

Current Report No. 28/2016 of 22/12/2016

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

The Management Board of INPRO S.A. (the "Company") with its registered office in Gdańsk informs that on 22 December 2016 the Company signed working capital credit agreement No. OBRKK/11/2016/43145 with the consortium of banks: SGB - Bank S.A. with its registered office in Poznań, ul. Szarych Szeregów 23a, 60-462 Poznań, court registration KRS 0000058205 ("**SGB**") and Bank Spółdzielczy in Tczew with its registered office in Tczew, ul. I. Paderewskiego 1, 83-110 Tczew, court registration KRS 0000080538 ("**BST**") both banks being further called the "Bank," on the following conditions:

1. The object of the agreement: partial refinancing of the costs of purchase of the plots of land located in Gdynia, Fleszarowej-Muskat Street.
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 7,500,000.00.
 - b) The credit amount in item 1 above is granted by the consortium of the Banks described above in the following proportions:
 - i. SGB-Bank S.A. in the amount of PLN 5,250,000.00,
 - ii. Bank Spółdzielczy in Tczew in the amount of PLN 1,750,000.00,and 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 may increase by 1 p.p. if INPRO does not submit a legally binding entry of the mortgage within 120 days of the credit launch.
 - d) Credit use: until 15/02/2017.
 - e) Credit transaction period: until 28/09/2018.
 - f) Repayment conditions: the principal repaid in 20 equal monthly instalments payable from 28/02/2017; interest repaid on a monthly basis.
 - g) In addition to establishing legal security for credit repayment and the payment of the arrangement fee, the credit launch conditions include: making a statement on submission to enforcement in the manner prescribed by Article 777 § 1 item 5) of the Civil Procedure Code, drawn up as a notarised deed, for SGB up to the amount of PLN 7,875,000, with the deadline for granting a writ of execution by 28/09/2021, making a statement of submission to enforcement in the manner prescribed by Article 777 § 1 item 5) of the Civil Procedure Code, drawn up in the form of a notarised deed; for BST up to the amount of PLN 2,625,000 with the deadline for granting a writ of execution by 28/09/2021; submission of current certificates from the Social Security Agency and Tax Office, submission to the Bank of a purchase agreement for the land being credited; documenting the payment for land in the amount of PLN 12,388,000; submission of applications for the striking out of mortgages for the benefit of entities other than the Bank in the fourth division of the land and mortgage register for the real property being credited, and the update of the survey. As regards establishing the mortgage, the confirmation of filing at a court of a paid-for application for the entry of the mortgage will be a credit launch condition.
3. Legal security for credit repayment:

- a) Contractual mortgage on the basis of the equal priority principle for the mortgages: up to the amount of PLN 7,875,000.00 for SGB, and up the amount of PLN 2,625,000 for BSP on the ownership right to land located in Gdynia, Fleszarowej - Muskat Street, covered by land and mortgage registers No. GD1Y/00103465/7 and GD1Y/00109619/4 to secure the repayment of the principal and secondary liabilities: bank commissions, interest and debt collection and enforcement costs.
As the mortgage to be established on the real estate will be for the amounts described above, and consent to its establishment is not required from the Supervisory Board in conformity with the Company's Statutes.
 - b) Two blank promissory notes – one for each of the banks being the members of the consortium.
 - c) A statement by INPRO S.A. on submission to enforcement in the manner prescribed by Article 777 §1 item 5) of the Civil Procedure Code: up to the amount of PLN 7,875,000 for SGB-Bank SA and up to the amount of PLN 2,625,000 for BST, made in the form of a notary deed.
 - 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 Bank Spółdzielczy in Tczew.
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 legal security of credit repayment. 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.

The Issuer's significant criterion for agreements is the considerable total value, on the Company's scale, of the object of the agreements concluded with SGB - Bank S.A. and with Bank Spółdzielczy in Tczew during the last 12 months, that value being PLN 35,500,000.

Detailed legal grounds: Article 17 par. 1 of the Regulation of the European Parliament and of the Council (EU) No 596/2014 of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (also referred to as the MAR)