Current report no. 65/2021
Date: 2021-07-09
ERBUD S.A.

Subject:
Disclosure of delayed confidential information - signing of a significant Contract with a net value of PLN 37.10 million for construction works on the Wólka Dobryńska wind farm and fulfilment of a condition precedent.

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

Report content:
The Management Board of ERBUD S.A. (Issuer) hereby announces that on 8 December 2020 it decided to delay the disclosure of confidential information, in accordance with 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.

The reason for disclosure of delayed confidential information is the fulfilment of a condition precedent provided for in the contract.

The Management Board of ERBUD S.A. (Issuer) hereby announces that on 8 December 2020 the company PBDI S.A of Toruń (90% subsidiary of the Issuer) concluded a significant Construction Contract on the following terms:

1. Contract date: 8 December 2020;
2. Investor (exact name and registered office): PON-THERM Farma Wólka Dobryńska Spółka z ograniczoną odpowiedzialnością, Aleja Wyścigowa 6, 02-681 Warsaw;
3. Total net value of the Contract: PLN 37,099,250.70;
4. Subject matter of the contract: construction works on the wind farm Wólka Dobryńska;
5. Contract completion date: 16 months after receipt of a written order to commence work;
6. Payment terms: partial invoicing according to the achievement of milestones. Invoices are payable within 30 days of receipt of the invoice;
7. Performance bond: 10% of the value of the net remuneration in the form of a bond with a term of validity of 15 days from the date of signing the protocol of taking over the works;
8. Guarantee for removal of defects and faults: 3% of the net remuneration in the form of a guarantee with a term of validity of 15 days and two years from the signing of the takeover protocol of the works.
9. Penalties:

— for termination of the Contract for reasons attributable to the Contractor: 10% of the Contract value;
— for delays in the implementation of particular milestones - 0.2% of the Contract value for each day of delay;

- for a delay of the Contract completion date - 0.2% of the Contract value for each day of delay;
  The maximum permissible amount of contractual penalties for delay will not exceed 20% of the total Contract price.

10. Notes
    The Parties' commencement of the execution of the subject matter of the Contract depended on the written order to commence the works submitted to the Contractor by the Employer.
    The final deadline for obtaining the order was 30.07.2021.

Simultaneously, the Issuer informs that on 9 July 2021 ONDE S.A (former PBDI S.A.) from Toruń with its registered office in Toruń (87.87% subsidiary of the Issuer) received a written order from the Employer - PON-THERM Farma Wólka Dobryńska Sp. z o. o. to commence works.
Therefore, the condition for the Contract to enter into force was fulfilled.