

***Current Report No. 2/2016 of 26/01/2016***

***Conclusion by INPRO S.A. of significant agreements with a consortium of banks***

The Management Board of INPRO S.A. (the "Company") with its registered office in Gdańsk informs that on 26 January 2016 the Company signed working capital credit agreement No. OBRKK/1/2016/28346 with the consortium of banks: SGB - Bank S.A. ("SGB") with its registered office in Poznań and Bank Spółdzielczy in Tczew ("BS") with its registered office in Tczew, both further called the "Bank," on the following conditions:

1. Object of the agreement: partial refinancing of the costs of construction of 24 premises (residential and commercial) at the Chmielna Park estate, buildings A and B, in Gdańsk, on the Granary Island.
2. Significant conditions of the agreement: The agreement between the Company and the Bank contains standard provisions and is a typical agreement concluded in transactions of that kind. It contains, without limitation, the following provisions:
  - a) Credit amount: up to PLN 6,000,000.00.
  - b) The credit amount in item 1 above is granted by the consortium of the Banks described above in the following proportions:
    - a) SGB-Bank S.A. in the amount of PLN 3,000,000.00
    - b) Bank Spółdzielczy in Tczew in the amount of PLN 3,000,000.00and the claims of each of those banks in relation to the credit granted are separate and they are not joint and severable.
  - c) The financial conditions do not deviate from those commonly used for that type of agreements: the credit interest rate is based on 3 M WIBOR + the Bank's margin; there is an arrangement fee. The credit margin will increase by 1 p.p. if INPRO does not submit a legally binding entry of the mortgage.
  - d) Credit use: until 25/02/2016.
  - e) Credit transaction period: until 30/11/2018.
  - f) Repayment conditions: the principal repaid in 34 monthly statements including 33 equal monthly instalments and the last instalment covering the balance, payable from February 2016; interest repaid on a monthly basis. If the premises constituting credit security are sold, an early partial credit repayment will take place in the amount min. 60% of the price for the premises sold.
  - g) In addition to establishing legal security for credit repayment and the payment of the arrangement fee, the credit launch conditions include: making a notarised statement on submission to enforcement under Article 777 of the Code of Civil Procedure in favour of SGB up to PLN 4,500,000 and in favour of BS up to PLN 4,500,000. As regards the mortgage, the confirmation of filing with a court of a paid-for application for the entry of the mortgage is a credit launch condition.
3. Legal security for credit repayment:
  - a) Establishing joint contractual real estate mortgages on the basis of the equal priority rule: up to PLN 4,500,000.00 in favour of SGB and up to PLN 4,500,000.00 in favour of BS on the following:
    - i. A 8250/100000 share of INPRO S.A. in the perpetual usufruct right of land and title to the building located in Gdańsk, Chmielna street, covered by land and mortgage register No. GD1G/00264763/7,

- ii. The perpetual usufruct right of INPRO S.A. of land at the real estate located in Gdańsk, Chmielna street, covered by land and mortgage register No. GD1G/00278657/2.
      - to secure the repayment of the principal and secondary liabilities: bank commissions, interest, and debt collection and enforcement costs.
  - b) Transfer of a cash claim under the construction site insurance agreement.

The object of the claim transfer agreement is the transfer in favour of each of the banks participating in the consortium (pro rata to their share in the credit facility) of a cash claim following from the property insurance agreement for 24 units mentioned in item 1, policy No. 000-16-002-00124916. The policy was signed with TUiR Allianz Polska SA on 18/01/2016, covers insurance for the amount of PLN 11,542,200.00, and is valid until 17/01/2017. The assignment will also concern each subsequent insurance policy which is an extension of policy in question.

The claim transfer agreement contains standard provisions and is a typical agreement concluded in transactions of that kind. The agreement contains no provisions concerning penalties, whose maximum amount may exceed the equivalent of at least 10% of the value of that agreement, or at least the equivalent of 200,000 euros expressed in zlotys; there is no stipulation concerning the condition or a time limit, either.
  - c) Two blank promissory notes – one for each of the banks being the members of the consortium,
  - d) A power of attorney to the Company's current account kept at SGB in favour of SGB,
  - e) An assignment of claims from the Company's current account kept at SGB in favour of BS.
  - f) A statement by INPRO S.A. on submission to enforcement in the manner prescribed by Article 777 §1 item 5 of the Code of Civil Procedure up to PLN 4,500,000 in favour of SGB-Bank SA and up to PLN 4,500,000 in favour of BS in Tczew, drawn up as a notarised deed.
4. Additional conditions: the obligation to advise the Bank of contracting a credit-like liability, e.g. a credit, loan, surety, guarantee, promissory note and other balance-sheet and off-balance-sheet liabilities; the obligation to obtain the Bank's consent to establishing any kind of encumbrance (including a mortgage) on the real estate constituting the repayment legal security; the unencumbered detachment of the premises will take place on condition that their total value was paid by the acquirer and after the partial credit repayment has taken place in the amount of min. 60% of the price of the premises sold; the submission every 34 months of an appraisal survey of the real estate being credited The obligation to put the annual turnover of min. PLN 15,000,000 through bank accounts at SGB-Bank S.A.
  5. If credit repayment is late, the Bank will collect interest on the outstanding amount for the period from the day following the deadline until the payment with reference to the interest rate for overdue credit.
  6. The credit agreement does not contain other special conditions deviating from those commonly used in agreements of that kind or provisions pertaining to penalties, whose value would exceed 10 % of the value of that agreement or the equivalent of 200,000 euros with reference to the average rate published for a given currency by the National Bank of Poland and binding on the date of conclusion of that agreement.
  7. The Management Board of INPRO S.A. made a decision on the selection of the credit offer by the Bank on 18/01/2016. At the same time the Company informs that the assumptions to the provisions contained in the credit agreement were reported by way of the confidential report of 19/01/2016 titled: Selection of the working capital credit offer.

The significance criterion for agreements is the total value of the object of agreements entered into with SGB-Bank S.A. and Bank Spółdzielczy in Tczew during the last 12 months, which exceeds 10% of the Company's equity.

During the last 12 months the INPRO S.A. Group signed agreements for the total amount of PLN 52,500,618 with SGB - Bank S.A.

During the last 12 months the INPRO S.A. Group signed agreements for the total amount of PLN 47,500,618 with Bank Spółdzielczy in Tczew.

The agreement with the greatest value among those concluded within the last 12 months is the claim assignment agreement described in item 3 b) of current report No. 32/2015 of 17/07/2015 and in item 3 b) of current report No. 9/2015 of 27/02/2015, that agreement constituting legal security of the repayment of two working capital credits, each PLN 5,000,000.00, described in the above-mentioned reports.

The object of the claim transfer agreement is the transfer in favour of each of the banks participating in the consortium (pro rata to their share in the credit facility) of a cash claim following from the insurance agreement for the Wróbla Staw multi-family buildings phase I in the period of the construction works: construction/assembly risks, policy No. AE 000323. The policy was signed with InterRisk Vienna Insurance Group S.A. on 12/07/2013 (plus three annexes), and provides the cover for the maximum amount of PLN 24,958,418.00, while being valid until 31/01/2016. The assignment will also concern each subsequent insurance agreement, which is the continuation of policy No. AE 000323. When the occupancy permit has been obtained, the object of the assignment will be insurance against fire, other elements and other misfortunes.

The Company considers the above-mentioned claim transfer agreement to be significant because its value, together with the other agreements concluded with the Bank, exceeds 10% of INPRO S.A.'s equity.

Detailed legal grounds: § 5 par. 1 item 3 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information submitted by the issuers of securities and on the conditions for regarding information required by the law of a non-member state as equivalent (Dz. U. [*Journal of Laws*] of 2009, No. 33, item 259 of 28 February 2009, as amended).