ERBUD S.A.

Current Report No.54/2015
Report date: 2015-09-02

Topic:

Signing of a significant contract for construction works with a value of PLN 45.83m - heating plant in Bytom

Legal basis:

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

Content of report:

Below is information about the contract conditions:

1. Contract value: PLN 45,830,000 net
2. Erbud's contract subject: Turnkey construction of a heating plant with WR-25 boiler and accompanying infrastructure including i.a.: preparing design documentation and obtaining replacement building permit design (if required); complex construction and installation services covering the supply of WR-25 boiler, along with plants, installation of coal handling system, slag, flue removal system, flue gas desulphurisation plant, dust collection system and complete services and utilities, start-up, pre-commissioning and commissioning.
3. Completion period: 14 months from signing a contract (01.09.2015) to the Final Acceptance and issuing a Final Commissioning Certificate.
4. Total penalties: the sum of liquidated damages up to 28% of the Contract Price.
5. Performance Bond: 10% of the net Contract Price.
6. Remedying Defects Warranty: 5% of the net Contract Price.
7. Advance payment: 5% after submitting the advance payment guarantee.
8. Warranty periods:
   - 36 months from the date of the Final Commissioning Certificate covering the entire equipment;
   - 60 months from the date of the Final Commissioning Certificate covering construction works, including corrosion protection coatings, chemical resistant coatings and paint coatings.

The contract value exceeds 10% of the equity of the Issuer.

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