

## **Execution of a letter of intent**

Current Report No. 46/2019 of 16 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 a letter of intent was signed with Forespo Poland S.A. (“Forespo”) today.

The letter of intent is an expression the Company’s and Forespo’s interest in a transaction comprising the lease and sale by Forespo to PKP CARGO (or entity indicated by PKP CARGO) of real estate, machinery and other assets owned by Forespo, including some of the assets taken over from Fabryka Wagonów Gniewczyna S.A. (“Transaction”).

PKP CARGO is interested in the Transaction in order to renovate some of the buildings of the former Gniewczyna Wagon Factory and use the site to launch production of wagons in cooperation with the Industrial Development Agency and Wagony Świdnica sp. z o.o.

In accordance with the letter of intent, PKP CARGO was granted exclusivity for negotiating the Transaction with Forespo until 15 November 2019.

The letter of intent comes into effect upon the signing by the parties and remains in effect until the earlier of 15 November 2019 or the signing of the final agreement.

This letter of intent aims only at expressing the parties’ interest in the Transaction and does not create any liabilities.

*Legal basis:*

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