



GRUPA ZUE

CURRENT REPORT 33 / 2015

16 February 2015

Legal basis: Art. 56.1.1 of the Public Offering Act – Confidential Information.

Subject: Disclosure of Delayed Confidential Information.

Content:

The Management Board of ZUE S.A. of Cracow (the “Company”) hereby provide the confidential information whose disclosure was delayed pursuant to § 2.1.1 of the Ordinance of the Minister of Finance of 13 April 2006 on the type of information that could compromise the legitimate interests of the Issuer and the Issuer’s conduct in connection with a delayed disclosure of confidential information.

The Company’s Management Board inform that on 1 December 2014 they delayed, under the current report 4/2014K and then the current reports 7/2014K of 19 December 2014 and 1/2015K of 29 January 2015 sent to DIA-S, the disclosure of the confidential information about negotiations over capital investment in RAILWAY gft Polska sp. z o.o. of Cracow (“RAILWAY”) started by the Company on 1 December 2014.

The parties negotiated the terms on which the Company would acquire a majority stake in RAILWAY from the existing shareholders. The provision of this confidential information to the general public was delayed because the Company believed it could have a negative impact on the course or result of the negotiations.

As a result of the negotiations, a letter of intent was signed between the shareholders of RAILWAY and the Company on 16 February 2015. The letter summarised the talks and specified the parties’ intentions concerning further negotiations aimed at the Company’s acquisition of a majority stake in RAILWAY. The Company would hold 70% of RAILWAY’s share capital.

The Company’s intention to execute the abovementioned transaction was confirmed in the said letter.

The transaction is under the condition precedent that the consent is given by the President of the Office of Competition and Consumer Protection (“UCCP”) to the concentration resulting from the sale of RAILWAY shares to the Company or there are circumstances in which the consent is not required; i.e.:

- The Company receives an unconditional consent of the President of the Office of Competition and Consumer Protection to the concentration; or



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- The Company receives a decision of the President of the Office of Competition and Consumer Protection to discontinue the concentration proceedings as there is no notice requirement; or
- The notice is returned because the President of the Office of Competition and Consumer Protection decides it is not required; or
- The deadline for the decision of the President of the Office of Competition and Consumer Protection expires as a result of which it is assumed, under the Polish Competition and Consumer Protection Act, that the unconditional consent to the concentration has been given by the President of the Office of Competition and Consumer Protection.

The process of obtaining the consent from the President of the Office of Competition and Consumer Protection is pending.

RAILWAY acquires rights and obligations under the contracts and agreements signed by ThyssenKrupp GfT Polska Spółka z o.o. of Cracow (“ThyssenKrupp GfT Polska”), a member of the German ThyssenKrupp AG as part of which it is responsible for the sale of the materials for the construction and repair of tram and railway tracks in the entire Poland and the provision of services and know-how concerning rail communication and construction techniques.

Prior to the abovementioned acquisition of ThyssenKrupp GfT Polska by RAILWAY, the Company and ThyssenKrupp GfT Polska signed the contract of 27 January 2015 for the Company’s purchase of the track structure materials such as tram and railway rails, track accessories, sleepers etc. for the total of PLN 19.5m. In addition, the Company was obliged to buy other track structure materials of the total value of approx. PLN 40.4m by 31 January 2016. The Company informed of the said contract in the current report 19/2015 of 27 January 2015 and the current report 25/2015 of 3 February 2015.

The Company intends to acquire the majority stake in RAILWAY to pursue its strategic goals.

The Company will inform about further stages of the said transaction in separate current reports.

Legal basis: Art. 56.1.1 of the Polish Act on Public Offering and Terms of Introducing Financial Instruments to Organised Trading and on Public Companies of 29 July 2005.