05/05/2020 Current Report No. 21/2020 (04:00 p.m.)

Topic:
Signing of agreements of a total net value of PLN 37,21 million for construction of Photovoltaic Power Plants with 21 special purpose vehicles being part of the R.Power Group.

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

Content of the Report:
The Management Board of ERBUD S.A. (Issuer) informs that on 5 May 2020, PBDI S.A. of Toruń (90% subsidiary of the Issuer) signed agreements for construction of Photovoltaic Power Plants with a total net value of PLN 37,207,613.32 with 21 special purpose vehicles being part of the R.Power Group based in Warsaw at 2 Puławska Street.
The value of a single agreement does not exceed PLN 2 million net.

Commercial conditions are the same for all concluded contracts:

1. Payment terms: partial invoicing according to the execution of milestones. Invoices payable within 20 days from the date of invoice delivery;
2. Execution dates: execution of a single contract shall not exceed the period of 18 months from the date of receiving the instruction to start work;
3. Performance bond (value, term): 10% of the gross remuneration in the form of an insurance guarantee for the duration of the contract;
4. Warranty for the repair of defects and faults (value, duration): 5% of the gross remuneration in the form of an insurance guarantee for a period of 5 years from the date of signing of the Initial Acceptance Protocol.
5. Penalties: for delays in the execution of individual milestones - 0.05% of the contract value for each calendar day of delay during the first two weeks of the delay and after that time 0.1% of the contract value for each calendar day of the delay. The maximum amount of contractual penalties for delay shall not exceed 20% of the total contract price.
6. Comments: the Parties' commencement of the execution of the subject matter of the Contracts is subject to written instructions to commence work provided by the Employer to the Contractor.