

Current report No. 29/2017 of 29/09/2017
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 29 September 2017 the Company signed working capital agreement No. 10/044/15/Z/OB with mBank S.A. with its registered office in Warsaw ("mBank," the "Bank") on the following conditions:

1. Object of the agreement: financing of a property development project consisting in the construction of a residential estate called Azymut in Gdynia.
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 42,500,000.00.
 - 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 and handling fee.
 - c) Credit use: from 02/11/2017 to 28/06/2019, in tranches, on the prefinancing basis.
 - d) Credit transaction period: until 31/08/2020.
 - e) Repayment conditions: the principal repaid in 14 equal monthly instalments commencing from 31/07/2019; interest repaid on a monthly basis. Each release from the open housing 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 19,356,400.00 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 project at the level of 5 % of the floor area of the premises in total (property development agreements + the payment of the 1st instalment). Before the credit launch, the Company must submit a certificate on the repayment of the working capital credit obtained on 30/10/2014 at a consortium of banks: SGB - Bank SA and Kaszubski Bank Spółdzielczy in Wejherowo for the refinancing of the costs of purchase of land Wielkopolska Street and file an application for the striking out of the mortgage established on that land for the above-mentioned consortium of banks. As regards the mortgage in favour of mBank, 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) A contractual real estate mortgage up to PLN 63,750,000 in favour of mBank S.A. on the perpetual usufruct right to land located in Gdynia, Wielkopolska Street, covered by land and mortgage register No. GD1Y/00114340/5 kept by the District Court in Gdynia, 5th 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 to be established on the real estate will be for the amount described

above, and consent to its establishment is required from the Supervisory Board in conformity with the rules of the Company's Statutes, INPRO S.A. will submit a relevant report on the establishment of the mortgage.

- b) Assignment of rights following from the insurance agreement for the real estate being credited in favour of the Bank.
 - 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 are not covered by the Property Development Act; such funds are to be sent to a separate revenue account; completion of construction works and procurement of the occupancy permit for the building by 30/06/2019; maintaining in the credit period of the financial ratios specified by the Bank, and documented advance sales at the project described in item 1 at the level of 10 % by the end of January 2018, 15% by the end of March 2018 and 20 % by the end of June 2018. The Company was obliged not to give sureties and 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 have been 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.

The Issuer's significant criterion for this agreement is the considerable total value, on the Issuer's scale, of the object of the agreements concluded by the entities belonging to the INPRO Corporate Group with mBank S.A. during the last 12 months, that value being PLN 73,200,000.

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)