ERBUD S.A.

Current Report No.40/2018
Report date: 2018-08-01

Topic:

Conclusion of a significant construction contract worth PLN 52 million - Construction of a complex of multi-family residential buildings numbered B4, B5, B6 (Phase II) and B7, B8 (Phase III) including underground garages, estate road system and on-grade car parking space, technical infrastructure (services and utilities as water supply and sanitary sewage system, storm water drainage, lighting, section of public road named Flisykowskiego Street 045-KD80 (design No. 1818) together with estate access points at the public road Flisykowskiego Street, and other site structures within the "Fotoplastykon" development project, in Gdańsk near the intersection of Guderskiego and Flisykowskiego Streets.

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

Content of report:

The Management Board of Erbud SA (the "Issuer") informs that on 1 August 2018 it entered into a significant construction contract on the following terms and conditions:

1. Contract date: 2018-08-01.
2. Customer: Polnord – Apartamenty Sp. z o.o., 81-310 Gdynia, 35/37 Śląska Street.
3. Net contract value: PLN 52,000,000.
4. Contract subject: Construction of a complex of multi-family residential buildings numbered B4, B5, B6 (Phase II) and B7, B8 (Phase III) including underground garages, estate road system and on-grade car parking space, technical infrastructure (services and utilities as water supply and sanitary sewage system, storm water drainage, lighting, section of public road named Flisykowskiego Street 045-KD80 (design No. 1818) together with estate access points at the public road Flisykowskiego Street, and other site structures within the "Fotoplastykon" development project, in Gdańsk near the intersection of Guderskiego and Flisykowskiego Streets.
5. Site location: Corner of Guderskiego St. and Flisykowskiego St.
6. Completion period: Commencement of construction works: 27.08.2018; completion of Contractor's scope of works: 30.09.2020.
7. Payment terms - Invoicing once a month according to the level of performance; 30 days credit period.
8. Performance Bond: 5% of net remuneration in the form of an insurance guarantee.
9. Defects Liability Bond: 2.5% of net remuneration in the form of an insurance guarantee.
10. Penalties: Do not vary from market standards commonly used for this type of contract. The total amount of contractual penalties may not exceed 15% of the remuneration.