

## CURRENT REPORT 13/2023

2023-06-26

### Signing of a significant agreement with Alior Bank SA

*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.*

The Management Board of INPRO S.A. (the "Company" or "Issuer") with its registered office in Gdańsk informs that on 26 June 2023 the Company signed working capital agreement No. U0003653077839 with Alior Bank SA with its registered office in Warsaw ("Alior," the "Bank") on the following conditions:

Object of the agreement: financing the property development project consisting in the construction of apartments in Mikołajki (hereinafter also as the Property Development Project).

1. 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 type. The agreement contains, without limitation, the following provisions:

- a) Credit amount: up to PLN 54,100,000.00,
- 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 bank commission, credit commission and commitment fee,
- c) Drawings: until 15/03/2024, in tranches,
- d) Credit transaction period: until 15/03/2025,
- e) Repayment conditions: in four increasing quarterly instalments commencing from 15/06/2024 with interest repaid on a monthly basis. Each release from the open housing trust account of the funds paid in relation to the sale of units on the project financed by the credit shall be allocated towards the early credit repayment,
- 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 23,089,734.00 comprising the value of land and part of the costs/expenditure of the Property Development Project described above, documenting the advance sales at the level of 20 % of the floor area of the units in total (property development agreements + the payment of the 1st instalment of a minimum 10% of the price of the unit), submission of current certificates from the Communal Office (real property tax), Social Security Agency and Tax Office. As regards establishing a mortgage in favour of the Bank, the confirmation of filing at 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.

2. Legal security for credit repayment:

- a) Contractual real estate mortgage up to PLN 81,150,000 in favour of Alior Bank SA on real property located in Mikołajki, that being plots Nos. 560/1 and 560/2, for which the District Court in

Mrągowo, 4th Land and Mortgage Register Division, maintains land and mortgage register No. OL1M/00037563/3 – to secure the repayment of the main amount and secondary liabilities: bank commissions, interest, as well as debt collection and enforcement costs,

- b) Power of attorney to accounts at the Bank,
- c) A blank promissory note with a promissory note declaration,
- d) Silent assignment in favour of the Bank of the receivables due to INPRO SA from the buyers of the units on the Property Development Project,
- e) Certified assignment in favour of Alior Bank of the monies released from the housing escrow account maintained at mBank for the Property Development Project with power of attorney to transfer those amounts to the assignment account at Alior Bank,
- f) Court-registered financial pledge for all accounts maintained at the Bank,
- g) Notarised power of attorney for the Bank to sell apartments built within the Property Development Project if credit is not being repaid (payments are late by a minimum of 31 days) on the terms set out in the Agreement,
- h) The Company's notarised statement on voluntary submission to enforcement under Article 777 para. 1 item 5 of the Civil Procedure Code up to PLN 108,200,000 with the deadline for granting the writ of enforcement to that deed falling on 15/03/2028,
- i) Confirmed transfer of monetary receivables under the insurance agreement concerning the aforementioned real property to the Bank to the extent covering construction risks of the Property Development Project for the amount not lower than PLN 55,508,730.00 – in the period of project implementation – and confirmed transfer of monetary receivables to the Bank under the insurance agreement concerning the real property regarding the Property Development Project to the extent of insurance against fire and other random events for the amount not lower than PLN 95,689,000.00 – after completion of the project. Subsequent policies for a minimum amount equal to the value of the unsold units.

3. Additional conditions include the following: as from the date of the credit agreement, funds obtained from the sale of units in the project being funded but not covered by the provisions of the Property Development Act applicable at a given period are to be transferred to an account at the Bank; completion of construction work and presentation of the occupancy permit to the Bank by 31/03/2024; the sale of apartments at the minimum net price indicated by the Bank.

4. 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.

5. 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 significance 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 85,100,000.

Detailed legal grounds: Article 17(1) of 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).