

Information on recognition of an impairment loss on assets owned by the AWT Group in the consolidated financial statements for 2018

Current Report No. 11/2019 of 13 March 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 in connection with its current work on the annual report for 2018, it has made a decision to recognize an impairment loss on assets owned by the AWT Group.

The total value of this impairment loss in the consolidated financial statements for 2018 is estimated at PLN 51.2 million (PLN 41.5 million PLN taking into account the tax effect).

The impairment loss has no impact on the value of assets in the standalone financial statements for 2018.

The impairment loss is a non-cash item and has no effect on PKP CARGO Group’s liquidity position and does not affect its compliance with any financial covenants included in existing loan agreements.

The figures presented above are estimates and as such are subject to change. The final figures will be presented in the consolidated financial statements for 2018 which are scheduled for publication on 21 March 2019.

Legal basis:

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