



CURRENT REPORT 32 / 2018

26 June 2018

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

Subject: Cooperation with Counterparty.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the “Company,” the “Issuer”) inform about the contract of 26 June 2018 between the Company and Astaldi S.p.A. with registered office in Rome (the “Counterparty”) which provides for the rental of building machinery by the Company. Accordingly, the total net value of contracts entered into between the ZUE Group companies and the Counterparty since 9 May 2018 is approx. PLN 21.9m.

The highest value contract since 9 May 2018 is the construction subcontract signed in May 2018 whereby the Company has undertaken to build engineering facilities for the Counterparty in connection with one of the rail contracts performed by the Counterparty (the “Contract”).

The Contract net value: PLN 13.3m.

The Contract completion date: November 2018.

The warranty given by the Company is six years of the final acceptance. The Company is liable under the guarantee for the same period of time.

The Contract provides for contractual penalties payable by the Company to the Counterparty in the circumstances specified therein, including the penalty for the failure to carry out the works or to remove defects in a timely fashion or termination of the Contract due to the circumstances blamed on the Company. However, the total amount of contractual penalties must not exceed 30% of the Contract gross value.

Regardless of the contractual penalties, the Counterparty 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.