

**Current report 10/2020**

**Report date: 6 March 2020**

**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 6 March 2020 a subsidiary of the Issuer - WIKANA PROPERTY Sp. z o.o. JOTA Sp.k., based in Lublin ("Borrower"), executed a PLN 12 988 thousand non-revolving working capital and property development loan agreement ("Credit Facility") with Bank Polskiej Spółdzielczości S.A., based in Warsaw, branch in Przemyśl ("Bank"), ("Agreement") and a PLN 1 000 thousand revolving working capital loan agreement, to be used for a property development project consisting of the construction of residential multi-family building B, which is being developed by the Borrower as the second stage of the Nova Targowa in Tarnobrzeg, ul. Targowa 11 ("Investment").

The final repayment date for the Credit Facility is 24 December 2021. Interest on the Loan is variable and established based on WIBOR 3M plus bank margin. Collateral for the Credit Facility includes: joint contractual mortgage up to PLN 22 080 thousand on the properties on which the Investment will be carried out, blank promissory note issued by the Borrower, together with a promissory note declaration, pledge on receivables from the Borrower's auxiliary account at the Bank, together with a freeze on funds held in that account, and the Borrower's declaration on voluntary submission for enforcement proceedings pursuant to art. 777 § 1, sec. 5 of the Polish Civil Procedure Code for up to PLN 19 482 thousand 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 a further part of the growth strategy for the Issuer's property development companies, aimed at securing an optimal financing structure for their on-going property projects.

*Piotr Kwaśniewski*

*President of the Management Board*

*Paweł Chołota*

*Member of the Management Board*