

Consent to incur a liability for delivery of multi-system locomotives

Current Report No. 5/2019 of 21 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 that on 21 January 2019 the PKP CARGO S.A. Supervisory Board gave consent to incur a liability to a consortium of companies Siemens Mobility Sp. z o.o. and Siemens Mobility GmbH (“Siemens Consortium”) associated with delivery of Vectron electric multi-system locomotives.

The liability pertains to (i) delivery of 5 brand new multi-system Siemens VECTRON locomotives, version A01, admitted for operation in Poland, Germany, Czech Republic, Slovakia, Austria and Hungary, with an additional inbuilt route surveillance system, (ii) provision of locomotive maintenance services, (iii) performance of P4 inspection repairs in the locomotives, subject to PKP CARGO’s decision, (iv) delivery and installation updates of the ETCS on-board system in the locomotives to version Baseline 3.

The schedule provides for delivery of the locomotives on the following dates: (i) by 19 July 2019 – 3 locomotives; (ii) by 15 January 2020 – 2 locomotives.

The estimate net value of the delivery is approx. EUR 26 million.

The delivery of the Vectron electric multi-system locomotives results from PKP CARGO’s option to increase the subject matter of the delivery specified in the agreement entered into by the Company with the Siemens Consortium on 23 September 2015. The Company reported the execution of the agreement in current report no. 49/2015.

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.

Specific legal basis:

Article 17 Section 1 of MAR – confidential information