

Ladies and Gentlemen,

I have a pleasure to convey our Consolidated Annual Report of Dekpol Capital Group summing up financial results achieved in 2016.

The Group achieved in this period sales revenues in the amount of PLN 258,7 million and PLN 22,9 million of net profit. The Company Dekpol S.A., as the parent entity in the structure of Capital Group, focused on analogous business activities as in previous year, i.e. general contracting, real-estate development activities and production of accessories (buckets) to construction machines, as well as production and montage of steel structures.

Last year was successful in all areas of activities carried out by Dekpol S.A. In General Contracting segment, we focused on increasing of profitable orders portfolio, at simultaneous strengthening of our market position. Competitive advantage was built on the basis of supply of high quality and punctuality services as well as offering of a complex solutions for investors. The Group executes its works with preservation of the highest care, building as good relations with clients as possible.

In segment of production of accessories to construction machines and production of steel structures, we carried out our operations aiming an increase of clients portfolio and occupation of the leading position in production of accessories on European market. In effect, Dekpol S.A. used to increase revenues value from this business activities. We do have at our disposal the reserve of free production capacities, which enable to achieve further increase of turnover in this segment.

Particularly high development dynamics was reached in real-estate development segment. On the basis of property and preliminary agreements in 2016, we sold around 40% more apartments comparing to previous year. At the same time, in financial result for 2016 have been identified around 20% premises more than in previous year. In 2017 we suppose further development of our property business. In connection to planned completion of currently executed projects and assumed transfer of apartments to clients, we do expect, that the revenues rate of real-estate development segment in 2017 will reach about PLN 200 million. Therefore, the share of real-estate development segment will increase significantly in overall revenues of the Capital Group. We still maintain our projection, according to which, sales revenues of Dekpol Capital Group in year 2017 will, from all areas of business activities, reach up to PLN 500 million.

I believe, that the adopted and executed strategy will contribute to long-term increase of value of the Company and the Group for Shareholders. Both, our work and systematic improvement of financial results are valued by independent institutions. In 2016, Dekpol took 984th place among the biggest Companies in Poland on the list "Lista 2000 of Rzeczpospolita", which means promotion of 167 positions comparing to previous year. Dekpol was also honorable mentioned with prestigious



title of "Orły" of the weekly "Wprost" in 2016, awarding the most profitable and the most dynamic companies. The Company took also place on the prestigious list of the most dynamic companies awarded with the title "Diamenty" of the monthly "Forbes" in 2017. The Firm was classified on the highest 1st place on both, nationwide and regional list of Pomeranian Voivodeship, covering the most dynamic companies achieving annual revenues of above PLN 250 million.

I would like to present one's compliments and express one's thanks to our business partners for the present and good cooperation, as well as to our Employees for their engagement in development of Dekpol Capital Group.

I encourage you to familiarize yourselves with full report of the Group for the year 2016.

Yours sincerely

Mariusz Tuchlin

CEO