



CURRENT REPORT 53 / 2017

17 August 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 contract (the "Contract") entered into on 17 August 2017 between the Company and Zakład Automatyki KOMBUD S.A. with registered office in Radom (the "Subcontractor").

Under the Contract, the Subcontractor shall provide certain design and construction services to the Company in connection with the Company's performance of the contract in the Łódź Kaliska – Zduńska Wola area.

Contract net value: PLN 37.8m.

Contract completion date: April 2020.

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

The Contract provides for contractual penalties payable by the Subcontractor to the Company in the circumstances specified therein including a penalty for the failure to perform a certain stage of the project or remove defects in a timely fashion. However, the total amount of the contractual penalties must not exceed 30% of the Contract net value.

Regardless of the contractual penalties, the Company has 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 Contract termination terms, do not differ from the standard terms of such type of contracts.