ERBUD S.A.

Current Report No. 43/2018
Report date: 2018-08-14

Topic:

Signing of a significant construction contract with a value of PLN 30.66 million – erection of a multi-family residential building with retail units and basement car park, including necessary technical and road infrastructure, located in Poznań at 3 Smoluchowskiego Street.

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

Content of report:

The Management Board of Erbud SA (the "Issuer") informs that on 14 August 2018 it concluded a construction contract on the following terms and conditions:

1. Contract date: 2018.08.14.
2. Customer: Ogrody Różane Sp. z o.o., 62-500 Konin, 24 Mickiewicza Street.
3. Contract value: PLN 30,665,000 net.
4. Contract subject: Construction of a multi-family residential building with retail units and basement car park, including necessary technical and road infrastructure, located in Poznań at 3 Smoluchowskiego Street.
5. Site location: Poznań, 3 Smoluchowskiego Street.
6. Completion period:
   a) all Works under the Project to be completed no later than on 17 February 2020;
   b) the occupancy permit to be obtained by 24 March 2020 at the latest.
7. Payment terms: Invoicing according to progress and payment schedule: credit period of 30 days.
8. Performance Bond: 10% of net remuneration in the form of insurance guarantee.
9. Defects Liability Bond: 3% of net remuneration in the form of insurance guarantee.
10. Other guarantees: 3 years quality guarantee; 5 years warranty for defects.
11. Penalties: Penalties do not vary from market standards commonly used for this type of contract. The total amount of contractual penalties may not exceed 10% of the net Remuneration.