

Current report no. 12/2017

Date of issue: 2017-02-24

Abbreviated name of Issuer: DEKPOL S.A.

Subject : Conclusion of agreement with 7R Logistic S.A. concerning general contracting services.

Legal basis : Article 17 section 1 MAR (Market Abuse Regulation) – inside information

Content of report:

Management Board of DEKPOL S.A. („Company”, „Issuer”) announces, that on 24<sup>th</sup> February 2017 obtained mutually signed agreement with 7R Logistic S.A. („Ordering entity”), concerning execution in general contracting system of comprehensive constructional works as well as construction-installation works along with delivery of material and machines, the result of which will be construction of a turnkey storage-office object in Kotów, municipality Wieliczka (“Agreement”).

For the execution of entire works, the Company will receive fixed net remuneration in the amount of about 11% of revenues from sales of Dekpol Capital Group for the year 2015 (“Remuneration”). Completion of the subject of agreement has been planned for 31<sup>st</sup> July 2017, with the possibility of its changing for a part of the object designed for rental until the date of 30<sup>th</sup> September 2017.

Agreement provides wording concerning contractual penalties due to, among other things, failure in meeting deadlines included in contract. For withdrawing from contract through the fault of Issuer, the Issuer is obliged to pay a contractual penalty in the amount of 10% of remuneration value. In the same amount, the Company may also demand the payment of contractual penalty from Ordering party for withdrawal from agreement due to reasons attributable to Ordering party. Total value of contractual penalties cannot exceed 20% of remuneration, however, the parties have rights to claim compensation to the full extent of losses.