



## **CURRENT REPORT 34 / 2021**

**16 November 2021**

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

Subject: Conclusion of Infrastructure Contract.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the "Company") inform about the contract entered into on 16 November 2021 between the Company and the City of Szczecin, Szczecińska Energetyka Ciepła Sp. z o. o. and Zakład Wodociągów i Kanalizacji Sp. z o.o. with registered office in Szczecin (hereinafter jointly referred to as the "Contracting Authority") for the project named: "Reconstruction of the tram line and traction in the Nabrzeże Wieleckie, Nowa, Dworcowa, Kolumba, Chmielewskiego and Smolańska Streets and the Powstańców Wlkp. Avenue and the extension of the Pomorzany terminus in Szczecin." (the "Contract").

The Company informed about the selection of the Company's tender as the most economically advantageous offer in the current report 21/2021 of 5 August 2021.

Net value of the Contract: PLN 213m.

Gross value of the Contract: PLN 262m.

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

The warranty given by the Company is eight years. 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 Contracting Authority in the circumstances specified therein, including the penalty for the failure to complete 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 parties reserve 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 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 1,398m.