

To: Financial Supervisory Authority - Financial Instruments and Investments Sector
Bucharest Stock Exchange

Regulated Market

From: *IMPACT DEVELOPER & CONTRACTOR S.A.*

09.06.2022

CURRENT REPORT

according to the provisions of Law No. 24/2017 on issuers of financial instruments and market operations and Regulation No. 5/2018 of FSA on Issuers of Financial Instruments and Market Operations

Important events to be reported: Information regarding the litigation in which the company is involved

The company informs the shareholders and investors with regard to the court's ruling in File No. 1032/1259/2012 on the dockets of the Arges Specialized Tribunal in which the project company (Clearline Development and Management SRL) requests that the Local Council of Cluj-Napoca Municipality and Cluj-Napoca Municipality – through the Mayor – be compelled to pay compensation amounting to RON 24,532,741.65 (VAT included) as prejudice caused to Clearline (Lomb) by the defendant, resulting from the partial execution of the “Cartierul Dealul Lomb” project, to which the legal penalty interest calculated until 01.04. 2021 totaling RON 13,862,967.16 is added.

On 08.06.2022, the Arges Tribunal issued Decision No. 277, as follows:

The court admits the application, as such was modified, filed by Clearline Development and Management SRL, against the defendants, the Local Council of Cluj-Napoca Municipality and Cluj-Napoca Municipality – through the Mayor. The court compels the defendants, the Local Council of Cluj-Napoca Municipality and Cluj-Napoca Municipality, to jointly pay the plaintiff RON 24,532,741.65 as prejudice and RON 13,862,967.16 representing the legal penalty interest calculated for the period between the date of the payments made by the plaintiff (established according to the judicial accounting expert appraisal report performed in the case) and until 01.04.2021.

The decision may be subject to appeal within 15 days from its communication, which application may be submitted to the Arges Specialized Tribunal.

The litigation arose from the contractual relationship from 2007, when Impact concluded an association agreement with the Cluj Local Council, an agreement whereby Impact was to develop a residential project, and the Cluj Local Council was to bring the land as contribution – the “Lomb Project”. The project company (Clearline Development and Management SRL – a company in which

Impact owns 100% of the social parts) requested the restitution of the amounts spent with the investments made for the Lomb Project.

The Cluj Local Council failed to observe its contractual obligations, respectively it did not bring its own contribution, the Company being thus in the situation in which the project and the income that could be obtained from such were no longer realized.

IMPACT DEVELOPER & CONTRACTOR S.A.

General Manager

Constantin Sebesanu