

Current Report No. 29/2015

Date: 15 October 2015

Subject: Condition precedent fulfilled. Disclosure of confidential information

Legal basis: 56 sec. 1 point 1) of the Act on Offerings - confidential information

Report content:

The management board of WIKANA S.A. ("Issuer") hereby announces the confidential information the disclosure of which was delayed pursuant to Art. 57(1) of the act on public offering and conditions of introduction of financial instruments to organized trading system and public companies of 29 July 2005 and § 2(1) section 3) of the Resolution of the Minister of Finance of 13 April 2006 regarding the types of information that can violate legitimate interest of the Issuer and the procedure to be followed by the Issuer with regard to the delay in announcement of confidential information.

Notification about delayed announcement of information required, originally until 30 June 2015 and, afterwards, until: 31 July 2015, 30 September 2015 and 16 October 2015 was submitted to the Polish Financial Supervision Authority on 27 May 2015, 30 June 2015, 31 July 2015 and 30 September 2015, respectively.

The following confidential information was submitted to the Polish Financial Supervision Authority on 27 May 2015:

"The management board of Wikana S.A. ("Issuer"), acting pursuant to Art. 57(1) of the act on public offering and conditions of introduction of financial instruments to organized trading system and public companies of 29 July 2005 ("Act") and § 2(1) section 3) of the Resolution of the Minister of Finance of 13 April 2006 regarding the types of information that can violate legitimate interest of the Issuer and the procedure to be followed by the Issuer with regard to the delay in announcement of confidential information, hereby announces its decision to delay the performance of the obligation referred to in Art. 56(1) of the Act with regard to information concerning the Issuer's subsidiary ("Company") entering into an agreement on 26 May 2015 until 30 June 2015, subject to the condition precedent that no later than 30 June 2015 the following circumstances occur simultaneously: the agreement regarding the financing of the subject matter of the Agreement is entered into by the Company and the entity financing comprehensive performance of the subject matter of the Agreement and the Company specifies the content of insurance policies and insurance guarantees.

Current announcement of the information regarding entering into the Agreement could negatively influence negotiations on the content of the above-mentioned documents and weaken the negotiating power of the Company as regards the negotiations on the sources of financing and the above-mentioned guarantees, as well as negatively influence the course or result of these negotiations, which, consequently, could violate legitimate interest of the Issuer.

The delay in announcing the information will not mislead the public and the Issuer will assure that the information which announcement is delayed remains confidential until the obligation is performed."

The following confidential information was submitted to the Polish Financial Supervision Authority on 30 June 2015:

“The management board of Wikana S.A. (“Issuer”), acting pursuant to Art. 57(1) of the act on public offering and conditions of introduction of financial instruments to organized trading system and public companies of 29 July 2005 (“Act”) and § 2(1) section 3) of the Resolution of the Minister of Finance of 13 April 2006 regarding the types of information that can violate legitimate interest of the Issuer and the procedure to be followed by the Issuer with regard to the delay in announcement of confidential information, hereby announces its decision to extend the delay in the performance of the obligation referred to in Art. 56(1) of the Act with regard to information concerning the Issuer’s subsidiary (“Company”) entering into an agreement on 26 May 2015 until 31 July 2015, subject to the condition precedent (“Agreement”) that the following circumstances occur simultaneously: the agreement regarding the financing of the subject matter of the Agreement is entered into by the Company and the entity financing comprehensive performance of the subject matter of the Agreement and the Company specifies the content of insurance policies and insurance guarantees, as results from Annex No. 1 to the Agreement being signed on 30 June 2015 which changes the deadline for occurrence of the condition precedent from 30 June 2015 to 31 July 2015.

The Issuer informed about the delay in the performance of the above-mentioned obligation, originally until 30 June 2015, in its report submitted to DIA-S office on 27 May 2015.

Current announcement of the information regarding entering into the Agreement could negatively influence negotiations on the content of the above-mentioned documents and weaken the negotiating power of the Company as regards the negotiations on the sources of financing and the above-mentioned guarantees, as well as negatively influence the course or result of these negotiations, which, consequently, could violate legitimate interest of the Issuer.

The delay in announcing the information will not mislead the public and the Issuer will assure that the information which announcement is delayed remains confidential until the obligation is performed.”

The following information was submitted to the Polish Financial Supervision Authority on 31 July 2015:

“The management board of Wikana S.A. (“Issuer”), acting pursuant to Art. 57(1) of the act on public offering and conditions of introduction of financial instruments to organized trading system and public companies of 29 July 2005 (“Act”) and § 2(1) section 3) of the Resolution of the Minister of Finance of 13 April 2006 regarding the types of information that can violate legitimate interest of the Issuer and the procedure to be followed by the Issuer with regard to the delay in announcement of confidential information, hereby announces its decision to extend the delay in the performance of the obligation referred to in Art. 56(1) of the Act with regard to information concerning the Issuer’s subsidiary (“Company”) entering into an agreement on 26 May 2015 until 30 September 2015, subject to the condition precedent (“Agreement”) that the following circumstances occur simultaneously: the agreement regarding the financing of the subject matter of the Agreement is entered into by the Company and the entity financing comprehensive performance of the subject matter of the Agreement and the Company specifies the content of insurance policies and insurance guarantees, as results from Annex No. 2 to the Agreement being signed on 31 July 2015 which changes the deadline for occurrence of the condition precedent to 30 September 2015.

The Issuer informed about the delay in the performance of the above-mentioned obligation, originally until 30 June 2015 and, afterwards, until 31 July 2015 in its reports submitted to DIA-S office on: 27 May 2015 and 30 June 2015.

Current announcement of the information regarding entering into the Agreement could negatively influence negotiations on the content of the above-mentioned documents and weaken the negotiating power of the Company as regards the negotiations on the sources of financing and the above-mentioned guarantees, as well as negatively influence the course or result of these negotiations, which, consequently, could violate legitimate interest of the Company and, thereby, legitimate interest of the Issuer himself.

The delay in announcing the information will not mislead the public and the Issuer will assure that the information which announcement is delayed remains confidential until the obligation is performed.”

The following information was submitted to the Polish Financial Supervision Authority on 30 September 2015:

“The management board of Wikana S.A. (“Issuer”), acting pursuant to Art. 57(1) of the act on public offering and conditions of introduction of financial instruments to organized trading system and public companies of 29 July 2005 (“Act”) and § 2(1) section 3) of the Resolution of the Minister of Finance of 13 April 2006 regarding the types of information that can violate legitimate interest of the Issuer and the procedure to be followed by the Issuer with regard to the delay in announcement of confidential information, hereby announces its decision to extend the delay in the performance of the obligation referred to in Art. 56(1) of the Act with regard to information concerning the Issuer’s subsidiary (“Company”) entering into an agreement on 26 May 2015 until 16 October 2015, subject to the condition precedent (“Agreement”) that the following circumstances occur simultaneously: the agreement regarding the financing of the subject matter of the Agreement is entered into by the Company and the entity financing comprehensive performance of the subject matter of the Agreement and the Company specifies the content of insurance policies and insurance guarantees, as results from Annex No. 3 to the Agreement being signed on 30 September 2015 which changes the deadline for occurrence of the condition precedent to 16 October 2015.

The Issuer informed about the delay in the performance of the above-mentioned obligation, originally until 30 June 2015 and, afterwards, until 31 July 2015 and until 30 September 2015 in its reports submitted to DIA-S office on: 27 May 2015, 30 June 2015 and 31 July 2015.

Current announcement of the information regarding entering into the Agreement could negatively influence negotiations on the content of the above-mentioned documents and weaken the negotiating power of the Company as regards the negotiations on the sources of financing and the above-mentioned guarantees, as well as negatively influence the course or result of these negotiations, which, consequently, could violate legitimate interest of the Company and, thereby, legitimate interest of the Issuer himself.

The delay in announcing the information will not mislead the public and the Issuer will assure that the information which announcement is delayed remains confidential until the obligation is performed.”

The Issuer would like to inform that the decision on delaying the announcement of the above-mentioned confidential information was the result of the Issuer’s conclusion that early announcement of the information could negatively influence negotiations on the content of the above-mentioned documents and weaken the negotiating power of the Company as regards the negotiations on the sources of financing and the above-mentioned

guarantees, as well as negatively influence the course or result of these negotiations, which, consequently, could violate legitimate interest of the Company and, thereby, legitimate interest of the Issuer himself.

The Agreement was entered into by WIKANA MERITUM Spółka z ograniczoną odpowiedzialnością SIGMA S.K.A. (formerly: WIKANA PROPERTY Spółka z ograniczoną odpowiedzialnością SIGMA S.K.A.; "Company") - the Issuer's subsidiary and Krośnieńskie Przedsiębiorstwo Budowlane w Krośnie S.A. ("Contractor") and its subject matter are construction works which aim is to construct the complex of four residential multifamily buildings and necessary infrastructure in Rzeszów, which is the next stage if the investment project named Zielone Tarasy ("Agreement").

The Agreement completion date shall be deemed 15 months from the day when the building site is made accessible to the Contractor on the basis of the protocol.

The flat-rate remuneration of the total of PLN 14 520 thousand was specified for the performance of the subject matter of the Agreement.

The Agreement specifies contractual penalties for the Contractor, e.g. in case of the delayed performance of the subject matter of the Agreement, as well as for the delayed remedying of defects under the guarantee/warranty or due to the Company's withdrawal from the Agreement through the fault of the Contractor. The Contractor is entitled to receive contractual compensation from the Company, e.g. due to their withdrawal from the Agreement through the fault of the Company or delay in final acceptance procedure. The Parties are also entitled to claim additional damages up to the amount of the actual damage incurred, provided that the damage value exceeds the value of contractual penalties received. The total amount of contractual penalties on various bases can be calculated, provided that this amount does not exceed 10% of the value of the Agreement.

The remaining terms and conditions of the Agreement, including the provisions regarding its performance, withdrawal or termination are compliant with the provisions commonly used in such type of agreements.

The Agreement complies with the criteria for material agreement due to the fact that its value exceeds 10% of the Company's own assets.

The Issuer decided to announce confidential information due to the occurrence of conditions precedent, i.e. the Company acquired sources of financing of the works which are the subject matter of the Agreement and specified the content of insurance policies connected with the Agreement.

President of the Board
Robert Pydzik

Member of the Board
Agnieszka Maliszewska