

Current report 47/2016

Report date: 29 August 2016

Issuer's abbreviated name: WIKANA

Subject: Significant contract executed by subsidiary

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

Report content:

The Management Board of WIKANA S.A. ("Issuer") announces that on 29 August 2016 a subsidiary of the Issuer - WIKANA PROPERTY Sp. z o.o. BETULA S.K.A. ("Subsidiary"), executed a construction works contract with ST INVEST Zbigniew Tarłowski, Karol Szczech s.c. ("Contractor") ("Contract") concerning the construction of residential multi-family building B together with land development under phase I of the Klonowy Park investment in Janów Lubelski.

Building B will feature 24 units.

Deadline for performance of the Contract is set as 31 August 2017.

Remuneration for the performance of the Contract is a flat fee of PLN 3 200 000 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 Subsidiary has 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. The Contractor is entitled to receive a contractual penalty from the Subsidiary for, among others, withdrawal from the Contract at the Subsidiary's fault or delay in final handover. Contractual penalties may be calculated in aggregate, provided that the total does not exceed 10% of the value of the Contract.

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

The Contract does not contain conditions or deadlines precedent.

The value of the Contract meets the Issuer's criterion for this type of agreement to be considered as significant.

*President of the Management Board
Robert Pydzik*

*Member of the Management Board
Agnieszka Maliszewska*