

Current report 32/2017**Report date: 24 August 2017****Issuer's abbreviated name: WIKANA****Subject: Financing secured for subsidiary's property development projects**

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

Report content:

The Management Board of WIKANA S.A. ("Issuer") announces that on 24 August 2017 a subsidiary of the Issuer - WIKANA PRIM Sp. z o.o. SIGMA Sp.k. (formerly: WIKANA MERITUM Sp. z o.o. SIGMA Sp.k.), based in Lublin ("Borrower"), executed a PLN 31.5 million construction and mortgage credit agreement with mBank Hipoteczny S.A., based in Warsaw ("Bank"), intended for the development of six multi-apartment buildings marked as C, D, O, P, R, S, together with two underground parking lots, as the last two phases of the Osiedle Zielone Tarasy investment in Rzeszów, as part of which nine buildings have been built to date. Agreements concerning performance of construction work consisting of the development of buildings C, D, O, P, R and S were disclosed by the Issuer in current reports 16/2017 and 17/2017.

The final repayment date for the Credit Facility is 28 August 2021. Interest on the Credit Facility is variable and established based on WIBOR 3M plus bank margin. Collateral for the Credit Facility is as follows: joint contractual mortgage for up to nearly PLN 63 million on the properties on which buildings C, D, O, P, R and S will be built, register and financial pledge on all shares in the share capital of the Borrower's General Partner, assignment to the Bank of rights under an agreement with the general contractor and other construction contracts, together with a contract performance security and a declaration by the Borrower on voluntary submission for enforcement pursuant to art. 777 § 1, sec. 5 of the Polish Civil Procedure Code for up to nearly PLN 63 million until 31 August 2024.

In connection with the Agreement, the Issuer, the Borrower and the Borrower's General Partner will execute a project support agreement with the Bank ("Support Agreement"), pursuant to which the Issuer and the Borrower's General Partner will undertake towards the Bank to financially support the Borrower for up to the amount of PLN 3.4 million if the Investment's expected costs are exceeded. In order to secure financial support for the Borrower, the Issuer and the Borrower's General Partner will jointly and severally submit for enforcement pursuant to art. 777 § 1, sec. 5 of the Polish Civil Procedure Code for up to PLN 3.4 million. Significant events related to performance of the Agreement will be communicated by the Issuer via subsequent current reports.

Other provisions of the Agreement, including those pertaining to termination, do not differ from the terms typically applied to this type of agreement.

At the same time, the Issuer clarifies that the Agreement constitutes an element of the growth strategy for the Issuer's Group's property development companies, aimed at securing an optimal financing structure for their on-going property projects.

This also constitutes fulfilment of obligations specified in contracts executed by the Borrower with DESERTO Sp. z o.o., i.e. the general contractor for buildings C, D, O, P, R, S, to

secure financing by an institution providing financing for the subject of these contracts, as communicated by the Company in current report 21/2017.

Agnieszka Maliszewska
Vice-President of the Management Board

Paweł Chołota
Member of the Management Board