

Current Report No. **11/2017**

Report Date: **28 March 2017, 18:27 PM**

Abbreviated name of the issuer:

**DOM DEVELOPMENT S.A.**

Subject:

**The Proposal of the Management Board to include in the agenda of the General Meeting of Shareholders a resolution on the adoption of Management Share Options Programme IV**

Legal basis:

**Article 17.1 of the Market Abuse Regulation – inside information**

### **The Report:**

The Management Board of Dom Development S.A. with its registered office in Warsaw (hereinafter the "Company") announces that on 28 March 2017 a resolution was adopted concerning the inclusion on the agenda for the General Meeting of Shareholders of a matter concerning the passing of a resolution on the adoption of Management Option Programme IV for Vice President of the Management Board and Chief Operating Officer, Mrs Małgorzata Kolarska (hereinafter "Programme IV") and concerning a decision to amend the Statutes in respect of the Management Board's power to increase the share capital within the authorised capital.

In accordance with the terms of Program IV, Mrs Małgorzata Kolarska would receive options authorising her to subscribe for 500,000 shares of Dom Development S.A. for the price of PLN 35.00 (in words: thirty five Polish zlotys) per share. The exercise of these options will be limited to 100,000 shares in any period of consecutive 12 months, and the non-exercised options may be exercised at a later time, however not later than by 31 December 2027.

The proposed adoption of Programme IV is related to the increasing scale and territorial range of business operations of the Company and the key role of the areas within the scope of duties of the Vice President of the Management Board and Chief Operating Officer, where this scope of duties includes inter alia purchase of land and development of projects. The pool of options to be exercised under Programme IV will be divided into 5 tranches at 12-month intervals. This is to establish a link between the ongoing operational activities and a long-term development of the Company and increase in the value for the shareholders.

For Programme IV to enter into force, it is required to have its terms accepted by the Supervisory Board of the Company based on the authorisation granted by the General Meeting of Shareholders in a resolution.

The Management Option Programmes have been used since 2001 to provide incentives for employees. The last active tranche of options granted in the previous years matured on 10 December 2016, and therefore no active Management Option Programme has been in place since 31 December 2016 in the Company.

### **Signatures of persons representing the Company:**

Jarosław Szanajca – President of the Management Board

Janusz Zalewski – Vice President of the Management Board