

Current report no. 49/2017

Date of issue: 2017-10-04

Abbreviated name of the Issuer: DEKPOL S.A.

Subject: Allocation of DB series bonds

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

Content of report:

Following the current report no. 19/2017 dated 8th of May 2017 concerning conclusion of agreements regarding financing of business activities of the Company with SGB-Bank S.A. ("Bank"), Management Board of Dekpol S.A. ("Issuer", "Company") announces, that on the 4th of October 2017 adopted resolution on allocation of 20.000 pieces of DB-series bearer bonds of a total nominal value equal to PLN 20 million ("Bonds") for the Bank. The nominal value of one Bond amounts PLN 1.000. The issue price of Bonds is equal to its nominal value.

The purpose of bonds issue programme is financing of property development investments, including spending funds from bonds issue on financing or refinancing of purchase of properties or acquisition of perpetual usufruct right. The bonds issue was of a non-public nature in the meaning of the Polish Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated July 29th 2005. Redemption date has been set on 30th of April 2021. The Issuer is entitled to earlier redemption of all or some part of Bonds. Prior to the final redemption date, each Bondholder may demand repurchasing of all or some part of Bonds in case of occurrence and endurance of violation case defined in Bonds Issue Conditions. The Bonds bear variable interests, based on WIBOR 6M rate plus margin, the payment is performed half-yearly.

The Bonds are covered by contractual mortgage to the amount of PLN 52,5 million for the mortgage administrator on a perpetual usufruct of the plot and building as a separate property, attributable to Almond Sp. z o.o., located in Gdańsk at Toruńska Street, as well as conditional cession of liabilities from contracts concluded by the Issuer of a remaining value to be settled in the amount not less than net PLN 22 million.