

Current report no. 47/2015

Issue date: 2015-08-12

Abbreviated name of the Issuer: DEKPOL SA

Subject: The conclusion of a significant agreement with 7R Logistic

Legal basis: Art. 56, section 1, point 2 of the Public Offering Act – current and periodic information

Contents of the report:

Further to current report no. 44/2015 on the winning of the tender by Dekpol S.A. (Company, Contractor) for the construction of the storage and office building requested by 7R Logistic S.A., the Management Board announces receiving on 12 August 2015 information regarding the conclusion on 11 August 2015 of the agreement (Agreement) between Dekpol S.A. and 7R Logistic S.A. (Ordering Party) according to which the Ordering Party commissions the Contractor to carry out the investment including earthworks, construction of a public road, building of a storage facility in Kowale, Gdańsk with a rest and refreshment room fitted with building services, land development according to the design-build system as well as performing other activities referred to in the Agreement. The subject matter of the Agreement includes preparing and handing complete documentation to the Ordering Party and then obtaining all the necessary permits, agreements and opinions in addition to the building permit.

The earthworks and the construction of the public road shall commence directly after conclusion of the Agreement, and the building of the storage facility shall begin immediately after the building permit is issued and received by the Contractor from the Ordering Party. The construction works shall be completed within several months starting from the day of receiving the building permit from the Ordering Party.

The value of remuneration specified in the Agreement for the execution of works is running at 25% of the Issuer's equity capital. The total amount of liquidated damages that may be charged by the Ordering Party shall not exceed 15% of the Issuer's remuneration. Moreover, irrespective of liquidated damages, if due to the delay of the Contractor the Ordering party bears costs associated with the need to extend the employment period of persons whose presence on the construction site is necessary, the Contractor shall pay such costs to the Ordering Party. In the event of a delay in commencement or completion of removing the work defects in relation to the deadline included in the Agreement, the Contractor shall pay liquidated damages of PLN 3,000 or PLN 6,000 for each day of delay, depending on the nature of the defects or faults. In the event of withdrawal from the Agreement due to reasons attributable to the Contractor, the Ordering Party shall be entitled to claim liquidated damages of 10% of the value of the Issuer's remuneration. The Contractor shall issue to the Ordering Party a guarantee of the quality for designing, the materials being used, the equipment as well as the execution of works. The Agreement is significant if its subject matter equals 10% of the Issuer's equity capital.