



CURRENT REPORT 3 / 2014

16 January 2014

Legal basis: Art. 56.1.2 of the Public Offering Act – Current and Financial Reports.

Subject: End of Subscription Connected with Introduction of Issuer's Securities to Trading on the Stock Exchange and Allotment of Shares.

Content:

The Management Board of ZUE Spółka Akcyjna with registered office in Cracow ("ZUE") inform of the subscription that took place on 2 January 2014 in connection with the introduction of ZUE's securities to trading on the stock exchange and the allotment of shares.

The abovementioned subscription was connected with the merger of ZUE (the Acquiring Company) and Przedsiębiorstwo Robót Komunikacyjnych w Krakowie Spółka Akcyjna of Cracow ("**PRK**") (the Acquired Company) pursuant to Art. 492 § 1.1 of the Polish Companies Act; i.e. by a transfer of all the assets of PRK to ZUE in exchange for the shares (the "**Merger Shares**") to be issued to the shareholders of PRK (the "**Merger**") and concerned 320 class C bearer shares with a par value of PLN 0.25 (zero złoty 25/100) each (the "**Non-Allotted Merger Shares**"), which had not been purchased as part of the Merger by the existing shareholders of PRK (the Acquiring Company) as a result of the exchange ratio determined in the Plan of Merger, rounding the total number of the Merger Shares offered to the existing shareholders of PRK down to the nearest integral number and the payment of cash equivalent to a fraction of the Merger Share that had not been given to them (the "**Additional Payment**").

ZUE informed of the resolution passed by the Extraordinary General Meeting of ZUE in connection with the Merger in the current report 48/2013 of 6 December 2013 and of the registration of the Merger in the current report 55/2013 of 20 December 2013.

Pursuant to § 2.13 of the Resolution no. 4 passed by the Extraordinary General Meeting of ZUE on 6 December 2013 and § 2.13 of the Resolution no. 3 passed by the Extraordinary General Meeting of PRK on 9 December 2013, if any Merger Shares remain following the allotment of the Merger Shares to all the shareholders of PRK such Merger Shares will be offered by the Management Board of ZUE, at their discretion, to third parties for the price equal at least to the value of these Shares determined for the purpose of the Merger, or redeemed.

Thus, the Management Board of ZUE decided to offer the Non-Allotted Merger Shares to a designated purchaser at the issue price equal to the closing bid price applicable on the Warsaw Stock Exchange on the date of the share acquisition agreement but not lower than the value of the Merger Shares computed for the purpose of the Merger; i.e. PLN 9.01 (nine złoty 1/100) per one Non-Allotted Merger Share.

The agreement for the acquisition of the Non-Allotted Merger Shares was concluded on 2 January 2014. The securities were allotted on 2 January 2014.

The subscription covered 320 class C shares of ZUE (the “**Offered Shares**”). All the 320 Offered Shares were allotted as part of the subscription.

Since the Offered Shares were offered to a designated purchaser and the offer was accepted by the purchaser, no subscription of shares or any reduction took place.

The Offered Shares were acquired at the issue price of **PLN 10.20** per one Offered Share.

The Offered Shares were offered as part of the subscription to a single designated purchaser and the offer was accepted by the purchaser. Consequently, the Offered Shares were allotted to a single person.

No underwriting agreements were concluded as part of the subscription.

The value of the Offered Shares subscription is PLN 3,264.00.

There are no separate costs of the Offered Shares issue because the Offered Shares have been issued as part of the Merger Shares issue. Consequently, the cost of the Offered Shares issue is a proportional share of the cost of the issue of 1,030,083 (one million thirty thousand and eighty three) Merger Shares; i.e. PLN 360,000.00 including: (i) the cost of the offer preparation and completion – PLN 30,000.00; (ii) the cost of the memorandum, including the cost of advisory services, of PLN 330,000.00; and (iii) the cost of the offer promotion – PLN 0.00.

The costs of the issue have been estimated according to the best knowledge of the Company because the costs have not been finally settled by the date of this report. The Company will prepare a current report on the final issue costs and make it available on its website.

The method of settlement in the books and of presenting in the financial statements: the cost of the issue of class C shares will decrease the capital from issuing the shares above their par value.

The average subscription cost per one Offered Share is PLN 0.35.

Legal basis: § 33.1 of the Ordinance by the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions for recognizing information required under the law of a non-member state as equivalent (Dz.U. of 2009, no. 33, item 259, as amended).