Current report no. 90/2021
Date: 2021-11-17
ERBUD S.A.

Subject:
Signing of a significant Construction Contract with a value of PLN 39.9 million net – "The improvement of energy efficiency and the adaptation of Pavilions I and VIIB of the MSCZ in Pruszków" (contract executed in the "design-build" system) by a subsidiary of ERBUD S.A. (the Issuer) - Erbud Operations Sp. z o.o. from Rzeszów.

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

Report content:
The Management Board of ERBUD S.A. (the Issuer) hereby announces that on 17 November 2021 Erbud Operations Sp. z o.o. with its registered office in Rzeszów (subsidiary of the Issuer) concluded a significant Construction Contract on the following terms:

NO. SPECIFICATION - CONTRACTUAL INFORMATION

1. Date of contract annexes: 17-11-2021
2. Investor (exact name and registered office): Mazowieckie Specjalistyczny Centrum Zdrowia im. prof. Jana Mazurkiewicza (Professor Jan Mazurkiewicz Mazovian Specialist Health Centre) with its registered office in Pruszków at 2/4 Partyzantów Street, 05-802 Pruszków, entered in the register of associations, other social and professional organisations, foundations and independent public health care units kept by the District Court for the Capital City of Warsaw in Warsaw, XIV Economic Division of the National Court Register under the number 00000006607, with Tax Identification Number (NIP) 5340012306 and Business Identification Number (REGON) 000687617,
3. Net contract value: PLN 39, 949,152.00, gross contract value: PLN 49,137,456.96 (lump sum)
4. Subject of the contract: "The improvement of energy efficiency and the adaptation of Pavilions I and VIIB of MSCZ in Pruszków" (contract executed in the "design – build" system)
5. Place of Contract performance: Pruszków
6. Implementation deadlines: 19 months from the date of signing the Contract
    a) Milestone 1 - preparing and obtaining acceptance from the Employer with the participation of the Substitute Investor for the Functional and Spatial Concept for each of the Facilities - 1 month from the day of signing the Contract;
    b) Milestone 2 - execution of the Construction Design in the scope of the architectural-construction design, land development design and technical design (installations) in accordance with the binding regulations and obtaining the final construction permit for each of the Facilities - within 7 months from the day of signing the Contract;
    c) Milestone 3 - development of the executive design, execution of the scope covering construction works, supply and installation of equipment for Pavilion VIIB, along with obtaining the final (binding) decision on the occupancy permit - 8 months from the date of obtaining the final building permit for this Facility;

d) Milestone 4 - development of the executive design, execution of the scope encompassing construction works, supply and installation of equipment for the first stage of completion of Pavilion No. I - the enhanced security unit, along with obtaining the final (binding) decision on the occupancy permit - 8 months from the date of obtaining the final building permit for this Facility.

7. Payment terms: “Payment by partial invoices with 30 days payment term:
    a) Execution of the entire Functional and Spatial Concept for all Facilities - partial invoice;
    b) Execution of the entire Construction Design, including the Technical Designs (Architectural Design, Site Development Design) and obtaining the final (legally binding) construction permit(s) for each of the Facilities - partial invoice;
    c) Execution of partial works within the scope of a given finished element for a given Facility - partial invoices;
    d) Completion of the whole subject in the scope of the given Facility - the final invoice for the given Facility; “
8. Performance bond: (value, duration): PLN 2,456,872.84 (5% of gross contractual salary) 17 July 2023
9. Guarantee for the repair of defects and faults: PLN 737,061.85 2 July 2028
10. Other guarantees (type, value, duration): CAR and THIRD PARTY LIABILITY
11. Penalties: The penalties do not deviate from the market conditions for this type of Contract. The total value of contractual penalties shall be limited to 10% of the gross Remuneration of the Contract.
12. Notes: This is another EI contract in the scope of thermos-modernization works in the “design – build” system. Currently, the Company is implementing thermal modernisation works with the Maria Skłodowska-Curie National Institute of Oncology - National Research Institute based in Warsaw and the Ludwik Rydygier Specialist Hospital in Kraków.