ERBUD S.A.

Current Report No.46/2018
Report date: 2018-08-16

Topic:

Disclosure of delayed confidential information – conclusion of an annex to the significant construction contract for building the Potęgowo-Wschód Wind Farm.

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

Content of report:

Legal basis: Article 17(1) of Regulation No 596/2014 of the European Parliament and of the Council of 16 April 2014 on Market Abuse (MAR) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

With respect to the Current Report No. 45/2018 of 16 August 2018, the Management Board of ERBUD SA with its registered office in Warsaw (the "Issuer") announces that on 7 August 2018 it decided to delay the disclosure of confidential information in accordance with Art. 17(4) of Regulation No 596/2014 on Market Abuse (MAR) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC. The reason for the disclosure of delayed confidential information is the fulfilment of the conditions precedent referred to below.

On 7 August 2018, Annex No. 1 to the construction contract of 12.06.2018 for the preparation of the detailed design, construction and commissioning of the Potęgowo-Wschód Wind Farm with the capacity of 101.25 MW (the Contract") concluded by the Consortium of PBDI S.A. seated in Toruń (a subsidiary of the Issuer), the Issuer, and Electrum sp. o.o. seated in in Białystok (Contractor).

The changes introduced by the Annex are as follows:

1. The increase of remuneration to the amount of PLN 122,981,846.12 (say: one hundred and twenty-two million, nine hundred and eighty-one thousand, eight hundred and forty-six Zloty and 12 Groszy) net, including the net value of works to be performed by Electrum sp. z o. o. i.e. PLN 44,276,000.20 (say: forty- four million, two hundred and seventy-six thousand Zloty and 20 Groszy).
2. Separation of two performance stages.

   The First Stage that consists in the construction of a part of the power line and 5 wind turbines in the Bęcino Wind Park together with the accompanying infrastructure. The value of remuneration for the First Stage of works amounts to PLN 62,585,685.24 (say: sixty-two million, five hundred and eighty-five thousand, six hundred and eighty-five Zloty and 24 Groszy) net, of which for Electrum sp. z o. o. is 43,385,685.24 (say: forty-three million, three hundred and eighty-five thousand, six hundred and eighty-five Zloty and 24 Groszy) net.

   The Second Stage consisting in the carrying out of the remaining part of the scope of work covered by the Contract. The value of the remuneration for the Second Stage amounts to PLN 60,396,161.60 (say: sixty million, three hundred and ninety-six thousand, one hundred and sixty-one Zloty and 60 Groszy) net, of which for Electrum sp. o.o. is PLN 890,314.96 (eight hundred and ninety thousand, three hundred and fourteen Zloty and 96 Groszy) net.
3. The contingent nature of the agreement remains unchanged.

   Entering by the Parties the execution of the subject of the Contract depends on the fulfilment of all of the conditions precedent set out below in the following order:

   For the First Stage:

   a) written notice by the Customer to the Contractor that the funds for the First Stage has been obtained and that the Performance Bond can be provided; and
   b) payment by the Customer to the Contractor of remuneration for the Bęcino 1st Milestone.

   For the Second Stage:

   a) written notice by the Customer to the Contractor that the funds for the First Stage has been obtained and that the Performance Bond can be provided; and
   b) providing by the Contractor of the Performance Bond; and
   c) payment by the Customer to the Contractor of remuneration for the Wschód 1st Milestone.

   All other terms and conditions of the Contract specified in the Current Report No. 45/2018 remain the same.