



CURRENT REPORT 28/2017

5 May 2017

Legal basis: Art. 17.1 of the MAR – Confidential Information.

Subject: Agreement on Amendment to Master Agreement.

Content:

The Management Board of ZUE S.A. (the “Company,” the “Issuer”) inform about the agreement concluded on 5 May 2017 by and between Railway gft Polska sp. z o.o., a subsidiary (Railway, the “Assignor”), the Company (the “Assignee”) and the Polish manufacturer of power cables (the “Counterparty”). The said agreement (the “Agreement”) deals with the assignment of a master agreement (the “Master Agreement”) whose subject matter is the sale and supply of various types of power cables. On the basis of the Agreement, the buyer specified in the Master Agreement has been changed; i.e. Railway has been replaced with the Issuer and the Issuer has acquired any and all rights and obligations of the buyer. The said change has been approved of by the Counterparty.

In addition, an annex to the Master Agreement was signed on 5 May 2017 whereby the value thereof was increased to the net amount of PLN 20.3m.

The Master Agreement will remain in full force and effect until 31 December 2020.

The Master Agreement sets out the rules governing the sale of products offered by the Counterparty as well as making and execution of orders. The Master Agreement provides for contractual penalties for the seller’s failure to timely supply and the buyer’s failure to timely receive the products of 1% of the supplied products’ value for each day of delay. The payment of the contractual penalties does not prevent any party from claiming additional damages up to the value of actual damage. Both parties to the Master Agreement may terminate it with an immediate effect if the payment or supply is delayed.

The remaining terms of the Master Agreement, including but not limited to termination terms or quality guarantee, do not differ from the standard terms of such type of agreements.

The Issuer also informs that apart from the abovementioned Master Agreement, the total net value of the agreements entered into with the Counterparty in the last year is approx. PLN 0.3m.