

**Current report 32/2018**

**Report date: 12 October 2018**

**Issuer's abbreviated name: WIKANA**

**Subject: Financing secured for subsidiary's property development project**

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

Report content:

The Management Board of WIKANA S.A. ("Issuer") announces that on 12 October 2018 a subsidiary of the Issuer - WIKANA PROPERTY Sp. z o.o. BETULA Sp. k., based in Lublin ("Borrower") - executed an agreement with Nadsański Bank Spółdzielczy, based in Stalowa Wola, ("Bank") concerning a non-revolving working capital and property development credit facility ("Credit Facility") of PLN 2 788 000 ("Agreement"), intended for a property development project consisting of the construction of a residential multi-family building C, together with land development, as the second stage of the "Klonowy Park" investment being realised in Janów Lubelski ("Investment"). The Issuer announced execution of a comprehensive construction services contract under the Investment in current report 13/2018.

The final repayment date for the Credit Facility is 31 December 2019. Interest on the Credit Facility is variable and established based on WIBOR 3M plus bank margin. Collateral for the Credit Facility consists of: a civil-law surety issued by the Issuer, blank promissory note issued by the Borrower, together with a promissory note declaration, guaranteed by the Issuer, a joint contractual mortgage up to PLN 4 740 000 on the properties on which the Investment will be developed, together with a statement by the Borrower and the Issuer on voluntary submission for enforcement in accordance with art. 777 § 1, sec. 5 of the Polish Civil Procedure Code for up to PLN 5 577 000 until 31 December 2021.

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 property development companies, aimed at securing an optimal financing structure for their on-going property projects.

*Agnieszka Maliszewska*  
*Vice-President of the Management Board*

*Paweł Chołota*  
*Member of the Management Board*