

## **Selection of an entity authorized to audit financial statements**

Current Report No. 42/2016 of 30 June 2016

*Legal basis (selected in ESPI):*

*Article 56 Section 1 Item 2 of the Act on Offering – current and periodic information*

The Management Board of PKP CARGO S.A. (“Company”) hereby reports that the Company’s Supervisory Board, acting pursuant to § 25 Section 3 Item 1 of the Company’s Articles of Association, on 30 June 2016 adopted Resolution No. 1597/VI/2016 in which it selected the audit firm BDO Spółka z ograniczoną odpowiedzialnością as the entity authorized to audit the standalone and consolidated financial statements of PKP CARGO S.A. for 2016-2018 and to review the interim condensed standalone and consolidated financial statements of PKP CARGO S.A. in 2016-2018 prepared in accordance with IFRS.

The said resolution came into force on the date of its adoption.

The selection was made in accordance with applicable provisions of law and professional standards.

BDO Spółka z ograniczoną odpowiedzialnością with its registered office in Warsaw at ul. Postępu 12, 02-676 Warsaw, is entered in the list of entities authorized to audit financial statements under file number 3355.

The agreement will be entered into for a period sufficient to enable its performance.

To date, the Company has not used the services of this entity in the audit of its standalone or consolidated financial statements.

Legal basis:

§ 5 Section 1 Item 19 of the Finance Minister’s Regulation of 19 February 2009 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent (Journal of Laws No. 33 of 28 February 2009 Item 259, as amended).