

Consent to change an incurred liability by signing an annex to the contract with Pojazdy Szynowe PESA Bydgoszcz S.A.

Current Report No. 19/2020 of 6 July 2020

Legal basis (selected in ESPI):

Article 17(1) of MAR – confidential information.

The Management Board of PKP CARGO S.A. (“Company”), with reference to Current Report No. 16/2018 of 21 May 2018 regarding the “Signing of a contract with Pojazdy Szynowe PESA Bydgoszcz S.A. to conduct level five maintenance repairs and replace the combustion engine with a new one in 38 ST44 diesel locomotives”, hereby reports that on 6 July 2020 the PKP CARGO S.A. Supervisory Board expressed its consent to change the Company’s liability by signing an annex to the contract entered into on 21 May 2018 with Pojazdy Szynowe PESA Bydgoszcz S.A. with its registered office in Bydgoszcz (“PESA”) to conduct level five maintenance repairs and replace the combustion engine with a new one in 38 ST44 diesel locomotives (“Contract”).

As a result of the change, the number of locomotives to be repaired will be reduced to 25, with the time limit for the repairs extended to 28 May 2021 and a decrease in the net value of the Company’s total liability to PESA from PLN 176.3 million to PLN 116.0 million.

Currently, the contract performance schedule calls for a total of 25 repairs as follows: (i) 9 to be conducted in 2019, (ii) 6 to be conducted in 2020, and (iii) 10 to be conducted in 2021.

The remaining terms of the Contract remain unchanged.

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