

# ANNUAL REPORT

31.12.2023

## META ESTATE TRUST SA

A company listed on the SMT - AeRO Market of  
the Bucharest Stock Exchange

Symbol: MET



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Financial statements for the year ended 31 December 2023 accompanied by the independent financial auditor's report

## ISSUER INFORMATION

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### INFORMATION ABOUT THIS FINANCIAL REPORT

**Report type:** Annual Report 2023

**For the period:** 01.01.2023 – 31.12.2023

**Date of publication of the report:** 26.04.2024

### ISSUER INFORMATION

**Name:** META ESTATE TRUST S.A. ("the Company", "MET")

**Fiscal Code:** RO43859039

**Trade Register no.:** J40/4004/2021

**Head Office:** 4-10 Muntii Tatra, 4th Floor, Bucharest, Romania

### SECURITIES INFORMATION

**Subscribed and paid-up capital:** RON 93,491,736

**Market on which the securities are traded:** SMT-AeRO Premium

**Total number of shares:** 93,491,736, of which: 82,241,760 class "A" ordinary shares and 11,249,976 class "B" preferred shares

**Symbol:** MET

### CONTACT DETAILS FOR INVESTORS

**E-mail:** [investors@meta-estate.ro](mailto:investors@meta-estate.ro)

**Phone no:** 021 589 7329

**Website:** [www.metaestate.ro](http://www.metaestate.ro)

The financial statements as at 31 December 2023, presented on the following pages are audited. The figures presented in the descriptive part of the report, expressed in thousand or millions of RON / lei, are rounded to the nearest whole number and may result in small differences in the regularization.

## MESSAGE TO THE SHAREHOLDERS ON BEHALF OF THE BOARD OF DIRECTORS

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Dear shareholders and investors,

I would like to thank you for the trust placed in the Board of Directors which began its mandate at the end of January 2024. During this period, our priorities have been focused on issues essential to the continuity of the company's business and the establishment of the executive and procedural structure to support a functioning investment activity.

2023 was a year of significant events with an impact on the way the company conducted its business. Changes to the executive structure, a new Board structure and litigations episodes involving the company, have influenced the business and the working climate. All of these issues require attention and responsible management in order to successfully navigate the current challenges. We are confident in addressing these issues with minimal cost.

One of the measures adopted on taking office was to request an internal audit which aimed to analyse the activity carried out in the previous year, in accordance with the legal framework in force. The results of this evaluation will be communicated to the investors through the company's official channels and discussed in ordinary or dedicated meetings with investors. The current management team is working intensively to structurally address the current issues at an executive and functional level.

Approval of the 2024 Revenue and Expenditure Budget has been one of our main priorities. Although it was a pending obligation of the previous financial year, we found that at the end of January 2024 there was still no approved Revenue and Expenditure Budget, which posed serious challenges to the day-to-day operations of the company. The budget was built following prudent principles, with an intent to support the investment activity of the Company, while efficiently distributing resources efficiently. Going forward, we intend to closely monitor the budget execution in order to achieve the announced objectives.

The contractual relationship with Meta Management Team SRL ("MMT"), one of the contentious issues that has marked the evolution of the company, has entered a litigious phase that is now proceeding in court. MET has started collaborating with two law firms that manage the technical perspective of the resolution of the cases in court. We aim to keep shareholders and the market informed of progress in these matters. I express my confidence in the diligent manner in which the litigations are being handled and I would like MET to resolve these matters as soon as possible so that we can resume the implementation of its business model and re-focus on the objectives originally presented to shareholders in terms of growth, capital raising and listing on the main market of the BVB.

The financial results for the previous year are positive. Meta Estate Trust achieved in 2023 total revenues of RON 28.2 million (2022: RON 21.7 million), an increase of 30%, and a net profit of RON 9.5 million (2022: RON 6.5 million), an increase of more than 45% compared to the previous year's net result.

In the capital market, 2023 marked an increase in the shareholder data base of over 55%, which shows the market's interest in the company's business model and growth potential. We also distributed dividends of RON 3.5 million from the profit for the financial year 2022. This exercise pragmatically demonstrated to us the need to simplify the company's capital structure. The simultaneous existence of several share classes required a complex procedural path in the process of managing and distributing dividends. This year we aim to simplify the capital structure.

In this context, I would like to thank all those involved in the elaboration of the project portfolio and its management, those who have contributed to achieving these results, who with diligence, loyalty to the company and to the interests of shareholders, have fulfilled the responsibilities entrusted to them.

You may be wondering what our priorities look like next.

Managing and clarifying the relationship with the MMT, as mandated by the December 2023 General Assembly, remains priority zero. Our actions are aimed at ensuring business continuity and protecting investors' interests, and at operationalizing the company's functional structures in accordance with the legal provisions in force and the findings of internal analyses. Another major subject is risk analysis, risk control and alignment with the regulatory framework. The prevention of conflicts of interest is a permanent concern and a priority of the Board. Against this background, we intend to validate the business model and test its resilience in the various phases of the business cycle during this mandate.

For 2024, we are targeting a gross profit of RON 12.6 million, based on an 18% increase in operating income compared to the previous year and a 28% increase in the financial income. We also consider it important to implement a mechanism to control the discount of the market price of the shares, which consists of the automatic repurchase of shares if the difference between the book value of the share is bigger than 15%.

MET remains an unique concept in the Romanian investment landscape and over the years it has demonstrated resilience and the ability to weather existential crises. It is our responsibility to continue to invest skill, energy, loyalty and dedication to address threats, crystallize a competitive and resilient business model and find an executive formula that responsibly manages investment projects and investor expectations.

I would like to thank you once again for the trust you have placed in us!

**On behalf of the Board of Directors,**

**Laurentiu Mihai Dinu,  
Representative of Cert Master Standard SRL,  
Chairman of the Board of Directors Meta Estate Trust SA**



## MESSAGE TO THE SHAREHOLDERS ON BEHALF OF EXECUTIVE MANAGEMENT

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Dear shareholders and investors,

It's likely that for many of you the results we're about to present will be unexpectedly good given the multitude of the company's less-than-happy news over the past year.

2023 was a crucial and very complex one for Meta Estate Trust, a year in which the company had many challenges, and the real estate and capital markets had their own turbulences.

In the middle of last year, I felt it was my duty as the originator of the idea on which Meta Estate Trust was built and co-founder of the company to get more involved. Thus, I took over as CEO at a difficult time for the company, when on the one hand the investment portfolio was exposed to significant structural risks, and on the other hand tensions in the management structure of the company were generating disturbance in the management activity. In this context, I took on the role of CEO to balance the portfolio and reorganize the executive team by recruiting professionals with extensive experience in the real estate and financial markets. With their help we were able to successfully navigate the delicate economic context we are in and restructure a good part of the investment portfolio, thus substantially minimizing the risks associated with the largest exposures. Moreover, we have been able to make capital available through carefully orchestrated exits, maximizing returns on maturing investments. We have thus been able to access new projects with low risk, high returns and maturities of less than 12 months. This allows us to capitalize in 2024 and from second semester onwards to be ready to take advantage of opportunities that may arise in this unpredictable new year.

Thanks to these joint efforts we managed to achieve our ambitious financial targets (net profit of RON 9.47 million, up 46% compared to 2022, and 39% above what was budgeted for 2023) and to ensure significant organic growth (our total assets increased by 12% to RON 110 million) in a context where we did not access any capital market financing.

All this adds to the fact that the MET business model is working as designed, that we have the potential to grow organically in times of crisis for the company, and that the management team has the skills and experience to navigate difficult economic contexts and deliver the expected results for shareholders.

This new financial year will be a challenging one in which the skills and perseverance of all those at the management of the company will be tested to the full. We will continue to restructure the investment portfolio, operationalize even more exits and implement a number of carefully designed procedures and processes for substantially improved management of the company's operations. I am confident that in the current executive team formula, being aligned and with the support of the Board of Directors we will be able to deliver results worthy of a listed company in 2024. My wish is that this will be the year we can prepare to scale the company and be one step closer to becoming a true REIT.

Finally, I would like to thank the Meta Estate Trust team, board members, partners and collaborators and our shareholders for their continued support in 2023 and their continued confidence in our company.

**On behalf of the Executive Management,**

**Alexandru Bonea,  
CEO**

**KEY FIGURES 2023**



**12.38 mil.**  
Turnover  
+20% vs. 2022



**9.47 mil.**  
Net profit  
+46% vs. 2022  
+39% vs. budget



**19.29 mil.**  
Operating income  
+4% vs. 2022



**28.22 mil.**  
Total revenues  
+26% vs. 2022



**109.75 mil.**  
Total assets  
+12% vs. 2022



**101 mil.**  
Investment  
portfolio  
+25% vs. 2022

Note: amounts are presented in RON

## ABOUT META ESTATE TRUST (MET)

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Meta Estate Trust is a real estate holding company founded in March 2021 by a group of Romanian entrepreneurs with experience in real estate and capital markets. As of 29 August 2022, Meta Estate Trust is listed on the Bucharest Stock Exchange, AeRO market, with the stock symbol MET.

The company has invested in more than 50 real estate projects in the 3 years since its establishment and has successfully exited more than 20 real estate projects so far, acting as a partner to real estate developers through equity participation as well as acquisitions of homes in residential projects in early stages of construction in Bucharest and major cities.

Our **vision** is to democratize real estate investment in Romania. Our **mission** is to create and develop an innovative financial instrument that offers investors the opportunity to achieve sustainable returns in the real estate market, regardless of available capital. By democratizing investments, we mean: accessibility, diversification, risk mitigation, transparency, capital protection.

Meta Estate Trust aims to become the partner of real estate developers, using capital market instruments and, a long-term mission, to facilitate access to diversified real estate investments, both by market segment and geography.

### Investment policy

The company's investment policy is based on a mix of investment typologies with different return and risk profiles to shape a diversified and flexible portfolio that can easily adapt to market cycles.

The analysis and mitigation of investment risks associated with this asset class is a key activity of the company, taking into account 3 dimensions of study: feasibility of exit assumptions (price and timing), feasibility of completion of construction works (budget fit and financing) and legality of the project (fit with urban planning indexes and compliance with the legal texts regarding the obtaining of building permits).

The business directions the company focuses on are:

- ◆ Partnerships with developers for co-development - investment in early-stage projects with planning permits;
- ◆ Early-stage projects - acquisition of housing in residential projects in early stages of construction, with exit before or upon completion;
- ◆ Income producing assets - acquisition of housing for long- and short-term rental, with an acquisition yield of 6.5-7.5%, with the potential for positive annual revaluation and resale in 3-5 years;
- ◆ Bulk acquisitions - purchases of packages of completed new stock apartments at discounted prices and their individual resale at market price;
- ◆ Call/Put-Option on Real Estate Assets - pre-contracting a future or completed property at a substantial discount to market price and optioning the seller to buy back the pre-contract;
- ◆ Other opportunities - Flexible investments in any sector of the real estate market offering a satisfactory return.



## Advantages of Meta Estate Trust

**Protection of capital** - the investment is protected by additional guarantees and contractual clauses.

**Risk management** - the risk is mitigated through geographic diversification, access to different market segments and rapid capital turnover.

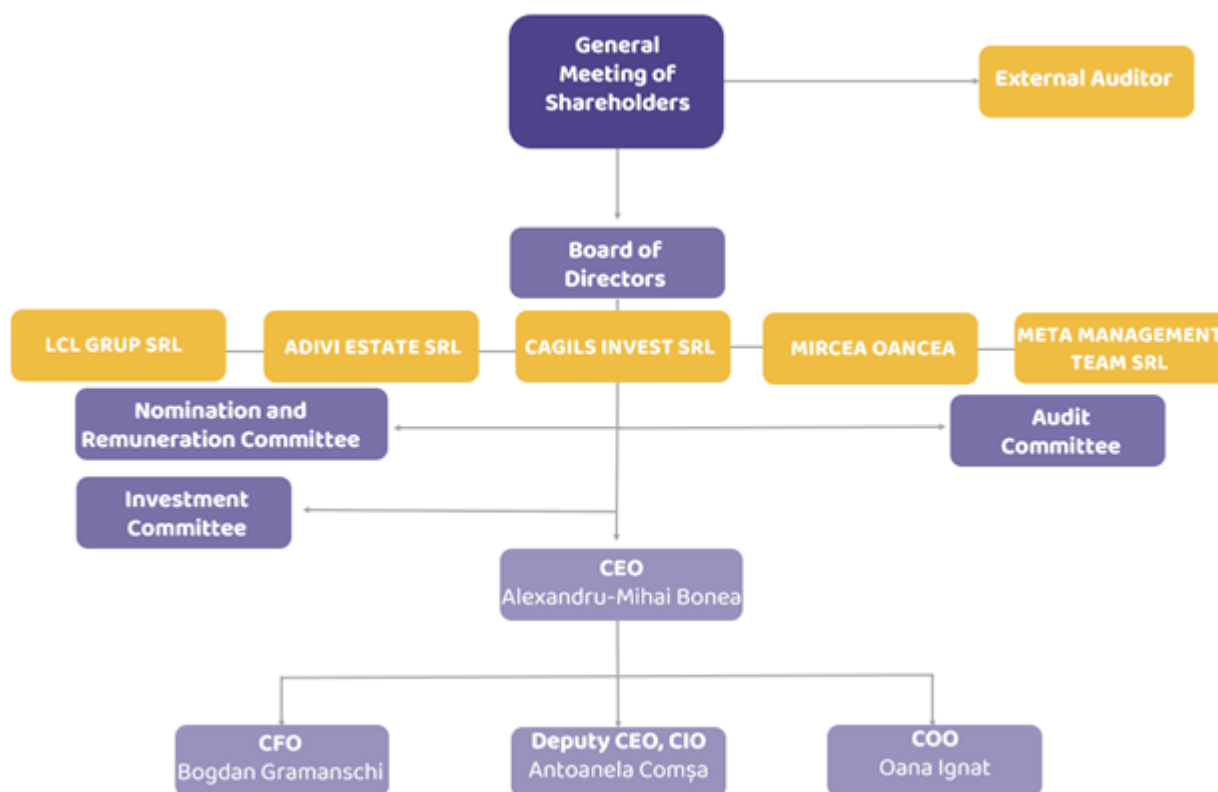
**Accessibility** - investors can choose complex real estate projects with no minimum investment threshold.

**Liquidity** - immediate access to invested capital and significantly higher liquidity than direct real estate investments.

**Attractive returns** - the expertise of a team with many years of experience in the real estate market, with access to attractive opportunities.

**Transparency** - visibility into the company's business through high standards of corporate governance and communication.

## ORGANIZATION CHART 31.12.2023



## CORPORATE GOVERNANCE

The company is supported by a five-member Board of Directors and three committees with predefined roles - Audit, Nomination and remuneration and Risk and investment analysis committees. We apply strict corporate governance rules to provide transparency and trust to our stakeholders, but also to guide the organization towards the desired standards.

The Board of Directors consists of 5 members elected by the Ordinary General Meeting of Shareholders for a maximum period of 4 years, with the possibility of re-election for successive terms.

At 31 December 2023 the Board of Directors consists of the following members:

- Meta Management Team SRL – Chairman of the Board of Directors
- CAGILS INVEST SRL, represented by Ms. Ilinca Păun
- LCL GRUP SRL, represented by Mr. Ciprian Lăduncă
- ADIVI ESTATE SRL, represented by Mr. Adrian Vasile Vîman
- Mr. Mircea Oancea

During 2023 the Board of Directors held a total of 15 meetings.

We hereby make note of the fact that, to date, the Board has not been subject to a formal annual performance review process.

**The Board of Directors members** voted at the General Meeting of Shareholders on 7 December 2023, whose term of office began on 27 January 2024 for a period of 4 years, are as follows:



**Laurențiu Dinu**, permanent representative of Cert Master Standard S.R.L. - Chairman of the Board of Directors

Laurențiu Dinu has over 10 years of professional experience in the Ministry of European Integration, the Romanian Government and the European Commission and is currently managing partner of CertRom, a certification company for public and private institutions.



**Ilinca von Derenthall** – Member of the Board of Directors

Ilinca is currently a member of several other Boards of Directors, having experience as BoD Chairman, non-executive independent director, BoD member and member in advisory board.

Ilinca has significant experience in senior executive management roles, being involved in stock exchange listings, mergers and acquisitions, privatisations, client investment management and renewable energy generation. Ilinca also has significant experience in the finance sector, banking, chemicals, renewable energy generation and international capital markets and financing.



**Daniel Popa** – Member of the Board of Directors

Director of Reynaers Romania, with more than 20 years of experience in the real estate and construction sector. A dynamic, results-oriented executive leader with robust experience in the real estate and construction sector.

Proven expertise in business development, strategic planning, compliance, financial oversight and negotiations.



**Alexandru Voicu** – Member of the Board of Directors

CEO of asset manager Certinvest, with over 13 years' experience in the capital markets, specializing in risk and investment management.

A professional who divides his time between investment, entrepreneurship and risk management; he sees the world as a series of interacting systems that add complexity. Adept at implementing new technologies where they are needed and optimizing the operational performance of companies.



**Adrian Viman**, permanent representative of Adivi Estate S.R.L. – Member of the Board of Directors

Adrian Viman is founder & CEO of Adivi Estate and Adivi Gims and has over 20 years of experience in top management and boards of directors. He led the Kaufland Group in Romania and Germany from the position of CEO and Chairman of the Board of Directors.

Experienced entrepreneur in the real estate and financial-banking sectors, with a special interest in companies in the tech and crowd-funding industries.

**Executive Management** is presented below:



**Alexandru Bonea** – CEO MET is a serial entrepreneur with a successful business track record in three countries. He is the initiator of the Meta Estate Trust project, bringing to the Romanian market an innovative business model that bridges the gap between the real estate market and the capital market.

He has over 7 years of experience in the real estate sector, during which time he coordinated Delta Studio Group's real estate investments and residential real estate developments and launched projects in Portugal, Dubai and Romania.



With an impressive career of more than 20 years in the Romanian real estate industry, she is one of the best known and appreciated managers in the Romanian real estate market, **Antoanela Comşa** – Deputy CEO is in charge, together with the CEO and the executive team, of the implementation of the investment policy.

Specialized in construction, she has successfully overseen all investments of the Spanish group Gran Via in Romania, as General Manager. She has also served as President of the Romanian Real Estate Investors Association (AREI) and is



**Bogdan Gramanschi** – CFO MET is a professional with more than 14 years of solid experience in financial auditing and consulting in the banking and financial institutions sector, with expertise in project management, IFRS reporting standard implementation and interpretation of specific issues.

His experience on risk assessment and business development, structuring of various transactions including complex pricing and capital structures, acquisitions/sales or mergers, etc. is an essential attribute for a company with a business model such as Meta Estate Trust and brings added value to the team to deliver the results shareholders expect.

## Remuneration and benefits for members of the Board of Directors and the CEO

In consideration of its activity, the Chairman of the Board of Directors – Meta Management Team SRL – will be remunerated as follows under the management contract entered into for a 10-year period, effective April 2021:

- a. Fixed annual remuneration in the first three years:
  - 2021 – EUR 100,000
  - 2022 – EUR 75,000
  - 2023 – EUR 50,000
- b. Annual management fee (% of assets under management):
  - 2.4% in 2021
  - 2.2% in 2022
  - 2% in 2023 and 2024
  - 1.5% as of 2025
- c. Performance fee: Depending on the added value generated by the project (Value of Company + Cash Dividends – Capital Contributions), a Performance Bonus will be paid in instalments according to the project's IRR:
  - 0% for IRR < 4%
  - 10% for IRR between 4% and 7%
  - 14% for IRR surplus between 7% and 14%
  - 17% for IRR surplus between 14% and 21%
  - 21% for IRR surplus > 21%

The IRR will be computed using the formula below:

$$\sum_{t=1}^n \frac{C_t}{(1+r)^t} + \frac{VS_n}{(1+r)^n} - \sum_{t=1}^n \frac{I_t}{(1+r)^t} = 0$$

$I_t$  = investments made by investors in each funding round (contributions to the share capital)

$n$  – number of years elapsing as of 01.04.2021 until the calculation of the Exit Bonus

$C_t$  = capital distributions in year "t" (paid dividends/decrease of share capital/redemption programs) conducted in years 1 - n

$VS_n$  = Value of Company on calculation of the Exit Bonus

$r$  = IRR

Also, the remuneration of the BoD members was established by the Extraordinary General Meeting of Shareholders (EGMS) Resolution no. 1/27.01.2022 to the RON equivalent of EUR 1,500 gross/month, owed from appointment until December 31st 2022. From this date on, the remuneration will be increased to EUR 2,000 gross/month in RON equivalent.

Thus, in 2023 the Company recorded the following remuneration costs:

- ✦ RON 1,67 million for the Chairman of the Board of Directors (fixed annual remuneration + annual management fee)
- ✦ RON 0,47 million for the other members of the Board of Directors and the General Manager of the Company

No variable bonuses or compensation were awarded in 2022 to the members of the Board of Directors or the CEO.

The management contract will cease to apply from 2024, more information in the next section, Key Events.

## Dividend distribution policy

The annual profit will be distributed by the Company according to the Memorandum of Association and based on the audited annual financial statements and the general strategy in relation therewith, after being approval by the Ordinary General Meeting of Shareholders ('OGMS'). The proposal for profit distribution will be submitted for approval with the OGMS and will consist in using the profit to increase the share capital for share issue and distribution. Under the terms provided in the Memorandum of Association, the Company's intention is to fully reinvest the profit to avoid divestment. Any dividends due will be accruing as a payment liability on the Company.

The distribution of profits shall be made in accordance with the legislation in force, from the actual profit and after covering the reserves or other contributions provided for by law or by the articles of

association, such as covering the accounting losses of the previous year, if any, resulting in a profit distributable to shareholders.

The share capital of the Company is divided into two classes of shares:

1. class A, corresponding to ordinary shares and
2. class B, corresponding to preference shares.

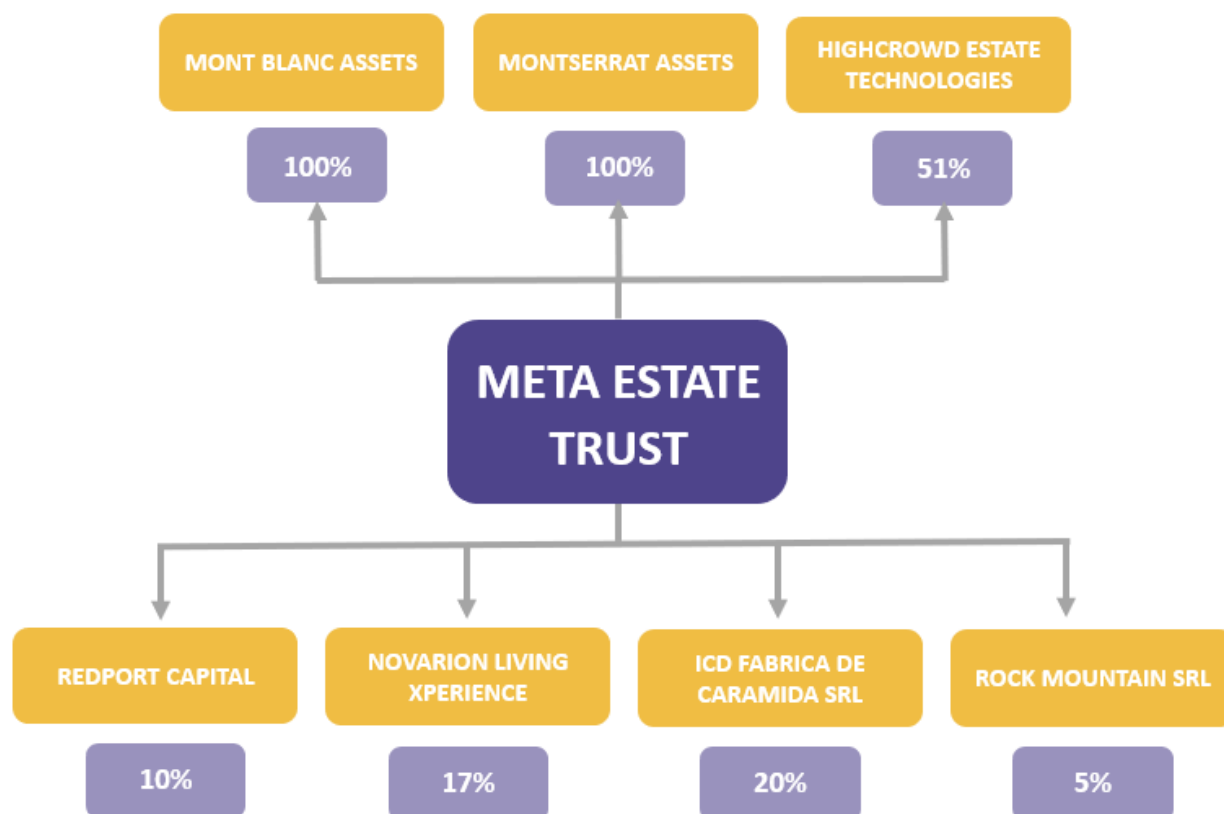
Preference shares do not have voting rights but, according to the Articles of Association, benefit from a fixed annual priority dividend of 38% of the nominal value of a share limited in value to a maximum of 33% of the distributable annual profit. In the event that the 33% of the total distributable profit is not sufficient to grant the 38% dividend, this limit will be reduced in that year without the difference being carried forward to subsequent years.

To the extent that the OGMS decides to distribute dividends, after the distribution of the priority dividends, the remaining amount to be distributed is allocated to the holders of ordinary shares. The number of preference shares that may be issued by the Company is limited to 11,250,000 and the total number reached at the last share capital increase was 11,249,976 preference shares.

Shareholders receive dividends in proportion to their share in the paid-up share capital within each share class. The Board of Directors will submit to the OGMS a proposal for the distribution of the profit as a rule at the same meeting at which the audited annual financial statements are submitted for approval.

In order to steadily increase the share capital and to become a market leader as quickly as possible, the Board of Directors will consider in the profit distribution proposal, in accordance with the provisions of the Articles of Association, the issue of Class A shares for distribution to existing shareholders. The Company believes that self-financing by directing profits towards capital increases and the issue of new shares generates an increase in the value of the Company, which is to the benefit of shareholders, due to a higher expected return on capital than its cost.

### Structure of equity investments as of 31 December 2023





## KEY EVENTS

### Key events during 2023

#### Business Highlights:

- ◆ In order to streamline the process of selling properties in the Meta Estate Trust portfolio and to simplify and accelerate exits from short-maturity residential projects, we created the Meta Homes division ([www.metahomes.ro](http://www.metahomes.ro)). The division sold or disposed of a total of 19 apartments, 7 houses and 9 parking spaces during 2023.
- ◆ In the first part of 2023 the Company fully exited and marked the forecasted yield from the Rahmaninov and Dante Aligheri projects in Bucharest, as well as the Eforie Sud project.
- ◆ In September, the company sold its 40% stake in Redport Properties, the developer of The Level Apartments project, for RON 13.6 million, an investment project that generated a return on investment of 37% in 22 months.
- ◆ We reinvested the cash generated from sales and investments in both ongoing projects and newly identified opportunities.
  - ⤴ In the first part of the year the Meta Estate Trust team identified and placed availabilities in 4 new projects: in Eforie Sud (Constanta), One66 (Brasov), Metropolitan Residence (Bucharest), and an exceptional plot located in the ultra-central area of Bucharest, which already benefits from a Building Permit
  - ⤴ In ongoing projects, we have completed the acquisition of rental units in real estate projects in Bucharest: The Level, Avrig Park, Parcului 20 by Cordia and Mobexpert Homes. We also made additional investments in investment projects located in the Sibiu area for a total of RON 3.4 million. Furthermore, we initiated the acquisition of 3 residential units and 3 parking spaces in the Green Lake Residence residential project (Bucharest).
  - ⤴ In the second part of 2023 we invested in new projects by:
    - the acquisition of a 10% stake in Redport Capital, a developer that will start the construction of phases 3 and 4 of The Level Apartments project in the Dămăroaia - Străulești area and granted a financing for this development for a total amount of RON 6.7 million
    - granting a loan totaling RON 5.9 million to the developer Rock Mountain for the construction of luxury apartments in the central area of Poiana Brasov.
    - the purchase of housing units in residential projects built by the developer NOA in the areas of Piața Victoriei and Pajura (Bucharest) for a total amount of RON 4.9 million.
    - concluded a partnership with the developer APX Immo Property for a high-end residential project in the Cotroceni area (Bucharest), granting a mezzanine financing of RON 6.9 million.
  - ⤴ We initiated the first investment in the hospitality industry by purchasing 4 apartments and 4 parking spaces in the Swissotel in Poiana Brasov to be operated as a hotel and capitalized in a time horizon of 3 years. The investment so far amounts to RON 3.4 million.
- ◆ We started using the ceiling financing facility contracted in 2022 with Libra Internet Bank by drawing an amount of RON 1 million to finance the purchase of buildings in the Avrig Park project and RON 1 million to finance the buildings purchased in the Parcului 20 project.
- ◆ Montserrat Assets SRL subsidiary initiated the first investment project in the Rentals business line by acquiring 2 apartments and 4 parking spaces within The Level Apartments - Phase II project (Bucharest) for a total amount of RON 2 million. These will generate recurring revenues through a 5-year lease agreement, generating an annualized return of over 7%.

#### Events after 31.12.2023:

- ◆ We have completed the sale of the last 3 real estate units purchased in the Mobexpert Homes residential complex, an investment project that generated a return on project of 30%.
- ◆ We have performed the acquisition of 100% share of Poiana SPV 6814 SRL. This transaction was concluded in order to strengthen Meta Estate's position in Poiana Brasov, an area of investment interest, and to over-guarantee Meta Estate's shareholders' investment made so far.



## Governance Highlights:

- ✦ The year 2023 brought consolidations in the Company's management, both at Executive Management and Board of Directors level, aimed at strengthening the Company's long-term position by developing a management team that includes specialists from complementary fields, with experience in real estate, finance, capital markets and corporate governance.
- ✦ The Executive Management of the Company has changed as follows:
  - On July 28, 2023, the decision of the Board of Directors approved the appointment of Mr. Bonea Alexandru-Mihai in the position of General Director of the Company for a period of 4 years.
  - On August 23, 2023, Mrs. Antoanela Comşa was appointed as Director of Investments, and on September 22, 2023, it was announced that Ms. Antoanela Comşa takes the position of Deputy General Manager of the Company starting from the same date.
  - On October 10, 2023, by the decision of the Board of Directors, Mr. Bogdan Gramanschi was appointed in the position of Financial Director of the Company, for a period of 4 years.
- ✦ The Board of Directors changed as follows:
  - On 26.04.2023 the appointment of Cagils Invest SRL, represented by Mrs. Păun Ilinca-Mihaela, as a permanent member of the Company's Board of Directors, was approved for a period expiring on 27.01.2024.
  - On 08.05.2023, as a result of the resignation of Mr. Bonea Dragoş Adrian from the position of Member of the Board of Directors, Mr. Bonea Alexandru Mihai was appointed as provisional BoD Member of the Company on 08.05.2023 until 27 September 2023, at which date the general meeting of shareholders decided to appoint a new permanent member in the BoD
  - On September 27, 2023, the election of Mr. Mircea Oancea as a member of the Board of Directors for a term expiring on January 27, 2024 (thus replacing Mr. Alexandru Mihai Bonea who held the position of provisional member of the Board of Directors from May 8, 2023)
  - On December 7, 2023, the General Shareholders Meeting voted for the new members of the Board of Directors for 4-year mandates starting on January 27, 2024, as follows:
    - Mrs. Ilinca von Derenthall
    - Mr. Dumitru-Daniel Popa
    - Cert Master Standard S.R.L., by permanent its representative Mr. Laurentiu Mihai Dinu
    - Mr.. Alexandru Voicu
    - Adivi Estate S.R.L., by its permanent representative Mr. Adrian Vasile Viman
- ✦ On 26.04.2023, the Special Meeting of Preferred Shareholders approved the waiver of the payment of the priority dividend for 2022, taking into account the complexity of the mechanism for converting priority dividends into ordinary shares of the Company, as stated in the Company's Articles of Association , with the mention that the Company will submit to the approval of the shareholders in the next meeting of the Extraordinary General Meeting of Shareholders the allocation of new free shares, in proportion to the share held in the Company's share capital by each shareholder, by incorporating the reserves in the share capital.
- ✦ During the Extraordinary General Shareholders' Meeting of September 25, 2023, the increase of the Company's share capital was approved by the amount of up to RON 6,456,495, by incorporating some reserves through the issuance of up to 6,456,495 new ordinary shares at a price of 1 RON per share.
- ✦ On November 9, 2023, the Central Depository registered the increase of the share capital in the amount of RON 6,456,495 decided during the Extraordinary General Shareholders Meeting on September 25, 2023. Thus, a number of 6,456,495 new class A shares were issued with a nominal value of 1.00 RON / share, their number in circulation reaching 82,241,760. Thus, the social capital reaches the value of RON 93.49 million.
- ✦ On December 7, 2023, the Ordinary General Shareholders Meeting approved the distribution of dividends in the amount of RON 3,757,429.68 (gross dividend, with a yield of 5.22% on the reference date) from the net profit related to the financial year 2022, dividend to be paid on January 16, 2024

### Events after 31.12.2023:

- ✦ On 16 January 2024 the Company paid net dividends in the amount of RON 3.5 million, as approved at the OGMS on 7 December 2023.
- ✦ On 27 January 2024, the new Board of Directors voted by the shareholders in GSM of 7 December 2023 began its mandate, with the main objectives of implementing the Company's strategy for the next 4 years, developing the investment portfolio and achieving the objective of generating a satisfactory return on equity. A priority of the new Board of Directors is also the management of the relationship with the Meta Management Team for which the Board members will seek the best solution that protects the shareholders' investment. The BoD expressed its confidence in the success of the initiated approach.
- ✦ On January 29, 2024, the Company was informed of the request for a Court summons ("the Request", "the Claim") by Meta Management Team SRL ("MMT"), request registered with the Bucharest Court file 2701/3/2024, for: (i) a declaration of termination of the management contract concluded on 22.03.2021 between MET and MMT ("the Contract") by effect of MET's unilateral will (as stated in MMT's formulation); (ii) order MET to pay the amount allegedly due of RON 23.7 million and (iii) order MET to pay the litigation legal costs.
  - ⤴ With regard to the stage of the proceedings, it should be noted that the application was presented to MET by the Court on 14 March 2024.
  - ⤴ The Board of Directors has started exploring scenarios for handling this dispute. Law firms have been chosen to assist and represent the company in this dispute. The selected lawyers are analyzing the Contract and the MMT Claim and all other relevant documents and preparing the MET defense strategy, including the Statement of Defense to be filed in response to the MMT Claim, as well as the legality and validity of the Contract clauses.
  - ⤴ With regard to the assessment of the chances of winning this dispute, we would point out that this dispute is at a preliminary stage, and an assessment at this stage could not be anchored in the whole procedural framework of the dispute; we will be in a better position to estimate the chances of winning once we have received MMT's reply to the statement of defense and once the first trial has taken place.
  - ⤴ The company will keep the market and shareholders informed of developments in this file in a proactive and transparent manner.

### Key events Capital Market:

- ✦ During 2023, 18.5 million MET shares were traded on the SMT/AeRO segment, worth RON 17 million. The Company's market capitalization as of 31 December 2023 was RON 71.99 million. The average daily trading value for MET shares during 2023 was RON 77 thousand.
- ✦ During this period the market price of MET shares decreased by 7.2%, compared to the performance of the BET AeRO index, which increased by 19.9%.
- ✦ On the basis of MET share transactions during 2023 the Company recorded an increase in the number of shareholders of 56.7%
- ✦ During 2023 the Company published regular financial reports, current reports on its activity, held teleconferences with investors, participated in various capital market events and maintained constant and proactive communication with shareholders through diversified communication channels (BVB information, Newsletters, Whatsapp community information, etc.).

## PROJECT PORTFOLIO

The investments made so far are distributed in the Mid-Market and Upper-Market residential segments, in several cities in the country (Bucharest, Sibiu, Brasov, Iasi, Constanta).

As of 31 December 2023 the Meta Estate Trust project portfolio included:



### Avrig Park Residence (Phase I)

**Location:** Bucharest, Obor  
**Developer:** Rock Development Investment  
**Site:** [avrigparkresidence.ro](http://avrigparkresidence.ro)  
**Entry:** August 2021  
**Investment type:** apartment acquisition



### Parcului 20

**Location:** Bucharest, zona Expoziției  
**Developer:** Cordia Parcului Residential Project  
**Site:** [parcului20.ro](http://parcului20.ro)  
**Entry:** August 2021  
**Investment type:** acquisition apartment



### Greenfield Baneasa

**Location:** Bucharest, Băneasa  
**Developer:** Impact Developer & Contractor  
**Site:** [greenfieldresidence.ro](http://greenfieldresidence.ro)  
**Entry:** August 2021  
**Investment type:** apartment acquisition



### The Level Phase II

**Location:** Bucharest  
**Developer:** Redport Properties  
**Site:** <https://thelevel-apartments.ro/>  
**Entry:** July 2021  
**Investment type:** apartment acquisition + equity/loan



### Mobexpert Homes

**Location:** Ilfov, Pipera  
**Developer:** Olimp Imobiliare  
**Site:** [mobexperthomes.ro](http://mobexperthomes.ro)  
**Entry:** Noiembrie 2021  
**Investment type:** houses acquisition



### Mătășari

**Location:** Bucharest, central  
**Developer:** Rock Green Development  
**Entry:** December 2021  
**Investment type:** apartments acquisition



### Bliss Estate

**Location:** Brașov, Ghimbav  
**Developer:** Art Innovation  
**Site:** [blissestate.ro](http://blissestate.ro)  
**Entry:** February 2022  
**Investment type:** houses acquisition



### NOA Residence

**Location:** Bucharest, zona Bucureștii Noi  
**Developer:** Nedef Properties  
**Site:** [noaresidence.ro](http://noaresidence.ro)  
**Entry:** April 2022  
**Investment type:** apartments acquisition



## Sopra Neptun

**Location:** Neptun, Mangalia  
**Developer:** Sopra Estate  
**Site:** [N/A](#)  
**Entry:** November 2022  
**Investment type:** apartment acquisition



## First Estates

**Location:** Bucharest, zona Pipera  
**Developer:** Alsin Management  
**Site:** [firstestates.ro](#)  
**Entry:** December 2022  
**Investment type:** apartment acquisition



## Rock Mountain

**Location:** Poiana Braşov  
**Developer:** Rock Mountain  
**Site:** [N/A](#)  
**Entry:** December 2022  
**Investment type:** equity/loan



## Metropolitan Residence

**Location:** Bucharest, Aviaţiei  
**Developer:** Metropolitan Developments  
**Site:** [www.metropolitanresidence.ro](#)  
**Entry:** August 2023  
**Investment type:** apartment acquisition



## The Level Phase III

**Location:** Bucharest  
**Developer:** Redport Properties  
**Site:** <https://thelevel-apartments.ro/>  
**Entry:** August 2023  
**Investment type:** apartment acquisition + equity/loan



## Novarion - The Lake

**Location:** Sibiu  
**Developer:** Novarion Living Experience  
**Site:** [www.novarion.ro](#)  
**Entry:** August 2023  
**Investment type:** apartment acquisition + equity/loan



## One 66 - Central Residence

**Location:** Braşov  
**Developer:** One66  
**Site:** <https://one66.ro/>  
**Entry:** February 2023  
**Investment type:** apartment acquisition



## Swissotel

**Location:** Brasov, Poiana Brasov  
**Developer:** Neagoe Basarab  
**Site:** [www.asterhotel.ro](#)  
**Entry:** September 2023  
**Investment type:** apartment acquisition



## NOA Victoriei

**Location:** Bucharest  
**Developer:** Nedef Properties  
**Site:** <https://noavictoria.com/>  
**Entry:** September 2023  
**Investment type:** apartment acquisition



## Ion Dragalina

**Location:** Bucharest  
**Developer:** APX Immo Property  
**Site:** n/a  
**Entry:** November 2023  
**Investment type:** equity/loan



## ROMANIAN REAL ESTATE MARKET

### Economic overview

According to Eurostat data (ec.europa.eu), in 2022 Romania occupied the second last place in terms of GDP: 14,920 vs 35,460 European average. The year 2023 brought an improvement, with Romania moving up 2 places in the ranking, with a GDP of 16,960 vs 37,610 European average.

GDP growth was according to the same source of 2.1%, ranking Romania 8th place in Europe (compared to 17th place in 2022) and significantly better than the EU average of 0.4%. For 2024 the European Commission forecasts a growth of 2.9%.

Compared to 2022, where according to Eurostat the average inflation rate was 12%, in 2023 the average inflation rate was 9.7%. Even if it has registered a decreasing trend, in Romania compared to other European countries, the decrease was much slower. According to European Commission forecasts, except for a short period in early 2024, after some increases in indirect taxes, prices are expected to continue to decrease. Average annual inflation is forecast to reach 5.8% in 2024, slowing to 3.6% in 2025.

The Governor of the NBR suggested in 2023 that discussions on lowering interest rates could begin once inflation falls below the key interest rate of 7%. However in 2023 there was a fall in interest rates from 8%-9% to 5.9% in the second half of the year. This decrease would be reflected in a higher number of transactions starting August 2023. This trend was seen particularly in transactions brokered through mortgage credit.

If we also look at the income of the population, the evolution of the average net wage, we have the following picture.



Thus, the average net salary in the economy reached almost 4,700 le net in October 2023, up 17.1% compared to the same month in 2022, data from the National Institute of Statistics (INS) show.

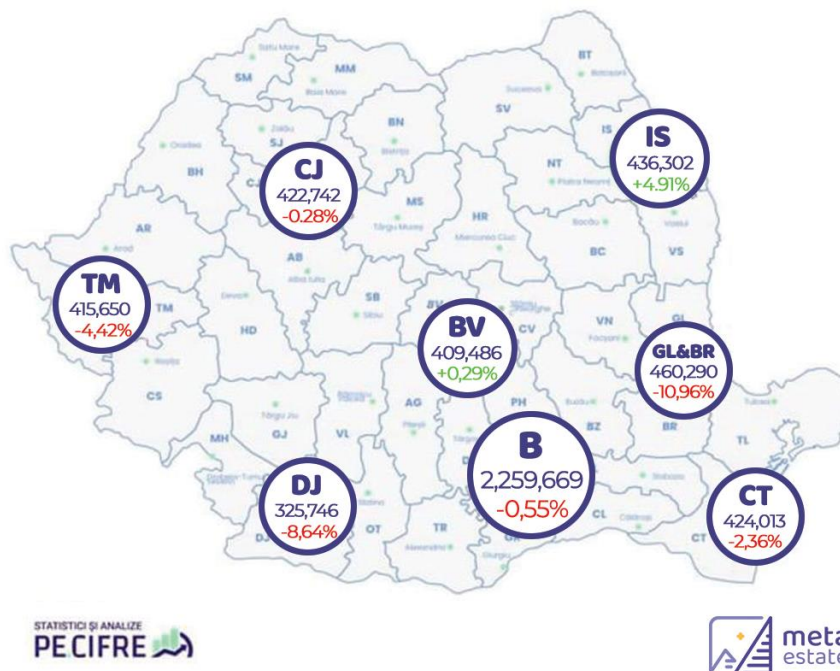




The only local markets that saw a greater increase in demand for older properties compared to those available in the new property segment were Timisoara and Iasi. Even so, some 3,700 and 4,200 potential buyers searched on Imobiliare.ro for a new house or apartment in the two cities during the last three months of 2023, respectively.

## Demographic evolution of principals Metropolitan Areas in Romania

Comparison of the population census 2021 vs 2011

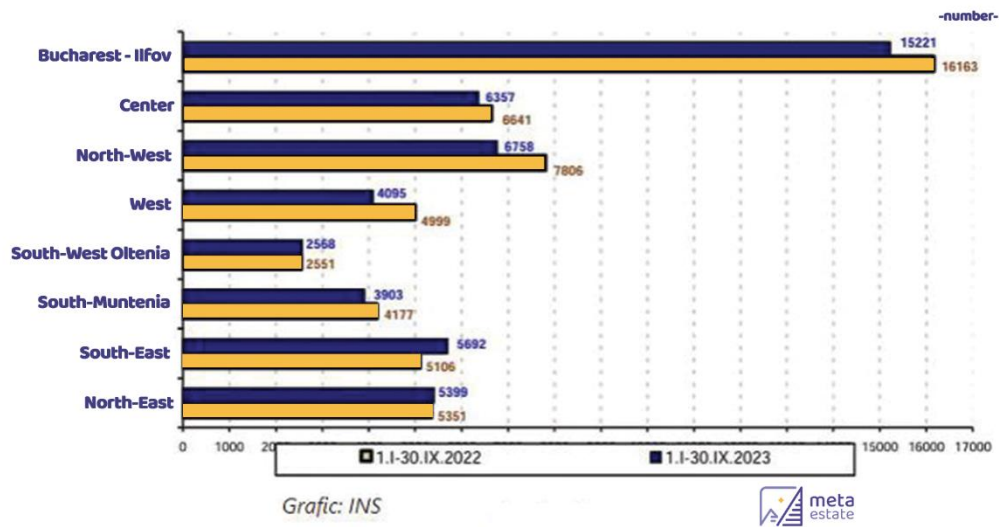


### Supply

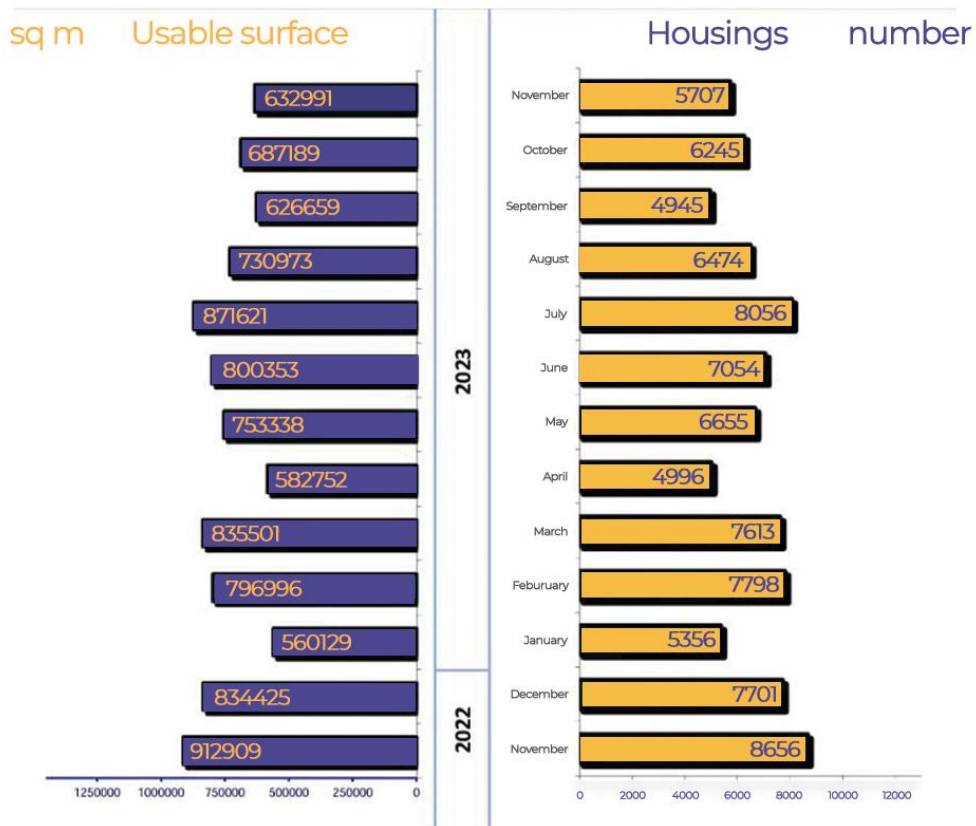
In 2023, 71,454 dwellings were completed, down 1,878 dwellings from 2022, according to data published by the National Institute of Statistics. The situation by residence areas in 2023 compared to 2022 shows a decrease in the share of completed dwellings in rural areas (from 45.3% in 2022 to 39.0% in 2023) and an increase in urban areas (from 54.7% in 2022 to 61% in 2023).

On the other hand, the number of building permits issued in the first 11 months of last year was 21.7% lower than in the same period last year, as data from the National Institute of Statistics (INS) show. There were also decreases last year in the number of housing completions, according to official statistics. Supply fell in tandem with falling demand, say housing market specialists, who expect the residential sector to continue to move slowly in 2024. In the first 11 months of 2023, 32,096 building permits were issued for residential buildings, down 21.7% from 1.1-30.11.2022. Decreases were recorded in all development regions: Bucharest-Ilfov (-1702 permits), South-Muntenia (-1503), North-West (-1405), West (-1080), North-East (-1024), South-East (-914), South-West Oltenia (-799) and Centre (-446).

**Completed housing, by development regions in the period 1.I-30.IX.2023, compared to the period 1.I-30.IX.2022**



**The evolution of the number of dwellings and the usable area in residential buildings authorized, in the period November 2022 - November 2023**



INS Graphic

The supply of apartments ended the year with a decrease of 25% compared to 2022, nationwide, shows the data of the Imobiliare.ro website. In the main real estate markets of the country the decrease was even higher: Bucharest -30%, Cluj -38%.

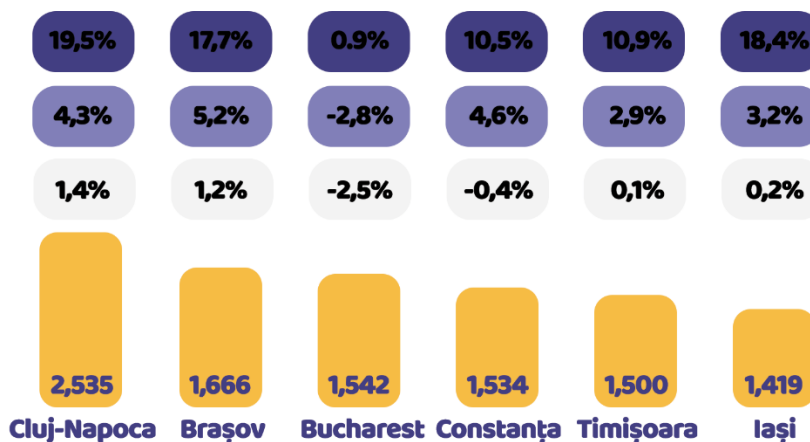


- Sales**  
 Potential customers **453.874**  
 Houses and apartments for sale **313.146**  
 Medium price for apartments **1.496 euro/useful sq meters**
- Rentals**  
 Potential tenants **287.663**  
 Houses and apartments for sale **217.191**  
 Rent for a 2 bedroom apartment **450 euro/month**
- Rentals**  
 Traded real estate **574.262**  
 Individual units **141.328**



## Pricing

Prices per usable square meter of residential units have continued their upward trend, a trend also driven by rising raw material prices, labor and taxes. Similar to 2022, Cluj-Napoca remains by far the most expensive metropolitan area in Romania in terms of asking price per useful square meter, surpassing Bucharest and other major cities, respectively according to real estate.ro, (report "Residential Real Estate Market Q4 2023) at the end of 2023 we have the following asking prices in the capital cities:



Cluj-Napoca continues to lead in the ranking of the most expensive cities in the country for buyers. The average asking price by owners and developers for listed apartments reached EUR 2,535 per square meter net in the last quarter of 2023, after a 1.4% increase from the previous quarter. Those interested in buying a home in Cluj-Napoca are now paying prices almost 20% higher than two years ago.

The city of Brasov is in second place, with an average asking price of EUR 1,666/sqm net. The most significant increase of the six main residential markets in the country over the last 12 months could be noticed here, with about 5%. The owner's asking price is above 1,500 EUR/sqm net in the Capital as well. Even in these conditions, Bucharest is the only major city targeted by the analysis where we can observe price decreases compared to the last quarter of 2022. Moreover, at a local level, apartment prices have virtually freeze compared to two years ago.

In Timisoara and Craiova, buyers should expect to pay, on average, EUR 1,500/sqm net for an apartment, about 3% more than in 2022. A similar increase could also be seen in asking prices for owners in Iasi or Galati.

## Transactions

Fewer properties were traded last year than in 2022, data from the National Agency for Cadaster and Real Estate Publicity (ANCPPI) show.

In 2023, 634,843 properties were sold nation-wide, 65,430 fewer than in 2022, when 700,273 properties were sold. Last year, most sales were recorded in October, about 63,630, and the fewest in January, 33,274 to be exact.

By comparison, in 2022, most transactions were concluded in March, namely 72,123. Also in January, the fewest properties were transacted in Romania, but the number reached 39,510, above the level reached at the beginning of last year.

Most property sales last year were in Bucharest. More than 115,417 houses, land and apartments were sold in the capital city.

Ifov County is ranked second in the national ranking with 41,086 properties sold, followed by Brasov where about 34,900 properties were sold last year. At the bottom of the ranking are Olt and Teleorman counties where the number of transactions remained below the 3,000 threshold in 2023.

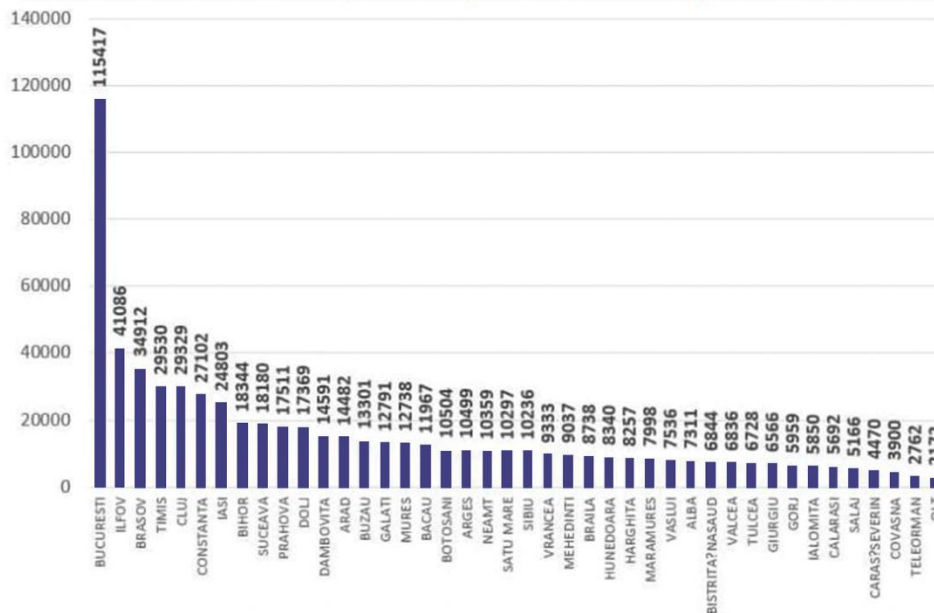
Over the past year, of the total number of 158,448 sold properties were individual units. This is lower than the number recorded in 2021 and 2022, but still above the threshold reached in 2020.

Most individual units were sold in the last three months of the year, ANCPPI (the National Cadaster and Real Estate Publicity Agency) data shows. In October, 16,163 individual units were sold in Romania, 9% more than in the same period in 2022. A 4% year-on-year advance also occurred in November, when some 16,000 properties were also traded.

Transactions peaked, however, in the last month of the year, when 17,120 individual units were sold nationwide, 15% more than at the end of 2022. This could also be an effect of the announcement of the increase in the reduced VAT rate from 5% to 9% from 2024 for housing up to RON 600,000, with some buyers being prompted to take the final step towards purchase.



Source: ANCP, Sales dynamics January-December 2023



### Conclusion

The residential market in Romania remains attractive. Even if the first quarter of 2023 did not predict a good evolution for the residential market, towards the end it evolved spectacularly, recovering the first part as well. It is very clear that the demand for new, modern, sustainable housing is growing, which makes us confident in a favorable development for 2024.

Experts predict that in 2024 the price of houses and flats will increase by 10%, due to the decrease in the surface area that has been authorized during 2023 and the increase in costs due to tax changes. Declining inflation, interest rates, and rising incomes will keep activity in the residential property market at high levels, with the volume of housing transactions continuing to increase.

According to a Storia survey, when asked what their real estate intentions are for 2024, survey respondents gave similar answers to 2023. Next most respondents (66%) say they would like to buy a home, and 13% want to sell. 10% of respondents say they have no real estate plans, while 8% want to rent a property and 3% want to find tenants.

#### Real estate plans for 2024

**66%** intend to purchase a property

**13%** want to sell a property

**10%** have no intention

**8%** want to rent a property

**3%** want to find tenants

#### Real estate activities planned for 2024

**62%** of the respondents want to look at real estate ads

**53%** want to visit properties that are in their interest area

**35%** want to consult a broker or a bank for the funding options

**24%** want to watch relevant news for the real estate domain

**22%** want to collaborate with a real estate agent

#### Expectations about the prices:

**60%** are expecting the prices for household sales to decrease

#### Expectations regarding credit lines:

**38%** expect decreases

**27%** expect increases

**18%** declare themselves insecure regarding the evolution of interests,

**17%** consider that interests are going to remain unchanged.

Source: Storia

## ANALYSIS OF THE FINANCIAL RESULTS

### Overview of financial results

In 2023 Meta Estate Trust SA achieved total revenues of RON 28.2 million (2022: RON 21.7 million) and a net profit of RON 9.5 million (2022: RON 6.5 million), an increase of more than 45% compared to the previous year's net result. The company's performance was backed-up by its business model, sound strategy and ability to adapt quickly to market conditions during the year, including by adopting tight control over operating costs. As at 31 December 2023 total assets reached the threshold of RON 110 million, up 12% compared to the end of 2022, while the investment portfolio reached the threshold of RON 101 million, up 25% during FY2023.

The Company has constantly monitored its investment portfolio and cash flow situation and has managed to maintain a consistently very good cash position throughout 2023. This allowed new investments and total placements of over RON 65.8 million in 2023 in 18 investment projects, of which 12 new projects in Bucharest, Constanta, Sibiu and Brasov. At the same time, the investment portfolio generated proceeds in 2023 of approximately RON 63.7 million, of which RON 48.3 million related to exits marked in the financial period ended 31 December 2023.

As at 31 December 2023 the Company benefited from an increased liquidity position with a current liquidity ratio of 9.7x (31 December 2022: 9.2x) and an immediate liquidity ratio of 4.25x (31 December 2022: 4.8x) and a low gearing ratio of 6.29% (31 December 2022: 0.98%), indicating that Meta Estate Trust is in a strong financial position.

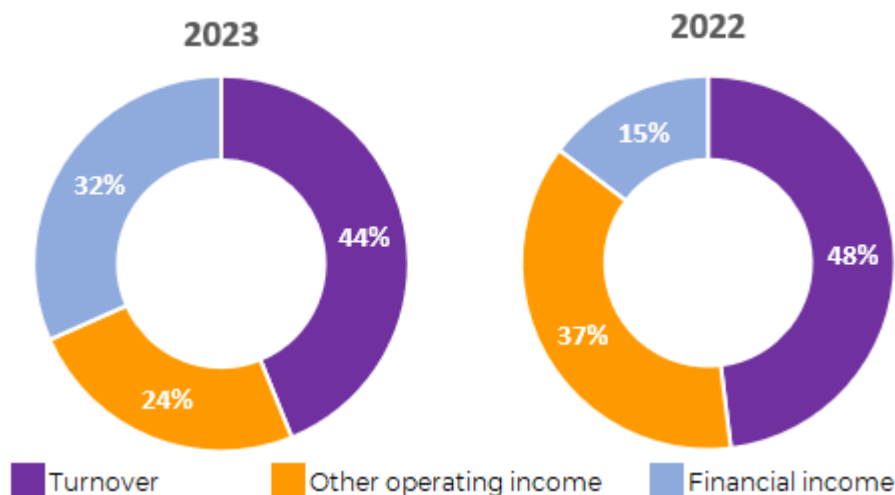
### Analysis of the income statement

INCOME AND EXPENSES (RON'000)	2023	2022	Variation	Variation%
Total operating income	19,290	18,546	744	4%
Expenses directly related to operating income	11,027	9,649	1,378	14%
<b>Operating margin before general expenses</b>	<b>8,263</b>	<b>8,897</b>	<b>(635)</b>	<b>-7%</b>
General operating expenses	5,927	4,398	1,528	35%
<b>Operating result</b>	<b>2,336</b>	<b>4,499</b>	<b>(2,162)</b>	<b>-48%</b>
Financial income	8,926	3,190	5,736	180%
Financial expenses	624	502	123	24%
<b>Financial profit</b>	<b>8,302</b>	<b>2,688</b>	<b>5,613</b>	<b>209%</b>
<b>Gross profit</b>	<b>10,638</b>	<b>7,187</b>	<b>3,451</b>	<b>48%</b>
Tax on income	1,164	674	489	73%
<b>NET PROFIT</b>	<b>9,474</b>	<b>6,513</b>	<b>2,961</b>	<b>45%</b>

In 2023, Meta Estate Trust's operating revenues amounted to RON 19.3 million (2022: RON 18.6 million) and represented 68% of total revenues for the period (2022: 85%).

Turnover reached RON 12.4 million (2022: RON 10.5 million) representing 44% of total revenues and was generated predominantly from the sales of residential real estate units in Bucharest owned in The Level, Mobexpert, Avrig and Parcului projects. These became the property of the Company during 2023.

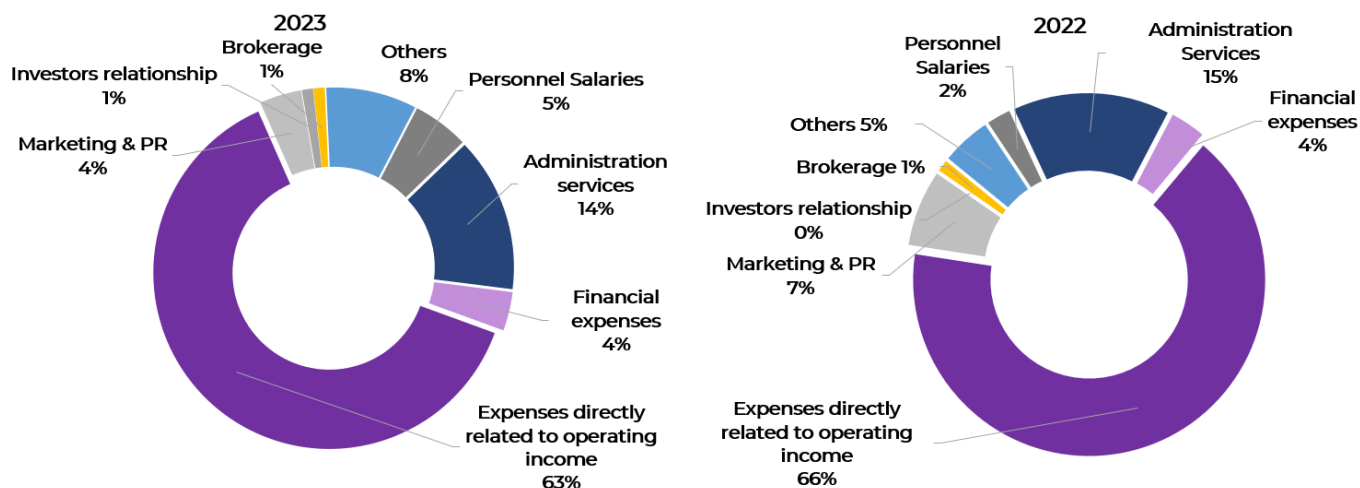




Other operating income accounted for 25% of total income (2022: 37%) and were mainly generated from the partial or total completion of investments in the Rahmaninov and Dante Alighieri projects (Bucharest), the UpLake project (Lakeside Palace - Chitila), NOA Pajura (Bucharest), Mătășari (Bucharest), Metropolitan (Bucharest) and the Eforie Sud project (Constanța) for a total amount of RON 5 million and from assignments of receivables or sale-purchase promises in The Level and Mobexpert projects (Bucharest) for RON 1.8 million.

Expenses directly related to operating income amounted to RON 11 million (2022: RON 9.6 million) and were mainly represented by expenses related to assets sold including brokerage commissions, notary fees and other expenses related to the acquisition of real estate units or the assignment of promissory sales contracts. These expenses represent 65% of total operating expenses (2021: 69%).

Thus, the operating margin before overheads was RON 8.3 million (2022: RON 8.9 million), representing 43% of total operating income.



General operating expenses in the amount of RON 5.9 million represented 35% of total operating expenses for the period (2022: RON 4.4 million, 31%), the increase being due to growth in the Company's business volume. Expenses related to management services accounted for 42% of total general operating expenses and mainly represent the remuneration related to the management contract concluded with Meta Management Team SRL. Salaries accounted for 15% of general expenses (2022: 8%), with the Company recording an average number of 6 employees with individual employment contracts and 2 persons with individual mandate contracts related to management positions during 2023. Marketing and PR expenses accounted for 11% of overheads (2022: 22%).

Based on the above results, the Company recorded an operating profit in 2023 in the amount of RON 2.3 million (2022: RON 4.5 million).

The financial income recorded in 2023 in the amount of RON 8.9 million represented 32% of the total income for the period and was mainly generated by shareholder loan operations for entities in which Meta Estate Trust holds stakes and is a partner in the co-development of real estate projects, as well as dividend income received (2022: RON 3.2 million). The significant increase compared to the previous year was driven by the exit from The Level - Phase II project developed in partnership with Redport Properties, through the sale of the 40% stake and the realization of dividends associated with this investment in the amount of RON 2.9 million.

Financial income was supplemented by income from short-term bank placements of RON 0.3 million (2022: RON 0.5 million), as well as income from favorable EUR/RON exchange rate differences on commercial transactions in foreign currencies of RON 0.9 million (2022: RON 0.3 million).

Financial expenses amounted to RON 0.6 million (2022: RON 0.5 million) and were mainly generated by changes in the EUR/RON exchange rate related to transactions in EUR.

Thus, Meta Estate Trust achieved a financial profit of RON 8.3 million (2022: RON 2.7 million), 3 times higher than the previous year and 9% higher than budgeted for the current year.

In 2023 the Company recorded a gross profit in the amount of RON 10.6 million, a 50% higher result compared to the previous year. The amount of corporate income tax due for 2023 was RON 1.2 million (2022: RON 0.7 million).

The company achieved a net profit of RON 9.5 million in 2023, 45% higher than in 2022 and about 40% higher than the budgeted net result for 2023, thus confirming its very good financial performance in a challenging year for the real estate market.

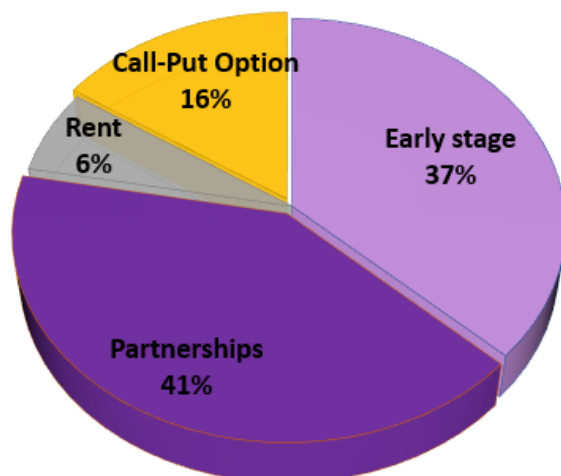
## Balance sheet analysis

ASSETS (RON'000)	31.12.2023	31.12.2022	Variation	Variation%
Intangible assets	-	12	(12)	-100%
Tangible fixed assets	1,128	493	635	129%
Financial fixed assets	26,449	10,090	16,359	162%
<b>Total fixed assets</b>	<b>27,577</b>	<b>10,595</b>	<b>16,982</b>	<b>160%</b>
Inventories	36,774	42,155	(5,381)	-13%
Debts	39,800	29,099	10,701	37%
Cash and bank accounts	5,529	16,646	(11,117)	-67%
<b>Total current assets</b>	<b>82,103</b>	<b>87,900</b>	<b>(5,797)</b>	<b>-7%</b>
Expenditure in advance	71	89	(18)	-20%
<b>TOTAL ASSETS</b>	<b>109,752</b>	<b>98,584</b>	<b>11,168</b>	<b>11%</b>

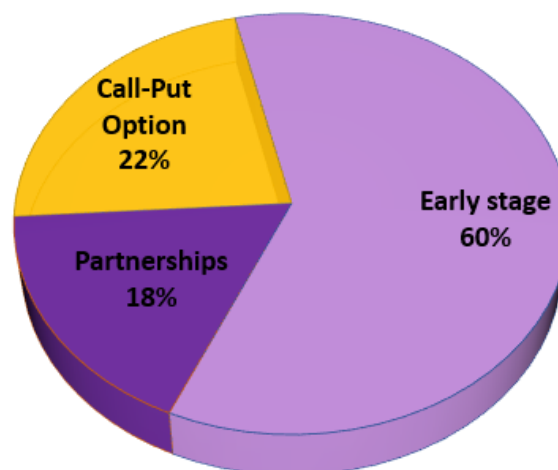
As of 31 December 2023, total assets reached RON 109.8 million, up 11% from the end of 2022 (31 December 2022: RON 98.6 million). The increase in assets was driven almost exclusively by additional liquidity generated by projects completed during 2023.

The asset structure as at 31 December 2023 follows the Company's investment strategy, with four main lines of business being implemented: **Partnerships with developers, Early stage** or acquisition of housing in the early stages of construction with exit before or on completion, **Call/Put-Option** on real estate assets involving pre-contracting of a future or completed property, and **Income recurring** through the acquisition of housing to generate rental income. The investment turnover achieved during the year allowed a rebalancing of the existing investment portfolio by reducing the majority position of the Early stage business line, developing the Partnerships with developers business line and launching the first projects associated with the Income recurring business line.

31.12.2023



31.12.2022



**Partnerships with developers** aim to invest in early stage projects with planning permits, where the need for development capital is high. The Company classifies partnerships with Rock Mountain, Novarion Living Experience, Redport Capital and APX Immo Property in this category where the investment is in the form of a shareholder loan, with the Company also holding an equity investment in the partners..

This type of investment is included in the company's balance sheet under Fixed Assets, classified as Financial Fixed Assets, reflecting as at 31 December 2023 the value of the shareholdings held by Meta Estate Trust in Novarion Living Experience SA (17% of the shares), as well as the shareholder loan granted for a total amount of RON 15 million, the value of the shareholdings held in Redport Capital SRL (10% of the shareholding) and the shareholder loan granted for a total amount of RON 5 million, the value of the shareholdings held in Rock Mountain SRL (5% of the shares), as well as the shareholder loan granted for a total amount of RON 11.2 million and the value of the stakes held in ICD Fabrica de Caramida (20% of the shareholding), as well as the shareholder loan granted for a total amount of RON 6.9 million.

**Financial Fixed Assets** also include the Company's investment in shares held in affiliated entities: Highcrowd Technologies SA (51% of the shareholding), Mont Blanc Assets SRL (100% of the shareholding) and Montserrat Assets SRL (100% of the shareholding). In 2023 the Company granted a shareholder loan to Montserrat Assets SRL in the amount of RON 2 million for the purchase of two apartments in the residential complex The Level - Phase III which were subsequently leased to the developer Redport on 5-year leases.

**Financial Fixed Assets** increased during 2023 by RON 16.6 million as a result of the additional loan of RON 7.2 million granted by the Company to Rock Mountain, the completion and structuring of the loan of RON 7.5 million granted to Novarion Living Experience (RON 2 million additional loan granted during 2023 and partial reclassification of existing financing as at 31 December 2022 in the amount of RON 4.5 million from the category Receivables to the category Long-term financial assets), as well as the loan granted to Monserrat Assets SRL mentioned above. At the same time, the Company successfully completed The Level - Phase II residential project with partner Redport Capital and further financed in the third quarter of 2023 with a loan in the amount of RON 5 million for the development of The Level - Phase III project.

Furthermore during the last quarter of the year, the Company entered into a partnership with the developer APX Immo Property for a high-end residential project in the Cotroceni area (Bucharest), granting a mezzanine financing of RON 6.9 million, with a duration of 12 months, and acquiring a 20% stake in ICD Fabrica de Carămidă.

**Early stage** investment typology or the purchase of housing in the early stages of construction, as well as the **Call/Put-Option** line of business is presented in the **Current assets** structure under the **Inventories** category, which reflects as at 31 December 2023 the value of advances granted for real estate projects totaling RON 29.7 million, as well as the value of buildings completed and taken possession of by the Company totaling RON 7.6 million. The structure of the projects in the Inventories category is shown below:

REAL ESTATE PROJECTS (RON'000)	31.12.2023	31.12.2022
AVRIG 7 - Phase I	2,279	3,129
AVRIG 7 - Phase IIA	3,116	3,114
AVRIG 7 - Phase IIB	4,953	4,947
Matasari	-	2,674
Neagoe Basarb	3,436	-
Metropolitan	2,424	-
ONE66	2,877	-
NOA Residence Pajura	4,447	1,977
NOA Victoria	2,468	-
The Level	341	4,239
XUX Morilor	1,509	247
Mobexpert	2,489	-
Parcului 20	1,924	-
UpLake	770	1,489
Others	3,741	5,595
Rahmaninov	-	6,897
Dante Aligheri	-	7,846
<b>Total Inventories</b>	<b>36,774</b>	<b>42,155</b>

During 2023, the Call/Put-Option investments in the Rahmaninov and Dante Aligheri real estate projects located in Bucharest were completed and cashed in (their balance is reflected in Inventories as at 31 December 2022: RON 14.7 million). New investments made by the Company during 2023 associated with the Early Stage and Call/Put-Option lines of business totaling RON 20 million were: in Poiana Brasov for the Neagoe Basarab project, in Bucharest in the Metropolitan, One66, Noa Residence Pajura, Noa Victoria, Mobexpert and Parcului 20 projects, and in Sibiu in the XUX Morilor project.

Investment category **Income recurring** or Income producing assets outlined during 2023 aims to operate real estate units with a view to generating recurring rental income. This line of business also allows the Company to adapt to market cycles and move assets from the Early stage category that are not sold in a timely manner to the Income producing assets category. As at 31 December 2023 the real estate properties in The Level (through the Montserrat subsidiary), Avrig and Neagoe Basarab projects are included in this category.

Outstanding receivables mainly represent amounts receivable on partially or fully divested projects arising from agreements to terminate sale and purchase commitments or short-term interest on loans. The Company also classified in the category Receivables the short-term loan granted to ICD Fabrica de Cămămidă in the amount of RON 6.9 million, as well as the short-term loan granted to Novarion in the amount of RON 7.5 million and the related interest due in 2024.

The amount of receivables as at 31 December 2023 stood at RON 39.5 million, an increase of 36% compared to last year mainly as a result of the completion of the shareholder loan granted to Novarion described above, as well as the financing granted in the ICD Brick Factory projects of RON 6.9 million and Mătășari totalling RON 12.5 million as at 31 December 2023.

Cash in bank accounts decreased from RON 16.6 million to RON 5.5 million as a result of the investments made by the Company during the year as described above.

LIABILITIES AND SHARE CAPITAL (RON'000)	31.12.2023	31.12.2022	Variation	Variation%
Short term debt	6,391	956	5,435	568%
Provisions	35	19	16	85%
<b>Total debt and provisions</b>	<b>6,426</b>	<b>975</b>	<b>5,451</b>	<b>559%</b>
Share capital	93,492	87,035	6,456	7%
Share premium	-	6,456	(6,456)	-100%
Reserves	901	359	542	151%
Reported results	-	(2,396)	2,396	-100%
Profit for the period	9,474	6,513	2,961	45%
Profit sharing	(542)	(359)	(183)	51%
<b>Total Equity</b>	<b>103,325</b>	<b>97,609</b>	<b>5,717</b>	<b>6%</b>
<b>TOTAL LIABILITIES AND SHARE CAPITAL</b>	<b>109,752</b>	<b>98,584</b>	<b>11,168</b>	<b>11%</b>

Short-term payables outstanding at 31 December 2023 increased by RON 6 million and represent:

- ◆ Trade debts with current suppliers (RON 1 million)
- ◆ Financial liabilities related to net dividends payable (RON 3.5 million), income tax due for the fourth quarter (RON 0.2 million), dividend withholding tax (RON 0.3 million)
- ◆ Credit contracted from Libra Bank for the purchase of real estate (RON 1.1 million)

During the financial year 2023, the previous year's profit was allocated to cover losses from previous years, the legal reserve and other reserves were established, and share premiums were transferred to the reserve account.

The share capital of the Company was increased in September 2023 by the amount of RON 6.5 million by incorporating reserves from previous profits and issuing 6.5 million shares distributed free of charge to shareholders.

In December 2023, the General Meeting of Shareholders decided to grant cash dividends in the total gross amount of RON 3.8 million (from the reserves related to 2022 profit).

Meta Estate Trust's equity increased by 6% compared to 31 December 2022 as a consequence of the result for 2023. The share capital of Meta Estate Trust as at 31 December 2023 consists of 93,491,736 shares with a nominal value of RON 1/share.

The book value per share on 31 December 2023 is RON 1.11/share. Net profit per share as at 31 December 2023 is RON 0.1/share (31 December 2022: RON 0.07/share).

## Cash flow analysis\*

<b>CASH GENERATED BY OPERATING ACTIVITY (RON'000)*</b>	<b>(11,766)</b>
Project receipts	63,748
Project payments	(65,852)
Expenses related directly to projects	(2,240)
Administrative expenses, of which:	(7,422)
- Meta Management Team	(2,768)
- salaries and collaborators	(1,851)
- taxes and duties	(1,245)
- other operating expenses	(1,559)
<b>CASH USED FOR INVESTMENT ACTIVITIES (RON'000)*</b>	<b>(489)</b>
- office set-up	(511)
- share capital increases – subsidiaries	(174)
- interest receipts and miscellaneous	388
<b>NET CASH FROM FINANCING ACTIVITIES (RON'000)*</b>	<b>1,139</b>
- Financing from Libra Bank	1,139
<b>TOTAL CASH FLOW DURING THE PERIOD (RON'000)</b>	<b>(11,117)</b>
Cash at the beginning of the period	16,646
Cash at the end of the period	5,529

*he above table contains amounts extracted by the Company from its operating activities and its own internal system, and are not presented in accordance with the requirements of OMFP 1802/2014 on Cash Flows as reflected in the audited financial statements attached to this report.*

Continuous monitoring of the cash flow situation as well as the investment portfolio, both to manage current investments and to place cash into new opportunities considered by the Company, has resulted in an approximately 62% turnover of equity during 2023 in operating activity. Thus, the Company managed to partially or fully close projects from which it received RON 63.7 million and placed cash totaling RON 65.8 million in existing additionally financed projects or in new projects during January - December 2023. Operating activities also include cash payments related to 2023 for administrative expenses amounting to RON 7.4 million, of which 60% are payments to the management company, salaries of staff and collaborators, 16% taxes and duties, while the difference is payments for current operating expenses.

Net cash used in investment activity amounted to RON 0.5 million during 2023 and represented payments for the development of the Company's new headquarters and for the increase in the share capital of subsidiaries, adjusted by interest receipts related to the use of cash on hand in the form of bank placements.

Net cash from financing activities in 2023 included the loan contracted from Libra Bank in the amount of RON 2 million from the available credit line in the total amount of EUR 1.5 million, of which RON 1 million was repaid in the last quarter related to sales of financed real estate units.



## FINANCIAL INDICATORS

<i>Financial data in RON '000</i>	<i>31.Dec.23</i>		<i>31.Dec.22</i>	
<b><i>Current liquidity indicator</i></b>				
Current assets (A)	82,161	<b>=12.86</b>	87,966	<b>=91.98</b>
Current liabilities (B)	6,426		956	
<b><i>Degree of indebtedness</i></b>				
Total debts (A)	6,391	<b>=0.0619</b>	956	<b>=0.0098</b>
Equity capital (B)	103,325		97,609	
<b><i>Overall solvency ratio</i></b>				
Total assets (A)	109,752	<b>=17.0725</b>	98,584	<b>=103.0840</b>
Current liabilities (B)	6,391		956	
<b><i>Gross operating margin rate (before general operating expenses)</i></b>				
Gross operating margin (before general operating expenses)	8,263	<b>=0.4284</b>	8,897	<b>=0.4797</b>
Operating income	19,290		18,546	
<b><i>Turnover rate of customer flows</i></b>				
Average customer balance	339.64	<b>=10.0175</b>	333.03	<b>=11.6375</b>
Annualized turnover	12,375		x365	
<b><i>Turnover rate of fixed assets</i></b>				
Annualized turnover	12,375	<b>=0,4487</b>	10,445	<b>=0,9859</b>
Fixed assets	27,577		10,595	

## PERSPECTIVES, OPPORTUNITIES AND RISKS FOR 2024

### Perspectives

From an operational perspective, the main directions on which we want to develop the Company's activity are:

- ✦ Analysis and implementation of new investments to develop the business line **Partnerships with developers** targeting mainly residential projects in key Romanian cities with above average population density and individual income, significant university and business centers.
- ✦ Developing the **Income recurring** segment by investing in both residential and commercial assets aimed at generating recurring income and developing the activity of the affiliated companies Montserrat Assets SRL and Mont Blanc Assets SRL.
- ✦ Taking ownership of several residential units acquired in early project phases during the period 2022-2023 and re-selling a significant proportion of the residential units in the portfolio in completed projects.
- ✦ Monitoring projects in which the Company is directly involved as a shareholder or financier in order to achieve the assumed returns.

On 20 March 2024 the Board of Directors approved the Income and Expenditure Budget for 2024, which was published together with the GSM convenience, for approval by the General Meeting of Shareholders on 25 April 2024.

The budget for 2024 is shown below and includes the results expected to be generated by the Company over the next 12 months:

REVENUES (RON'000)	Budget 2024	Actual 2023	Variation	%
Turnover	14,436	12,375	2,061	17%
Other operating income	8,091	6,915	1,176	17%
Expenses directly related to operating revenue	(13,175)	(11,027)	(2,148)	19%
Financial income from investments in which the Company is a shareholder	9,901	7,801	2,100	27%
Financial expenses - directly related to investments	(500)	(43)	(457)	100%
<b>Net Operating Income</b>	<b>18,753</b>	<b>16,021</b>	<b>2,732</b>	<b>17%</b>
General operating expenses	(6,556)	(5,927)	(629)	11%
Other net financial income/(expenses)	433	544	(111)	-20%
<b>Gross Profit</b>	<b>12,630</b>	<b>10,638</b>	<b>1,992</b>	<b>19%</b>
Corporate income tax	(2,021)	(1,164)	(857)	74%
<b>NET PROFIT FOR THE FINANCIAL EXERCISE</b>	<b>10,609</b>	<b>9,474</b>	<b>1,135</b>	<b>12%</b>

For the year 2024, the Company aims to continue its growth strategy both by acquiring housing and/or rental assets and by supporting projects as a shareholder. Also during 2024, Meta Estate Trust will take ownership of several residential units acquired in the initial project phases which it will capitalize in 2024 and 2025.

In order to implement these directions of action, the company plans to raise funds mainly from bank loans. By implementing these strategies, the company expects gross profit to increase by 18% year-on-year and net profit by 12% year-on-year in 2024.

For the year 2024, the Company estimates an increase in total revenues of 20% compared to the previous year, up to RON 32.9 million.

*Turnover* is budgeted at RON 14.4 million based on estimated sales of rental units purchased in the project phase in previous years and to be completed in 2024, up 17% from the previous year..

*Other operating income* includes income related to disposal fees and indemnities from termination agreements. Compared to 2023, an increase of 17% is forecast based on the estimated completion of current investments made in previous years.

*Financial income related to investments* in which the Company is a shareholder relates mainly to interest income on loans granted to companies in which the Company has an interest. The estimated increase takes into account continued support for existing projects as well as new partnerships with developers who will carry out projects of interest to the Company.

*Operating expenses - directly related to investments* are estimated to increase to RON 13.2 million due to the increase in the volume of activity on the trading of completed real estate units. These expenses include costs related to assets sold, including brokerage commissions, notary fees and other costs related to the acquisition of real estate units or the assignment of sale promise contracts.

*General operating expenses* are estimated at RON 6.6 million. These expenses mainly include management services and personnel costs, marketing and advertising costs and other legal costs of running the company. General operating expenses are estimated to be in line with the previous year, with a 12% increase representing a higher budgeting of legal services expenses in the current context of the litigation with the management company.

*Financial expenses - directly related to investments* are interest costs related to bank loans contracted by MET. The company intends to access funds from credit institutions to pay the final instalment on the pre-contracted buildings.

## Opportunities

The slowdown in the volume of transactions in the residential segment due to the current context will generate very diverse investment opportunities for MET on favorable terms. The expected opportunities are related to the following types of transactions:

- ✦ Purchase of completed or project housing at a volume discount.
- ✦ Acquisition of rental assets, entering the commercial segment and establishing strategic partnerships with corporations in this segment.
- ✦ Purchase of distressed assets (with potentially higher yield).
- ✦ Partnerships with developers in the medium and long term.

## Risks

The activities carried out by the Company may give rise to various risks. The Company's management is aware of these and monitors events that may have adverse effects on the Company's operations. The main specific risks to which the Company is exposed in the coming period are:

### The specific risk of price value and transaction volume developments in the real estate market

The company may face the scenario that real estate asset prices may stagnate or decline due to reasons such as international crises or national political crises, negative market sentiment, which implicitly causes the postponement of the purchase decision, financial crises or the application of more conservative lending policies by banks, which complicate access to mortgages for the end customer. With the potential decrease in sales prices, the Company's revenues could be lower than initially estimated.

### Risk specific to Early Stage transactions

This risk is related to the developer's inability to complete or late completion of projects for which the Company has paid an advance when signing promissory purchase agreements - in this case, recovery of the advance payments can only take place after a lengthy procedure with an unpredictable outcome. The Company applies an investment policy involving additional analysis in Early Stage transactions, aimed at reducing the risks specific to these types of transactions.

### Concentration risk

This risk arises when a significant proportion of the Issuer's investments are concentrated in the same project, city or type of function (residential, commercial, office, logistics). With the attraction of additional funds into the company through shareholder contributions and bank loans, the growth of the Issuer's real estate assets will be achieved through diversification, both geographically and in terms of functions, but mainly investment projects in dynamic urban centers in Romania will be targeted.

Together with the other two risks above, specific to the evolution of prices and transaction volumes in the real estate market and specific to Early Stage transactions, these risks are considered by the company to be in the *Operational Risks* sphere.

### Interest rate and exchange rate risk

*Interest rate risk* - Macroeconomic and international developments, as reflected in the dynamics of inflation, national and European monetary policies and capital market developments, influence interest rates, to which the Company is directly exposed through its loans and borrowings and indirectly through the attractiveness of the units offered for sale by the Company and its partners. Increases in interest rates are absorbed in finance costs, negatively impacting the Company's financial results, results of operations and prospects, and may also impact the Company's revenues from or in connection with rental unit sales transactions.

*Foreign exchange risk* - The RON is subject to a floating exchange rate regime, whereby its value against foreign currencies is determined on the interbank exchange market. The monetary policy of the National Bank of Romania ("NBR") targets inflation. The ability of the NBR to limit the volatility of the leu depends on a number of economic and political factors, including the availability of foreign currency reserves and the volume of new foreign direct investment. A significant depreciation of the RON could adversely affect the economic and financial situation of the country, which could have a material adverse effect on the Issuer's business, results of operations and financial condition.

### Liquidity risk

Liquidity risk is the scenario in which the Company cannot meet its obligations on time. The Company manages liquidity through a mix of cash from current operations and cash from financing activities. In the event that certain assets become illiquid for a certain period of time in the operational activity, the Company relies more on the financing component. There is a risk that at certain market moments the Company may not be able to access additional financing, either from credit institutions or from the capital market. A higher amount attracted for investment will allow the Company to access larger and more diversified transactions in other market segments (such as office or retail) and, by increasing the size of the business, streamline the administrative cost structure. This is generally dependent on the economic development of Romania as a whole, on investors' and financiers' perception of the real estate market, as well as on the performance of other economic sectors. The Company's performance and positioning also influences its ability to attract funds for new investments. Sound planning and diversification of funding sources are ways in which the Company's management aims to maintain reliable access to finance, even if financing conditions become less favorable in the future.

The main risks and uncertainties regarding the activity carried out by Meta Estate Trust SA, which remain valid in 2023, are identified and presented in detail in the Prospectus for the Initial Public Offering approved by the ASF by Decision no. 894 dated 14.07.2022.

## CORPORATE GOVERNANCE STATEMENT

The company implements the elements of corporate governance in accordance with the Corporate Governance Principles for the Multilateral Trading System of the Bucharest Stock Exchange, AeRO market, aiming to ensure both accuracy and transparency in terms of the company's results and equal access of all shareholders to relevant information about the company.

The Company has made and will continue to make every professional, legal and administrative effort to ensure alignment with the above-mentioned governance principles.

Statement on alignment with the BVB Corporate Governance Principles for the multilateral trading facility - AeRO market				
Requirements to be met	Compliant	Partially compliant	Non-compliant	Notes
<b>Section A - Responsibilities of the Board of Directors (the Board)</b>				
A.1.		✓		The internal regulation is in the approval process by the internal statutory bodies.
A.2.	✓			The professional commitments of Council members are brought to the attention of the Council whenever they undergo changes.
A.3.		✓		The issuer is in the process of adoption of such policy.
A.4.	✓			The information was included in the Annual Report.



## CORPORATE GOVERNANCE STATEMENT

Requirements to be met		Compliant	Partially compliant	Non-compliant	Notes
<b>A.5.</b>	The procedure for cooperation with the Authorised Consultant for the period during which such cooperation is applicable shall contain at least the following:	✓			Meta Estate Trust SA has entered into an agreement with BRK Financial Group SA in its capacity as Authorised Consultant; this agreement commenced on the date of signing.
<b>A.5.1.</b>	Contact person for the Authorised Consultant;				
<b>A.5.2.</b>	Frequency of meetings with the Authorised Consultant, which will be at least once a month and whenever new events or information involve the submission of current or periodic reports, so that the Authorised Consultant can still be consulted;				
<b>A.5.3.</b>	The obligation to provide the Authorised Consultant with all relevant information and any information reasonably requested by the Authorised Consultant or required by the Authorised Consultant to fulfil its responsibilities;				
<b>A.5.4.</b>	The obligation to inform the Bucharest Stock Exchange about any dysfunctional situation arising in the cooperation with the Authorized Consultant, or change of the Authorized Consultant.				
<b>Section B - Internal Control System</b>					
<b>B.1.</b>	The Board shall adopt a policy stipulating that any transaction of the Company with a subsidiary representing 5% or more of the net assets of the Company, as of the most recent financial report, shall be approved by the Board.			✓	The issuer is in the process of adopting such a policy.
<b>B.2.</b>	Internal audit is carried out by a separate organisational structure (internal audit department) within the company or through the services of an independent third party, which reports to the Board and, within the company, will report directly to the CEO.	✓			The company does not have an internal audit department.

## CORPORATE GOVERNANCE STATEMENT

Requirements to be met		Compliant	Partially compliant	Non-compliant	Notes
<b>Section C - Fair rewards and motivation</b>					
<b>C.1.</b>	The company publishes in the annual report a section that includes the total income of the Board members and the CEO for the financial year in question and the total amount of all bonuses or any variable compensation and also the key assumptions and principles for calculating the income mentioned above.	✓			The information has been included in the Annual Report.
<b>Section D - Building value through investor relations</b>					
<b>D.1.</b>	The Issuer's website contains a section dedicated to Investor Relations, both in Romanian and English, with all relevant information of interest to investors, including:	✓			The company has a dedicated investor relations section on the website <a href="http://www.metaestate.ro">www.metaestate.ro</a> which is available in both English and Romanian and includes all relevant information of interest to investors.
<b>D.1.1.</b>	The main regulations of the Issuer, in particular the Articles of Incorporation and the internal regulations of the statutory bodies	✓			
<b>D.1.2.</b>	CVs of the Board and Executive members	✓			
<b>D.1.3.</b>	Current reports and periodic reports	✓			
<b>D.1.4.</b>	Information on shareholders' general meetings: agenda and related materials; resolutions of general meetings	✓			
<b>D.1.5.</b>	Information on corporate events, such as dividend payments or other events that result in the acquisition of or limitations on a shareholder's rights, including deadlines and principles of such transactions	✓			
<b>D.1.6.</b>	Other information of an extraordinary nature to be made public: cancellation/modification/initiation of cooperation with an Authorised Consultant; signing/renewal/termination of an agreement with a Market Maker	✓			
<b>D.1.7.</b>	The company has an Investor Relations function and includes in the Investor Relations section of the company's website the name and contact details of a person who is able to provide the relevant information on request	✓			
<b>D.2.</b>	The issuer has adopted a company dividend policy, as a set of guidelines for the distribution of net profit, which it follows. The principles of the dividend policy are published on its website.	✓			

## CORPORATE GOVERNANCE STATEMENT

Requirements to be met		Compliant	Partially compliant	Non-compliant	Notes
D.3.	The issuer has an adopted policy on forecasts and whether or not they are provided. Forecasts are the quantified conclusions of studies aimed at determining the total impact of a list of factors relating to a future period (so-called assumptions). The policy states the frequency, the period considered and the content of the forecasts. Forecasts, if published, are part of annual, half-yearly or quarterly reports. The forecast policy is published on the Issuer's website.			✓	The Company has not adopted a formal policy on forecasts.
D.4.	The issuer shall fix the date and place of a general meeting in such a way as to enable as many shareholders as possible to attend.	✓			The Company organizes and will continue to organize AGMs on working days, in Bucharest at the Company's headquarters, as well as online.
D.5.	Financial reports include information in both Romanian and English on the main factors influencing changes in sales, operating profit, net profit or any other relevant financial indicator.	✓			The company issues all investor information, including financial reports, in both English and Romanian.
D.6.	The issuer holds at least one meeting/conference call with analysts and investors each year. Information presented on these occasions is published in the Investor Relations section of the Issuer's website at the time of the respective meeting/conference call.	✓			The Company holds and will continue to hold conference calls with analysts and investors each year at least on the occasion of the publication of the annual, semi-annual and quarterly reports.

## MANAGEMENT STATEMENT

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According to the best information available, we confirm that:

- ✦ The financial statements for the year ended 31 December 2023 present a true and fair view of the assets, liabilities, financial position, and statement of income and expenses of Meta Estate Trust SA as required by applicable accounting standards
- ✦ The report attached hereto, prepared in accordance with Article 65 of Law no. 24/2017 on issuers of financial instruments and market operations and Addendum no. 15 to ASF Regulation no. 5/2018 on issuers of financial instruments and market operations for the year 2023, contains correct and true information on the Company's development and performance.

Laurențiu-Mihai Dinu representing Cert Master Standard SRL – Chairman of Board of Directors

Alexandru-Mihai Bonea –General Director

Bogdan Gramanschi –Financial Director



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# FINANCIAL STATEMENTS

FOR THE PERIOD ENDED  
31.12.2023

Issued in accordance with the Order of the Minister of Public Finance of Romania No 1802/2014 with subsequent amendments and additions



# Independent Auditor's Report\*

(\*This represents a non-official English translation of the original audit report issued in Romanian language)

## To the shareholders of META ESTATE TRUST SA

### Opinion

1. We have audited the accompanying financial statements of **META ESTATE TRUST SA** ("the Company"), with registered office in 4-10 Muntii Tatra Street, Floor 4, District 1, Bucharest, Romania, registered with the Trade Registry under no J40/4004/2021 and having fiscal identification code RO43859039, which comprise the balance sheet as at 31 December 2023, the related income statement, statement of changes in shareholders' equity and cash flow statement for the financial year then ended, and explanatory notes to the financial statements, including a summary of significant accounting policies, presenting the following:
  - Net Assets / Total equity and reserves:                      RON    103,325,405
  - Net result of the year:    RON    9,474,285 (profit)
2. In our opinion, the accompanying financial statements of the Company as at 31 December 2023 have been prepared, in all material respects, in accordance with the Order of the Ministry of Public Finance 1802/2014 (as subsequently amended) and as described in the accounting policies presented in the notes to the financial statements.

### Basis for Opinion

3. We conducted our audit in accordance with the International Standards on Auditing ("ISA") and with the Law 162/2017 ("Law"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and in accordance with all other ethical requirements relevant for the audit of the financial statements in Romania, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Emphasis of matter

4. We draw attention to the information presented in *Note 16 - Subsequent Events to the balance sheet date*, and in *Note 2.1.2 – Going concern* in the financial statements, which describe the lawsuit initiated on 29 January 2024 by Meta Management Team SRL ("MMT") with the following subject matter: (i) the termination of the management contract concluded on 22 March 2021 between the Company and MMT by the unilateral will of the company (as indicated by MMT); (ii) requiring the Company to pay the amount of RON 23,739,030, and (iii) requiring the Company to pay the legal expenses of the claimant.

According to the management of the company, an estimate regarding the chances of winning this lawsuit and the probability that the outcome of this lawsuit may require outflows of resources from the Company cannot be made as of the date of this report, given the early stage of the court litigation. Additionally, the Company's management believes that the lawsuit will not impact the Company's operations in the following year, given that it is unlikely that it will be resolved within 12 months from the date of MMT's lawsuit filing on 29 January 2024.

The financial statements do not include adjustments that may arise from the aforementioned lawsuit.

Our opinion is not modified as a result of this matter, but we believe that this matter, which might have a potential significant future impact, should be distinctly highlighted in our report.

## **Responsibilities of Management for the Financial Statements**

5. The Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with the Order of the Ministry of Public Finance 1802/2014, as subsequently amended („OMFP 1802/2014”), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

7. Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.
8. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Bucharest, 20 March 2024

Vasile Andrian

Auditor registered in the Public Electronic Register under no. 1554 / 2004

On behalf of MAZARS ROMANIA SRL

Audit firm registered in the Public Electronic Register under no. 699 / 2007.

4B Ing. George Constantinescu street, 5th floor,  
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**META ESTATE TRUST S.A.****BALANCE SHEET**

As of 31 December 2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)


**meta**  
**estate**

	<b>Balance as at: 01.01.2023</b>	<b>Balance as at: 31.12.2023</b>
<b>FIXED ASSETS</b>		
<b>I. INTANGIBLE FIXED ASSETS</b>	<b>11,503</b>	<b>-</b>
<b>II. TANGIBLE FIXED ASSETS</b>	<b>492,856</b>	<b>1,128,122</b>
Advance payments	-	53,022
Investment property	492,856	676,358
Tangible fixed assets in course of construction	-	390,574
Advances for tangible fixed assets	-	8,168
<b>III. LONG TERM FINANCIAL ASSETS</b>	<b>10,090,700</b>	<b>26,449,045</b>
Shares held in subsidiaries	173,000	530,000
Shares held in associates and jointly controlled entities	5,937,780	2,000
Other long term financial assets	22,000	22,100
Loans granted to related parties	-	2,131,006
Other loans and financial receivables	3,957,920	23,763,939
<b>TOTAL FIXED ASSETS</b>	<b>10,595,059</b>	<b>27,577,167</b>
<b>CURRENT ASSETS</b>		
<b>I. INVENTORIES</b>	<b>42,154,989</b>	<b>36,774,340</b>
Finished products and goods	-	65,340
Advance payments for stocks	297,900	7,553,813
Advances	41,857,089	29,155,187
<b>II. RECEIVABLES</b>	<b>29,099,172</b>	<b>39,800,325</b>
Commercial receivables	666,213	1,047,916
Amounts receivable from associates	3,958,800	7,170,511
Other receivables	24,474,159	31,581,897
<b>III. CASH AND CASH EQUIVALENTS</b>	<b>16,645,635</b>	<b>5,529,030</b>
<b>TOTAL CURRENT ASSETS</b>	<b>87,899,796</b>	<b>82,103,695</b>
<b>PREPAYMENTS</b>	<b>89,027</b>	<b>70,829</b>
Amounts to be carried forward within less than one year	66,314	57,468
Amounts to be carried forward within more than one year	22,713	13,361
<b>PAYABLES: AMOUNTS TO BE PAID WITHIN A PERIOD OF UP TO 1 YEAR</b>	<b>956,345</b>	<b>6,391,156</b>
Amounts payables to credit institutions		1,138,994
Trade payables – suppliers	560,561	1,189,222
Other payables, including fiscal and social security payables	395,784	4,062,940
<b>NET CURRENT ASSETS / NET CURRENT LIABILITIES</b>	<b>87,009,765</b>	<b>75,770,007</b>
<b>TOTAL ASSETS MINUS CURRENT LIABILITIES</b>	<b>97,627,537</b>	<b>103,360,535</b>
<b>PROVISIONS</b>	<b>19,000</b>	<b>35,130</b>
Other provisions	19,000	35,130
<b>SHARE CAPITAL</b>	<b>87,035,241</b>	<b>93,491,736</b>
Subscribed and paid in capital	87,035,241	93,491,736
<b>SHARE PREMIUM</b>	<b>6,456,496</b>	<b>-</b>
<b>LEGAL REZERVES</b>	<b>359,370</b>	<b>891,269</b>
<b>OTHER RESERVES</b>	<b>-</b>	<b>9,782</b>
<b>RETAINED EARNINGS/(LOSSES)</b>	<b>(2,396,394)</b>	<b>14</b>
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>6,513,194</b>	<b>9,474,285</b>
<b>PROFIT DISTRIBUTION</b>	<b>(359,370)</b>	<b>(541,681)</b>
<b>TOTAL EQUITY</b>	<b>97,608,537</b>	<b>103,325,405</b>

These financial statements were authorized by management on 20<sup>th</sup> of March 2024.

**Chairman of the Board,**  
**CERT MASTER STANDARD S.R.L.**  
 Represented by  
 Dinu Laurențiu Mihai

**Prepared by,**  
**ACCOMTESS PROFILE SRL**  
 Certified CECCAR member company  
 Registered with the professional body under no.  
 007092



**META ESTATE TRUST S.A.**  
**INCOME STATEMENT**

For the financial year ending 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless specified otherwise)



	<b>Financial year ended:</b>	
	<b>31,12,2022</b>	<b>31,12,2023</b>
<b>Net turnover</b>	<b>10,445,324</b>	<b>12,375,076</b>
<i>Production sold</i>	10,402,358	12,346,240
<i>Rent income</i>	42,966	28,836
<i>Other operating income</i>	8,100,485	6,914,648
<b>TOTAL OPERATING INCOME</b>	<b>18,545,809</b>	<b>19,289,724</b>
Expenses with raw materials and consumables	6,246	8,861
Other material expenses	13,084	10,728
Expenses with water and electricity	225	18,689
Cost of goods sold	8,978,978	9,555,594
Personnel expenses	348,891	902,754
Expenses with raw materials and consumables	330,799	856,262
<i>Wages and bonuses</i>	18,092	46,492
<i>Social security and protection expenses</i>	11,350	21,997
Value adjustments in respect of tangible and intangible fixed assets (expenses)	495	-
Value adjustments in respect of current assets (expenses)	4,671,706	6,418,614
Other operating expenses	4,240,359	6,011,682
<i>Expenses in respect of external services</i>	160,190	314,221
<i>Other taxes, charges, and similar liabilities</i>	271,157	92,711
<i>Other operating expenses</i>	16,070	16,130
Value adjustments related to provisions	19,000	125,593
<i>Expenses</i>	2,930	109,463
<i>Revenues</i>	<b>14,047,045</b>	<b>16,953,367</b>
<b>TOTAL OPERATING EXPENSES</b>		
<b>OPERATING PROFIT / (LOSS)</b>	<b>4,498,764</b>	<b>2,336,357</b>
Interest income	2,832,936	5,180,938
<i>of which, income from affiliated entities</i>	-	37,647
Income from participating interests	-	2,869,886
Other financial income	357,393	875,266
<b>TOTAL FINANCIAL INCOME</b>	<b>3,190,329</b>	<b>8,926,090</b>
Interest expenses	-	42,900
<i>of which, expenses in relation to affiliated entities</i>	-	-
Other financial expenses	501,688	581,581
<b>TOTAL FINANCIAL EXPENSES</b>	<b>501,688</b>	<b>624,481</b>
<b>FINANCIAL PROFIT</b>	<b>2,688,641</b>	<b>8,301,609</b>
<b>TOTAL INCOME</b>	<b>21,736,138</b>	<b>28,215,814</b>
<b>TOTAL EXPENSES</b>	<b>14,548,733</b>	<b>17,577,848</b>
<b>GROSS PROFIT FOR THE PERIOD</b>	<b>7,187,405</b>	<b>10,637,966</b>
Tax on profit	674,211	1,163,681
<b>NET PROFIT FOR THE PERIOD</b>	<b>6,513,194</b>	<b>9,474,285</b>

These financial statements were authorized by management on 20<sup>th</sup> of March 2024.

**Chairman of the Board,**  
CERT MASTER STANDARD S.R.L.  
Represented by  
Dinu Laurențiu Mihai

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ACCOUNTCESS PROFILE SRL  
Certified CECCAR member company  
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007092

**META ESTATE TRUST S.A.**  
**STATEMENT OF CHANGES IN EQUITY**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)



Equity item	Balance amount as at 01.01.2023	Increases		Decreases		Balance amount as at 31.12.2023
		Total	through transfer	Total	through transfer	
Subscribed and paid in capital	87,035,241	6,456,495	6,456,495	-	-	93,491,736
Share premium	6,456,496	-	-	6,456,496	6,456,496	-
Legal reserve	359,370	531,899	531,899	-	-	891,269
Other reserves	-	6,456,496	6,456,496	6,456,496	6,456,496	-
Other reserves – reinvested profits	-	9,782	9,782	-	-	9,782
Retained earnings/(losses)	(2,396,394)	6,153,824	6,153,824	3,757,416	-	14
Profit/(Loss) for the year	6,513,194	9,474,285	-	6,513,194	6,513,194	9,474,285
Profit distribution	(359,370)	(541,681)	(541,681)	(359,370)	(359,370)	(541,681)
<b>TOTAL</b>	<b>97,608,537</b>	<b>28,541,100</b>	<b>19,066,815</b>	<b>22,824,232</b>	<b>19,066,815</b>	<b>103,325,405</b>

Equity item	Balance amount as at 01.01.2022	Increases		Decreases		Balance amount as at 31.12.2022
		Total	through transfer	Total	prin transfer	
Subscribed and paid in capital	68,737,003	18,298,238	-	-	-	87,035,241
Share premium	3,963,701	2,492,795	-	-	-	6,456,496
Legal reserve	-	359,370	359,370	-	-	359,370
Retained earnings/(losses)	-	(2,396,394)	(2,396,394)	-	-	(2,396,394)
Profit/(Loss) for the year	(2,396,394)	6,513,194	-	(2,396,394)	(2,396,394)	6,513,194
Profit distribution	-	(359,370)	(359,370)	-	-	(359,370)
<b>TOTAL</b>	<b>70,304,310</b>	<b>24,907,833</b>	<b>(2,396,394)</b>	<b>(2,396,394)</b>	<b>(2,396,394)</b>	<b>97,608,537</b>

These financial statements were authorized by management on 20<sup>th</sup> of March 2024.

**Chairman of the Board,**  
 CERT MASTER STANDARD S.R.L.  
 Represented by,  
 Dinu Laurențiu Mihai

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 Certified CECCAR member company  
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**META ESTATE TRUST S.A.**  
**STATEMENT OF CASH FLOWS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)

	<b>Financial year ended:</b>	
	<b>31.12.2022</b>	<b>31.12.2023</b>
<b>Profit before tax</b>	<b>7,187,405</b>	<b>10,637,966</b>
<b>Adjustments for:</b>		
Value adjustments related to tangible and intangible fixed assets: expense / (income)	11,350	21,997
Adjustments related to provisions: expense / (income)	16,070	16,130
Value adjustments related to receivables: expense / (income)	495	-
Interest income	(2,832,936)	(5,180,938)
Interest expenses		42,900
<b>Cash flows from operations before changes in working capital</b>	<b>4,382,385</b>	<b>5,538,055</b>
Decreases/(increases) in receivables balances	(18,649,405)	(14,542,015)
Decreases/(increases) in stock balances	892,464	5,380,650
Decreases/(increases) in advance payments	(86,452)	18,198
Decreases/(increases) in advance income	-	-
Increases/(decreases) in commercial payables	(268,645)	502,919
Increases/(decreases) in other payables	(328,064)	103,338
<b>Cash generated by changes in working capital</b>	<b>(18,440,102)</b>	<b>(8,536,910)</b>
Income tax / profit tax paid	(384,414)	(1,231,538)
<b>Net cash generated from operating activities</b>	<b>-14,442,131</b>	<b>-4,230,393</b>
Acquisitions of shares in various entities	(178,000)	(359,100)
Sales of shares in various entities	-	5,937,780
Purchases of intangible assets	(17,246)	(770)
Sales of intangible assets	-	11,503
Purchases of tangible fixed assets	-	(457,214)
Purchases of investment property	(498,463)	(199,279)
Other granted loans	(3,957,920)	(21,937,025)
Interest received	409,544	6,151,915
Interest paid	-	(42,900)
Dividends received	-	2,869,886
<b>Net cash used in investment activity</b>	<b>(4,242,085)</b>	<b>(8,025,204)</b>
Proceeds from share capital increase	20,791,033	-
Proceeds from loans received	-	2,311,878
Loans reimbursements	-	(1,172,884)
<b>Net cash from / (used in) financing activity</b>	<b>20,791,033</b>	<b>1,138,994</b>
<b>Net change in cash and cash equivalents</b>	<b>2,106,816</b>	<b>(11,116,605)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>14,538,819</b>	<b>16,645,635</b>
<b>Cash and cash equivalents at end of period</b>	<b>16,645,635</b>	<b>5,529,030</b>

These financial statements were authorized by management on 20<sup>th</sup> of March 2024.

**Chairman of the Board,**  
 CERT MASTER STANDARD S.R.L.  
 Represented by  
 Dinu Laurențiu Mihai

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 Certified CECCAR member company  
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 007092

**META ESTATE TRUST S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)

**1. GENERAL INFORMATION**

META ESTATE TRUST S.A. (the "Company", "MET"), having its registered offices in Bucharest, District 1, 4-10 Muntii Tatra St., 4th floor, , was founded in 2021 in accordance with the provisions of Law no. 31/1990, registered with the Trade Registry under no. J40/4004/2021, tax registration code R043859039.

The main object of business is „Holding activities”, NACE (Romanian CAEN) code 6420.

**2. ACCOUNTING PRINCIPLES, POLICIES AND METHODS**

**2.1. Basis for preparation**

*2.1.1. General information*

These financial statements have been prepared in accordance with Order no. 1802/2014 of the Romanian Minister of Public Finances, as further amended and supplemented ('OMFP 1802 / 2014') and in compliance with the requirements imposed by the Accountancy Law no. 82/1991 in its republished version.

The financial statements include:

- Balance sheet;
- Income statement;
- Statement of changed in equity (prepared voluntarily by the Company);
- Statement of cash flows (prepared voluntarily by the Company)
- Notes to the financial statements.

The financial statements are stand-alone. The company is not required to prepare consolidated financial statements.

The accounting entries on the basis of which these financial statements have been prepared are made in lei ("RON") at historical cost, in accordance with the Company's accounting policies and with OMFP 1802/2014.

*2.1.2. Going concern*

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue as a going concern without going into liquidation or significant curtailment. In order to assess the applicability of this assumption, the Company's management reviews forecasts of future cash inflows.

Based on these analyses, management believes that the Company will be able to continue in business for the foreseeable future and therefore the application of the going concern basis in the preparation of the financial statements is justified.

As mentioned in Note 16 below, on 29 January 2024 the Company was informed of the request for a claim ("the Request", "the Claim") by Meta Management Team SRL ("MMT"), a request registered with the Bucharest Court in case file 2701/3/2024, for: (i) a declaration of termination of the management contract concluded on 22.03.2021 between MET and MMT ("the Contract") by effect of MET's unilateral will (as stated in MMT's formulation); (ii) order MET to pay the amount allegedly due of RON 23.7 million and (iii) order MET to pay for the legal costs.

Regarding the stage of the proceedings, the Application was served on MET by the Court on 14.03.2024.

**META ESTATE TRUST S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)

**2.1. Basis for preparation (continued)**

The Board of Directors has started exploring scenarios for managing this legal dispute. Law firms have been selected to assist and represent the company in this legal dispute. The selected lawyers are analysing the Contract and the MMT Claim and all other relevant documents and preparing the MET defense strategy, including the Statement of Defense to be filed in response to the MMT Claim, as well as the legality and validity of the Contract clauses.

In assessing the chances of winning this legal dispute and the financial consequences, MET Management considers that it is at a preliminary stage of the process, and an assessment at this stage could not be anchored in the overall procedural framework in which the legal dispute will be set; the Company will be in a better position to estimate the chances of winning once it has received the response to the Statement of Objections that MMT will formulate, as well as after the first trial date. MET management, along with the attorneys appointed to represent the Company in this litigation, estimate that the litigation will extend for a minimum period of 18 months, with no final decision expected before 2025. Therefore, we consider that this litigation will not have an impact on the continuity of the Company's activity for the next 12 months, other than that related to the financial effort for contracting legal services, expenses that have been included in the budget for 2024. Also, according to the budget approved by the Board of Directors on 20 March 2024, the Company estimates total revenues of over RON 32 million, and a net profit of RON 10.6 million for 2024, an increase of 12% compared to 2023.

The Company's financial statements for 2023 have not been adjusted because of this event.

*2.1.3. Use of accounting estimates*

In preparing the Company's financial statements in accordance with OMFP 1802/2014 as further amended, the Company's management makes estimates and assumptions that affect the sums reported for revenues, expenses, assets and liabilities, as well as contingent assets and liabilities at the end of the period. Although the Company's management relies in making such estimates on the best information available on the preparation date, actual results may vary from the estimates.

*2.1.4. Presentation currency*

Accounts are kept in Romanian and in the national currency (RON). The items included in these financial statements are presented in Romanian Lei ('RON').

*2.1.5. Accounting principles*

The positions disclosed in these financial statements are assessed in accordance with the following accounting principles:

- Going concern - These financial statements have been prepared based on the assumption that the Company will carry on its business as a going concern in the foreseeable future.
- Consistency - applying the same regulations, methods and rules in assessing, recording and presenting patrimonial items and results in the accounts, ensuring the comparability of accounting information over time.
- Prudence - all value adjustments due to impairment of assets have been considered, as well as all the foreseeable liabilities and potential losses that arose during the financial year ended or during a previous year.
- Accrual principle - all income and expenditure for the reporting period has been taken into account, regardless of the date of receipt or payment.
- Offsetting - the values of items representing assets were not set off against the values of items representing liabilities, namely income against expenses..
- Substance over form - the information disclosed in the financial statements reflects the economic reality of events and transactions, not only their legal form.



**META ESTATE TRUST S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)

**2.1. Basis for preparation (continued)**

- Materiality - any item that has a significant value is presented separately in the financial statements.

**2.2. Conversion of foreign currency transactions**

Transactions made in a foreign currency are converted into RON using the foreign exchange rate valid on the transaction date. The exchange rate used for the conversion of the balance amounts denominated in foreign currency as of 31 December 2023 was 4.9746 RON/EUR (31 December 2022: 4.9474 RON/EUR). Monetary assets and liabilities denominated in foreign currency are valued and reported using the exchange rate communicated by the National Bank of Romania and valid at the end of the reported year. Currency translation differences, either favorable or unfavorable, between the exchange rate on the registration date of foreign currency receivables or liabilities for the current month or the exchange rate valid at the end of the previous month for those of previous months and the exchange rate valid at the end of the financial year are recorded as financial revenues or expenses, as appropriate.

**2.3. Significant accounting policies related to the financial statements**

**2.3.1. Fixed assets**

*2.3.1.1. Intangible fixed assets*

Web domain registrations are recognised as a component of the asset and are recorded at cost. Subsequently, these are measured at cost less accumulated depreciation and/or accumulated impairment losses, if any.

*2.3.1.2. Tangible fixed assets*

Tangible fixed assets (mainly furniture and office equipment) are stated at cost (which includes directly attributable costs such as transport, handling, installation). They are shown in the balance sheet at cost less accumulated depreciation and/or accumulated impairment losses, if any.

Investment properties represent properties (land, buildings - or part of a building - or both) held by the Company for rental income or capital appreciation, or both, rather than for:

- to be used in the production or supply of goods or services or for administrative purposes; or
- to be sold in the ordinary course of business.

These are recognised as a component of the asset and recorded at cost. Subsequently, they are measured at cost less accumulated depreciation and/or accumulated impairment losses, if any.

Tangible fixed assets in course of construction represent fixed assets that are not yet ready for use for the purpose for which they were created. They are stated at cost. They are shown in the balance sheet at cost.

*2.3.1.3. Long term financial assets*

*Shares held in subsidiaries, Shares held in associates and jointly controlled entities and Other long term financial assets* – include interests held in entities in the form of shares. These are recognised in the balance sheet at cost less impairment adjustments.

*Other loans* – are non-current receivables and are recognised at cost.

**META ESTATE TRUST S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)

**2.3.2. Inventories**

The Company classifies in the Finished products and goods category the amounts granted / paid in the early stages of construction of residential units or developments to the property developer / builder / general contractor. These amounts are often in the form of advances and represent assets with a long manufacturing cycle intended for sale. These are recorded at purchase price. Advances granted for the purchase of these assets that the Company intends to resell are shown under Advances for inventories. If the destination of the goods changes after the moment of purchase or advance payment, the Company may reclassify the assets to another asset category to reflect their use, in accordance with accounting policies and OMFP 1802/2014.

**2.3.3. Receivables**

Receivables are recognized in the balance sheet at their probable collection value (amount to be recovered according to the documents giving the right of collection, less adjustments for impairment).

**2.3.4. Cash and cash equivalents**

Cash and cash equivalents consist of bank accounts in RON and in foreign currency, short-term bank deposits and petty cash. Cash and cash equivalents are recorded at cost. Cash in foreign currency is valued at the exchange rate communicated by the National Bank of Romania, valid at the end of the reporting period.

**2.3.5. Payables**

Payables are presented in the balance sheet at the value of sums to be paid for the goods and services received.

**2.3.6. Provisions**

Provisions are recognized when the Company has a current liability (legal or constructive) generated by a past event, and an outflow of resources is likely to be needed in order to meet the obligation, and the payable can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the management's current best estimates thereon. If an outflow of resources is no longer likely to arise in order to cover a liability, the provision must be cancelled by carrying it forward on revenue.

**2.3.7. Share capital and share premium**

The subscribed and paid-in share capital includes the shares issued by the Company and fully subscribed and settled by the shareholders at the balance sheet date, assessed at their par value. Share premium represents the difference between the total subscription amount of the issued shares and their nominal value.

**2.3.8. Legal reserves**

The legal reserve is set-up by the annual allocation of 5% of the gross accounting profit at the end of the current financial year, until the legal reserve reaches the level of 20% of the Company's share capital.

**META ESTATE TRUST S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)

**2.3.9. Revenues**

*2.3.9.1. Rent income*

It relates to income from rental contracts for rental units owned by the Company and services rendered. These are recognised on an accruals basis in accordance with the contract.

*2.3.9.2. Income from sale of goods*

It refers to the income from the sale of housing units that have been purchased by the Company for resale. They are recognized on the transfer of related risks and benefits.

*2.3.9.3. Other operating income*

This category includes income from assignments and penalties. They are recognized when the right to receive them arises in compliance with the contractual terms between the parties.

*2.3.9.4. Interest income*

Interest income is recognized from time to time as generated, either from the liquidation of short-term bank deposits, or from loans granted to entities in which the Company holds shares..

**2.3.10. Contingent liabilities / Contingent assets**

A contingent liability is a potential obligation that arises from past events prior to the balance sheet date and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a potential asset that arises from events before the balance sheet date and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

**2.4. Taxes and charges**

The Company has recorded corporate income tax for the period 01.01.2023-31.12.2023 based on the taxable profit from the tax reports according to the relevant Romanian legislation.

The current tax is calculated based on the tax result using the tax rate in force at the balance sheet date.

The corporate income tax rate for the period 01.01.2023-31.12.2023 was 16%.

**2.5. Affiliated entities and other related parties**

According to OMFP 1802/2014, affiliated entities means two or more entities within a group (composed of the parent company and its controlled entities).

An entity in which the Company has a participating interest and in which it exercises significant influence by holding at least 20% of the voting rights of the shareholders or associates of that entity is considered an associated entity.

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**2.5. Affiliated entities and other related parties (continued)**

An entity is 'related' to another entity if:

- a) directly or indirectly, through one or more undertakings:
  - it controls or is controlled by the other entity or is under common control of the other entity (that includes parent companies, subsidiaries, or member subsidiaries);
  - it has an interest in that specific entity, which offers significant influence upon such entity, or
  - holds shared control over the other entity.
- b) it represents a member of the other entity;
- c) it represents a joint venture of which the other entity is an associate;
- d) it is a member of the key management staff of the entity or its parent company;
- e) it represents a close family member of the person mentioned under paragraphs a) or d);
- f) it represents an entity that is controlled, jointly controlled, or significantly influenced or for which significant voting power for such an entity is given, directly or indirectly, by any person mentioned under paragraph d) or e); or
- g) the entity represents a post-employment incentive plan for the benefit of the employees or of the employees of any entity related to such company.

**2.6. Other considerations**

The financial statements are not intended to fully present the financial position, the result of operations and a complete set of notes to the financial statements in accordance with the accounting regulations and principles accepted in countries and jurisdictions other than Romania. Therefore, these financial statements are not prepared for the use of individuals who do not know the accounting and legal regulations in Romania, including the provisions of the OMPF 1802/2014 as further amended.

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**3. FIXED ASSETS**

Description of item	Gross amount				Value adjustments (amortization and adjustments for depreciation or impairment)				Net book value	
	Balance amount as at 01.01.2023	Increases	Assignments, transfers, and other decreases	Balance amount as at 31.12.2023	Balance amount as at 01.01.2023	Adjustments recorded during the fiscal year	Decreases /amounts carried forward	Balance amount as at 31.12.2023	Balance amount as at 01.01.2023	Balance amount as at 31.12.2023
0	1	2	3	4 = 1+2-3	5	6	7	8 = 5+ 6-7	9 = 1-5	10 = 4-8
<b>Intangible fixed assets</b>	<b>17,246</b>	-	<b>17,196</b>	<b>50</b>	<b>5,743</b>	<b>770</b>	<b>6,463</b>	<b>50</b>	<b>11,503</b>	-
Other intangible fixed assets	17,246	-	17,196	50	5,743	770	6,463	50	11,503	-
<b>Tangible fixed assets</b>	<b>497,421</b>	<b>656,493</b>	-	<b>1,153,914</b>	<b>4,565</b>	<b>21,227</b>	-	<b>25,792</b>	<b>492,856</b>	<b>1,128,122</b>
Furniture, office equipment	-	58,472	-	58,472	-	5,450	-	5,450	-	53,022
Investment property	497,421	199,279	-	696,700	4,565	15,777	-	20,342	492,856	676,358
Assets under development	-	390,574	-	390,574	-	-	-	-	-	390,574
Advance payments for tangible fixed assets	-	8,168	-	8,168	-	-	-	-	-	8,168
<b>Long term financial assets</b>	<b>10,090,700</b>	<b>26,237,549</b>	<b>9,879,204</b>	<b>26,449,045</b>	-	-	-	-	<b>10,090,700</b>	<b>26,449,045</b>
Shares held in affiliates	173,000	357,000	-	530,000	-	-	-	-	173,000	530,000
Shares held in associates	5,937,780	2,000	5,937,780	2,000	-	-	-	-	5,937,780	2,000
Other investment securities	22,000	100	-	22,100	-	-	-	-	22,000	22,100
Loans to affiliated entities	-	2,131,006	-	2,131,006	-	-	-	-	-	2,131,006
Receivables from associated entities	-	-	-	-	-	-	-	-	-	-
Other loans	3,957,920	19,671,431	-	23,629,350	-	-	-	-	3,957,920	23,629,350
Other long term financial assets	-	134,589	-	134,589	-	-	-	-	-	134,589
<b>TOTAL</b>	<b>10,605,367</b>	<b>26,894,042</b>	<b>9,896,400</b>	<b>27,603,009</b>	<b>10,308</b>	<b>21,997</b>	<b>6,463</b>	<b>25,842</b>	<b>10,595,059</b>	<b>27,577,167</b>



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**3. FIXED ASSETS (continued)**

Tangible fixed assets as at 31 December 2023 are mainly represented by real estate investments consisting of parking spaces within the Aviation Park project that have been leased, IT equipment as well as fit-out and modernisation works for office space.

Financial fixed assets are mainly represented at 31 December 2023 and 31 December 2022 by the following:

*Shares held in affiliated entities*

Name of entity / percentage ownership	Balance as at:	
	01.01.2023	31.12.2023
Highcrowd Estate Technologies SA (51%)	153,000	510,000
Montserrat Assets SRL (100%)	10,000	10,000
Mont Blanc Assets SRL (100%)	10,000	10,000
<b>TOTAL</b>	<b>173,000</b>	<b>530,000</b>

Highcrowd Estate Technologies SA (51% of the shareholding) is a subsidiary whose activity is crowd-funding, while Mont Blanc Assets SRL (100% of the shareholding) and Montserrat Assets SRL (100% of the shareholding) were set up to carry out specific real estate investment projects.

*Shares held in associates:*

Name of entity / percentage ownership	Balance as at:	
	01.01.2023	31.12.2023
Redport Properties SRL (40%)	5,937,780	-
ICD Fabrica De Caramida SRL (20%)	-	2,000
<b>TOTAL</b>	<b>5,937,780</b>	<b>2,000</b>

In September 2023, the Company successfully completed the investment project in partnership with Redport Properties, the developer of The Level Apartments, through the sale of the interest. The Company has also decided to reinvest in the upper phases of the project by acquiring 10% of Redport Capital, as mentioned below.

*Other investment securities:*

Name of entity / percentage ownership	Balance as at:	
	01.01.2023	31.12.2023
Novarion Living Xperience SA (17%)	17,000	17,000
Rock Mountain (5%)	5,000	5,000
Redport Capital SRL (10%)	-	100
<b>TOTAL</b>	<b>22,000</b>	<b>22,100</b>

The line *Loans to affiliated entities* in the balance sheet refers to the loan granted to Montserrat Assets SRL, including interest, maturing after 31.12.2024.

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For the financial year ended 31.12.2023

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**3. FIXED ASSETS (continued)**

*Other loans:*

Entity name	Balance as at:		Termen de lichiditate pentru soldul de la 31.12.2023	
	01.01.2023	31.12.2023	Sub 1 an	Peste 1 an
Novarion Living Xperience SA	12,436,500	12,436,500	7,461,900	4,974,600
Rock Mountain	3,957,920	11,192,850		11,192,850
Redport Capital SA	-	4,974,600	-	4,974,600
Xux Investment SRL	-	2,487,300	-	2,487,300
<b>TOTAL</b>	<b>16,394,420</b>	<b>31,091,250</b>	<b>7,461,900</b>	<b>23,629,350</b>

The above loans relate to loans in companies developing real estate projects.

The loan granted to Novarion Living Xperience SA was classified at the end of the previous year under Other receivables, as its maturity was short term (less than 1 year) at that time. On 31.12.2023, its maturity was updated by an additional deed, and as such, the short-term portion in the amount of RON 7,461,900 was classified under Trade receivables, together with related interest (see note *Receivables*).

**4. INVENTORIES**

Description of item	Balance as at 01.01.2023	Increases	Out of which through transfer	Decreases	Out of which through transfer	Balances as at 31.12.2023
Inventory items	-	72,412	-	7,072	-	65,340
Goods	297,900	16,811,507	-	9,555,594	-	7,553,813
Advances for inventories	41,857,089	37,410,309	-	50,112,211	41,402,297	29,155,186
<b>TOTAL</b>	<b>42,154,989</b>	<b>54,294,228</b>	<b>-</b>	<b>58,646,253</b>	<b>41,402,297</b>	<b>36,774,340</b>

Inventories are represented as at 31 December 2023 by advances granted by the Company for the purchase of real estate items for resale, goods consisting of real estate purchased for resale and inventory purchased for use in the Company's business.

During 2023, the Company became the owner of the real estate acquired within the projects The Level Phase II, Avrig 7, Parcului 20, Mobexpert Homes Pipera and Morilor, respectively, in the total amount of RON 16,811,507. Goods in balance as at 31 December 2023 in the amount of RON 7,553,813 are represented by real estate owned by the Company and not sold from the projects located in Bucharest and Sibiu.

Advances for inventories represent pre-contracted units in various real estate projects in Bucharest, Sibiu, Brasov, Iasi and Constanta..

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**5. RECEIVABLES**

Description of item	Balance amount as at 01.01.2023	Balance amount as at 31.12.2023	Maturity – Balance amount as at 31.12.2023	
			Less than 1 year	More than 1 year
Customers	666,067	14,445	14,445	-
Suppliers – amounts to be settled	146	1,033,471	1,033,471	-
<b>Total commercial receivables</b>	<b>666,213</b>	<b>1,047,916</b>	<b>1,047,916</b>	-
				-
Receivables from loans granted to associated entities	3,958,800	7,170,511	7,170,511	-
<b>Total amounts receivable from associated entities</b>	<b>3,958,800</b>	<b>7,170,511</b>	<b>7,170,511</b>	-
Receivables from partially or fully disinvested projects	9,104,171	20,205,038	20,205,038	-
Receivables from loans to investees	12,368,500	7,461,900	7,461,900	-
Interest receivables	2,423,392	3,150,624	3,150,624	-
VAT to be recovered	571,164	657,174	657,174	-
Other receivables	1,394	-	-	-
Non-claimable VAT	3,202	5,064	5,064	-
Other social receivables	2,337	102,098	102,098	-
<b>Total other receivables</b>	<b>24,474,159</b>	<b>31,581,897</b>	<b>31,581,897</b>	-
<b>TOTAL</b>	<b>29,099,172</b>	<b>39,800,325</b>	<b>39,800,325</b>	-

With regard to the amounts recorded on the line *Amounts receivable from associated entities*, in September 2023, the Company recovered receivables in the amount of RON 3,958,800 from Redport Properties SRL. In November 2023, the Company granted a loan to ICD Fabrica de Cămămidă SRL in the amount of RON 6,964,440, plus accrued interest of RON 206,071, for a period of 12 months, for the completion of the real estate project in Ion Dragalina Street, Bucharest.

*Receivables from loans granted to associated entities* represented by the Novarion Xperience project were reclassified in September 2023 to *Financial assets - Other loans for long-term loan* tranches (EUR 1.5 million), while the short-term loan tranche maturing in December 2024 remained classified in this category.

Receivables from partially or fully disinvested projects represent amounts paid as advance payments and indemnities arising from termination agreements. The amount of cumulative interest on loans granted to entities in which the Company holds interests of less than 20% is RON 3,150,624.

The balance of *Suppliers – amounts to be settled* includes an amount of RON 972,199.03 representing a partial payment made by the Chairman of the Board of Directors on 7.12.2023 in respect of the overdue Annual Administration fees invoice issued by Meta Management Team SRL, without complying with the internal payment procedure whereby the invoice is validated and authorised for payment by the Executive Management. The Company has not acknowledged the overdue Annual Administration fees invoice issued by Meta Management Team SRL and will recover the balance either amicably or through legal action. Considering the Management Agreement and the additional deeds signed between Meta Management Team SRL and the Company, as well as the way the Annual Management fee was calculated and agreed by the parties during the period 01.01.2022 - 30.09.2023, the Company considers the chances of recovery for these amounts are significant. The amount to be recovered is in the amount of RON 679,410.42, calculated as the difference between the above-mentioned amount and the Company's estimate of the amount to be paid for the Annual Management fee for the fourth quarter of 2023 in the amount of RON 292,788.61 recorded as an accrual in Suppliers - unsettled invoices in note 8 below.

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## 6. CASH AND CASH EQUIVALENTS

Description of item	Balance as at:	
	01.01.2023	31.12.2023
Current accounts in lei	147,454	4,995,135
Current accounts in euro	499,537	533,895
Short-term deposits in lei	7,588,000	-
Short-term deposits in euro	8,410,580	-
Cash in hand	64	-
<b>TOTAL</b>	<b>16,645,635</b>	<b>5,529,030</b>

## 7. SHARE CAPITAL

The subscribed and paid-up share capital on 31 December 2023 consists of 93,491,736 registered shares, each with a nominal value of 1 leu.

Shareholding structure	01.01.2023	%	31.12.2023	%
Individual shareholders - list type	53,272,467	61,21	73,295,152	78.40
Legal entities shareholders - list type	33,762,774	38,79	20,196,584	21.60
<b>TOTAL</b>	<b>87,035,241</b>	<b>100,00</b>	<b>93,491,736</b>	<b>100.00</b>

The share capital contains 2 classes of shares detailed below:

Share capital structure by share classes	01.01.2023	%	31.12.2023	%
Class A - ordinary shares	75,785,265	87.07	82,241,760	87.97
Class B – preferred shares	11,249,976	12.93	11,249,976	12.03
<b>TOTAL</b>	<b>87,035,241</b>	<b>100.00</b>	<b>93,491,736</b>	<b>100.00</b>

The net profit of the Company in 2022 in the amount of RON 6,513,194 was distributed as follows:

- RON 2,396,394 to cover the loss of previous years;
- RON 359,370 to the legal reserve;
- RON 3,757,430 for other reserves.

Share premiums amounting to RON 6,456,496 were transferred to other reserves.

In September 2023, the Company's shareholders decided to increase the share capital by the amount of RON 6,456,495 by incorporating other reserves, the share capital reaching a total value of RON 93,491,736 on 31 December 2023 (31 December 2022: RON 87,035,241).

In December 2023 it was decided to revoke the distribution of the cumulative net profit made in 2022 and 2021 in the amount of RON 3,757,430 for the constitution of other reserves and it was decided to distribute it on gross dividends in the amount of RON 3,757,415.

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**8. LIABILITIES**

Description of item	Balance amount as at 01.01.2023	Balance amount as at 31.12.2023	Maturity – Balance amount as at 31.12.2023	
			Less than 1 year	More than 1 year
Suppliers	61,047	524,047	524,047	-
Suppliers - invoices to be received	499,151	539,070	539,070	-
Creditor customers	364	126,104	126,104	-
Corporate tax liability	289,905	222,049	222,049	-
Other payables	76,839	321,450	321,450	-
Short term loans	-	1,138,994	1,138,994	-
Social security and health insurance contributions	29,039	62,619	62,619	-
Dividend payment liabilities (net of tax)	-	3,456,822	3,456,822	-
<b>TOTAL</b>	<b>956,345</b>	<b>6,391,155</b>	<b>6,391,155</b>	<b>-</b>

Trade receivables represent amounts invoiced to customers representing advances for the delivery of real estate.

Suppliers - outstanding invoices represents the value of services received up to 31 December 2023 for which the Company has not yet received invoices for settlement.

Short-term receivables are represented as at 31 December 2023 by the loan taken from Libra Bank.

**9. OPERATING INCOME**

Description of item	Financial year ended:	
	31.12.2022	31.12.2023
Income from sale of goods	10,402,358	12,346,240
Rental income	42,966	28,836
<b>Net turnover</b>	<b>10,445,324</b>	<b>12,375,076</b>
Other operating income	8,100,485	6,914,648
<b>TOTAL</b>	<b>18,545,809</b>	<b>19,289,724</b>

Revenue from the sale of goods is generated from the sale of rental units that have been purchased for resale. These relate to sales in the Aviation Park, Mobexpert Homes Pipera and The Level Phase II, Avrig 7, Park 20 projects.

The rental income related to parking spaces in the Aviației Park project.

Other operating income was generated mainly from agreements to terminate sale and purchase promises in projects located in the areas of Mătăsari, Pajura, Chitila, Rahmaninov, Dante Aligheri, Eforie Sud, as well as from the sale of pre-contracted rental units in other projects (such as Aviației Park, Mătăsari, Mobexpert Homes Pipera, etc.).

**10. PERSONNEL EXPENSES**

As at 31 December 2023 the Company had 5 employees with individual employment contracts and 3 employees with individual mandate contracts.



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## 11. EXPENSES IN RESPECT OF EXTERNAL SERVICES

Description of item	Financial year ended:	
	31.12.2022	31.12.2023
Expenditure on management services	2,117,024	2,483,644
Expenditure on commissions and fees	221,369	946,906
Protocol, advertising and publicity expenses	966,866	937,508
Intermediary and market maker costs	461,492	893,850
Other expenditure on services provided by third parties	473,608	749,774
<b>TOTAL</b>	<b>4,240,359</b>	<b>6,011,682</b>

Management services expenses relate to the service contract with Meta Management Team, expenses with other members of the Board of Directors and expenses with collaborators providing management services.

Protocol, advertising and publicity expenses were mainly related to marketing campaigns and outsourced public relations and marketing services.

Expenditure on commissions and fees relates mainly to amounts paid to lawyers and notaries for services related to real estate transactions carried out.

Brokerage and market maker expenses relate to services provided by brokers for the intermediation of real estate transactions, capital market fund raising and market maker services.

Other expenses for services performed by third parties mainly include costs related to rents, accounting and payroll services, financial audit and valuation services, IT services, postal and telecommunication services, subscriptions to publications, courier services. In addition, this line also includes management services costs in relation to Recons - Real Estate Consultancy and Constructions SRL.

## 12. FINANCIAL INCOME AND EXPENSES

Description of item	Financial year ended:	
	31.12.2022	31.12.2023
Interest income	2,832,936	5,180,938
Other financial income	357,393	875,266
Income from participating interests (dividends)	-	2,869,886
Interest expenses	-	(42,900)
Other financial expenses	(501,688)	(581,581)
<b>FINANCIAL PROFIT</b>	<b>2,688,640</b>	<b>8,301,609</b>

Interest income refers to interest obtained from loans granted to companies in which the Company has holdings in the amount of RON 4,930,954 and from short-term deposits in the amount of RON 249,984. Other financial income and expenses arise from exchange rate differences.

In September 2023, the Company received dividend income in the amount of RON 2,869,886, as a result of the partial distribution of the profit made by Redport Properties SRL in The Level project (the Company held a 40% stake in the share capital).

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### 13. CORPORATE INCOME TAX

As of the fourth quarter of 2021, the Company is subject to corporate income tax at a rate of 16%.

Description of item	Financial year ended:	
	31.12.2022	31.12.2023
Total Revenues	21,736,138	28,215,814
Total Expenses	14,548,733	17,577,848
<b>Accounting profit</b>	<b>7,187,405</b>	<b>10,637,966</b>
Non-deductible expenses	121,482	146,546
Non-taxable income	2,930	2,979,349
Non-deductible expenses related to dividend income	-	608,900
Legal reserve	359,370	531,899
Tax loss carried forward year 2021	1,673,310	-
<b>Fiscal Profit</b>	<b>5,273,277</b>	<b>7,882,164</b>
<b>Corporate income tax computed</b>	<b>843,724</b>	<b>1,261,146</b>
Fiscal Credit (sponsorship)	77,575	10,000
Allowance	91,938	87,465
<b>Corporate income tax</b>	<b>674,211</b>	<b>1,163,681</b>

### 14. OFF-BALANCE SHEET COMMITMENTS

As part of the residential property investment business, the Company enters into purchase commitments which contain, in addition to down payments, commitments to pay at certain times (e.g. completion of construction). After the conclusion of the promise to purchase, the Company may dispose of part of the properties for a disposal fee, in which case the remaining liability is transferred to the transferee. If the commitments are not paid on time, there is usually an extension agreed by the parties of 3 months and subsequently, if the remainder of the price is not paid and the parties do not reach another agreement, the prospective buyer forfeits the down payment.

The total amount of maximum payment commitments related to purchase commitments entered into by the Company was €4.7 million as at 31 December 2023 (31 December 2022: €14.01 million), all of which are expected to be due within the next 12 months (31 December 2022: €4.35 million).

The company aims to cover existing commitments through a mix of own sources and sources attracted from banking institutions and through the capital market, aiming for an optimal level of funding schedule. As at 31 December 2023, the amount of the credit facility was €1,271,038 (31 December 2022: €1,500,000).

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## 15. OTHER INFORMATION

### 15.1. Executive Management and board of Directors:

During 2023 the executive management of the Company changed as follows:

- On July 28, 2023, by decision of the Board of Directors, the appointment of Mr. Bonea Alexandru-Mihai to the position of General Manager of the Company for a 4-year term was approved.
- On 23 August 2023, Ms. Antoanela Comşa was appointed as Investment Director, and on 22 September 2023 it was announced that Ms. Antoanela Comşa would take over the position of Deputy General Manager of the Company as of the same date.
- On 10 October 2023, by decision of the Board of Directors, the appointment of Mr. Bogdan Gramanschi to the position of Chief Financial Officer of the Company for a 4-year term was approved.

During 2023 the Board of Directors changed as follows:

- On 26.04.2023, it was approved the appointment of Cagils Invest SRL, represented by Păun Ilinca-Mihaela, as a permanent member of the Board of Directors of the Company, for a term of office expiring on 27.01.2024
- On 08.05.2023, following the resignation of Mr. Bonea Dragoş Adrian from the position of Member of the Board of Directors, Mr. Bonea Alexandru Mihai was appointed as provisional Member of the Board of Directors of the Company, for a mandate that started on 08.05.2023 and ended on the date on which the general meeting of shareholders would decide to appoint a new permanent member of the Board of Directors.
- On 27 September 2023, the election of Mr. Mircea Oancea as member of the Board of Directors for a term of office expiring on 27 January 2024 was approved (thus replacing of Mr. Alexandru Mihai Bonea who had held the position of provisional member of the Board of Directors since 8 May 2023).

The composition of the Board of Directors on 31 December 2023 is as follows:

- Meta Management Team SRL, Chairman of the Board of Directors, represented by Tudor Cartianu
- Adivi Estate SRL, member of the Board of Directors, represented by Viman Adrian Vasile
- LCL Grup SRL, Board member, represented by Lăduncă Ciprian
- CAGILS Invest SRL, provisional member of the Board of Directors, represented by Păun Ilinca Mihaela
- Mircea Oancea, member of the Board of Directors

**META ESTATE TRUST S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)



**15. OTHER INFORMATION (continued)**

**15.2. Balances and transactions with related parties**

The related parties with which the Company has entered into transactions in 2023 or for which balance sheet exist are as follows:

<b>Name</b>	<b>Type of affiliation</b>
Meta Management Team SRL	Board of Directors Chairman
Redport Properties SRL	Associate entity
ICD Fabrica de Caramida SRL	Associate entity
Highcrowd Technologies SA	Subsidiary
Montserrat Assets S.R.L.	Subsidiary
Mont Blanc Assets S.R.L.	Subsidiary
Oriol Casellas Deig	Key member of Executive Management
Raluca-Elena Drăgan	Key member of Executive Management
Alexandru Bonea	Key member of Executive Management
Bogdan Gramanschi	Key member of Executive Management
RECONS Real Estate, Consultancy and Construction SRL (represented by Antoanela Comșa)	Key member of Executive Management
LCL Grup SRL (represented by Ciprian Lăduncă)	Board of Directors member
CAGILS INVEST SRL (represented by Ilinca Păun)	Board of Directors member
ADIVI ESTATE SRL (represented by Adrian Viman)	Board of Directors member
Mircea Oancea	Board of Directors member

The transactions during January-December 2023 and balances with related parties as at 31 December 2023 are presented below:

<b>Amounts included in the balance sheet</b>	<b>Category</b>	<b>Balance at 31.12.2022</b>	<b>Balance at 31.12.2023</b>
Long term financial assets	Associated entities	5,937,780	2,000
Long term financial assets	Affiliated entities	173,000	530,000
Receivables	Associated entities	3,958,800	-
Loans granted	Associated entities	-	7,170,511
Loans granted	Affiliated entities	-	2,131,006
Suppliers	Board of Directors members	8,832	-
Suppliers – invoiced to be received	Board of Directors Chairman	396,862	292,789
Suppliers – invoiced to be received	Board of Directors members	-	29,836
Payables	Associated entities	-	2,000

<b>Amounts included in the income statement</b>	<b>Category</b>	<b>Financial year ended:</b>	
		<b>31.12.2022</b>	<b>31.12.2023</b>
Management services expenses	Executive Management	358,822	636,810
Management services expenses	Meta Management Team SRL – Board of Directors Chairman	1,653,584	1,668,178
Management services expenses	Board of Directors other members	104,618	338,202
Interest income	Affiliated entities	-	37,647

**META ESTATE TRUST S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31.12.2023

(all amounts are presented in Romanian lei ("RON"), unless otherwise specified)



**16. SUBSEQUENT EVENTS**

The 4-year mandate of the new members of the Board of Directors voted in the General Shareholders' Meeting on December 7, 2023, started on 28 January 2024. New members are:

- Cert Master Standard S.R.L., through permanent representative Mr. Laurentiu Mihai Dinu, Chairman of the Board of Directors
- Mrs Ilinca von Derenthall
- Mr Dumitru-Daniel Popa
- Mr. Alexandru Voicu
- Adivi Estate S.R.L., through permanent representative Mr. Adrian Vasile Viman

On January 29, 2024, the Company was informed of the summons request ("Request", "Claim") by Meta Management Team SRL ("MMT"), a request registered at the Bucharest Court in file 2701/3/2024, having as object : (i) finding the termination of the management contract concluded on 22.03.2021 between MET and MMT (the "Contract") by the effect of the unilateral will of MET (as it appears from the wording of MMT); (ii) obliging MET to pay the allegedly owed sum of RON 23.7 million and (iii) obliging MET to pay court costs. Regarding the procedural stage, the Request was communicated to MET by the court on 14.03.2024. The action in court is at an early stage, and we cannot anticipate at the time of the preparation of these financial statements what the company's chances of winning in this litigation are, or if an outflow of resources will be needed following this litigation. Based on the internal analysis, the executive management of the company considers that this event, initiated after the end of the financial year, represents an event that does not require the adjustment of the financial statements on December 31, 2023, therefore the attached financial statements do not include adjustments related to this event.

These financial statements were approved by management on March 20, 2024.

**Chairman of the Board,**  
CERT MASTER STANDARD S.R.L.  
Represented by  
Dinu Laurențiu Mihai

**Prepared by,**  
ACCOMTESS PROFILE SRL  
Certified CECCAR member company  
Registered with the professional body under no.  
007092



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Meta Estate Trust S.A.

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