

Current report no. 68/2017

Date of issue: 2017-12-13

Abbreviated name of the Issuer : DEKPOL S.A.

Subject : Reception of a permit on construction of two buildings – residential and commercial one, as a part of the project „Grano Residence” 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 13<sup>th</sup> of December 2017, the Company received issued by President of the City of Gdańsk the final decision concerning permit on construction of two buildings – residential and commercial one as a part of the project „Grano Residence” in Gdańsk at Pszenna, Chmielna and Żytnia Street.

As a part of the investment, the Capital Group of the Company aims to construct 141 residential premises of a total usable area of approximately 6000 m<sup>2</sup>, 136 hotel rooms of a total usable area of about 3800 m<sup>2</sup>, as well as 9 commercial premises of a total usable area of ca. 1700 m<sup>2</sup>. Estimated value of revenues to be received by the Company from the execution of the investment amounts about net PLN 157 million. Hand-over of the first premises, as well as the completion in execution of the whole investment have been scheduled for the 2<sup>nd</sup> quarter of the year 2020.

The project will be performed by the Subsidiary of the Issuer and the investment outlays will be financed by use of funds gathered during F-series bonds issue programme, about which the Company announced in current report no. 31/2016 dated 23<sup>rd</sup> of December 2016, as well as by use of the own funds of the Group and eventually by use of foreign capital.