

Current report no. 37/2019

Date of issue: 2019-11-28

Abbreviated name of the Issuer: DEKPOL S.A.

Subject: Conclusion of a letter of intent regarding the general contracting of a retail park in Kołobrzeg

Legal basis: Article 17 Section 1 MAR – confidential information.

Content of report:

The Management Board of Dekpol S.A. ("The Issuer") informs that on 28<sup>th</sup> of November 2019, it concluded with Karuzela Kołobrzeg Sp. z o.o. a letter of intent to confirm the parties' will to conclude a contract for the Issuer, as the general contractor, to carry out an investment involving the construction of a retail center with associated infrastructure in Kołobrzeg (Investment).

The general contracting agreement will be concluded in December 2019. The Issuer will complete the investment in May 2021, subject to the conclusion of the contract and the delivery of the construction site within a specified period. The total net flat-rate remuneration of the Issuer for the implementation of the Investment has been set at around 12% of the Issuer's Capital Group revenues for 2018.

For the purposes of the general contracting agreement, the parties agreed a limit of contractual penalties in the total of 10% of the net remuneration.