27/10/2020 Current Report No. 62/2020 (01:19 p.m.)

Topic:
Signing of a significant agreement with a subcontractor by ERBUD S.A. (the Issuer) subsidiary – PBDI S.A. for execution of comprehensive works for the purposes of the investment task: "Design and construction of the road S3 Legnica (A4) - Lubawka, task IV from the junction Kamienna Góra Północ (with the junction) to the national borders with a length of 15.3 km"

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

Content of the Report:
The Management Board of Erbud S.A. (the Issuer) informs that on 27 October 2020 the company PBDI S.A from Torun (90% subsidiary of the Issuer) acting in a consortium of firms with MOSTY Łódź with its registered office in Łódź at the execution of the investment task "Design and construction of the road S3 Legnica (A4) - Lubawka, task IV from the junction Kamienna Góra Północ (with the junction) to the national borders with a length of 15.3 km" signed an Agreement with a subcontractor for execution of comprehensive works for the purposes of the implementation of the aforementioned investment task with the following terms:

1. Contract conclusion date: 27 October 2020;
2. Investor (exact name and registered office): G&M Spółka z ograniczoną odpowiedzialnością with its registered office in Warsaw 05-574, ul. Łowicka 19 lok. U03;
3. Subject matter of the contract: Comprehensive execution of engineering structures;
4. Contract value: PLN 55,226,359.54 net;
5. Performance deadline: 23 March 2022;
6. Payment terms: 30 days from the invoice delivery date;
7. Performance bond: 6.15% of the net remuneration, valid 30 days after issuance of the last Delivery Certificate for the investment task by the Employer;
8. Warranty for repair of defects and faults: 1.85% of the net remuneration valid 10 years and 30 days from the date of the issuance of the last fault free Delivery Certificate;
9. Penalties:
    a) for a delay in the performance of the entire subject of the agreement, in the amount of 0.02% of the net contractual remuneration for each day of delay, counting from the day following the end of the deadline for the completion of the subject of the agreement;
    b) for a delay in the performance of individual stages specified in the work schedule, in the amount of 0.02% of the net contractual remuneration for each day of delay, the penalty may be cancelled in the case of lack of influence of the delay of individual stages on the work of the Contractor and other subcontractors;

    The contractual penalties will aggregate and the total value of the contractual penalties may not exceed 20% of the gross remuneration.