

Current report no. 13/2017

Date of issue: 2017-02-27

Abbreviated name of Issuer: DEKPOL S.A.

Subject : Conclusion of agreement concerning general contracting works on residential complex "Słoneczne Wzgórza – Stage F" in Gdańsk

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 27th February 2017 concluded with Słoneczne Wzgórza Sp. z o.o. (“Investor”) agreement concerning general contracting services, the subject of which is the construction of multifamily residential buildings with underground garages and necessary infrastructure named “Słoneczne Wzgórza – Stage F” in Gdańsk at Mariana Kołodzieja Street (“Agreement”).

For the execution of the subject of agreement, the Company will receive fixed net remuneration in the amount of about 7% of revenues from sales of Dekpol Capital Group for the year 2015 (“Remuneration”). Completion of the subject of Agreement has been planned for August 2018.

The Company may delegate the execution of a part of construction works to subcontractors under restriction of taking responsibility for their acts and omissions.

Agreement provides wording concerning contractual penalties due to, among other things, failure in meeting deadlines included in contract, conclusion of agreement between Issuer and subcontractors without consent of Investor, or a fault in execution of foreseen in implementation project of usable floor spaces of apartments. In case of withdrawal from Agreement by Investor due to reasons foreseen in Agreement, among other things, delays in Agreement’s execution, breach by the Company of obligations resulting from Agreement, the Company will pay Investor contractual penalty in the amount of 15% of remuneration. Total value of contractual penalties cannot exceed 15% of remuneration. Nevertheless, Investor has right to claim compensation exceeding the value of contractual penalties.