

**Dismissal of the claim of Impel Facility Services Sp. z o.o. (formerly Impel Security Polska Sp. z o.o.) against the State Treasury - Ministry of Justice by the District Court in Warsaw, filling an amended claim**

Current Report no. 20/2018 of 5 July 2018

In relation of the Current Report no. 14/2016 of 8 August 2016, in which it was reported that on 8 August 2016, the Issuer's subsidiary, Impel Security Polska Sp. z o.o. (currently Impel Facility Services Sp. z o.o., IFS) filled a claim to the District Court in Warsaw against the State Treasury - Ministry of Justice (the „Claim”), the Management Board of Impel S.A. reports that on 4 July 2018, the District Court in Warsaw (the „Court”) informed the Parties that:

- 1) the amended Claim is going to be examined separately,
- 2) the initial demand from the Claim was dismissed.

In the Claim of 2016, the Court demanded that the remuneration conditions included in the material contract on developing a SDE system and providing exploitation and development services for the SDE system, concluded on 25 April 2014 between the State Treasury – Ministry of Justice (the „MoJ”) and the consortium including IFS were changed. According to the Claim, the Contract was to be supplemented with the provisions on the minimal remuneration due under the Contract, amounting to PLN 167,729,250.00.

Currently, in the amended Claim, IFS demands not only the above amendment, but also the amount of PLN 85,517,487.90.00, being the expected difference between the above minimal remuneration and the projected amount of the remuneration resulting from the current Contract. The Claim was amended, because the Contract was implemented in the most part and it was possible to estimate financial consequences of the lower number of convicted persons covered by the SDE system. This estimation changes the conditions of the Contract.

The Court stated that the amended Claim takes form of a new claim, that is why the new claim must be examined separately.

The initial Claim was dismissed because the claimant party was not entitled to bring proceedings (as participation of other entities of the consortium which performs the Contract was delayed). In the Court's view, this was the case of material joint participation.

The Company is thinking of further strategy to be determined after a written decisions on dismissal and separate examination of the new claim are received.

Legal Basis: Art. 17.1 of Market Abuse Regulation – confidential information