

Current report no. 25/2022

Date: 2022-06-06

ERBUD S.A.

Subject

Thermal modernisation of the Rector's Office building of the Medical University of Warsaw in Warsaw. Contract value: PLN 36.88 million net.

Legal basis

Article 17(1) MAR - confidential information.

Report content:

The Management Board of Erbud S.A. (Issuer) hereby announces that on 06-06-2022 a subsidiary of the Issuer - Erbud International Sp. z o.o. signed a Significant Construction Contract on the following terms:

NO. SPECIFICATION - CONTRACTUAL INFORMATION

1. Contract date: June 6, 2022
2. Investor (exact name and registered office): "MEDICAL UNIVERSITY OF WARSAW, 61 Żwirki i Wigury Street, 02-091 Warsaw"
3. Contract value: "PLN 36,889,816.54 gross PLN 29,991,720.76 net"
4. Subject of the contract: "Thermomodernisation of the Rector's Office building of the Medical University of Warsaw, Ref. No: AEZ/S-060/2021"
5. Place of Contract performance: "61 Żwirki i Wigury Street, 02-091 Warsaw"
6. Completion dates: 6.09.2023 (15 months from the date of Contract conclusion)
7. Payment terms: "Partial invoices will be issued by the Contractor no more frequently than once a month, unless otherwise agreed in writing by the Employer.
The amount of partial invoices for completed works may not exceed 95% of the remuneration.
Invoice payment period 30 days"
8. Performance bond (value, duration): "The Contractor provided a performance bond in the amount of 5% of the value of the Contract subject, i.e. PLN 1,844,490.82 in the form of: an insurance guarantee
After completion of the Works, the Employer shall return 70% of the amount of the performance bond within 30 days from the date of signing by the parties to the Contract of a Protocol of Final Acceptance of the Works without reservations, i.e. from the date of completion of the order and recognition by the Employer of its proper completion."
9. Retention bond (value, duration): Insurance bond 1.5% (PLN 553 347.25) as the remaining 30% of the amount of the performance bond shall be returned to the Contractor not later than on the 15th day after the expiry of the warranty period (84 months) and the period of defects or guarantee, whereas 30 days before the expiry of the warranty period and guarantee, the Contractor shall perform a warranty inspection, from which a Protocol of Acceptance of Works related to the expiry of the warranty period stipulated in the agreement shall be drawn up.
10. Other guarantees (type of guarantee, value, duration): none

11. Penalties: "Main events of contractual penalties:

- 1) The parties reserve contractual penalties calculated in the following situations and amounts:

1/-The Contractor shall pay the Employer a contractual penalty:

- a) for failure to complete the Works within the period referred to in Art. 3(1) of the Agreement - in the amount of 0.05% of the total net remuneration referred to in Art. 17(1) for each day of delay;
- b) for delay in removal of defects identified during the warranty or guarantee period in relation to the deadline specified in Art. 20(5), in the amount of 0.05% of the total net remuneration referred to in Art. 17(1), for each day of delay;
- c) for each case of performance of a part of the subject matter of the Contract by an entity which has not been reported to the Employer as a Subcontractor or which has not been approved as a Subcontractor by the Employer in accordance with the requirements of Art. 14; - in the amount of 0.01% of the total net remuneration referred to in Art. 17(1);
- d) for each case of failure to submit for acceptance of works which will be covered or removed from sight - in the amount of 0.01% of the total net remuneration referred to in Art. 17(1);
- e) for withdrawal from the Contract (in full or in part) by any of the Parties for reasons attributable to the Contractor, in the amount of 10% of the total net remuneration referred to in Art. 17(1);
- f) for failure to pay insurance premiums or fulfil other obligations specified in Art. 21 in the amount of 1% of the total net remuneration referred to in Art. 17(1);
- g) for each failure by the Employer to comply with the requirement of employing persons on the basis of a labour contract, referred to in Art. 25, or failure to provide evidence of employment of workers, in the amount of PLN 1,000.00 for each identified case of non-compliance;
- h) for each non-delivery or late delivery of documents in cases specified in the Contract, in particular during (acceptance or at the request of the Employer) in the amount of PLN 500.00 for each day of delay;
- i) in the event of delay in submitting the Tender Cost Estimate to the Employer and presenting the Material and Financial Schedule within the time limit specified in Art. 3(5) in the amount of PLN 1,000.00 for each commenced day of delay;
- j) for delay in removal of defects within the warranty or guarantee period in relation to the deadline specified in Art. 20(5) - in the amount of 0.05% of the net remuneration referred to in Art. 17(1) for each commenced day of delay.

The total amount of accrued contractual penalties may not exceed 30% of the net remuneration"

12. Notes: This is another (fourth) EI contract for thermal modernisation works. Currently, the Company is carrying out thermal modernisation works in the "design-build" system with the Maria Skłodowska-Curie National Institute of Oncology - National Research Institute, based in

Warsaw, and the Prof. Jan Mazurkiewicz Mazowiecki Specialist Health Centre, based in Pruszków. Meanwhile, the thermomodernisation of the Ludwik Rydygier Specialist Hospital in Kraków, which is being undertaken by the EI, is at the stage of final acceptance activities.