

CURRENT REPORT 23/2020

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Information on the number of preliminary premises sale agreements in the 2nd quarter 2020

Only the Polish version of this document is legally binding.

This translation is provided for information only.

Every effort has been made to ensure the accuracy of this publication.

In relation to receipt on 3 July 2020 of preliminary internal sales reports, the Management Board of INPRO SA with its registered office in Gdańsk informs that in the second quarter 2020 the INPRO Corporate Group achieved advance sales (in the meaning of concluded preliminary sale agreements net i.e. with the resignations taken into consideration: preliminary sale agreements concerning completed projects, agreements with entities other than customers who are natural persons, and agreements concerning commercial premises, and documents issued to customers on information concerning the conclusion of property development agreements, such documents enabling the customers to file an application for funds for the financing of the property development agreement) at the level of 91 agreements. For comparison, the Group sold the total of 178 units in the second quarter 2019.

In summary, net sales for the first six months of 2020 were 281 agreements, a 23 % decrease against the first six months of the previous year.

The Management Board of INPRO S.A. also informs that in the 2nd quarter 2020 the Group handed over the total of 106 units in comparison with 121 in the 2nd quarter last year.

The Company keeps monitoring the developments related to the persistent consequences of the SARS-CoV-2 coronavirus spread and the impact of the pandemic on the Company's activity.

Whilst the Group has a sizeable land bank with valid building permits, in view of the state of the SARS-CoV-2 pandemic emergency, decisions on launching the next projects will depend on the economic situation and the demand from prospective buyers.

In the first weeks after the introduction of the state of pandemic emergency, the drop of the number of sales transactions on the property development market and of resignations from the purchases of units was clearly seen. As the situation is complex, it is difficult to assess the influence of the pandemic on the Group's activity in the long-term perspective.

Detailed legal grounds: Article 17 para. 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).