

**Current report 56/2016**

**Report date: 10 November 2016**

**Issuer's abbreviated name: WIKANA**

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

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

Report content:

The Management Board of WIKANA S.A. ("Issuer") announces that on 10 November 2016 a subsidiary of the Issuer - WIKANA PROPERTY Sp. z o.o. JOTA 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 5.3 million ("Agreement"), intended for a property development project consisting of the construction of a residential multi-family building A, together with an underground carpark and land development, as the first stage of the "Nova Targowa" investment being realised in Tarnobrzeg, ul. Targowa ("Investment"). The Issuer announced execution of a comprehensive construction services contract under the Investment in current report 46/2016.

The Credit Facility is issued for a period of 23 months, with a final repayment deadline of 30 September 2018. Interest on the Loans 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 9.1 million 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, art. 5 of the Polish Civil Procedure Code for up to PLN 10.7 million until 30 September 2020.

The rest of the terms of the Agreement 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, aiming to secure an optimal financing structure for their on-going property projects.

*Robert Pydzik*

*President of the Management Board*

*Agnieszka Maliszewska*

*Member of the Management Board*