

**Current report 7/2018**

**Report date: 5 March 2018**

**Issuer's abbreviated name: WIKANA**

**Subject: Information on withdrawal from construction work agreement by WIKANA Group companies**

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

Report content:

In reference to current report 7/2017 concerning execution of a material agreement by a subsidiary, the Management Board of WIKANA S.A. ("Issuer") announces that on 5 March 2018 subsidiaries of the Issuer: WIKANA PROPERTY Spółka z ograniczoną odpowiedzialnością GAMMA Sp.k. (currently, following a change of general partner, WIKANA PRIM Sp. z o.o. GAMMA Sp.k.) and WIKANA MERITUM Sp. z o.o. MAGNOLIA Sp.k., acting as a substitute investor, (jointly referred to as the "Subsidiaries") submitted a declaration to INVEST PARTNER Arkadiusz Matuła Sp.k. ("Contractor") on withdrawal from an agreement concerning the performance of construction work, as referred to in the aforementioned current report, in the unfinished part of the investment task, alongside with a demand sent to the Contractor for payment of a contractual penalty.

The reason for the Subsidiaries' withdrawal from the construction work agreement is identified delays due to the Contractor's fault in implementing the object of the agreement, namely buildings A, B and C. As at the date on which the declaration was submitted, approx. PLN 2.8 million net was invoiced on account of performance of the agreement. According to the Issuer's Management Board, the above should not prevent the planned deadline for delivery of the units being built under this investment task from being met.

At the same time, in connection with the submitted declaration on withdrawal from the unfinished part of the agreement, the Company is demanding the payment of a contractual penalty by the Contractor on account of the Subsidiaries' withdrawal from the agreement due to the Contractor's fault of approx. PLN 0.94 million, payable immediately, i.e. upon delivery of the demand.

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

*Paweł Chołota*  
*Member of the Management Board*