Questions and Answers

Teleconference for the presentation of the H1 2025 Financial Results

August 2025

1. How much of the reported net profit is collected in cash?

Answer:

Because we have a dynamic structure, where turnover is also linked to the expenses with the discharge of assets, while interest income is partly collected and partly capitalized, we made a global analysis: out of revenues of 14 million, approximately 65% were collected, while 35% were either capitalized or are due in the second part of the year. It is also worth mentioning that we ran an investment portfolio of over 5 million euros in the first semester and we anticipate at least a similar turnover in the second semester.

2. There is a 67% increase in the share of personnel expenses in total expenses. How is this increase justified, given the decrease in turnover and in the investment activity in general?

Answer:

Last year we had fairly high management service costs which, basically, overshadowed the personnel expenses. More specifically, personnel expenses were recorded through the management company, Meta Management Team, and therefore the management costs were higher. This year we no longer had the structure with Meta Management Team, or only a very small expense carried over from the past, and thus all personnel expenses are now shown directly under the personnel expenses line, and no longer go through these management costs. However, what I believe is very important to mention is that, although we have a higher value approved in the revenue and expenditure budget for these expenses, we have been prudent and I believe we are considerably lower, or at least slightly lower than budgeted. We have kept them under very close control and, very importantly, all fixed expenses are currently lower by 16% compared to what we budgeted.

I would add to what Alex said that in 2025 only one person was hired, an investment manager, who will be exclusively responsible for the recurring income assets area. The expense presented in the balance sheet, in the profit and loss account as of June 30, of 763,000 lei compared to 600,000 lei in the previous period, refers strictly to this employee. There were no other salary increases for any staff lines or positions.

3. **What is the reason for the termination of Mr. Bonea's mandate? Is it related to the financial results for H1 or to the litigation with MMT?**

Answer:

It has nothing to do with either of those. I know that usually such news are seen as very dramatic, but in this case there is nothing dramatic. I took over the mandate in a difficult context, with the motivation to reconsolidate the company and bring it to a point where it could move on to a new stage of growth. At this moment, I discussed with the members of the Board of Directors and we agreed together that we have reached this point, and taking into account some changes in my personal life, I decided that the best course would be to search for and appoint a new CEO because I will no longer be able to be as involved, with the same intensity. Nevertheless, I will remain close to the project and we will continue our collaboration. I will not remain only in people's minds or my own mind, but we will actually continue working together, and most importantly, in the next two to three months, we will focus on finding a CEO and ensuring a very good transition, which will allow Meta Estate Trust to enter a new stage of growth.

This is mainly about personal considerations, as Alex also explained. We will continue collaborating on projects development and, as mentioned, our aim going forward is to organize and carry out the recruitment process for the CEO position, so that the company can continue its process of development and consolidation that we have already started. We will continue to focus on business development, increasing the capitalization of the vehicle, and I believe that together with Alex we will have a transition process that will allow the new CEO and the executive team to understand the complexity of the company's current activity and direct it towards new growth drivers of the Meta Estate Trust investment vehicle. Therefore, from this point of view, we are confident that together we will find the right formula to move the company forward.

4. **You have announced a new dividend policy with a minimum targeted yield of 5%, yet the first attempt to grant a dividend in August failed due to lack of quorum. What measures will you take to ensure better mobilization of shareholders?**

Answer:

We had a quorum of 70%, if I am not mistaken, at this General Meeting of Shareholders, which took place in the middle of the holiday season, at the beginning of August. We are very confident that at the next General Meeting of Shareholders, which will be held in the autumn, the quorum will exceed 80%, considering that in a month and a period marked by holidays, when attention is not usually directed toward this type of event, we still managed to reach 70%. Therefore, we are not worried.

We aimed to hold this General Meeting of Shareholders as early as possible, but we wanted to schedule it immediately after the completion of the share capital increase, so that those who participated in the preferred shares buyback program could also benefit from their new participation in the dividend distribution. Thus, on June 30, the Central Depository registered the new shares, and in the following days, within a fairly short timeframe, we convened the General Meeting of Shareholders. Unfortunately, the legal deadlines required for such a conveying brought us the earliest to August 1st, during a period when, indeed, many shareholders were unavailable. We will, of course, seek to better publicize the next General Meeting of Shareholders, and we are quite confident, based on the interest we have seen from shareholders, that they will participate in sufficient number to ensure the necessary quorum.

I would also like to add something on this subject. I think it is worth mentioning, on the one hand, that the way we interpret the result of the vote from the last General Meeting regarding this matter, is that the majority of those who exercised their right to vote confirmed our vision and proposal, namely the intention to distribute dividends in cash. On the other hand, it was indeed an issue of participation, considering the holiday season. However, what is noteworthy - and this will be a priority for the executive team in the coming period - is that we aim, first and foremost, to deliver operational results that will allow us to substantiate the dividend policy we have announced. I hope that in the coming period the financial results will allow us to confirm this outlook. For now, we are confident that this will be the case.

As for the quorum, and considering the experience of previous General Meetings, I am convinced that once we enter September - October, when business activity returns to normal levels, we will have a quorum that will allow us to distribute dividends. What I can confirm to shareholders and investors is that, from our side, of the Board of Directors, we have the determination and commitment to grant these dividends, and I am confident that, together with our shareholders, we will achieve the outcome we are aiming for.

5. **The land in Ciolpani was acquired together with a partner. Is this partner in any way affiliated with MET?**

Answer:

The information is public and can be verified. We are partners with the company Entire Real Estate Solutions, if I am not mistaken, a company that is not affiliated with Meta Estate Trust in any way, it is not a shareholder, not part of the management, and not an administrator.

6. **Receivables have increased. How will they be converted into cash flow in H2 so that the profit is achieved not only on paper, but also in the accounts?**

Answer:

This is a very important point to explain, and although we have done it before, we will do it again because the dynamics of a listed real estate investment vehicle, its financial dynamics, are particular, in the sense that results are recorded both through cash, via liquidations, but also non-cash. And, especially as we move toward a business model closer to that of REITs, as regulated in the draft law that has already passed the first chamber, we will see that a significant part of profit or loss comes from asset revaluations, since these companies hold assets that, besides generating rental income, also bring capital appreciation.

In our financial structure this year, part of the profits and investment margins achieved in this semester were in cash - about 60% - but we must also consider that we had cash flow not strictly related to this semester. For example, the exit from Novarion also included interest accrued in previous financial years. Of course, the interest was paid annually, but each month we recognized it as revenue. Thus, this dynamic does not reflect the financial structure of a sales-driven company, where results are fundamentally guided by sales and the main focus is on the collection rate. In our case, we will frequently have situations where we will not collect cash until the assets are sold. For example, in the Mătăsari project, we converted a receivable into land. A compensation took place: instead of collecting the receivable in cash and then purchasing the land, we directly compensated, resulting in a non-cash income, but the asset is now on our balance sheet. Therefore, the question of marking value does not arise. We will continue to see similar dynamics going forward.

7. **Does the timeline for upgrading to the Main Market remain set for Q1 2026?**

Answer:

We aim to submit the transition prospectus in the first quarter of 2026 and to do so as early as possible, in the first part of the year. Our plan is to submit the prospectus for listing on the Main Market once we finalize the capital operations. The last component of our planned capital operation is the reduction of the nominal value, which we intend to approve in December. However, we must then wait for the two-month opposition period following publication in the Official Gazette, after which it will be officially registered by the Trade Registry and reflected in the Articles of Association, as well as with the FSA, BVB, and the Central Depository.

Thus, we are always dependent in these capital operations on all these legal procedures, in line with the current legislation. Therefore, even if the operations are completed in 2025, there will still be a delay required for their registration with all the necessary legal entities. Yes, our target is to submit the prospectus by the end of Q1 and to have the transition completed by the end of Q2 2026.

8. **Is the share buyback program expiring? Will it be continued? Or how will you ensure liquidity? Market making?**

Answer:

We are considering all available options, but in the Extraordinary General Meeting of Shareholders in December, we are planning to propose a new share buyback program, similar to the one recently carried out to continue this trend. To date, we have repurchased over 1.5 million shares at an average price of 0.65–0.66 lei per share. Once this buyback program is completed, these shares will be canceled, and we will record all these capital operations in the following year.

9. **The partnership with Rock Mountain is being restructured and a refinancing is taking place. Why? What is the situation there? If you could provide concrete details.**

Answer:

The Rock Mountain project and our investment in Rock Mountain have experienced significant delays since 2023 and throughout 2024. Given the structure of the initial investment, where our exposure was not secured, we had to rely on legal and negotiation mechanisms to secure it. We acquired one of the companies that had sold the land and were thus able to activate a termination clause (pactum commissorium) to take ownership of the land, thereby securing our entire exposure. That being said, we can state today that the restructuring is approximately 80% complete. An intermediate step was carried out to make this change possible.

This allowed us to finalize a new agreement with the developer, especially as they managed to sign with the Kempinski hotel chain. They secured both a hotel management contract and a contract for Kempinski-branded residences in the aparthotel. In this context, we will clean up the initial investment structure, which is currently complex and not straightforward. Therefore, we will proceed with a refinancing, transferring the entire exposure - likely alongside other investors - through a regulated financial instrument, via a crowdfunding platform.

In this way, we will no longer carry direct risks associated with the project and will instead hold a simple interest-bearing financial instrument, with a very clear legal framework, and most importantly, secured by a first-rank mortgage on both land plots. After this step, the project will be structured so that development can continue and reach its full potential. By the end of the year, we expect to have this stage completed, and of course, once it happens, we will report it to the Bucharest Stock Exchange and keep you informed.

10. We note once again that the semi-annual results are not presented and explained in terms of achievements/non-achievements by category in comparison to the Budget. Do you maintain the commitments made under the 2025 Revenue and Expenditure Budget, or do you intend to revise them by the end of the year?

Answer:

As I mentioned earlier, with regard to net profit, we are in line with the budget for the first six months. With respect to all the components of the income and expenditure budget, there are certainly deviations, and there will continue to be, because in real estate investments we dynamically adapt to the profile of each project and each client we work with. Here I can give a concrete example: one of the projects that was generating a large, significant turnover included in the budget has recently been restructured. As a result, the sales of the units will be carried out by the developer, while we converted the sale-purchase promise into a receivable, interest-bearing and secured with a mortgage on that project. We left it to the developer to handle the sales, as these had already started. The negotiations regarding our apartments, the new ones, were conducted both with us and with final clients, and we found that the most beneficial solution for both parties was for the developer to execute the sales, which are going relatively well, while we collect the funds through a receivable updated with income and the investment margin, either in the form of interest or penalties, which was our objective from the beginning of the investments in this project.

At this moment, regarding Uplake, we estimate that by the end of the year it may even generate a margin higher than what we initially estimated in the budget, or close to it. This is a particularity of our field: for investments where we purchase apartments and resell them, which then flows through the turnover, we assume certain guarantees to the buyers. Of course, in some projects where we are more confident that those guarantees will not be triggered, it is easier to do this. In other projects, we may estimate that this risk is not worth taking on, especially in the case of a more atypical project such as Uplake, where the sales process can be handled much more effectively by the developer's sales team. Moreover, it was very important for us to maintain our guarantee, and the receivable that existed through this sale-purchase promise was converted into a receivable secured with a real estate mortgage on the entire asset, thereby reducing our risk.

It is also important to mention that the project itself has gone well. It is finalized and is awaiting to receive the reception. It has been delayed more than we initially expected, but things are in very good shape. The only difference is that we will not achieve the turnover we had budgeted, but we will achieve the entire profit margin, if not more. Therefore, to answer the question: at six months, as well as at the current date, we are still targeting the net profit from the budget approved for 2025. We still have four months left. The progress of the third quarter is in line with our expectations and we hope to push hard during these four months in order to deliver in both Q3 and Q4 the profit margin we had budgeted and are targeting.

11. **Why did the total revenues, as well as the operating results, decreased? It seems we are relying more on the financial income.**

Answer:

I provided an explanation at the beginning of this presentation. We have investments with real estate development cycles between 18 and 24 months, which in practice have closed over even longer periods. Therefore, we cannot expect linear revenues in the same period of each year. However, we are focused on the budget and the net profit we aim to achieve as planned from the beginning of the year. Thus, total revenues are consistent with the nature of the real estate investments and with their development, sales, and margin recognition cycles.

While financial income is indeed one component of the company's operations, we have structured the portfolio into three clearly defined investment lines at this point. The first is trading investments, where we record turnover, respectively sales income, and income from penalties or assignments. The second is partnership income, which currently appears as interest income, reflected in financial revenues. The third is recurring income, which has already started, albeit at a modest level, with the Poiana Brașov project (Swissôtel) generating recurring rental income.

12. **What yield will the Ciolpani land generate and when will it start generating income?**

Answer:

We estimate that the Ciolpani land will generate an annual yield of 8% and will start generating income upon completion. We expect completion at the end of 2025.

The project is scheduled to be finalized in Q4 2025 from a construction perspective. It will be opened in Q1 2026, as the tenants who will move in need to carry out certain works before opening their stores. The asset's yield is slightly above 8% net, but we must also take into account that the project currently has bank financing, meaning the leverage effect is visible and we have a positive spread. Additionally, we have a refinancing in place that will increase the annualized return on equity to over 10%, solely from this spread and, of course, from the refinancing itself, which will also allow us to liquidate part of the initial investment and optimize the entire financial structure of the project. For us, it was very important to invest in a project that is being completed this year, one already in the middle of execution, so that we could experience first-hand - not only through consultants and the expertise of the executive team - the dynamics of such a project and learn from it in order to be able to scale this line of investments further.

13. **Is the land from Victoriei already leased?**

Answer:

In connection with what we have presented so far, on the Victoriei land we will build and we already have a lease agreement in the process of being finalized with the future tenant. It is a lease agreement signed between the former owner and the tenant, whose name is currently confidential and cannot be disclosed. At present, we are in discussions to update this lease agreement in order to define certain commercial details, primarily legal, rather than related to the rent price. The tenant exists, the rent price is firm, and we are preparing to begin construction of this asset, possibly even this year. However, we have communicated to the BVB and the market that we will start in Q1 2026, to ensure we do not promise something we cannot deliver, though we will attempt to begin earlier.

We already have ongoing discussions regarding bank financing for the project. Yes, it is already leased, as we need to develop and deliver the asset.

14. Do you believe you will complete the share capital increase with the value of the preferential dividends and the allocation of the corresponding ordinary shares by October in order to ensure equal treatment for all shareholders who are to receive dividends?

Answer:

Yes, this is our intention. That is why, in the first Ordinary General Meeting, we proposed November 15 as the payment date. Moreover, according to the Articles of Association, the preferential dividend has the status of being paid prior to any other dividend distribution. Therefore, we are currently at the stage where we have submitted the prospectus to the FSA and are awaiting approval within the next two weeks at most. This will be followed by another two weeks of subscription for preferential rights, but as I mentioned earlier, we do not necessarily expect any subscriptions here. After that, based on our previous experience, within a maximum of one week we will convert the receivable into ordinary shares registered with the Central Depository. Therefore, we estimate that by the end of September, or at the latest in the first half of October, the ordinary shares will be allocated into the accounts of the shareholders holding preferential shares who received this preferential dividend, so that the record date for shareholders who will receive cash dividends will occur after the completion of this process.

15. Is the crowdfunding platform mentioned in the report the one in which MET has completely divested its stake?

Answer:

Yes, it is High Crowd. We explored several options, but at the moment, if I'm not mistaken, there are only two licensed platforms in Romania, and they were able to offer us the most competitive deal.

16. How are the new fiscal changes reflected in the company's activity and results in the second semester and in the coming years?

Answer:

It is clear that we are exposed to these fiscal changes. We cannot say that we did not expect them, but we did not know in what form they would come, as there was no consensus from politicians until very late.

The main risk we are looking at is related to the increase in taxes, which will erode the purchasing power of Romanians, and this will be felt most strongly in the residential real estate market. The purchase of an apartment, as you can imagine, is the first item that can be removed from the shopping list, since people already live somewhere and do not urgently need to buy a new home. However, we have chosen to invest in projects that we call "antifragile," in the sense that they have very competitive parameters. More precisely, they are in areas where there are no new development projects, where there is abundant demand from buyers, and they address the mass market.

These projects represent a lower risk for us compared to others, and I can give a concrete example: we decided not to buy apartments in the Pipera area, as we did with First Estates, because a very large number of apartments are currently under development there. In a context where the market becomes unstable, in a location with many new development projects, any developer that lowers prices to sell their apartments will significantly impact the entire area's pricing. In contrast, in the projects where we invested, there are not many apartments under development, so the risk of price undercutting is significantly lower. That is why we chose to invest in Bucharest, in what I would call "antifragile" areas. Still, it remains an open risk because we cannot know with certainty what will happen next.

17. We noticed in the report a litigation with MW Green Power, a company that announced entering into preventive concordat. What is at stake in this litigation and what are the potential effects in case of a win or a loss?

Answer:

At the time when this legal action was initiated, MW Green Power was not yet in preventive concordat proceedings. At this point, we are still in the initial stages of managing the case. We will see how it evolves in the coming period. For now, we have not yet entered into the merits of the case, but we are certainly monitoring the matter, and to the extent that we reach new conclusions, we will keep you informed as soon as they arise.

18. Are there any discussions with investment funds regarding their entry into the shareholding structure?

Answer:

There have not been specific discussions, but there have been principle-level conversations. We organized an event in October 2024 where representatives from pension funds were also invited, as pension funds are the most active institutional investors on our local capital market. The main challenge in bringing an institutional investor into our shareholding structure is the size of the company, since these players are not interested in investing €1, €2, or €5 million, but rather start from €10, €20, or €30 million. Given our current scale, this is not very feasible at the moment.

Therefore, the ongoing challenge will be to reach an asset base of €100 million before we can begin to have meaningful discussions with the investment funds active in our capital market. That said, we do maintain open relationships with investment vehicles active in Romania that acquire real estate assets. We are in discussions with ZDR, Empor, and a few other funds where collaboration is likely, though they would not invest directly in us. Instead, we might resell part of our assets to them for a profit. This remains an important challenge and a focus area for us going forward.

19. The book value has decreased, from what I understand due to the capital increases. After all these processes are completed, how much it it actually be? Will it rise back above the nominal value?

Answer:

At the moment, we have 129 million shares and 9.7 million in cancellation. Thus, the number of shares will decrease below the total value of assets, meaning we will have 120 million shares versus 127 million in assets, which makes the nominal value above one. Currently, we are looking both at the net book value per share and the nominal value per share. The nominal value is 1 RON per share at this time. To offset the effect of the preferred share buyback, we intend to reduce it to 0.85. This helps us because we will then have a nominal value of 0.85 versus a current listing price of 0.75. The difference of 10 bani and the discount between them is relatively marginal. It has decreased significantly compared to 0.75 versus 1. By carrying out this reduction and given that we could only reduce the nominal value through this operation - since another opportunity would only arise if we registered losses, which is not the case for our company - we will be better positioned to raise new capital from the market. A new investor will find it easier to negotiate and understand why they should pay 0.85 RON for a share when it trades at 0.75, rather than justifying why they would pay 1 RON versus 0.75, where the gap is quite large. This is part of the growth strategy, and I would like to clarify that we have a net book value, which refers to the accounting value per share, we have a nominal value according to the Articles of Association, and we have a trading value. Between these values, there are indeed certain discrepancies. Ideally, we aim to harmonize them and achieve a market value as high as possible, continuing the strong upward trend we saw in 2025.

20. I have a question regarding Greenfield. IMPACT reported that there have been many contract terminations there. Since you also have investments in that project, how they performed?

Answer:

We purchased 5 apartments in Greenfield and have already sold 4 of them. We still have one three-room apartment left for sale, which we expect to sell by the end of the year. Of course, we are monitoring how the new fiscal measures will impact the three-room apartment and how the second half of the year will be. That being said, the apartment already had a value subject to a 19% VAT rate, so the 2% increase can be adjusted from our margin without creating any significant discomfort regarding the project's profitability.

21. Has the dividend policy considered the REIT law that requires 90%?

Answer:

It has not taken the REIT law into account at this stage because we are not yet in the position of having a finalized legislative framework that would allow us to target adherence to a REIT structure. The dividend policy is designed to provide predictability to investors regarding the yields they can expect from MET shares. This is why we proposed a minimum yield threshold of 5%, which will of course be adjusted depending on the distributable net result, the company's liquidity position, and its investment activities. Our aim is to reward shareholders with dividends either in cash or in the form of free shares, while at the same time continuing to grow the company and synchronizing these moments so as not to disrupt operational or investment activity.

22. To reach €100 million, is significant leverage required from this point onward?

Answer:

Our position with a low level of indebtedness will help us. We have bank loans contracted relatively marginally, with only two projects refinanced through Patria Bank. We have plenty of room to contract additional loans and benefit from this leverage.

We have already done the math, which we also presented at a TradeVille conference. Under very conservative assumptions, of an organic growth of 10% in equity and an increase in leverage up to only 35%, we would reach €100 million in three years. The compounding effect of a 10% annual growth over three years, combined with a leverage ratio of 35%, would bring us to €100 million in assets.

23. I have taken note of the latest report regarding the mandate of the current CEO. What profile are you looking for in the selection of the next one?

Answer:

In principle, we are looking for a candidate profile that ensures the ability to deliver on the company's objectives in the coming period, especially our growth objectives. Recently, we have emphasized the need for the investment vehicle to expand, including through raising additional capital. At the same time, as has been clear from today's discussion, as well as previous ones, our efforts have focused on crystallizing, shaping, and providing predictability for the three business lines of Meta Estate Trust. It is obvious that the future CEO must be able to competitively manage these business lines and, together with the team, continue working on improving the efficiency and effectiveness of the Meta Estate Trust business model.

From our perspective, attracting capital into the investment vehicle is a key challenge, but equally important in the current market conditions is the intelligent and profitable allocation of that capital, which clearly stands as one of the priorities for the new executive leadership.

All these qualities, combined with prior experience in engaging with the capital markets and with investors - ideally within a listed company- are the characteristics we are actively pursuing in the recruitment process.

24. Is there still a need to split the nominal value? This topic discussed at the 2024 annual report conference.

Answer:

We do not plan a stock split of the nominal value, but we do plan a reduction of the nominal value through the capital operations we have mentioned. A stock split would not solve the discount problem between the trading price and the nominal value, because the trading price would automatically be split by the same proportion. If we doubled the number of the nominal value, the same would happen with the trading price and with the total number of shares in circulation. It would not solve the problem, and we do not have such a plan.

25. What are the conclusions of the market perception study you did?

Answer:

We have conducted an initial study that served only as a basis of information to design a more comprehensive one. At this stage, we cannot say it is finalized, and therefore we did not consider it worth publishing. If there is interest once it is fully completed, those interested can write to us by email and we will provide the conclusions.