

**OOPINION OF THE MANAGEMENT BOARD
OF PKP CARGO S.A. UNDER RESTRUCTURING**

regarding the revocation of the existing shareholders'

preemptive rights to Series X subscription warrants and Series M shares

The Management Board of the joint-stock company operating under the name PKP CARGO S.A. under restructuring, with its registered office in Warsaw (address: 17 Grójecka St., 02-021 Warsaw), entered in the Register of Entrepreneurs of the National Court Register maintained by the District Court for the Capital City of Warsaw in Warsaw, 12th Commercial Division of the National Court Register, under KRS number: 0000027702 (hereinafter referred to as: "**the Company**" or "**PKP CARGO**"), acting pursuant to Article 433 § 2, sentence 4 of the Commercial Companies Code, presents its opinion on the exclusion of preemptive rights to Series X subscription warrants and Series M shares.

The Company's Management Board recommends that the Extraordinary General Meeting of Shareholders waive in full the preemptive rights attached to Series X subscription warrants and Series M shares.

Justification for the reasons for the denial of preemptive rights

PKP CARGO S.A., which has been undergoing restructuring since July 2024, is a party to rehabilitation proceedings. Thanks to the strenuous efforts of the Management Board and employees, the Company's situation has been steadily improving during this time. A number of further changes are still necessary to successfully complete the rehabilitation. One of these should be a revision of the employee compensation policy, updating the rules linking total compensation to the Company's performance, and securing employee acceptance of these rules.

In this situation, the Management Board proposes a solution based on three pillars: reducing the restructuring debt, converting a significant portion of the debt into shares in the share capital, and ensuring a stable ownership structure while maintaining the current control by the majority shareholder—PKP S.A.

The basic principles of the proposed solution are as follows:

- the issuance of Series X subscription warrants and Series M shares - the warrants are intended for PKP S.A. and for the Company's employees and management,
- the conversion of the majority of the restructuring debt into Company shares as part of an arrangement with creditors, with a simultaneous reduction of the remaining debt,

- the target structure of the shareholder base in a manner ensuring that PKP S.A. exercises stable corporate control (at least one-third of the votes at the general meeting).

The granting of warrants to employees and management, which can be exchanged for shares at par value, establishes a link between the amount of compensation received and the Company's performance, which depends on the effectiveness of the work performed by employees and management. The Company's results in question should translate into the Company's market capitalization and, consequently, into the value of the Warrants and shares held by employees and management. Only experienced and properly motivated employees and management will help run the Company in a way that sustainably builds the Company's value. This is all the more justified given that the overall situation in the rail freight market in Poland will not facilitate growth in the coming years; hence building a sustainable competitive advantage based on continuous improvement of operational efficiency will be one of the fundamental pillars of the Company's future success, for which the active participation of a qualified, experienced, and appropriately motivated workforce and management is an essential prerequisite. In the opinion of the Management Board, the foregoing exhausts the economic justification for granting Warrants to employees and management. Detailed rules for the allocation of Warrants and the subsequent subscription for shares will be developed by the Management Board and approved by the Company's Supervisory Board, so as to best meet the management needs associated with the completion of the restructuring process.

Achieving financial stability by restoring profitability and generating operating cash flows sufficient to finance at least basic replacement investments is one of the essential conditions for the successful completion of the restructuring. It should be noted that, while undergoing restructuring, the Company effectively has limited opportunities for growth or for responding to sudden adverse changes in the market environment.

In order to strengthen PKP CARGO's market position and ensure the Company's sustainable, long-term development, it should be controlled by its current strategic shareholder, PKP S.A., which guarantees predictability, security, and stability. In order to fully exercise the rights and obligations of a controlling shareholder, PKP S.A. should hold at least one-third of the shares and voting rights. The Warrants issued will ensure that PKP S.A.'s shareholding is maintained at a maximum of 33.34% of the share capital. Pursuant to this resolution, the shareholders thus ensure the stability of the Company's operations and the possibility of a swift completion of the restructuring process.

On June 30, 2025, the Company submitted a Restructuring Plan that provides for the repayment of the majority of its restructuring debt only after 10 years. This plan contains a number of assumptions, the riskiest of which concern market conditions and the Company's ability to generate the projected revenues that are intended to serve as the source of repayment for its liabilities. For shareholders, the prospect of maintaining a capital commitment in the Company for at least another 10 years during the restructuring process poses risks regarding the possibility of a favorable exit from their capital investments.

An alternative is to submit new arrangement proposals, which the Company has been ordered by the Court to do by June 30, 2026. Accordingly, concurrently with the proposed amendments to the Company's share capital, the Company's Management Board will submit new arrangement proposals based on the proposed resolutions regarding the increase in the Company's share capital. The new arrangement proposals have been approved by the Company's Administrator. It should be noted that during the restructuring process, the Administrator decides on all key and strategic matters within the Company to ensure the protection of the Company's business and to best safeguard the interests of the restructuring creditors. The newly prepared arrangement proposals generally provide for a 50% debt reduction (excluding several groups—small creditors and public-law creditors), while for larger creditors, the arrangement allows for the conversion of debt into the Company's equity.

It should be emphasized that, in the opinion of the Management Board, the settlement proposals described above are feasible without posing significant risks to the Company's ability to continue operating effectively, and furthermore, they offer creditors a realistic chance of recovering at least 50% of their claims. Furthermore, creditors whose claims have been reduced will have the opportunity to recover part of their losses by participating in the Company's value growth, which appears to be a beneficial solution for current shareholders. For these settlement proposals to have a chance of being voted on and approved, creditor acceptance is required. Guaranteeing PKP S.A. its current shareholding of no less than 33.01% in the Company's share capital enables the solutions proposed by the Management Board of PKP CARGO S.A. under restructuring process, as set forth in this Resolution, to be approved.

In the opinion of the Management Board, the granting of warrants to PKP, entitling it to subscribe for the Company's shares at par value, is fully justified from an economic standpoint. The controlling shareholder's approval is necessary to raise capital through the issuance of new shares and to secure funds to satisfy creditors.

Minority shareholders, thanks to the implementation of the ownership solution proposed at the Extraordinary General Meeting of Shareholders and the conclusion of the proposed new arrangement between the Company and its creditors, should not lose the economic value of their investment, as they will share in the benefits to the Company resulting from a 50% reduction in its debt — through an increase in the value of the Company's shares in the long term.

In light of the foregoing, the Company's Management Board believes there is an economic justification for adopting this resolution. By consenting to the proposed increase in share capital, minority shareholders will benefit from a reduction in the risks associated with the restructuring and the opportunity to participate in the future benefits generated by the restructured Company, which is prepared for market challenges.

The issue price of the shares has been proposed at an amount equal to their par value, i.e., PLN 1 (in words: one zloty) per share. This pricing is intended to motivate both employees and management to work intensively toward optimizing the Company's processes so that its value grows dynamically, which will also benefit the Company's current shareholders.

In summary, **the Company's Management Board is of the opinion that the complete exclusion of the preemptive rights of the Company's existing shareholders with respect to Series X subscription warrants and Series M shares is commercially justified and dictated by the vital interests of the Company and its shareholders.** Accordingly, the Company's Management Board recommends adopting a resolution on this matter, along with a decision to issue subscription warrants, amend the Articles of Association, and conditionally increase the share capital.

[Signatures of the members of the Board of Directors]