

RESOLUTION NO. 03/08/20

of the Management Board

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

held on 4 August 2020

on a justification of the drafts of the resolutions to be adopted by the Ordinary General Shareholders Meeting of Dom Development S.A. on 31 August 2020

The Management Board of Dom Development Spółka Akcyjna with its registered seat in Warsaw (the “**Company**”), 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 31 August 2020 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 31 August 2020 concerning allocation of the Dom Development S.A. net profit as of 2019, and setting the dividend day and the date of payment of dividends.

The Management Board of Dom Development S.A. proposes to allot for payment a cash dividend to the shareholders of Dom Development S.A. in the amount of **PLN 9.50** (in words: nine Polish zlotys and fifty groszy) per share, amounting to **PLN**

239,575,009.00 (in words: two hundred and thirty-nine million, five hundred and seventy-five thousand and nine Polish zlotys) which is 94% of the consolidated net profit of Dom Development S.A. Capital Group as of 2019. The payment to the shareholders of Dom Development S.A. of the dividend in the amount of 94% of the consolidated net profit of Dom Development S.A. Capital Group as of 2019 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 31 August 2020 on the adoption of the Management Share Options Programme VI for Marcin Drobek, Management Board Consultant – Director for Investment Realization, regarding 150,000 Shares of Dom Development S.A.

The Company has already implemented three Management Share Options Programmes and implements the fourth and fifth Management Share Options Programme.

The Management Share Options Programme VI is exclusively addressed to Marcin Drobek, Management Board Consultant – Director for Investment Realization and the President of the Management Board of Dom Construction Sp. z o.o. with its registered seat in Warsaw, Dom Development S.A. Capital Group company. The justification for this concerns the special management role of Mr. Marcin Drobek at Dom Construction Sp. z o.o. which internally plays an essential role in the Company and the Dom Construction Sp. z o.o. gained a significant share of the Capital Group residential projects and handover units within a short period of time. Further investment plans of the Company and Dom Development S.A. Capital Group require the development of an effective general contractor for building services. Inhouse general contracting is one of the key areas for further development and value growth at Dom Development S.A. Capital Group. Therefore, the aim of the Programme is to implement effective means and mechanisms to motivate Mr. Marcin Drobek to perform such actions as to increase the long-term value of both the Company's and Dom Development S.A. Capital Group's.

The Programme shall provide that when participant of the Management Share Options Programme V submit his 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 holder of a subscription warrants could exercise his rights to subscribe for the Shares.

In accordance with the provisions of the Management Share Options Programme VI the Company plans to issue on one or several occasions, up to 150,000 Shares with a nominal value of PLN 1.00 each, intended for the implementation of the Management Share Options Programme VI, within the limits of the authorised capital. In the case of the Management Share Options Programme VI the issue price will be set directly by the General Shareholders Meeting at PLN 50.00 (in words: fifty 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 31 August 2020 on the adoption of the “Remuneration policy for members of Dom Development S.A. Management Board and Supervisory Board” (the “Policy”).

The obligation to adopt by the general shareholders meeting, by resolution, the remuneration policy for members of the management board and supervisory board is enshrined in Art. 90d section 1 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005, (consolidated text: Journal of Laws of 2019, 623, as amended). The Policy presented to the General Shareholders Meeting has been prepared in accordance with the requirements of the above-mentioned act.

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 31 August 2020 on the registration of shares and of subscription warrants.

The amendment of the Commercial Companies Code (i.e. the Act on the amendment of the Act on Commercial Companies Code and other acts of 30 August 2019, Journal of Laws 2019, item 1298 and Journal of Laws 2020, item 875) introduces the dematerialisation of shares of all companies as of 1 March 2021 i.e. the replacement of paper shares trading by electronic share trading, which the latter being deposited in the shareholders registers kept by authorised entities (investment companies, trust banks and the Central Securities Depository of Poland, KDPW). Due to differing interpretations of the above-mentioned regulations regarding the obligation to adopt by general shareholders meeting resolutions on the choice of share registration system and the holding entity for such a system, the Management Board of the Company recommends the adoption by the General Shareholders Meeting of the resolution on the registration of shares and of subscription warrants.

6. 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 31 August 2020 concerning the adoption of the Dom Development S.A. uniform Statute.

In accordance with the increase of share capital within the scope of the authorised capital, made by the Management Board of Dom Development S.A. under the authority contained in section 3.2.8. of the Dom Development S.A. Statute i.e. the increase of share capital made on the basis of a Management Board resolution no 03/01/20 dated 21 January 2020 regarding the increase of share capital through the issuance of shares of series AA and of series AB, within the scope of the authorised capital, and full and complete waiver of the pre-emptive rights of the existing shareholders, to the amount of PLN 25,218,422, registered by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register Division on 31 March 2020, in the opinion of the Management Board, adoption of the uniform Statute of Dom Development S.A. in the form of a notarial deed is both essential and reasonable.

Drafts of the resolutions described in the § 1 above are attached to resolution no. 02/08/20 of the Management Board of Dom Development S.A. dated 4 August 2020 on the justification of the request to call the Ordinary General Shareholders Meeting of Dom Development S.A. on 31 August 2020 and specified issues put to the agenda.

§ 3

The resolution shall become effective upon its adoption.