



## **CURRENT REPORT 17 / 2023**

**22 August 2023**

*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 22 August 2023 between ZUE and Zarząd Dróg Miasta Krakowa, Wodociągi Miasta Krakowa S.A. and Miejskie Przedsiębiorstwo Energetyki Ciepłej (MPEC) S.A. (the "Contracting Authority") for the Cracow project named: "Reconstruction of the tramline along the Zwierzyniecka Street (district road) and the Kościuszki Street (county road) in Cracow and reconstruction of the adjacent intersections and OCL network, dehydration and lightening, reconstruction of the colliding technical infrastructure, repair of the *Salwator* tram terminus as well as construction of the heat distribution network with connections and construction and reconstruction of the water supply system." (the "Contract").

The Company informed about the selection of the Company's offer as the most economically advantageous tender in the current report 12/2023 of 27 June 2023.

Contract net value: PLN 76.5m.

Contract gross value: PLN 94m.

Project completion date: About 12 months of the site handover date.

The Company gives the five-year warranty and 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 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. However, the total amount of the contractual penalties must not exceed 30% of the Contract gross value.



The parties reserve the right to claim additional damages up to the amount 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 1,535m.