

Current Report No. 50/2015 of 22/12/2015
Signing of a significant agreement with mBank S.A.

The Management Board of INPRO S.A. (the "Company") with its registered office in Gdańsk informs that on 22 December 2015 the Company signed a non-revolving working capital overdraft agreement No. 10/067/15/Z/OB with mBank S.A. with its registered office in Warsaw ("mBank," the "Bank") on the following conditions:

1. The object of the agreement: financing of the construction of building "C" of the Chmielna Park property development project in Gdańsk.
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 24,300,000.00.
 - b) The financial conditions do not deviate from those commonly used for that type of agreements: the credit interest rate is based on 1 M WIBOR + the Bank's margin; there is an arrangement fee.
 - c) Credit use: from 01/02/2016 to 29/09/2016, in tranches, on the prefinancing basis.
 - d) Credit transaction period: until 29/12/2017.
 - e) Repayment conditions: the principal repaid in 15 equal monthly instalments commencing from 31/10/2016; interest repaid on a monthly basis. Each release from the trust account of the funds paid in relation to the sale of premises on the project mentioned in item 1 shall be allocated in the following way: 93% of the payment towards the premature repayment of the credit (the repayment of the first principal instalments, also during the credit use period), 7% to the Company's auxiliary account kept by the Bank.
 - f) In addition to establishing legal security for credit repayment and the payment of the fee, the credit launch conditions will include: documenting the borrower's contribution in the amount of PLN 13,879,200.00 (constituting the Borrower's capital contribution) comprising the value of land and part of the costs/expenditure of the property development project described in item 1, documenting the advance sales at the level of 20 % of the floor area of the premises in total (property development agreements + the payment of the 1st instalment). As regards the mortgage, the confirmation of filing with a court of a paid-for application for the entry of the mortgage and the payment of relevant civil law transaction tax are the credit launch conditions, too.
3. Legal security for credit repayment:
 - a) Contractual mortgage for mBank S.A. up to the amount of PLN 36,450,000 on the perpetual usufruct right of the plots located in Gdańsk, Chmielna street, such plots covered by land and mortgage register No. GD1G/00064314/3 kept by the Gdańsk-North District Court in Gdańsk, 3rd Land and Mortgage Register Division, to secure the repayment of the principal and secondary liabilities: bank commissions, interest and debt collection and enforcement costs. As the mortgage value will be higher than the Polish zloty equivalent of 1,000,000 euros converted with reference to the average rate published by the National Bank of Poland binding on the date of the rise of the obligation to provide information, the Company will submit a relevant report on the establishment of that mortgage.
 - b) Assignment of rights following from the insurance agreement for the real estate being credited in favour of the Bank.

The object of the claim transfer agreement is the transfer to the Bank of a cash claim following from the property insurance agreement for construction risks at the Chmielna Park project, building C, in the amount of PLN 28,600,000, policy No. 000-15-390-05707802 of 12/02/2015 issued by TUiR Allianz Polska S.A.

The assignment agreement does not contain 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.

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.

- c) A blank promissory note with a promissory note declaration.
4. Additional conditions: from the date of the conclusion of the credit agreement, the funds from the sale of the premises at the project being credited and not covered by the Act of 16 September 2011 on the protection of the rights of the acquirer of residential premises or a single-family house (Dz.U. [*Journal of Laws*] of 28 October 2011) are to be sent to a separate revenue account; completion of construction works and procurement of the occupancy permit for the building by 30/10/2016; maintaining financial ratios specified by the Bank during the credit period. The Company was obligated not to give sureties or guarantees for other entities in excess of the total value of 20% of net assets shown in the annual financial statements for the previous accounting year after they were audited by a statutory auditor.
 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 02/11/2015. At the same time the Company informs that the assumptions to the provisions contained in the credit agreement were reported by way of confidential reports of 02/11/2015 and of 01/12/2015 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 mBank S.A. 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 115,858,259 with mBank S.A.

The agreement with the greatest value among those concluded within the last 12 months is described in current report No. 35/2015 of 30/07/2015. The object of the non-revolving working capital credit agreement No. 10/044/15/Z/OB of 30/07/2015 for the amount of PLN

34,600,000.00 is the financing of the Kwartał Uniwersytecki residential property development project.

Credit use: until 29/09/2016, in tranches, on the prefinancing basis.

Credit transaction period: until 29/12/2017.

The legal security for the credit repayment is constituted by a contractual mortgage for mBank S.A. up to the amount of PLN 51,900,000 on the perpetual usufruct right of plots Nos. 250/4 and 250/13 located in Gdańsk, Szczecińska street, such plots covered respectively by land and mortgage registers Nos. GD1G/00232555/3 and GD1G/00065617/4 kept by the Gdańsk-North District Court in Gdańsk, 3rd Land and Mortgage Register Division, by the assignment of rights under the insurance agreement for the property being credited, and by a blank promissory note.

In addition to establishing legal security for credit repayment and the payment of the fee, the credit launch conditions included: documenting the borrower's capital contribution in the amount of PLN 9,026 k, documenting the advance sales at the level of 5% of the floor area of the flats (property development agreements + the payment of the 1st instalment).

The Company was obliged to document the advance sales at the level of 10% of the floor area of the premises in total at the Kwartał Uniwersytecki project (a property development agreement + the 1st instalment) by 31/10/2015 – that condition was fulfilled by the Company. The remaining conditions of the credit agreement of 30 July 2015 are identical to those described in items: 2 b), 2 e), 4, 5, 6.

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).