04/06/2020 Current Report No. 24/2020 (02:13 p.m.)

Topic:
Signing of a significant Agreement of the net value of PLN 34.47 million PLN for construction works at the construction of the wind farm Kozłowo.

Legal basis:
Article 17(1) MAR - confidential information.
Content of the Report:

The Management Board of Erbud S.A. (Issuer) informs that on 4 June 2020 the company PBDI S.A from Toruń (90%-subsidiary of the Issuer) concluded a significant Agreement for construction works under the following terms.

1. Contract conclusion date: 4 June 2020;
2. Investor (exact name and registered office): Nowa Energia 1 Spółka z ograniczoną odpowiedzialnością, Aleje Jerozolimskie 98, 00-807 Warsaw;
3. Total net value of the contract: PLN 34,474,459.69 net;
4. Subject of the contract: construction works at the construction of the wind farm Kozłowo;
5. Deadline for Agreement performance: 30 April 2021;
6. Payment terms: partial invoicing according to milestones implementation. Invoices payable within 30 days from invoice delivery;
7. Performance bond: 10 % of the net remuneration in the form of a bank guarantee valid until 30 April 2021;
8. Warranty for repair of defects and faults: 10% of the net remuneration in the form of a bank guarantee, valid until 30 April 2023.
9. Penalties:

- for Employer's withdrawal from the Agreement in the cases provided for in the Agreement – maximum 10% of the net remuneration;
- for delay in the performance of particular milestones:
  4% of the price for the week of delay in the deadline for completion of access roads and manoeuvring yards (30 October 2020), the delay will start to be counted after the first full week from the date of the mentioned penalty and will increase by 3% for each full week of additional delay or proportional part of the week;
  4% of the price for the week of delay in the deadline for completion of concreting of all foundations (4 November 2020).), the delay will start to be counted after the first full week from the date of the mentioned penalty and will increase by 3% for each full week of additional delay or a proportional part of the week;
  4% of the price for the week of delay in the deadline for contract execution (30 April 2021), the delay will start to be counted after the first full week from the date of the mentioned penalty and will increase by 4% for each full week of additional delay or a proportional part of the week.

The maximum amount of delay penalties will not exceed 20% of the total price of the contract.