

Current report No 98/2017

Date prepared: 30/11/2017

Abbreviated name of the issuer: POLIMEX-MOSTOSTAL

Subject: Execution of a preliminary sales agreement for the perpetual usufruct of a real property

Legal basis: Article. 17(1) of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC

The Management Board of Polimex-Mostostal SA with its registered office in Warsaw (the “**Company**”) hereby informs that today the Company executed a preliminary sales agreement for the perpetual usufruct rights of developed real properties, the subject of which are real properties located in Stalowa Wola, commune [gmina] Stalowa Wola, district [powiat] Stalowa Wola, Podkarpackie voivodship, for which the District Court in Stalowa Wola VI Department of Land and Mortgage Registry maintains an entry No. TB1S register KW Nr TB1S/00023595/4, KW Nr TB1S/00012224/3, KW Nr TB1S/00012225/0 (the “**Real Property**”).

Under the Agreement, the total price for the Real Property amounts to PLN 4,682,000.00 NET, i.e. PLN 5,757,489.40 gross. (The “**Price**”).

In the preliminary agreement, the Company undertook to enter into a conditional real property sales agreement, under the following conditions: (I) waiving out the right of first refusal or ineffective expiry of the deadline [for such a refusal] by the Mayor of Stalowa Wola (ii) obtaining all the documents issued by the mortgage creditors with collateral in the form of mortgages containing consent for the release of all mortgages and deletion [of the entry] from the land register.

The transfer of the ownership of the real property will be subject of a separate agreement following the payment of the conditional price specified in the Agreement to an escrow account by the buyer.

The Parties agreed on an automatic termination of the preliminary real property sales Agreement on 30 March 2018, inclusive, in the case of the fulfillment of all conditions (and if the Buyer does not waive the obligation to meet them).

The sale of the Real Property is part of the agreement executed with financial creditors on the conditions for handling of the Company’s financial debt.