14/01/2021 Current Report No. 01/2021 (10:22 a.m.)

Topic:
Signing of a significant Construction Works Agreement of the net value PLN 22.5 for the construction of the District Police Headquarters in Mińsk Mazowiecki.

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 following Agreement of the net value of PLN 22.5 million was signed:

1. Contract conclusion date: 14 January 2021
2. Investor (exact name and registered office): "Komenda Stołeczna Policji, ul. Nowolipie 2 , 00-150 Warszawa" [Capital City Police Headquarters]
3. Contract value: PLN 22,500,000.00 net
4. Subject matter of the contract: "Construction of a two-storey building of the District Police Headquarters in Mińsk Mazowiecki, including garages and a storage building"
5. Contract performance place: Mińsk Mazowiecki, ul. Jana Łupińskiego 42
6. Performance deadline: 30 months from the date of the Agreement Execution
7. Payment terms: 30 days from acceptance of a correctly issued invoice
8. Performance bond (value, term): collateral for due performance of the agreement amounting to 5% of the Contractor's gross remuneration, in the defect warranty period - 30% of this amount until the end of the guarantee period.
9. Other guarantees (type of guarantee, value, duration): "Quality guarantee: guarantee and warranty for construction works for a period of 60 months, and guarantee for installed equipment for a period of 48 months, however not shorter than the manufacturer's warranty calculated from the date of signing of the protocol of final acceptance of works"
10. Penalties:
    1) 10% of the gross remuneration, if the Employer withdraws from the agreement due to circumstances on the part of the Contractor;
    2) 10% of the gross remuneration, if the Contractor withdraws from the agreement on any grounds not attributable to the Employer;
    3) 0.15% of the gross remuneration for each day of delay in meeting the deadline specified in §1.4;
    4) 0.1% of the gross remuneration for each day of delay in the removal of faults / defects identified in the protocols of partial acceptance, the protocol of final acceptance and periodic inspections during the warranty period in relation to the deadlines specified in them
    5) PLN 2,000.00 in the event of failure to pay or untimely payment of remuneration to a Subcontractor or further Subcontractor - for each identified case
    6) PLN 1,000.00 in the event of failure to timely submit to the Employer for approval a draft contract or amendments thereto, a copy of a subcontracting agreement the subject of which are works/supplies/services - for each case
    7) PLN 2,000.00 in case of failure to timely amend a subcontracting agreement with regard to the deadline for payment of remuneration, for each identified case
    8) for failure to comply with the requirement to employ staff under an employment agreement, the Contractor will pay the Employer contractual penalties in the amount of PLN 500.00 for each identified case
    9) PLN 2,000.00 for each unjustified failure to appear at a coordination meeting".