

CURRENT REPORT 35 / 2018**11 July 2018**

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

Subject: Selection of the Most Economically Advantageous Tender.

Content:

With reference to the current report 23/2018 of 6 June 2018, the Management Board of ZUE S.A. with registered office in Cracow (the "Company") inform that they learnt on 11 July 2018 about the selection on the same date by Zarząd Infrastruktury Komunalnej i Transportu w Krakowie (the "Contracting Authority") of the tender submitted by the Company as the most economically advantageous offer in the tender procedure for the project named: "Reconstruction of the line of the Królewska, Podchorążych and Bronowicka Streets in Cracow, the reconstruction of tramway tracks, OCL network and dehydrating and lightening system and the reconstruction of colliding technical infrastructure."

Contracting Authority: Zarząd Infrastruktury Komunalnej i Transportu w Krakowie.

Net value of the tender submitted by the Company: PLN 62.6m.

Gross value of the tender submitted by the Company: PLN 77.0m.

Project completion date according to the tender: 12 months.

Tender evaluation criteria:

- 1) gross price - 60%,
- 2) term of warranty - 20%,
- 3) date of tramway tracks capacity - 20%.

The Company's tender is the only tender which has been submitted and cannot be rejected in the said proceedings.

The Company will inform about the next major steps in the tender procedure, including the contract conclusion, in a relevant current report.