ERBUD S.A.

Current Report No.43/2015
Report date: 2015-07-07

Topic:

Signing of a significant contract for construction works worth PLN 24,995,000

Legal basis:
Article 56 section 1 item 2 of the Act on Public Offering - current and periodic information

Content of report:

The Management Board of Erbud SA (the Issuer) announces that on 6 July 2015, the Issuer and VD Spółka z ograniczoną odpowiedzialnością Mieszkania X Spółka komandytowa, seated in Wroclaw, signed a contract for construction work on the following conditions:

1. The Investor: VD Spółka z ograniczoną odpowiedzialnością Mieszkania X spółka komandytowa, based in Wroclaw, 44 Dabrowskiego St., Wroclaw 50-457, entered into the register of entrepreneurs kept by the District Court for Wrocław-Fabryczna in Wrocław, VI Economic Division of the National Court Register, under KRS number 0000528052, NIP: 8992759004, REGON: 022526920, on behalf of which acts the general partner VD spółka z ograniczoną odpowiedzialnością, based in Wroclaw, 44 Dabrowskiego St., entered into the register kept by the District Court for Wrocław-Fabryczna in Wrocław, VI Economic Division of the National Court Register, under KRS number 0000291788, REGON: 020604900, NIP: 8971735091.
2. Contract value: PLN 24,995,000
3. Contract subject: Construction of a residential building with retail space and underground car park, utilities and structural landscaping.
4. Completion period: obtaining an occupancy permit - 64 weeks after the receipt of a Notice to Proceed; conditions to issue a Fit-out Taking-Over Certificate for works in the stairwell B and C should be fulfil within 73 weeks from the receipt of a Notice to Proceed.
5. Financial guarantees: Performance Bond of 10% of the net contract price and Remedying Defects Warranty of 5% of the net contract price.
6. Penalties: The sum of liquidated damages shall not exceed 10% of the net contract price.
7. Other: Terms and conditions of the contract do not vary from standards commonly used for this type of contracts. The contract value exceeds 10% of the equity of the Issuer and therefore meets the criteria for recognising it as a significant contract.

Legal basis: Art. 5 section 1 point 3 of the Ordinance of the Minister of Finance dated 19 February 2009 regarding current and periodic information disclosed by issuers of securities and conditions for recognizing as equivalent information required by laws of a non-member state.