

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

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

16 December 2024

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*, in the recourse filed by defendants CLUJ-NAPOCA MUNICIPALITY and LOCAL COUNCIL OF CLUJ-NAPOCA MUNICIPALITY against Decision No. 317/A-C of 25 September 2024, issued by the Pitesti Court of Appeal - Second Civil, Administrative and Tax Litigation Section

The litigation arose from the contractual relationship from 2007, when Impact Developer & Contractor S.A. concluded an association agreement with the Local Council of Cluj-Napoca Municipality, based on which Impact Developer & Contractor S.A. was to develop a residential project on the plot of land which the Cluj Local Council had to bring as contribution – the “Lomb Project”. In the Company's opinion, the contractual relationship was not carried out as agreed, the Local Council of Cluj-Napoca Municipality did not contribute the plot of land to the social capital of Clearline Development and Management S.R.L., and the latter initiated legal actions in order to recover the amounts spent with the investments made for the Lomb Project.

On 08.06.2022, in the first instance, the Arges Tribunal admitted the application filed by Clearline Development and Management SRL and obliged the Local Council of Cluj-Napoca Municipality and Cluj-Napoca Municipality to jointly pay Clearline Development and Management SRL RON 24,532,741.65 as prejudice and RON 13,862,967.16 representing the legal penalty interest. The Local Council of Cluj-Napoca Municipality and the Cluj-Napoca Municipality filed an appeal against Decision No. 277/2022 issued by the Arges Tribunal.

On 25.09.2024, the Pitesti Court of Appeal issued Ruling No. 317/2024 as follows:

The court rejects the appeal as ungrounded. It orders the appellants to jointly pay RON 160,000 as court expenses to the respondent. Subject to recourse within 15 days from its communication.

On 16 December 2024, the High Court of Cassation and Justice issued the following ruling:

The court admits the recourse filed by appellants-defendants LOCAL COUNCIL OF CLUJ-NAPOCA MUNICIPALITY and CLUJ-NAPOCA MUNICIPALITY, through its Mayor, against Ruling No. 317/A-C of 25 September 2024, issued by the Pitesti Court of Appeal - Second Civil, Administrative

and Tax Litigation Section. It amends, in part, the challenged decision, in the sense that it admits the appeal filed by defendants LOCAL COUNCIL OF CLUJ-NAPOCA MUNICIPALITY and CLUJ-NAPOCA MUNICIPALITY, through its Mayor, against Civil Judgment No. 277 of 8 June 2022, issued by the Argeş Specialized Tribunal in File No. 1032/1259/2012. It maintains the provisions regarding the rejection, as ungrounded, of the appeal directed against all the unfavorable rulings rejecting the requests for evidence, objections and other requests of the appellants-defendants, including the session minutes of 10.11.2021, which resolved the objections and requests of the appellants-defendants regarding the accounting expert appraisal report redone following the admission of the initial objections. It partially amends Civil Judgment No. 277 of 8 June 2022, issued by the Argeş Specialized Tribunal in File No. 1032/1259/2012, in the sense that it orders defendants LOCAL COUNCIL OF CLUJ-NAPOCA MUNICIPALITY and CLUJ-NAPOCA MUNICIPALITY, through its Mayor, also to pay the legal penalty interest, calculated from 11.11.2011, the date of filing the application for legal action, until 01.04.2021. It rejects the request of respondent CLEARLINE MANAGEMENT & DEVELOPMENT S.A. for costs during the recourse. Irrevocable.

IMPACT DEVELOPER & CONTRACTOR S.A.

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General Manager