ERBUD S.A.

Current Report No.90/2016
Report date: 2016-12-21

Topic:

Signing of a significant contract for construction works with a value of EUR 11,675 thousand (= PLN 51,519 thousand) – erection of buildings B and C of the Centrum Praskie Koneser, incl. the accompanying infrastructure, located in Warsaw on Ząbkowska Str.

Legal basis:
Article 17(1) of the MAR – confidential information

Content of report:

The Management Board of Erbud SA (the "Issuer") informs that on 21 December 2016 a construction contract has been signed on the following terms and conditions:

1. Contract for works associated with the erection of buildings B and C of the Centrum Praskie Koneser, incl. the accompanying infrastructure, located in Warsaw on Ząbkowska Str.
2. Investor: Centrum Praskie Koneser Spółka z ograniczoną odpowiedzialnością Spółka komandytowa.
3. Completion period: 09.01.2017 - 20.02.2018.
4. Range of works: shell & core construction and MEP works of building B (building alteration and extension, addition of storeys on the warehouse and production building with personnel facilities, and conversion of use to the commercial area and hotel) and building C (addition of storeys above the filtration building and change of use to the office and commercial building) incl. the accompanying infrastructure and development works.
5. Contract value: EUR 11,675,291.48 (= PLN 51,520,726.24).
6. Site location: Warsaw, Ząbkowska Str.
7. Performance Bond: Bank guarantee of 10% of the net Contract Price provided for 15 months.
8. Defects Liability Bond: Bank guarantee of 5% of the net Contract Price provided for 61 months.
9. Penalties:
   - 0,1% of the gross Contract Price for each day of failure to timely achieve a milestone, completion of works or a phase;
   - 10% of the gross Contract Price in case of withdrawal from the Contract or PLN 5 000 for each day of breach of the Contract in the event of non-withdrawal;
   - PLN 500 for a failure to remedy single defects for each day of delay.
10. The sum of liquidated damages shall not exceed 10% of the gross Contract Price.
11. Warranty periods:
    - 10 years for structural works, roofs and facade as a part of the Works;
    - 10 years for waterproofing;
    - 5 years for civil works, incl. earthworks, construction and MEP as a part of the Works;
    - for the equipment - equal to the warranty granted by the manufacturer, but in case for not less than 4 years;
    - 5 years for other Works.