

Current report no. 23/2020

Date of issue: 2020-09-25

Abbreviated name of the Issuer: DEKPOL S.A.

Subject: Conclusion of the next annex to the general contracting agreement of the investment – shopping centre Karuzela Kołobrzeg

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

Content of report:

Following current report no. 4/2020 dated 21st of January 2020 and current report no. 13/2020 dated 20th of May 2020 concerning conclusion of agreement and annexes to general contracting agreement of the investment – shopping centre Karuzela Kołobrzeg, regarding execution of construction works on shopping mall along with other objects such as traffic circle, parking lots for cars etc. (“Agreement”), Management Board of Dekpol S.A. (“Contractor”) announces, that on 25th of September 2020 it received the signed by Karuzela Kołobrzeg Sp. z o.o. (“Ordering Party”) another annex to the Agreement (“Annex no. 3”).

Pursuant to Annex no. 3, parties extended scope of Works 1, referred to in current reports no. 3/2020 and 13/2020 in such a way, that the Contractor was commissioned to carry out works related to execution of the platform along with works dedicated to Leroy Merlin Inwestycje Sp. z o.o. and the scope of Works 2 referred to in these current reports has been limited accordingly.

At the same time, due to the fact that by 31st of August 2020, the Ordering Party did not provide the Contractor with a written notice of the commencement of Works 2, referred to in current reports no. 3/2020 and 13/2020 (covering construction of a shopping mall - a single-level building with all connections and land development works), which was a condition for the commencement of these works, the parties agreed a new deadline for the Ordering Party's delivery of the notice on the commencement of Works 2, setting it for 2 months from the conclusion of Annex 3. The Ordering Party is not obliged to submit this notification. If the notification will not be delivered, the scope of works covered by Agreement and the Contractor's remuneration will be limited to Works 1 only.

Annex no. 3 indicates that the detailed deadlines for the execution of works are adjusted to the changes made and it was agreed, that the remuneration for the performance of works, by which the scope of Works 1 was extended, would amount to approx. 2% of sales revenues of the Dekpol Capital Group for the year 2019, and the remuneration for Works 2 will be reduced to the level of approx. 9% of sales revenues of the Dekpol Capital Group for the year 2019. The amount of total remuneration for Works 1 and Works 2 has not been changed.