



Impac Mortgage Holdings, Inc. Discloses Amendments to Forbearance Agreements

04/05/24

Newport Beach, CA, April 5, 2024 – As previously disclosed on February 7, 2024, and as updated on February 26, 2024, Impac Mortgage Holdings, Inc. [OTC Pink Limited: IMPM] (the “Company”) is a party to two Forbearance Agreements that it entered into in connection with its outstanding Convertible Promissory Notes and Junior Subordinated Indenture Notes (as defined below), which were amended by the first amendment to those Forbearance Agreements. On April 1, 2024, the Company entered into second amendments to each of the Forbearance Agreements whereby the expiration date of such Forbearance Agreements was extended to April 30, 2024. In addition, the original Forbearance Agreement related to the Junior Subordinated Indentures Notes included a provision whereby there would be an automatic extension of such forbearance until November 1, 2024 if the Company secured no less than \$15 million in additional liquidity under a revolving credit or term loan facility prior to the end of the current forbearance period. As part of the second amendment, the amount of additional liquidity required to trigger the automatic extension was reduced to \$10 million and the automatic extension forbearance period to modified to December 1, 2024.

“Convertible Promissory Notes” means those certain Third Amended and Restated Convertible Promissory Notes No. 1 and No. 2, dated May 9, 2022, issued by the Company pursuant to that certain Note Purchase Agreement among the Company and the purchasers thereto, dated as of May 8, 2015, for which the current total outstanding principal balance is Ten Million Dollars (\$10,000,000).

“Junior Subordinated Indenture Notes” means those certain notes issued under the Junior Subordinated Indentures, both dated as of May 8, 2009, between the Company and The Bank of New York Mellon Trust Company, National Association, as trustee, in the total original principal amount of Sixty-Two Million Dollars (\$62,000,000).

Forward-Looking Statements

This disclosure contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements, some of which are based on various assumptions and events that are beyond our control, may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as “may,” “capable,” “will,” “intends,” “believe,” “expect,” “likely,” “potentially,” “appear,” “should,” “could,” “seem to,” “anticipate,” “expectations,” “plan,” “ensure,” “desire,” or similar terms or variations on those terms or the negative of those terms. The forward-looking statements are based on current management expectations. Actual results may differ materially as a result of several factors, including, but not limited to the following: our ability to reach satisfactory resolution with our debt holders with respect to any default under our debt instruments; any adverse impact or disruption to the Company’s operations; changes in general economic and financial conditions (including federal monetary policy, interest rate changes, and inflation); increase in interest rates, inflation, and margin compression; ability to successfully implement and maintain a broker model; ability to successfully sell loans to third-party investors; successful development, marketing, sale and financing of new and existing financial products; volatility in the mortgage industry; performance of third-party sub-servicers; our ability to manage personnel expenses, operational and technology support, and reduced marketing needs; our ability to successfully use warehousing capacity and satisfy financial covenants; increased competition in the mortgage lending and broker industry by larger or more efficient companies; issues and system risks related to our technology; ability to successfully create cost and product efficiencies through new technology including cyber risk and data security risk; more than expected increases in default rates or loss severities and mortgage related losses; ability to obtain additional financing through lending and repurchase facilities, debt or equity funding, strategic relationships or otherwise; the terms of any financing, whether debt or equity, that we do obtain and our expected use of proceeds from any financing; increase in loan repurchase requests and ability to adequately settle repurchase obligations; the outcome of any claims we are subject to, including any settlements of litigation or regulatory actions pending against us or other legal contingencies; and compliance with applicable local, state and federal laws and regulations.

This document speaks only as of its date and we do not undertake, and expressly disclaim any obligation, to release publicly the results of any revisions that may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements except as required by law.