

Current report 21/2018

Report date: 22 June 2018

Issuer's abbreviated name: WIKANA

Subject: Significant contract executed by subsidiary

Legal basis: Art. 17 sec. 1 MAR - inside information

Report content:

The Management Board of WIKANA S.A. ("Issuer") announces that on 22 June 2018 a subsidiary of the Issuer - WIKANA PRIM Sp. z o.o. BETA Sp.k., based in Lublin ("Subsidiary"), executed an agreement with LUBELSKIE PRZEDSIĘBIORSTWO BUDOWLANE Sp. z o.o., based in Lublin, ("Contractor") concerning comprehensive performance of construction work ("Contract") consisting of the development of residential multi-family buildings B4 and B5 with a multi-space underground parking lot as a subsequent phase of the Osiedle Marina B investment in Lublin.

92 residential units will be developed under the stage covered by the Contract.

As per the Contract, the task will be completed by the end of 2019.

Remuneration for the performance of the Contract is a flat fee of PLN 16 350 000 net.

The Contract provides for contractual penalties for the Contractor, including for failure to complete the Agreement within the specified deadline, failure to remove faults under warranty within the given deadline and termination of the Contract by the Subsidiary due to Contractor fault. The Contractor is entitled to receive a contractual penalty from the Subsidiary for withdrawal from the Contract at the Subsidiary's fault or delay in final handover. The parties have the right to seek supplementary compensation up to the amount of damages actually suffered, provided that the amount of damage exceeds the amount of contractual penalties received. Contractual penalties may be calculated in aggregate, provided that the total does not exceed 10% of the value of the Contract.

The Contract does not include a condition or deadline precedent, however both of the Parties are entitled to withdraw from the unfinished part of the Contract by 30 August 2018: The Contractor - in the event that the Subsidiary fails to submit a declaration on financing from the institution financing the object of the Contract by the above-mentioned date, and the Subsidiary - only if it submits the above-mentioned declaration.

Other terms of the Contract, including those pertaining to termination by each of the parties, do not differ from the terms typically applied to this type of agreement.

Agnieszka Maliszewska
Vice-President of the Management Board

Paweł Chołota
Member of the Management Board