ERBUD S.A.

Current Report No. 60/2018
Report date: 2018-10-01

Topic:

Conclusion of a significant construction contract worth PLN 40.6 million - comprehensive construction of a production and warehouse building, office and welfare facilities, including external infrastructure, located in Ostaszewo near Toruń.

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

Content of report:

The Management Board of Erbud SA informs that on 1 October 2018 a construction contract was signed on the following terms and conditions:

1. Contract date: 01.10.2018.
2. Customer: Nowa Metale Sp. z o.o.; 87-100 Toruń, 5 Starotoruńska Street.
3. Net contract value: PLN 40,550,696.67.
4. Contract subject: Comprehensive construction of a production and warehouse building, office and welfare facilities, including external infrastructure, located in Ostaszewo.
5. Site location: Ostaszewo near Toruń.
6. Completion period:
   a) taking over the construction site - 01.10.2018;
   b) completion of construction works - 10.5 months from the date of taking over the site;
   c) obtaining an operation/occupancy permit - 1.5 months from the date of notification of the investment task for use.
7. Payment terms: Invoicing according to the progress of works; credit period of 30 days.
8. Performance Bond: 5% of net remuneration in the form of an insurance guarantee issued for the period of contract completion.
9. Defects Liability Bond: 2.5% of net remuneration in the form an insurance guarantee provided for 3 years.
10. Other guarantees: 3 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 net remuneration.