

Giving consent to submit a bid for rail transport services classified as military transport

Current Report No. 42/2020 of 15 December 2020

Legal basis (selected in ESPI):

Article 17(1) of MAR – confidential information

The Management Board of PKP CARGO S.A. (“Company”) hereby reports that on 15 December 2020 it adopted a resolution giving its consent to submission of a price bid in the contract award procedure published in the Tenders Electronic Daily (TED), no. U/159/2019 (“Procedure”).

The contract award procedure is carried out in the form of negotiations without prior announcement.

In the above Procedure, the “2nd Regional Logistics Base” in Warsaw, which is the logistical military unit of the Polish Armed Forces, acts as the Contracting Entity (“Contracting Entity”). The subject matter of the Procedure is to provide rail transport services divided into 2 parts/tasks, for which a master agreement will be signed with the term of 4 years:

Task 1 – domestic rail transport services,

Task 2 – international rail transport services.

The rail transport services are to be performed on behalf of the Awarding Entity by the Military Economic Branches and military bases, classified as military operational transports and military supply transports.

The maximum total value of the agreement has been estimated by the Awarding Entity at PLN 842,502,387.94 net (PLN 1,036,277,937.17 gross).

At the same time, the Awarding Entity has made a stipulation that the dates and sizes of orders will depend on the needs of the organizational units of the national defense ministry and the final value of the contract will be the total value of services actually performed during the term of the master agreement.

PKP CARGO S.A. has extensive experience in providing rail transport services, both supply and operational, for the military bases of the Polish Armed Forces and has the necessary rolling stock to transport even the heaviest military equipment. The Company will announce the outcome of the negotiations and the signing of the agreement in a separate report.

Legal basis:

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