14/12/2020 Current Report No. 72/2020 (04:22 p.m.)

Topic:
Disclosure of delayed inside information - signing of a significant Agreement of the net value of PLN 48.15 million for construction works at the construction of the wind farm Kuślin.

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

Content of the Report:
The Management Board of Erbud S.A. with its registered office in Warsaw (the "Issuer") informs that on 4 September 2020 it decided to delay provision of inside information, pursuant to Article 17(4) of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC 2020.

The reason for disclosure of the delayed inside information is fulfilment of the condition precedent provided for in the agreement.

The consortium of the firms PBDI S.A from Toruń (90%-subsidiary of the Issuer) and P&Q Sp. z o.o. with its registered office in Białystok concluded a significant Agreement for construction works with the following terms.

1. Contract conclusion date: 4 September 2020;
2. Investor (exact name and registered office): SEVIVON Sp. z o.o., ul. Wojska Polskiego 24-26 , 75-712 Koszalin;
3. Total net value of the contract: PLN 48,147,878.00 net; including the value of works assigned to PBDI S.A. – PLN 38,148,378.00 net;
4. Subject matter of the contract: construction works at the construction of the wind farm Kuślin;
5. Deadline for Agreement performance: 30 May 2022;
6. Payment terms: partial invoicing according to milestones implementation. Invoices payable within 21 days from invoice delivery date;
7. Performance bond: 12% of the net value of the remuneration in the form of an insurance guarantee valid until 30 days after signing of the final protocol;
8. Warranty for repair of defects and faults: 5 % of the net value of the remuneration in the form of an insurance guarantee valid for 5 years and 30 days after signing of the final protocol;
9. Penalties:
   - for a delay in the execution of the executive design (22.02.2021) - PLN 10,000 for each day of delay;
   - for a delay in the completion of access roads (27.09.2020) - PLN 10,000 for each day of delay;
   - for delay in the completion of wind turbine foundations (04.10.2020) - PLN 10,000 for each day of delay;
   - for a delay in the completion of all power works - PLN 20,000 for each day of delay for the first 14 days from the planned date of completion of works and PLN 200,000 for each subsequent day of delay;
   - The total amount of contractual penalties for delay shall not exceed 10% of the net remuneration.
10. Comments:

    The Parties' commencement of the subject matter of the Contract shall be subject to a written order to commence the works provided by the Employer to the Contractor. The deadline for obtaining the order is 08.01.2021.

At the same time, the Issuer informs that as a consequence of fulfilment of the condition precedent, i.e. receipt of a written order to commence work, PBDI S.A. of Toruń has commenced execution of the Agreement.