

***Current report No. 24/2018 of 10/08/2018***

***Signing of a significant agreement with a consortium of banks***

The Management Board of INPRO S.A. (the "Company") with its registered office in Gdańsk informs that on 10 August 2018 the Company signed working capital credit agreement No. OBRKK/7/2018/74478 with the consortium of banks: SGB - Bank S.A. with its registered office in Poznań ("SGB") and Kaszubski Bank Spółdzielczy with its registered office in Wejherowo ("KBS"), both further called the "Bank," on the following conditions:

Object of the agreement: financing of the construction of stage II of the Debiut property development project in Pruszcz Gdański.

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 kind. It contains, without limitation, the following provisions:

- a) Credit amount: up to PLN 16,300,000.00.
- b) The credit amount in item 1 above is granted by the consortium of the Banks described above in the following proportions:
  - i. SGB-Bank S.A. in the amount of PLN 12,400,000.00
  - ii. Kaszubski Bank Spółdzielczy in the amount of PLN 3,900,000.00and the claims of each of those banks in relation to the credit granted are separate and they are not joint and severable.
- c) 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.
- d) Credit use: from 10/08/2018 to 31/12/2019, in tranches, on the prefinancing basis.
- e) Credit transaction period: until 31/12/2020.
- f) Repayment conditions: the principal repaid in 4 equal quarterly instalments payable from 31/03/2020; interest repaid on a monthly basis. If the premises constituting credit security are sold, an early partial credit repayment will take place in the amount min. 60% of the price for the premises sold.
- g) 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 5,494,905.00 comprising the value of land and part of the costs/expenditure of the property development project described in item 1. 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 mortgage on the basis of the equal priority principle up to PLN 18,600,000 for SGB Bank S.A. and up to PLN 5,850,000 for Kaszubski Bank Spółdzielczy on land located in Pruszcz Gdański, covered by land and mortgage register No. GD1G/00287857/0, kept by the Gdańsk-North District Court in Gdańsk, 3<sup>rd</sup> Land and Mortgage Register Division (following the segregation of plot No. 28/12 designated for stage I of the Debiut estate; the mortgage is to comprise land for stage II of the estate on the target basis) – 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 policy for the real estate being the object of the security.
  - c) Two blank promissory notes – one for each of the banks being the members of the consortium,
  - d) A statement by INPRO S.A. on submission to enforcement in the manner prescribed by Article 777 §1 item 5) of the Civil Procedure Code: up to PLN 18,600,000 for SGB and up to PLN 5,850,000 for KBS, made in the form of a notary deed.
  - e) A power of attorney to the Company's current account kept at SGB in favour of SGB and to the open escrow account kept at KBS in favour of KBS,
  - f) An assignment of claims from the Company's current account kept at SGB in favour of KBS and an assignment of claims from the open escrow account kept at KBS in favour of SGB.
3. 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; the obligation to obtain the Bank's consent to establishing any kind of encumbrance (including a mortgage) on the real estate constituting the repayment legal security; the unencumbered detachment of the premises will take place on condition that their total value was paid by the acquirer and after the partial credit repayment has taken place in the amount of min. 60% of the price of the premises sold; the submission of an appraisal survey of the real estate being credited within 60 days from receipt of the occupancy permit and every 34 months. The obligation to put the annual turnover of min. PLN 15,000,000 through bank accounts at SGB-Bank S.A. Each launch of the funds from the escrow account will reduce the total amount of the credit granted by the amount of the funds paid out. The launch of the next tranches will take place on the basis of prefinancing the next construction stages.
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 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 the group of cooperative banks comprising SGB-Bank SA during the last 12 months, that value being PLN 30,810,000.

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)