ERBUD S.A.

Current Report No.37/2016
Report date: 2016-05-23

Topic:

Signing of a significant contract for construction works worth PLN 25.5m - PROMENADY VII residential building with retail area and basement car park, incl. on-site infrastructure and development works, interior fit-out and finishes on turn-key basis.

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 hereby announces that on 23 May 2016, the Company signed a contract for construction works on the terms and conditions as below:

1. Contract concluded on 2016.05.23
2. Investor: Promenady VII spółka z ograniczoną odpowiedzialnością spółka komandytowa based in Wroclaw, 44 Dąbrowskiego St., entered into the register of the National Court Register kept by the District Court for Wrocław-Fabryczna in Wroclaw, VI Commercial Division of the National Court Register under KRS number 0000586479, NIP: 8992777752, REGON: 36302223300000, represented by the general partner, i.e. VD sp. o.o., based in Wroclaw, 44. Dabrowskiego St., entered into the register of the National Court Register kept by the District Court for Wrocław-Fabryczna in Wroclaw, VI Commercial Division of the National Court Register under KRS number 0000291788, NIP: 8971735091, REGON: 02060490000000, with registered capital amounted to PLN 50,000.
3. Contract value: PLN 25,535,326.83
4. Contract subject: PROMENADY VII residential building with retail area and basement car park, incl. on-site infrastructure and development works, interior fit-out and finishes on turn-key basis.
5. Site location: Wrocław.
6. Completion period: sixty-eight weeks from the issue of Notice to Proceed.
7. Payment terms - 30 days.
8. Performance Bond: Bank guarantee amounting 10% of the contract price + retention of 5%.
9. Defects Liability Bond: Bank guarantee amounting 5% of the contract price.
10. Other guarantees: none.
11. Penalties: The sum of liquidated damages shall not exceed 15% of the contract price.

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

Specific legal basis:

Art. 5 sec. 1 point 3 of the Regulation 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.