ERBUD S.A.

Current Report No. 46/2019
Report date: 2019-08-14

Topic:
Signing of following contracts for the construction of photovoltaic farms with special purpose companies belonging to the R. Power Group.

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

Content of report:

The Management Board of Erbud SA (the "Issuer") informs that on 14.08.2019 PBDI S.A from Toruń (a 90% subsidiary of the Issuer) signed another four contracts with special purpose companies belonging to the R. Power Group with headquarters in Warsaw at 2 Puławska Street, for the construction of solar farms

1. Customer: PV SUN-G Sp. z o.o. with headquarters at 2 Puławska St., 02-566 Warsaw. Total net contract value: PLN 1,325,000.00. Subject of the contract: Construction of a photovoltaic power plant in Dąbrówka Królewska, community Gruta.
2. Customer: PV 3 Sp. z o.o. with headquarters at 2. Puławska St. 2 566 Warsaw. Total net contract value: PLN: 1,295,000.00. Subject of the contract: Construction of a photovoltaic power plant in Kamienica, community Paczków.
3. Customer: PV 4 Sp. z o.o. with headquarters at 2 Puławska St., 02-566 Warsaw. Total net contract value: PLN 1,373,989.00. Subject of the contract: Construction of a photovoltaic power plant in Dąbrówka Wyłazy II, community Skórzec.
4. Customer: PV Łaszczewiec Sp. z o.o.. with headquarters at 2 Puławska St., 02-566 Warsaw. Total net contract value: PLN 1,354,791.00. Subject of the contract: Construction of a photovoltaic power plant in Bukowina Bobrzańska, community Żagań.

Therefore, the total value of contracts signed with special purpose companies belonging to the R. Power Group within the last 12 months amounts to PLN 24,704,855.00.

All contracts are concluded on the following terms and conditions:

1. Payment terms: Interim invoicing in accordance with the completion of milestones; invoices payable within 20 days from the date of delivery of the invoice.
2. Completion periods: The average time of completion of a single contract does not exceed 7 months. The last order completion date is 31.03.2020.
3. Performance Bond: 10% of the gross remuneration in the form of a bank guarantee for the completion period of the contract.
4. Defects Liability Bond: 5% of the gross remuneration in the form of a bank guarantee for a period of 5 years from the date of signing the Provisional Acceptance Certificate.
5. Penalties: In case of failure to reach the threshold of the efficiency ratio by the Solar Power Plant indicated in the contract within a specified time limit - 25% of the contract value.
   For delays in completion of individual milestones - 0.05% of the contract value for each day of delay during the first two weeks of delay and after this time 0.1% of the contract value.
   The maximum penalty limit for delay will not exceed 20% of the total contract remuneration.