

one

UNITED PROPERTIES

2023

Q I R E P O R T



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Financial report as of March 31<sup>st</sup>, 2023

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## ONE UNITED PROPERTIES S.A

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The interim condensed consolidated 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 March 31<sup>st</sup>, 2023, **are not 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 Q1 2023

- A **26% increase in the consolidated turnover** of One United Properties in Q1'23 vs Q1'22, as the Group reached a turnover of RON 439.5 million.
- Revenues from the **residential segment** reached **RON 329 million** in Q1'23, a **67% YoY increase** driven by enlarged and more diverse residential offering. **Net margin** of the residential segment reached **31%** for Q1'23, decrease versus 42% registered in Q1'22 due to sales kickoff at a significant number of new developments between Q4'22 and Q1'23.
- **Rental income** increased 265% up to **RON 31.5 million** in Q1'23, driven by revenues from tenants at One Tower, One Cotroceni Park Office 1, One Victoriei Plaza as well as Bucur Obor. One Cotroceni Park Office 2, delivered in February 2023, will start generating more significant revenues later in the year.
- **Administrative expenses** grew 84% to **RON 18.5 million** due to the non-cash SOP allocation (22% YoY excluding the non-cash SOP impact).
- **Gross result** reached **RON 177.9 million** in Q1'23, a 14% YoY decline (**60%** increase excluding one-off gain from Bucur Obor's bargain purchase recognized in Q1'22), while the bottom line reached **RON 151.7 million** (9% YoY decline; **119%** increase excluding the one-off gain). **EBITDA** declined 16% YoY, reaching **RON 178.4 million** in Q1'23 (**54%** increase excluding the one-off gain).
- Annualized **EPS of RON 0.16**, representing an **Earnings Yield of 18.8%** at a price per share of RON 0.85.
- Strong **cash position of RON 462.4 million**, down 18% since the beginning of the year due to significant investment activity carried out in Q1'23.
- **Gross loan to value** ratio of **28%** as of the end of Q1'23, steady since the end of 2022, proving solid financials and low leverage of the Group compared with the European peers. **Net debt is RON 449.7 million**, 9.9% from the total assets of RON 4.5 billion.

## Key events in Q1 2023

- **220 apartments** with a total surface of 18,490 sqm and 488 parking spaces and other unit types including early-stage apartments were sold and pre-sold in Q1'23 for a total of **EUR 90.5 million**.
- As of March 31<sup>st</sup>, 2023, **67% of available apartments** were sold out, with One High District being the most sought-after development for the second subsequent quarter. Amounts to be received under contracts concluded with customers as of March 31<sup>st</sup>, 2023 are **EUR 260 million in additional cash by 2025** (EUR 171 million in 2023, EUR 53 million in 2024 and EUR 36 million in 2025).
- Acquisition of a 5-hectare plot of land for **One Cotroceni Towers**, which will host 1,296 apartments and 48,000 GLA of office space, with a total GDV estimated at EUR 400 million.
- Sale in Q1'23 of **One Herastrau Office**, with the stake held by One United Properties being valued at approx. EUR 4.2 million. The management does not exclude sale of other smaller and non-core office buildings as a part of strategy to consolidate office portfolio around large, landmark mixed-use and urban regeneration developments.

## Perspectives for 2023

- Sales kickoff planned for 2023 of the first phase of **One Lake District** with 2,076 residential units, and potentially **One Cotroceni Towers**, purchased with all necessary permits, hosting 1,296 residential units.
- Recognition of the 50 already pre-sold units at **One North Lofts**, after obtaining of the building permit estimated for 2023.
- The management maintains the 2023 budget, targeting turnover of **RON 1.43 billion** and a net profit of **RON 530 million**.



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## Q1 2023 Results Call

**15.05.2023 | 10:00 & 11:00 AM**

Join the Q1 2023 results calls with One United Properties top management to discuss the performance in the three months of 2023 as well as the prospects for 2023. 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 and in 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

220 apartments with a total surface of 18,490 sqm and 488 parking spaces and other unit types were sold and pre-sold for a total of EUR 90.5 million in the first three months of 2023. In the same period of 2022, the Group sold and pre-sold 120 apartments, with a total surface of 9,811 sqm and 139 parking spaces and other unit types for a total of EUR 33.3 million. The total value of the residential sales 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 Q1 2023 was EUR 26.9 million, vs EUR 4.6 million in Q1 2022.

The significant increase in number of units sold in Q1 2023 is due to a larger and more diverse portfolio of residential units compared to the same period of the last year. On top of developments where sales started in Q4 2022, on March 20<sup>th</sup>, 2023, sales were kicked off at One Lake Club Phase 1, a high-end development that will host 586 residential units. Together with Phase 2, One Lake Club will have a total of 723 apartments.

Following the addition of One Lake Club Phase 1 to the sales' team portfolio, the total number of units available for sale increased significantly, with 67% of apartments under development being sold out. Out of developments already delivered, there are only 50 units of finalized stock available for purchase (7% of units developed) – this includes the units at One Verdi Park, where the hand-over of the apartments to clients began at the end of Q1 2023. Amounts due under contracts concluded with customers as of March 31<sup>st</sup>, 2023 are EUR 260 million in additional cash by 2025 (EUR 171 million in 2023, EUR 53 million in 2024 and EUR 36 million in 2025).

In Q1 2023, One United Properties received permit for One Lake District, a residential development which will host a total of 2,076 residential units. The sales at One Lake District are expected to start in Q2 2023. For 2023, One United Properties also considers to kick-off sales at already permitted development, One Cotroceni Towers, which is expected to continue the residential and office success of One Cotroceni Park.

Approximately half of the apartments sold by One United Properties in Q1 2023 were two-room apartments, with a total sellable area of 6,838 sqm. This demand was particularly visible at One High District, which continued to be the best-selling development of One United Properties for the second consecutive quarter. The significant demand was also registered for 3-room apartments, particularly at One High District and One Mircea Eliade, where One United Properties sold in Q1 2023, 11 of the units that were in the rental portfolio, generating an additional profit of RON 7 million. The sales per apartment type in Q1 2023 including the total saleable area of the sold units, are presented below:

Apartment type	Q1 2023	Saleable area (m <sup>2</sup> )
Studio	33	1,735
2 rooms	107	6,838
3 rooms	46	4,385
4 rooms	31	4,448
5+ rooms & villas	3	1,084
<b>TOTAL UNITS SOLD</b>	<b>220</b>	<b>18,490</b>

In Q1 2023, the large-scale development One High District, which will host 786 units, continued excellent pre-sales that started in Q4 2022. 74% of the units sold in Q1 2023 were located at One High District, with a total of 56% of units being pre-sold at this development as of March 31<sup>st</sup>, 2023. Another recently





launched development that gathered interest was high-end development One Floreasca Towers where, as of the end of Q1 2023, already 42% of the units were pre-sold. It is worth to mention that sales also continued at One Cotroceni Park, where in Q1 2023 the Group pre-sold 12 residential units.

The developments that were already delivered or are currently in advanced stages of delivery such as One Verdi Park, One Timpuri Noi or One Floreasca Vista registered a varying degree of a year-on-year slowdown in sales due to the low availability of the stock.

The sales per development in Q1 2023, where 5 or more units were sold within the reporting period, together with the total number of units sold from the launch of the sales at individual developments, until March 31<sup>st</sup>, 2023, are presented below:

Development	Delivery	Units sold in Q1 2023	Total units sold from project start	Total units developed
One High District	Q4 2025	163	437	786
One Floreasca Towers	Q2 2025	16	87	208
One Lake Club (P1+P2)	2025	15	137	723
One Cotroceni Park	Q4 2023	12	841	900
One Mircea Eliade	Q4 2020	11	239*	244
Other developments		3	916**	1,153
<b>TOTAL UNITS SOLD</b>		<b>220</b>	<b>2,657</b>	<b>4,014</b>

**NOTE:** There were 50 out of 137 residential units at One North Lofts that were pre-sold by 31.03.2023. These units will only be recognized following the obtaining of the building permit, estimated for 2023.

\* Units sold includes the 26 residential units at One Mircea Eliade that were reclassified to investment property and are currently rented out by One United Properties.

\*\* Units sold includes 6 residential units at One Herastrau Towers that were reclassified to investment property and are currently rented out by One United Properties.

## New sales kickoff in Q1 2023

In Q1 2023, One United Properties kicked-off sales at one new development – the first phase of One Lake Club, which will host 544 residential units with GDV of EUR 179.6 million. Together with Phase 2, where the sales kicked off in July 2022, One Lake Club will host a total of 723 apartments, with development's GDV being estimated at EUR 214.9 million. [More information HERE.](#)

## Landbank

In February 2023, the Company concluded an agreement for the acquisition of a plot of land of 44,863 sqm on Soseaua Progresului 56-80, in Bucharest district 5, where the Company intends to build a mixed-use development, **One Cotroceni Towers**. With estimated GDV in the range of EUR 400 million, One Cotroceni Towers will be an important mixed-use development and a landmark example of urban regeneration that will increase the attractiveness of living, working, and spending leisure time in Bucharest. It will accommodate 1,296 residential units spread over five towers. Additionally, the mixed-use development will also include a standalone AAA-class, environmentally friendly office building with a Gross Leasable Area (GLA) of approximately 48,000 sqm, which will be named One Cotroceni Park Offices 3, continuing the success story of the first two phases that have a joint GLA of 81,000 sqm. [More information HERE.](#)

As of March 31<sup>st</sup>, 2023, One United Properties had 105,971 sqm of land plots for further residential development in Bucharest, with total above-ground gross building rights (GBA) of 434,939 sqm. All these plots are currently in planning phase. The Group estimates construction of around 2,800 apartments, commercial spaces and 44,000 sqm GLA office building on these plots. Additionally, One United Properties has approximately 40,000 sqm of buildings for restauration and further development.



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 four future developments as well as it is in early discussion or negotiation stages for more than 20 other developments. Six locations out of the ten announced at the time of the capital increase in August 2022 were already acquired and made public: One City Club, One Herastrau City, One Cotroceni Towers, One Plaza Athénée, One Downtown and Eliade Tower.

## Commercial segment

In January 2023, One United Properties obtained the building permit for the restoration of a historical monument, the former Braikoff house, which has been renamed to **One Athénée**, located at 2 Georges Clemenceau Street, District 1, Bucharest, near the Romanian Athenaeum. With the Gross Development Value (GDV) of EUR 24 million, One Athénée was pre-sold in its entirety to a single buyer, with the payment of the price in installments during the re-construction of the building, and conclusion of the sale-purchase agreement being conditioned by the complete restoration of the monument. [More information about One Athénée HERE.](#)

In February 2023, One United Properties delivered **One Cotroceni Park Office 2** to its tenants. The development has a total GLA of 34,456 sqm and as of March 31<sup>st</sup>, 2023, 54% was leased out. Most of the tenants are still, as of the date of publishing this report, in the fit-out phase.

At the beginning of April 2023, One United Properties informed the market about the signing of an agreement for the sale of all the shares held in **One Herastrau Office S.A.** The Company held a 30% stake in One Herastrau Office Properties S.A., which in turn held a 66.67% stake in One Herastrau Office S.A. The participation in One Herastrau Office S.A. was acquired by One Herastrau Office Properties S.A. in June 2020, at a EUR 15 million valuation for the whole business. One Herastrau Office S.A. was sold in its entirety to a private investor for approx. EUR 21 million. One Herastrau Office S.A.'s key asset was the commercial development of One Herastrau Office, with a total GLA of 8,074 sqm, distributed over 7 floors and additional 3 floors of underground parking. The income from the sale was recognized by One United Properties in Q1 2023. [More information HERE.](#)

As of March 31<sup>st</sup>, 2023, the Company's office portfolio counted a total GLA of 130,000 sqm of office space, and it includes One Tower (GLA of 24K sqm, leased 100%), One Cotroceni Park 1 (GLA of 46K sqm, leased 88%), One Cotroceni Park 2 (GLA of 35K sqm, leased out 54%), One Victoriei Plaza (GLA of 12K sqm, leased 100%), One North Gate (GLA of 4.5K sqm, leased 70%), and Eliade Tower (GLA of 8K sqm). Together with the retail portfolio (including mainly, Bucur Obor and One Gallery), the total commercial rental portfolio of One United Properties has a GLA of approximately 172,000 sqm.

## GOVERNANCE HIGHLIGHTS

### OGSM & EGSM from April 25<sup>th</sup>, 2023

On April 25<sup>th</sup>, 2023, One United Properties 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 37 million (with first tranche paid in November 2022, the full gross dividend for 2022 is RON 73.1 million). The gross dividend of RON 0.01 per share will be paid on May 30<sup>th</sup>, 2023. One United Properties' dividend policy includes the payment of dividends on a semi-annual basis.

The shareholders further re-elected the existing Board of Directors of One United Properties, comprising of seven Members: Claudio Cisullo, Victor Capitanu, Andrei-Liviu Diaconescu, Dragos Manda, Marius Diaconu, Augusta Dragic, and Magdalena Souckova (Soucek).



The shareholders also approved the 2023 budget. Following the approval of the shareholders at the GSM, for 2023, One United Properties targets consolidated gross turnover in 2023 RON 1.43 billion, a 23% increase compared to the 2022 result, and a consolidated gross profit of RON 622.1 million, 9% higher than the 2022 result. The net profit is estimated to reach RON 530 million in 2023, a 5% increase versus 2022, with the net margin expected at 37%. The total investments and CAPEX costs for 2023, including land acquisitions and development costs, are estimated at RON 1.2 billion.

## CAPITAL MARKET HIGHLIGHTS

### Indices

As of March 20<sup>th</sup>, 2023, ONE shares are included in the ROTX index of Wiener Börse (Vienna Stock Exchange). The ROTX is a capitalization-weighted price index and is made up of 15 Romanian blue-chip stocks traded at Bucharest Stock Exchange. Calculated in EUR, USD and RON and disseminated in real-time by Wiener Börse, the ROTX is designed as tradable index and is used as underlying for structured products. The inclusion in the ROTX was part of the Company's strategy to improve the visibility of Romanian capital market on the international arena as well as contribute to the further appreciation of the Company's liquidity. More information [HERE](#).

### Liquidity

In Q1 2023, ONE was the 10<sup>th</sup> most traded stock on BVB in terms of absolute liquidity and 17<sup>th</sup> most tradeable by liquidity to free-float, registering trades of RON 31.5 million, and, additional RON 24.5 million trade executed through POF market not included in the liquidity calculations. The market capitalization as of March 31<sup>st</sup>, 2023, was RON 3.1 billion. The Company had 7,228 shareholders as of March 31<sup>st</sup>, 2023 (+115% since IPO).

The average daily traded value for ONE shares in Q1 2023 was RON 0.5 million (excluding POF trade of RON 24.5 million). In Q1 2023, ONE shares declined 3.27% versus the increase of 3.84% for the BET index.





# ANALYSIS OF THE FINANCIAL RESULTS

## EARNINGS ANALYSIS

The consolidated turnover of One United Properties grew 26% in Q1 2023 compared to Q1 2022, reaching RON 439.5 million. The increase in the turnover was supported by a 67% increase in revenues from sales of residential property, which reached RON 329 million in Q1 2023 vs RON 197.2 million in Q1 2022. The net income from residential property increased by 24% YoY, reaching RON 101.5 million, growth being smaller than the revenue appreciation due to the revenue recognition of the new developments where construction began between Q4 2022 and Q1 2023. Consequently, the net margin decreased from 42% as recorded for Q1 2022, to 31% for Q1 2023.

The rental income, which includes the income generated by the commercial division together with the revenues from the tenant services, registered a 265% increase, reaching RON 31.5 million (already 40% of the total rental income registered by the Company in 2022, of RON 78.9 million). The effect has been driven by the revenues coming from the entire portfolio, but particularly tenants at the largest developments: One Tower (leased out 100%), One Cotroceni Park 1 (leased 88% as of March 31<sup>st</sup>, 2023), One Victoriei Plaza (100% leased out), as well as the impact of the results generated by Bucur Obor, consolidated under the retail division. The management estimates that the revenues from rental income will continue to grow QoQ due to more significant commercial portfolio, particularly following the delivery of One Cotroceni Park 2 in Q1 2023 (leased 54% as of March 31<sup>st</sup>, 2023, however with most tenants still in the fit-out phase throughout Q2 2023).

It is important to mention that in Q1 2022, One United Properties recorded the one-off gain from bargain purchase in the amount of RON 97 million, representing the gain from the transaction of purchasing a majority stake in Bucur Obor, at a deeply discounted price versus the market value of the buildings, as appraised by Colliers. In contrast, in Q1 2023 the Group did not record gains from office buildings under development or gains from investment property for further development since the appraisal is done at a half-yearly basis, therefore the impact of the expansion of the landbank will be visible in the H1 2023 report. However, the Group recorded RON 78.2 million in gains from completed investment property, representing the reclassification of the apartments for rental purpose, corresponding to rental apartments at One Mircea Eliade and One Herastrau Towers, held primarily for the purpose of price appreciation, as well as the start of operations of the commercial space of 2,000 sqm located within One Verdi Park, and long-term rented to Lidl for 9+9 years.

Administrative expenses grew 84% to RON 18.5 million, driven by the recognition of the expense related to the Stock Option Plan in Q1 2023 to be granted to the executive members of the Board of Directors, following the meeting of the performance criteria outlined in the SOP program for the 2021 performance. The total non-cash value of SOP in Q1 2023 is RON 6.3 million. Consequently, excluding the SOP non-cash expense, the administrative expenses increased with 22% YoY, moderate increase given the growing size of business. In terms of other operating expenses, these declined by 10%, amounting to RON 3.5 million. Out of this amount RON 2.7 million are sponsorships related to CSR activities, which are expected to be generally deducted from the profit tax, while other items include expense with provisions and allowance for impairment.

Other property operating expenses for commercial segment increased by 2%, to RON 2.3 million in Q1 2023. Other property operating expenses for residential segment, which include the property expenses for residential developments completed and not yet fully delivered to clients, increased 69%, to RON 3.2 million due to selected developments entering the final stages of completion and being handover to the clients. Please note that this category was introduced as of Q3 2022 report, and thus the Company reclassified this category of costs for Q1 2022 and restated them in this report for comparability.

EBITDA amounted to RON 178.4 million in Q1 2023, registering a 16% decline due to the one-off gains'



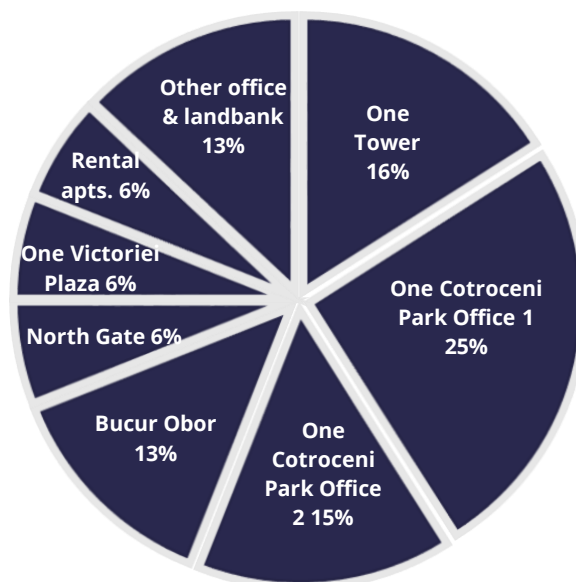
recognition in Q1 2022, attributable to bargain purchase of Bucur Obor. Excluding this extraordinary event, the EBITDA increased in Q1 2023 54% versus Q1 2022. The gross result reached RON 177.9 million in Q1 2023, a 14% decrease compared to Q1 2022 (+60% excluding Bucur Obor impact from Q1 2022), while the bottom-line amounted RON 151.7 million, a 9% decline YoY (+119% increase excluding Bucur Obor). The income tax for Q1 2023 amounted to RON 26.2 million, of which RON 3.9 million is the actual expenditure and the remaining RON 22.3 million represents the deferred tax on profit, generated by gains from fair value adjustment, which will become taxable only upon the sale of respective assets.

Selected P&L positions (RON)	Q1 2023	Q1 2022	Δ %
Revenues from sales of residential property	329,036,313	197,177,473	67%
Cost of sales of residential property	(224,416,147)	(113,362,435)	98%
Other property operating expenses - residential	(3,166,577)	(1,870,174)	69%
<b>Net income from residential property</b>	<b>101,453,589</b>	<b>81,944,864</b>	<b>24%</b>
Rental income incl. revenues from tenant services	31,464,081	8,628,951	265%
Other property operating expenses - commercial	(2,295,368)	(2,250,777)	2%
<b>Net rental income</b>	<b>21,784,677</b>	<b>4,384,005</b>	<b>397%</b>
Gains from bargain purchase	0	96,986,489	-100%
Gains from completed investment property	78,231,751	43,784,175	79%
Administrative Expenses	(18,536,727)	(10,070,983)	84%
Other operating expenses	(3,454,551)	(3,838,278)	-10%
EBITDA	178,420,291	212,666,964	-16%
EBT	177,854,620	207,972,627	-14%
<b>Net profit</b>	<b>151,677,336</b>	<b>166,381,576</b>	<b>-9%</b>

## ASSETS

Total assets grew 7% in Q1 2023, reaching RON 4.5 billion. The non-current assets increased 5%, reaching RON 2.5 billion, increase driven primarily by a 5% increase in investment properties to 2.4 billion as of the end of Q1 2023, representing the commercial segment and the landbank. The appreciation is primarily due to inclusion of One Cotroceni Office 3 in the landbank following land acquisition in Q1 2023, and of commercial space rented to Lidl at One Verdi Park. In terms of appreciation, the largest increase was seen for rental apartments (+46%) due to expansion of the apartment rental portfolio, followed by One Cotroceni Park Office 2 (+5%) and One North Gate (+4%) but offset by a 27% decline for One Cotroceni Park Office 4 due to a sale of a part of the land.

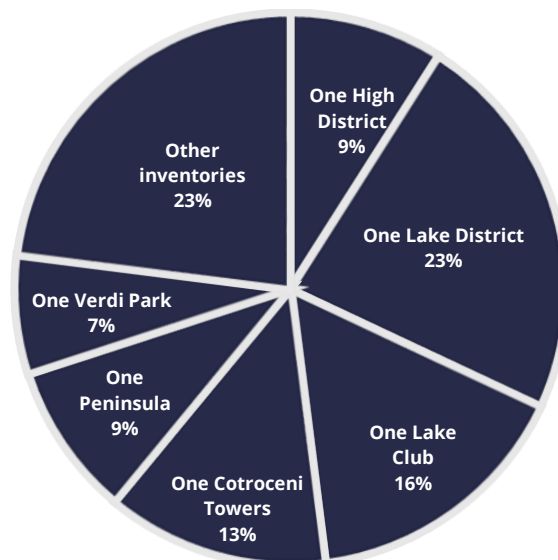
Office & landbank '000 RON	31.03.2023	31.12.2022
One Tower	386,430	387,166
One Cotroceni Park Office 1	579,024	569,891
One Cotroceni Park Office 2	365,187	349,442
One Cotroceni Park Office 3	48,393	-
One Cotroceni Park Office 4	21,274	28,992
One Victoriei Plaza	138,527	138,527
One North Gate	136,841	131,420
Eliade Tower	45,021	45,021
Bucur Obor	307,460	307,460
One Verdi Park Commercial (Lidl)	37,421	-
One Athénée	-	50,197
One Downtown	18,901	18,846
One Athénée Plaza	69,406	68,066
One Carpathian	7,708	7,708
Other	50,826	47,551
Apartments for rental	147,972	101,698
<b>TOTAL</b>	<b>2,360,391</b>	<b>2,251,985</b>





Current assets grew 10% in Q1 2023, reaching RON 2.1 billion due to 27% increase in inventories (residential properties), which reached RON 842.3 million. The significant increase in the inventory represents the addition of One Cotroceni Towers, following the acquisition of the already permitted land plot for the development. Rest of the developments saw a varying degree of appreciation or depreciation, aligned with the residential sales in the quarter as presented in the business updates section.

Residential Property in '000 RON	31.03.2023	31.12.2022
One Verdi Park	61,134	72,017
One Cotroceni Park - Residential	50,601	39,809
One Cotroceni Towers	105,564	-
One Modrogan	45,280	43,432
One Mircea Eliade	6,498	15,862
One Peninsula	76,619	75,136
One Herastrau Towers	1,116	19,660
One Floreasca Vista	11,414	14,603
One Timpuri Noi	13,609	8,964
One Mamaia Nord 2	18,183	11,083
One Herastrau Vista	7,142	4,587
One High District	71,973	4,353
One Lake Club (P1 & P2)	135,346	117,969
One Lake District	193,493	188,991
One Floreasca Towers	43,656	45,499
Other inventories	659	1,029
<b>TOTAL</b>	<b>842,287</b>	<b>662,994</b>



The trade receivables saw an increase of 17% up to RON 459.6 million due to larger scale of business. Due to significant investment activity in Q1 2023, the cash position declined 18%, down to RON 462.4 million.

## EQUITY AND LIABILITIES

Equity grew 6% in 2023, reaching RON 2.7 billion. The increase was driven by a 12% increase in retained earnings, which amounted to RON 1.3 billion as of the end of Q1 2023, as well as 12% increase in other capital reserves, to RON 58.1 million.

The liabilities increased 9% in Q1 2023, amounting to RON 1.9 billion as of March 31<sup>st</sup>, 2023, as the long-term liabilities grew 12%, up to RON 1.1 billion, while current liabilities increased 5% up to RON 782.9 million. The increase in the non-current liabilities was driven by a 16% growth of the loans and borrowings, representing a major part of long-term bank loan amounting to RON 737 million, the increase being driven by the new loan for One Athénée Plaza and drawings for financing of One Cotroceni Park Office 2.

Overall, the increase in the long-term loans for One United Properties is driven, on the one hand, by the office and commercial buildings which require more debt than the residential developments and are finalized using long-term loans. These loans do not impact the cash-flow since they are primarily paid with rents, and they are amortizing each year. On the other hand, the developments targeting mid- and mid-high income (where the clients can contract apartments using a 30% down payment and a 70% payment upon delivery) require more debt than high and very high-income developments where clients pay the full amount over the construction period (100% prepayment or 5 equal installments of 20%). Nonetheless, even with the growing office portfolio as well as decision to expand to a new client segment, One United Properties maintained a loan-to-value of 28%, and a net debt of RON 449.7 million, 10% from the total assets of RON 4.5 billion. The increase in the current liabilities was, on the other hand, driven by a 41% increase in advance payments from customers, which amounted to RON 412.8 million as of the end of Q1 2023, representing the advance payments on pre-sold apartments, and a 163% increase in the accrued income, to RON 29.1 million, reflecting the growing rental revenues.





## CONSOLIDATED PROFIT&LOSS STATEMENT (RON)

PROFIT & LOSS STATEMENT (RON)	Q1 2023	Q1 2022	Δ %
<b>Revenues from sales of residential property</b>	<b>329,036,313</b>	<b>197,177,473</b>	<b>67%</b>
Cost of sales of residential property	(224,416,147)	(113,362,435)	98%
Other property operating expenses - residential	(3,166,577)	(1,870,174)	69%
<i>Net income from residential property</i>	<i>101,453,589</i>	<i>81,944,864</i>	<i>24%</i>
<b>Gains from bargain purchase</b>	<b>0</b>	<b>96,986,489</b>	<b>-100%</b>
<b>Rental income</b>	<b>24,080,045</b>	<b>6,634,782</b>	<b>263%</b>
<b>Revenues from services to tenants</b>	<b>7,384,036</b>	<b>1,994,169</b>	<b>270%</b>
Expenses from services to tenants	(7,384,036)	(1,994,169)	270%
Other property operating expenses - commercial	(2,295,368)	(2,250,777)	2%
<i>Net rental income</i>	<i>21,784,677</i>	<i>4,384,005</i>	<i>397%</i>
Commissions for brokerage real estate	(1,753,993)	(1,494,438)	17%
Administrative expenses	(18,536,727)	(10,070,983)	84%
Other operating expenses	(3,454,551)	(3,838,278)	-10%
Profit on disposal of investment property	(76,009)	0	100%
<b>Other operating income</b>	<b>771,554</b>	<b>971,130</b>	<b>-21%</b>
<b>Gains from completed investment property</b>	<b>78,231,751</b>	<b>43,784,175</b>	<b>79%</b>
<b>Result from operating activity (EBITDA)</b>	<b>178,420,291</b>	<b>212,666,964</b>	<b>-16%</b>
Financial income	5,815,879	448,456	1197%
Financial expenses	(11,031,134)	(5,841,150)	89%
Share of result of associates	4,649,584	698,357	566%
<b>Gross profit</b>	<b>177,854,620</b>	<b>207,972,627</b>	<b>-14%</b>
Income tax	(26,177,284)	(41,591,051)	-37%
<b>Net profit</b>	<b>151,677,336</b>	<b>166,381,576</b>	<b>-9%</b>



## CONSOLIDATED PROFIT&LOSS STATEMENT (EUR)

PROFIT & LOSS STATEMENT (EUR)	Q1 2023	Q1 2022	Δ %
<b>Revenues from sales of residential property</b>	<b>66,892,255</b>	<b>39,864,434</b>	<b>68%</b>
Cost of sales of residential property	(45,623,238)	(22,919,096)	99%
Other property operating expenses - residential	(643,757)	(378,103)	70%
<i>Net income from residential property</i>	<i>20,625,260</i>	<i>16,567,235</i>	<i>24%</i>
<b>Gains from bargain purchase</b>	<b>0</b>	<b>19,608,283</b>	<b>-100%</b>
<b>Rental income</b>	<b>4,895,413</b>	<b>1,341,390</b>	<b>265%</b>
<b>Revenues from services to tenants</b>	<b>1,501,156</b>	<b>403,172</b>	<b>272%</b>
Expenses from services to tenants	(1,501,156)	(403,172)	272%
Other property operating expenses - commercial	(466,643)	(455,052)	3%
<i>Net rental income</i>	<i>4,428,770</i>	<i>886,338</i>	<i>400%</i>
Commissions for brokerage real estate	(356,582)	(302,139)	18%
Administrative expenses	(3,768,470)	(2,036,105)	85%
Other operating expenses	(702,302)	(776,005)	-9%
Profit on disposal of investment property	(15,452)	0	100%
<b>Other operating income</b>	<b>156,852</b>	<b>196,341</b>	<b>-20%</b>
<b>Gains from completed investment property</b>	<b>15,904,318</b>	<b>8,852,083</b>	<b>80%</b>
<b>Result from operating activity (EBITDA)</b>	<b>36,272,394</b>	<b>42,996,031</b>	<b>-16%</b>
Financial income	1,182,354	90,667	1204%
Financial expenses	(2,242,602)	(1,180,937)	90%
Share of result of associates	945,249	141,191	569%
<b>Gross profit</b>	<b>36,157,395</b>	<b>42,046,952</b>	<b>-14%</b>
Income tax	(5,321,775)	(8,408,687)	-37%
<b>Net profit</b>	<b>30,835,620</b>	<b>33,638,265</b>	<b>-8%</b>

The Consolidated Statement of Profit or Loss was translated to EURO from the consolidated financial statements in RON using the average exchange rate for the Q1 as published by the National Bank of Romania, 4.9189 RON / EUR for Q1 2023 and 4.9462 for Q1 2022.



## CONSOLIDATED BALANCE SHEET (RON)

BALANCE SHEET (RON)	31.03.2023	31.12.2022	Δ %
<b>NON-CURRENT ASSETS</b>	<b>2,458,562,226</b>	<b>2,343,689,182</b>	<b>5%</b>
Goodwill	19,256,076	19,256,076	0%
Intangible assets	15,224,342	15,259,605	0%
Investment properties	2,360,391,759	2,251,984,947	5%
Right of use assets	2,482,580	2,687,154	-8%
Investments in associates	8,019,461	3,369,877	138%
Property, plant, and equipment	53,188,008	51,131,523	4%
<b>CURRENT ASSETS</b>	<b>2,082,172,787</b>	<b>1,893,061,301</b>	<b>10%</b>
Inventories	842,287,250	662,994,340	27%
Advance payments to suppliers	127,226,994	116,316,909	9%
Trade receivables	459,575,959	392,002,622	17%
Other receivables	156,500,049	129,862,443	21%
Prepayments	34,181,233	24,924,944	37%
Cash and cash equivalents	462,401,302	566,960,043	-18%
<b>TOTAL ASSETS</b>	<b>4,540,735,013</b>	<b>4,236,750,483</b>	<b>7%</b>
<b>EQUITY</b>	<b>2,685,537,686</b>	<b>2,531,326,688</b>	<b>6%</b>
Share capital	740,563,717	740,563,717	0%
Share premium	27,981,399	27,981,399	0%
Legal reserves	17,452,635	17,452,635	0%
Treasury shares	1,029	1,029	0
Other capital reserves	58,129,930	51,848,900	12%
Retained earnings	1,332,539,754	1,184,656,306	12%
Non-controlling interests	508,869,222	508,822,702	0%
<b>LIABILITIES</b>	<b>1,855,197,327</b>	<b>1,705,423,795</b>	<b>9%</b>
<b>NON-CURRENT LIABILITIES</b>	<b>1,072,320,666</b>	<b>956,652,728</b>	<b>12%</b>
Loans and borrowings from bank and others	757,714,107	654,206,589	16%
Loans and borrowings from minority shareholders	2,578,624	3,528,882	-27%
Trade and other payables	14,269,954	23,442,273	-39%
Lease liabilities	2,646,947	2,646,947	0%
Deferred tax liabilities	295,111,034	272,828,037	8%
<b>CURRENT LIABILITIES</b>	<b>782,876,661</b>	<b>748,771,067</b>	<b>5%</b>
Loans and borrowings from bank and others	151,757,105	172,421,627	-12%
Loans and borrowings from minority shareholders	55,648	47,528	17%
Lease liabilities	652,515	778,490	-16%
Trade and other payables	184,119,078	271,065,556	-32%
Accrued income	29,142,760	11,099,273	163%
Current tax liabilities	4,382,944	717,144	511%
Advance payments from customers	412,766,611	292,641,449	41%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,540,735,013</b>	<b>4,236,750,483</b>	<b>7%</b>





## CONSOLIDATED BALANCE SHEET (EUR)

BALANCE SHEET (EUR)	31.03.2023	31.12.2022	Δ %
<b>NON-CURRENT ASSETS</b>	<b>496,769,560</b>	<b>473,721,386</b>	<b>5%</b>
Goodwill	3,890,824	3,892,161	0%
Intangible assets	3,076,184	3,084,369	0%
Investment properties	476,933,535	455,185,541	5%
Right of use assets	501,623	543,145	-8%
Investments in associates	1,620,388	681,141	138%
Property, plant, and equipment	10,747,006	10,335,029	4%
<b>CURRENT ASSETS</b>	<b>420,717,461</b>	<b>382,637,608</b>	<b>10%</b>
Inventories	170,189,984	134,008,639	27%
Advance payments to suppliers	25,707,097	23,510,715	9%
Trade receivables	92,860,512	79,234,067	17%
Other receivables	31,621,921	26,248,624	20%
Prepayments	6,906,555	5,037,988	37%
Cash and cash equivalents	93,431,392	114,597,575	-18%
<b>TOTAL ASSETS</b>	<b>917,487,021</b>	<b>856,358,994</b>	<b>7%</b>
<b>EQUITY</b>	<b>542,631,527</b>	<b>511,647,873</b>	<b>6%</b>
Share capital	149,636,038	149,687,455	0%
Share premium	5,653,836	5,655,779	0%
Legal reserves	3,526,426	3,527,638	0%
Treasury shares	208	208	0
Other capital reserves	11,745,556	10,480,030	12%
Retained earnings	269,248,905	239,450,278	12%
Non-controlling interests	102,820,558	102,846,485	0%
<b>LIABILITIES</b>	<b>374,855,494</b>	<b>344,711,121</b>	<b>9%</b>
<b>NON-CURRENT LIABILITIES</b>	<b>216,669,832</b>	<b>193,364,744</b>	<b>12%</b>
Loans and borrowings from bank and others	153,101,394	132,232,403	16%
Loans and borrowings from minority shareholders	521,029	713,280	-27%
Trade and other payables	2,883,343	4,738,302	-39%
Lease liabilities	534,834	535,018	0%
Deferred tax liabilities	59,629,232	55,145,741	8%
<b>CURRENT LIABILITIES</b>	<b>158,185,662</b>	<b>151,346,377</b>	<b>5%</b>
Loans and borrowings from bank and others	30,663,576	34,850,957	-12%
Loans and borrowings from minority shareholders	11,244	9,607	17%
Lease liabilities	131,845	157,353	-16%
Trade and other payables	37,202,537	54,789,497	-32%
Accrued income	5,888,497	2,243,456	162%
Current tax liabilities	885,604	144,954	511%
Advance payments from customers	83,402,359	59,150,553	41%
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>917,487,021</b>	<b>856,358,994</b>	<b>7%</b>

The Consolidated Balance Sheet was translated to EURO from the consolidated balance sheet in RON using the period end exchange rate as published by the National Bank of Romania, 4.9491 RON / EUR for 31.03.2023 and 4.9474 RON / EUR for 31.12.2022.



## KEY FINANCIAL RATIOS

The main financial ratios of One United Properties, consolidated result, as of March 31<sup>st</sup>, 2023, are presented below.

<i>Financial data in RON '000</i>	<b>31 March 2023</b>	
<b>Liquidity ratio</b>		
Current assets	2,082,172,787	= <b>2.66</b>
Current liabilities	782,876,661	
<b>Gearing ratio</b>		
Interest-bearing debt (long term) x100	912,105,484	= <b>34%</b>
Equity	2,685,537,686	
<b>Trade receivables turnover</b>		
Average receivables :2	425,789,291	= <b>0.24</b>
Turnover x4	1,758,014,796	
<b>Fixed asset turnover</b>		
Turnover x4	1,758,014,796	= <b>0.72</b>
Net fixed assets	2,458,562,226	
<b>Loan to value</b>		
	<b>31 March 2023</b>	<b>31 December 2022</b>
Financial debt	912,105,484	830,204,626
Real estate assets	3,202,679,009	2,914,979,287
	= <b>28%</b>	= <b>28%</b>



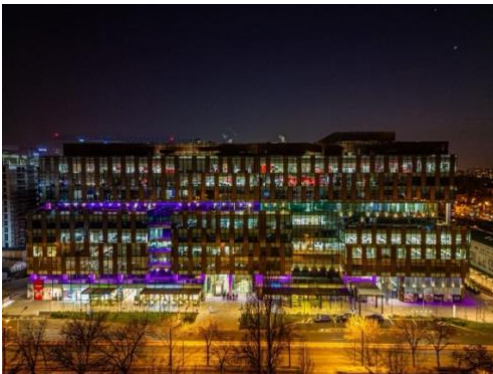
## ABOUT ONE UNITED PROPERTIES

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, safety and sustainability are at the core of ONE's residential developments.



### OFFICE

ONE's office developments integrate an energetically efficient plan, being healthy, safe 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 IN BUCHAREST

The map displays 32 numbered markers across Bucharest, corresponding to the following developments:

- 1 ONE North Gate
- 2 ONE Floreasca Lake
- 3 ONE Herastru Park
- 4 ONE Herastru Vista
- 5 ONE High District
- 6 ONE Floreasca Towers
- 7 ONE Floreasca Vista
- 8 ONE Lake Club
- 9 ONE Herastru Plaza
- 10 ONE Herastru Towers
- 11 ONE Herastru Office
- 12 ONE Madrigalului
- 13 ONE Charles de Gaulle
- 14 ONE Victoriei Plaza
- 15 ONE Athenes
- 16 ONE Mircea Eliade
- 17 ONE Peninsula
- 18 ONE Cotroceni Park
- 19 ONE Verdi Park
- 20 ONE Lake District
- 21 ONE Madrojan
- 22 ONE Timpuia Noi
- 23 ONE Tower
- 24 ELIAD Tower
- 25 ONE Bucur Obor
- 26 ONE Gallery
- 27 ONE North Lofts
- 28 ONE Cotroceni Towers
- 29 ONE Plaza Athenes
- 30 ONE Downtown
- 31 UNDER CONSTRUCTION ONE City Club
- 32 UNDER CONSTRUCTION ONE Herastru City





## DECLARATION OF THE MANAGEMENT

Bucharest, May 12<sup>th</sup>, 2023

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

- a) the interim condensed consolidated financial statements for the three-month period ended March 31<sup>st</sup>, 2023, 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. 13 to FSA Regulation no. 5/2018 on issuers of financial instruments and market operations for the three-month period ended March 31<sup>st</sup>, 2023, 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



# 2022 ESG Sustainability Survey

If you are One United Properties **shareholder, client, tenant, supplier, partner, employee, or analyst**, please help us identify the key environmental, governance and social issues that could affect our ability to create value in the short, medium, and long term.

Submit your point of view anonymously **HERE** until May 16<sup>th</sup>, 2023.

Your participation in the ESG Materiality Survey will help us define the final content of the 2022 Sustainability Report of One United Properties, which will be published in the summer of 2023.





**ONE UNITED PROPERTIES SA  
and subsidiaries**

**Interim condensed consolidated financial  
statements for the period ended  
31 March 2023**

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**ONE UNITED PROPERTIES SA AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 3 months ended 31 March 2023**

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	31 March 2023	31 December 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	6	19,256,076	19,256,076
Intangible assets	6	15,224,342	15,259,605
Property, plant and equipment	4	53,188,008	51,131,523
Right of use assets	5	2,482,580	2,687,154
Investment properties	7	2,360,391,759	2,251,984,947
Investments in associates	8	8,019,461	3,369,877
<b>Total non-current assets</b>		<b>2,458,562,226</b>	<b>2,343,689,182</b>
<b>Current assets</b>			
Inventories	9	842,287,250	662,994,340
Advance payments to suppliers	10	127,226,994	116,316,909
Trade receivables	11	459,575,959	392,002,622
Other receivables	11	156,500,049	129,862,443
Prepayments		34,181,233	24,924,944
Cash and cash equivalents	12	462,401,302	566,960,043
<b>Total current assets</b>		<b>2,082,172,787</b>	<b>1,893,061,301</b>
<b>TOTAL ASSETS</b>		<b>4,540,735,013</b>	<b>4,236,750,483</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	14	740,563,717	740,563,717
Share premium	14	27,981,399	27,981,399
Own shares		1,029	1,029
Other capital reserves	14	58,129,930	51,848,900
Legal reserves	14	17,452,635	17,452,635
Retained earnings		1,332,539,754	1,184,656,306
<b>Equity attributable to owners of the Group</b>		<b>2,176,668,464</b>	<b>2,022,503,986</b>
Non-controlling interests		508,869,222	508,822,702
<b>Total equity</b>		<b>2,685,537,686</b>	<b>2,531,326,688</b>
<b>Non-current liabilities</b>			
Loans and borrowings from bank and others	15	757,714,107	654,206,589
Loans and borrowings from minority shareholders	15	2,578,624	3,528,882
Trade and other payables	16	14,269,954	23,442,273
Lease liabilities	5	2,646,947	2,646,947
Deferred tax liabilities	13	295,111,034	272,828,037
<b>Total non-current liabilities</b>		<b>1,072,320,666</b>	<b>956,652,728</b>

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



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Note	31 March 2023	31 December 2022
<b>Current liabilities</b>			
Loans and borrowings from bank and others	15	151,757,105	172,421,627
Loans and borrowings from minority shareholders	15	55,648	47,528
Lease liabilities	5	652,515	778,490
Trade and other payables	16	184,119,078	271,065,556
Accrued income		29,142,760	11,099,273
Current tax liabilities	13	4,382,944	717,144
Advance payments from customers	17	412,766,611	292,641,449
<b>Total current liabilities</b>		<b>782,876,661</b>	<b>748,771,067</b>
<b>Total liabilities</b>		<b>1,855,197,327</b>	<b>1,705,423,795</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,540,735,013</b>	<b>4,236,750,483</b>

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 10 May 2023 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	31 March 2023	31 March 2022
Revenues from sales of residential property	18	329,036,313	197,177,473
Cost of sales of residential property	18	(224,416,147)	(113,362,435)
Other property operating expenses - residential		(3,166,577)	(1,870,174)
<b>Net income from residential property</b>		<b>101,453,589</b>	<b>81,944,864</b>
Gains from completed investment property	7	78,231,751	43,784,175
Gains on the bargain purchase	7	-	96,986,489
Rental income	19	24,080,045	6,634,782
Revenues from service to tenants	19	7,384,036	1,994,169
Expenses from services to tenants		(7,384,036)	(1,994,169)
Other property operating expenses		(2,295,368)	(2,250,777)
<b>Net rental income</b>		<b>21,784,677</b>	<b>4,384,005</b>
Commissions for brokerage real estate	20	(1,753,993)	(1,494,438)
Administrative expenses	21	(18,536,727)	(10,070,983)
Other operating expenses	22	(3,454,551)	(3,838,278)
Profit/(Loss) on disposal of investment property		(76,009)	-
Other operating income		771,554	971,130
<b>Result from ordinary activities</b>		<b>178,420,291</b>	<b>212,666,964</b>
Financial income		5,815,879	448,456
Financial expenses		(11,031,134)	(5,841,150)
<b>Net financial result</b>	23	<b>(5,215,255)</b>	<b>(5,392,694)</b>
Share of result of associates	8	4,649,584	698,357
<b>Result before tax</b>		<b>177,854,620</b>	<b>207,972,627</b>
Tax on profit	13	(26,177,284)	(41,591,051)
<b>Net result of the period</b>		<b>151,677,336</b>	<b>166,381,576</b>
<b>Total comprehensive income for the period</b>		<b>151,677,336</b>	<b>166,381,576</b>
<b>Net result attributable to:</b>			
Owners of the Group		146,824,949	164,194,215
Non-controlling interests		4,852,387	2,187,361
<b>Total comprehensive income attributable to:</b>			
Owners of the Group		146,824,949	164,194,215
Non-controlling interests		4,852,387	2,187,361
Basic/diluted earnings per share attributable to equity holders	25	0.05	0.26

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 10 May 2023 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 – 3 months ended 31 March 2023**

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED 31 MARCH 2023**

	Share capital	Share premiums	Legal reserves	Other capital reserves	Own shares	Retained earnings	Non-controlling interests	Total equity
<b>Balance at 1 January 2023</b>	<b>740,563,717</b>	<b>27,981,399</b>	<b>17,452,635</b>	<b>51,848,900</b>	<b>1,029</b>	<b>1,184,656,306</b>	<b>508,822,702</b>	<b>2,531,326,688</b>
Profit of the year	-	-	-	-	-	146,824,949	4,852,387	<b>151,677,336</b>
Dividends allocated from the statutory profit	-	-	-	-	-	-	-	-
Issue of ordinary shares	-	-	-	-	-	-	-	-
Issue of ordinary shares- premium shares conversion	-	-	-	-	-	-	-	-
IPO costs	-	-	-	-	-	-	-	-
Transfer from share premiums in other reserves	-	-	-	-	-	-	-	-
Transfer of legal reserve in/from retained earnings	-	-	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	1,058,499	(4,805,867)	<b>(3,747,368)</b>
Acquisition of own shares	-	-	-	-	-	-	-	-
Stock option plan	-	-	-	6,281,030	-	-	-	<b>6,281,030</b>
Non-controlling interest on acquisition of subsidiary or change in share capital of subsidiary	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>740,563,717</b>	<b>27,981,399</b>	<b>17,452,635</b>	<b>58,129,930</b>	<b>1,029</b>	<b>1,332,539,754</b>	<b>508,869,222</b>	<b>2,685,537,686</b>

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



**ONE UNITED PROPERTIES SA AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 3 months ended 31 March 2023**

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 3 MONTHS ENDED 31 MARCH 2022**

	Share capital	Share premiums	Legal reserves	Other capital reserves	Own shares	Retained earnings	Non-controlling interests	Total equity
<b>Balance at 1 January 2022</b>	<b>514,828,059</b>	<b>4,307,781</b>	<b>11,437,359</b>	<b>1,390,179</b>	-	<b>791,788,303</b>	<b>323,205,535</b>	<b>1,646,957,216</b>
Profit of the year	-	-	-	-	-	164,194,215	2,187,361	<b>166,381,576</b>
Other comprehensive income	-	-	-	-	-	-	-	-
Dividends allocated from the statutory profit	-	-	-	-	-	-	-	-
Issue of ordinary shares	-	-	-	-	-	-	-	-
Issue of ordinary shares- premium shares conversion	-	-	-	-	-	-	-	-
Issue of ordinary shares - other reserves conversion	-	-	-	-	-	-	-	-
Employee share scheme	-	-	-	-	-	-	-	-
Transfer of legal reserve in/from retained earnings	-	-	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-	985,756	(6,803,066)	<b>(5,817,310)</b>
Acquisition of own shares	-	-	-	-	-	-	-	-
Sale of own shares	-	-	-	-	-	-	-	-
Non-controlling interest on incorporation of subsidiary or on increase in share capital of subsidiary	-	-	-	-	-	-	135,944,036	<b>135,944,036</b>
<b>Balance as at 31 March 2022</b>	<b>514,828,059</b>	<b>4,307,781</b>	<b>11,437,359</b>	<b>1,390,179</b>	-	<b>956,968,274</b>	<b>454,533,866</b>	<b>1,943,465,518</b>

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

**ONE UNITED PROPERTIES SA AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 3 months ended 31 March 2023**

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

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Cash flows from operating activities</b>		
<b>Result for the period</b>	<b>151,677,336</b>	<b>166,381,576</b>
<b>Adjustments for:</b>		
Depreciation and amortization	1,565,094	522,748
Share of result of associates	(4,649,584)	(698,357)
Other financial income	(90,113)	14,113
Allowances for current assets – receivables and other provisions	274,404	346,182
Gain/Loss on sale of property, plant and equipment	(22,521)	(2,522)
Profit/(Loss) on disposal of investment property	76,009	-
Interest expenses	11,031,134	3,892,782
Interest income	(6,724,610)	(371,121)
Income tax expenses	26,177,284	41,591,051
Unrealised foreign exchange loss/(gain)	482,006	(118,232)
Increase in fair value of investment property	(78,231,751)	(43,784,175)
Gain on the bargain purchase	-	(96,986,489)
Share-based payments	6,281,030	-
<b>Changes in working capital:</b>		
(Increase)/Decrease in trade and other receivables	(114,599,205)	(74,373,562)
(Increase)/Decrease in inventory property	(158,675,045)	13,933,103
Increase/(Decrease) in trade and other payables	(100,425,251)	10,663,637
Increase/(Decrease) in advance payments from customers	120,125,162	9,734,604
Income tax paid	(78,461)	-
Working capital from acquisition of new subsidiaries	-	11,222,210
<b>Net cash from operating activities</b>	<b>(145,807,082)</b>	<b>41,967,548</b>
Acquisition of property, plant and equipment	(3,592,789)	(2,090,316)
Proceeds from sale of property, plant and equipment	912,678	2,522
Acquisition of intangible assets	(749,906)	(262,202)
Expenditure on investment property under development	(5,621,038)	(18,373,596)
Expenditure on completed investment property	(4,048,765)	(6,669,482)
Acquisition of investment property	(50,825,057)	(106,011)
Proceeds from sale of investment property	31,844,116	-
Amounts paid for transactions with non-controlling interest	(3,747,368)	(5,817,310)
Acquisition of subsidiaries	-	(65,422,213)
Other financial income	90,113	-
Interest received	6,724,610	371,121
<b>Net cash flows from used in investing activities</b>	<b>(29,013,406)</b>	<b>(98,367,487)</b>
Proceeds from loans and borrowings	116,344,941	117,091,022
Repayment of borrowings	(37,871,721)	(702,203)
Interest paid	(8,078,493)	(2,011,661)
Principal elements of lease payments	(132,980)	(132,979)
<b>Net cash from financing activities</b>	<b>70,261,747</b>	<b>114,244,179</b>
Net changes in cash and cash equivalents	(104,558,741)	57,844,240
<b>Cash and cash equivalents at the beginning of the period</b>	<b>566,960,043</b>	<b>508,347,161</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>462,401,302</b>	<b>566,191,401</b>

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

## ONE UNITED PROPERTIES SA AND SUBSIDIARIES

### INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 3 months ended 31 March 2023

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

#### 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 2023 to 31 March 2023 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 740,563,717.2 divided into 3,702,818,586 shares at a nominal value of RON 0.2/each. One United Properties SA is owned by OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu) and Vinci Ver Holding SRL (represented by Mr. Victor Capitanu) holding 27.5830% each and other shareholders holding 44.8340%. All shares are paid in full.

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

The object of activity of the Group consists in the development and sale/lease of residences, offices and retail in Bucharest, Romania.

The Company had the following subsidiaries undertakings as at 31 March 2023 and 31 December 2022. Their registered office, activity and Group holding percentage is shown below:

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



## 1. CORPORATE INFORMATION (continued)

Group companies	Activity	% ownership as at 31 March 2023	% ownership as at 31 December 2022	Registered office
One North Gate SA	Real estate developer in Bucharest	70.12%	67.69%	Maxim Gorki street 20, Bucharest, district 1
One United Tower SA (former One United Tower SRL)	Real estate developer in Bucharest	70.85%	70.24%	Maxim Gorki street 20, Bucharest, district 1
Neo Floreasca Lake SRL	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Mamaia Nord SRL (former Neo Mamaia SRL)	Real estate developer in Constanta	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
Neo Timpuri Noi SRL	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	Real estate developer in Bucharest	95.00%	95.00%	Maxim Gorki street 20, Bucharest, district 1
One Floreasca Towers SRL (former One Herastrau IV SRL)	Real estate developer in Bucharest	100.00%	100.00%	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 Constanta	99.99%	99.99%	Maxim Gorki street 20, Bucharest, district 1
One High District S.R.L. (former One Proiect 1 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One 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 (former One Proiect 6 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Herastrau City SRL (former 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 SRL)	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%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One City Club SRL (former One Proiect 9 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 10 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One United Italia SRL	Real estate developer in Bucharest	90.00%	90.00%	Maxim Gorki street 20, Bucharest, district 1
Bo Retail Invest SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1

## 1. CORPORATE INFORMATION (continued)

Group companies	Activity	% Ownership as at 31 March 2023	% Ownership as at 31 December 2022	Registered office
Bucur Obor SA	Lease of retail space	54.44%	54.44%	Colentina street 2, Bucharest, district 2
One United Management Services SRL	Management services	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 11 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 12 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Cotroceni Towers SRL (former One Proiect 14 SRL)	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 15 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Victoriei Plaza SRL (former Mam Imob Business Center SRL)	Renting office premises in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
Eliade Tower SRL	Renting office premises in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 16 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 17 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 18 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1
One Proiect 2 SRL	Real estate developer in Bucharest	100.00%	100.00%	Maxim Gorki street 20, Bucharest, district 1

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

- One North Gate SA from 67.69% to 70.12%, the total consideration price for the shares acquired is RON 2,376,368.
- One United Tower SA from 70.24% to 70.85%, the total consideration price for the shares acquired is RON 1,369,200.
- One Herastrau Plaza SRL from 98.00% to 100.00%, the total consideration price for the shares acquired is RON 900.
- One Lake District SRL from 98.00% to 100.00%, the total consideration price for the shares acquired is RON 900.

## 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 2022 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 2022.

The interim condensed consolidated financial statements for the three-month period ended 31 March 2023 are unaudited and an external review by an auditor was not performed.

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.

### 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 2022, except for the adoption of new standards effective as of 1 January 2023. 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** – 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.
- **Amendments to IAS 16 “Property, Plant and Equipment” - Proceeds before Intended Use** issued by IASB on 14 May 2020. 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** issued by IASB on 14 May 2020. 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 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).
- **Amendments to IFRS 17 “Insurance contracts” - Initial Application of IFRS 17 and IFRS 9 – Comparative Information** issued by IASB on 9 December 2021. It is a narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time.
- **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. 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. Non-current Liabilities with Covenants issued by IASB on 31 October 2022. Amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
- **Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” - Definition of Accounting Estimates** issued by IASB on 12 February 2021. Amendments focus on accounting estimates and provide guidance how to distinguish between accounting policies and accounting estimates.

## 3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

- **Amendments to IAS 12 “Income Taxes”** - Deferred Tax related to Assets and Liabilities arising from a Single Transaction issued by IASB on 6 May 2021. According to amendments, the initial recognition exemption does not apply to transactions in which both deductible and taxable temporary differences arise on initial recognition that result in the recognition of equal deferred tax assets and liabilities.

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

## 4. PROPERTY, PLANT AND EQUIPMENT

Description	Land, Buildings, barracks	Technological equipment	Measurement apparatus and devices	Vehicles	Furniture and other non- current assets	Total
<b>Cost</b>						
<b>31 December 2022</b>	<b>44,025,501</b>	<b>1,285,242</b>	<b>770,395</b>	<b>1,879,387</b>	<b>9,234,420</b>	<b>57,194,945</b>
Additions	340,752	95,305	68,236	259,332	2,958,669	3,722,294
Disposals	-	-	-	(65,715)	(2,069,304)	(2,135,019)
Transfer from inventories	-	-	-	-	871,124	871,124
<b>31 March 2023</b>	<b>44,366,253</b>	<b>1,380,547</b>	<b>838,631</b>	<b>2,073,004</b>	<b>10,994,909</b>	<b>59,653,344</b>
<b>Depreciation and impairment</b>						
<b>31 December 2022</b>	<b>2,220,550</b>	<b>722,894</b>	<b>719,047</b>	<b>995,978</b>	<b>1,404,953</b>	<b>6,063,422</b>
Depreciation charge for the year	341,515	41,509	24,881	60,698	245,278	713,881
Disposals	-	-	-	(8,701)	(303,266)	(311,967)
<b>31 March 2023</b>	<b>2,562,065</b>	<b>764,403</b>	<b>743,928</b>	<b>1,047,975</b>	<b>1,346,965</b>	<b>6,465,336</b>
<b>Net book value</b>						
<b>31 December 2022</b>	<b>41,804,951</b>	<b>562,348</b>	<b>51,348</b>	<b>883,409</b>	<b>7,829,467</b>	<b>51,131,523</b>
<b>31 March 2023</b>	<b>41,804,188</b>	<b>616,144</b>	<b>94,703</b>	<b>1,025,029</b>	<b>9,647,944</b>	<b>53,188,008</b>

Under the “land, buildings and barracks” are presented the Group assets from which the main amount is related to the own office space occupied. At 31 December 2019, the Company has reclassified part of the land and building owned by the subsidiary One North Gate SA from investment property in property, plant and equipment for the value of RON 12,156,938, following the occupancy of the own office space. In 2022, the Group have moved the office from the building owned by the subsidiary, One North Gate SA to the building One Tower, developed by the subsidiary One United Tower SA, therefore have transferred from property, plant and equipment to investment property the office space occupied in North Gate and in the same time transferred from investment property to property, plant and equipment the new office space located in One Tower building for the fair value of RON 38,860,861.

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 2022 and as at 31 March 2023, no indication of impairment was identified for the property, plant and equipment in balance.



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:

	Land	Buildings	Equipment	Total
<b>At 1 January 2023</b>	<b>(187,236)</b>	<b>2,899,197</b>	<b>(24,807)</b>	<b>2,687,154</b>
Additions	-	-	-	-
Depreciation expense	(30,922)	(155,534)	(18,118)	(204,574)
<b>At 31 March 2023</b>	<b>(218,158)</b>	<b>2,743,663</b>	<b>(42,925)</b>	<b>2,482,580</b>

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

	2023	2022
<b>As at 1 January</b>	<b>3,425,437</b>	<b>3,929,334</b>
Additions	-	-
Accretion of interest	4,058	16,231
Payments	(132,979)	(531,917)
Translation difference	2,946	11,789
<b>As at 31 March 2023/31 December 2022</b>	<b>3,299,462</b>	<b>3,425,437</b>

The following are the amounts recognised in profit or loss:

	3 months ended 31 March 2023	3 months ended 31 March 2022
Depreciation expense of right-of-use assets	(120,557)	(120,557)
Interest expense on lease liabilities	(3,667)	(3,667)
Currency translation gain / (loss)	(3,097)	(2,947)
Expense relating to leases of low-value assets	(2,633)	(2,508)
Expense relating to short-term leases	(16,434)	(15,652)
<b>Total amount recognised in profit or loss</b>	<b>(146,388)</b>	<b>(145,331)</b>

## 6. INTANGIBLE ASSETS

Description	Goodwill	Concessions patents, licenses	Other intangible assets	Total
<b>Cost</b>				
<b>As at 31 December 2022</b>	<b>19,256,076</b>	<b>14,699,660</b>	<b>1,159,376</b>	<b>35,115,112</b>
Additions	-	1,990	747,915	749,905
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>19,256,076</b>	<b>14,701,650</b>	<b>1,907,291</b>	<b>35,865,017</b>
<b>Amortization and impairment</b>				
<b>As at 31 December 2022</b>	<b>-</b>	<b>225,397</b>	<b>374,034</b>	<b>599,431</b>
Depreciation charge	-	7,345	777,823	785,168
Impairment	-	-	-	-
Disposals	-	-	-	-
<b>As at 31 March 2023</b>	<b>-</b>	<b>232,742</b>	<b>1,151,857</b>	<b>1,384,599</b>
<b>Net book value</b>				
<b>As at 31 December 2022</b>	<b>19,256,076</b>	<b>14,474,263</b>	<b>785,342</b>	<b>34,515,681</b>
<b>As at 31 March 2023</b>	<b>19,256,076</b>	<b>14,468,908</b>	<b>755,434</b>	<b>34,480,418</b>

*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 2022, 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.

Under the category “Concessions patents, licenses” is included the identifiable intangible asset acquired in 2022 in a business combination, related to Bucur Obor Brand, and which was recognized at fair value of RON 14,4 million. The brand "Bucur Obor" has been officially registered by the Bucur Obor SA since 2011, its first appearance being in 1975 when the Bucur Obor store was opened. The phrase "Bucur Obor" is associated with the location of the Bucur Obor commercial store, which is a commercial landmark of Bucharest. Part of the revenues generated by renting commercial spaces in the complex are directly attributable to the "Bucur Obor" brand.

As at 31 December 2022, the Group performed the assessment of the recoverable amount of the Bucur Obor Brand, considering a WACC rate of 13.77% and a risk premium of 2%. No indicators of impairment were identified.

## 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 31 December 2022 and will be also done at half and year end. At 31 March 2023, the Group have performed the valuation of the assets transferred from inventories to investment properties, as described below.

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

### 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 one 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, 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;
- 26 apartments and 25 parking spaces owned by subsidiary One Mircea Eliade Properties SRL. During Q1-2023, the Group started the activities with the view to rental of seven apartments owned by subsidiary One Mircea Eliade Properties SRL and therefore changes the presentation from apartments available for sale to apartments available for rental. 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 28,8 million;
- Retail building acquired through business combination with Bucur Obor SA in 2022. The subject property has a total leasable area of 24,325 sqm of retail and 2,452 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 4<sup>th</sup>, 2022. On February 8<sup>th</sup>, 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;
- Office building owned by the subsidiary, One Victoriei Plaza SRL with a total GLA of app. 12,000 square meters and 4 underground levels with 93 parking spaces, 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;
- Office building located at 18 Mircea Eliade Boulevard, Bucharest, Romania, owned by the subsidiary Eliade Tower SRL. The office building has a total GLA of over 8,000 square meters spread over 10 floors and also has a parking;
- 2 apartments and related parking spaces owned by subsidiary One Mamaia Nord SRL;
- The Group started the activities with the view to rental of 6 apartments owned by subsidiary One Herastrau Towers SRL and therefore changes the presentation from apartments available for sale to apartments available for rental. 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 26,4 million.
- The retail space of 1,974 sqm and 85 related parking spaces owned by the subsidiary One Verdi Park SRL has started to be leased to Lidl in 2023, therefore the Group reclassified from inventories to investment property and performed the valuation of the asset at the date of transfer and recognized a gain from fair value adjustment of RON 23 million.

**7. INVESTMENT PROPERTY (CONTINUED)**

**Investment property under development (IPUC):**

- 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;

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

- Land in surface area of 82,734 sqm owned by subsidiary One Lake District SRL which were transferred to inventories as of 31 December 2022 following the issue of the building permit;
- Land in surface area of 5,627 sqm owned by subsidiary One Floreasca Towers SRL transferred to inventories as of 31 December 2022 following the issue of the building permit for a residential development;
- Vacant land plot with a surface area of 2,534 sqm located at 44 Sergent Nutu Ion Street and 164C 13 Septembrie Road, District 5, Bucharest, Romania, owned by One Cotroceni Park 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, which fair value was determined at RON 50,2 million. The property is classified as a historical monument by local authorities. Building permit was issued in Q1 2023 and therefore the Group have changed the presentation from investment properties to inventories.
- Land in surface area of 801,028.380 sqm owned by the subsidiary One Proiect 11 SRL, located in Ilfov county. The total acquisition price is of EUR 9,330,000 from which the Group have paid until 31 March 2023 the amount of EUR 3,732,000, while the remaining amount will be paid in 3 equal instalments of EUR 1,866,000 each, according to the schedule established in the acquisition contract. The last instalment is due in 24 months from the signing date of the acquisition contract, 24 August 2022;
- An under development hotel project located at 8-10 Georges Clemenceau street, Bucharest, Romania owned by the subsidiary One Proiect 12 SRL;
- Three buildings located in Bucharest sector 1, at no. 19, 21 and 23 Academiei street, near the Odeon Theater and the Ion Mincu University of Architecture and Urbanism owned by the subsidiary One Proiect 10. Following the renovation, the three buildings will represent a new development of the Company - One Downtown. The total surface of the land is approximately 1,300 sqm and the gross buildable area is 7,100 sqm. The final use of the buildings will be decided later, with residential and hotel options currently being considered.
- Land in surface area of 12,318 sqm owned by subsidiary, One Cotroceni Park Office Faza 3, acquired in Q1 2023 for a transaction price of EUR 9,6 million.

**Changes in investment property are as follows:**

**Completed investment property**

	<b>31 March 2023</b>	<b>31 December 2022</b>
<b>At 1 January</b>	<b>1,688,891,360</b>	<b>549,398,406</b>
Capital expenditure on owned property	5,229,273	54,590,744
Acquisition	-	4,816,997
Fair value of investment property of Bucur Obor acquired	-	307,120,316
Fair value of investment property of Eliade Tower acquired	-	47,104,439
Investment property acquired (One Victoriei Plaza)	-	138,118,400
Transfer from inventories	32,376,252	27,507,442
Transfer to fixed assets	-	(38,860,861)
Transfer from fixed assets	-	11,382,107
Transfer from investment property under development	-	454,265,348
Disposals	(24,202,681)	(8,165,678)
Fair value adjustment during the year	78,231,751	88,485,173
Lease incentive	5,878,591	53,128,527
<b>At 31 March 2023 / 31 December 2022</b>	<b>1,786,404,546</b>	<b>1,688,891,360</b>



**7. INVESTMENT PROPERTY (CONTINUED)****Investment property under development**

	<b>31 March 2023</b>	<b>31 December 2022</b>
<b>At 1 January</b>	<b>349,441,856</b>	<b>650,175,262</b>
Capital expenditure	10,564,823	95,644,331
Interest capitalized	-	156,298
Transfer (to)/from inventories	-	-
Transfer to completed investment property	-	(454,265,348)
Lease incentive	5,180,573	2,847,626
Fair value adjustment during the year	-	54,883,687
<b>At 31 March 2023 / 31 December 2022</b>	<b>365,187,252</b>	<b>349,441,856</b>

**Investment property for further development (landbank)**

	<b>31 March 2023</b>	<b>31 December 2022</b>
<b>At 1 January</b>	<b>213,651,731</b>	<b>249,891,522</b>
Capital expenditure	2,266,264	12,945,058
Acquisition	50,825,057	131,919,218
Transfer from inventories	-	16,792,471
Transfer to inventories	(50,225,647)	(272,994,250)
Disposals	(7,717,444)	-
Fair value adjustment during the year	-	75,097,712
<b>At 31 March 2023 / 31 December 2022</b>	<b>208,799,961</b>	<b>213,651,731</b>
<b>Grand Total Investment Property at 31 March 2023 / 31 December 2022</b>	<b>2,360,391,759</b>	<b>2,251,984,947</b>

**Valuation processes**

The Company's investment properties were valued at 31 December 2022 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 - 7 apartments owned by subsidiary One Mircea Eliade Properties SRL and 6 apartments owned by subsidiary, One Herastrau Towers were valued at 31 March 2023 for change in destination from sale to lease. The retail space leased to Lidl by the subsidiary One Verdi Park SRL was also valued at fair value as at 31 March 2023.

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:

- 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;
- 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;
- 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.

**7. INVESTMENT PROPERTY (CONTINUED)**

- 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 31 March 2023 and 31 December 2022. 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.

**8. INVESTMENT IN ASSOCIATES**

As at 31 March 2023 and 31 December 2022, 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	Object of activity	% of ownership interest		Carrying amount	
			31-Mar-23	31-Dec-22	31-Mar-23	31-Dec-22
Reinvent Energy SRL	Romania	Constructions	20%	20%	2,157,759	2,157,759
CCT & ONE AG	Switzerland	Investment	49.90%	49.9%	675,656	675,656
Glass Rom Invest SRL	Romania	Constructions	20%	20%	288,956	288,956
One Property Support Services SRL	Romania	Property management	20%	20%	291,436	245,006
One Herastrau Office Properties S.A.	Romania	Holding	30%	30%	4,603,154	-
One Herastrau Office S.A.	Romania	Rental of office space	0%	20%	-	-
Asociatia ASAR	Romania	Architecture	20%	20%	2,500	2,500
<b>Total equity-accounted investments</b>					<b>8,019,461</b>	<b>3,369,877</b>

	31-Mar-23	31-Mar-22
<b>Aggregate amounts of the Group's share of:</b>		
Profit from continuing operations	4,649,584	698,357
<b>Total comprehensive income</b>	<b>4,649,584</b>	<b>698,357</b>

**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:

## 9. INVENTORIES (CONTINUED)

Developer	Project name	31 March 2023	31 December 2022
One Peninsula SRL (former One Herastrau Park Residence SRL)	One Peninsula	76,618,779	75,136,000
One Verdi Park SRL	One Verdi Park	61,133,866	72,017,173
One Mircea Eliade Properties SRL	One Floreasca City	6,498,429	15,861,977
One Herastrau Towers SRL	One Herastrau Towers	1,115,674	19,660,230
Neo Floreasca Lake SRL	Neo Floreasca Lake	11,413,833	14,603,243
Neo Timpuri Noi SRL	Neo Timpuri Noi	13,609,393	8,963,730
One Herastrau Vista SRL (former Neo Herastrau Park SRL)	One Herastrau Vista	7,141,908	4,586,823
One Modrogran	One Modrogran	45,279,911	43,432,300
One Mamaia Nord SRL - phase 2	One Mamaia Nord 2	18,182,858	11,082,766
One Cotroceni Park	One Cotroceni Park	50,600,826	39,808,973
One High District (former One Proiect 1)	One High District	71,973,295	4,352,515
One Lake Club (former One Proiect 6)	One Lake Club	135,345,824	117,968,858
One Lake District	One Lake District	193,493,255	188,991,343
One Floreasca Towers	One Floreasca Towers	43,656,435	45,499,262
One Cotroceni Towers	One Cotroceni Towers	105,563,908	-
Other inventories		659,056	1,029,147
<b>Total</b>		<b>842,287,250</b>	<b>662,994,340</b>

In February 2023, the Group through its subsidiaries, One Cotroceni Towers and One Cotroceni Park Office Faza 3 have concluded the agreement for the acquisition of a plot of land of 44,863 sqm on Soseaua Progresului 56-80, in Bucharest district 5. The value of the transaction is EUR 35 million, from which related to One Cotroceni Towers, a plot of land of 32,555 sqm valued at EUR 25,4 million, out of which EUR 10,4 million is paid in cash and the rest of EUR 15 million is exchanged with future apartments and commercial spaces. The remaining amount of EUR 9,6 million related to One Cotroceni Park Office Faza 3 is included in investment property. Please see Note 7 for further details.

## 10. ADVANCE PAYMENTS TO SUPPLIERS

As at 31 March 2023 and 31 December 2022, advances to suppliers are detailed as follows:

Description	31 March 2023	31 December 2022
Advances to suppliers for acquisition of goods	34,553,401	31,083,375
Advances to suppliers for acquisition of services	92,673,593	85,233,534
<b>Total</b>	<b>127,226,994</b>	<b>116,316,909</b>

**11. TRADE AND OTHER RECEIVABLES**

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

Description	31 March 2023	31 December 2022
Trade receivables – customers	102,843,722	130,752,011
Loss allowances for trade receivables	(8,910,272)	(8,692,226)
Accrued receivables	501,093	2,047,439
Contract assets	365,141,416	267,895,398
<b>Total trade receivables</b>	<b>459,575,959</b>	<b>392,002,622</b>
VAT receivable	85,178,575	63,746,367
Various debtors	3,010,584	3,842,428
Loans granted to related parties	7,064,155	7,060,180
Loans granted to others	22,487,706	17,189,519
Prepaid interim dividends	36,102,481	36,102,481
Income tax receivables	1,029,404	1,214,513
Interest receivable	395,874	374,070
Other receivables	1,689,752	791,367
Loss allowances for other receivables	(458,482)	(458,482)
<b>Total other receivables</b>	<b>156,500,049</b>	<b>129,862,443</b>
<b>Total</b>	<b>616,076,008</b>	<b>521,865,065</b>

Balances in relation to related parties are disclosed in Note 24.

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.

As at 31 March 2023 and 31 December 2022, 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. The tax authorities have approved the fund application and after the control performed, the Group collecting the amounts approved for reimbursement.

On 28 September 2022, through Decision of the Ordinary General Meeting of Shareholders it was approved the distribution of interim dividends from the Company's profit corresponding to the first six months of the financial year ending on 31 December 2022 in value of RON 36,102,481 (gross amount), from the distributable net profit of RON 46,075,910 for the first half of the financial year ending 31 December 2022. The proposed final dividend was subject to approval by shareholders at the annual general meeting that took place in 25 April 2023 and has not been included as a liability in these financial statements.

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 loan outstanding balance as at 31 March 2023 is of RON 6,13 million (31 December 2022: RON 6,13 million) and related interest of RON 287,761 (31 December 2022: RON 286,113).

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. The period of reimbursement is depending on the cash flows availability of the borrower. The loan outstanding balance as at 31 March 2023 is of RON 21,6 million (31 December 2022: RON 16,6 million) and related interest of RON 563,979 (31 December 2022: RON 303,958).



**12. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents are detailed as follows:

Description	31 March 2023	31 December 2022
Bank deposits in EUR	128,668,694	194,593,878
Bank deposits in RON	246,101,090	287,986,090
Bank accounts in EUR	51,021,151	59,569,684
Bank accounts in USD	2,449	2,557
Bank deposits in GBP	-	-
Bank accounts in RON	36,404,098	24,603,987
Petty cash – RON	203,623	203,709
Other cash items	197	138
<b>Total</b>	<b>462,401,302</b>	<b>566,960,043</b>

Also, the maturity of bank deposits is as follows:

Description	31 March 2023	Maturity	31 December 2022	Maturity
Bank deposits in EUR	128,668,694	2023	194,593,878	2023
Bank deposits in RON	246,101,090	2023	287,986,090	2023
<b>Total</b>	<b>374,769,784</b>		<b>482,579,968</b>	

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**

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

The other subsidiaries which are not included in the fiscal group and are not micro-entities are profit tax payers as of 31 March 2023, while the subsidiaries which are micro-entities are paying income tax, according to the provisions of Law no. 571/2003 regarding the Fiscal Code and the application rules.

The tax rates for 2023 and 2022 are 16% for taxable profit and 1% for micro entities of total revenues.

The Group's current profit tax for the years 2022-2023 is determined at a statutory rate of 16% based on the statutory profit adjusted by non-deductible expenses and non-taxable revenues.

The deferred profit tax as at 31 March 2023 and 31 December 2022 is determined based on the 16% tax rate, which is expected to be effective when temporary differences are reversed.

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

Description	31 March 2023	31 December 2022
Current profit tax liabilities	(4,382,944)	(717,144)
Deferred tax liabilities	(295,111,034)	(272,828,037)
<b>Total assets /(liabilities)</b>	<b>(299,493,978)</b>	<b>(273,545,181)</b>

**13. PROFIT TAX (CONTINUED)**

The profit tax expense for the years ended 31 March 2023 and 31 March 2022 is detailed as follows:

Description	31 March 2023	31 March 2022
Current profit tax expenses	3,894,287	5,658,982
Deferred profit tax expenses	22,282,997	35,932,069
<b>Income tax expense recognised in statement of profit or loss</b>	<b>26,177,284</b>	<b>41,591,051</b>

**Deferred tax balance movements**

As at 31 March 2023 and 31 December 2022, the net deferred tax assets or liabilities related to taxable differences are as follows:

	Consolidated statement of financial position		Consolidated profit or loss	
	31 March 2023	31 December 2022	3 months 2023	3 months 2022
Construction contracts – IFRS15 effect	(108,544,813)	(93,397,982)	15,146,831	7,368,496
Fair value increase of investment property and effect of amortization	(168,562,800)	(157,412,416)	11,150,384	7,438,902
Inventories	(21,799,170)	(22,275,211)	(476,041)	(187,705)
Trade and other receivables	(838,653)	(838,653)	-	-
Fiscal losses	24,543,457	21,780,916	(2,762,541)	3,458,865
Sponsorship	4,804,347	5,049,609	245,262	2,344,369
Leases	41,380	28,755	(12,625)	(12,625)
Prepayments	129,621	129,621	-	14,260
Gain on the bargain purchase	-	-	-	15,517,838
Acquisition of Bucur Obor – recognized in retained earnings	(33,385,915)	(33,385,915)	-	-
Stock Option Plan	8,389,115	7,384,150	(1,004,965)	
Property, plant and equipment	112,397	109,089	(3,308)	(10,331)
<b>Deferred tax expenses / (income)</b>			<b>22,282,997</b>	<b>35,932,069</b>
<b>Deferred tax assets / (liabilities) net</b>	<b>(295,111,034)</b>	<b>(272,828,037)</b>		

**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 31 March 2023 the Group's share capital is RON 740,563,717.20 (31 December 2022: RON 740,563,717.20) divided into 3,702,818,586 shares (31 December 2022: 3,702,818,586 shares) at a nominal value of RON 0.2 each (31 December 2022: RON 0.2 each). All issued shares are fully paid.

## 14. EQUITY (CONTINUED)

## Structure of share capital

Name of shareholder	31 March 2023			31 December 2022		
	Number of shares	Nominal value [RON]	Holding [%]	Number of shares	Nominal value [RON]	Holding [%]
OA Liviu Holding Invest SRL (represented by Mr. Andrei Diaconescu)	1,021,349,895	204,269,979	27.5830%	1,021,349,895	204,269,979	27.5830%
Vinci Ver Holding SRL (represented by Mr. Victor Capitanu)	1,021,349,895	204,269,979	27.5830%	1,021,349,895	204,269,979	27.5830%
Others	1,660,118,796	332,023,759	44.8340%	1,660,118,796	332,023,759	44.8340%
<b>Total</b>	<b>3,702,818,586</b>	<b>740,563,717</b>	<b>100.00%</b>	<b>3,702,818,586</b>	<b>740,563,717</b>	<b>100.00%</b>

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 26 April 2022, the Extraordinary General Meeting of Shareholders and subsequent on 5 May 2022, the Board of Directors have approved the share capital increase in order to raise funds to finance the current activity of the Company and its group, respectively to finance developments and acquisitions, through one or more issues of ordinary, registered and dematerialized shares.

On August 3, 2022, the Board of Directors approved the results of the Share Capital Increase, respectively the subscription of a number of 202,973,646 new shares offered at a price of 1.25 RON / share representing a total gross capital raise of 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.

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

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

**(ii) Legal reserve**

The legal reserve of RON 17,452,635 as at 31 March 2023 (2022: RON 17,452,635) 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).

**14. EQUITY (CONTINUED)**

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

**(iii) Other 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 basis by the remuneration committee. In case of exercising the Options, newly issued shares will be allocated by the holding company. The performance conditions that must be met in order to exercise the Options are: (a) holding the position of executive member of the Board of Directors at the Performance Measurement Date and (b) reaching a price per share according to an algorithm established by the decision of the Board of Directors and subsequently approved by the General Shareholder Meeting.

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 6,3 million in Q1 2023 and RON 46 million during 2022 and in correspondence the related capital reserve.

**15. LOANS AND BORROWINGS**

The loans outstanding as at 31 March 2023 and 31 December 2022 are detailed as follows:

Description	Original Currency	31 March 2023	31 December 2022
<i>Secured loans</i>			
Bank loans due in one year	EUR	151,721,892	172,386,427
Bank loans due in more than one year	EUR	737,276,940	633,776,316
<i>Unsecured loans</i>			
Loans received from minority shareholders due in one year	EUR	22,659	22,652
Loans received from minority shareholders due in more than one year	EUR	2,578,624	3,528,882
Loans received from minority shareholders due in one year	RON	32,989	24,876
Loans received from related parties due in one year	EUR	35,213	35,200
Loans received from related parties due in more than one year	EUR	20,069,056	20,062,162
Loans received from related parties due in more than one year	RON	368,111	368,111
<b>Total</b>		<b>912,105,484</b>	<b>830,204,626</b>
<i>Of which:</i>			
<b>Long-term</b>		<b>760,292,731</b>	<b>657,735,471</b>
<b>Short-term</b>		<b>151,812,753</b>	<b>172,469,155</b>



**15. LOANS AND BORROWINGS (CONTINUED)**

The balances and transactions with related parties are presented in Note 24.

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.

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 31 March 2023, 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 31 March 2023. The loan balance as of 31 March 2023 is RON 204,9 million (31 December 2022: RON 204,8 million) from which due on short term – RON 14,5 million and related interest in balance of RON 3,1 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 31 March 2023 is of RON 69,03 million (31 December 2022: RON 98,36 million) and is in full due on short term.

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. As of 31 March 2023, the loan balance related to the subsidiary One Cotroceni Park Office SA is RON 208,2 million (31 December 2022: RON 211,52 million) from which on short term the amount of RON 27,9 million. As of 31 March 2023, the loan balance related to the subsidiary One Cotroceni Park Office SA Faza 2 is RON 101,4 million (31 December 2022: RON 49,25 million) from which on short term the amount of RON 2,2 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 31 March 2023 is of RON 59,39 million (31 December 2022: RON 59,37 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 31 March 2023 is of RON 18,14 million (31 December 2022: RON 18,55 million) and is due on short term. 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 loan balance as at 31 March 2023 is RON 40,16 million (31 December 2022: RON 41,16 million), from which on short term RON 4,2 million.

On 27 July 2022, the Company, through its subsidiary One Victoria Plaza SRL (former MAM Imob Business Center SRL) contracted a bank loan from Garanti Bank in total value of EUR 18,43 million and fully utilized this amount, therefore the loan balance as at 31 March 2023 is RON 87,86 million (31 December 2022: RON 89,18 million), from which on short term RON 5 million. The loan will be fully repaid until June 2037.

The subsidiaries One United Tower SA and One Cotroceni Park Office Faza2 SA have withdraw during 2022 RON 3,7 million, respectively RON 8,37 million from Element Invest Partners, related party. The group loan balance, including interest with Element Invest Partners is RON 20,47 million (31 December 2022: RON 20,46 million).

**15. LOANS AND BORROWINGS (CONTINUED)**

In Q1 2023, the Group, through its subsidiary, One Proiect 12 SRL, contracted a bank loan from First Bank in total value of EUR 6,8 million. The loan has a maturity of 6 years. The bank loan contract contains pledges over the building and land held by the company on Georges Clemenceau street, no 8-10 and also over the building and land held by One Proiect 10 SRL on Academiei street no 21, as well as bank accounts and a corporate guarantee issued by the holding Company. The loan balance as of 31 March 2023 is RON 33,4 million from which on short term RON 0,6 million.

In Q1 2023, the Group, through its subsidiary Eliade Tower SRL contracted a bank loan from Garanti Bank in total value of EUR 5 million and fully utilized in January 2023. The loan has a maturity of 5 years. The bank loan contract contains pledges the Office building “Eliade Tower” located in Bd. Mircea Eliade No.18, Bucharest. The due date for reimbursement is 19 January 2028. The loan balance as of 31 March 2023 is RON 24 million from which on short term RON 4,5 million.

On 2 March 2023, subsidiary One Cotroceni Park SRL contracted a bank loan from Transilvania Bank in total value of EUR 20 million for a period of 42 months. The loan due date for reimbursement is August 30th 2026. The bank loan contract contains pledges over land plot 239866, as well as bank accounts and future receivables from presales and a corporate guarantee issued by the holding Company. As at 31 March 2023, the subsidiary have withdrawn the amount of EUR 1,3 million. The loan balance as of 31 March 2023 is RON 6,4 million

**16. TRADE AND OTHER PAYABLES**

Trade and other payables are detailed as follows:

Description	31 March			31 December		
	2023	Short Term	Long term	2022	Short Term	Long term
Suppliers	73,097,520	73,097,520	-	163,841,716	163,841,716	-
Accrued payables	28,647,919	28,647,919	-	28,602,207	28,602,207	-
Performance guarantees retained from suppliers	54,491,886	54,491,886	-	48,722,743	48,722,743	-
Dividends	2,798,627	2,798,627	-	2,806,389	2,806,389	-
Other taxes and duties	1,227,410	1,227,410	-	1,326,580	1,326,580	-
Sundry creditors	31,864,347	22,629,326	9,235,021	43,166,659	24,703,167	18,463,492
Provisions	1,506,883	-	1,506,883	1,450,526	-	1,450,526
Employee benefits	1,226,390	1,226,390	-	1,062,754	1,062,754	-
Other creditors	3,528,050	-	3,528,050	3,528,255	-	3,528,255
<b>Total trade and other payables</b>	<b>198,389,032</b>	<b>184,119,078</b>	<b>14,269,954</b>	<b>294,507,829</b>	<b>271,065,556</b>	<b>23,442,273</b>

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.

In Sundry creditors line is included the amount outstanding to be paid (RON 27,7 million) for the acquisition of land in surface area of 801,028.380 sqm owned by the subsidiary One Proiect 11 SRL, located in Ilfov county.

**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.

## 17. ADVANCE PAYMENTS FROM CUSTOMERS (CONTINUED)

Developer	Project Name	Description	31-Mar-23	31-Dec-22
One Floreasca Towers	One Floreasca Towers	Residential	25,664,164	15,530,020
One Herastrau Plaza SRL	One Herastrau Plaza	Residential	79,392	79,393
One Cotroceni Towers SRL	One Cotroceni Towers	Residential	109,637,906	-
One North Gate SRL	One North Lofts	Investment property	10,732,742	8,165,132
One Cotroceni Park SRL	One Cotroceni Park	Residential	-	30,377,463
One Lake District SRL	One District Properties	Residential	88,014,940	88,640,773
One Plaza Athenee SRL (former One Proiect 3 SRL)	One Plaza Athenee	Residential	-	39,552,200
One Lake Club SRL (former One Proiect 6 SRL)	One Lake Club SRL	Residential	46,608,768	53,182,697
One Lake Club (OP6 - Vlago)	One Lake Club (OP6 - Vlago)	Residential	3,254,891	5,226,929
One City Club SRL (former One Proiect 9 SRL)	One City Club	Investment property	5,088,154	5,088,154
One Mamaia Nord SRL (former Neo Mamaia SRL)	One Mamaia Nord	Residential	6,180,866	6,992,261
One Long Term Value SRL	One Long Term Value	Investment property	103,705	-
One Herastrau Vista (former Neo Herastrau Park SRL)	One Herastrau Vista	Residential	29,530,865	26,634,795
One High District SRL	One High District	Residential	80,455,018	10,209,552
Eliade Tower SRL	Eliade Tower	Investment property	7,414,200	2,961,080
Bucur Obor SA	Bucur Obor	Investment property	1,000	1,000
<b>Total</b>			<b>412,766,611</b>	<b>292,641,449</b>

Description	31 March 2023	31 December 2022
Advances received from clients in relation to residential portfolio (contract liabilities)	389,426,811	276,426,083
Advances received from clients in relation to investment property	23,339,800	16,215,366
<b>Total</b>	<b>412,766,611</b>	<b>292,641,449</b>

**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	31 March 2023	31 March 2022
<b>Sales of completed inventory property</b>		
<i>Sales – One Mircea Eliade Properties</i>	825,859	14,518,702
<i>Sales – One Mamaia Nord (former Neo Mamaia)</i>	311,850	-
<i>Sales - One Herastrau Towers</i>	25,697,683	-
<b>Sales of residential property under development from which:</b>		
<i>Contract revenues – One Herastrau Towers</i>	-	43,653
<i>Contract revenues - One Peninsula</i>	35,136,254	25,205,296
<i>Contract revenues - One Verdi Park</i>	23,495,991	58,626,097
<i>Contract revenues - Neo Floreasca Lake</i>	7,522,154	11,387,041
<i>Contract revenues - Neo Timpuri Noi</i>	(2,225,818)	6,902,323
<i>Contract revenues - One Herastrau Vista</i>	6,181,037	17,432
<i>Contract revenues – One Modrogan</i>	(1,570,641)	33,295,647
<i>Contract revenues – One Cotroceni Park</i>	52,234,883	47,160,223
<i>Contract revenues - One Mamaia Nord - faza 2</i>	2,346,239	21,059
<i>Contract revenues - One High District</i>	57,673,172	-
<i>Contract revenues - One Floreasca Towers</i>	12,313,866	-
<i>Contract revenues - One Lake District</i>	625,833	-
<i>Contract revenues - One Lake Club</i>	8,712,707	-
<i>Contract revenues - One Cotroceni Towers</i>	20,471,826	-
<i>Contract revenues - One Plaza Athenee</i>	79,283,418	-
<b>Total revenues from contracts with customers</b>	<b>329,036,313</b>	<b>197,177,473</b>

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

The Group through its subsidiary, One Plaza Athenee have obtained the building permit for a building 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. The Group have reclassified the asset from investment property to inventories and started to recognize contract revenue according to IFRS 15. Please see Note 7 for further details.

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



**ONE UNITED PROPERTIES SA AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 3 months ended 31 March 2023**

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

**18. NET INCOME FROM RESIDENTIAL PROPERTY (CONTINUED)**

The cost of sales of residential property are detailed below:

	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Cost of sales of completed inventory property</b>		
<i>Cost of sales – One Mircea Eliade</i>	249,922	11,343,173
<i>Cost of sales – One Mamaia Nord (former Neo Mamaia)</i>	105,000	29,492
<i>Cost of sales - One Herastrau Towers</i>	8,694,126	-
<b>Cost of sales of residential property under development from which:</b>		
<i>Contract cost - One Herastrau Towers</i>	-	29,133
<i>Contract cost - One Peninsula</i>	15,826,538	12,213,509
<i>Contract cost - One Verdi Park</i>	13,059,131	31,990,353
<i>Contract cost - Neo Floreasca Lake</i>	3,654,966	5,350,203
<i>Contract cost - Neo Timpuri Noi</i>	(1,348,802)	4,388,797
<i>Contract cost - One Herastrau Vista</i>	3,985,495	16,379
<i>Contract cost – One Modrogan</i>	(1,276,320)	12,608,974
<i>Contract cost – One Cotroceni Park</i>	35,758,431	35,340,243
<i>Contract cost - One Mamaia Nord - faza 2</i>	3,481,508	52,179
<i>Contract cost - One High District</i>	55,338,874	-
<i>Contract cost - One Floreasca Towers</i>	8,973,575	-
<i>Contract cost - One Lake District</i>	612,881	-
<i>Contract cost - One Lake Club</i>	6,014,280	-
<i>Contract cost - One Cotroceni Towers</i>	20,481,359	
<i>Contract cost - One Plaza Athenee</i>	50,805,183	
<b>Total cost of sales</b>	<b>224,416,147</b>	<b>113,362,435</b>

**19. NET INCOME FROM RENTAL ACTIVITY**

The Group has entered into leases on its office property portfolio. The office property leases typically have lease terms of between 5 and 10 years and include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. Some leases contain options to break before the end of the lease term.

Details about the net annual rent are presented below:

<b>As at 31 March 2023</b>	<b>Rental income</b>	<b>% share of rental income</b>	<b>Revenues from services to tenants</b>	<b>Total</b>	<b>% share in total</b>
Office	16,073,881	67%	5,803,284	21,877,165	69.5%
Retail	7,269,137	30%	1,575,281	8,844,418	28.1%
Other	737,027	3%	5,471	742,498	2.4%
<b>Total</b>	<b>24,080,045</b>	<b>100%</b>	<b>7,384,036</b>	<b>31,464,081</b>	<b>100.0%</b>

<b>As at 31 March 2022</b>	<b>Rental income</b>	<b>% share of rental income</b>	<b>Revenues from services to tenants</b>	<b>Total</b>	<b>% share in total</b>
Office	1,562,225	24%	1,064,791	2,627,016	30%
Retail	4,936,505	74%	919,653	5,856,158	68%
Other	136,052	2%	9,725	145,777	2%
<b>Total</b>	<b>6,634,782</b>	<b>100%</b>	<b>1,994,169</b>	<b>8,628,951</b>	<b>100%</b>

Under the office activity, are mainly included the revenues generated by One United Tower, One Cotroceni Park Office and One Victoriei Plaza with a share of 90% in total office rental revenues as of 31 March 2023. The rental activity increased as One Tower and One Cotroceni Park Office buildings started to generate revenues as the development were finalized.

Under the retail activity, are included the revenues generated by Bucur Obor.

**ONE UNITED PROPERTIES SA AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 3 months ended 31 March 2023**

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

**20. SALES BROKERAGE EXPENSES AND OVERHEAD EXPENSES**

Description	3 months ended	
	31 March 2023	31 March 2022
Sales brokerage commissions	1,753,993	1,494,438
<b>Total</b>	<b>1,753,993</b>	<b>1,494,438</b>

Sales brokerage commissions are recorded and paid for signing bilateral purchase undertakings of apartments or rental contracts.

**21. GENERAL AND ADMINISTRATIVE EXPENSES**

The overheads are detailed as follows:

Description	31 March 2023	31 March 2022
Bank commissions and similar charges	575,833	521,962
Commissions, fees and legal consultancy	1,894,973	1,752,895
Repairs and maintenance	25,725	127,331
Fuel, office equipment and similar	225,528	406,133
Amortization of fixed assets	1,444,537	423,985
Marketing, advertising and publicity	2,479,709	1,912,379
Taxes and duties	126,313	239,139
Accounting, audit and consultancy services	399,232	257,508
Other consultancy services	1,031,411	493,827
Administration services	229,739	113,715
Other expenses with third party services	215,326	159,550
Salaries and similar contributions	2,668,422	2,588,975
Share based payment transactions	6,281,030	-
Postage and telecommunication expenses	26,317	23,119
Transport and travels	285,581	550,326
Sundry rentals	220,175	184,408
Depreciation of right of use assets	120,557	120,557
Insurance	159,039	107,002
Valuation services	73,336	77,044
Recruitment	53,944	11,128
<b>Total</b>	<b>18,536,727</b>	<b>10,070,983</b>

**22. OTHER OPERATING EXPENSES**

Other operating expenses are detailed as follows:

Description	3 months ended	
	31 March 2023	31 March 2022
Donations and sponsorships	2,647,639	2,850,358
Movement in provisions and allowance for impairment	274,538	(73,599)
Bad debts written off	174,454	28,324
Contractual penalties	56,974	830,168
Other operating expenses	300,946	203,027
<b>Total</b>	<b>3,454,551</b>	<b>3,838,278</b>

**23. NET FINANCIAL RESULT**

The financial income and expenses are detailed as follows:

Description	3 months ended	
	31 March 2023	31 March 2022
Interest income	6,724,610	434,342
Other financial income	90,113	14,113
Foreign exchange net impact	(998,844)	(1,948,367)
Interest expenses	(11,031,134)	(3,892,782)
<b>Total net financial result – gain/(loss)</b>	<b>(5,215,255)</b>	<b>(5,392,694)</b>

**24. 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	31 March 2023	31 March 2022
Short - term employee benefits	-	161,889

The Group’s related parties at 31 March 2023 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
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
CCT & ONE AG	Switzerland	Associate
CC Trust Group AG	Switzerland	Other related party
CCT & One Properties SA	Luxembourg	Associate
Vinci Ver Holding SRL	Romania	Other related party
OA Liviu Holding SRL	Romania	Other related party
Dragos-Horia Manda	Romania	Key management personnel, minority shareholder of the Group
Claudio Cisullo	Switzerland	Key management personnel, minority shareholder of the Group
Gabriel-Ionut Dumitrescu	Romania	Key management personnel, starting 2022 exit the Board
Adriana-Anca Anton	Romania	Key management personnel, starting 2022 exit the Board
Valentin-Cosmin Samoila	Romania	Key management personnel

**ONE UNITED PROPERTIES SA AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – 3 months ended 31 March 2023**

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

<b>Name</b>	<b>Country</b>	<b>Type of affiliation</b>
Marius-Mihail Diaconu	Romania	Key management personnel, minority shareholder of the Group
Augusta Dragic	Romania	Key management personnel
Magdalena Souckova	Czech Rep.	Key management personnel

The following table provides the total amount of transactions that have been entered into with related parties during the three months ended 31 March 2023 and 31 March 2022, as well as balances with related parties as at 31 March 2023 and 31 December 2022:

<b>Nature of balances</b>	<b>Related party categories</b>	<b>Statement of financial position (Amounts owing (to)/from)</b>	
		<b>31 March 2023</b>	<b>31 December 2022</b>
Receivables and other receivables related to goods and services sold	Key management personnel of the Group	2,482	2,482
	Associates	4,183,836	4,744,972
	Other related parties	18,778,231	12,050,587
Advances paid for purchases of goods and services	Key management personnel of the Group	-	-
	Associates	8,473,803	10,869,424
	Other related parties	21,400,874	21,883,513
Payables related to goods and services paid	Key management personnel of the Group	3,305	3,305
	Associates	10,845,257	10,270,577
	Other related parties	7,705,542	8,850,374
Dividends paid during the year, net of tax	Key management personnel of the Group	-	4,309,192
	Other related parties	-	48,473,059
Advance payments received	Other related parties	8,336,594	10,999,262
	Associates	96,579,183	102,004,454

<b>Nature of transactions</b>	<b>Related party categories</b>	<b>Income statement (Income/(expense))</b>	
		<b>3 months 2023</b>	<b>3 months 2022</b>
Sales of goods and services	Key management personnel of the Group	-	-
	Associates	6,212,194	7,502,830
	Other related parties	2,741,355	1,940,557
Purchases of various goods and services	Key management personnel of the Group	-	-
	Associates	17,877,945	22,441,190
	Other related parties	7,739,709	2,463,765

<b>Loans from related parties</b>		<b>Amounts owed to related parties</b>	
		<b>Interest expenses</b>	
Companies – Other related parties	2023	-	20,472,379
	2022	99,014	20,465,473
<b>Total loans from related parties</b>	<b>2023</b>	<b>-</b>	<b>20,472,379</b>
	<b>2022</b>	<b>99,014</b>	<b>20,465,473</b>



**24. RELATED PARTIES (CONTINUED)**

Loans granted related parties		Interest income	Amounts granted to related parties
	2023	1,553	7,064,155
Loans granted to associates	2022	29,986	7,060,180
<b>Total loans from related parties</b>	<b>2023</b>	<b>1,553</b>	<b>7,064,155</b>
	<b>2022</b>	<b>29,986</b>	<b>7,060,180</b>

**25. EARNING PER SHARE**

The calculation of earnings per share at 31 March 2023 and 31 March 2022 was based on the profit attributable to equity holders of RON 151,677,336 (31 March 2022: RON 166,381,576) and the weighted average ordinary shares in issue during the year.

<i>RON</i>	<b>31 March 2023</b>	<b>31 March 2022</b>
Profit for the year attributable to equity holders	151,677,336	166,381,576
Weighted average number of shares in issue	2,812,996,754	647,837,366
Basic earnings per share attributable to equity holders	0.05	0.26

**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.

The Group has no significant capital commitments at 31 March 2023 and 31 December 2022.

**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.

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

**28. SUBSEQUENT EVENTS**

On April 25th, 2023, held the Ordinary and Extraordinary General Meetings of Shareholders. During the GMS, the shareholders approved, among other items, the distribution of the second tranche of the dividends of RON 37,03 million (with first tranche paid in October 2022, full gross dividend for 2022 is RON 73,13 million). The Company' dividend policy includes the payment of dividends on a semi-annual basis.

The interim condensed consolidated financial statements were approved by the Management of the Company, authorised for issue on 10 May 2023 and signed on its behalf by:

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**VICTOR CAPITANU**  
Administrator

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**VALENTIN-COSMIN SAMOILA**  
Chief Financial Officer