ERBUD S.A.

Current Report No.61/2017
Report date: 2017-12-07

Topic:

Signing of a significant contract for construction works worth PLN 57.6 million – Construction as general contractor of a retail and shopping centre in Gliwice on Rybnicka Street, including road system, parking area and associated infrastructure, retaining walls, water meter chamber, pumping station and fire-fighting tanks, pylon and monument sign – 1st stage of completion / phase 1.

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

Content of report:

The Management Board of Erbud SA (the "Issuer" / the "Company") informs that it entered today into a construction contract on the following terms and conditions:

1. Contract execution date: General Contracting Contract of 07.12.2017.
2. Investor: SILESIA OUTLET Sp. z o.o.; 18 Piękna Street, 00-549 Warszawa; NIP: 7010533434.
3. Contract value: PLN 57,560,000.
4. Contract subject: Construction as general contractor of a retail and shopping centre in Gliwice on Rybnicka Street, including road system, parking area and associated infrastructure, retaining walls, water meter chamber, pumping station and fire-fighting tanks, pylon and monument sign – 1st stage of completion / phase 1.
5. Site location: Gliwice.
6. Completion period: from about 29.12.2017 to 29.03.2019.
7. Payment terms – invoicing on monthly basis with a credit period of 30 days.
8. Performance Bond: 10% of net remuneration, i.e. PLN 5,756,000 in the form of a bank guarantee valid until 29.03.2019.
9. Defects Liability Bond: 5% of net remuneration, i.e. PLN 2,878,000 in the form of a bank guarantee for a period of 5 years; 2% of net remuneration, i.e. PLN 1,151,200 in the form of a bank guarantee for the next 5 years.
10. Other guarantees: none.
11. Penalties:
    - for exceeding the deadline of less than 14 days - 0.1% of net remuneration for each day of delay; for exceeding the deadline of more than 14 days - 0.15% of net remuneration for each day of delay charged from the 15th day;
    - in the case of withdrawal from the contract by any Party - 10% of net remuneration;
    - the limit of contractual penalties for any Party - up to 10% of net remuneration.
12. The contract shall come into force after submitting a written Notice to Proceed by the Investor before 27.12.2017.