



CURRENT REPORT 50 / 2022

30 September 2022

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," ZUE) inform about the contract entered into on 30 September 2022 between ZUE and Zarząd Dróg Miasta Krakowa (the "Contracting Authority") for the project named: "Maintenance and repair of tram infrastructure in Cracow in 2022-2025" (the "Contract").

The Company informed about the selection of the Company's offer as the most economically advantageous tender in the current report 48/2022 of 28 September 2022.

Contract net value: PLN 120.6m.

Contract gross value: PLN 148.4m.

Project completion date: 01.10.2022 – 30.09.2025.

The term of warranty and guarantee given by the Company for the works and services under the Contract is four years.

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 works 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. If the Contract is terminated by the Company through the fault of the Contracting Authority, the Contracting Authority will pay the Company the contractual penalty of 10% of the Contract gross value. However, the total amount of the contractual penalties for the failure to perform the Contract in a timely fashion must not exceed 30% of the Contract gross 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 Capital Group at the date of this report is approx. PLN 1,507m.