

Signing of contracts with companies from the Siemens Consortium

Current report no. 7/2019 of 28 January 2019

Legal basis (selected in ESPI):

Article 17 Section 1 of MAR – confidential information.

The Management Board of PKP CARGO S.A. (“Company”, “PKP CARGO”) hereby reports the signing of an Annex (“Annex”) on 28 January 2019 with a consortium of companies being Siemens Mobility Sp. z o.o. and Siemens Mobility GmbH (“Siemens Consortium”) to the Contract to supply Vectron electric multi-system locomotives, which was executed on 23 September 2015. The signing of the Annex involves the exercise of the option held by PKP CARGO as laid down by the Contract of 23 September 2015 giving it the right to enlarge the size of the delivery. The Company reported the execution of the Contract in current report no. 49/2015.

The subject matter of the Annex entails the following:

- (i) delivery of 5 brand new Siemens VECTRON A01 multi-system locomotives holding a permit to operate in Poland, Germany, the Czech Republic, Slovakia, Austria and Hungary that will also be equipped with a national train control system,
- (ii) rendering of locomotive maintenance services,
- (iii) performance of P4 revision repairs in locomotives, where PKP CARGO will make the decision on performing this part of the subject matter of the contract,
- (iv) delivery and installation of the onboard ETCS system upgrade to the Baseline 3 release in the locomotives under the Annex.

The schedule provides for delivery of the locomotives on the following dates:

- (i) 3 locomotives by 19 July 2019;
- (ii) 2 locomotives by 15 January 2020.

The estimated net value of the Annex is approx. EUR 26 million.

The launch of further multi-system locomotives will make it possible to meet the increased demand and further development of international transport services provided by PKP CARGO.

Legal basis:

Article 17 Section 1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council on Market Abuse.