

CURRENT REPORT 49 / 2017

28 July 2017

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

Subject: Conclusion of Contract with Subcontractor.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the “Company”) inform about a signed contract between the following cooperating companies received by them on 28 July 2017:

- 1) ZUE S.A. with registered office in Cracow;
- 2) Budimex S.A. with registered office in Warsaw;
- 3) Strabag sp. z.o.o. with registered office in Pruszków; (hereinafter jointly referred to as the “Employer”); and

Biuro Wdrożeniowo – Projektowe SABEL with registered office in Wrocław (hereinafter referred to as the “Subcontractor”).

Under the Contract, the Employer expects the Subcontractor to perform specific design and construction services in connection with the Employer’s execution of the project in the area of the Kutno Local Traffic Control Centre (LCS) – the Żychlin-Barłogi section.

The Contract net value is PLN 107.5m and 67% of this amount will be paid by the Company.

The Contract completion date is September 2020.

The warranty given by the Subcontractor is 6 years and 30 days from the main contract final acceptance. The Subcontractor is liable under the guarantee for the same period of time.

The Contract provides for contractual penalties payable by the Subcontractor to the Employer in the circumstances specified in the Contract, including the penalty for the failure to complete a stage of the project or to remove defects in a timely fashion. The Subcontractor will also pay the contractual penalty of 30% of the Contract net value if the Contract is terminated by the Employer or the Subcontractor due to the



circumstances blamed on the Subcontractor. However, the total amount of the contractual penalties must not exceed 30% of the Contract net value.

Regardless of the contractual penalties, the Employer will have the right to claim additional damages up to the value of actual damage.

The remaining terms of the Contract, including but not limited to the termination terms, do not differ from the standard terms of such type of contracts.