Current report no. 57/2022
Date: 2022-12-22
ERBUD S.A.

Subject:
Signing of a Significant Contract with a net value of PLN 32.1 million for the execution of construction and installation works for the implementation of the 2nd and 3rd Stage of the Investment titled: "Reconstruction, superstructure and extension of the Podkarpackie Pulmonary Diseases Centre building in Rzeszów".

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

Report content:
The Management Board of ERBUD S.A. (Issuer) hereby announces that today it signed a Significant Contract with a net value of PLN 32.1 million for the execution of construction and installation works for the 2nd and 3rd Stage of the investment project entitled: "Reconstruction, superstructure and extension of the Podkarpackie Pulmonary Diseases Centre building in Rzeszów" - under the following conditions:

1) Contract date: 2022.12.22
2) Investor (full name and registered office) No. 1 Fryderyk Chopin Clinical Regional Hospital in Rzeszów, 2 Szopena St., 35-055 Rzeszów
3) Contract value: PLN 32,139,420.00 net
4) Subject of the Contract: "Execution of construction and installation works for the realization of the 2nd and 3rd stage of the Project entitled:
   Rebuilding, superstructure and extension of the Podkarpacie Pulmonary Diseases Centre building in Rzeszów, including internal installations: water and sewage, central heating, gas, mechanical ventilation and air conditioning, refrigeration, electrical, telecommunications and medical gas installations; demolition of a part of the Centre building - segment B; extension , reconstruction of the medical gas building with internal installations: electrical, telecommunication, medical gas, central heating, mechanical ventilation; construction of a transformer station and generator; construction facilities: parking spaces, roads, pedestrian access, retaining wall, oxygen tank, air intake; external above-ground installations: water, central heating, domestic hot water, industrial heating, gas, sewage, medical gases, access control, LV electrical installations, reconstruction of electrical installations, external lighting of the site and cable ducting; connections and networks: reconstruction of sanitary sewage system, MV power connection, reconstruction of telecommunication networks" on plots no. 69/19, 69/17, 69/14, 69/20, 69/21 of premises 207 in Rzeszów, at Rycerska Street" under a building permit
   - Decision No 384/2018 dated 07/05/2018."
5) Place of performance: 2 Lubelska St., 35-241 Rzeszów
6) Implementation dates: 22.12.2022 - 15.11.2023

7) Payment terms: Invoicing of completed phases of works, payment term of invoices: 60 days from the date of receipt; partial invoicing up to 90% of the gross value of the entire Contract, the remaining 10% after signing the Protocol of Final Acceptance of Works
8) Performance bond (value, duration): 4% of gross contract value: PLN 1,565,580.74; term 22.12.2022 - 15.12.2023 (insurance guarantee)
9) Retention bond (value term) 1.2% of gross contract value: PLN 469,674.22; term from 16.12.2023 to 30.12.203 (insurance guarantee)
10) Other guarantees (type of guarantee, value, maturity) –
11) Penalties:
    a) for delay in performing the subject of the Contract, in the amount of 0.05% of the gross remuneration for the subject of the Contract for each working day of delay,
    b) for a delay in handing in the necessary documents preventing final acceptance of the works, in the amount of 0.05% of the gross remuneration for the subject of the Contract for each day of delay,
    c) for delay in rectifying defects identified at acceptance or during the warranty period in the amount of 0.5% of the value of the defective element, for each day of delay,
    d) for failure by the Contractor or a subcontractor to submit documents confirming the employment of persons on the basis of an employment contract in the amount of PLN 1,000.00 in each case,
    e) for non-payment or untimely payment of remuneration due to Subcontractors or further subcontractors in the amount of PLN 2,500.00 for each identified non-payment or for each day of untimely payment,
    f) for failure to submit for approval a draft subcontracting contract whose subject matter is works or a draft amendment thereto in the amount of PLN 1,500.00 for each such case identified,
    g) for failure to submit a certified true copy of a subcontract contract for works, supplies or services or an amendment thereto in the amount of PLN 2,500.00 for each such case identified,
    h) for failure to amend a subcontract the subject of which are supplies or services as regards the payment deadline in the amount of PLN 5,000.00 for each day counted,
    i) in the event of withdrawal from the contract by the Employer through the fault of the Contractor, the Contractor shall pay the Employer a contractual penalty amounting to 5% of the remuneration of the lump sum,

    * the aggregate value of contractual penalties imposed on the Contractor due to the circumstances referred to in items a) to i) above may not exceed 15% of the gross remuneration.
12) Notes: Construction implemented by the Rzeszów Branch.