ERBUD S.A.

Current Report No. 84/2018
Report date: 2018-12-20

Topic:

Conclusion of a PLN 40 million significant contract for the construction of a mixed-use hotel and retail facility in Kraków.

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

Content of report:

The Management Board of Erbud SA (the "Issuer") informs that on 20 December 2018 the Issuer entered into a significant construction contract on the following terms and conditions:

1. Contract date: General Contractor's Construction Contract of 20.12.2018.
2. Customer: Equal Real Estate Spółka Akcyjna; 00-124 Warszawa, 1 Rondo ONZ Street; NIP: 5252726727
3. Net contract value: PLN 40,048,000.
4. Contract subject: Construction of a a mixed-use hotel and retail facility with offices and underground garage, including in-building systems: wiring, plumbing, HVAC, telecom, central heating; service lines: water, sanitary, sewage, rainwater drainage; in-site systems: water and energy; and land development (internal road, parking spaces, pavement).
5. Site location: Kraków, 74 Jana Pawła Street.
6. Completion period: 21.12.2018 - 31.08.2020.
7. Payment terms: Invoicing once a month; credit period of 30 days.
8. Performance Bond: 5% of net remuneration, i.e. PLN 2,002,400 in the form of a bank or insurance guarantee valid for the period form 01.09.2020 to 30.09.2025 or in form of retention from invoices.
9. Defects Liability Bond: 5% of net remuneration, i.e. PLN 2,002,400 in the form of a bank or insurance guarantee valid till 30.09.2020 or in form of retention from invoices.
10. Other guarantees: None.
11. Penalties: for delay in completion of Works - 0.1% of net remuneration for each day of delay; in the event of withdrawal from the contract by ant Party - 10% of net remuneration; the limit of contractual penalties for any Party - up to 10% of the net remuneration.