

Item 6 of the agenda of the AGM of PKP CARGO S.A. under restructuring

**Resolution No./2025
of the Annual General Meeting of PKP CARGO S.A. under restructuring
of June 2025**

**to approve the Separate Financial Statements of PKP CARGO S.A. under
restructuring for the financial year ended 31 December 2024 prepared in
accordance with EU IFRS**

Pursuant to Art. 393.1 and Art. 395.2.1. of the Commercial Companies Code in conjunction with § 12.1 of the Articles of Association of PKP CARGO S.A. the Ordinary General Meeting of PKP CARGO S.A. under restructuring resolves as follows:

§ 1.

Approves, after its consideration, the Separate Financial Statements of PKP CARGO S.A. restructured, for the financial year ended 31 December 2024, prepared in accordance with EU IFRS, consisting of:

- 1) The statement of profit or loss and other comprehensive income for the period from 1 January 2024 to 31 December 2024, showing a net loss of PLN 2,412.7 million (in words: two billion four hundred twelve million seven hundred thousand zloty) and negative comprehensive income of PLN 2,426.9 million (in words: two billion four hundred twenty six million nine hundred thousand zloty);
- 2) Statement of financial position prepared as at 31 December 2024, showing total assets and equity and liabilities of PLN 5,712.3 million (in words: five billion, seven hundred and twelve million, the hundred thousand zloty)'
- 3) Statement of changes in equity for the period from 1 January 2024 to 31 December 2024 showing a decrease in equity by PLN 2,426.9 million (in words: two billion, four hundred and twenty-six million, nine hundred thousand zloty);
- 4) Cash flow statement for the period from 1 January 2024 to 31 December 2024 showing an increase in cash of PLN 301.2 million (in words: three hundred and one million two hundred thousand zloty);
- 5) Notes containing significant accounting policies and other explanatory information the the Separate Financial Statements of PKP CARGO S.A. under restructuring for the financial year ended 31 December 2024 prepared in accordance with the EU IFRS.

§ 2

This resolution shall enter into force on the date of its adoption.

JUSTIFICATION OF THE RESOLUTION:

Pursuant to Article 393 § 1 point 1 of the Commercial Companies Code and Article 395 § 2 point 3 of the Commercial Companies Code, the Separate Financial Statements for the financial year commencing on 1 January 2024 and ending on 31 December 2024 are subject to review and approval by the Annual General Meeting.

The Supervisory Board, by Resolution No. 293/VII/2025 of 28 April 2025, positively assessed the aforementioned report with regard to compliance with the books and documents as well as with the facts.

In view of the above, it is necessary to submit the draft of this resolution to the Annual General Meeting for Approval of the Separate Financial Statements.

Additionally, it should be noted that the audit firm auditing the separate and consolidated annual financial statements of PKP CARGO S.A. for 2024, as a result of the re-audit of both statements on 29 July 2025, issued an unqualified opinion on both of the above-mentioned statements.

Item 15 of the Agenda of the Ordinary General Meeting of PKP CARGO S.A. under Restructuring

Resolution No. /2025
of the Ordinary General Meeting of PKP CARGO S.A. under restructuring
dated 2025
the continued existence of the company under the name “PKP CARGO S.A. under restructuring”

Pursuant to Article 397 of the Commercial Companies Code and § 12(1) of the Articles of Association of PKP CARGO S.A. in restructuring, the Ordinary General Meeting of PKP CARGO S.A. in restructuring hereby resolves as follows:

§ 1

1. In view of the provisions of Article 397 of the Commercial Companies Code and the occurrence of the conditions specified therein, and after reviewing the Management Board's motion, positively assessed by the Supervisory Board, it is resolved that PKP CARGO S.A. under restructuring shall continue to exist.
2. In connection with the restructuring plan being prepared as part of the ongoing recovery proceedings in the Company and the justification presented by the Management Board, no further steps shall be taken at this stage.

§ 2

This resolution shall enter into force on the date of its adoption.

JUSTIFICATION OF THE RESOLUTION:

Given that the financial statement of PKP CARGO S.A. (hereinafter also referred to as the “Company”) as of 31 December 2024 showed an accumulated loss exceeding the sum of the supplementary and reserve capitals and one-third of the share capital, as specified in Article 397 of the Commercial Companies Code, the Company's Management Board is obliged to immediately convene a General Meeting of Shareholders to adopt a resolution on the continued existence of the Company.

Threshold under Article 397 CCC as of 31.12.2024		PLN mln
One-third of share capital		746,4
Supplementary capital		783,6
Total		1 530,0

Losses in the balance sheet as of 31.12.2024		PLN mln
Net loss for 2024		2 412,7
Total		2 412,7

In 2024, the Company recorded negative financial results. The main reasons were the following one-off events:

1. Impairment write-downs on rolling stock: PLN 2,014.0 million
2. Impairment of investments in related entities: PLN 166.4 million
3. VAT receivables impairment: PLN 203.9 million
4. Restructuring provision: PLN 133.9 million

These one-off events were the primary cause of losses exceeding the sum of the supplementary and reserve capitals and one-third of the share capital.

In 2024, the Company also experienced a decline in revenue from customer contracts due to lower transported volumes. The ongoing war in Ukraine and the energy crisis in Europe (e.g., higher energy prices) significantly impacted businesses, resulting in relatively low freight volumes. In 2024, rail operators in Poland transported over 223.5 million tons of goods, a decrease of 8.1 million tons (-3.5%) compared to 2023. Only the pandemic year 2020 recorded a lower volume. The total freight work performed by rail operators in 2024 was approximately 58.3 billion tonne-kilometers, down by over 3.3 billion tonne-kilometers (-5.4%) compared to 2023.

PKP CARGO S.A. in restructuring is particularly vulnerable to the decline in freight volumes, which directly affects its revenue. In 2022–2023, the Company focused on coal transport from seaports to energy sector clients, limiting its ability to compete in the most profitable freight categories and resulting in the loss of some customers. Additionally, high inflation in 2023 led to increased costs of raw materials, materials, and services, while also creating strong pressure for wage increases. The Company also pursued an expansive investment policy, making significant capital expenditures, mainly in rolling stock.

These factors led to a significant drop in demand for the Company's services, negatively affecting its financial and liquidity position and its ability to meet current obligations.

Recognizing and analyzing these risks, the Management Board decided to file for recovery proceedings on 27 June 2024. On 25 July 2024, the Company received a court notice from the District Court for the Capital City of Warsaw on the opening of restructuring proceedings. The aim of these proceedings is to improve the Company's financial and liquidity position. In the Management Board's view, the court-supervised restructuring process will enable continued operations to achieve the best possible outcomes for creditors, employees, and shareholders, restore the Company's ability to meet its financial obligations, and conclude an arrangement with creditors. The opening of restructuring proceedings protected the Company from termination of key contracts with customers, suppliers, and financial institutions. Liabilities incurred before the opening of the proceedings will be included in the arrangement and repaid under its terms at later dates.

The Company prepared its annual standalone and consolidated financial statements for 2024 in good faith, assuming continued operations based on completed and planned restructuring actions aimed at improving its market position.

Additionally, it should be noted that the audit firm auditing the separate and consolidated annual financial statements of PKP CARGO S.A. for 2024, as a result of the re-audit of both statements on 29 July 2025, issued an unqualified opinion on both of the above-mentioned statements.

Planned strategic directions to ensure the Company's continued existence and increase its value for shareholders:

- 1) Improving operational efficiency through reorganization and automation of operational processes and maintaining cost discipline.
- 2) Implementing a new sales strategy to better align cooperation terms with market needs, enabling flexible responses to changing business conditions and improving customer satisfaction.
- 3) Focusing resources and aligning processes with growth in promising market segments such as specialized and intermodal transport, while reducing activity in declining or low-margin areas.
- 4) Introducing mechanisms to enable investments in new technologies and rolling stock.
- 5) Implementing a performance-based remuneration system linked to results and value growth.
- 6) Adjusting rolling stock resources to demand by optimizing their use and divesting unnecessary assets.
- 7) Improving real estate management efficiency, including the sale of surplus properties.

According to the estimates of the PKP CARGO S.A. restructuring estate administrator and the Company's Management Board, the Company will be able to cover current liabilities due within the next 12 months without the need to obtain additional external sources of liquidity financing. At the same time, in the event of negative deviations from current cash flow projections, the initiatives undertaken by the Company in preparing the fixed asset divestment process should ensure the ability to cover the financial gap resulting from such deviations. Actions undertaken by the Company related to the divestment process of non-operating assets include, among others, identifying assets that could be sold within the next 12 months, such as redundant real estate. At this stage, the Company's Management Board, together with the PKP CARGO S.A. restructuring estate administrator, are in the restructuring process, they made a number of decisions regarding the allocation of certain fixed assets of the Company for sale (with a value exceeding the hypothetical gap that may result from the materialization of all negative deviations from the current cash flow projections), while the full list of such divestments will be confirmed only at the stage of completing the work on the restructuring plan.