

## **CURRENT REPORT 4 / 2019**

**7 February 2019**

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

Subject: Suit for Payment.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the “Company,” ZUE) inform that they learnt on 7 February 2019 from Elektrobudowa S.A. with registered office in Katowice (Elektrobudowa) about the suit for payment dated 7 January 2019. The suit was filed with the District Court of Poznań by Miejskie Przedsiębiorstwo Komunikacyjne w Poznaniu sp. z o.o. (MPK, the “Contracting Authority,” the “Plaintiff”). No original copy of the suit was delivered to the Company at this report publication date. In their suit MPK demanded that ZUE and Elektrobudowa pay on a joint and several basis the total amount of approx. PLN 20.2m as contractual penalties plus statutory interest and the costs of proceedings.

The suit was based by the Plaintiff on the contract of 13 July 2011 between MPK and the Consortium of ZUE and Elektrobudowa for the construction of the FRANOWO tram depot in Poznań” (the “Contract”). The Company informed about the conclusion of the Contract in the current report 39/2011. The works under the Contract were performed and completed by the Consortium in June 2015.

The Company believes that the claims enforced under the suit are groundless because there is no fault on part of the Company or the failure to cooperate properly during the performance of the Contract. Accordingly, the Company will take relevant legal measures and question both the legitimacy and amount of the Plaintiff’s claims.

As a precaution, the Company has created a financial provision relating to the said litigation. The Company informed thereof in the current report 7/2017 of 6 February 2017. Thus, the Company believes the litigation will have no negative influence on its financial standing.