ERBUD S.A.

Current Report No.72/2015
Report date: 2015-12-18

Topic:

Sale of significant assets (shares) by a subsidiary of Erbud SA (Issuer).

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

Content of report:
ERBUD SA ("Issuer") with its registered office in Warsaw announces that today it received information from its subsidiary BUDLEX SA ("Budlex") with its registered office in Warsaw that on 18 December 2015 Projekt P2 SPV sp. z o.o. ("Project P2") - a subsidiary of Budlex seated in Warsaw, concluded with Cymbeline sp. z o.o. ("Cymbeline") headquartered in Warsaw an agreement to sale all shares held by the Project P2 in the company under the name Deptak Projekt P2 sp. z o.o. (“Deptak”) seated in Poznań, i.e. 28,001 shares with a nominal value of PLN 250 each one, with a total nominal value of PLN 7,000,250 that represents 100% of the share capital of Deptak and 100% of votes at the AGM Shareholders of Deptak ("Sale Agreement"). The ownership title to the shares passed to Cymbeline at the time the Sale Agreement was signed. Price for the shares amounted to Euro 10,732,782 and may be increased in the circumstances stipulated in the Sale Agreement.
A part of the sale price amounted to Euro 3,879,041.60 is kept in a frozen Escrow Account as collateral for the fulfilment of certain events stipulated in the Sale Agreement. In the case where these events are fulfilled, the appropriate amounts of retained part of the price, depending on circumstances, will be transferred to the bank account of Projekt P2, Cymbeline or Deptak.
The Sale Agreement contains representations and warranties of the parties customary in such transactions. The Sale Agreement does not contain any objections to the conditions and dates. The Sale Agreement does not contain penalty clauses as well.
None of the Issuer’s managing or supervising persons is in no way related to Projekt P2, which is a Seller of shares in Deptak.
The criterion which forms the basis for recognising shares in Deptak as significant assets - in accordance with the Ordinance of the Minister of Finance dated 19 February 2009 on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by laws of non-member state (Journal of Laws No. 33 of 2009. pos. 259) - is the value of the Issuer’s equity, in respect of which the shares in Deptak represent at least 10% of this value.
The Issuer holds 89.96% of the share capital in BUDLEX SA that has a 50% stake in the share capital of Project P2, which is the Seller in the Sale Agreement.

Specific legal basis:
Art. 5 sec. 1 point 1 of the Ordinance of the Minister of Finance on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by laws of a non-member state - Sale of Significant Assets.