



## **CURRENT REPORT 35 / 2016**

**29 June 2016**

*Legal basis: Art. 56.1.2 of the Public Offering Act – Current and Financial Reports.*

Subject: Value of Agreements Concluded with mBank S.A.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the "Company") inform about the master agreement (the "Agreement") concluded on 29 June 2016 between the Company and mBank S.A. with registered office in Warsaw (the "Bank"). Under the Agreement, the Company may use the guarantees provided by the Bank as part of the guarantee line provided to it. The Company has been granted the limit (the "Limit") up to PLN 70m.

The guarantee line (the "Line") has been provided to the Company until 28 July 2027; i.e. the expiry date of the guarantees provided as part of the Limit. The Company may apply for guarantees until 28 June 2017.

The Bank is ready to provide PLN- and EUR-denominated bid bonds, advance payment bonds, performance bonds, deposit payment bonds and warranty performance bonds. The term of the bonds and guarantees must not exceed 120 months and 30 days and must not go beyond the Line expiry date.

The claims of the Bank under the Agreement are secured by:

- 1) Deposit left at the Bank;
- 2) Assignment of claims under a contract accepted by the Bank if the value of a guarantee exceeds PLN 20m or the funds payable to the Company under a contract assigned to the Bank; and
- 3) Submission to enforcement under Art. 777 § 1.5 of the Polish Code of Civil Procedure.

The Agreement does not provide for any contractual penalties. The remaining terms of the Agreement do not differ from the standard terms of such type of agreements. The Agreement is deemed major because its value exceeds 10% of the Company's equity.

On 29 June 2016, the Company signed an annex to the cooperation agreement for the Company's use of the Bank's products and services to finance the Company's day-to-day operations (the "Annex"). The Company informed about the cooperation agreement in the current report 98/2015 of 22 December 2015 and previous reports.



Under the Annex, the Company was granted the right to use the products until 20 July 2017 as part of the limit reduced from PLN 90m to PLN 40m. In addition, the Annex dealt with the following changes in sublimits (i.e. the maximum amount provided to the Company as part of the limit, which could be used for one of the products referred to in the abovementioned reports):

- sublimit for guarantees – up to PLN 25m; and
- sublimit for non-revolving working capital facilities – up to PLN 30m.

The remaining terms of the cooperation agreement did not change significantly.

In addition, the Company informs that excluding the abovementioned Agreement and the Annex, the total value of the agreements concluded in the last 12 months between the companies comprising the ZUE Capital Group and the Bank is approx. PLN 13m; i.e. more than 10% of the Company's equity. The Agreement of 29 June 2016 is the highest value agreement signed in the reporting period.

*Legal basis: § 5.1.3 of the Regulation by the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions for recognizing information required under the law of a non-member state as equivalent.*