



Dom Maklerski BDM S.A.

ZUE

ANALYTICAL REPORT - SUMMARY

We view ZUE's Q2'26 results as slightly positive, despite the yoy decline in profitability, as the Q2'25 margin represented a demanding base. We note that, once again, recent contract budget revisions resulted in an improvement in margins relative to the original assumptions. We also view management's comments during the results conference positively. In our view, maintaining a 6–7% full-year gross margin would represent a material qualitative improvement over the medium to long term. For many years, the company typically generated margins of 3–4%, only exceeding 6% in 2025. Given the changing contract mix in the backlog, we see potential for such a scenario to materialise, even despite the current increase in cost pressures. Our attention is also focused on the size of the company's backlog, which has reached a record level of more than PLN 4bn, with a further PLN 0.8bn contract in the pipeline. In May, ZUE signed a new contract in Romania, confirming its strategy of long-term involvement in that market. The company also recorded its first revenues in Germany. Investors may continue to remember the company's weak track record during the previous major round of railway contract awards in 2016–17. Based on EV/(backlog + pipeline), ZUE continues to trade at a very substantial discount to Torpol. Following the share price correction since our previous recommendation, we upgrade our rating from Hold to Buy. Our revised target price is PLN 13.5, up from PLN 13.0 previously. The increase reflects, among other factors, our somewhat more optimistic margin assumptions following the latest results conference. Our valuation does not include potential claims and indexation payments from contracting authorities, with lawsuits filed for an amount equivalent to approximately PLN 5/share.

Recent period results

In Q2'26, the company generated revenue of PLN 249m (+12% yoy) and net profit of PLN 6.5m, versus PLN 10.4m a year earlier. At the end of Q2'26, net debt stood at PLN 6m, compared with PLN 83m a year earlier. Despite the yoy decline in margins, we view the Q2'26 results as slightly positive, as last year's margin represented a demanding base. The company improved its margin versus Q1'26, confirming that the latest contract budget revisions, which are conducted in Q2 and Q4, are resulting in positive revaluations.

Backlog

According to recent comments made by management to the press, the company has the capacity to execute approximately PLN 2bn of revenue annually. Following Q2'26, the backlog stood at a record PLN 4.09bn (+244% yoy). The company has one further major contract worth PLN 0.78bn in the pipeline, which is still awaiting signing. Under PKP PLK's current schedule for H2'26, bids are due to be submitted in another six tenders worth more than PLN 100m each, compared with 13 such procedures announced since the beginning of the year. In 2026–28, CPK is also expected to be active in railway tenders, with ZUE bidding as part of consortia for railway sections. Several tram tenders have recently been announced, although it is still difficult to speak of a regular tender pipeline in this segment.

Segmental positioning

The company is exposed to the railway market in Poland and Romania, with potential expansion into other countries, as well as to the tram market and, to a limited extent, local road construction through Energopol. In the past, ZUE also planned to enter the PSE market. In recent years, the company has accounted for approximately 4% of PKP PLK's annual construction expenditure. Other customers include owners of railway sidings, municipalities and foreign clients, which have contributed an average of approximately PLN 0.5bn in annual revenue in recent years, albeit with significant volatility.

Performance forecasts, ratios

We currently estimate that the company will generate revenue of PLN 0.96bn and net profit of PLN 8.6m in 2026, compared with our previous forecasts of PLN 1.02bn and PLN 7.7m, respectively. For 2027/28, we forecast revenue of PLN 1.41bn / PLN 1.63bn and net profit of PLN 24.4m / PLN 33.3m, respectively. Based on our assumptions, the stock trades at EV/EBITDA'26 of 7.7x, EV/EBITDA'27 of 4.5x and EV/EBITDA'28 of 3.4x. Based on the EV-to-backlog ratio, ZUE continues to trade at a very substantial discount to Torpol: ZUE's EV stands at PLN 273m versus a backlog plus pipeline of PLN 4.9bn, while Torpol's EV amounts to PLN 1.2bn versus a backlog plus pipeline of PLN 6.2bn. Comments made by company representatives over the past two to three quarters indicate that ZUE's ambition is to reach annual revenue of PLN 2.0bn, although we believe it is unlikely to exceed PLN 1.5bn over the medium term, while generating a gross margin of 6–7% and maintaining an SG&A-to-revenue ratio below 3%.

	2023	2024	2025	2026F	2027F	2028F
Sales [PLN m]	1 484,1	1 219,4	945,9	956,8	1 407,6	1 633,4
EBITDA [PLN m]	45,2	34,7	37,0	31,0	47,6	57,8
EBIT [PLN m]	30,4	19,1	20,9	15,6	32,3	42,6
Profit before tax [PLN m]	28,9	12,1	14,0	11,3	30,2	41,2
Net profit [PLN m]	21,0	10,7	11,0	8,6	24,4	33,3
Net debt (cash) [PLN m]	-134,2	26,3	26,8	-27,8	-52,9	-70,3
P/BV	1,3	1,3	1,2	1,2	1,1	1,0
P/E	12,7	24,9	24,3	31,0	10,9	8,0
EV/EBITDA	2,9	8,5	7,9	7,7	4,5	3,4
EV/EBIT	4,4	15,4	14,0	15,4	6,6	4,6
DPS [PLN/sh.]	0,07	0,21	0,00	0,00	0,19	0,53

This report has been prepared in compliance with Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 (on market abuse), Commission Delegated Regulation (EU) 2016/958 and Commission Delegated Regulation (EU) 2017/565. Detailed contents of legal notes is located on the last page of this report.

The report has been prepared and made available for distribution by BDM. GPW shall be a copyright holder to this report from the date of its publication. The report can be published and made available without limitation by GPW through any mass communication media as decided by GPW.

BUY

(PREVIOUS: HOLD)

TARGET PRICE 13,5 PLN

26th AUGUST 2026, 12:10 CEST

DCF valuation [PLN]	13,2
Peer valuation [PLN]	14,9
Target price [PLN]	13,5
Price upside/downside	16,6%
Cost of capital	15,4%
Price [PLN]	11,60
Market cap [PLNm]	267,1
No. of shares [mn]	23,0
Max. price 6M [PLN]	14,1
Min. price 6m [PLN]	11,2
Rate of return 3M	-7,9%
Rate of return 6M	-4,9%
Rate of return 9M	12,6%
Shareholders	
Nowak Wiesław	62,5%
Bankowy OFE	8,6%
Generali OFE	6,3%
ZUE	1,1%
Others	21,4%

Krzysztof Pado

pado@bdm.com.pl

tel. (0-32) 208-14-32

Dom Maklerski BDM S.A.

ul. 3-go Maja 23, 40-096 Katowice



	Share	Valuation
DCF valuation	80%	13,2
Peer valuation:	20%	14,9
Target price [PLN]		13,5

DCF valuation

Terminal growth rate: +1,0%

	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F
Risk-free rate	5,90%	5,90%	5,90%	5,90%	5,90%	5,90%	5,90%	5,90%	5,90%	5,90%
Risk premium	9,50%	9,50%	9,50%	9,50%	9,50%	9,50%	9,50%	9,50%	9,50%	9,50%
Beta	1,0	1,0	1,0	1,0	1,0	1,0	1,0	1,0	1,0	1,0
Credit premium	1,50%	1,50%	1,50%	1,50%	1,50%	1,50%	1,50%	1,50%	1,50%	1,50%
Cost of equity	15,4%	15,4%	15,4%	15,4%	15,4%	15,4%	15,4%	15,4%	15,4%	15,4%
Contribution of equity	93,3%	96,1%	97,7%	98,4%	98,9%	99,3%	99,7%	99,9%	100,0%	100,0%
Cost of debt after tax	5,7%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%
Contribution of debt	6,7%	3,9%	2,3%	1,6%	1,1%	0,7%	0,3%	0,1%	0,0%	0,0%
WACC	14,7%	15,0%	15,2%	15,2%	15,3%	15,3%	15,4%	15,4%	15,4%	15,4%

DCF - sensitivity analysis

Terminal growth rate					Terminal growth rate					Beta				
		0,00%	1,00%	2,00%			0,00%	1,00%	2,00%			0,9	1,0	1,1
beta	0,9	13,8	14,1	14,6	Risk premium	8,5%	13,8	14,2	14,6	Risk premium	8,5%	15,2	14,2	13,3
	1,0	12,9	13,2	13,5		9,5%	12,9	13,2	13,5		9,5%	14,1	13,2	12,3
	1,1	12,1	12,3	12,6		10,5%	12,0	12,3	12,6		10,5%	13,2	12,3	11,5

Peer valuation

ZUE	31,0	10,9	8,0	7,7	4,5	3,4
Premium/discount	73%	-26%	-35%	-10%	-40%	-46%
Valuation [PLN/share]	6,7	15,6	17,8	12,7	17,7	18,9
Year's contribution	33%	33%	33%	33%	33%	33%
Average valuation [PLN/share]		13,4			16,5	
Multiple's contribution		50%			50%	

Main risks:

• Dependence on main customers (PKP PLK)	EPS, Adj+	0,91	0,47	0,48	0,37	1,06	1,45
• Failure to win new contracts	Revenue [PLN m]	1 484,1	1 219,4	945,9	956,8	1 407,6	1 633,4
• Level of investment in transport infrastructure in the CEE region.	Gross Margin %	3,8%	4,1%	6,4%	5,8%	5,5%	5,5%
• Risks related to the co-financing of project implementation from EU funds.	EBIT [PLN m]	30,4	19,1	20,9	15,6	32,3	42,6
• Risks related to entering new markets (currently Romania).	EBITDA [PLN m]	45,2	34,7	37,0	31,0	47,6	57,8
• Risks related to the specific nature of the projects implemented.	Net Income Adj+ [PLN m]	21,0	10,7	11,0	8,6	24,4	33,3
• Relatively low barriers to entry, increase in competition	Net Debt [PLN m]	-134,2	26,3	26,8	-27,8	-52,9	-70,3
• Seasonality of results and weather factor	BPS	8,63	8,90	9,38	9,75	10,62	11,54
• Litigation	DPS	0,07	0,21	0,00	0,00	0,19	0,53
	Return on Equity %	10,6%	5,2%	5,1%	3,8%	10,0%	12,5%
	Return on Assets %	2,3%	1,5%	1,8%	1,3%	2,9%	3,6%
	Depreciation [PLN m]	10,2	9,3	9,0	9,3	9,3	9,3
	Amortization [PLN m]	0,6	0,6	0,7	0,5	0,3	0,2
	Free Cash Flow [PLN m]	142,6	-118,1	8,8	54,6	29,4	29,6
	CAPEX [PLN m]	8,2	5,5	2,1	14,8	15,1	15,1

RESEARCH DEPARTMENT:

Maciej Bobrowski
Director
tel. (032) 208 14 12
e-mail: maciej.bobrowski@bdm.pl
[strategy, industry, media/entertainment, TMT](#)

Krzysztof Pado
Deputy Director
Investment Adviser
tel. (032) 208 14 35
e-mail: krzysztof.pado@bdm.pl
[oil&gas, construction, building materials, real estate](#)

Anna Tobiasz
Analyst
Investment Adviser
tel. (032) 208 14 35
e-mail: anna.tobiasz@bdm.pl
[biotechnology/healthcare, retail \(apparel\)](#)

Jakub Zamorski
Junior analyst
tel. (032) 208 14 39
e-mail: jakub.zamorski@bdm.pl

INSTITUTIONAL SALES DEPARTMENT:

Tomasz Grzeszczyk
tel. (022) 62-20-854
e-mail: tomasz.grzeszczyk@bdm.pl

Tomasz Figiel
tel. (022) 62-20-855
e-mail: tomasz.figiel@bdm.pl

Piotr Komorowski
tel. (022) 62-20-851
e-mail: piotr.komorowski@bdm.pl

Ratings and price targets history:

rating	price target	previous rating	previous target price	report date	report date (hour)	price	WIG
Buy	13,5	Hold	13,0	26.08.2025*	12:10 CEST	11,60	153 657
Hold	13,0	Hold	13,2	11.06.2025*	16:37 CEST	12,70	135 420
Hold	13,2	Buy	12,4	07.04.2025*	11:45 CEST	13,35	127 394
Buy	12,4	Accumulate	10,9	09.12.2025*	08:55 CET	10,30	110 095
Accumulate	10,9	Hold	8,70	22.08.2025*	13:00 CEST	10,05	108 594
Hold	8,70	Hold	11,0	19.05.2025*	07:30 CEST	8,90	103 150
Hold	11,0	Hold	11,0	19.02.2025*	08:48 CEST	11,20	94 651
Hold	11,0	Hold	11,1	22.08.2024*	11:55 CEST	10,60	84 528
Hold	11,1	Accumulate	8,43	22.04.2024*	14:28 CEST	11,10	84 109
Accumulate	8,43	Buy	7,76	04.01.2024*	09:55 CEST	7,86	77 054
Buy	7,76	relaunch	---	12.09.2023*	13:45 CEST	5,62	66 241
Buy	11,8	---	---	17.02.2017	14:39 CEST	9,94	58 348

* The report was prepared by Dom Maklerski BDM at the request of the WSE as part of the Exchange's Analytical Coverage Support Programme.

Explanations of terminology:

EBIT - earnings before interest and tax
 EBITDA — earnings before interest, taxes, depreciation, and amortization
 Net debt – interest bearing debt minus cash and equivalents
 WACC - weighted average cost of capital
 CAGR - cumulative average annual growth
 EPS - earnings per share
 DPS - dividend per share
 CEPS - net profit plus depreciation per share
 EV – market capitalization plus interest bearing debt minus cash and equivalents
 EV/S – market capitalization / sales
 EV/EBITDA – EV / sales
 P/EBIT – market capitalization / EBIT
 MC/S – market capitalization / sales
 P/E – market capitalization / net profit
 P/BV – market capitalization / book value
 P/CE - market capitalization / net profit plus depreciation
 ROE – net profit / equity
 ROA - net income / assets
 Gross margin - gross profit on sales / sales
 EBITDA margin – EBITDA / sales
 EBIT margin – EBIT / sales
 Net margin – net profit / sales

Explanation of ratings:

Buy – we believe that the security will reach the target price in the recommended period, which significantly exceeds the current market price (at least + 15%);
 Accumulate – we believe that the security will reach the target price in the recommended period, which exceeds the current market price (in the range of +5 to + 14.99%);
 Hold – we believe that a security in the recommended period will fluctuate around the target price, which is close to the current market price (in the range from -4.99% to + 4.99%);
 Reduce – we believe that the security will reach the target price in the recommended period, which is lower than the market price (range of decline from 5% to 14.99%);
 Sell – we believe that a security in the recommended period will reach the target price, which is significantly lower than the market price (suggested erosion of the value exceeds 15%).
 Target price – the theoretical price which, in our opinion, should reach a security in the recommended period; This price is the result of the company's value (eg based on DCF, comparative and other valuations), market conditions and the industry as well as other factors subjectively considered by the analyst.
 Recommendations made by BDM are binding for 12 months from the issue date or until the target level is reached, unless they are updated during this period of time.

The strengths and weaknesses of the valuation methods used in the report:

DCF – the most popular and the most effective of the valuation methods - it is based on the discounting of future cash flows generated by the company. The disadvantage is the high sensitivity to changes in the basic financial parameters forecast in the model (interest rates, exchange rates, profits, residual value).
 DDM – the method is based on discounting future cash flows from dividends. The advantage of the valuation is the inclusion of future financial results and cash flows from dividends. The main disadvantages are the high sensitivity to changes in the basic financial parameters forecasted in the model (capital cost, profits, residual value) and the risk of changing the dividend payment policy.
 Comparative – the method is based on current and forecasted market multipliers of companies from the industry or related industries, which better than DCF shows the current market situation. The main disadvantages are the difficulty in choosing the right companies for comparison, the risk of ineffective valuation of companies compared at a given moment, as well as high volatility (along with price fluctuations).

Distribution of BDM's recommendations in 3Q'26*:			, distribution of BDM's recommendations for the companies which BDM has supplied with investment banking services within the last 12 months	
	numbers	%	numbers	%
Buy	1	100%	0	0%
Accumulate	0	0%	0	0%
Hold	0	0%	0	0%
Reduce	0	0%	0	0%
Sell	0	0%	0	0%

* detailed list of all analytical reports (recommendations) published by BDM during the last 12 months is included at <https://www.bdm.pl/analizy-i-informacje/analizy/historia-rekomendacji>

A Legal note:

This report (hereinafter also referred to as an analysis, a document) has been prepared in compliance with Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 (on market abuse), Commission Delegated Regulation (EU) 2016/958 and Commission Delegated Regulation (EU) 2017/565.

The report constitutes an investment research within the meaning of art. 36 §1 of Commission Delegated Regulation (EU) 2017/565.

The report has been prepared by Dom Maklerski BDM S.A. (hereinafter BDM S.A.) within the Exchange Analytical Coverage Support Programme (<https://www.gpw.pl/gpwpa>). BDM S.A. is a party to the „Agreement on the provision of analytical report services” concluded with the Warsaw Stock Exchange Company („GPW”), on the basis of which BDM provides services of analytical coverage of the Issuer for the term of the Agreement. Under the agreement BDM obtains remuneration from GPW. All materials prepared by BDM within the framework of co-operation are available at <https://www.bdm.pl/program-wsparcia-pokrycia-analitycznego-gpw>.

The report has been prepared and made available for distribution by BDM.

GPW shall be a copyright holder to this report from the date of its publication. The report can be published and made available without limitation by GPW through any mass communication media as decided by GPW.

This report does not constitute an investment, legal, accounting advice or any other, and BDM shall not be responsible for damages arising from or connected with the use of the data presented in the report or the use of any elements of the report by recipients. The report or any copy of it cannot be disseminated, directly or indirectly, in the United States, Canada, Australia or Japan, or transmitted to citizens or residents of a state where its distribution can be restricted by law, which does not limit the possibility of publishing the report on internet websites of the Issuer, BDM or GPW. Persons who disseminate this document should be aware of the necessity to comply with such restrictions.

The document can be intended for professional or institutional customers of BDM as well as for other BDM qualified customers entitled to receive general recommendations based on agreements for brokerage services. This report can also reach other entities through media distribution channels based on a decision of the manager of the analysis department. The fact that a recipient has obtained this report does not mean that he shall be treated as a BDM customer. The compilation cannot be published or copied without a prior written consent of BDM.

Persons who will receive this report and who are not professional customers or qualified investors should consult an independent financial advisor before making any investment decision based on this analysis in order to obtain any necessary and crucial explanations concerning the contents of this analysis.

To prepare this analytical report BDM has not considered individual needs or situations of customers. BDM is not obliged to guarantee that a financial instrument or financial instruments covered by this report are appropriate for a given investor.

Opinions of an analyst and any recommendations included in this report neither constitute an investment, legal, accounting or tax advice or a statement that any investment strategy is adequate or appropriate because of individual circumstances concerning the customer, nor constitute personal recommendation.

The analysis is for information purposes only and does not constitute an advertisement or an offer or an invitation to subscribe or purchase financial instruments.

An investor should be aware that each investment decision in the capital market is subject to numerous risks that finally can result in a financial loss suffered by him. The return rate on individual investments can fluctuate depending on various factors beyond the control of the investor. Therefore, a customer who makes a single investment decision should not only check currency and correctness of individual assumptions made by the analyst in the report but also to have an independent assessment and own analysis (also based on scenarios other than the ones presented in the report) taking into consideration the level of acceptable risk. When deciding on activity on the capital market the investor should take into consideration the fact that the investment portfolio structure (diversification of investment through possessing more than one financial instrument) can reduce risk exposure to an individual instrument bringing a negative rate of return in a given period. At the same time, however, it can lead to limitation of a positive rate of return the investor could achieve in the case of a single financial instrument in a given time period. The investor should be aware that the investment portfolio structure and any investment strategy for the stock market do not guarantee the achievement of a positive rate of return and do not protect him against final loss.

For the first time this report has been made available to the public on 26.08.2026 (12:10 CEST). Date of preparing the report is the date of making it accessible. Before the recommendation was made accessible, information included in it had been confidential.

The prices of the financial instruments listed in the document have been taken from the real-time pricing as provided by Bloomberg. Data concerning financial instrument prices used in the report could be loaded to 24 hours before the moment of completing the report.

Detailed list of all analytical reports (recommendations) published by BDM during the last 12 months is included in a cyclical “Monthly Report”.

In the opinion of BDM this report has been prepared observing principles of methodological correctness and objectivity on the basis of sources available to the public which BDM considers reliable. The sources of information used in recommendation are all data related to financial instruments concerned and available to an analyst, including current and periodic reports of the company, current and periodic reports of entities used for comparative valuation, business reports, press releases and other. However, BDM S.A., in no case, guarantees the accuracy and completeness of this report, in particular should sources on the basis of which the report was prepared prove to be inaccurate, incomplete or not fully consistent with the facts. The forecasts presented in the report are solely based on the analysis made by BDM without consultations with companies or other entities and are based on a number of assumptions which could prove to be wrong in the future. BDM does not guarantee that the presented forecasts will prove right.

Recommendations made by BDM are binding for 12 months from the issue date or until the target level is reached, unless they are updated during this period of time.

Any opinions, forecasts or estimates made in the report are merely an expression of analyst assessment as of the day of preparation of the report and at any moment they can be changed without notice. BDM does not guarantee that the opinions or assumptions made by an analyst/analysts and included in this report are compatible with other analysis prepared by BDM. BDM updates issued recommendations depending on the market situation and analyst assessment, and the frequency of such updates is not defined.

According to BDM this report has been made with due diligence and reliability. However, BDM shall not be held liable for any damages incurred as a result of decisions made on the basis of information included in this report.

The report was not transferred to the issuer prior to its publication.

An analyst (analysts) preparing this document receives a fixed remuneration and the BDM Management Board has the right to grant them additional remuneration. Additional remuneration may indirectly depend on the results of other services offered by BDM, including investment banking services, but it shall not depend directly on financial results resulting from other services, including financial banking, which have been or could have been reached by BDM.

BDM is not obliged to take any actions which could cause financial instruments that are the subject of the valuation contained in this document to be valued by the market in accordance with the valuation contained in this document.

The investor should assume that BDM employees or proxies or shareholders may hold long or short positions in the issuer’s shares or other financial instruments related to the issuer’s shares; this particularly concerns the situation of holding not more than 5% of the capital, and they may also carry out transactions on them as proxies.

Each of the above-mentioned persons could carry out transaction relating to the financial instruments concerned prior to this publication. At the same time, however, the instruments concerned are entered in the restrictive list for employees of the Analysis Department immediately at the start of work on the report.

We have not identified significant conflicts of interest between BDM and persons associated with BDM and the financial instrument issuer. If a conflict of interest arises BDM shall manage it by applying the principles defined in the “Policy of management of conflicts of interest at the BDM S.A.”. We point out that as for 26.08.2026:

- BDM states and assures that BDM is not involved financially in financial instruments of the Issuer.
- BDM is not a holder of net long or short positions exceeding the threshold of 0,5 % of the total issued share capital of the issuer,
- The person that participated in preparing recommendation is not a holder of net long or short positions exceeding the threshold of 0,5 % of the total issued share capital of the issuer,
- The issuer does not hold shares exceeding 5 % of the BDM issued share capital,
- BDM is not a market maker or liquidity provider in the financial instruments of the issuer,
- BDM has not been lead manager or co-lead manager over the previous 12 months of any publicly disclosed offer of financial instruments of the issuer;
- BDM is not a party to an agreement with the issuer relating to the provision of investment banking services pursuant to art. 69 §2 and 4 of the Act on Trading in Financial Instruments dated 25th July 2005,
- BDM is not a party to an agreement with the issuer relating to the provision of investment banking services pursuant to section A and B of Annex I to the Directive 2014/65/EU of the European Parliament and of the Council (hereinafter the Directive 2014/65/EU),
- BDM is not a party to an agreement with the issuer relating to the production of the recommendation,
- There is other significant financial interest that BDM or its related affiliates have in relation to the issuer of financial instruments*
- There are other significant connections between BDM or its related affiliates and the issuer of financial instruments**
- The person affiliated with BDM who was involved in the preparation of recommendations did not receive or purchase the shares of the issuer, to whom the recommendation relates directly or indirectly, prior to public offering of such shares,
- The person affiliated with BDM who was involved in the preparation of recommendations declares that they respect internal regulations and are subject to organizational and technical solutions and information barriers established by BDM to eliminate any conflicts of interest concerning recommendations and to avoid them,
- The person affiliated with BDM who was involved in the preparation of recommendations was not rewarded in any form by the issuer, to whom the recommendation relates directly or indirectly, or was not directly connected with any possible transactions concerning services defined in art. 69 §2 and 4 of the Act on Trading in Financial Instruments dated 25th July 2005.

*BDM is a party to the “ANALYTICAL REPORT PREPARATION SERVICES AGREEMENT” concluded with the WSE.

**BDM acts as an issue sponsor for ZUE

According to the best knowledge of the party recommending upon the publication of the report there are no other connections between BDM and the company described in this report that the party preparing this report would know of. However, the investor should be aware that the list disclosing conflicts of interest is long and that in the future there may occur situations leading to conflicts of interest which have not been identified or disclosed at the moment of publication of the report concerned. Especially, the investor should assume that BDM may submit an offer for services to a company or other companies mentioned in this report.

BDM is subject to supervision by the Polish Financial Supervision Commission.

This document is a summary of a full version of the report prepared in Polish. In case of any disputes the Polish version shall prevail.