



## **CURRENT REPORT 38 / 2020**

**11 December 2020**

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

Subject: Contract with the City of Szczecin.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the "Company") inform about the contract signed on 11 December 2020 by the Company and the City of Szczecin (the "Contracting Authority") for the project named: "Reconstruction of the track together with OCL network from the Żołnierza Square to the Niebuszewo terminus and along the Żołnierza Polskiego Square – the Matejki Street – the Piłsudskiego Street (to the Rodła Square)" (the "Contract").

The Company informed about the selection of the Company's offer as the most economically advantageous tender in the current report 30/2020 of 1 September 2020.

Contract net value: PLN 141.8m.

Contract gross value: PLN 174.4m.

Project completion date: 720 days of the Contract conclusion date.

The quality guarantee given by the Company to the Contracting Authority is 8 years. The Company is liable under warranty for the same period of time.

The Contract provides for contractual penalties payable by the Company to the Contracting Authority in the circumstances specified therein, including the penalty for the failure to perform the Contract or to remove defects in a timely fashion. The Company will also pay the Contracting Authority the contractual penalty of 10% of the Contract net value if the Contract is terminated due to the circumstances blamed on the Company. However, the total amount of the contractual penalties must not exceed 30% of the Contract net value.

The payment of the contractual penalty is without prejudice to the Contracting Authority's right to claim additional damages up to the value of actual damage.



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

In addition, the Company informs that following the conclusion of the Contract, the total value of the backlog held by the companies within the ZUE Capital Group at the date of this report is approx. PLN 1,614m.