



CURRENT REPORT 63 / 2022

7 December 2022

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

Subject: Conclusion of the Package of Construction Contracts in Connection with Railway Projects in Romania.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the "Company," ZUE) inform about the package of contracts entered into on 7 December 2022 between the Consortium comprising the Company and Drum Asphalt S.R.L with registered office in Oradea (Romania) and State Railway Company - "C.F.R." S.A. – C.F. Cluj Regional Branch (the "Contracting Authority") for the completion of particular stages of railway investments in Romania as part of "Quick Wins" including:

1) Works on the removal of speed limits to restore the technical parameters of the railroad track no. 300 - 6 Lot (24.3 km).

The total net value of the signed contracts for the works referred to in item 1) translated into the Polish currency at the contracts conclusion date is PLN 94.9m, out of which about 50% is attributable to ZUE.

2) Works on the removal of speed limits to restore the technical parameters of the railroad track no. 412 - 5 Lot (19.408 km).

The total net value of the signed contracts for the works referred to in item 2) translated into the Polish currency at the contracts conclusion date is PLN 83.5m, out of which about 50% is attributable to ZUE.

3) Works on the removal of speed limits to restore the technical parameters of the railroad track no. 412 - 4 Lot (13.963 km).

The total net value of the signed contracts for the works referred to in item 3) translated into the Polish currency at the contracts conclusion date is PLN 81.2m, out of which about 50% is attributable to ZUE.

4) Works on the removal of speed limits to restore the technical parameters of the railroad track no. 300 - 4 Lot (17.2 km).

The total net value of the signed contracts for the works referred to in item 4) translated into the Polish currency at the contracts conclusion date is PLN 65.8m, out of which about 50% is attributable to ZUE.



5) Works on the removal of speed limits to restore the technical parameters of the track surface SRCF Cluj, line no. 300 - 14 Lot (37.722 km).

The total net value of the signed contracts for the works referred to in item 5) translated into the Polish currency at the contracts conclusion date is PLN 174.6m, out of which about 50% is attributable to ZUE.

6) Works on the removal of speed limits to restore the technical parameters of the railroad track no. 412 - 9 Lot (18.84 km)"

The total net value of the signed contracts for the works referred to in item 6) translated into the Polish currency at the contracts conclusion date is PLN 97.4m, out of which about 50% is attributable to ZUE.

- jointly referred to as the "Contracts."

The total net value of the Contracts signed today translated into the Polish currency at the Contracts conclusion date is about PLN 597.4m, out of which about 50% is attributable to ZUE.

The Company informed about the submission of tenders and the selection thereof as the most economically advantageous tenders in the current reports 42/2022, 52/2022, 55/2022, 56/2022, 60/2022 and 61/2022.

Projects completion dates: 24 months of the commencement of the works.

The term of warranty given by the Consortium for the works performed under the Contracts is five years.

The construction Contracts relating to the Romanian railway projects provide for contractual penalties payable by the Consortium 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 remaining terms of the Contracts, 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 Contracts, the total value of the backlog held by the companies within the Capital Group at the date of this report is approx. PLN 1,921m.