

Current report no. 35/2022

Date: 2022-07-15

ERBUD S.A.

Subject:

Conclusion of an Agreement to a Significant Construction Contract with AMW Towarzystwo Budownictwa Społecznego "KWATERA" Sp. z o.o

Legal basis:

Article 17(1) MAR - confidential information.

Report content:

The Management Board of Erbud S.A. (Issuer - Consortium Leader) with reference to the Current Report No. 49/2021 dated June 2, 2021 and the Current Report No. 18/2022 dated May 05, 2022 hereby announces that on July 15, 2022 together with ONDE S.A. (Consortium Member) received a signed Agreement to the Construction Contract No. 0357.DIR.2021 of June 02, 2021 concerning the limitation of the construction works covered by the Contract to the execution of only the scope of Stage I.

Consequently, the Agreement of July 15, 2022 resulted in the termination of part of the Contract as follows:

"The abandonment of the Stage II works, i.e. the construction of the B2 and B7 multi-family residential buildings, the internal road, the connection and the development of the land necessary for the operation of the aforementioned facilities, together with the obtaining, on behalf of and in favour of the Employer, of the final decision required by law with regard to the Permit to Use of the facilities created as a result of the Phase II works".

The parties agreed that the value of the works performed under Stage II corresponded to a part of the Consortium's remuneration in the amount of at least PLN 46.4 million net, and undertook to agree, by August 12, 2022, the final terms of the modification of the remuneration in connection with the non-performance of Stage II of the investment, considering the reduction of the Consortium's remuneration by at least the amount indicated above. An Agreement/Annex to the Contract will be signed on the same date, which the Issuer will announce in a separate Current Report.