

CURRENT REPORT 2 / 2024**20 February 2024**

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

Subject: Conclusion of Infrastructure Contract.

Content:

The Management Board of ZUE S.A. with registered office in Cracow (the “Company,” ZUE) inform about the contract entered into on 20 February 2024 between the consortium of ZUE (Leader), FABE Polska sp. z o.o. (Partner) (the “Consortium”) and Tramwaje Warszawskie sp. z o.o. (the “Contracting Authority”) for the project named: “Construction of the fast tramway from the Kasprzaka Street to Wilanów on the Dworzec Zachodni – the Grójecka hub section” (the “Contract”).

The Company informed about the selection of the Company’s bid as the most economically advantageous tender in the current report 22/2023 of 12 December 2023.

Contract net value: PLN 294.8m (ZUE – 50%).

Contract gross value: PLN 362.6m.

Expected project completion date: 26 months.

The Company gives the five-year warranty and is liable under the guarantee for the same period of time.

The Contract provides for contractual penalties payable by the Consortium to the Contracting Authority in the circumstances specified therein, including the penalty for the failure to complete the works or to remove defects in a timely fashion. The Consortium will also pay the Contracting Authority the contractual penalty of 10% of the Contract gross value if the Contract is terminated due to the circumstances blamed on the Consortium. However, the total amount of the contractual penalties must not exceed 20% of the Contract gross value.

The parties reserve the right to claim additional damages up to the amount of actual damage.

The remaining terms of the Contract, including but not limited to the termination or security terms, do not differ from the standard terms of such type of contracts.

In addition, the Company informs that following the conclusion of the Contract, the total value of the backlog held by the companies within the Capital Group at the date of this report is approx. PLN 1.8bn.