

Current report No. 27/2018 of 21/08/2018
Signing of a significant agreement with Alior Bank SA

The Management Board of INPRO S.A. (the "Company") with its registered office in Gdańsk informs that on 21 August 2018 the Company signed working capital agreement No. U0003307812181 with Alior Bank SA with its registered office in Warsaw ("Alior," the "Bank") on the following conditions:

1. Object of the agreement: refinancing a part of expenditure on the purchase of land located at Opacka Street in Gdańsk (part of land is designated for an office development).
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 8,250,000.00.
 - b) The financial conditions do not deviate from those commonly used for that type of agreements: the credit interest rate is based on 3 M WIBOR + the Bank's margin; there is an arrangement fee.
 - c) Credit drawdown: after credit covenants have been complied with, by 30/09/2018, as a one-off payment to a current account.
 - d) Credit transaction period: until 15/12/2020.
 - e) Repayment conditions: interest repayment on a monthly basis. The principal to be repaid in equal monthly instalments commencing from 15/10/2018, until 15/12/2020.
 - f) In addition to establishing legal security for credit repayment and the payment of the fee, the credit launch conditions will include: documenting the net costs which are to be refinanced up to PLN 8,250,000; delivery of certificates from the tax office and Social Insurance Agency; and opening an assignment account to which funds will be transferred from the sale of houses and premises constituting the legal security for the credit. As regards establishing a mortgage in favour of Alior Bank, the confirmation of filing at a court of a paid-for application for the entry of the security and the payment of relevant civil law transaction tax are the credit launch conditions, too.
3. Legal security for credit repayment:
 - a) joint contractual real estate mortgage up to PLN 12,375,000 for Alior Bank SA on the following:
 - perpetual usufruct right to real property located in Gdańsk, Opacka and Grunwaldzka streets, constituting plot No. 222/2, land and mortgage register KW GD1G/00281583/6;
 - perpetual usufruct right to real property located in Gdańsk, Opacka and Grunwaldzka streets, constituting plot No. 225/3, land and mortgage register KW GD1G/00279506/6;
 - perpetual usufruct right to real property located in Gdańsk, Opacka and Grunwaldzka streets, constituting plot No. 223/26, for which an application (No. DZKW/GD1G/00040848/18 of 5 July 2018) was made for the transfer of that property from the previous land and mortgage register KW GD1G/00285339/9 to a new register;
 - title to real property located in Gdańsk, Opacka and Grunwaldzka streets, constituting plots Nos. 225/4 and 222/3, land and

mortgage register KW GD1G/00284240/1;

- title to real property located in Gdańsk, Opacka and Grunwaldzka streets, constituting plots No. 215/1, for which a new land and mortgage register will be created from previous register KW GD1G/00000020/9 on the basis of notarised deed Register A No. 720/2018 of 15 February 2018,

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 to be established on the real estate will be for the amount described above, consent to its establishment is not required from the Supervisory Board in conformity with the Company's Statutes.

- b) power of attorney to INPRO SA's accounts at the Bank,
 - c) non-certified transfer of claims under house sale agreement for the "Golf Park" project in Tuchom near Gdańsk, stage D (3 houses), as part of the Harmonia Oliwska project, stages I and II (3 premises), as part of the project in the Mikołajki Hotel (1 apartment), and as part of the Kwartal Kamienic project (1 apartment).
 - d) a notarised statement by INPRO SA on voluntary submission to enforcement in the manner prescribed by Article 777 of the Civil Procedure Code up to PLN 16,500,000 with the deadline to which an application for a writ of execution can be filed, that deadline being 15/12/2023; the statement to specify the manner in which it is made (Article 777 § 1 item 4, 5 or 6 of the Civil Procedure Code).
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, and the obligation to keep the capitalization ratio at the level not lower than 2 5%. An obligation to retain minimum 50 % of net profit in the Company during the credit period. Maintaining monthly in-flows under the agreement in question at the amount not lower than PLN 340,000 at the accounts at the Bank. Directing cash in-flows from the sale of 10 houses and premises constituting the legal security of the credit to the assignment account at the Bank. If the mortgage for the Bank is not established within 6 months, INPRO SA will be obliged to establish additional security of the value corresponding to the value of the mortgage entry.
 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 Issuer's scale, of the object of the agreements concluded by the entities belonging to the INPRO Corporate Group with Alior Bank SA during the last 12 months, that value being PLN 45,900,000.

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 (the 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)