

RESOLUTION NO. 10/03/17

of the Management Board

of Dom Development S.A. with its registered seat in Warsaw

held on 28 March 2017

on a justification of the drafts of the resolutions to be adopted by the Ordinary General Shareholders Meeting of Dom Development S.A. on 25 May 2017

The Management Board of Dom Development Spółka Akcyjna with its registered seat in Warsaw, acting pursuant to point 2.2 of the Dom Development S.A. Shareholders Meeting Bylaws, adopts as follows:

§ 1

1. The Management Board of Dom Development Spółka Akcyjna with its registered seat in Warsaw, hereby presents a justification of the drafts of the resolutions of the Ordinary General Shareholders Meeting of Dom Development S.A. with its registered seat in Warsaw dated 25 May 2017 on acceptance of the agenda of the Ordinary General Shareholders Meeting, on revoking the secrecy of ballots for the resolution, on appointing the Returning Committee and on appointing the Returning Committee.

The resolutions on acceptance of the agenda of the Ordinary General Shareholders Meeting, on revoking the secrecy of ballots for the resolution, on appointing the Returning Committee and on appointing the Returning Committee arise through the formal course of the meeting and approval of them is in accordance with the Commercial Companies Code and the Dom Development S.A. Shareholders Meeting Bylaws.

2. The Management Board of Dom Development S.A with its registered seat in Warsaw, hereby presents a justification of the draft of the resolution of the Ordinary General Shareholders Meeting of Dom Development S.A. with its registered seat in Warsaw dated 25 May 2017 concerning allocation of the Dom Development S.A. net profit as of 2016 and setting the dividend day and the date of payment of dividends.

The Management Board of Dom Development S.A. proposes that part of Dom Development S.A.'s net profit for 2016 in the amount of PLN **125,585,531.10** (in

words: one hundred and twenty-five million five hundred and eighty-five thousand five hundred and thirty-one Polish zloty and ten groszes), i.e. PLN **5.05** (in words: five Polish zloty and five groszes) per share, be distributed among the Dom Development S.A. shareholders as a dividend and the remaining part of Dom Development S.A.'s net profit for 2016 in the amount of PLN **2,155,024.36** (in words: two million one hundred and fifty-five thousand and twenty-four Polish zloty and thirty six groszes) be allocated to increase the reserve capital of Dom Development S.A. The proposed amount of the dividend is 98,3% of the net profit of Dom Development S.A. as of 2016. The payment to the shareholders of Dom Development S.A. of the dividend in the amount of 98,3% of the net profit of Dom Development S.A. as of 2016 will be in accordance with the Dividend Policy of Dom Development S.A. accepted based on the Management Board resolution no. 02/04/13 of 3 April 2013 on the Dividend Policy of Dom Development S.A.

3. The Management Board of Dom Development S.A with its registered seat in Warsaw hereby presents a justification of the draft of the resolution of the Ordinary General Shareholders Meeting of Dom Development S.A. with its registered seat in Warsaw dated 25 May 2017 on authorization of the Supervisory Board of the Company to accept the Provisions of the Management Share Options Programme IV for the Vice President of the Management Board - the Chief Operations Officer, regarding 500,000 Shares of Dom Development S.A. and on authorization of the Management Board and the Supervisory Board of the Company to implement the Management Share Options Programme IV for the Vice President of the Management Board - the Chief Operations Officer, regarding 500,000 Shares of Dom Development S.A.

The Company has already implemented three Management Share Options Programmes.

The Management Share Options Programme IV is exclusively addressed to Małgorzata Kolarska, the Vice President of the Management Board and the Chief Operations Officer of the Company. The reason for this is the special role of the Chief Operations Officer plays in managing of the Company's operations in a situation, where the amount of the implemented residential estates and of new residential units is significantly growing and when the further development plans of the Company require

new, more effective project management methods. The Chief Operations Officer is also responsible for the acquisition of real estates and the implementation of development processes, which constitute the key areas for the future development of the Company and for the further increase of its value. Therefore, the aim of this Programme is that the Company obtains effective means and mechanisms to motivate the Chief Operations Officer to perform actions ensuring a long-term increase of the Company's value.

The Programme shall provide that when participants of the Management Share Options Programme IV submit their requests to join the programme in order to exercise Share options to subscribe for the Shares (subscription warrants) allocated to them, the Management Board will adopt, upon the consent of the Supervisory Board, resolutions on increasing the share capital within the limits of the authorised and unissued capital, in the performance of which the holders of a subscription warrants could exercise their rights to subscribe for the Shares.

In accordance with the provisions of the Management Share Options Programme IV the Company plans to issue on one or several occasions, up to 500,000 Shares with a nominal value of PLN 1.00 (in words: one Polish zloty) each, intended for the implementation of the Management Share Options Programme IV, within the limits of the authorised capital. In the case of the Management Share Options Programme IV the issue price will be set directly by the General Shareholders Meeting at PLN 35.00 (in words: thirty five Polish zloty) for one share.

4. The Management Board of Dom Development S.A with its registered seat in Warsaw hereby presents a justification of the draft of the resolution of the Ordinary General Shareholders Meeting of Dom Development S.A. with its registered seat in Warsaw dated 25 May 2017 on an amendment to the Statute on authorisation of the Management Board to increase the share capital within the limits of the authorised and unissued capital with the right to exclude, by the Management Board, upon the consent of the Supervisory Board, the pre-emptive rights, in full or in part, the existing shareholders may have with respect to the shares and subscription warrants which entitle their holders to subscribe for new shares.

A draft resolution provides the Management Board the authorisation to increase the share capital by way of a new share issue with an aggregate nominal value of up to PLN 1,500,000.00 (in words: one million five hundred thousand Polish zloty), on one or several occasions, within the limits set out above, with the right granted to the Management Board to exclude, in full or in part, upon the consent of the Supervisory Board, the pre-emptive rights the existing shareholders may have with respect to the new shares and subscription warrants which entitle their holders to subscribe for shares. The purpose of this resolution is:

- a) to facilitate Dom Development S.A. to perform its obligations under the Dom Development S.A. 500,000 Executive Share Option Scheme IV, or
- b) to facilitate Dom Development S.A. to increase the Dom Development S.A. share capital in a flexible manner to obtain additional funding intended for the achievement of the Dom Development S.A. objectives, including for the development of projects or the exploitation of development opportunities, including possible acquisitions.

A detailed justification of the draft of said resolution is set out in the resolution of the Management Board of Dom Development S.A. no. 09/03/17 dated 28 March 2017 on justifying the reasons for granting to the Management Board the right to exclude the pre-emptive rights of the existing shareholders of Dom Development S.A. and specifying the manner in which the issue price will be determined in the event that the Management Board increases the Dom Development S.A. share capital within the limits of the authorised and unissued capital.

5. The Management Board of Dom Development S.A with its registered seat in Warsaw hereby presents a justification of the draft of the resolution of the Ordinary General Shareholders Meeting of Dom Development S.A. with its registered seat in Warsaw dated 25 May 2017 concerning the adoption of the Dom Development S.A. uniform Statute.

In accordance with the proposal of the adoption of the above-mentioned resolution concerning amendment of the Statute adoption of the uniform Statute of Dom Development S.A. in the form of a notarial deed is essential and reasonable.

Drafts of the resolutions described in the § 1 above are attached to the resolution no. 08/03/17 of the Management Board of Dom Development S.A. dated 28 March 2017 on the justification of the request to call the Ordinary General Shareholders Meeting of Dom Development S.A. on 25 May 2017 and specified issues put to the agenda.

§ 3

The resolution shall become effective upon its adoption.