



INAPA – INVESTIMENTOS, PARTICIPAÇÕES E GESTÃO, SA
Headquarters: Rua das Cerejeiras 5-11, Vale Flores, 2710-690 Sintra
Share Capital: € 180,135,111.43

Registered with the Commercial Registrar of Companies of Lisbon, under single Tax number and Company Registration number 500 137 994

Under the terms and for the purposes provided for in Article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council, **Inapa – Investimentos, Participações e Gestão, S.A. (“Inapa IPG”)** informs the market, that the initial petition for insolvency has been submitted today to the Commercial Court of the Judicial District of Lisboa Oeste, as previously communicated on July 21.

The insolvency situation of Inapa IPG has arisen from a temporary short-term cash flow shortfall faced by its subsidiary, Inapa Deutschland GmbH (“Inapa Deutschland”), amounting to €12 million. Unfortunately, no solution to secure financing for this shortfall was found by July 22, deadline established by German law, which ultimately resulted in the filing for insolvency of Inapa Deutschland on that date.

The filing for insolvency of Inapa Deutschland had immediate repercussions on Inapa IPG. Consequently, the Board of Directors of Inapa IPG concluded that the insolvency of Inapa IPG was imminent and on July 21, having been resolved to file Inapa IPG for insolvency in accordance with Portuguese law, particularly considering the following points:

- i. Inapa IPG issued a comfort letter to Inapa Deutschland in favor of its financing banks (including Deutsche Bank AG, Hamburger Sparkasse AG, and Norddeutsche Landesbank Girozentrale), whereby it committed to provide the necessary amounts for Inapa Deutschland to fulfill its obligations to any creditor at all times. This comfort letter was invoked by Inapa Deutschland on July 19, and it was not possible for Inapa IPG to comply with this commitment by July 22;
- ii. failure to comply with the comfort letter as well as Inapa Deutschland’s insolvency filing determined the early maturity of the financing obtained from the German banks consortium mentioned above, in the amount of €17,735,000, also covered by the comfort letter issued to Inapa Deutschland;
- iii. Inapa IPG, within the scope of financing contracted with Millennium BCP, which on June 30 of 2024 amounted to €34,671,377.15, provided as guarantee a pledge of shares in

the German company Inapa Deutschland Holding GmbH (“Inapa Deutschland Holding”), a company that 100% controls Inapa Deutschland and which therefore became inevitable to also go into insolvency on July 22nd;

- iv. the declaration of insolvency of the company Inapa Deutschland Holding implied the early maturity of the aforementioned financing contracted by Inapa IPG from Millennium BCP, with Inapa IPG not having the capacity to settle such debt;
- v. there are also a set of financing contracts within the Inapa Group, which contain cross-default clauses, with Inapa IPG providing, within the scope of these contracts, guarantees to its subsidiaries, which became unable to fulfill; and,
- vi. as a result of this insolvency situation, the payment of €3,000,000 due on July 25, 2024, was not made, in reference to the third series of convertible bonds subscribed by the company Papyrus GmbH;

in this context, Inapa IPG is in serious difficulties to continue its activity, given the impacts that the circumstances described have on its relationship with financing entities, suppliers, credit insurers and other stakeholders.

Under the Portuguese legislation, it is now awaited the distribution of the insolvency process and the appointment by the Judicial Court of the District of Lisboa Oeste of the respective insolvency administrator, who will be responsible for conducting the process and determining the next procedural steps.

Lisbon, July 29th 2024

Inapa – Investimentos, Participações e Gestão, S.A.