

Consent to incur a liability for delivery of 31 new six-axis electric locomotives

Current Report No. 45/2019 of 9 September 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 9 September 2019 the PKP CARGO S.A. Supervisory Board gave consent to incur a liability to a consortium of companies NEWAG S.A. and NEWAG LEASE Sp. z o.o. s. k-a (“NEWAG Consortium”) for the delivery of 31 new six-axis electric locomotives.

The liability refers to: (i) delivery of 7 new locomotives equipped with a diesel combustion module, (ii) delivery of 24 new two-voltage locomotives equipped with 3 kV DC and 25 kV 50 Hz AC drive systems, (iii) delivery of software and licenses necessary to operate the locomotives, (iv) delivery of factory-new spare parts and assemblies comprising “emergency kits”, (v) training and authorization of PKP CARGO personnel on locomotive maintenance and operation.

The time schedule calls for the delivery of 31 locomotives in total, including: (i) 7 units equipped with a diesel combustion module in Q4 2019; (ii) 12 two-voltage units in 2021; (iii) 12 two-voltage units in 2022.

The net value of the agreement will not exceed PLN 518.9 million.

The purchase of new six-axis locomotives in the configuration presented above is an important element in the execution of one of the PKP CARGO Group’s key strategic objectives in the area of operational efficiency, i.e. modernization and optimization of rolling stock resources and maintenance processes.

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