

Current report no. 70/2017

Date of issue: 2017-12-14

Abbreviated name of the Issuer: DEKPOL S.A.

Subject: Conclusion of the agreement on general contracting of the investment in Siemianowice Śląskie

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

Content of report:

Management Board of DEKPOL S.A. („Company”, „Contractor”) announces, that on 14th of December 2017 concluded with 7R S.A. (“Ordering party”) an agreement on execution in general contracting system of a comprehensive building-construction and installation works, the result of which will be construction of a “turnkey” office-storage object “CL SIEMIANOWICE” on a property located in Siemianowice Śląskie (“Investment”), as well as reception of all required decisions and permits necessary for the execution and usage of the Investment (“Agreement”).

The deadline for performance of the subject of the Agreement has been set on 31st of July 2018, with the possibility of its extension until 31st of August 2018. Fixed net remuneration of the Contractor for all works set in the Agreement amounts 7% of sales revenues of the Company’ Capital Group for the year 2016, however it may change by to exclusion of some part of works or by ordering of some additional works.

The Agreement includes provisions concerning contractual penalties, according to which, contractual penalties shall be calculated in case of failure in deadline keeping in performance of the Investment, failure in deadline keeping in reparation of defects and/or faults, withdrawal from the Agreement due to reasons attributable to the Contractor, as well as in case of other breaches of provisions of the Agreement. Total amount of contractual penalties cannot exceed 20% of remuneration of the Company, however the parties may claim compensation to the full amount of suffered damages. Ordering party may withdraw from the Agreement due to important reasons each time, paying for all already performed works.