11/12/2020 Current Report No. 71/2020 (03:07 p.m.)

Topic:
Signing of a significant Construction Works Agreement of the net value of PLN 43.8 million in connection with the investment – residential building including a garage "Fuzja II" in Łódź in Tymienieckiego/Milionowa Street

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

Content of the Report:
The Management Board of Erbud S.A. (the Issuer) informs that today the Construction Works Agreement of the net value of PLN 43.8 million was signed in connection with the investment – residential building including a garage "Fuzja II" in Łódź in Tymienieckiego/Milionowa Street, with the following terms:

1. Contract conclusion date: "CONSTRUCTION WORKS AGREEMENT dated 11.12.2020"
2. Investor (exact name and registered office): "Elektrownia RE Spółka z ograniczoną odpowiedzialnością with its registered office: 25–323 Kielce, al. Solidarności 36"
3. Net contract value: PLN 43,800,000.00 net
4. Subject matter of the contract: construction of the residential building including a garage "Fuzja II" in Łódź in Tymienieckiego/Milionowa Street
5. Performance place: Łódź, Tymienieckiego/Milionowa Street
6. Performance deadlines: "Works Commencement Date: 07.01.2020 Final Deadline 10.06.2022"
7. Payment terms: monthly invoicing payable within 30 days
8. Performance bond (value, term):
   "PLN 1,314,000.00 - i.e. 3% of the contractual remuneration – bank or insurance guarantee for the period of agreement performance possible,
   PLN 1,095,000.00, i.e. 2.5% of the contractual remuneration in the form of invoice retention"
9. Warranty for repair of defects and faults (value, term): PLN 1,314,000.00 - i.e. 3% of the contractual remuneration – bank or insurance guarantee for the period of 60 months possible
10. Other guarantees (type, value, term): none
11. Penalties: "Penalties do not differ from market conditions for this type of agreements".

Contractual penalties cap at 10% of the net value of the remuneration for both parties