27/07/2020 Current Report No. 40/2020 (01:47 p.m.)

Topic:
Signing of a significant construction works Agreement by the subsidiary of the Issuer (ERBUD S.A.) - GWI Bauunternehmung GmbH (GWI GmbH) with the value of 6 million EUR – 26.5 million PLN

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

Content of the Report:
The Management Board of ERBUD S.A. with its registered office in Warsaw informs that on 27 July the Management Board of its Subsidiary – GWI GmbH signed a construction work agreement with TZMO Deutschland GmbH, Waldstraße 2, 16359 Biesenthal (Investor).
The subject of the Agreement will be the construction of an administration building for TZMO Deutschland GmbH in Biesenthal - comprehensive execution of construction and installation works, including the accompanying technical infrastructure.
The value of the Agreement is EUR 6,025,000.00 net, which is PLN 26,523,857.50 according to the average exchange rate of the National Bank of Poland as of the date of signing of the Agreement.
Works implementation term: 20.08.2020 - 21.10.2021.
According to the Agreement, the contractor is obliged to provide the following guarantees to the Investor:

- performance bond - 5% of the contract value;
- guarantee of repair of defects and faults - 3% of the contract value.

Penalties: The maximum limit of penalties is 5% of the contract value.
The construction works subcontractor appointed by GWI GmbH will be ERBUD S.A. Szczecin Branch.
ERBUD S.A. holds 100% of shares in GWI GmbH.