

Consent to sign annexes regarding the execution and financing of the construction of the multimodal terminal in Karsznice

Current Report No. 25/2020 of 24 August 2020

Legal basis (selected in ESPI):

Article 17 Section 1 of MAR – confidential information

The Management Board of PKP CARGO S.A. (“Company”), in reference to Current Report No. 44/2019 of 9 September 2019, hereby reports that on 24 August 2020, the Supervisory Board of PKP CARGO S.A. gave its consent to sign annexes to the agreements on the execution and financing of the construction of the multimodal terminal in Karsznice.

Evaluation of the application to co-finance the project entitled “Construction of the multimodal terminal in Zduńska Wola-Karsznice” as part of the Contest no. RPLD.03.03.00-IZ.00-10-001/19 for selecting applications to co-finance projects as part of Priority Axis III Transport, Measure III.3 Multimodal transport, of the Operational Programme 2014-2020 for the Łódź Voivodship, has shown the need to revise the financial model and thus provide funds to carry out a project to the special-purpose vehicle, i.e. the Central Multimodal Terminal (“CTM”).

The maximum amount committed by PKP CARGO S.A. in connection with the execution of the investment project was PLN 25 million. After the financial model was adjusted, the amount of investment financing by PKP CARGO S.A. increased to PLN 51.3 million, which included: PLN 20.9 million of equity financing (of which PLN 1.5 million has already been contributed to CTM’s share capital) and PLN 30.4 million of a loan to finance working capital (pre-financing of the subsidy and VAT financing), which requires additional financial commitment from PKP Cargo S.A.

Specific legal basis:

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