

***Current report No. 21/2017 of 11/08/2017***  
***Signing a significant agreement with Alior Bank S.A.***

The Management Board of INPRO S.A. (the “Company”) with its registered office in Gdansk informs that on 11 August 2017 the Company signed revolving credit agreement No. U0003221278209 with Alior Bank S.A. with its registered office in Warsaw (“Alior”, the “Bank”) on the following conditions:

1. Object of the agreement: refinancing of a part of the costs of construction of two residential and commercial buildings in Gdańsk, 71 and 72 Chmielna Street, the project titled the Chmielna Park, buildings B and C (refinancing the costs of construction of 17 premises).
2. Significant conditions of the agreement: the agreement concluded between the Company and the Bank has standard provisions and is a typical agreement entered into in the case of that type of transactions. The agreement contains, among other things, the following provisions:
  - a) Credit sum: up to PLN 6,500,000.00.
  - b) The financial conditions do not deviate from those commonly used in that kind of agreements: the credit interest rate is based on the WIBOR 3M rate + the Bank’s margin; there is an arrangement fee.
  - c) Credit use: until 25/08/2017, payable to the current account.
  - d) Credit transaction period: until 31/12/2019.
  - e) Repayment conditions: repayment of the principal in 27 monthly instalments including 26 equal instalments and the last compensatory one, commencing from 31/12/2017; interest repayment in monthly periods. Each receipt of funds towards the premises being purchased shall be earmarked for early credit repayment.
2. In addition to establishment of the legal security for credit repayment and for the payment of the commissions, the credit launch conditions include the documenting of gross costs which are to be the grounds for refinancing. Prior to credit launch, the Company must submit a statement on the repayment of the working capital credit incurred on 26/01/2016 at the consortium of banks: SGB – Bank SA and Bank Spółdzielczy in Tczew for the refinancing of the costs of construction of 24 premises in buildings A and B of the Chmielna Park residential estate and file an application for the striking out of the mortgage established on the real property in question in favour of SGB – Bank SA and Bank Spółdzielczy in Tczew. As regards establishing a mortgage in favour of Alior Bank, the credit launch conditions include the confirmation of filing at the court of a prepaid application for an entry of a mortgage and the payment of relevant civil law transaction tax.
3. Legal security for credit repayment:
  - a) Combined mortgage up to PLN 9,750,000 in favour of Alior Bank S.A. on the share of INPRO SA in the perpetual usufruct right to land with a residential and commercial building located in Gdańsk, 71 Chmielna Street, covered by land and mortgage register No. GD1G/00278657/2 and on the share of INPRO SA in the perpetual usufruct right to land with a residential and commercial building located in Gdańsk, 72 Chmielna Street, covered by land and mortgage register No. GD1G/00064314/3, both kept by the Gdańsk-North District Court in Gdańsk, 3<sup>rd</sup> Land and Mortgage Register – to secure the repayment of the principal and secondary liabilities: bank commissions, interest as well as debt recovery and enforcement costs.

- b) Assignment of rights under the insurance agreement regarding the real property being credited in favour of the Bank.
  - c) A power of attorney to the current account and to the Company's other accounts which exist or will be opened at Alior Bank.
  - d) A notarised statement by INPRO S.A. on submission to enforcement in a relevant procedure under Article 777 of the Civil Procedure Code up to PLN 13,000,000 in favour of Alior Bank.
  - e) A notarised power of attorney for the Bank to sell the premises being credited, if the credit is not repaid, at the minimum price of PLN 5,126/m<sup>2</sup>.
  - f) Unconfirmed transfer of the liabilities under the sale agreements concluded for the premises being credited.
4. Additional conditions: the funds from premises sale agreements concluded after the credit agreement date are to be sent to the assignment account; a duty to advise the Bank of the contracting of a liability of a credit character, e.g. a credit, loan, surety, guarantee, bill of exchange and other balance-sheet and off-balance-sheet liabilities. A duty to maintain proceeds in relation to the agreement in question at bank accounts kept at the Bank, not less than PLN 300,000 a month. A ban on selling the premises being credited at the average price lower than PLN 5,126 and a duty to maintain the capitalisation ratio at the level not lower than 25%.
5. If credit repayment is late, the Bank will charge interest on the unpaid amount for the period from the day following the time limit for the payment to the payment date, at the interest rate for overdue credit.
6. The credit agreement does not contain other special terms deviating from the conditions commonly used in agreement of that kind and the provisions regarding contractual penalties which would exceed 10% of the value of that agreement or the equivalent of EUR 200,000 at the average rate published for the given currency by the National Bank of Poland and binding on the date of the conclusion of the agreement.

The criterion of considering agreements to be significant for the Issuer is a considerable joint value, at the Issuer's scale, of the object of agreements concluded by the entities of the INPRO corporate group with Alior S.A. during the last 12 months, that value being PLN 30,000,000.

Detailed legal grounds: Article 12 par. 1 of the Regulation of the European Parliament and of the Council (EU) No. 596/2014 of 16 April 2014 on market abuse 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).