ERBUD S.A.

Current Report No. 15/2019
Report date: 2019-04-17

Topic:
Signing with VD spółka z ograniczoną odpowiedzialnością Mieszkania XVIII sp.k. (“Employer”), a subsidiary of Vantage Development S.A. of a contract for the completion of development project “Legnicka 33” in Wrocław (“Project”) worth 67.2 million net.

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

Content of report:

The Management Board of Erbud S.A. (“Issuer” – “Contractor”) informs that on 17 April 2019 it entered into a general contractor contract with VD spółka z ograniczoną odpowiedzialnością Mieszkania XVIII sp.k. (“Employer”), a subsidiary of Vantage Development S.A., to complete the development project “Legnicka 33” in Wrocław (“Project”)

The net value of the contract is PLN 67.2 million.

Under the Contract, Erbud is obliged to construct and handing over a multi-family residential building with underground garage named Legnicka 33, along with internal and external technical infrastructure, development works, including structural landscaping, greenery and accompanying structures, as well as internal communication system and necessary roads related to the performance of a non-road project by the Employer.

There will be 239 flats and 11 commercial units in the building.

Obtaining the occupancy permit is expected within 82 weeks from the date of delivery of Notice to Proceed, which the Employer provided to the Contractor immediately after the conclusion of the Contract.

Until 31 December 2021, the Employer may withdraw from the Contract in the event of delays caused by the Contractor and other breaches of the Contract. The total amount of all contractual penalties charged may not exceed 10% of remuneration. The Employer is entitled to claim damages exceeding the amount of the contractual penalty under general rules of the Civil Code.