ERBUD S.A.

Current Report No. 11/2017
Report date: 2017-04-07

Topic:

Concluding a significant contract for the construction of two multi-storey residential buildings with underground garage worth PLN 37.9m

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

Content of report:

The Management Board of Erbud SA (the “Issuer”) informs that on 30 August 2017 a construction contract was signed on the following terms and conditions:

Contract: KR-1705 NOVUM II A Apartments - Task I

1. Contract concluded on 7 April 2017.
2. Investor: "Durham 2 Spółka z ograniczona odpowiedzialnością; ul. Prosta 68, 00-838 Warszawa; NIP: 5252676797.
3. Net contract value: PLN 37,936,126.93
4. Contract subject: "Construction of two multi-storey residential buildings, including an underground garage; in-building systems: water supply, sanitary and storm drainage, central heating, mechanical ventilation and smoke venting, wiring (incl. low-current wiring and external lighting); playground; on-site roads with drainage, footways and structural landscaping called NOVUM II APARTMENTS at Rakowicka and Wita Stwosza Strrets in Kraków.”
5. Site location: Kraków.
6. Completion period: 10.04.2017 – 30.03.2019.
7. Terms of payment: Invoicing on monthly basis; credit period: 30 days.
8. Performance Bond: PLN 1,896,806.35, i.e. 5% of contractual remuneration; possible bank or insurance guarantee valid from 10.04.2017 to 30.06.2019.
9. Defects Liability Bond: PLN 1,896,806.35, i.e. 5% of contractual remuneration - in the form of deductions from current invoices; possible conversion into a bank or insurance guarantee after the final acceptance, i.e. from 01.04.2019 to 30.06.2024.
10. Other guarantees: None.
11. Penalties: For non-compliance with the deadline - 0.05% of net remuneration for each day of delay, the total amount of contractual penalties shall not exceed 8% of net remuneration.