

**Resolutions adopted by the Extraordinary General Meeting of PKP CARGO S.A. and amendments to the Articles of Association**

Current report no 9/2016 from 8 February 2016

*Legal basis (selected in ESPI):*

*Art. 56 sec.1 item 2 of the Act on Offering – current and periodic information*

The Management Board of PKP CARGO S.A. („Company”) presents enclosed herewith the resolutions adopted by the Extraordinary General Meeting (“EGM”) held on 8 February 2016, together with voting results.

No objections were raised to the report of the meeting and the EGM didn't withdraw from discussing of any item in the planned agenda.

The Management Board of the Company also informs, that during its session the EGM adopted an amendment to the draft resolution on the changes to § 19 of the Company's Articles of Association, taking into consideration the contents of the draft resolution regarding the changes to § 19 of the Company's Articles of Association, filed on 4 February 2016 by an authorized shareholder representing at least 1/20 of the Company's share capital, of which the Company informed in the current report No. 8/2016 of 4 February 2016.

The list of amendments adopted by the EGM of 8 February 2016, along with the current wording of the relevant provisions of the Company's Articles of Association, is provided below:

The current § 14 Section 5 of the Articles of Association reading as follows:

“5. The Supervisory Board will elect one Management Board member from among the candidates submitted by the Company's employees. A candidate should have completed master's degree studies or equivalent higher education, have at least 5-year tenure of work in the PKP capital group and have no criminal record. The bylaws for electing candidates for a representative of employees in the Management Board shall be adopted by the Supervisory Board. Failure to appoint a representative of employees to the Management Board shall not preclude the appointment of the Management Board or its effective adoption of resolutions. The power referred to in the first sentence above was granted to the Company's employees in connection with Article 4 section 4 of the Act on Commercialization, Restructuring and Privatization of PKP and the provisions of the Employee Guarantee Package.”

shall read as follows:

“5. The Supervisory Board will elect one Management Board member from among the candidates submitted by the Company's employees. A candidate should have higher education, at least 5-year tenure of work in the PKP capital group and have no criminal record. The bylaws for electing candidates for a representative of employees in the Management Board shall be adopted by the Supervisory Board. Failure to appoint a representative of employees to the Management Board shall not preclude the appointment of the Management Board or its effective adoption of resolutions. The power referred to

in the first sentence above was granted to the Company's employees in connection with Article 4 section 4 of the Act on Commercialization, Restructuring and Privatization of PKP and the provisions of the Employee Guarantee Package.”

The current § 19 Section 12 of the Articles of Association reading as follows:

“12. A Management Board member, commercial proxy, liquidator, branch manager, plant manager or the chief accountant, a legal counsel or attorney employed by the company or a person directly reporting to a Management Board member or to a liquidator may not simultaneously be a Supervisory Board member. The rule laid down in the first sentence shall apply accordingly to management board members and liquidators of a subsidiary company or cooperative. A Supervisory Board member may not discharge an elected function or sit in the bodies of a company, inter-company or national trade union organization, a federation of trade unions or a confederation of trade unions.”

shall read as follows:

“12. A Management Board member, commercial proxy, liquidator, branch manager, plant manager or the chief accountant employed by the company, legal counsel or attorney or a person directly reporting to a Management Board member or to a liquidator may not simultaneously be a Supervisory Board member. The principle expressed in the first sentence is duly applicable to management board members and liquidators of a subsidiary company or cooperative. A Supervisory Board member may not concurrently discharge an elected function or sit in the bodies of a company, inter-company or national trade union organization, a federation of trade unions or a confederation of trade unions, with the exception that the requirements set forth in this sentence are not applicable to members of the Supervisory Board of the term of office specified in § 27 Section 5 sentence two and the term of office immediately following it.”

The current § 19 Section 14 of the Articles of Association reading as follows:

“14. Whereas the obligation ties connecting each Supervisory Board member with the Company constitute a unique organizational and corporate relationship aimed at exercising continuous supervision over the Company, from which relationship the Supervisory Board member's obligation ensues to act with care and an increased measure of diligence, given the professional nature of duties performed in a supervisory body, each Supervisory Board member:

- 1) should have higher education;
- 2) is obligated to exercise his/her rights and perform his/her obligations in person, with utmost professional care, subject to the Articles of Association and applicable provisions of law;
- 3) cannot take any action or perform any activities that would be in contradiction to his/her duties or could raise suspicion of bias of that Management Board member or of promotion of his/her private interest;
- 4) is obligated to keep confidential business secrets of the Company and documents conveyed to the Supervisory Board member in connection with the exercise of rights and performance of duties in the Supervisory Board and not to disclose them to other persons unless required by mandatory provisions of law.”

shall read as follows:

“14. Whereas the obligation ties connecting each Supervisory Board member with the Company constitute a unique organizational and corporate relationship aimed at exercising continuous supervision over the Company, from which relationship the Supervisory Board member’s obligation ensues to act with care and an increased measure of diligence, given the professional nature of duties performed in a supervisory body, each Supervisory Board member:

- 1) is obligated to exercise his/her rights and perform his/her obligations in person, with utmost professional care, subject to the Articles of Association and applicable provisions of law;
- 2) cannot take any action or perform any activities that would be in contradiction to his/her duties or could raise suspicion of bias of that Management Board member or of promotion of his/her private interest;
- 3) is obligated to keep confidential business secrets of the Company and documents conveyed to the Supervisory Board member in connection with the exercise of rights and performance of duties in the Supervisory Board and not to disclose them to other persons unless required by mandatory provisions of law.”

Deleted shall be the current § 19 Section 15 reading as follows:

“15. The requirement referred to in § 14 item 1) above shall apply only to the members of the Supervisory Board appointed to the Supervisory Board after the date of registration of amendments to the Articles of Associations adopted by Resolution No. 15/2015 of the Extraordinary Shareholder Meeting of 29 September 2015.”

Legal basis:

§ 38 section 1 items 2), 7), 8), 9) of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information disclosed by issuers of securities and conditions for recognizing as equivalent information required by the law of a non-member state (Journal of Laws of 2014, item 133).