

Current report 39/2018

Report date: 7 December 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 7 December 2018 a subsidiary of the Issuer - WIKANA PROPERTY Sp. z o.o. SALIX Sp.k., based in Lublin ("Borrower"), executed a PLN 5 330 000 non-revolving working capital and property development credit facility agreement with Bank Polskiej Spółdzielczości S.A., based in Warsaw, branch in Przemyśl ("Bank"), ("Agreement") and a PLN 563 000 revolving working capital credit facility agreement, to be used for a property development project consisting of the construction of residential multi-family building no. 1, together with internal installations and ancillary infrastructure, which is being developed by the Borrower as the first stage of the Parkowa Dzielnica investment in Przemyśl, ul. Stanisława Leszczyńskiego ("Investment"). The final repayment date for the Credit Facility is 30 June 2020. Interest on the Credit Facility is variable and established based on WIBOR 3M plus bank margin. Collateral for the Credit Facility includes: a contractual mortgage of up to PLN 9 061 000 on the property that is to be used for the Investment, a blank promissory note issued by the Borrower, together with a promissory note declaration, pledge on shares of the Borrower's general partner and the Borrower's declaration on voluntary submission for enforcement pursuant to art. 777 § 1, sec. 5 of the Polish Civil Procedure Code for up to PLN 7 995 000 for a 24-month period after expiry/maturity of the liability.

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