04/06/2020 Current Report No. 25/2020 (07:03 p.m.)

Topic:
Signing of a significant Agreement of the net value of PLN 79.82 million PLN for construction works at the construction of the wind farm Dębsk.

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 Issuer acting in a consortium with the company PBDI S.A from Toruń (90%-subsidiary of the Issuer, Consortium Leader) concluded a significant Agreement for construction works at the Wind Farm Dębsk consisting of 55 wind power plants with the maximum power of 121 MW.

1. Contract conclusion date: 4 June 2020;
2. Investor (exact name and registered office): Polenergia Farma Wiatrowa 3 Sp. z o. o. with its registered office in 24/26 Krucza St., 00-526 Warsaw;
3. Total net value of the contract: PLN 79,823,985.80 net;
4. Deadline for Agreement performance: 11 June 2022;
5. Payment terms: partial invoicing according to milestones implementation. Invoices payable within 30 days from receipt of a correctly issued VAT invoice by the Investor;
6. Performance bond: 10 % of the gross value of the contract in the form of an insurance guarantee for the time of contract performance;
7. Warranty for repair of defects and faults: 5% of the gross value of the contract in the form of an insurance guarantee, valid 60 months from issuance of the Acceptance Certificate, i.e. after final acceptance and receipt of a final use permit by the Investor;
8. Penalties:

- for termination of the contract for reasons attributable to the Contractor – 10% of the gross value of the contract;
- for delay in the performance of particular milestones – 0.1% of the remuneration for a particular milestone for each day of delay;
- for delay in removing the defects found, including, in particular, defects preventing the installation of wind turbines or their commissioning and exploitation - 0.2% of the contractual remuneration due for the defective part of the Agreement for each day of delay;
  - the total amount of contractual penalties will not exceed 20% of the gross remuneration.

9. Comments:
   The Parties' commencement of the subject matter of the Contract shall be subject to a written order to commence work submitted by the Employer to the Contractor.
   The deadline for obtaining the order is 15.07.2020
   - The value of works performed by the Issuer will not exceed 45% of the contract value.