

Current report no. 46/2017

Date of issue: 2017-09-25

Abbreviated name of Issuer: DEKPOL S.A.

Subject: Conclusion of agreement on construction works in CH Atrium Targówek in Warsaw

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

Content of report:

Management Board of DEKPOL S.A. („Contractor”, „Company”) announces that on 25th of September 2017 concluded with Atrium Poland 1 Sp. z o.o. Targówek 2 sk. (“Investor”) an agreement on construction works relating to reconstruction and extension of the shopping mall CH Atrium Targówek in Warsaw, including, in particular, finishing and handing over of a 2-storey commercial building with 2-level car park and accompanying infrastructure (“Agreement”).

The Agreement has been concluded under stipulation of fulfillment of all suspensive conditions within deadline set on 31st of March 2018, which consist of signing by the Investor of the specified in the Agreement contracts with third parties, about conclusion of which the Investor will inform the Company. Stipulation of the above mentioned conditions does not involve initial stages of works, with respect to which the Agreement starts to be valid as of the day of its signing. In accordance with the Agreement, Contractor will complete all works within approximately 23 months starting with the date of handing over of the site.

For the appropriate and on-time performance of all obligations set in the Agreement, the Company will receive net remuneration equal to c.a. 33% of revenues of the Dekpol Capital Group as of the end of the year 2016 (according to the exchange rate for EUR dated 25th of September 2017). The above remuneration may be changed due to the fact, that the Investor is entitled for adoption of some additional works, other similar works or for exclusion from works of a some specified range of works and to their omission or delegation to any other Contractor.

The Investor is entitled to withdraw from the Agreement anytime until the 1st of December 2018 with 1-month withdrawal period. The Agreement includes provisions concerning contractual penalties in case of, among other things, delays in completion of works and removal of defects, however the Investor may claim compensation in the amount exceeding contractual penalties.