.

For 2025, the National Commission for Strategy projects economic growth of 2.5% and a GDP of RON 1,912.6 billion. The inflation rate is expected to decrease to 3.8% by the end of the year, though fluctuations are anticipated during the first three quarters. In February 2025, the inflation rate stood at 5.02%, up from 4.95% in January 2025.

The average exchange rate for the year is forecasted to reach 5.01 RON/1 EUR, reflecting a 0.6pp increase compared to 2024.
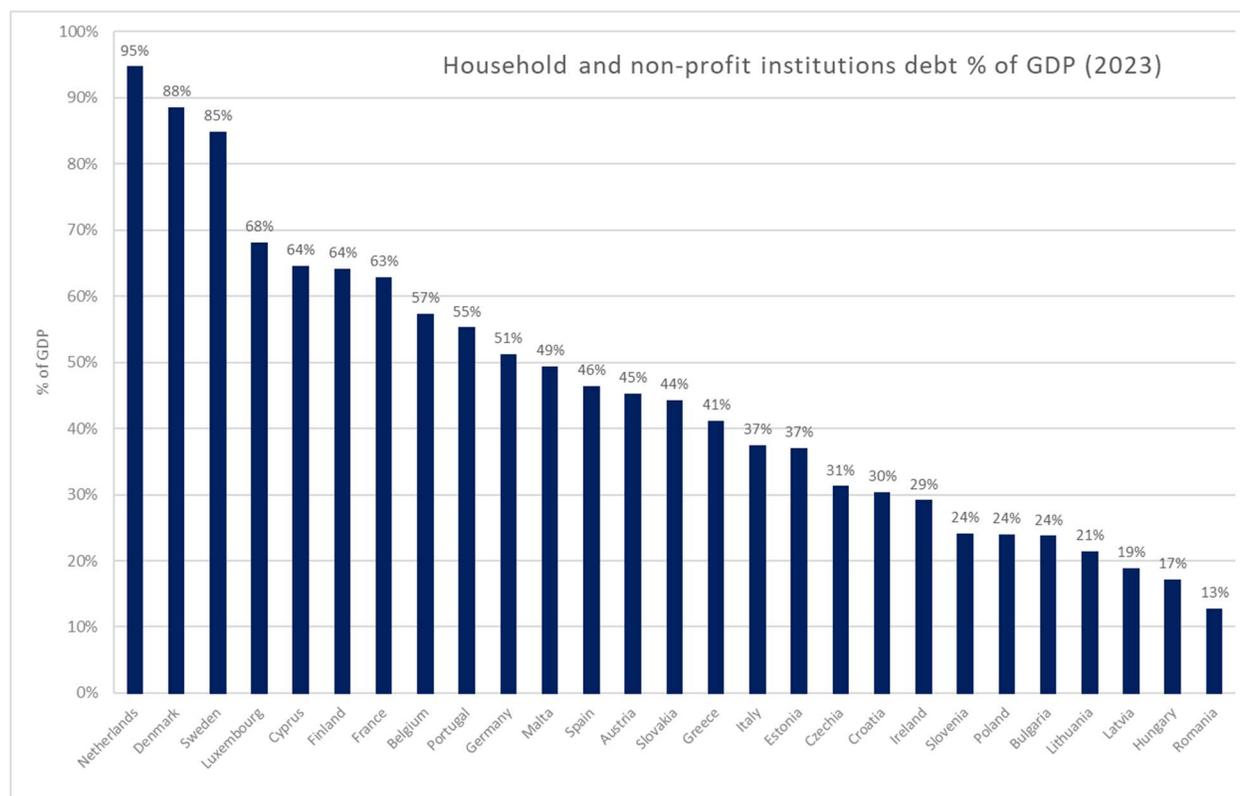
Macroeconomic indicators at European level

The analyses below are based on the available Eurostat statistics, Hypostat 2024 report as well as other available market reports. (N.B. Hypostat is a report published by European Mortgage Federation and includes a review of Europe's mortgage and housing market).

In 2023 Romania had a GDP per capita of EUR 13,030 (EUR 12,730 in 2022), higher than Bulgaria and Serbia, but lower than Hungary, Poland, and Czech Republic. At the same period it had the lowest level of indebtedness of households and non-profit organizations as % of GDP (13%) and lowest level of outstanding residential loans to GDP ratio, however this must be correlated also with the mortgage rate, Romania having at the same period the second higher rate in Europe.
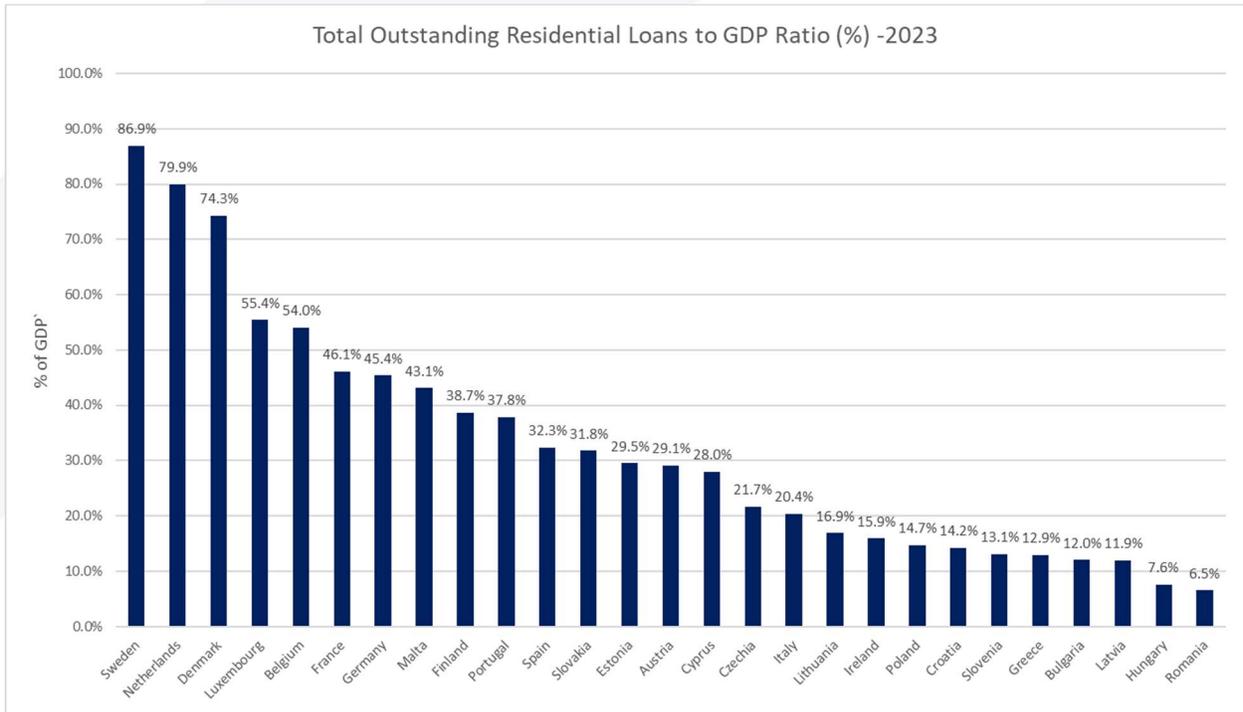
Real GDP per capita (EUR)

Country	EUR						Variation YoY (%)					
	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2024
Romania	11,830	11,460	12,190	12,730	13,030	13,140	n/a	-3%	6%	4%	2%	1%
Bulgaria	9,670	9,450	10,250	10,740	10,970	11,300	n/a	-2%	8%	5%	2%	3%
Serbia	7,130	7,110	7,740	8,150	8,520	8,900	n/a	0%	9%	5%	5%	4%
Hungary	14,980	14,370	15,460	16,160	16,030	16,160	n/a	-4%	8%	5%	-1%	1%
Poland	14,310	14,310	15,380	15,840	15,930	16,440	n/a	0%	7%	3%	1%	3%
Czech Republic	22,050	20,980	21,830	21,910	21,660	21,880	n/a	-5%	4%	0%	-1%	1%

Source: Eurostat real GDP per capita

Source: Eurostat

Total Outstanding Residential Loans to GDP Ratio (%) -2023

Source: Hypostat 2024

Average Mortgage Rate(%) - 2023
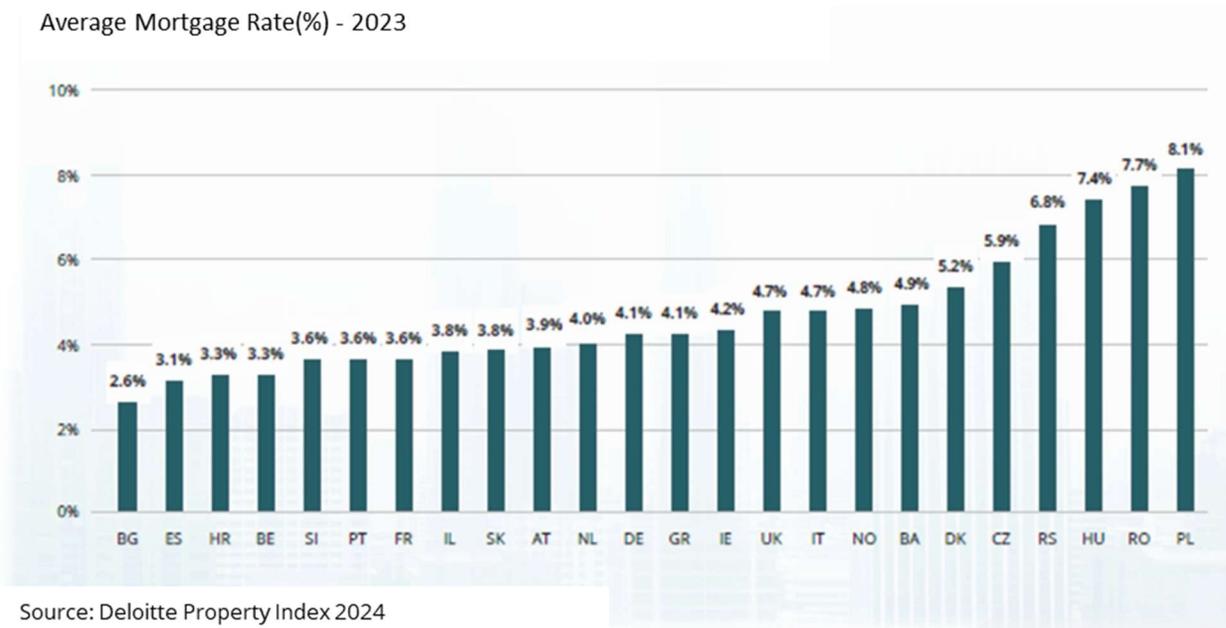
Source: Deloitte Property Index 2024

Macroeconomic indicators at Bucharest metropolitan area level

Bucharest metropolitan area represents the main market for One's residential and commercial segments and contributes with almost one third to Romania's GDP. Gross domestic product per capita at Bucharest level is more than double compared to the one at country level.

In terms of employment, on average 22% of employees are in Bucharest while the net monthly average earnings are approx. 50% higher than the rest of the country.

		2022	2023	2024	2025	2026	2027
GROSS DOMESTIC PRODUCT	- billion ron	398	446	489	530	573	615
	- % of total *	28.2	28.2	28.2	28.2	28.2	28.2
GROSS DOMESTIC PRODUCT/capita - Bucharest	- euro	35,291	39,316	42,474	45,384	48,072	50,593
GROSS DOMESTIC PRODUCT/capita - total	*- euro*	*15,012*	*16,820*	*18,280*	*19,663*	*21,056*	*22,400*
Average number of employees	- no. - thous. pers. - Bucharest	1,155	1,167	1,188	1,216	1,247	1,274
	- no. - thous. pers. - total	5,210	5,259	5,342	5,445	5,554	5,646
	- % of total	22.2	22.2	22.2	22.3	22.4	22.6
	- % change vs prior year - Bucharest	2.4	1.0	1.8	2.4	2.5	2.2
	- % change vs prior year - total	*2.3*	*0.9*	*1.6*	*1.9*	*2.0*	*1.7*
Net monthly average earnings	- ron/month	5,110	5,827	6,382	6,904	7,414	7,897
	- % change vs prior year - Bucharest	11.7	14.0	9.5	8.2	7.4	6.5

*Total is referred as being the value at Romania level.
Source: Fall Prognosis 2023 – 2027 by regions elaborated by National Commission for Strategy and Prognosis.

Compared to other European regions, Bucharest metropolitan area has one of the highest GDP/capita, based on the last available data (i.e. 2023), being in top 10, after regions from Ireland, Luxemburg, Prague and Brussels and above Hamburg.

Main financial indicators and proposed income and expense budget for 2025

in RON for the year	2024 Actual	2025 Budget	Variation	%
Revenues from sales of residential property	1,141,909,097	1,304,203,117	162,294,020	14%
Cost of sales of residential property	(784,795,232)	(848,966,587)	(64,171,355)	8%
Other property operating expenses - residential	(13,328,691)	(19,610,531)	(6,281,840)	47%
Commissions for brokerage real estate - residential	(13,658,244)	(12,508,187)	1,150,057	-8%
Net income from residential property	**330,126,930**	**423,117,812**	**92,990,882**	**28%**
Gains from investment property under development	57,995,556	25,481,995	(32,513,561)	-56%
Gains from completed investment property	59,642,408	38,689,837	(20,952,571)	-35%
Gains from investment property for further development	16,604,838	-	(16,604,838)	-100%
Rental income	116,208,216	132,588,092	16,379,876	14%
Revenues from services to tenants	35,239,270	48,101,863	12,862,593	37%
Expenses from services to tenants	(35,239,270)	(48,101,863)	(12,862,593)	37%
Other property operating expenses - commercial	(8,719,045)	(9,183,671)	(464,626)	5%
Commissions for brokerage real estate - commercial	(4,577,216)	(3,634,593)	942,623	-21%
Net rental income	**102,911,955**	**119,769,828**	**16,857,873**	**16%**
Administrative expenses	(74,166,329)	(63,471,412)	10,694,917	-14%
Net other operating (expense) / income	(11,428,927)	(58,410)	11,370,517	-99%
Result from operating activity	**481,686,431**	**543,529,649**	**61,843,218**	**13%**
Financial income	18,785,910	9,921,888	(8,864,022)	-47%
Financial expenses	(69,722,869)	(89,604,080)	(19,881,211)	29%
Result before tax	**430,749,472**	**463,847,457**	**33,097,985**	**8%**
Income tax	(58,123,920)	(70,315,593)	(12,191,673)	21%
Net result of the period	**372,625,552**	**393,531,864**	**20,906,312**	**6%**

Analysis of main financial positions

Turnover forecasted to grow by 8% up to RON 1,549,064,903 (RON 1,437,731,021 in 2024) due to increases in revenues from sales of residential property and rental income from commercial segment.

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

Net Income from sales of residential property forecasted to increase 28% up to RON 423,117,812. The increase is the effect of the higher revenues from sales of residential property, that are expected to go up with 14% in 2025 and higher net margin on sales (to 32.4%, +3.5pp in 2025 vs 2024). The better margin is mainly explained by the developments under construction that are in the final stages, therefore positively influencing the net margin, in line with the revenue recognition policy applied by the Group.

Net rental income from commercial segment is expected to increase in 2025 by 16% up to RON 119,769,828 (RON 102,911,955 in 2024), driven mainly by higher rental income. **Rental income and revenues from services to tenants** is forecasted to increase by 19% to RON 180,689,955 (RON 151,447,486 in 2024) driven by full lease of One Cotroceni Park Phase 1 and Phase 2.
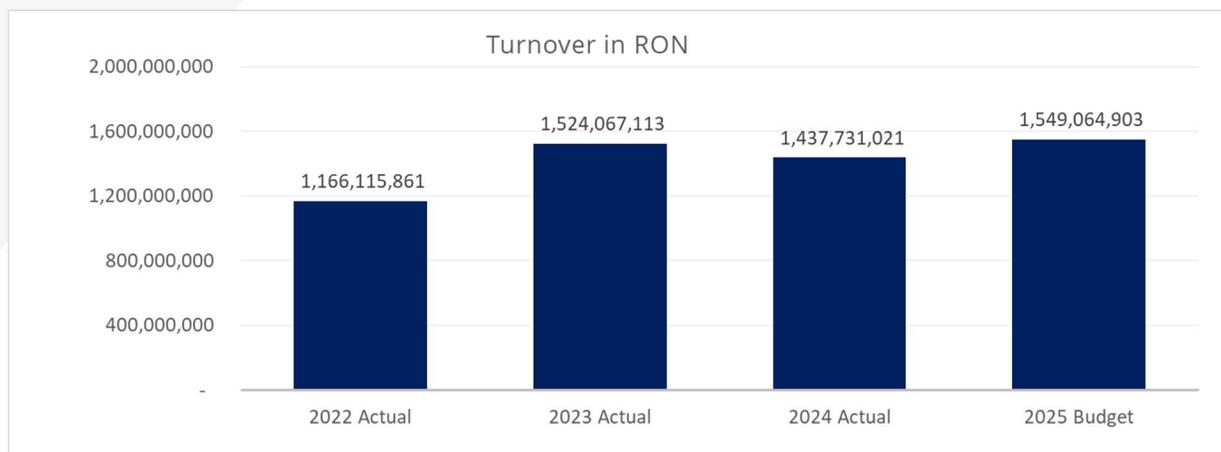
Result from operating activity forecasted to increase by 13% (i.e., RON 61,843,218) up to RON 543,529,649 in 2025 compared to actual RON 481,686,431, driven by higher net income from residential sales and net income rental as well as lower estimated administrative costs.

Net result for the period is forecasted to increase by 6% to RON 393,531,864, compared to actual RON 372,625,552 in 2024.
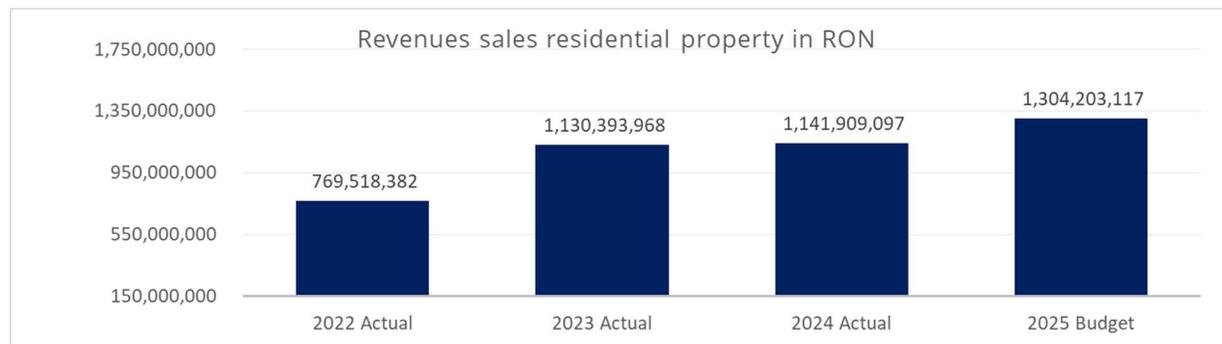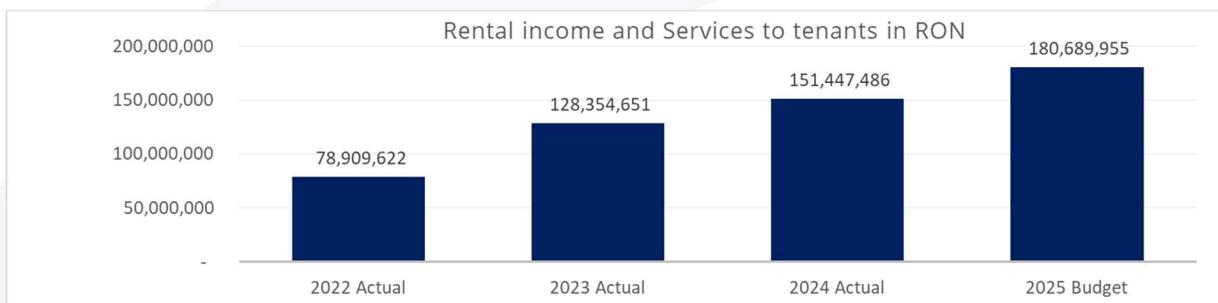
Prior years actual and budget comparison

Turnover reached RON 1,437,731,021 in 2024, 6% lower compared to 2023 and 23% higher than 2022. In 2025 it is forecasted a turnover of RON 1,549,064,903, 8% higher compared to prior year. The increase is driven by higher income both from residential and rental segments.

Turnover in RON

2022 Actual	2023 Actual	2024 Actual	2025 Budget
1,166,115,861	1,524,067,113	1,437,731,021	1,549,064,903

Revenues from sales of residential property constantly increased during 2022-2024, exceeding the milestone of RON 1 billion in 2023 and 2024. The estimated revenues from sales of residential property are RON 1,304,203,117, 14% increase compared to the actual of 2024.

Revenues sales residential property in RON

2022 Actual	2023 Actual	2024 Actual	2025 Budget
769,518,382	1,130,393,968	1,141,909,097	1,304,203,117

Rental income and revenues from services to tenants had an ascending trend during 2022-2024 driven by the revenues coming from tenants at One Tower (leased out 100% as of December 31st, 2024), One Cotroceni Park Phase 1 (leased out at 94% as of December 31st, 2024), One Cotroceni Park Phase 2 (leased out at 93% as of December 31st, 2024 with 73% of tenants moved in), One Victoriei Plaza (acquisition finalized in Q3 2022, 100% leased out), as well as the impact of the results generated by Bucur Obor, consolidated under the commercial segment. The forecast for 2025 is a 19% increase vs. 2024, up to RON 180,689,955.

Rental income and Services to tenants in RON

	2022 Actual	2023 Actual	2024 Actual	2025 Budget
Value	78,909,622	128,354,651	151,447,486	180,689,955

Net profit for the year decreased in 2024 vs 2023 by 17%. In 2025, the Company estimates an net profit of RON 393,531,864, 6% higher than in 2024, mainly driven by the performance of the residential and commercial segments.

Net profit in RON

	2022 Actual	2023 Actual	2024 Actual	2025 Budget
Value	502,477,465	449,618,530	372,625,552	393,531,864