



CURRENT REPORT 2 / 2021

28 January 2021

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

Subject: Conclusion of Contract for Infrastructure Project.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the "Company") inform that they learnt on 28 January 2021 about the conclusion by the other party of the contract between the Company and the city of Grudziądz – Zarząd Dróg Miejskich w Grudziądzu (the "Contracting Authority") for the project named: "Reconstruction of the tramway track from the Wiejska Street to the OM Rządź tram terminus" as part of the following project: "Reconstruction of tram infrastructure to improve public transport in Grudziądz" (the "Contract").

The Company informed about the selection of the Company's offer as the most economically advantageous tender in the current report 33/2020 of 5 October 2020.

Contract net value: PLN 47.7m.

Contract gross value: PLN 58.6m.

Completion date: 31 October 2021.

The quality guarantee given by the Company to the Contracting Authority is 70 months. 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 gross value if the Contract is terminated due to the circumstances blamed on the Company. The Contract does not provide for any limits in penalties which may be imposed on the Company.

The parties reserve the right to claim additional damages up to the value of actual damage and lost profit.



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 1,580m.