28/01/2020 Current Report No. 6/2020 (11:22 a.m.)

Topic:
Conclusion - by Erbud S.A. (Issuer/Company) – of two construction works and general contractor agreements of the total value of PLN 103.97 million for construction of the buildings G and H in the second Stage of the Port Popowice Investment.

Legal basis:
Article 17(1) MAR - confidential information.

Content of the Report:
The Management Board of Erbud S.A. ("Issuer") informs that on 28 January 2020 two construction works agreements were signed with the subsidiary of Vantage Development S.A., Port Popowice spółka z ograniczoną odpowiedzialnością sp. k. ("Employer"), with the total net value of PLN 103.97 million ("Agreement 1" and "Agreement 2") according to the following conditions.

On the basis of the Agreement 1, the Issuer has been obliged to complete and comprehensive execution of a multi-family residential building with an underground garage ("Building G") in the Port Popowice investment, Stage II, together with land development and utilities, including small architecture and green area, accompanying structures, as well as traffic system and necessary roads related to the implementation of a non-road investment at Białowieska Street in Wrocław by the Employer. 157 flats are planned in the building.
Completion of the entire works has been scheduled within 72 weeks from the date of delivery of the work commencement order, which may be issued by the Employer by 31 March 2020 at the latest.

On the basis of the Agreement 2, the Issuer has been obliged to complete and comprehensive execution of a multi-family residential building with an underground garage ("Building H") in the Port Popowice investment, Stage II, with land development and utilities, including small architecture and green area, accompanying structures, as well as traffic n system and necessary roads related to the implementation of a non-road investment at Białowieska Street in Wrocław by the Employer. 231 flats are planned in the building.
Completion of the entire works has been scheduled within 72 weeks from the date of delivery of the work commencement order, which may be issued by the Employer by 31 May 2020 at the latest.

Both Agreements contain provisions stating that in the case of withdrawal from the Agreement by the Employer or the Issuer for reasons attributable to the Issuer, a contractual penalty of 10% of the total remuneration under each Agreement is foreseen. The total amount of all calculated contractual penalties cannot exceed 10% of the remuneration. The Employer is entitled to claim compensation in excess of the contractual penalty under the general rules of the Civil Code.