ERBUD S.A.

Current Report No.56/2018
Report date: 2018-08-31

Topic:

Signing a significant subcontract with Przedsiębiorstwo Produkcyjno-Handlowe GRALBET Sp. z o.o. for the prefabricated reinforced concrete structures at the LIDL STARGARD Distribution Center located in Stargard on Metalowa 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 31 August 2018 a contract was signed with Przedsiębiorstwo Produkcyjno-Handlowe GRALBET Sp. z o.o., a subcontracting firma performing the prefabricated reinforced concrete structures at the LIDL STARGARD Distribution Center located in Stargard on Metalowa Street, on the following terms and conditions:

1. Contract date: 31.08.2018.
2. Subcontractor/Supplier: Przedsiębiorstwo Produkcyjno-Handlowe GRALBET Sp. z o.o.; Rybno, Gralewo PKP nr 194, 13-214 Uzdowo.
3. Net contract price: PLN 33,950,000.
4. Contract subject: Comprehensive design (detailed design; workshop drawings and specifications; as-built design), manufacturing, delivery and construction of the complete reinforced concrete prefabricated structures at the LIDL STARGARD Distribution Center located in Stargard on Metalowa Street.
5. Site location: Stargard, Metalowa Street.
6. Completion period: As per agreed contractual dates.
7. Payment terms: Invoicing once a month according to the progress of works; credit period of 30 days.
8. Performance Bond: 10% of net remuneration in the form of a bank guarantee.
9. Defects Liability Bond: 5% of net remuneration in the form of a bank guarantee.
10. Other guarantees: 10 years.
11. Penalties: Do not vary from market standards commonly used for this type of contract.

    The total sum of contractual penalties may not exceed 10% of the remuneration.