IMPACT DEVELOPER & CONTRACTOR S.A.

UNAUDITED PRELIMINARY INDIVIDUAL FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2019

Prepared in accordance with
the Public Finances Minister's Order no. 2.844/2016 on the approval
of the accounting regulations compliant with the
International Financial Reporting Standards adopted by the
European Union (IFRS-EU)

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(all amounts are expressed in thousand RON, unless stated otherwise)

	31 December 2019 (unaudited)	31 December 2018 (audited)
ASSETS		
Non-current assets		
Tangible non-current assets	3,830	5,629
Intangible non-current assets	128	67
Investment properties	386,764	217,113
Financial assets	56,191	56,190
Trade and other receivables	21,240	19,043
Total non-current assets	**468,153**	**298,042**
Active circulante		
Inventories	217,140	264,627
Trade and other receivables	70,698	41,244
Cash and cash equivalents	35,357	26,676
Total current assets	**323,195**	**332,547**
Total assets	**791,348**	**630,590**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	281,907	285,330
Share premium	68,760	68,760
Revaluation reserves	3,001	3,064
Other reserves	9,326	730
Own shares	(7,771)	(3,038)
Retained earnings	242,885	94,020
Total equity	**598,107**	**444,866**
Long-term liabilities		
Loans	115,723	114,100
Trade and other payables	330	1,151
Deferred tax	49,065	25,009
Total long-term liabilities	**165,118**	**140,261**

(all amounts are expressed in thousand RON, unless stated otherwise)

	31 December 2019 (unaudited)	31 December 2018 (audited)
Current liabilities		
Trade and other payables	1,765	28,786
Loans	24,451	12,075
Provisions for risk and charges	1,907	601
Total current liabilities	**28,123**	**41,462**
Total liabilities	**193,241**	**181,723**
Total shareholders' equity and liabilities	**791,348**	**630,590**

Sorin Apostol
Chief Executive Officer

Giani Kacic
Chief Financial Officer

Iuliana Mihaela Urda
President of the Board

IMPACT DEVELOPER & CONTRACTOR S.A.
PRELIMINARY INDIVIDUAL STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019
(all amounts are expressed in thousand RON, unless stated otherwise)

	2019 (unaudited)	**2018 (audited)**
Revenue from real estate inventories	156,695	101,469
Costs related to real estate inventories	(87,331)	(60,207)
Gross profit	**69,364**	**41,261**
Net rental income	72	1,978
General and administrative expenses	(19,924)	(20,300)
Marketing expenses	(3,871)	(1,819)
Other operating income/expenses	(745)	(796)
Amortization	(955)	(3,302)
Total other income / expenses	**(25,423)**	**(24,240)**
Profit from investment properties	163,392	23,394
Adjusted operating profit before exceptional items and impairment of other non-current assets	**207,333**	**40,415**
Impairment of assets	261	(2,208)
Other profit and loss (exceptional)	(3,560)	(3,676)
Operating profit	**204,034**	**34,532**
Financial costs, net	(7,150)	(7,258)
Profit before tax	**196,884**	**27,274**
Income tax expenses	(32,285)	(7,287)
Result for the period	**164,599**	**19,987**
Global result due to :		
Company Sherholders	164,599	19,987
Global results for the period	**164,599**	**19,987**

Sorin Apostol	**Giani Kacic**	**Iuliana Mihaela Urda**
Chief Executive Officer	Chief Financial Officer	President of the Board

IMPACT DEVELOPER & CONTRACTOR S.A.
PRELIMINARY INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019
(all amounts are expressed in thousand RON, unless stated otherwise)

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance at 1 January 2019	**285,330**	**68,760**	**3,064**	**730**	**(3,038)**	**94,020**	**448,866**
Comprehensive income							
Profit for the year	-	-	-	-	-	164,599	164,599
Other comprehensive income	-	-	-	-	-	1,992	1,992
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**166,591**	**166,591**
Transactions with owners of the Company							
Own shares aquired in the year	-	-	-	-	(8,156)	-	(8,156)
Dividends	-	-	-	-	-	(9,194)	(9,194)
Credit to equity for equity settled share-based payments	(3,423)	-	-	-	3,423	-	-
Other changes in equity							
Set up of legal reserves	-	-	-	8,596	-	(8,596)	-
Transfer of reserves	-	-	(63)	-	-	63	-
Revalution reserves	-	-	-	-	-	-	-
Balance at 31 December 2019	**281,907**	**68,760**	**3,001**	**9,326**	**(7,771)**	**242,885**	**598,107**

Sorin Apostol
Chief Executive Officer

Giani Kacic
Chief Financial Officer

Iuliana Mihaela Urda
President of the Board

(all amounts are expressed in thousand RON, unless stated otherwise)

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance at 1 January 2018	**285,330**	**68,760**	**3,025**	**8,430**	**-**	**66,309**	**431,854**
Comprehensive income							
Profit for the year	-	-	-	-	-	19,987	19,987
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**19,987**	**19,987**
Transactions with owners of the Company							
Own shares aquired in the year	-	-	-	-	(3,353)	-	(3,353)
Own shares related	-	-	-	-	315	-	315
Other changes in equity							
Set up of legal reserves	-	-	-	1,015	-	(1,015)	-
Transfer of reserves	-	-	(24)	(8,715)	-	8,739	-
Revalution reserves	-	-	63	-	-	-	63
Balance at 31 December 2018	**285,330**	**68,760**	**3,064**	**730**	**(3,038)**	**94,020**	**448,866**

Sorin Apostol
Chief Executive Officer

Giani Kacic
Chief Financial Officer

Iuliana Mihaela Urda
President of the Board

1. REPORTING ENTITY

Impact Developer & Contractor S.A ("the Company") is a Company resgistered in Romania whose activity is the development of real estate objects.

The registered office of the Company is Willbrook Platinum Business & Convention Center No. 172 -176, Rd. Bucuresti-Ploiesti, Building A, 1st floor, Bucharest, 1st district.

The Company controls several other entities and prepares consolidated financial statements. According to the provisions of Law no. 24/2017, such entities have to prepare individual financial statements also.

The Company is one of the first companies active in real estate development sector in Romania, being constituted in 1991 through public subscription. Initially, its first activities were renting and maintenance of deluxe villas in Bucharest area. In 1995, the Company introduced the residential concept on the Romanian market and, consequently, it changed into a pure real estate developer. Starting 1996, the Company's securities are publicly traded in Bucharest Stock Exchange (BVB).

In 2018 and 2019 the business of Impact revolves around a major project: Greenfield residential complex in Bucharest and Boreal Plus in Constanta.

2. BASIS OF PREPARATION

a) Declaration of conformity

The Preliminary Unaudited Individual Financial Statements have been prepared based on the Public Finance Minister's Order no. 2.844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards ("IFRS"), as further amended ("OMPF 2.844/2016"). As per the OMFP 2.844/2016, the International Financial Reporting Standards represent the standards adopted in accordance with the procedure provided by the European Commission Regulation no. 1.606/2002 of the European Parliament and of the Council dated on 19 July 2002 regarding the application of the international accounting standards.

These Unaudited Preliminary Individual Financial Statements have been drawn-up prior to the completion of all internal review and analysis procedures, as well as prior to the completion of the independent audit and, as such, may be subjected to changes; at the same time, these statements do not include the information required for a complete set of financial statements, as defined by IFRS.

The Financial Statements shown here include only a Preliminary individual Statement of Financial Position, a Preliminary Individual Statement of Financial Performance,the Preliminary Individual Statement of Changes in Equity and Explanatory Notes to the Unaudited Preliminary Individual Financial Statements drawn up for the financial year ended on December 31st, 2019.

The Unaudited Preliminary Individual Financial Statements as of and for the financial year ended on December 31st, 2019 have not been audited nor reviewed by an independent auditor.

These Unaudited Preliminary Individual Financial Statements have been authorized for issue and signed on February 28th, 2020 by the management of the Company

b) Use of estimates and profesional judgments

Preparing these Unaudited Preliminary Individual Financial Statements means that the Company's management uses reasoning, estimates and hypotheses that affect the application of accounting policies, and the acknowledged value of the assets, debts, revenues and expenses. Actual results may differ from the estimated values.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Sorin Apostol	**Giani Kacic**	**Iuliana Mihaela Urda**
Chief Executive Officer	Chief Financial Officer	President of the Board

Consolidated (unaudited) preliminary information

31 December 2019

Content

(all amounts are expressed in thousand RON, unless stated otherwise)

Consolidated Statement of Financial Position as of 31 December 2019

		31-Dec -2019 (unaudited)	31-Dec-2018 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		6,056	6,855
Intangible assets		143	95
Investment property		387,702	217,113
Long term trade and other receivables		652	1,178
Total non-current assets		**394,553**	**225,241**
Current assets			
Inventories		447,526	365,753
Trade and other receivables		32,232	25,817
Cash and cash equivalents		45,462	30,740
Total current assets		**525,220**	**422,310**
Total assets		**919,773**	**647,551**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		281,907	285,330
Share premium		68,760	68,760
Revaluation reserve		3,001	3,072
Other reserves		9,717	3,462
Own shares		(7,771)	(3,038)
Retained earnings		240,531	89,222
Total equity		**596,145**	**446,808**
Non-current liabilities			
Loans and borrowings		138,943	114,100
Trade and other payables		330	1,151
Deferred tax liability		50,653	25,823
Total non-current liabilities		**189,926**	**141,074**

(all amounts are expressed in thousand RON, unless stated otherwise)

	31-Dec -2019 (unaudited)	31-Dec-2018 (audited)
Current liabilities		
Loans and borrowings	58,692	34,894
Trade and other payables	73,103	24,176
Provisions for risks and charges	1,907	601
Total current liabilities	**133,702**	**59,671**
Total liabilities	**323,628**	**200,745**
Total shareholders' equity and liabilities	**919,773**	**647,553**

Sorin Apostol,
Chief Executive Officer

Iuliana Mihaela Urda,
President BOD

Giani Kacic
Chief Financial Officer

(all amounts are expressed in thousand RON, unless stated otherwise)

Consolidated Statement of Profit or Loss for the year ended 31 December 2019

	31 December 2019 (unaudited)	31 December 2018 (audited)
Revenue from real estate inventories	156,681	101,534
Costs of real estate inventories	(83,476)	(61,484)
Gross profit	***73,205***	***40,050***
Net rental income	4,326	3,083
General and administrative expenses	(21,009)	(18,416)
Marketing expenses	(4,647)	(1,776)
Other income/expenses	276	(5,207)
Depreciation and amortization	(927)	(895)
Total other income / expenses	**51,224**	**(23,211)**
Gains on investment property	163,392	23,394
Adjusted operating profit before exceptional items and impairment of long term assets	***214,616***	***40,233***
Impairment of other long term assets	(9,510)	(2,207)
Other gains and losses (exceptional)	(612)	(3,676)
Operating profit	***204,494***	***34,350***
Finance costs, net	(5,922)	(5,943)
Profit before income tax	***198,572***	***28,406***
Income tax credit/(charge)	(33,878)	(7,579)
Profit for the period	***164,694***	***20,827***
Total comprehensive income attributable to:		
Owners of the Company	***164,694***	***20,827***
Total comprehensive income for the period	***164,694***	***20,827***

Sorin Apostol,
Chief Executive Officer

Iuliana Mihaela Urda,
President BOD

Giani Kacic
Chief Financial Officer

(all amounts are expressed in thousand RON, unless stated otherwise)

Consolidated Statement of Changes in Equity for the year ended 31 December 2019

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance at 1 January 2019	**285,330**	**68,760**	**3,072**	**3,462**	**(3,038)**	**89,222**	**446,808**
Comprehensive income							
Profit for the year	-	-	-	-	-	164,694	164,694
Other comprehensive income	-	-	-	-	-		-
Total comprehensive income	-	-	-	-	-	**164,694**	**164,694**
Transactions with owners of the Company							
Own shares acquired in the year	(3,423)	-	-	-	3,423	-	-
Credit to equity for equity-settled share-based payments	-	-	-	-	(8,156)	-	-
Contributions and distributions	**(3,423)**				**(4,733)**		
Dividends to the owners of the Company	-	-	-	-	-	(9,195)	(9,195)
Other changes in equity							
Set up of legal reserves	-	-	-	8,596	-	(8,596)	-
Revaluation reserve	-	-	(71)	-	-	71	-
Transfer of other reserves to retained	-	-	-	(2,342)	-	2,342	-
Other changes in equity	-	-	-	-	-	1,994	1,994
Balance at 31 December 2019	**281,907**	**68,760**	**3,001**	**9,717**	**(7,771)**	**240,531**	**596,145**

Sorin Apostol,
Chief Executive Officer

Iuliana Mihaela Urda,
President BOD

Giani Kacic
Chief Financial Officer

(all amounts are expressed in thousand RON, unless stated otherwise)

Consolidated Statement of Changes in Equity for the year ended 31 December 2018

	Share capital	Share premium	Revaluation reserve	Other reserves	Own shares	Retained earnings	Total equity
Balance at 1 January 2018	**285,330**	**68,760**	**3,032**	**10,632**	**-**	**59,655**	**427,449**
Comprehensive income							
Profit for the year	-	-	-	-		20,827	20,827
Other comprehensive income	-	-	-	-		-	**-**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**20,827**	**20,827**
Transactions with owners of the Company							
Own shares acquired in the year	-	-	-	-	(3,353)	-	(3,353)
Credit to equity for equity-settled share-based payments	-	-	-	-	315	-	315
Contributions and distributions							
Dividends to the owners of the Company	-	-	-	-	-	-	**-**
Other changes in equity							
Set up of legal reserves	-	-	-	1,015	-	(1,015)	-
Revaluation reserve	-	-	63	-	-	(63)	-
Transfer of other reserves to retained	-	-	(24)	(8,184)	-	9.817	1,570
Other changes in equity	-	-	-	-	-	-	**-**
Balance at 31 December 2018	**285,330**	**68,760**	**3,072**	**3,462**	**(3,038)**	**89,222**	**446,808**

Sorin Apostol,
Chief Executive Officer

Iuliana Mihaela Urda,
President BOD

Giani Kacic
Chief Financial Officer

Notes to the financial statements

1. Basis of accounting

These preliminary unaudited consolidated financial statements are the consolidated financial statements of Impact Developer & Constructor S.A. Group ("Company" or "IMPACT") and they include only the Consolidated statement of financial position, the Consolidated statement of profit or loss and the Consolidated statement of cash flow.

These annual consolidated financial statements have been prepared in accordance with International Reporting Standards ("IFRS") as adopted by the European Union ("IFRS-EU").

The financial statements are prepared and issued prior to the finalization of all usual internal procedures for the preparation of the annual financial reporting, as well as before concluding of the independent auditor report on the annual financial statements and as a result, differences between the preliminary consolidated financial statements and the consolidated audited financial statements might occur.

These financial statements are not audited or reviewed by an independent auditor and they are not a full set of financial statements in accordance with IFRS-UE. The preliminary unaudited consolidated financial statements were authorized for issuance and signed by the management on February 28th, 2019.

2. Reporting entity

Impact Developer & Contractor S.A (the "Company") is a joint stock company registered in Romania, whose basic activity is the development of real estate projects.

The headquarters of the Company is: Willbrook Platinum Business & Convention Center, 172-176 Sos. Bucuresti – Ploiesti, Building A, 1st Floor, Bucharest, District 1, postal code 015016.

The Company's consolidated financial statements for the year ended as at 31 December 2019 include the Company and its subsidiaries (hereinafter referred as the "Group") and the Group's interest in associated entities.

The Company's Subsidiaries (the "Subsidiaries") and the nature of their activity are as follows:

	Country of registration	**Nature of activity**	**2019**	**2018**
Clearline Development and Management SRL	Romania	Real estate development	✓	✓
Actual Invest House SRL	Romania	Real estate development	✓	✓
Bergamot Developments SRL	Romania	Real estate development	✓	✓
Bergamot Developments Phase II SRL	Romania	Real estate development	✓	✓

(all amounts are expressed in thousand RON, unless stated otherwise)

Impact Finance & Developments SRL	Romania	Activities auxiliary to financial intermediation	✓	✓
Greenfield Rent SRL	Romania	Real estate renting	✓	

Impact is a real estate trade group carrying out its business in the real estate development sector, being the first 100% Romanian company acting in this sector on the Romanian market.

The main activities of IMPACT include the management and development of residential assemblies. The deluxe villas assemblies located in the Northern area of Bucharest, the **Greenfield** residential complex in Bucharest and **Luxuria Domenii Residence** represent the main landmarks of these activities and support quality and services.

The company Impact Developer & Contractor was established in 1991 by public subscription.

As of 1996, the Company is listed on Bucharest Stock Exchange (BVB). In 2006, the Company's shares were promoted to 1st category of the Stock Exchange, becoming **the first** company in the real estate development and construction sector to achieve this. Since January 2015 the company shares are traded on **Premium** category according with the new local capital market segmentation.

As of 31 December 2019, the company has in progress residential developments in two cities in the country (Bucharest and Constanta), each project having different sizes and being in various stages of completion. Group IMPACT's activity is dominated by two major projects in Bucharest: **GREENFIELD residential complex** and **Luxuria Domenii Residence,** while in Constanta the main project is **Boreal Plus.**

On 2019, Impact finalized the construction of 6 buildings from Phase 7, comprising 192 apartments, majority being flats with 2 rooms the most wanted Impact product.

IMPACT has completed the basic concept and launched the project **Luxuria Domenii Residence** designed for the premium segment, for which Impact Developer, via its branch Bergamot Developments S.R.L., has acquired in 2017 a plot of land with an area of 2.25 ha in Bucharest, in the Expozitiei-Domenii neighborhood.

The residential complex **Luxuria Domenii Residence** shall include 9 buildings with 630 apartments. The project was started in 2018 and continued in 2019 according to the schedule with a first phase A, of 7 buildings, the equivalent of 500 apartments. This phase of the project is financed 65% by UniCredit Bank (more than EUR 36,000,000), while the rest of 35% are an own investment of the IMPACT group.2019 is also the year start for second phase B of the Luxuria Project,2 buildings , 130 apartments , finish first half of the 2021 year.

The optimistic views to the market, but also to the relationship between Impact and its customers is based on the diversification of both the real estate products and the financial ones, whereas the Company succeeds in managing the difficult access to financing sources and the higher and higher expectations of its customers in regard of the habitat's quality.

(all amounts are expressed in thousand RON, unless stated otherwise)

3. Subsidiaries

a) **Actual Invest House S.R.L**, a company within the Group, providing management services to new residential developments and services for furnishing and interior decoration by partnering with leading suppliers at competitive prices, using high quality materials.

b) **Clearline Development and Management S.R.L.** (formerly Lomb SA) is the project company through which IMPACT was to develop a residential project in Cluj-Napoca in partnership with the local authority. For investments made by Clearline Development & Management SRL in the development of the Lomb project in Cluj, the project company has a litigation amounting to 17,053,000 lei, plus legal interest, a file that is currently on trial with the Arges Court and it is currently carrying out the expertise (Urban Planning and Construction) as ordered in the case.

c) **Bergamot Developments S.R.L.,** a company within the Group, whose main business object is in real estate development, and starting 2018 shall develop a residential complex of approximately 51,382 sq. m. gross, namely 500 apartments on a land of approximately 17,213 sq. m., which is the first phase of the residential project Luxuria Domenii Residence. The total build gross area is approximately 65,000 sq. m., while the total land area is 22,982 sq. m. located in the Expozitiei-Domenii area.

d) **Bergamot Developments Phase II S.R.L.,** a company within the Group, whose main business object is real estate development, developing phase II (130 apartments) of the residential project Luxuria Domenii Residence, with a gross area of 13,618 sq. m., built on a land of 5,769 sq. m.

e) **Impact Finance & Developments S.R.L.,** has an important role in the diversification of services related to the sale of dwellings. Impact Finance & Developments collaborates with major financial institutions from Romania in order to provide solutions for attractive credit facilities in the shortest time possible for customers who intend to purchase a dwelling.

f) **Greenfield Rent S.R.L.,** a company within the Group, whose main business object is renting of the Group assets and development on real estate.

The preliminary consolidated results as of 31 December 2019 **are unaudited**.

Sorin Apostol,	**Iuliana Mihaela Urda,**	**Giani Kacic**
Chief Executive Officer	President BOD	Chief Financial Officer