ERBUD S.A.

Current Report No.27/2017
Report date: 2017-06-02

Topic:

Signing of a significant contract for construction works worth PLN 72,25m – erection of the NORDIC ASTRUM residential and commercial building in Bydgoszcz on Babia Wieś Street. Value of works for ERBUD S.A. of not less than PLN 50,25m.

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

Content of report:

The Management Board of Erbud SA (the "Issuer") informs that on 2 Juni 2017 a construction contract was signed on the following terms and conditions:

1. Contract concluded on 2 Juni 2017.
2. Investor: Nordic Astrum Sp z o.o. ul. E. Plater 53, 00-113 Warszawa.
3. Net contract value: PLN 73,250,000.
4. Contract subject: construction as General Contractor of the NORDIC ASTRUM residential and commercial building in Bydgoszcz on Babia Wieś Street.
5. Site location: Bydgoszcz, Babia Wieś Street.
6. Completion period: The handing over possession of the Construction Site to the General Contractor will take place within 30 days from the date of signing the Contract. The commencement of Works will take place within 5 days after the handing over possession of the Construction Site and the delivery of complete Design Documentation. The completion period is 24 months.
7. Payment terms: Invoicing according to the progress of Works; credit period: 30 days
8. Performance Bond: 5% of the net Contract Price in the form of an insurance guarantee for the contract completion period + 45 days.
9. Defects Liability Bond: 1.5% of the net Contract Price in the form of an insurance guarantee for a period of 5 years from the date of signing the Final Acceptance Certificate.
10. Other guarantees:
    a. for structural works 120 months;
    b. for plant and equipment - as warranted by the manufacturer, but not less 24 (say: twenty-four) months;
    c. for construction works other than structural ones - 60 (say: thirty-six) months.
11. Penalties: Penalties do not vary from market conditions used for this type of contract.
    The total amount of all contractual penalties shall not exceed 10% of the net Contract Price.
12. Note: This contract is performed in consortium with EKONOVA S.A. seated in 03-338 Warsaw on 13 Julianowska St. The participation of the consortium member of more than PLN 23m net of the Contract Price.