



MANAGEMENT BOARD REPORT ON THE ACTIVITIES OF
ZUE CAPITAL GROUP

between 1 January 2022 and 30 June 2022

Cracow, 17 August 2022

Abbreviations and definitions:

ZUE, Company, Issuer, Parent Company	ZUE S.A. with registered office in Cracow, entered into the National Court Register maintained by the District Court for Cracow-Śródmieście in Cracow, XI Commercial Division of the National Court Register, under entry number KRS 0000135388, share capital of PLN 5,757,520.75 paid up in full. Parent company of the Capital Group.
BPK Poznań	Biuro Projektów Komunikacyjnych w Poznaniu Sp. z o.o. with registered office in Poznań, entered into the National Court Register maintained by the District Court Poznań - Nowe Miasto i Wilda in Poznań, VIII Commercial Division of the National Court Register, under entry number KRS 0000332405, share capital of PLN 5,866,600 paid up in full. Subsidiary of ZUE.
Railway gft	Railway gft Polska Sp. z o.o. with registered office in Cracow, entered into the National Court Register maintained by the District Court for Cracow-Śródmieście in Cracow, XI Commercial Division of the National Court Register, under entry number KRS 0000532311, share capital of PLN 300,000 paid up in full. Subsidiary of ZUE.
RTI	Railway Technology International Sp. z o.o. with registered office in Cracow, entered into the National Court Register maintained by the District Court for Cracow-Śródmieście in Cracow, XI Commercial Division of the National Court Register, under entry number KRS 0000397032, share capital of PLN 280,000 paid up in full. Subsidiary of ZUE.
ZUE Group, Group, Capital Group	ZUE Capital Group including at the end of the reporting period ZUE, BPK Poznań, Railway gft and RTI.
PLN	Polish złoty.
EUR	Euro.
Act	Polish Companies Act (Journal of Laws of 2022, item 1467, as amended).

Share capital details as at 30 June 2022.

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INTRODUCTION

This Management Board Report on the Activities of ZUE Capital Group (the Group) between 1 January 2022 and 30 June 2022 contains the information whose scope has been set out in § 69.1.3 in connection with § 66.8.2-12 of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information published by the issuers of securities and the conditions for recognizing information required under the law of a non-member state as equivalent.

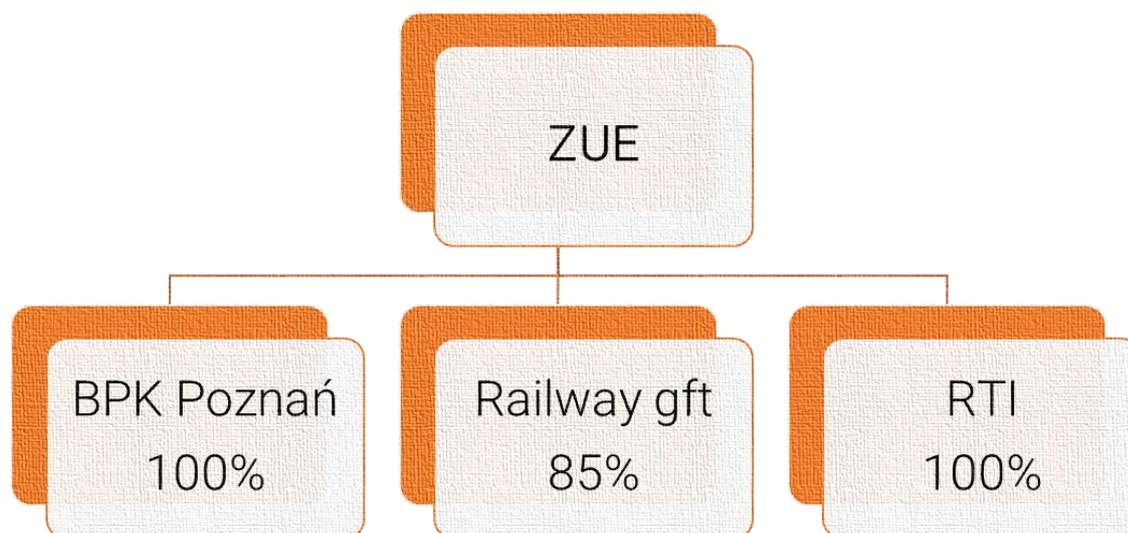
The condensed financial statements of the Group and ZUE S.A., respectively, which constitute the elements of the extended consolidated report for the first half of 2022, have been prepared in accordance with regulations set out in the IAS/IFRS, especially IAS 34 "Interim Financial Reporting."

OPERATIONAL INFORMATION

1. Organisation of the Capital Group

1.1. Structure of the Capital Group

Structure of the Capital Group as at 30 June 2022 and at this report approval date.



ZUE S.A. is the **parent company** of the Capital Group. The Company has been incorporated on 1 June 1991 and operated in its current legal form since 20 May 2002. The Company has been entered into the National Court Register maintained by the District Court for Cracow–Śródmieście in Cracow XI Commercial Division of the National Court Register under entry no. KRS 0000135388. The share capital of PLN 5,757,520.75 has been paid up in full.

Subsidiary – Biuro Projektów Komunikacyjnych w Poznaniu Sp. z o.o. has been established on 15 June 2009. Poznań is the company's registered office. The company has been registered with the District Court Poznań - Nowe Miasto i Wilda in Poznań, VIII Commercial Division of the National Court Register, under entry no. KRS 0000332405.

Subsidiary – Railway gft Polska Sp. z o.o. has been established on 21 October 2014. Cracow is the company's registered office. The company has been entered into the National Court Register maintained by the District Court for Cracow–Śródmieście in Cracow, XI Commercial Division of the National Court Register, under entry no. KRS 0000532311. On 26 July 2022 (after the end of the reporting period), the Extraordinary Shareholders Meeting of Railway gft resolved to increase the share capital of Railway gft from PLN 300,000 to PLN 1,000,000 through the creation of 7000 new shares with the nominal value of PLN 100 each. All the new shares with the total value of PLN

700,000 were proportionally acquired by the existing shareholders.

Subsidiary – Railway Technology International Sp. z o.o. has been established on 20 July 2011. Cracow is the company's registered office. The company has been entered into the National Court Register maintained by the District Court for Cracow-Śródmieście in Cracow, XI Commercial Division of the National Court Register, under entry no. KRS 0000397032.

The companies within the Capital Group have been incorporated for indefinite period. The financial statements of the consolidated subsidiaries have been prepared for the same reporting period as the parent company using consistent accounting policies. The parent company and the subsidiaries use a calendar year as their financial year.

Companies consolidated with a full method in 2022:

- | Biuro Projektów Komunikacyjnych w Poznaniu Sp. z o.o.
- | Railway gft Polska Sp. z o.o.

ZUE has the power to govern the financial and operating policies of BPK Poznań and Railway gft because as at 30 June 2022, it held a 100% and 85% interest, respectively, in the companies.

As at 30 June 2022, ZUE held 100% of shares in Railway Technology International Sp. z o.o. (RTI). Given an insignificant impact of the subsidiary's financial information on the Group's economic and financial condition, RTI was not consolidated.

1.2. Changes to the Group's structure and their consequences

No major changes to the Group's structure occurred between the beginning of 2022 and the date of approval of this report.

2. Activities of the Capital Group

The Group operates in the three aggregate operating segments:

- | Construction activities conducted by ZUE;
- | Design activities conducted by BPK Poznań; and
- | Sales activities conducted by Railway gft.

Construction activities include:

| **Urban infrastructure**, including:

- o Construction and upgrade of tram tracks, tram and trolleybus traction networks, traction substations, street lighting, cable lines, street traffic signalling, road systems, buildings and telecommunications technology;
- o Maintenance of tram and street lighting infrastructure.

| **Rail infrastructure**, including:

- o Construction and upgrade of railway tracks, railway traction, railway traffic control devices and telecommunications technology, traction substations, power lines, stations and civil structures.

In 2022, the Group focused on the provision of rail and urban infrastructure construction services.

The Group can build civil structures and deliver reinforced concrete projects, such as viaducts, bridges, passages, resistance walls or noise barriers, based on its skills and resources.

Design activities relating to urban and rail transport systems supplement the abovementioned construction activities.

As part of its **sales activities**, the Group offers materials and accessories necessary to build tracks, including:

- | Rails for railways, tramways and cranes; special profiles, light rails and narrow-gauge railway;
- | Steel, wooden and pre-stressed concrete sleepers;
- | Crossovers and crossover components;

- | Accessories required to build tram and railway tracks;
- | Aggregate;
- | Special technologies: RHEDA 2000® slab tracks, RHEDA CITY C, RHEDA CITY GREEN tram systems, "Ypsilon" steel sleepers.

The financial data of operating segments is presented in the consolidated financial statements for the six months ended 30 June 2022.

3. Sales markets

The Group's sales markets reflect the scope of activities conducted by the Group.

Construction activities are carried out by ZUE mainly on the railway and urban infrastructure market. The table below sets out major construction contracts in progress.

Contract*	Contracting authority	Contract net value [PLNm] attributable to ZUE S.A.
Preparation of design documentation and completion of construction works in connection with the project named: LOT D – Works on the railway lines no. 131, 542 and 739 of the Rusiec Łódzki (km 137.500) – Zduńska Wola Karsznice (km 170.212) section as part of the Infrastructure and Environment Operational Programme (IEOP) 5.1-14 "Works on the railway line C-E 65 of the Chorzów Batory – Tarnowskie Góry – Karsznice – Inowrocław – Bydgoszcz – Maksymilianowo section."	PKP PLK S.A.	576
Design and construction services in connection with the project no. 1: "Works on the Chabówka - Zakopane railway line no. 99" and the project no. 2: "Construction of railway link in Chabówka along the Sucha Beskidzka – Chabówka railway line no. 98 and the Chabówka – Zakopane railway line no. 99."	PKP PLK S.A.	429
Design services and construction works in connection with the following project: "Works on the railway line no. 25 of the Skarżysko Kamienna – Sandomierz section" executed as part of Eastern Poland Operational Programme.	PKP PLK S.A.	397
Completion of construction works in the area of the Kutno Local Traffic Control Centre (LCS) – the Żychlin-Barłogi section in connection with the following project: "Works on the railway line E20 of the Warszawa-Poznań section – other works, the Sochaczew-Swarzędz section" executed as part of the Connecting Europe Facility (CEF).	PKP PLK S.A.	306
Works on the railway line no. 93 of the Trzebinia – Oświęcim – Czechowice Dziedzice section, Infrastructure and Environment Operational Programme (IEOP) 5.1-12."	PKP PLK S.A.	303
Design and construction services in connection with the project named: "Construction of the Annapol depot."	Tramwaje Warszawskie	266
Reconstruction of the tramway track 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.	City of Szczecin, Szczecińska Energetyka Ciepła Sp. z o.o., Zakład Wodociągów i Kanalizacji Sp. z o.o.	213
Reconstruction of the tramway track together with OCL network from the Żołnierza Polskiego Square – the Matejki	City of Szczecin	153

Street – the Piłsudskiego Street (to the Rodła Square).		
Completion of construction works in connection with the following project: "Construction of multimodal terminal in Zduńska Wola – Karsznice."	PKP CARGO Terminale sp. z o.o.	100
Preparation of design documentation and completion of construction works as part of "design-build" project in connection with the Infrastructure and Environment Operational Programme (IEOP) 5.1-16 "Improvement of capacity of E 20 railway line of the Warszawa – Kutno section, Stage I: Works on the railway line no. 3 of the Warszawa – the Łowicz Local Traffic Control Centre (LCS) section."	PKP PLK S.A.	92
Extension of the Igołomska Street, the national road no. 79 – Stage 2 together with the infrastructure in Cracow and additional contract.	Zarząd Dróg Miasta Krakowa	78
Preparation of building and detailed designs and the completion of LOT B works as part of "design-build" project in connection with the Infrastructure and Environment Operational Programme (IEOP) 7.1-19.1.a: "Upgrade of the railway line no. 8 of the Warszawa Okęcie – Radom (LOT A, B, F) section" – Phase II.	PKP PLK S.A.	78
Restoration of railway infrastructure on the Dorota - Sosnowiec Dańdówka section, line no. 171, as part of the following investment project: "Works on the south eastern part of the Upper Silesian Industrial Region ring road and adjacent sections."	PKP PLK S.A.	69
Provision of bicycle lanes and reconstruction of road infrastructure along the Królowej Jadwigi and Piłsudskiego Streets (country road) in Dąbrowa Górnicza as part of the following project: "Promotion of green transport in Dąbrowa Górnicza – Stage III." Construction works for the project named: "Reconstruction of the separate tramway track along the Królowej Jadwigi Street and Piłsudskiego Street in Dąbrowa Górnicza, the Róż Avenue – the Kasprzaka Street section."	Dąbrowa Górnicza/Tramwaje Śląskie	62
"Reconstruction of the separate tramway track along the Sobieskiego Street and the Królowej Jadwigi Street in Dąbrowa Górnicza from the KWK Paryż Terminus to the Róż Avenue" and "Provision of bicycle lanes and reconstruction of road infrastructure along the Sobieskiego and Królowej Jadwigi Streets (DW 910) in Dąbrowa Górnicza."	Dąbrowa Górnicza/Tramwaje Śląskie	62
Reconstruction of the road and tramway track in the Chrobrego Street and the Mieszka I Street as part of the task named: "The system of sustainable urban transport in Gorzów Wlkp."	City of Gorzów Wielkopolski – Municipal Council	59
Provision of design services and completion of construction works in connection with the following project: "Works on the ring rail line in Warsaw (the Warszawa Gołębki/Warszawa Zachodnia – Warszawa Gdańska section)."	PKP PLK S.A.	58

Maintenance and repair of tram lines in Cracow in 2019-2022.	City of Cracow	57
Provision of design services and completion of construction works in connection with the following project: "Construction of the Czarnca - Włoszczowa Pln. railway line no. 582."	PKP PLK S.A.	48
Works on the E59 railway line, the Dobiegniew – Słonice section – OCL network.	Strabag Sp. z o.o.	46
Maintenance and repair of tram infrastructure (traction electrical power engineering services) in Cracow in 2019-2022.	City of Cracow	41
Construction of a railroad siding with a reloading yard and power connection in the south-western part of Jawor WSSE „INVEST-PARK” subzone near the line 137 railway stop.	Wałbrzyska Specjalna Strefa Ekonomiczna "Invest-Park" Sp. z o.o.	37
Reconstruction of the tram line along the Jana Pawła II Street, from the Plac Centralny to the Ptaszyckiego Street and from the Ptaszyckiego Street to the Bardosa Street, including the reconstruction of OCL network, dehydration and reconstruction of colliding technical infrastructure as part of the investment project named: "Upgrade of tram line and associated infrastructure."	City of Cracow	27
Construction of railway link in Kalwaria Zebrzydowska along the Skawina – Żywiec railway line no. 97 and the Kalwaria Zebrzydowska Lanckorona – Bielsko Biała Główna railway line no. 117" executed as part of the following project: "Works on the railway lines no. 97, 98, 99 of the Skawina –Sucha Beskidzka – Chabówka – Zakopane sections.	PKP PLK S.A.	23
Maintenance and ongoing repairs of systems and equipment required to light roads, streets, parks, squares, bridges, flyovers, tunnels, underpasses and to illuminate selected facilities in Cracow.	City of Cracow	21
Maintenance of tram lines and switches in Wrocław.	City of Wrocław represented by Miejskie Przedsiębiorstwo Komunikacyjne Sp. z o.o.	19

* Contracts whose net value exceeds PLN 15m.

Design services relating to urban and rail transport systems are provided by BPK Poznań to both investors and companies which execute "design-build" projects. The biggest customers of BPK Poznań in the reporting period included PKP PLK S.A., MGGP and LPW Sp. z o.o.

Sales activities conducted by Railway gft include the sale of rails, track accessories, sleepers, rail fastening systems and aggregate.

4. Backlog

The construction contracts performed by ZUE are the biggest item of the Group's backlog.

At the date of preparation of this report, the value of the Group's backlog for the contracted construction and assembly services is PLN 1,496m and provides the Group with an ability to carry out the works in the period 2022-2024. As for design services, the value of the signed contracts is PLN 9.4m. The backlog relating to the supply of materials and equipment is worth PLN 17.6m. ZUE has signed a number of master agreements for the supply of strategic materials to secure the performance of contracts.

The companies within the Group take part in tenders. The Group's focus is on winning contracts mainly on the domestic market.

5. Issuer's major achievements or failures in the reporting period

Revenue generated by the Group and the Company in the first half of 2022 was similar to the figure reported in the analogous period of 2021 and amounted to PLN 373,224 thousand and PLN 334,020 thousand, respectively. Gross margin reported by the Group was 5.6% and gross margin reported by the Company was 4.8%. By the date of publication of this report, the Company won the new contracts in 2022 with the total net value of approx. PLN 252m and submitted the most economically advantageous tenders in Poland and Romania.

Financial results are discussed in detail in the "Financial information" section.

No major events other than operating events discussed in section 11 and 12 below occurred by this report preparation date.

6. Impact of the coronavirus pandemic on the Group's operations

Measures taken by the Group

During the pandemic, the Issuer took preventive measures to reduce the risk of infection among the employees and associates by letting the staff work remotely, giving instructions on hygiene and precautions to its employees and subcontractors' employees, providing employees with protective equipment such as face masks or disinfectant agents, limiting the number of business meetings, giving comprehensive information on the activities aimed at reducing the risk of infection and measures to be taken in case of infection and limiting contacts with the employees who stayed in higher risk areas.

The Group reacted on an ongoing basis to the pandemic situation in Poland following the Government's announcement of the new restrictions in 2020 and 2021 and considered the related recommendations. In times of the pandemic increase in 2021, the Group extended the ability of its employees to work remotely or on a rotational basis where remote work was impossible. The Group also employed additional measures to keep its employees informed, monitor their health and provide them with protective equipment. The Group continued these activities in the first quarter of 2022 and later on until 16 May 2022 when the pandemic was officially rescinded.

Measures were taken by the Group to ensure the safety of employees and collaborators and to continue operating activities.

Impact of the coronavirus pandemic on the Group's activity and financial standing in the first half of 2022

The coronavirus epidemic in Poland and the related restrictions had an influence both on the performance of construction contracts and other areas of activity. Direct contacts with the representatives of investors and other entities involved in construction projects were kept to a minimum and due precaution measures were taken. Most of the contacts continued remotely. The work was organised to ensure the safety of people involved in the performance of construction contracts.

In addition to general restrictions witnessed in Poland during the pandemic, employees and other people involved in construction projects were absent due to isolation and quarantine caused by COVID-19. These factors, however, did

not disturb the Group's construction processes or supply chains thanks to the measures taken by the ZUE and the fact that the absence from work was relatively small. In addition, the Issuer believes that the situation was common and experienced by the majority of entities operating on the market.

The Management Board of ZUE believe there are no indicators of impairment or any reasons for the recognition of additional provisions in connection with the pandemic. There are no major changes to the scope of operating activities. The predictions about further performance of concluded contracts enable it to establish the projections which confirm the recoverable amount of the Group's key assets.

Possible impact of the coronavirus pandemic on the Group's activity and financial standing

The impact of further course of the coronavirus pandemic on the Group's future position or results cannot be estimated at the date of preparation of this report.

Below please find the factors which may influence the markets in which the Issuer operates and ZUE's activities in the next quarters, especially during the winter months of 2022/2023.

Factors which may have a negative influence:

- | Limited supply of certain building materials and price increases caused by disruptions in the chains of supply;
- | Further increase in prices of certain imported building materials caused by the weakening of PLN to EUR and USD rates;
- | Temporary suspension of competitive tenders for new urban infrastructure contracts as a result of poorer financial condition of the cities caused by possible restrictions;
- | Possible problems associated with the liquidity of certain enterprises (e.g. subcontractors);
- | Possible extensions of deadlines for certain construction contracts caused by delays in the issue of certain administrative consents or approvals;
- | Impediments relating to the absence or temporary exclusion of the Group's employees, subcontractors and consortium members; and
- | Possible suspension of works under construction contracts.

Factors which may have a positive influence:

- | Government decisions to continue the national transport infrastructure modernisation projects;
- | Simplified circulation of documents and communication in connection with contracts.

Impact of the coronavirus pandemic on social and employee issues, natural environment, respect of human rights and counteracting corruption:

The COVID-19 pandemic mainly influenced the Group's employees and social issues. Interpersonal communication was affected in 2021 and work had, to a certain extent, to be done remotely. These measures continued in 2022. Remote communication tools were also used to recruit and train employees. Limited direct interactions among people reduced the mobility of employees and, consequently, limited the emission of gases to the atmosphere. Electronic communication was more environmentally friendly because less paper was used. The pandemic did not affect other areas, such as respect of human rights or counteracting corruption.

7. Influence of the situation in Ukraine on the Group's activities

The war in Ukraine did not have a material influence on the financial results at the date of approval of this report. However, the effects of the war such as limited supply and rising prices of building materials or restrictions on the employment market may have a negative influence on the contracts performed by the Group. The Company keeps monitoring the potential risks and cooperates with contracting authorities to minimize them. In addition, the Company makes advance payments for the supplied materials under fixed-price arrangements or uses short payment dates to obtain the best reasonably available prices.

The Company has cooperated with its suppliers for many years. The cooperation with transparent partners as well as internal control of transactions reduce the risk of getting involved in transactions exposed to sanctions imposed by the EU on Russia and Belarus.

The Company controls, on an ongoing basis, the safety of the Group's IT systems to prevent cyberattacks.

The Company constantly monitors the risks associated with foreign exchange rates and interest rate changes.

The number of absent employees or other people involved in construction projects due to their departure to Ukraine was rather small. The share of Ukrainian employees in the total employment was less than 4% and about 35% of them were subject to mobilization and had to leave. These facts combined with the activities undertaken by ZUE caused that building processes were not disrupted.

Ukraine's political and economic situation as well as changes on the raw and other materials markets are constantly monitored by the Group in terms of the actual and potential impact thereof on the Group's activities.

Below please find the factors which may influence the markets in which the Issuer operates and the Group's activities in the next quarters:

- | Increased prices of certain imported products and materials caused by the weakening of PLN rate (as well as other currencies of the region);
- | Disruptions in the chains of supply of certain imported products and materials;
- | Increased prices of fuels, natural gas and electricity;
- | Limited access to fuels and natural gas;
- | Greater financial risk of the countries of the region which may limit the access to financing and entail greater costs; and
- | Migration of Ukrainian employees from Poland to Ukraine (to protect their families and properties or at the request of the authorities).

8. Strategic objectives

The Group's principal objective in 2022-2024 is to take a maximum advantage of the current EU perspective.

The Group's strategic objectives include:

- | Maintenance of the position of the Group as one of the leaders of the rail transport infrastructure construction market;
- | Maintenance of the position of the Group as one of the leaders of the urban transport infrastructure construction market;
- | Strengthening of the Group's position on the transport systems design market;
- | Development of sales services on the track materials manufacture and distribution market.

In the long-term perspective, the principal aim of the Group is to develop its offer of the service and maintenance of urban and rail infrastructure.

In 2022, the Issuer's focus is on winning new construction contracts and proper performance of previously signed contracts.

The strategic objectives are pursued taking into consideration non-financial issues such as human rights, employees' rights, the impact on local environment or environmental protection.

9. Development prospects

Railway and urban infrastructure projects (especially tramway projects) are the main source of the Group's income. Construction works are carried out in the territory of Poland. However, the Company intends to deliver projects abroad, for instance in Romania where it has submitted tenders. Investments in tram infrastructure are made as part of decentralised revitalization plans drawn up for individual cities and urban areas. Railway undertakings, on the other hand, fall within the category of the long-term development and modernisation of the national railway network.

Rail infrastructure market

PKP PLK estimates combined investment needs in the Polish railway infrastructure of approximately PLN 300 billion. The expenditures concern the upgrade of all neglected or missing elements.¹ Works will be carried out as part of the current National Railway Program until 2023 worth approximately PLN 76 billion (NRP) and the *Kolej Plus* Program.

The Central Communication Port (CCP) project is also underway. The railway component of the project will entail constructing approximately 1,800 km of brand new railway lines and revamping of existing routes. The new sections under construction will serve as essential additions to the existing national network, which will be more capable of satisfying the nation's transport needs.

In the EU financial perspective for 2021-2027, a significant focus is on the development of railway transport. The principal aim of the Sustainable and Smart Mobility Strategy is to reduce transport-related emissions in the EU by 90% by 2050. The document should serve as a basis for ecological and digital transition in the EU. It should also make the EU transport system more resistant to future crises. The Strategy focusses on the ambitious development of the EU railway infrastructure, for instance the doubling of the high-speed train network and carbon neutral collective travel for journeys under 500 km by 2030, and doubling of the rail freight traffic and fully operational Multimodal Trans-European Transport Network (TEN-T) equipped with sustainable and smart transport with high-speed connectivity by 2050.²

Apart from the EU main budget, funds can be obtained from the Recovery Fund whose aim is to support the EU economy after the COVID-19 pandemic. Funds will also come from the "Connecting Europe" programme and a vast portion will be spent on railway projects.³

Despite the economic problems caused by the pandemic, the NRP and the CCP have been implemented and are currently at different stages of development. Advanced construction work is underway as part of the NRP, while the railway component of the CCP is currently at the conceptual and planning stage. In 2021, PKP PLK did not announce new tenders for a total amount of several billion zlotys, as had been anticipated. Since the beginning of 2022, the PKP PLK company has organised nine larger tenders with a total value of approximately PLN 10.6 billion and the procedures are pending. The tendering processes will conclude with auctions. The financing of projects has not been defined yet due to delayed EU funding approval process. A steady flow of new tenders is necessary to maintain the continuity of the investment process and ensure price stability and to avoid the occurrence of 'peaks' and 'troughs' between perspectives which has had a negative effect on the industry in the past. PKP PLK declare they are planning to announce new tenders worth more than ten billion zlotys a year.⁴

Urban infrastructure market

Urban rail transport is considered environmentally friendly. Accordingly, from the perspective of the 2021-2027 EU perspective, investments in such projects offer excellent potential in terms of financing. About EUR 1.3 billion will be spent out of the EU Funds on Climate, Infrastructure and Environment for 2021-2027 to support clean urban transport infrastructure. The two major projects include the construction of 49 km of new tramways and the upgrade of 63 km of existing tramways. Cracow, Warsaw, Gdańsk, Bydgoszcz, Szczecin, Poznań or the Upper Silesia cities are planning the construction or modernisation of tramways. There is a considerable number of tram infrastructure tenders on the market.

Tenders submitted on the tram and railway infrastructure markets often exceed the amounts investors intend to spend on such projects. Consequently, tender procedures are frequently cancelled by investors as they have no funds available. This situation has been caused by the growing prices of building materials, labour, energy or fuels. Due to these factors, businesses must use effective valorisation formulas in investor-contractor relations.

10. Factors believed by the Issuer to have influence on the Issuer's and the Group's development

The factors believed to have an impact on the Group's financial results include:

¹ <https://www.rynek-kolejowy.pl/mobile/trako-2021-oczekiwania-przed-nowa-perspektywa-104659.html>

² https://ec.europa.eu/commission/presscorner/detail/pl/ip_20_2329

³ <https://www.rynekinfrastruktury.pl/wiadomosci/drogi/nowy-cef-bez-drog-i-lotnisk-unia-stawia-na-kolej-77436.html>

⁴ <https://forsal.pl/transport/kolej/artykuly/8193533,pkp-plk-chca-oglosic-przetargi-na-ponad-10-mlrd-zl-do-konca-tego-roku.html>

- **Untimely settlement of liabilities to the Group by Contracting Authorities**

The nature of construction activities requires the Group to use a considerable part of its working capital to perform the contracts due to their relatively high value and a long time of their performance. Accordingly, a failure of the Group's customers to timely settle their liabilities to the Group directly influences the Group's financial results. In extreme cases, the payment delays may lead to the termination of contracts.

- **Delays or unfavourable outcome of tenders the Group participates in**

A risk related to the terms and procedures of public tenders is specific to the industry the Group operates in. Tender participants have the right to appeal against illegal appointment of a contractor by a contracting authority or to appeal to the court against the decision issued by the authority hearing the appeal made in public procurement proceedings. The announcing of tenders or awarding contracts by contracting authorities may be delayed. Consequently, the date of signing a contract with an investor may be substantially postponed both on the urban, rail and power infrastructure market. These events could have a negative influence on the Group's financial results.

Lengthy procurement procedures result in additional costs, a risk of increase in prices of goods and services and uncertainty over the outcome or cancellation of the procedure. Signing a contract at a later date may make a project execution conditional on weather conditions because certain projects must not be executed in low temperatures or heavy snow or rain fall. Project execution may also be conditional on other factors such as the date of closing the tracks by the contracting authority or the dates on which trees and bushes can be cut down. For these reasons, a part of the Group's planned revenue may be transferred from the current to the next financial year.

The growing costs of contract performance may contribute to the cancellation of tender procedures because the submitted tenders go over the cost estimates prepared by investors.

- **Unstable prices of raw materials and liquid fuels**

The Group's construction activities involve the use of products and raw materials such as concrete, aggregates, asphalt, steel elements (including HV tram and rail traction network posts, lamp posts, rails or crossovers) and copper and aluminium elements (including power cables, lines and contact wires) and, given a big number of machines, liquid fuels (including diesel oil and petrol). Different fees levied on materials, for instance duty, may also contribute to the increase in prices. Given the fluctuating prices of these materials, the Group companies are exposed to price risk.

- **Higher fees charged by subcontractors**

When performing its contracts, the Group subcontracts certain construction and assembly tasks to specialised companies. The increase in remuneration relating, *inter alia*, to the increase in minimum pay entails a risk relating to the estimation of costs incurred by subcontractors and, consequently, has a direct influence on the fees charged by subcontractors. This has a negative impact on the Group's financial results. A greater number of executed projects may have a negative influence on the Group's ability to engage certain subcontractors and may contribute to the increase in fees charged by them.

- **Unstable EUR/PLN rate**

The Group purchases certain imported products in foreign currencies, which entails a foreign exchange risk. This may have a positive or negative impact on the Group's financial results. In addition, although PLN-denominated, certain products purchased from entities operating in Poland are also indirectly exposed to foreign exchange risk as the risk is transferred from a supplier-importer to the Group companies.

- **Outcome of court proceedings**

The Group companies are the parties to the court proceedings concerning both their claims and liabilities. The outcome of these proceedings may have an impact on the financial results reported by the Group.

11. Risks believed by the Group to have influence on the Group's future performance

- **Risk related to financial liquidity in the construction sector**

A large number of performed contracts and common problems relating to the growth of costs have contributed to the increase in credit risk for construction companies. Banks and credit security institutions have tightened the

terms of insurance and financing. Long acceptance procedures accompanied by the obligation to pay subcontractors within 30 days make companies use considerable resources to finance ongoing operations. The situation is made worse by unpaid materials waiting to be developed.

- **Risk related to logistics**

A risk of both rail and road contracts being performed at the same time and in the same area may limit transport capacity and result in higher fees for transport services.

- **Risk related to the failure to deliver construction sites by the dates specified in contracts**

The construction contracts entered into by the Group provide for the exact completion dates. If a contracting authority fails to deliver the site in a timely fashion, works may accumulate as a result of which tasks can fail to technologically match each other or deadlines specified in a contract can be missed through no fault of the Group. This may have a negative result on the Group's financial results.

- **Risk related to obtaining administrative decisions, ability to appeal against administrative decisions and third parties' activities influencing the Group's design or construction services**

The Group sometimes needs to obtain administrative decisions required to execute certain projects. Such decisions are specified, *inter alia*, in the Construction Law, Code of Administrative Procedure or Environmental Protection Law. One cannot exclude the possibility of a failure to obtain such decisions or to avoid lengthy procedures. A risk of third parties' failure to complete or timely complete the tasks necessary for the Group companies to begin their projects may also occur. These factors could lead to the failure to execute or timely execute the construction projects and, consequently, have a considerable impact on the Group's financial results.

- **Risk related to inaccurate estimate of costs of planned and performed contracts**

A risk of inaccurate estimate of contract costs may occur in the case of flat-rate services necessary to perform a contract, which are difficult to identify at the stage of the preparation of tenders by the Group. This risk cannot be excluded and its occurrence could have a negative impact on the Group's financial results.

- **Risk related to joint and several liability to subcontractors and consortium members**

The Group engages subcontractors to execute its construction projects and concludes consortium agreements. Under the Polish Civil Code and the Polish Public Procurement Act, a contractor that has entered into a contract with a subcontractor is liable on a joint and several basis for the payment for the construction services provided by further subcontractors. In addition, consortium members are liable on a joint and several basis to a contracting authority for the proper performance of their obligations under public procurement contracts. The Group may be obliged to pay the remuneration to further subcontractors and be liable for a consortium member's failure to perform or duly perform their obligations under public procurement contracts. These risks may have a negative impact on the Group's financial results.

- **Risk related to improper contract performance by key counterparties**

In order to carry out orders and construction contracts, the Group enters into the contracts with suppliers, subcontractors, consortium members and investors. The contracts may be improperly performed by counterparties. For instance, tasks performed by a subcontractor may be faulty or in breach of a contract, or a justified claim may be dismissed by an investor. The occurrence of these risks may have a negative influence on the Group's financial results.

- **Risk related to bonds, contractual penalties and the related court disputes**

Construction contracts and work-for-hire contracts concluded by the Group provide for the obligation to provide performance bonds and defects liability bonds in the form of deposits or bonds issued by banks or insurance companies. Moreover, contracting authorities expect longer warranty periods. These contracts also provide for

contractual penalties if a deadline for the completion of the tasks specified therein is missed. The Group cannot exclude the risk of missing a deadline for the completion of construction contracts or work-for-hire contracts or the failure to meet the deadline for the completion of warranty works connected with the removal of defects. Thus, a contracting authority may exercise its right to use the bonds or demand contractual penalties or damages. In addition, the Group cannot exclude the risk of disputes related to the failure to duly or timely perform the contracts. The factors could have a negative impact on the Group's financial results

- **Risk related to bankruptcy of counterparties**

One cannot exclude the risk of bankruptcy of the Group's counterparties. The Group may not be able to perform a contract or remove defects in a timely fashion following the bankruptcy of its subcontractors, suppliers or construction members as a result of which it may be obliged to pay contractual penalty or damages. It could also be liable on a joint and several basis for the payment to further subcontractors or the failure to perform a contract by a consortium member. In addition, it would have to cover the cost of the tasks or supplies, which have not been completed by a bankrupt. If the Group's client/contracting authority go bankrupt, the Group may not receive remuneration for the performed services. These factors could have a negative influence on the financial results reported by the Group.

- **Risk related to guarantee of payment for construction works**

According to the Polish Civil Code, a contractor commissioned by a company within the Group to execute a construction project may at any time demand the payment guarantee from the company (its client) up to the amount of remuneration payable under a contract and other agreements. The failure to provide a satisfactory payment guarantee creates an obstacle to the completion of construction works through the fault of the Group. A contractor is then entitled to terminate a contract under Art. 649[4] §1 of the Polish Civil Code and demand its remuneration under Art. 639[4]§3 of the Polish Civil Code. Consequently, costs may increase and the execution of construction projects may be delayed or even made impossible. This could have a negative impact on the Group's financial position.

- **Risk related to change of law, including tax law**

Frequent amendments to and the lack of coherence or uniform interpretation of the law including, in particular, tax law entail a substantial risk related to the legal environment the Group operates in. In particular, tax authorities relying, for instance, on interpretations of the Minister of Finance may question the Group's tax settlements related to its transactions executed as part of its ordinary course of business or other transactions (for instance capital transactions). Consequently, changes of laws or their interpretation, which are disadvantageous to the Group, may have a negative impact on the Group's financial position.

- **Risk related to winning of new contracts**

The Group participates in public tenders and includes target contracts in its financial plans. A risk that a decision will be unfavourable or the tender will be cancelled by a contracting authority cannot be excluded. In addition, the announcing of tenders or awarding contracts by contracting authorities may be delayed. If the Group company participates in a tender together with a consortium member, it faces additional risk of the consortium member's withdrawal.

- **Risk related to growing competition**

The Group operates on the competitive market among companies from the rail and urban infrastructure construction and general infrastructure construction sector. These entities may strengthen their market position in the future when they acquire other construction and repair companies and gain new sources of finance. The Group's activity may also be influenced by the emergence of new competitors attracted by positive growth prospects for the Polish infrastructure construction industry. Growing competition on the markets where the Group operates may have a negative impact on the Group's revenue and margins and, consequently, adversely influence its financial results.

- **Risk related to awarding of contracts and exclusion from public tenders**

Pursuant to the Public Procurement Act, tender participants are able to appeal against illegal appointment of a contractor by a contracting authority or to appeal to the court against the decision issued by the authority hearing the appeal made in public procurement proceedings. Consequently, the date of signing a contract with an investor may be substantially postponed. Moreover, the circumstances may occur in which the Group could be excluded from tender procedure on the terms specified in the Public Procurement Act. Such events could have a negative impact on the Group's financial results.

- **Risk related to the EU funding of railway projects**

The long-term National Railway Programme until 2023 (the "NRP") sets out the financial terms and the Poland's objectives concerning the execution of railway projects until 2023. PKP PLK SA finances NRP with considerable use of the European Union funds. However, political changes in the European Union as well as disputes between Poland and the EU and the related delays in the awarding of funds may influence the initial level of the funding of railway projects in Poland.

- **Risk related to obtaining funds for the performance of construction contracts as well as performance and bid bonds**

Given the current economic situation, there is a risk that both banks (credit facilities and bonding products) and insurance companies (performance or bid bonds) will limit the availability of the sources of finance and other financial instruments, which may reduce the number and scope of operations.

- **Risk related to weather conditions**

The Group's construction tasks related to urban, power and rail infrastructure cannot be done in unfavourable weather conditions. Due to low temperatures in autumn and winter, many tasks have to be slowed down or even stopped to meet technological regimes. If unfavourable weather conditions continue for too long, the situation may have a negative impact on the Group's financial results.

- **Risk related to social and economic situation in Poland**

The Group's operation on the urban and rail infrastructure construction market is conditional on Poland's macroeconomic situation including, in particular, GDP growth rate, investments, inflation and unemployment rate and the level of the budget deficit. Any negative changes in Poland's macroeconomic situation may pose a risk to the Group's business activity and, consequently, influence its financial results.

- **Risk related to interest rates**

The Group is exposed to interest rate risk mainly because it uses such instruments as bank credits and leases. These instruments are based on variable interest rates and expose the Group to financial risk.

- **Risk related to unstable margins**

Growing prices of materials, higher fees charged by subcontractors or higher salaries and wages for employees may be felt by entities delivering railway projects and influence original margins. The current system does not provide for the indexation of signed contracts as a result of which margins may become unstable.

- **Risk related to the impact of the COVID-19 pandemic on construction processes**

The occurrence of unpredictable and global factors such as the spread of virus may, in a short- and long-term perspective, upset the balance of global supply chain. This may lead to a number of difficulties including a slowdown in the local and global economy, problems associated with the supply goods and services or disrupted

building materials production processes (limited supply). The number and scope of such events are difficult to assess.

The global COVID-19 pandemic may have a negative influence on construction processes because administrative procedures may be slowed down or stopped. There is a risk that works carried out under certain construction contracts will be suspended.

The pandemic crisis may affect all parties of construction projects, namely contractors, subcontractors and contracting authorities.

Difficulties may also be associated with the absence or temporary exclusion of employees. During the COVID-19 epidemic in Poland, the Issuer took preventive measures to reduce the risk of infection among its employees and associates including remote work where possible, a different form of business meetings, comprehensive information about the activities whose aim is to reduce the risk of infection as well as the activities to be taken in case of infection and limited contacts with the employees who stayed in high risk areas.

- **Risk related to the war in Ukraine**

The war between Russia and Ukraine began in the territory of Ukraine on 24 February 2022. The following factors may have a negative influence on the Polish economy and the construction industry:

- | Increased prices of certain imported products and materials caused by the weakening of PLN rate (as well as other currencies of the region);
- | Disruptions in the chains of supply of certain imported products and materials;
- | Increased prices of fuels, natural gas and electricity;
- | Greater financial risk of the countries of the region which may limit the access to financing and entail greater costs;
- | Possible migration of Ukrainian employees from Poland to Ukraine (to protect their families and properties or at the request of the authorities).

12. Major events in the reporting period

Construction works:

On 16 February 2022, the Company informed that following the conclusion of the two contracts between the Company and PKP Polskie Linie Kolejowe S. A. (PKP PLK) for additional works relating to the contract specified in the current report 5/2018, the total net value of the contracts between PKP PLK and ZUE since 3 December 2021 amounted to approx. PLN 60.4m. **(Current report 7/2022)**

On 4 March 2022, the Company entered into the contracts with Dąbrowa Górnicza and Tramwaje Śląskie S.A. for the project named: "Reconstruction of the tramway track along the Sobieskiego Street and the Królowej Jadwigi Street in Dąbrowa Górnicza from the KWK Paryż Terminus to the Róż Avenue" – task no. 2.5 as part of the following project: "Integrated tram infrastructure modernisation and development project in the Upper Silesia and Zagłębie region including the purchase of tram vehicles – stage II." The total net value of the contract: PLN 61.8m. The total gross value of the contract: PLN 76m. Project completion date: 580 days. **(Current report 9/2022)**

On 31 March 2022, the Issuer learnt about the cancellation by PKP PLK S.A. of the tender procedure for the project named: "Construction of the *Kraków Prądnik Czerwony* Fast Commuter Rail train stop and the development of Park & Ride (IT1)." The Company informed about the submission of the tender in the current report 36/2021. **(Current report 10/2022)**

On 26 April 2022, the Company learnt about the cancellation by Miejskie Przedsiębiorstwo Komunikacyjne – Łódź sp. z o.o. of the tender procedure for the project named: "Construction of MPK-Łódź Technical Plant." The Company informed about the submission of the tender in the current report 12/2022. **(Current report 15/2022)**

On 12 May 2022, the Company learnt about the cancellation by PKP PLK S.A. of the tender procedure for the project named: "Provision of design services and completion of construction works at the Knapówka junction as part of the

following project: "Modernisation of the railway line no. 4 – Central Main Railway Line, stage II." The Company informed about the submission of the tender in the current report 14/2022. **(Current report 19/2022)**

On 1 June 2022, the Company informed that following the conclusion of the contract between the Company and PKP Polskie Linie Kolejowe S.A. (PKP PLK), the total net value of the contracts between ZUE and PKP PLK since 17 February 2022 amounted to approx. PLN 41.5m. **(Current report 30/2022)**

On 30 June 2022, the Company learnt about the Company's submission of i) the lowest price tender; ii) the tender with a declared 60-month warranty/guarantee period (the same warranty/guarantee period was offered by all bidders); and iii) the tender with the biggest number of tasks reported by the Company and carried out by the contractor's staff in connection with the tender procedure for the project named: "Completion of construction works in connection with the extension of the Górny Taras Rataj tram line between the intersection of Kórnicka and Jana Pawła II Streets and the Lecha Estate, extension of Pleszewska Street between the intersection with Warczygłowy Street and the intersection of Kaliska and Polanka Streets (including the intersection) and extension of Kaliska Street between Polanka and Jana Pawła II Streets and reconstruction of Warczygłowy Street and services relating to construction works carried out in connection with the following project: "Reconstruction of the Kórnicka – Lecha Estate – Żegrze roundabout tramway and construction of the route between Żegrze roundabout and Unii Lubelskiej." Contracting authority: City of Poznań. Net value of the tender submitted by ZUE: PLN 58.7m. Gross value of the tender submitted by ZUE: PLN 72.2m. Project completion date: 380 days of the contract conclusion date. **(Current report 35/2022)**

Financial agreements:

On 31 January 2022, the Company published the preliminary financial results for 2021. **(Current report 5/2022)**

On 3 February 2022, the Company and Bank Polska Kasa Opieki S.A. with registered office in Warsaw signed an annex to the multi-purpose revolving credit limit agreement whereby the limit was raised from PLN 50m to PLN 75m. **(Current report 6/2022)**

On 26 April 2022, the Company published the preliminary financial results for the first quarter of 2022. **(Current report 13/2022)**

On 28 April 2022, the Company and CaixaBank S.A. Polish Branch signed an annex (the "Annex") to the bank guarantee limit agreement 3 November 2021. Under the Annex, the limit was raised from PLN 30m to PLN 45m and the term of the Agreement was extended by 12 months. **(Current report 16/2022)**

On 24 June 2022, the Company and Generali Towarzystwo Ubezpieczeń S.A. signed the master agreement for the provision of project-related bonding products within the limit up to PLN 45m. **(Current report 32/2022)**

On 29 June 2022, the Company and Alior Bank S.A. signed the multicurrency credit limit agreement up to PLN 30m. **(Current report 34/2022)**

Corporate events:

On 3 March 2022, the Management Board of ZUE passed the resolution on recommendations to the Company's Ordinary General Meeting for allocating the net profit for the financial year 2021 of PLN 12,141 thousand in the following manner: 1) the part of the net profit for the financial year 2021 of PLN 3,415 thousand would be paid as dividend (PLN 0.15 per share); 2) the remaining balance of the net profit for the financial year 2021 of PLN 8,726 thousand would be allocated to reserve funds. The Company's Supervisory Board gave a favourable opinion on the recommendations on 7 April 2022. **(Current report 8/2022 and 11/2022)**

On 23 May 2022, the Company learnt from Mr. Mariusz Szubra, Chairman of the Company's Supervisory Board, about his resignation from the position as of 23 May 2022 **(Current report 21/2022)**

On 31 May 2022, the Company informed that pursuant to the resolution on the distribution of the Company's profit for 2021 passed by the Ordinary General Meeting of ZUE S.A. on 31 May 2022, the dividend of PLN 3,414,814.65; i.e. PLN 0,15 per share, would be paid to the Company's shareholders. The shareholders' right to the dividend was determined as at 9 June 2022. The date of the dividend payment was set as 22 June 2022. The dividend was paid according to the resolution. **(Current report 25/2022)**

On 31 May 2022, the Company's Ordinary General Meeting appointed members of the Company's Supervisory Board for another term of office. **(Current report 28/2022)**

On 31 May 2022, the Company's Supervisory Board appointed members of the Company's Management Board for another term of office. **(Current report 29/2022)**

13. Major events after the end of the reporting period

On 15 July 2022, the Consortium comprising the Company and Drum Asfalt S.R.L with registered office in Oradea (Romania) submitted the most economically advantageous tender in connection with the tender procedure on the Romanian market for the project named: "Quick Wins – Works relating to the removal of speed limits to restore the technical parameters of the track surface – SRCF BRAȘOV (completion) 21 sections – tender submitted in connection with the sections 3-19." The Company's share in the Consortium is approx. 50%. Contracting authority: State-owned railway company in Romania operating under the company name "C.F.R." S.A. – C.F. Brașov Regional Branch. **(Current report 36/2022)**

On 19 July 2022, ZUE and Wałbrzyska Specjalna Strefa Ekonomiczna „INVEST-PARK” sp. z o.o. entered into the contract for the project named: "Construction of a railroad siding with a reloading yard and power connection in the south-western part of Jawor (DSAGS3) WSSE „INVEST-PARK” subzone near the line 137 railway stop." The Company informed about the selection of the Company's tender as the most economically advantageous offer in the current report 33/2022. Contract net value: PLN 37.3m. Contract gross value: PLN 45.9m. Project completion date: 15 months. **(Current report 37/2022)**

On 27 July 2022, the Company published the preliminary financial results for the first half of 2022. **(Current report 38/2022)**

On 29 July 2022, ZUE and PKP CARGO Terminale sp. z o.o. entered into the contract for the project named: Completion of construction works in connection with the following project: "Construction of multimodal terminal in Zduńska Wola – Karsznice." The Company informed about the selection of the Company's tender as the most economically advantageous offer in the current report 31/2022. Contract net value: PLN 100m. Contract gross value: PLN 123m. Project completion date: 31 October 2023. **(Current report 39/2022)**

On 1 August 2022, the Consortium comprising the Company and Drum Asfalt S.R.L with registered office in Oradea (Romania) submitted the most economically advantageous tender in the tender procedure on the Romanian market for the project named: "Quick Wins – Works on the removal of speed limits to restore the technical parameters of the railroad track no. 412 - 5 Lot (19,408 km)." The Company's share in the Consortium is approx. 50%. Contracting authority: State-owned railway company in Romania operating under the company name "C.F.R." S.A. – C.F. Cluj Regional Branch. **(Current report 40/2022)**

On 17 August 2022, the Company learnt about the submission by the Consortium comprising the Company and Drum Asfalt S.R.L with registered office in Oradea (Romania) of the most economically advantageous tender in the tender procedure on the Romanian market for the project named: "Quick Wins – Works on the removal of speed limits to restore the technical parameters of the railroad track no. 412 - 4 Lot (13,963 km)." The Company's share in the Consortium is approx. 50%. Contracting authority: State-owned railway company in Romania operating under the company name "C.F.R." S.A. – C.F. Cluj Regional Branch. **(Current report)**

14. Transactions with related parties

Transactions with related parties at the Group included typical sales transactions entered into on arm's length terms.

The consolidated financial statements for the six months ended 30 June 2022 contain detailed information about the transactions with related parties.

15. Bonds, guarantees, lines of credit and loans

The activity conducted by the Group requires the provision of bonds. The bonds include, first and foremost, bid bonds, performance bonds, defects liability bonds and advance payment bonds provided by banks and insurance companies to the Group's counterparties to secure their claims. Banks and insurance companies have recourse against the Company.

As at 30 June 2022:

- | The amount of bonds issued by the Group to third parties: PLN 545,314 thousand;
- | The amount of bonds issued by the Company to third parties: PLN 535,817 thousand;
- | The amount of unused bond lines at the Group: PLN 381,990 thousand (including PLN 30,720 thousand which can be allocated to working capital credit);
- | The amount of unused bond lines at the Company: PLN 381,007 thousand (including PLN 30,720 thousand which can be allocated to working capital credit);
- | The amount of unused credit lines at the Group: PLN 40,720 thousand (including PLN 10,000 thousand with no possibility of allocating to bonds);
- | The amount of unused credit lines at the Company: PLN 40,720 thousand (including PLN 10,000 thousand with no possibility of allocating to bonds).

ZUE is the parent company of the Group and, if needed, it guarantees the subsidiaries' liabilities. Guarantees are additional security for credit agreements and bonds provided to subsidiaries. The total amount of the guarantees as at 30 June 2022 is PLN 15,526 thousand, including PLN 12,575 thousand to guarantee the liabilities of Railway gft.

ZUE is able to use limits provided by banks both for bonds and working capital credit. At the end of the reporting period, the limits were allocated to bonds.

CORPORATE INFORMATION

16. Governing bodies of ZUE

The composition of the Company's Management Board did not change during the reporting period or until the date of preparation of the consolidated financial statements.

Composition of ZUE's Management and Supervisory Boards at the date of approval of these financial statements:

Management Board:

Wiesław Nowak	Management Board President
Anna Mroczek	Management Board Vice-President
Jerzy Czeremuga	Management Board Vice-President
Maciej Nowak	Management Board Vice-President
Marcin Wiśniewski	Management Board Vice-President

Supervisory Board:

Piotr Korzeniowski	Supervisory Board Chairperson
Barbara Nowak	Supervisory Board Vice-Chairperson
Irena Piekarska-Konieczna	Supervisory Board Member
Agnieszka Klimas	Supervisory Board Member
Maciej Szubra	Supervisory Board Member

Audit Committee:

Irena Piekarska-Konieczna	Audit Committee Chairperson
Barbara Nowak	Audit Committee Member
Maciej Szubra	Audit Committee Member

Ms. Irena Piekarska-Konieczna, Ms. Agnieszka Klimas and Mr. Maciej Szubra meet the independence criteria referred to in the Act on Auditors, Audit Firms and Public Supervision Journal of Laws of 2020, item 1415).

The following changes to the composition of the Company's management and supervisory bodies occurred in the reporting period:

- On 23 May 2022, Mariusz Szubra, Chairman of the Company's Supervisory Board, resigned from the position as of 23 May 2022;
- On 31 May 2022, the Company's Ordinary General Meeting resolved to appoint the five members, namely Piotr Korzeniowski, Barbara Nowak, Irena Piekarska-Konieczna, Agnieszka Klimas and Maciej Szubra, to the Company's Supervisory Board for the new term of office beginning on 31 May 2022;
- On 31 May 2022, the Supervisory Board appointed the existing members of the Company's Management Board for the new three-year term of office beginning on the date of the general meeting held to approve the financial statements for 2021; i.e. on 31 May 2022.

No other changes to the composition of the Company's management or supervisory bodies occurred by the date of preparation of the consolidated financial statements.

17. Shares and shareholding structure

The Company's share capital amounts to PLN 5,757,520.75 and is divided into 23,030,083 shares with the nominal value of PLN 0.25 each, including:

- 16,000,000 class A bearer shares;
- 6,000,000 class B bearer shares; and
- 1,030,083 class C bearer shares.

At this report preparation date, the Company holds 264,652 treasury shares whose purchase value is PLN 2,690 thousand. The shares were acquired by the Company from the employees of Przedsiębiorstwo Robót Komunikacyjnych w Krakowie S.A., the company which merged with ZUE S.A., as part of the buy-back effected in 2015.

The buy-back was effected on the basis of the Resolution no. 4 passed by the Company's Extraordinary General Meeting on 8 December 2014 authorising the Management Board of ZUE S.A. to buy back own shares. The transaction is discussed in detail in the note no. 25 of the consolidated financial statements for the financial year ended 31 December 2015.

According to the information available, the Parent Company had the following shareholding structure at the date of preparation of this report:

Shareholder	Number of shares/votes as at 17 August 2022	% of the share capital/total number of votes	Number of shares/votes at the date of publication of the last interim report ⁽¹⁾	% of the share capital/total number of votes
Wiesław Nowak	14,400,320	62.53%	14,400,320	62.53%
MetLife OFE	1,460,000 ⁽²⁾	6.34%	1,460,000	6.34%
PKO Bankowy OFE	1,780,786 ⁽³⁾	7.73%	1,780,786	7.73%
Other	5,388,977 ⁽⁴⁾	23.40%	5,388,977	23.40%
Total	23,030,083	100	23,030,083	100

⁽¹⁾ Publication of the last interim report (Consolidated Report of the Group for the first quarter of 2022): 18 May 2022.

⁽²⁾ Shareholding on the basis of information provided by the Central Securities Depository of Poland for the purposes of the Ordinary General Meeting of ZUE held on 31 May 2022. According to the Company's best knowledge, the information is valid as the date of publication of this report.

(3) Shareholding on the basis of information provided by the Central Securities Depository of Poland for the purposes of the Ordinary General Meeting of ZUE held on 22 June 2021. According to the Company's best knowledge, the information is valid as the date of publication of this report.

(4) Including 264,652 ZUE shares repurchased by the Company as part of the buy-back of own shares.

18. Shares held by members of the Issuer's management and supervisory bodies

According to the information held by the Management Board of ZUE at this report preparation date, ZUE shares were held by the following members of the Issuer's management and supervisory bodies:

Shareholder	Position at ZUE	Number of shares/votes as at 17 August 2022	Nominal value of shares (PLN)	% of the share capital/total number of votes	Changes in shareholding since the publication of the last interim report ⁽¹⁾
Wiesław Nowak	Management Board President	14,400,320	3,600,080	62.53	None
Marcin Wiśniewski	Management Board Vice-President	2,300	575	0.01	None
Jerzy Czeremuga	Management Board Vice-President	136	34	< 0.01	None
Maciej Nowak	Management Board Vice-President	7,806	1,951.50	0.03	None

1) Publication of the last interim report (Consolidated Report of the Group for the first quarter of 2022): 18 May 2022.

According to the best knowledge of the Company's Management Board, other members of the Issuer's Management or Supervisory Boards did not hold any ZUE shares at this report preparation date.

No members of the Management Board or the Supervisory Board had any rights to acquire the Company shares at the date of preparation of the last interim report or this report.

No members of the Management Board or the Supervisory Board had any shares in companies within the Capital group at the date of publication of the last interim report or at the date of preparation of this report.

19. Employment at the Capital Group

As at 30 June 2022, the Capital Group employed 857 people. 803 people were employed by ZUE, 42 people were employed by BPK Poznań and 12 people were employed by Railway gft.

20. Court and administrative proceedings

The pending court proceedings are related to the companies' operating activities.

Below please find the information about major proceedings before the court or another authority concerning the Group's claims and liabilities.

Major pending court proceedings concerning liabilities:

There are no pending court proceedings concerning liabilities.

Major pending court proceedings concerning claims:

Cases concerning the following project: "Modernisation of the railway line no. 8, construction of the Okęcie airport siding."

On 29 September 2016, the Petitioner (PORR Polska Infrastructure; i.e. former BILFINGER INFRASTRUCTURE S.A., ZUE S.A., Przedsiębiorstwo Budowy Kopalń PEBEKA S.A., Przedsiębiorstwo Napraw i Utrzymania Infrastruktury Kolejowej w Krakowie Sp. z o.o. and Kolejowe Zakłady Automatyki Katowice S.A.) sued the Defendant (PKP Polskie Linie Kolejowe S.A.) for PLN 11.5m (out of which PLN 2.9m plus statutory interest was payable to ZUE) after additional works had been carried out and expenses had been incurred during the extended completion time. The lawsuit concerned the construction contract of 27 October 2009 between the Petitioner (the Contractor) and the Defendant (the Contracting Authority) for the modernisation of the railway line no. 8. Stage I: the Warszawa Zachodnia – Warszawa Okęcie section and the construction of the Warszawa Służewiec – Okęcie Airport siding. Phase 3: construction work on the siding as part of the project no. POIiŚ 7.1-18: “Modernisation of the railway line no. 8, construction of the Okęcie Airport siding.”

An expert opinion was prepared according to which the petitioner’s claims were to a considerable extent well-grounded. There were also other opinions and the arguments contained therein were basically the same as in the first opinion. The date of the next trial was not set by the date of preparation of these financial statements.

Cases concerning the following project: “Design services and completion of construction works on the Cracow – Medyka – state border railway line, the Biadoliny – Tarnów section between 61,300 km and 80,200 km as part of the following project: “Modernisation of E 30/C-E 30 railway line, the Cracow – Rzeszów section, stage III.”

On 30 December 2016, the consortium of:

- 1) OHL ŹS, a.s. (Leader);
- 2) Swietelsky Baugesellschaft m.b.H;
- 3) ZUE S.A. (hereinafter referred to as the “Consortium” or the “Contractor”)

sued PKP Polskie Linie Kolejowe S.A. of Warsaw (the “Contracting Authority”). The lawsuit covered the claims relating to the performance of the following contract: “Design services and completion of construction works on the Cracow – Medyka – state border railway line, the Biadoliny – Tarnów section between 61,300 km and 80,200 km as part of the following project: “Modernisation of E 30/C-E 30 railway line, the Cracow – Rzeszów section, stage III” (the “Contract”).

The litigation value (the “Amount”) was PLN 39.3m and included:

- 1) PLN 1.2m – costs relating to the requirement to extend the performance bond and insurance provided by the Contractor; and
- 2) PLN 38.1m – fixed costs relating to the performance of works over the extended period.

The Company’s total share in the Amount was approx. PLN 15.7m.

On 11 March 2019, the Court delivered the partial judgment whereby it ordered that PKP Polskie Linie Kolejowe S.A. pay ZUE PLN 347 thousand plus statutory default interest from 21 December 2016 to the date of payment and dismissed ZUE’s claim concerning the payment of PLN 283 thousand plus statutory interest from 21 December 2016. The Parties appealed against this judgment. The Petitioner appealed against the dismissal of the claim of PLN 283 thousand plus statutory interest and the Defendant appealed against the order to pay PLN 347 thousand plus statutory interest. The appeal hearing referring to the partial judgment was held on 13 February 2020. On 27 February 2020, the appeals were dismissed by the Court of Appeals and the partial judgment became final and binding. The Court admitted the opinion of the expert which complied, to a considerable extent, with the Petitioners’ arguments and was delivered to the Parties. However, the deadline for the appeal has not expired and the date of the next trial was not set.

Court case relating to the contract claim

On 28 April 2020, the claim of approx. PLN 34.8m was lodged against PKP PLK S.A. with the District Court in Warsaw to increase/pay the remuneration for the performance of the following contract: “Works on the railway line no. 1 of the Częstochowa – Zawiercie section.” The case is pending. The Parties exchange the pleadings. The Defendant (PKP PLK S.A.), represented by the General Counsel to the Republic of Poland, responded to the claim and applied for the dismissal thereof. The Plaintiff upheld the claim. Witnesses and the parties were heard and the proceedings are pending. An expert was appointed to prepare an opinion.

Other court cases concerning inflation claims in respect of railway contracts

The Group previously declared its intention to make contractual claims relating to railway projects in order to increase the amount of remuneration payable to the contractor for the performance of the railway contracts in case of any risks beyond the contractor's control. Accordingly, the Issuer and consortium members filed the four claims in December 2021 for the total amount (attributable to ZUE S.A.) of approx. PLN 19m. The claims concern the following projects:

- Provision of design services and completion of construction works in connection with the following project: "Works on the ring rail line in Warsaw (the Warszawa Gołębki/Warszawa Zachodnia – Warszawa Gdańska section);"
- "Works on the railway line E20 of the Warszawa-Poznań section – other works, the Sochaczew-Swarzędz section;"
- "Preparation of building and detailed designs and the completion of LOT B works as part of "design-build" project in connection with the Infrastructure and Environment Operational Programme (IEOP) 7.1-19.1.a: "Upgrade of the railway line no. 8 of the Warszawa Okęcie – Radom (LOT A, B, F) section" – Phase II;"
- "Works on the railway lines no. 140, 148, 157, 159, 173, 689, 691 of the Chybie – Żory – Rybnik – Nędza / Turze section."

The Defendant responded to most of the cases and stated the arguments were not well-grounded. In one case, the Defendant applied for the extension of deadline for the response. The Petitioners applied for the date by which they should present their opinion on the responses they received.

FINANCIAL INFORMATION

Current situation of the markets the Issuer operates on and winning of new contracts

The Group's revenue is generated mainly from construction activities carried out on the urban and railway markets (88% of the Group's revenue). Contracts are being awarded on the railway market in connection with major tenders announced by PKP PLK in the first quarter of 2022. The Company takes part in these tenders. The tendering processes will conclude with e-auctions and the outcome will depend to a significant extent on EU funds acquired by a contracting authority to execute these projects. ZUE won several new contracts on the urban (tram) market and takes part in new tender procedures. Tenders submitted on the infrastructure markets often exceed the amounts investors intend to spend on such projects. Consequently, tender procedures are frequently cancelled by investors as they have no funds available. This situation is caused by the growing prices of building materials, labour, energy or fuels. The Company also submitted tenders on the railway market in Romania.

The Company has entered into the contracts with the total value of approx. PLN 252m since the beginning of 2022.

21. Discussion of major items of the profit and loss account

Although revenue remained similar year on year (up by 3%), the first half of 2022 saw a considerably higher gross margin reported by the Group (the margin increased from 2.8% to 5.6%).

Comparison of the results reported by ZUE and the Group:

	Group		ZUE	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Sales revenue	373,224	362,415	334,020	332,237
Cost of sales	352,231	352,371	318,088	324,580
Gross profit (loss) on sales	20,993	10,044	15,932	7,657
<i>Gross margin</i>	5.6%	2.8%	4.8%	2.3%
General and administrative expenses	12,472	11,680	9,797	9,360
Other operating income	1,241	3,918	1,210	3,896
Other operating expenses	831	411	808	363

Bargain purchase	0	0	0	0
Operating profit (loss) (EBIT**)	8,931	1,871	6,537	1,830
<i>EBIT margin</i>	2.4%	0.5%	2.0%	0.6%
<i>EBITDA*,**</i>	15,636	8,014	13,156	7,884
<i>EBITDA margin</i>	4.2%	2.2%	3.9%	2.4%
Financial income	3,755	284	3,936	420
Financial expenses	882	611	664	478
Pre-tax profit (loss)	11,804	1,544	9,809	1,772
Income tax	2,197	812	1,771	665
Net profit (loss) from continuing operations	9,607	732	8,038	1,107
Net profit (loss)	9,607	732	8,038	1,107
<i>net margin</i>	2.6%	0.2%	2.4%	0.3%

* Operating profit + depreciation / amortisation.

** EBIT, EBITDA measures unspecified by the IFRS.

The Group's general and administrative expenses increased in the reporting period by 7%.

The Group's financial expenses decreased year on year by 44%.

22. Discussion of major balance sheet items

The following table sets out the items of the consolidated and separate statement of financial position as at 30 June 2022 compared to the figures reported as at 31 December 2021.

Item	Group		ZUE	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
ASSETS				
Non-current assets				
Property, plant and equipment	73,928	64,718	71,262	64,623
Investment property	6,272	6,145	9,816	6,145
Intangible assets	2,450	2,716	2,434	2,697
Right-of-use assets	32,586	41,510	31,685	41,356
Goodwill	31,172	31,172	31,172	31,172
Investments in subordinates	0	0	221	221
Investments in other units	0	0	0	0
Long-term receivables	0	0	0	0
Retentions on construction contracts	18,427	7,431	18,412	7,393
Deferred tax assets	20,084	21,778	19,736	21,606
Advanced loans	0	0	0	0
Other financial assets	146	42	0	0
Other assets	0	0	0	0
Total non-current assets	185,065	175,512	184,738	175,213
Current assets				
Inventories	74,806	37,822	66,194	30,359
Trade and other receivables	113,220	137,057	103,193	126,699
Valuation of long-term construction contracts	107,035	107,149	99,214	98,329
Retentions on construction contracts	4,280	3,713	4,182	3,387
Advance payments	13,376	3,425	13,847	3,994
Current tax assets	0	32	0	0
Other financial assets	0	0	0	0
Advanced loans	0	105	3,550	3,572
Other assets	1,270	616	1,091	463
Cash and cash equivalents	57,175	108,736	55,328	106,612
Current assets	371,162	398,655	346,599	373,415
Assets held for sale	0	3,340	0	3,544
Total current assets	371,162	401,995	350,143	376,959

Total assets	556,227	577,507	531,337	552,172
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Item PLN '000	Group		ZUE	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
EQUITY AND LIABILITIES				
Equity				
Share capital	5,758	5,758	5,758	5,758
Share premium account	93,837	93,837	93,837	93,837
Treasury shares	-2,690	-2,690	-2,690	-2,690
Retained earnings	75,576	69,287	73,807	68,765
Total equity attributable to shareholders of the parent	172,481	166,192		
Equity attributable to non-controlling interests	533	211		
Total equity	173,014	166,403	170,712	165,670
Long-term liabilities				
Long-term loans and bank credits	0	0	0	0
Long-term lease liabilities	12,592	14,248	12,592	14,178
Retentions on construction contracts	18,109	24,068	17,848	23,231
Other liabilities	0	0	0	0
Liabilities under employee benefits	1,378	1,864	1,330	1,789
Deferred tax liabilities	285	284	0	0
Long-term provisions	15,302	16,570	14,910	16,127
Other liabilities	0	0	0	0
Total long-term liabilities	47,666	57,034	46,680	55,325
Short-term liabilities				
Trade and other payables	83,445	134,916	73,026	122,266
Accruals	75,609	70,258	72,011	66,463
Valuation of long-term construction contracts	33,083	49,539	32,955	49,426
Retentions on construction contracts	17,235	17,760	15,480	16,628
Advance payments	49,100	6,737	49,028	6,737
Short-term loans and bank credits	3,327	7,964	0	4,443
Short-term lease liabilities	5,723	6,289	5,631	6,244
Other financial liabilities	36	36	36	36
Liabilities under employee benefits	46,761	42,057	44,547	40,220
Current tax liabilities	113	1,098	0	1,098
Short-term provisions	21,115	17,050	21,231	17,250
Total current liabilities	335,547	353,704	313,945	330,811
Lease liabilities associated with assets held for sale	0	366	0	366
Total liabilities	383,213	411,104	360,625	386,502
Total equity and liabilities	556,227	577,507	531,337	552,172

At 30 June 2022, the Group's total assets and liabilities stood at PLN 565,227 thousand. ZUE's total assets and liabilities amounted to PLN 531,337 thousand.

Factors with the biggest influence on the said total assets and liabilities of the Group:

Item	PLN '000		
	Change compared to 31.12.2021	Balance at 30.06.2022	Description
Assets			
Trade and other receivables	-23,837	113,220	Accounting for certain completed construction works.
Inventories	+36,984	74,806	Increase in inventories in connection with the performance of contracts, purchase of materials to secure the growth in prices and expansion of sales activities conducted by Railway gft.

Cash and cash equivalents	-51,561	57,175	Use of own resources to conduct operating activities.
Liabilities			
Trade and other payables	-51,471	83,445	Accounting for certain completed construction works.
Valuation of long-term construction contracts	-16,456	33,083	Interim differences in recognition of revenues and cost provisions.
Advance payments	+42,363	49,100	Purchase of materials.

23. Discussion of items of the statement of cash flows

Negative cash flows from operating activities mainly follow from the decrease in liabilities and retentions on construction contracts (PLN 58,074 thousand) and the increase in inventories (PLN 36,984 thousand).

Negative cash flows from financing activities mainly follow from the decrease in lease liabilities and the repayment of loans (and no new loans or bank credits), and the payment of dividend for 2021.

Item (PLN '000)	Group		ZUE	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Cash flows from operating activities	-38,491	14,703	-38,791	17,276
Cash flows from investing activities	-434	-2,808	-216	-4,742
Cash flows from financing activities	-12,661	-10,575	-12,302	-10,055
Total net cash flows	-51,586	1,320	-51,309	2,479
Foreign exchange gains / losses	25	85	25	85
Cash and cash equivalents at the beginning of the period	108,736	23,487	106,612	20,230
Cash and cash equivalents at the end of the period	57,175	24,892	55,328	22,794

24. Management of capital

The Group reviews the capital structure for the purpose of the financing of major contracts/orders. The Group analyses own resources, the schedule of contract/order financing, the cost of capital and the risks associated with each class of the capital.

Credits, loans and leases used by the Group.

Class of capital	30.06.2022	31.12.2021
Long- and short-term loans and bank credits	3,327	7,964
Long- and short-term lease liabilities	18,315	20,537
Lease liabilities associated with assets held for sale	0	366
Long- and short-term other financial liabilities	36	36
Total financial liabilities	21,678	28,903
Cash and cash equivalents	57,175	108,736
Net debt	-35,497	-79,833

Equity	173,014	166,403
Net debt to equity ratio	-20.52%	-47.98%

25. Analysis of ratios

The information on the following ratios is monitored on a cyclical basis and presented in subsequent interim reports. The definitions of alternative measurements and calculation methodologies have been presented below and they are consistent with selected alternative measurements provided on the Issuer's website.

25.1. Debt ratios

Ratio	Group		ZUE		Calculation rules
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	
Net debt	-35,497	-79,833	-37,069	-81,345	<i>(long- and short-term loans and bank credits and other financing sources + long- and short-term other financial liabilities) – cash and cash equivalents – other financial assets</i>
Debt ratio	0.7	0.7	0.7	0.8	<i>(non-current and current liabilities + provisions for liabilities) / total assets</i>
Debt to equity ratio	2.2	2.5	2.1	2.3	<i>(non-current and current liabilities) / equity</i>
Equity to assets ratio	0.3	0.3	0.3	0.3	<i>equity / total assets</i>
Fixed capital to non-current assets ratio	1.2	1.3	1.2	1.3	<i>(equity + non-current liabilities) / non-current assets</i>
Short-term debt ratio	0.6	0.6	0.6	0.6	<i>current liabilities / total assets</i>
Long-term debt ratio	0.3	0.3	0.3	0.3	<i>non-current liabilities / equity</i>
Interest coverage ratio	11.1	12.3	9.7	13.8	<i>EBIT / interest paid</i>

25.2. Liquidity ratios

Item	Group		ZUE		Calculation rules
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	
Working capital	35,615	44,951	32,654	46,604	<i>current assets – current liabilities</i>
Current ratio	1.1	1.1	1.1	1.1	<i>current assets / current liabilities</i>
Quick ratio	0.9	1.0	0.9	1.0	<i>(current assets – inventory) / current liabilities</i>
Cash ratio	0.17	0.31	0.18	0.32	<i>cash and cash equivalents / current liabilities</i>

25.3. Financing structure ratios

Item	Group		ZUE		Calculation rules
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	
Equity to assets	0.3	0.3	0.3	0.3	<i>equity /total assets</i>
Equity to non-current assets	1.0	0.9	0.9	0.9	<i>equity /non-current assets</i>
Debt ratio	0.7	0.7	0.7	0.7	<i>(total assets - equity) / total assets</i>
Debt to equity ratio	2.2	2.5	2.1	2.3	<i>(total assets - equity) /equity</i>

25.4. Profitability ratios

Item	Group		ZUE		Calculation rules
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	
Gross profit margin	5.6%	4.1%	4.8%	3.8%	<i>gross profit / revenue</i>
EBITDA margin	4.2%	3.2%	3.9%	3.4%	<i>EBITDA / revenue</i>
EBIT margin	2.4%	1.7%	2%	1.8%	<i>EBIT / revenue</i>
Gross margin	3.1%	1.8%	2.9%	2.0%	<i>gross profit / (revenue + other operating income + other financial income + extraordinary gains)</i>
Net margin	2.5%	1.4%	2.4%	1.5%	<i>net profit / (revenue + other operating income + other financial income + extraordinary gains)</i>
ROA	1.7%	2.05%	1.5%	2.2%	<i>net profit / total assets</i>
ROE	5.88%	7.65%	4.94%	7.9%	<i>net profit /equity</i>

26. Discussion of results reported by segments

The total amount of revenue generated by the Group is PLN 372,996 thousand. 88% of the revenue is derived from construction activity.

	Construction	Sales	Design	Exclusions	Total
Sales revenue	334,020	43,667	4,219	-8,682	373,224
Gross profit on sales	15,932	5,063	332	-334	20,993
Net profit	8,038	2,314	-550	-195	9,607

More information about results reported by the segments is contained in the consolidated financial statements for the six months ended 30 June 2022.

27. Statement by the Management Board of ZUE on financial projections

The Company did not publish any financial projections for the financial year 2022.

28. Unusual factors and events with significant influence on the Group's results

In the reporting period, there were no unusual factors or events with significant influence on the Group's results other than specified in this report.

29. Other information significant for the assessment of the Issuer's position

The Management Board of ZUE believe that there is no information significant for the assessment of the staff or economic position, profit or loss or any changes therein, or information significant for the assessment of the Company's or the Group's ability to perform their obligations other than presented in this report or the financial statements for H1 2022.

STATEMENT BY THE MANAGEMENT BOARD OF ZUE S.A.

30. Statement of compliance

The Management Board of ZUE state that according to their best knowledge, the half-yearly condensed financial statements for H1 2022 and the comparative information have been prepared in accordance with applicable accounting principles and give a true and fair view of the economic and financial position of both the Company and the Group and their financial performance. The half-yearly report on the activities of the Capital Group contains a true view of the Group's development and achievements and the Group's standing, including the description of fundamental risks and threats.

Wiesław Nowak – Management Board President

Anna Mroczek – Management Board Vice-President

Jerzy Czeremuga – Management Board Vice-President

Maciej Nowak – Management Board Vice-President

Marcin Wiśniewski – Management Board Vice-President

Cracow, 17 August 2022