ERBUD S.A.

Current Report No. 12/2017
Report date: 2017-04-07

Topic:

Concluding a significant contract for the construction of a single building with underground car park comprising of two above-ground residential portions and one above-ground portion designed for a student hotel with a value of PLN 43m.

Legal basis:

Article 17(1) of the MAR – confidential information

Content of report:

The Management Board of Erbud SA (the “Issuer”) informs about signing a significant construction contract under the following terms and conditions:

Contract: KR-1705 NOVUM II B Apartments - Task II

1. Contract concluded on 7 April 2017.
2. Investor: "Durham Spółka z ograniczona odpowiedzialnością; ul. Prosta 68, 00-838 Warszawa; NIP: 107-00-15-763.
3. Net contract value: PLN 43,063,873.07
4. Contract subject: "Construction of a single building with underground car park comprising of two above-ground residential portions and one above-ground portion designed for a student hotel; 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 located at Rakowicka St. in Kraków.”
5. Site location: Kraków.
6. Completion period: 10.04.2017 – 15.05.2019.
7. Terms of payment: Invoicing on monthly basis; credit period: 30 days.
8. Performance Bond: PLN 2,153,193.65, i.e. 5% of contractual remuneration; possible bank or insurance guarantee valid from 10.04.2017 to 15.08.2019.
9. Defects Liability Bond: PLN 2,153,193.65, 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 16.05.2019 to 15.08.2024.
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 remuneratio