08/10/2020 Current Report No. 59/2020 (05:24 p.m.)

Topic:
Signing of a significant Construction Works Agreement of the value of PLN 30 million concerning the construction of a multi-family facility with a commercial unit on the ground floor, underground car park, necessary technical infrastructure and elements of land development at Jeleniogórska Street in Poznań.

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

Content of the Report:
The Management Board of Erbud S.A. (Issuer) informs that on 8 October 2020 a construction works agreement was signed with the following terms:

Contract conclusion date: 8 October 2020;

Investor (exact name and registered office): NP23 Sp. z o.o. Sp. komandytowa ul. Al.. Jerozolimskie 98, 00-807 Warsaw;

Contract value (PLN, net): 30,050.000.00

Subject matter of the contract: construction of a multi-family facility with a commercial unit on the ground floor, underground car park, necessary technical infrastructure and elements of land development at Jeleniogórska Street in Poznań

Contract performance place: 14 Jeleniogórska Street, Poznań

Performance dates:

a) Date of taking over of the Construction Site: 5 Business Days from the date of conclusion of the Agreement, i.e. 15 October 2020,
b) Date of completion of Demolition Works (Stage I of the Agreement): 03 December 2020,
c) Date of completion of Stage II of the Agreement (Construction Works): 20 months from the date of delivery of the Work Commencement Order to the Contractor (ERBUD S.A.), if the Work Commencement Order is delivered to the Contractor after the Completion Date of the Demolition Works, or 21.5 months from the Work Commencement Date, if the Work Commencement Order is delivered to the Contractor before the date of completion of the Demolition Works.

Payment terms: invoicing according to progress, once a month at the end of the month, payment term 30 days

Performance bond (value, term): 10% of the Remuneration in the form of an insurance guarantee for the period of agreement performance

Warranty for repair of defects and faults (validity, term): 2.5% of the Remuneration in the form of an insurance guarantee for the guarantee and warranty period

Other guarantees (type, value, term) 66 months of guarantee and warranty within the meaning of the civil code

Penalties: Penalties do not differ from market terms for this type of agreements.
The total sum of contractual penalties may not exceed 10% of the remuneration under the Agreement.

Comments: Work Commencement Order to be delivered to the General Contractor by 07 April 2021 at the latest.